

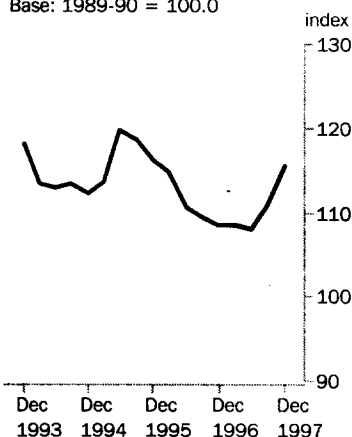
IMPORT PRICE INDEX

AUSTRALIA

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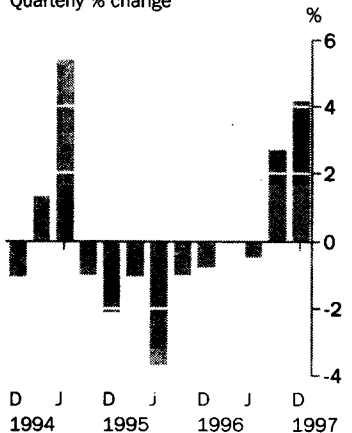
Index numbers

Base: 1989-90 = 100.0



All groups

Quarterly % change



DECEMBER QTR KEY FIGURES

	% change Sep Qtr 97 to Dec Qtr 97	% change Dec Qtr 96 to Dec Qtr 97
All groups	4.2	6.4
Food and live animals	3.2	16.7
Beverages and tobacco	2.5	11.1
Crude materials	3.2	9.4
Mineral fuels, etc.	10.7	3.3
Animal and vegetable oils, etc.	7.1	-9.0
Chemical products	3.4	4.2
Manufactured goods, by material	3.8	6.0
Machinery and transport equipment	3.7	5.9
Miscellaneous manufactured articles	4.8	8.2
Commodities and transactions n.e.s.	1.6	-7.0

DECEMBER QTR KEY POINTS

ALL GROUPS INDEX

- A continuing fall in the value of the Australian dollar against the US dollar and the European currencies resulted in price increases in a wide range of items in the December quarter, leading to an overall increase in the Import Price Index of 4.2 per cent. This is the largest increase in the index since June quarter 1995.

MAJOR MOVEMENTS

- Increased prices for machinery and transport equipment and petroleum and related products were mostly a result of the fall in value of the Australian dollar in December quarter.
- Partly offsetting the price increases were price decreases in a small number of components, the most significant of which were copper pipes and fittings and non-coniferous wood.

INQUIRIES

- For further information about these and related statistics, contact Peter Sturgeon on 02 6252 5348, or any ABS Office.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)

RELEASE DATE

March 1998

21 April 1998

June 1998

20 July 1998

.....

CHANGES IN THIS ISSUE

There are no changes in this issue.

.....

W. McLennan
Australian Statistician

IMPORT PRICE INDEX, All Groups

<i>Period</i>	<i>Index numbers(a)</i>	<i>% change from corresponding quarter of previous year</i>	<i>% change from previous period</i>
1993-94	115.6		3.1
1994-95	114.8		-0.7
1995-96	115.0		0.2
1996-97	108.6		-5.6
1993			
December	118.1	5.4	0.4
1994			
March	113.5	0.3	-3.9
June	113.0	-1.1	-0.4
September	113.4	-3.6	0.4
December	112.2	-5.0	-1.1
1995			
March	113.7	0.2	1.3
June	119.8	6.0	5.4
September	118.6	4.6	-1.0
December	116.1	3.5	-2.1
1996			
March	114.8	1.0	-1.1
June	110.5	-7.8	-3.7
September	109.4	-7.8	-1.0
December	108.5	-6.5	-0.8
1997			
March	108.4	-5.6	-0.1
June	107.9	-2.4	-0.5
September	110.8	1.3	2.7
December	115.4	6.4	4.2

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), Contribution to All Groups Index

Category	September Qtr 1997	December Qtr 1997	Change
All groups	110.8	115.4	4.6

SITC SECTIONS: Contribution to All Groups Index (index points)

