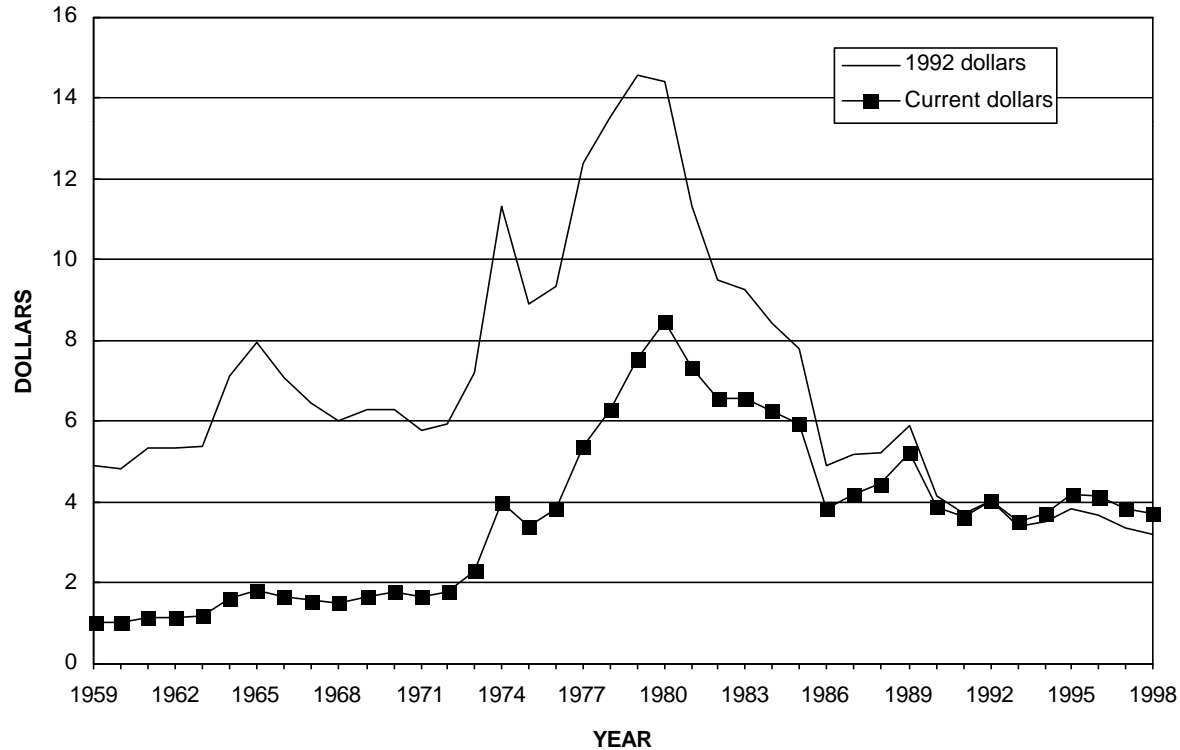


Annual Average U.S. Tin Price (Dollars per pound)



Significant events affecting tin prices since 1958

1956-85	International Tin Agreements (a continuous series of complex, global, 4-year pacts)
1973-80	Rampant inflation
1981-82	Sharp recession

Unique to tin has been its long history of commodity “agreements” dating back to 1921. These agreements were usually structured between producer countries and consumer countries on a complex global basis. The earlier agreements tended to be somewhat informal and sporadic; they led to the “First International Tin Agreement” in 1956, the first of a continuously numbered series that essentially collapsed in 1985. Through this series of agreements, the International Tin Council (ITC) had a considerable effect on tin prices during that 29-year period. The ITC was able to support the price of tin during periods of low prices by buying tin for its buffer stockpile and was able, to some degree, to restrain the

price during periods of high prices by selling tin from the stockpile. This was an anti-free-market approach, designed to assure a sufficient flow of tin to consumer countries and a decent profit for producer countries. During the 29-year run of the tin agreements, however, it was apparent that the buffer stockpile was not sufficiently large, especially to defend the artificial ceiling prices. Consequently, during most of those 29 years, tin prices rose, sometimes sharply, especially from 1973 through 1980 when rampant inflation plagued the American and many foreign economies.

