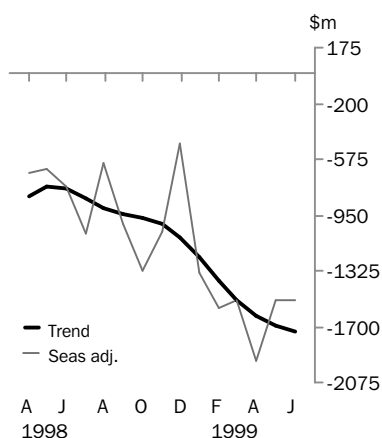


INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) THURS 29 JUL 1999

Balance on goods and services



JUNE KEY FIGURES

TREND ESTIMATES

	Apr 1999 \$m	May 1999 \$m	Jun 1999 \$m	May 1999 to Jun 1999 % change
Balance on goods & services	-1 628	-1 691	-1 732	..
Credits (exports of goods & services)	8 907	8 855	8 814	0
Debits (imports of goods & services)	10 535	10 546	10 546	0

SEASONALLY ADJUSTED

	Apr 1999 \$m	May 1999 \$m	Jun 1999 \$m	May 1999 to Jun 1999 % change
Balance on goods & services	-1 933	-1 523	-1 525	..
Credits (exports of goods & services)	8 730	8 892	8 872	0
Debits (imports of goods & services)	10 663	10 415	10 397	0

JUNE KEY POINTS

TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services is a deficit of \$1,732 million in June 1999, an increase of \$41 million on the deficit in May.
- Goods and services credits fell \$41 million, while goods and services debits remained steady at \$10,546 million.

SEASONALLY ADJUSTED ESTIMATES

- In seasonally adjusted terms, the balance on goods and services is a deficit of \$1,525 million, virtually unchanged on the deficit in May.
- Goods and services credits fell \$20 million on the May figure. This is attributed to lower exports of non-rural goods, down \$106 million, or 2%.
- Goods and services debits fell \$18 million, with falls in capital and intermediate goods partly offset by a rise in consumption goods and in services.

ORIGINAL ESTIMATES

- Exports of goods to our major south east Asia and north Asia trading partners fell 2% during June, while exports to other destinations rose 1% on the previous month. See analysis on page 4 for details.

1998-99 SITUATION

- The balance on goods and services (in original terms) recorded a deficit of \$14.9 billion in 1998-99, up \$10.2 billion on the deficit for 1997-98. Goods exports were down \$2.9 billion while goods imports were up \$6.4 billion.

■ For further information about these and related statistics, contact Carol Trickett on Canberra 02 6252 5540, or Client Services in any ABS office as shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

ISSUE	EXPECTED RELEASE DATE
July 1999	31 August 1999
August 1999	29 September 1999
September 1999	1 November 1999
October 1999	29 November 1999
November 1999	5 January 2000
December 1999	2 February 2000

CHANGES IN THIS ISSUE

In original terms, revisions since the last issue have increased the deficit on goods and services by: \$170 million in 1996-97; \$439 million in 1997-98; and \$255 million in the eleven months to May 1999.

These revisions generally reflect revised information used for estimating *education-related travel credits* which is discussed below.

Commencing with this issue, there are two changes to the estimation of *education-related travel credits*. The first change, which also affects *total travel credits*, involves revisions to the number of foreign students studying in Australia to exclude enrolments in offshore campuses, which had been included in error.

Correcting this error reduces *education-related travel credits*, and *total travel credits*, by \$387 million in calendar year 1998, by \$380 million in 1997, and by \$236 million in 1996.

The second change, which is a reclassification between components within *travel credits* in recent years, is the estimation methodology for *education-related travel* used to cover all foreign students in Australia. The previous methodology used information only on foreign students in Australia on student visas (excluding exchange students), together with New Zealand students who are not required to hold a visa. The expenditure of all other foreign students in Australia, who did not hold student visas or who were exchange students, was included in *other personal travel credits*.

Commencing with this issue the expenditure by these foreign students has been estimated and reclassified from *other personal travel* to *education-related travel*. The amounts reclassified were \$313 million in calendar year 1998, \$244 million in 1997 and \$181 million in 1996. The reclassification does not affect total *travel credits* in 1997 or 1998.

CHANGES TO FORTHCOMING ISSUES

The seasonally adjusted and trend estimates of the balance on 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 revised in the June quarter 1999 issue of 5302.0. The reanalyses will take account of additional data that have become available since the previous reanalysis.

For information about the availability of seasonal factors for 1999-2000 refer to paragraph 6 of the Explanatory Notes.

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 \$1,732 million in June, an increase of \$41 million on the deficit in May, with exports continuing a ten month fall and imports remaining unchanged on May.