0 Food and live animals chiefly for food	4.54	4.69	0.15
1 Beverages and tobacco	0.99	1.01	0.02
2 Crude materials, inedible, except fuels	3.80	3.93	0.13
3 Mineral fuels, lubricants and other related materials	4.99	5.53	0.54
4 Animal and vegetable oils, fats and waxes	0.37	0.39	0.02
5 Chemicals and related products n.e.s.	11.55	11.96	0.41
6 Manufactured goods classified by material	18.96	19.66	0.70
7 Machinery and transport equipment	50.32	52.21	1.89
8 Miscellaneous manufactured articles	14.88	15.58	0.70
9 Commodities and transactions not classified elsewhere	0.40	0.41	0.01

SITC DIVISIONS: Contribution to All Groups Index (index points)

03 Fish, crustaceans and molluscs and preparations thereof	1.14	1.21	0.07
24 Cork and wood	1.90	1.92	0.02
33 Petroleum, petroleum products and related materials	4.99	5.53	0.54
51 Organic chemicals	2.52	2.55	0.03
52 Inorganic chemicals	1.04	1.02	-0.02
59 Chemical materials and products n.e.s.	1.88	2.01	0.13
64 Paper, paperboard and articles of paper pulp, paper and paperboard	2.72	2.82	0.10
65 Textile yarn, fabrics, made-up articles n.e.s. and related products	4.67	4.86	0.19
69 Manufactures of metals n.e.s.	3.19	3.35	0.16
71 Power generating machinery and equipment	3.39	3.54	0.15
72 Machinery specialised for particular industries	6.58	6.96	0.38
74 General industrial machinery and equipment n.e.s.	7.32	7.70	0.38
75 Office machines and automatic data processing machines	4.37	4.51	0.14
76 Telecommunications and sound recording equipment	3.17	3.23	0.06
77 Electrical machinery, apparatus, appliances n.e.s.	5.45	5.69	0.24
78 Road vehicles	14.84	15.08	0.24
79 Other transport equipment	5.18	5.50	0.32
87 Professional, scientific and controlling instruments and apparatus n.e.s.	2.97	3.12	0.15
89 Miscellaneous manufactured articles n.e.s.	6.03	6.32	0.29

(a) For an explanation of this table see paragraph 16 of the Explanatory Notes

IMPORT PRICE INDEX(a), By SITC Section

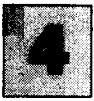
Period	Food and live animals chiefly for food (0)	Beverages and tobacco (1)	Crude materials, inedible, except fuels (2)	Mineral fuels, lubricants and other related materials (3)	Animal and vegetable oils, fats and waxes (4)	Chemicals and related products n.e.s. (5)	Manufactured goods classified chiefly by material (6)	Machinery and transport equipment (7)	Miscellaneous manufactured articles (8)	Commodities and transactions not classified elsewhere (9)
1993-94	106.8	111.5	116.3	93.5	120.9	103.3	112.2	123.1	117.0	110.4
1994-95	116.6	106.6	121.9	90.2	140.4	108.8	110.4	121.1	113.5	104.4
1995-96	115.9	109.8	125.8	89.8	170.1	115.1	115.7	117.4	114.2	103.7
1996-97	112.8	114.3	110.2	98.1	158.8	107.5	109.6	108.5	111.2	93.6
1993										
December	108.5	111.0	120.4	97.1	126.6	105.1	114.7	125.6	119.3	113.3
1994										
March	106.2	107.9	114.1	88.1	117.0	101.7	111.0	120.9	114.9	109.5
June	105.2	107.0	113.9	91.0	115.3	100.0	109.5	120.9	114.0	106.1
September	107.7	106.0	115.6	96.5	123.8	101.9	109.1	120.6	113.4	105.0
December	117.3	106.4	118.6	85.0	135.3	103.3	108.7	118.6	112.1	102.7
1995										
March	119.4	105.9	122.5	86.4	142.4	110.7	109.7	119.0	112.5	102.4
June	122.1	108.0	130.9	92.7	160.1	119.3	114.0	126.1	115.8	107.5
September	121.1	109.6	130.4	86.4	163.0	119.5	117.2	123.0	115.4	104.6
December	117.6	110.2	128.3	86.3	167.9	116.2	117.4	118.7	115.5	103.8
1996										
March	113.9	110.2	127.4	93.8	175.3	114.1	115.8	116.4	114.6	107.0
June	111.0	109.3	117.2	92.6	174.3	110.6	112.5	111.4	111.1	99.3
September	112.2	109.8	112.2	92.2	167.2	109.2	110.2	110.1	111.9	98.0
December	110.9	112.5	108.2	101.0	166.8	107.5	109.5	108.5	110.7	95.7
1997										
March	112.3	115.7	110.0	103.9	155.6	107.1	109.5	107.9	110.9	90.9
June	115.8	119.2	110.4	95.3	145.4	106.3	109.3	107.6	111.4	89.6
September	125.4	122.0	114.7	94.2	141.7	108.3	111.9	110.8	114.3	87.6
December	129.4	125.0	118.4	104.3	151.8	112.0	116.1	114.9	119.8	89.0

