



Reference No. 8.2

## BALANCE OF PAYMENTS : SEPTEMBER QUARTER 1974

This bulletin contains, for the first time, seasonally adjusted current account estimates and statistics of official reserve assets valued at market rates of exchange.

### MAIN FEATURES

- A record overall deficit, as measured by net monetary movements, of \$620 million.
- Record imports of \$2,086 million.
- A deficit of \$145 million on the balance of trade.
- A record current account deficit of \$642 million.
- A small net apparent capital inflow of \$22 million.

### TRENDS IN MAJOR AGGREGATES

#### Current account

- The *balance of trade* deficit of \$145 million was a turnaround of \$519 million from the surplus in the September quarter 1973 and was the first trade deficit since September quarter 1968.
- *Seasonally adjusted, the balance of trade* was a deficit of \$73 million, slightly larger than the \$55 million deficit in the June quarter.
- The record *imports* of \$2,086 million were \$852 million, or 69 per cent, up on the previous September quarter. The value of imports of most commodities rose in the September quarter 1974 compared with September quarter 1973, most notably petroleum, chemicals, plastics, textiles, clothing, machinery and transport equipment.
- *Seasonally adjusted imports* were \$2,011 million, \$226 million (13 per cent) up on the June quarter.
- The value of *exports*, at \$1,941 million, was also a record and was \$333 million (21 per cent) up on the previous September quarter. Compared with September quarter 1973, increases in the value of exports of cereals, sugar, metal ores,

coal and chemicals more than offset falls in the value of exports of meat and wool.

- *Seasonally adjusted exports* were \$1,937 million during September quarter 1974, an increase of \$207 million (12 per cent) on the June quarter.
- The deficit on *invisible transactions* of \$497 million was \$113 million, or 29 per cent, greater than that for the September quarter 1973.
- *Seasonally adjusted, net invisibles* showed a deficit of \$525 million, \$23 million (5 per cent) up on the June quarter.
- The \$642 million *balance on current account* deficit compared with a deficit of \$10 million in September quarter 1973.
- *Seasonally adjusted, the current account deficit* of \$598 million was \$41 million (7 per cent) up on the June quarter deficit.

#### Capital account

- The *net apparent capital inflow* of \$22 million in September quarter 1974 was about the same as in the corresponding quarter of 1973 but substantially lower than the net inflow of \$189 million in the June quarter 1974. The identified net outflow of \$79 million on account of government and marketing authorities' transactions implies a net inflow of \$101 million for private capital movements (including the balancing item) during the quarter, well below the \$359 million for these items in the June quarter 1974 but a turnaround of \$195 million on September quarter 1973.

#### Overall result

- The record overall deficit of \$620 million, as measured by *net monetary movements*, compares with the approximate equilibrium in September quarter 1973 and was \$304 million greater than the deficit in June quarter 1974.

#### Level of reserves

- *Official reserve assets*, valued at market rates of exchange, totalled \$3,348 million at 30 September 1974.

The value of *other foreign assets* at 30 September 1974 is not yet available. The change of \$35 million shown is that for the two months July and August.

## EXPLANATORY NOTES

### Introduction

1. This bulletin contains preliminary estimates of Australia's international balance of payments for the June quarter 1974, together with revised estimates for previous quarters and financial years. More detailed estimates are published annually in the bulletin *Balance of Payments* (Reference 8.1).

2. Included, for the first time, are corresponding seasonally adjusted estimates of the current account. Notes on the statistics and their seasonal adjustment are provided below. Unless otherwise stated figures reported in the commentary and tables refer to the original estimates.

3. Estimates for the more recent periods are preliminary and subject to revision. The items which can be most affected by revisions are those for which benchmark data are derived from annual surveys where long time lags in collection and processing are inevitable; for example, this issue incorporates the final results of the Survey of Overseas Investment for 1972-73. Revisions to the property income statistics for the years 1970-71 to 1972-73 as compared with earlier bulletins are mainly due to a change in treatment of mineral and petroleum exploration expenditure in overseas investment statistics (see bulletin *Overseas Investment 1972-73* Reference No. 5.21).

