

Commodity Market Monthly

Research Department, Commodities Unit

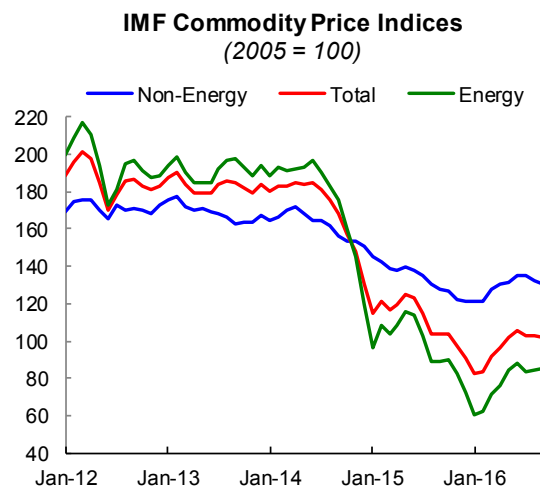
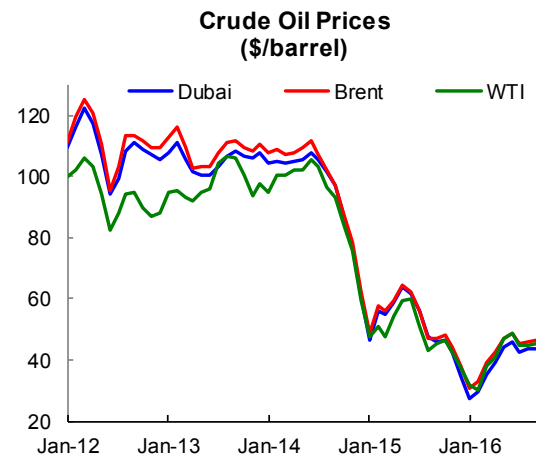


October 11, 2016

www.imf.org/commodities

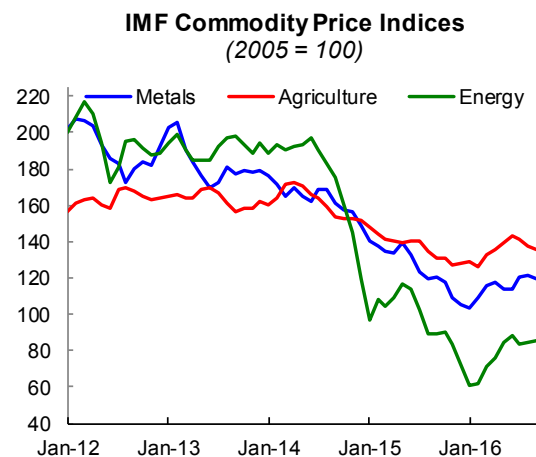
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Commodity prices slightly fell by 0.4 percent in September, extending losses to three months; declines in metals and agriculture offset a slight gain in energy. For the first nine months of 2016 commodity prices climbed 13 percent, led by a 23 percent surge in crude oil prices, followed by increases in metals and agriculture prices of 13 and 7 percent, respectively.

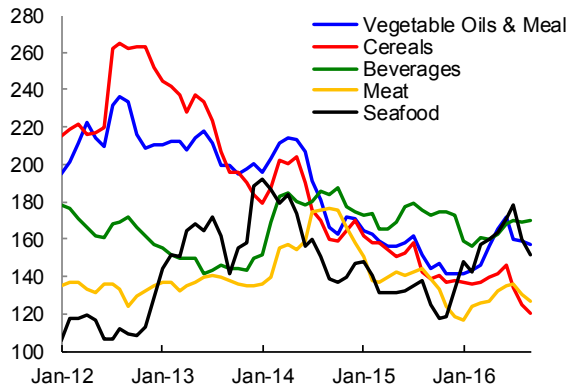


Natural gas price in the U.S. rebounded by 6.4 percent in September, averaging \$2.97/mmbtu, supported by colder weather. Coal prices (Australia) continued to surge by 8.2 percent to a record high in more than 2 years, driven by production disruptions in China and Australia.

Crude oil prices increased 0.5 percent in September, averaging \$45.1/bbl. On September 28, OPEC agreed to reduce crude oil output to between 32.5-33 million barrels per day; in response to this agreement, spot oil prices increased by about \$2.5/bbl. Meanwhile, the International Energy Agency reduced oil demand projection for 2016 from 1.3 to 1.2 mbd, due to slower growth in advanced economies and China.



IMF Commodity Price Indices
(2005 = 100)



Agriculture prices decreased 1.5 percent in September, down for third consecutive month. Food and agricultural raw materials prices fell 2 and 1 percent, respectively; while beverages prices increased 1 percent. The expectation of exceptional yields in several growing regions, particularly in the United States, continued to weight on corn and soybeans prices. Rice prices dropped 7 percent, to its lowest level in five months, amid sluggish demand and sustained strong supply from Asia, Africa and North America. Wheat prices declined 4 percent on ample inventories and large production increases in India, Russia and the United States. Overall meat prices fell 3 percent, a moderate increase in lamb prices was offset by declines in beef, swine and poultry prices. In contrast, palm oil prices increased 4 percent owing to weak output growth and low inventory levels. Coffee arabica and robusta prices were up by 5 percent each, reversing the losses from the previous month. Sugar prices as a whole were up 8 percent following adverse weather conditions in the main producing region of Brazil.