During the late 1970’s and early 1980’s, the U.S. Government tin stockpile was in an aggressive selling mode,

partly to take advantage of the historically high tin prices. The sharp recession of 1981-82 proved to be quite harsh on the tin industry, as well as on the other metal-using industries of the United States and most industrialized countries. Tin consumption declined dramatically. The ITC was able to avoid truly steep declines through accelerated buying for its buffer stockpile; this activity required the ITC to borrow extensively from banks and metal trading firms to augment its resources. The ITC continued to borrow until late 1985, when it reached its credit limit. Immediately, a major “tin crisis” followed—tin was delisted from trading on the London

Metal Exchange for about 3 years, the ITC dissolved soon afterward, and the price of tin, now in a free-market environment, plummeted sharply to the \$4 per pound level (Roskill Information Services Ltd., 1995, p. 283-290). The price of tin has remained in that lower range since 1985, except for an excursion to the \$5 level in 1989.

Reference Cited

Roskill Information Services Ltd., 1995, *The economics of tin*: London, Roskill Information Services Ltd., 299 p.

Annual Average U.S. Tin Price (Dollars per pound¹)

Year	Price	Year	Price	Year	Price	Year	Price
1880	0.208	1910	0.341	1940	0.498	1970	1.741
1881	0.208	1911	0.423	1941	0.520	1971	1.673
1882	0.234	1912	0.461	1942	0.520	1972	1.775
1883	0.208	1913	0.443	1943	0.520	1973	2.276
1884	0.181	1914	0.343	1944	0.520	1974	3.963
1885	0.195	1915	0.386	1945	0.520	1975	3.398
1886	0.216	1916	0.435	1946	0.545	1976	3.798
1887	0.249	1917	0.618	1947	0.779	1977	5.346
1888	0.262	1918	0.888	1948	0.993	1978	6.296
1889	0.209	1919	0.633	1949	0.993	1979	7.539
1890	0.214	1920	0.483	1950	0.955	1980	8.460
1891	0.208	1921	0.299	1951	1.271	1981	7.331
1892	0.206	1922	0.326	1952	1.205	1982	6.539
1893	0.201	1923	0.427	1953	0.958	1983	6.548
1894	0.181	1924	0.502	1954	0.918	1984	6.238
1895	0.141	1925	0.579	1955	0.947	1985	5.960
1896	0.132	1926	0.653	1956	1.014	1986	3.832
1897	0.136	1927	0.644	1957	0.963	1987	4.188
1898	0.157	1928	0.504	1958	0.951	1988	4.414
1899	0.251	1929	0.452	1959	1.021	1989	5.202
1900	0.299	1930	0.317	1960	1.014	1990	3.863
1901	0.167	1931	0.245	1961	1.133	1991	3.628
1902	0.268	1932	0.220	1962	1.146	1992	4.024
1903	0.281	1933	0.391	1963	1.166	1993	3.498
1904	0.280	1934	0.522	1964	1.577	1994	3.691
1905	0.314	1935	0.504	1965	1.782	1995	4.156
1906	0.398	1936	0.464	1966	1.640	1996	4.124
1907	0.382	1937	0.543	1967	1.534	1997	3.815
1908	0.295	1938	0.423	1968	1.481	1998	3.733
1909	0.297	1939	0.503	1969	1.644		

¹ To convert to dollars per kilogram, multiply by 2.20462.

Note:

1880-1936, New York price for Grade A Straits (Malaysian) tin (99.85% pure), *in* Engineering and Mining Journal.
 1937-66, New York price for Grade A Straits (Malaysian) tin (99.85% pure), *in* E&MJ Metal and Mineral Markets.
 1967-76, New York price for Grade A Straits (Malaysian) tin (99.85% pure), *in* Metals Week.
 1976-98, Metals Week composite price, *in* Metals Week (through June 14, 1993) and Platt's Metals Week.