The market's predictions are different. So we have a lot of different goods in the world. The research process and prediction in a market of manufactured good they are differed from the research and a prediction in mineral resources' markets. So we can't use equal methods and equal ways of forecasting for all markets. We must take in account some specific features of goods, which are sold in the international trade. When we examine the mineral resources markets as usual we see that the dynamic of price's movement is characterized by large amplitude of swings. Such feature is typical for oil markets, so the situation can be to have been changed in a short time. So this feature is an obstacle for a prediction. While research these markets you can catch some determinant or main trends in its movement. This helps you to predict the nearest changes. For what we do this research? If for seller - they need to have a short-terms forecasting about the price's movement. They need to have an opportunity to work out an optimum tactic in the markets for their firms. They can plan their goods" distribution, they can plan their sales within the year. So in such way these firms can be provided by the maximum quantity of goods for export in the most favoured periods, because they can use the world market's situations. And in opposite cases, if you do some research work for buyers - it can give them an opportunity to minimize their sum expenditures within the same year. During this period they can make some beforehand plans for physical quantity of goods for import.

A world's market as an object of a researchment and prediction has a very difficult hierarchy [haiəra:ki]. This structure is formed by an influence of a wide number of factors, like economic, political and social factors. So as we examine this object like a big complicated system with a high-developed infrastructure. This object or system has itself behaviour and its own elements and subsystems. And these elements and subsystems have their separate behaviour. In your researchment you must connect all these factors, the main features of the object and its elements, which are in constant interaction with their high activity and dynamic from the one side, and, from the other side, with a quick adaptation.

The world market is a sensitive reflection of all events, which had happened in the past and modern times, and which will be had happened in the future. The world market reflects all changes in the science-technological progress, in the national and world price's formation, and also it reflects the role of states and international associations which play a big role in a management and regularity in international economic relations. Thus, we can suggest, that timely estimation of the world market's development in

perspectives is the necessary condition and precondition for achievement in foreign activities' efficiency. But the research the object in the whole and in its separate parts must be done permanently as for the government services, so for the analysis departments of big companies, which takes part in an international trade.

The opportunity of making and using predictions about possible changes in a future has a big importance for a firm's effective function and for getting some advantages in the market economy. The targets of the research work are a result –a prediction, which must be provided by a head information for the persons, who have rights to make decisions.

These persons can lead more successful business using such information, like proved auspicious (ɔ̃:s'piʃəs, благоприятные) conditions (If the conditions are good and permit to get advantages). So this permits to get more profits if the situation is favored for their business. But in another case you can avoid some losses if you know about the possibility of running up least favorable conditions.

Now you have to remember that the predictions are provided by the fulfillment of the next tasks:

1. The first task is a definition of the possible economic targets, scientific and technological goals, which can be accepted by any firm or other types in enterprises and business organizations, which have operations in a foreign trade.
2. The second task is next: you must take in account and reveal all limitations which influenced the object or develop process. It's need to examine all science-technological trends with their consequences (sequels) in social and economic development.
3. The third task is: the analyzing of economic development's trends, social and political conditions, the conditions of environment.
4. The forth task is to reveal and to test all possible alternative ways of moving and reaching the perspective targets, this task is founded on the analysis about possible moving up and down of current events.
5. The fifth task is to mark: what labor, material and technological resources and also environmental resources can be needed for achieving the resolved targets.

So, now we can establish the next conclusion: a prediction as a result of a research and investigative process is a probable judgment (scientific proved) about perspectives, possible conditions of some objects or some appearances in the future and about alternative ways and dates of their practicability.

The process is a scientific research connected with the working out (elaboration) of results and making forecasts. The final conclusions and recommendations are the first stage of work and a foundation of firms' preliminarily planned strategy for future functions during some periods (a month, a quarter, a year etc.). If a firm has a clear notion about the perspective trends of development in a national and an international markets, about it's needs and possibilities, this permits us to define the perspective line for further development and to get positive effects in some business. These possibilities help to estimate the necessary of radical transformations in production and scientific investigations. This research starts from the estimating the common trends of development or from the knowing the specific features in the object. It's necessary to take in account everything that is differed from the current situation from a future.

The next step is a definition the cycle's phase. But the industrial production and the mining industry never are in same phase of an industrial cycle at the same time, the reaction of fuel goods markets is delayed for some time. The crisis phase begins later because of a low elasticity. It's important to know, so the defined moment can be chosen in the beginning of crises phase or in the final period of this phase. And if the period of research belongs to growth phase of the cycle, we must know if the pick of this phase has been overcame. It's also important to define the temps of growth and their real meanings.

There are a great number of difference methods of forecasting in the modern time, more then about four hundreds. All these methods are used in economic and conjuncture researches; we subdivide them into the next groups:

The first group is the group of extrapolation's methods.

The second group is the group of economic and mathematic modulating, methods of prognostic models' creation (These methods include economic and mathematic models, methods of cluster analysis, methods with using of computer's programs etc.).

The third group is a group of experts' estimations.

The forth group is a group of normative models.

The extrapolation's methods are passive methods of forecasting, so they are concluded in a continuation the current trends into future. Their regularities are known quite well in the past and in a modern time.

