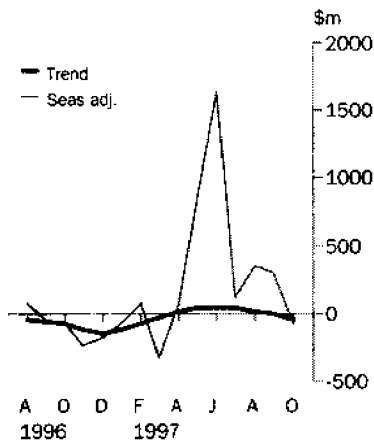


**INTERNATIONAL TRADE IN
GOODS AND SERVICES**

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) MON 1 DEC 1997

Balance on goods and services



OCTOBER KEY FIGURES

TREND ESTIMATES

	Aug 97 \$m	Sep 97 \$m	Oct 97 \$m	Sep 97 to Oct 97 % change
Balance on goods and services	17	-4	-47	..
Credits (exports of goods and services)	9 202	9 298	9 360	1
Debits (imports of goods and services)	9 185	9 303	9 406	1

SEASONALLY ADJUSTED

	Aug 97 \$m	Sep 97 \$m	Oct 97 \$m	Sep 97 to Oct 97 % change
Balance on goods and services	348	303	-78	..
Credits (exports of goods and services)	9 532	9 723	9 298	-4
Debits (imports of goods and services)	9 184	9 420	9 376	0

OCTOBER KEY POINTS

TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services recorded a deficit of \$47 million in October, an increase of \$43 million on the deficit recorded in September.
- Exports of goods and services rose \$62 million and imports of goods and services rose \$103 million. Both series have been trending upward since August 1996.

New Standards!
Compiled under new
international standards.
See page 2.

SEASONALLY ADJUSTED ESTIMATES

- The balance on goods and services recorded a deficit of \$78 million, a turnaround of \$381 million on the surplus recorded in September.
- Exports of goods and services fell \$425 million, or 4%, on the September figure which included the sale by the Reserve Bank of Australia (RBA) of \$0.3 billion of gold. Imports of goods and services fell \$44 million.

INQUIRIES

- For further information about these and related statistics, contact Graeme Groves on 02 6252 5540, or any ABS Office.

NOTES

FORTHCOMING ISSUES

ISSUE	EXPECTED RELEASE DATE
November 1997	5 January 1998
December 1997	2 February 1998
January 1998	2 March 1998
February 1998	31 March 1998
March 1998	4 May 1998
April 1998	29 May 1998

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CHANGES IN THIS ISSUE

Commencing with this publication, Australia's international trade in goods and services statistics are compiled and presented on a new basis, consistent with the most recent international standards for these statistics. For details, refer to *Information Paper: Upgraded Balance of Payments and International Investment Position Statistics* (5365.0), which was issued on 24 November 1997.

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W. McLennan
Australian Statistician

ANALYSIS AND COMMENTS

BALANCE ON GOODS AND SERVICES

The trend estimate of the balance on goods and services recorded a deficit of \$47 million in October, an increase of \$43 million on the deficit recorded in September.

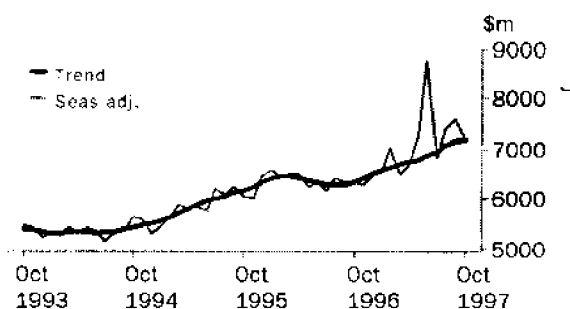
In seasonally adjusted terms, this balance recorded a deficit of \$78 million, a turnaround of \$381 million on the surplus recorded in September, largely reflecting decreased gold exports in October.

