Commodity Market Monthly

Research Department, Commodities Unit

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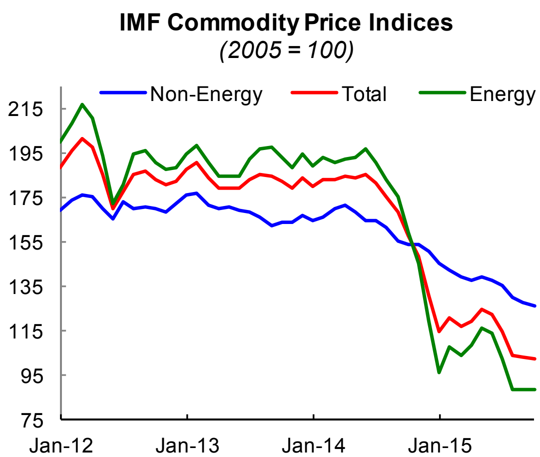
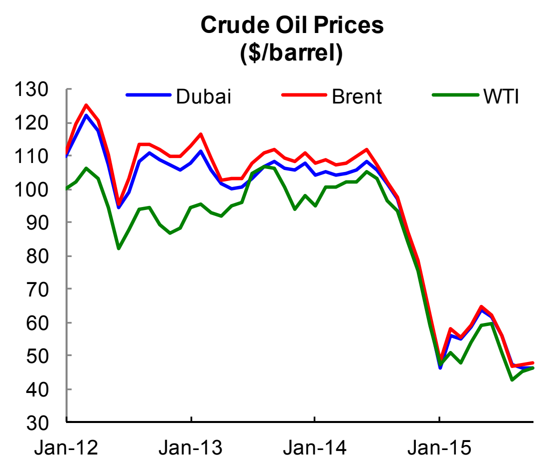
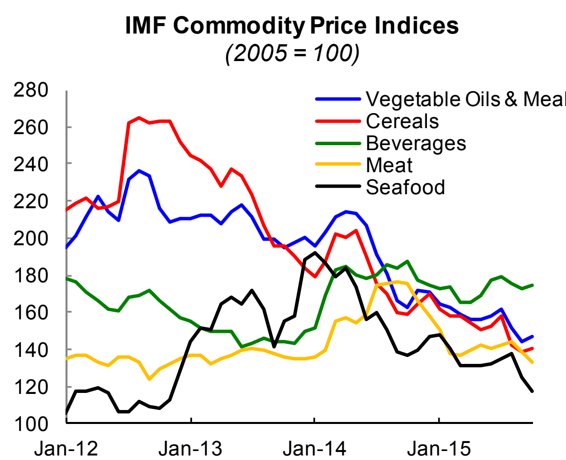
Commodity prices fell 0.2 percent in October, extending losses to five months; marginal gains in energy prices were offset by drops in metals and agriculture. Agricultural and metal prices remain under pressure due to weak demand and general ample supply. El Nino event could affect both agricultural and fuel prices as heating and cooling demand would change.

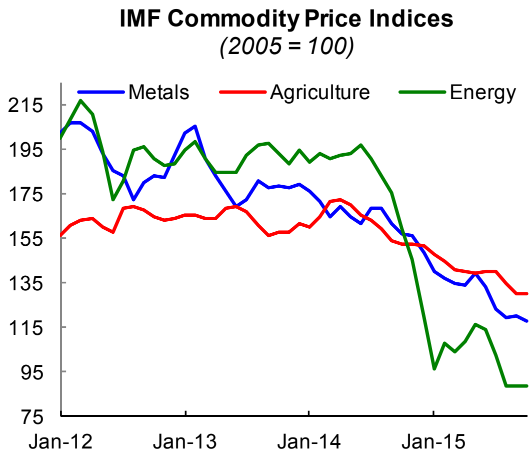


Crude oil prices increased by 1.4 percent in October, up for a second consecutive month, averaging \$47.0/bbl. A continued drop in oil investment and a rise in global oil consumption growth supported oil prices. The upcoming United Nations Climate Change Conference, COP21, will see further commitments from countries to reduce their carbon emissions; which will affect oil demand in the medium to long run and add to the likelihood of a lower for longer oil price scenario.



Natural gas price in the U.S. decreased by 12.5 percent in October, averaging \$2.32/mmbtu, as robust production pushes storage toward all-time highs. **Coal prices (Australia) fell 4.7 percent** in October, on ample supply, high stocks and weaker demand; particularly slowing import demand from China.





