

---

**GLOBAL  
ECONOMIC  
PROSPECTS**

October  
2013

---

# COMMODITY MARKETS OUTLOOK



The World Bank

# Table of Contents

---

<b>Overview</b>	<b>1</b>
<b>Crude Oil</b>	<b>3</b>
<b>Metals</b>	<b>6</b>
<b>Precious Metals</b>	<b>7</b>
<b>Fertilizers</b>	<b>7</b>
<b>Agriculture</b>	<b>8</b>

## List of Price and Forecast Tables

Table A1 - Commodity Price Data, p. 11

Table A2 - Commodity Prices and Price Forecast in Nominal US Dollars, p. 13

Table A3 - Commodity Prices and Price Forecast in Real 2010 US Dollars, p. 14

Table A4 - World Bank Indices of Commodity Prices and Inflation, 2010=100, p. 15

# Authors

---

## John Baffes

Development Prospects Group  
The World Bank  
1818 H St, N  
Washington DC 20433  
Tel: +1(202) 458-1880  
[jbaffes@worldbank.org](mailto:jbaffes@worldbank.org)

## Damir Ćosić

Development Prospects Group  
The World Bank  
1818 H St, NW  
Washington DC 20433  
Tel: +1(202) 473-3867  
[dcosic@worldbank.org](mailto:dcosic@worldbank.org)

*Commodity Markets Outlook* is published four times a year in January, April, July and October. The report includes detailed market analysis for most primary commodities, including energy, metals, agriculture, precious metals, and fertilizers. It also includes historical and recent price data as well as price forecasts going up to 2025. Separately, commodity price data are also published at the beginning of each month. The report and data can be accessed at [www.worldbank.org/prospects/commodities](http://www.worldbank.org/prospects/commodities)

## Overview

Crude oil prices averaged \$107/bbl during 2013Q3, up 2 percent since 2013Q2 and 4 percent higher than a year ago. Spillover fears of Syria's conflict to the Gulf and large output reductions by Iraq and Libya (almost 1 mb/d each) weighed in. The decline in metal prices was halted during 2013Q3 but the index is down 11 percent since 2013Q1 on new mine supplies and expectations of slower demand growth by China (figure 1). Food prices continued their weakness, down 4 percent from 2013Q2 and 11 percent lower than a year ago, as better supply conditions will bring stocks closer to historical levels (figure 2).

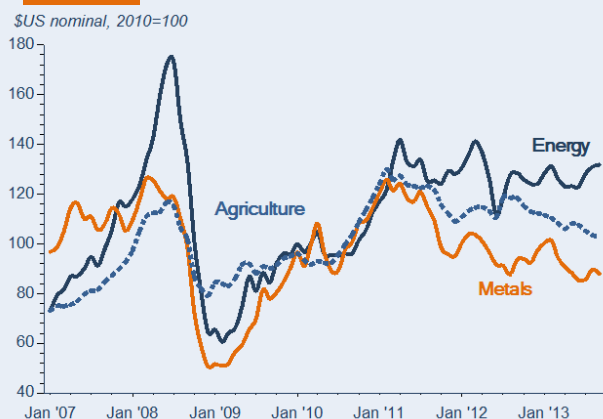
In the baseline scenario, which assumes no macro-economic shocks or supply disruptions, oil prices are expected to average \$105/bbl in 2013, identical to the 2012 average (table 1). Agricultural prices are projected to decline 7.8 percent in 2013 under the assumption that the improved crop conditions already in place will continue. Specifically, prices of food, beverages, and raw materials are expected to drop by 7.6, 10.9, and 6.9 percent, respectively. Metal prices will fall about 8 percent due to abundant supplies and weakening demand. Fertilizer prices are expected to decline more than 17 percent, as new plants in the US are coming on stream, in turn a response to low natural gas prices. Precious metals prices are expected to drop almost 20 percent as institutional investors increasingly consider them less attractive “safe haven” alternatives, in addition to weakening physical demand.

There are a number of risks to the baseline forecasts. Downside risks include weak oil demand if growth prospects in emerging economies (where most of the demand growth is taking place) deteriorate sharply. Over the long term, oil demand could be dampened further if substitution between crude oil and natural gas intensifies. On the upside, a major oil supply disruption in the Gulf due to the ongoing conflict could add \$50 or more to the price of oil. However, the severity of the outcome depends on numerous factors, including the duration of the disruption, policy actions regarding emergency oil reserves, demand curtailment, and more importantly, OPEC's response.

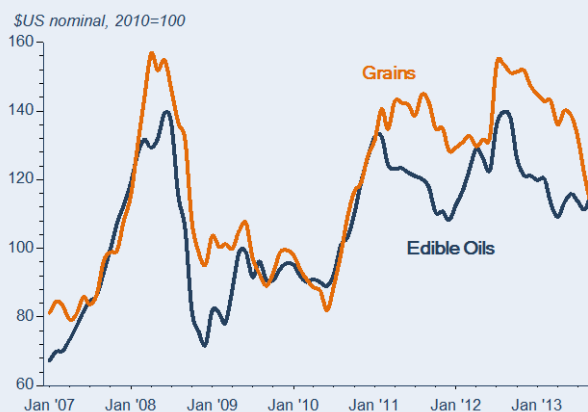
A key source of uncertainty in the medium- and long-term outlook is how OPEC (notably, Saudi Arabia) reacts to changing global demand and non-OPEC supply conditions. Since 2004, when crude oil prices started rising, OPEC has responded to subsequent price weakness by cutting supply. It has also increased supplies when prices go above the \$100-110/bbl range—as it did earlier this year following output reductions by Libya and Iraq. However, as non-OPEC supplies continue to come on stream and substitution by natural gas increases, this approach may not be sustainable.

OPEC's spare capacity exceeded 5 mb/d in September, the first time since March 2011. This is almost 40 percent higher than the 2012 average but only marginally higher than the average of the past decade—it had dropped below 2 mb/d in the middle of 2008, when oil prices reached \$140/bbl. OECD inventories averaged 2.7 mb/d during

**Figure 1** Commodity price indexes



**Figure 2** Food price indexes



**Table 1** Nominal price indexes, actual and forecasts (2010 = 100)

	ACTUAL					FORECAST		CHANGE(%)		
	2008	2009	2010	2011	2012	2013	2014	2011/12	2012/13	2013/14
<b>Energy</b>	129	80	100	129	128	128	129	-0.9	0.7	0.8
<b>Non-Energy</b>	106	83	100	120	110	100	100	-8.6	-8.3	-0.2
<b>Metals</b>	102	68	100	113	96	88	90	-15.3	-8.0	1.5
<b>Agriculture</b>	102	89	100	122	114	106	105	-5.8	-7.8	-0.8
Food	111	93	100	123	124	115	112	1.6	-7.6	-2.8
Grains	131	99	100	138	141	126	125	2.3	-10.6	-1.4
Fats and oils	114	90	100	121	126	115	110	4.6	-8.7	-4.6
Other food	90	90	100	111	107	105	103	-3.5	-2.1	-1.7
Beverages	84	86	100	116	93	83	84	-20.1	-10.9	1.6
Raw Materials	90	83	100	122	101	94	98	-17.0	-6.9	4.1
<b>Fertilizers</b>	202	105	100	143	138	114	112	-3.5	-17.3	-1.7
<b>Precious metals</b>	73	78	100	136	138	112	111	1.6	-19.2	-1.0
<b>Memorandum items</b>										
Crude oil (\$/bbl)	97	62	79	104	105	105	106	1.0	0.0	0.7
Gold (\$/t oz)	872	973	1,225	1,569	1,670	1,380	1,360	6.4	-17.3	-1.4

Source: World Bank.

2013Q3, remarkably similar to last quarter's average but slightly lower than a year ago.

Price risks on metals depend on new supplies coming on stream, growth of China's economy, and to a lesser extent public stockholding. Metal prices have declined almost 30 percent since their early 2011 highs. The weakness reflects both moderate demand growth and strong supply response, the latter a result of increased investments of the past few years, induced by high prices. For some metals, stocks have eased in 2013Q3, but remain elevated by historical standards. For example, copper and nickel stocks at the major metals exchanges are up 67 and 85 percent respectively in 2013Q3 since a year ago. Aluminum stocks, which have been rising since end-2008, increased just 2.4 during the same period, but they remain near their 10-year peaks.

The prospects for the metal market depend importantly on Chinese demand, as the country accounts for 45 percent of global metal consumption. However, if robust supply trends continue and weaker-than-anticipated demand growth materializes, metal prices could follow a path considerably lower than the baseline presented in this outlook, with significant consequences for metal exporters (and benefits for importers).

In agricultural commodity markets, the key risk is weather. According to global crop outlook assessment released by the U.S. Department of Agricul-

ture on September 11, 2013, the global maize market will be better supplied in the upcoming 2013/14 season (production and stocks up 12 and 24 percent, respectively). Wheat will improve as well (production up 8 percent this season), though not as well supplied by historical standards. Thus, any adverse weather event could induce sharp increases in wheat prices—as it happened in 2012 when maize prices rallied almost 40 percent in less than two months. Price risks for rice are on the downside, especially in view of the large public stocks held by Thailand. Indeed, when the Thai government announced the release of stocks, prices came under pressure—they dropped 20 percent in 4 months to average less than \$450/ton in September, a 3-year low. Edible oil and oilseed markets also have limited upside price risks, due to well supplied oilseed (mostly soybeans in South America) and edible oil (primarily palm oil in East Asia) markets. Global output of major edible oils are expected to reach a record 195 million tons during 2013/14, up from last season's 187 million tons.

The risk of trade policy changes impacting agricultural prices appears to be low as evidenced by the virtual absence of export restrictions (in 2011 and 2012), despite sharp increases in grain prices. Finally, production of biofuels is likely to experience a third year with little (or no) growth as policy makers increasingly realize that the environmental and energy independence benefits from biofuels are not as large as initially stated.

## Energy

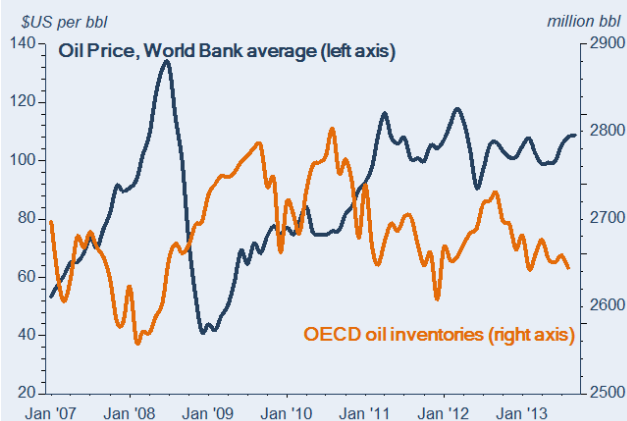
After their post-financial crisis recovery, crude oil prices have fluctuated within a remarkably tight band around \$105/bbl (figure 3). Fluctuations have been driven mainly by geopolitical concerns (Egypt and more recently Syria) and output disruptions (Iraq and Libya) on the supply side, and European debt issues along with changing developing-country growth prospects on the demand side. The recent uptick in oil prices reflected production declines by Libya and Iraq, a loss of 1 mb/d each and, less so, fears that the Syrian conflict may spread to the Gulf and cause major disruption in oil supplies.