EXPORTS OF GOODS AND SERVICES

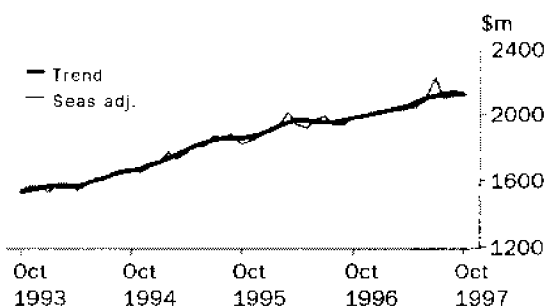
The trend estimate of goods and services credits rose \$62 million, or 1%, to \$9,360 million, continuing an upward movement since August 1996. The trend estimate of goods has been increasing since August 1996, while the trend estimate of services has shown a gradual upward movement throughout most of the 1990s.

In seasonally adjusted terms, goods and services credits fell \$425 million, or 4%, to \$9,298 million. Goods fell \$420 million, or 6%, to \$7,185 million, while services fell marginally.

GOODS CREDITS



SERVICES CREDITS



RURAL GOODS The trend estimate of rural goods rose \$7 million to \$2,083 million. In seasonally adjusted terms, rural goods fell \$54 million, or 3%, to \$2,058 million.

Rural goods, in original terms, rose \$161 million, or 8%, to \$2,190 million. The largest increases were recorded in wool, up \$87 million or 27% (due to an increase in greasy wool exports); and meat and meat preparations, up \$49 million (17%).

ANALYSIS AND COMMENTS

NON-RURAL AND OTHER GOODS The trend estimate of non-rural and other goods rose \$55 million, or 1%, to \$5,141 million, while in seasonally adjusted terms it fell \$366 million, or 7%, to \$5,128 million.

Non-rural and other goods, in original terms, fell \$37 million, or 1%, to \$5,408 million. The largest decreases were recorded in:

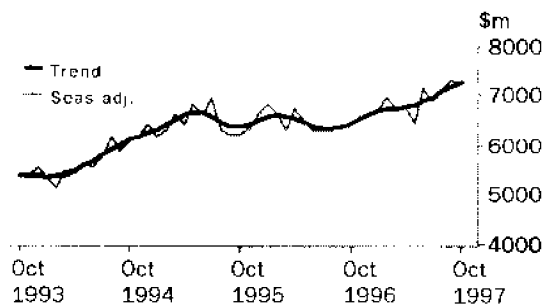
- 'other' goods, down \$187 million, or 28%, on the September figure which included the sale by the RBA of \$0.3 billion of gold; and
- coal, coke and briquettes, down \$73 million or 9%.

These decreases were partly offset by increases in metals (excluding gold), up \$74 million or 14%; metal ores and minerals, up \$65 million or 8%; and transport equipment, up \$51 million or 22%.

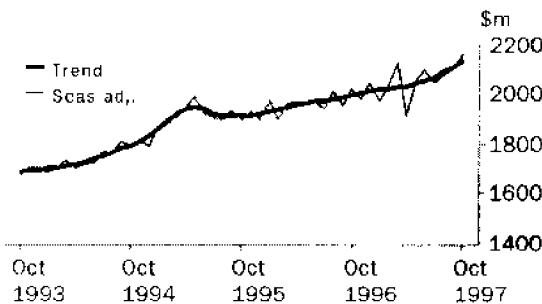
IMPORTS OF GOODS AND SERVICES

The trend estimate of goods and services debits rose \$103 million, or 1%, to \$9,406 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, goods and services debits fell \$44 million to \$9,376 million. Goods fell \$105 million (1%), while services rose \$61 million (3%).

GOODS DEBITS



SERVICES DEBITS



ANALYSIS AND COMMENTS

CONSUMPTION GOODS The trend estimate of consumption goods rose \$28 million, or 1%, to \$2,068 million, continuing the upward movement since March 1996. In seasonally adjusted terms, consumption goods rose \$12 million, or 1%, to \$2,054 million.

Consumption goods, in original terms, rose \$191 million, or 9%, to \$2,407 million. The largest increases were recorded in:

- food and beverages, mainly for consumption, up \$53 million or 20%;
- consumption goods n.e.s., up \$45 million or 7%; and
- non-industrial transport equipment, up \$43 million or 8%.

CAPITAL GOODS The trend estimate of capital goods remained unchanged at \$1,636 million. This series has shown little movement throughout most of 1997. In seasonally adjusted terms, capital goods fell \$8 million to \$1,648 million.

Capital goods, in original terms, rose \$54 million, or 3%, to \$1,809 million. The largest increase was recorded in industrial transport equipment n.e.s., up \$69 million or 42%; while the largest decrease was recorded in civil aircraft, down \$37 million or 71%.