The group of methods of forecast's models' creation is the biggest and it includes a lot of different methods from simple models till the enough complicated methods, like moving-average models, multifactor models, and

models which are created by computer's programs and others models of a long-term forecast for the world markets. Very hard demands are applied to this information, which we use. This information can exclude anomalous events {(non-characterized) occurrences of values} in the temporal row. This statement means that we use an analysis of complex approaches.
Firstly, in preparing the information for researchment we usually use the next formula:

Y= Yt+1 auto progressive model

or

Y = Y t-1 autoregressive model

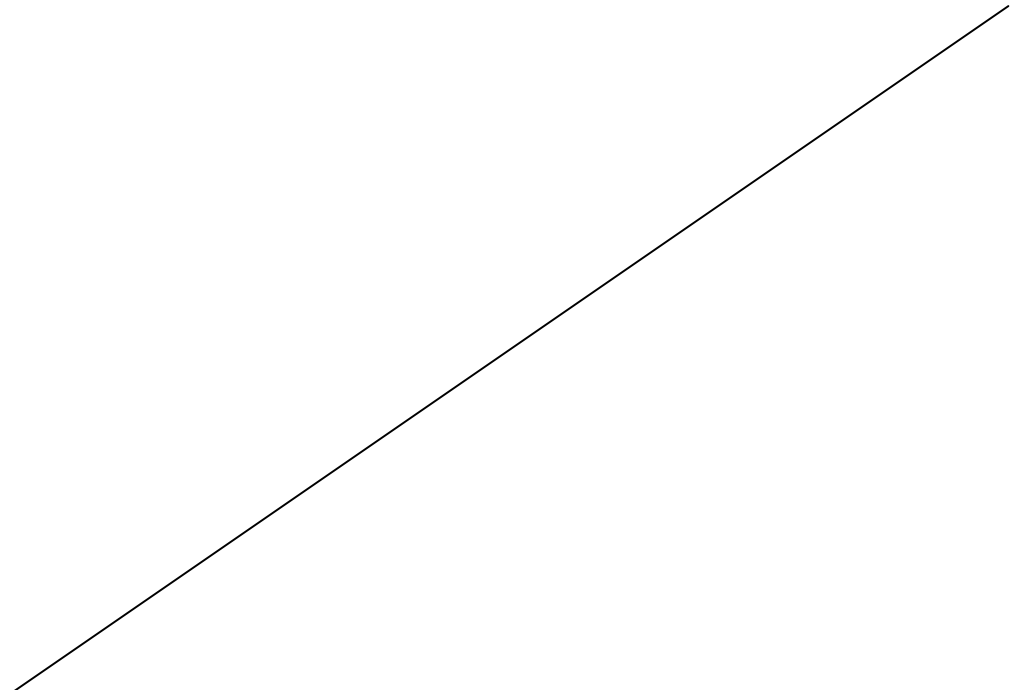
Yt – Y(t+1) = Y(t+1) –Yt

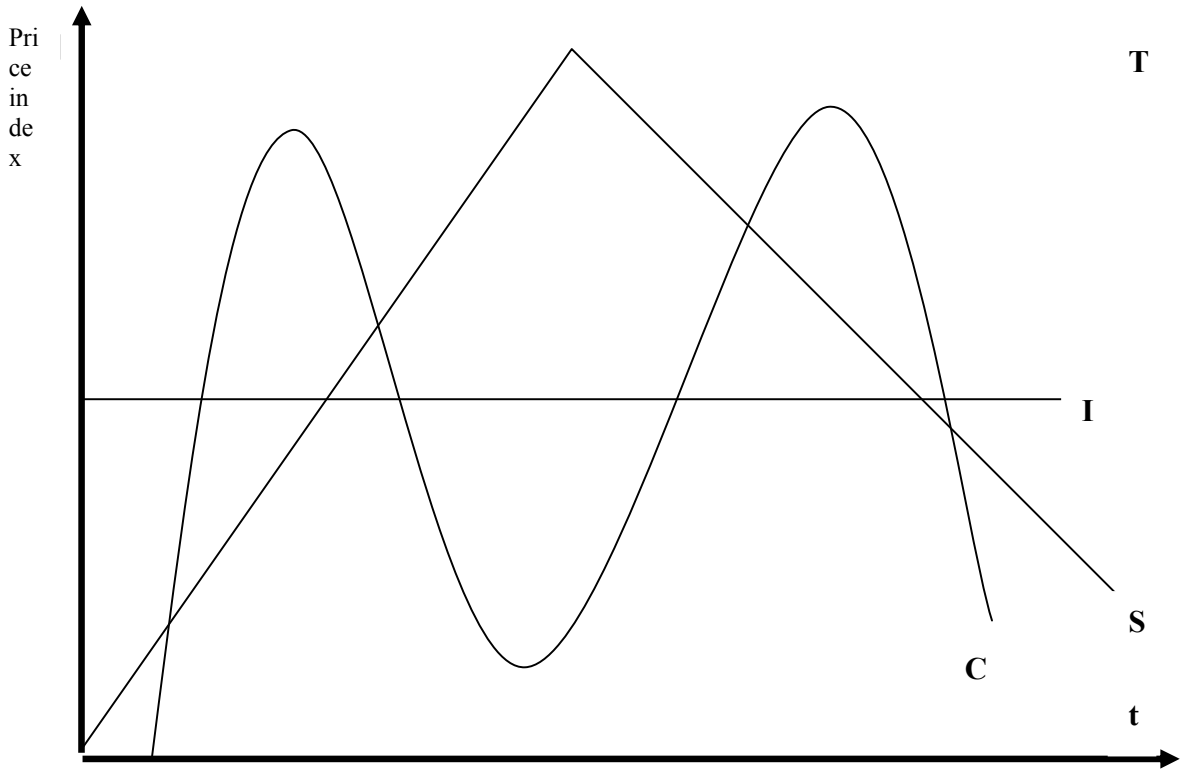
This group contains such models like the additive model and the multiplicative model:

