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# Global Commodity Markets

Review and price forecast

**A Companion to Global Economic Prospects 2010**

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**A Companion to Global Economic Prospects 2010**

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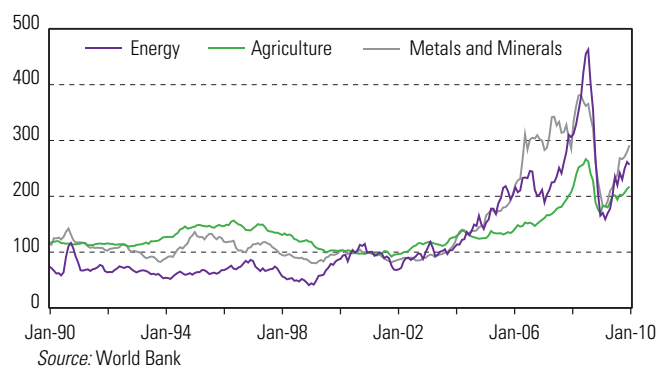
This report was prepared by Staff of the World Bank's Development Prospects Group. The core team consisted of John Baffes, Shane Streifel, and Betty Dow. Henock Kebede provided desktop editing and Rachel Weaving provided editing services. Questions or comments should be e-mailed to [gcm@worldbank.org](mailto:gcm@worldbank.org) or visit us on the web at <http://www.worldbank.org/prospects>

Most commodity prices reached historical highs in mid-2008, giving rise to the longest and broadest commodity boom of the post-WWII period. Apart from strong and sustained economic growth, the boom was fueled by numerous factors including years of low prices and low investment; a weak dollar; and investment fund activity. Rapid economic growth caused global stocks of many commodities to fall to levels not seen since the early 1970s, in turn accelerating the price increases that peaked in 2008. Further exacerbating the demand and supply mismatch were the diversion of some food commodities to the production of biofuels, adverse weather conditions, and government policies such as export bans and prohibitive taxes.

The financial crisis that erupted in September 2008 and the subsequent global economic downturn relieved most of the demand-side pressures and induced sharp price declines across most commodity sectors. The largest declines occurred in industrial commodities such as metals (which had also registered the greatest gains in the early 2000s). Between July 2008 and February 2009, prices of energy declined by two-thirds while those of metals dropped by more than half. Prices of agricultural goods retreated by more than 30 percent, with prices of edible oils dropping by 42 percent. The troughs in energy and non-energy indices broadly coincided with troughs in global economic activity (particularly in China and East Asia).

Prices of energy and metals commodities began to recover in March 2009 (figure 1), in part responding to recovery in industrial production and other factors including strong import demand from China, large-scale production restraint in the extractive commodities, tight scrap markets, and strike-related disruptions in the case of metals.

**Figure 1. Commodity Price Indices (Nominal, 2000=100)**



Prices of some agricultural commodities also started to rebound in 2009:Q2, in response to demand increases and, in some cases (for example, sugar and rice), the effects of adverse weather. Dollar price increases also reflected the depreciation of the dollar against major currencies. Yet, expressed in trade-weighted local currency indices, prices rose by much less.

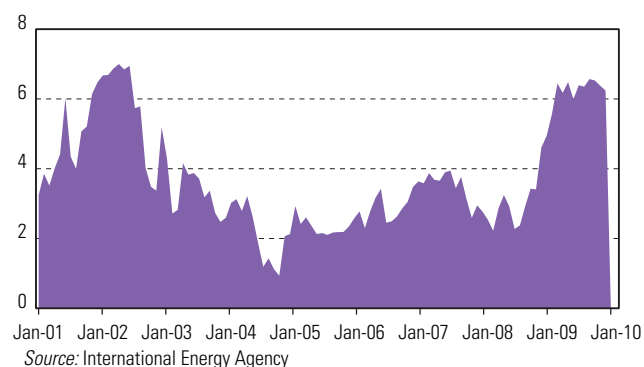
## Energy

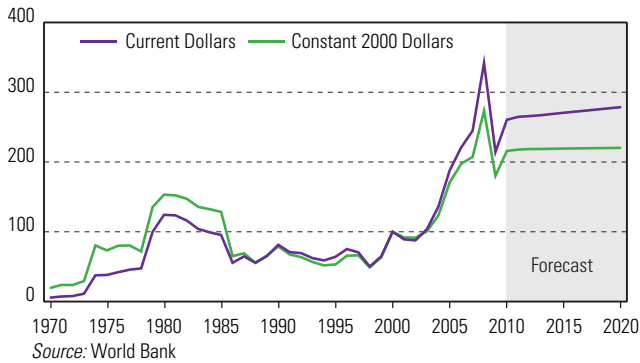
World crude oil demand, which had grown by 1.7 percent a year on average during 2000–07, declined by nearly 3 percent during 2008:Q4 and 2009:Q1—as a result of reduced economic activity and of induced conservation and substitution toward other energy sources in response to the high oil prices. Oil demand in OECD countries has been falling since 2005:Q4 (when oil prices surged above \$50 a barrel), and little or no growth is expected in 2010. Oil demand outside the OECD countries declined in 2009:Q1 but has since risen and is projected to resume its trend growth rate of nearly 4 percent in 2010. Overall, global demand growth should remain muted at 1.5 percent a year.

OPEC responded to the fall in global demand by reducing its production by nearly 4 million barrels a day in an effort to maintain prices at around \$75 a barrel. As a result, OPEC's spare capacity has increased to around 6.5 million barrels a day, roughly the same level as in 2003 when oil prices were \$20 a barrel (figure 2). Moreover, inventories of crude oil and oil products remain high with some 150 million barrels currently being stored on ships at sea.

While current crude oil supply is ample, longer-term prospects are more clouded. Over recent decades non-OPEC supply has been fairly stagnant (except from the former Soviet Union, whose out-

**Figure 2. OPEC Spare Capacity (mb/d)**



**Figure 3. Energy Price Indices (2000=100)**

put rose strongly in the early 2000s), with increased production in Brazil, Canada, and West Africa offset by declines in U.S. and North Sea output. Although much higher prices now have prompted increased investment, growth from new developments has been sluggish, partly because of high costs in 2007–08 caused by shortages of equipment and skilled labor, and because of numerous project delays. Moreover, some three-fourths of known reserves are controlled by national oil companies, which forces major international oil companies to invest in higher-cost developments such as oil sands and deepwater fields.

Given the large inventory overhang, and the modest increases in oil demand expected over the next few years, real oil prices are not expected to rise. However, the sector remains sensitive to both demand and supply developments, and a significant disruption to global supply could cause another sharp, if temporary, rise in prices. Over the longer term, unless significant additional reserves are discovered, OPEC's pricing power will continue to increase. Ultimately, supplies from alternative energy sources such as coal, natural gas, nuclear power, and various renewables are likely to limit the rise in real oil prices. Industry estimates suggest that at current real oil prices, demand and supply should remain in balance for the foreseeable future.

Coal and natural gas prices followed similar patterns to petroleum prices in 2008–09, declining substantially from their peaks and rebounding during the latter part of 2009. Weak industrial and power demand during the recession led the slump in prices, while economic recovery and cold winter weather have given a recent boost to prices. U.S. natural gas prices remained unusually low

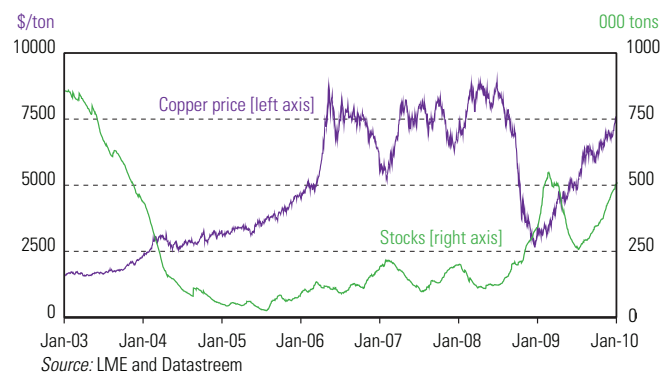
during 2009, mainly because of the strong increases in unconventional shale-gas production, where reserves are enormous. Though energy prices are expected to increase by 22 percent in 2010 over 2009, over the long term they are expected to stabilize at about twice the levels experienced in the early 2000s (figure 3).

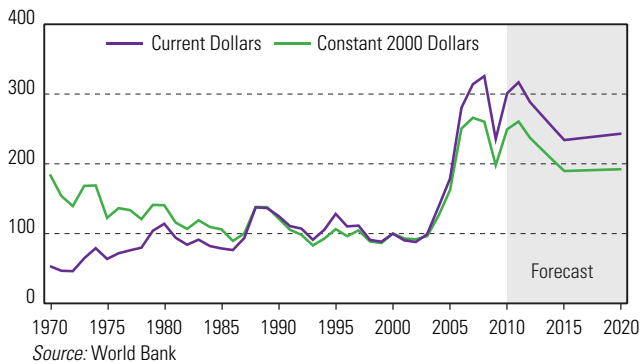
### Metals

China has been a primary driver of metals prices in the 2000s and has become the world's largest consumer of metals as well as its largest steel producer. Between 2000 and 2008, China's consumption of key metals such as aluminum, copper, lead, nickel, tin, and zinc grew on average by 16.1 percent a year. Outside China, metals demand rose by less than 1 percent a year.

The global recession prompted a sharp decline in demand for metals. During the first half of 2009, global consumption of aluminum and copper, the most important metals in terms of volume, fell by 19 percent and 11 percent, respectively. Restocking by Chinese companies and the government's State Reserves Bureau resulted in strong demand growth in the first half of the year, but during the second half the restocking waned, while a similar restocking in industrial countries had yet to materialize. Despite rising inventories, prices continued to climb late in 2009 due to a number of labor disputes in the Americas (figure 4). Global demand for aluminum and copper in 2009 is estimated to have declined by 11 percent and 9 percent respectively from 2007 peaks, with demand from outside China down by more than 20 percent for both metals.

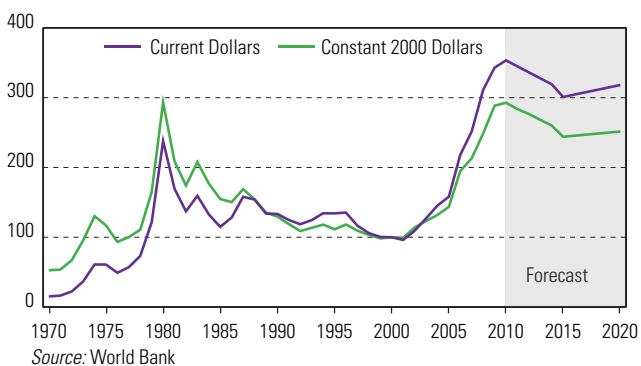
On the supply side, cutbacks at mines and smelters were significant early in the downturn of the cycle. In addition, project cancellations, tight

**Figure 4. Copper Prices and LME Stocks**

**Figure 5. Metals and Minerals Price Indices (2000=100)**

scrap markets, and numerous strikes (in Canada and South America, for example) have helped tighten markets. Over the next two years, metals prices are expected to continue to rise moderately as the global recovery progresses and demand expands (figure 5). The rise is expected to be moderate partly because of the large price appreciation to date, but mainly because of the substantial idle capacity in many sectors that can be profitably brought back into production at today's prices. Once demand growth returns to trend and idle capacity is eliminated, the industry will again be challenged to add capacity in the face of strong demand growth in developing countries—partly because new mines will be more expensive (underground versus open pit, for example) and often in geopolitically difficult regions. The industry will also need to contend with declining ore grades, obligations for environmental and land rehabilitation, and pressures on water, energy, and labor supplies. Nonetheless, metals prices are not expected to regain the peaks attained earlier this decade.

Precious metals prices fell in the wake of the financial crisis and dollar appreciation. They then

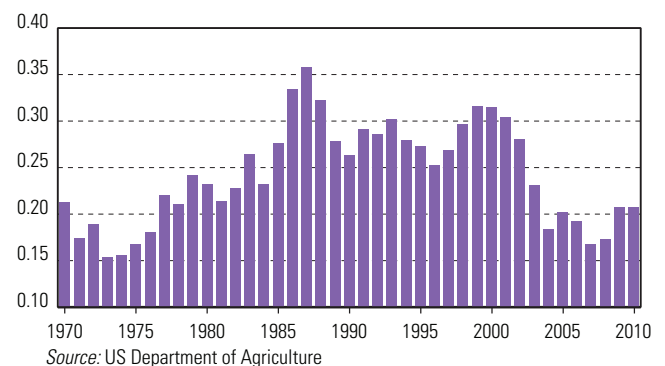
**Figure 6. Precious Metals Price Indices (US\$, 2000=100)**

climbed on renewed weakness of the dollar and surged to nominal highs during December 2009. Precious metals prices have climbed for eight consecutive years, up 3.5 fold over the period. An important investment driver has been the growth in physically backed exchange-traded funds (ETFs); gold and silver ETF inflows in 2009 represented 23 and 18 percent, respectively, of global mine production. Precious metals prices are projected to remain strong in 2010 but to decline over the forecast period, as high prices discourage demand and encourage new supply (figure 6).

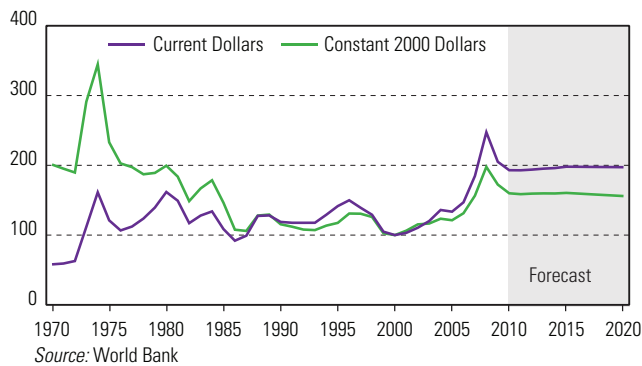
### Agriculture

Although dollar agricultural prices have declined 22 percent since their June 2008 peak, they are still almost twice as high as the lows they reached in the early 2000s. The recent fall in agricultural prices reflects both lower oil prices—a key cost component—and larger stockpiles of key agricultural commodities, including rice, maize, and wheat (figure 7), resulting from favorable harvests and area expansion. For example, the November 2009 US Department of Agriculture data indicate that stocks of key grains will increase 3 percent in 2009/10, on top of the 23 percent gain they experienced in the previous season.

