

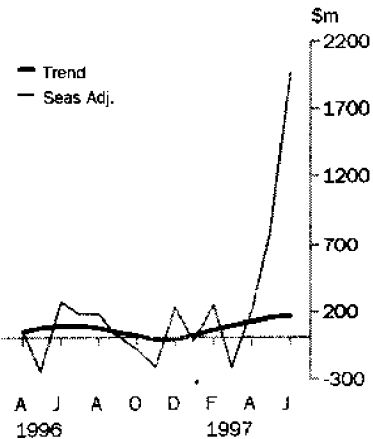


INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) TUES 29 JUL 1997

Balance on goods and services



JUNE KEY FIGURES

TREND ESTIMATES

	Apr 97 \$m	May 97 \$m	Jun 97 \$m	% change May 97 to Jun 97
Balance on goods and services	130	159	167	..
Exports of goods and services	8 801	8 873	8 924	1
Imports of goods and services	8 671	8 714	8 757	0

SEASONALLY ADJUSTED

	Apr 97 \$m	May 97 \$m	Jun 97 \$m	% change May 97 to Jun 97
Balance on goods and services	210	-787	1 964	..
Exports of goods and services	8 819	9 206	11 020	20
Imports of goods and services	8 609	8 419	9 056	8

JUNE KEY POINTS

TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services recorded a surplus of \$167 million in June, an increase of \$8 million on the surplus recorded in May.
- Exports of goods and services rose \$51 million, continuing an upward trend since August 1996. Imports of goods and services rose \$43 million, also continuing an upward trend since August 1996.

SEASONALLY ADJUSTED ESTIMATES

- The balance on goods and services recorded a surplus of \$1,964 million, an increase of \$1,177 million on the surplus recorded in May.
- Exports of goods and services rose \$1,814 million or 20%, while imports of goods and services rose \$637 million or 8%. The exports increase is largely attributable to the sale by the Reserve Bank of Australia (RBA) of \$1.8 billion of gold.

**Reserve Bank of
Australia gold sales:**
See page 18 for treatment
in ABS statistics.

1996-97 SITUATION

- The balance on goods and services (in original terms) recorded a surplus of \$2,818 million, a turnaround of \$3,584 million on the deficit for 1995-96.
- Exports of goods and services rose \$6,304 million or 6%, while imports of goods and services rose \$2,720 million or 3%.

INQUIRIES

- For further information about these and related statistics, contact Graeme Groves on 06 252 5540, or any ABS Office.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>EXPECTED RELEASE DATE</i>
July 1997	29 August 1997
August 1997	29 September 1997
September 1997	30 October 1997
October 1997	1 December 1997
November 1997	5 January 1998
December 1997	2 February 1998

CHANGES IN THIS ISSUE

Revisions to net credits have been made from 1992-93 through 1994-95, reducing the deficit on goods and services in those years by \$217 million, \$141 million and \$139 million respectively. For 1995-96 and the 11 months to May 1997, revisions to net debits have been made, increasing the deficit in 1995-96 by \$208 million, and reducing the year to date surplus in 1996-97 by \$837 million.

The main factors contributing to these revisions, in original terms, are:

- more recent information on international visitor spending, which will be described more fully in the June quarter 1997 issue of 5302.0, due for release on 28 August 1997; and
- downward revisions to gold exports in 1995-96 of \$80 million, and downward revisions for the 11 months to May 1997 of \$256 million coupled with upward revisions to gold imports of \$178 million for that same period.

The seasonally adjusted estimates of imports of goods have been revised as a result of a seasonal reanalysis. In the past, June has been a seasonally low month while July has been high. This was caused in part by some imports lodgements being delayed until early July, when lower tariff rates were applicable. However, the process of reduction in the general tariff rate came to an end in July 1996 when the rate reached 5%. Future July rate reductions will only apply to a small component of total imports of goods. Thus from 1997 some of the seasonal pattern has disappeared. The revised seasonally adjusted series takes account of this change to the pattern.

The quarterly imports of goods series are being similarly reanalysed, and the results will be incorporated in the June quarter 1997 issue of 5302.0.

Revisions to seasonal factors are likely to occur as the full impact of the changed seasonal pattern is assessed. Several years additional data may be required before the new pattern is known. Users are advised to apply caution when interpreting these data. Revised monthly forward seasonal factors for the remainder of 1997 have been sent to subscribers to that service. For further details contact Graeme Groves on (06) 252 5540.

W. McLennan
Australian Statistician

ANALYSIS AND COMMENTS

BALANCE ON GOODS AND SERVICES

The trend estimate of the balance on goods and services recorded a surplus of \$167 million in June, an increase of \$8 million on the surplus recorded in May.

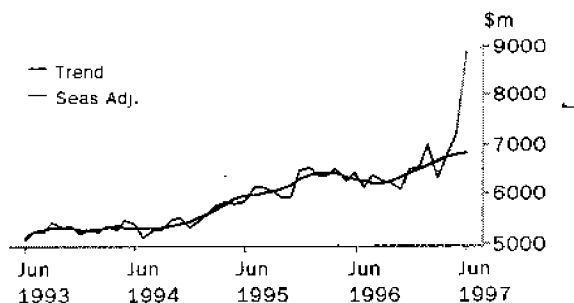
In seasonally adjusted terms, this balance recorded a surplus of \$1,964 million, an increase of \$1,177 million on the surplus recorded in May, largely reflecting increased gold exports in June, partly offset by the export of a frigate that was recorded in May.