Metals prices decreased by 2.1 percent in September, reversing gains from the previous month. The biggest drop was from iron ore, down 6 percent, on renewed concern that the market will be oversupplied. Uranium fell by 5

percent, extending loss to fourth consecutive month. Aluminum dropped by 3 percent in September, due to over-capacity and large inventories from China. Nickel dropped by 1 percent, as Indonesian production is now in recovery, while more Philippine mines are to be suspended for environmental violations. Copper also fell by 1 percent, in line with reduced China imports and large inventory. Tin and lead both continued to rise by 6 percent, hitting record high since early 2015, due in part to reductions in China's production.

September Commodity Prices Changes
(percent from previous month)

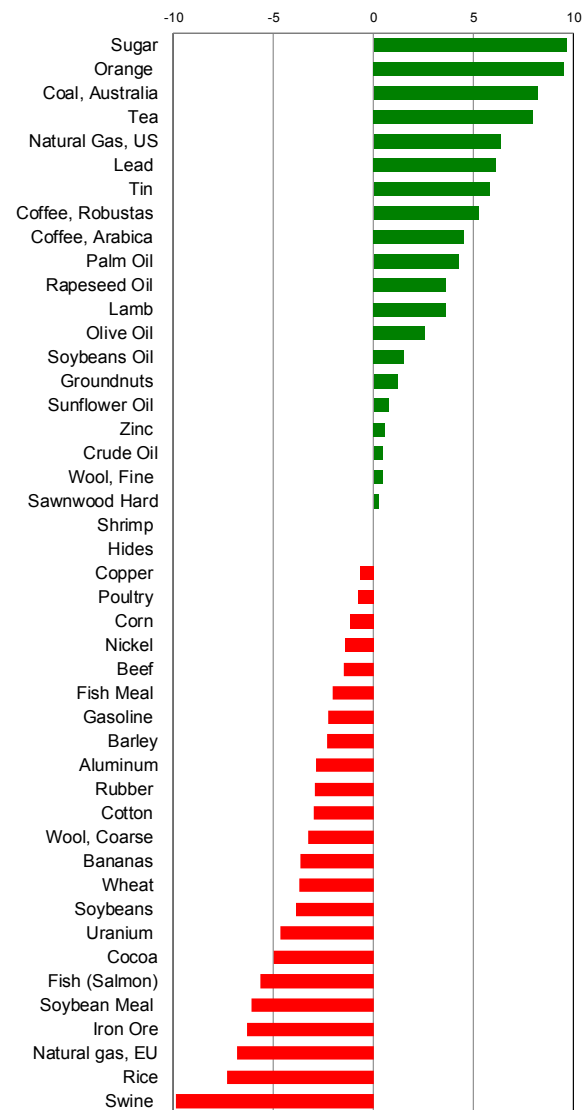


Table 1. Market Prices for Non-Fuel and Fuel Commodities

	Units	2013	2014	2015	2015Q4	2016Q1	2016Q2	2016Q3	Aug-16	Sep-16
Food										
Cereals										
Wheat	\$/MT	265.8	242.5	185.6	162.3	162.6	159.2	128.2	127.9	123.2
Maize	\$/MT	259.0	192.9	169.8	167.1	159.9	171.1	153.4	150.2	148.4
Rice	\$/MT	518.8	426.5	380.0	357.7	367.7	401.8	418.2	414.2	384.0
Barley	\$/MT	206.4	146.1	127.9	123.2	119.7	137.4	131.1	128.1	125.1
Vegetable oils and protein meals										
Soybeans	\$/MT	517.2	457.8	347.4	323.3	323.4	387.8	372.2	370.3	355.9
Soybean meal	\$/MT	477.3	467.0	352.7	320.8	294.9	392.9	370.0	364.5	342.2
Soybean oil	\$/MT	1011.1	812.7	672.2	638.6	686.9	719.7	701.4	711.7	722.6
Palm oil	\$/MT	764.2	739.4	565.1	518.0	586.9	647.8	647.0	664.4	692.4
Fish meal	\$/MT	1710.5	1921.5	1759.2	1701.9	1466.4	1511.5	1409.7	1427.4	1398.3
Sunflower Oil	\$/MT	1341.1	1080.3	1022.2	1042.1	1024.5	1028.6	982.0	981.9	989.1
Olive oil	\$/MT	3816.7	3911.8	4927.1	4658.3	4418.8	4125.3	3903.4	3879.1	3980.1
Groundnuts	\$/MT	2314.5	2148.3	1946.2	1731.8	1821.3	1855.4	1805.3	1789.3	1810.4
Rapeseed oil	\$/MT	1081.2	904.4	774.6	798.1	774.7	797.7	810.6	818.9	848.6
Meat										
Beef	cts/lb	183.6	224.1	200.5	176.2	168.9	179.3	185.4	185.6	182.9
Lamb	cts/lb	106.7	130.6	107.9	95.3	95.5	100.6	110.8	110.8	114.8
Swine Meat	cts/lb	86.5	102.8	67.9	60.5	60.2	72.6	66.6	65.2	58.7
Poultry	cts/lb	103.8	110.1	114.7	113.6	112.1	111.8	110.9	111.1	110.3
Seafood										
Fish	\$/kg	6.8	6.6	5.3	5.3	6.5	7.3	7.2	7.1	6.7
Shrimp	\$/kg	14.0	16.6	14.1	10.0	11.0	10.6	10.7	10.7	10.7
Sugar										
Free market	cts/lb	17.7	17.1	13.2	14.7	14.3	17.1	20.5	20.0	21.9
United States	cts/lb	21.2	24.9	24.9	25.5	25.9	27.5	28.2	28.5	28.0
EU	cts/lb	26.0	27.4	25.4	25.2	23.8	23.9	21.8	21.8	21.9
Bananas	\$/MT	926.4	931.9	958.7	932.7	1028.2	993.0	1023.2	1051.5	1013.3
Oranges	\$/MT	967.3	782.5	675.0	732.6	686.2	784.7	992.5	959.2	1050.6
Beverages										
Coffee										
Other milds	cts/lb	141.1	202.8	160.5	150.8	150.7	158.5	173.6	170.3	178.1
Robusta	cts/lb	100.5	105.6	94.2	87.9	82.1	90.4	98.5	96.7	101.8
Cocoa Beans	\$/MT	2439.1	3062.8	3135.2	3301.3	2980.8	3099.8	2987.9	3032.5	2881.2
Tea	cts/kg	266.0	237.9	340.4	363.0	290.3	251.4	284.7	275.9	298.0
Agricultural raw materials										
Timber										
Hardwood										
Logs 1/	\$/M3	305.4	282.0	246.0	245.2	258.2	275.7	290.7	294.0	292.2
Sawnwood 1/	\$/M3	852.8	897.9	833.3	827.1	780.3	782.3	716.2	714.8	716.6
Softwood										
Logs 1/	\$/M3	164.5	174.3	162.0	159.3	168.4	143.5	146.4	146.4	146.4
Sawnwood 1/	\$/M3	301.4	307.3	308.7	319.6	267.2	309.2	310.8	310.8	310.8
Cotton	cts/lb	90.4	83.1	70.4	69.5	66.9	71.2	79.7	80.3	77.9
Wool										
Fine	cts/kg	1197.7	1074.4	1005.8	995.8	1023.4	1092.8	1141.0	1142.1	1147.4
Coarse	cts/kg	1128.1	1030.4	922.8	898.9	960.1	1000.9	1080.9	1094.9	1059.2
Rubber	cts/lb	126.8	88.8	70.7	57.0	59.3	75.2	76.1	75.0	72.8
Hides	cts/lb	94.7	110.2	87.6	71.7	70.0	70.0	70.0	70.0	70.0