INTERMEDIATE AND OTHER GOODS The trend estimate of intermediate and other goods rose \$51 million, or 1%, to \$3,567 million, continuing an upward movement since April 1997. In seasonally adjusted terms, imports of intermediate and other goods fell \$110 million, or 3%, to \$3,511 million.

Intermediate and other goods, in original terms, rose \$147 million, or 4%, to \$3,750 million. Increases were recorded in 13 of the 17 groups, with the largest being:

- processed industrial supplies n.e.s., up \$58 million or 8%;
- 'other' parts for capital goods, up \$48 million or 8%; and
- fuels and lubricants, up \$37 million or 10%.

These increases were partially offset by a decrease in 'other' goods, down \$82 million or 42%.

GOODS AND SERVICES(a), Summary: Seasonally Adjusted and Trend

Period	CREDITS.....						DEBITS.....					
	Balance on goods and services	Total goods and services	Total goods	Rural goods	Non rural and other goods	Total services	Total goods and services	Total goods	Consumption goods	Capital goods	Inter-mediate and other goods	Total services
SEASONALLY ADJUSTED												
1996												
August	68	8 360	6 418	1 922	4 496	1 942	-8 292	-6 277	-1 757	-1 435	-3 084	2 015
September	-48	8 307	6 355	1 795	4 560	1 953	8 355	-6 397	-1 739	1 551	3 107	-1 958
October	-69	8 318	6 334	1 759	4 575	1 984	8 387	6 363	1 739	1 406	-3 218	-2 024
November	-243	8 296	6 309	1 785	4 524	1 988	-8 539	-6 558	-1 730	-1 525	-3 304	1 981
December	173	8 484	6 462	1 850	4 612	2 022	-8 657	-6 612	-1 750	-1 561	-3 301	-2 045
1997												
January	-83	8 564	6 536	1 894	4 642	2 028	-8 647	-6 674	-1 711	-1 683	3 281	-1 973
February	69	9 061	7 026	2 075	4 951	2 035	8 991	6 962	1 858	1 585	-3 518	-2 030
March	-320	8 531	6 493	1 884	4 609	2 038	-8 851	-6 728	-1 756	-1 637	-3 334	-2 123
April	65	8 738	6 690	1 981	4 709	2 047	-8 673	-6 760	-1 798	-1 734	-3 229	1 913
May	843	9 351	7 288	2 013	5 275	2 063	-8 508	-6 456	-1 712	-1 545	-3 198	2 053
June	1 640	10 893	8 803	2 028	6 776	2 090	-9 253	-7 147	-1 995	-1 788	-3 364	-2 106
July	108	9 049	6 821	2 013	4 808	2 228	-8 941	-6 898	-2 023	-1 513	-3 361	-2 043
August	348	9 532	7 426	2 066	5 359	2 107	-9 184	-7 104	-1 968	-1 655	-3 481	-2 081
September	303	9 723	7 605	2 112	5 494	2 118	-9 420	-7 318	-2 042	-1 656	-3 621	2 102
October	-78	9 298	7 185	2 058	5 128	2 113	9 376	-7 213	-2 054	-1 648	-3 511	-2 163
TREND ESTIMATES												
1996												
August	-41	8 261	6 299	1 812	4 487	1 962	8 302	6 321	1 728	1 478	-3 114	-1 981
September	-56	8 281	6 312	1 805	4 507	1 969	8 337	6 351	1 737	1 469	3 145	-1 987
October	-83	8 337	6 356	1 809	4 547	1 981	-8 420	-6 424	-1 740	-1 484	-3 201	-1 996
November	-126	8 415	6 421	1 827	4 584	1 994	-8 541	-6 535	-1 746	-1 521	-3 268	-2 006
December	-142	8 502	6 494	1 858	4 636	2 008	-8 644	-6 631	-1 750	-1 563	-3 318	2 013
1997												
January	-123	8 594	6 574	1 898	4 676	2 020	-8 717	-6 699	-1 753	-1 603	-3 343	-2 017
February	-81	8 678	6 648	1 938	4 710	2 030	-8 759	-6 737	-1 761	-1 634	-3 343	2 022
March	-27	8 751	6 707	1 969	4 738	2 044	-8 778	-6 751	-1 779	-1 652	-3 321	-2 027
April	19	8 817	6 754	1 989	4 765	2 063	-8 799	-6 767	-1 809	-1 657	-3 301	-2 032
May	45	8 893	6 806	2 003	4 803	2 086	-8 848	-6 807	-1 852	-1 651	-3 304	-2 041
June	48	8 986	6 878	2 019	4 859	2 108	-8 938	-6 884	-1 903	-1 644	-3 336	-2 054
July	38	9 095	6 971	2 039	4 932	2 124	9 057	6 987	1 955	1 640	3 391	-2 071
August	17	9 202	7 069	2 058	5 011	2 133	9 185	7 095	-2 002	1 637	3 455	-2 091
September	-4	9 298	7 162	2 076	5 086	2 137	-9 303	-7 192	-2 040	-1 636	-3 515	-2 110
October	-47	9 360	7 224	2 083	5 141	2 136	-9 406	-7 270	-2 068	-1 636	-3 567	-2 136