## Recent Developments

Developments in the oil market have been marked by the large supplies of Canadian crude oil (especially from tar sands) to the United States which, combined with rapidly rising U.S. shale liquids production, have contributed to a build-up of stocks at a time when U.S. oil consumption is moderating and natural gas supplies are increasing rapidly. The stock build-up caused West Texas Intermediate (WTI, the U.S. mid-continent price) to diverge from Brent (the international marker). The Brent-WTI spread narrowed in recent months as new capacity has allowed crude stocks to decline (figure 4). As construction of the Keystone pipeline is about to be completed, the spread is likely to be eliminated, perhaps in early 2014.

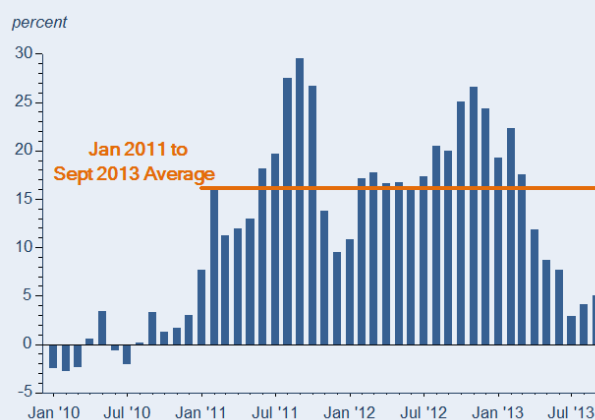
The decline in non-OPEC oil output growth evident in 2011 has been reversed. Non-OPEC producers added 0.7 mb/d to global supplies in 2012 and an additional 0.9 mb/d during 2013Q1-Q3, mainly reflecting earlier large-scale investment. In the United States, horizontal drilling and hydraulic fracturing have added more than 1.5 mb/d to global crude oil supplies just in the past two years. Currently, the U.S. states of North Dakota and Texas, where most of shale oil production takes place, account for almost half of the total U.S. crude oil supplies, up from 25 percent three years ago (figure 5). Indeed, the IEA projects that the surging North America crude oil output could add almost 5 mb/d to the global oil supplies by 2018 (2.3 mb/d from the U.S. “light tight oil” and 1.3 mb/d from Canada’s oil tar sands.)

**Figure 3** Oil prices and OECD oil stocks



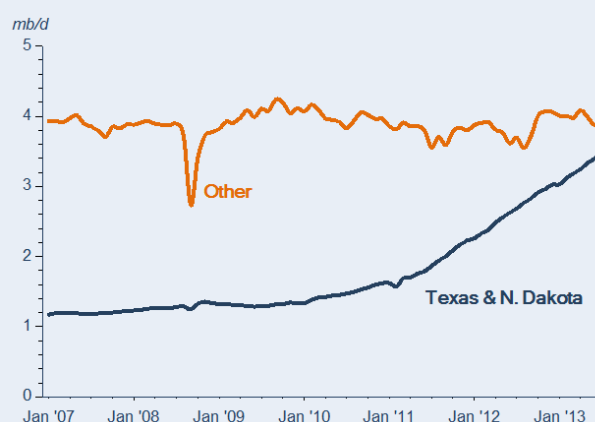
Source: World Bank, International Energy Agency (IEA).

**Figure 4** Brent/WTI price differential



Source: World Bank.

**Figure 5** US crude oil production



Source: U.S. Energy Information Administration.

A significant reduction in oil supplies by Iraq and Libya earlier in the summer (estimated at 1 mb/d each) was balanced by Saudi increase, thus causing only a marginal reduction by OPEC—it averaged 37 mb/d in 2013Q3, down from 37.2 mb/d in the previous quarter. Yet, this output is still 10 mb/d higher than in 2002Q2, OPEC's lowest producing quarter in recent history, and well above the 30 mb/d quota.

The net growth in OPEC oil production reduced spare capacity among its member countries considerably, from 6.3 mb/d in 2009Q4 to 3.2 mb/d in 2012Q2 (figure 6). Yet, the downward trend has been reversed since 2012Q1 with spare capacity exceeding 5 mb/d in September, the first time since March 2011. The Saudi government has promised to keep the global market well supplied—and has the ability to do so—but also deems \$100-110/bbl range to be a fair price. According to the IEA, spare capacity in the global oil market may exceed 7 mb/d in 2014, almost three times higher than the 1.5-3.0 mb/d range observed between 2004 and 2008. Spare capacity should then begin to decline by 2016 as production in the United States slows while demand growth remains firm.

World demand increased by 1.25 mb/d in 2013Q3 (y/y) with all growth coming from non-OECD countries, 0.4 mb/d from China and 0.9 mb/d by the remaining non-OECD countries (figure 7). Demand was reduced marginally by OECD countries, consistent with the patterns of the past few years—demand in OECD countries has fallen by 5 mb/d, or 8 percent, from its 2005 peak. Non-OECD demand remains robust. In fact, in 2013Q3 non-OECD economies consumed as much oil as OECD ones, for the first time in history (figure 8).

## Outlook and Risks

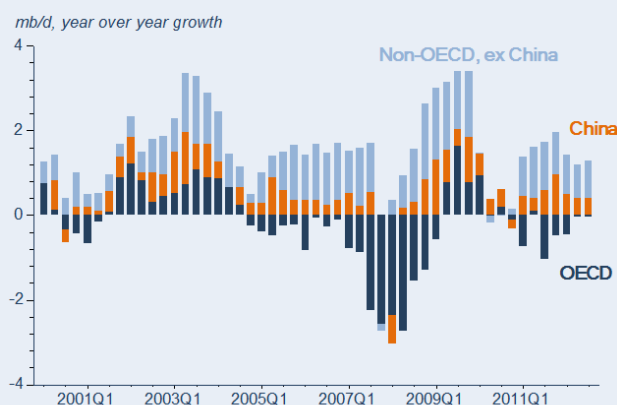
Nominal oil prices are expected to average \$105/bbl during 2013 (identical to the 2012 average) and increase to \$106/bbl in 2014. The marginal increase in 2014 reflects the higher price level towards the end of 2013, though prices are expected to be moderating from current levels. Over the longer term, prices in real terms are expected to fall, due to several reasons, including growing supplies of conventional and (especially) unconventional oil, efficiency gains, and substitution away

**Figure 6** OPEC spare capacity



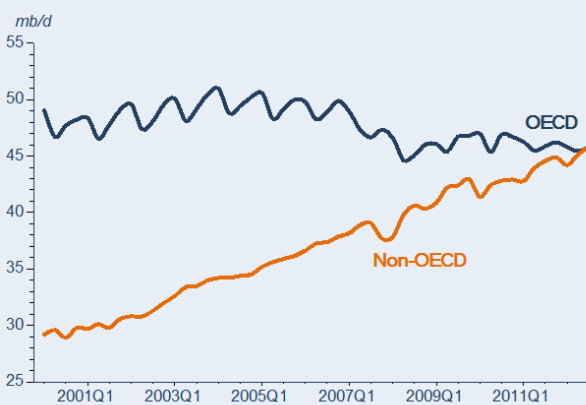
Source: IEA.

**Figure 7** World oil demand growth



Source: World Bank, IEA.

**Figure 8** Global crude oil consumption



Source: IEA.

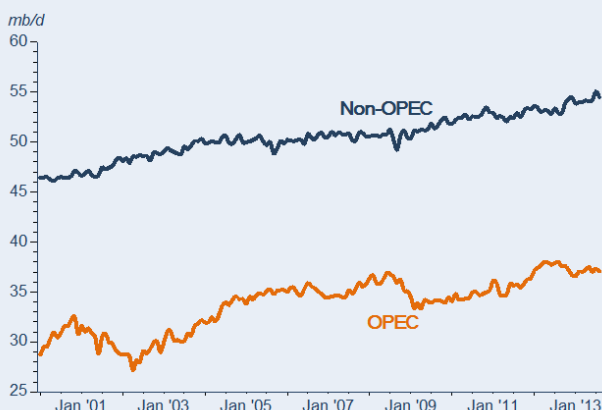
from oil. The assumptions underpinning these projections reflect the upper-end cost of developing additional oil capacity from Canadian oil sands, currently estimated by the industry to be approximately \$80/bbl in constant 2013 dollars. While it is expected that OPEC will continue to limit production to keep prices relatively high, the organization is also sensitive to allowing prices to rise too high, for fear of inducing innovations that would fundamentally alter the long-term path of oil prices.

World demand for crude oil is expected to grow at less than 1.5 percent annually over the projection period, with all the growth coming from non-OECD countries, as has been the case in recent years (figure 8). Growth in oil consumption among OECD countries is expected to continue to be subdued by slow economic growth and efficiency improvements in vehicle transport induced by high prices—including a gradual switch to hybrid, natural gas, and electrically powered transport. Pressure to reduce emissions due to environmental concerns is expected to further dampen oil demand growth at the global level. Growth in oil consumption in developing countries, on the other hand, is expected to remain relatively strong in the near and medium term. In the longer-term, however, it is expected to moderate as the share of low-energy using services in these economies grow, subsidies are phased out, and (as noted above) other fuels become incorporated into the energy mix.

On the supply side, non-OPEC oil production is expected to continue its upward climb, as high prices have prompted increased use of innovative exploration techniques (including deep-water offshore drilling and extraction of shale liquids) and the implementation of new extractive technologies to increase the output from existing wells (figure 9). Thus, production increases in Brazil, the Caspian Sea, West Africa, and North America will more than offset declines in mature oil-producing areas.

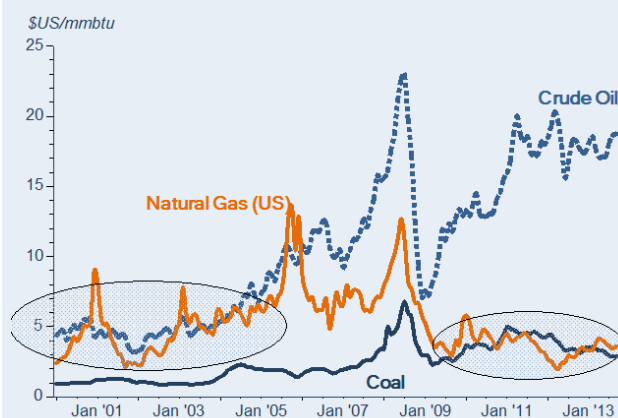
Last, prices of U.S. natural gas and coal are expected to remain low relative to crude oil (figure 10) as well as European and Japanese natural gas prices (figure 11). Some convergence in prices is expected to take place over the longer term but its speed will depend on several factors, including the development of unconventional oil supplies outside the U.S., the construction of LNG facilities and gas pipelines, relocation of energy intensive industries, substitution by coal, and policies.

