



IMF gold by the numbers

103.4 million fine ounces
IMF gold holdings

\$8.5 billion (SDR 5.8 billion)
value on IMF books

\$63.4 billion (at \$613.5 /oz.)
market value

Lipsky, Caruana join IMF

IMF Managing Director Rodrigo de Rato has recruited two top names to join the Fund. John Lipsky, previously the Vice Chairman of the JPMorgan Investment Bank, will take over as First Deputy Managing Director from Anne Krueger, who steps down on August 31. Jaime Caruana, the former Governor of the Banco de España, Spain's central bank, will take the position of Counsellor and Director of a new IMF department that will be responsible for all aspects of the Fund's financial, capital market, and monetary work.

Lipsky, who earlier held senior positions at Chase Manhattan Bank and Salomon Brothers, Inc., had chaired a Financial Sector Review Group, set up by former



Lipsky

Caruana

Managing Director Horst Köhler in 2000, to provide the IMF with an independent perspective on how the Fund should organize its financial sector and

capital market work. The new department headed by Caruana will be created from the merger of two existing departments, the International Capital Markets Department (ICM) and the Monetary and Financial Systems Department (MFD).

Caruana, who had been head of Spain's central bank since 2000, was also the Chairman of the Basel Committee on Banking Supervision and, in that capacity, a member of the Financial Stability Forum. Prior to joining Banco de España, Caruana served as Director of the Spanish Treasury and headed investment services and fund management companies for some 10 years.

Flying more

Scheduled passenger traffic on the world's airlines is expected to show robust growth over the next three years. With the anticipated good performance of the world economy, airline traffic is expected to rise by 6.1 percent in 2006, 5.8 percent in 2007, and 5.6 percent in 2008, the UN International Civil Aviation Organization said in July. The Middle East will show the highest average annual growth rate of about 10.7 percent (12 percent for 2006, 10.5 percent for 2007, and 9.5 percent for 2008).

Events in 2006

September 14–15, New York, United States

United Nations Conference on Migration and Development

September 19–20, Singapore

Annual Meetings of the IMF and World Bank

November 9–10, Washington, D.C.

Jacques Polak Seventh Annual Research Conference, IMF

November 17–18, Rio de Janeiro, Brazil

Rio 6: World Climate and Energy Event

November 18–19, Hanoi, Vietnam

14th Asia-Pacific Economic Cooperation Economic Leaders' Meeting

Population pressures

Although farm production is expanding faster in developing countries than in developed economies, the poorest nations will increasingly depend on world markets. They will thus be more vulnerable to price fluctuations because their own growth is not keeping pace with their population increase, according to a United Nations report.

The joint study by the UN Food and Agriculture Organization (FAO) and the 30-member Organization for Economic Cooperation and Development (OECD) of industrial countries calls for greater investment in education, training, and infrastructure in these countries to improve production capacity.

In developing countries as a whole, rising incomes and increasing urbanization are changing people's diets, increasing the demand for, and imports of, meat and processed foods in particular, but also for the animal feed needed for their production, according to the *OECD-FAO Agricultural Outlook 2006-2015*.

Growing market opportunities in certain developing countries are coupled with a shift in production and exports of farm commodities away from OECD countries toward other developing economies. This trend is expected to increase over the next 10 years and, as a result, global competition among exporters will get tougher, the report says.

With likely strong energy prices, production of bioenergy from cereals, oilseeds, and sugar is expected to grow, creating additional demand, especially for coarse grains to produce bio-diesel as a substitute for oil-based fossil fuels.



Harvesting sugar cane in Guatemala.