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS AND SERVICES(a), Summary: Original

Period	CREDITS.....						DEBITS.....						
	Balance on goods and services	Total goods and services			Non-rural and other goods		Total goods and services		Con sumption goods	Capital goods	Inter mediate and other goods		Total Services
		\$m	\$m	\$m	\$m	\$m	\$m	\$m			\$m	\$m	
1994-95	9 953	87 501	67 000	19 045	47 955	20 501	-97 454	-75 218	19 418	-18 541	-37 259	-22 236	
1995-96	-2 142	98 727	75 806	21 300	54 506	22 921	-100 869	-77 635	-19 860	-19 183	-38 592	-23 234	
1996-97	1 435	104 809	80 682	22 734	57 948	24 127	-103 374	-79 246	-21 295	-18 887	-39 064	24 128	
1996													
August	- 456	8 172	6 389	1 838	4 651	1 783	-8 628	-6 598	-1 910	-1 550	-3 138	-2 030	
September	- 602	7 935	6 230	1 723	4 507	1 705	-8 537	-6 419	-1 803	-1 565	-3 051	-2 118	
October	- 696	8 612	6 643	1 874	4 769	1 969	-9 308	-7 211	-2 075	-1 597	-3 539	2 097	
November	257	8 331	6 371	1 800	4 571	1 960	-8 588	-6 676	-1 880	-1 573	-3 223	-1 912	
December	462	8 805	6 717	1 931	4 786	2 088	8 343	-6 294	-1 730	-1 493	3 071	-2 049	
1997													
January	- 176	8 304	5 975	1 765	4 210	2 329	8 480	6 447	-1 565	1 554	3 328	-2 033	
February	891	8 901	6 412	1 938	4 474	2 489	-8 010	-6 226	1 654	1 320	3 252	-1 784	
March	588	8 708	6 656	2 019	4 637	2 052	-8 120	-6 170	-1 542	-1 527	-3 101	-1 950	
April	- 160	8 595	6 637	1 956	4 681	1 958	-8 755	-6 842	-1 779	-1 656	-3 407	-1 913	
May	876	9 370	7 606	2 121	5 485	1 764	8 494	-6 487	-1 655	-1 581	-3 251	-2 007	
June	1 478	10 531	8 665	1 943	6 722	1 866	-9 053	-6 895	1 763	1 901	-3 231	-2 158	
July	- 302	9 501	7 094	2 072	5 022	2 407	-9 803	-7 591	-2 229	-1 664	-3 698	-2 212	
August	171	9 468	7 532	1 981	5 551	1 936	-9 297	-7 206	-2 047	-1 636	-3 523	-2 091	
September	- 536	9 319	7 474	2 029	5 445	1 845	-9 855	-7 574	-2 216	-1 755	-3 603	-2 281	
October	- 494	9 692	7 598	2 190	5 408	2 094	10 186	7 966	-2 407	1 809	-3 750	-2 220	
FINANCIAL YEAR TO DATE													
4 months to Oct 1996	-2 267	33 264	25 643	7 261	18 382	7 621	35 531	27 209	-7 727	-6 282	-13 200	-8 322	
4 months to Oct 1997	-1 161	37 980	29 698	8 272	21 426	8 282	-39 141	-30 337	-8 899	-6 864	-14 574	-8 804	

