

International prices of select commodities

5.33 In an open economy, domestic prices react to movement of prices of various commodities in the world markets. International prices of edible oils, cereals and metals witnessed sharp increases in January

2007 relative to the prices that prevailed in October-December 2005 quarter (Table 5.11). Domestic production shortfalls in wheat and maize, and dependency on imports for metals and edible oils, transmitted the international price shocks to domestic prices.

Table 5.11 : International prices of select commodities (quarterly averages)

Commodity	Unit	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Dec	Jan	Increase in Jan 2007 relative to Oct.-Dec. 2005 (per cent)
		2005	2006	2006	2006	2006	2006	2007	
Coal, Australia	\$/mt	39.6	46.9	52.6	50.3	46.6	49.8	51.3	29.6
Crude oil, avg, spot	\$/bbl	56.6	61.0	68.3	68.8	59.0	61.0	53.5	-5.4
Tea, auctions (3), average\$	c/kg	166.2	178.7	192.3	195.6	182.4	182.8	175.3	5.5
Coconut oil	\$/mt	574.0	578.3	578.7	599.1	671.2	731.7	731.0	27.4
Groundnut oil	\$/mt	963.0	917.7	896.3	946.3	1120.4	1174.0	1180.0	22.5
Palm oil	\$/mt	438.3	436.4	438.7	492.7	542.8	583.0	599.0	36.7
Soybean oil	\$/mt	558.7	535.3	576.3	620.3	662.2	696.7	696.0	24.6
Maize	\$/mt	99.8	105.0	109.3	117.4	155.7	160.4	165.4	65.7
Rice, Thailand, 5%	\$/mt	281.6	298.8	307.6	312.4	300.3	305.0	313.0	11.2
Wheat, US, HRW	\$/mt	164.5	173.8	189.6	196.1	208.7	204.3	196.1	19.2
Sugar, world	c/kg	26.3	37.5	36.5	30.6	26.0	25.5	24.1	-8.3
Cotton A Index	c/kg	126.1	129.0	121.8	128.4	127.6	130.5	130.8	3.7
Urea, E. Europe, bulk	\$/mt	224.7	219.2	228.1	210.4	234.0	254.7	269.8	20.1
Aluminum	\$/mt	2075.6	2420.8	2653.3	2481.8	2723.7	2813.6	2809.3	35.4
Copper	\$/mt	4302.0	4939.9	7210.4	7670.0	7068.2	6675.1	5669.7	31.8
Lead	c/kg	104.9	124.2	110.0	119.0	162.7	172.6	166.6	58.8
Nickel	\$/mt	12649.3	14810.5	19924.6	29153.5	33129.0	34570.3	36811.1	191.0
Steel cr coilsheet	\$/mt	750.0	750.0	666.7	700.0	658.3	650.0	650.0	-13.3
Tin	c/kg	643.2	760.6	852.9	865.3	1033.5	1115.9	1136.2	76.6
Zinc	c/kg	164.0	224.2	329.2	336.3	420.4	440.5	378.7	130.8

\$ Arithmetic average of prices at three auction center—Kolkata, Colombo and Manbasa/Nairobi.