### Australian currency values

4. The Australian currency equivalents shown in these statistics for transactions originally denominated in foreign currencies were derived by converting into Australian dollars at market rates of exchange. This procedure has been extended to include official reserve assets and other foreign assets which formerly were valued on the basis of official parities. See paragraphs 13-16 below.

### Adjustments to exports and imports

5. The figures for *exports* and *imports* in the accompanying table represent the recorded trade figures adjusted in respect of coverage, timing and valuation for balance of payments purposes.

### Net monetary movements

6. *Net monetary movements* are usually taken as a measure of the overall surplus or deficit in the balance of payments. In order not to obscure the underlying

performance of the balance of payments, and to maintain consistency between periods, this term excludes changes that do not arise from international economic transactions. The main exclusions made for this reason are: the allocation of Special Drawing Rights (SDR) by the International Monetary Fund (included in official reserve assets but excluded from net monetary movements by means of the offset item shown in the table); compensation received under the Sterling Agreement amounting to \$24 million in January 1973 and \$26 million in May 1974; and changes in the Australian dollar value of official reserve assets due to revaluations (see paragraphs 15 and 16 below).

### Seasonal adjustment.

7. Most of the current account series in this bulletin are affected to some extent by seasonal influences and it is useful to recognise and take account of this element of variation.

8. While some degree of seasonality is evident in some capital account items over certain periods, the overall seasonal element is small compared with the large cyclical and irregular movements which have characterised capital flows in recent years. For these reasons, capital account items are, as in most countries, not being seasonally adjusted.

9. Seasonal adjustment may be carried out by various methods and the results may vary slightly according to the procedure adopted. Accordingly, seasonally adjusted statistics are in fact only estimates and should not be regarded as in any way 'definitive'. In interpreting particular seasonally adjusted statistics it is important, therefore, to bear in mind the methods by which they have been derived and the limitations to which the methods used are subject. Particular care should be taken in interpreting quarter to quarter movements in the adjusted figures, especially for those items showing substantial irregular movement.

10. It should be recognised that levels of overseas transactions can be directly affected by changes in foreign exchange rates which, while they are working through the system, give rise to movements that do not appear so directly or with such frequency in other statistical series. Also, in order to maintain an accounting identity, the balance items (balance of trade, net invisibles and balance on current account) are derived by differencing independently adjusted series and could contain irregular fluctuations somewhat larger than those appearing in the individual series being differenced.

11. An outline of the methods used, together with selected measures of variability for these series, is provided in the Appendix to this bulletin. A general description of seasonal adjustment methods is given in

*Seasonally Adjusted Indicators 1974* (Reference No. 1.10).

12. Historical series for the seasonally adjusted current account at the level of detail shown in this bulletin for September quarter 1958 onwards are available on request.

#### Changes in official reserve assets

13. As mentioned in paragraph 4 above, market rates of exchange are used for the first time to estimate changes in official reserve assets. This step has been taken following the Reserve Bank of Australia's decision to discontinue the publication of official reserve assets valued on the basis of official parities. Present foreign exchange arrangements differ markedly from those under which, for many years, countries undertook to maintain their exchange rates within narrow limits either side of their official parity rates with the International Monetary Fund. In the past two years or so divergencies between market and parity rates have become substantial and the Australian dollar value of the various currencies in which Australia's reserve assets are held is subject to frequent and, at times, large fluctuations.

14. Accordingly, after June 1974, the official parity basis of measuring official reserve assets was replaced by a series based on market rates of exchange. This revised series has been calculated back to June 1972 (prior to which date, differences between the two series

are relatively minor) and forms the basis of the estimates of changes in official reserve assets in the balance of payments from the September quarter 1972 onwards. This change gives more meaningful figures on the level of official reserve assets at any point of time, and also improves the internal consistency of the balance of payments in as much as market rates are now used throughout to derive the Australian currency equivalents of transactions.

15. As noted in paragraph 6, some adjustments are made to exclude from the balance of payments changes in the value of assets which are not due to economic transactions. In the case of official reserve assets, amongst the changes to be excluded are those due to revaluation effects, that is, to fluctuations in the market value of certain assets and to fluctuations in the market rates of exchange used to convert into Australian dollars.

