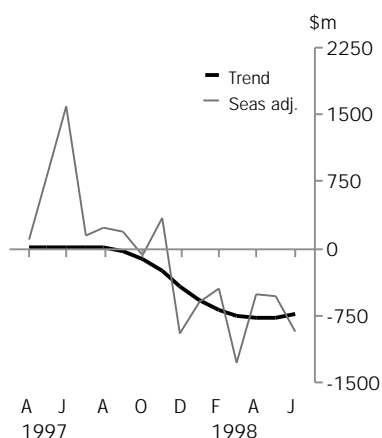


# INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) WED 29 JUL 1998

## Balance on goods and services



## JUNE KEY FIGURES

### TREND ESTIMATES

	Apr 98 \$m	May 98 \$m	Jun 98 \$m	May 98 to Jun 98 % change
Balance on goods and services	- 768	- 779	- 735	..
Credits (exports of goods and services)	9 494	9 588	9 701	1
Debits (imports of goods and services)	10 262	10 367	10 436	1

### SEASONALLY ADJUSTED

	Apr 98 \$m	May 98 \$m	Jun 98 \$m	May 98 to Jun 98 % change
Balance on goods and services	- 508	- 536	- 920	..
Credits (exports of goods and services)	9 664	9 564	9 929	4
Debits (imports of goods and services)	10 172	10 101	10 849	7

## JUNE KEY POINTS

### TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services is a deficit of \$735 million in June, a decrease of \$44 million on the deficit in May.
- Goods and services credits rose \$113 million, while debits rose \$69 million.

### SEASONALLY ADJUSTED ESTIMATES

- In seasonally adjusted terms, the balance on goods and services is a deficit of \$920 million, an increase of \$384 million on the deficit in May.
- Goods and services credits rose \$365 million, or 4%, on the May figure. Goods and services debits rose \$748 million or 7%.

### ORIGINAL ESTIMATES

- In original terms, the balance on goods and services in June was a deficit of \$1,244 million, up \$1,215 million on the deficit in May.
- Exports of goods to our major south east Asia and north Asia trading partners were down 5% during June, falling a little more strongly than exports to other destinations. See analysis on page 4 for details.

### 1997-98 SITUATION

- The balance of goods and services (in original terms) recorded a deficit of \$4.4 billion in 1997-98, a turnaround of \$6.2 billion on the surplus for 1996-97.

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

## NOTES

### FORTHCOMING ISSUES

<i>ISSUE</i>	<i>EXPECTED RELEASE DATE</i>
July 1998	31 August 1998
August 1998	29 September 1998
September 1998	30 October 1998
October 1998	30 November 1998
November 1998	5 January 1999
December 1998	2 February 1999

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### CHANGES IN THIS ISSUE

In original terms, revisions since the last issue of this publication, resulting from the incorporation of the latest available survey and other source data, have decreased the deficit on goods and services for the 11 months to May 1998 by \$56 million. There have also been minor net credit revisions to services estimates in each year from 1991-92 to 1996-97, totalling \$103 million over the six year period.

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### FUTURE CHANGE TO DATA SOURCE

From July 1998, there will be a change to the value threshold used in the compilation of recorded import statistics to exclude low value lines. Goods of less than \$250 in value that have not been formally lodged (ie, have been screened free or entered on informal clearance documents) have always been excluded from the statistics. However, formally lodged entries do include individual transaction lines of less than \$250 in value and, to date, these low value lines have been included in recorded imports statistics.

When compiling recorded merchandise imports statistics for July 1998 onwards, the ABS will ignore transaction lines where the value is less than \$250. The total of such lines included in the June 1998 statistics is \$17 million (0.2% of imports). For balance of payments statistics, an adjustment will be made to the recorded imports statistics to account for this change in coverage, so that aggregate balance of payments statistics are not affected.

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### CHANGES TO FUTURE ISSUES

The seasonally adjusted and trend estimates of goods and services will be revised in the next issue of this publication as a result of an annual seasonal reanalysis. As well, quarterly estimates of the current account will be reanalysed and the seasonally adjusted series revised in the June quarter 1998 issue of 5302.0. The reanalyses will take account of additional information that has become available since the previous reanalysis.

For information about the availability of forward seasonal factors for 1998-99 refer to paragraph 6 of the Explanatory Notes.

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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 is a deficit of \$735 million in June, a decrease of \$44 million on the deficit in May.

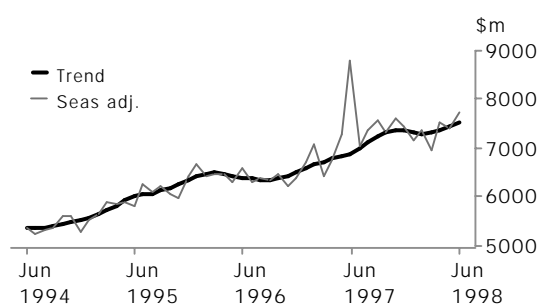
In seasonally adjusted terms, this balance was a deficit of \$920 million, an increase of \$384 million on the deficit in May.