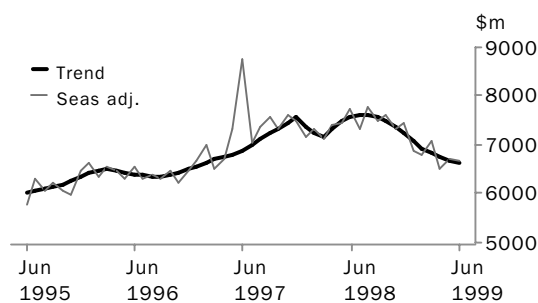
In seasonally adjusted terms, this balance is a deficit of \$1,525 million, virtually unchanged on the deficit in May.

EXPORTS OF GOODS AND SERVICES

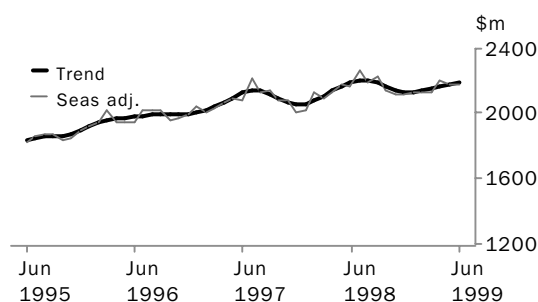
The trend estimate of goods and services credits fell \$41 million to \$8,814 million, and has been falling slowly since August 1998. In June there were falls in rural goods (down \$28 million) and non-rural and other goods (down \$23 million). Services rose slightly to \$2,191 million.

In seasonally adjusted terms, goods and services credits fell \$20 million to \$8,872 million. Goods fell \$23 million, to \$6,687 million, while services rose slightly to \$2,185 million.

GOODS CREDITS



SERVICES CREDITS



RURAL GOODS The trend estimate of rural goods fell \$28 million to \$1,676 million. In seasonally adjusted terms rural goods rose \$45 million, or 3%.

Rural goods, in original terms, fell \$19 million, or 1%, to \$1,780 million. The largest decreases were in:

- wool and sheepskins, down \$52 million, or 23%; and
- other rural goods, down \$38 million, or 4%.

These decreases were partly offset by a rise in exports of cereals and cereal preparations, up \$81 million, or 24%.

ANALYSIS AND COMMENTS

NON-RURAL AND OTHER GOODS

The trend estimate of non-rural and other goods fell \$23 million to \$4,947 million, the lowest level recorded since May 1997. In seasonally adjusted terms non-rural and other goods fell \$68 million to \$4,973 million.

Non-rural and other goods in original terms fell \$27 million to \$5,060 million. Non-rural goods fell \$65 million, with the largest decreases in:

- coal, coke and briquettes, down \$44 million, or 6%;
- other non-rural, down \$40 million, or 12%; and
- metals, down \$38 million, or 6%.

Partly offsetting these falls was a rise in transport equipment, up \$98 million (44%).

Other goods rose \$38 million, or 9%, to \$459 million, with non-monetary gold up \$48 million, or 14%.

MERCHANDISE EXPORTS BY COUNTRY

The table below shows Australia's recorded merchandise exports for the 9 months to June 1999 (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. In June, exports to these selected Asian destinations fell 2%, while exports to other countries rose 1%. There were significant falls in exports to China, down \$148 million, or 38%, and Taiwan, down \$54 million, or 15%. Exports to the largest market, Japan, rose \$50 million, or 4%, to \$1,355 million in June. Exports to Korea also rose. Overall, exports to the group of 10 countries listed below is down 7% in the 1998-99 financial year compared with the 1997-98 financial year, while exports to all other countries rose 3% over the same period. Comparing these periods after excluding gold, exports to the selected Asian destinations fell 6% while exports to the rest of the world rose 3%.

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

	Oct 1998	Nov 1998	Dec 1998	Jan 1999	Feb 1999	Mar 1999	Apr 1999	May 1999	Jun 1999	May 1999 to Jun 1999 % change
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
China	280	373	436	323	375	284	295	390	242	-38
Hong Kong	228	255	254	267	257	312	206	240	204	-15
Indonesia	192	194	174	134	141	147	189	186	214	15
Japan	1 560	1 364	1 525	1 316	1 204	1 367	1 133	1 305	1 355	4
Korea, Republic of	540	532	560	539	413	584	398	553	600	8
Malaysia	164	172	163	128	137	146	159	169	135	-20
Philippines	105	100	94	79	100	103	98	90	117	30
Singapore	215	311	409	270	206	315	355	340	367	8
Taiwan	354	352	397	340	289	377	342	363	309	-15
Thailand	108	118	132	80	95	116	86	122	129	6
<i>Sub-total</i>	<i>3 746</i>	<i>3 771</i>	<i>4 144</i>	<i>3 476</i>	<i>3 217</i>	<i>3 751</i>	<i>3 262</i>	<i>3 758</i>	<i>3 672</i>	<i>-2</i>
<i>All other countries</i>	<i>4 065</i>	<i>3 517</i>	<i>3 752</i>	<i>2 826</i>	<i>3 023</i>	<i>3 575</i>	<i>3 160</i>	<i>3 215</i>	<i>3 249</i>	<i>1</i>
Total	7 811	7 288	7 896	6 302	6 240	7 326	6 422	6 973	6 921	-1