An additive model is a dividing and a dynamic of researched process into next symbols:
T (tendency)
Cycle component (C)
Season constituent part (S)
Irregular fluctuations (I) or irrelevant factors

Y = T + C + S + I
Y – the indicative is prognostic
Multiplicative model is more popular, so it suggests a having intercommunications between it's components:
Y = T x C x S x I
Figure 1.

THE GRAPH'S IMAGINATION OF MULTIPLICATIVE MODEL





There is the graphs on this page of virtual lines, so as it can be applied to some abstract market, in which there is a graph of moving price of some goods, and where is a large number of fluctuations in price's moving.

The third group, named group of experts' methods has also different types, but they are not so difficult besides the method Delphi, which has several levels of description and is used by large corporations, but though not very often. This method is concluded in enlisting business-analysts from famous science-economic schools and they give their ideas about purposes and problems influenced and form some objects or situations and then these ideas are discussed by invited specialists all together, a results of this is the most effective decision, which is chosen by the majority and is accepted like the best. But it's necessary to have enough skilled system of estimating these methods.

The forth group or how it's called in another way the group of mechanistic methods include graphs, diagrams, column diagrams charters and other drawings, which show the behavior of some indicators for a short-term, and we can create only a short-time prediction. The bright

example is the chart's methods, used in demonstration of the further situation in exchanges of petroleum and other row materials. To this group are relevant and such methods like tree of objectives, desicion tree, Japanese candles and others.

There is another classification of forecasting methods in the economy and it depends on an object, which is researched. The classification is made by next features:

1. The level of scale – these features divide prognoses on prognoses of common trends of development on a world scale or on a separate country scale. Sometimes it can be a prediction of some indicatives on an industry scale or on a firm scale.
2. The period or the depth of prediction is main feature characterizes of the economic prognosis. Now it is customary a dividing of economic prognosis of international good's markets and it depends on the aids and on the types of spheres and objects. So very important is the period within decisions (are taken at the present moment) have been influenced.

A short-term prediction can be created for such periods like "one day", "one week", "one month", "one or several quarters", 1 - 1, 5 years, maximum for 2 years, the medium-term prediction is created for a period for 5 years, long-term one is created for a period more than 5 years and till 15-20years.

But tasks in these type of predictions are differed from each other in principal. A long-term prediction (for example for 10 years) must determine appoint quantity X at the moment "t" and there aren't any defined demands to the trajectory "x" within the interval to "t"1. The results of analyses of this trajectory or the instruments of forecast may be some average line as a rule or an explicit function. Long-terms predictions can reproduce only average trends within a cycle and they don't reflect the main cycle's turnings in conjuncture.

The tasks for a short-time prediction are next. You need find such trajectory, which has a decline from average line and this trajectory may be considered like a result of declining. In difference the trajectory, which shows the conjuncture's development for 2 years ahead, you can take in account all the declines from average line, because it's considered like more real trajectory of indicators' movement in the exchange economy. So a short-terms prediction is a conjuncture forecast and it's a guidance in everyday practice, but a long-terms prediction defines only common trends

of economic development and is the base for definition of a future conjuncture.

The next classification of forecasting's types divides all these types in two big groups:

Passive type – in using means that regularities of object's development have been revealed in the past are transiting into the future without any changes and external factors and it's considered that its development is founded on only itself own lows. It should be added, that all research is a beginning from the passive prediction.

Active type of prediction influenced the object with the aid of making some changes in it. For example, if the passive prediction shows the possibility of non-desired appearances so in may be to apply some particular rule influences to correct its behaviour. An influence may be constructive in this case the changes (more often quantitative) of different sides of an object are made, but its qualitative meaning is not changed. The destructive influence means that an object is influenced in such way when this object is transformed completely and its previous nature is transited in new state. The main point of active prediction is the answer the question: what will be, of course in real possibility, if would be the next actions, events and would be made the next preventive measures.

There is a close connection among active predictions with variant predictions, founded on a comparison of different variants of possible development of some events, economic objects in different assumptions concerning the development of the environment, the actions which help to adapt this object to this changes.

In practice the variant predictions are often used like considered three variants of forecast's estimations – optimistic one, pessimistic one and the most possible one. Active variant predictions are used in government's management of state economy for taking more effective choice of economic ruling. During the consideration of different variants of supposed action in economic system is choosing the optimum one is founded on some or others criterions.

The next division of prediction's types is on **quantitative and qualitative** prognosis. **Qualitative prognosis** doesn't have quantitative nature. For example in this case it needed to answer the question if this event will take place in the future or won't.

Quantitative prognosis is a prognosis concerns such objects which are having estimable and measurable parameters (the date of possible event, the quantity or size of an indicator, for example the resource demand, the possible prices etc.).