16. The table below sets out changes in official reserve assets as recorded in the balance of payments from the September quarter 1972 and the adjustments which are necessary to reconcile these figures with statistics on the levels of reserve assets published by the Reserve Bank of Australia. The large positive adjustment of \$375 million in the September quarter 1974 was the result mainly of an increase of \$396 million in the Australian dollar value of official reserve assets arising from the devaluation of 25 September 1974.

Changes and Levels of Official Reserve Assets  
(at market rates of exchange)  
\$ million

Quarter ended	Changes recorded in the balance of payments	Adjustments		Reserve Bank series	
		Changes due to effects of revaluations	Sterling Agreement Compensation	Changes in levels	Levels at the end of quarter
1972 30 September	+649	- 27	..	+622	4,359
31 December	+662	-373	..	+289	4,648
1973 31 March	-327	-309	+24	-612	4,037
30 June	+ 95	+116	..	+211	4,248
30 September	- 16	-300	..	-316	3,932
31 December	+ 12	- 73	..	- 61	3,871
1974 31 March	-181	+ 61	..	-121	3,750
30 June	-206	- 10	+26	-191	3,560
30 September	-586	+375	..	-212	3,348

#### Presentation.

17. In the following tables for current account items minus sign (-) denotes a debit; for capital inflow minus sign (-) denotes outflow; for monetary movements minus sign (-) denotes a decrease in assets, or an increase in liabilities, or the receipt of an allocation

of Special Drawing Rights in the I.M.F.

18. Discrepancies may occur between totals and sums of components in the tables or between aggregates quoted in the text and their components, due to rounding.

## BALANCE OF PAYMENTS - CURRENT ACCOUNT

\$ MILLION

	YEAR				QUARTERS ENDED-									
					1971-72		1972-73		1973-74			1974-75		
	1970-71	1971-72	1972-73	1973-74	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.
VISIBLE TRADE-														
EXPORTS F.O.B.	4217	4726	5991	6719	1275	1316	1486	1604	1586	1608	1689	1649	1772	1941
IMPORTS F.O.B.	-3790	-3792	-3808	-5750	-845	-893	-940	-960	-1016	-1234	-1301	-1473	-1742	-2086
BALANCE OF TRADE	427	934	2183	969	431	423	546	644	570	374	388	176	31	-145
INVISIBLE CREDITS-														
GOLD PRODUCTION	15	13	15	15	3	4	4	3	4	4	4	3	4	4
TRANSPORTATION	474	498	574	720	124	138	147	145	144	165	179	183	193	212
TRAVEL	136	139	132	167	28	27	39	36	30	34	50	46	37	41
GOVERNMENT	82	90	90	93	23	22	23	22	23	23	21	24	26	23
MISCELLANEOUS	134	160	135	115	37	36	34	33	32	29	28	28	30	32
PROPERTY INCOME	165	229	369	496	63	86	91	103	89	113	128	141	114	117
TRANSFERS	181	226	236	224	65	62	63	58	53	53	52	55	64	52
TOTAL INVISIBLE CREDITS	1187	1356	1551	1830	343	375	401	400	374	421	462	479	468	482
INVISIBLE DEBITS -														
TRANSPORTATION -														
FREIGHT ON IMPORTS	-409	-409	-426	-665	-91	-94	-105	-112	-115	-137	-160	-162	-206	-232
OTHER TRANSPORTATION	-423	-439	-458	-509	-117	-104	-114	-126	-114	-114	-118	-140	-137	-135
TRAVEL	-199	-264	-312	-334	-105	-82	-59	-65	-106	-80	-63	-73	-118	-90
GOVERNMENT	-127	-124	-122	-116	-36	-25	-30	-29	-38	-26	-29	-32	-30	-34
MISCELLANEOUS	-170	-210	-223	-254	-51	-53	-55	-56	-58	-65	-61	-59	-69	-75
PROPERTY INCOME -														
INVESTMENT INCOME -														
UNDISTRIBUTED	-274	-248	-293	-487	-62	-73	-73	-73	-73	-121	-122	-122	-122	-117
OTHER	-479	-538	-662	-611	-137	-125	-172	-217	-148	-129	-166	-163	-154	-145
ROYALTIES AND COPYRIGHTS	-64	-56	-75	-60	-11	-13	-22	-22	-17	-14	-15	-18	-14	-16
TRANSFERS -														
GOVERNMENT	-185	-206	-252	-290	-62	-66	-73	-49	-64	-66	-56	-71	-97	-73
PRIVATE	-134	-172	-211	-210	-46	-47	-53	-53	-58	-54	-49	-50	-57	-62
TOTAL INVISIBLE DEBITS	-2463	-2666	-3034	-3536	-718	-683	-756	-804	-792	-805	-838	-890	-1003	-979
NET INVISIBLES	-1276	-1309	-1483	-1706	-375	-308	-355	-403	-418	-384	-376	-411	-535	-497
BALANCE ON CURRENT ACCOUNT	-849	-375	699	-737	56	116	191	240	152	-10	12	-234	-505	-642