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By Selected SITC Division

Period	Petroleum, petroleum products and related materials (33)	Organic chemicals (51)	Paper, paperboard and articles made of paper (64)	Textile yarn, fabrics, and related products (65)	Power generating machinery and equipment (71)	Machinery specialised for particular industries (72)
1993-94	93.5	98.1	99.6	110.7	132.9	122.3
1994-95	90.2	111.6	97.6	110.2	131.5	120.0
1995-96	89.8	105.1	116.8	113.1	131.1	120.2
1996-97	98.1	100.6	100.3	108.7	120.6	115.5
1993						
December	97.1	99.5	101.7	113.9	135.8	124.7
1994						
March	88.1	97.1	99.0	108.9	131.8	119.7
June	91.0	98.0	96.0	108.1	131.3	119.5
September	96.5	103.0	95.2	108.5	130.9	118.7
December	85.0	109.8	95.4	109.0	129.4	117.0
1995						
March	86.4	113.2	97.0	109.3	129.6	119.0
June	92.7	120.2	102.7	113.8	136.2	125.2
September	86.4	116.3	114.9	115.7	135.7	123.5
December	86.3	103.3	120.1	115.6	133.0	121.6
1996						
March	93.8	100.6	118.3	112.3	130.6	119.9
June	92.6	100.3	113.8	108.9	124.9	115.7
September	92.2	99.3	104.8	108.2	122.1	116.2
December	101.0	99.0	100.5	107.7	120.3	115.4
1997						
March	103.9	100.2	98.4	109.2	120.0	114.0
June	95.3	104.0	97.5	109.6	119.9	116.3
September	94.2	110.1	99.3	112.7	125.2	119.3
December	104.3	111.2	103.7	117.2	130.9	126.2

(a) Base of each index: 1989-90 = 100.0



IMPORT PRICE INDEX(a), By Selected SITC Division *continued*

Period	General industrial machinery, equipment and parts (74)	Office machines and ADP machines (75)	Telecommunications and sound recording equipment (76)	Electrical machinery, etc. and parts thereof (77)	Road vehicles (78)	Other transport equipment (79)
1993-94	130.1	88.7	110.4	112.3	145.4	124.9
1994-95	127.4	82.9	104.8	109.5	149.8	118.6
1995-96	126.9	70.1	99.1	107.3	147.3	116.8
1996-97	119.4	60.0	84.9	99.6	136.3	113.2
1993						
December	133.1	90.7	113.1	115.6	146.8	129.2
1994						
March	127.3	86.5	108.1	110.4	143.7	122.0
June	126.9	86.9	107.3	109.6	145.4	119.7
September	126.5	84.9	105.8	109.5	147.2	118.4
December	123.8	82.2	104.2	108.0	145.8	116.2
1995						
March	125.8	80.3	103.3	107.9	146.4	118.0
June	133.6	84.1	105.7	112.6	159.8	121.6
September	131.6	79.0	104.2	111.4	154.5	119.6
December	127.9	70.4	101.2	109.4	148.2	118.8
1996						
March	125.8	67.6	98.7	106.5	146.0	117.9
June	122.1	63.4	92.2	102.0	140.4	111.0
September	120.8	62.4	87.9	101.0	138.5	111.7
December	119.0	60.4	85.3	99.6	136.7	111.7
1997						
March	118.5	59.0	84.2	99.0	135.7	114.4
June	119.2	58.1	82.3	98.9	134.2	114.9
September	123.6	58.9	83.5	99.6	139.4	118.7
December	129.9	60.8	85.0	103.9	141.6	126.0