**Figure 9** Global crude oil production



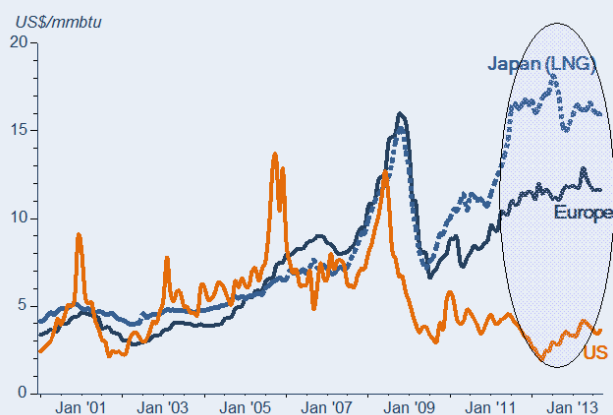
Source: International Energy Agency (IEA).

**Figure 10** Energy prices



Source: World Bank, IEA.

**Figure 11** Natural gas prices



Source: IEA.



## Metals

Following the collapse in metal prices in the wake of the 2008-09 global financial crisis, prices regained strength and increased almost continuously. The World Bank metals price index reached a new high of 229 (2005 = 100) in February 2011, up 164 percent since its December 2008 low (figure 12). This increase, together with the sustained increases prior to the financial crisis, generated large new investments inducing a strong supply response.

Most of the additional metal supply went to meet demand from China, whose consumption share of world refined metals reached 44.2 percent at the end of 2012, up from 42 percent in the previous year (figure 13). Despite strong demand growth, metal prices have weakened since 2011. Although the decline in prices was halted during 2013Q3—down just 0.4 percent from preceding quarter—the overall index is down 11 percent since the beginning of 2013. The declines in industrial metals along with an even sharper decline in precious metal prices, has prompted economists and analysts to argue that the so-called commodity super cycle may be coming to an end.

The support in metal prices in 2013Q3 reflects improving global manufacturing activity and the rebound of imports by China. For example, Chinese imports in July 2013 of copper, iron ore, and nickel, grew by double digits on year-on-year basis—but have since moderated.

The weakening in metals prices during the first half

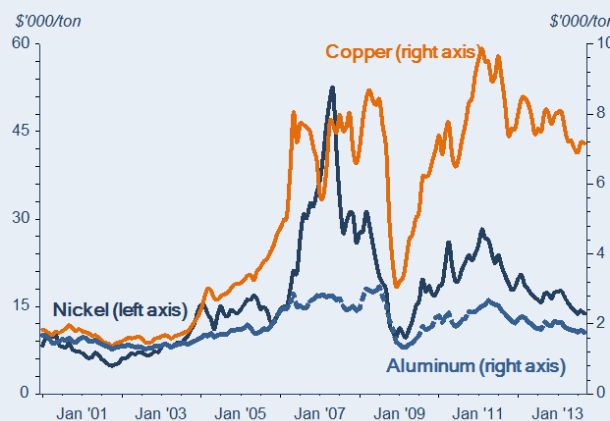
of 2013 has been broad-based. Prices declined 8.5 percent, 9.5 percent, 10.1 percent, 15.6 percent and 20.9 percent for lead, zinc, copper, aluminum and nickel respectively. One exception to this trend is tin whose price decline only marginally in 2013 (down 0.6 percent) and has recorded consecutive monthly increases in August and September.

The reason for tin's outperformance is that Indonesia, the world's second largest tin producer and largest exporter, has introduced new purity regulations and requirements of trading of all exports through a local exchange. This has led to a 92 percent (y/y) fall in exports in September according to preliminary data from Indonesia's trade ministry. Stocks of tin outside of Indonesia correspond to 1-2 months of global consumption. However, should the current situation persist, both tin consumers and Indonesian producers would be hurt as the latter have already furloughed workers.

Although global stocks of metals at major exchanges have declined (down 6 percent during 2013Q3), they are considered elevated by historical standards. For example, copper and nickel stocks at the major metals exchanges are up 67 and 85 percent respectively in 2013Q3 since a year ago. Aluminum stocks, which have been rising since end-2008, increased just 2.4 during the same period, but they remain near their 10-year peaks.

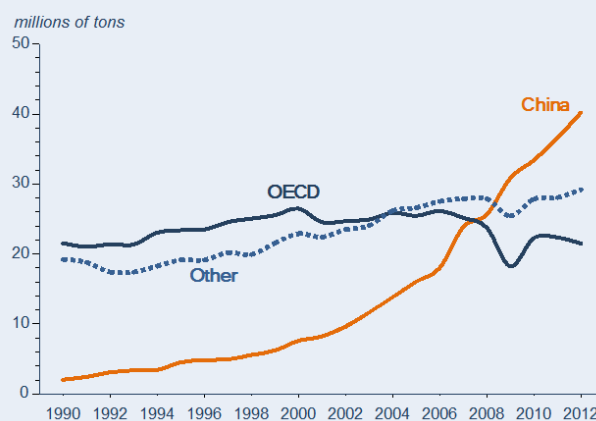
Metal prices are expected to decline 8 percent in 2013 due to abundant supplies and weakening demand. Most price risks are on the downside and depend mostly on the path of the Chinese economy.

**Figure 12** Metal prices



Source: World Bank.

**Figure 13** Consumption of key metals



Source: World Bureau of Metal Statistics.



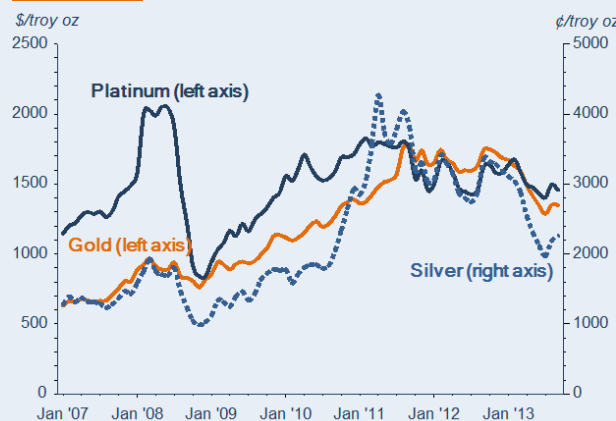
## Precious Metals

Following 18 months of relative stability, prices of precious metals declined sharply during 2013. The World Bank's precious metals price index declined 22 percent in the past nine months (figure 14). The decline marked a reversal of 11 straight years of increasing precious metal prices and reflects changing perceptions of global risk, given gold's status as a "safe-haven" asset. However, expectations of normalization in U.S. monetary policy have triggered a rush out of the gold exchange-traded funds, the holdings of which are down 25 percent for the year. In contrast, holdings of silver and platinum (where physical demand is more important) were up by 6 and 53 percent, respectively.

The loss of gold's "safe-haven" appeal has been manifested in the on-going U.S. debt ceiling brinkmanship where, despite the possibility of default by the U.S. government, gold prices declined (down 3.5 percent in one month to October 15). Yet, during similar negotiations over the debt ceiling in 2011, gold recorded a 10 percent increase in the month prior to the debt ceiling deadline.

The precious metals price index is expected to decline 20 percent in 2013 (with gold, silver, and platinum down by 17, 29, and 5 percent, respectively). Most risks are on the downside due to the tapering of bond purchases by the U.S. Federal Reserve and likely increases in interest rates. Moreover, India's restrictions on gold imports to curb its current account deficit may put additional downward pressure on prices.

**Figure 14** Precious metal prices



Source: World Bank.

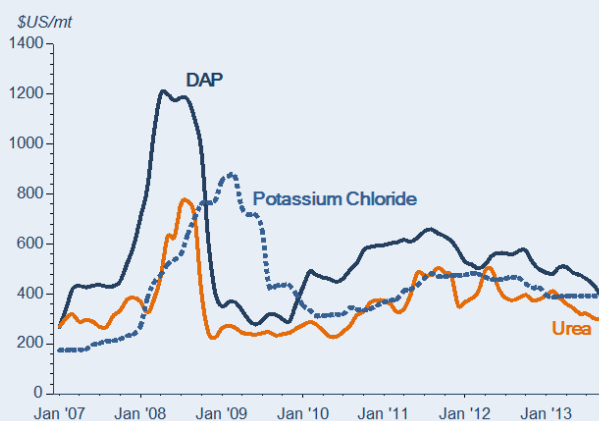
## Fertilizers

Fertilizer prices, a key input to the production of most agricultural commodities especially grains and oilseeds, experienced a five-fold increase between 2003 and 2008, the largest increase among all key commodity groups (figure 15). In addition to strong demand, the price hikes reflect increases in energy prices, especially natural gas—some fertilizers are made directly out of natural gas. Indeed, fertilizer prices are now three times higher than a decade ago, remarkably similar to the three-fold increase in energy prices. Recently, the upswing in fertilizer prices has been easing. The World Bank's fertilizer price index declined 21 percent by 2013Q3 on top of the 3 percent decline in 2012. The declines were more pronounced in urea and phosphate, down 20 and 30 percent respectively.

The recent price declines appear to have induced changes in the global fertilizer market. Traditionally, fertilizer companies have exported their products via three marketing organizations that negotiated annual contracts with buyers. However, in July 2013 the potash cartel between Russian and Belarusian companies (world's two largest producers of potash) broke up, followed shortly thereafter by the breakup of the 40-year-old North American Phosphate Chemicals Export Association.

Fertilizer prices are expected to ease considerably in the medium term—more than 17 percent in 2013 and another 5 percent in the two years thereafter—reflecting primarily lower production costs due to the moderation of natural gas prices.

**Figure 15** Fertilizer prices



Source: World Bank.

## Agriculture

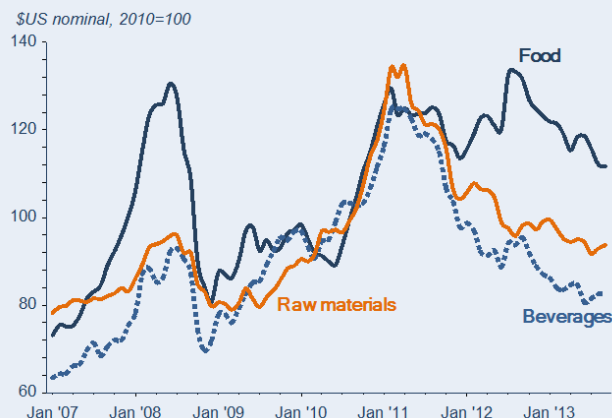
Most agricultural commodity prices have been declining, with the overall index down 3.5 percent from 2013Q2 and more than 13 percent lower than a year ago. Beverages and raw materials have led the decline, down 32 and 35 percent respectively since 2011Q1 (figure 16). Grain prices have not declined as much due to weather problems (maize last season and wheat this season) but have been moderating recently. In its September 2013 assessment, the U.S. Department of Agriculture largely maintained the marked improvement for the 2013/14 outlook with production of maize, wheat, and rice expected to increase by 11.2, 8.2, and 1.7 percent, respectively. Increases are expected in the stock-to-use (S/U) ratios for maize and rice but not wheat. The oilseed and edible oil outlook is comfortable as well with global supplies of key edible oils expected to reach a record 195 million tons in 2013/14, up from last season's 187 million tons.

