

# INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) MON 2 FEB 1998

- 3 FEB 1998

## DECEMBER KEY FIGURES

### TREND ESTIMATES

	Oct 97 \$m	Nov 97 \$m	Dec 97 \$m	Nov 97 to Dec 97 % change
Balance on goods and services	-67	-152	-224	..
Credits (exports of goods and services)	9 426	9 517	9 588	1
Debits (imports of goods and services)	9 493	9 669	9 813	1

### SEASONALLY ADJUSTED

	Oct 97 \$m	Nov 97 \$m	Dec 97 \$m	Nov 97 to Dec 97 % change
Balance on goods and services	-157	509	-880	..
Credits (exports of goods and services)	9 229	9 785	9 519	-3
Debits (imports of goods and services)	9 387	9 276	10 399	12

## DECEMBER KEY POINTS

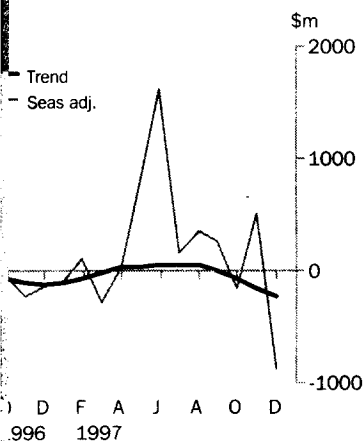
### TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services is a deficit of \$224 million in December, an increase of \$72 million on the deficit in November.
- Exports of goods and services rose \$71 million and imports of goods and services rose \$144 million. Both series have been trending upward since August 1996.

### SEASONALLY ADJUSTED ESTIMATES

- The seasonally adjusted balance on goods and services is a deficit of \$880 million, a turnaround of \$1,389 million on the surplus recorded in November.
- Exports of goods and services fell \$266 million, or 3%, on the November figure.
- Imports of goods and services rose \$1,123 million or 12%, reflecting both volume and exchange rate effects. See analysis and comments on pages 4 and 5.

### Balance on goods and services



## INQUIRIES

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

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>EXPECTED RELEASE DATE</i>
January 1998	2 March 1998
February 1998	31 March 1998
March 1998	4 May 1998
April 1998	29 May 1998
May 1998	30 June 1998
June 1998	29 July 1998

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## CHANGES IN THIS ISSUE

In original terms, revisions since the last issue of this publication have resulted in the following changes:

- a decrease of \$37 million in the deficit on goods and services for 1994-95;
- an increase of \$19 million in the deficit on goods and services for 1995-96;
- an increase of \$101 million in the surplus on goods and services for 1996-97; and
- an increase of \$53 million in the deficit on goods and services for July to November 1997.

The major factors contributing to these revisions are:

- incorporation of the latest available data on merchandise imports and exports;
- incorporation of the latest available data on overseas arrivals and departures which have affected travel credits and debits; and
- incorporation of the latest available data from the quarterly Survey of International Trade in Services.

W. McLennan  
Australian Statistician

# ANALYSIS AND COMMENTS

## BALANCE ON GOODS AND SERVICES

The trend estimate of the balance on goods and services is a deficit of \$224 million in December, an increase of \$72 million on the deficit in November.

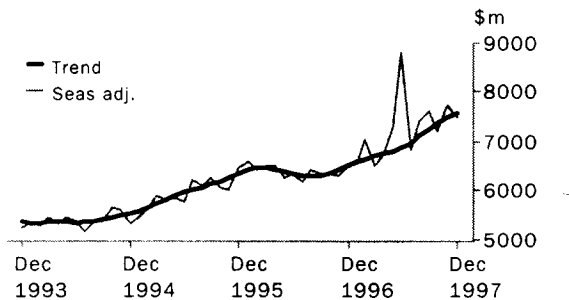
In seasonally adjusted terms, this balance is a deficit of \$880 million, a turnaround of \$1,389 million on the surplus in November.

