HWWI Commodity Price Index increases in April

**Raw material prices tend inconsistently**

- Index for Energy Raw Materials increases by 3.5% (US Dollar basis)
- Index for Industrial Raw Materials declines by 1.0%
- Index for Food and Beverages increases by 2.3%

(Hamburg, May 5, 2023) The HWWI Commodity Price Index increased slightly in April, after falling sharply in the first quarter of 2023. It rose by 2.9% and was thus 35.6% below the value for the same month last year. The individual indices developed mixed in April. The Index for Energy Raw Materials rose by 3.5% and the Index for Food and Beverages rose by 2.3%. In contrast, the Index for Industrial Raw Materials fell by 1.0%

Index for Energy Raw Materials: Increase in sub-indices for crude oil (+6.3%) and coal (+5.3%), gas prices continue to fall (-3.3%)

The Sub-Index for Natural Gas fell again in April, by 3.3%. At 58.3%, it was significantly below the April 2022 value. The price development reflects the fact that trough savings, the establishment of new supply relationships and mild weather the winter went better than expected. For the gas supply in winter 23/24 however, the safety signal cannot yet be given, as the geopolitical situation remains very unclear.

The Sub-Index for Coal rose by 5.3% in April and was 41.5% below the value of the month of the previous year.

Crude oil prices also increased again in April, after having fallen significantly in the previous months. It remains to be seen whether this is a trend reversal. The Sub-Index for Crude Oil rose by 6.3% and was thus 21.2% below the April 2022 value.

*Overall, the Index for Energy Raw Materials increased by 3.5% (euro basis: 1.1%) to 215.7 points (euro basis: 225.3 points).*

Predominantly falling prices in Index for Industrial Raw Materials

The Index for Industrial Raw Materials fell by 1.0% in April and was thus 29.5% below the previous year’s level.

The Sub-Index for Non-Ferrous Metals rose by 0.9% in April, 25.3% below the April 2022 level. Among the non-ferrous metals, the volatile price development of tin continues to be
remarkable. The tin price rose by 7.6% in April. The reasons for this are its importance for modern technologies and the energy transition as well as the comparatively low market volume. Prices are also likely to have been driven up by various reports of a mining stop in the important tin-producing country of Myanmar.

The Sub-Index for Agricultural Raw Materials fell by 2.7% in April and was 37.1% lower than the value of the same month of the previous year. As in the previous month, the price of sawn timber fell the most within the sub-index (-8.0%). This means that the prices for sawn timber are still significantly below the previous year's level (-69.3%) and reflect the difficult situation in the construction industry. It can be observed that the continuing decline in prices for sawn timber is now also exerting pressure on the prices of other types of wood.

The Sub-Index for Iron Ore and Steel Scrap rose slightly by 4.0% in March and was 31.2% below the previous year's value.

*The Index for Industrial Raw Materials reached a value of 120.3 points (euro basis 125.5). The Index declines by 1.0% (euro basis -3.4%) on average for the month and was thus 29.5% lower than a year earlier.*

**Index for Food and Beverages continues increases slightly**

The Index for Food and Beverages increases by 2.3% in April compared to the previous month. It was thus 14.2% below the value of the same month last year.

The sugar price has risen most significantly. In April, it rose by 17.5% compared to the month before and was thus 25.2% above the level of the previous year. Experts see a poor sugar beet harvest last year as well as current crop declines as reasons. In addition, price increases for energy and fertiliser are also being passed on the sugar price.

The development of sunflower oil is remarkable. Sunflower oil was one of the products with large price increases after the start of the Russian war of aggression in Ukraine. In the meantime, the price is clearly below the previous year's level (-52.5%). Despite the war, Ukraine, as the world's largest exporter of sunflower oil, was able to export more than it has been initially feared. The fact that various food producers were able to partially replace the raw material with vegetable oil also had a price-reducing effect.

*Overall, the Index for Food and Beverages increased by an average of 2.3% for the month (euro basis: -0.1%) and stood at 156.0 points (euro basis: 162.6 points).*
Please note that the base year of the HWWI Commodity Price Index has been changed from 2015 to 2020. In addition, the weights by which the various prices are included in the index have been updated using new trade data. Information on the new weightings can be found here: https://www.hwwi-rohindex.de/ueber-den-index/

The HWWI Commodity Price Index is a comprehensive, weekly calculated indicator for the price developments on the world commodity markets, which contains the important internationally traded commodities. Since 1960, the HWWI Commodity Price Index has been measuring the price changes in the raw material import accounting of the industrialized countries. It is thus an indicator for the cost development of imported raw materials and serves, among others, central banks, research institutes and international institutions for their analyses.