1/ Provisional.

2/ Average Petroleum Spot Price (APSP). Average of U.K. Brent, Dubai, and West Texas Intermediate, equally weighted.

Table 1. Market Prices for Non-Fuel and Fuel Commodities (Continued)

	Units	2013	2014	2015	2015Q4	2016Q1	2016Q2	2016Q3	Aug-16	Sep-16
Metals										
Copper	\$/MT	7331.5	6863.4	5510.5	4884.9	4674.7	4736.4	4779.6	4751.7	4722.2
Aluminum	\$/MT	1846.7	1867.4	1664.7	1493.9	1514.5	1571.8	1620.2	1639.3	1592.4
Iron Ore	\$/MT	135.4	96.8	55.2	46.2	47.7	55.3	57.9	60.5	56.7
Tin	\$/MT	22281.6	21898.9	16066.6	15077.2	15438.6	16902.1	18584.3	18427.0	19499.5
Nickel	\$/MT	15030.0	16893.4	11862.6	9423.0	8507.7	8822.5	10263.5	10336.0	10191.8
Zinc	\$/MT	1910.2	2161.0	1931.7	1611.8	1677.3	1916.9	2251.6	2279.1	2292.3
Lead	\$/MT	2139.7	2095.5	1787.8	1681.7	1738.0	1717.6	1872.7	1835.5	1947.6
Uranium	\$/lb	38.6	33.5	36.8	36.0	32.6	27.5	25.5	25.9	24.7
Energy										
Spot Crude 2/	\$/bbl	104.1	96.2	50.8	42.2	32.8	44.8	44.7	44.8	45.1
U.K. Brent	\$/bbl	108.8	98.9	52.4	43.4	34.4	46.0	45.8	46.1	46.2
Dubai	\$/bbl	105.4	96.7	51.2	41.2	30.7	42.9	43.4	43.6	43.8
West Texas Intermediate	\$/bbl	97.9	93.1	48.7	42.0	33.3	45.5	44.9	44.7	45.2
Natural Gas										
Russian in Germany	\$/mmbtu	11.2	10.5	7.3	5.9	4.7	4.0	4.2	4.3	4.0
Indonesian in Japan (LNG)	\$/mmbtu	17.3	17.0	11.0	10.0	8.2	6.9	7.0	7.0	7.3
US, domestic market	\$/mmbtu	3.7	4.4	2.6	2.1	2.0	2.1	2.8	2.8	3.0
Coal										
Australian, export markets	\$/MT	90.6	75.1	61.6	56.1	54.5	55.6	72.3	72.2	78.1

1/ Provisional.

2/ Average Petroleum Spot Price (APSP). Average of U.K. Brent, Dubai, and West Texas Intermediate, equally weighted.

