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Global Commodity Markets

Review and price forecast

A Companion to Global Development Finance 2009



Inside Left Side of Cover

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A Companion to Global Development Finance 2009

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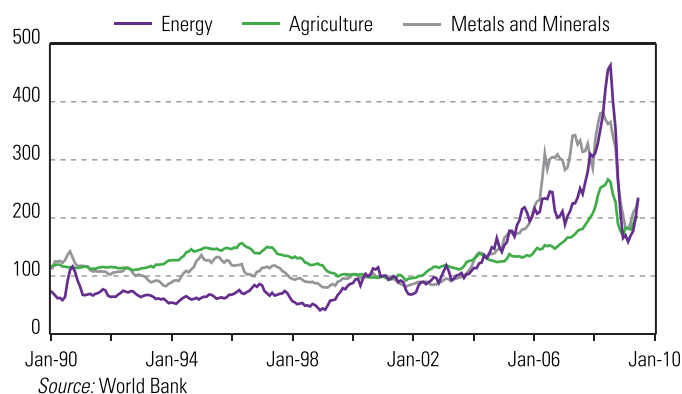
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The slowing of global growth, which preceded the financial crisis by several months, prompted commodity prices to start falling in mid-2008 (figure 1). The eruption of the full-blown crisis and the rapid drop-off in economic activity since September of that year accelerated this process markedly. Demand for most commodities (notably, in high-income industries and in China) slowed or declined, particularly for oil and metals. By December 2008, crude oil prices had dropped to \$41 a barrel, down more than 70 percent from the July peaks, while non-energy prices, including food, had declined by nearly 40 percent. Since December, prices have firmed, with crude oil prices up to \$69 on average in June 2009, and prices for foods and metals up 22 and 13 percent, respectively.

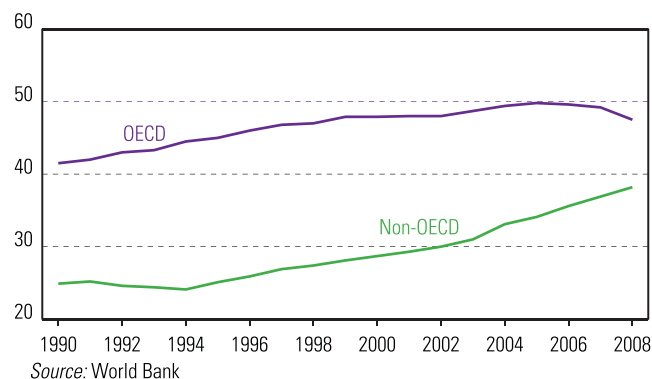
Figure 1: Commodity Price Indices (2000=100)



Weak demand exerts pressure on crude oil prices

The sharp decline in crude oil prices, from more than \$140 a barrel in July 2008, reflected weaker global demand and the relaxation of some refining capacity constraints that had contributed to high prices in the first half of the year. World crude oil demand fell 3.5 percent between the first quarter of 2008 and the first quarter of 2009, with demand in OECD countries off 5.0 percent. The fall in demand reflected both the declines in industrial activity and the effects of high oil prices during the first half of 2008 (figure 2). Al-

Figure 2: World Oil Consumption (mb/d)



though non-OECD demand continued to grow during the first three quarters of 2008 (led by strong gains in the Middle East), it too turned negative in the first quarter of 2009.

For 2009 as a whole, world oil demand is projected to fall by 2.5 million barrels a day (mb/d), with continuing large falloffs in high-income countries and slight declines across most developing regions. Production by members of the Organization of the Petroleum Exporting Countries (OPEC) is being curtailed sharply, while non-OPEC oil deliveries are expected to rise by only 0.2 mb/d this year. This, coupled with expectations of a slow recovery in global growth, has contributed to the recent recovery in oil prices. Prices are expected to continue rising at a moderate pace over the medium term, with the weak pace of global GDP and ample spare capacity precluding a rapid rise in oil prices. How successful OPEC is in cutting supply will affect outturns in the short term.

The financial crisis and the steep falloff in economic activity have disrupted the development of long-term supply in the hydrocarbon sector. Smaller producers have been forced to scale back operations and several high-cost projects in the sector have been cancelled or deferred, notably oil sands projects in Canada. However, planned investment among the major companies has remained relatively high and their major projects, e.g., deepwater offshore, are expected to be completed. Moreover, the weaker investment demand has relaxed some of the acute constraints in the supply of investment inputs (oil rigs, materials, specialized equipment, and skilled labor), and, as a result, exploration and exploitation costs have declined. Most of the obstacles to future supply are “above-the-ground” constraints (as opposed to a shortage of oil in the ground)—such as access to reserves (three-fourths of the world’s reserves are controlled by national oil companies), political problems, and the reluctance of national oil companies to engage international companies to facilitate the extraction and discovery of reserves. Nevertheless, all major oil-exporting countries are investing in new capacity, and Saudi Arabia has repeated its intention to maintain surplus capacity.

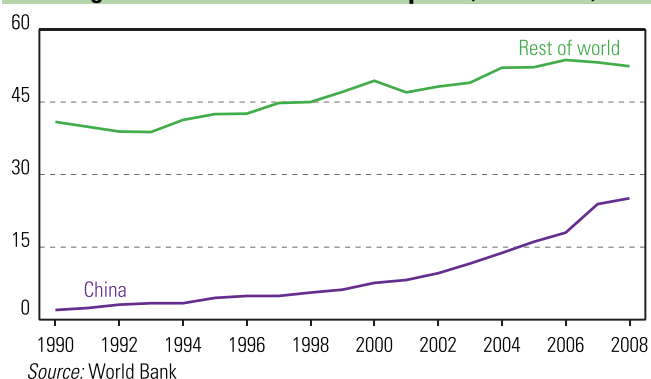
Medium-term prospects are difficult to judge, and while the consensus is for a further spike in oil prices, this appears unlikely. High prices have stimulated development of alternative technologies, and pushed governments and consumers to use energy more efficiently. Consumers’ shift away from fuel-inefficient cars, the mainstreaming of hybrid automobile technologies, the recent passage of laws tightening U.S. energy efficiency standards, increasing environmental

pressures—coupled with the modest pace of the expected recovery—all argue against OPEC's more than 6 mb/d in spare capacity being reabsorbed very quickly.

Demand for metals weakens; prices expected to remain soft

Most metals prices peaked in March 2008 (nickel and zinc prices peaked much earlier), but the collapse of economic growth and with it demand for many metals caused prices to drop much further into 2009. Prices rebounded in recent months on strong import growth into China—the world's largest consumer (figure 3)—mainly due to restocking.

Figure 3: World Metals Consumption (000 tonnes)



Metals prices are expected to be relatively stable over the remainder of 2009, with most of the 41 percent decline projected between 2008 and 2009 having already occurred. As a result, spending on new extraction projects has been slashed, and output is declining because lower prices have rendered many difficult-to-exploit mines uncompetitive. The downturn has led to a buildup of spare capacity, which can be brought back into production relatively easily, and should keep prices from rising by much when demand recovers. However, because prices have been just covering exploitation costs, no further major declines in metals prices are expected, with the possible exception of copper, where prices remain above the marginal cost of production. Over the forecast period, metal prices are expected to remain broadly stable—rising in line with inflation in 2010 as demand recovers.

Prices of agricultural commodities fall to pre-crisis levels

Following their peak in June 2008, prices of most agricultural commodities have fallen to pre-crisis levels as improved supplies resulting from favorable harvests have boosted global stocks of most agricultural commodities. This, along with weaker demand for internationally traded food commodities, has allowed prices to fall back to their December 2007 levels—with the largest declines among agricultural products whose

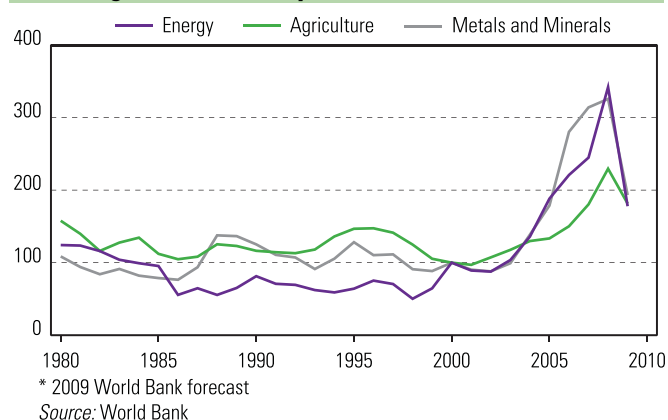
prices had increased the most. In particular, lower crude oil prices coupled with pressure in many countries to reconsider biodiesel mandates, has reduced the attractiveness of using edible oils for biodiesel production—which is expected to stagnate in 2009—and contributed to a substantial decline in edible oil prices.

Overall, concerns about the adequacy of global food supplies have subsided, and many of the export bans and high export taxes that were put in place during the food price spike of 2008 have either been eliminated or substantially reduced. According to its July 2009 update, the US Department of Agriculture expects stocks for key grains to increase by almost 3 percent in the coming season to reach levels similar to those associated with the low prices of early 2000s.

Most of the price swings in agricultural raw materials reflect changes in rubber prices, which track the price of crude oil. Increased production and wider use of genetically modified cotton in China and India meant that the price of cotton did not increase during the boom, and in the past months the price has declined due to weak import demand from China, the world's largest cotton user (and textile manufacturer). Prices of beverages declined 30 percent between their peak in June and December 2008, as the coffee and tea markets appear to be well supplied. The cocoa market has shown some tightness, mainly a reflection of infrastructure bottlenecks in Côte d'Ivoire.

Looking forward, agricultural markets are likely to remain well supplied, as stocks are beginning to return to normal levels, although weather-related production problems (such as the recent drought in South America) could always intervene. Easier market conditions are likely to prevail the next few years as a supply response has taken place in most commodities. As a result, agricultural prices are anticipated to average 21 percent lower in 2009 than in 2008 (figure 4), and prices in 2010 are expected to remain broadly stable.

Figure 4: Commodity Price Indices* (2000=100)



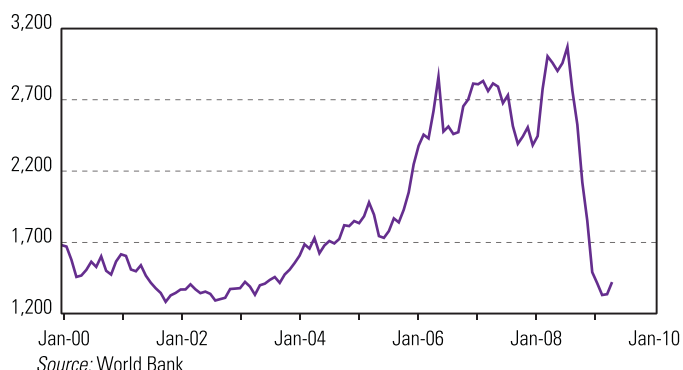
Aluminum prices are expected to bottom in 2009, and rise from 2010 onwards due to rising demand and reduction in China's net export position. In the near-term, prices will remain under downward pressure from large inventories and surplus capacity, with risk of price-pressure being extended unless there are further reductions in capacity.

Aluminum prices fell in the second half of 2008 and early 2009 on slumping global demand and record levels of stocks. This induced significant production cuts, particularly in China which accounted for one-third of global refined production in 2008. Stockpiling by China's State Reserves Bureau in 2009 lifted domestic prices above international prices, leading to China suddenly becoming a net importer. Higher prices also prevented capacity from being shut and some operations to be reactivated.

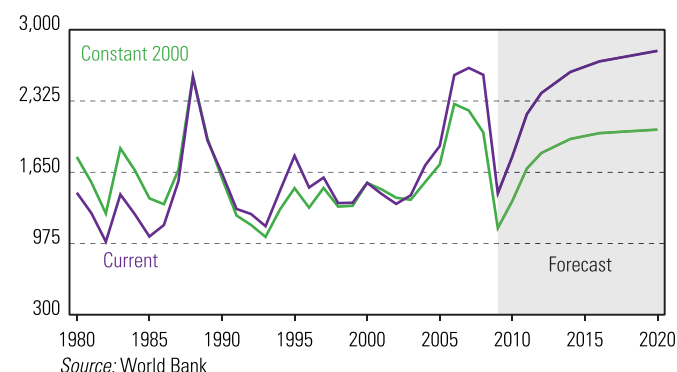
Global demand, which had been growing by 6 percent p.a. this decade, grew only slightly in 2008, and plunged an estimated 20 percent in the first quarter of 2009. The transportation and construction sectors account for half of aluminum end-use, and these sectors were particularly affected by the slump in autos and housing.

Low prices are expected to result in further production cuts, particularly in China, and the government is expected to slow the country's rapid growth in capacity and exports. In the medium-to-long term, the industry will face rising power prices from higher energy costs, deregulated markets, and removal of subsidies. Future supply growth will come from regions that have low-cost power sources, (hydro power or abundant fossil fuels), e.g., Iceland, the Middle East, Russia and India. The latter also has abundant bauxite resources.

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



GLOBAL MARKET DATA

	2005	2006	2007	2008
PRODUCTION (000 metric tons)				
China	7,806	9,358	12,559	13,177
Russian Fed.	3,647	3,718	3,955	4,187
Canada	2,894	3,051	3,083	3,119
US	2,480	2,281	2,560	2,659
Australia	1,903	1,929	1,959	1,974
Brazil	1,498	1,605	1,655	1,661
Norway	1,376	1,427	1,357	1,359
India	942	1,105	1,222	1,308
South Africa	851	887	898	1,084
UAE	850	789	890	892
World	31,995	33,969	38,087	39,425
CONSUMPTION (000 metric tons)				
China	7,119	8,648	12,347	12,413
US	6,114	6,150	5,580	5,615
Japan	2,276	2,323	2,197	2,250
Germany	1,758	1,823	2,008	1,950
India	958	1,079	1,207	1,305
Russian Fed.	1,020	1,047	1,020	1,020
Korea, Rep.	1,201	1,153	1,081	965
Italy	977	1,021	1,087	951
Brazil	759	773	854	932
Canada	801	846	718	714
World	31,720	34,026	37,578	37,796

Source: World Metal Statistics

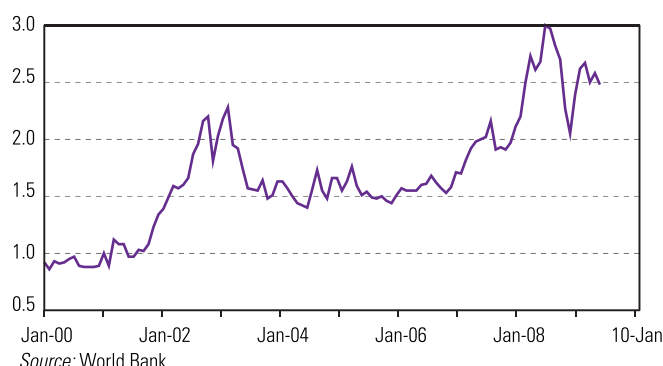
	2005	2006	2007	2008
EXPORTS (000 metric tons)				
Russian Fed.	2,740	3,164	3,949	4,818
Canada	2,240	2,360	2,501	2,532
Australia	1,588	1,624	1,659	1,683
Norway	1,513	1,539	1,610	1,591
China	1,324	1,213	546	841
Iceland	284	303	446	761
Brazil	753	842	823	748
South Africa	671	601	625	598
Netherlands	482	609	795	483
Germany	392	432	423	435
World	17,023	17,706	18,906	19,308
IMPORTS (000 metric tons)				
Japan	2,977	3,036	2,986	3,064
US	3,691	3,461	2,951	2,932
Germany	1,770	2,073	2,231	2,063
Korea, Rep.	1,231	1,204	1,190	1,086
Italy	890	986	1,079	882
Turkey	383	414	572	598
Belgium	763	738	754	558
Netherlands	656	971	1,043	554
France	517	593	587	509
Taiwan, China	523	540	504	504
World	18,318	19,254	19,334	17,894

The cocoa price indicator averaged \$2.54/kg during Jan-May 2009, 1% higher compared to the respective 2008 average. Cocoa is one of the few agricultural commodities whose prices did not decline during this period, a reflection of persistent supply problems. Estimates for the current (Oct 08 to Sep 09) crop indicate that it will be 3.5 million tons, 4% lower than 2007/08, further contributing to an already tight market. Grindings, a measure of demand, are projected to exceed production for a third season in a row. As of April, cumulative arrivals at the port of Abidjan were 15% lower than a year ago--Côte d'Ivoire accounts for more than a third of global supplies. The deterioration of Côte d'Ivoire's infrastructure appears to have been the key reason behind the lack of supply response as it has become very expensive to move inputs to farmers and transport cocoa beans to the port.