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By Selected ATSN Section

Period	Prepared foodstuffs, beverages and tobacco (4)	Mineral products (5)	Chemical industry products (6)	Plastics and rubber, and articles thereof (7)	Wood pulp, paper and paper products (10)	Textiles and textile articles (11)	Base metals and articles thereof (15)	Machinery and electrical equipment (16)	Transport equipment (17)	Instruments, clocks and watches, optical and photographic apparatus (18)
1993-94	108.7	101.2	99.2	111.4	98.0	109.5	110.5	110.5	140.3	125.9
1994-95	110.9	98.9	103.9	114.1	98.0	108.4	108.2	106.3	141.9	124.9
1995-96	114.6	98.9	109.9	120.5	113.8	109.5	113.5	101.5	139.3	125.4
1996-97	112.8	106.3	103.0	114.1	100.3	104.1	107.9	93.1	130.3	119.3
1993										
December	110.0	104.7	100.6	113.5	99.8	112.0	112.9	113.2	142.5	128.7
1994										
March	106.2	95.7	97.6	110.1	97.2	108.1	109.4	108.4	138.2	123.0
June	106.0	98.6	96.3	109.2	95.0	107.4	107.6	107.9	138.8	123.0
September	106.4	104.4	96.7	111.4	95.8	107.6	106.7	106.8	139.8	123.9
December	108.9	93.7	98.3	111.3	96.3	107.0	106.0	104.7	138.2	122.3
1995										
March	111.8	95.4	106.2	113.8	97.3	107.4	108.1	104.7	139.3	123.0
June	116.3	102.0	114.2	119.7	102.6	111.4	112.0	109.0	150.2	130.3
September	117.3	95.4	113.2	123.6	111.9	112.4	114.8	106.8	145.5	128.4
December	116.1	95.7	110.2	122.7	117.4	111.3	115.4	102.7	140.5	127.3
1996										
March	114.0	102.8	109.4	120.1	116.9	108.8	113.7	100.4	138.6	125.1
June	111.0	101.5	106.9	115.5	108.9	105.3	110.2	96.0	132.7	120.6
September	111.3	101.4	105.8	113.8	102.3	104.0	108.6	94.7	131.5	121.6
December	111.9	108.5	103.4	113.5	100.5	103.1	108.4	93.1	130.2	119.3
1997										
March	112.7	111.8	102.2	114.1	99.6	104.3	107.6	92.3	130.1	118.3
June	115.2	103.5	100.6	114.9	98.9	104.9	106.8	92.3	129.3	117.9
September	120.0	103.0	102.9	115.8	102.2	108.1	110.0	94.6	134.1	120.1
December	125.6	113.8	106.2	119.6	107.0	112.4	113.6	98.8	137.8	125.8

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By Selected ANZSIC Industry of Origin Division

Period	Agriculture, forestry and fishing (A)	Mining (B)	Manufacturing (C)
1993-94	107.3	97.8	115.6
1994-95	141.7	102.5	113.8
1995-96	136.3	104.5	113.5
1996-97	128.0	115.6	106.8
1993			
December	107.3	102.7	118.0
1994			
March	106.6	91.4	113.6
June	107.9	92.6	113.1
September	117.4	101.8	112.9
December	145.0	97.7	111.4
1995			
March	149.3	101.0	112.6
June	155.1	109.4	118.3
September	146.3	101.6	117.1
December	137.7	101.7	114.7
1996			
March	133.8	108.2	113.2
June	127.4	106.4	109.0
September	124.8	110.0	107.8
December	122.8	119.4	106.7
1997			
March	127.9	121.8	106.5
June	136.4	111.0	106.1
September	158.4	110.7	108.8
December	158.7	122.9	113.1

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By Selected ANZSIC Industry of Origin Subdivision