### EXPORTS OF GOODS AND SERVICES

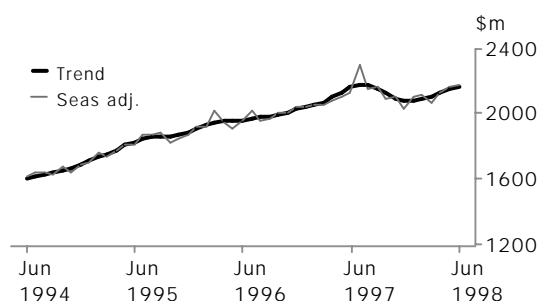
The trend estimate of goods and services credits rose \$113 million to \$9,701 million.

In seasonally adjusted terms, goods and services credits rose \$365 million, or 4%, to \$9,929 million. Goods rose \$349 million, or 5%, to \$7,746 million, while services rose \$15 million, or 1%.

#### GOODS CREDITS



#### SERVICES CREDITS



**RURAL GOODS** The trend estimate of rural goods rose \$21 million, or 1%, to \$1,763 million. In seasonally adjusted terms, rural goods rose \$115 million, or 6%, to \$1,887 million.

Rural goods, in original terms, fell \$51 million, or 3%, to \$1,886 million. The largest decreases were in:

- wool and sheepskins, down \$57 million or 19%; and
- 'other' rural goods, down \$29 million or 3%.

These decreases were partly offset by an increase in cereals, up \$52 million or 14%.

## ANALYSIS AND COMMENTS

**NON-RURAL AND OTHER GOODS** The trend estimate of non-rural and other goods rose \$72 million, or 1%, to \$5,770 million. In seasonally adjusted terms, non-rural and other goods rose \$233 million, or 4%, to \$5,858 million.

Non-rural and other goods, in original terms, fell \$198 million, or 3%, to \$5,759 million. The largest decreases were in:

- gold, down \$92 million or 13%;
- machinery, down \$66 million or 10%;
- metals (excluding gold), down \$56 million or 8%; and
- 'other' manufactures, down \$56 million or 6%.

These decreases were partly offset by increases in 'other' non-rural, up \$45 million or 13%; and 'other' mineral fuels, up \$22 million or 6%.

### MERCHANDISE EXPORTS BY COUNTRY

The table below shows Australia's recorded merchandise exports for the last 9 months of 1997–98 (in original terms, not adjusted for BOP purposes) to 10 selected south east Asia and north Asia trading partners. Movements in the individual series reflect a range of seasonal and irregular influences. After generally weaker export performance to many of these trading partners in January and February 1998, the individual series stabilised by April. The slightly better performance overall of these markets in May was reversed in June, with exports to these Asian trading partners falling 5%, while exports to other countries fell 1%. While exports to six of the selected countries are down on last month, in four cases exports are still well up on April levels. The two largest markets, Japan and Korea, saw improvement in June. Overall, exports to the group of 10 countries in the list below is down 3% in the six months to June 1998 compared with the six months to June 1997, while exports to all other countries rose 21% over that same period.

### AUSTRALIA'S MERCHANDISE EXPORTS(a) TO SELECTED MAJOR TRADING PARTNERS

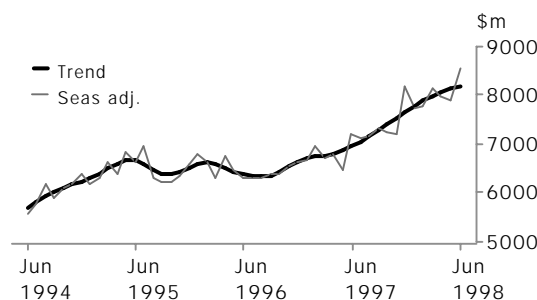
	Oct 1997	Nov 1997	Dec 1997	Jan 1998	Feb 1998	Mar 1998	Apr 1998	May 1998	Jun 1998	May 1998 to Jun 1998 % change
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
China	328	349	389	252	271	313	256	351	313	-11
Hong Kong	376	421	393	354	368	320	257	364	305	-16
Indonesia	345	230	283	167	135	174	156	139	188	35
Japan	1 497	1 528	1 667	1 446	1 440	1 320	1 363	1 445	1 476	2
Korea, Republic of	520	639	473	407	342	441	595	488	591	21
Malaysia	210	264	188	132	113	160	139	168	133	-21
Philippines	133	122	96	86	65	92	68	69	99	44
Singapore	312	381	358	184	265	333	237	428	265	-38
Taiwan	334	395	383	326	306	325	397	417	316	-24
Thailand	149	137	102	94	87	106	90	126	98	-23
<i>Sub-total</i>	<i>4 204</i>	<i>4 466</i>	<i>4 332</i>	<i>3 448</i>	<i>3 392</i>	<i>3 584</i>	<i>3 558</i>	<i>3 995</i>	<i>3 784</i>	<i>-5</i>
<i>All other countries</i>	<i>3 424</i>	<i>3 169</i>	<i>3 489</i>	<i>2 856</i>	<i>3 277</i>	<i>3 724</i>	<i>3 627</i>	<i>3 963</i>	<i>3 923</i>	<i>-1</i>
<b>Total</b>	<b>7 628</b>	<b>7 635</b>	<b>7 821</b>	<b>6 304</b>	<b>6 669</b>	<b>7 308</b>	<b>7 185</b>	<b>7 958</b>	<b>7 707</b>	<b>-3</b>