## Recent Developments

Grain prices have been declining steadily since the spike in the summer of 2012 as supply expectations for the 2013/14 crop season have gradually improved (figure 17). Between their last summer peak (July 2012) and September 2013 maize, rice, and wheat prices declined 38, 23, and 11 percent, respectively—maize prices are at a record 3-year low. In its September 2013 update, the U.S. Department of Agriculture placed the global maize production estimate at 957 million tons, up from 860 million tons in 2012/13, in turn increasing the S/U ratio from 14.1 percent to 16.3 percent. Similarly, the global wheat production estimate for 2013/14 stands at 709 million tons, up from last season's 655 million tons; yet the S/U ratio for wheat is expected to decline marginally (from 25.5 to 25 percent) as global consumption is expected to increase by almost 26 million tons.

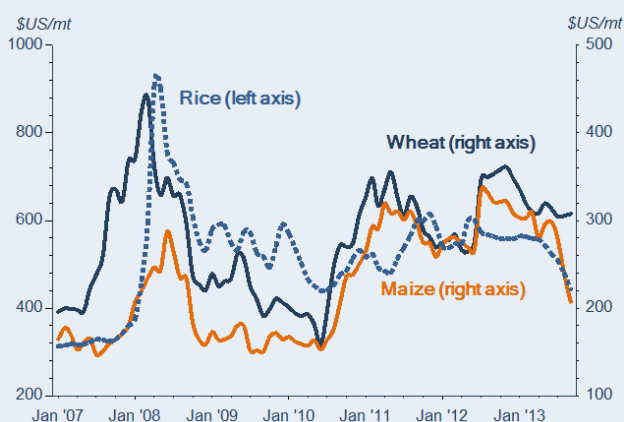
Rice prices averaged \$444/ton in September; they have been lower only once since the post-2007 boom (in June-July 2010). The U.S. Department of Agriculture's September assessment puts global rice production at 477 million tons, 8 million tons above last season's record. The S/U ratio is expected to reach almost 23 percent, remarkably similar to that of 2012/13 and well within historical

**Figure 16** Agriculture price indices



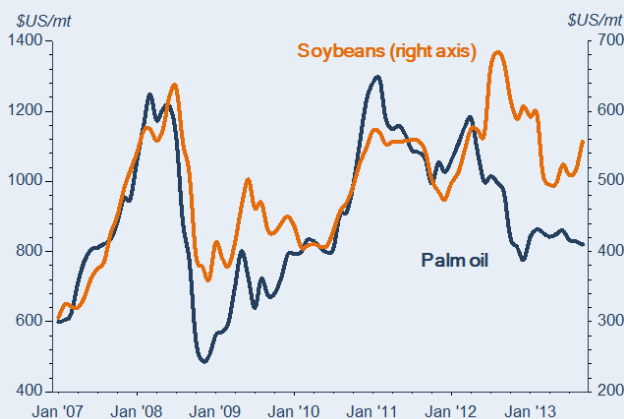
Source: World Bank.

**Figure 17** Wheat, maize and rice prices



Source: World Bank.

**Figure 18** Edible oil prices



Source: World Bank.

norms. Trade in rice has improved as well, reaching a new record of almost 40 million tons, mostly aided by a surge in Chinese imports.

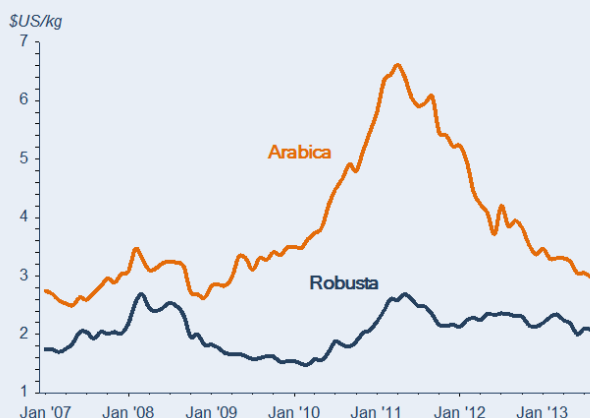
Edible oil prices, which declined sharply in late 2012 and early 2013, have stabilized (figure 18). The World Bank's edible oil index is 1 percent up since 2013Q2 but 7 percent lower than a year ago. While palm oil prices are marginally lower due to ample supplies from Malaysia and Indonesia (world's top palm oil suppliers), soybean prices have come under pressure during the past two months due to unusually low global stocks, in turn a reflection weather-related damages to the U.S. soybean crop. World production prospects for sunflowerseed have deteriorated as well. On the other hand, demand for oilseeds and edible oils is strong, especially by China and India—they account for one-third of global edible oil consumption.

Beverage prices have moderated further, 1 percent down from last quarter and 7 percent lower than a year ago (figure 19). The decline was led by coffee and less so tea—cocoa prices have been increasing during the past 3 months. The coffee market fundamentals remain bearish with global output expected to reach 145.2 million tons (following a record Brazilian crop of 52 million tons) and consumption forecast at 143.1 million tons, leaving the market with a surplus of 2.1 million bags. Yet, there are concerns over next season's cocoa crop, especially from West Africa, following uncertainty over Cote d'Ivoire's crop and unfavorable weather conditions in Ghana.

Sugar prices (not part of the World Bank's beverage price index) have been remarkably stable during the past two quarters, yet there has been some recovery during September (a reflection of the Brazilian real's strengthening and increased investment fund activity.) Yet, sugar prices are 15 percent lower than a year ago and almost half of their 2010Q3 highs. The sugar market is likely to be in surplus during 2013/14 as both India and Thailand have large quantities of sugar available for export while there are good prospects for cane harvests in Asia and Central America.

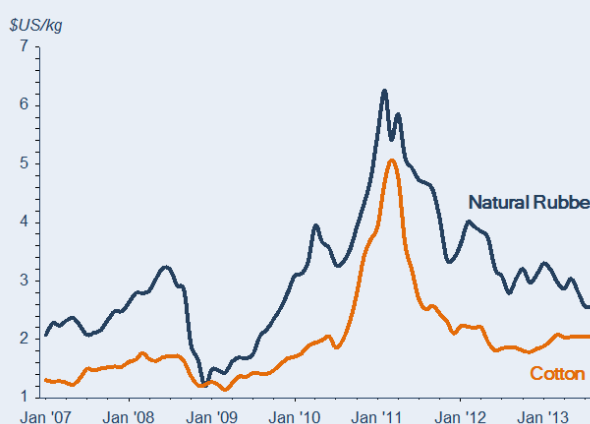
Raw material prices have been weakening as well, down 3 percent since 2013Q2 and 6 percent lower than 2012Q3 (figure 20). Both natural rubber and cotton prices have been under pressure. Supplies of natural rubber have been especially strong in

**Figure 19** Coffee prices



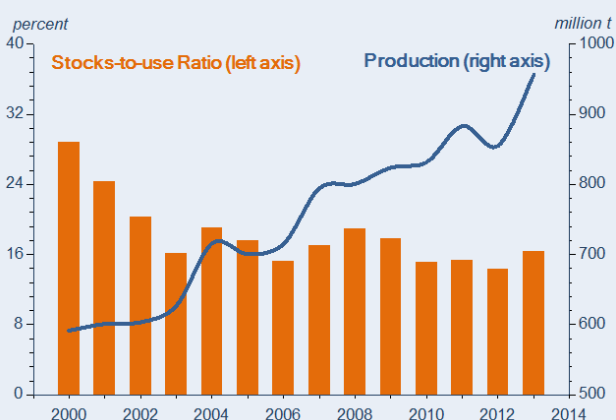
Source: World Bank.

**Figure 20** Raw material prices



Source: World Bank.

**Figure 21** Global maize supplies



Source: US Department of Agriculture, Sept 2013 Update.

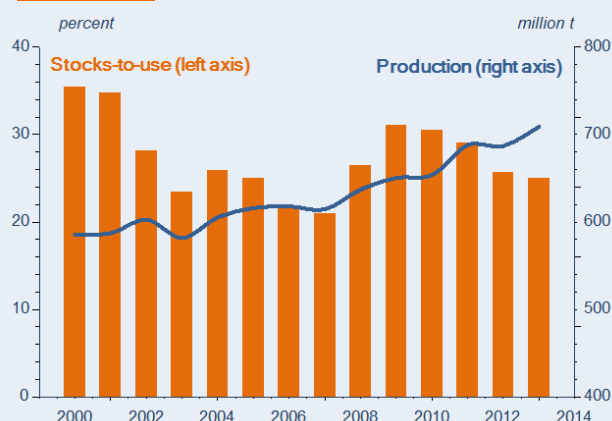
Thailand and Indonesia while demand by China has been weakening on fears of growth moderation—most natural rubber production is destined for tire manufacturing, a sector very sensitive to growth prospects. On cotton, while global production is expected to decline (25.5 million tons in 2013/14, down from last season's 26.9 million tons), weak demand is likely to generate an additional 2 million tons of stocks, most of which is likely to be purchased by the Chinese government—at the end of the current season, China is expected to hold 60 percent of world's stocks.

## Outlook and Risks

Agricultural commodity prices are projected to decline 7.8 percent in 2013, with most of the decline attributable to grains and beverages (almost 11 percent each), followed by edible oils (-8.7 percent) and raw materials (-6.9 percent). The largest declines among important food commodities are expected to be in maize and rice (from the grain group) and coconut oil and palm oil (from edible oil group).

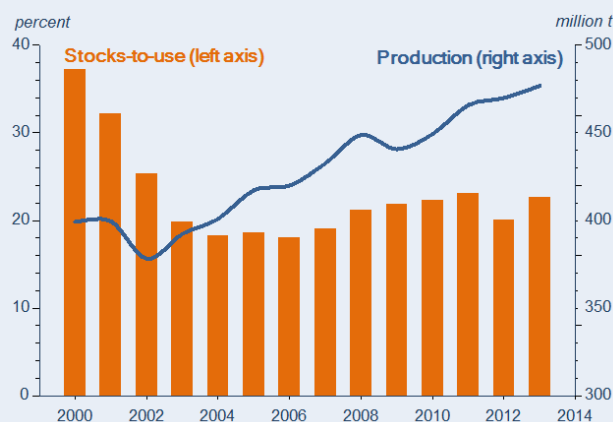
A number of assumptions (along with associated risks) underpin the outlook for agricultural commodities—namely crop conditions, energy prices, biofuels, macroeconomic environment, and trade policies. On crop conditions, it is assumed that the current season's outlook will be along normal trends. In its September outlook assessment, the U.S. Department of Agriculture estimated the 2013/14 crop season's grain supplies (production plus stocks) at 2.57 billion tons, up 5 percent from 2012/13, a level that would replenish stocks (see figures 21, 22, and 23). The baseline forecast also assumes that oil prices will remain at \$105/bbl in 2013, increasing slightly next year and gradually declining thereafter. Diversion to the production of biofuels is expected to remain flat in 2013, for the third year in a row—currently, biofuels correspond to 1.3 mb/d of crude oil production in energy-equivalent terms (figure 24). Investment fund activity has stabilized as well and, in an environment of higher interest rates it may decline. Last, trade policies are unlikely to upset agricultural markets, an assumption that relies on markets remaining well-supplied. (A detailed analysis of the risks can be found in the [July 2013 edition](#) of the *Commodity Markets Outlook*).