Period	Agriculture (1)	Oil and gas extraction (12)	Food, beverages and tobacco (21)	Textiles (221-222)	Clothing, footwear and leather (223-226)	Wood and paper products (23)	Printing, publishing and recorded media (241-243)
1993-94	107.3	98.6	109.5	109.2	109.5	113.0	116.2
1994-95	141.6	102.8	112.9	110.9	103.8	110.4	111.5
1995-96	136.2	103.5	117.8	114.6	102.1	119.9	114.9
1996-97	127.8	117.8	115.3	108.4	100.8	106.7	114.5
1993							
December	107.3	104.4	111.4	111.9	111.1	116.6	118.5
1994							
March	106.6	91.1	107.9	107.6	106.9	112.3	114.9
June	107.9	92.7	107.1	107.2	106.5	109.9	112.6
September	117.4	103.1	108.3	108.3	105.4	108.9	111.6
December	145.0	97.3	111.1	109.1	102.8	108.9	110.2
1995							
March	149.1	100.5	113.6	110.1	102.5	110.0	110.1
June	154.9	110.2	118.7	116.1	104.4	113.9	113.9
September	146.1	100.7	119.8	117.7	103.2	121.1	114.1
December	137.6	99.8	118.7	116.6	102.4	123.2	116.3
1996							
March	133.6	108.0	117.5	114.0	102.3	121.3	116.3
June	127.3	105.4	115.0	110.2	100.5	114.1	112.9
September	124.6	109.3	115.8	108.2	100.9	108.1	113.9
December	122.6	123.6	115.3	107.4	100.0	106.5	113.8
1997							
March	127.8	125.7	114.6	108.8	100.7	106.3	114.8
June	136.2	112.5	115.5	109.0	101.7	105.9	115.3
September	158.2	110.6	118.9	112.0	105.1	108.3	120.8
December	158.5	123.9	124.5	116.3	109.8	112.0	126.2

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By Selected ANZSIC Industry of Origin Subdivision *continued*

Period	Petroleum, coal, chemical and associated products (25)	Non-metallic mineral products (26)	Basic metal products (271-273)	Fabricated metal products (274-276)	Transport equipment (281-282)	Other machinery and equipment (283-286)	Other manufacturing (29)
1993-94	104.0	118.0	101.7	123.6	136.8	111.3	114.4
1994-95	104.9	116.5	100.3	117.2	137.9	107.4	111.3
1995-96	109.2	117.2	106.5	117.3	136.0	102.7	111.2
1996-97	104.8	115.9	100.5	111.7	127.2	94.6	109.8
1993							
December	105.8	121.0	104.0	126.2	139.1	114.0	116.7
1994							
March	102.1	116.7	101.0	121.9	134.9	109.0	112.7
June	101.9	115.3	98.5	120.7	135.2	108.6	111.5
September	103.1	115.9	98.0	118.5	136.0	107.7	110.8
December	100.4	115.0	97.6	116.1	134.4	105.7	109.6
1995							
March	104.9	114.7	100.2	116.4	135.4	105.8	110.8
June	111.0	120.3	105.2	117.9	145.6	110.4	113.8
September	111.1	119.3	106.6	119.6	141.6	107.9	112.2
December	109.4	117.8	108.5	117.7	137.2	103.9	111.7
1996							
March	109.4	117.8	107.6	117.2	135.5	101.7	111.5
June	106.7	114.0	103.2	114.8	129.7	97.2	109.3
September	104.9	115.7	102.2	111.8	128.3	96.3	109.9
December	104.9	116.9	101.4	111.6	127.1	94.6	109.0
1997							
March	105.4	115.9	99.2	112.3	127.1	93.7	109.7
June	103.9	114.9	99.0	111.1	126.3	93.6	110.4
September	105.2	117.4	101.3	113.5	131.0	95.7	112.4
December	109.6	124.7	103.4	119.0	134.9	99.9	118.1