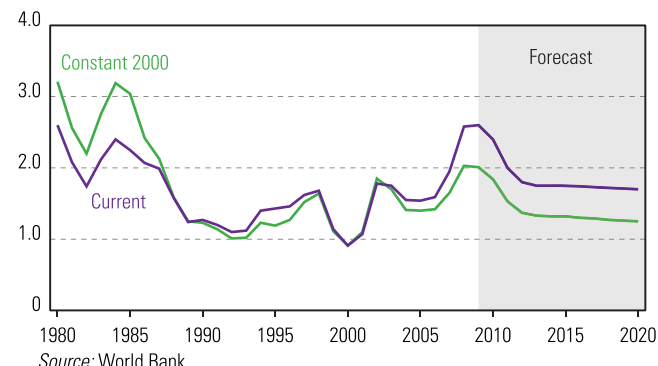
Grindings, are expected to reach 3.6 million tons in 2008/09, similar to last season's total. Among key processors, only Côte d'Ivoire will increase its grindings (from 360 to 390 thousand tons); this is consistent with efforts by a number of cocoa producing countries to capture an increasing share of value added activities in the production chain. Most other processors will experience moderate declines.

In view of a tight cocoa market, prices are likely to remain elevated by historical standards. Specifically, they are expected to average \$2.60/kg in 2009 and decline to \$2.40/kg in 2010. In the longer-term they are projected to decline even further as supplies in key producing countries will catch up and eventually account for Côte d'Ivoire's shortfall. This forecast depends on political developments (as well as infrastructure investments) in Côte d'Ivoire.

Monthly Prices (\$/kg)



Annual Prices (\$/kg)



GLOBAL MARKET DATA

	2005/06	2006/07	2007/08	2008/09		2004/05	2005/06	2006/07	2007/08
PRODUCTION (000 metric tons)					NET EXPORTS (000 metric tons)				
Côte d'Ivoire	1,557	1,422	1,431	1,250	Côte d'Ivoire	950	1,006	851	893
Ghana	660	555	730	700	Ghana	548	570	620	571
Indonesia	575	525	500	520	Indonesia	361	493	416	388
Nigeria	214	185	200	210	Nigeria	186	190	166	201
Cameroon	172	170	188	195	Cameroon	165	146	140	168
Brazil	162	126	160	162	Togo	53	73	78	96
Ecuador	113	115	115	112	Ecuador	81	89	99	81
Togo	73	78	80	79	PNG	47	51	47	53
PNG	51	47	49	50	World	2,495	2,740	2,559	2,578
Dominican Rep.	42	42	40	41	IMPORTS (000 metric tons)				
Colombia	37	30	38	35	Netherlands	608	549	639	635
Malaysia	27	28	32	32	Malaysia	233	300	337	356
World	3,762	3,421	3,663	3,506	Germany	236	287	347	349
GRINDINGS (000 metric tons)					US	514	505	380	322
Netherlands	455	467	470	465	France	153	157	165	172
Côte d'Ivoire	336	360	360	390	Belgium	182	190	195	156
US	426	414	384	365	UK	129	139	129	126
Germany	307	357	385	349	Spain	72	76	83	106
Malaysia	276	301	310	285	Singapore	64	70	89	95
Brazil	223	224	233	231	Canada	65	77	48	77
France	155	162	165	168	Turkey	57	65	49	71
Ghana	85	121	140	154	Russian Fed.	68	70	65	66
World	3,536	3,659	3,697	3,620	World	2,891	2,997	3,080	3,037

Note: Latest trade data available are for 2007/08.

Source: International Cocoa Organization, LMC International and World Bank estimates.

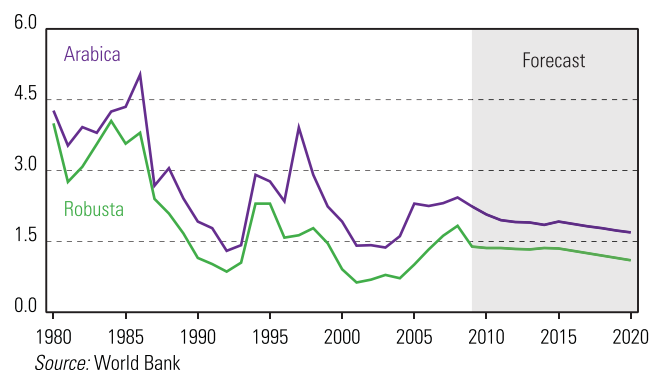
Coffee prices averaged \$2.96/kg (arabica) and \$1.72/kg (robusta) during Jan-May 2009, 8% and 30% lower than their respective 2008 averages. The decline reflects a good 2008/09 crop which is 8% higher than last season's 118 million bags (yet much lower than the January 2009 forecast of 140 million bags). Most of the increase will come from Brazil whose output will reach a record 46 million bags. Colombia's production—which has been remarkably stable at 12 million bags historically—is experiencing a sharp decline to 10.5 million bags. On the robusta side, the two dominant supplies, Vietnam and Indonesia, are experiencing reductions as well (3% and 25%, respectively). Thus, global arabica output will increase to 82.2 million bags, up from last season's 72.1 million bags while robusta will decline to 44.8 million bags, from last season's 45.8 million bags.

Global coffee consumption is estimated to have reached 128 million bags during calendar 2008. Historically, coffee consumption has grown by about 2% per annum (consistent with population growth), a trend that is likely to continue. Moreover, because coffee consumption is characterized by low income elasticity, the current economic downturn is unlikely to have a significant impact on demand. Although there are reports of reduced coffee consumption in some Eastern European countries, their effect on the market is likely to be minimal because of their small share in global demand. In view of current season's good arabica supply prospects and barring an unfavorable weather event, arabica prices are expected to average \$2.90/kg in 2009 and \$2.70/kg in 2010. Tighter robusta supplies, however, may exert some upward pressure on prices, hence they are expected to average \$1.75/kg in 2009 and \$1.80/kg in 2010.

Monthly Prices (\$/kg)



Annual Constant 2000 Prices (\$/kg)



GLOBAL MARKET DATA

	2005/06	2006/07	2007/08	2008/09		2005	2006	2007	2008
PRODUCTION (000 bags)					CONSUMPTION (000 bags)				
Brazil	32,945	42,512	36,070	45,992	US	20,998	20,667	21,033	21,655
Vietnam	13,542	19,340	16,467	16,000	Brazil	15,390	16,133	16,927	17,856
Colombia	12,329	12,153	12,515	10,500	Germany	8,665	9,151	8,627	9,554
Ethiopia	4,003	4,636	4,906	6,133	Japan	7,128	7,268	7,282	7,065
Indonesia	9,159	7,483	7,751	5,833	Italy	5,552	5,593	5,799	5,937
Mexico	4,225	4,200	4,150	4,650	France	4,787	5,278	5,628	5,093
India	4,396	5,079	4,148	4,610	Russian Fed.	3,212	3,263	4,055	3,510
Peru	2,419	4,249	2,953	4,102	Spain	3,007	3,017	3,198	3,485
Honduras	3,204	3,461	3,842	3,833	Indonesia	2,375	2,750	3,208	3,333
Uganda	2,159	2,700	3,250	3,500	Canada	2,794	3,098	3,535	3,142
Guatemala	3,676	3,950	4,100	3,370	UK	2,680	3,059	2,824	3,068
Côte d'Ivoire	1,962	2,847	2,150	2,500	Mexico	1,556	1,794	2,050	2,200
Nicaragua	1,718	1,300	1,700	1,600	Algeria	1,892	1,836	1,968	1,899
Costa Rica	1,778	1,580	1,791	1,594	Ethiopia	1,833	1,833	1,833	1,833
El Salvador	1,502	1,371	1,626	1,369	Netherlands	1,927	2,129	2,292	1,578
Kenya	660	826	652	950	Colombia	1,272	1,337	1,360	1,430
Tanzania	804	822	810	917	Korea, Rep.	1,394	1,437	1,425	1,419
PNG	1,268	807	968	850	Sweden	1,170	1,315	1,244	1,211
Thailand	999	766	653	825	Poland	2,267	1,953	1,531	1,190
World	110,131	127,653	117,882	127,005	Finland	1,102	1,047	1,057	1,115
Arabica	67,853	79,254	72,118	82,202	India	917	917	989	1,060
Robusta	42,278	48,399	45,764	44,802	World	118,891	122,304	126,549	128,000

Source: International Coffee Organization

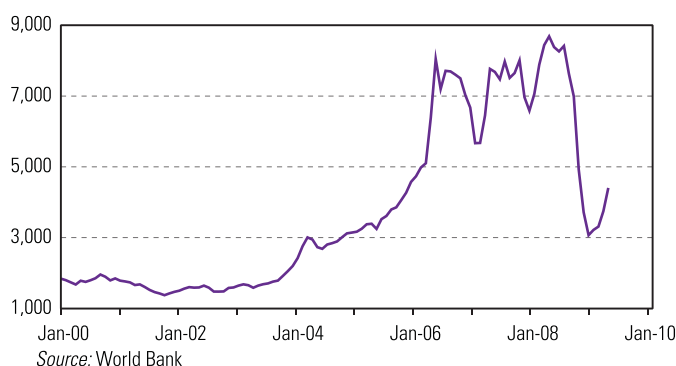
Copper prices are expected to retreat from this year's highs, as prices remain well above the costs of production. From 2010 onwards, prices are expected to rise moderately as production struggles keeps pace with relatively strong growth in demand—particularly in China.

Prices remained elevated during the boom far longer than for other metals due to a host of supply problems. These included labor disputes, declining ore grades, project delays, and lack of equipment, skilled labor, energy and raw materials. Prices fell sharply in the second half of 2008 as demand slumped, but rallied substantially in the first part of 2009 due to record imports into China, the result of large stocking by government and industry, as well as shrinking scrap supplies. As stocking ends, however, prices are expected to recede.

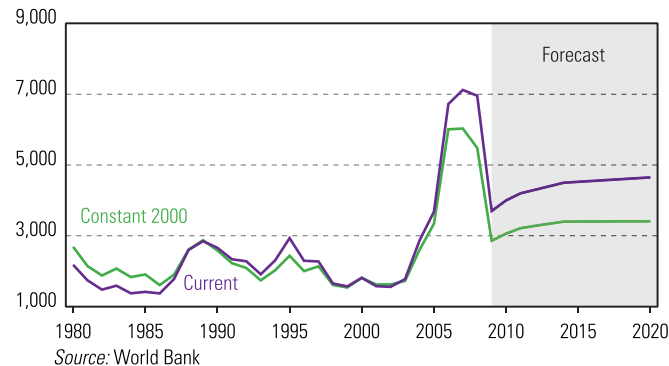
World copper demand, which grew 2.5 percent between 2000 and 2007, fell 2 percent in 2008, mainly in industrial countries. Consumption (net of stocking) is estimated to have fallen more than 15 percent in the first quarter, largely due to the slump in construction and autos.

Copper mine capacity growth is set to grow moderately in future but the industry faces a number of hurdles. These include a limited number of big mines in the pipeline worldwide, a general decline in ore grades at existing large operations, and other operational difficulties. The world will increasingly rely on Africa's revived copper belt for new supply over the coming decade. However, the region poses a number of challenges with respect to labor, power, and flooding, as well political risks regarding licensing and contracts.

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



GLOBAL MARKET DATA

	2005	2006	2007	2008		2005	2006	2007	2008
PRODUCTION (000 metric tons)					EXPORTS (000 metric tons)				
China	2,600	3,003	3,499	3,779	Chile	2,799	2,606	2,910	3,004
Chile	2,824	2,811	2,937	3,060	Zambia	423	476	491	585
Japan	1,395	1,532	1,577	1,540	Japan	248	320	428	423
US	1,260	1,250	1,310	1,275	Peru	514	449	365	419
Russian Fed.	968	959	923	926	Australia	315	287	295	357
Germany	638	662	666	690	Kazakhstan	401	357	349	344
India	518	627	719	669	Poland	290	288	240	297
Zambia	446	497	522	605	Canada	297	280	298	290
Korea, Rep.	527	575	585	573	Belgium	241	237	201	260
Poland	560	557	533	527	Russian Fed.	301	262	275	207
World	16,610	17,343	17,980	18,475	World	7,454	7,477	7,618	7,838
CONSUMPTION (000 metric tons)					IMPORTS (000 metric tons)				
China	3,656	3,614	4,863	5,134	China	1,222	827	1,496	1,458
US	2,257	2,096	2,140	1,933	Germany	625	881	844	833
Germany	1,115	1,398	1,392	1,398	US	977	1,076	832	721
Japan	1,229	1,282	1,252	1,184	Italy	652	774	746	617
Korea, Rep.	868	828	858	852	Taiwan, China	640	647	615	585
Russian Fed.	667	693	688	731	France	517	507	432	434
Italy	680	801	764	635	Korea, Rep.	428	380	420	406
Taiwan, China	638	643	603	582	Turkey	224	150	288	288
India	397	407	516	511	Thailand	235	268	245	265
France	472	460	337	379	Brazil	168	175	218	252
World	16,639	16,974	18,098	18,032	World	6,994	7,051	7,129	6,766

Source: World Metal Statistics

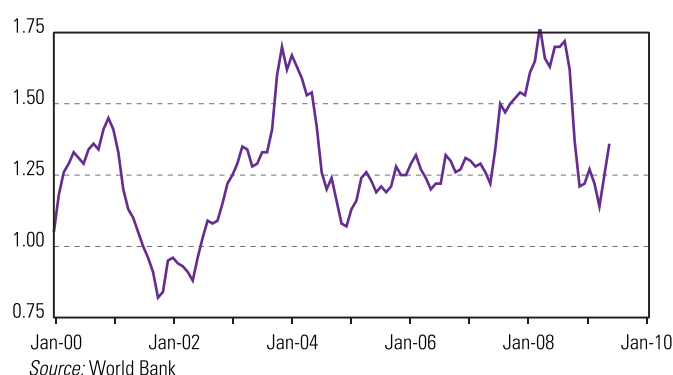
The Cotlook A index averaged \$1.22/kg during Jan-Apr 2009, 27% lower than the corresponding 2008 average of \$1.70/kg, a decline reflecting mostly weak demand. Although such decline is in line with the agriculture index (down 24% during this period), cotton price increases during the 2008 rally were less pronounced than other commodities, because of a well-supplied global market due to increased yields (up 20% during the past 5 years) by users of genetically modified (GM) seeds. Such yield increases took place in the backdrop of diversion of cotton area to biofuel crops.

The International Cotton Advisory Committee expects global cotton production to be 23.5 million tons in 2009/10. This is similar to the 2008/09 season's output of 23.7 million tons but 11% less than the record 2007/08 crop. Consumption is expected to be 23.7 million tons, thus maintaining the stocks-to-use ratio at 53%, much higher than the historical average of 40%.

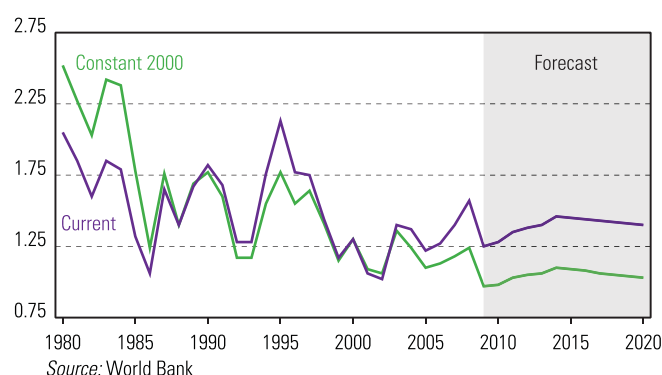
Among key suppliers, China is expected to reduce its output by 0.5 million tons most of which will be balanced by India. Overall the cotton market appears to be well-supplied, thus ruling out large price increases in the medium term. There are some signs of demand strengthening, especially in China, hence the Cotlook A Index is expected to average \$1.25/kg during 2009, slightly above the Jan-Apr 2009 average but lower than \$1.57/kg in 2008. Moderate price increases are expected for 2010 and 2011 as well.

Area allocated to GM cotton reached 48% during 2008/09, corresponding to 54% of global production. Apart from Australia, South Africa, and the US with adoption rates exceeding 90%, the two key beneficiaries of the GM technology have been China and India with adoption rates of 70% and 75%. If other major producers (e.g., Brazil, Pakistan, and Turkey) embrace the technology soon, prices may come under downward pressure in the medium and longer terms.