EXPORTS OF GOODS AND SERVICES

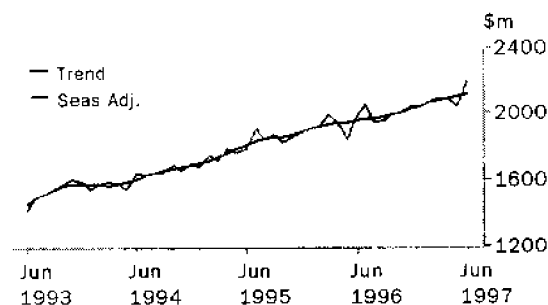
The trend estimate of exports of goods and services rose \$54 million, or 1%, to \$8,924 million, continuing an upward movement since August 1996. The trend estimate of goods has been increasing since September 1996, while the trend estimate of services has been increasing gradually since March 1994.

In seasonally adjusted terms, exports of goods and services rose \$1,814 million, or 20%, to \$11,020 million. Exports of goods rose \$1,671 million, or 23%, to \$8,871 million, while exports of services rose \$143 million, or 7%, to \$2,149 million.

EXPORTS OF GOODS



EXPORTS OF SERVICES



RURAL GOODS EXPORTS

The trend estimate of exports of rural goods rose \$4 million to \$2,016 million. In seasonally adjusted terms, rural goods rose \$24 million, or 1%, to \$2,036 million.

Rural exports, in original terms, fell \$181 million, or 9%, to \$1,940 million. All components recorded decreases with the largest being in 'other' rural goods, down \$67 million or 7%; and wool and sheepskins, down \$61 million or 18%.

ANALYSIS AND COMMENTS

NON-RURAL GOODS EXPORTS

The trend estimate of exports of non-rural goods rose \$35 million, or 1%, to \$4,827 million. In seasonally adjusted terms, non-rural goods rose \$1,647 million, or 32%, to \$6,835 million. The value of gold sold by the RBA (see page 18 for details) has been included in the seasonally adjusted result (but without adjustment), but is excluded from the derivation of the trend estimate.

Non-rural exports, in original terms, rose \$1,253 million, or 23%, to \$6,674 million. The largest increases were recorded in:

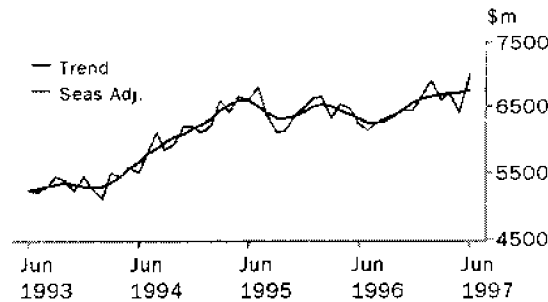
- gold, up \$1,885 million (which includes the gold sold by the RBA); and
- metal ores and minerals, up \$79 million, or 9%.

These increases were partially offset by decreases in transport equipment, down \$500 million, or 62%, on the May estimate (which included the ANZAC frigate 'Te Kaha' valued at \$0.5 billion); and coal, coke and briquettes, down \$189 million or 25% (due mainly to reduced volumes of exports).

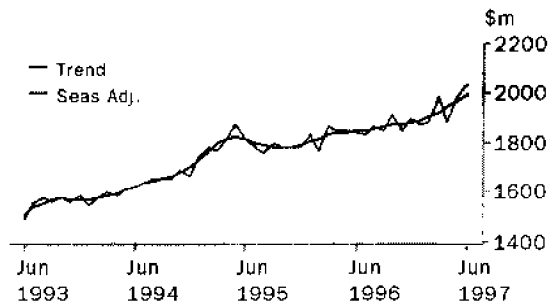
IMPORTS OF GOODS AND SERVICES*

The trend estimate of imports of goods and services rose \$43 million to \$8,757 million, continuing an upward movement since August 1996. The trend estimate of goods has been increasing since August 1996, while the trend estimate of services has been increasing gradually since October 1995. In seasonally adjusted terms, imports of goods and services rose \$637 million, or 8%, to \$9,056 million. Imports of goods increased \$593 million (9%), while imports of services rose \$44 million (2%). It should be noted that the increase in the seasonally adjusted value of goods has been influenced by the changed seasonal pattern referred to in *Changes in this issue* on page 2.

IMPORTS OF GOODS



IMPORTS OF SERVICES



ANALYSIS AND COMMENTS

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CONSUMPTION GOODS IMPORTS

The trend estimate of imports of consumption goods rose \$28 million, or 2%, to \$1,858 million, continuing the upward movement since March 1996. In seasonally adjusted terms, imports of consumption goods rose \$242 million, or 14%, to \$1,983 million.

Imports of consumption goods, in original terms, rose \$112 million, or 7%, to \$1,768 million. Increases were recorded in all components with the largest being in non-industrial transport equipment, up \$66 million or 16%.

CAPITAL GOODS IMPORTS

The trend estimate of imports of capital goods rose \$18 million, or 1%, to \$1,693 million, continuing the upward movement since September 1996. In seasonally adjusted terms, imports of capital goods rose \$213 million, or 14%, to \$1,775 million.

