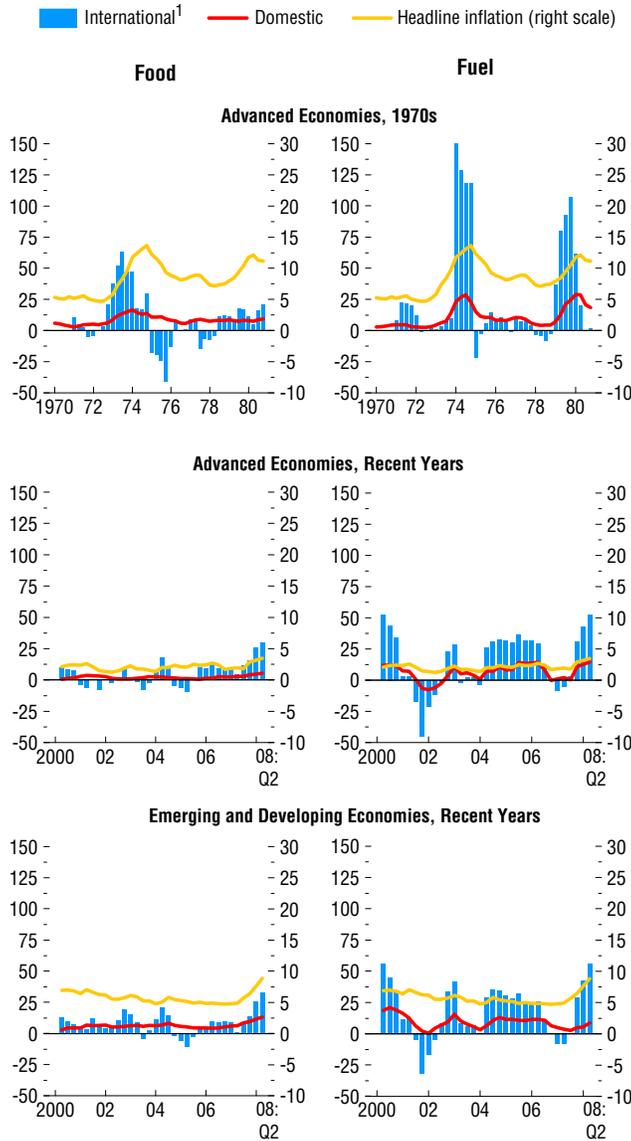


Figure 3.8. Changes in International and Domestic Commodity Prices and Headline Inflation

(Year-over-year changes, in percent)

Large changes in commodity prices characterized the 1970s, when inflation reigned in advanced economies. In comparison, recent price fluctuations have been modest, although in recent months domestic food prices have accelerated in emerging and developing economies, and domestic energy prices have surged in advanced economies, while inflation has picked up around the world.



Sources: IMF Primary Commodity Prices database; and IMF staff calculations.
¹International food and fuel prices are converted into local currencies. Food and fuel price indices in the 1970s include a narrower set of commodities for data availability reasons.