Monthly Prices (\$/kg)



Annual Prices (\$/kg)



GLOBAL MARKET DATA

	2006/07	2007/08	2008/09	2009/10		2006/07	2007/08	2008/09	2009/10
PRODUCTION (000 metric tons)					EXPORTS (000 metric tons)				
China	6,729	8,078	8,025	7,473	US	3,048	2,973	2,555	2,308
India	4,590	5,355	4,930	5,358	Uzbekistan	957	887	550	831
US	4,731	4,182	2,838	2,985	Brazil	300	486	480	347
Pakistan	2,115	1,845	1,920	1,934	Australia	483	270	230	289
Brazil	1,381	1,603	1,402	1,176	Turkmenistan	167	185	120	199
Uzbekistan	1,100	1,206	1,060	1,092	Burkina Faso	309	194	156	198
Turkey	850	675	450	409	Greece	243	234	161	157
Australia	253	126	315	348	Tanzania	73	76	56	125
Turkmenistan	260	280	297	294	Zimbabwe	99	91	81	107
Syria	225	250	220	232	World	8,514	8,358	6,176	7,272
Greece	300	285	240	195	IMPORTS (000 metric tons)				
Burkina Faso	300	150	182	191	China	2,901	2,511	1,500	2,110
Egypt	213	212	118	142	Pakistan	500	786	450	653
Argentina	177	152	130	134	Turkey	710	700	470	611
World	25,312	26,280	23,698	23,466	Bangladesh	453	600	551	585
STOCKS (000 metric tons)					Indonesia	455	495	435	443
China	2,551	3,328	3,226	3,117	Thailand	430	420	410	399
India	1,403	1,541	2,223	2,462	Mexico	321	333	266	315
US	1,915	2,155	1,654	1,541	Vietnam	164	240	239	253
Brazil	1,095	1,224	949	862	Russian Fed.	282	233	200	190
Pakistan	855	601	689	701	Taiwan, China	259	215	185	189
Uzbekistan	287	384	655	677	Korea, Rep.	230	212	190	181
World	11,295	12,202	12,583	12,494	World	8,514	8,289	6,176	7,272

Source: International Cotton Advisory Committee

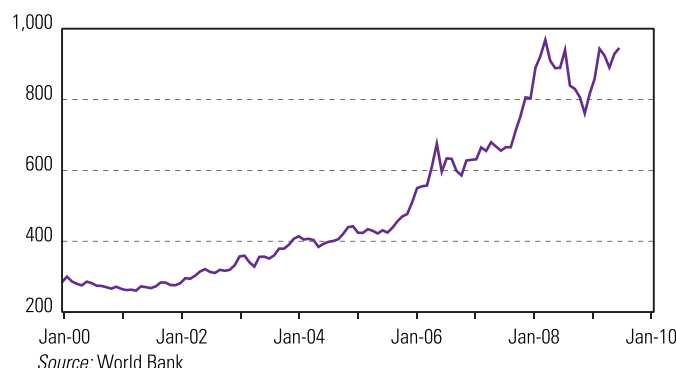
Gold prices are expected to remain relatively firm in the near term due to investor concerns about the dollar and macroeconomic and financial conditions. Over the longer term gold prices are expected to fall back toward \$700/toz as high prices discourage demand and stimulate new supplies.

Gold prices fell from a peak of \$1000/toz in 2008 to under \$750/toz in November due to dollar appreciation and investor liquidation to raise to cash. However, gold prices have risen back above \$900/toz on strong investment demand in the form of exchange traded funds, bars and coins. However prices have not pushed higher because physical jewelry demand has fallen sharply, particularly in Asia and the Middle East, and consumers in all regions are returning physical gold to the market in the form of scrap.

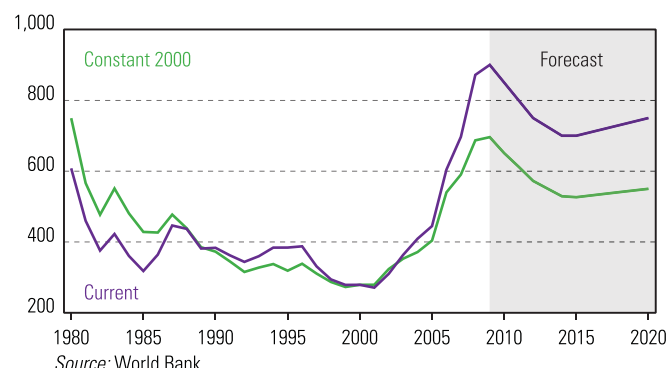
The second 5-year Central Bank Gold Agreement (CBGA), which limits annual sales to 500 tonnes, ends in September 2009 and is expected to be rolled over for a third 5-year agreement. If and when the IMF sells up to 400 tonnes of gold it has earmarked to help with operating costs, it is to be used as part of a CBGA.

Gold is the one commodity where essentially all production ends up in above-ground inventory, consequently investor sentiment remains a key determinant of prices. High prices will restrain physical demand, and stimulate new supplies from mines and scrap. Mine supply is projected to rise modestly, as prices are expected to remain conducive to expanding capacity. While producer hedging has fallen, new projects may require hedging for project finance, thereby adding to supply.

Monthly Prices (\$/troy ounce)



Annual Prices (\$/troy ounce)



GLOBAL MARKET DATA

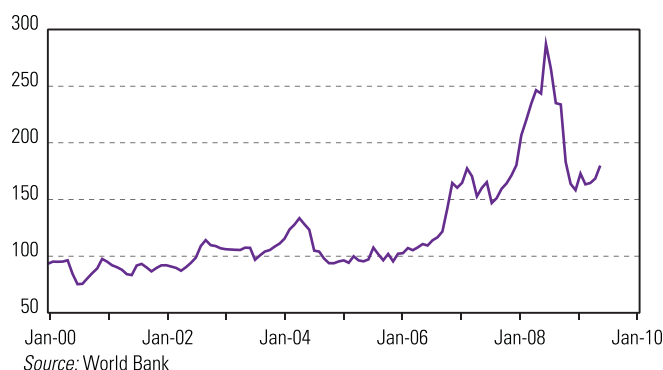
	2005	2006	2007	2008		2005	2006	2007	2008
PRODUCTION (metric tons)					CONSUMPTION (metric tons)				
US	256	252	239	229	India	695	633	684	578
China	209	240	270	222	China	258	270	327	342
South Africa	297	275	255	220	Turkey	303	242	277	237
Australia	263	247	245	215	Italy	285	227	218	180
Peru	208	203	170	180	US	219	211	179	176
Russian Fed.	163	159	157	157	Japan	164	175	178	164
Canada	121	104	102	96	Saudi Arabia & Yemen	125	90	100	87
Ghana	67	70	76	79	Korea, Rep.	83	82	86	78
Uzbekistan	84	77	73	73	Russian Fed.	61	65	79	76
PNG	69	54	56	67	Egypt	71	50	57	65
Indonesia	139	80	105	63	Indonesia	87	65	63	61
Mexico	30	39	44	50	Switzerland	56	61	62	59
Brazil	38	43	50	49	Malaysia	74	58	61	57
Mali	44	50	40	41	UAE	55	47	49	46
Chile	40	42	42	39	Germany	50	49	49	46
Argentina	28	44	42	38	Pakistan	64	54	50	44
Philippines	38	36	39	37	Iran, Islamic Rep.	41	36	41	41
Tanzania	48	41	40	37	Thailand	69	53	48	40
Colombia	36	16	15	34	Canada	27	22	22	40
Kazakhstan	18	21	21	21	Singapore	30	29	30	28
Guinea	14	11	13	20	Taiwan, China	32	31	30	28
Kyrgyzstan	16	9	9	17	Austria	9	6	7	26
World	2,434	2,316	2,281	2,161	World	3,291	2,936	3,076	2,850

Source: World Metal Statistics, Gold Field Mineral Services

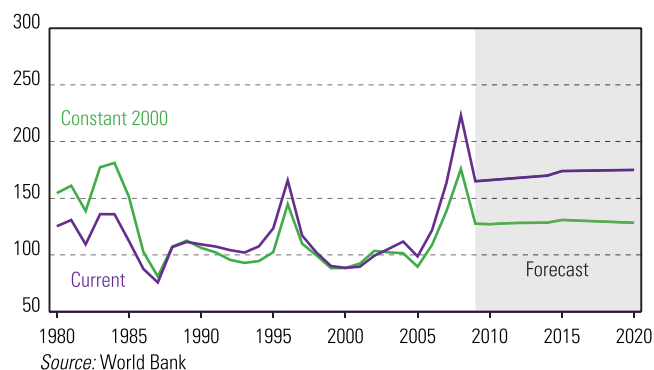
Maize prices averaged \$170/ton during Jan-May 2009, 40% lower than its all time high of June 2008. The sharp decline is linked to lower biofuel demand and to a lesser extent weakening in global demand for feedgrains due to contraction in livestock production. The decline in crude oil prices has reduced the profitability of the US ethanol industry, in turn leading to a number of ethanol plants either being closed or reducing capacity. The US is the world's largest maize-based ethanol producer. However, the U.S. Energy Independence and Security Act of 2007 mandates a 10.2% renewable fuel standard for 2009 (roughly corresponding to 11 billion gallons) implying that, if this standard is binding, a considerable amount of maize will be diverted to the ethanol industry, thus keeping prices elevated by historical standards.

Global maize production is expected to remain virtually unchanged in 2009/10, according to the May 2009 US Department of Agriculture update. A significant production shortfall in the EU will be balanced by production increases in Brazil and Argentina. Global exports will increase by four million tons, to be accounted in their entirety by the US while stocks are expected to decline to 128 million tons in 2009/10, down from 139.6 million tons in 2008/09, thus pushing the stock-to-use ratio down from 0.18 to 0.16. Maize prices are expected to average \$165/ton during 2009 with only modest increases taking place in the next few years. In real terms, maize prices are expected to average 30% higher compared to the first half of the current decade when ethanol was not a significant component of maize use.

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



GLOBAL MARKET DATA

	2006/07	2007/08	2008/09	2009/10		2006/07	2007/08	2008/09	2009/10
PRODUCTION (000 metric tons)					EXPORTS (000 metric tons)				
US	267,503	331,177	307,386	307,100	US	53,987	61,873	44,452	48,262
China	151,600	152,300	165,500	162,500	Brazil	10,836	7,791	10,000	10,000
EU-27	53,829	47,506	62,380	56,902	Argentina	15,309	15,000	7,000	9,000
Brazil	51,000	58,600	50,500	54,000	Ukraine	1,027	2,074	4,500	2,500
Mexico	22,350	23,600	25,000	24,000	EU-27	664	591	2,000	2,000
India	15,100	18,960	17,000	18,500	South Africa	468	2,200	2,500	2,000
Argentina	22,500	22,000	13,000	15,000	World	93,931	98,813	76,934	81,142
South Africa	7,300	13,164	12,000	11,500	IMPORTS (000 metric tons)				
Canada	8,990	11,649	10,600	10,300	Japan	16,713	16,614	16,500	16,300
Indonesia	7,850	8,500	8,700	9,000	Korea, Rep.	8,731	9,311	7,000	7,500
Ukraine	6,400	7,400	11,400	8,500	Mexico	8,944	9,556	7,000	7,500
Nigeria	7,800	6,500	7,900	8,300	Egypt	4,826	4,151	3,700	4,200
Russia	3,600	3,950	6,600	7,000	Taiwan, China	4,283	4,527	4,000	4,000
Philippines	6,231	7,277	6,900	6,900	Colombia	3,386	3,267	2,800	2,900
World	712,203	791,626	787,831	785,139	Iran, Islamic Rep.	3,300	2,900	2,700	2,900
STOCKS (000 metric tons)					Malaysia	2,363	3,181	2,000	2,600
China	36,602	39,394	52,694	56,744	EU-27	7,056	14,016	2,500	2,500
US	33,114	41,255	40,652	29,094	Canada	2,102	3,182	1,600	2,400
Brazil	3,592	12,579	9,079	8,079	Algeria	2,406	1,963	1,900	2,100
EU-27	7,382	4,913	6,193	4,495	Chile	1,756	1,321	2,000	1,900
Mexico	3,084	4,131	3,831	3,081	Syria	1,516	1,691	1,800	1,900
South Africa	1,661	3,475	3,275	2,875	Saudi Arabia	1,577	1,961	1,700	1,800
World	109,002	130,347	139,579	128,193	World	90,787	98,295	75,598	79,326

Source: US Department of Agriculture

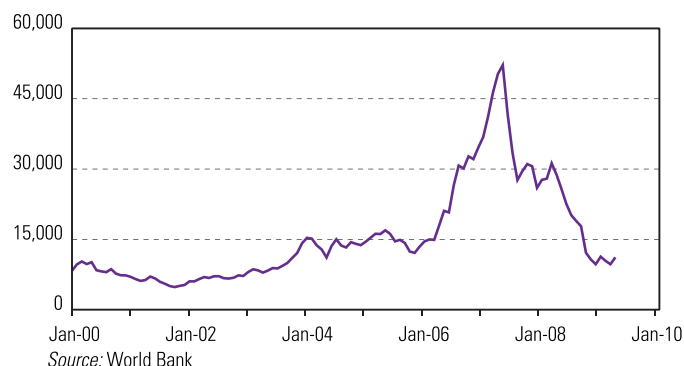
Nickel prices peaked in May 2007 above \$54,000/ton and by December 2008 had plunged to near \$9,000/ton due to the slump in stainless steel demand. Prices have largely stabilized on sizeable cutbacks in production, and prices are expected to increase moderately in future to encourage sufficient production to meet the projected strong growth in consumption.

The slump in nickel demand caused LME inventories to rise from a scant 3,000 tons in 2007 to more than 114,000 tons at end-April 2009, the highest in 14 years. Stainless steel production—which accounts for 70 percent of nickel useage—typically grows at some 5-6 percent, but exhibits large swings, resulting in lengthy periods of large stocking and de-stocking. Global stainless steel production declined by nearly 8 percent in 2008, the second consecutive year of contraction.

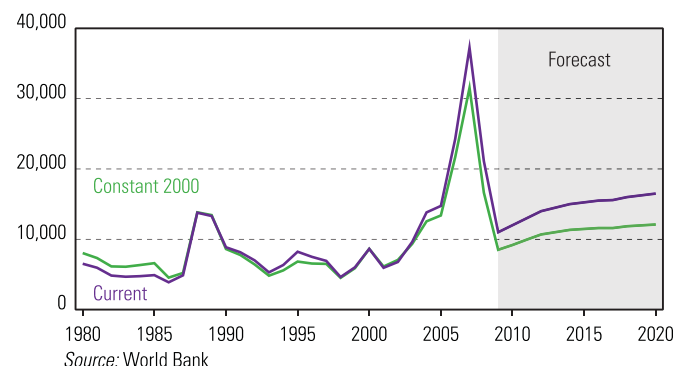
Plunging prices in the second half of 2008 fell deep into the industry's cost curve and led to a fairly rapid contraction in nickel capacity. These were a mix of closures and project deferrals of both mines and smelting capacity, and includes the large Ravensthorpe project commissioned last year. A high-cost casualty was the Chinese nickel pig iron industry which sprang up during the surge in nickel prices, and typically requires a nickel price of some \$25,000/ton to break even.

The shut-in and deferred projects will be needed in the future as demand recovers and inventories are drawn. A long-term concern is that few new nickel sulphide projects are being discovered due to resource exhaustion, the last significant operation being Voisey's Bay in Canada. These will have to be replaced by higher-cost nickel laterite deposits that are more complex to bring on-line.