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By BEC Category

Period	Food and beverages	Industrial supplies n.e.s.	Fuels and lubricants	Capital goods, and parts and accessories thereof	Transport equipment, and parts and accessories thereof	Consumer goods n.e.s.
1993-94	107.8	105.0	95.4	114.0	135.9	117.7
1994-95	119.5	106.6	93.0	110.0	136.8	114.0
1995-96	119.8	113.4	90.7	104.0	135.1	114.1
1996-97	116.0	105.8	99.0	95.0	126.9	110.1
1993						
December	109.1	107.3	99.1	116.6	138.2	120.2
1994						
March	106.9	103.6	89.6	111.5	134.1	115.9
June	106.1	102.0	93.0	111.3	134.4	114.9
September	109.5	102.6	99.3	110.4	135.1	114.2
December	120.3	103.3	87.5	108.2	133.5	112.7
1995						
March	122.6	107.2	89.1	108.2	134.3	113.0
June	125.7	113.4	96.1	113.1	144.1	116.1
September	124.7	115.5	88.0	110.2	140.6	115.6
December	121.5	115.0	87.3	105.2	136.2	115.1
1996						
March	117.8	113.5	94.9	102.5	134.5	114.5
June	115.0	109.6	92.5	97.9	129.1	111.1
September	115.3	107.1	92.3	96.9	127.8	110.8
December	114.2	105.5	102.2	95.0	126.8	109.9
1997						
March	115.2	105.4	105.4	94.1	126.8	109.8
June	119.1	105.3	96.0	94.0	126.2	109.7
September	128.7	108.0	94.3	96.2	130.4	112.5
December	132.7	111.7	101.0	100.5	134.2	117.6

(a) Base of each index: 1989-90 = 100.0

IMPORT PRICE INDEX(a), By BEC End Use Class

<i>Period</i>	<i>Capital goods</i>	<i>Intermediate goods</i>	<i>Consumption goods</i>
1993-94	122.8	106.6	121.1
1994-95	119.8	107.6	119.2
1995-96	116.0	109.2	119.6
1996-97	107.7	102.5	115.2
1993			
December	125.3	109.0	123.2
1994			
March	120.2	104.9	119.2
June	120.6	103.8	118.8
September	119.8	105.0	118.7
December	117.7	104.6	117.4
1995			
March	117.9	107.2	118.0
June	123.9	113.5	122.8
September	120.8	113.0	121.8
December	117.7	109.9	120.6
1996			
March	115.2	108.9	119.8
June	110.1	104.9	116.3
September	109.2	103.0	116.0
December	107.8	102.4	115.1
1997			
March	107.0	102.6	114.9
June	106.7	101.9	114.9
September	109.3	104.9	117.9
December	113.2	109.4	122.7

(a) Base of each index: 1989-90 = 100.0

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents index numbers measuring changes in the prices of imports of merchandise landed in Australia — the *Import Price Index*. It is calculated on a reference base of 1989–90 = 100.0.

SCOPE

2 The Import Price Index, either directly or indirectly, covers about 95% of merchandise imported during 1988–89 and 1989–90.

3 The remaining imports are not represented because of the inherent difficulties in pricing the items to a constant quality. These unrepresented items include:

- live animals (not for food)
- jewellery and other articles of precious metal n.e.s.
- military equipment
- special transactions
- commodities not classified according to kind
- works of art, collectors' pieces, antiques
- ships of various types.

4 The index numbers for each quarter relate to prices of those imports of merchandise that are physically landed in Australia during that quarter.

CLASSIFICATION

5 Index numbers for sections and selected divisions of the Standard International Trade Classification (SITC), Revision 3 are provided in tables 3 and 4, while index numbers for selected sections of the Combined Australian Customs Tariff and Statistical Nomenclature (ATSN) are provided in table 5.

6 Tables 6 and 7 contain index numbers for selected Divisions and Subdivisions, on an 'industry of origin' basis, of the Australian and New Zealand Standard Industrial Classification (ANZSIC). The 'industry of origin' is the industry in which the imported commodity would be classified as primarily produced had it been produced in Australia, determined in accordance with the classification rules of the ANZSIC.

7 Table 8 contains index numbers for categories of the United Nations' Classification by Broad Economic Categories (BEC). Table 9 contains index numbers for these categories rearranged to form the broader end use classes: Capital goods, Intermediate goods and Consumption goods. Each category has been allocated wholly to one of these classes except for:

- category 321, Motor spirit (which has been allocated in part to Intermediate goods and in part to Consumption goods)
- category 51, Passenger motor cars (which has been allocated in part to Capital goods and in part to Consumption goods).