## BALANCE OF PAYMENTS - CAPITAL ACCOUNT

\$ MILLION

	YEAR				QUARTERS ENDED-									
					1971-72		1972-73			1973-74			1974-75	
	1970-71	1971-72	1972-73	1973-74	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.
CAPITAL INFLOW (NET) -														
GOVERNMENT CAPITAL MOVEMENTS -														
GOVERNMENT SECURITIES	-48	-46	-33	-85	-32	38	24	-45	-49	24	-41	-16	-52	-23
OTHER GOVT CAPITAL MOVEMENTS	-15	-14	-31	69	-28	5	-9	-13	-14	48	33	1	-13	-3
TOTAL GOVERNMENT CAPITAL MOVEMENTS	-63	-60	-64	-16	-59	43	14	-58	-63	73	-8	-15	-66	-25
PRIVATE CAPITAL MOVEMENTS -														
OVERSEAS INVESTMENT IN AUSTRALIAN COMPANIES -														
UNDISTRIBUTED INCOME	274	248	293	487	62	73	73	73	73	121	122	122	122	117
OTHER DIRECT INVESTMENT	654	626	-31	103	192	143	28	-160	-42	-84	-10	43	154	(A)
PORTFOLIO INVESTMENT AND INSTITUTIONAL LOANS	655	588	116	-115	148	139	189	-134	-78	-74	-37	-89	85	(A)
TOTAL COMPANIES AUST. INVESTMENT OVERSEAS MARKETING AUTHORITIES	1584	1463	379	475	402	356	291	-221	-47	-37	75	76	361	N.A.
	-82	-140	-128	-171	-55	-26	-31	-50	-21	-51	-31	-55	-34	(A)
	-43	-45	34	-95	-39	12	-6	14	14	27	18	-35	-105	-54
TOTAL PRIVATE CAPITAL MOVEMENTS	1459	1278	285	210	308	341	254	-257	-53	-60	62	-14	222	N.A.
MONETARY SECTOR TRANSACTIONS (N.E.I.)	28	44	89	(A)	12	63	68	-68	27	(A)	(A)	(A)	(A)	(A)
NET IDENTIFIED CAPITAL INFLOW	1423	1262	310	194	261	447	336	-384	-89	13	54	-29	156	38
BALANCING ITEM	23	556	69	-26(B)	238	97	118	-155	9	-6(B)	-68(B)	16(B)	32(B)	-16(B)
NET APPARENT CAPITAL INFLOW	1447	1818	379	168	499	544	454	-538	-80	7	-14	-14	189	22
MONETARY MOVEMENTS -														
CHANGES IN OFFICIAL RESERVE ASSETS	742	1544	1079	-391	585	649	662	-327	95	-16	12	-181	-206	-586
ALLOCATION OF SDR	-64	-63	..	..	..	..	..	..	..	..	..	..	..	..
CHANGES IN OTHER FOREIGN ASSETS	-71	-31	10	-150	-28	11	-15	31	-17	18	..	-73	-95	-35
OTHER MONETARY MOVEMENTS	-10	-8	-10	-28	-3	..	-2	-2	-6	-5	-14	6	-15	1
NET MONETARY MOVEMENTS	598	1442	1079	-569	555	660	645	-298	72	-3	-2	-248	-316	-620

(A) NOT YET AVAILABLE, INCLUDED IN THE BALANCING ITEM. (B) INCLUDES ITEMS FOOTNOTED (A). N.A. NOT AVAILABLE.