(a) Merchandise exports, in original terms, as recorded in ABS international trade statistics, not adjusted to a balance of payments basis.

## ANALYSIS AND COMMENTS

**IMPORTS OF GOODS AND SERVICES** The trend estimate of goods and services debits rose \$69 million to \$10,436 million, continuing an upward movement since August 1996. In seasonally adjusted terms, goods and services debits rose \$748 million, or 7%, to \$10,849 million. Goods rose \$669 million, or 8%, while services rose \$80 million, or 4%.

### GOODS DEBITS



**CONSUMPTION GOODS** The trend estimate of consumption goods rose \$19 million to \$2,334 million, continuing the upward movement since March 1996. In seasonally adjusted terms, consumption goods rose \$267 million, or 12%, to \$2,463 million.

Consumption goods, in original terms, rose \$245 million, or 12%, to \$2,277 million. The largest increases were in:

- non-industrial transport equipment, up \$122 million or 22%;
- food and beverages for consumption, up \$43 million or 17%;
- toys, books and leisure goods, up \$40 million or 17%; and
- consumption goods n.e.s., up \$35 million or 6%.

**CAPITAL GOODS** The trend estimate of capital goods fell \$1 million, to \$1,901 million. In seasonally adjusted terms, capital goods fell \$255 million, or 12%, to \$1,800 million.

Capital goods, in original terms, rose \$110 million, or 6%, to \$2,022 million. ADP equipment, up \$76 million or 20%, and telecommunication equipment, up \$43 million or 26%, were both at record levels. Industrial transport equipment n.e.s. rose \$59 million or 30%.

These increases were partly offset by a decrease in civil aircraft, down \$126 million or 79%.

**INTERMEDIATE AND OTHER GOODS** The trend estimate of intermediate and other goods rose \$33 million, or 1%, to \$3,964 million. In seasonally adjusted terms, intermediate and other goods rose \$657 million, or 18%, to \$4,288 million.

Intermediate and other goods, in original terms, rose \$504 million, or 14%, to \$4,174 million. There were increases in all components, with the largest being:

- parts for transport equipment, up \$76 million or 17%;
- 'other' parts for capital goods, up \$73 million or 13%;
- organic and inorganic chemicals, up \$69 million or 37%; and
- non-monetary gold, up \$58 million or 23%.

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

CREDITS.....

DEBITS.....