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

ANALYSIS AND COMMENTS

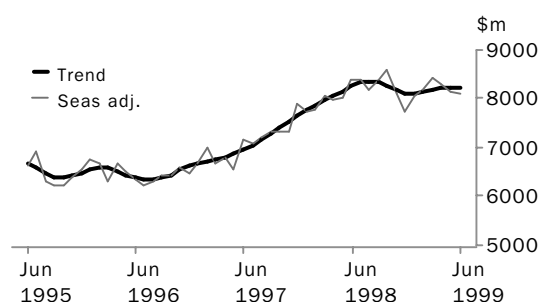
IMPORTS OF GOODS AND SERVICES

The trend estimate of goods and services debits remained unchanged at \$10,546 million. Both goods imports and services imports remained steady in trend terms.

In seasonally adjusted terms, goods and services debits fell \$18 million, to \$10,397 million. Goods fell \$52 million, or 1%, to \$8,082 million. There were falls in capital goods, down \$76 million (4%), and intermediate and other goods, down \$68 million (2%), which were partly offset by a rise in consumption goods, up \$91 million, or 4%. Services rose \$34 million, or 1%, to \$2,315 million.

Preliminary analysis shows that goods import volumes, in seasonally adjusted terms, rose about 2% during the June quarter 1999. The chain Laspeyres price index for the quarter fell by less than 3% while the implicit price deflator fell by about 2.5%, indicating that compositional effects had only a slight upward influence on the movement in the IPD. These results incorporate the preliminary outcomes from both the introduction of a new base year (1997-98) in the chain volume and price indexes, and annual seasonal reanalyses of the current price and chain volume series. The volume and price outcomes to be published in the June quarter 1999 issue of *Balance of Payments and International Position, Australia* (5302.0) may be different from the preliminary estimates above, once the various analyses are complete and any revisions to the original current price series are incorporated.

GOODS DEBITS



CONSUMPTION GOODS The trend estimate of consumption goods was \$2,409 million in June. In seasonally adjusted terms, consumption goods rose \$91 million to \$2,423 million.

Consumption goods, in original terms rose \$162 million, or 8%, to \$2,268 million. The major contributor was non-industrial transport equipment, up \$145 million, or 26%.

CAPITAL GOODS The trend estimate of capital goods fell \$19 million to \$1,977 million. In seasonally adjusted terms, capital goods fell \$76 million, or 4%, to \$1,857 million.

Capital goods, in original terms, rose \$160 million, or 8%, to \$2,043 million. The largest increases were in machinery and industrial equipment, up \$56 million, industrial transport equipment nes, up \$44 million, and ADP equipment, up \$38 million.

INTERMEDIATE AND OTHER GOODS In June the trend estimate of intermediate and other goods rose \$19 million to \$3,849 million. In seasonally adjusted terms, intermediate and other goods fell \$68 million to \$3,801 million.

Intermediate and other goods, in original terms, rose \$115 million, to \$3,864 million, mainly reflecting an \$85 million increase in goods for processing within the other goods category.