BALANCE OF PAYMENTS - CURRENT ACCOUNT - SEASONALLY ADJUSTED  
\$ MILLION

	QUARTERS ENDED -										
	1971-72		1972-73			1973-74				1974-75	
	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	
VISIBLE TRADE-											
EXPORTS F.O.B.	1251	1307	1494	1640	1550	1602	1698	1686	1730	1937	
IMPORTS F.O.B.	-862	-860	-921	-996	-1040	-1189	-1273	-1528	-1785	-2011	
BALANCE OF TRADE	389	447	573	643	510	413	425	159	-55	-73	
INVISIBLE CREDITS-											
GOLD PRODUCTION	3	4	4	3	4	4	4	3	4	4	
TRANSPORTATION	128	135	145	147	147	162	176	186	197	209	
TRAVEL	32	31	33	34	34	40	42	42	43	48	
GOVERNMENT	22	23	23	22	22	24	21	24	25	24	
MISCELLANEOUS	37	37	34	32	32	30	29	27	30	33	
PROPERTY INCOME	64	85	89	106	90	111	125	145	115	115	
TRANSFERS	66	60	60	61	54	51	50	58	67	51	
TOTAL INVISIBLE CREDITS	351	375	388	405	383	422	446	484	479	484	
INVISIBLE DEBITS -											
TRANSPORTATION -											
FREIGHT ON IMPORTS	-91	-93	-101	-116	-116	-137	-154	-168	-208	-231	
OTHER TRANSPORTATION	-119	-111	-112	-119	-116	-122	-115	-132	-140	-144	
TRAVEL	-78	-82	-75	-75	-79	-81	-80	-85	-87	-91	
GOVERNMENT	-31	-28	-31	-30	-33	-28	-30	-33	-26	-38	
MISCELLANEOUS	-53	-52	-55	-56	-60	-63	-61	-59	-71	-7	
PROPERTY INCOME -											
INVESTMENT INCOME -											
UNDISTRIBUTED	-62	-73	-73	-73	-73	-121	-122	-122	-122	-117	
OTHER	-133	-147	-150	-222	-144	-151	-142	-169	-151	-170	
ROYALTIES AND COPYRIGHTS	-13	-13	-19	-22	-20	-14	-13	-18	-17	-17	
TRANSFERS -											
GOVERNMENT	-65	-60	-66	-58	-66	-59	-50	-85	-102	-66	
PRIVATE	-48	-47	-51	-55	-60	-54	-47	-51	-58	-62	
TOTAL INVISIBLE DEBITS	-692	-707	-733	-826	-766	-828	-814	-921	-981	-1008	
NET INVISIBLES	-341	-332	-345	-421	-384	-406	-367	-437	-502	-525	
BALANCE ON CURRENT ACCOUNT	48	115	228	223	127	7	57	-278	-557	-598	

BALANCE OF PAYMENTS - CURRENT ACCOUNT - SEASONALLY ADJUSTED

PERCENTAGE CHANGE FROM PRECEDING QUARTER

	PERCENTAGE CHANGE FROM PRECEDING QUARTER										
	1971-72		1972-73			1973-74				1974-75	
	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	
EXPORTS F.O.B.	6	4	14	10	-5	3	6	-1	3		
INVISIBLE CREDITS	1	7	3	4	-5	10	6	9	-1	1	
IMPORTS F.O.B.	-9	..	7	8	4	14	7	20	17	13	
INVISIBLE DEBITS	6	2	4	13	-7	8	-2	13	7	3	

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NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning Mr A. James on 52 7911 extension 5519 or, in each State capital, by telephoning the office of the Australian Bureau of Statistics.