**Figure 22 Global wheat supplies**



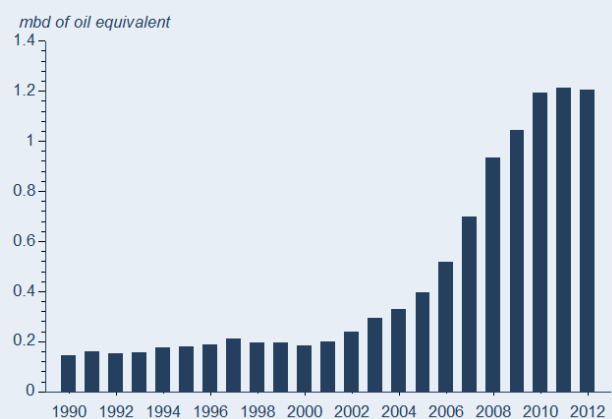
Source: US Department of Agriculture, Sept 2013 update.

**Figure 23 Global rice supplies**



Source: US Department of Agriculture, Sept 2013 update.

**Figure 24 Biofuels production**



Source: BP Statistical Review of World Energy; OECD.

**Table A1** World Bank Commodities Price Data

		Annual Averages			Quarterly Averages					Monthly Averages			
			Jan-Dec	Jan-Dec	Jan-Dec	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Jul	Aug	Sep
Commodity	Unit		2010	2011	2012	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013M07	2013M08	2013M09
Energy													
Coal, Australia	\$/mt	a/	99.0	121.4	96.4	89.4	86.9	92.9	86.1	77.3	77.3	77.0	77.6
Coal, Colombia	\$/mt	a/	78.0	111.5	84.0	82.7	79.3	79.3	71.3	65.8	66.3	65.6	65.4
Coal, South Africa	\$/mt	a/	91.6	116.3	92.9	87.4	85.8	84.7	80.4	72.9	72.6	72.9	73.1
Crude oil, avg, spot	\$/bbl	a/	79.0	104.0	105.0	102.8	101.9	105.1	99.3	107.4	105.3	108.2	108.8
Crude oil, Brent	\$/bbl	a/	79.6	110.9	112.0	110.0	110.5	112.9	103.0	110.1	107.7	111.0	111.6
Crude oil, Dubai	\$/bbl	a/	78.1	106.0	108.9	106.2	107.2	108.0	100.8	106.2	103.4	107.0	108.4
Crude oil, WTI	\$/bbl	a/	79.4	95.1	94.2	92.2	88.1	94.3	94.2	105.8	104.7	106.5	106.2
Natural gas Index	2005=100	a/	91.1	107.3	108.2	108.0	112.1	114.5	121.0	113.2	113.7	112.6	113.4
Natural gas, Europe	\$/mmbtu	a/	8.3	10.5	11.5	11.1	11.7	11.8	12.4	11.6	11.6	11.6	11.6
Natural gas, US	\$/mmbtu	a/	4.4	4.0	2.8	2.9	3.4	3.5	4.0	3.6	3.6	3.4	3.6
Natural gas LNG, Japan	\$/mmbtu	a/	10.8	14.7	16.6	17.6	15.2	16.2	16.3	16.0	16.2	16.0	16.0
Non Energy Commodities													
Agriculture													
Beverages													
Cocoa	€/kg	b/	313.3	298.0	239.2	249.4	245.1	220.9	230.7	246.9	230.9	248.4	261.6
Coffee, Arabica	€/kg	b/	432.0	597.6	411.1	400.0	357.1	335.5	319.9	298.2	305.1	298.0	291.6
Coffee, robusta	€/kg	b/	173.6	240.8	226.7	234.1	219.5	227.8	214.3	203.6	209.9	207.3	193.5
Tea, auctions (3), average	€/kg	b/	288.5	292.1	289.8	308.4	303.6	294.2	289.3	278.8	283.2	278.2	275.0
Tea, Colombo auctions	€/kg	b/	329.0	326.4	306.3	308.1	319.5	338.4	328.5	337.5	317.3	336.0	359.1
Tea, Kolkata auctions	€/kg	b/	280.5	277.9	275.0	313.4	291.4	256.8	303.9	276.1	303.8	270.6	253.7
Tea, Mombasa auctions	€/kg	b/	256.0	271.9	288.1	303.5	300.0	287.3	235.4	222.9	228.4	228.0	212.3
Food													
Fats and Oils													
Coconut oil	\$/mt	b/	1,123.6	1,730.1	1,110.8	1,012.7	843.7	836.7	838.7	913.3	861.0	894.0	985.0
Copra	\$/mt	b/	749.6	1,157.3	740.6	671.7	564.7	553.3	560.0	603.3	569.0	587.0	654.0
Groundnuts	\$/mt	b/	1,283.9	2,086.2	2,174.5	1,858.3	1,423.0	1,360.3	1,400.0	1,380.3	1,388.0	1,360.0	1,393.0
Groundnut oil	\$/mt	b/	1,403.9	1,988.2	2,435.7	2,476.3	2,298.0	2,002.0	1,859.7	1,693.7	1,758.0	1,685.0	1,638.0
Palm oil	\$/mt	b/	900.8	1,125.4	999.3	993.0	809.3	852.7	850.3	827.3	833.0	829.0	820.0
Palmkernel oil	\$/mt	b/	1,184.2	1,648.3	1,110.3	1,019.7	813.0	824.3	836.3	872.3	836.0	868.0	913.0
Soybean meal	\$/mt	b/	378.4	398.0	524.1	630.3	586.7	531.0	528.3	551.7	563.0	526.0	566.0
Soybean oil	\$/mt	b/	1,004.6	1,299.3	1,226.3	1,258.0	1,157.7	1,160.3	1,069.7	1,006.7	995.0	999.0	1,026.0
Soybeans	\$/mt	b/	449.8	540.7	591.4	672.0	604.3	566.3	505.3	527.3	509.0	516.0	557.0
Grains													
Barley	\$/mt	b/	158.4	207.2	240.3	258.4	249.3	236.7	230.4	191.0	214.0	189.0	169.9
Maize	\$/mt	b/	185.9	291.7	298.4	328.6	317.2	305.0	291.3	241.9	279.5	238.7	207.5
Rice, Thailand, 5%	\$/mt	b/	488.9	543.0	563.0	568.3	558.4	562.1	541.6	477.3	509.0	478.8	444.0
Rice, Thailand, 25%	\$/mt	b/	441.5	506.0	..	547.9	530.8	537.9	509.4	420.3	454.0	425.0	381.9
Rice,Thailand, A1	\$/mt	b/	383.7	458.6	525.1	513.3	521.2	532.5	511.1	433.2	461.8	428.3	409.4
Rice, Vietnam, 5%	\$/mt	b/	429.2	513.6	434.4	433.6	438.6	401.5	387.8	385.9	387.7	399.4	370.5
Sorghum	\$/mt	b/	165.4	268.7	271.9	273.4	285.4	292.0	259.9	219.2	220.0	220.6	216.9
Wheat, Canada	\$/mt	b/	312.4	439.6	..	..	..	..	..	..	..	..	..
Wheat, US, HRW	\$/mt	b/	223.6	316.3	313.2	349.5	355.7	321.4	313.8	305.8	304.6	305.3	307.5
Wheat, US SRW	\$/mt	b/	229.7	285.9	295.4	333.4	337.3	297.6	275.2	257.7	260.9	252.4	259.8
Other Food													
Bananas, EU	\$/mt	b/	1,002.2	1,124.7	1,099.7	982.3	1,102.8	1,095.7	1,072.4	983.2	998.2	977.4	973.9
Bananas, US	\$/mt	b/	868.3	968.0	984.0	959.9	944.5	929.6	907.2	933.5	923.2	940.4	937.0
Fishmeal	\$/mt	b/	1,687.5	1,537.4	1,558.3	1,676.7	1,775.7	1,868.7	1,821.0	1,699.7	1,726.0	1,713.0	1,660.0
Meat, beef	€/kg	b/	335.1	404.2	414.2	400.1	419.1	427.1	410.8	388.8	390.2	388.4	387.7
Meat, chicken	€/kg	b/	189.2	192.6	207.9	209.7	213.2	221.0	229.4	234.5	234.6	234.8	234.1
Meat, sheep	€/kg	b/	531.4	663.1	609.1	587.5	586.2	553.2	545.5	556.3	539.1	550.4	579.4
Oranges	\$/mt	b/	1,033.2	891.1	868.0	995.5	861.9	825.9	1,065.0	1,153.7	1,121.2	1,190.8	1,149.1
Shrimp, Mexico	€/kg	b/	1,004.5	1,193.1	1,006.5	970.0	1,023.9	1,126.2	1,223.6	1,514.9	1,441.8	1,532.2	1,570.8
Sugar, EU domestic	€/kg	b/	44.2	45.5	42.0	40.9	42.4	43.1	42.7	43.3	42.8	43.5	43.6
Sugar, US domestic	€/kg	b/	79.2	83.9	63.6	61.5	50.5	46.4	43.4	44.6	42.4	45.1	46.4
Sugar, World	€/kg	b/	46.9	57.3	47.5	46.8	43.3	40.9	38.6	37.7	37.1	37.5	38.0