Period	Balance on goods and services \$m	Total goods and services \$m	Total goods \$m	Rural goods(b) \$m	Non-rural and other goods(b) \$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
SEASONALLY ADJUSTED												
<b>1997</b>												
April	98	8 849	6 765	1 874	4 891	2 084	-8 751	-6 802	-1 798	-1 734	-3 270	-1 949
May	808	9 378	7 274	1 854	5 419	2 104	-8 570	-6 476	-1 713	-1 544	-3 219	-2 093
June	1 596	10 938	8 802	1 880	6 922	2 136	-9 342	-7 206	-1 991	-1 787	-3 428	-2 136
July	137	9 328	7 022	1 904	5 118	2 306	-9 191	-7 110	-2 023	-1 512	-3 576	-2 081
August	237	9 510	7 350	1 945	5 404	2 160	-9 273	-7 150	-1 964	-1 656	-3 530	-2 123
September	195	9 736	7 565	1 949	5 616	2 171	-9 541	-7 339	-2 039	-1 656	-3 645	-2 202
October	-68	9 435	7 336	1 924	5 412	2 099	-9 504	-7 262	-2 052	-1 697	-3 513	-2 241
November	337	9 713	7 608	1 939	5 669	2 105	-9 376	-7 184	-2 001	-1 643	-3 541	-2 191
December	-961	9 467	7 439	1 942	5 497	2 028	-10 428	-8 166	-2 226	-1 946	-3 994	-2 262
<b>1998</b>												
January	-609	9 285	7 173	1 834	5 339	2 112	-9 894	-7 735	-2 282	-1 739	-3 714	-2 160
February	-455	9 497	7 379	1 770	5 608	2 119	-9 952	-7 772	-2 186	-1 786	-3 801	-2 179
March	-1 273	9 021	6 956	1 591	5 365	2 065	-10 293	-8 133	-2 272	-1 906	-3 955	-2 161
April	-508	9 664	7 532	1 705	5 828	2 132	-10 172	-7 984	-2 295	-1 836	-3 853	-2 188
May	-536	9 564	7 397	1 772	5 625	2 168	-10 101	-7 881	-2 196	-2 055	-3 631	-2 219
June	-920	9 929	7 746	1 887	5 858	2 183	-10 849	-8 550	-2 463	-1 800	-4 288	-2 299
TREND ESTIMATES												
<b>1997</b>												
April	23	8 877	6 777	1 864	4 913	2 100	-8 853	-6 805	-1 809	-1 656	-3 341	-2 048
May	19	8 956	6 821	1 875	4 947	2 134	-8 937	-6 869	-1 852	-1 650	-3 367	-2 068
June	15	9 053	6 887	1 887	5 000	2 166	-9 038	-6 947	-1 901	-1 639	-3 407	-2 091
July	22	9 182	6 998	1 907	5 092	2 184	-9 161	-7 040	-1 947	-1 633	-3 460	-2 121
August	9	9 314	7 133	1 930	5 203	2 181	-9 305	-7 152	-1 990	-1 639	-3 522	-2 153
September	-32	9 422	7 262	1 948	5 315	2 160	-9 454	-7 270	-2 030	-1 659	-3 581	-2 184
October	-122	9 475	7 346	1 948	5 398	2 129	-9 597	-7 392	-2 068	-1 693	-3 632	-2 205
November	-258	9 483	7 384	1 925	5 459	2 099	-9 741	-7 529	-2 111	-1 730	-3 688	-2 212
December	-423	9 448	7 367	1 876	5 491	2 081	-9 871	-7 664	-2 156	-1 770	-3 739	-2 207
<b>1998</b>												
January	-580	9 406	7 325	1 817	5 508	2 081	-9 986	-7 791	-2 199	-1 808	-3 784	-2 195
February	-690	9 388	7 295	1 767	5 528	2 094	-10 078	-7 892	-2 233	-1 839	-3 820	-2 186
March	-748	9 419	7 308	1 738	5 570	2 111	-10 167	-7 979	-2 261	-1 865	-3 853	-2 189
April	-768	9 494	7 364	1 731	5 632	2 130	-10 262	-8 061	-2 287	-1 886	-3 888	-2 201
May	-779	9 588	7 439	1 742	5 698	2 149	-10 367	-8 148	-2 315	-1 902	-3 931	-2 219
June	-735	9 701	7 533	1 763	5 770	2 169	-10 436	-8 199	-2 334	-1 901	-3 964	-2 237

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

(b) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

GOODS AND SERVICES(a), Summary: **Original**

Period	CREDITS.....						DEBITS.....					
	<i>Balance on goods and services</i>	<i>Total goods and services</i>	<i>Total goods</i>	<i>Rural goods(b)</i>	<i>Non-rural and other goods(b)</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
<b>1995-96</b>	-1 869	99 039	76 146	19 588	56 558	22 893	- 100 908	-77 729	-19 860	-19 183	-38 686	-23 179
<b>1996-97</b>	1 805	105 360	80 934	21 045	59 889	24 426	- 103 555	-79 438	-21 293	-18 884	-39 261	-24 117
<b>1997-98</b>	-4 418	114 024	88 474	22 121	66 353	25 550	- 118 442	-92 128	-25 907	-21 182	-45 039	-26 314
<b>1997</b>												
April	- 188	8 647	6 654	1 904	4 750	1 993	-8 835	-6 886	-1 779	-1 656	-3 451	-1 949
May	868	9 423	7 624	2 030	5 594	1 799	-8 555	-6 508	-1 656	-1 580	-3 272	-2 047
June	1 453	10 593	8 686	1 878	6 808	1 907	-9 140	-6 952	-1 759	-1 900	-3 293	-2 188
July	- 457	9 621	7 130	1 841	5 289	2 491	-10 078	-7 825	-2 228	-1 663	-3 934	-2 253
August	140	9 526	7 541	1 760	5 781	1 985	-9 386	-7 253	-2 043	-1 637	-3 573	-2 133
September	- 593	9 391	7 500	1 786	5 714	1 891	-9 984	-7 595	-2 213	-1 755	-3 627	-2 389
October	- 611	9 709	7 629	1 942	5 687	2 080	-10 320	-8 020	-2 405	-1 863	-3 752	-2 300
November	380	9 794	7 716	1 966	5 750	2 078	-9 414	-7 285	-2 111	-1 659	-3 515	-2 129
December	- 172	9 931	7 820	2 127	5 693	2 111	-10 103	-7 866	-2 243	-1 912	-3 711	-2 237
<b>1998</b>												
January	- 643	8 782	6 360	1 677	4 683	2 422	-9 425	-7 222	-2 037	-1 582	-3 603	-2 203
February	456	9 315	6 720	1 687	5 033	2 595	-8 859	-6 944	-1 945	-1 483	-3 516	-1 915
March	-1 088	9 369	7 310	1 778	5 532	2 059	-10 457	-8 345	-2 280	-1 866	-4 199	-2 112
April	- 557	9 244	7 209	1 734	5 475	2 035	-9 801	-7 686	-2 093	-1 828	-3 765	-2 115
May	-29	9 751	7 894	1 937	5 957	1 857	-9 780	-7 614	-2 032	-1 912	-3 670	-2 166
June	-1 244	9 591	7 645	1 886	5 759	1 946	-10 835	-8 473	-2 277	-2 022	-4 174	-2 362