**APPENDIX**  
**SEASONAL ADJUSTMENT METHODS AND MEASURES OF VARIABILITY**

1. The seasonally adjusted series given in this bulletin have been calculated using the X-11Q Variant of the U.S. Bureau of the Census Method II seasonal adjustment program, descriptions of which are given in the Australian Bureau of Statistics publication *Seasonally Adjusted Indicators* 1974 (Reference No. 1.10). As described in that publication (in paragraphs 16 to 18 of Appendix A), the manner in which this program has been employed for each series depends on the selection made from among alternative optional procedures allowed for in the program.

2. As the program options employed could affect the results of seasonal adjustment and their interpretation, the more important program options employed in calculating seasonally adjusted figures included in this bulletin are discussed below. The terminology used is explained in *Seasonally Adjusted Indicators* 1974.

3. A multiplicative model has been employed in calculating all seasonally adjusted series in this bulletin. For all series, the trend has been calculated using a 5-term (Henderson) moving average and the seasonal factors using a 3 x 5-term moving average. These moving averages are the standard features of the X-11Q program. The program standard limits for graduated treatment of extremes (i.e. 1.5 and 2.5 standard deviations), have been used for all series. Details of the methods of adjustment used are provided in Table 1.

4. Most of the seasonally adjusted estimates for items in the current account have been obtained aggregatively; i.e. by adding seasonally adjusted component series. In instances where a component was not subject to seasonality to any significant degree the

original series was retained. Besides maintaining the essential accounting relationships, the aggregative approach is needed because many of the items included components having different characteristics requiring different methods of adjustment. Prior correction has been made where necessary for abrupt changes in seasonal pattern and for exceptionally large irregular movements; the effects of large irregular movements have been retained in the final seasonally adjusted figures.

5. To assist in interpreting movements shown by particular series included in this bulletin, selected measures of variability are given in the following tables. These measures provide an indication of the relative magnitude of the seasonal effects removed, the rate at which the seasonal pattern is changing from year to year, and the relative importance of trend and irregular components of the seasonally adjusted series. For series other than the balance items (balance of trade, net invisibles and balance on current account) the measures are expressed in terms of averages of *percentage changes* without regard to sign from quarter to quarter (and from year to year, in the case of seasonal factors) calculated over the period from September quarter 1958 (see Table 2). For the balance items, which may contain zero or very small values for some quarters, similar measures are shown (see Table 3), but in terms of average *differences* rather than *percentage changes*. Also included in the tables is the measure of Quarters for Cyclical Dominance (QCD), which is an estimate of the smallest number of quarters over which the cumulative change in the trend component is on average, greater than that of the irregular component. It should be noted that these measures are averages; movements in particular periods may be considerably larger or smaller than the averages shown.

APPENDIX  
TABLE 1. – METHOD OF ADJUSTMENT EMPLOYED

<i>Series Description</i>	<i>Method Employed</i>
Visible Trade –	
Exports f.o.b.	Recorded exports (directly adjusted) less the difference between recorded exports and exports f.o.b. (not adjusted).
Imports f.o.b.	Directly adjusted.
Balance of trade	The difference between the adjusted series for exports f.o.b. and imports f.o.b.
Invisible credits –	
Gold production	Directly adjusted until June quarter 1969. Not adjusted since then.
Transportation	The sum of three directly adjusted series – Expenditure of overseas shipping, Expenditure of overseas airlines and Receipts of Australian carriers.
Travel	Directly adjusted.
Government	The sum of Australian government services to non-residents (directly adjusted) and two components of foreign government expenditure (one component directly adjusted, the other not adjusted).
Miscellaneous	The sum of two series – Business expenses of foreign companies (not adjusted) and Other (directly adjusted).
Property income	The sum of two series – Interest on international reserves and IMF income (directly adjusted) and Other (not adjusted).
Transfers	The sum of two series – Immigrants' funds (directly adjusted) and Other (not adjusted).
Total invisible credits	The sum of the adjusted series for the seven individual credit items above.
Invisible debits –	
Transportation –	
Freight on imports	Directly adjusted.
Other transportation	The sum of three directly adjusted series – Shipping fares, Receipts of overseas airlines plus assisted passages, and Other.
Travel	Directly adjusted.
Government	The sum of two directly adjusted series – Defence expenditure and Others.
Miscellaneous	The sum of two directly adjusted series – Business expenses of Australian companies and Other
Property income –	
Investment income –	
Undistributed	Not adjusted.
Other	The sum of three directly adjusted series – Portfolio dividends and interest. Interest on public authority debt and Remitted profits and interest, with account taken of unusually high values in the last of these.
Royalties and copyrights	Directly adjusted.
Transfers –	
Government	The sum of two directly adjusted series – Papua New Guinea and Other, with account taken of large single transfers in the latter adjustment.
Private	The sum of two series – Emigrants' funds (not adjusted) and Other (directly adjusted).
Total invisible debits	The sum of the adjusted series for the ten individual debit items above.
Net invisibles	The difference between the adjusted series for Invisible credits and Invisible debits.
Balance on current account	The sum of the adjusted series for Balance of trade and Net Invisibles.