**Table A1** World Bank Commodities Price Data

Commodity	Unit	Annual Averages			Quarterly Averages					Monthly Averages			
		Jan-Dec	Jan-Dec	Jan-Dec	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Jul	Aug	Sep	
		2010	2011	2012	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013M07	2013M08	2013M09	
Raw Materials													
Timber													
Logs, Cameroon	\$/cum		428.6	484.8	451.4	436.2	453.2	456.2	457.4	464.1	458.3	466.2	467.7
Logs, Malaysia	\$/cum	b/	278.2	390.5	360.5	355.1	352.7	322.5	301.8	301.1	298.8	304.4	300.1
Plywood	c/sheets		569.1	607.5	610.3	607.1	611.5	591.6	553.5	552.3	548.0	558.3	550.5
Sawnwood, Cameroon	\$/cum		812.7	825.8	759.3	755.2	765.9	740.7	736.2	737.9	727.7	742.9	742.9
Sawnwood, Malaysia	\$/cum	b/	848.3	939.4	876.3	864.3	874.4	845.2	837.4	846.0	827.7	845.0	865.1
Woodpulp	\$/mt		866.8	899.6	762.8	735.2	748.2	784.0	818.7	830.7	832.0	830.0	830.0
Other Raw Materials													
Cotton A Index	€/kg	b/	228.3	332.9	196.7	185.6	180.9	198.2	204.3	202.4	204.2	204.5	198.6
Rubber, RSS3	€/kg	b/	365.4	482.3	337.7	297.0	309.6	315.6	290.5	259.0	256.3	256.9	263.8
Rubber, TSR20	€/kg		338.1	451.9	315.6	275.0	288.3	296.3	244.6	234.8	224.3	238.0	242.2
Fertilizers													
DAP	\$/mt	b/	500.7	618.9	539.8	565.0	532.3	491.6	489.8	432.1	460.0	438.1	398.1
Phosphate rock	\$/mt	b/	123.0	184.9	185.9	183.3	185.0	173.0	166.3	143.2	157.0	145.0	127.5
Potassium chloride	\$/mt	b/	331.9	435.3	459.0	464.8	430.1	390.8	392.3	391.9	392.9	393.3	389.5
TSP	\$/mt	b/	381.9	538.3	462.0	485.0	452.2	435.0	426.0	366.0	408.0	357.5	332.5
Urea, E. Europe, bulk	\$/mt	b/	288.6	421.0	405.4	381.3	383.0	396.6	342.4	307.5	321.5	303.3	297.8
Metals and Minerals													
Aluminum	\$/mt	b/	2,173.1	2,401.4	2,023.3	1,928.6	2,003.3	2,000.3	1,836.1	1,782.8	1,769.6	1,817.6	1,761.3
Copper	\$/mt	b/	7,534.8	8,828.2	7,962.3	7,729.2	7,913.2	7,918.0	7,161.3	7,086.3	6,906.6	7,192.9	7,159.3
Iron ore	\$/dmt		145.9	167.8	128.5	111.6	120.9	148.5	125.5	132.7	127.2	136.7	134.2
Lead	€/kg	b/	214.8	240.1	206.5	198.7	220.1	229.0	205.3	210.2	204.8	217.4	208.5
Nickel	\$/mt	b/	21,808.9	22,910.4	17,547.5	16,383.9	16,984.2	17,295.8	14,967.1	13,955.5	13,750.3	14,314.9	13,801.4
Tin	€/kg	b/	2,040.6	2,605.4	2,112.6	1,936.3	2,160.9	2,401.8	2,090.2	2,131.4	1,956.4	2,164.4	2,273.5
Zinc	€/kg	b/	216.1	219.4	195.0	189.2	195.2	202.9	184.2	186.1	183.8	189.9	184.7
Precious Metals													
Gold	\$/toz		1,224.7	1,569.2	1,669.5	1,656.5	1,717.7	1,630.8	1,415.1	1,328.6	1,285.5	1,351.7	1,348.6
Platinum	\$/toz		1,609.8	1,719.5	1,550.8	1,500.9	1,598.1	1,632.1	1,466.2	1,451.5	1,401.5	1,496.1	1,456.9
Silver	€/toz		2,015.3	3,522.4	3,113.7	2,994.7	3,261.2	3,006.0	2,316.7	2,138.9	1,971.0	2,189.4	2,256.4
World Bank commodity price indices for low and middle income countries (2010=100)													
Energy			100.0	128.7	127.6	124.9	124.7	128.6	123.1	130.3	128.1	131.0	131.9
Non Energy Commodities			100.0	119.8	109.5	110.4	108.2	107.2	101.7	99.0	99.4	99.2	98.5
Agriculture			100.0	121.6	114.5	118.6	113.5	110.1	107.2	104.0	105.3	103.4	103.3
Beverages			100.0	116.0	92.6	94.5	89.3	84.5	83.3	82.2	81.5	82.5	82.6
Food			100.0	122.5	124.5	132.5	124.9	120.7	117.4	113.2	115.9	112.1	111.6
Fats and Oils			100.0	120.5	126.1	137.9	122.9	117.8	112.7	113.8	113.6	111.3	116.5
Grains			100.0	138.2	141.3	152.8	150.2	143.6	138.3	121.6	132.3	120.9	111.7
Other Food			100.0	111.1	107.1	106.9	104.7	104.0	104.7	104.8	103.9	105.3	105.1
Raw Materials			100.0	122.0	101.3	97.1	98.3	97.3	94.6	92.8	91.8	92.9	93.7
Timber			100.0	117.3	109.1	107.6	108.3	103.2	100.9	101.6	99.7	101.8	103.3
Other Raw Materials			100.0	127.2	92.8	85.7	87.4	90.8	87.8	83.2	83.1	83.2	83.2
Fertilizers			100.0	142.6	137.6	135.5	132.0	128.9	119.8	108.2	114.6	107.5	102.6
Metals and Minerals	c/		100.0	113.5	96.1	90.8	94.6	98.7	88.2	87.8	85.7	89.6	88.2
Base Metals	d/		100.0	113.1	98.0	94.1	97.3	98.0	88.7	87.1	85.3	88.6	87.3
Precious Metals			100.0	136.3	138.5	136.4	143.0	135.2	114.6	107.4	103.0	109.5	109.8

**Notes:** a/ Included in the energy index (2005=100), b/ Included in the non-energy index (2005=100), c/ base metals plus iron ore, d/ Includes aluminum, copper, lead, nickel, tin and zinc

\$ = US dollar    ¢ = US cent    bbl = barrel    cum = cubic meter    dmt = dry metric ton    dmtu = dry metric ton unit    kg = kilogram  
mmbtu = million British thermal units    mt = metric ton    toz = troy oz    .. = not available    n.q. = no quotation

**Sources:** Africa Tea Brokers Ltd Weekly Market Report, Bloomberg, Canadian Grain Commission, Canadian Wheat Board, Cotton Outlook, Coal Week International, Fertilizer International, Fertilizer Week, FRUITROP, IHS McCloskey Coal Report, INFOFISH, INTERFEL Fe 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, The Silver Institute, 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** World Bank Commodities Price Forecast in Nominal US dollars

Released: October 15, 2013

Commodity	Unit	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Energy</b>														
Coal, Australia	\$/mt	85.0	88.0	90.0	91.0	91.9	92.9	93.9	94.9	95.9	96.9	97.9	99.0	100.0
Crude oil, avg, spot	\$/bbl	105.0	105.7	102.0	100.7	100.1	99.6	99.1	98.7	98.3	98.0	97.6	97.3	97.0
Natural gas, Europe	\$/mmbtu	12.0	11.5	11.0	10.9	10.8	10.7	10.6	10.5	10.4	10.3	10.2	10.1	10.0
Natural gas, US	\$/mmbtu	3.7	4.0	4.5	4.7	4.9	5.1	5.4	5.6	5.9	6.1	6.4	6.7	7.0
Natural gas LNG, Japan	\$/mmbtu	16.0	15.2	15.0	14.7	14.5	14.2	13.9	13.7	13.4	13.2	13.0	12.7	12.5
<b>Non Energy Commodities</b>														
<b>Agriculture</b>														
<b>Beverages</b>														
Cocoa	€/kg	240.0	235.0	230.0	229.0	228.0	227.0	225.9	224.9	223.9	223.0	222.0	221.0	220.0
Coffee, Arabica	€/kg	310.0	330.0	340.0	341.0	342.0	343.0	344.0	345.0	346.0	347.0	348.0	349.0	350.0
Coffee, robusta	€/kg	205.0	200.0	185.0	183.4	181.9	180.4	178.8	177.3	175.8	174.4	172.9	171.4	170.0
Tea, auctions (3), average	€/kg	280.0	288.2	291.4	294.6	297.9	301.2	304.6	308.0	311.3	314.7	318.1	321.5	325.0
<b>Food</b>														
<b>Fats and Oils</b>														
Coconut oil	\$/mt	860.0	900.0	920.0	918.0	916.0	914.0	911.9	909.9	907.9	906.0	904.0	902.0	900.0
Groundnut oil	\$/mt	1,750.0	1,925.0	1,900.0	1,894.9	1,889.9	1,884.9	1,879.8	1,874.8	1,869.8	1,864.9	1,859.9	1,854.9	1,850.0
Palm oil	\$/mt	840.0	860.0	880.0	871.7	863.4	855.2	847.1	839.0	831.1	823.2	815.4	807.7	800.0
Soybean meal	\$/mt	540.0	460.0	420.0	415.8	411.7	407.6	403.5	399.5	395.5	391.6	387.7	383.8	380.0
Soybean oil	\$/mt	1,100.0	1,075.0	1,050.0	1,044.9	1,039.8	1,034.7	1,029.7	1,024.7	1,019.7	1,014.7	1,009.8	1,004.9	1,000.0
Soybeans	\$/mt	535.0	525.0	520.0	519.0	518.0	517.0	516.0	515.0	514.0	513.0	512.0	511.0	510.0
<b>Grains</b>														
Barley	\$/mt	210.0	205.0	200.0	198.4	196.9	195.4	193.9	192.4	190.9	189.4	187.9	186.4	185.0
Maize	\$/mt	250.0	248.0	245.0	243.5	241.9	240.4	238.9	237.4	235.9	234.4	232.9	231.5	230.0
Rice, Thailand, 5%	\$/mt	500.0	490.0	480.0	478.0	475.9	473.9	471.9	469.9	467.9	465.9	463.9	462.0	460.0
Wheat, US, HRW	\$/mt	315.0	310.0	300.0	297.4	294.8	292.3	289.7	287.2	284.7	282.3	279.8	277.4	275.0
<b>Other Food</b>														
Bananas, EU	\$/mt	930.0	945.0	940.0	938.0	936.0	934.0	931.9	929.9	927.9	926.0	924.0	922.0	920.0
Meat, beef	€/kg	400.0	395.0	390.0	389.0	388.0	387.0	386.0	385.0	384.0	383.0	382.0	381.0	380.0
Meat, chicken	€/kg	225.0	215.0	210.0	209.0	208.0	206.9	205.9	204.9	203.9	202.9	202.0	201.0	200.0
Oranges	\$/mt	1,130.0	1,050.0	1,000.0	992.8	985.6	978.5	971.4	964.4	957.4	950.5	943.6	936.8	930.0
Shrimp, Mexico	€/kg	1,400.0	1,300.0	1,250.0	1,244.9	1,239.8	1,234.8	1,229.8	1,224.7	1,219.8	1,214.8	1,209.8	1,204.9	1,200.0
Sugar, World	€/kg	39.0	38.5	38.0	37.7	37.4	37.1	36.8	36.5	36.2	35.9	35.6	35.3	35.0
<b>Raw Materials</b>														
<b>Timber</b>														
Logs, Cameroon	\$/cum	460.0	460.0	465.1	472.8	480.7	488.6	496.7	505.0	510.9	516.8	522.8	528.9	535.0
Logs, Malaysia	\$/cum	310.0	345.0	368.1	374.2	380.5	386.9	393.4	400.0	404.9	409.8	414.8	419.9	425.0
Sawnwood, Malaysia	\$/cum	840.0	885.0	902.0	919.4	937.1	955.2	973.6	1,000.0	1,015.5	1,031.3	1,047.3	1,063.5	1,080.0
<b>Other Raw Materials</b>														
Cotton A Index	€/kg	200.0	203.0	205.0	209.1	213.3	217.6	221.9	226.4	230.9	235.6	240.3	245.1	250.0
Rubber, Malaysian	€/kg	280.0	290.0	300.0	297.9	295.9	293.9	291.8	289.8	287.8	285.9	283.9	281.9	280.0
Tobacco	\$/mt	4,350.0	4,200.0	4,150.0	4,139.9	4,129.8	4,119.7	4,109.7	4,099.7	4,089.7	4,079.7	4,069.8	4,059.9	4,050.0
<b>Fertilizers</b>														
DAP	\$/mt	450.0	460.0	470.0	469.0	468.0	467.0	466.0	465.0	464.0	463.0	462.0	461.0	460.0
Phosphate rock	\$/mt	145.0	140.0	130.0	127.3	124.6	121.9	119.4	116.8	114.4	111.9	109.6	107.3	105.0
Potassium chloride	\$/mt	395.0	390.0	380.0	374.7	369.4	364.3	359.1	354.1	349.2	344.3	339.4	334.7	330.0
TSP	\$/mt	400.0	395.0	390.0	388.0	385.9	383.9	381.9	379.9	377.9	375.9	373.9	372.0	370.0
Urea, E. Europe, bulk	\$/mt	330.0	325.0	320.0	317.9	315.9	313.9	311.8	309.8	307.8	305.9	303.9	301.9	300.0
<b>Metals and Minerals</b>														
Aluminum	\$/mt	1,800.0	1,850.0	1,900.0	1,928.1	1,956.5	1,985.4	2,014.8	2,044.5	2,074.7	2,105.3	2,136.4	2,168.0	2,200.0
Copper	\$/mt	7,100.0	7,050.0	7,000.0	6,979.7	6,959.5	6,939.4	6,919.3	6,899.3	6,879.3	6,859.4	6,839.5	6,819.7	6,800.0
Iron ore	\$/dmt	134.0	135.0	137.0	137.8	138.6	139.4	140.1	140.9	141.7	142.6	143.4	144.2	145.0
Lead	€/kg	210.0	212.0	215.0	216.0	217.0	218.0	218.9	219.9	220.9	222.0	223.0	224.0	225.0
Nickel	\$/mt	14,000	15,000	16,000	16,190	16,381	16,575	16,772	16,971	17,172	17,375	17,581	17,789	18,000
Tin	€/kg	2,200.0	2,220.0	2,250.0	2,273.8	2,297.9	2,322.3	2,346.9	2,371.7	2,396.8	2,422.2	2,447.9	2,473.8	2,500.0
Zinc	€/kg	190.0	215.0	220.0	221.9	223.9	225.8	227.8	229.8	231.8	233.8	235.9	237.9	240.0
<b>Precious Metals</b>														
Gold	\$/toz	1,380.0	1,360.0	1,350.0	1,344.9	1,339.8	1,334.8	1,329.8	1,324.8	1,319.8	1,314.8	1,309.8	1,304.9	1,300.0
Platinum	\$/toz	2,250.0	2,270.0	2,280.0	2,282.0	2,284.0	2,286.0	2,288.0	2,290.0	2,292.0	2,294.0	2,296.0	2,298.0	2,300.0
Silver	€/toz	1,480.0	1,450.0	1,400.0	1,384.2	1,368.6	1,353.2	1,338.0	1,322.9	1,308.0	1,293.2	1,278.7	1,264.2	1,250.0