Barring unforeseen production problems—such as the drought in South America that affected soybean production or the drought in India that affected sugar and rice production—agricultural markets are likely to remain well supplied. As a result, prices of food and raw material commodities are projected to decline by 6 percent in 2010 and to remain relatively stable over the medium term, with up- and downside risks more or less

**Figure 7. Global Grains Stocks-to-Use Ratio**



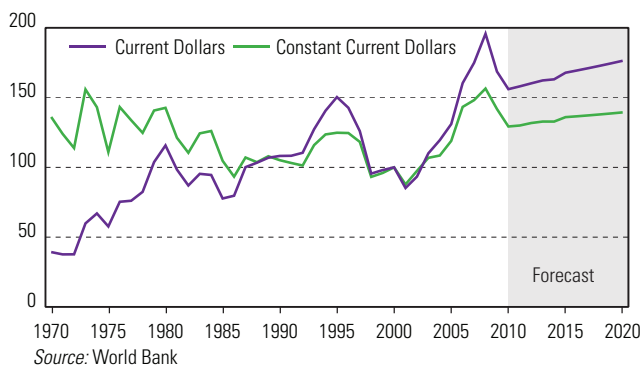
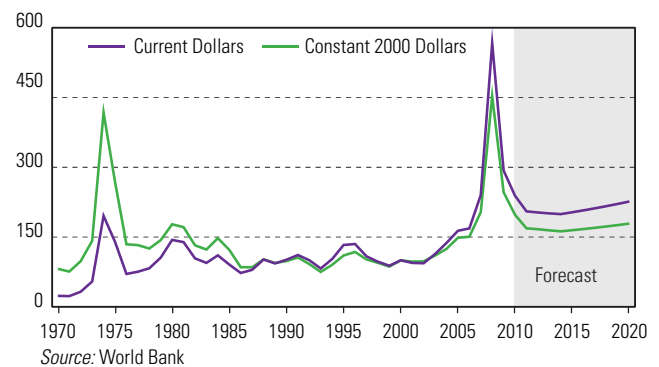
**Figure 8. Food Price Indices (US\$, 2000=100)**

in balance (figures 8 and 9). On the one hand, a stronger link between energy and agricultural prices (higher costs of production plus demand for biofuel) will exert upward pressure on prices; on the other hand, continued gains in total factor productivity (which tend to be stronger in agriculture than in manufacturing) should constrain the costs of production. Volatility in commodity prices, however, could become a problem if financial investors increase their influence in commodity markets. Similarly, the use of food commodities for biofuel production, largely depending on national biofuel mandates, may influence prices as well.

Food security concerns have subsided, and countries have reduced or eliminated most of

the export bans and other export restrictions that were introduced during the commodity price spike of 2008. Moreover, productivity gains at the global level should ensure long-term food supply. However, there is a risk that several poor countries will come to rely increasingly on imported food to meet basic needs unless they can improve their agricultural productivity growth. Growth in per capita agricultural GDP between 1980 and 2004 varied across countries, exceeding 3 percent a year in East Asia (the best-performing region) but falling short of 1 percent a year in Sub-Saharan Africa. Most of this variance reflected productivity differences, in turn stemming from the full adoption of the green revolution in Asia.

Agricultural production and prices will be affected by the prices of fertilizer, a key input to the production of most crops. Fertilizer prices increased five-fold between 2002 and 2008. Though they declined considerably during 2009, their long-term real average is expected to be 80 percent higher than their early 2000s levels (figure 10), raising the cost of producing most agricultural commodities. Fertilizer prices are closely linked to energy prices, providing another dimension to the energy/non-energy price link.

**Figure 9. Raw Materials Price Indices (US\$, 2000=100)****Figure 10. Fertilizer Price Indices (US\$, 2000=100)****KEY NOMINAL COMMODITY PRICE INDICES (ACTUAL AND FORECAST, 2000=100), 2004-11**

	Actual							Forecast	
	2004	2005	2006	2007	2008	2009	2010	2011	
Energy	136	188	221	245	342	214	261	265	
Non-Energy	133	149	192	225	272	213	224	226	
Agriculture	130	133	150	180	229	198	186	183	
Food	136	134	147	185	247	205	193	193	
Beverages	120	137	145	170	210	220	213	184	
Raw Materials	120	131	160	175	196	169	156	158	
Metals & Minerals	139	179	280	314	326	236	301	317	
Fertilizers	137	163	169	240	567	293	239	205	

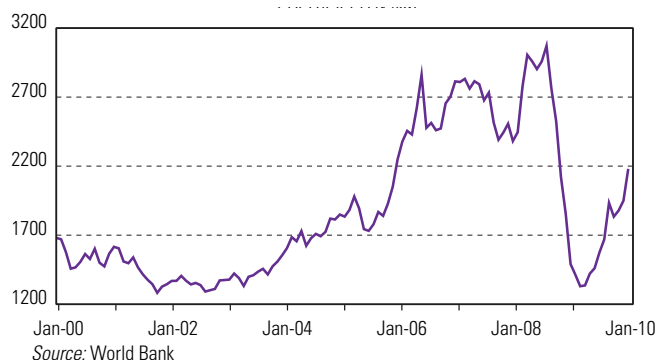
Aluminum prices averaged \$1,665/ton in 2009, down 35 percent from \$2,573/ton in 2008. Beginning in Q2, prices rebounded from their February lows, reflecting restocking, strong import demand in China during the first half of the year, slowly improving demand elsewhere, and rising costs. A significant portion of LME inventories has been tied up in financing deals. High forward prices and cheap warehousing costs have made it profitable for investors to buy on spot markets, hold stocks in storage, and sell on forward markets, locking in profits but effectively reducing short-term supply.

In 2010-11, record inventories and substantial overcapacity are expected to keep the aluminum market in surplus, but over the medium term prices are expected to rise moderately, pushed by strong end-use demand, diminishing surpluses, and rising energy costs. Prices are expected to continue to lag those of other metals, notably copper.

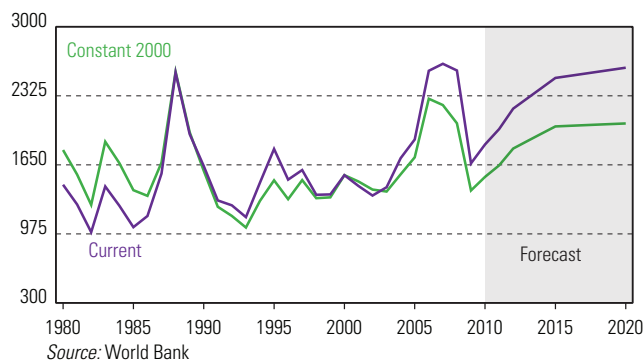
Global demand contracted in 2008 and 2009 but is expected to grow quite strongly in 2010 as global demand recovers; aluminum has a broad range of end-uses in transport, construction, packaging, and electrical and consumer durables. More than half the global growth is expected to be in China, reflecting continued urbanization and industrialization and the fact that the country has become the world's largest automobile market.

In the near term, prices will partly depend on the pace of reactivation of idle capacity, most of which lies outside China. In the medium- to long term, the industry will face rising power prices from higher energy costs, reduced subsidies, and deregulated markets. Future supply growth is expected from regions that have low-cost power sources, for example Iceland, the Middle East, Russia, and India (which also has abundant bauxite resources).

Monthly Prices (\$/metric ton)



Annual Prices (\$/metric ton)



## GLOBAL MARKET DATA

	2005	2006	2007	2008		2005	2006	2007	2008
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
China	7,806	9,358	12,559	13,177	Russian Fed.	2,740	3,164	3,949	4,818
Russian Fed.	3,647	3,718	3,955	4,187	Canada	2,240	2,360	2,501	2,532
Canada	2,894	3,051	3,083	3,119	Australia	1,588	1,624	1,659	1,683
US	2,480	2,281	2,560	2,659	Norway	1,513	1,539	1,610	1,591
Australia	1,903	1,929	1,959	1,974	China	1,324	1,213	546	841
Brazil	1,498	1,605	1,655	1,661	Iceland	284	303	446	761
Norway	1,376	1,427	1,357	1,359	Brazil	753	842	823	748
India	942	1,105	1,222	1,308	South Africa	671	601	625	598
South Africa	851	887	898	1,084	Netherlands	482	609	795	483
UAE	850	789	890	892	Germany	392	432	423	435
<b>World</b>	<b>31,995</b>	<b>33,969</b>	<b>38,087</b>	<b>39,425</b>	<b>World</b>	<b>17,023</b>	<b>17,706</b>	<b>18,906</b>	<b>19,308</b>
<b>CONSUMPTION (000 metric tons)</b>					<b>IMPORTS (000 metric tons)</b>				
China	7,119	8,648	12,347	12,413	Japan	2,977	3,036	2,986	3,064
US	6,114	6,150	5,580	5,615	US	3,691	3,461	2,951	2,932
Japan	2,276	2,323	2,197	2,250	Germany	1,770	2,073	2,231	2,063
Germany	1,758	1,823	2,008	1,950	Korea, Rep.	1,231	1,204	1,190	1,086
India	958	1,079	1,207	1,305	Italy	890	986	1,079	882
Russian Fed.	1,020	1,047	1,020	1,020	Turkey	383	414	572	598
Korea, Rep.	1,201	1,153	1,081	965	Belgium	763	738	754	558
Italy	977	1,021	1,087	951	Netherlands	656	971	1,043	554
Brazil	759	773	854	932	France	517	593	587	509
Canada	801	846	718	714	Taiwan, China	523	540	504	504
<b>World</b>	<b>31,720</b>	<b>34,026</b>	<b>37,578</b>	<b>37,796</b>	<b>World</b>	<b>18,318</b>	<b>19,254</b>	<b>19,334</b>	<b>17,894</b>

Source: World Metal Statistics

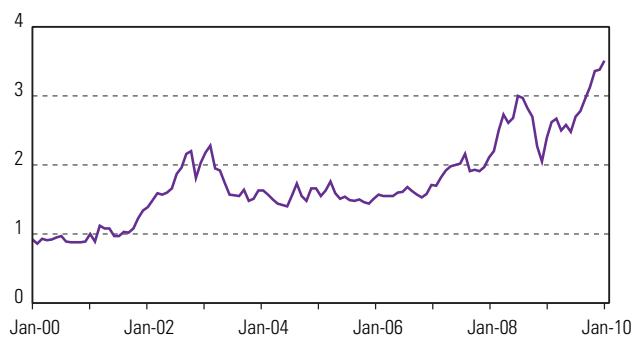
Cocoa prices averaged \$2.89/kg in 2009, 12 percent higher than in 2008. Reflecting persistent supply problems they reached an all-time nominal high during 2009:Q4. Preliminary estimates for the 2009/10 (October to September) season show global output of 3.54 million tons, up only slightly from the previous season's 3.52 million tons.

The key reason behind the lack of supply response seems to have been the deterioration of infrastructure in Côte d'Ivoire, the world's largest producer, where it has become very expensive to transport inputs to farmers and cocoa beans to the port. Several reports also indicate that other key cocoa suppliers including Indonesia and Ecuador are encountering problems from El Niño-related adverse weather patterns. Grindings, a measure of cocoa demand, are projected to exceed production for a fourth season in a row, keeping the stocks-to-use ratio at historically low levels.

Grindings are expected to reach 3.56 million tons in 2009/10, marginally higher than last season's. Among key processors, only Côte d'Ivoire increased its grindings last season (from 374 to 420 thousand tons) in an attempt to capture an increasing share of value-added activities in the production chain. Most other cocoa processors, including the Netherlands, US, Germany, Malaysia, and Brazil, saw moderate declines in their grindings.

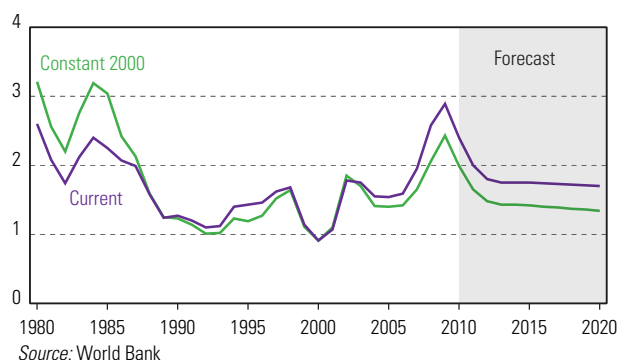
In the expected tight market for cocoa, prices are likely to stay high by historical standards, averaging \$3.00/kg in 2010. A decline to \$2.40/kg is expected in 2011, with a further decline over the longer term, as supplies in other key producing countries catch up with Côte d'Ivoire's reduced production and eventually offset the market shortfall. This forecast depends heavily on political developments, as well as infrastructure investments, in Côte d'Ivoire.

Monthly Prices (\$/kg)



Source: World Bank

Annual Prices (\$/kg)



Source: World Bank

## GLOBAL MARKET DATA

	2005/06	2006/07	2007/08	2008/09		2004/05	2005/06	2006/07	2007/08
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
Côte d'Ivoire	1,408	1,229	1,382	1,222	Côte d'Ivoire	950	1,006	851	862
Ghana	741	615	729	662	Ghana	548	570	620	562
Indonesia	560	545	485	475	Indonesia	361	493	416	356
Nigeria	210	215	220	240	Nigeria	186	190	186	212
Cameroon	171	169	185	210	Cameroon	165	146	140	159
Brazil	162	126	171	157	Togo	53	73	78	111
Ecuador	118	124	111	112	Ecuador	81	89	99	97
Togo	73	78	111	95	PNG	47	51	47	52
PNG	51	49	52	52	<b>World</b>	<b>2,495</b>	<b>2,740</b>	<b>2,579</b>	<b>2,535</b>
Dominican Rep.	46	42	41	45	<b>IMPORTS (000 metric tons)</b>				
Colombia	37	30	38	45	Netherlands	608	549	639	653
Peru	31	32	33	34	Malaysia	233	300	337	346
<b>World</b>	<b>3,786</b>	<b>3,434</b>	<b>3,731</b>	<b>3,515</b>	US	514	505	380	335
<b>GRINDINGS (000 metric tons)</b>					Germany	236	287	347	333
Netherlands	465	480	490	440	Belgium	182	190	195	176
Côte d'Ivoire	336	360	374	420	France	153	157	165	164
US	432	418	391	359	UK	129	139	129	128
Germany	307	357	385	342	Spain	72	76	83	98
Malaysia	265	302	331	278	Singapore	64	70	89	89
Brazil	223	226	232	216	Russian Fed.	68	70	64	67
France	155	162	160	157	Canada	65	77	48	64
Ghana	85	121	123	140	Turkey	57	56	64	64
<b>World</b>	<b>3,536</b>	<b>3,661</b>	<b>3,755</b>	<b>3,508</b>	<b>World</b>	<b>2,891</b>	<b>2,997</b>	<b>3,080</b>	<b>3,049</b>

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

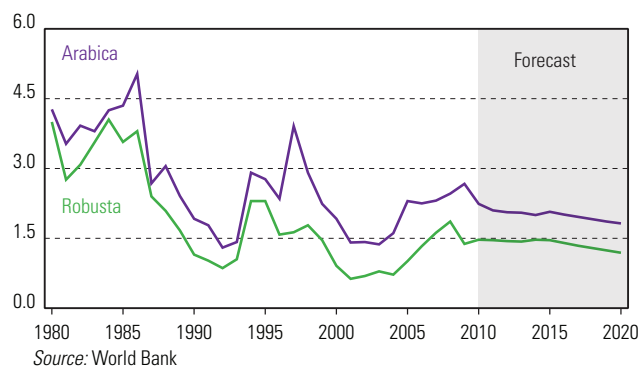
Source: International Cocoa Organization, LMC International and World Bank estimates.

Coffee prices during 2009 averaged \$3.17/kg (arabica) and \$1.64/kg (robusta), 30 percent higher and 12 percent lower than their respective 2008 averages. While arabica prices were boosted by a weather-induced shortfall in Colombia, robusta prices were pushed downward by the arrival on the market of the new, larger, Vietnamese robusta crop. Recent preliminary estimates for the 2009/10 season by the International Coffee Organization show a 3.7 percent decline in global coffee production (from 128 to 124 million bags). Most of this decline will be in the arabica market (4.9 percent down) rather than the robusta market (1.6 percent down). Brazil's 2009/10 crop is expected to be 39 million bags, down from 46 million in 2008/09. Colombia, whose 2008/09 production was its lowest since 1973/74, is not expected to recover its normal production level soon (Colombia's shortfall caused the divergence between arabica and robusta prices).