Imports of capital goods, in original terms, rose \$319 million, or 20%, to \$1,899 million. The largest increases were recorded in:

- civil aircraft, up \$194 million;
- industrial transport equipment n.e.s., up \$88 million or 54%; and
- ADP equipment, up \$74 million or 21%.

These increases were partly offset by a decrease in capital goods n.e.s., down \$56 million or 21%.

INTERMEDIATE AND OTHER GOODS IMPORTS

The trend estimate of imports of intermediate and other goods fell \$24 million, or 1%, to \$3,210 million. In seasonally adjusted terms, imports of intermediate and other goods rose \$138 million, or 4%, to \$3,264 million.

Imports of intermediate and other goods, in original terms, fell \$21 million, or 1%, to \$3,177 million. Decreases were recorded in 9 of the 14 groups, with the largest being:

- fuels and lubricants, down \$36 million or 8%; and
- processed industrial supplies n.e.s., down \$32 million or 4%.

The most significant increases were recorded in parts for ADP equipment, up \$28 million (18%); 'other' parts for capital goods, up \$23 million (4%); and organic and inorganic chemicals, up \$22 million or 11%.

1996-97 SITUATION

The balance on goods and services (in original terms) recorded a surplus of \$2.8 billion in 1996-97, a turnaround of \$3.6 billion on the deficit for 1995-96.

Exports of goods and services rose \$6.3 billion, or 6%, to \$104.4 billion. The largest increase recorded in rural exports was in cereals, up \$1.0 billion or 21%; while in non-rural exports gold was up \$1.2 billion or 21%; transport equipment increased by \$1.2 billion or 46% (including \$0.5 billion for a frigate); and 'other' mineral fuels rose \$1.0 billion or 24%. Services exports increased by \$1.4 billion or 6%, with rises in all components except shipment.

Imports of goods and services rose \$2.7 billion, or 3%, to \$101.5 billion. The largest increases in goods were recorded in non-industrial transport equipment (consumption goods), up \$0.7 billion or 16%; and fuels and lubricants (intermediate and other goods), up \$0.8 billion or 20%. Services imports were up by \$1.1 billion or 5%, with 'other transportation' being the only component to register a fall.



GOODS AND SERVICES, Summary: Seasonally Adjusted and Trend

Period	EXPORTS.....						IMPORTS(a).....					
	<i>Balance on goods and services</i>	<i>Total goods and services</i>	<i>Total goods</i>	<i>Rural goods</i>	<i>Non-rural goods</i>	<i>Total services</i>	<i>Total goods and services</i>	<i>Total goods</i>	<i>Con-sumption goods</i>	<i>Capital goods</i>	<i>inter-mediate and other goods</i>	<i>Total services</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
SEASONALLY ADJUSTED												
1996												
April	47	8 439	6 491	1 872	4 619	1 948	-8 392	-6 544	-1 665	-1 653	-3 226	-1 848
May	-245	8 097	6 252	1 799	4 453	1 845	-8 342	-6 494	-1 692	-1 715	-3 087	-1 848
June	273	8 378	6 410	1 849	4 561	1 968	-8 105	-6 262	-1 660	-1 572	-3 030	-1 843
July	183	8 180	6 123	1 793	4 330	2 057	-7 997	-6 166	-1 686	-1 415	-3 065	-1 831
August	180	8 334	6 382	1 927	4 455	1 952	-8 154	-6 288	-1 799	-1 480	-3 009	-1 866
September	25	8 223	6 266	1 808	4 458	1 957	-8 198	-6 345	-1 729	-1 543	-3 073	-1 853
October	-80	8 226	6 227	1 710	4 517	1 999	-8 306	-6 390	-1 724	-1 431	-3 235	-1 916
November	-211	8 101	6 087	1 718	4 369	2 014	-8 312	-6 466	-1 743	-1 523	-3 200	-1 846
December	230	8 573	6 530	1 842	4 688	2 043	-8 343	-6 445	-1 740	-1 470	-3 235	-1 898
1997												
January	-28	8 560	6 553	2 003	4 550	2 007	-8 588	-6 718	-1 742	-1 751	-3 225	-1 870
February	234	9 027	6 983	2 092	4 891	2 044	-8 793	-6 915	-1 823	-1 576	-3 516	-1 878
March	-210	8 395	6 339	1 856	4 483	2 056	-8 605	-6 615	-1 754	-1 591	-3 270	-1 990
April	210	8 819	6 763	1 994	4 769	2 056	-8 609	-6 727	-1 792	-1 727	-3 208	-1 882
May	787	9 206	7 200	2 012	5 188	2 006	-8 419	-6 429	-1 741	-1 562	-3 126	-1 990
June	1 964	11 020	8 871	2 036	6 835	2 149	-9 056	-7 022	-1 983	-1 775	-3 264	-2 034
TREND ESTIMATES												
1996												
April	52	8 356	6 412	1 858	4 554	1 944	-8 304	-6 466	-1 644	-1 673	-3 149	-1 838
May	82	8 311	6 361	1 840	4 521	1 950	-8 229	-6 385	-1 661	-1 625	-3 099	-1 844
June	100	8 270	6 313	1 832	4 481	1 957	-8 170	-6 322	-1 687	-1 571	-3 064	-1 848
July	102	8 241	6 275	1 825	4 450	1 966	-8 139	-6 286	-1 712	-1 519	-3 055	-1 853
August	79	8 216	6 238	1 807	4 431	1 978	-8 137	-6 278	-1 728	-1 484	-3 066	-1 859
September	49	8 222	6 232	1 792	4 440	1 990	-8 173	-6 309	-1 737	-1 474	-3 098	-1 864
October	19	8 268	6 268	1 794	4 474	2 000	-8 249	-6 378	-1 741	-1 485	-3 152	-1 871
November	-6	8 351	6 342	1 818	4 524	2 009	-8 357	-6 481	-1 747	-1 518	-3 216	-1 876
December	-6	8 449	6 431	1 859	4 572	2 018	-8 455	-6 574	-1 749	-1 555	-3 270	-1 881
1997												
January	26	8 555	6 526	1 909	4 617	2 029	-8 529	-6 639	-1 754	-1 587	-3 298	-1 890
February	64	8 648	6 611	1 954	4 657	2 037	-8 584	-6 680	-1 765	-1 615	-3 300	-1 904
March	99	8 729	6 684	1 984	4 700	2 045	-8 630	-6 704	-1 783	-1 638	-3 283	-1 926
April	130	8 801	6 745	2 001	4 744	2 056	-8 671	-6 721	-1 805	-1 657	-3 259	-1 950
May	159	8 873	6 804	2 012	4 792	2 069	-8 714	-6 739	-1 830	-1 675	-3 234	-1 975
June	167	8 924	6 843	2 016	4 827	2 081	-8 757	-6 761	-1 858	-1 693	-3 210	-1 996