## APPENDIX

TABLE 2. - MEASURES OF VARIABILITY - AVERAGE PERCENTAGE CHANGE

Series description	Average percentage change without regard to sign :						
	From quarter to quarter in the					From year to year in the Seasonal factors	Quarters for Cyclical Dominance
	Original series	Seasonally adjusted series	Trend series	Irregular series	Seasonal factors		
Visible Trade -							
Exports f.o.b.†	7.79	5.09	3.71	3.08	5.94	0.55	1
Imports f.o.b.	6.18	5.05	4.18	2.28	2.73	0.29	1
Invisible Credits -							
Gold Production*	9.99	..	..	..	..	..	..
Transportation†	4.15	3.49	2.83	1.81	2.72	0.27	1
Travel	12.76	5.91	4.49	3.39	13.30	0.43	1
Government†	21.91	12.70	4.52	10.65	17.55	5.22	3
Miscellaneous†	14.30	13.38	6.45	10.71	3.82	0.65	2
Property Income†	14.37	11.31	6.80	7.70	6.09	1.65	2
Transfers†	7.62	7.50	4.17	4.56	2.88	0.45	2
Total Inv. Credits†	4.88	3.91	2.96	2.40	2.83	0.90	1
Invisible Debits -							
Transportation -							
Freight on Imports	5.96	5.31	3.99	3.08	2.31	0.36	1
Other Transportation†	10.34	5.40	3.42	3.58	8.87	0.67	2
Travel -	29.14	5.52	3.92	3.23	28.15	0.58	1
Government†	20.95	10.13	4.25	8.28	13.96	2.53	2
Miscellaneous†	10.41	8.27	4.29	5.84	6.12	1.88	2
Property Income -							
Investment Income -							
Undistributed*	5.85	..	..	..	..	..	..
Other†	22.97	15.08	6.12	12.94	14.20	2.05	2
Royalties and Copyrights	16.78	12.61	7.00	8.18	9.96	1.22	2
Transfers -							
Government†	17.50	13.82	5.66	11.46	9.15	1.46	2
Private†	8.19	5.43	3.67	3.64	5.47	0.92	1
Total Inv. Debits†	6.66	4.43	2.86	2.83	4.58	0.68	1

† Series is adjusted aggregatively. Measures for trend and irregular components relate to estimates derived by a direct multiplicative analysis of the aggregatively adjusted series. Measures for seasonal factors relate to the equivalent direct multiplicative adjustment implicit in the relationship between the original and adjusted series.

\* Current movements in the original series are considered to be associated principally with changes in trend and are not seasonally adjusted. Measures for the original series are included.

TABLE 3. - MEASURES OF VARIABILITY - AVERAGE DIFFERENCE  
\$ million

Series description*	Average difference without regard to sign :						
	From quarter to quarter in the					From year to year in the seasonal factors	Quarters for Cyclical Dominance
	Original series	Seasonally adjusted series	Trend series	Irregular series	Seasonal factors		
Balance of Trade	70	52	38	28	46	5	1
Net Invisibles	26	16	8	13	21	4	2
Balance on Current Account	69	55	40	30	36	7	1

\* These balances are adjusted aggregatively. Measures for the trend and irregular components (and the Q.C.D.) relate to estimates derived by a direct additive analysis of the aggregatively adjusted series. Measures for seasonal factors relate to the equivalent direct additive adjustment implicit in the relationship between the original and aggregatively adjusted series.