## EXPORTS OF GOODS AND SERVICES

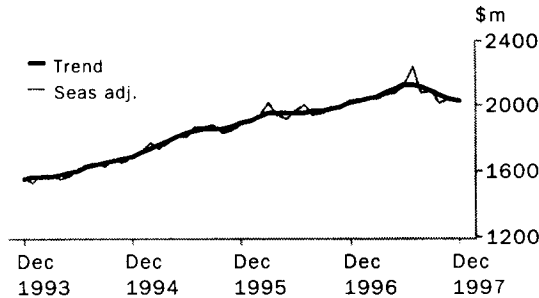
The trend estimate of goods and services credits rose \$71 million, or 1%, to \$9,588 million, continuing an upward movement since August 1996.

In seasonally adjusted terms, goods and services credits fell \$266 million, or 3%, to \$9,519 million. Goods fell \$270 million, or 3%, to \$7,471 million, while services rose \$5 million.

### GOODS CREDITS



### SERVICES CREDITS



**RURAL GOODS** The trend estimate of rural goods rose \$12 million, or 1%, to \$2,133 million. In seasonally adjusted terms, rural goods fell \$75 million, or 3%, to \$2,105 million.

Rural goods, in original terms, rose \$1 million, to \$2,195 million. The largest increases were recorded in:

- cereals, up \$110 million or 25%; and
- 'other' rural goods, up \$46 million or 6%.

These increases were offset by a decrease in sugar, down \$148 million or 65%.

## ANALYSIS AND COMMENTS

**NON-RURAL AND OTHER GOODS** The trend estimate of non-rural and other goods rose \$77 million, or 1%, to \$5,427 million. In seasonally adjusted terms, non-rural and other goods fell \$194 million, or 3%, to \$5,366 million.

Non-rural and other goods, in original terms, rose \$99 million, or 2%, to \$5,624 million. The largest increases were recorded in:

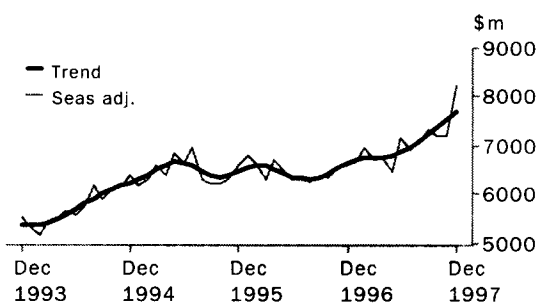
- coal, coke and briquettes, up \$100 million or 13%;
- machinery, up \$79 million or 12%; and
- metal ores and minerals, up \$72 million or 8%.

These increases were partially offset by 'other' manufactures, down \$61 million or 7%; and transport equipment, down \$42 million or 13%.

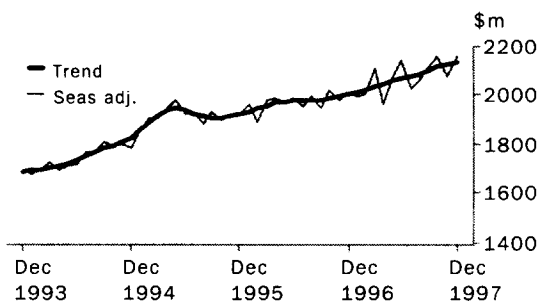
### IMPORTS OF GOODS AND SERVICES

The trend estimate of goods and services debits rose \$144 million, or 1%, to \$9,813 million. In seasonally adjusted terms, goods and services debits rose \$1,123 million, or 12%, to \$10,399 million. Goods rose \$1,043 million, or 14%, while services rose 4% to \$2,162 million.

#### GOODS DEBITS



#### SERVICES DEBITS



The assessment of any currency and volume influences in the monthly goods debits statistics is imprecise with information currently available. However, as a guide, it is estimated that about 3% of the rise in goods debits in December is due to currency effects.

## ANALYSIS AND COMMENTS

### IMPORTS OF GOODS AND SERVICES *continued*

There are a number of factors to consider in estimating currency influences on December goods debits measures. Goods debits are compiled from entries finalised in each reference month by the Australian Customs Service (ACS). Because up to 10% of goods arrivals in any month are finalised after the end of the month for inclusion in the following month's statistics, currency impacts will appear with some processing lag. Also, goods invoiced in foreign currencies are required by the ACS to be converted to Australian dollar values using exchange rates applicable on the day of export from the supplying country, some two to three weeks before arrival. About 50% of Australia's imports are invoiced in US dollars (\$US) and 24% in Australian dollars (\$A), with Japanese yen, the German mark and UK pound the next ranked currencies.