So we can divide prognosis' on **prognosis of points** which fixes the single situation of a researching object in the scale of possible situations with this object in the future, and on **the interval prognosis** are made some interval scale of possible situations with object in the future.

Then we can classify prognostications like external and internal, which characterized development of an object founded on external and internal factors. Example: a prognostication of sale of goods for long-term using is based on the review of population's having these goods. Internal prognosis is founded on the data about firm's expenses on advertising of this good and on data about the firm's sales of this good in the past.

Also we can divide them into general and special prognostications. The general one takes the decisions of predict tasks in several ways or directions at the same time and each direction is characterized by several economic indicators, by economic industries, by a number of region's countries, world's and etc.

Special prognosis is for prediction for only some fixed or pointed indicator, example: a prognosis of demand for a definite good. And at last we classify them by the level: they may be classified on global and macroeconomic national prognostications, industrial prognostications, internal firm's prognostications and private microeconomic prognostications.

Global prognosis is created for the whole world's economy or for a separate region.

National prognosis is created for a national economy.

An internal firm's prognosis is a prognosis of some firm's functional indicators. It should be added that economic prognostications concern the dynamics [dai-] of national economy and of some separate industries, structural changes and allied industrial connections, employment indicators, population's income and consumption, investments, government expenditures, regional economic prognostications, finance aspects, foreign trade etc.

Analysis of economic prognostication

The analysis of an object is the most important stage in developing of prognosis. This permits to choose the methods of forecasting are adequate this object and the targets of prediction's development.

In this stage we must keep the next principles:

The main methodical principle of objects' research is the principle of system's approach. The system's approach to the consideration of

different economic connections in the modern theory and practice is the term of effective function of a firm. The system approach supposes that it's necessary for the office-chief to consider his firm like an integrity which is a composition of intercommunicative parts and has a close connection with external environment. The firm in accordance with the system's approach is an open system, is influenced by the external environment and in its turn influences on this environment first before by the results of its function and demands in different blessings required for realization of these results.

The next principle in analysis of prognostic object is the principle of the optimum of model's description. In accordance with the principle it's necessary to working out a description of prognostic object provided definite trustworthiness and prognosis's exactness with the minimal expenses for its development. Also it's necessary to take in a consideration these specific of processes in prognostics objects, the influence of casual factors, which are in object's function more or less but if their influence aren't quite important we can consider this object as determined system with a choice of corresponding methods. When the irregular (casual) factor has a large influence on the development of the object we take prognostics methods and models permitted to take in account this possible case.

The character of forecasting object's development in the term influences the forecasting methods' choice. Some objects have been changed in uneven manner when there is a transformation of the process in a new qualitative state. But other objects have been changed quite smoothly (step by step) and regularly within some particular term-period and has clearly expressed upward trend or going down trends. The trend of changes of others is characterized by having periodical cycle declines. The particulars of proceed processes in the terms are had to be reflected in an adequacy with the necessary methods of prognostication.

Informative base is also quite important factor to define the methods of forecasting. The objects can be divided by the level of informative provision:

- Objects, provided by the informative base (quantitative), the quantitative information is enough for retrospectives.
- Objects with not full provision, so this makes difficulties for reaching more clear prognostication.
- Objects, provided by only qualitative information of retrospective periods, the quantitative information is absent or is limited.
- Objects without any retrospective information, as a rule it concerns projecting or planning objects.

The organization of forecasting researches

The tasks of prognostication we can divide in two groups:

1. The prognostication of factors' behaviour in external environment;
2. The prognostication of the firm's indicators with getting the information.

There is a difference in means of getting information about external environment's information, so it must be defined if they have the straight influence or an indirect influence.

Many large companies have analysis departments, where specialists oblige to watch the current situation, to analyze the influence and interaction of external and internal factors on the object, to work out the predications of the firm's development and predications of external factors having a straight influence.

So the firms often organize themselves the gathering of information and lead the predict analysis about the market, where they sale their production. They make a detail research about consumption and their competitors. So firms' documentation always has this type of information and it can be used in working out of predictions.

As a rule, firms don't develop prognostications of external factors. As so the prognostication such macroeconomic processes like science-technical progress, the development of country's economy and world economy, political situations demands a large quantity of information, which is gathered by special government departments and, besides the development of predict macro-models is a very expensive procedure (in average the cost of developing of one predict macro-economic model in the USA is about 200 thousands $, some of the models cost more than 3 millions $).

Now there are a lot of organizations as private and as govern companies in the developed countries, but the leader is the USA.

In developed countries these special organizations often have the government orders for the predict analysis and prognostications' developments, so as there had been worked out about 200 socio-economic models in previous decades. Constantly government's departments gather, than use some methods of treatment and spread economic information, make analysis of it and create short-term, medium-term and long-term prognostications of perspective development of the whole economy and its main elements. These prognostications help to predict the turning-points in the removing of economic cycle's phases. It permits to predict some

undesirable events and to take the preventive measures, and, besides, to work out the long-term strategy for country's economic development.

Many developed prognosis macroeconomic models include till several hundreds different economic indicators (incomes and consumption of population, government expenditures, investments, employment, export, import, indicators of development of some economic industries).