Table 2. Indices of Market Prices for Non-Fuel and Fuel Commodities, 2013-2016

(2005=100, in terms of U.S. dollars) 1/

	(weights) 1/	2013	2014	2015	2015Q4	2016Q1	2016Q2	2016Q3	Aug-16	Sep-16
All Primary Commodities 2/	100.0	183.3	171.8	111.2	97.2	86.4	101.2	102.4	102.5	102.2
Non-Fuel Commodities	36.9	169.0	162.3	133.9	123.5	123.4	132.2	132.9	132.7	130.5
Agriculture	26.2	163.3	161.5	137.1	128.7	129.0	139.2	138.0	137.2	135.1
Food	16.7	177.5	170.2	141.0	132.2	136.3	149.2	145.8	144.6	141.6
Cereals	3.6	218.2	180.2	149.0	138.2	136.5	142.0	126.4	124.8	120.6
Vegetable oils and protein meals	4.4	206.4	190.7	153.6	143.3	143.5	164.1	158.5	158.7	156.8
Meat	3.7	136.8	160.5	137.4	125.2	122.2	131.4	130.9	130.3	126.4
Seafood	3.2	160.1	162.0	131.7	123.0	149.1	164.8	163.0	159.4	151.7
Beverages	1.8	147.4	178.0	172.6	173.7	158.7	163.5	169.8	168.8	170.4
Agricultural raw materials 3/	7.7	136.2	138.8	120.0	110.6	106.1	111.8	113.4	113.6	112.7
Timber	3.4	107.3	109.3	104.5	105.8	96.7	103.0	101.8	101.9	101.9
Metals	10.7	182.9	164.1	126.2	110.7	109.5	115.1	120.3	121.7	119.1
Edibles 4/	18.5	174.6	171.0	144.1	136.3	138.5	150.6	148.2	146.9	144.4
Industrial Inputs 5/	18.4	163.3	153.5	123.6	110.7	108.1	113.7	117.4	118.3	116.4
Energy 6/	63.1	191.7	177.4	97.9	81.8	64.7	83.0	84.6	84.9	85.6
Petroleum 7/	53.6	195.9	181.1	95.6	79.3	61.5	84.1	84.0	84.2	84.6
Natural Gas	6.9	164.9	159.9	106.8	90.6	73.5	64.1	68.1	68.4	67.7
Coal	2.6	176.8	149.1	121.3	110.0	107.8	110.8	141.7	141.7	151.6

1/ Weights based on 2002-2004 average world export earnings.

2/ Non-Fuel Primary Commodities and Energy Index.

3/ Includes Forestry Products.

4/ Edibles comprised of Food and Beverages

5/ Industrial (Non-Fuel) Inputs comprised of Agriculture and Metals

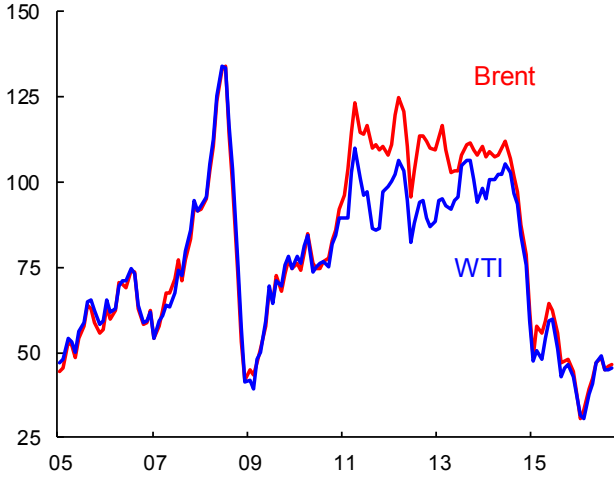
6/ Includes Petroleum, Natural Gas and Coal

7/ Average Petroleum Spot Price (APSP). Average of U.K. Brent, Dubai, and West Texas Intermediate, equally weighted.

Commodity Prices Movements

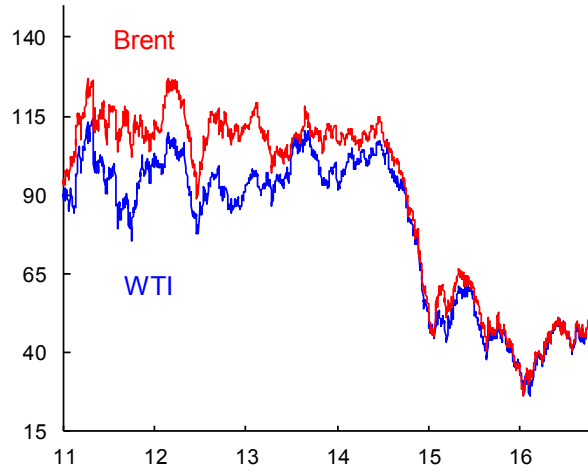
Monthly (from 2005)

Crude oil (\$/bbl)

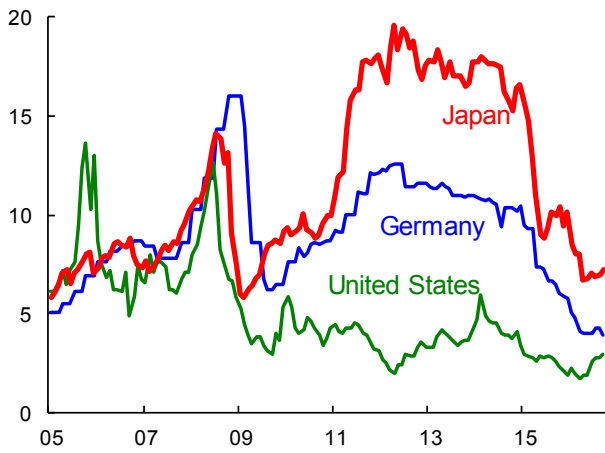


Daily (from 2011)

Crude oil (\$/bbl)