The currency effect on import prices in any reference month is therefore expected predominantly to reflect movements in the \$A/\$US with about a three week lag. The average \$A/\$US rate for this lagged month has been falling for eight months, but the fall for the month ending 7 December, at 4%, is the largest by far (with falls also against the other three significant foreign currencies). In addition, average unit values for about 40% of imported goods in December show average (mean and median) rises in excess of 3%. While not conclusive, and perhaps reflecting some compositional effects, these rises tend to confirm an expected significant month on month exchange rate effect.

**CONSUMPTION GOODS** The trend estimate of consumption goods rose \$19 million, or 1%, to \$2,114 million, continuing the upward movement since March 1996. In seasonally adjusted terms, consumption goods rose \$226 million, or 11%, to \$2,229 million.

Consumption goods, in original terms, rose \$133 million, or 6%, to \$2,246 million. The largest increases were recorded in:

- non-industrial transport equipment, up \$128 million or 25%; and
- textiles, clothing and footwear, up \$25 million or 10%.

**CAPITAL GOODS** The trend estimate of capital goods rose \$38 million, or 2%, to \$1,768 million. In seasonally adjusted terms, capital goods rose \$312 million, or 19%, to \$1,951 million.

Capital goods, in original terms, rose \$262 million, or 16%, to \$1,917 million.

Increases were recorded in all components with the largest being in:

- machinery and industrial equipment, up \$144 million or 21%; and
- capital goods n.e.s., up \$58 million or 24%.

**INTERMEDIATE AND OTHER GOODS** The trend estimate of intermediate and other goods rose \$76 million, or 2%, to \$3,793 million. In seasonally adjusted terms, intermediate and other goods rose \$504 million, or 14%, to \$4,057 million.

Intermediate and other goods, in original terms, rose \$243 million, or 7%, to \$3,770 million. Increases were recorded in 9 of the 17 groups, with the largest being:

- other parts for capital goods, up \$88 million or 15%;
- parts for transport equipment, up \$84 million or 22%;
- non-monetary gold, up \$35 million or 41%;
- processed industrial supplies n.e.s., up \$32 million or 4%; and
- goods for processing, up \$28 million or 37%.

These increases were partly offset by decreases in fuels and lubricants, down \$51 million or 12%; and organic and inorganic chemicals, down \$29 million or 12%.