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS CREDITS: Original

RURAL GOODS

Period	Total goods \$m	Total rural goods \$m	Meat and meat preparations \$m	Cereal grains and cereal preparations \$m	Sugar, sugar preparations and honey \$m	Wool and sheepskins \$m	Other rural \$m
1994-95	67 000	19 045	3 654	2 523	1 730	4 216	6 922
1995-96	75 806	21 300	3 292	4 926	1 712	3 664	7 706
1996-97	80 682	22 734	2 958	5 954	1 695	3 745	8 382
1996							
August	6 389	1 838	212	389	289	251	697
September	6 230	1 723	208	356	201	283	675
October	6 643	1 874	250	378	235	348	663
November	6 371	1 800	277	349	152	364	658
December	6 717	1 931	242	574	101	353	661
1997							
January	5 975	1 765	186	657	94	277	551
February	6 412	1 938	252	685	86	313	602
March	6 656	2 019	258	685	57	362	657
April	6 637	1 956	283	567	55	308	743
May	7 606	2 121	292	470	92	343	924
June	8 665	1 943	271	466	66	282	858
July	7 094	2 072	293	339	228	391	821
August	7 532	1 981	295	396	225	285	780
September	7 474	2 029	292	400	247	322	768
October	7 598	2 190	341	383	251	409	806
FINANCIAL YEAR TO DATE							
4 months to Oct 1996	25 643	7 261	897	1 501	992	1 143	2 728
4 months to Oct 1997	29 698	8 272	1 221	1 518	951	1 407	3 175

GOODS CREDITS: Original *continued*

NON-RURAL GOODS

Period	Total non-rural goods	Metal ores and minerals	Coal, coke and briquettes	Other mineral fuels	Metals (excl. gold)	Machinery	Transport equipment	Other manufactures	Other non-rural	Other goods
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	42 494	7 968	6 936	3 794	6 097	6 035	2 047	7 907	1 710	5 461
1995-96	48 309	9 088	7 843	4 165	6 799	7 119	2 500	8 755	2 040	6 197
1996-97	50 615	9 406	8 004	5 153	6 053	6 998	3 645	9 098	2 258	7 333
1996										
August	4 086	825	647	345	513	604	181	781	190	465
September	4 035	717	642	355	542	582	188	808	201	472
October	4 305	770	683	462	474	590	352	778	196	464
November	4 161	723	563	425	485	613	292	803	157	410
December	4 314	828	658	460	471	643	316	765	173	472
1997										
January	3 709	709	762	422	505	375	178	575	183	501
February	4 051	723	644	507	504	512	275	701	185	423
March	4 225	819	621	430	474	623	262	799	197	412
April	4 254	848	730	413	508	542	288	747	178	427
May	5 048	840	767	419	569	628	797	834	194	437
June	4 405	914	578	489	493	666	305	764	196	2 317
July	4 523	775	745	479	526	705	233	861	199	499
August	4 861	952	756	453	605	664	339	873	219	690
September	4 698	838	813	485	539	648	231	902	242	747
October	4 848	903	740	506	613	646	282	882	278	560
FINANCIAL YEAR TO DATE										
4 months to Oct 1996	16 448	3 002	2 581	1 588	2 044	2 396	932	3 110	795	1 934
4 months to Oct 1997	18 930	3 468	3 054	1 923	2 283	2 663	1 085	3 518	936	2 496



GOODS DEBITS(a): Original

CONSUMPTION GOODS.....

<i>Period</i>	<i>Total goods</i>	<i>Total consumption goods</i>	<i>Food and beverages, mainly for consumption</i>	<i>Household electrical items</i>	<i>Non-industrial transport equipment</i>	<i>Textiles, clothing and footwear</i>	<i>Toys, books and leisure goods</i>	<i>Consumption goods n.e.s.</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1994-95	-75 218	19 418	-2 592	-1 744	-4 758	2 566	2 545	5 213
1995-96	-77 635	-19 860	2 760	1 766	4 436	2 726	-2 534	-5 638
1996-97	-79 246	-21 295	2 879	1 887	5 143	-2 882	-2 568	-5 936
1996								
August	-6 598	1 910	- 255	- 160	- 498	- 264	223	510
September	-6 419	-1 803	- 225	- 178	- 389	- 244	- 250	- 517
October	7 211	-2 075	- 283	204	482	- 244	- 273	- 589
November	-6 676	-1 880	240	208	- 412	- 227	- 235	- 558
December	-6 294	-1 730	- 264	- 144	- 499	- 201	- 186	- 436
1997								
January	-6 447	1 565	- 243	- 121	- 342	- 263	- 178	418
February	-6 226	1 654	225	- 119	- 364	- 303	- 180	463
March	-6 170	1 542	220	- 130	- 407	- 209	- 166	410
April	-6 842	-1 779	- 228	- 157	- 427	241	204	- 522
May	-6 487	-1 655	- 210	- 144	- 413	200	- 209	- 479
June	-6 895	-1 763	- 223	152	475	- 202	- 220	- 491
July	-7 591	-2 229	270	- 169	- 618	- 323	- 259	- 590
August	-7 206	-2 047	- 264	- 152	- 519	- 308	- 246	- 558
September	-7 574	-2 216	- 261	176	557	- 296	- 291	- 635
October	-7 966	-2 407	- 314	212	- 600	- 284	- 317	- 680

