

expected, but neither is a buoyant economy. Interest rates will be high.

But so much for all the bad news. Now, let's talk about the good news.

Having said all of the above about weak demand and price resistance and, in fact, despite of them, I am still of the opinion that for our important species or products, prices will generally be up this year compared to last year. This is mainly because noticeable SHORTAGES are expected in many cases.

But it is also because the US dollar will likely remain steadily weak throughout this year against such major currencies as the yen, the German mark and the British pound. Last year, the short-term strength of the dollar was, indeed, a big influence in pulling prices down during the second and third quarters. The national elections may have had a lot to do with it. This year, some stability may be expected.

As we all know, the impact of the dollar value is very important to some products. One such product is COD BLOCK.

My theory is simple. When cod block prices collapsed in 1984, the strong value of the dollar vis-a-vis the British pound and the German mark was as much a factor as excess supply. In late 1987 and early 1988, the weakness of the dollar had a lot to do with the price going up to US\$ 2.00 a pound. This, perhaps, contributed some 30 to 50 cents to the price.