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.

GOODS AND SERVICES, Summary: Original

Period	EXPORTS.....						IMPORTS(a).....					
	Balance on goods and services	Total goods and services	Total goods	Rural goods	Non- rural goods	Total services	Total goods and services	Total goods	Con- sumption goods	Capital goods	Inter- mediate and other goods	Total services
1994-95	-8 589	86 832	66 446	19 045	47 401	20 386	-95 421	-74 715	-19 418	-18 541	-36 756	-20 706
1995-96	- 766	98 062	75 226	21 300	53 926	22 836	-98 828	-77 104	-19 860	-19 183	-38 061	-21 724
1996-97	2 818	104 366	80 085	22 729	57 356	24 281	- 101 548	-78 721	-21 304	-18 882	-38 535	-22 827
1996												
April	-65	8 035	6 187	1 840	4 347	1 848	-8 100	-6 312	-1 553	-1 608	-3 151	-1 788
May	- 205	8 267	6 621	1 899	4 722	1 646	-8 472	-6 666	-1 641	-1 726	-3 299	-1 806
June	572	8 011	6 248	1 762	4 486	1 763	-7 439	-5 572	-1 344	-1 580	-2 648	-1 867
July	- 438	8 499	6 338	1 826	4 512	2 161	-8 937	-6 949	-1 939	-1 570	-3 440	-1 988
August	- 308	8 130	6 349	1 838	4 511	1 781	-8 438	-6 550	-1 910	-1 550	-3 090	-1 888
September	- 497	7 893	6 191	1 722	4 469	1 702	-8 390	-6 393	-1 803	-1 565	-3 025	-1 997
October	- 571	8 565	6 582	1 875	4 707	1 983	-9 136	-7 161	-2 075	-1 597	-3 489	-1 975
November	- 130	8 292	6 323	1 800	4 523	1 969	-8 422	-6 634	-1 880	-1 573	-3 181	-1 788
December	646	8 767	6 669	1 931	4 738	2 098	-8 121	-6 240	-1 730	-1 493	-3 017	-1 881
1997												
January	-74	8 271	5 924	1 764	4 160	2 347	-8 345	-6 398	-1 564	-1 553	-3 281	-1 947
February	1 029	8 874	6 366	1 940	4 426	2 508	-7 845	-6 196	-1 654	-1 319	-3 223	-1 649
March	723	8 672	6 604	2 018	4 586	2 068	-7 949	-6 126	-1 545	-1 527	-3 054	-1 823
April	- 146	8 542	6 583	1 954	4 629	1 959	-8 688	-6 796	-1 780	-1 656	-3 360	-1 892
May	947	9 310	7 542	2 121	5 421	1 768	-8 363	-6 434	-1 656	-1 580	-3 198	-1 929
June	1 637	10 551	8 614	1 940	6 674	1 937	-8 914	-6 844	-1 768	-1 899	-3 177	-2 070

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.

EXPORTS OF GOODS: Original

RURAL GOODS.....