The information is included in macroeconomic predict models and this helps firms to have a better orientation in more probable perspectives of economic developing and competitive struggle, more clearly to define their possibilities in functions on markets, to work out investment's plans and to correct them. Now all the large and almost all the average firms use the information of prognosis models for developing their strategies. The most popular models are models of short-term-prognostication (for the 2-years periods). Hey have a share about 65 % among all macroeconomic and 9% - long-terms models (a predict period is over 10 years).

Here is the presentation of the list of Organizations, which are engaged in researching works of prognostication:

International organizations: UN, FAO, UNCTAD, UNICEF, OECD and others;

The organizations of state's economic groups: MWF, UN European Commission and other;

- National government departments of prognostication;
- Science-research corporations (REND Corporation in the USA and others);
- Research and analysis centers of corporations, banks, insurer companies;
- International private and government societies (Rome Club, different commissions).

While choosing the methods of prognostication a big attention is all to the dynamic of used data: if it has a cyclical character or it is characterized by stabilization, or it has evident season's expression. At the same time the developing forecasting procedures are taken in account, so there are many difficulties in an introduction of some new improvements in already established methods.

As a rule the officers and stuff may not to understand some difficult statistical calculations and it leads to the sharp reducing of the effectiveness in prognostication. In connection with this there may be demanded the introduction or using of the implicated mathematical methods. It needs a long-time periods for education of the office-stuff for the optimum using the methods.

So the important factor in definition the optimum and most effective forecasting method is a cost of received predictions. The prognostic econometric models of the large scales are the most expensive models. Many large firms have informational systems; their modernization and modification for introduction of new methods for a prediction of conjuncture involve large expenditures.

But with this it's very difficultly to estimate the expenditures for prognostication so it's hard to estimate the cost of time is spent by firm's stuff.

With connection with the above we present the formula of counting the total cost of conjuncture prediction with a using computer's programs:

$$TC = \frac{D_1 + S_1}{I} + S_2 + D_2 + R$$

Where:

TC – the full cost of prognostication;
$\mathbf{D_1}$ – the cost of working out or modification of a present program (a time, which is spent by specialists and a time, used in computer's work);
$\mathbf{S_1}$ – the expenditures for saving program's protection (providing its protection);
$\mathbf{S_2}$ – the expenditures for the data's treatment, their keeping and selectivity;
$\mathbf{D_2}$ – the expenditures of introduction and using of programs;
R – the cost of program's presentation;
I – the quantity of different program's applications.

It's necessary to remember that a large meaning for firms isn't the cost of prognostication, but the correlation between the firms' expenditures with the profits and economic effectiveness, which may be reached by using the results of prognostication. So in this case there is a close connection with the forecast precision and with the detail's level of the results. In some case very expensive and hard methods are used for the increasing of forecasting reliability, but it's not expedient (целесообразный) using, so as the leaders stuff demands only approximate estimations of perspectives in developing events or market's situations. But the limits of variations of possible precision (точность) may reach large sizes.

The criteria of the most efficiency in case of entering to a market as seller (exporter) within fixed period of time it will the most possible level of weighted average sale's prices or most maximum possible volume of export's revenues got after selling off fixed quantity of conformable production in the world market.

The mathematic vision of this task:

$$\sum_{t=1}^{n} p_t q_t \longrightarrow \mathbf{max;}\ (1)$$

Where: **t** – one step of prognostication within the selling off fixed period the goods (t= 1, 2, 3, …n);

Pt – predicted price on 1, 2, 3 …n step of fixed period;

Qt – quantity of goods are intended to the sale on the conformable step of the selling off.

In terms if:

$$\sum_{t=1}^{n} q_t \leq tQ \qquad \text{with } q_t \geq 0 \qquad (2)$$

$$\mathbf{Qt \leq St} \qquad \mathbf{(3)}$$

Where: Qt – the common quantity of goods are intended to the sale;

St - the limitative market capacity in the every step of selling off;

St – the common limitation of market capacity within the whole fixed period of time of selling off goods.

1990 oil price shock

The **1990 oil price shock** was milder and more brief than previous oil crises, lasting only 9 months, and contributed to the early 1990s recession. The price increases occurred after the Iraqi invasion of Kuwait on August 2. Prices rose from $21 per barrel at the end of July to $28 on August 6, reaching $46 by mid-October.[2] Although the 1990 oil price shock is often considered to have been mild, it has been argued that its

macroeconomic effects were on the same scale as previous oil shocks.[3][4] One explanation is that government regulations did not react in a flexible manner.

As countries develop, industry, rapid urbanization, and higher living standards drive up energy use, most often of oil. Thriving economies such as China and India are quickly becoming large oil consumers. China has seen oil consumption grow by 8% yearly since 2002, doubling from 1996-2006. In 2008, auto sales in China were expected to grow by as much as 15-20%, resulting in part from economic growth rates of over 10% for 5 years in a row. Although swift continued growth in China is often predicted, others predict that China's export dominated economy will not continue such growth trends due to wage and price inflation and reduced demand from the United States. India's oil imports are expected to more than triple from 2005 levels by 2020, rising to 5 million barrels per day (790×10^3 m^3/d).

The International Energy Agency estimated in January 2009 that oil demand fell in 2008 by 0.3%, and that it would fall by 0.6% in 2009. Oil consumption had not fallen for two years in a row since 1982-1983.

