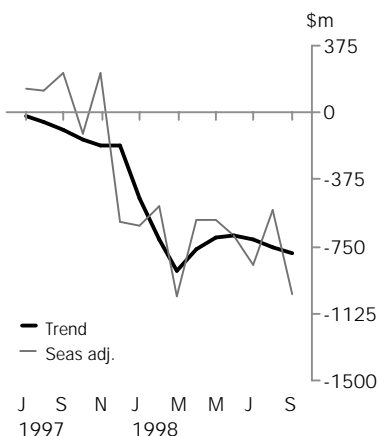


INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) FRI 30 OCT 1998

Balance on goods and services



SEPTEMBER KEY FIGURES

TREND ESTIMATES

	Jul 98 \$m	Aug 98 \$m	Sep 98 \$m	Aug 98 to Sep 98 % change
Balance on goods and services	- 716	- 754	- 788	..
Credits (exports of goods and services)	9 778	9 804	9 813	0
Debits (imports of goods and services)	10 494	10 557	10 600	0

SEASONALLY ADJUSTED

	Jul 98 \$m	Aug 98 \$m	Sep 98 \$m	Aug 98 to Sep 98 % change
Balance on goods and services	- 857	- 544	-1 014	..
Credits (exports of goods and services)	9 625	9 916	9 652	-3
Debits (imports of goods and services)	10 482	10 460	10 666	2

SEPTEMBER KEY POINTS

TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services is a deficit of \$788 million in September, an increase of \$34 million on the deficit in August.
- Goods and services credits rose \$9 million, while goods and services debits rose \$43 million.

SEASONALLY ADJUSTED ESTIMATES

- In seasonally adjusted terms, the balance on goods and services is a deficit of \$1,014 million, up \$470 million on the deficit in August.
- Goods and services credits fell \$264 million, or 3%, on the August figure. This was attributable to a fall in goods credits, driven by falls in both metal ores and minerals (after a record high August result) and gold, down to its lowest level in eight months. Goods and services debits increased \$206 million, or 2%, on the deficit in August.

ORIGINAL ESTIMATES

- In original terms, the balance on goods and services in September is a deficit of \$1,668 million, up \$899 million on the deficit in August.
- Exports of goods to our major south east Asian and north Asia trading partners fell 4% during September, falling more than exports to other destinations which were flat during September. See analysis on page 4 for details.

- For further information about these and related statistics, contact Wendy Agostino on Canberra 02 6252 5540, or any ABS office shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

ISSUE	EXPECTED RELEASE DATE
October 1998	30 November 1998
November 1998	5 January 1999
December 1998	2 February 1999
January 1999	1 March 1999
February 1999	30 March 1999
March 1999	3 May 1999



CHANGES IN THIS ISSUE

As announced in the August 1998 issue, services credits and debits estimates in this issue include estimates for imputed financial intermediation services indirectly measured (FISIM) on Australia's cross-border deposits with and loans from financial intermediaries. The amounts are not large. FISIM credits in 1997-98 are \$141 million, which is the largest estimate in the series which commences in 1985-86. In earlier years, prior to the deregulation of the Australian financial system, the series is estimated at zero. FISIM debits are \$102 million in 1997-98, down from a peak of \$276 million in 1991-92. The debits series commences with \$21 million in 1980-81, largely reflecting FISIM payable for loan services to Australian borrowers. The largest net deficit on FISIM is \$234 million in 1988-89.

FISIM estimates are being incorporated into relevant ABS macroeconomic statistics as part of a general implementation of the latest international standards for national accounting that are embodied in the 1993 edition of the *System of National Accounts* (SNA93). The FISIM estimates included in today's release are fully consistent with the FISIM estimates to be included in the forthcoming ABS Information paper: *Upgraded Australian National Accounts* (5253.0) which will be released on Wednesday 4 November 1998, and which describes the forthcoming implementation (from September quarter 1998) of SNA93 in Australia's national accounts.

The September quarter 1998 issue of *Balance of Payments and International Investment Position, Australia* (5302.0), to be released on 1 December 1998, will also incorporate FISIM estimates. Net FISIM estimates included in the balance on goods and services, which reclassify components of contractual interest flows to services, are completely offset within the current account by offsetting adjustments to investment income.

For further information about the adoption of cross-border FISIM estimates in the balance of payments see the notes on page 3 of the June quarter 1998 issue of 5302.0, or contact Wendy Agostino on Canberra (02) 6252 5540.

