An Overview of Food Price Volatility

Realized Commodity Price Volatility\(^1\) (annualized standard deviation, percent)

- All commodities
- Metals
- Fuel
- Food


Wheat Spot Price Volatility (annualized percent)

- Conditional volatility\(^2\)
- Long-term (unconditional) volatility\(^3\)

1965 75 80 85 90 95 2000 05 09

Long-Term (Unconditional) Spot Price Volatility Estimates\(^3\) (annualized percent)

- Soybeans
- Corn
- Wheat

1965 70 75 80 85 90 95 2000 05 09

Source: IMF staff estimates.

\(^1\) Annualized standard deviation of monthly percent changes in the spot price included in the IMF Commodity Index.

\(^2\) Conditional volatility estimated from a GARCH(1,1) model.

\(^3\) Long-term volatility estimated from a spline-GARCH model.