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



GLOBAL MARKET DATA

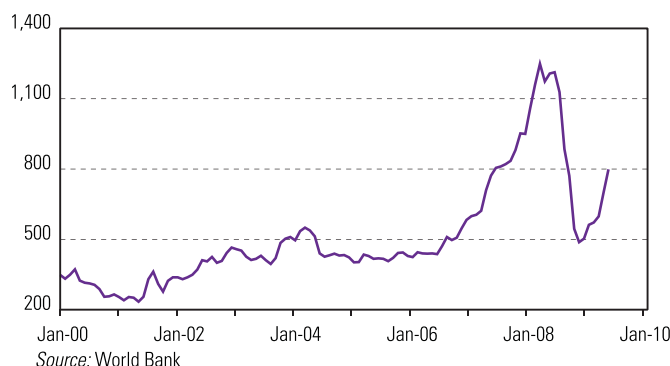
	2005	2006	2007	2008		2005	2006	2007	2008
PRODUCTION (000 metric tons)					CONSUMPTION (000 metric tons)				
Russian Fed.	268	274	267	264	China	195	234	328	305
Canada	140	154	163	176	Japan	180	181	196	185
China	95	132	220	171	US	135	144	118	121
Japan	164	152	161	156	Germany	116	106	110	90
Australia	122	116	114	108	Korea, Rep.	118	93	71	73
Norway	85	82	88	89	Taiwan, China	84	107	76	69
Finland	39	47	55	51	Italy	60	68	64	68
Cuba	44	42	44	44	Belgium	49	58	55	47
Colombia	53	51	49	42	South Africa	47	54	44	44
UK	38	37	34	39	Finland	49	51	40	41
New Caledonia	47	49	45	37	Spain	48	53	41	41
South Africa	42	42	38	32	UK	32	32	32	32
Brazil	30	31	32	31	Sweden	35	36	34	31
Ukraine	13	16	21	25	France	32	32	31	28
Dominican Rep.	29	30	29	20	Russian Fed.	26	26	26	26
Indonesia	7	14	19	18	Brazil	26	25	22	25
Greece	19	18	19	17	India	16	18	19	21
Macedonia	8	11	15	15	Canada	5	5	5	5
France	13	14	15	13	Singapore	4	4	4	4
Zimbabwe	16	13	14	11	Turkey	3	1	1	4
Venezuela	17	17	16	11	Austria	7	8	3	3
World	1,288	1,341	1,456	1,368	World	1,296	1,366	1,353	1,295

Source: World Metal Statistics

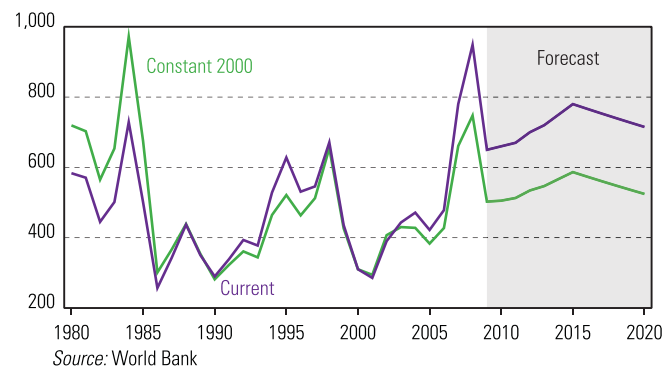
Palm oil prices averaged \$645/ton during Jan-May 2009, 45% down from their \$1,170/ton average of the same period last year. In addition to strong import demand, especially by India, and increased use of competing oils for biofuel use (mainly rapeseed oil), last year's rally may have had an element of overshooting. Therefore, the sharp decline should be viewed as a correction, in addition to a change in fundamentals. According to Oil World, global palm oil output is expected to reach 44.5 million tons in 2008/09 (October to September), 5% higher than 2007/08. Global soybean oil production (close substitute to palm oil) is estimated at 36.1 million tons during 2008/09, down from 37.6 million tons during 2007/08. The decline in soybean oil production is due to weather problems in South America, especially Brazil and Argentina, which account for 45% of global soybean supplies.

Import demand is expected to increase by 11% during 2008/09 with most of that growth taking place in China, India and to a lesser extent the EU. (More than three-quarters of global palm oil is internationally traded). Stock-to-use ratio during 2008/09 will reach 14%, about 2 percentage points lower than historical levels. Virtually all edible oils experienced unprecedented price increases during the first half of 2008, not seen since the early 1973. They declined sharply, however, during the second half of 2008 and they are now more in line with fundamentals. In view of a tight soybean market due to supply reductions in South America, early signs of demand pick up, and restraint in biofuel mandates in several countries, especially in the EU, palm oil prices are expected to average \$650/ton in 2009, and marginally higher in 2010.

Monthly Prices (\$/ton)



Annual Prices (\$/ton)



GLOBAL MARKET DATA

	2005/06	2006/07	2007/08	2008/09		2005/06	2006/07	2007/08	2008/09
PRODUCTION (000 metric tons)					EXPORTS (000 metric tons)				
Indonesia	15,520	16,730	18,880	20,250	Malaysia	13,718	13,768	15,041	15,950
Malaysia	15,486	15,294	17,567	17,961	Indonesia	11,590	12,465	14,100	15,900
Thailand	795	989	1,123	1,218	PNG	317	406	384	405
Colombia	815	830	850	883	Thailand	132	327	399	335
Nigeria	693	752	779	793	Colombia	219	281	318	235
Ecuador	335	409	404	439	World	28,119	29,638	32,842	35,420
World	36,024	37,591	42,323	44,493	IMPORTS (000 metric tons)				
CONSUMPTION (000 metric tons)					China	5,182	5,543	5,559	6,150
China	5,210	5,461	5,690	6,140	India	2,820	3,664	5,019	5,830
India	2,855	3,698	4,884	5,730	EU-27	4,534	4,634	5,084	5,453
EU-27	4,426	4,478	4,886	5,270	Pakistan	1,728	1,743	1,758	1,850
Indonesia	3,680	3,920	4,362	4,853	US	604	692	955	1,170
Malaysia	2,181	2,132	2,449	2,752	Bangladesh	823	871	855	950
Pakistan	1,597	1,638	1,748	1,800	Egypt	669	716	508	690
Nigeria	1,014	1,042	1,107	1,125	Iran, Islamic Rep.	352	419	611	620
US	567	635	940	1,100	Japan	497	516	551	550
Thailand	684	700	781	837	World	28,146	29,366	32,817	35,234
Colombia	492	467	457	605	STOCKS (000 metric tons)				
Egypt	580	598	480	580	Indonesia	1,410	1,780	2,230	1,760
Russian Fed.	540	527	680	560	Malaysia	1,799	1,461	1,951	1,680
Japan	498	509	550	549	India	342	350	540	700
Turkey	516	401	443	490	China	390	472	340	350
World	35,415	37,256	41,200	44,920	World	5,726	5,812	6,956	6,343

Source: Oil World, Hamburg, Germany and US Department of Agriculture

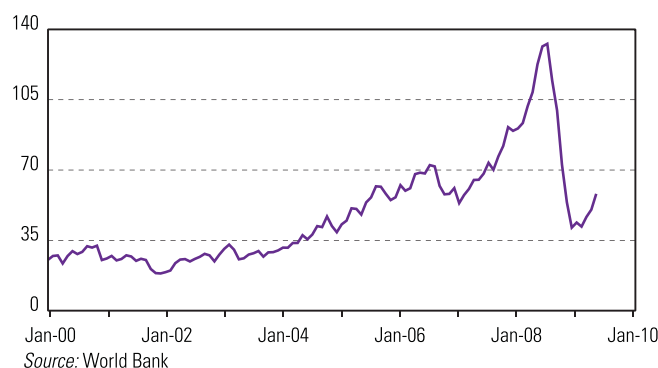
Crude oil prices are projected to rise to \$75/bbl (in constant 2008 dollars) in 2015, with nominal prices rising from \$48/bbl in 2009 to \$82/bbl in 2020. The price forecast is based on high-cost oil sands development in Canada, and assumes continued production restraint by major oil producers.

Oil prices stabilized above \$40/bbl in early 2009 following the 70 percent plunge in the second half of 2008. OPEC has taken 4 mb/d oil off the market since mid-2008 in an effort to stem the slide, but stocks have remained high, in large part due to the sharp contraction in demand. OPEC spare capacity has surged to nearly 7 mb/d, and is expected to help keep prices moderate over the medium term. However, investment in new capacity has fallen, and sluggish growth will allow prices to gradually rise to bring on high-cost supplies.

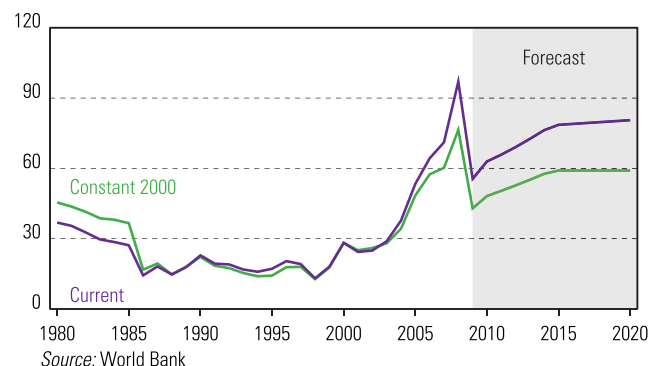
World oil demand fell in 2008, the first decline in 25 years. Demand plunged in the fourth quarter and by a steeper 3.7 percent in the first quarter of this year, with a drop of more than 6 percent in the OECD, and smaller decreases in a number of developing country regions, including China. Oil demand growth is expected to be moderate in future, tempered by environmental concerns and efficiency gains.

Non-OPEC supplies fell in 2008, and further declines are projected for 2009. Lower prices have reduced capital expenditures and a number of higher-cost projects have been cancelled or deferred, notably in Canada. However costs are also falling, and supply is expected to grow again from 2009 onwards, bolstered by ongoing technological advances and improved fiscal terms as countries seek to attract investment to expand capacity.

Monthly Prices (\$/barrel)



Annual Prices (\$/barrel)



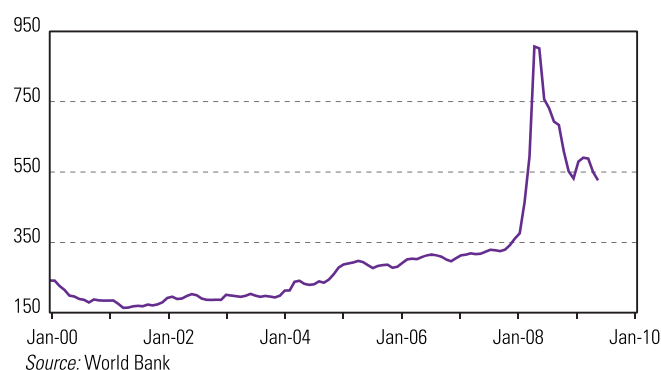
GLOBAL MARKET DATA

	2005	2006	2007	2008		2005	2006	2007	2008
PRODUCTION (000 b/d)					CONSUMPTION (000 b/d)				
Saudi Arabia	10,604	10,447	9,988	10,406	US	20,802	20,687	20,680	19,419
Russian Fed.	9,627	9,843	10,078	9,999	China	6,984	7,382	7,742	7,999
US	7,323	7,372	7,477	7,527	Japan	5,343	5,213	5,039	4,845
Iran, Islamic Rep.	4,256	4,302	4,372	4,294	India	2,569	2,580	2,748	2,882
China	3,617	3,674	3,729	3,793	Russian Fed.	2,601	2,709	2,706	2,797
Canada	3,054	3,192	3,315	3,226	Germany	2,605	2,624	2,393	2,505
Mexico	3,760	3,684	3,477	3,166	Brazil	2,048	2,102	2,274	2,397
UAE	2,995	3,147	3,055	3,113	Canada	2,247	2,246	2,323	2,295
Venezuela	3,011	2,835	2,614	2,582	Korea, Rep.	2,308	2,317	2,389	2,291
Kuwait	2,258	2,335	2,293	2,477	Saudi Arabia	1,756	1,841	2,054	2,224
Norway	2,969	2,778	2,556	2,464	Mexico	1,974	1,970	2,027	2,039
Iraq	1,833	1,922	2,113	2,409	France	1,960	1,956	1,921	1,930
Brazil	1,987	2,114	2,217	2,365	Iran, Islamic Rep.	1,620	1,693	1,693	1,730
Algeria	2,105	2,141	2,192	2,207	UK	1,802	1,785	1,714	1,704
Nigeria	2,598	2,463	2,346	2,160	Italy	1,819	1,813	1,759	1,691
Angola	1,245	1,410	1,708	1,893	Spain	1,619	1,602	1,617	1,574
Libya	1,728	1,838	1,853	1,866	Indonesia	1,231	1,173	1,201	1,217
UK	1,838	1,662	1,663	1,564	Taiwan, China	1,090	1,097	1,123	1,074
Qatar	1,157	1,218	1,259	1,412	Netherlands	1,070	1,043	962	982
Kazakhstan	1,266	1,332	1,384	1,408	Singapore	794	853	916	958
Indonesia	1,113	1,062	1,014	1,030	Australia	886	918	925	936
Azerbaijan	454	655	868	903	Thailand	852	834	823	797
World	84,685	85,527	85,638	86,505	World	83,065	83,797	84,878	84,455

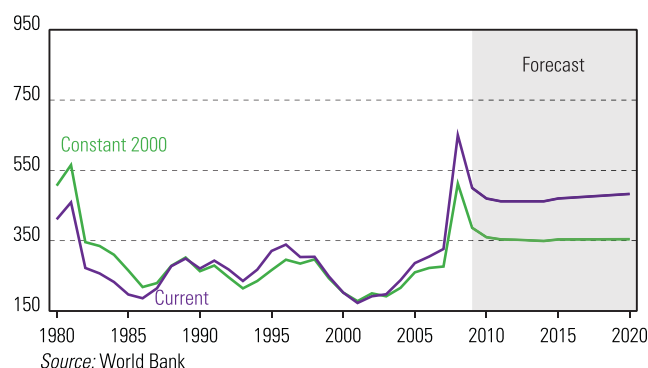
Source: International Energy Agency (production), and BP Statistical Review of World Energy (consumption).

Rice prices averaged \$560/ton during the past six months, considerably lower than last year's Apr-May peak of \$900/ton. Yet, they are still twice as high compared to 2004/05, and more than three times higher than 2000/01. The key factor behind last year's rally was policy measures by countries concerned with food security issues and to a lesser extent use of competing crops for the production of biofuels. The most surprising element of the rice price boom is that it took place against the backdrop of a well supplied global market. The latest US Department of Agriculture May-2009 update projects global rice production for 2009/10 at 448.1 million tons, up from current season's 443.7 million tons. That implies stocks will increase in most key producing countries: China (up 4%), India (15%), Indonesia (8%), and Thailand (36%), increasing global stocks to 94.7 million tons, up from this season's 89.8 million tons.

Monthly Prices (\$/ton)



Annual Prices (\$/ton)



GLOBAL MARKET DATA

	2006/07	2007/08	2008/09	2009/10		2006/07	2007/08	2008/09	2009/10
PRODUCTION (000 metric tons)					CONSUMPTION (000 metric tons)				
China	127,200	130,224	135,100	134,400	Thailand	9,557	10,011	9,000	8,500
India	93,350	96,690	98,900	99,500	Vietnam	4,522	4,649	5,200	5,000
Indonesia	35,300	37,000	37,300	37,600	India	5,740	4,654	2,500	4,000
Bangladesh	29,000	28,800	31,000	31,000	Pakistan	2,839	3,000	4,000	3,300
Vietnam	22,922	24,375	23,693	23,760	US	2,923	3,370	2,974	3,102
Thailand	18,250	19,300	19,400	20,000	China	1,340	969	1,300	1,300
Burma	10,600	10,730	10,150	10,730	Egypt	1,203	750	300	900
Philippines	9,775	10,479	10,593	10,710	World	31,459	31,120	28,672	29,694
Brazil	7,695	8,199	8,500	8,500	IMPORTS (000 metric tons)				
Japan	7,786	7,930	8,029	7,710	Philippines	1,800	2,700	2,000	1,750
US	6,267	6,344	6,515	7,163	Iran, Islamic Rep.	1,500	1,500	1,700	1,700
Pakistan	5,450	5,700	6,300	6,200	Nigeria	1,500	1,800	1,400	1,600
World	420,668	433,817	443,650	448,143	Saudi Arabia	958	961	1,360	1,370
STOCKS (000 metric tons)					EU-27	1,338	1,566	1,050	1,300
China	35,915	38,015	42,845	44,445	Iraq	613	975	1,000	1,000
India	11,430	13,000	17,000	19,500	Malaysia	886	799	1,020	830
Indonesia	4,607	5,607	6,307	6,807	Côte d'Ivoire	920	845	800	800
Thailand	2,510	2,207	3,115	4,223	South Africa	795	1,025	580	750
Philippines	4,868	4,548	3,991	3,002	Japan	675	597	700	700
Japan	2,406	2,556	2,715	2,725	Senegal	675	820	740	700
Vietnam	1,392	2,018	1,761	1,771	Mexico	594	583	630	675
US	1,266	942	741	1,253	US	653	759	572	667
World	75,103	80,637	89,798	94,729	World	28,173	29,311	26,256	26,272

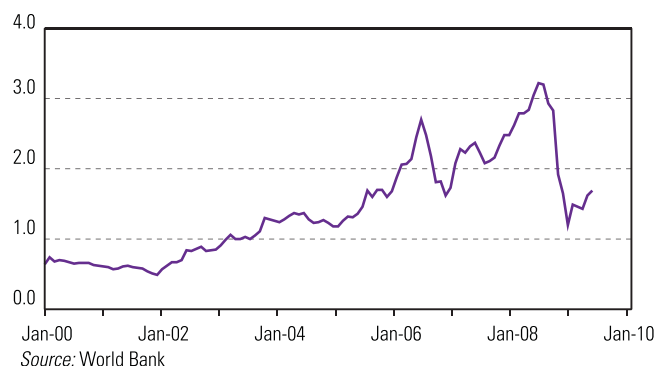
Source: US Department of Agriculture

Natural rubber prices averaged \$1.54/kg during Jan-May 2009, 45% lower than the corresponding period of 2008. Yet, prices are twice as high compared to the lows experienced during the early 2000s. The decline reflects lower crude oil prices--down 53% during this period--which in turn reduced the cost of producing substitute synthetic rubber. Weak demand for tire production due to the auto industry's woes have played a key role as well. Global natural rubber consumption declined to 9.6 million tons in 2008, from 9.9 million tons last year, thus increasing global stocks by almost 10%. In addition to the traditional natural rubber suppliers (Thailand, Indonesia, Malaysia), which account for 70% of global production, Vietnam is emerging an important player in the rubber market with its 2008 production share exceeding 7%. Consumption is dominated by China, accounting for more than one quarter of global demand.