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

(b) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

GOODS CREDITS: **Original**

## RURAL GOODS.....

<i>Period</i>	<i>Total goods</i>	<i>Total rural goods(a)</i>	<i>Meat and meat preparations</i>	<i>Cereal grains and cereal preparations</i>	<i>Sugar, sugar preparations and honey(a)</i>	<i>Wool and sheepskins</i>	<i>Other rural</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1995-96</b>	<b>76 146</b>	19 588	3 292	4 926	n.p.	3 664	7 706
<b>1996-97</b>	<b>80 934</b>	21 045	2 957	5 954	n.p.	3 744	8 390
<b>1997-98</b>	<b>88 474</b>	22 121	3 729	5 096	n.p.	4 011	9 285
<b>1997</b>							
April	<b>6 654</b>	1 904	283	567	n.p.	308	746
May	<b>7 624</b>	2 030	292	470	n.p.	343	925
June	<b>8 686</b>	1 878	270	466	n.p.	281	861
July	<b>7 130</b>	1 841	294	340	n.p.	391	816
August	<b>7 541</b>	1 760	296	398	n.p.	288	778
September	<b>7 500</b>	1 786	293	401	n.p.	324	768
October	<b>7 629</b>	1 942	344	385	n.p.	411	802
November	<b>7 716</b>	1 966	332	439	n.p.	436	759
December	<b>7 820</b>	2 127	342	549	n.p.	429	807
<b>1998</b>							
January	<b>6 360</b>	1 677	220	519	n.p.	298	640
February	<b>6 720</b>	1 687	302	417	n.p.	325	643
March	<b>7 310</b>	1 778	334	387	n.p.	308	749
April	<b>7 209</b>	1 734	275	457	n.p.	272	730
May	<b>7 894</b>	1 937	357	376	n.p.	293	911
June	<b>7 645</b>	1 886	340	428	n.p.	236	882

(a) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.



GOODS CREDITS: **Original** *continued*

## NON-RURAL GOODS.....

<i>Period</i>	<i>Total non-rural goods(a)</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other mineral fuels</i>	<i>Metals (excl. gold)</i>	<i>Mach- inery</i>	<i>Transport equipment</i>	<i>Other manu- factures</i>	<i>Other non-rural(a)</i>	<i>Other goods(b)</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>	<i>\$m</i>	<i>\$m</i>
<b>1995-96</b>	50 021	9 088	7 843	4 165	6 799	7 119	2 500	8 755	3 752	6 537
<b>1996-97</b>	52 334	9 407	8 005	5 154	6 054	7 001	3 649	9 108	3 956	7 555
<b>1997-98</b>	58 481	10 804	9 590	5 310	7 246	7 499	3 438	9 873	4 721	7 872
<b>1997</b>										
April	4 312	848	731	411	508	543	288	748	235	438
May	5 146	840	767	419	569	628	797	839	287	448
June	4 480	915	578	492	493	667	308	766	261	2 328
July	4 757	764	751	486	525	700	236	861	434	532
August	5 085	943	754	457	608	667	340	874	442	696
September	4 948	838	807	470	540	667	231	910	485	766
October	5 100	907	744	511	601	654	280	875	528	587
November	5 134	897	783	469	644	673	330	884	454	616
December	5 151	969	879	521	610	767	288	831	286	542
<b>1998</b>										
January	4 177	840	866	398	592	423	167	604	287	506
February	4 354	813	767	427	538	554	217	742	296	679
March	4 781	929	716	394	659	623	232	859	369	751
April	4 747	966	808	405	591	531	326	713	407	728
May	5 174	961	855	375	697	653	401	888	344	783
June	5 073	977	860	397	641	587	390	832	389	686

(a) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural. (b) Includes non-monetary gold.