Monthly Prices (\$/kg)



Annual Constant 2000 Prices (\$/kg)



## GLOBAL MARKET DATA

	2005/06	2006/07	2007/08	2008/09		2005	2006	2007	2008
<b>PRODUCTION (000 bags)</b>					<b>CONSUMPTION (000 bags)</b>				
Brazil	32,944	42,512	36,070	45,992	US	20,998	20,667	21,033	21,652
Vietnam	13,542	19,340	16,467	18,500	Brazil	15,390	16,133	16,927	17,526
Indonesia	9,159	7,483	7,777	9,350	Germany	8,665	9,151	8,627	9,554
Colombia	12,329	12,541	12,504	8,664	Japan	7,128	7,268	7,282	7,065
Mexico	4,225	4,200	4,150	4,650	Italy	5,552	5,593	5,821	5,937
India	4,396	5,159	4,460	4,372	France	4,787	5,278	5,628	5,155
Ethiopia	4,003	4,636	4,906	4,350	Russian, Fed.	3,212	3,263	4,055	3,716
Peru	2,489	4,319	3,063	3,872	Spain	3,007	3,017	3,198	3,485
Guatemala	3,676	3,950	4,100	3,730	Indonesia	2,375	2,750	3,208	3,333
Uganda	2,159	2,700	3,250	3,100	Canada	2,794	3,098	3,245	3,214
Honduras	3,204	3,461	3,842	2,978	UK	2,680	3,059	2,824	3,067
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	2,118
Costa Rica	1,778	1,580	1,791	1,580	Ethiopia	1,833	1,833	1,833	1,833
El Salvador	1,502	1,371	1,621	1,420	Ukraine	1,025	968	1,057	1,733
Tanzania	804	822	810	1,186	Korea, Rep.	1,394	1,437	1,425	1,665
PNG	1,268	807	968	1,028	Venezuela	1,412	1,472	1,534	1,599
Kenya	660	826	652	883	India	1,272	1,375	1,438	1,518
Venezuela	760	813	899	880	Colombia	1,272	1,337	1,360	1,400
<b>World</b>	<b>110,181</b>	<b>129,139</b>	<b>118,949</b>	<b>128,073</b>	Netherlands	1,927	2,129	2,292	1,324
<b>Arabica</b>	<b>67,853</b>	<b>80,674</b>	<b>73,017</b>	<b>78,599</b>	Sweden	1,170	1,315	1,244	1,272
<b>Robusta</b>	<b>42,328</b>	<b>48,465</b>	<b>45,932</b>	<b>49,474</b>	<b>World</b>	<b>119,714</b>	<b>123,329</b>	<b>127,977</b>	<b>130,004</b>

Source: International Coffee Organization

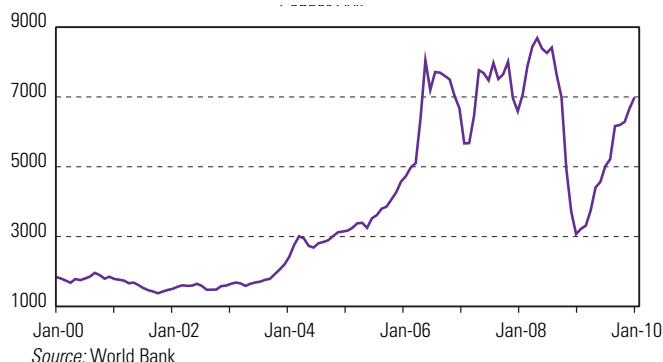
Copper prices averaged \$5,150/ton 2009, down 26 percent from \$6,956/ton in 2008. Their steady rise in 2009 from the lows reached in December 2008 was driven mainly by strong import demand in China, but also by an extremely tight scrap market (a reflection of the severe global industrial downturn) and a number of labor-related supply shutdowns in the Americas. Copper suffered fewer production cutbacks than did other metals following the contraction in global demand.

Copper prices are expected to remain elevated in 2010 and 2011, with demand growing relatively strongly amid longer-term supply concerns. In the medium term, capacity expansion will bring prices down somewhat, with the expected development of a few large mines and several small-to-medium operations. Prices are expected to remain well above historical levels because the industry faces several challenges in adding new capacity.

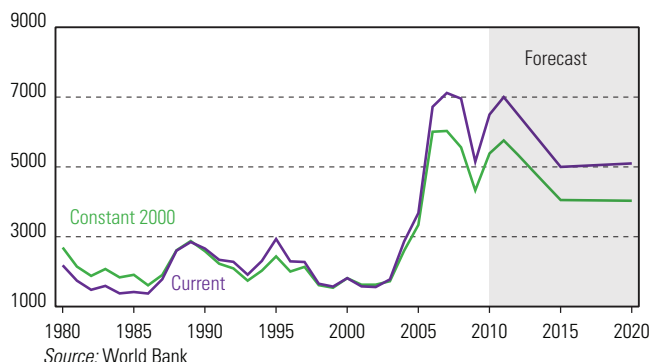
World copper demand, which grew 2.6 percent in 2000-07, fell in 2008 and 2009 despite strong growth in China. Although China's demand growth is expected to slow, global demand is expected to rise at around 6.5 percent in 2010 and 2011, pushed by economic recovery and restocking elsewhere. Demand will then resume its trend growth of less than 5 percent, with some potential losses to substitution because of much higher prices for copper than other metals, particularly aluminum.

Copper mine capacity is set to grow moderately in future but the industry faces a number of hurdles, notably declining ore grades, rising costs, and energy and water availability. Much of the growth is projected to come from Latin America and Africa's copper belt. Production in the latter region poses 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
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
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
<b>World</b>	<b>16,610</b>	<b>17,343</b>	<b>17,980</b>	<b>18,475</b>	<b>World</b>	<b>7,454</b>	<b>7,477</b>	<b>7,618</b>	<b>7,838</b>
<b>CONSUMPTION (000 metric tons)</b>					<b>IMPORTS (000 metric tons)</b>				
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
<b>World</b>	<b>16,639</b>	<b>16,974</b>	<b>18,098</b>	<b>18,032</b>	<b>World</b>	<b>6,994</b>	<b>7,051</b>	<b>7,129</b>	<b>6,766</b>

Source: World Metal Statistics.

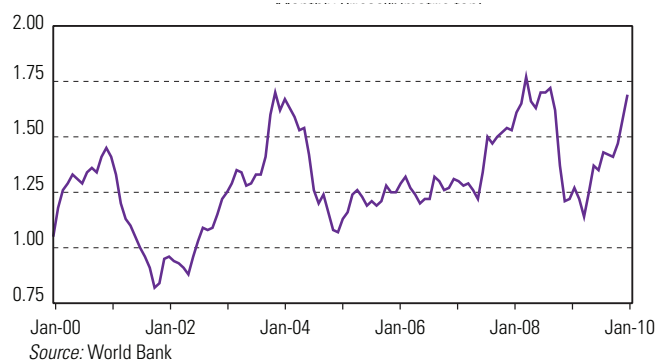
Cotton prices (Cotlook A index) averaged \$1.38/kg during 2009, 12 percent lower than in 2008, mostly because of weak demand. Price increases during 2008 were less pronounced for cotton than for other agricultural commodities, because of yield and output increases associated with the increased use of biotech cotton varieties.

The world average cotton yield increased from 566 kg/hectare in 1998/99, when these varieties were introduced to the Southern Hemisphere, to 792 kg/ha in 2007/08. By 2009/10, biotech varieties accounted for 53 percent of the global area allocated to cotton. Australia, South Africa, and the US have fully adopted the technology. The other two key beneficiaries have been China and India, which have 70 and 75 percent, respectively, of their cotton area planted to biotech varieties and together account for 70 percent of the global biotech cotton area.

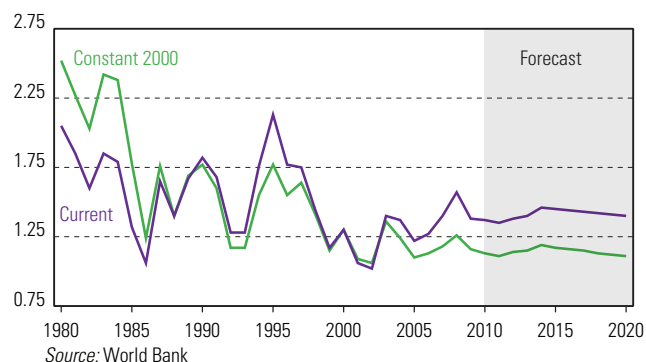
In the 2009/10 (Aug-Jul) season, global cotton production totaled 22.2 million tons, down 6 percent from 2008/09. Early estimates for 2010/11, based on planting intentions, point to a sharp rise in production. Consumption during 2009/10 totaled 23.8 million tons, reducing the stock-to-use ratio to 45 percent from last season's 53 percent but well above the historical average of 40 percent.

Given the expected sharp increase in global production, the Cotlook A Index is expected to average \$1.37/kg during 2010, similar to the 2009 average but much lower than the \$1.57/kg average of 2008. Moderate price increases are expected in the medium term, as demand picks up from its recent weakness. However, if further expansion of biotech varieties takes place in key cotton producers such as Brazil, Pakistan, and Turkey, prices are likely to come under further downward pressure.

Monthly Prices (\$/kg)



Annual Prices (\$/kg)



## GLOBAL MARKET DATA

	2007/08	2008/09	2009/10	2010/11		2007/08	2008/09	2009/10	2010/11
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
China	8,078	8,025	6,750	7,748	US	2,973	2,555	2,286	2,319
India	5,355	4,930	5,185	5,260	Uzbekistan	887	550	788	822
US	4,182	2,838	2,721	2,994	Australia	270	230	336	363
Pakistan	1,845	1,920	2,113	2,265	Brazil	486	480	349	351
Brazil	1,603	1,402	1,170	1,270	Burkina Faso	194	156	184	204
Uzbekistan	1,206	1,060	950	1,007	Turkmenistan	185	120	177	197
Turkey	675	450	380	447	Greece	234	161	175	183
Australia	126	315	375	396	Pakistan	62	62	130	130
Turkmenistan	280	297	252	266	Zimbabwe	91	81	86	94
Syria	250	220	200	211	<b>World</b>	<b>8,358</b>	<b>6,176</b>	<b>7,025</b>	<b>6,823</b>
Greece	285	240	200	200	<b>IMPORTS (000 metric tons)</b>				
Burkina Faso	150	182	188	207	China	2,511	1,500	1,756	1,751
Argentina	152	130	176	187	Bangladesh	600	551	767	806
Egypt	212	118	104	115	Turkey	700	470	713	615
<b>World</b>	<b>26,280</b>	<b>23,698</b>	<b>22,165</b>	<b>24,005</b>	Pakistan	786	450	546	514
<b>STOCKS (000 metric tons)</b>					Indonesia	495	435	449	455
China	3,328	3,226	3,067	3,101	Thailand	420	410	377	366
India	1,541	2,223	1,788	1,744	Vietnam	240	239	317	335
US	2,155	1,654	1,074	1,030	Mexico	333	266	303	243
Pakistan	601	689	718	740	Korea, Rep.	212	190	206	191
Brazil	1,224	949	604	593	Russian Fed.	233	200	196	175
Uzbekistan	384	655	498	433	Taiwan, China	215	185	174	165
<b>World</b>	<b>12,202</b>	<b>12,583</b>	<b>10,677</b>	<b>10,520</b>	<b>World</b>	<b>8,289</b>	<b>6,176</b>	<b>7,025</b>	<b>6,823</b>

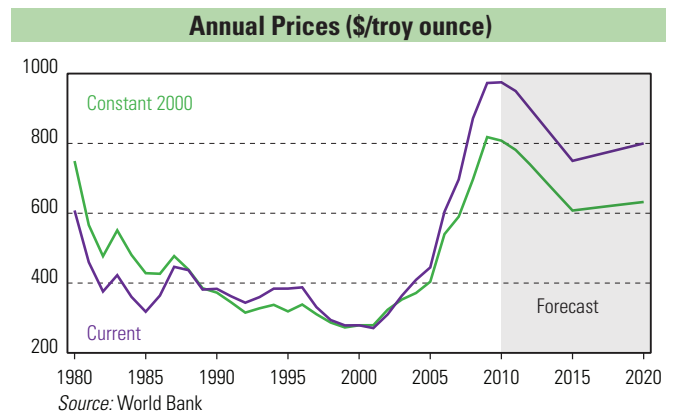
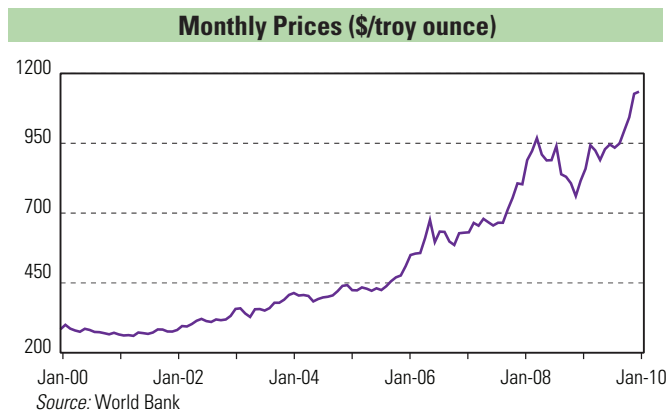
Source: International Cotton Advisory Committee

Gold prices averaged \$973/toz in 2009, up 12 percent from \$872/toz in 2008. Prices have climbed for eight consecutive years and are up 3.6 fold since 2001. Although prices slipped to \$760/toz in November 2008 amid the financial crisis and dollar appreciation, they resumed their climb on renewed weakness of the dollar and investor concerns about inflation, surging above \$1,200/toz in December 2009. An important driver was the growth in physically backed exchange-traded funds (ETFs). In 2009, gold ETF holdings rose by 563 tons or 47 percent—equivalent to 23 percent of global gold mine production.

Near-term prices are expected to remain relatively firm, given investor concerns about the dollar, inflation, and macroeconomic-financial conditions. Over the longer term, prices are expected to fall back toward \$850/toz as high prices discourage demand and stimulate new supplies.

In early November 2009 the IMF sold 200 tons of gold to the Reserve Bank of India (and subsequently 12 tons to Sri Lanka and Mauritius). The IMF is authorized to sell a further 191.3 tons—either off-market or, if sold into the market, within the provisions of the third five-year Central Bank Gold Agreement which began in September 2009 and limits total annual sales to 400 tons.

Gold is the one commodity of which essentially all production ends up in above-ground inventory and for which investor sentiment thus 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. Though producer hedging has fallen, new projects may require hedging for project finance, thereby adding to supply.

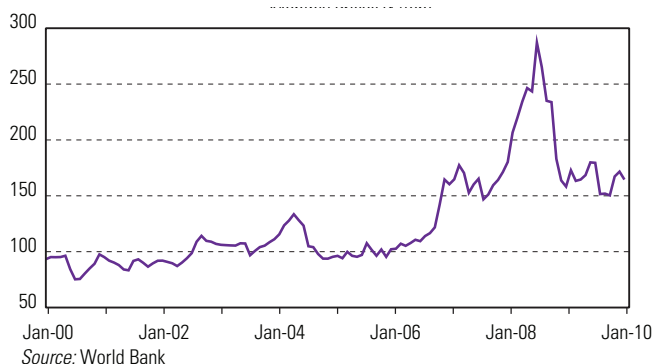


GLOBAL MARKET DATA									
	2005	2006	2007	2008		2005	2006	2007	2008
<b>PRODUCTION (metric tons)</b>					<b>CONSUMPTION (metric tons)</b>				
US	256	252	239	229	India	695	633	684	578
China	209	240	270	222	China	258	270	327	342
South Africa	297	275	255	220	Turkey	303	242	277	237
Australia	263	247	245	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	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
<b>World</b>	<b>2,434</b>	<b>2,316</b>	<b>2,281</b>	<b>2,161</b>	<b>World</b>	<b>3,291</b>	<b>2,936</b>	<b>3,076</b>	<b>2,850</b>

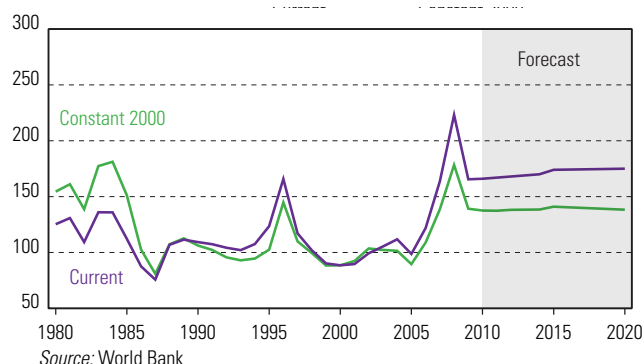
Source: World Metal Statistics, Gold Field Mineral Services.