FINANCIAL YEAR TO DATE

4 months to Oct 1996	-27 209	7 727	-1 026	- 712	-1 804	-1 036	- 990	-2 159
4 months to Oct 1997	-30 337	-8 899	-1 109	- 709	-2 294	-1 211	-1 113	-2 463

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): Original *continued*

CAPITAL GOODS.....

<i>Period</i>	<i>Total capital goods</i>	<i>Machinery and industrial equipment</i>	<i>ADP equipment</i>	<i>Telecomm-unications equipment</i>	<i>Civil aircraft</i>	<i>Industrial transport equipment n.e.s.</i>	<i>Capital goods n.e.s.</i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1994-95	-18 541	-7 897	-3 232	1 804	529	-2 714	-2 365
1995-96	-19 183	8 326	-3 693	-1 996	- 688	2 214	2 366
1996-97	18 887	8 023	3 718	-1 749	- 784	-2 177	-2 436
1996							
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	1 554	- 687	- 268	- 109	13	- 298	- 179
February	-1 320	600	- 253	- 112	8	- 159	- 188
March	-1 527	- 645	- 335	124	-64	174	- 185
April	1 656	- 709	- 357	184	-11	- 170	225
May	1 581	- 632	- 352	148	-16	- 163	270
June	-1 901	- 621	- 426	- 176	- 213	- 251	214
July	-1 664	- 727	- 361	- 163	- 6	- 177	230
August	-1 636	- 731	- 315	- 144	-23	- 189	234
September	-1 755	- 753	- 375	188	-52	- 163	224
October	-1 809	- 748	- 358	- 208	-15	- 232	248
FINANCIAL YEAR TO DATE							
4 months to Oct 1996	-6 282	-2 779	-1 175	591	- 291	648	- 798
4 months to Oct 1997	-6 864	2 959	-1 409	- 703	-96	761	- 936

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): Original *continued*

INTERMEDIATE AND OTHER MERCHANDISE GOODS.....

Period	Total intermediate and other merchandise 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	-35 661	- 774	901	-3 566	-4 714	-1 858	5 975	-2 431
1995-96	36 964	- 700	- 879	4 163	4 600	-1 857	-6 393	2 754
1996-97	-37 033	- 641	- 839	-5 005	4 608	-1 759	-6 504	2 743
1996								
August	-2 994	66	-66	- 304	- 415	135	535	- 199
September	-2 912	43	-70	- 254	- 386	138	- 525	- 241
October	-3 381	62	73	- 541	- 383	137	582	- 269
November	3 076	-48	-78	416	- 377	- 136	- 557	- 207
December	-2 933	-35	64	501	- 338	- 134	- 503	203
1997								
January	3 181	-72	-66	- 512	367	- 129	- 545	- 269
February	2 971	-47	-71	- 477	326	- 134	- 525	- 205
March	-2 878	61	-55	- 397	- 339	146	- 513	- 218
April	-3 186	-55	-79	- 354	- 433	- 169	- 568	242
May	-3 080	-54	-77	431	- 374	- 156	- 531	203
June	-3 085	-47	-71	406	- 380	- 184	- 555	223
July	-3 452	-69	-81	- 435	466	- 160	- 602	- 225
August	-3 180	-54	-71	- 353	- 432	- 147	- 553	- 208
September	-3 283	-71	-88	- 354	- 424	- 154	- 592	- 209
October	-3 498	-59	-75	- 391	- 442	157	- 640	- 243

FINANCIAL YEAR TO DATE

4 months to Oct 1996	-12 643	- 222	- 278	-1 511	-1 674	- 571	2 207	- 973
4 months to Oct 1997	-13 413	- 253	- 315	-1 533	-1 764	- 618	-2 387	- 885

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): Original *continued*INTERMEDIATE AND OTHER MERCHANDISE GOODS *continued*.....