## GOODS DEBITS(a): Original

## CONSUMPTION GOODS.....

	<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>Period</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>1995-96</b>	<b>-77 729</b>	<b>-19 860</b>	<b>-2 760</b>	<b>-1 766</b>	<b>-4 436</b>	<b>-2 726</b>	<b>-2 534</b>	<b>-5 638</b>
<b>1996-97</b>	<b>-79 438</b>	<b>-21 293</b>	<b>-2 879</b>	<b>-1 890</b>	<b>-5 143</b>	<b>-2 880</b>	<b>-2 567</b>	<b>-5 934</b>
<b>1997-98</b>	<b>-92 128</b>	<b>-25 907</b>	<b>-3 282</b>	<b>-2 061</b>	<b>-7 108</b>	<b>-3 455</b>	<b>-2 957</b>	<b>-7 044</b>
<b>1997</b>								
April	-6 886	-1 779	-228	-157	-427	-241	-204	-522
May	-6 508	-1 656	-211	-145	-413	-199	-209	-479
June	-6 952	-1 759	-223	-152	-475	-201	-219	-489
July	-7 825	-2 228	-270	-171	-618	-322	-258	-589
August	-7 253	-2 043	-264	-152	-519	-307	-246	-555
September	-7 595	-2 213	-261	-177	-557	-295	-288	-635
October	-8 020	-2 405	-314	-212	-600	-283	-316	-680
November	-7 285	-2 111	-296	-196	-501	-257	-265	-596
December	-7 866	-2 243	-299	-189	-631	-281	-248	-595
<b>1998</b>								
January	-7 222	-2 037	-256	-133	-633	-319	-200	-496
February	-6 944	-1 945	-246	-145	-499	-341	-195	-519
March	-8 345	-2 280	-285	-177	-686	-316	-226	-590
April	-7 686	-2 093	-246	-172	-624	-254	-215	-582
May	-7 614	-2 032	-251	-162	-559	-244	-230	-586
June	-8 473	-2 277	-294	-175	-681	-236	-270	-621

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

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

## CAPITAL GOODS.....

	<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>Period</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<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>1997-98</b>	-21 182	-8 875	-4 348	-2 075	- 464	-2 557	-2 863
<b>1997</b>							
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	-1 663	- 727	- 360	- 163	- 6	- 178	- 229
August	-1 637	- 732	- 315	- 144	-23	- 189	- 234
September	-1 755	- 753	- 374	- 188	-52	- 163	- 225
October	-1 863	- 747	- 359	- 208	-15	- 286	- 248
November	-1 659	- 688	- 337	- 175	-17	- 203	- 239
December	-1 912	- 830	- 353	- 194	-36	- 204	- 295
<b>1998</b>							
January	-1 582	- 726	- 324	- 131	-1	- 193	- 207
February	-1 483	- 617	- 294	- 126	-36	- 216	- 194
March	-1 866	- 755	- 432	- 184	-24	- 216	- 255
April	-1 828	- 735	- 366	- 183	-62	- 252	- 230
May	-1 912	- 768	- 379	- 168	- 159	- 199	- 239
June	-2 022	- 797	- 455	- 211	-33	- 258	- 268

(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>1995-96</b>	-36 964	- 700	- 879	-4 163	-4 600	-1 857	-6 393	-2 754
<b>1996-97</b>	-37 028	- 641	- 839	-5 004	-4 609	-1 759	-6 507	-2 743
<b>1997-98</b>	-40 405	- 747	- 948	-4 250	-5 359	-1 992	-7 181	-2 822
<b>1997</b>								
April	-3 184	-55	-79	- 354	- 433	- 169	- 568	- 242
May	-3 080	-54	-77	- 431	- 373	- 156	- 533	- 203
June	-3 082	-47	-71	- 405	- 382	- 184	- 556	- 223
July	-3 455	-69	-81	- 440	- 466	- 161	- 599	- 226
August	-3 176	-54	-71	- 353	- 431	- 147	- 553	- 207
September	-3 279	-71	-88	- 355	- 425	- 154	- 590	- 207
October	-3 493	-59	-75	- 394	- 440	- 155	- 639	- 242
November	-3 294	-69	-80	- 409	- 374	- 152	- 589	- 250
December	-3 422	-56	-84	- 359	- 461	- 162	- 678	- 219
<b>1998</b>								
January	-3 373	-63	-73	- 426	- 413	- 160	- 566	- 216
February	-3 121	-61	-78	- 276	- 410	- 144	- 532	- 249
March	-3 676	-68	-78	- 396	- 489	- 194	- 634	- 311
April	-3 313	-54	-80	- 231	- 462	- 191	- 602	- 254
May	-3 205	-60	-77	- 297	- 456	- 171	- 563	- 186
June	-3 598	-63	-83	- 314	- 532	- 201	- 636	- 255