Next update: January 2014



**Table A3 World Bank Commodities Price Forecast in Real 2010 US dollars**

Released: October 15, 2013

Commodity	Unit	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Energy</b>														
Coal, Australia	\$/mt	80.3	81.3	82.3	82.0	81.7	81.4	81.1	80.7	80.3	79.9	79.5	79.0	78.6
Crude oil, avg, spot	\$/bbl	99.2	97.7	93.2	90.8	89.0	87.3	85.6	84.0	82.4	80.8	79.3	77.7	76.2
Natural gas, Europe	\$/mmbtu	11.3	10.6	10.1	9.8	9.6	9.4	9.1	8.9	8.7	8.5	8.3	8.1	7.9
Natural gas, US	\$/mmbtu	3.5	3.7	4.1	4.2	4.4	4.5	4.6	4.8	4.9	5.1	5.2	5.3	5.5
Natural gas LNG, Japan	\$/mmbtu	15.1	14.0	13.7	13.3	12.9	12.5	12.0	11.7	11.3	10.9	10.5	10.2	9.8
<b>Non Energy Commodities</b>														
<b>Agriculture</b>														
<b>Beverages</b>														
Cocoa	€/kg	226.7	217.1	210.3	206.5	202.7	199.0	195.2	191.4	187.6	183.9	180.2	176.5	172.9
Coffee, Arabica	€/kg	292.8	304.8	310.8	307.5	304.1	300.7	297.2	293.5	289.9	286.2	282.5	278.8	275.1
Coffee, robusta	€/kg	193.6	184.7	169.1	165.4	161.8	158.1	154.5	150.9	147.3	143.8	140.3	136.9	133.6
Tea, auctions (3), average	€/kg	264.5	266.2	266.4	265.6	265.0	264.1	263.2	262.1	260.9	259.5	258.2	256.8	255.5
<b>Food</b>														
<b>Fats and Oils</b>														
Coconut oil	\$/mt	812.4	831.3	841.1	827.7	814.6	801.3	787.9	774.3	760.7	747.2	733.8	720.5	707.4
Groundnut oil	\$/mt	1,653.1	1,778.1	1,737.0	1,708.6	1,680.8	1,652.6	1,624.1	1,595.4	1,566.7	1,538.1	1,509.7	1,481.7	1,454.1
Palm oil	\$/mt	793.5	794.4	804.5	786.0	767.9	749.8	731.8	714.0	696.3	679.0	661.9	645.2	628.8
Soybean meal	\$/mt	510.1	424.9	384.0	374.9	366.1	357.4	348.6	340.0	331.4	323.0	314.7	306.6	298.7
Soybean oil	\$/mt	1,039.1	993.0	959.9	942.2	924.8	907.2	889.6	872.0	854.4	836.9	819.7	802.7	786.0
Soybeans	\$/mt	505.4	484.9	475.4	468.0	460.7	453.3	445.8	438.2	430.6	423.1	415.6	408.2	400.9
<b>Grains</b>														
Barley	\$/mt	198.4	189.4	182.8	178.9	175.1	171.3	167.5	163.7	159.9	156.2	152.5	148.9	145.4
Maize	\$/mt	236.2	229.1	224.0	219.5	215.2	210.8	206.4	202.0	197.6	193.3	189.1	184.9	180.8
Rice, Thailand, 5%	\$/mt	472.3	452.6	438.8	431.0	423.3	415.5	407.7	399.9	392.0	384.3	376.6	369.0	361.6
Wheat, US, HRW	\$/mt	297.6	286.3	274.3	268.2	262.2	256.3	250.3	244.4	238.6	232.8	227.1	221.6	216.2
<b>Other Food</b>														
Bananas, EU	\$/mt	878.5	872.9	859.3	845.8	832.4	818.9	805.2	791.3	777.5	763.7	750.0	736.5	723.1
Meat, beef	€/kg	377.8	364.9	356.5	350.7	345.1	339.3	333.5	327.6	321.7	315.9	310.1	304.3	298.7
Meat, chicken	€/kg	212.5	198.6	192.0	188.4	185.0	181.4	177.9	174.4	170.9	167.4	163.9	160.5	157.2
Oranges	\$/mt	1,067.4	969.9	914.2	895.2	876.5	857.9	839.2	820.6	802.2	783.9	765.9	748.3	731.0
Shrimp, Mexico	€/kg	1,322.5	1,200.8	1,142.7	1,122.5	1,102.7	1,082.6	1,062.4	1,042.2	1,022.0	1,001.9	982.1	962.5	943.2
Sugar, World	€/kg	36.8	35.6	34.7	34.0	33.2	32.5	31.8	31.0	30.3	29.6	28.9	28.2	27.5
<b>Raw Materials</b>														
<b>Timber</b>														
Logs, Cameroon	\$/cum	434.5	424.9	425.2	426.3	427.5	428.4	429.2	429.7	428.0	426.2	424.4	422.5	420.5
Logs, Malaysia	\$/cum	292.8	318.7	336.5	337.4	338.4	339.2	339.9	340.4	339.2	338.0	336.7	335.4	334.1
Sawnwood, Malaysia	\$/cum	793.5	817.5	824.6	829.0	833.4	837.5	841.1	851.0	850.9	850.6	850.1	849.5	848.9
<b>Other Raw Materials</b>														
Cotton A Index	€/kg	188.9	187.5	187.4	188.6	189.7	190.8	191.7	192.6	193.5	194.3	195.0	195.8	196.5
Rubber, Malaysian	€/kg	264.5	267.9	274.3	268.6	263.2	257.6	252.1	246.6	241.2	235.8	230.4	225.2	220.1
Tobacco	\$/mt	4,109.1	3,879.5	3,793.9	3,732.9	3,672.9	3,612.1	3,550.6	3,488.7	3,426.6	3,364.9	3,303.6	3,243.0	3,183.3
<b>Fertilizers</b>														
DAP	\$/mt	425.1	424.9	429.7	422.9	416.2	409.4	402.6	395.7	388.8	381.8	375.0	368.2	361.6
Phosphate rock	\$/mt	137.0	129.3	118.8	114.7	110.8	106.9	103.1	99.4	95.8	92.3	89.0	85.7	82.5
Potassium chloride	\$/mt	373.1	360.2	347.4	337.8	328.6	319.4	310.3	301.3	292.5	283.9	275.5	267.3	259.4
TSP	\$/mt	377.8	364.9	356.5	349.8	343.2	336.6	329.9	323.3	316.6	310.0	303.5	297.1	290.8
Urea, E. Europe, bulk	\$/mt	311.7	300.2	292.5	286.7	280.9	275.2	269.4	263.7	257.9	252.3	246.7	241.2	235.8
<b>Metals and Minerals</b>														
Aluminum	\$/mt	1,700.3	1,708.8	1,737.0	1,738.5	1,740.1	1,740.8	1,740.6	1,739.8	1,738.3	1,736.4	1,734.2	1,731.8	1,729.2
Copper	\$/mt	6,706.8	6,512.1	6,399.4	6,293.6	6,189.6	6,084.3	5,977.9	5,871.0	5,764.0	5,657.4	5,551.8	5,447.6	5,344.8
Iron ore	\$/dmt	126.6	124.7	125.2	124.2	123.2	122.2	121.1	119.9	118.8	117.6	116.4	115.2	114.0
Lead	€/kg	198.4	195.8	196.6	194.7	193.0	191.1	189.2	187.2	185.1	183.1	181.0	178.9	176.9
Nickel	\$/mt	13,225	13,856	14,627	14,598	14,569	14,533	14,490	14,441	14,388	14,330	14,271	14,210	14,148
Tin	€/kg	2,078.2	2,050.6	2,056.9	2,050.3	2,043.7	2,036.1	2,027.6	2,018.2	2,008.2	1,997.8	1,987.0	1,976.1	1,965.0
Zinc	€/kg	179.5	198.6	201.1	200.1	199.1	198.0	196.8	195.5	194.2	192.8	191.5	190.0	188.6
<b>Precious Metals</b>														
Gold	\$/toz	1,303.6	1,256.2	1,234.2	1,212.7	1,191.6	1,170.3	1,148.9	1,127.3	1,105.8	1,084.4	1,063.2	1,042.4	1,021.8
Platinum	\$/toz	2,125.4	2,096.8	2,084.4	2,057.7	2,031.3	2,004.3	1,976.7	1,948.7	1,920.4	1,892.0	1,863.7	1,835.6	1,807.8
Silver	€/toz	1,398.0	1,339.4	1,279.9	1,248.1	1,217.2	1,186.5	1,155.9	1,125.7	1,095.9	1,066.6	1,037.9	1,009.9	982.5