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(b)	Non-rural and other goods(b)	Total services	Total goods and services	Total goods	Con- sumption goods	Capital goods	Inter- mediate and other goods	Total services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
SEASONALLY ADJUSTED												
1998												
April	- 664	9 561	7 428	1 699	5 728	2 133	-10 225	-7 991	-2 293	-1 839	-3 859	-2 233
May	- 642	9 639	7 465	1 764	5 701	2 174	-10 281	-8 015	-2 280	-1 990	-3 746	-2 266
June	- 763	9 888	7 717	1 865	5 852	2 171	-10 651	-8 402	-2 384	-1 806	-4 212	-2 249
July	-1 078	9 605	7 345	1 836	5 509	2 260	-10 682	-8 368	-2 254	-1 975	-4 139	-2 314
August	- 602	9 976	7 788	2 036	5 752	2 188	-10 578	-8 196	-2 295	-1 919	-3 982	-2 382
September	-1 015	9 706	7 481	2 060	5 420	2 225	-10 721	-8 382	-2 356	-2 021	-4 004	-2 340
October	-1 320	9 752	7 607	1 766	5 840	2 145	-11 072	-8 604	-2 361	-1 838	-4 405	-2 468
November	-1 064	9 436	7 312	1 770	5 542	2 124	-10 500	-8 116	-2 218	-1 803	-4 095	-2 384
December	- 473	9 544	7 429	1 956	5 472	2 116	-10 018	-7 721	-2 226	-1 649	-3 845	-2 297
1999												
January	-1 332	9 025	6 893	1 864	5 028	2 132	-10 357	-8 054	-2 300	-1 978	-3 776	-2 304
February	-1 573	8 936	6 802	1 797	5 006	2 134	-10 509	-8 188	-2 498	-1 895	-3 795	-2 321
March	-1 522	9 200	7 069	1 708	5 361	2 132	-10 722	-8 423	-2 460	-2 250	-3 713	-2 300
April	-1 933	8 730	6 526	1 749	4 777	2 205	-10 663	-8 319	-2 372	-1 993	-3 954	-2 344
May	-1 523	8 892	6 710	1 669	5 041	2 182	-10 415	-8 134	-2 332	-1 933	-3 869	-2 281
June	-1 525	8 872	6 687	1 714	4 973	2 185	-10 397	-8 082	-2 423	-1 857	-3 801	-2 315
TREND ESTIMATES												
1998												
April	- 823	9 462	7 323	1 714	5 610	2 139	-10 285	-8 058	-2 293	-1 870	-3 894	-2 227
May	- 755	9 643	7 472	1 779	5 693	2 171	-10 398	-8 146	-2 304	-1 899	-3 944	-2 251
June	- 769	9 763	7 567	1 847	5 720	2 196	-10 531	-8 246	-2 313	-1 926	-4 007	-2 285
July	- 838	9 817	7 610	1 899	5 711	2 207	-10 655	-8 332	-2 320	-1 937	-4 075	-2 323
August	- 899	9 819	7 615	1 926	5 689	2 204	-10 718	-8 362	-2 314	-1 924	-4 124	-2 356
September	- 940	9 766	7 576	1 929	5 647	2 189	-10 705	-8 328	-2 299	-1 889	-4 139	-2 377
October	- 968	9 662	7 496	1 912	5 584	2 165	-10 630	-8 249	-2 289	-1 853	-4 106	-2 381
November	-1 011	9 522	7 380	1 885	5 495	2 142	-10 534	-8 164	-2 294	-1 837	-4 032	-2 370
December	-1 103	9 362	7 234	1 853	5 380	2 128	-10 465	-8 115	-2 313	-1 856	-3 946	-2 349
1999												
January	-1 239	9 205	7 078	1 822	5 256	2 128	-10 444	-8 116	-2 342	-1 901	-3 873	-2 328
February	-1 387	9 076	6 938	1 794	5 144	2 138	-10 463	-8 149	-2 371	-1 956	-3 822	-2 314
March	-1 525	8 979	6 826	1 765	5 061	2 154	-10 504	-8 196	-2 395	-1 995	-3 806	-2 308
April	-1 628	8 907	6 738	1 732	5 006	2 168	-10 535	-8 228	-2 408	-2 006	-3 814	-2 307
May	-1 691	8 855	6 674	1 704	4 970	2 181	-10 546	-8 238	-2 412	-1 996	-3 830	-2 308
June	-1 732	8 814	6 623	1 676	4 947	2 191	-10 546	-8 235	-2 409	-1 977	-3 849	-2 311