**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	Con-sumption goods	Capital goods	Inter-mediate and other goods	Total services
<b>SEASONALLY ADJUSTED</b>												
<b>1996</b>												
October	-59	8 327	6 334	1 759	4 575	1 993	-8 386	-6 363	-1 739	-1 406	-3 218	-2 023
November	- 233	8 306	6 309	1 785	4 524	1 997	-8 538	-6 558	-1 730	-1 525	-3 304	-1 980
December	- 132	8 491	6 462	1 850	4 612	2 030	-8 624	-6 612	-1 750	-1 561	-3 301	-2 012
<b>1997</b>												
January	-90	8 577	6 537	1 894	4 643	2 040	-8 666	-6 674	-1 711	-1 683	-3 281	-1 992
February	102	9 072	7 027	2 075	4 952	2 045	-8 971	-6 963	-1 861	-1 584	-3 518	-2 008
March	- 288	8 547	6 496	1 884	4 612	2 051	-8 835	-6 727	-1 755	-1 637	-3 334	-2 108
April	39	8 763	6 694	1 982	4 712	2 068	-8 724	-6 758	-1 798	-1 734	-3 227	-1 966
May	848	9 381	7 294	2 014	5 281	2 086	-8 533	-6 456	-1 713	-1 544	-3 198	-2 077
June	1 620	10 932	8 814	2 030	6 784	2 119	-9 312	-7 172	-1 991	-1 787	-3 394	-2 140
July	160	9 087	6 845	2 017	4 828	2 242	-8 927	-6 902	-2 023	-1 513	-3 366	-2 025
August	349	9 506	7 425	2 069	5 357	2 080	-9 157	-7 099	-1 967	-1 653	-3 479	-2 058
September	257	9 711	7 616	2 114	5 503	2 095	-9 454	-7 338	-2 039	-1 656	-3 644	-2 116
October	- 157	9 229	7 212	2 060	5 152	2 017	-9 387	-7 224	-2 054	-1 647	-3 524	-2 162
November	509	9 785	7 741	2 180	5 560	2 044	-9 276	-7 194	-2 003	-1 639	-3 553	-2 081
December	- 880	9 519	7 471	2 105	5 366	2 049	-10 399	-8 237	-2 229	-1 951	-4 057	-2 162
<b>TREND ESTIMATES</b>												
<b>1996</b>												
October	-67	8 345	6 356	1 809	4 547	1 989	-8 412	-6 424	-1 740	-1 484	-3 201	-1 987
November	- 107	8 423	6 421	1 827	4 594	2 002	-8 530	-6 535	-1 746	-1 521	-3 268	-1 995
December	- 121	8 511	6 494	1 858	4 636	2 017	-8 633	-6 631	-1 750	-1 563	-3 317	-2 002
<b>1997</b>												
January	- 105	8 605	6 575	1 898	4 677	2 030	-8 710	-6 699	-1 753	-1 603	-3 342	-2 011
February	-67	8 694	6 650	1 938	4 712	2 044	-8 760	-6 737	-1 761	-1 633	-3 343	-2 023
March	-17	8 772	6 710	1 970	4 741	2 062	-8 789	-6 752	-1 779	-1 652	-3 322	-2 037
April	28	8 845	6 760	1 990	4 770	2 086	-8 818	-6 770	-1 809	-1 657	-3 304	-2 048
May	43	8 915	6 805	2 004	4 801	2 110	-8 872	-6 813	-1 853	-1 651	-3 309	-2 059
June	55	8 998	6 871	2 020	4 851	2 127	-8 942	-6 874	-1 902	-1 638	-3 334	-2 068
July	60	9 101	6 973	2 041	4 932	2 128	-9 041	-6 963	-1 950	-1 629	-3 384	-2 078
August	44	9 218	7 104	2 065	5 039	2 114	-9 175	-7 086	-1 995	-1 631	-3 460	-2 089
September	-2	9 326	7 235	2 086	5 148	2 091	-9 328	-7 226	-2 031	-1 650	-3 544	-2 102
October	-67	9 426	7 359	2 105	5 254	2 067	-9 493	-7 378	-2 063	-1 685	-3 630	-2 115
November	- 152	9 517	7 471	2 121	5 350	2 046	-9 669	-7 542	-2 095	-1 730	-3 717	-2 126
December	- 224	9 588	7 561	2 133	5 427	2 028	-9 813	-7 676	-2 114	-1 768	-3 793	-2 137