<i>Period</i>	<i>Total exports of goods</i>	<i>Total rural goods</i>	<i>Meat and meat preparations</i>	<i>Cereal grains and cereal preparations</i>	<i>Sugar, sugar preparations and honey</i>	<i>Wool and sheepskins</i>	<i>Other rural</i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1994-95	66 446	19 045	3 654	2 523	1 730	4 216	6 922
1995-96	75 226	21 300	3 292	4 926	1 712	3 664	7 706
1996-97	80 085	22 729	2 955	5 950	1 695	3 740	8 389
1996							
April	6 187	1 840	240	537	85	311	667
May	6 621	1 899	245	567	41	285	761
June	6 248	1 762	217	430	57	322	736
July	6 338	1 826	227	378	267	261	693
August	6 349	1 838	212	389	289	251	697
September	6 191	1 722	208	356	201	283	674
October	6 582	1 875	250	378	235	348	664
November	6 323	1 800	277	349	152	364	658
December	6 669	1 931	242	574	101	353	661
1997							
January	5 924	1 764	186	658	94	277	549
February	6 366	1 940	252	685	86	313	604
March	6 604	2 018	258	684	57	362	657
April	6 583	1 954	283	566	55	307	743
May	7 542	2 121	290	470	92	341	928
June	8 614	1 940	270	463	66	280	861

EXPORTS OF GOODS: **Original** *continued*

NON-RURAL GOODS.....

<i>Period</i>	<i>Total non-rural goods</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other mineral fuels</i>	<i>Gold</i>	<i>Other metals</i>	<i>Machinery</i>	<i>Transport equipment</i>	<i>Other manufactures</i>	<i>Other non-rural</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	47 401	7 968	6 936	3 794	4 907	6 097	6 035	2 047	7 907	1 710
1995-96	53 926	9 088	7 843	4 165	5 617	6 799	7 119	2 500	8 755	2 040
1996-97	57 356	9 396	8 008	5 150	6 771	6 050	6 977	3 652	9 095	2 257
1996										
April	4 347	697	645	385	499	528	517	172	701	203
May	4 722	761	713	339	502	571	603	254	785	194
June	4 486	888	613	377	391	528	592	201	734	162
July	4 512	690	609	426	490	515	620	211	743	208
August	4 511	825	648	344	425	513	604	181	781	190
September	4 469	717	643	356	431	542	582	188	809	201
October	4 707	767	683	462	407	474	590	352	777	195
November	4 523	723	663	425	363	485	613	291	803	157
December	4 738	828	658	461	425	471	643	315	765	172
1997										
January	4 160	709	762	422	451	505	375	178	575	183
February	4 426	723	644	507	375	505	512	275	700	185
March	4 586	817	619	430	367	474	624	262	796	197
April	4 629	848	730	413	380	509	538	289	745	177
May	5 421	835	769	413	386	566	618	805	834	195
June	6 674	914	580	491	2 271	491	658	305	767	197

IMPORTS OF GOODS: Original(a)

CONSUMPTION GOODS.....

Period	Total imports of goods \$m	Total consumption goods \$m	Food and beverages, mainly for consumption \$m	Household electrical items \$m	Non-industrial transport equipment \$m	Textiles, clothing and footwear \$m	Toys, books and leisure goods \$m	Consumption goods n.e.s. \$m
1994-95	-74 715	-19 418	-2 592	-1 744	-4 758	-2 566	-2 545	-5 213
1995-96	-77 104	-19 860	-2 760	-1 766	-4 436	-2 726	-2 534	-5 638
1996-97	-78 721	-21 304	-2 882	-1 886	-5 147	-2 883	-2 573	-5 933
1996								
April	-6 312	-1 553	-209	-147	-368	-207	-173	-449
May	-6 666	-1 641	-220	-151	-411	-194	-192	-473
June	-5 572	-1 344	-193	-124	-319	-155	-167	386
July	-6 949	-1 939	-263	-170	-435	-284	-244	-543
August	-6 550	-1 910	-255	-160	-498	-264	223	-510
September	-6 393	-1 803	-225	-178	-389	-244	-250	-517
October	-7 161	-2 075	-283	-204	-482	-244	-273	-589
November	-6 634	-1 880	-240	-208	412	-227	-235	558
December	-6 240	-1 730	-264	-144	-499	-201	-186	-436
1997								
January	-6 398	-1 564	-243	-121	-342	263	-177	-418
February	-6 196	-1 654	-225	-119	-364	-303	-180	-463
March	-6 126	-1 545	-220	-130	-407	210	-168	-410
April	-6 796	-1 780	-230	-156	-427	-241	-205	-521
May	-6 434	-1 656	-211	-144	-413	-200	-210	-478
June	-6 844	-1 768	-223	-152	-479	-202	-222	-490

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.

IMPORTS OF GOODS: Original(a) *continued*

CAPITAL GOODS.....

Period	Total capital goods	Machinery and industrial equipment	ADP equipment	Telecomm- unications equipment	Civil aircraft	Industrial transport equipment n.e.s.	Capital goods n.e.s.
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	-18 541	-7 897	-3 232	-1 804	-529	-2 714	-2 365
1995-96	-19 183	-8 326	-3 593	-1 996	-688	-2 214	-2 366
1996-97	-18 882	-8 022	-3 717	-1 749	-781	-2 177	-2 436
1996							
April	-1 608	-669	-327	-150	-70	-198	-194
May	-1 726	-719	-361	-131	-117	-191	-207
June	-1 580	-673	-342	-150	-66	-178	-171
July	-1 570	-702	-331	-153	-9	-167	-208
August	-1 550	-709	-260	-120	-113	-166	-182
September	-1 565	-652	-314	-150	-108	-145	-196
October	-1 597	-716	-270	-168	-61	-170	-212
November	-1 573	-663	-271	-164	-120	-161	-194
December	-1 493	-687	-281	-141	-48	-153	-183
1997							
January	-1 553	-687	-267	-109	-13	-298	-179
February	-1 319	-599	-253	-112	-8	-159	-188
March	-1 527	-645	-335	-124	-64	-174	-185
April	-1 656	-709	-357	-184	-11	-170	-225
May	-1 580	-632	-352	-147	-16	-163	-270
June	-1 899	-621	-426	-177	-210	-251	-214

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.

