

Price Hot Spots

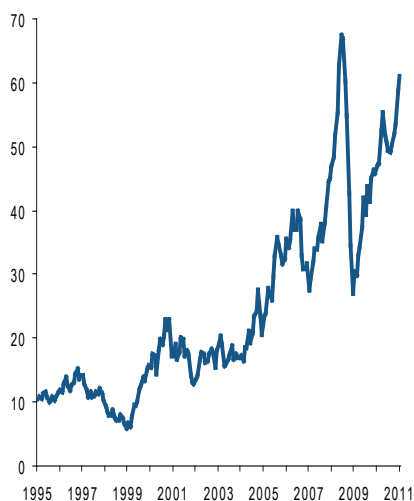
Note: PMI price data are derived from UK, Ireland, Germany, France, Italy, Russia, India and China surveys.

ENERGY

OIL

Oil prices rose further in January, with Brent Crude reaching an average of £61.10 per barrel, up from £58.80 in December. That was its highest level since July 2008.

Brent Crude, £ per barrel

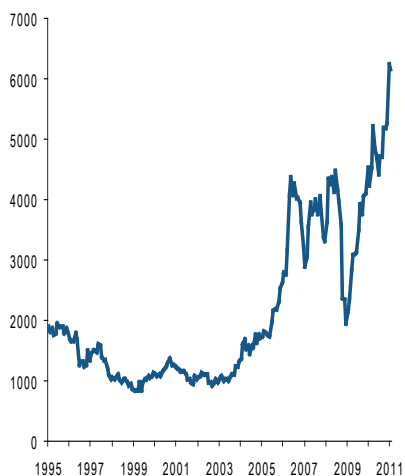


Source: EcoWin, Crude Oil Brent, 38% API, fob, London

METALS

COPPER

LME Copper, £ per tonne



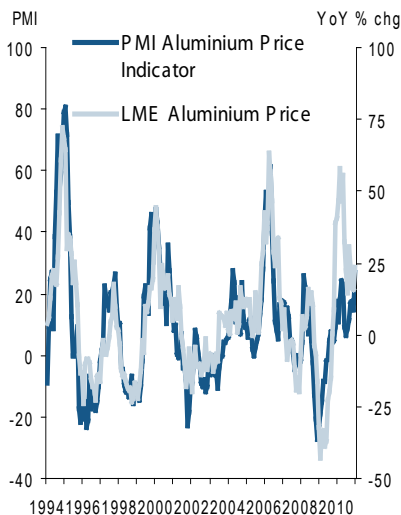
Source: EcoWin, LME Copper

Copper prices eased slightly in January but remained close to December's record. LME copper traded at a monthly average of £6,158 per tonne, down from £6,245.

ALUMINIUM

Aluminium prices slipped slightly during January following December's peak. LME aluminium averaged £1,573 per tonne, down from £1,578.

Aluminium



STEEL

Reports of higher steel prices were widespread in January. The PMI Steel Price Indicator climbed to its highest level for eight months. LME steel averaged £352 per tonne, up from £336 in December, its highest level since April 2010.

ZINC

After hitting a nine-month high in December, zinc prices dropped in January. LME zinc averaged £1,479 per tonne, down from £1,560 in December.

NICKEL

LME nickel prices rose further in January, reaching the highest since June 2007. Nickel averaged £17,154 per tonne, up from £16,004.

GOLD

Gold prices pulled back in January following December's high. Gold traded at an average of £862 per ounce, down from £891.

PACKAGING

Higher prices for packaging items continued to be widely reported by purchasing managers in January.

FOOD

Food cost inflation remained strong in January, with cereals and livestock prices posting further increases. The PMI Food Price Indicator was little-changed from December's thirty-eight month high.

POLYMERS

Polymer costs continued to be driven higher by increased oil prices in January. This was signalled by the PMI Polymers Price Indicator rising to a twenty-nine month high.

CHEMICALS

Purchasing managers on Markit's worldwide PMI survey panels indicated growing chemical price pressures in January. The frequency of reported price rises was the highest since July 2008.

RUBBER

Rubber prices increased further in January, underpinned by strong global demand and limited supply. The PMI Rubber Price Indicator rose to its highest level for fifteen years.

PMI SURVEY PRICE INDEXES

The Price Indexes shown on this page are derived from Markit Economics' monthly Purchasing Managers' Index™ (PMI™) surveys. They are calculated from the number of purchasing managers that reports a specific item to have risen in price, less those reporting the item to have fallen in price. Each month's resulting net balance is adjusted to take into account variations in survey response rates.