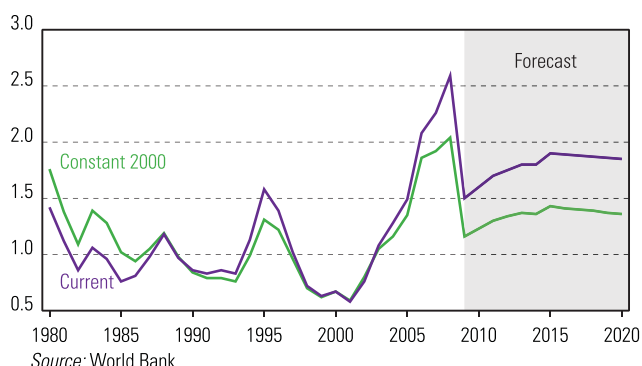
World production of synthetic rubber totaled 12.8 million tons in 2008, 6% lower than the year before. This is the first annual decline of that magnitude in the recent history of the sector. Likewise, consumption of synthetic rubber declined 5% in 2008 (and continues to be weak in 2009) due to reduction in tire demand as the automobile sales in most countries (especially high income) have collapsed.

Natural rubber prices for 2009 are projected to average at levels similar to that of Jan-May, i.e., \$1.50/kg and increase to \$1.60/kg in 2010. This is in line with the projected crude oil price of \$56/barrel in 2009 and \$63/barrel in 2010 as well as reversal of the economic downturn in 2010. However, if crude oil prices increase more than projected or economic recovery is quicker than anticipated, natural rubber prices may experience a sharper increase.

Monthly Prices (\$/kg)



Annual Prices (\$/kg)



GLOBAL MARKET DATA

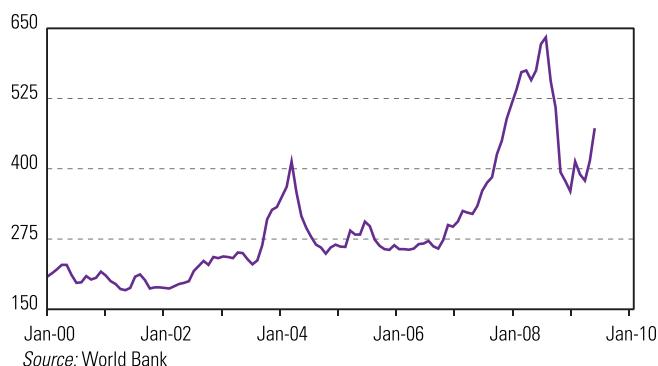
NATURAL RUBBER					SYNTHETIC RUBBER				
	2005	2006	2007	2008		2005	2006	2007	2008
PRODUCTION (000 metric tons)					PRODUCTION (000 metric tons)				
Thailand	2,937	3,137	3,056	3,020	US	2,366	2,606	2,670	2,294
Indonesia	2,271	2,637	2,755	2,824	China	1,632	1,813	2,215	2,304
Malaysia	1,126	1,284	1,200	1,078	Japan	1,627	1,607	1,655	1,663
India	772	853	811	880	Russian Fed.	1,146	1,219	1,209	1,109
Vietnam	469	554	602	663	Korea, Rep.	770	848	1,010	970
China	510	533	600	638	Germany	855	865	901	790
Côte d'Ivoire	165	178	189	195	France	655	664	655	645
World	8,907	9,701	9,726	9,942	World	12,165	12,719	13,538	12,785
CONSUMPTION (000 metric tons)					CONSUMPTION (000 metric tons)				
China	2,150	2,400	2,550	2,435	China	2,580	2,880	3,435	3,560
US	1,159	1,003	1,018	1,041	US	2,002	2,001	1,929	1,714
India	789	815	851	878	Japan	1,156	1,171	1,162	1,171
Japan	857	874	888	858	Germany	635	635	710	580
Malaysia	387	383	446	461	Brazil	405	425	477	532
Thailand	335	321	374	367	Russian Fed.	568	572	612	497
World	9,069	9,329	9,884	9,550	World	11,904	12,481	13,264	12,647
GROSS EXPORTS (000 metric tons)					GROSS EXPORTS (000 metric tons)				
Thailand	2,633	2,772	2,704	2,561	US	1,105	1,250	1,316	1,157
Indonesia	2,025	2,287	2,407	2,408	Korea Rep.	556	620	797	782
Malaysia	1,128	1,131	1,018	916	Germany	747	749	775	731
Vietnam	538	678	682	619	Russian Fed.	637	708	657	632
World	6,994	7,557	7,551	7,280	World	7,243	7,614	7,668	7,071

Source: International Rubber Study Group

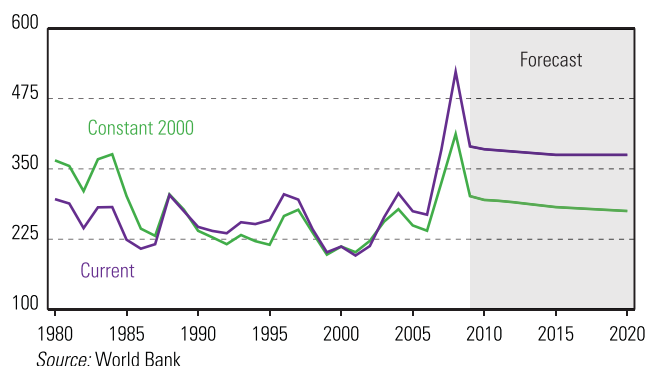
Soybean prices averaged \$416/ton during Jan-May 2009, 27% lower than the corresponding average of 2008. The 2008 rally reflected strong demand for bio-fuel feedstock of competing crops (mainly maize for ethanol in the US and rapeseed oil for biodiesel in the EU) and to a lesser extent a poor crop in South America's key suppliers due to unfavorable weather. Consequently, global production declined to 213 million tons in 2008/09, 4% down from a year ago while stocks declined by 20%. The situation, however, is expected to improve considerably during the next season. According to the US Department of Agriculture latest update, next season's crop is projected to be 14% higher than 2008/09, with production increases expected by all key suppliers: US (up 8%), Brazil (up 5%), and Argentina (up 50%).

Part of the soybean price increase has been fueled by the use of competing vegetable oils in biodiesel production, currently estimated at 9% of global vegetable oil use. The growth prospects for biodiesel, however, are limited according to F.O.Licht's latest Biofuel report, which projects the share of vegetable oil going to biofuel production to stagnate in 2009. Consequently, soybean prices are expected to average 390/ton in 2009 (down from 523/ton in 2008) followed by a further decline in 2010 to \$385/ton. These forecasts, however, are subject to both downside and upside risks. Such risks are linked to easing of biodiesel mandates in the EU (reducing demand for competing edible oils) and further increases in crude oil price (making the biofuel industry more profitable), respectively.

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



GLOBAL MARKET DATA

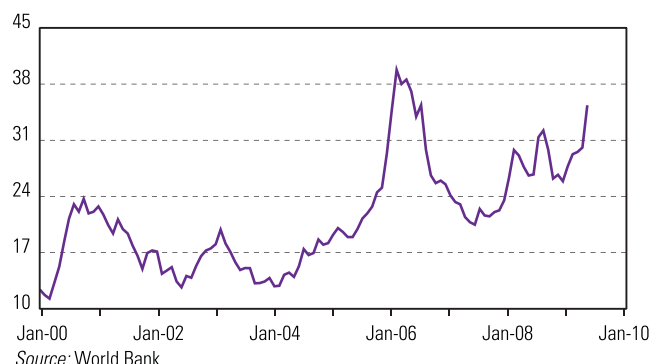
	2006/07	2007/08	2008/09	2009/10		2006/07	2007/08	2008/09	2009/10
PRODUCTION (000 metric tons)					EXPORTS (000 metric tons)				
US	87,001	72,859	80,536	86,954	US	30,386	31,598	33,743	34,292
Brazil	59,000	61,000	57,000	60,000	Brazil	23,485	25,364	26,250	24,000
Argentina	48,800	46,200	34,000	51,000	Argentina	9,559	13,837	7,400	9,400
China	15,967	14,000	16,000	15,600	Paraguay	4,361	5,400	2,300	3,970
India	7,690	9,470	9,650	10,000	Canada	1,683	1,753	1,875	1,900
Paraguay	5,856	6,900	3,800	5,750	World	71,310	79,534	73,178	75,302
Canada	3,460	2,700	3,300	3,400	IMPORTS (000 metric tons)				
World	237,111	221,100	212,786	241,722	China	28,726	37,816	37,500	38,100
CRUSHINGS (000 metric tons)					EU-27	15,291	15,123	13,050	12,900
US	49,198	49,024	44,634	45,586	Japan	4,094	4,014	3,650	3,950
China	35,970	39,518	40,604	43,050	Mexico	3,844	3,614	3,450	3,490
Argentina	33,586	34,607	32,000	35,100	Taiwan	2,436	2,149	2,050	2,250
Brazil	31,109	31,944	32,000	31,600	Thailand	1,532	1,753	1,575	1,705
EU-27	14,670	14,870	12,750	12,600	Indonesia	1,309	1,147	1,200	1,600
India	6,615	8,170	8,300	8,700	Turkey	1,268	1,277	1,100	1,280
Mexico	3,900	3,675	3,565	3,615	World	69,062	78,157	72,342	74,398
Japan	2,925	2,890	2,580	2,750	STOCKS (000 metric tons)				
Taiwan	2,161	1,965	1,815	1,990	Argentina	22,606	21,760	16,000	20,875
Paraguay	1,355	1,400	1,500	1,550	Brazil	18,190	19,072	14,900	16,415
Thailand	1,406	1,514	1,450	1,497	China	2,700	4,245	6,341	6,291
Canada	1,524	1,383	1,325	1,400	US	15,617	5,580	3,531	6,262
World	195,659	201,702	192,764	200,835	World	62,885	53,088	42,548	51,877

Source: US Department of Agriculture

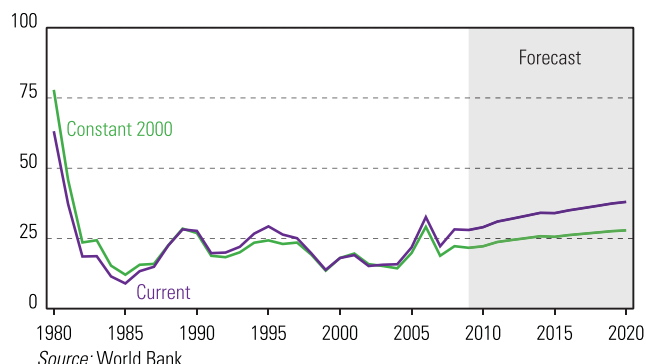
Sugar prices averaged 30.4 cents/kg during Jan-May 2009, 9% higher compared to the same period of 2008 when they averaged 27.9 cents/kg. Sugar is among the few commodities whose price defied the trend and increased during this period, mainly in response to an 11% reduction in global output. The shortfall was accounted for by India, turning it to a net sugar importer. India's production declined from 28.6 million tons in 2007/08 to 16.8 million tons in 2008/09, due to delayed payments to sugar growers and higher prices of competing food crops. Global sugar output during 2009/10 (US Department of Agriculture May-update), however, is expected to increase by 8% with India and Brazil accounting for all of the increase. Similarly, exports will increase by three million tons, all of which will come from Brazil's record crop of 36.9 million tons.

Brazil has long been the world's largest sugar supplier, currently accounting for almost half of global exports despite 60% of its sugar cane production going to ethanol production. Most Brazilian sugar cane processors have the flexibility to switch from sugar to ethanol production and vice-versa. The decline in crude oil prices is encouraging Brazilian producers to increase their sugar output at the expense of ethanol, thus preventing sugar prices from rising any further. Consequently, we project sugar prices to average 28 cents/kg in 2009, down from 29 cents/kg in 2008 and increase only slightly in 2010 and 2011. Prices, however, could be even lower if global production recovers more strongly from recent weakness. Conversely, further increases in crude oil prices would make the ethanol industry more profitable, hence putting upward pressure on sugar prices.

Monthly Prices (cents/kg)



Annual Prices (cents/kg)



GLOBAL MARKET DATA

	2006/07	2007/08	2008/09	2009/10		2006/07	2007/08	2008/09	2009/10
PRODUCTION (000 tons)					EXPORTS (000 tons)				
Brazil	31,450	32,100	32,350	36,850	Brazil	20,850	19,750	20,250	24,300
India	30,780	28,630	16,780	20,750	Thailand	4,705	4,914	5,500	5,700
EU-27	17,757	17,740	16,900	17,000	Australia	3,860	3,700	3,544	3,600
China	12,855	15,898	13,500	14,500	UAE	1,730	1,825	2,000	2,013
Thailand	6,720	7,820	7,200	7,500	Guatemala	1,500	1,333	1,490	1,515
US	7,662	7,396	6,900	7,326	EU-27	2,162	1,386	1,695	1,505
Mexico	5,633	5,852	5,550	5,500	Cuba	620	950	900	900
Australia	5,212	4,939	4,834	4,834	South Africa	1,267	1,154	1,000	900
Pakistan	3,615	4,163	3,562	3,670	World	50,634	52,116	48,248	51,260
Russian Fed.	3,150	3,200	3,480	3,350	IMPORTS (000 tons)				
Indonesia	1,900	2,300	2,500	2,600	EU-27	4,338	3,650	3,994	4,500
South Africa	2,313	2,360	2,350	2,300	India	0	0	1,800	2,500
Argentina	2,440	2,190	2,420	2,250	Russian Fed.	2,950	3,100	2,800	2,400
Guatemala	2,365	2,274	2,247	2,250	UAE	1,826	1,912	2,087	2,100
World	164,470	166,480	148,732	159,924	Indonesia	2,350	2,000	2,000	1,950
STOCKS (000 tons)					Nigeria	1,080	1,385	1,250	1,650
India	9,850	9,100	4,540	4,770	US	1,887	2,377	2,478	1,639
EU-27	4,005	4,769	3,668	3,363	Korea, South	1,555	1,560	1,550	1,600
China	1,401	3,965	3,395	3,345	Malaysia	1,730	1,495	1,540	1,530
Thailand	1,745	2,651	2,351	2,051	Japan	1,350	1,337	1,502	1,500
Indonesia	1,120	1,020	1,120	1,270	Algeria	1,310	1,300	1,400	1,450
Mexico	1,718	1,615	920	1,155	Canada	1,437	1,386	1,459	1,450
World	36,916	41,061	31,971	31,210	World	45,144	44,966	47,955	49,611

Source: US Department of Agriculture

The world price of tea, three-auctions-average, peaked at \$2.76/kg in July 2008, a 24-year-high in nominal terms, before plummeting to \$1.93/kg in December. Prices in 2008 averaged \$2.42, up 19 percent over 2007; by May 2009 prices have rebounded to \$2.69/kg. While the sharp price decline during the second half of 2008 has been similar to most commodities, tea prices have recovered sooner, reflecting weather related supply tightness.