IMPORTS OF GOODS: Original(a) continued

INTERMEDIATE AND OTHER GOODS.....

Period	Total intermediate and other goods	Food and beverages, mainly for industry	Primary industrial supplies n.e.s.	Fuels and lubricants	Parts for transport equipment	Parts for ADP equipment	Other parts for capital goods	Organic and inorganic chemicals
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	-36 756	- 774	- 901	-3 586	-4 714	-1 858	-5 975	-2 431
1995-96	-38 061	- 700	- 879	-4 163	-4 600	-1 857	-6 393	-2 754
1996-97	-38 535	- 641	- 839	-5 002	-4 608	-1 758	-6 509	-2 743
1996								
April	-3 151	-52	-75	- 425	- 394	- 156	- 490	- 243
May	-3 299	-63	-73	- 391	- 419	- 154	- 557	- 232
June	-2 648	-40	-54	- 321	- 334	- 137	- 459	- 195
July	-3 440	51	-69	- 412	- 490	- 161	- 565	264
August	-3 090	-66	-66	- 304	- 415	- 135	- 535	- 199
September	-3 025	-43	-70	254	- 386	- 138	- 525	- 241
October	-3 489	-62	-73	- 541	- 383	- 137	- 582	- 269
November	-3 181	-48	-78	- 416	- 377	- 136	- 557	- 207
December	-3 017	-35	-64	- 501	- 338	- 133	- 503	203
1997								
January	-3 281	-72	-66	- 514	- 367	- 129	- 545	269
February	-3 223	-47	71	- 477	- 326	- 134	- 526	205
March	-3 054	-61	-55	- 397	- 339	- 146	- 514	- 218
April	-3 360	-55	-79	- 354	- 433	- 169	- 568	- 242
May	-3 198	-54	-77	- 434	- 374	- 156	- 533	- 202
June	-3 177	-47	-71	- 398	- 380	- 184	- 556	- 224

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.



IMPORTS OF GOODS: **Original(a)** *continued*

INTERMEDIATE AND OTHER GOODS *continued*.....

Period	Paper and paperboard	Textile yarn and fabrics	Iron and steel	Plastics	Non- monetary gold	Processed industrial supplies n.e.s.	Other goods
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	-1 794	-2 036	-1 285	-1 646	- 705	-8 680	- 391
1995-96	-1 868	-1 922	-1 408	-1 685	- 702	-8 793	- 337
1996-97	-1 714	-1 817	-1 300	-1 576	- 781	-8 937	- 310
1996							
April	- 141	- 141	- 100	- 124	-52	- 745	-13
May	- 131	- 172	- 101	- 133	-52	- 771	-50
June	- 103	- 143	- 93	- 111	-52	- 588	-18
July	- 151	- 182	- 103	- 145	-45	- 779	-23
August	- 151	- 158	- 114	- 135	-45	- 743	-24
September	- 149	- 162	- 109	- 134	-53	- 747	-14
October	- 167	- 159	- 99	- 146	-60	- 786	-25
November	- 147	- 151	- 119	- 127	-50	- 744	-24
December	- 135	- 128	- 76	- 120	-38	- 697	-46
1997							
January	- 136	- 156	- 113	- 126	-48	- 725	-15
February	- 141	- 141	- 116	- 126	-192	- 701	-20
March	- 126	- 119	- 110	- 123	-100	- 702	-44
April	- 148	- 151	- 120	- 135	-73	- 803	-30
May	- 132	- 158	- 106	- 130	-42	- 771	-29
June	- 131	- 152	- 115	- 129	-35	- 739	-16

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.

SERVICES: Original

Period	EXPORTS.....					IMPORTS(a).....				
	Total services	Shipment	Other transportation(b)	Travel	Other services(b)	Total services	Shipment	Other transportation(b)	Travel	Other services(b)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	20 386	1 139	5 401	9 639	4 207	-20 706	-4 384	-5 406	-5 774	-5 142
1995-96	22 836	1 233	5 891	10 862	4 850	-21 724	-4 429	-5 609	-6 434	-5 252
1996-97	24 281	956	6 366	11 418	5 541	-22 827	-4 454	-5 536	-7 158	-5 679
1996										
April	1 848	96	459	873	420	-1 788	- 379	- 442	- 549	- 418
May	1 646	97	461	658	430	-1 806	- 387	- 472	- 513	- 434
June	1 763	97	462	752	452	-1 867	- 302	- 500	- 614	- 451
July	2 161	84	487	1 158	432	-1 988	- 400	- 488	- 632	- 468
August	1 781	83	488	776	434	-1 888	- 389	- 460	- 582	- 457
September	1 702	83	489	695	435	-1 997	- 362	- 479	- 685	- 471
October	1 983	84	538	860	501	-1 975	- 416	- 454	- 604	- 501
November	1 969	85	539	846	499	-1 788	- 375	- 421	- 512	- 480
December	2 098	84	540	953	521	-1 881	- 358	- 458	- 556	- 509
1997										
January	2 347	75	553	1 269	450	-1 947	- 343	448	- 688	- 468
February	2 508	74	554	1 436	444	-1 649	- 340	- 394	- 465	- 450
March	2 068	73	555	990	450	-1 823	- 345	- 445	- 565	- 468
April	1 959	77	541	890	451	-1 892	- 386	- 475	- 577	- 454
May	1 768	77	541	714	436	-1 929	- 365	- 504	- 603	- 457
June	1 937	77	541	831	488	-2 070	- 375	- 510	- 689	- 496

(a) For an explanation of sign conventions concerning debit items, see Explanatory Note 9.