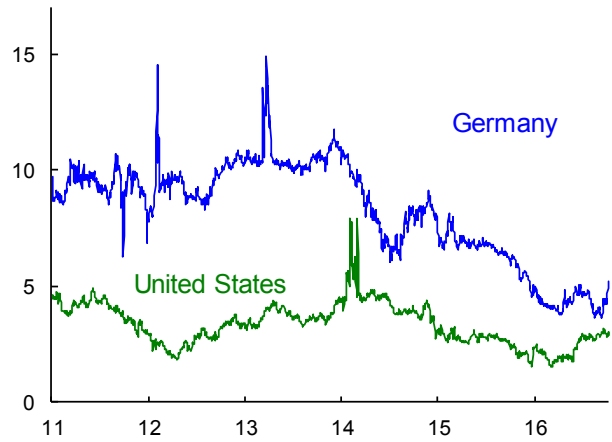


Natural Gas (\$/mmbtu)



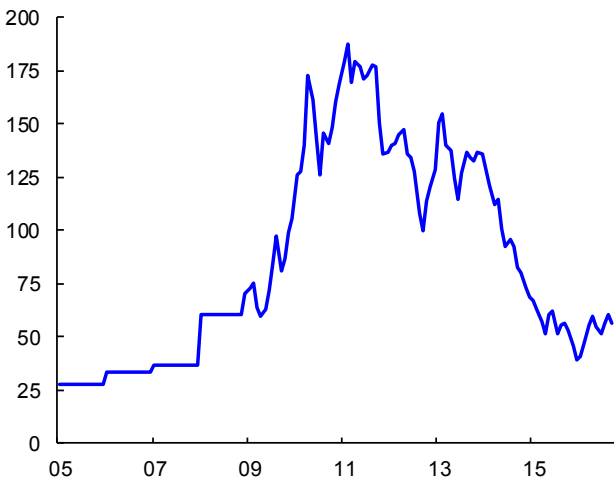
Sources: Energy Intelligence; Bloomberg, L.P.

Natural Gas (\$/mmbtu)



Source: Bloomberg, L.P.

Iron Ore (\$/ton)



Iron Ore (\$/ton)



Commodity Prices Movements (Continued)

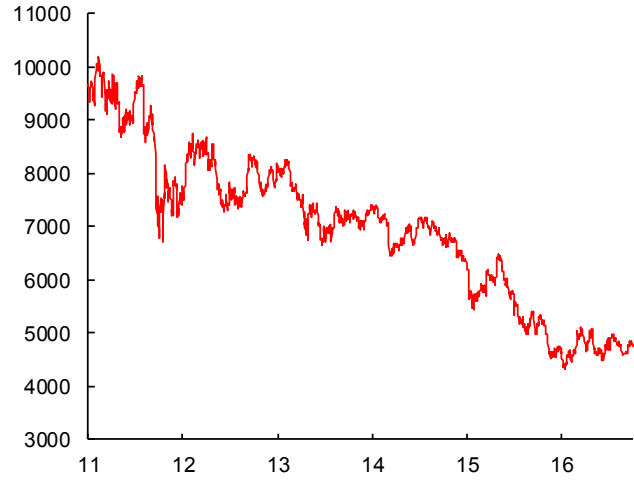
Monthly (from 2005)

Copper (\$/ton)



Daily (from 2011)

Copper (\$/ton)



Aluminium (\$/ton)



Aluminium (\$/ton)



Nickel (\$/ton)



Nickel (\$/ton)



Commodity Prices Movements (Continued)

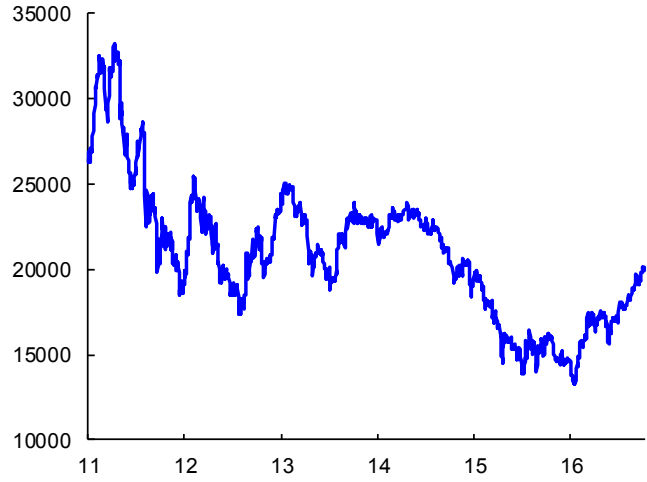
Monthly (from 2005)

Tin (\$/ton)



Daily (from 2011)

Tin (\$/ton)



Wheat (\$/ton)



Wheat (\$/ton)



Corn (\$/ton)



Corn (\$/ton)



Commodity Prices Movements (Continued)

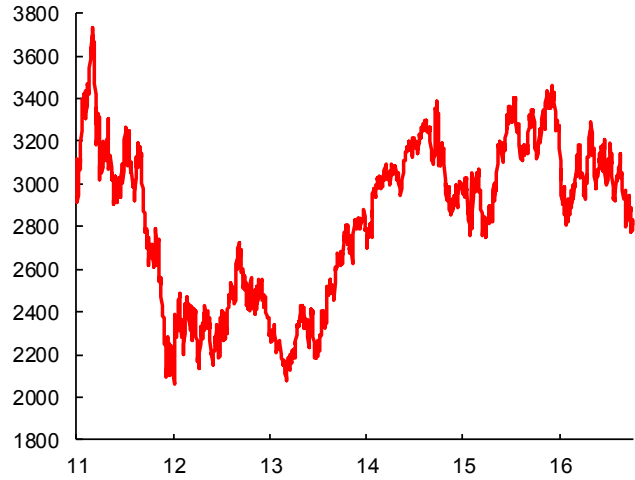
Monthly (from 2005)