(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
1996-1997	1 570	105 160	80 934	21 045	59 889	24 226	- 103 590	-79 438	-21 293	-18 884	-39 261	-24 152
1997-1998	-4 746	113 829	88 538	22 130	66 408	25 291	- 118 575	-92 084	-25 899	-21 168	-45 017	-26 491
1998-1999	-14 933	111 603	85 655	21 863	63 792	25 948	- 126 536	-98 515	-28 046	-23 058	-47 411	-28 021
1998												
April	- 593	9 243	7 211	1 727	5 484	2 032	-9 836	-7 677	-2 089	-1 829	-3 759	-2 159
May	-37	9 760	7 890	1 946	5 944	1 870	-9 797	-7 590	-2 029	-1 901	-3 660	-2 207
June	-1 202	9 624	7 675	1 888	5 787	1 949	-10 826	-8 474	-2 276	-2 019	-4 179	-2 352
July	-1 535	9 931	7 474	1 757	5 717	2 457	-11 466	-9 026	-2 487	-2 053	-4 486	-2 440
August	- 829	9 811	7 761	1 818	5 943	2 050	-10 640	-8 261	-2 415	-1 910	-3 936	-2 379
September	-1 682	9 571	7 610	1 929	5 681	1 961	-11 253	-8 729	-2 523	-2 064	-4 142	-2 524
October	-1 676	9 928	7 818	1 760	6 058	2 110	-11 604	-9 061	-2 675	-1 953	-4 433	-2 543
November	-1 323	9 355	7 288	1 766	5 522	2 067	-10 678	-8 351	-2 423	-1 858	-4 070	-2 327
December	- 251	9 942	7 773	2 120	5 653	2 169	-10 193	-7 858	-2 300	-1 808	-3 750	-2 335
1999												
January	- 758	8 742	6 282	1 753	4 529	2 460	-9 500	-7 192	-1 946	-1 639	-3 607	-2 308
February	- 484	8 855	6 242	1 734	4 508	2 613	-9 339	-7 300	-2 203	-1 578	-3 519	-2 039
March	-1 669	9 431	7 306	1 870	5 436	2 125	-11 100	-8 884	-2 527	-2 286	-4 071	-2 216
April	-1 770	8 445	6 375	1 777	4 598	2 070	-10 215	-7 940	-2 173	-1 983	-3 784	-2 275
May	-1 192	8 783	6 886	1 799	5 087	1 897	-9 975	-7 738	-2 106	-1 883	-3 749	-2 237
June	-1 764	8 809	6 840	1 780	5 060	1 969	-10 573	-8 175	-2 268	-2 043	-3 864	-2 398

(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>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1996-1997	80 934	21 045	2 957	5 954	n.p.	3 744	8 390
1997-1998	88 538	22 130	3 731	5 094	n.p.	4 020	9 285
1998-1999	85 655	21 863	4 007	5 041	n.p.	2 588	10 227
1998							
April	7 211	1 727	274	454	n.p.	277	722
May	7 890	1 946	358	379	n.p.	291	918
June	7 675	1 888	342	427	n.p.	236	883
July	7 474	1 757	339	322	n.p.	240	856
August	7 761	1 818	313	492	n.p.	197	816
September	7 610	1 929	366	430	n.p.	251	882
October	7 818	1 760	350	311	n.p.	249	850
November	7 288	1 766	352	364	n.p.	237	813
December	7 773	2 120	363	530	n.p.	251	976
1999							
January	6 282	1 753	226	568	n.p.	165	794
February	6 242	1 734	329	400	n.p.	222	783
March	7 306	1 870	374	459	n.p.	202	835
April	6 375	1 777	333	416	n.p.	178	850
May	6 886	1 799	336	334	n.p.	224	905
June	6 840	1 780	326	415	n.p.	172	867

(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>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	52 334	9 407	8 005	5 154	6 054	7 001	3 649	9 108	3 956	7 555
1997-1998	58 441	10 835	9 586	5 309	7 185	7 549	3 412	9 834	4 731	7 967
1998-1999	56 335	11 081	9 313	4 456	6 939	6 614	3 353	10 204	4 375	7 457
1998										
April	4 751	984	807	404	586	533	324	707	406	733
May	5 142	957	850	375	687	661	386	883	343	802
June	5 084	995	860	399	631	596	384	829	390	703
July	4 800	839	829	390	682	559	247	801	453	917
August	5 180	1 067	842	474	599	587	295	892	424	763
September	5 079	945	889	407	613	575	278	902	470	602
October	5 034	1 002	814	401	546	577	277	897	520	1 024
November	4 836	1 001	763	329	547	577	341	867	411	686
December	5 073	1 099	843	400	569	649	305	866	342	580
1999										
January	3 981	802	785	359	521	425	136	659	294	548
February	4 120	804	737	311	475	488	268	783	254	388
March	4 825	947	744	321	633	574	388	910	308	611
April	4 140	737	657	331	518	497	272	839	289	458
May	4 666	931	727	362	637	569	224	891	325	421
June	4 601	907	683	371	599	537	322	897	285	459

(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>
1996-1997	-79 438	-21 293	-2 879	-1 890	-5 143	-2 880	-2 567	-5 934
1997-1998	-92 084	-25 899	-3 282	-2 062	-7 102	-3 456	-2 956	-7 041
1998-1999	-98 515	-28 046	-3 609	-2 244	-7 231	-3 741	-3 183	-8 038
1998								
April	-7 677	-2 089	-246	-172	-622	-253	-215	-581
May	-7 590	-2 029	-251	-162	-558	-245	-229	-584
June	-8 474	-2 276	-294	-176	-679	-236	-270	-621
July	-9 026	-2 487	-284	-172	-623	-394	-311	-703
August	-8 261	-2 415	-274	-168	-593	-360	-304	-716
September	-8 729	-2 523	-316	-189	-573	-345	-320	-780
October	-9 061	-2 675	-346	-231	-689	-310	-342	-757
November	-8 351	-2 423	-343	-239	-538	-284	-299	-720
December	-7 858	-2 300	-341	-201	-559	-279	-256	-664
1999								
January	-7 192	-1 946	-281	-145	-514	-286	-201	-519
February	-7 300	-2 203	-283	-172	-600	-368	-205	-575
March	-8 884	-2 527	-306	-197	-724	-349	-223	-728
April	-7 940	-2 173	-285	-181	-561	-287	-222	-637
May	-7 738	-2 106	-266	-175	-556	-234	-247	-628
June	-8 175	-2 268	-284	-174	-701	-245	-253	-611