(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 \$m	Total goods and services \$m	Total goods \$m	Rural goods \$m	Non-rural and other goods \$m	Total services \$m	Total goods and services \$m	Total goods \$m	Con- sumption goods \$m	Capital goods \$m	Inter- mediate and other goods \$m	Total services \$m
<b>1994-95</b>	-9 916	87 509	67 000	19 045	47 955	20 509	-97 425	-75 218	-19 418	-18 541	-37 259	-22 207
<b>1995-96</b>	-2 161	98 746	75 806	21 300	54 506	22 940	-100 907	-77 635	-19 860	-19 183	-38 592	-23 272
<b>1996-97</b>	1 536	104 987	80 708	22 738	57 970	24 279	-103 451	-79 268	-21 293	-18 884	-39 091	-24 183
<b>1996</b>												
October	- 686	8 621	6 643	1 874	4 769	1 978	-9 307	-7 211	-2 075	-1 597	-3 539	-2 096
November	- 247	8 340	6 371	1 800	4 571	1 969	-8 587	-6 676	-1 880	-1 573	-3 223	-1 911
December	503	8 813	6 717	1 931	4 786	2 096	-8 310	-6 294	-1 730	-1 493	-3 071	-2 016
<b>1997</b>												
January	- 182	8 318	5 976	1 765	4 211	2 342	-8 500	-6 447	-1 565	-1 554	-3 328	-2 053
February	923	8 915	6 413	1 938	4 475	2 502	-7 992	-6 227	-1 656	-1 319	-3 252	-1 765
March	619	8 724	6 659	2 019	4 640	2 065	-8 105	-6 169	-1 541	-1 527	-3 101	-1 936
April	- 187	8 619	6 641	1 957	4 684	1 978	-8 806	-6 840	-1 779	-1 656	-3 405	-1 966
May	879	9 397	7 613	2 122	5 491	1 784	-8 518	-6 487	-1 656	-1 580	-3 251	-2 031
June	1 455	10 567	8 675	1 945	6 730	1 892	-9 112	-6 919	-1 759	-1 900	-3 260	-2 193
July	- 248	9 540	7 118	2 076	5 042	2 422	-9 788	-7 596	-2 229	-1 664	-3 703	-2 192
August	174	9 443	7 531	1 983	5 548	1 912	-9 269	-7 201	-2 046	-1 634	-3 521	-2 068
September	- 580	9 310	7 485	2 031	5 454	1 825	-9 890	-7 594	-2 213	-1 755	-3 626	-2 296
October	- 573	9 624	7 625	2 193	5 432	1 999	-10 197	-7 978	-2 407	-1 808	-3 763	-2 219
November	420	9 737	7 719	2 194	5 525	2 018	-9 317	-7 295	-2 113	-1 655	-3 527	-2 022
December	- 119	9 952	7 819	2 195	5 624	2 133	-10 071	-7 933	-2 246	-1 917	-3 770	-2 138
FINANCIAL YEAR TO DATE												
6 months to Dec 1996	-1 971	50 447	38 731	10 992	27 739	11 716	-52 418	-40 179	-11 337	-9 348	-19 494	-12 239
6 months to Dec 1997	- 926	57 606	45 297	12 672	32 625	12 309	-58 532	-45 597	-13 254	-10 433	-21 910	-12 935

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

**GOODS CREDITS: Original**

RURAL GOODS.....

<i>Period</i>	<i>Total 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>	<i>\$m</i>
<b>1994-95</b>	67 000	19 045	3 654	2 523	1 730	4 216	6 922
<b>1995-96</b>	75 806	21 300	3 292	4 926	1 712	3 664	7 706
<b>1996-97</b>	80 708	22 738	2 957	5 954	1 695	3 744	8 388
<b>1996</b>							
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
<b>1997</b>							
January	5 976	1 765	186	657	94	277	551
February	6 413	1 938	252	685	86	313	602
March	6 659	2 019	258	685	57	362	657
April	6 641	1 957	283	567	55	308	744
May	7 613	2 122	292	470	92	343	925
June	8 675	1 945	270	466	66	281	862
July	7 118	2 076	294	340	236	385	821
August	7 531	1 983	296	398	225	281	783
September	7 485	2 031	293	401	249	317	771
October	7 625	2 193	343	385	256	404	805
November	7 719	2 194	329	439	227	437	762
December	7 819	2 195	339	549	79	420	808

FINANCIAL YEAR TO DATE

6 months to Dec 1996	38 731	10 992	1 416	2 424	1 245	1 860	4 047
6 months to Dec 1997	45 297	12 672	1 894	2 512	1 272	2 244	4 750



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(a)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1994-95</b>	42 494	7 968	6 936	3 794	6 097	6 035	2 047	7 907	1 710	5 461
<b>1995-96</b>	48 309	9 088	7 843	4 165	6 799	7 119	2 500	8 755	2 040	6 197
<b>1996-97</b>	50 637	9 407	8 005	5 154	6 054	7 001	3 647	9 108	2 261	7 333
<b>1996</b>										
October	4 305	770	683	462	474	590	352	778	196	464
November	4 161	723	663	425	485	613	292	803	157	410
December	4 314	828	658	460	471	643	316	765	173	472
<b>1997</b>										
January	3 710	709	762	422	505	375	178	576	183	501
February	4 052	723	644	507	505	512	275	701	185	423
March	4 228	819	621	430	474	624	262	800	198	412
April	4 257	848	731	411	508	543	288	748	180	427
May	5 054	840	767	419	569	628	797	839	195	437
June	4 413	915	578	492	493	667	307	766	195	2 317
July	4 515	762	750	485	525	700	236	859	198	527
August	4 858	940	754	457	608	665	340	876	218	690
September	4 693	836	806	470	540	666	230	910	235	761
October	4 843	911	745	510	602	648	280	876	271	589
November	4 924	901	783	465	647	669	334	893	232	601
December	5 081	973	883	533	611	748	292	832	209	543

FINANCIAL YEAR TO DATE

6 months to Dec 1996	24 923	4 553	3 902	2 473	3 000	3 652	1 540	4 678	1 125	2 816
6 months to Dec 1997	28 914	5 323	4 721	2 920	3 533	4 096	1 712	5 246	1 363	3 711

(a) Includes non-monetary gold.