Cocoa (\$/ton)



Daily (from 2011)

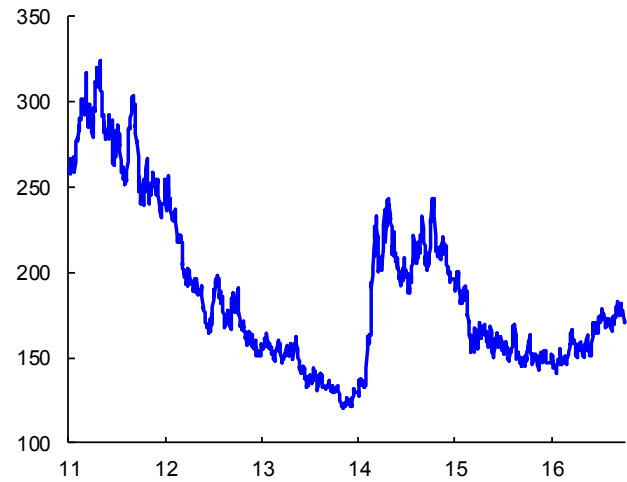
Cocoa (\$/ton)



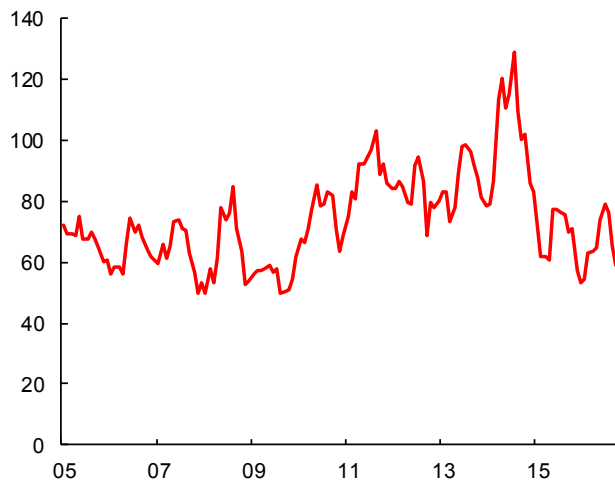
Coffee (cents/lb)



Coffee (cents/lb)



Swine (cents/lb)



Swine (cents/lb)



Commodity Prices Movements (Continued)

Monthly (from 2005)

Beef (cents/pound)



Source: Meat & Livestock Australia.

Daily (from 2011)

Beef (cents/lb)



Source: Bloomberg, L.P.

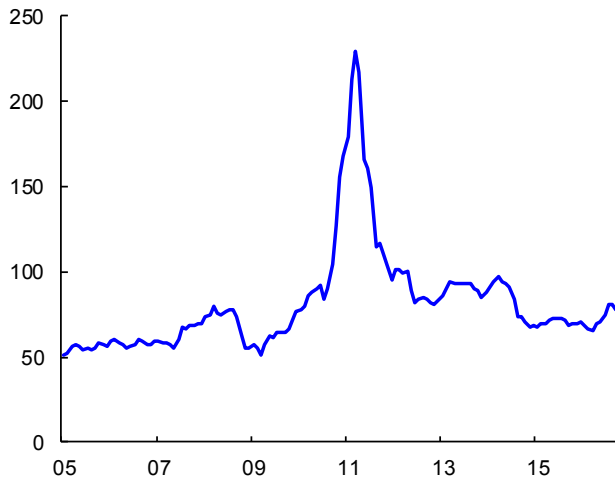
Soybeans (\$/ton)



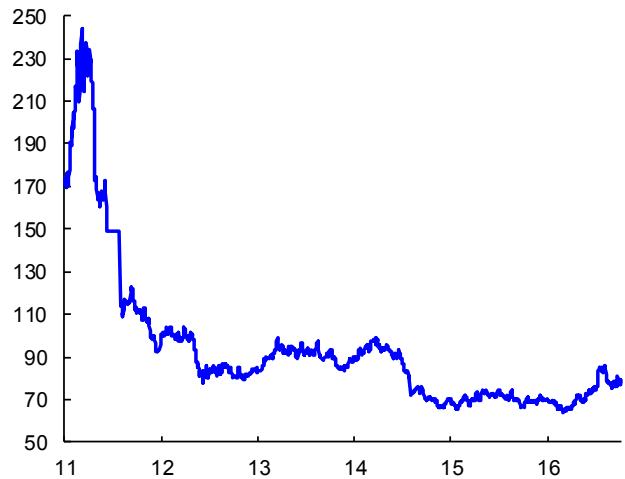
Soybeans (\$/ton)



Cotton (cents/pound)



Cotton (cents/lb)

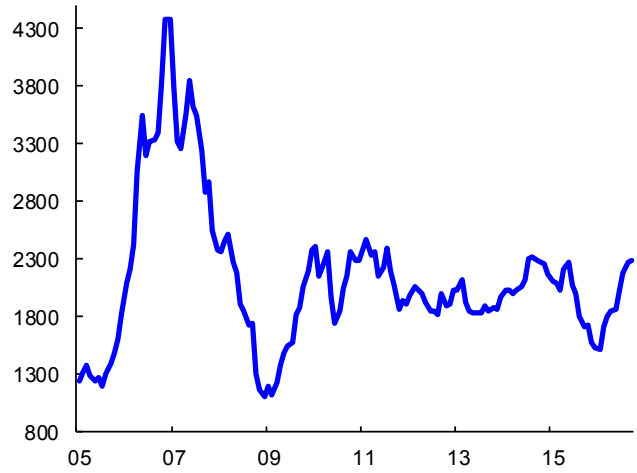


Commodity Prices Movements (Continued) Monthly (from 2005)