(b) From July 1994, estimates of agency services provided to resident and non-resident transport operators are included in *Other transportation*. Prior to this they are included in *Other services*.

PERIOD AVERAGE EXCHANGE RATES(a)

UNITS OF FOREIGN CURRENCY PER AUSTRALIAN DOLLAR.....

Period	United States dollar	United Kingdom pound	German mark	Japanese yen	Special drawing right	Trade weighted index of value of the \$A (May 1970 = 100)
1994-95	0.7427	0.4705	1.120	70.35	0.4972	52.8
1995-96	0.7593	0.4909	1.109	77.66	0.5156	54.8
1996-97	0.7828	0.4851	1.251	90.51	0.5521	58.7
1996						
April	0.7868	0.5192	1.184	84.45	0.5423	57.5
May	0.7970	0.5265	1.222	84.75	0.5516	58.3
June	0.7915	0.5132	1.189	86.15	0.5487	58.3
July	0.7893	0.5081	1.188	86.27	0.5448	58.0
August	0.7830	0.5051	1.161	84.43	0.5368	57.3
September	0.7929	0.5084	1.193	87.06	0.5472	58.3
October	0.7918	0.4999	1.210	88.93	0.5502	58.6
November	0.7961	0.4791	1.203	89.40	0.5480	58.6
December	0.7979	0.4793	1.238	90.82	0.5541	59.2
1997						
January	0.7791	0.4678	1.247	91.69	0.5484	58.5
February	0.7670	0.4717	1.283	94.34	0.5537	58.7
March	0.7888	0.4909	1.339	96.67	0.5726	60.6
April	0.7790	0.4777	1.332	97.82	0.5676	60.3
May	0.7753	0.4749	1.321	92.50	0.5605	59.4
June	0.7534	0.4581	1.300	86.17	0.5418	57.2

(a) These exchange rates and the trade-weighted index are derived using rates provided by the Reserve Bank of Australia in respect of each trading day.

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains preliminary estimates of Australia's international trade in goods and services on a balance of payments basis. These estimates form part of Australia's balance of payments statistics.

2 More comprehensive quarterly estimates of Australia's trade in goods and services, together with quarterly estimates of Australia's international transactions in income and unrequited transfers, and their financing, are included in the quarterly publication, *Balance of Payments, Australia* (5302.0).

CONCEPTS, SOURCES AND METHODS

3 Descriptions of the underlying concepts and structure of the balance of payments and the sources and methods used in compiling the estimates are presented in the 1996 edition of *Balance of Payments, Australia: Summary of Concepts, Sources and Methods* (5351.0). That publication also provides item definitions; and explanations of seasonal adjustment and trend estimates.

RELIABILITY AND VOLATILITY

4 Care should be exercised in interpreting month-to-month movements in original and seasonally adjusted series as short-term movements cannot be assumed to indicate changes in trend. The monthly estimates are volatile, being subject to seasonal factors (except where adjusted in Table 1) and large irregular influences. The irregular influences may reflect both random economic events and difficulties of statistical recording. Seasonal adjustment does not aim to remove the irregular or non-seasonal influences which may be present in any particular month. This means that the month-to-month movements of the seasonally adjusted estimates may not be reliable indicators of trend behaviour. For example, irregular factors unrelated to the trend account for more than half the seasonally adjusted monthly movements with the following frequency:

balance on goods and services: 9 in 10 months
exports of goods and services: 8 in 10 months
imports of goods and services: 8 in 10 months.

TREND ESTIMATES

5 The impact of the irregular influences upon the seasonally adjusted series is reduced by smoothing, as shown by the trend estimates in Table 1 and the graphs.

6 The trend estimates are derived by applying a 13-term Henderson moving average to the seasonally adjusted series. The 13-term Henderson average (like all Henderson averages) is symmetric, but as the end of a time series is approached, asymmetric forms of the average are applied. While the asymmetric weights enable trend estimates for recent months to be produced, it does result in revisions to the estimates for the most recent six months (the most recent three months in particular) as additional observations become available. There may also be revisions because of changes in the original data and as a result of the re-estimation of the seasonal factors. Details of trend-cycle weighting patterns are available on request from Time Series Analysis Section on Canberra (06) 252 6345.

SEASONAL ADJUSTMENT

7 The factors used in seasonally adjusting the monthly goods and services statistics during 1997 can be obtained from Melissa Hunt on Canberra (06) 252 6224 at a cost of \$75.00.