## GOODS DEBITS(a): Original

## CONSUMPTION GOODS.....

Period	Total 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
<b>1994-95</b>	-75 218	-19 418	-2 592	-1 744	-4 758	-2 566	-2 545	-5 213
<b>1995-96</b>	-77 635	-19 860	-2 760	-1 766	-4 436	-2 726	-2 534	-5 638
<b>1996-97</b>	-79 268	-21 293	-2 879	-1 890	-5 143	-2 880	-2 567	-5 934
<b>1996</b>								
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
<b>1997</b>								
January	-6 447	-1 565	- 243	- 121	- 342	- 263	- 178	- 418
February	-6 227	-1 656	- 225	- 121	- 364	- 303	- 180	- 463
March	-6 169	-1 541	- 219	- 130	- 407	- 209	- 166	- 410
April	-6 840	-1 779	- 228	- 157	- 427	- 241	- 204	- 522
May	-6 487	-1 656	- 211	- 145	- 413	- 199	- 209	- 479
June	-6 919	-1 759	- 223	- 152	- 475	- 201	- 219	- 489
July	-7 596	-2 229	- 270	- 171	- 618	- 322	- 258	- 590
August	-7 201	-2 046	- 264	- 152	- 519	- 307	- 246	- 558
September	-7 594	-2 213	- 261	- 177	- 557	- 295	- 288	- 635
October	-7 978	-2 407	- 314	- 212	- 600	- 284	- 317	- 680
November	-7 295	-2 113	- 296	- 196	- 503	- 256	- 265	- 597
December	-7 933	-2 246	- 300	- 189	- 631	- 281	- 249	- 596

## FINANCIAL YEAR TO DATE

6 months to Dec 1996	-40 179	-11 337	-1 530	-1 064	-2 715	-1 464	-1 411	-3 153
6 months to Dec 1997	-45 597	-13 254	-1 705	-1 097	-3 428	-1 745	-1 623	-3 656

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

GOODS DEBITS(a): **Original** *continued*

CAPITAL GOODS.....

Period	Total capital goods	Machinery and industrial equipment	ADP equipment	Telecommunications equipment	Civil aircraft	Industrial transport equipment n.e.s.	Capital goods n.e.s.
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1994-95</b>	-18 541	-7 897	-3 232	-1 804	- 529	-2 714	-2 365
<b>1995-96</b>	-19 183	-8 326	-3 593	-1 996	- 688	-2 214	-2 366
<b>1996-97</b>	-18 884	-8 020	-3 719	-1 748	- 784	-2 178	-2 435
<b>1996</b>							
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
<b>1997</b>							
January	-1 554	- 687	- 268	- 109	-13	- 298	- 179
February	-1 319	- 600	- 253	- 111	- 8	- 159	- 188
March	-1 527	- 645	- 335	- 124	-64	- 174	- 185
April	-1 656	- 708	- 358	- 184	-11	- 170	- 225
May	-1 580	- 631	- 352	- 147	-16	- 163	- 271
June	-1 900	- 620	- 426	- 177	-213	- 252	- 212
July	-1 664	- 727	- 361	- 163	- 6	- 178	- 229
August	-1 634	- 730	- 315	- 144	-23	- 189	- 233
September	-1 755	- 753	- 375	- 188	-52	- 163	- 224
October	-1 808	- 747	- 358	- 208	-15	- 232	- 248
November	-1 655	- 689	- 336	- 176	-13	- 203	- 238
December	-1 917	- 833	- 353	- 194	-36	- 205	- 296

FINANCIAL YEAR TO DATE

6 months to Dec 1996	-9 348	-4 129	-1 727	- 896	- 459	- 962	-1 175
6 months to Dec 1997	-10 433	-4 479	-2 098	-1 073	- 145	-1 170	-1 468

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

GOODS DEBITS(a): **Original** *continued*

INTERMEDIATE AND OTHER MERCHANDISE GOODS.....