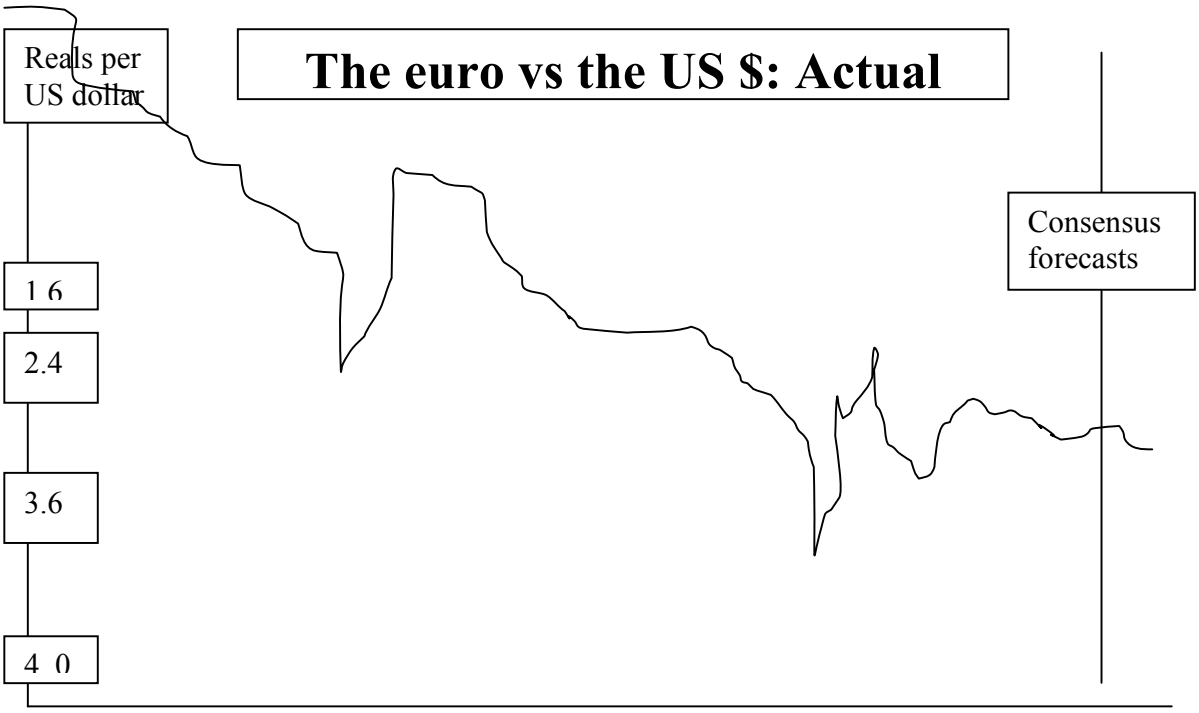
The Energy Information Administration (EIA) estimated that the United States' demand for petroleum-based transportation fuels fell 7.1% in 2008, which is "the steepest one-year decline since at least 1950." The agency stated that gasoline usage in the United States may have peaked in 2007, in part due to increasing interest in and mandates for use of biofuels and energy efficiency.

The IEA now expects global oil demand to increase by about 1.6 million barrels a day in 2010. Asian economies, in particular China, will lead the increase. China’s oil demand may rise more than 5% compared with a 3.7% gain in 2009, the CNPC said.

Exchange Rate Forecasts

Predicting short-time exchange rate movements is extremely difficult, but an analysis of economic fundamentals can provide some useful insight into long-term exchange rate trends.

As can be seen from the graph – some of the world’s major currencies are currently well out of line with our PPP estimates.



Increased foreign direct investment and rapid convergence with the West have encourage currency appreciations across Eastern Europe. In contrast, Latin American currencies could face downward pressure owing to structural rigidities, high inflation, regional finance risks and a large external debt burden.

GROSS DOMESTIC PRODUCT GROWTH: LONG-TERM FORECASTS -%						
Long-term 6-10 years average, % change	2002	2003	2005	2006	2008	2010
United States	3.1	3.2	3.1	3.2	3.5	4.0
Japan	1.5	1.5	1.2	1.9	1.7	1.7
Germany	2.0	1.9	1.9	1.3	1.7	2.0
South Korea	4.8	4.8	4.7	4.4	4.0	4.6
United	2.4	2.4	2.1	2.0	1.8	1.8

Kingdom						
Russia	4.6	5.0	4.7	4.8	4.7	4.8
China	7.1	7.4	7.2	7.6	7.7	7.7
Australia	3.5	3.6	3.6	3.6	3.4	3.5
Mexico	4.7	4.5	4.3	4.2	4.0	3.2
Hungary	4.3	4.7	4.6	4.3	4.2	4.2

Consensus Economics conducts its regular surveys of long-term forecasts twice a year, when our country panelists are asked to provide in addition to their forecasts for individual years, their average projections for the final five-year period beginning six years from the current year.

