"However, it is difficult to say to what extent this trend is permanent in character and how far the countries producing primary commodities, including under-developed countries, some of which have been considerably handicapped by the growing scarcity of capital goods, can be said to have achieved external financial stability. Primary commodities are more liable than industrial products to serious price fluctuations, and under the special circumstance of stockpiling having constituted one of the main factors for the raising of those prices, particular consideration should be given to the saturation point of such a process in which a recession of demand is the natural consequence.

"Another fact to be stressed is that the "ceiling-prices" policy applied to primary products is not as flexible as the one applied to industrial products. This may lead the prices of industrial products to such an advance as compared to the price level of primary commodities that may affect the improvement of the account position of producing countries, after a certain length of time. Hence the maintenance of larger financial reserves by countries concerned, becomes necessary, to avoid more serious difficulties."