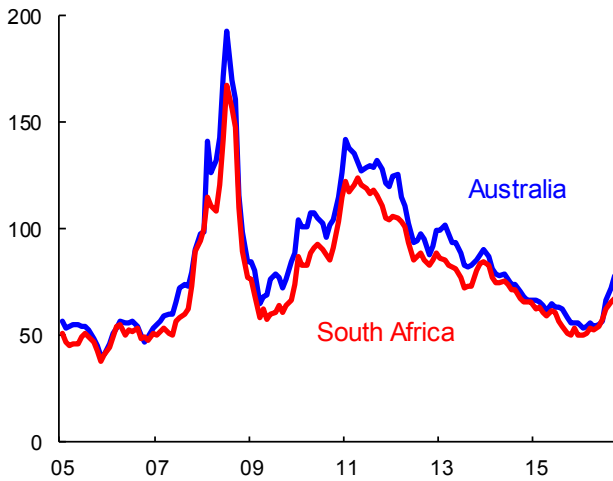
Uranium(\$/lb)



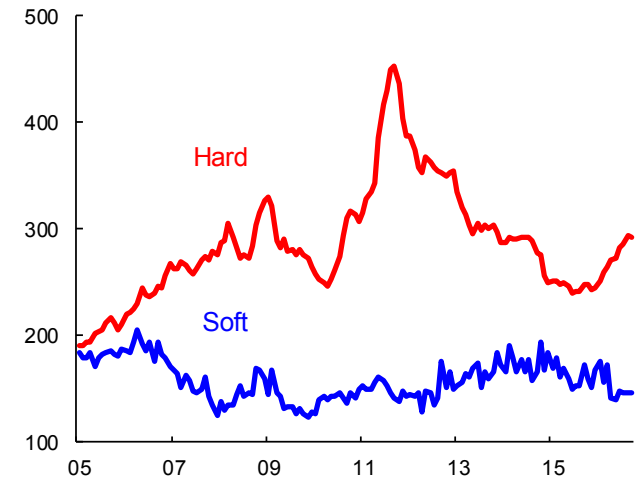
Zinc (\$/ton)



Coal (\$/ton)



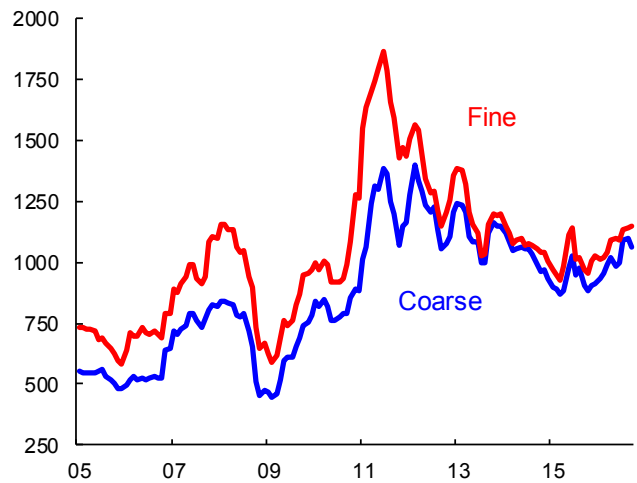
Logs (\$/cubic meter)



Rubber (\$/lb)

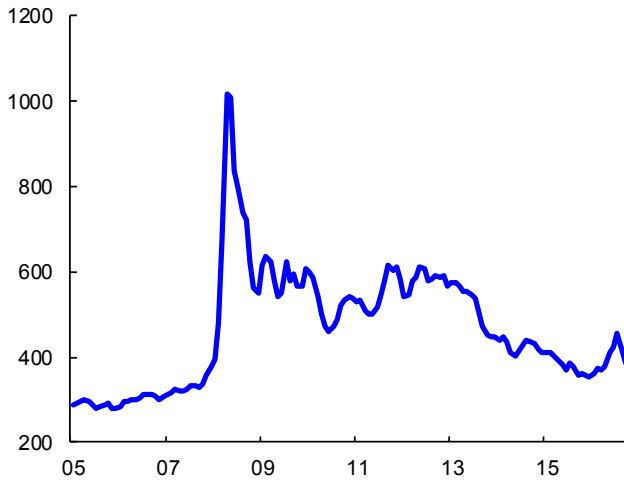


Wool (cents/kg)

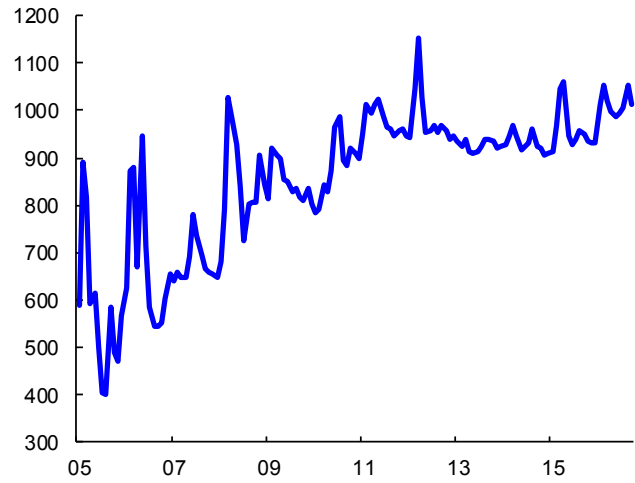


Commodity Prices Movements (Continued) Monthly (from 2005)