<i>Period</i>	<i>Total intermediate and other merchandise goods</i>	<i>Food and beverages, mainly for industry</i>	<i>Primary industrial supplies n.e.s.</i>	<i>Fuels and lubricants</i>	<i>Parts for transport equipment</i>	<i>Parts for ADP equipment</i>	<i>Other parts for capital goods</i>	<i>Organic and inorganic chemicals</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>
<b>1994-95</b>	-35 661	- 774	- 901	-3 566	-4 714	-1 858	-5 975	-2 431
<b>1995-96</b>	-36 964	- 700	- 879	-4 163	-4 600	-1 857	-6 393	-2 754
<b>1996-97</b>	-37 030	- 641	- 839	-5 004	-4 609	-1 759	-6 507	-2 743
<b>1996</b>								
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
<b>1997</b>								
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	-3 184	-55	-79	- 354	- 433	- 169	- 568	- 242
May	-3 080	-54	-77	- 431	- 373	- 156	- 533	- 203
June	-3 084	-47	-71	- 405	- 382	- 184	- 556	- 223
July	-3 457	-69	-81	- 440	- 466	- 160	- 602	- 226
August	-3 178	-54	-71	- 354	- 432	- 147	- 553	- 207
September	-3 276	-71	-88	- 352	- 424	- 154	- 591	- 207
October	-3 496	-59	-75	- 391	- 440	- 157	- 640	- 243
November	-3 307	-69	-80	- 410	- 378	- 153	- 590	- 249
December	-3 429	-56	-84	- 359	- 462	- 162	- 678	- 220

FINANCIAL YEAR TO DATE

6 months to Dec 1996	-18 652	- 305	- 420	-2 428	-2 389	- 841	-3 267	-1 383
6 months to Dec 1997	-20 143	- 378	- 479	-2 306	-2 602	- 933	-3 654	-1 352

(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(b)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1994-95</b>	-1 794	-2 036	-1 285	-1 646	-8 290	- 391	-1 598
<b>1995-96</b>	-1 868	-1 922	-1 408	-1 685	-8 398	- 337	-1 628
<b>1996-97</b>	-1 713	-1 817	-1 297	-1 577	-8 214	- 310	-2 061
<b>1996</b>							
October	- 167	- 159	-99	- 146	- 738	-25	- 158
November	- 147	- 151	- 119	- 127	- 689	-24	- 147
December	- 135	- 128	-76	- 120	- 650	-46	- 138
<b>1997</b>							
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	- 119	- 135	- 701	-30	- 221
May	- 131	- 158	- 106	- 130	- 699	-29	- 171
June	- 131	- 152	- 114	- 130	- 673	-16	- 176
July	- 147	- 189	- 122	- 158	- 778	-19	- 246
August	- 154	- 159	- 136	- 146	- 732	-33	- 343
September	- 164	- 166	- 130	- 149	- 760	-20	- 350
October	- 176	- 173	- 134	- 168	- 819	-21	- 267
November	- 146	- 165	- 137	- 152	- 747	-31	- 220
December	- 167	- 158	- 134	- 142	- 779	-28	- 341

FINANCIAL YEAR TO DATE

6 months to Dec 1996	- 900	- 940	- 620	- 807	-4 196	- 156	- 842
6 months to Dec 1997	- 954	-1 010	- 793	- 915	-4 615	- 152	-1 767

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

(b) Includes non-monetary gold.