Agriculture prices decreased 0.3 percent in October; a slight increase in beverages prices was offset by marginal decreases in food and agricultural raw material prices. Wheat prices increased 1 percent, up for the first time in four months, due to concerns over dry weather conditions in Ukraine, Russia and some parts of the United States. Corn prices rose 3 percent partly due to further downward revisions on production forecast for key exporting countries, notably Ukraine. Soybeans prices increased 1 percent as weather concerns for South American harvests were coupled with marginal increases in consumption. Rice prices marginally increased on stronger demand from Asia. Coffee arabica and robusta prices rose 4 and 1 percent, respectively, in response to concerns over crop losses in Central America. Sugar prices increased 17 percent, reaching its highest level in 8 months, as the market seems to transition to a deficit. Palm oil prices rose 10 percent on worries that low rainfall, caused by El Nino, might affect future production in Asia. Overall meat prices fell 4 percent, led by a 9 percent decline in beef prices mainly due to higher production in Europe, Russia and United States. Cocoa prices decrease 3 percent following higher than expected supplies from Côte d'Ivoire and Ghana. Shrimp prices registered a sharp decline on account of increasing production, particularly from Ecuador and Mexico, although this is following record high prices in 2014.

Metals prices decreased by 2.2 percent in October, reversing gains from last month. The largest decrease was for iron ore, down 7 percent, at lowest since July, due to reported increased output from major global producers and weak demand from China. Aluminum dropped 5 percent, hitting fresh six-year low, amid ongoing oversupply from China. Nickel however, recovered by 4 percent, after sharp declines for four straight months, but still with high levels of visible inventories. Copper stabilized this month, due to mine disruptions in Africa and Latin America. Lead and zinc both registered slight increases due to production cut of the latter by Glencore.