The influence of commodities (primary goods) exchanges on the price's development

In the middle of 80-th years the world exchange trade system has been formed. Now there are three centers in this type of petroleum and oil-trade products in the world. These centers are NYMEX (New York), LIPE (London) and SIMEX (Singapore). This system works in a 24-hours regime. When SIMEX is closing at this time LIPE begins its work. After LIPE's closing NYMEX is opening. Thus the world petroleum market has been transformed from the "physical" market (trade by real petroleum) into financial market (trade by petroleum futures contracts). This system excludes the remission of petroleum crisis, like crisis in the 70-th years. Now the petroleum market offers its participants a wide number of insurance instruments against price's risks. These insurance instruments are worked out in the different market's segments of securities and their derivatives. The evidence example is the quickness of settling down the price's waving during the Iraq-Kuwait war. The volume of operations in the deliveries of real oil and oil-products quantity has only 1-2% in the common number of concluded transactions in exchanges. The last part has about 98-99% and these operations deal with fictitious (фиктитэш) goods or option bargains. These bargains are hedge bargains against price's risks. But speculation in futures is often used in the exchanges. So as the exchange's system is a mechanism of "holding in and counterbalance" when two forces are fighting against each other. But they at the same time make a balance in the exchange's square:

- oil-traders, who are interested in the price's stabilization and by buying and selling the futures contracts and attempt to

insurance against their price's risks using the hedging mechanism;

- exchange speculators, who are interested in waving market and forcing its destabilization, so they their business in the prices' fluctuating.

Now the volume of financial oil operations is bigger in many times not only levels of its real deliveries but the levels of its real minings. There are three mark grades for petroleum: Brent – for Europe, Dubai – in Asia, WTI (west intermediate Texas) – for New York. But in exchanges they use Brent – for London, WTI for NYMEX, Dubai for SIMEX. Brent and Dubai are grades (sorts) which oriented for export and their trade's volume in the spot's market is 60% and 80% from the real extraction accordingly. WTI is sold in the domestic market in the USA by the long-term contracts and in the spot's market it's sold only about 4% in NYMEX. But the scale of exchange's operations with petroleum contracts for these oil-grades is many times larges than a level of their extraction and in some cases it can be compared with the world oil extraction's volumes. The real volume of grade oil Brent is in 55 times less than the volume of futures transactions and has 61% of world oil extraction. And so the futures transactions of Dubai in SYMEX is bigger the volume of real extraction in 4 times and has only about 1,5% in the world oil extraction. The volume of futures operations with WTI is in 133 times larger than its physical volume is on 60% bigger than the world oil extraction. So this different scale of exchanges operations reflects different time periods of petroleum contracts' trade in these three exchanges. The NYMEX is the oldest exchange but the SYMEX is youngest and there are different compositions of exchanges tools, are offered in the exchange's squares.

In this case these three centers provide the real globalization of the world oil market so they have a very high development of computer, telecommunication and informative technologies. Now it's formed a common informative space of the world oil production, about its functions in the regime of real time, about the interdependency and coordinating prices' movement in the different regions of the world. It permits to increase the time's periods of futures bargaining. In the first stages of exchange's trade the futures rates can be exposed only for a periods from 3 to 6 months. Now these periods for some goods' positions in the petroleum markets have been widen till 6 years. This gives a possibility to form some expectations of particular subjects in the market in concern of oil price's movement oil products. Thus the unpredicted risks had been becoming less, the stability of

operations is bigger, their reliability is higher and the price if their investment has become lower.

By the other side when accounting the futures operations' scale, the quantity of futures contracts and their intensiveness of turnover we can contend that now that oil market can react to little waves of conjuncture not only in the oil production and trade but in the macroeconomic conjuncture in any part of the world. The round clock regime of these three exchanges permits to conclude bargains twenty-four hours. Thus in our times it hardly can be expected such big waving like in the 70-th years. But, certainly, there are a lot of less intensive declines of prices, which are called out by constant changes in the world economy and influence the prices' behaviour by the working mechanism of futures market. In consequences of these mechanisms work the prices' rate reflects the balanced price of fabrication of demand and supply to each other in the every concrete moment. Thus the dominant establishment in oil prices is the exchange system market so the real volume of fact oil deliveries has only 1% from the financial world oil trade. The oil contracts going from one to another hands many times account in the real time regime all more or less main changes in the world economy. This means, that principles and regularities in prices' creation are separated from the real volumes of deliveries. So as the share of the light Arabian oil (which is extracted in the largest deposit in Saudi Arabia named Gafar) has now only 7% in the world oil extraction and this type of oil now has not a state of grade in the prices' creation. The turnover in the financial oil market defines modern trends and levels in prices' changes.

The economic cycles and their using in a prediction.

In the different stage of cycle there is a recession or growth in indusial production and so it causes changes in production's, labor and capital costs, and that follows changes in costs of oil production, in expenses for working out of oil layers. So the demand and production growth as a result of economic cycles of industrial developed countries can influence on the prices' level in the world market and after in will be reflected in oil supply. Thus economic cycles form the media-term trends in prices' movement. In average the industrial cycles have periods of about 8-10 years. The phases of crisis and depression usually last about 2 maximum 3 years, but the phases of recovery and of net growth last a longer period about 5 or 7 years. Knowing this we can predict the approximated period of going up or going down trends in prices' movement in the world market. OPEC regularly take decisions about highness or reduction quotes for its countries-members, so

as by their opinion it's the main factor and condition for the following gradual growth and estate stable prices. But the prices' growth in the 1999-2000 had been called by the economic growth in developed countries. So it called out an increase in demand for energetic sources. After this in 2001-2002 years a recession called out a going down trend. It was because of a sharp reducing aviation fuel consumption (on 22% in the USA and on 10% in the whole consumption), because of reducing in industrial goods' consumption, reducing in industrial production and changes for the worse in indicators of economic estates in the USA and Japan. This situation was accompanied by escalation of tension in the Middle East. But after this period in the second half of 2002 year the going up tendency was established. From this time there was a stable tendency of pricing growth. It had been lasted about 4 years. And only in September of this year (2006) began a slow reducing. It happened because of some expectations of reduction in consumption. And the growth rates in industrial countries' economy are not so high like in previous period. Now we can suppose that this tendency will be continued for some period if the recovery phase is finished and other some political and non-predicted reasons have an influence on the world fuel resources markets.