The 2008 rally was fueled primarily by the robust demand for premium grade teas, especially by Russia as well as a number of Middle-East oil exporters, owing to their increased purchasing power; the rally was also attributed to global supply tightness. Kenyan crop suffered due to prolonged dry weather, lack of fertilizers which nearly tripled in price and to civil disturbances earlier in 2008.

Beginning in September 2008, however, prices began falling following global economic downturn. Russia and Pakistan (latter, Kenya's top importer) had cut back tea imports significantly as their economic woes worsened. Imports elsewhere reduced also, particularly the oil exporters who favored premium tea grades (these countries accounted for 34% of global tea imports volume in 2008.)

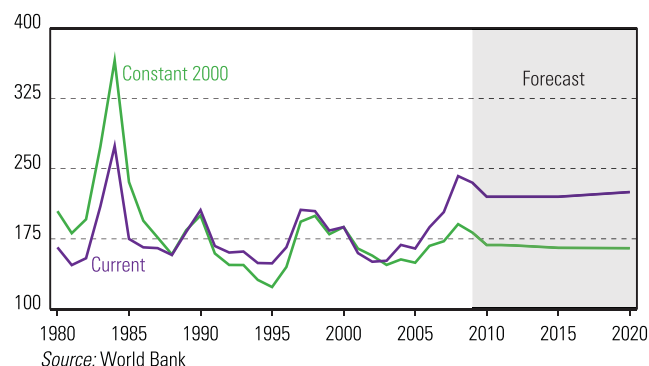
Preliminary data for 2009 indicate that supply shortage has continued, in turn supported the price recovery. Production during the first quarter of 2009 for India, Kenya and Sri Lanka was 46 thousand tons, 19 percent lower than the first quarter 2008 on account of drier than normal weather.

In view of the tight supplies, tea prices are expected to average \$2.35/kg during 2009. Prices are likely to fall to \$2.20 in 2010, on improved supply prospects.

Monthly Prices (cents/kg)



Annual Prices (cents/kg)



GLOBAL MARKET DATA

	2005	2006	2007	2008
PRODUCTION (000 metric tons)				
China	935	1,028	1,140	1,160
India	946	982	945	981
Kenya	324	311	370	346
Sri Lanka	317	311	305	318
Turkey	135	142	178	155
Indonesia	156	140	150	148
Vietnam	133	143	148	144
Japan	100	100	92	93
Argentina	80	88	87	72
Bangladesh	61	53	58	59
Uganda	38	37	45	43
Malawi	38	45	48	42
Tanzania	30	31	35	32
Myanmar	18	18	18	19
Iran, Islamic Rep.	25	20	17	18
Taiwan, China	19	19	18	17
Rwanda	16	17	17	17
Nepal	13	14	14	14
Zimbabwe	15	16	14	9
PNG	7	7	7	7
Burundi	8	6	7	6
World	3,457	3,573	3,761	3,750

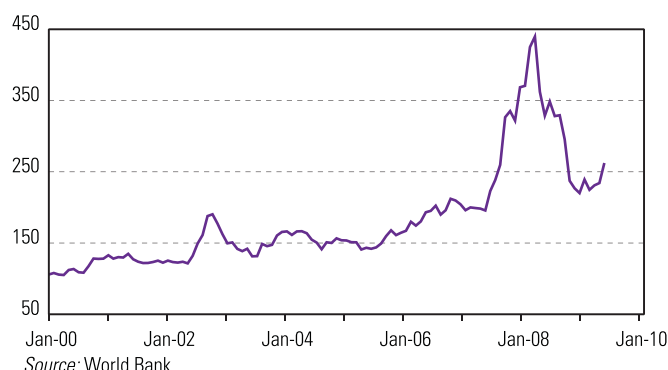
	2005	2006	2007	2008
GROSS EXPORTS (000 metric tons)				
Kenya	348	312	344	383
Sri Lanka	299	315	294	299
China	287	287	289	297
India	195	216	176	193
Vietnam	88	105	111	115
Indonesia	102	95	84	95
Argentina	66	71	74	76
Malawi	43	42	47	40
World	1,566	1,578	1,572	1,643
NET IMPORTS (000 metric tons)				
Russian Fed.	173	166	174	173
UK	128	135	131	131
US	100	108	109	117
Pakistan	139	117	106	99
Egypt	74	79	69	94
Dubai	62	69	72	71
Other CIS	53	56	58	60
Iran, Islamic Rep.	43	49	55	58
Morocco	50	51	53	48
Japan	51	48	47	43
Iraq	58	67	32	36
World	1,468	1,487	1,491	1,506

Sources: International Tea Committee, F.O. Lichts and World Bank estimates

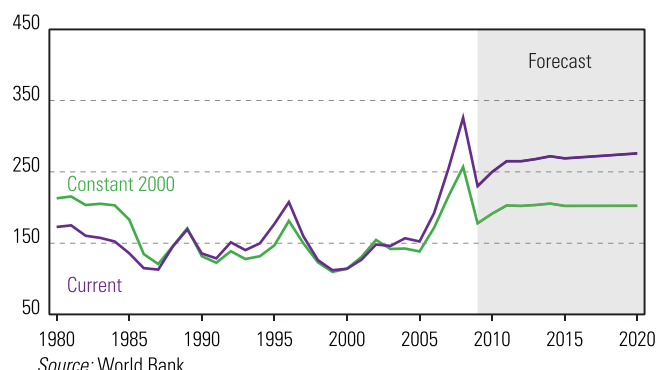
Wheat prices averaged a little over \$238/ton during Jan-May 2009, 38% lower than the respective 2008 average. Last year's rally, which was fuelled partly by strong biofuel demand for competing crops, took place against the backdrop of a record wheat crop in 2008/09, up 12% from the season before. According to the May-2009 US Department of Agriculture crop update, global wheat production is expected to decline 4% in 2009/10. Stocks are projected to increase for the second straight year thus pushing the stock-to-use ratio to 0.19, well above the 2007/08 record low of 0.14 and more in line with the historical average of 0.20. The stock buildup will be accounted for by China (22%), India (22%), and Iran (34%), none of which is a major exporter. Interestingly, these countries increased their stocks during the earlier season, perhaps in an effort to reduce their reliance on global supplies.

The expected decline in global output is concentrated among four key suppliers. They include EU-27, Russian Federation, Canada (all 9% down), and the US (19% down). Yet, despite the projected 4% reduction in next season's output, the rebuilding of stocks indicates that the wheat market is well-supplied. Similarly wheat trade, while expected to decline by 5% during next season, still exceeds the 2007/08 average by six million tons. Thus, barring any unfavorable weather event, prices are expected to average \$230/ton in 2009, a little lower than their Jan-May average, while a moderate increase is expected to take place during 2010. Such forecast is subjected to upside risks if crude oil prices increase further (reflecting the strong correlation between the two prices at high crude oil prices.) In the longer term, real wheat prices are expected to remain well above the averages experienced during the early 2000s.

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



GLOBAL MARKET DATA

	2006/07	2007/08	2008/09	2009/10		2006/07	2007/08	2008/09	2009/10
PRODUCTION (000 tons)					EXPORTS (000 tons)				
EU-27	124,870	120,204	151,568	138,244	US	24,725	34,403	27,488	24,494
China	108,466	109,298	113,000	113,000	EU-27	13,816	12,271	22,000	18,000
India	69,350	75,810	78,600	77,500	Canada	19,434	16,375	16,800	17,500
Russian Fed.	44,900	49,400	63,700	58,000	Russian Fed.	10,584	12,552	17,000	17,500
US	49,217	55,821	68,026	55,139	Australia	8,728	7,487	14,000	15,500
Canada	25,265	20,054	28,610	26,000	Kazakhstan	8,089	8,181	4,500	6,500
Pakistan	21,277	23,300	21,500	24,000	Ukraine	3,366	1,236	12,000	6,000
Australia	10,822	13,838	21,500	23,000	Argentina	10,709	11,197	4,500	5,500
Ukraine	14,000	13,900	25,900	19,000	India	200	50	200	2,000
Turkey	17,500	15,500	16,800	18,000	Turkey	2,377	1,722	1,800	1,900
Kazakhstan	13,500	16,600	12,500	14,000	World	111,636	117,512	129,776	123,713
Iran, Islamic Rep.	14,500	15,000	10,000	12,000	IMPORTS (000 tons)				
Argentina	16,000	16,800	8,400	11,000	Egypt	7,300	7,700	8,500	8,500
World	595,620	609,697	682,684	657,625	EU-27	5,137	6,942	6,500	6,500
STOCKS (000 tons)					Brazil	8,048	6,711	6,000	5,700
China	38,450	38,963	48,913	59,613	Indonesia	5,711	5,458	5,300	5,500
EU-27	14,075	12,414	20,982	20,226	Iran, Islamic Rep.	1,100	200	7,000	5,500
US	12,414	8,323	18,217	17,346	Japan	5,747	5,701	5,500	5,500
India	4,500	5,800	13,910	16,910	Algeria	4,874	5,904	5,600	5,400
Russian Fed.	2,231	1,819	7,469	7,769	Iraq	2,912	3,424	3,400	3,800
Canada	6,865	4,561	7,531	7,531	Korea, Rep.	3,439	3,092	3,200	3,400
Iran, Islamic Rep.	3,507	3,157	4,507	6,057	Mexico	3,610	3,136	3,400	3,400
World	126,981	120,065	167,052	181,904	World	114,527	113,651	127,939	118,595

Source: US Department of Agriculture

Table A1: Commodity Price Data

			2007	2008	2009	2008	2008	2008	2009	2009	2009	2009	2009
			Jan-Dec	Jan-Dec	Jan-Jun	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Apr	May	Jun
Energy													
Coal, Australia	a/	\$/mt	65.73	127.10	69.20	138.65	162.80	92.97	71.93	66.48	63.56	64.50	71.38
Crude oil, avg, spot	a/	\$/bbl	71.12	96.99	51.65	120.97	115.68	56.00	44.11	59.19	50.28	58.15	69.15
Crude oil, Brent	a/	\$/bbl	72.70	97.64	52.06	122.39	115.60	55.89	44.98	59.13	50.85	57.94	68.62
Crude oil, Dubai	a/	\$/bbl	68.37	93.78	51.74	116.67	113.47	53.67	44.56	58.93	50.18	57.40	69.21
Crude oil, West Texas Int.	a/	\$/bbl	72.28	99.56	51.16	123.85	117.98	58.45	42.80	59.52	49.81	59.13	69.62
Natural gas Index	a/	2000=100	186.5	267.9	170.6	286.0	284.1	266.2	198.2	143.0	144.7	143.0	141.3
Natural gas, Europe	a/	\$/mmbtu	8.56	13.41	10.06	12.40	14.62	15.75	11.94	8.18	8.51	8.09	7.95
Natural gas, US	a/	\$/mmbtu	6.98	8.86	4.14	11.35	9.03	6.40	4.57	3.71	3.50	3.81	3.81
Natural gas LNG, Japan	a/	\$/mmbtu	7.68	12.53	9.28	11.71	13.33	14.62	10.90	7.66	8.12	7.50	7.35
Non Energy													
Agriculture													
Beverages													
Cocoa	b/	¢/kg	195.2	257.7	259.2	276.4	282.6	224.1	259.7	258.7	258.1	247.5	270.4
Coffee, arabica	b/	¢/kg	272.4	308.2	302.0	315.1	321.2	267.8	283.9	320.2	297.4	332.9	330.2
Coffee, robusta	b/	¢/kg	190.9	232.1	170.6	243.6	244.8	192.6	175.8	165.3	166.5	166.7	162.7
Tea, auctions (3), average	b/	¢/kg	203.6	242.0	241.2	254.7	272.3	206.6	217.0	265.4	250.9	269.4	276.0
Tea, Colombo auctions	b/	¢/kg	252.2	278.9	279.2	298.5	303.2	208.8	261.7	296.7	287.3	296.5	306.2
Tea, Kolkata auctions	b/	¢/kg	192.1	225.5	223.1	244.0	260.9	220.2	174.5	271.6	244.4	289.4	281.1
Tea, Mombasa auctions	b/	¢/kg	166.5	221.8	221.5	221.6	252.8	190.8	214.9	228.0	221.0	222.3	240.8
Food													
Fats and Oils													
Coconut oil	b/	\$/mt	919	1,224	729	1,499	1,246	772	677	781	747	843	754
Copra		\$/mt	607	816	480	1,013	817	520	447	513	499	559	480
Groundnut oil	b/	\$/mt	1,352	2,131	1,224	2,328	2,417	1,773	1,283	1,165	1,187	1,157	1,151
Palm oil	b/	\$/mt	780	949	661	1,198	928	512	577	744	702	801	730
Palmkernel oil		\$/mt	888	1,130	672	1,420	1,114	609	577	766	717	830	751
Soybean meal	b/	\$/mt	308	424	394	484	450	320	365	424	388	437	446
Soybean oil	b/	\$/mt	881	1,258	807	1,466	1,353	830	755	859	801	892	885
Soybeans	b/	\$/mt	384	523	427	585	566	377	394	460	414	465	502
Grains													
Barley	b/	\$/mt	172.4	200.5	122.9	239.1	216.6	129.5	116.3	129.5	111.3	128.7	148.5
Maize	b/	\$/mt	163.7	223.1	171.4	259.0	244.7	168.4	166.9	176.0	168.5	179.9	179.5
Rice, Thailand, 5%	b/	\$/mt	326.4	650.2	568.9	855.3	703.0	564.4	586.3	551.6	549.7	533.0	572.0
Rice, Thailand, 25%		\$/mt	306.5	n.a.	463.9	n.a.	669.5	449.9	469.4	458.4	446.0	454.0	475.3
Rice, Thai, A1.Special / Super		\$/mt	272.3	482.3	324.5	693.7	478.6	314.1	323.4	325.7	335.7	322.4	319.0
Sorghum		\$/mt	162.7	207.8	146.7	246.9	214.7	151.0	145.3	148.1	154.1	160.1	130.0
Wheat, Canada		\$/mt	300.4	454.6	323.7	484.4	390.2	322.1	321.9	325.5	315.4	334.6	326.6
Wheat, US, HRW	b/	\$/mt	255.2	326.0	241.1	346.5	317.7	228.1	231.6	250.5	234.2	262.3	255.1
Wheat US SRW		\$/mt	238.6	271.5	191.5	277.8	241.5	182.7	187.4	195.6	182.6	202.5	201.7
Other Food													
Bananas EU		\$/mt	1,037	1,188	1,211	1,263	1,123	944	1,142	1,280	1,292	1,286	1,262
Bananas US	b/	\$/mt	676	844	875	920	775	847	891	858	890	830	854
Fishmeal		\$/mt	1,177	1,133	1,055	1,185	1,198	1,023	1,013	1,096	1,040	1,103	1,146
Meat, beef	b/	¢/kg	260.3	313.8	254.0	332.7	372.4	268.0	245.2	262.8	255.5	263.7	269.2
Meat, chicken	b/	¢/kg	156.7	169.6	173.8	167.9	177.1	174.7	173.5	174.1	171.2	174.5	176.7
Meat, sheep		¢/kg	412.0	458.5	403.7	493.2	477.3	410.0	378.5	428.8	404.4	427.7	454.4
Oranges	b/	\$/mt	957	1,107	831	1,322	1,163	842	799	864	905	888	798
Shrimp, Mexico	b/	¢/kg	1,010	1,069	973	1,109	1,048	1,014	976	970	970	970	970
Sugar EU domestic	b/	¢/kg	68.09	69.69	52.60	77.59	74.70	51.97	51.44	53.75	52.09	53.84	55.34
Sugar US domestic	b/	¢/kg	45.77	46.86	45.85	46.34	51.52	44.72	43.82	47.89	46.83	47.68	49.15
Sugar, world	b/	¢/kg	22.22	28.21	31.37	27.01	31.14	26.28	28.85	33.89	30.09	35.36	36.22

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Table A1: Commodity Price Data (Continued from previous page)

