

Hamburg Institute of International Economics (HWWA) (Ed.)

Article — Digitized Version

## Raw material markets: Vigorous rise of raw material prices

Intereconomics

*Suggested Citation:* Hamburg Institute of International Economics (HWWA) (Ed.) (1969) : Raw material markets: Vigorous rise of raw material prices, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 04, Iss. 6, pp. 200-, <https://doi.org/10.1007/BF02930608>

This Version is available at:

<https://hdl.handle.net/10419/138217>

### Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

### Terms of use:

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*

crease of industrial production and herewith of consumption of raw materials in the Western industrial nations must be expected. The raw material prices will also not continue their upward development. Under these conditions it is improbable that the imports of the developing countries will increase as rapidly as they have done up to now.

### **1969: Difference in International Economic Growth**

The economic growth in the industrial nations is to be estimated to about 4.5 p.c. on the average for the year 1969 (increase of the gross national product in real terms). During the course of the year demand

expansion will nevertheless weaken. The growth rate in the EEC member countries will be with an average of 5.5 p.c. considerably higher than in the Anglo-Saxon countries, where it will total 3 to 3.5 p.c. Hereby it is insinuated that a new sharpening of the international balance of payments problems will not enforce drastic economic policy interferences. Despite the differentiated expansion there is no sign for an equilibrium of the streams of transactions. As long as the Western world shrinks back from a correction of the rate of exchange distortions, it will because of this fact again have to take into the bargain economic growth losses.

duced stocks after the dockers' strike had ended.

A significant contribution to the price rise in the market for industrial raw materials was made by the American Stockpile Office through the announcement to restrict its raw material purchases or not to start them too soon, respectively. This way, the stockpile purchases of copper for the production of military goods were reduced and instead the obligation of firms to supply copper out of the current production was increased. In the case of tin and caoutchouc the hitherto fixed level of the strategical reserve was raised, and only in the case of lead an expansion of purchases was announced.

In the further course of this year, a remarkable change of the price level in the markets for industrial raw materials can hardly be expected. True, the rise in the demand for raw materials will slow down in connection with the dampening of the business upswing in the Western world, but the then possible weakening of prices will be very limited. For, producers will reduce the offer of individual raw materials by backings (lead), production reductions (zinc) and export quotas (tin), in order to stabilise prices.

## **Raw Material Markets**

### **Vigorous Rise of Raw Material Prices**

In the international markets for industrial raw materials the continuously strong rise of demand led—during the first months of 1969—to a continuation of the price increase, which had started in autumn of last year. Above all, non-ferrous metals and caoutchouc became dearer, whilst prices for cotton and wool declined somewhat. On the whole, the price level in the markets for industrial raw materials has, since the beginning of this year, increased by 4.5 p.c. It thus lies by 8 p.c. above the previous year's level. It has, however, to be taken into con-

sideration that at that time especially copper prices had considerably declined after the preceding boom.

The background of the brisk demand for raw materials during the last months was the continuously strongly expanding industrial production in the Western world. In addition, processors and traders made provident purchases, because of the possibility of new currency corrections and strikes in some production fields. In the USA, processors moreover had to refill their considerably re-

---

*Compiled by the Department for Business Trends Research of the Hamburg Institute for International Economics*

**PUBLISHER:** The Hamburg Institute for International Economics (Hamburgisches Welt-Wirtschafts-Archiv), Director: Prof. Dr. Heinz-Dietrich Ortlieb, and The German Overseas Institute (Deutsches Übersee-Institut), President: Prof. Dr. Dr. h. c. Andreas Predöhl

#### **EDITORIAL BOARD:**

**Chief Editor:** Dr. Dietrich Kobschull

**Assistant Chief Editor:** Wolfgang Reisener

**Editor:** Hubert Höping. Sub-editors: Otto Gustav Mayer, Carsten Moser

**Editorial Production:** Regina Kobschull, Helga Lange

**Address:** Eppendorfer Landstrasse 106, 2 Hamburg 20, Phone: (0411) 47 11 74 05/06

#### **PRODUCTION AND DISTRIBUTION:**

**Verlag Weltarchiv GmbH, Hamburg**

**Advertisements:** Representative Dr. Hans Klemen

**Advertising Price List:** No. 12 of January 1, 1968

**Rates of Subscription:** Single Issue: DM 4.20 (US\$ 1); Annual rate: DM 48.— (US\$ 12) (Students: DM 24.— (US\$ 6))

**Publication Dates:** monthly

**Printing:** Otto Schwitzke, Hamburg

**Address:** Eppendorfer Landstrasse 106, 2 Hamburg 20, Phone: (0411) 46 10 19 and 46 10 10

Copyright by Verlag Weltarchiv GmbH