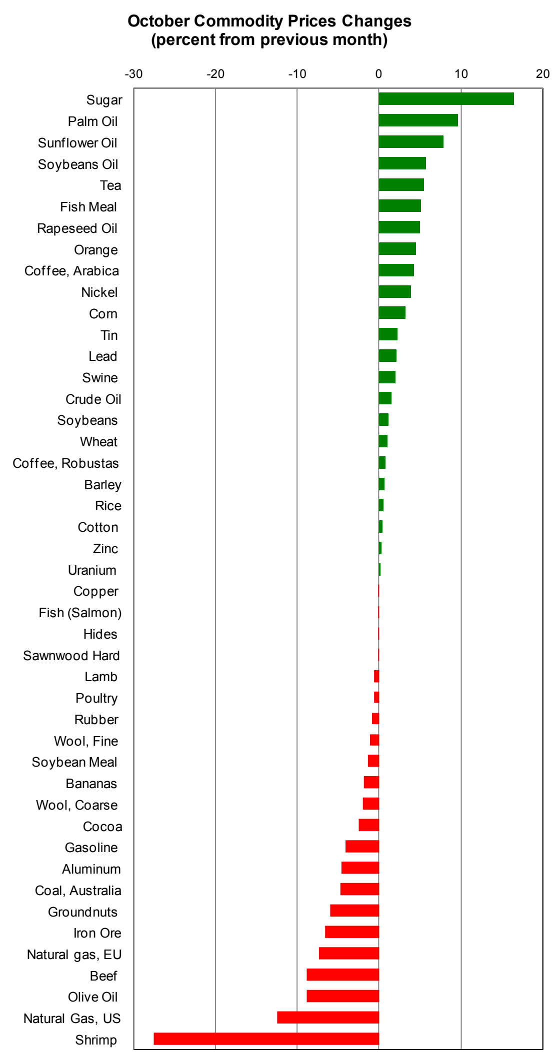


Table 1. Market Prices for Non-Fuel and Fuel Commodities

	Units	2012	2013	2014	2014Q4	2015Q1	2015Q2	2015Q3	Sep-15	Oct-15
Food										
Cereals										
Wheat	$/MT	276.1	265.8	242.5	220.6	205.0	196.3	178.8	163.8	165.4
Maize	$/MT	298.4	259.0	192.9	173.5	174.2	168.4	169.4	166.0	171.4
Rice	$/MT	580.2	518.8	426.5	420.8	406.6	381.8	374.0	358.8	360.5
Barley	$/MT	238.2	206.4	146.1	122.0	132.2	128.1	127.9	122.7	123.6
Vegetable oils and protein meals										
Soybeans	$/MT	537.8	517.2	457.8	370.9	363.9	354.6	347.6	323.6	327.4
Soybean meal	$/MT	473.3	477.3	467.0	406.7	372.7	348.0	369.3	343.0	338.2
Soybean oil	$/MT	1151.8	1011.1	812.7	716.1	696.4	715.4	638.3	590.3	623.8
Palm oil	$/MT	939.8	764.2	739.4	653.3	627.9	599.9	514.6	483.5	530.2
Fish meal	$/MT	1624.3	1710.5	1921.5	2192.7	2031.9	1744.2	1558.9	1567.7	1647.6
Sunflower Oil	$/MT	1489.5	1341.1	1080.3	1054.2	974.0	1062.3	1010.4	981.7	1059.1
Olive oil	$/MT	3135.7	3816.7	3911.8	4262.5	4568.3	4865.3	5616.4	5673.2	5171.0
Groundnuts	$/MT	1688.2	2314.5	2148.3	1940.1	2016.8	2023.4	2012.9	1932.5	1817.9
Rapeseed oil	$/MT	1239.1	1081.2	904.4	824.4	755.1	772.6	772.7	767.2	805.2
Meat										
Beef	cts/lb	187.9	183.6	224.1	256.0	216.6	202.9	206.3	202.4	184.5
Lamb	cts/lb	100.9	106.7	130.6	130.2	122.5	112.4	101.3	96.1	95.5
Swine Meat	cts/lb	82.8	86.5	102.8	90.3	65.5	71.9	73.8	69.8	71.2
Poultry	cts/lb	94.3	103.8	110.1	113.9	114.0	115.6	115.5	115.0	114.3
Seafood										
Fish	$/kg	4.8	6.8	6.6	5.8	5.6	5.1	5.3	5.0	5.0
Shrimp	$/kg	10.1	14.0	16.6	14.3	15.7	15.7	15.0	13.2	9.6
Sugar										
Free market	cts/lb	21.4	17.7	17.1	15.8	14.1	12.6	11.6	12.1	14.1
United States	cts/lb	28.9	21.2	24.9	25.3	24.8	24.6	24.5	24.4	25.0
EU	cts/lb	26.4	26.0	27.4	26.3	25.2	25.5	25.8	25.5	25.5
Bananas	$/MT	984.3	926.4	931.9	911.9	974.8	978.4	948.9	951.8	933.6
Oranges	$/MT	868.0	967.3	782.5	739.8	698.5	616.9	652.1	631.9	660.7
Beverages										
Coffee										
Other milds	cts/lb	187.6	141.1	202.8	213.5	177.0	161.0	153.2	147.7	153.9
Robusta	cts/lb	110.6	100.5	105.6	106.6	101.4	96.7	90.9	88.0	88.7
Cocoa Beans	$/MT	2377.1	2439.1	3062.8	2985.6	2918.5	3068.1	3252.8	3278.5	3197.3
Tea	cts/kg	348.9	266.0	237.9	247.6	291.2	320.1	387.2	371.2	391.8
Agricultural raw materials										
Timber										
Hardwood										
Logs 1/	$/M3	360.5	305.4	282.0	260.4	249.9	245.4	243.6	247.8	248.1
Sawnwood 1/	$/M3	876.3	852.8	897.9	862.6	826.2	834.8	844.9	836.7	835.8
Softwood										
Logs 1/	$/M3	148.0	164.5	174.3	181.5	169.8	159.1	153.1	152.7	152.7
Sawnwood 1/	$/M3	284.7	301.4	307.3	302.1	306.8	298.0	310.3	311.7	311.7
Cotton	cts/lb	89.2	90.4	83.1	68.7	68.8	72.3	71.0	68.7	69.0
Wool										
Fine	cts/kg	1345.3	1197.7	1074.4	1029.4	947.8	1079.7	999.7	966.7	956.1
Coarse	cts/kg	1212.6	1128.1	1030.4	954.3	887.7	962.7	942.0	902.5	884.9
Rubber	cts/lb	153.2	126.8	88.8	73.5	78.6	81.2	66.1	59.5	59.0
Hides	cts/lb	83.2	94.7	110.2	112.7	105.8	96.8	76.1	74.8	74.8

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	2012	2013	2014	2014Q4	2015Q1	2015Q2	2015Q3	Sep-15	Oct-15
Metals										
Copper	$/MT	7958.9	7331.5	6863.4	6632.3	5833.2	6056.6	5267.1	5217.3	5216.1
Aluminum	$/MT	2022.8	1846.7	1867.4	1970.4	1802.1	1770.3	1592.4	1589.6	1516.5
Iron Ore	$/MT	128.5	135.4	96.8	74.0	62.3	57.9	54.4	56.4	52.7
Tin	$/MT	21109.4	22281.6	21898.9	19897.9	18370.0	15589.8	15229.5	15453.3	15794.6
Nickel	$/MT	17541.7	15030.0	16893.4	15860.5	14392.8	13055.8	10578.9	9937.5	10316.8
Zinc	$/MT	1950.0	1910.2	2161.0	2235.3	2079.8	2192.2	1842.8	1720.2	1724.3
Lead	$/MT	2063.6	2139.7	2095.5	2000.9	1810.4	1942.2	1717.0	1684.3	1720.1
Uranium	$/lb	48.9	38.6	33.5	37.8	37.9	36.8	36.4	36.9	37.0
Energy										
Spot Crude 2/	$/bbl	105.0	104.1	96.2	74.5	51.7	60.4	48.8	46.3	47.0
U.K. Brent	$/bbl	112.0	108.8	98.9	76.0	54.0	62.1	50.0	47.2	48.1
Dubai	$/bbl	108.9	105.4	96.7	74.6	52.5	61.4	49.9	46.1	46.6
West Texas Intermediate	$/bbl	94.1	97.9	93.1	73.1	48.7	57.8	46.5	45.5	46.2
Natural Gas										
Russian in Germany	$/mmbtu	12.0	11.2	10.5	10.3	9.4	7.4	6.6	6.5	6.0
Indonesian in Japan (LNG)	$/mmbtu	18.1	17.3	17.0	16.1	14.4	9.6	9.5	9.0	9.0
US, domestic market	$/mmbtu	2.8	3.7	4.4	3.8	2.9	2.7	2.7	2.6	2.3
Coal										
Australian, export markets	$/MT	103.2	90.6	75.1	67.4	65.6	63.2	61.6	58.7	55.9