Maize prices averaged \$166/ton in 2009, 26 percent down from 2008 but similar to their 2007 average. The sharp price decline reflected a reduction in biofuel demand and, to a lesser extent, weaker global demand for feed grains, due to a contraction in livestock production. During 2009 maize prices were remarkably stable. Declining crude oil prices, and overcapacity in the US ethanol industry, have reduced the profitability of ethanol production, causing a number of plants to be closed or reduce their capacity. In the US, the world's largest maize-based ethanol producer, the Energy Independence and Security Act of 2007 mandated 11 billion gallons of ethanol use in 2009, to increase gradually 15 billion gallons—equivalent to about 5 percent of US crude oil consumption—by 2015. If this standard is binding, a considerable amount of maize will be diverted to ethanol production, keeping prices elevated by historical standards.

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
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
US	267,503	331,177	307,386	328,207	US	53,987	61,913	47,184	52,072
China	151,600	152,300	165,900	155,000	Brazil	10,836	7,791	7,500	9,000
EU-27	53,829	47,555	62,701	56,126	Argentina	15,309	14,798	7,500	8,000
Brazil	51,000	58,600	51,000	51,000	Ukraine	1,027	2,074	5,497	5,000
Mexico	22,350	23,600	25,000	22,500	EU-27	664	591	1,750	1,500
India	15,100	18,960	18,480	18,500	South Africa	468	2,162	2,500	1,500
Argentina	22,500	22,000	12,600	14,000	<b>World</b>	<b>93,960</b>	<b>98,609</b>	<b>80,843</b>	<b>83,957</b>
South Africa	7,300	13,164	12,567	11,500	<b>IMPORTS (000 metric tons)</b>				
Ukraine	6,400	7,400	11,400	10,500	Japan	16,713	16,614	16,533	16,300
Canada	8,990	11,649	10,592	9,560	Mexico	8,944	9,556	7,700	9,000
Indonesia	7,850	8,500	8,700	9,000	Korea, Rep.	8,731	9,311	7,194	7,500
Nigeria	7,800	6,500	7,900	8,300	Taiwan, China	4,283	4,527	4,400	4,600
Philippines	6,231	7,277	6,846	6,850	Egypt	4,826	4,151	5,000	4,200
Serbia	6,415	4,054	5,900	6,400	Colombia	3,386	3,267	3,200	3,300
<b>World</b>	<b>712,380</b>	<b>791,871</b>	<b>791,627</b>	<b>790,175</b>	Iran, Islamic Rep.	3,300	2,900	3,600	2,900
<b>STOCKS (000 metric tons)</b>					Malaysia	2,363	3,181	2,000	2,600
China	36,602	39,394	53,169	48,719	EU-27	7,056	14,016	2,500	2,500
US	33,114	41,255	42,523	42,547	Algeria	2,406	1,963	1,900	2,100
Brazil	3,592	12,579	12,579	9,579	Canada	2,102	3,182	1,843	2,000
South Africa	1,661	3,090	3,182	3,007	Syria	1,516	1,691	1,800	1,900
EU-27	7,382	4,362	5,813	2,939	Saudi Arabia	1,577	1,961	1,700	1,800
Mexico	3,084	4,131	3,831	2,581	Morocco	1,558	1,883	1,500	1,600
<b>World</b>	<b>108,864</b>	<b>129,306</b>	<b>145,439</b>	<b>132,342</b>	<b>World</b>	<b>90,287</b>	<b>98,348</b>	<b>80,837</b>	<b>81,899</b>

Source: US Department of Agriculture

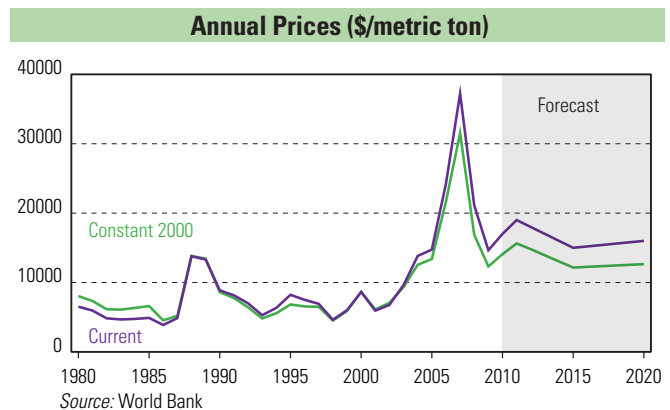
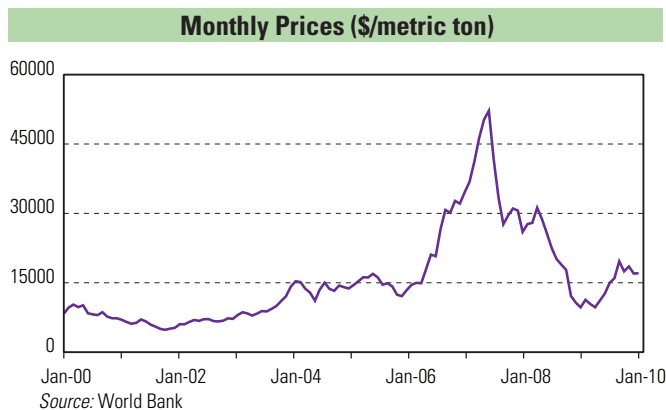


Nickel prices averaged \$14,655/ton in 2009, down 31 percent from \$21,111/ton in 2008. They rebounded strongly beginning in March, reflecting a surge in stainless steel production, massive cuts in nickel production in the immediate wake of the financial crisis, relatively tight availability of scrap, and strikes at Vale's Canadian operations. Later in 2009, prices weakened as stainless steel production outpaced demand, and LME nickel inventories climbed to 15-year highs. In December 2009, prices were one third of their peak of May 2007, owing to a surplus of some 20 percent of global capacity.

Nickel prices are expected to rise only moderately in 2010, because substantial idle capacity and new supply additions are expected to comfortably satisfy rising demand. However, they are likely to remain volatile due to the large stocking/destocking cycles that typify the stainless steel sector, which accounts for about two-thirds of nickel demand.

World nickel demand has fallen for three consecutive years, after an extraordinary price peak of more than \$50,000/ton provoked substitution to low-grade nickel products. Stainless steel production is expected to rebound strongly in 2010, led by China, but also increasingly in other major producing centers. Thus nickel demand should increase by 10 percent in 2010, with growth slowing only slightly in 2011-12 before returning to trend.

Despite robust consumption, projected nickel supplies appear more than adequate, in view of large idle capacity and a stream of new projects due to start production this year and the next few years. Nickel price gains may also be limited by a fall in costs of nickel pig-iron production in China (from low-grade ores imported from the Philippines, Indonesia, and New Caledonia), to some \$14,000-\$15,000/ton, although these costs are sensitive to costs of coke and freight.



GLOBAL MARKET DATA									
	2005	2006	2007	2008		2005	2006	2007	2008
<b>PRODUCTION (000 metric tons)</b>					<b>CONSUMPTION (000 metric tons)</b>				
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
<b>World</b>	<b>1,288</b>	<b>1,341</b>	<b>1,456</b>	<b>1,368</b>	Poland	1	2	2	3
					<b>World</b>	<b>1,296</b>	<b>1,366</b>	<b>1,353</b>	<b>1,295</b>

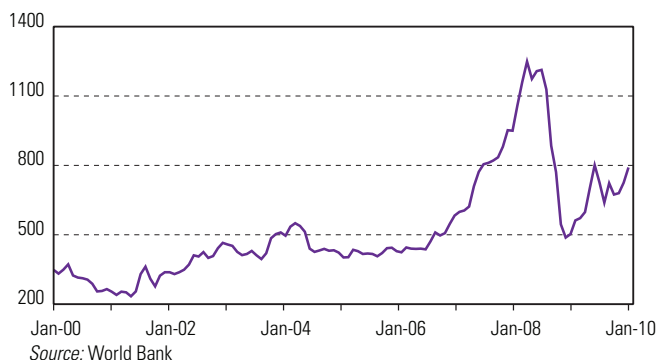
Source: World Metal Statistics

Palm oil prices averaged \$683/ton in 2009, 28 percent lower than their \$1,170/ton average of 2008. Prices of almost all edible oils rose dramatically during the first half of 2008, to levels not seen since 1973. However, they declined sharply during the second half of 2008 to levels more in line with fundamentals. Though strong import demand—especially by China and India—and increased use of competing oils for biofuel use played key roles during the rally, the sharp downward correction during the first half of 2008 suggests the rally had an element of overshooting. During 2009:Q4 prices picked up again in response to strong import demand, weak supplies of substitute oils (especially soybean oil), and rising crude oil prices. Global production of soybean oil is estimated at 37.6 million tons during 2009/10, up from 36.0 million tons in 2008/09 but very similar to the 2007/08 level.

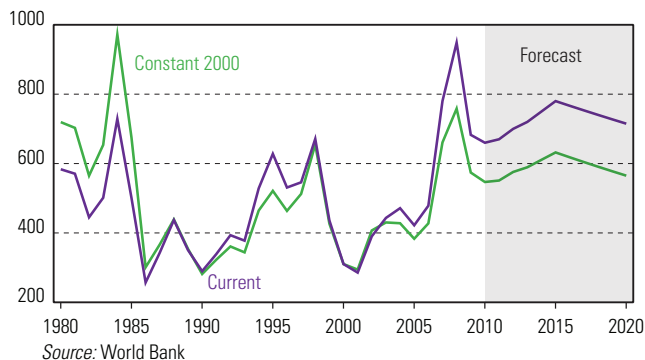
Oil World expects global palm oil output to reach 47.2 million tons during the 2009/10 (Oct to Sep) season, 6.5 percent higher than the year before. Palm oil import demand is expected to rise by about 2 percent during 2009/10 (far less than last season's 9 percent increase) because the two key importers, China and India, will experience limited consumption growth. The projected stock-to-use ratio during 2009/10, at 14 percent, is about 2 percentage points below historical levels.

Given the projected recovery of soybean production from last year's weather-induced shortfall, and restraint in biofuel mandates in several countries, including in the EU (the world's largest biodiesel producer), palm oil prices are expected to average \$660/ton in 2010 and to be marginally higher in 2011. In real terms, however, the 2010-12 average is expected to be two thirds higher than in the early 2000s.

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
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
Indonesia	16,730	18,880	20,450	22,090	Indonesia	12,465	14,100	16,110	16,840
Malaysia	15,294	17,567	17,259	18,200	Malaysia	13,768	15,041	15,990	16,180
Thailand	989	1,273	1,310	1,420	PNG	406	385	451	422
Nigeria	752	812	853	880	Ecuador	180	178	173	189
Colombia	830	779	758	773	Thailand	327	399	123	160
Ecuador	409	417	431	466	<b>World</b>	<b>29,638</b>	<b>32,850</b>	<b>35,480</b>	<b>36,350</b>
<b>World</b>	<b>37,591</b>	<b>42,666</b>	<b>44,262</b>	<b>47,154</b>	<b>IMPORTS (000 metric tons)</b>				
<b>CONSUMPTION (000 metric tons)</b>					China	5,543	5,559	6,297	6,200
India	3,698	4,882	6,565	6,800	India	3,664	5,019	6,875	6,550
China	5,461	5,660	5,917	6,348	EU-27	4,634	5,012	5,790	6,150
EU-27	4,478	4,806	5,592	6,000	Pakistan	1,743	1,769	1,800	1,840
Indonesia	3,920	4,362	4,846	5,230	US	692	955	1,036	985
Malaysia	2,132	2,449	2,474	2,540	Bangladesh	871	855	832	850
Pakistan	1,638	1,734	1,792	1,800	Egypt	716	508	770	660
Nigeria	1,042	1,219	1,265	1,301	Iran, Islamic Rep.	419	589	571	610
Thailand	700	941	1,161	1,280	Japan	516	551	531	550
US	635	935	917	936	<b>World</b>	<b>29,366</b>	<b>32,730</b>	<b>35,773</b>	<b>36,280</b>
Colombia	467	457	580	748	<b>STOCKS (000 metric tons)</b>				
Egypt	598	486	550	569	Indonesia	1,780	2,230	1,760	1,820
Japan	509	550	536	545	Malaysia	1,461	1,951	1,579	1,750
Russian Fed.	527	690	485	520	India	350	540	920	740
Turkey	401	443	388	440	China	472	370	750	600
<b>World</b>	<b>37,256</b>	<b>41,325</b>	<b>44,700</b>	<b>47,260</b>	<b>World</b>	<b>5,812</b>	<b>7,060</b>	<b>6,876</b>	<b>6,700</b>

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

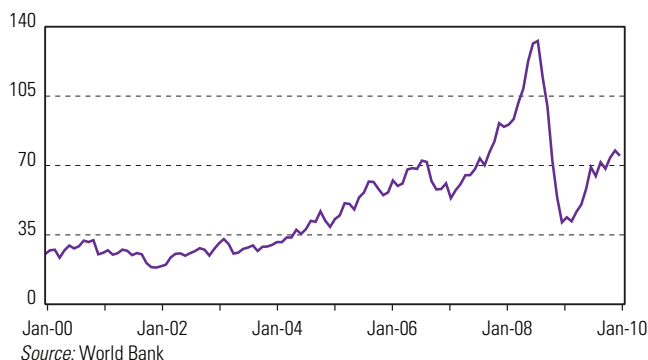
Crude oil prices averaged \$61.8/bbl in 2009, down 36.4 percent from 2008. Prices reached a low of \$42/bbl in February 2009, but recovered to near \$75/bbl in December. They were influenced by OPEC's removal of 4 mb/d from the market in an effort to keep prices up, but by the second half of 2009 compliance with the agreed 4.2 mb/d production cuts had fallen to 60 percent. US crude oil stocks fell in the second half of 2009 on lower imports, but a large overhang of distillate remains. Some 145 million barrels of oil are stored at sea, including 45 million barrels of crude and the remainder mainly distillate.

Real prices of crude oil are projected to average \$75/bbl (in 2009 dollars) over the forecast period, with nominal prices rising from \$62/bbl in 2009 to \$80/bbl in 2020. The forecast reflects the level of prices required to develop high-cost oil sands in Canada, and assumes continued production restraint by major oil producers.