Period	Paper and paperboard	Textile yarn and fabrics	Iron and steel	Plastics	Processed industrial supplies n.e.s.	Other merchandise goods	Other goods
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	-1 794	-2 036	1 285	-1 646	-8 290	- 391	-1 598
1995-96	-1 868	1 922	1 408	-1 685	-8 398	- 337	-1 628
1996-97	1 714	1 817	-1 298	-1 577	-8 218	- 310	-2 031
1996							
August	- 151	- 158	- 114	- 135	- 692	-24	- 144
September	- 149	- 162	- 109	- 134	- 687	-14	- 139
October	- 167	- 159	-99	- 146	- 738	-25	158
November	- 147	- 151	- 119	- 127	- 689	-24	147
December	- 135	- 128	-76	120	650	-46	138
1997							
January	- 136	- 156	- 112	126	- 676	-15	147
February	- 141	- 141	- 116	- 126	- 642	-20	- 281
March	- 126	- 119	- 110	- 123	- 627	-44	- 223
April	- 148	- 151	- 120	- 135	- 702	-30	- 271
May	- 132	- 158	- 106	- 130	- 699	-29	- 171
June	- 131	- 152	- 114	- 130	- 676	-16	- 146
July	148	- 189	122	- 157	779	-19	- 246
August	- 155	- 159	136	146	732	-34	- 343
September	- 165	- 166	130	- 149	761	-20	- 320
October	- 176	- 173	134	- 168	- 819	21	252
FINANCIAL YEAR TO DATE							
4 months to Oct 1996	- 618	- 661	- 425	- 560	-2 857	86	- 557
4 months to Oct 1997	- 644	- 687	- 522	- 620	-3 091	94	1 161

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

SERVICES(a): Original

Period	CREDITS.....					DEBITS.....				
	Total services	Freight	Other transportation	Travel	Other services	Total services	Freight	Other transportation	Travel	Other services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1994-95	20 501	1 127	4 951	9 956	4 467	-22 236	-4 360	3 998	-6 272	7 606
1995-96	22 921	1 221	5 401	11 252	5 047	-23 234	-4 405	4 177	-6 988	-7 664
1996-97	24 127	951	5 608	11 926	5 642	-24 128	-4 373	4 129	-7 769	-7 857
1996										
August	1 783	87	446	813	442	-2 030	-383	-353	631	663
September	1 705	82	445	777	451	2 118	-352	-370	743	653
October	1 969	83	476	907	503	2 097	-413	-345	661	678
November	1 960	84	479	899	498	1 912	-375	-312	559	666
December	2 088	83	481	1 014	510	-2 049	-358	-350	-607	734
1997										
January	2 329	74	480	1 313	462	-2 033	342	-347	-746	-598
February	2 489	73	480	1 480	456	-1 784	-336	-293	-507	-648
March	2 052	72	479	1 035	466	-1 950	343	-345	-615	-647
April	1 958	78	467	945	468	-1 913	-369	-302	-623	-619
May	1 764	78	465	763	458	-2 007	-356	341	-652	-658
June	1 866	79	464	836	487	2 158	-361	-390	738	669
July	2 407	82	484	1 365	476	-2 212	417	-386	-761	-648
August	1 936	82	484	905	465	-2 091	381	-359	-707	-644
September	1 845	82	482	809	472	-2 281	418	-384	-833	-646
October	2 094	84	504	1 003	503	-2 220	-448	-361	749	662
FINANCIAL YEAR TO DATE										
4 months to Oct 1996	7 621	330	1 813	3 641	1 837	-8 322	-1 533	-1 449	-2 722	-2 618
4 months to Oct 1997	8 282	330	1 954	4 082	1 916	-8 804	-1 664	1 490	-3 050	-2 600

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

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(b)
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						
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
July	0.7425	0.4441	1.328	85.49	0.5387	57.2
August	0.7412	0.4618	1.365	87.39	0.5474	58.4
September	0.7211	0.4520	1.295	87.42	0.5322	57.7
October	0.7212	0.4422	1.267	87.35	0.5269	56.8

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

(b) May 1970 = 100

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 comprehensive details of Australia's balance of payments and international investment position statistics are included in the quarterly publication, *Balance of Payments and International Investment Position, Australia* (5302.0).