SERVICES(a)(b): 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
<b>1994-95</b>	20 509	1 127	4 959	9 956	4 467	-22 207	-4 360	-3 998	-6 272	-7 577
<b>1995-96</b>	22 940	1 221	5 413	11 252	5 054	-23 272	-4 405	-4 177	-6 988	-7 702
<b>1996-97</b>	24 279	951	5 812	11 926	5 590	-24 183	-4 373	-4 158	-7 769	-7 883
<b>1996</b>										
October	1 978	83	496	907	492	-2 096	- 413	- 345	- 661	- 677
November	1 969	84	499	899	487	-1 911	- 375	- 312	- 559	- 665
December	2 096	83	502	1 014	497	-2 016	- 358	- 350	- 607	- 701
<b>1997</b>										
January	2 342	74	517	1 313	438	-2 053	- 342	- 347	- 746	- 618
February	2 502	73	517	1 480	432	-1 765	- 336	- 293	- 507	- 629
March	2 065	72	515	1 035	443	-1 936	- 343	- 345	- 615	- 633
April	1 978	78	468	945	487	-1 966	- 369	- 312	- 623	- 662
May	1 784	78	466	763	477	-2 031	- 356	- 351	- 652	- 672
June	1 892	79	465	836	512	-2 193	- 361	- 399	- 738	- 695
July	2 422	82	484	1 374	482	-2 192	- 417	- 386	- 761	- 628
August	1 912	82	484	875	471	-2 068	- 381	- 359	- 712	- 616
September	1 825	82	482	788	473	-2 296	- 418	- 384	- 860	- 634
October	1 999	84	504	906	505	-2 219	- 448	- 361	- 757	- 653
November	2 018	84	504	923	507	-2 022	- 404	- 331	- 633	- 654
December	2 133	84	504	1 034	511	-2 138	- 418	- 357	- 692	- 671
<b>FINANCIAL YEAR TO DATE</b>										
6 months to Dec 1996	11 716	497	2 864	5 554	2 801	-12 239	-2 266	-2 111	-3 888	-3 974
6 months to Dec 1997	12 309	498	2 962	5 900	2 949	-12 935	-2 486	-2 178	-4 415	-3 856

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

(b) For detailed trade in services by commodity, see paragraph 11 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)
<b>1994-95</b>	0.7427	0.4705	1.120	70.35	0.4972	52.8
<b>1995-96</b>	0.7593	0.4909	1.109	77.66	0.5156	54.8
<b>1996-97</b>	0.7828	0.4851	1.251	90.51	0.5521	58.7
<b>1996</b>						
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
<b>1997</b>						
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	58.1
November	0.6954	0.4121	1.203	86.97	0.5055	57.0
December	0.6627	0.3986	1.178	85.80	0.4891	57.9

(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.

(b) May 1970 = 100

# EXPLANATORY NOTES

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## 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** For details of the classification used for rural and non-rural goods see Table 3 in the 1996 edition of *Balance of Payments Australia: Summary of Concepts, Sources and Methods* (5351.0).

**9** Most of the 25 commodity groups shown in Table 4 for merchandise goods debits 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, and can be obtained from Balance of Payments Section on Canberra (02) 6252 6419.

**10** For more information on the commodity classification of merchandise goods debits, refer to *Information Paper: Change to Commodity Classification of Merchandise Imports in Balance of Payments Publications* (5344.0).

COMMODITY BREAKDOWNS  
OF SERVICES

**11** Quarterly data are published for 27 different services commodities, and a further 14 sub-commodities are routinely released. Detailed annual data are published for 61 services commodities, and a further 4 are available. Services trade data by major partner countries and by Australian State of production/consumption are also published annually. Additional detail and additional presentations of the data may be available on request. For further information contact Balance of Payments Section on Canberra (02) 6252 5336.

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

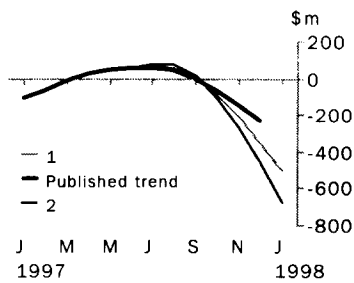
The graph below presents the effect of two possible scenarios on the previous trend estimates:

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

**2** The January seasonally adjusted estimate of the balance on goods and services 'deteriorates' by \$200 million when compared with the December 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:	
		<b>1</b> <i>improves by \$200m on Dec 97</i>	<b>2</b> <i>deteriorates by \$200m on Dec 97</i>
	\$m	\$m	\$m
June 1997	55	55	55
July 1997	60	70	78
August 1997	44	61	74
September 1997	-2	6	13
October 1997	-67	-86	-104
November 1997	-152	-208	-267
December 1997	-224	-346	-457
January 1998		-507	-675



-5. MAR. 1998



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