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, 2012-2015

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

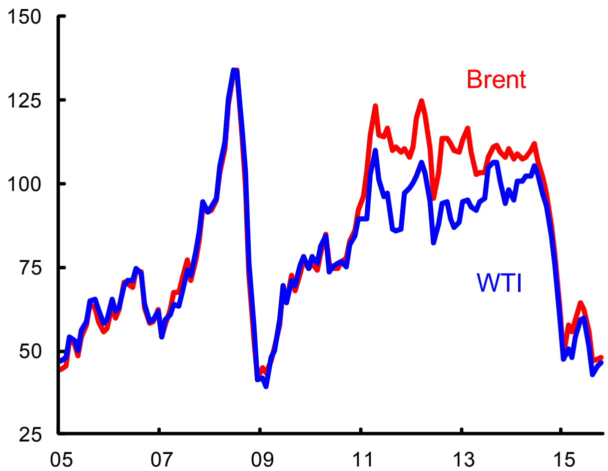
	(weights) 1/	2012	2013	2014	2014Q4	2015Q1	2015Q2	2015Q3	Sep-15	Oct-15
All Primary Commodities 2/	100.0	186.4	183.3	171.8	145.6	117.6	122.4	107.4	103.2	103.0
Non-Fuel Commodities	36.9	171.3	169.0	162.3	152.7	142.4	138.6	131.1	127.7	126.6
Agriculture	26.2	163.3	163.3	161.5	152.2	144.4	139.9	135.1	130.5	130.1
Food	16.7	176.3	177.5	170.2	157.5	148.4	143.0	140.5	134.6	133.9
Cereals	3.6	239.6	218.2	180.2	164.6	159.1	152.5	146.1	138.4	140.7
Vegetable oils and protein meals	4.4	215.9	206.4	190.7	168.5	161.9	156.9	152.4	144.1	146.7
Meat	3.7	133.3	136.8	160.5	166.4	142.1	140.5	141.9	138.5	133.1
Seafood	3.2	113.3	160.1	162.0	141.0	139.8	131.6	132.5	124.6	117.3
Beverages	1.8	167.4	147.4	178.0	180.0	170.4	170.4	175.9	172.9	174.3
Agricultural raw materials 3/	7.7	134.0	136.2	138.8	134.2	129.6	125.9	113.8	111.7	111.5
Timber	3.4	107.4	107.3	109.3	106.4	104.6	102.6	104.5	104.6	104.6
Metals	10.7	191.0	182.9	164.1	154.0	137.4	135.5	121.0	120.6	118.0
Edibles 4/	18.5	175.4	174.6	171.0	159.7	150.6	145.7	144.0	138.3	137.8
Industrial Inputs 5/	18.4	167.1	163.3	153.5	145.7	134.1	131.5	118.0	116.9	115.3
Energy 6/	63.1	195.2	191.7	177.4	141.4	103.1	113.0	93.6	88.8	89.2
Petroleum 7/	53.6	197.9	195.9	181.1	140.2	97.4	113.7	91.9	87.0	88.3
Natural Gas	6.9	171.2	164.9	159.9	153.6	136.9	102.4	96.2	93.1	88.3
Coal	2.6	202.1	176.8	149.1	134.2	129.7	125.4	120.1	114.2	109.2

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.

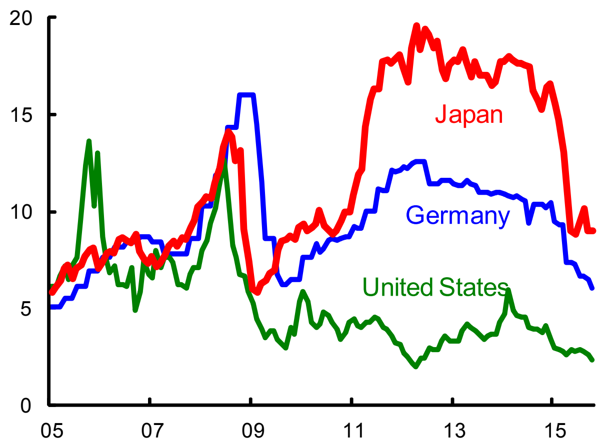
Commodity Prices Movements

Monthly (from 2005)

Crude oil ($/bbl)