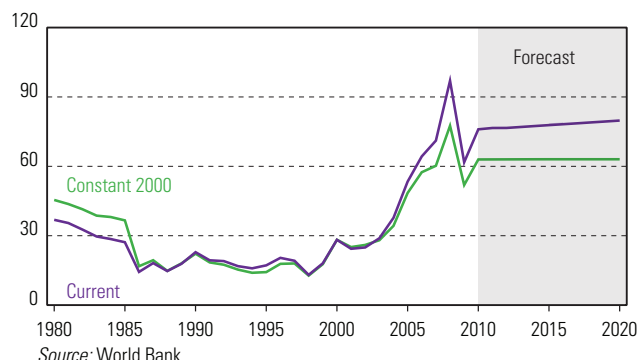
World oil demand fell slightly in 2008—the first decline in 25 years—and by 1.3 mb/d in 2009, with OECD demand down by 2 mb/d or more than 4 percent. Demand grew very strongly in China following a slump in 2009:Q1, and modestly in all other non-OECD regions except for the FSU, where it fell sharply. Demand is projected to rise by 1.4 mb/d in 2010, with all of the net growth outside OECD countries. Future oil demand growth is expected to be moderate, tempered by environmental concerns and efficiency gains.

Non-OPEC supplies are expected to edge higher in the medium term, as high prices support the development of higher-cost deepwater and non-conventional resources. Much of the growth is expected to continue to come from Brazil, Canada, the Caspian, Russia, and West Africa. OPEC producers are all expected to add new capacity, despite a current surplus of 6.5 mb/d, with much of the incremental output destined for Asia.

**Monthly Prices (\$/barrel)**



**Annual Prices (\$/barrel)**



**GLOBAL MARKET DATA**

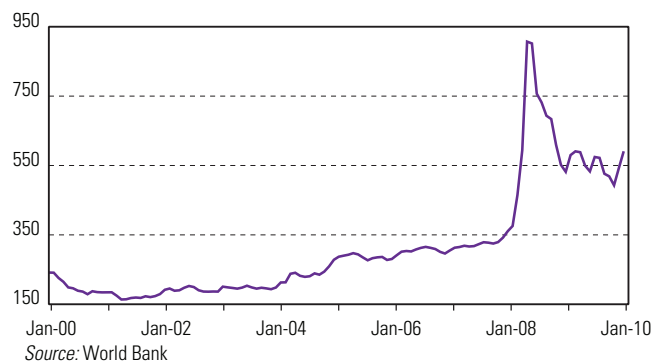
	2006	2007	2008	2009		2006	2007	2008	2009
<b>PRODUCTION (000 b/d)</b>					<b>CONSUMPTION (000 b/d)</b>				
Russian Fed.	9,843	10,078	10,005	10,197	US	20,687	20,680	19,419	18,642
Saudi Arabia	10,476	9,988	10,406	9,322	China	7,382	7,742	7,999	8,576
US	7,375	7,482	7,523	8,064	Japan	5,213	5,039	4,845	4,409
Iran, Islamic Rep.	4,302	4,403	4,344	4,337	India	2,580	2,748	2,882	3,038
China	3,674	3,729	3,793	3,821	Russian Fed.	2,709	2,706	2,797	2,604
Canada	3,192	3,315	3,224	3,103	Germany	2,624	2,393	2,505	2,397
Mexico	3,682	3,477	3,164	2,968	Brazil	2,102	2,274	2,397	2,436
UAE	3,147	3,055	3,113	2,822	Canada	2,246	2,323	2,295	2,212
Brazil	2,114	2,221	2,371	2,499	Korea, Rep.	2,317	2,389	2,291	2,333
Iraq	1,922	2,113	2,409	2,477	Saudi Arabia	1,841	2,054	2,224	2,398
Norway	2,778	2,556	2,461	2,383	Mexico	1,970	2,027	2,039	1,982
Venezuela	2,835	2,614	2,582	2,374	France	1,956	1,921	1,930	1,841
Kuwait	2,335	2,293	2,476	2,196	Iran, Islamic Rep.	1,693	1,693	1,730	1,628
Nigeria	2,408	2,294	2,106	2,097	UK	1,785	1,714	1,704	1,639
Algeria	2,021	2,030	2,058	1,938	Italy	1,813	1,759	1,691	1,603
Angola	1,410	1,708	1,893	1,817	Spain	1,602	1,617	1,574	n/a
Libya	1,838	1,853	1,866	1,687	Indonesia	1,173	1,201	1,217	n/a
Kazakhstan	1,361	1,418	1,442	1,574	Taiwan, China	1,097	1,123	1,074	n/a
Qatar	1,294	1,322	1,457	1,489	Netherlands	1,043	962	982	n/a
UK	1,662	1,663	1,564	1,457	Singapore	853	916	958	n/a
<b>World</b>	<b>85,532</b>	<b>85,607</b>	<b>86,470</b>	<b>84,878</b>	<b>World</b>	<b>83,797</b>	<b>84,878</b>	<b>84,455</b>	<b>83,117</b>
<b>OPEC</b>	<b>35,105</b>	<b>34,736</b>	<b>35,787</b>	<b>33,566</b>	<b>OECD</b>	<b>49,274</b>	<b>48,830</b>	<b>47,303</b>	<b>45,221</b>
<b>Non-OPEC</b>	<b>50,428</b>	<b>50,871</b>	<b>50,683</b>	<b>51,312</b>	<b>Non-OECD</b>	<b>34,523</b>	<b>36,048</b>	<b>37,153</b>	<b>37,896</b>

Source: International Energy Agency (production), and BP Statistical Review of World Energy (consumption), World Bank (est 2009 consumption).

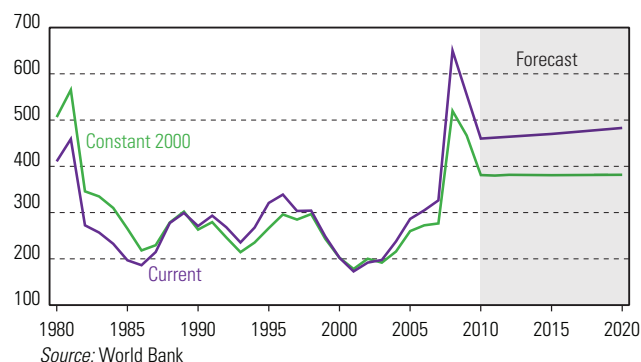
Rice prices averaged \$555/ton during 2009—16 percent lower than the 2008 average (\$650/ton) though more than three times higher than in 2000/01. The global rice market is very thin, with only 7 percent of global production traded internationally, and a key factor behind the price spike of 2008 was the policy measures with which key rice suppliers and importers sought to promote food security.

As of November 2009, the US Department of Agriculture projected global rice production for 2009/10 at 433.9 million tons, reflecting weather-related production shortfalls in India and the Philippines. Plans announced by the Philippines, following the harvest shortfall, to buy an estimated 1.6 million tons of Thai rice, triggered discussions of a repeat of the April/May 2008 rally when rice prices exceeded \$900/ton. However, the market responded with only moderate price increases—from \$543/ton in November and \$591/ton in December.

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
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
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
Myanmar	10,600	10,730	10,150	10,730	Egypt	1,203	750	300	900
Philippines	9,775	10,479	10,593	10,710	<b>World</b>	<b>31,459</b>	<b>31,120</b>	<b>28,672</b>	<b>29,694</b>
Brazil	7,695	8,199	8,500	8,500	<b>IMPORTS (000 metric tons)</b>				
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
<b>World</b>	<b>420,668</b>	<b>433,817</b>	<b>443,650</b>	<b>448,143</b>	Saudi Arabia	958	961	1,360	1,370
<b>STOCKS (000 metric tons)</b>					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
<b>World</b>	<b>75,103</b>	<b>80,637</b>	<b>89,798</b>	<b>94,729</b>	<b>World</b>	<b>28,173</b>	<b>29,311</b>	<b>26,256</b>	<b>26,272</b>

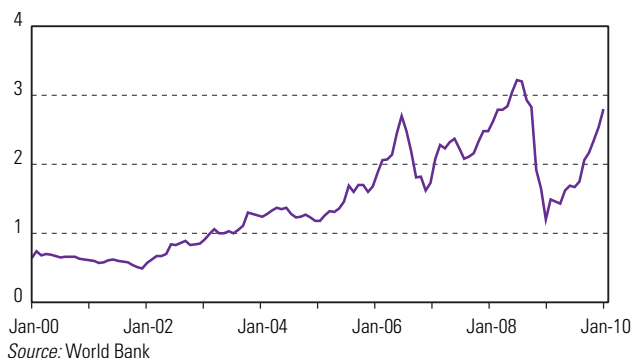
Source: US Department of Agriculture

Natural rubber prices averaged \$1.92/kg during 2009, 26 percent lower than in 2008 but almost three times higher than in the early 2000s. Prices declined initially in 2009, but rebounded toward the end of that year, reflecting the effects of fluctuating crude oil prices on the cost of producing synthetic rubber. Natural rubber consumption totaled 9.6 million tons in 2008, down from 9.9 million tons the year before. Estimates for the first nine months of 2009 indicate an unprecedented 9.3 percent reduction in demand. A key reason was the collapse in demand for tire production, associated with the collapse of automobile sales, especially in high-income countries. Global consumption of natural rubber is dominated by China, which accounts for more than 30 percent. More than two thirds of natural rubber production comes from the traditional suppliers Thailand, Indonesia, and Malaysia, but Vietnam is emerging as an important player.

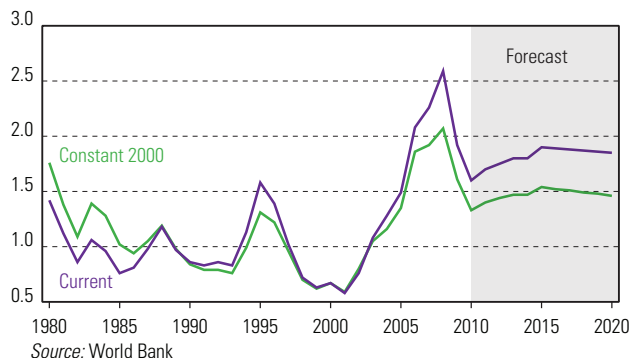
World consumption of synthetic rubber declined by 11.5 percent in the first nine months of 2009, largely reflecting the reduction in global demand. Production of synthetic rubber totaled 12.8 million tons in 2008, down 5 percent from 2007, while estimates for the first nine months of 2009 show a further 10.5 percent decline.

Prices of natural rubber are expected to average \$1.60/kg in 2010 and to increase to \$1.70/kg in 2011 as demand picks up. This is in line with the projected crude oil price of \$75/barrel in 2010 and \$76/barrel in 2011 as well as a reversal of the economic downturn in 2010. If crude oil prices rise more than projected or the economic recovery is quicker than now anticipated, natural rubber prices may rise more sharply. Because the majority of rubber output goes for tire manufacturing, rubber prices are closely linked to global economic conditions.

**Monthly Prices (\$/kg)**



**Annual Prices (\$/kg)**



**GLOBAL MARKET DATA**

NATURAL RUBBER				
	2005	2006	2007	2008
<b>PRODUCTION (000 metric tons)</b>				
Thailand	2,937	3,137	3,056	3,090
Indonesia	2,271	2,637	2,755	2,751
Malaysia	1,126	1,284	1,200	1,072
India	772	853	811	881
Vietnam	469	554	602	663
China	510	533	590	560
Côte d'Ivoire	165	178	183	195
<b>World</b>	<b>8,904</b>	<b>9,791</b>	<b>9,796</b>	<b>10,026</b>
<b>CONSUMPTION (000 metric tons)</b>				
China	2,266	2,780	2,892	2,934
US	1,159	1,003	1,018	1,041
India	789	815	851	881
Japan	857	874	887	878
Malaysia	387	383	450	469
Thailand	335	321	374	398
<b>World</b>	<b>9,069</b>	<b>9,329</b>	<b>9,884</b>	<b>9,550</b>
<b>EXPORTS (000 metric tons)</b>				
Thailand	2,633	2,772	2,704	2,561
Indonesia	2,025	2,287	2,407	2,408
Malaysia	1,128	1,131	1,018	916
Vietnam	538	678	682	619
<b>World</b>	<b>6,502</b>	<b>6,830</b>	<b>7,229</b>	<b>7,016</b>

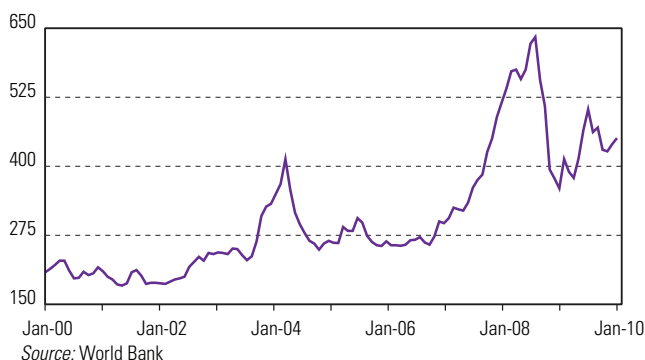
SYNTHETIC RUBBER				
	2005	2006	2007	2008
<b>PRODUCTION (000 metric tons)</b>				
China	1,632	1,813	2,215	2,325
US	2,366	2,606	2,697	2,314
Japan	1,627	1,607	1,655	1,651
Russian Fed.	1,146	1,219	1,210	1,139
Korea, Rep.	770	848	1,010	970
Germany	855	865	803	742
France	655	664	655	645
<b>World</b>	<b>12,136</b>	<b>12,690</b>	<b>13,430</b>	<b>12,789</b>
<b>CONSUMPTION (000 metric tons)</b>				
China	2,467	3,064	587	3,479
US	2,002	2,001	1,929	1,734
Japan	1,156	1,171	1,162	1,138
Germany	635	635	599	530
Brazil	405	425	477	533
Russian Fed.	568	572	597	500
<b>World</b>	<b>11,880</b>	<b>12,692</b>	<b>13,278</b>	<b>12,568</b>
<b>GROSS EXPORTS (000 metric tons)</b>				
US	1,105	1,250	1,316	1,157
Korea Rep.	556	620	797	782
Germany	747	749	775	726
Russian Fed.	637	708	673	699
<b>World</b>	<b>7,243</b>	<b>7,609</b>	<b>7,626</b>	<b>7,239</b>

Source: International Rubber Study Group

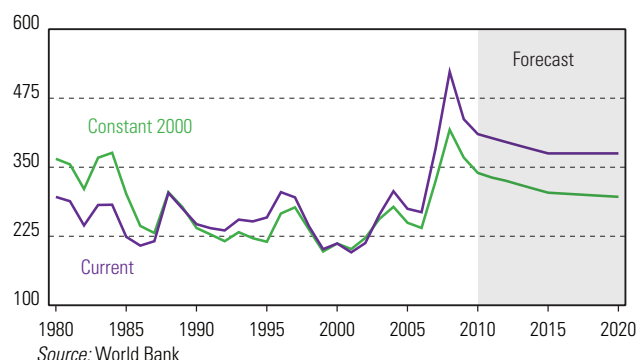
Soybean prices in 2009 averaged \$437/ton, 16 percent down from 2008. The 2008 price peak was a response to strong demand for competing crops that are used as biofuel feedstock (mainly maize for ethanol in the US and rapeseed for biodiesel in the EU) and a poor soybean crop in South America's key suppliers. The global soybean balance has now improved considerably. According to the US Department of Agriculture (November 2009), production in 2009/10 is projected to exceed 250 million tons, almost 20 percent higher than last season. Production increases are projected for all three key suppliers: the US (up 12 percent), Brazil (up 11 percent), and Argentina (up 66 percent). The better supply prospects will not only satisfy rising import demand but also raise stocks by an impressive 35 percent, restoring the stock-to-use ratio to historical levels.