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

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

<i>Period</i>	<i>Paper and paperboard</i>	<i>Textile yarn and fabrics</i>	<i>Iron and steel</i>	<i>Plastics</i>	<i>Processed industrial supplies n.e.s.</i>	<i>Other merchandise goods</i>	<i>Other goods(b)</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>1995-96</b>	-1 868	-1 922	-1 408	-1 685	-8 398	- 337	-1 722
<b>1996-97</b>	-1 713	-1 817	-1 297	-1 577	-8 212	- 310	-2 233
<b>1997-98</b>	-1 902	-2 007	-1 623	-1 816	-9 401	- 357	-4 634
<b>1997</b>							
April	- 148	- 151	- 119	- 135	- 701	-30	- 267
May	- 131	- 158	- 106	- 130	- 699	-29	- 192
June	- 131	- 152	- 114	- 130	- 671	-16	- 211
July	- 147	- 189	- 122	- 158	- 778	-19	- 479
August	- 154	- 159	- 135	- 142	- 737	-33	- 397
September	- 164	- 167	- 130	- 149	- 760	-19	- 348
October	- 175	- 173	- 134	- 168	- 818	-21	- 259
November	- 146	- 165	- 138	- 151	- 740	-31	- 221
December	- 167	- 158	- 134	- 141	- 775	-28	- 289
<b>1998</b>							
January	- 158	- 175	- 148	- 152	- 793	-30	- 230
February	- 146	- 155	- 137	- 140	- 747	-46	- 395
March	- 172	- 168	- 147	- 163	- 825	-31	- 523
April	- 149	- 152	- 147	- 148	- 812	-31	- 452
May	- 151	- 163	- 119	- 150	- 785	-27	- 465
June	- 173	- 183	- 132	- 154	- 831	-41	- 576

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

(b) Includes non-monetary gold.

## SERVICES(a)(b): Original

## CREDITS.....

## DEBITS.....

Period	Total services	Freight	Other transport- ation	Travel	Other services	Total services	Freight	Other transport- ation	Travel	Other services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1995-96</b>	22 893	1 221	5 305	11 252	5 115	-23 179	-4 405	-4 083	-6 988	-7 703
<b>1996-97</b>	24 426	951	5 697	11 926	5 852	-24 117	-4 373	-4 066	-7 769	-7 909
<b>1997-98</b>	25 550	1 006	5 675	11 910	6 959	-26 314	-4 917	-4 056	-8 440	-8 901
<b>1997</b>										
April	1 993	78	457	945	513	-1 949	- 369	- 305	- 623	- 652
May	1 799	78	455	763	503	-2 047	- 356	- 344	- 652	- 695
June	1 907	79	454	836	538	-2 188	- 361	- 391	- 738	- 698
July	2 491	82	484	1 376	549	-2 253	- 417	- 377	- 761	- 698
August	1 985	82	484	881	538	-2 133	- 381	- 347	- 712	- 693
September	1 891	81	483	791	536	-2 389	- 418	- 394	- 860	- 717
October	2 080	81	479	911	609	-2 300	- 448	- 336	- 757	- 759
November	2 078	81	479	912	606	-2 129	- 404	- 303	- 641	- 781
December	2 111	81	480	928	622	-2 237	- 418	- 345	- 650	- 824
<b>1998</b>										
January	2 422	91	496	1 277	558	-2 203	- 399	- 339	- 736	- 729
February	2 595	91	496	1 462	546	-1 915	- 372	- 276	- 545	- 722
March	2 059	90	498	922	549	-2 112	- 434	- 325	- 616	- 737
April	2 035	82	432	919	602	-2 115	- 410	- 315	- 688	- 702
May	1 857	82	432	734	609	-2 166	- 386	- 336	- 700	- 744
June	1 946	82	432	797	635	-2 362	- 430	- 363	- 774	- 795

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

(b) For detailed trade in services by commodity, see Table 6 and paragraph 11 of the Explanatory Notes.