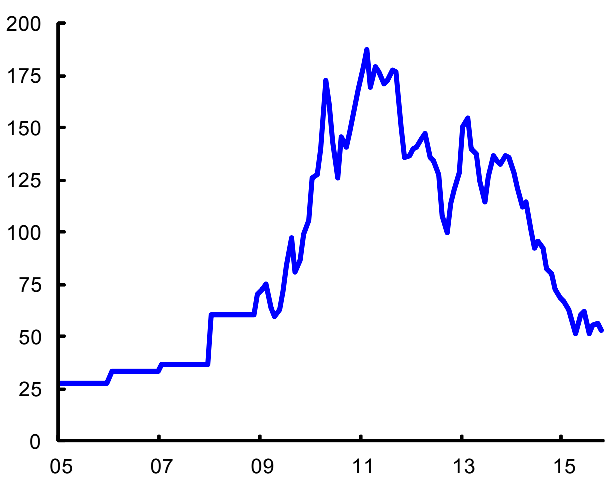


Natural Gas ($/mmbtu)



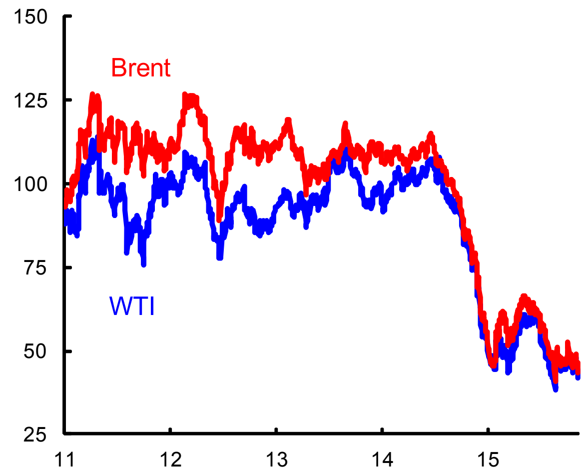
Sources: Energy Intelligence; Bloomberg, L.P.

Iron Ore ($/ton)

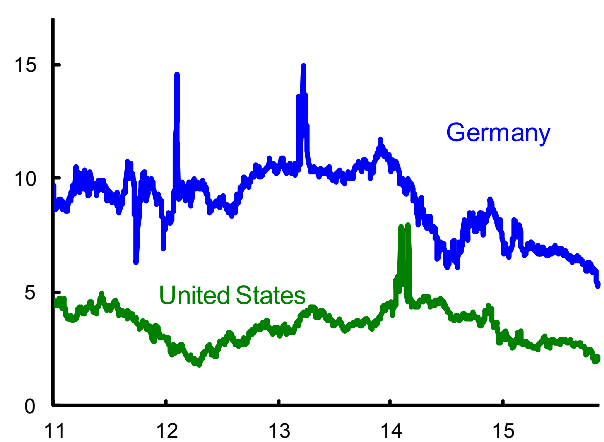


Daily (from 2011)

Crude oil ($/bbl)



Natural Gas ($/mmbtu)



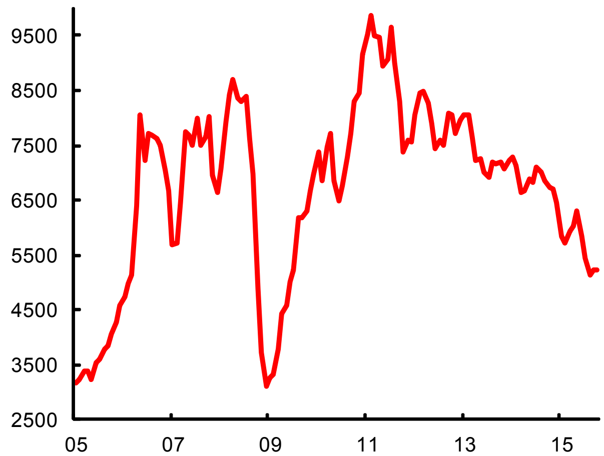
Source: Bloomberg, L.P.

Iron Ore ($/ton)

Commodity Prices Movements (Continued)

Monthly (from 2005)

Copper ($/ton)



Aluminium ($/ton)

Nickel ($/ton)

Daily (from 2011)

Copper ($/ton)

Aluminium ($/ton)

Nickel ($/ton)

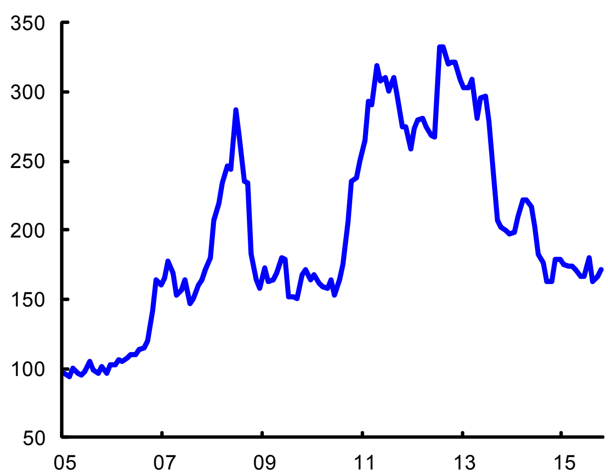
Commodity Prices Movements (Continued)