(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>
1996-1997	-18 884	-8 020	-3 719	-1 748	- 784	-2 178	-2 435
1997-1998	-21 168	-8 862	-4 345	-2 070	- 464	-2 560	-2 867
1998-1999	-23 058	-9 227	-4 495	-2 815	- 649	-2 859	-3 013
1998							
April	-1 829	- 735	- 365	- 181	-62	- 254	- 232
May	-1 901	- 756	- 378	- 166	- 159	- 201	- 241
June	-2 019	- 795	- 455	- 210	-33	- 258	- 268
July	-2 053	- 885	- 366	- 182	- 121	- 235	- 264
August	-1 910	- 827	- 356	- 171	- 109	- 199	- 248
September	-2 064	- 891	- 376	- 169	- 164	- 188	- 276
October	-1 953	- 886	- 341	- 182	-12	- 265	- 267
November	-1 858	- 822	- 365	- 215	-8	- 195	- 253
December	-1 808	- 753	- 359	- 220	-6	- 221	- 249
1999							
January	-1 639	- 773	- 312	- 150	-2	- 205	- 197
February	-1 578	- 610	- 316	- 200	-14	- 216	- 222
March	-2 286	- 777	- 430	- 337	- 167	- 284	- 291
April	-1 983	- 675	- 388	- 372	-18	- 291	- 239
May	-1 883	- 636	- 424	- 310	-11	- 258	- 244
June	-2 043	- 692	- 462	- 307	-17	- 302	- 263

(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>
1996-1997	-37 028	-641	-839	-5 004	-4 609	-1 759	-6 507	-2 743
1997-1998	-40 454	-746	-950	-4 276	-5 346	-1 993	-7 193	-2 814
1998-1999	-43 441	-760	-882	-4 469	-6 085	-1 944	-7 697	-3 140
1998								
April	-3 328	-54	-80	-240	-463	-192	-602	-254
May	-3 224	-60	-78	-304	-447	-171	-579	-184
June	-3 601	-63	-84	-325	-528	-201	-636	-249
July	-3 926	-67	-84	-363	-532	-176	-815	-236
August	-3 536	-59	-77	-337	-488	-188	-616	-235
September	-3 694	-62	-93	-338	-489	-149	-665	-235
October	-3 820	-59	-78	-321	-518	-143	-712	-348
November	-3 663	-65	-69	-449	-500	-153	-662	-210
December	-3 603	-61	-79	-369	-516	-162	-604	-316
1999								
January	-3 310	-62	-51	-340	-428	-144	-576	-266
February	-3 336	-71	-64	-350	-419	-149	-577	-266
March	-3 828	-67	-74	-333	-565	-188	-668	-271
April	-3 611	-54	-64	-446	-544	-164	-593	-260
May	-3 543	-67	-79	-427	-542	-161	-590	-253
June	-3 571	-66	-70	-396	-544	-167	-619	-244

(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>
1996-1997	-1 713	-1 817	-1 297	-1 577	-8 212	- 310	-2 233
1997-1998	-1 901	-2 005	-1 623	-1 814	-9 431	- 362	-4 563
1998-1999	-1 980	-2 006	-1 470	-1 889	-10 208	- 911	-3 970
1998							
April	- 149	- 150	- 147	- 148	- 818	-31	- 431
May	- 150	- 163	- 119	- 149	- 793	-27	- 436
June	- 173	- 183	- 132	- 154	- 827	-46	- 578
July	- 184	- 211	- 151	- 158	- 884	-65	- 560
August	- 177	- 175	- 138	- 147	- 811	-88	- 400
September	- 182	- 181	- 116	- 166	- 892	- 126	- 448
October	- 187	- 177	- 130	- 179	- 906	-62	- 613
November	- 165	- 171	- 125	- 166	- 825	- 103	- 407
December	- 147	- 142	- 117	- 162	- 817	- 111	- 147
1999							
January	- 150	- 160	- 121	- 156	- 799	-57	- 297
February	- 161	- 152	- 105	- 151	- 816	-55	- 183
March	- 175	- 167	- 121	- 162	- 978	-59	- 243
April	- 150	- 148	- 124	- 142	- 853	-69	- 173
May	- 147	- 152	- 101	- 147	- 815	-62	- 206
June	- 155	- 170	- 121	- 153	- 812	-54	- 293

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

(b) Includes non-monetary gold.