Part of the soybean price increase was fueled by the use of competing vegetable oils in biodiesel production, which accounts for an estimated 9 percent of global vegetable oil use. Yet biodiesel production from vegetable oils has proven to be unprofitable even with oil prices at the \$75 level. As a result, the share of vegetable oil used for biofuel production stagnated in 2009 and future growth prospects for biodiesel production are limited. Consequently, soybean prices are expected to average \$410/ton in 2010, followed by a further decline in 2010 to \$385/ton. These forecasts are subject to both downside and upside risks, linked to the possibility that biodiesel mandates in various countries may be eased (which would reduce the demand for competing edible oils) and to the possibility of further increases in energy prices (making the biodiesel industry profitable).

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
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
US	87,001	72,859	80,749	90,336	US	30,386	31,538	34,925	36,469
Brazil	59,000	61,000	57,000	63,000	Brazil	23,485	25,364	29,986	23,750
Argentina	48,800	46,200	32,000	53,000	Argentina	9,559	13,837	5,746	10,150
China	15,967	14,000	15,500	14,500	Paraguay	4,361	5,400	2,400	4,900
India	7,690	9,470	9,100	8,800	Canada	1,683	1,753	2,017	2,000
Paraguay	5,856	6,900	3,900	6,700	<b>World</b>	<b>71,310</b>	<b>79,519</b>	<b>76,891</b>	<b>79,609</b>
Canada	3,466	2,696	3,336	3,500	<b>IMPORTS (000 metric tons)</b>				
<b>World</b>	<b>237,117</b>	<b>221,129</b>	<b>210,870</b>	<b>250,254</b>	China	28,726	37,816	41,098	41,000
<b>CRUSHINGS (000 metric tons)</b>					EU-27	15,291	15,123	13,000	12,700
US	49,198	49,081	45,232	46,130	Japan	4,094	4,014	3,396	3,950
China	35,970	39,518	41,035	44,480	Mexico	3,844	3,614	3,100	3,535
Argentina	33,586	34,607	31,911	35,000	Taiwan	2,436	2,149	2,120	2,250
Brazil	31,109	32,114	31,400	31,840	Thailand	1,532	1,753	1,510	1,705
EU-27	14,670	14,870	12,830	12,300	Indonesia	1,309	1,147	1,200	1,600
India	6,615	8,170	7,500	7,900	Turkey	1,268	1,277	1,030	1,280
Mexico	3,900	3,675	3,215	3,615	<b>World</b>	<b>69,062</b>	<b>78,162</b>	<b>75,966</b>	<b>77,790</b>
Japan	2,925	2,890	2,496	2,750	<b>STOCKS (000 metric tons)</b>				
Taiwan	2,161	1,965	1,850	1,970	Argentina	22,606	21,760	16,028	22,550
Russia	805	1,051	1,497	1,810	Brazil	18,190	18,902	11,666	16,276
Bolivia	1,670	1,160	1,400	1,700	China	2,700	4,245	9,008	8,998
Paraguay	1,355	1,400	1,500	1,550	US	15,617	5,580	3,761	6,946
<b>World</b>	<b>195,659</b>	<b>201,929</b>	<b>192,634</b>	<b>202,951</b>	<b>World</b>	<b>62,885</b>	<b>52,908</b>	<b>42,407</b>	<b>57,093</b>

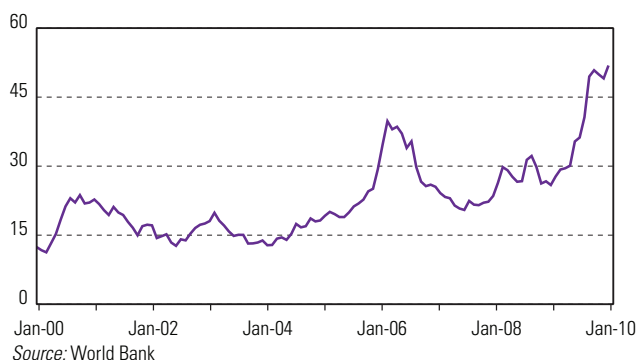
Source: US Department of Agriculture

Sugar prices averaged 40 cents/kg in 2009, almost 42 percent higher than in 2008, and they averaged more than 50 cents/kg during the last five months of 2009. Sugar is among the few commodities whose prices rose continually during 2009. The rally began when it became clear that global supplies in 2008/09 would be limited, due to a weather-induced production shortfall of 44 percent in India. India's 2009/10 output is expected to be equally disappointing. The shortfall has made India the world's largest sugar importer (it imported 2.8 million tons in 2008/09 and is projected to import 6 million tons in 2009/10).

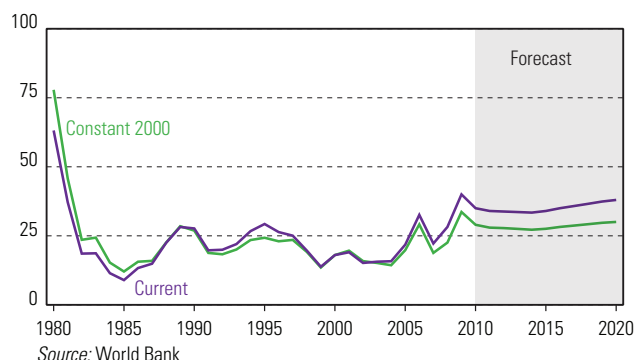
The US Department of Agriculture update of November 2009 projects global sugar production at 153.5 million tons in 2009/10, as Brazil along with the EU-27 and a number of smaller producers respond to high prices. This is still below the estimated 160 million tons projected consumption.

Brazil has long been the world's largest sugar supplier, currently accounting for almost half of global exports although 60 percent of its sugarcane production is used as feedstock for ethanol. Most Brazilian sugarcane processors have flexibility to switch between sugar and ethanol production. Higher crude oil prices encourage Brazilian ethanol production at the expense of sugar output, thus boosting sugar prices. In view of the current global sugar balance and crude oil prices, sugar prices are projected to average 35 cents/kg in 2010, down from 40 cents/kg in 2009, with some further declines in 2011 and 2012. These price levels are more than double those of the early 2000s. Sugar prices could decline further if global production recovers more strongly from recent weakness, especially in India. Conversely, if crude oil prices increase further Brazilian ethanol production will become more profitable, 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
<b>PRODUCTION (000 metric tons)</b>					<b>EXPORTS (000 metric tons)</b>				
Brazil	31,450	31,600	31,850	35,750	Brazil	20,850	19,500	21,550	23,850
India	30,780	28,630	16,130	17,300	Thailand	4,705	4,914	5,500	5,800
EU-27	17,757	15,614	13,570	15,485	Australia	3,860	3,700	3,522	3,700
China	12,855	15,898	13,317	13,161	UAE	1,600	1,715	1,656	1,700
Thailand	6,720	7,820	7,200	7,700	Guatemala	1,500	1,333	1,490	1,515
US	7,662	7,396	6,789	6,998	EU-27	2,439	1,656	1,105	1,475
Mexico	5,633	5,852	5,260	5,400	Colombia	942	661	630	1,035
Australia	5,212	4,939	4,814	4,900	South Africa	1,267	1,154	1,000	900
Pakistan	3,615	4,163	3,512	3,520	<b>World</b>	<b>51,227</b>	<b>51,433</b>	<b>48,180</b>	<b>51,277</b>
Russian Fed.	3,150	3,200	3,480	3,350	<b>IMPORTS (000 metric tons)</b>				
Indonesia	1,900	1,900	2,680	2,960	India	0	0	2,800	6,000
Colombia	2,354	2,245	2,050	2,575	EU-27	3,530	2,948	3,250	3,500
South Africa	2,313	2,360	2,350	2,380	Russia Fed.	2,950	3,100	2,800	2,400
Argentina	2,440	2,190	2,420	2,250	US	1,887	2,377	2,796	2,200
<b>World</b>	<b>164,467</b>	<b>163,297</b>	<b>143,781</b>	<b>153,527</b>	Korea, Rep.	1,518	1,648	1,550	1,600
<b>STOCKS (000 metric tons)</b>					UAE	1,774	1,900	1,580	1,550
India	9,850	9,150	3,690	3,480	Malaysia	1,670	1,430	1,540	1,530
EU-27	2,720	3,130	2,175	3,185	Indonesia	1,800	2,420	1,570	1,500
Thailand	1,745	2,651	2,351	2,151	Canada	1,191	1,416	1,444	1,450
China	1,401	3,965	3,464	2,047	Egypt	936	1,390	1,410	1,410
Egypt	383	544	746	936	Japan	1,350	1,372	1,450	1,313
US	1,632	1,506	1,317	922	Saudi Arabia	1,515	1,670	1,285	1,300
<b>World</b>	<b>35,769</b>	<b>39,776</b>	<b>27,570</b>	<b>26,002</b>	<b>World</b>	<b>43,975</b>	<b>44,384</b>	<b>46,568</b>	<b>49,921</b>

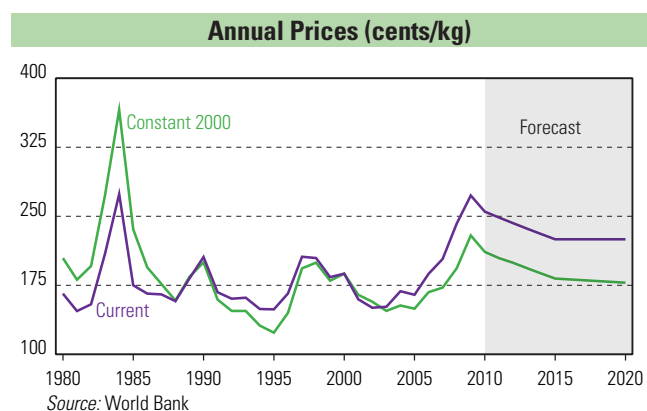
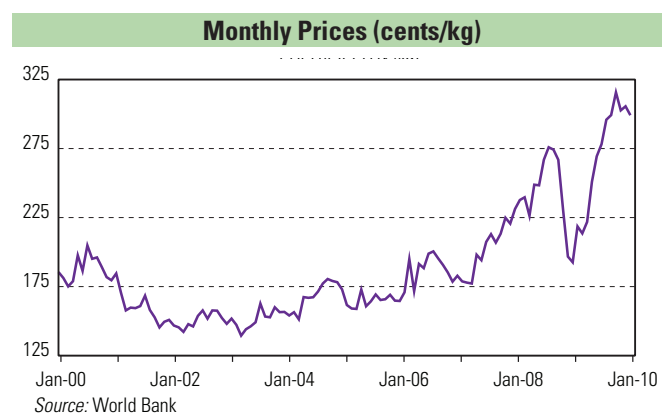
Source: US Department of Agriculture

Tea prices (the three-auction average) were 272 cents/kg during 2009, 13 percent higher than in 2008 and well above their 172 cents/kg average of 2000-07. After a sharp fall during 2008:Q3, reflecting the credit crunch and the ensuing global economic downturn, tea prices climbed steeply to an all-time high of more than 300 cents/kg in nominal terms during 2009:Q4.

Preliminary data show that tea production was lower in 2009 than in 2008, with production in the three principal black tea suppliers—Kenya, Sri Lanka, and India—declining by 11, 7, and 4 percent, respectively, or total fall of 95 thousand tons. The Kenyan crop was plagued by a two-year drought compounded by civil disturbance in early 2008; the Sri Lankan crop was reduced by high costs of transport, energy products, insufficient application of fertilizer (due to high prices and drought), and labor strikes.

Compared to that of many other commodities, tea consumption has been less affected by the economic downturn, even though demand for some premium-grade teas has declined. In India, domestic demand has been boosted by consumers' rising purchasing power, which in turn has driven exports down. Early estimates for 2009 export volumes show an 8 percent decline in Kenya and 3 percent declines in India and Sri Lanka. Despite the lower export volumes, global export revenues from tea increased in 2009 due to high prices.

Tea prices in 2010 are expected to average 230 cents/kg. The medium-term price forecast is 210 cents/kg, as supply is expected to respond to the recent high prices. Over the longer term, prices will be shaped by growing domestic demand from India, input costs, rising demand for higher-grade teas and organic teas, as well as by concern of climate changes.



#### GLOBAL MARKET DATA

	2005	2006	2007	2008		2005	2006	2007	2008
<b>PRODUCTION (000 metric tons)</b>					<b>GROSS EXPORTS (000 metric tons)</b>				
China	935	1,028	1,140	1,200	Kenya	348	312	344	383
India	946	982	945	981	Sri Lanka	299	315	294	298
Kenya	324	311	370	346	China	287	287	289	297
Sri Lanka	317	311	305	319	India	195	216	176	193
Vietnam	133	143	148	166	Vietnam	88	105	111	104
Turkey	135	142	178	155	Indonesia	102	95	84	96
Indonesia	156	147	137	138	Argentina	66	71	75	77
Japan	100	100	92	93	Malawi	43	42	47	40
Argentina	80	88	87	72	<b>World</b>	<b>1,566</b>	<b>1,579</b>	<b>1,573</b>	<b>1,638</b>
Bangladesh	61	53	58	59	<b>NET IMPORTS (000 metric tons)</b>				
Uganda	38	37	45	43	Russian Fed.	173	166	174	175
Malawi	38	45	48	42	UK	128	135	131	130
Tanzania	30	31	35	32	US	100	108	109	117
Myanmar	18	18	18	19	Pakistan	139	117	106	99
Iran, Islam. Rep.	25	20	17	18	Egypt	74	79	69	94
Taiwan, China	19	19	18	17	Dubai	62	69	72	79
Rwanda	16	17	18	17	Other CIS	53	56	58	60
Nepal	13	14	15	16	Iran, Islamic Rep.	43	50	55	58
Zimbabwe	15	16	14	8	Morocco	50	51	53	48
PNG	7	7	7	7	Japan	51	48	47	43
Burundi	8	6	7	6	Iraq	58	67	32	36
<b>World</b>	<b>3,458</b>	<b>3,580</b>	<b>3,751</b>	<b>3,804</b>	<b>World</b>	<b>1,469</b>	<b>1,487</b>	<b>1,490</b>	<b>1,532</b>

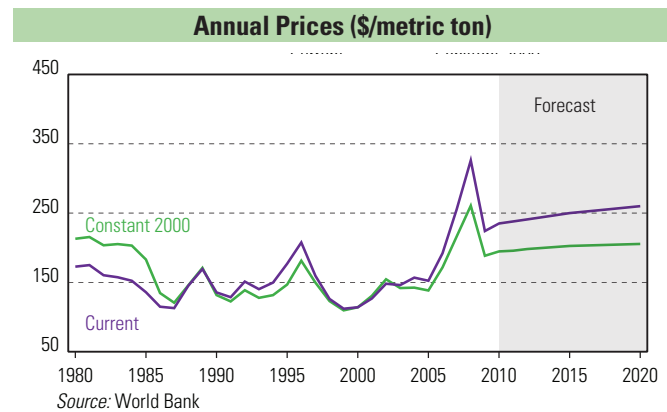
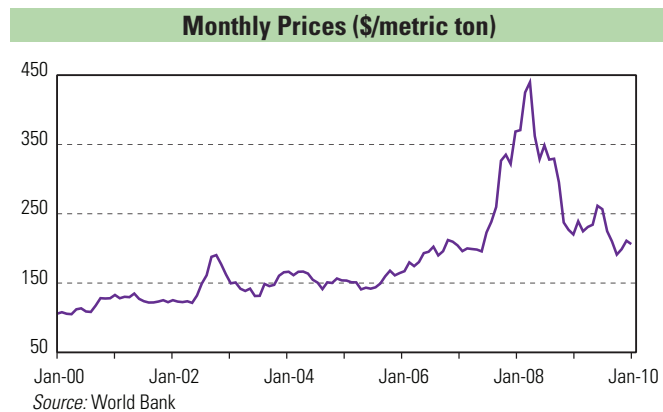
Sources: International Tea Committee, F.O. Lichts and World Bank estimates



Wheat prices averaged \$224/ton in 2009, down 31 percent from 2008, and reached a low of \$190/ton in September 2009. The 2008 rally, partly fuelled by strong biofuel demand for competing crops, occurred despite a record wheat crop in 2008/09. The US Department of Agriculture (November-2009) expects global wheat production to decline somewhat in 2009/10; a likely shortfall in the EU will be offset by increases in several smaller producers.