## SERVICES(a)(b): Original—Quarterly

	CREDITS.....				DEBITS.....			
	Sep Qtr 1997	Dec Qtr 1997	Mar Qtr 1998	Jun Qtr 1998	Sep Qtr 1997	Dec Qtr 1997	Mar Qtr 1998	Jun Qtr 1998
<b>SERVICES</b>	<b>6 367</b>	<b>6 269</b>	<b>7 076</b>	<b>5 838</b>	<b>-6 775</b>	<b>-6 666</b>	<b>-6 230</b>	<b>-6 643</b>
<b>Transportation services</b>	<b>1 696</b>	<b>1 681</b>	<b>1 762</b>	<b>1 542</b>	<b>-2 334</b>	<b>-2 254</b>	<b>-2 145</b>	<b>-2 240</b>
Passenger	1 451	1 438	1 490	1 296	- 895	- 740	- 721	- 792
Freight	245	243	272	246	-1 216	-1 270	-1 205	-1 226
Other	0	0	0	0	- 223	- 244	- 219	- 222
<b>Travel services</b>	<b>3 048</b>	<b>2 751</b>	<b>3 661</b>	<b>2 450</b>	<b>-2 333</b>	<b>-2 048</b>	<b>-1 897</b>	<b>-2 162</b>
Business	123	169	193	193	- 690	- 546	- 623	- 593
Personal	2 925	2 582	3 468	2 257	-1 643	-1 502	-1 274	-1 569
Education-related	926	367	1 473	416	- 201	- 121	- 139	- 113
Other	1 999	2 215	1 995	1 841	-1 442	-1 381	-1 135	-1 456
<b>Communications services</b>	<b>304</b>	<b>334</b>	<b>367</b>	<b>312</b>	<b>- 283</b>	<b>- 357</b>	<b>- 330</b>	<b>- 321</b>
<b>Construction services</b>	<b>23</b>	<b>3</b>	<b>3</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Insurance services</b>	<b>218</b>	<b>218</b>	<b>218</b>	<b>218</b>	<b>- 299</b>	<b>- 299</b>	<b>- 299</b>	<b>- 299</b>
<b>Financial services</b>	<b>143</b>	<b>143</b>	<b>143</b>	<b>143</b>	<b>-85</b>	<b>-85</b>	<b>-85</b>	<b>-85</b>
<b>Computer and information services</b>	<b>151</b>	<b>133</b>	<b>102</b>	<b>117</b>	<b>-71</b>	<b>-94</b>	<b>-91</b>	<b>-89</b>
<b>Royalties and licence fees</b>	<b>85</b>	<b>126</b>	<b>83</b>	<b>102</b>	<b>- 388</b>	<b>- 390</b>	<b>- 327</b>	<b>- 354</b>
<b>Other business services</b>	<b>462</b>	<b>610</b>	<b>472</b>	<b>621</b>	<b>- 691</b>	<b>- 791</b>	<b>- 754</b>	<b>- 781</b>
Merchanting and other trade-related	112	107	79	131	- 107	- 101	-92	- 110
Operational leasing	2	2	2	3	- 189	- 205	- 254	- 211
Miscellaneous business, professional & technical	348	501	391	487	- 395	- 485	- 408	- 460
Legal, accounting, management consulting and public relations	73	89	82	90	-40	-41	-25	-56
Advertising, market research, and public opinion polling	20	31	19	21	-35	-40	-52	-44
Research and development	48	58	38	55	-39	-28	-26	-46
Architectural, engineering and other technical services	64	85	96	103	-69	- 120	-54	-88
Agricultural, mining, and on-site processing	7	11	10	7	-55	-51	-63	-28
Services between affiliated enterprises n.i.e.	122	204	121	173	- 139	- 187	- 160	- 174
Other	14	23	25	38	-18	-18	-28	-24
<b>Personal, cultural, and recreational services</b>	<b>115</b>	<b>138</b>	<b>137</b>	<b>139</b>	<b>- 160</b>	<b>- 196</b>	<b>- 171</b>	<b>- 134</b>
Audiovisual and related services	62	76	77	98	- 141	- 174	- 137	- 117
Other personal, cultural and recreational services	53	62	60	41	-19	-22	-34	-17
<b>Government services n.i.e.</b>	<b>122</b>	<b>132</b>	<b>128</b>	<b>171</b>	<b>- 131</b>	<b>- 152</b>	<b>- 131</b>	<b>- 178</b>

(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.....

<i>Period</i>	<i>United States dollar</i>	<i>United Kingdom pound</i>	<i>German mark</i>	<i>Japanese yen</i>	<i>Special drawing right</i>	<i>Trade weighted index of value of the \$A(b)</i>
<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>1997-98</b>	0.6806	0.4138	1.221	86.02	0.5026	58.3
<b>1997</b>						
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
<b>1998</b>						
January	0.6543	0.4004	1.190	84.87	0.4871	60.2
February	0.6733	0.4107	1.221	84.75	0.4988	60.8
March	0.6699	0.4034	1.222	86.22	0.4981	60.2
April	0.6524	0.3899	1.183	86.19	0.4860	58.5
May	0.6312	0.3851	1.120	85.13	0.4695	57.4
June	0.6030	0.3656	1.081	84.74	0.4522	56.6

(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

### 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 September 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** The quarterly detailed services data published in Table 6 are consistent with the monthly aggregates shown in Table 5. A further 14 sub-commodities are available on request. 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** Detailed data of exports and imports of goods dissected by commodity and country are available on an international trade basis 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  
n.i.e. not included elsewhere  
n.p. not published  
.. 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

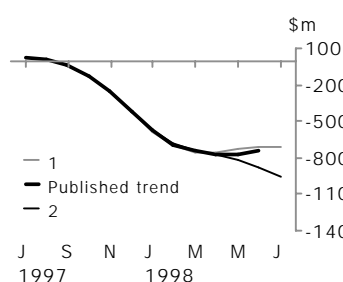
The graph below presents the effect of two possible scenarios on the previous trend estimates:

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

**2** The July seasonally adjusted estimate of the balance on goods and services 'deteriorates' by \$200 million when compared with the June 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</i> \$200m on Jun 98 \$m	<b>2</b> <i>deteriorates by</i> \$200m on Jun 98 \$m
December 1997	- 423	- 423	- 423
January 1998	- 580	- 585	- 577
February 1998	- 690	- 698	- 684
March 1998	- 748	- 752	- 746
April 1998	- 768	- 757	- 775
May 1998	- 779	- 748	- 807
June 1998	- 735	- 732	- 844
July 1998		- 753	- 921

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