Cyclical influence on demand is connected with a season consumption of a fuel production. As a rule, a global demand and extraction are reduced in a summer period, but in 2005 year countries-producers didn't reduce the extraction and it was connected with a replenishments of stocks in industrial countries.

The long-term tendency of prices

As you know many factors influence on the fuel-recourses markets and form the main processes in them. But remind these factors, which can be estimated:

1. Pricing growth;
2. science-technology progress;
3. Government regulation;
4. Economic reproduction cycles.

But in common all these factors in principles have the same mechanism of influence – they influence at the level of profitableness in oil extractions permitting to increase or to reduce the oil extraction.

Firstly let's examine the market's reflection at pricing growth in the long-term perspective.

1. Pricing growth provides stock's growth, these stocks extraction of which is profitableness when the increasing in extraction with not reducing of extractive expenses.
2. Pricing growth is stipulated by the influence of all examined factors. High prices called out the working out of oil deposit in the deepwater's shelves and in regions which are difficult of access, and they called out the researching in getting oil by nontraditional means.
3. This factor like a science-technological progress calls out a reducing in expenses. By common influence of STP the oil extraction's costs in the deep-water's shelves and the extraction in the North See and in Canada had became reasonable. But this factor has two sides. From one side it helps to reduce the expenses of production, and from another side the growth of STP leads to the appearance new industries which demand energetic resources.
4. The government's regulation give the same result – the reducing of production's costs and readiness of petroleum companies to work with a lower profits and reduction of risks in account of governmental guaranties. Governmental policy in taxing we can watch in the next examples;

- The tax's level of oil companies' incomes in OPEC's countries with low expenditures of oil extraction is high enough (in Libya it's about 80%);
- The common oil company income taxes in Great Britain are about 60%, so the oil extractive expenditures are the highest in the oil-produced countries.

The governmental regulation is expressed by the establishment of ecological standards and the putting out ecological standards may reach 15% from the all sum of expenditures in working out new fuel recourses deposits.

The governmental economic policy also can have influence on the size of expenditures.

Such factor like economic cycles of industrial reproduction has an important influence in the long-term perspective. But in our time in the beginning of XI century we must take in account this fact that in developing countries the oil and other fuel recourses consumption is growing rapidly. And firstly it concerns these large countries like Chine and India, so as they had no crisis in the recent decade. So we should expect the growth of energy's consumption in the long-term perspective.

And at last, the large economic cycles – cycles of Kondratiev. When the world economy is in the high conjuncture of a large cycle the demand in

energetic resources is growing more rapidly with a connection of putting into operation new kinds of industry.

The debate over long-term consensus forecasts for a number of countries in the G-7 has been dominated by the need of long-standing structural reform. While higher levels of labour productivity, coupled with less government intervention and sustained IT investment, have supported expectations for the US economy, long-term projections for GDP growth in Japan, Germany, France and Italy remains significantly more muted. Many analysts have attributed this to rigid labour and product markets. Sections of Germany's Agenda 2010 are being pushed through parliament as the government attempts to deal with labour and welfare rigidities. However, it remains to be seen what sort of impact this legislation will have. In France, the 35-hour week labour low continues to provoke debate over its effect on the current job market situation, while Japan's corporate and public sectors must wrestle with non-performing loans and a sizeable public debt burden. Moreover, Japan and the three largest Euro zone countries face a pressing demographic situation which makes the need to implement structural reforms even more urgent. A rapidly aging population has meant that this public welfare systems will face a worrying crunch over the next 30 years as more people retire and fewer workers are able to support each and every pensioner.

The estimation's methods of trustworthiness and reliability of approaching the prognostications

The difference between the economic effectiveness from the using (**Epr**) it in a practice and the expenditures on its working out **(Expr)**:

E = **Epr – Expr**

Where

Epr – economic effectiveness

Expr – expenditures

The quality and reliability of working out prognostications may be estimated by the next formula:

$$E_{tpr} = Q * \frac{P_{rfw}}{P_{rfw} - P_{rpr}}$$

Where E_{tpr} - economic effectiveness form using prognostication of concrete good within a definitive period "t";

Q – the quantity of sold (retailed) goods;

$\mathbf{P_{rfw}}$ – the real prices in the world market;

$\mathbf{P_{rpr}}$ – the prices, which were predicted within this period.

For objective estimation of the quality and reliability of working out prognostications may be accounted one step's coefficients as a quotient from the dividing δ2 – an indicator of dynamics on the δ1 – a real predict exactness.

The coefficient of exactness in prediction (Cex):

$$\mathbf{C_{ex}} = \frac{\boldsymbol{\delta_2}}{\boldsymbol{\delta_1}}$$

Where - $\boldsymbol{\delta_2}$ is an indicator of dynamics;

$\boldsymbol{\delta_1}$ - the real exactness in prediction.