Stocks are projected to increase for the second straight year, pushing the stock-to-use ratio to 0.30, well above its 2007/08 record low of 0.20 and in line with the long-term historical average. Almost two thirds of global stocks will be held by the world's four key suppliers: China, the US, India, and the EU. The inventory build-up by some countries has been motivated by food security concerns.

Despite the marginal reduction in output projected for 2009/10, the rebuilding of stocks and the relative price weakness during the second half of 2009 suggests that the global wheat market is well supplied. International wheat trade is expected to decline by 12 percent in 2009/10, but exceeds the 2007/08 crop-year level by more than seven million tons (6 percent higher). Barring any unfavorable weather event, prices are expected to average \$225/ton in 2010, similar to their 2009 average, and only a moderate price increase is expected for 2011. Such a forecast is subject to upside risks if crude oil prices increase further (putting indirect pressure on wheat as prices of biofuel crops such as maize and rye rise in tandem with energy prices). In the longer term, real wheat prices are expected to remain well above the averages experienced during the early 2000s.



GLOBAL MARKET DATA				
	2006/07	2007/08	2008/09	2009/10
<b>PRODUCTION (000 metric tons)</b>				
EU-27	124,870	120,133	151,072	138,339
China	108,466	109,298	112,464	114,500
India	69,350	75,810	78,600	80,580
US	49,217	55,821	68,016	60,314
Russian Fed.	44,900	49,400	63,700	59,500
Canada	25,265	20,054	28,611	26,500
Pakistan	21,277	23,300	21,500	24,000
Australia	10,822	13,569	20,939	22,500
Ukraine	14,000	13,900	25,900	20,500
Turkey	17,500	15,500	16,800	17,800
Kazakhstan	13,450	16,450	12,550	17,000
Iran, Islamic Rep.	14,500	15,000	10,000	12,000
Argentina	16,100	18,000	8,400	8,000
<b>World</b>	<b>595,720</b>	<b>610,430</b>	<b>682,034</b>	<b>673,862</b>
<b>STOCKS (000 metric tons)</b>				
China	38,450	38,963	48,685	60,585
US	12,414	8,323	17,867	24,485
India	4,500	5,800	13,540	18,050
EU-27	14,075	12,343	18,265	17,604
Russian Fed.	2,231	1,819	8,429	9,429
Canada	6,865	4,406	6,556	7,656
Egypt	4,120	4,120	5,343	4,483
<b>World</b>	<b>127,531</b>	<b>121,006</b>	<b>163,753</b>	<b>190,909</b>
<b>EXPORTS (000 metric tons)</b>				
US	24,725	34,363	27,637	23,814
EU-27	13,816	12,271	25,390	19,000
Canada	19,434	16,116	18,812	18,500
Russian Fed.	10,584	12,552	18,393	18,000
Australia	8,728	7,487	14,800	15,000
Ukraine	3,366	1,236	13,037	9,000
Kazakhstan	8,089	8,181	5,701	7,500
Argentina	10,709	11,193	6,000	2,500
Turkey	2,377	1,722	2,238	2,300
Mexico	548	1,261	1,406	1,200
<b>World</b>	<b>111,636</b>	<b>117,202</b>	<b>142,288</b>	<b>124,673</b>
<b>IMPORTS (000 metric tons)</b>				
Egypt	7,300	7,700	9,900	8,300
EU-27	5,137	6,942	7,740	7,000
Brazil	8,048	6,711	6,000	6,500
Indonesia	5,596	5,224	5,423	5,500
Algeria	4,874	5,904	6,359	5,300
Japan	5,747	5,701	5,156	5,300
Iran, Islamic Rep.	1,100	200	6,700	4,500
Iraq	2,912	3,424	3,868	3,800
Korea, Rep.	3,439	3,092	3,371	3,700
Nigeria	3,265	2,677	3,550	3,500
<b>World</b>	<b>114,585</b>	<b>113,391</b>	<b>136,359</b>	<b>120,359</b>

Source: US Department of Agriculture

Table A1: Commodity Price Data

			2007	2008	2009	2008	2009	2009	2009	2009	2009	2009	2009
			Jan-Dec	Jan-Dec	Jan-Dec	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Oct	Nov	Dec
<b>Energy</b>													
Coal, Australia	a/	\$/mt	65.73	127.10	71.75	92.97	71.93	66.48	71.31	77.29	71.07	78.80	82.00
Crude oil, average	a/	\$/bbl	71.12	96.99	61.76	56.00	44.11	59.19	68.21	75.50	74.08	77.55	74.88
Crude oil, Brent	a/	\$/bbl	72.70	97.64	61.86	55.89	44.98	59.13	68.37	74.97	73.19	77.04	74.67
Crude oil, Dubai	a/	\$/bbl	68.37	93.78	61.75	53.67	44.56	58.93	68.07	75.46	73.28	77.63	75.49
Crude oil, West Texas Int.	a/	\$/bbl	72.28	99.56	61.65	58.45	42.80	59.52	68.21	76.08	75.77	78.00	74.49
Natural gas Index	a/	2000=100	186.5	267.9	153.4	266.2	198.2	142.9	123.3	149.3	142.8	141.4	163.8
Natural gas, Europe	a/	\$/mmbtu	8.56	13.41	8.71	15.75	11.94	8.18	6.91	7.81	7.60	7.81	8.01
Natural gas, US	a/	\$/mmbtu	6.98	8.86	3.95	6.40	4.57	3.70	3.17	4.36	4.02	3.70	5.35
Natural gas LNG, Japan	a/	\$/mmbtu	7.68	12.53	8.93	14.62	10.90	7.60	7.91	9.30	9.10	9.30	9.50
<b>Non Energy</b>													
<b>Agriculture</b>													
<b>Beverages</b>													
Cocoa	b/	¢/kg	195.2	257.7	288.9	224.1	259.4	257.9	296.4	342.0	336.0	338.5	351.4
Coffee, Arabica	b/	¢/kg	272.4	308.2	317.1	267.8	283.9	320.2	322.7	341.7	340.8	335.6	348.7
Coffee, robusta	b/	¢/kg	190.9	232.1	164.4	192.6	175.8	165.3	160.1	156.4	162.1	153.2	154.1
Tea, auctions (3) average	b/	¢/kg	203.6	242.0	272.5	206.6	218.0	266.1	303.6	302.5	302.7	305.6	299.1
Tea, Colombo auctions	b/	¢/kg	252.2	278.9	313.7	208.8	261.7	299.1	356.1	338.0	352.4	335.0	326.7
Tea, Kolkata auctions	b/	¢/kg	192.1	225.5	252.0	220.2	177.4	271.3	273.0	286.2	294.4	291.2	273.0
Tea, Mombasa auctions	b/	¢/kg	166.5	221.8	252.0	190.8	214.9	228.0	281.7	283.2	261.3	290.6	297.7
<b>Food</b>													
<b>Fats and Oils</b>													
Coconut oil	b/	\$/mt	919	1,224	725	772	677	779	711	734	706	729	767
Copra		\$/mt	607	816	480	520	447	513	469	491	470	493	509
Groundnut oil	b/	\$/mt	1,352	2,131	1,183	1,773	1,283	1,166	1,133	1,150	1,148	1,116	1,187
Palm oil	b/	\$/mt	780	949	683	512	577	743	679	732	680	725	791
Palmkernel oil		\$/mt	888	1,130	694	609	577	763	700	737	728	726	758
Soybean meal	b/	\$/mt	308	424	408	320	365	424	431	412	413	422	401
Soybean oil	b/	\$/mt	881	1,258	849	830	755	863	856	920	897	931	933
Soybeans	b/	\$/mt	384	523	437	377	394	461	454	439	427	440	451
<b>Grains</b>													
Barley	b/	\$/mt	172.4	200.5	128.3	129.5	116.3	129.5	122.0	145.5	130.7	155.3	150.6
Maize	b/	\$/mt	163.7	223.1	165.5	168.4	166.9	176.0	151.3	167.8	167.3	171.6	164.6
Rice, Thailand, 5%	b/	\$/mt	326.4	650.2	555.0	564.4	586.3	552.4	539.0	542.3	493.0	542.8	591.0
Rice, Thailand, 25%		\$/mt	306.5	n.a.	458.1	449.9	469.4	458.7	441.4	462.8	412.8	460.3	515.3
Rice, Thailand, 35%		\$/mt	300.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Rice, Thai, A.1		\$/mt	272.3	482.3	326.4	314.1	323.4	326.3	309.7	346.1	298.4	337.0	403.0
Sorghum		\$/mt	162.7	207.8	151.1	151.0	145.3	155.8	139.3	163.8	159.0	166.0	166.3
Wheat, Canada		\$/mt	300.4	454.6	300.5	322.1	321.9	325.6	271.2	283.2	274.1	288.4	287.2
Wheat, US, HRW	b/	\$/mt	255.2	326.0	224.1	228.1	231.6	250.5	208.8	205.4	198.8	211.0	206.3
Wheat, US SRW		\$/mt	238.6	271.5	186.0	182.7	187.4	195.6	165.2	195.6	175.6	204.7	206.5
<b>Other Food</b>													
Bananas EU		\$/mt	1,037	1,188	1,145	944	1,142	1,288	1,118	1,031	1,080	1,027	986
Bananas US	b/	\$/mt	676	844	847	847	891	858	826	812	810	834	794
Fishmeal		\$/mt	1,177	1,133	1,230	1,023	1,013	1,097	1,276	1,535	1,427	1,526	1,651
Meat, beef	b/	¢/kg	260.3	313.8	263.6	268.0	245.2	262.8	273.2	273.5	264.8	275.6	280.0
Meat, chicken	b/	¢/kg	156.7	169.6	171.7	174.7	173.5	174.1	173.9	165.1	166.1	164.6	164.7
Meat, sheep		¢/kg	412.0	458.5	427.6	410.0	378.5	428.7	453.3	450.1	445.8	457.0	447.5
Oranges	b/	\$/mt	957	1,107	909	842	799	870	861	1,107	1,153	1,154	1,014
Shrimp, Mexico	b/	¢/kg	1,010	1,069	945	1,014	976	970	970	864	937	863	794
Sugar EU	b/	¢/kg	68.09	69.69	52.44	51.97	51.44	53.76	55.43	49.11	48.78	49.63	48.92
Sugar US	b/	¢/kg	45.77	46.86	54.88	44.72	43.82	47.89	57.31	70.48	67.78	70.25	73.42
Sugar, world	b/	¢/kg	22.22	28.21	39.91	26.28	28.85	33.89	46.98	49.93	49.91	49.07	50.81

Continued on next page

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

			2007	2008	2009	2008	2009	2009	2009	2009	2009	2009	2009
			Jan-Dec	Jan-Dec	Jan-Dec	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Oct	Nov	Dec
<b>Raw Materials</b>													
<b>Timber</b>													
Logs, Cameroon		\$/cum	381.3	526.9	421.5	473.8	426.8	394.8	414.9	449.5	444.5	451.1	452.7
Logs, Malaysia	b/	\$/cum	268.0	292.3	287.2	315.7	313.6	284.5	279.6	271.1	276.6	272.0	264.8
Plywood		¢/sheets	640.7	645.5	564.6	645.5	572.8	565.8	561.5	558.4	559.3	558.6	557.2
Sawnwood, Cameroon		\$/cum	759.8	958.3	748.9	770.8	689.2	721.2	779.0	806.3	790.0	821.0	807.7
Sawnwood, Malaysia	b/	\$/cum	806.3	889.1	805.5	859.9	813.7	829.7	771.4	807.4	805.1	821.1	796.0
Woodpulp		\$/mt	767.0	820.2	616.2	711.0	565.1	550.0	627.7	721.8	693.5	722.0	750.0
<b>Other Raw Materials</b>													
Cotton A Index	b/	¢/kg	139.5	157.4	138.3	126.9	120.8	132.4	141.9	158.0	147.3	157.7	169.1
Cotton Memphis		¢/kg	142.9	161.3	144.2	129.4	122.4	137.5	148.8	168.1	163.7	171.5	169.2
Rubber RSS1, US		¢/kg	248.0	284.1	214.6	202.8	165.8	187.0	221.0	284.7	264.8	279.3	310.0
Rubber RSS3, SGP	b/	¢/kg	226.3	258.6	192.1	159.0	146.0	166.4	199.3	256.5	235.2	254.2	280.1
<b>Fertilizers</b>													
DAP	b/	\$/mt	432.5	967.2	323.1	663.3	362.2	303.6	309.6	316.9	300.1	290.3	360.4
Phosphate rock	b/	\$/mt	70.9	345.6	121.7	371.3	193.3	113.3	90.0	90.0	90.0	90.0	90.0
Potassium chloride	b/	\$/mt	200.2	570.1	630.4	766.7	865.2	726.7	506.8	423.0	435.0	435.0	399.0
TSP	b/	\$/mt	339.1	879.4	257.4	658.7	321.7	247.7	224.7	235.7	246.5	228.5	232.0
Urea	b/	\$/mt	309.4	492.7	249.6	292.2	267.3	241.1	241.6	248.3	239.0	244.8	261.1
<b>Metals and Minerals</b>													
Aluminum	b/	\$/mt	2,638	2,573	1,665	1,821	1,360	1,485	1,812	2,003	1,879	1,949	2,180
Copper	b/	\$/mt	7,118	6,956	5,150	3,905	3,428	4,663	5,859	6,648	6,288	6,676	6,982
Gold		\$/toz	697	872	973	795	909	922	960	1,102	1,043	1,127	1,135
Iron ore	b/	¢/dmtu	84.7	140.6	101.0	140.6	101.0	101.0	101.0	101.0	101.0	101.0	101.0
Lead	b/	¢/kg	258.0	209.1	171.9	124.5	115.7	149.9	192.8	229.3	224.1	230.9	232.9
Nickel	b/	\$/mt	37,230	21,111	14,655	10,843	10,471	12,920	17,700	17,528	18,525	16,991	17,066
Silver		¢/toz	1,341	1,500	1,469	1,020	1,265	1,376	1,477	1,760	1,726	1,788	1,764
Steel products index	c/	2000=100	182.0	289.3	227.1	310.4	274.5	215.5	210.8	207.5	210.4	206.8	205.2
Steel cr coilsheet	c/	\$/mt	650	966	783	1,100	1,033	700	700	700	700	700	700
Steel hr coilsheet	c/	\$/mt	550	883	683	1,000	933	600	600	600	600	600	600
Steel rebar	c/	\$/mt	522	760	486	630	473	450	500	522	580	495	490
Steel wire rod	c/	\$/mt	533	1,010	970	1,200	1,200	1,007	857	816	850	825	773
Tin	b/	¢/kg	1,454	1,851	1,357	1,310	1,103	1,351	1,459	1,517	1,501	1,494	1,555
Zinc	b/	¢/kg	324.2	187.5	165.5	118.5	117.2	147.3	176.1	221.4	207.2	219.3	237.6
<b>World Bank Commodity Price Indices (2000=100)</b>													
Energy			244.8	342.0	214.3	212.9	166.3	204.5	230.3	256.0	249.9	261.5	256.5
Non Energy			224.7	272.0	213.1	206.3	189.9	207.8	219.8	235.1	228.3	235.3	241.7
Agriculture			180.3	229.5	197.7	178.6	181.9	197.1	199.5	212.4	206.6	213.2	217.3
Beverages			169.9	210.0	219.9	181.2	197.9	207.3	226.4	248.0	246.0	245.4	252.6
Food			184.7	247.4	205.0	185.7	190.4	209.8	206.4	213.5	207.8	215.3	217.4
Fats and Oils			209.0	277.3	216.2	182.4	191.4	227.9	220.9	224.5	217.0	225.6	231.0
Grains			189.0	281.7	214.9	218.6	221.3	225.3	202.3	210.8	201.0	214.3	217.0
Other Food			149.0	177.1	181.5	160.2	161.3	172.1	191.2	201.4	201.8	202.7	199.8
Raw Materials			174.9	195.7	168.7	160.0	153.1	161.1	168.9	191.7	183.7	191.8	199.4
Timber			136.8	150.5	138.9	149.4	143.1	141.8	133.6	137.3	137.6	139.2	135.1
Other Raw Materials			216.6	245.3	201.2	171.6	164.0	182.2	207.5	251.1	234.2	249.4	269.7
Fertilizers			240.1	566.7	293.0	492.2	376.6	300.6	252.1	242.8	242.7	242.2	243.5
Metals and Minerals			314.0	325.7	235.6	230.6	185.0	219.0	257.6	280.8	271.2	279.8	291.4