Monthly (from 2005)

Tin ($/ton)

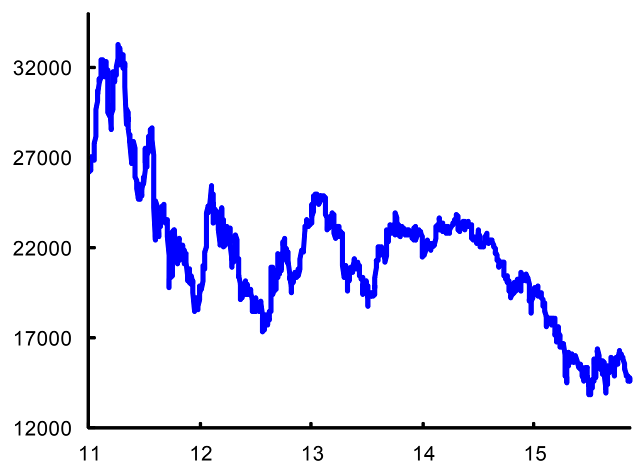
Wheat ($/ton)

Corn ($/ton)



Daily (from 2011)

Tin ($/ton)



Wheat ($/ton)

Corn ($/ton)

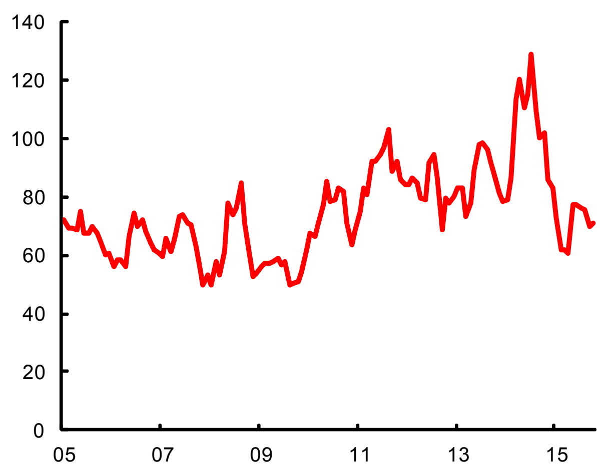
Commodity Prices Movements (Continued)

Monthly (from 2005)

Cocoa ($/ton)

Coffee (cents/lb)

Swine (cents/lb)



Daily (from 2011)

Cocoa ($/ton)

Coffee (cents/lb)

Swine (cents/lb)

Commodity Prices Movements (Continued)

Monthly (from 2005)

Beef (cents/pound)

Source: Meat & Livestock Australia.

Daily (from 2011)

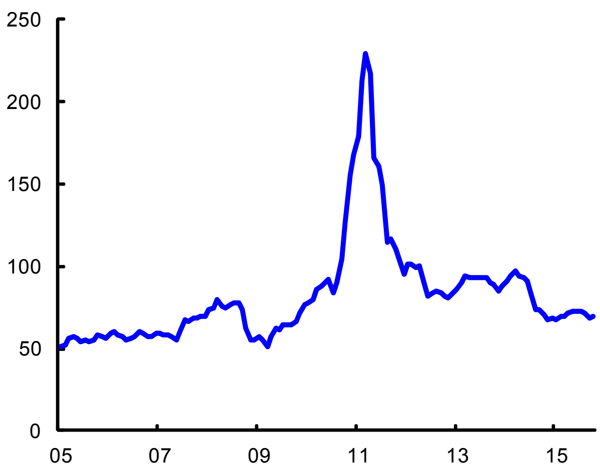
Beef (cents/lb)

Source: Bloomberg, L.P.

Soybeans ($/ton)

Soybeans ($/ton)

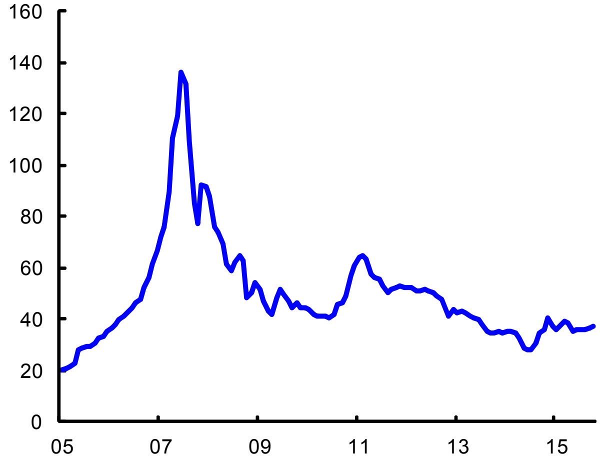
Cotton (cents/pound)