SERVICES(a)(b): Original

	CREDITS.....					DEBITS.....				
	<i>Total services</i>	<i>Freight</i>	<i>Other transport- ation</i>	<i>Travel</i>	<i>Other services</i>	<i>Total services</i>	<i>Freight</i>	<i>Other transport- ation</i>	<i>Travel</i>	<i>Other services</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>	<i>\$m</i>	<i>\$m</i>
1996-1997	24 226	951	5 697	11 756	5 822	-24 152	-4 373	-4 066	-7 769	-7 944
1997-1998	25 291	1 042	5 678	11 499	7 072	-26 491	-5 013	-4 112	-8 372	-8 994
1998-1999	25 948	1 285	5 600	11 782	7 281	-28 021	-5 005	-4 423	-8 884	-9 709
1998										
April	2 032	94	435	892	611	-2 159	- 423	- 328	- 686	- 722
May	1 870	94	435	723	618	-2 207	- 396	- 362	- 698	- 751
June	1 949	94	437	773	645	-2 352	- 449	- 394	- 710	- 799
July	2 457	112	475	1 250	620	-2 440	- 475	- 406	- 773	- 786
August	2 050	112	475	860	603	-2 379	- 434	- 368	- 735	- 842
September	1 961	111	480	769	601	-2 524	- 476	- 405	- 828	- 815
October	2 110	98	492	892	628	-2 543	- 476	- 377	- 843	- 847
November	2 067	98	492	858	619	-2 327	- 431	- 334	- 714	- 848
December	2 169	98	499	940	632	-2 335	- 416	- 354	- 676	- 889
1999										
January	2 460	107	476	1 294	583	-2 308	- 355	- 364	- 870	- 719
February	2 613	107	476	1 462	568	-2 039	- 369	- 309	- 598	- 763
March	2 125	108	478	973	566	-2 216	- 420	- 348	- 691	- 757
April	2 070	111	420	932	607	-2 275	- 396	- 353	- 695	- 831
May	1 897	111	420	752	614	-2 237	- 361	- 387	- 710	- 779
June	1 969	112	417	800	640	-2 398	- 396	- 418	- 751	- 833

(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 1998	Dec Qtr 1998	Mar Qtr 1999	Jun Qtr 1999	Sep Qtr 1998	Dec Qtr 1998	Mar Qtr 1999	Jun Qtr 1999
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
SERVICES	6 468	6 346	7 198	5 936	-7 343	-7 205	-6 563	-6 910
Transportation services	1 765	1 777	1 752	1 591	-2 564	-2 388	-2 165	-2 311
Passenger	1 430	1 483	1 430	1 257	- 967	- 830	- 800	- 961
Freight	335	294	322	334	-1 385	-1 323	-1 144	-1 153
Other	n.p.	n.p.	n.p.	n.p.	- 212	- 235	- 221	- 197
Travel services	2 879	2 690	3 729	2 484	-2 336	-2 233	-2 159	-2 156
Business	210	243	259	256	- 529	- 499	- 580	- 552
Personal	2 669	2 447	3 470	2 228	-1 807	-1 734	-1 579	-1 604
Education-related	827	361	1 370	425	- 160	- 128	- 159	- 114
Other	1 842	2 086	2 100	1 803	-1 647	-1 606	-1 420	-1 490
Communications services	302	289	256	293	- 325	- 414	- 326	- 400
Construction services	5	4	4	2	0	0	0	0
Insurance services	214	216	214	215	- 230	- 231	- 230	- 231
Financial services	179	179	179	179	- 117	- 117	- 117	- 117
Computer and information services	170	188	138	162	-87	- 131	-99	-81
Royalties and licence fees	113	114	122	120	- 436	- 454	- 402	- 464
Other business services	600	659	591	606	- 877	- 820	- 722	- 754
Merchanting and other trade-related	110	129	151	137	- 100	-95	-69	-95
Operational leasing	2	2	2	2	- 292	- 274	- 224	- 219
Miscellaneous business, professional & technical	488	528	438	467	- 485	- 451	- 429	- 440
Legal, accounting, management consulting and public relations	94	81	81	79	-38	-52	-41	-46
Advertising, market research, and public opinion polling	19	37	27	23	-18	-34	-38	-57
Research and development	44	50	43	42	-34	-37	-37	-32
Architectural, engineering and other technical services	112	119	95	113	- 111	-67	-84	-84
Agricultural, mining, and on-site processing	8	10	8	7	n.p.	n.p.	n.p.	n.p.
Services between affiliated enterprises n.i.e.	172	205	164	181	- 183	- 204	- 167	- 166
Other	39	26	20	22	- 101	-57	-62	-55
Personal, cultural, and recreational services	114	97	83	117	- 222	- 251	- 191	- 230
Audiovisual and related services	44	33	33	40	- 198	- 213	- 167	- 200
Other personal, cultural and recreational services	70	64	50	77	-24	-38	-24	-30
Government services n.i.e.	127	133	130	167	- 149	- 166	- 152	- 166