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, Sopesco 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 Forecast in Current Dollars

		Actual					Forecast				
		1970	1980	1990	2000	2009	2010	2011	2012	2015	2020
<b>Energy</b>											
Coal, Australia	\$/mt	7.8	40.1	39.7	26.3	71.8	80.0	85.0	85.0	75.0	80.0
Crude oil, average	\$/bbl	1.2	36.9	22.9	28.2	61.8	76.0	76.6	76.6	77.8	79.8
Natural gas, European	\$/mmbtu	0.4	4.2	2.8	3.9	8.7	8.3	8.5	8.8	9.5	10.0
Natural gas, US	\$/mmbtu	0.2	1.6	1.7	4.3	3.9	6.0	7.0	7.5	9.0	9.5
LNG, Japanese	\$/mmbtu	n.a.	5.7	3.6	4.7	8.9	8.8	9.0	9.3	10.0	10.5
<b>Non-Energy</b>											
<b>Agriculture</b>											
<b>Beverages</b>											
Cocoa	¢/kg	68	260	127	91	289	300	240	180	175	170
Coffee, arabica	¢/kg	115	347	197	192	317	270	255	250	255	230
Coffee, robusta	¢/kg	91	324	118	91	164	178	177	175	180	150
Tea, auctions (3) average	¢/kg	84	166	206	188	273	230	210	205	212	225
<b>Food</b>											
<b>Fats and Oils</b>											
Coconut oil	\$/mt	397	674	337	450	725	750	750	800	850	715
Groundnut oil	\$/mt	379	859	964	714	1,183	1,325	1,340	1,345	1,325	1,110
Palm oil	\$/mt	260	584	290	310	683	660	670	700	780	715
Soybean meal	\$/mt	103	262	200	189	408	350	330	316	308	304
Soybean oil	\$/mt	286	598	447	338	849	800	810	820	850	800
Soybeans	\$/mt	117	296	247	212	437	410	403	396	375	375
<b>Grains</b>											
Barley	\$/mt	n.a.	78	80	77	128	140	145	148	160	173
Maize	\$/mt	58	125	109	89	166	166	167	168	174	175
Rice, Thailand, 5%	\$/mt	126	411	271	202	555	460	462	464	470	483
Wheat, US, HRW	\$/mt	55	173	136	114	224	225	230	235	250	260
<b>Other Food</b>											
Bananas, US	\$/mt	166	377	541	424	847	850	847	826	710	605
Meat, beef	¢/kg	130	276	256	193	264	265	270	275	290	325
Meat, chicken	¢/kg	n.a.	69	98	119	172	169	171	174	181	197
Oranges	\$/mt	168	400	531	363	909	900	941	951	950	900
Shrimp	¢/kg	n.a.	1,152	1,069	1,515	945	875	907	941	1,050	1,150
Sugar, world	¢/kg	8.2	63.2	27.7	18.0	40.0	35.0	34.0	33.8	34.0	38.0
<b>Agricultural Raw Materials</b>											
<b>Timber</b>											
Logs, Cameroonian	\$/cum	43	252	343	275	421	450	450	449	445	490
Logs, Malaysian	\$/cum	43	196	177	190	287	270	273	276	285	320
Sawnwood, Malaysian	\$/cum	175	396	533	595	806	810	817	824	845	970
<b>Other Raw Materials</b>											
Cotton	¢/kg	68	206	182	130	138	137	135	138	145	140
Rubber, Malaysian	¢/kg	41	142	86	67	192	160	170	175	190	185
Tobacco	\$/mt	1,076	2,276	3,392	2,976	4,223	4,000	3,600	3,505	3,500	3,500
<b>Fertilizers</b>											
DAP	\$/mt	54	222	171	154	323	300	310	322	360	400
Phosphate rock	\$/mt	11	47	41	44	122	100	90	86	80	95
Potassium chloride	\$/mt	32	116	98	123	630	400	300	274	255	220
TSP	\$/mt	43	180	132	138	257	270	290	298	310	340
Urea	\$/mt	18	192	119	101	250	225	185	190	200	245
<b>Metals and Minerals</b>											
Aluminum	\$/mt	614	1,775	1,639	1,549	1,665	2,000	2,100	2,200	2,500	2,600
Copper	\$/mt	1,416	2,182	2,661	1,813	5,150	7,000	7,500	6,500	5,000	5,100
Gold	\$/toz	36	608	383	279	973	1,000	975	950	850	900
Iron ore	¢/dmto	9.8	28.1	32.5	28.8	101.0	120.0	120.0	110.0	80.0	85.0
Lead	¢/kg	30	91	81	45	172	225	240	230	180	190
Nickel	\$/mt	2,846	6,519	8,864	8,638	14,655	17,500	19,000	18,000	15,000	16,000
Silver	c/toz	176	2,064	482	500	1,469	1,550	1,525	1,500	1,350	1,400
Tin	¢/kg	367	1,677	609	544	1,357	1,650	1,800	1,700	1,400	1,500
Zinc	¢/kg	30	76	151	113	166	225	250	230	170	180

Projections as of January 7, 2010.

**Table A3: Commodity Prices and Price Forecast in Constant 2000 Dollars**

		Actual					Forecast				
		1970	1980	1990	2000	2009	2010	2011	2012	2015	2020
<b>Energy</b>											
Coal, Australia	\$/mt	27.0	49.5	38.5	26.3	60.3	66.3	69.9	69.9	60.8	63.2
Crude oil, average	\$/bbl	4.2	45.5	22.2	28.2	51.9	63.0	63.0	63.0	63.1	63.1
Natural gas, Europe	\$/mmbtu	1.5	5.2	2.7	3.9	7.3	6.8	7.0	7.2	7.7	7.9
Natural gas, US	\$/mmbtu	0.6	2.0	1.7	4.3	3.3	5.0	5.8	6.2	7.3	7.5
LNG, Japan	\$/mmbtu	n.a.	7.0	3.5	4.7	7.5	7.2	7.4	7.6	8.1	8.3
<b>Non-Energy</b>											
<b>Agriculture</b>											
<b>Beverages</b>											
Cocoa	¢/kg	234	321	123	91	243	249	197	148	142	134
Coffee, arabica	¢/kg	397	427	192	192	267	224	210	206	207	182
Coffee, robusta	¢/kg	316	400	115	91	138	147	146	144	146	119
Tea, auctions (3) average	¢/kg	289	205	200	188	229	191	173	169	172	178
<b>Food</b>											
<b>Fats and Oils</b>											
Coconut oil	\$/mt	1,376	831	327	450	610	621	617	658	689	565
Groundnut oil	\$/mt	1,311	1,059	936	714	995	1,098	1,102	1,106	1,074	877
Palm oil	\$/mt	901	720	282	310	574	547	551	576	632	565
Soybean meal	\$/mt	355	324	195	189	343	290	271	260	250	240
Soybean oil	\$/mt	992	737	435	338	713	663	666	674	689	632
Soybeans	\$/mt	405	365	240	212	367	340	331	325	304	296
<b>Grains</b>											
Barley	\$/mt	n.a.	96	78	77	108	116	119	122	129	137
Maize	\$/mt	202	154	106	89	139	138	137	138	141	138
Rice, Thailand, 5%	\$/mt	438	506	263	202	467	381	380	382	381	382
Wheat, US, HRW	\$/mt	190	213	132	114	188	186	189	193	203	205
<b>Other food</b>											
Bananas, US	\$/mt	575	465	526	424	712	704	697	679	575	478
Meat, beef	¢/kg	452	340	249	193	222	220	222	226	235	257
Meat, chicken	¢/kg	n.a.	85	96	119	144	140	141	143	147	155
Oranges	\$/mt	582	493	516	363	764	746	774	782	770	711
Shrimp	¢/kg	n.a.	1,420	1,039	1,515	795	725	746	774	851	909
Sugar, world	¢/kg	28.5	77.9	26.9	18.0	33.6	29.0	28.0	27.8	27.6	30.0
<b>Agricultural Raw Materials</b>											
<b>Timber</b>											
Logs, Cameroon	\$/cum	149	310	334	275	354	373	370	369	361	387
Logs, Malaysia	\$/cum	149	241	172	190	241	224	224	227	231	253
Sawnwood, Malaysia	\$/cum	608	489	518	595	677	671	672	678	685	767
<b>Other Raw Materials</b>											
Cotton	¢/kg	234	254	177	130	116	113	111	114	117	111
Rubber, Asia	¢/kg	141	176	84	67	161	133	140	144	154	146
Tobacco	\$/mt	3,727	2,806	3,297	2,976	3,550	3,314	2,961	2,883	2,836	2,766
<b>Fertilizers</b>											
DAP	\$/mt	187	274	167	154	272	249	255	264	292	316
Phosphate rock	\$/mt	38	58	39	44	102	83	74	71	65	75
Potassium chloride	\$/mt	109	143	95	123	530	331	247	226	207	174
TSP	\$/mt	147	222	128	138	216	224	239	245	251	269
Urea	\$/mt	63	237	116	101	210	186	152	156	162	194
<b>Metals and Minerals</b>											
Aluminum	\$/mt	2,128	2,188	1,593	1,549	1,400	1,657	1,727	1,810	2,026	2,055
Copper	\$/mt	4,904	2,690	2,586	1,813	4,330	5,800	6,169	5,346	4,052	4,031
Gold	\$/toz	125	749	373	279	818	829	802	781	689	711
Iron ore	¢/dmtu	34	35	32	29	85	99	99	90	65	67
Lead	¢/kg	105	112	79	45	145	186	197	189	146	150
Nickel	\$/mt	9,860	8,037	8,614	8,638	12,322	14,499	15,628	14,805	12,155	12,646
Silver	¢/toz	609	2,544	468	500	1,235	1,284	1,254	1,234	1,094	1,106
Tin	¢/kg	1,273	2,068	591	544	1,141	1,367	1,481	1,398	1,134	1,186
Zinc	¢/kg	102	94	147	113	139	186	206	189	138	142

Projections as of January 7, 2010.

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

Index	Actual					Forecast				
	1970	1980	1990	2000	2009	2010	2011	2012	2015	2020
<b>Current dollars</b>										
Energy	5.6	124.3	81.3	100.0	214.4	260.5	264.8	265.8	270.6	278.7
Non-energy commodities	53.0	143.5	118.6	100.0	213.1	224.4	226.0	215.5	201.3	205.4
Agriculture	54.4	157.8	116.4	100.0	197.7	186.2	182.9	180.7	185.2	185.8
Beverages	66.5	221.2	120.3	100.0	219.9	213.1	183.9	157.9	158.0	149.3
Food	58.0	161.8	118.9	100.0	205.0	193.0	192.9	193.9	198.0	197.3
Fats and Oils	68.4	158.7	108.0	100.0	216.2	201.7	199.5	200.3	206.1	195.5
Grains	58.9	161.0	124.7	100.0	214.9	201.7	203.8	205.8	213.4	218.7
Other Food	43.7	166.5	128.0	100.0	181.5	173.7	174.3	174.6	173.5	180.3
Raw Materials	39.3	115.7	108.2	100.0	168.7	156.0	158.0	160.2	167.8	176.4
Timber	28.0	74.6	90.4	100.0	138.9	137.5	138.8	140.0	143.8	164.3
Other Raw Materials	51.7	160.6	127.6	100.0	201.1	176.3	179.1	182.3	194.1	189.6
Fertilizers	23.6	143.9	101.2	100.0	293.0	238.7	205.2	202.8	203.3	226.4
Metals and Minerals	53.4	114.1	125.2	100.0	235.6	301.1	316.9	288.5	234.1	243.3
<b>Constant 2000 dollars b/</b>										
Energy	19.3	153.2	79.0	100.0	180.2	215.8	217.8	218.6	219.3	220.3
Non-energy commodities	183.4	176.9	115.3	100.0	179.2	185.9	185.9	177.3	163.1	162.3
Agriculture	188.4	194.5	113.1	100.0	166.2	154.3	150.4	148.6	150.1	146.8
Beverages	230.4	272.7	116.9	100.0	184.9	176.6	151.3	129.9	128.0	118.0
Food	201.1	199.5	115.5	100.0	172.4	159.9	158.6	159.5	160.5	155.9
Fats and Oils	236.9	195.7	105.0	100.0	181.8	167.1	164.1	164.8	167.0	154.5
Grains	203.9	198.6	121.1	100.0	180.7	167.1	167.6	169.3	172.9	172.8
Other Food	151.4	205.3	124.4	100.0	152.6	143.9	143.4	143.6	140.6	142.5
Raw Materials	136.1	142.7	105.1	100.0	141.8	129.3	130.0	131.8	136.0	139.4
Timber	97.0	92.0	87.9	100.0	116.8	113.9	114.1	115.2	116.6	129.8
Other Raw Materials	178.9	198.0	124.0	100.0	169.0	146.1	147.4	149.9	157.3	149.9
Fertilizers	81.6	177.4	98.4	100.0	246.3	197.8	168.8	166.8	164.7	179.0
Metals and Minerals	184.9	140.7	121.7	100.0	198.1	249.5	260.7	237.3	189.7	192.3
<b>Inflation indices, 2000=100 c/</b>										
MUV index f/	28.87	81.11	102.90	100.00	118.93	120.70	121.58	121.58	123.41	126.53
% change per annum		10.88	2.41	-0.29	2.19	1.48	0.73	0.00	0.30	0.50
US GDP deflator	27.43	53.87	81.45	100.00	124.11	126.39	129.68	133.11	144.45	166.02
% change per annum		6.98	4.22	2.07	2.74	1.83	2.61	2.64	1.65	2.82

a/ Commodity price forecast as of January 7, 2010.

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

c/ Inflation indices for 2008-2020 are forecast as of August 20, 2008. Growth rates for years 1980, 1990, 2000, 2009, 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** Cotton (US), Memphis/Easter, middling 1-3/32 inch, c. & f. Far East beginning October 2008; previously c.i.f. Northern Europe
- 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
- 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)

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





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For more information on the analysis, please see  
[www.worldbank.org/prospects/Prospects for the  
Global Economy/Commodity markets](http://www.worldbank.org/prospects/Prospects%20for%20the%20Global%20Economy/Commodity%20markets)