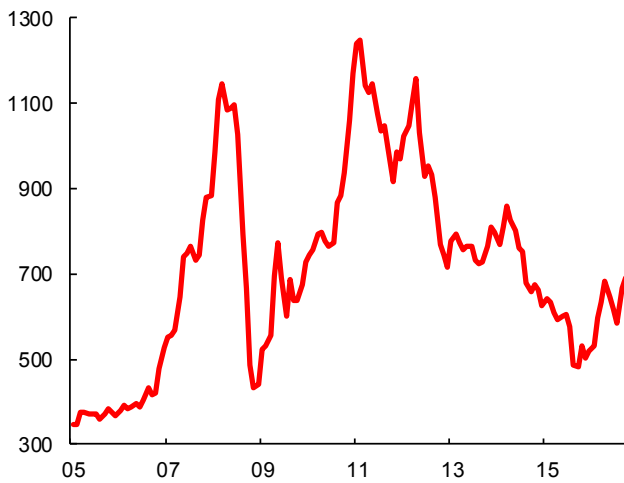
Rice (\$/ton)



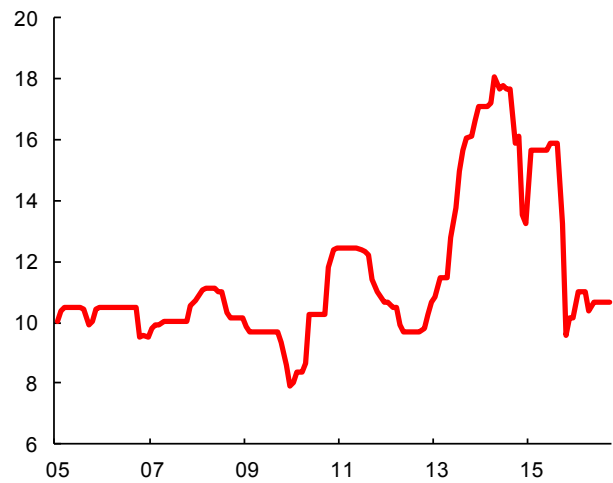
Bananas (\$/ton)



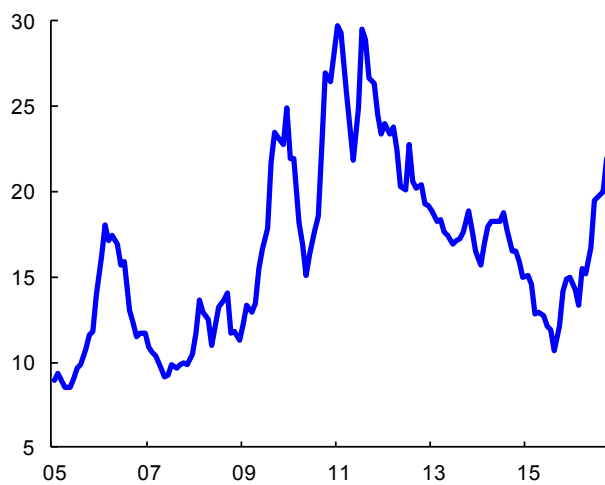
Palm Oil (\$/ton)



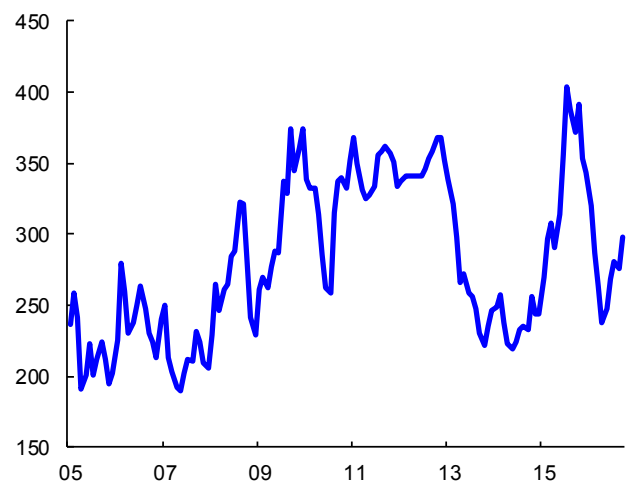
Shrimp (\$/kg)



Sugar (cents/pound)



Tea (cents/kg)



Commodity Prices Movements (Continued)

Daily (from 2011)

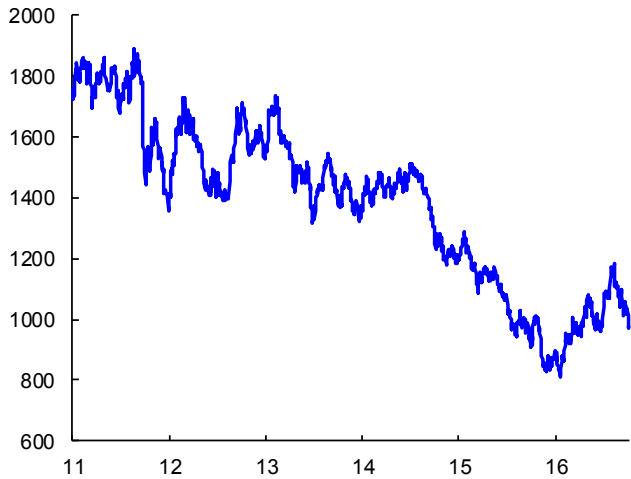
Gold (\$/troy ounce)



Silver (\$/troy ounce)



Platinum (\$/ounce)



Palladium (\$/ounce)