(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>Euro</i>	<i>Japanese yen</i>	<i>Special drawing right</i>	<i>Trade weighted index of value of the \$A(b)</i>
1996-1997	0.7828	0.4851	..	90.51	0.5521	58.7
1997-1998	0.6808	0.4138	..	86.02	0.5026	58.3
1998-1999	0.6276	0.3824	..	77.81	0.4589	56.0
1998						
April	0.6524	0.3899	..	86.19	0.4860	58.5
May	0.6312	0.3851	..	85.13	0.4695	57.4
June	0.6030	0.3656	..	84.74	0.4522	56.6
July	0.6182	0.3758	..	86.94	0.4645	58.0
August	0.5903	0.3614	..	85.42	0.4452	55.7
September	0.5889	0.3504	..	79.24	0.4321	54.2
October	0.6179	0.3648	..	74.87	0.4398	54.4
November	0.6342	0.3815	..	76.34	0.4548	55.5
December	0.6192	0.3706	..	72.71	0.4423	53.7
1999						
January	0.6316	0.3828	0.5440	71.45	0.4492	54.5
February	0.6399	0.3928	0.5706	74.62	0.4631	56.0
March	0.6300	0.3887	0.5785	75.36	0.4623	56.0
April	0.6418	0.3987	0.5992	76.73	0.4737	57.0
May	0.6621	0.4100	0.6225	80.70	0.4908	58.8
June	0.6556	0.4108	0.6316	79.19	0.4888	58.3

(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. The Trade Weighted Index is reweighted annually (on 1 October) and on special occasions as required.

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* (Cat. no. 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). 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 are presented in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0), which was released on 22 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 can be obtained from Balance of Payments Section on Canberra (02) 6252 6224 at a cost of \$100.00.

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.

EXPLANATORY NOTES

COMMODITY BREAKDOWNS OF GOODS

8 For details of the classification used for rural and non-rural goods see Table 6.6 in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0).

9 Table 6.7 in 5331.0 provides details of the classification used for goods debits. 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* (Cat. no. 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* (Cat. no. 5302.0)—issued quarterly
- *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0)
- *Information Paper: Quality of Australian Balance of Payments Statistics* (Cat. no. 5342.0)
- *International Merchandise Trade, Australia* (Cat. no. 5422.0)—issued quarterly
- *Information Paper: Implementing New International Statistical Standards in ABS International Accounts Statistics* (Cat. no. 5364.0)—irregular, issued on 29 September 1997
- *Information Paper: Upgraded Balance of Payments and International Investment Position Statistics* (Cat. no. 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

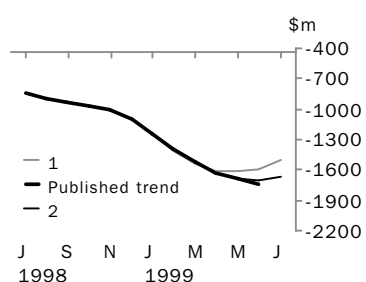
The graph below presents the effect of two possible scenarios on the previous trend estimates:

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:	
		1 <i>improves by</i> \$200m on Jun 1999 \$m	2 <i>deteriorates by</i> \$200m on Jun 1999 \$m
December 1998	-1 103	-1 103	-1 103
January 1999	-1 239	-1 247	-1 239
February 1999	-1 387	-1 403	-1 389
March 1999	-1 525	-1 532	-1 525
April 1999	-1 628	-1 610	-1 628
May 1999	-1 691	-1 619	-1 678
June 1999	-1 732	-1 592	-1 704
July 1999		-1 504	-1 672

SELF-HELP ACCESS TO STATISTICS

<i>CPI INFOLINE</i>	For current and historical Consumer Price Index data, call 1902 981 074 (call cost 75c per minute).
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	Melbourne	03 9615 7755	03 9615 7798
	Brisbane	07 3222 6351	07 3222 6283
	Perth	08 9360 5140	08 9360 5955
	Adelaide	08 8237 7400	08 8237 7566
	Hobart	03 6222 5800	03 6222 5995
	Darwin	08 8943 2111	08 8981 1218

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