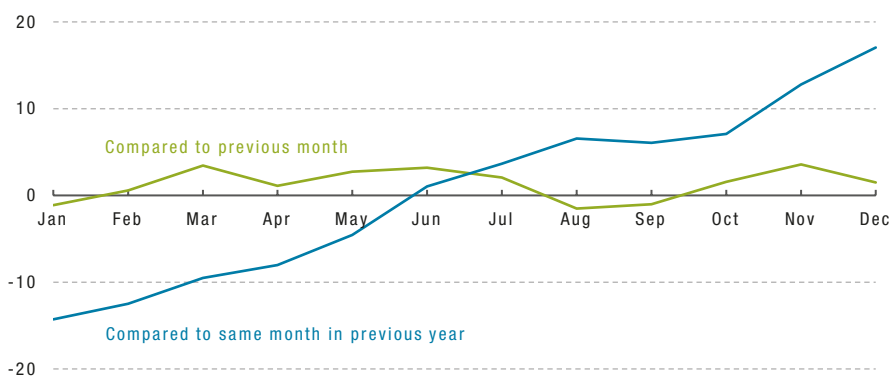




Commodities free-market prices

In 2016, free market prices of the main commodities exported by developing economies showed, on average, a moderate and steady month-on-month growth. As a result, in the second half of the year commodity prices were higher than the previous year, and in December the year-on-year growth rate reached 16 per cent. Thus, 2016 marked a trend reversal after years of decline. This can be expected to have a positive impact on the terms of trade for developing economies with a strong reliance on commodities exports.

Figure 2 | Growth in commodity prices, 2016
(Percentage change of the commodity price index)

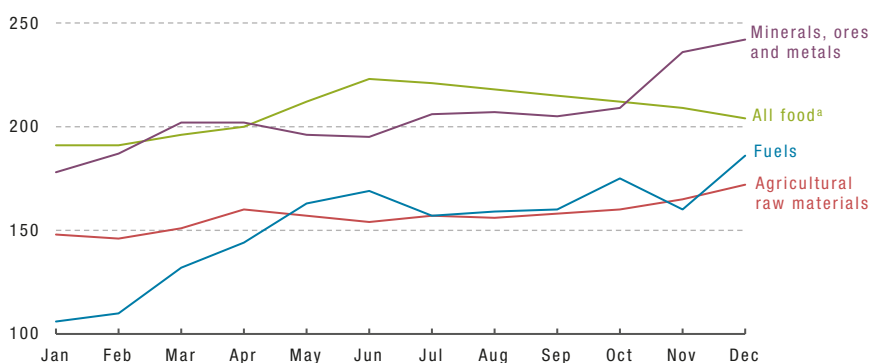


Note: Price index based on special drawing rights.

Prices of the different commodity groups

Price increases across commodity groups were not synchronous. In the first half of 2016, the strongest growth was recorded in the prices of fuels and all food, particularly vegetable oilseeds and oils; in the second half of the year, prices increased mainly for minerals, ores and metals and agricultural raw materials. By contrast, prices for all food steadily fell during the second half of the year, driven by a fall in prices of food other than tropical beverages, vegetable oilseeds and vegetable oils.

Figure 3 | Price indices by commodity group, 2016
(2000=100)



^a All food contains: food in the narrower sense, tropical beverages, vegetable oilseeds and oils.

Note: Price indices based on United States dollars.

For references, see UNCTAD Handbook of Statistics 2017, annex 6.4.

Low growth
of
consumer prices
in the developed world



Many important
exporters' currencies
devalued further
compared
with the
United States
dollar



Commodity prices
increased
almost continuously
over the year



Fuel prices
went up by 70%
during the first half
of 2016