Next update: January 2014

**Table A4** World Bank Indices of Commodity Prices and Inflation, 2010=100

Released: October 15, 2013

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Price indices in nominal US dollars</b>													
Energy	128.5	129.5	126.0	124.8	124.4	124.2	123.9	123.8	123.7	123.6	123.6	123.6	123.7
Non-energy commodities	100.5	100.3	100.0	100.0	100.1	100.1	100.2	100.4	100.4	100.5	100.5	100.6	100.7
Agriculture	105.6	104.8	103.9	103.8	103.7	103.6	103.5	103.6	103.5	103.4	103.3	103.2	103.1
Beverages	82.5	83.8	83.4	83.4	83.5	83.6	83.7	83.8	83.8	83.9	84.0	84.1	84.2
Food	115.1	111.9	109.5	108.9	108.3	107.6	107.0	106.4	105.8	105.1	104.5	103.9	103.3
Fats and oils	115.0	109.8	107.1	106.3	105.6	105.0	104.3	103.6	102.9	102.2	101.6	100.9	100.2
Grains	126.3	124.6	122.0	121.2	120.5	119.7	118.9	118.1	117.4	116.6	115.8	115.1	114.3
Other food	104.9	103.1	101.5	101.0	100.6	100.2	99.8	99.4	99.0	98.6	98.2	97.7	97.3
Raw materials	94.3	98.2	100.5	101.7	102.8	104.0	105.3	106.9	107.9	109.0	110.0	111.1	112.2
Timber	101.8	108.7	112.1	114.2	116.3	118.4	120.7	123.6	125.4	127.3	129.1	131.0	132.9
Other Raw Materials	86.1	86.8	87.9	88.0	88.2	88.3	88.4	88.6	88.8	88.9	89.1	89.3	89.6
Fertilizers	113.8	111.8	108.8	107.7	106.6	105.5	104.5	103.4	102.4	101.4	100.4	99.4	98.4
Metals and minerals a/	88.4	89.8	90.9	91.4	91.9	92.4	92.9	93.4	93.9	94.4	95.0	95.5	96.1
Base Metals b/	87.6	89.1	90.2	90.7	91.2	91.6	92.1	92.6	93.2	93.7	94.2	94.7	95.3
Precious Metals	111.8	110.7	110.0	109.7	109.3	109.0	108.7	108.4	108.0	107.7	107.4	107.0	106.7
<b>Price indices in real 2010 US dollars c/</b>													
Energy	121.4	119.6	115.2	112.5	110.7	108.9	107.1	105.3	103.6	102.0	100.4	98.8	97.2
Non-energy commodities	94.9	92.6	91.4	90.2	89.0	87.8	86.6	85.4	84.1	82.9	81.6	80.4	79.2
Agriculture	99.7	96.8	95.0	93.6	92.2	90.8	89.5	88.1	86.7	85.3	83.8	82.4	81.0
Beverages	77.9	77.4	76.2	75.2	74.3	73.3	72.3	71.3	70.3	69.2	68.2	67.2	66.2
Food	108.7	103.3	100.1	98.2	96.3	94.4	92.4	90.5	88.6	86.7	84.8	83.0	81.2
Fats and oils	108.7	101.4	97.9	95.9	94.0	92.0	90.1	88.1	86.2	84.3	82.4	80.6	78.8
Grains	119.3	115.1	111.6	109.3	107.1	104.9	102.7	100.5	98.3	96.2	94.0	91.9	89.9
Other food	99.1	95.3	92.7	91.1	89.5	87.9	86.3	84.6	83.0	81.3	79.7	78.1	76.5
Raw materials	89.1	90.7	91.9	91.7	91.5	91.2	90.9	91.0	90.4	89.9	89.3	88.8	88.2
Timber	96.1	100.4	102.5	102.9	103.4	103.8	104.2	105.2	105.1	105.0	104.8	104.7	104.5
Other Raw Materials	81.4	80.1	80.4	79.4	78.4	77.4	76.4	75.4	74.4	73.4	72.4	71.4	70.4
Fertilizers	107.5	103.3	99.5	97.1	94.8	92.5	90.3	88.0	85.8	83.6	81.5	79.4	77.3
Metals and minerals a/	83.5	82.9	83.1	82.4	81.7	81.0	80.2	79.5	78.7	77.9	77.1	76.3	75.5
Base Metals b/	82.8	82.3	82.5	81.8	81.1	80.4	79.6	78.8	78.1	77.3	76.5	75.7	74.9
Precious Metals	105.6	102.2	100.6	98.9	97.3	95.6	93.9	92.2	90.5	88.8	87.2	85.5	83.9
<b>Inflation indices, 2010=100 d/</b>													
MUV index e/	105.9	108.3	109.4	110.9	112.4	114.1	115.7	117.5	119.4	121.2	123.2	125.2	127.2
% change per annum	(1.6)	2.3	1.0	1.4	1.4	1.4	1.5	1.5	1.6	1.6	1.6	1.6	1.6
US GDP deflator	105.9	108.3	111.0	113.6	116.4	119.2	122.1	125.1	128.1	131.2	134.4	137.7	141.0
% change per annum	2.1	2.2	2.5	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4

**Notes:**

a/ Base metals plus iron ore

b/ Includes aluminum, copper, lead, nickel, tin and zinc

c/ Real price indices are computed from unrounded data and deflated by the MUV index.

d/ Inflation indices for 2013-2025 are projections

e/ Unit value index of manufacture exports (MUV) in US dollar terms for fifteen countries (Brazil, Canada, China, Germany, France, India, Italy, Japan, Mexico, Republic of Korea, South Africa, Spain, Thailand, United Kingdom, and United States).

Next update: January 2014

## Description of price series

**Coal (Australia)**, thermal, f.o.b. piers, Newcastle/Port Kembla, 6,700 kcal/kg, 90 days forward delivery beginning year 2011; for period 2002-2010, 6,300 kcal/kg (11,340 btu/lb); prior to year 2002, 6,667 kcal/kg (12,000 btu/lb).

**Coal (Colombia)**, thermal, f.o.b. Bolivar, 6,450 kcal/kg, (11,200 btu/lb) ; during years 2002-July 2005 11,600 btu/lb, less than .8% sulfur, 9% ash , 90 days forward delivery

**Coal (South Africa)**, thermal, f.o.b. Richards Bay, 90 days forward delivery; 6,000 kcal/kg, during 2002-2005, 6,200 kcal/kg (11,200 btu/lb); during 1990-2001 6390 kcal/kg (11,500 btu/lb)

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

**Crude oil**, U.K. Brent 38` API.

**Crude oil**, Dubai Fateh 32` API.

**Crude oil**, West Texas Intermediate (WTI) 40` API.

**Natural Gas (Europe)**, average import border price, including UK. As of April 2010 includes a spot price component. Between June 2000 - March 2010 excludes UK.

**Natural Gas (U.S.)**, spot price at Henry Hub, Louisiana.

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

**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.

**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.

**Tea**, average three auctions, arithmetic average of quotations at Kolkata, Colombo and Mombasa/Nairobi.

**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.

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

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

**Groundnuts** (US), Runners 40/50, shelled basis, c.i.f. Rotterdam

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

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

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

**Soybean meal** (any origin), Argentine 45/46% extraction, c.i.f. Rotterdam beginning 1990; previously US 44%.

**Soybean oil** (Any origin), crude, f.o.b. ex-mill Netherlands.

**Soybeans** (US), c.i.f. Rotterdam.

**Barley** (US) feed, No. 2, spot, 20 days To-Arrive, delivered Minneapolis from May 2012 onwards; during 1980 - 2012 April Canadian, feed, Western No. 1, Winnipeg Commodity Exchange, spot, wholesale farmers' price

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

**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 indica-

tive survey price, government standard, f.o.b. Bangkok.

**Rice** (Thailand), 100% broken, A.1 Super from 2006 onwards, government standard, f.o.b. Bangkok; prior to 2006, A1 Special, a slightly lower grade than A1 Super.

**Rice** (Vietnam), 5% broken, WR, milled, weekly indicative survey price, Minimum Export Price, f.o.b. Hanoi.

**Sorghum** (US), no. 2 milo yellow, f.o.b. Gulf ports.

**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.

**Bananas** (Central & South America), major brands, free on truck (f.o.t.) Southern Europe, including duties; prior to October 2006, f.o.t. Hamburg.

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

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

**Meat, beef** (Australia/New Zealand), chucks and cow forequarters, frozen boneless, 85% chemical lean, c.i.f. U.S. 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).

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

**Shrimp**, (Mexico), west coast, frozen, white, No. 1, shell-on, headless, 26 to 30 count per pound, wholesale price at New York.

**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), nearby futures contract, c.i.f.

**Sugar** (world), International Sugar Agreement (ISA) daily price, raw, f.o.b. and stowed at greater Caribbean ports.

**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.

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

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

**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.

**Woodpulp** (Sweden), softwood, sulphate, bleached, air-dry weight, c.i.f. North Sea ports.

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

**Rubber** (Asia), RSS3 grade, Singapore Commodity Exchange Ltd (SICOM) nearby contract beginning 2004; during 2000 to 2003, Singapore RSS1; previously Malaysia RSS1.

**Rubber** (Asia), TSR 20, Technically Specified Rubber, SICOM nearby contract.

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

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

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

**TSP** (triple superphosphate), bulk, spot, beginning October 2006, Tunisian origin, granular, fob; previously US origin, f.o.b. US Gulf.

**Urea**, (Black Sea), bulk, spot, f.o.b. Black Sea (primarily Yuzhnyy) beginning July 1991; for 1985-91 (June) f.o.b. Eastern Europe.

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

**Copper** (LME), grade A, minimum 99.9935% purity, cathodes and wire bar shapes, settlement price. Iron ore (any origin) fines, spot price, c.f.r. China, 62% Fe beginning December 2008; previously 63.5%.

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

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

**Tin** (LME), refined, 99.85% purity, settlement price.

**Zinc** (LME), high grade, minimum 99.95% purity, settlement price beginning April 1990; previously special high grade, minimum 99.995%, cash prices .

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

**Platinum** (UK), 99.9% refined, London afternoon fixing.

**Silver** (UK), 99.9% refined, London afternoon fixing; prior to July 1976 Handy & Harman. Grade prior to 1962 unrefined silver.