		2007	2008	2009	2008	2008	2008	2009	2009	2009	2009	2009
		Jan-Dec	Jan-Dec	Jan-Jun	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Apr	May	Jun
Raw Materials												
Timber												
Logs, Cameroon	\$/cum	381.3	526.9	410.7	554.4	548.5	473.8	426.8	394.6	382.5	395.4	406.0
Logs, Malaysia	b/ \$/cum	268.0	292.3	298.9	282.3	277.7	315.7	313.6	284.3	283.1	291.1	278.8
Plywood	¢/sheets	640.7	645.5	569.1	647.3	648.6	645.5	572.8	565.5	567.7	565.9	562.7
Sawnwood, Cameroon	\$/cum	759.8	958.3	705.3	1,052.3	974.5	770.8	689.2	721.4	684.3	717.6	762.5
Sawnwood, Malaysia	b/ \$/cum	806.3	889.1	821.8	935.8	900.3	859.9	813.7	830.0	815.7	855.4	818.8
Woodpulp	\$/mt	767.0	820.2	554.3	870.7	848.8	711.0	565.1	543.4	538.8	545.4	546.0
Other Raw Materials												
Cotton A Index	b/ ¢/kg	139.5	157.4	126.5	166.5	168.2	126.9	120.8	132.2	125.2	136.3	135.1
Cotton Memphis	¢/kg	142.9	161.5	136.1	171.6	170.0	130.1	129.8	142.4	135.6	150.2	141.4
Rubber RSS1, US	¢/kg	248.0	284.1	176.4	311.7	329.1	202.8	165.8	187.0	183.6	189.8	187.6
Rubber RSS3, SGP	b/ ¢/kg	226.3	258.6	156.2	303.5	298.4	159.0	146.0	166.4	162.4	169.3	167.5
Fertilizers												
DAP	b/ \$/mt	432.5	967.2	332.9	1,191.6	1,153.7	663.3	362.2	303.6	335.4	297.5	277.8
Phosphate rock	b/ \$/mt	70.9	345.6	153.3	367.5	409.2	371.3	193.3	113.3	125.5	117.5	96.9
Potassium chloride	b/ \$/mt	200.2	570.1	795.9	511.1	635.0	766.7	865.2	726.7	745.0	717.5	717.5
TSP	b/ \$/mt	339.1	879.4	284.7	1,036.4	1,107.8	658.7	321.7	247.7	278.0	245.0	220.0
Urea	b/ \$/mt	309.4	492.7	254.2	575.7	745.4	292.2	267.3	241.1	245.2	240.8	237.4
Metals and Minerals												
Aluminum	b/ \$/mt	2,638	2,573	1,422	2,940	2,787	1,821	1,360	1,485	1,421	1,460	1,574
Copper	b/ \$/mt	7,118	6,956	4,046	8,443	7,680	3,905	3,428	4,663	4,407	4,569	5,014
Gold	\$/toz	697	872	915	896	870	795	909	922	890	929	946
Iron ore	b/ ¢/dmto	84.7	140.6	101.0	140.6	140.6	140.6	101.0	101.0	101.0	101.0	101.0
Lead	b/ ¢/kg	258.0	209.1	132.8	230.7	191.2	124.5	115.7	149.9	138.3	144.0	167.4
Nickel	b/ \$/mt	37,230	21,111	11,696	25,682	18,961	10,843	10,471	12,920	11,166	12,635	14,960
Silver	¢/toz	1,341	1,500	1,321	1,720	1,495	1,020	1,265	1,376	1,252	1,411	1,466
Steel products index	c/ 2000=100	182.0	289.3	245.0	279.2	338.2	310.4	274.5	215.5	219.0	213.8	213.6
Steel cr coilsheet	c/ \$/mt	650	966	867	900	1,100	1,100	1,033	700	700	700	700
Steel hr coilsheet	c/ \$/mt	550	883	767	833	1,000	1,000	933	600	600	600	600
Steel, rebar	c/ \$/mt	522	760	461	838	934	630	473	450	425	450	475
Steel wire rod	c/ \$/mt	533	1,010	1,103	950	1,135	1,200	1,200	1,007	1,100	1,020	900
Tin	b/ ¢/kg	1,454	1,851	1,227	2,265	2,051	1,310	1,103	1,351	1,174	1,379	1,499
Zinc	b/ ¢/kg	324.2	187.5	132.3	211.3	177.0	118.5	117.2	147.3	137.9	148.4	155.7
World Bank Commodity Price Indices (2000 =100)												
Energy		244.8	342.0	185.4	417.8	406.0	212.9	166.3	204.5	177.5	201.1	235.0
Non Energy		224.7	272.0	198.8	307.8	292.6	206.3	189.9	207.7	200.0	209.3	213.9
Agriculture		180.3	229.5	189.5	259.4	243.5	178.6	181.9	197.0	189.0	200.8	201.3
Beverages		169.9	210.0	202.7	221.4	226.8	181.2	197.9	207.6	201.9	206.0	215.0
Food		184.7	247.4	200.1	286.3	260.5	185.7	190.4	209.7	199.1	214.7	215.3
Fats and Oils		209.0	277.3	209.6	327.7	288.9	182.4	191.4	227.8	211.0	237.4	235.1
Grains		189.0	281.7	223.2	335.2	298.5	218.6	221.3	225.1	216.9	226.8	231.7
Other Food		149.0	177.1	166.6	187.4	188.9	160.2	161.3	171.9	167.4	173.9	174.3
Raw Materials		174.9	195.7	157.0	213.7	210.4	160.0	153.1	160.9	157.9	164.4	160.4
Timber		136.8	150.5	142.4	155.4	150.2	149.4	143.1	141.8	139.8	145.9	139.7
Other Raw Materials		216.6	245.3	172.9	277.4	276.3	171.6	164.0	181.8	177.7	184.7	183.1
Fertilizers		240.1	566.7	338.6	624.1	741.1	492.2	376.6	300.6	314.8	300.2	286.9
Metals and Minerals		314.0	325.7	202.0	371.1	342.4	230.6	185.0	219.0	209.4	216.3	231.5

a/ Included in the energy index (2000=100)

b/ Included in the non-energy index (2000=100)

c/ Steel not included in the non-energy index

Sources include: Africa Tea Brokers Ltd Weekly Market Report, Bloomberg, Canadian Grain Commission, Canadian Wheat Board, Cotton Outlook, Coal Week International, Fertilizer International, Fertilizer Week, FRUITROP, INFOFISH, INTERFEL Fel Actualités hebdo, International Cocoa Organization, International Coffee Organization, International Rubber Study Group, International Tea Committee, International Tropical Timber Organization, International Sugar Organization, ISTA Mielke GmbH Oil World, Japan Lumber Journal, Japan Metal Bulletin, Meat Trades Journal, MLA Meat & Livestock Weekly, Platts International Coal Report, Platts Metals Week, Singapore Commodity Exchange, Sopisco News, Sri Lanka Tea Board, Statistisches Bundesamt, US Department of Agriculture, US NOAA Fisheries Service, Vale and World Gas Intelligence.

Table A2: Commodity Prices and Price Projections in Current Dollars

		Actual					Projections				
		1970	1980	1990	2000	2008	2009	2010	2011	2015	2020
Energy											
Coal, Australia	\$/mt	7.8	40.1	39.7	26.3	127.1	70.0	65.0	70.0	70.0	75.0
Crude oil, average	\$/bbl	1.2	36.9	22.9	28.2	97.0	55.5	63.0	65.8	78.6	80.6
Natural gas, Europe	\$/mmbtu	0.4	4.2	2.8	3.9	13.4	9.0	8.0	7.5	9.5	10.0
Natural gas, US	\$/mmbtu	0.2	1.6	1.7	4.3	8.9	4.8	6.5	8.0	10.0	10.5
Natural gas LNG, Japan	\$/mmbtu	n.a.	5.7	3.6	4.7	12.5	8.5	7.5	8.0	10.0	10.5
Non-Energy											
Agriculture											
Beverages											
Cocoa	¢/kg	68	260	127	91	258	260	240	200	175	170
Coffee, arabica	¢/kg	115	347	197	192	308	290	270	255	255	230
Coffee, robusta	¢/kg	91	324	118	91	232	180	178	177	180	150
Tea, auctions (3) average	¢/kg	84	166	206	188	242	235	220	220	220	225
Food											
Fats and Oils											
Coconut oil	\$/mt	397	674	337	450	1,224	700	750	750	850	715
Groundnut oil	\$/mt	379	859	964	714	2,131	1,300	1,325	1,340	1,325	1,110
Palm oil	\$/mt	260	584	290	310	949	650	660	670	780	715
Soybean meal	\$/mt	103	262	200	189	424	385	350	330	308	304
Soybean oil	\$/mt	286	598	447	338	1,258	770	800	810	850	800
Soybeans	\$/mt	117	296	247	212	523	390	385	383	375	375
Grains											
Barley	\$/mt	n.a.	78	80	77	201	120	140	150	170	176
Maize	\$/mt	58	125	109	89	223	165	166	167	174	175
Rice, Thailand, 5%	\$/mt	126	411	271	202	650	500	470	462	470	483
Wheat, US, HRW	\$/mt	55	173	136	114	326	230	250	265	269	276
Other Food											
Bananas, US	\$/mt	166	377	541	424	844	890	868	847	710	605
Meat, beef	¢/kg	130	276	256	193	314	250	265	270	290	325
Meat, chicken	¢/kg	n.a.	69	98	119	170	164	167	170	181	197
Oranges	\$/mt	168	400	531	363	1,107	835	900	941	950	900
Shrimp	¢/kg	n.a.	1,152	1,069	1,515	1,069	960	975	990	1,050	1,150
Sugar, world	¢/kg	8.2	63.2	27.7	18.0	28.2	28.0	29.0	31.0	34.0	38.0
Agricultural Raw Materials											
Timber											
Logs, Cameroon	\$/cum	43	252	343	275	527	410	400	405	425	490
Logs, Malaysia	\$/cum	43	196	177	190	292	280	260	262	270	320
Sawnwood, Malaysia	\$/cum	175	396	533	595	889	795	760	773	825	970
Other Raw Materials											
Cotton	¢/kg	68	206	182	130	157	125	128	135	145	140
Rubber, Asia	¢/kg	41	142	86	67	259	150	160	170	190	185
Tobacco	\$/mt	1,076	2,276	3,392	2,976	3,589	3,800	3,400	3,400	3,400	3,500
Fertilizers											
DAP	\$/mt	54	222	171	154	967	350	300	310	360	400
Phosphate rock	\$/mt	11	47	41	44	346	130	100	90	80	95
Potassium chloride	\$/mt	32	116	98	123	570	750	400	300	255	220
TSP	\$/mt	43	180	132	138	879	300	300	300	310	340
Urea	\$/mt	18	192	119	101	493	230	180	185	200	245
Metals and Minerals											
Aluminum	\$/mt	614	1,775	1,639	1,549	2,573	1,450	1,800	2,200	2,650	2,800
Copper	\$/mt	1,416	2,182	2,661	1,813	6,956	3,700	4,000	4,200	4,525	4,650
Gold	\$/toz	36	608	383	279	872	900	850	800	700	750
Iron ore	¢/dmtu	9.8	28.1	32.5	28.8	140.6	100.0	80.0	77.5	71.0	76.0
Lead	¢/kg	30	91	81	45	209	125	126	127	132	142
Nickel	\$/mt	2,846	6,519	8,864	8,638	21,111	11,000	12,000	13,000	15,250	16,500
Silver	¢/toz	176	2,064	482	500	1,500	1,300	1,200	1,100	1,000	1,050
Tin	¢/kg	367	1,677	609	544	1,851	1,200	1,220	1,240	1,320	1,420
Zinc	¢/kg	30	76	151	113	187	125	140	143	152	164

Projections as of June 1, 2009

Table A3: Commodity Prices and Price Projections in Constant 2000 Dollars

		Actual					Projections				
		1970	1980	1990	2000	2008	2009	2010	2011	2015	2020
Energy											
Coal, Australia	\$/mt	27.0	49.5	38.5	26.3	100.2	54.1	49.8	53.6	52.6	55.0
Crude oil, average	\$/bbl	4.2	45.5	22.2	28.2	76.4	42.9	48.2	50.4	59.1	59.1
Natural gas, Europe	\$/mmbtu	1.5	5.2	2.7	3.9	10.6	7.0	6.1	5.7	7.1	7.3
Natural gas, US	\$/mmbtu	0.6	2.0	1.7	4.3	7.0	3.7	5.0	6.1	7.5	7.7
Natural gas LNG, Japan	\$/mmbtu	n.a.	7.0	3.5	4.7	9.9	6.6	5.7	6.1	7.5	7.7
Non-Energy											
Agriculture											
Beverages											
Cocoa	¢/kg	234	321	123	91	203	201	184	153	132	125
Coffee, arabica	¢/kg	397	427	192	192	243	224	207	195	192	169
Coffee, robusta	¢/kg	316	400	115	91	183	139	136	136	135	110
Tea, auctions (3) average	¢/kg	289	205	200	188	191	182	168	168	165	165
Food											
Fats and Oils											
Coconut oil	\$/mt	1,376	831	327	450	964	541	574	574	639	524
Groundnut oil	\$/mt	1,311	1,059	936	714	1,679	1,005	1,014	1,026	996	814
Palm oil	\$/mt	901	720	282	310	747	503	505	513	587	524
Soybean meal	\$/mt	355	324	195	189	334	298	268	253	232	223
Soybean oil	\$/mt	992	737	435	338	991	595	613	620	639	587
Soybeans	\$/mt	405	365	240	212	412	302	295	293	282	275
Grains											
Barley	\$/mt	n.a.	96	78	77	158	93	107	115	128	129
Maize	\$/mt	202	154	106	89	176	128	127	128	131	128
Rice, Thailand, 5%	\$/mt	438	506	263	202	512	387	360	354	353	354
Wheat, US, HRW	\$/mt	190	213	132	114	257	178	191	203	202	202
Other Food											
Bananas, US	\$/mt	575	465	526	424	665	688	665	649	534	444
Meat, beef	¢/kg	452	340	249	193	247	193	203	207	218	238
Meat, chicken	¢/kg	n.a.	85	96	119	134	127	128	130	136	144
Oranges	\$/mt	582	493	516	363	873	646	689	720	714	660
Shrimp	¢/kg	n.a.	1,420	1,039	1,515	842	742	746	758	790	844
Sugar, world	¢/kg	28.5	77.9	26.9	18.0	22.2	21.7	22.2	23.7	25.6	27.9
Agricultural Raw Materials											
Timber											
Logs, Cameroon	\$/cum	149	310	334	275	415	317	306	310	320	359
Logs, Malaysian	\$/cum	149	241	172	190	230	217	199	201	203	235
Sawnwood, Malaysia	\$/cum	608	489	518	595	701	615	582	592	620	711
Other Raw Materials											
Cotton	¢/kg	234	254	177	130	124	97	98	103	109	103
Rubber, Asia	¢/kg	141	176	84	67	204	116	123	130	143	136
Tobacco	\$/mt	3,727	2,806	3,297	2,976	2,828	2,938	2,603	2,603	2,557	2,567
Fertilizers											
DAP	\$/mt	187	274	167	154	762	271	230	237	271	293
Phosphate rock	\$/mt	38	58	39	44	272	101	77	69	60	70
Potassium chloride	\$/mt	109	143	95	123	449	580	306	230	192	161
TSP	\$/mt	147	222	128	138	693	232	230	230	233	249
Urea	\$/mt	63	237	116	101	388	178	138	142	150	180
Metals and Minerals											
Aluminum	\$/mt	2,128	2,188	1,593	1,549	2,027	1,121	1,378	1,684	1,993	2,054
Copper	\$/mt	4,904	2,690	2,586	1,813	5,481	2,861	3,063	3,216	3,403	3,411
Gold	\$/toz	125	749	373	279	687	696	651	613	526	550
Iron ore	¢/dmtu	34	35	32	29	111	77	61	59	53	56
Lead	¢/kg	105	112	79	45	165	97	96	97	99	104
Nickel	\$/mt	9,860	8,037	8,614	8,638	16,635	8,506	9,188	9,953	11,468	12,102
Silver	¢/toz	609	2,544	468	500	1,182	1,005	919	842	752	770
Tin	¢/kg	1,273	2,068	591	544	1,459	928	934	949	993	1,042
Zinc	¢/kg	102	94	147	113	148	97	107	109	114	120