8 The seasonally adjusted statistics in this publication should not be regarded as in any way definitive as recent estimates are subject to revision for several years, and results from seasonal adjustment vary according to the method used.

EXPLANATORY NOTES

SIGN CONVENTION

9 In keeping with balance of payments conventions, debit items, such as imports of goods and imports of services, are shown as negative entries on Tables 1, 2, 4 and 5. However, references to these debit items in Key Figures, Key Points, and Analysis and Comments are made without regard to sign.

COMMODITY BREAKDOWNS OF GOODS

10 The commodity breakdown of exports of goods shown in Table 3 is based on the third revision of the United Nations' Standard International Trade Classification (SITC Rev 3). For further details see Table 3 in the 1996 edition of *Balance of Payments Australia. Summary of Concepts, Sources and Methods* (5351.0).

11 A commodity breakdown of imports of goods is shown in Table 4. The three broad end-use categories—*Consumption goods*, *Capital goods* and *Intermediate and other goods*—are based on the United Nations' Classification of Broad Economic Categories (BEC), but differ from the BEC to the extent that intermediate goods are combined with other goods. These broad end-use categories are further divided into a total of 26 SITC Rev 3-based commodity groupings, which have also been aligned to the BEC.

12 Most of the 26 SITC Rev 3 based commodity groups are further sub-divided into a total of 107 commodity sub-groups. Although the information at this level is not published, it is available as a special data service, see paragraph 14.

13 For more information on the commodity classification of imports of goods, and a detailed concordance between balance of payments imports of goods end-use categories, commodity groups, commodity sub-groups, BEC and SITC Rev 3, refer to the Information Paper, *Change to Commodity Classification of Merchandise Imports in Balance of Payments Publications*, (5344.0), released on 14 April 1994.

RELATED PRODUCTS AND SERVICES

14 Estimates for months prior to those shown in this publication and more detailed imports time series on a balance of payments basis are available. Detailed data of exports and imports of goods, including dissections by commodity and country of origin, are also available on an international trade basis. These data can be obtained by contacting the General Sales and Inquiries telephone numbers shown on the back of this publication. There may be a charge for this information, depending on the volume of data requested.

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

- *Balance of Payments, Australia* (5302.0)—issued quarterly
- *Balance of Payments, Australia: Summary of Concepts, Sources and Methods* (5351.0)
- *Information Paper—Quality of Australian Balance of Payments Statistics* (5342.0)
- *International Merchandise Trade, Australia* (5422.0)—issued quarterly
- *International Merchandise Imports, Australia* (5439.0)—issued monthly.

SYMBOLS AND OTHER USAGES

n.e.s. not elsewhere specified
p provisional
— nil or rounded to zero
.. not applicable

TECHNICAL NOTES

RESERVE BANK OF AUSTRALIA GOLD SALES

INTRODUCTION

1 The Reserve Bank of Australia (RBA) has announced the sale of 167 tonnes of gold from its reserve assets (see the RBA media release No. 97-13, issued on 3 July 1997). The sales, to non-residents, have been negotiated over several months with the delivery of \$1.8 billion in June 1997, and further deliveries totalling \$0.6 billion in August and September.

2 This note outlines the treatment of these large transactions in ABS statistics.

SUMMARY OF EVENTS AND STATISTICAL TREATMENTS

3 The following points summarise both the main events in the RBA sales of gold and the major statistical treatments applied to them:

Event 1 - Forward sales of RBA gold; no transaction is recorded.

Event 2 - Demonetisation of RBA official gold holdings; there is a non-transaction reduction in official reserves; and a non-transaction increase in RBA stocks of non-monetary gold.

Event 3 - Delivery of gold against forward contracts; there is an export of non-monetary gold; a transaction run down of stocks of non-monetary gold; and a transaction increase in RBA financial claims on the rest of the world (official reserves) in exchange for the gold.

BALANCE OF PAYMENTS STATISTICS

4 The RBA gold sales will be recorded in ABS macroeconomic statistics as exports of goods in June, August and September 1997 in line with the delivery arrangements established for the sales.

EXPORTS OF GOODS

5 ABS balance of payments statistics are compiled in broad agreement with the conceptual framework in the fourth edition of the IMF's *Balance of Payments Manual (BPM)*. Under this standard, sales of non-monetary gold, or any other good, are represented as exports at the time that the goods change ownership, i.e. when ownership of a good is delivered by a resident to a non-resident counterparty. The time of entering into a contract (forward sale) is not relevant in determining the time of change of ownership.

6 The gold holdings demonetised in June 1997 to meet the RBA's delivery commitments were already held overseas. Therefore non-monetary gold does not cross the Australian customs frontier and there is no entry in ABS international merchandise trade statistics (recorded trade basis) for these exports. Change of ownership adjustments are therefore required to the recorded exports data in June, and again in August and September 1997 for this publication and in the June and September quarter 1997 issues of *Balance of Payments, Australia* (5302.0).

7 The valuation of the gold sales for balance of payments purposes is the contracted transactions price i.e. the forward sales price, converted to Australian dollars at the market exchange rate at the time of delivery.

SEASONAL ADJUSTMENT AND TREND ESTIMATES

8 Each of the gold exports, being treated as an extreme irregular event, is included in the seasonally adjusted series (but without the application of seasonal factors to the exports values), but is excluded from the derivation of trend estimates.



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