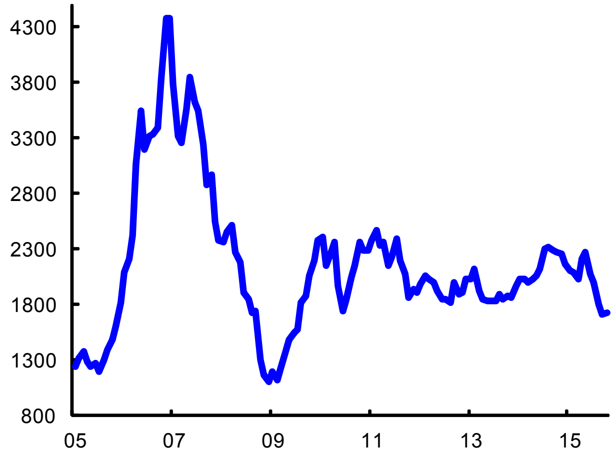
Cotton (cents/lb)

Commodity Prices Movements (Continued)
Monthly (from 2005)

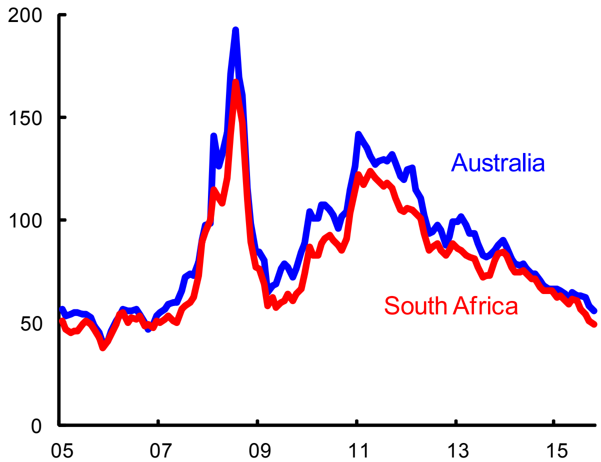
Uranium($/lb)



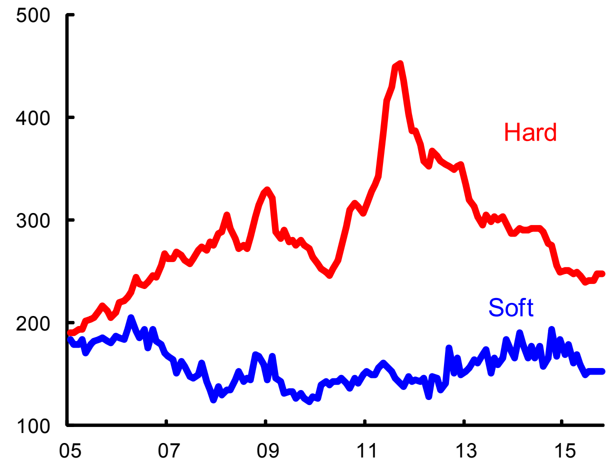
Zinc ($/ton)



Coal ($/ton)

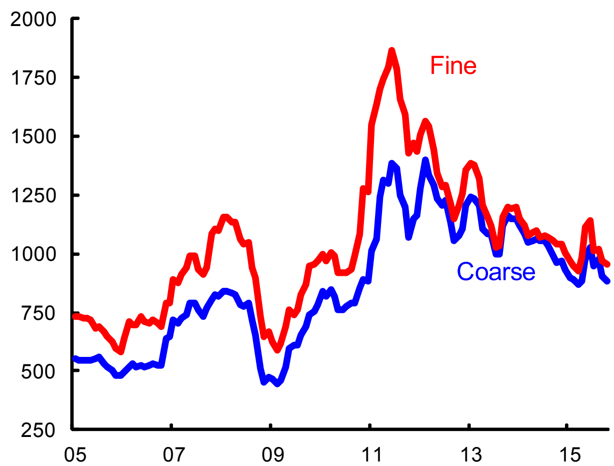


Logs ($/cubic meter)



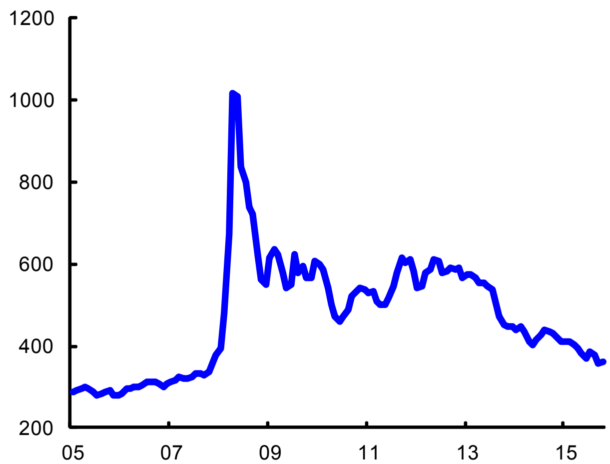
Rubber ($/lb)

Wool (cents/kg)