CONCEPTS, SOURCES AND METHODS

3 The conceptual framework used in Australia's balance of payments and international investment position statistics is based on the Fifth Edition of the International Monetary Fund's *Balance of Payments Manual* (BPM5, 1993). This framework is summarised in the ABS publication *Information Paper: Implementing New International Statistical Standards in ABS International Accounts Statistics* (5364.0), which was released on 29 September, 1997. Descriptions of the underlying concepts and structure of the balance of payments and international investment position, and the sources, methods and terms used in compiling the estimates will be presented in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (5331.0) scheduled for release in mid-1998.

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
- goods and services credits: 8 in 10 months
- goods and services debits: 8 in 10 months.

TREND ESTIMATES

5 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 (02) 6252 6103.

SEASONAL ADJUSTMENT

6 The factors used in seasonally adjusting the monthly goods and services statistics during 1998 can be obtained from Balance of Payments Section on Canberra (02) 6252 6224 at a cost of \$100.00.

EXPLANATORY NOTES

SIGN CONVENTION

7 In keeping with balance of payments conventions, credit entries are shown without sign and debit items are shown as negative entries. However, references to debit items in Key Figures, Key Points, and Analysis and Comments are made without regard to sign.

COMMODITY BREAKDOWNS OF GOODS

8 The commodity breakdown of rural and non-rural 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).

9 A commodity breakdown of merchandise goods debits is shown in Table 4. The three broad end-use categories—*Consumption goods*, *Capital goods* and *Intermediate and other merchandise 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 merchandise goods. These broad end-use categories are further divided into a total of 25 SITC Rev 3-based commodity groupings, which have also been aligned to the BEC.

10 Most of the 25 SITC Rev 3-based commodity groups are further sub-divided into a total of 106 commodity sub-groups. Although the information at this level is not published, it is available as a special data service, see paragraph 12.

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

RELATED PRODUCTS AND SERVICES

12 Estimates for months prior to those shown in this publication and more detailed merchandise goods debits 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.

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

- *Balance of Payments and International Investment Position, 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
- *Information Paper: Implementing New International Statistical Standards in ABS International Accounts Statistics* (5364.0)—irregular, issued on 29 September 1997
- *Information Paper: Upgraded Balance of Payments and International Investment Position Statistics* (5365.0)—irregular, issued on 24 November 1997.

SYMBOLS AND OTHER USAGES

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

WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

Readers should exercise care in the interpretation of the trend data as the last three observations, in particular, are likely to be revised with the addition of subsequent months' data. For further information, see Explanatory Note 5.

TREND REVISIONS

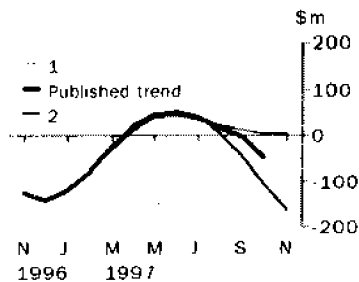
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The November seasonally adjusted estimate of the balance on goods and services 'improves' by \$200 million when compared with the October seasonally adjusted estimate. (An 'improvement' refers to an increase in a surplus or a decrease in a deficit.)

2 The November seasonally adjusted estimate of the balance on goods and services 'deteriorates' by \$200 million when compared with the October seasonally adjusted estimate. (A 'deterioration' refers to a decrease in a surplus or an increase in a deficit.)

The change of \$200 million has been chosen because in the last decade the average monthly movement, without regard to sign, of the seasonally adjusted balance on goods and services series has been approximately \$200 million.

BALANCE ON GOODS AND SERVICES



	TREND AS PUBLISHED	WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:	
		1 <i>improves by \$200m on Oct 97</i>	2 <i>deteriorates by \$200m on Oct 97</i>
	\$m	\$m	\$m
April 1997	19	19	19
May 1997	45	38	46
June 1997	48	41	55
July 1997	38	33	40
August 1997	17	21	3
September 1997	-4	11	-49
October 1997	-47	5	106
November 1997	6	6	-162



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