Projections as of June 1, 2009

Table A4. Weighted Indices of Commodity Prices and Inflation, 2000=100 a/

Index	Actual					Projection				
	1970	1980	1990	2000	2008	2009	2010	2011	2015	2020
Current dollars										
Energy	5.6	124.3	81.3	100.0	342.0	177.8	194.0	209.7	276.9	285.1
Non-energy	53.0	143.5	118.6	100.0	272.0	190.0	186.7	189.7	197.8	202.9
Agriculture	54.4	157.8	116.4	100.0	229.5	181.5	181.0	181.3	187.6	188.8
Beverages	66.5	221.2	120.3	100.0	210.0	198.8	186.9	167.8	158.3	149.3
Food	58.0	161.8	118.9	100.0	247.4	190.7	193.1	195.7	203.0	202.2
Fats and Oils	68.4	158.7	108.0	100.0	277.3	201.6	202.9	203.8	214.7	204.7
Grains	58.9	161.0	124.7	100.0	281.7	207.4	208.8	211.8	218.1	222.3
Other Food	43.7	166.5	128.0	100.0	177.1	161.1	166.0	170.4	174.1	180.9
Raw Materials	39.3	115.7	108.2	100.0	195.7	150.3	148.5	153.4	165.1	176.4
Timber	28.0	74.6	90.4	100.0	150.5	136.7	129.8	131.7	139.5	164.3
Other Raw Materials	51.7	160.6	127.6	100.0	245.3	165.2	168.9	177.2	193.1	189.6
Fertilizers	23.6	143.9	101.2	100.0	566.7	314.6	225.1	206.8	203.3	226.4
Metals and Minerals	53.4	114.1	125.2	100.0	325.7	193.2	194.1	204.8	218.1	229.0
Constant 2000 dollars b/										
Energy	19.3	153.2	79.0	100.0	269.5	137.5	148.5	160.6	208.2	209.1
Non-energy	183.4	176.9	115.3	100.0	214.3	146.9	142.9	145.2	148.8	148.8
Agriculture	188.4	194.5	113.1	100.0	180.8	140.3	138.6	138.8	141.1	138.5
Beverages	230.4	272.7	116.9	100.0	165.5	153.7	143.1	128.4	119.0	109.5
Food	201.1	199.5	115.5	100.0	195.0	147.4	147.8	149.8	152.7	148.3
Fats and Oils	236.9	195.7	105.0	100.0	218.5	155.9	155.4	156.1	161.5	150.1
Grains	203.9	198.6	121.1	100.0	222.0	160.4	159.8	162.2	164.0	163.1
Other Food	151.4	205.3	124.4	100.0	139.5	124.6	127.1	130.4	130.9	132.7
Raw Materials	136.1	142.7	105.1	100.0	154.2	116.2	113.7	117.5	124.2	129.4
Timber	97.0	92.0	87.9	100.0	118.6	105.7	99.4	100.8	104.9	120.5
Other Raw Materials	178.9	198.0	124.0	100.0	193.3	127.7	129.3	135.7	145.2	139.1
Fertilizers	81.6	177.4	98.4	100.0	446.5	243.3	172.3	158.3	152.9	166.1
Metals and Minerals	184.9	140.7	121.7	100.0	256.7	149.4	148.6	156.8	164.0	167.9
Inflation indices, 2000=100 c/										
MUV index d/	28.87	81.11	102.90	100.00	126.91	129.32	130.61	130.61	132.98	136.34
% change per annum		10.88	2.41	-0.29	3.46	1.90	1.00	0.00	0.36	0.50
US GDP deflator	27.53	54.04	81.59	100.00	120.00	122.42	125.13	127.86	140.51	156.83
% change per annum		6.98	4.21	2.06	2.64	2.02	2.21	2.18	1.91	2.22

a/ Commodity price projections as of June 1, 2009.

b/ Computed from unrounded data and deflated by the MUV index.

c/ Inflation indices for 2008-2020 are projections as of January 28, 2008. Growth rates for years 1980, 1990, 2000, 2008, 2015 and 2020 refer to compound annual rate of change between adjacent end-point years; all others are annual growth rates from the previous year.

d/ Unit value index of global manufacture exports in US dollar terms.

Sources: World Bank, Development Prospects Group. Historical US GDP deflator: US Department of Commerce.

Aluminum (LME) London Metal Exchange, unalloyed primary ingots, high grade, minimum 99.7% purity, settlement price beginning 2005; previously cash price

Bananas (Central & South America), major brands, c.i.f. Hamburg

Bananas (Central & South America), major brands, US import price, free on truck (f.o.t.) US Gulf ports

Barley (Canada), feed, Western No. 1, Winnipeg Commodity Exchange, spot, wholesale farmers' price

Coal (Australia), thermal, f.o.b. piers, Newcastle/Port Kembla, 6,300 kcal/kg (11,340 btu/lb), less than 0.8%, sulfur 13% ash beginning January 2002; previously 6,667 kcal/kg (12,000 btu/lb), less than 1.0% sulfur, 14% ash

Cocoa (ICCO), International Cocoa Organization daily price, average of the first three positions on the terminal markets of New York and London, nearest three future trading months

Coconut oil (Philippines/Indonesia), bulk, c.i.f. Rotterdam

Coffee (ICO), International Coffee Organization indicator price, other mild Arabicas, average New York and Bremen/Hamburg markets, ex-dock

Coffee (ICO), International Coffee Organization indicator price, Robustas, average New York and Le Havre/Marseilles markets, ex-dock

Copper (LME), grade A, minimum 99.9935% purity, cathodes and wire bar shapes, settlement price

Copra (Philippines/Indonesia), bulk, c.i.f. N.W. Europe

Cotton (Cotton Outlook "CotlookA index"), middling 1-3/32 inch, traded in Far East, c.&f. beginning 2006; previously Northern Europe, c.i.f.

Cotton (US), Memphis/Eastern, middling 1-3/32 inch, c.i.f. Northern Europe, one of the 15 styles based on which the Cotlook A Index is computed

Crude oil, average spot price of Brent, Dubai and West Texas Intermediate, equally weighed

Crude oil, Dubai Fateh 32° API, f.o.b. Dubai, spot price

Crude oil, UK Brent 38° API, f.o.b. UK ports, spot price

Crude oil, West Texas Intermediate (WTI) 40° API, f.o.b. Midland Texas, spot price

DAP (diammonium phosphate), standard size, bulk, spot, f.o.b. US Gulf

Fishmeal (any origin), 64-65%, c.&f. Bremen, estimates based on wholesale price, beginning 2004; previously c.&f. Hamburg

Gold (UK), 99.5% fine, London afternoon fixing, average of daily rates

Groundnut oil (any origin), c.i.f. Rotterdam

Iron ore (Brazil), Companhia Vale do Rio Doce (Vale, formerly CVRD) Carajas sinter feed, for years 2005-09, 67.50% Fe (iron) content (dry weight) ores,

moisture 8.0%; for year 2004, 67.40% Fe; 2000-03, 67.55% Fe, moisture 7.6 - 8.0 %; contract price to Europe, f.o.b. Ponta da Madeira. Unit dry metric ton unit (dmtu) stands for mt 1% Fe-unit. To convert price in cents/dmtu to \$/dmt SSF (dry ore), multiply by percent Fe content.

Lead (LME), refined, 99.97% purity, settlement price

Logs (Malaysia), meranti, Sarawak, sale price charged by importers, Tokyo beginning February 1993; previously average of Sabah and Sarawak weighted by Japanese import volumes

Logs (West Africa), sapele, high quality (loyal and marchand), 80 centimeter or more, f.o.b. Douala, Cameroon beginning January 1996; previously of unspecified dimension

Maize (US), no. 2, yellow, f.o.b. US Gulf ports

Meat, beef (Australia/New Zealand), chucks and cow forequarters, frozen boneless, 85% chemical lean, c.i.f. US port (East Coast), ex-dock, beginning November 2002; previously cow forequarters

Meat, chicken (US), broiler/fryer, whole birds, 2-1/2 to 3 pounds, USDA grade "A", ice-packed, Georgia Dock preliminary weighted average, wholesale

Meat, sheep (New Zealand), frozen whole carcasses Prime Medium (PM) wholesale, Smithfield, London beginning January 2006; previously Prime Light (PL)

Natural Gas (Europe), average import border price excluding UK beginning June 2000; previously including UK

Natural Gas (US), spot price at Henry Hub, Louisiana

Natural Gas Index, composite index weighted by consumption volumes for Europe, US and Japan liquefied natural gas (LNG)

Natural gas LNG (Japan), import price, cif, recent two months' averages are estimates

Nickel (LME), cathodes, minimum 99.8% purity, settlement price beginning 2005; previously cash price

Oranges (Mediterranean exporters) navel, EEC indicative import price, c.i.f. Paris

Palm oil (Malaysia), 5% bulk, c.i.f. N. W. Europe

Palmkernel Oil (Malaysia), c.i.f. Rotterdam

Phosphate rock (Morocco), 70% BPL, contract, f.a.s. Casablanca

Plywood (Africa and Southeast Asia), Lauan, 3-ply, extra, 91 cm x 182 cm x 4 mm, wholesale price, spot Tokyo

Potassium chloride (muriate of potash), standard grade, spot, f.o.b. Vancouver

Rice (Thailand), 5% broken, white rice (WR), milled, indicative price based on weekly surveys of export transactions, government standard, f.o.b. Bangkok

- Rice** (Thailand), 25% broken, WR, milled indicative survey price, government standard, f.o.b. Bangkok
- Rice** (Thailand), 100% broken, A.1 Super beginning 2006, broken kernel obtained from the milling of WR 15%, 20%, and 25%, government standard, f.o.b. Bangkok; previously A.1 Special
- Rubber** (any origin), Ribbed Smoked Sheet (RSS) no. 1, in bales, Rubber Traders Association (RTA), spot, New York
- Rubber** (Asia), RSS3 grade, Singapore Commodity Exchange Ltd (SICOM) nearby contract beginning 2004; during 2000 to 2003, Singapore RSS1; previously Malaysia RSS1
- Sawnwood** (Cameroon), sapele, width 6 inches or more, length 6 feet or more, f.a.s. Cameroonian ports
- Sawnwood** (Malaysia), dark red seraya/meranti, select and better quality, average 7 to 8 inches; length average 12 to 14 inches; thickness 1 to 2 inch(es); kiln dry, c. & f. UK ports, with 5% agents commission including premium for products of certified sustainable forest beginning January 2005; previously excluding the premium
- Shrimp** (Mexico), west coast, frozen, white, No. 1, shell-on, headless, 26 to 30 count per pound, wholesale price at New York
- Silver** (Handy & Harman), 99.9% grade refined, New York
- Sorghum** (US), no. 2 milo yellow, f.o.b. US Gulf ports
- Soybean meal** (any origin), Argentine 45/46% extraction, c.i.f. Rotterdam beginning 1990; previously US 44%
- Soybean oil** (any origin), crude, f.o.b. ex-mill Netherlands
- Soybeans** (US), c.i.f. Rotterdam
- Steel** products price index, 2000=100, (Japanese), composite price index for eight selected steel products based on quotations f.o.b. Japan excluding shipments to the US, including China after 2002, weighted by product shares of apparent combined consumption (volume of deliveries) at Germany, Japan and the United States. The eight products are as follow: rebar (concrete reinforcing bars), merch bar (merchant bars), wire rod, section (H-shape), plate (medium), hot rolled coil/sheet, cold rolled coil/sheet and galvanized iron sheet for building which replaced galvanized sheet for appliances.
- Sugar** (EU), European Union negotiated import price for raw unpackaged sugar from African, Caribbean and Pacific (ACP) under Lome Conventions, c.i.f. European ports
- Sugar** (US), import price, nearest future, c.i.f. New York
- Sugar** (world), International Sugar Agreement (ISA) daily price, raw, f.o.b. and stowed at greater Caribbean ports
- Tea** (Colombo auctions), Sri Lankan origin, all tea, arithmetic average of weekly quotes.
- Tea** (Kolkata auctions), leaf, include excise duty, arithmetic average of weekly quotes.
- Tea** (Mombasa/Nairobi auctions), African origin, all tea, arithmetic average of weekly quotes.
- Tea**, average three auctions, arithmetic average of quotations at Kolkata, Colombo and Mombasa/Nairobi.
- Tin** (LME), refined, 99.85% purity, settlement price
- TSP** (triple superphosphate), up to September 2006 bulk, spot, f.o.b. US Gulf; from October 2006 onwards Tunisian, granular, f.o.b.
- Urea**, (Black Sea), bulk, spot, f.o.b. Black Sea (primarily Yuzhnyy) beginning July 1991; for 1985-91 (June) f.o.b. Eastern Europe
- Wheat** (Canada), no. 1, Western Red Spring (CWRS), in store, St. Lawrence, export price
- Wheat** (US), no. 1, hard red winter, ordinary protein, export price delivered at the US Gulf port for prompt or 30 days shipment
- Wheat** (US), no. 2, soft red winter, export price delivered at the US Gulf port for prompt or 30 days shipment
- Woodpulp** (Sweden), softwood, sulphate, bleached, air-dry weight, c.i.f. North Sea ports
- Zinc** (LME), high grade, minimum 99.95% purity, settlement price beginning April 1990; previously special high grade, minimum 99.995%, cash prices

Commodity Composition of Indices. Composition of the sub-indices is as follows: Beverages: cocoa, coffee (arabica and robusta), tea; Cereals: barley, maize, rice, wheat; Edible oils: coconut oil, groundnut oil, palm oil, soybean meal, soybean oil, soybeans; Other food: bananas, meat (beef and chicken), oranges, shrimp, sugar; Raw materials: cotton, rubber, timber (tropical hardwood logs and sawnwood); Fertilizers: DAP, phosphate rock, potassium chloride, TSP, urea; Metals: aluminum, copper, iron ore, lead, nickel, tin, zinc.

Constant prices are prices which are deflated by the Manufactures Unit Value Indices (MUV), with a base of 2000=100. The MUV is the unit value index in US dollar terms of manufactures exported from the G-5 countries (France, Germany, Japan, UK, and US), weighted proportionally to the countries' exports to the developing countries.

Dollars are US dollars unless otherwise specified

Index Weights. Energy consists of crude oil [84.6%], natural gas [10.8%], and coal [4.6%]. Non-energy consists of metals [31.6%], fertilizers [3.6%], and agriculture [64.8%]. Agriculture consists of beverages [8.4%], raw materials [16.5%], and food [39.9%] while Food consists of cereals [11.2%], edible oils [16.3%], and other food [12.4%].

Price Indices were computed by the Laspeyres formula. The Energy Price Index is comprised of 3 commodities; the Non-Energy Price Index is comprised of 34 commodities. U.S. dollar prices of each commodity are weighted by 2002-04 average developing countries' export values. Base year reference for all indexes is 2000. Countries comprised of all low and middle income economies according to World Bank income classification.

Reporting period. Calendar vs. crop or marketing year refers to the span of the year. It is common in many agricultural commodities to refer to production and other variables over the twelve month period which begins with harvest. A crop or marketing year will often differ by commodity and, in some cases, by country or region. Commodities such as metals use calendar year.

Tons refer to metric tons (1,000 kilograms)

ACP African, Caribbean, and Pacific (Lome Convention)	kg kilogram
API American Petroleum Institute	lb pound
bbl barrel	LME London Metal Exchange
BP British Petroleum	LNG Liquefied Natural Gas
BPL Bone phosphate of lime	mb/d million barrels per day
CBGA Central Bank Gold Agreement	mmbtu million of British thermal units
c.i.f. cost, insurance, and freight	mt metric ton
CIS Commonwealth of Independent States	MUV Manufactures unit value
CWRS Canada Western Red Spring	n.a. data not available
DAP Diammonium Phosphate	n.q. no quotation
c.& f. cost and freight	OECD Organization for Economic Cooperation and Development
cum cubic meter	OPEC Organization of Petroleum Exporting Countries
dmtu dry metric ton unit	PNG Papua New Guinea
EEC European Economic Community	RSS1 Ribbed Smoked Sheet [grade 1]
EU European Union	RTT Rubber Traders Association
f.a.s. Free alongside (steamer/ship)	SGP Singapore
f.o.b. free on board	SICOM Singapore Commodity Exchange
f.o.r. free on rail	SRW Soft Red Winter
f.o.t. free on truck	SSF Standard Sinter Feed
fe iron	toz troy oz
FSU Former Soviet Union	TSP Triple Superphosphate
G-5 France, Germany, Japan, United Kingdom, and United States	UAE United Arab Emirates
GDP Gross domestic product	UN United Nations
HRW Hard Red Winter	US DOE US Department of Energy
ICAC International Cotton Advisory Committee	USDA US Department of Agriculture
ICCO International Cocoa Organization	Vale Companhia Vale do Rio Doce
ICO International Coffee Organization	WBMS World Bureau of Metal Statistics
IEA International Energy Agency	WFP World Food Programme
IRSG International Rubber Study Group	WR white rice
ISA International Sugar Agreement	WTI West Texas Intermediate
ITC International Tea Committee	\$ US dollar
ITTO International Tropical Timber Organization	¢ US cent
kcal kilogram-calorie	

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