ITEMS AND WEIGHTS

8 The index is a fixed weights index. The commodities directly represented in the index (the index items), were selected on the basis of their import values during 1988–89 and 1989–90. They constituted approximately 95% of the total value of imports of merchandise to Australia during these years. The selected items were allocated weights in accordance with the average value of imports for each item during 1988–89 and 1989–90. These weights were then revalued to reflect 1989–90 price levels. Many of the items carry not only their own weight but also the weight of unpriced commodities whose prices are considered to move in a similar manner. The weighting pattern of the Import Price Index, i.e. the percentage contributions for index items and groups, was shown in the September 1991 issue of this publication.

EXPLANATORY NOTES

PRICE MEASUREMENT

9 Prices of individual shipments are obtained from importers of the selected items and relate to the quarter in which the goods arrive in Australia. Imports are priced on a 'free on board' (f.o.b.), country of origin basis. Freight and insurance charges involved in shipping goods from foreign to Australian ports are therefore excluded from the prices used in the index, as are Australian import duties.

10 As the prices used in the index are expressed in Australian currency, changes in the relative value of the Australian dollar and overseas currencies can have a direct impact on price movements for the many commodities that are bought in currencies other than Australian dollars. Prices reported in a foreign currency are converted to Australian dollars using the relevant exchange rates. Where imports are purchased at prices expressed in terms of a foreign currency and forward exchange cover is used, the prices in the index *exclude* the forward exchange cover.

11 The price series used relate to specified standards, grades, types, etc. of each commodity. The aim is to incorporate in the index price changes for imports of representative goods of constant quality. Wherever possible, prices from predominant countries of origin are used for each of the specified goods priced in order to lessen the impact of price variations attributable solely to changes, over time, in the mix of countries of origin. In most cases prices are combined using fixed weights between markets. Weights between countries are reviewed from time to time and revised where necessary.

INDEX NUMBERS

12 Index numbers for financial years are simple averages of quarterly index numbers.

REVISIONS

13 In cases where more complete information is obtained after index numbers for a period have been published, or it is discovered that incorrect prices have been used in compiling the indexes, revisions to index numbers may occur in subsequent issues of this publication.

ANALYSIS OF INDEX CHANGES

14 Care should be exercised when interpreting quarter-to-quarter movements in the indexes as short-term movements do not necessarily indicate changes in trend.

15 Movements in indexes from one period to another can be expressed either as changes in 'index points' or as percentage changes. The following example illustrates the method of calculating index points changes and percentage changes between any two periods:

All groups index numbers	
December Quarter 1997	115.4 (see Table 1)
less December Quarter 1996	108.5 (see Table 1)
Change in index points	6.9
Percentage change =	$\frac{6.9}{108.5} \times 100 = 6.4$

16 Table 2 provides an analysis of the contribution which selected categories of imports make to the All groups index. For example, Road vehicles contributed 15.08 index points to the All groups index number of 115.4 for December Quarter 1997 and 0.24 index points to the net change of 4.6 index points.

EXPLANATORY NOTES

FURTHER INFORMATION

17 The September 1991 issue of this publication contains a more detailed description of the index. A detailed description of the previous Import Price Index is contained in the December Quarter 1982 issue of this publication.

18 Further information on the index is presented in the publication *Producer and Foreign Trade Price Indexes: Concepts, Sources and Methods* (6419.0).

RELATED PUBLICATIONS

19 Users may also wish to refer to the following publications which are available from ABS Bookshops:

- *Export Price Index, Australia* (6405.0)
- *Price Indexes of Articles Produced by Manufacturing Industry, Australia* (6412.0)
- *Price Indexes of Materials Used in Manufacturing Industries, Australia* (6411.0).

20 Other ABS publications that may be of interest include *Balance of Payments, Australia* (5302.0).

21 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

UNPUBLISHED STATISTICS

22 As well as the statistics included in this and related publications, the ABS may have other relevant unpublished data available. Inquiries should be made to Peter Sturgeon on 02 6252 5348 or to any ABS office.

SYMBOLS AND OTHER USAGES

ANZSIC	Australian and New Zealand Standard Industrial Classification
ATSN	Combined Australian Tariff and Statistical Nomenclature
BEC	Classification by Broad Economic Categories
f.o.b.	free on board
n.e.s.	not elsewhere specified or included
r	revised
SITC	Standard International Trade Classification





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