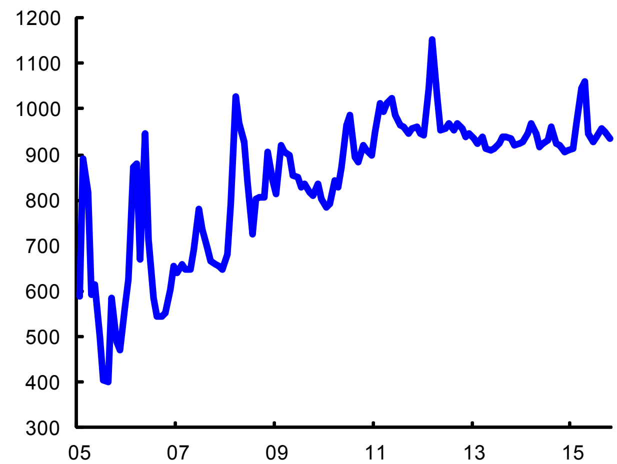


Commodity Prices Movements (Continued)
Monthly (from 2005)

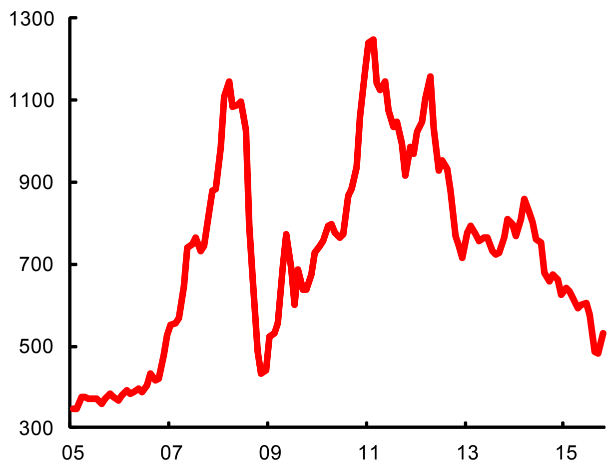
Rice ($/ton)



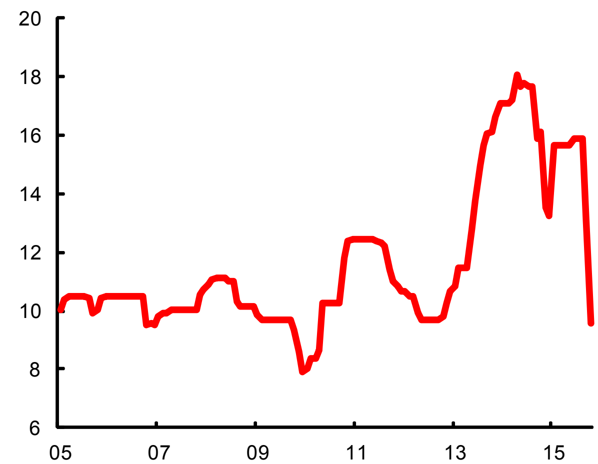
Bananas ($/ton)



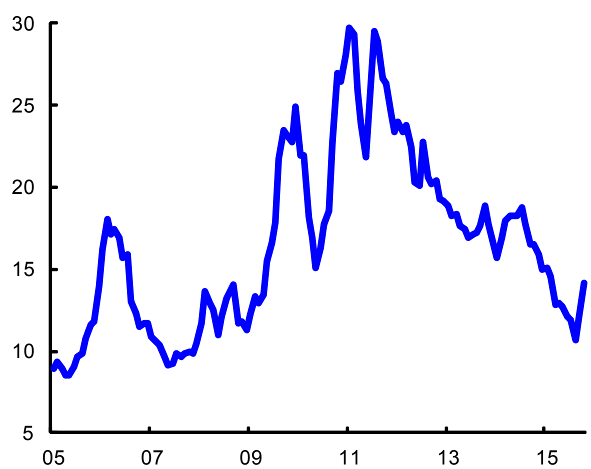
Palm Oil ($/ton)



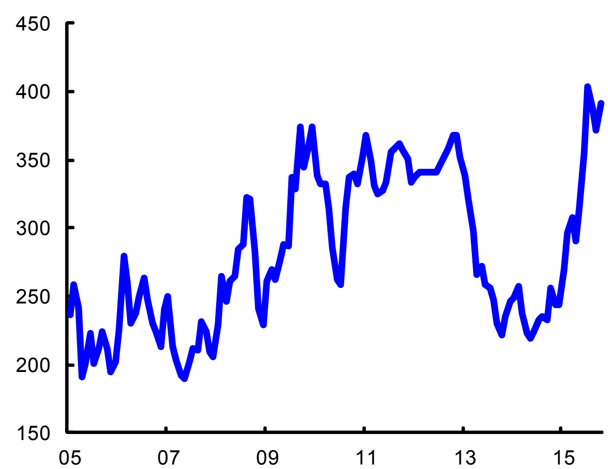
Shrimp ($/kg)



Sugar (cents/pound)



Tea (cents/kg)



Commodity Prices Movements (Continued)

Daily (from 2011)