In original terms, other revisions since the last issue, resulting from the incorporation of the latest available survey and other source data, have resulted in the deficit on goods and services for 1997-98 being reduced by \$84 million, and the deficit for the first two months of 1998-99 increasing by \$50 million.



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 \$788 million in September, an increase of \$34 million on the deficit in August.

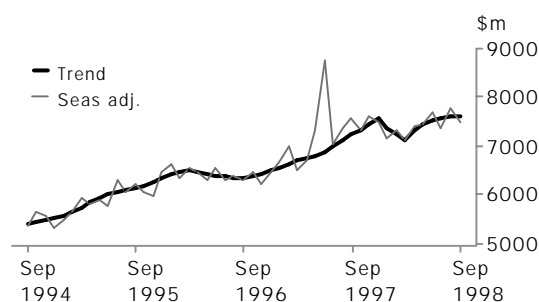
In seasonally adjusted terms, this balance was a deficit of \$1,014 million, up \$470 million on the deficit in August.

EXPORTS OF GOODS AND SERVICES

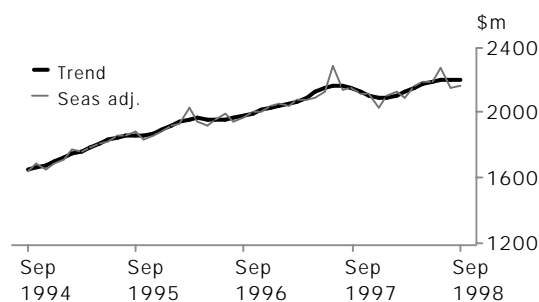
The trend estimate of goods and services credits rose \$9 million to \$9,813 million.

In seasonally adjusted terms, goods and services credits fell \$264 million, or 3%, to \$9,652 million. Goods fell \$283 million, or 4%, to \$7,482 million, while services rose \$19 million, or 1%.

GOODS CREDITS



SERVICES CREDITS



RURAL GOODS The trend estimate of rural goods rose \$59 million, or 3%, to \$2,029 million. In seasonally adjusted terms, rural goods rose \$31 million, or 2%, to \$2,061 million.

Rural goods, in original terms, rose \$117 million, or 6%, to \$1,930 million. The largest increases were in:

- 'other' rural, up \$67 million or 8%;
- wool and sheepskins, up \$54 million or 28%; and
- meat and meat preparations, up \$46 million or 15%.

These increases were partly offset by a decrease in cereals, down \$50 million or 10%.

ANALYSIS AND COMMENTS

NON-RURAL AND OTHER GOODS The trend estimate of non-rural and other goods fell \$46 million to \$5,686 million. In seasonally adjusted terms, non-rural and other goods fell \$314 million, or 5%, to \$5,421 million.

Non-rural and other goods, in original terms, fell \$243 million to \$5,682 million. The largest decreases were in:

- non-monetary gold, down \$171 million or 24%;
- metal ores and minerals, down \$121 million or 11%; and
- 'other' mineral fuels, down \$76 million or 16%.

MERCHANDISE EXPORTS BY COUNTRY

The table below shows Australia's recorded merchandise exports for the 9 months to September 1998 (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. In September, exports to these selected Asian destinations declined by 4% while exports to other countries showed no movement on the previous month. Overall, exports to the group of 10 countries listed below is down 5% in the 9 months to September 1998 compared with the 9 months to September 1997, while exports to all other countries rose 23% over the same period. Exports to Japan, the largest market, fell back 6% on last month's result, which was the highest for calendar 1998. September 1998 exports to Japan are still above the September 1997 level. Exports to the Philippines and Indonesia also fell back from calendar year highs recorded in August 1998.

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

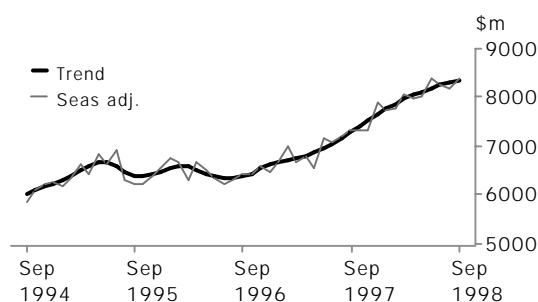
	Jan 1998	Feb 1998	Mar 1998	Apr 1998	May 1998	Jun 1998	Jul 1998	Aug 1998	Sep 1998	Aug 1998 to Sep 1998 % change
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
China	252	271	313	257	352	314	295	307	339	10
Hong Kong	354	368	320	255	365	305	278	279	283	1
Indonesia	167	135	174	157	139	191	168	248	233	-6
Japan	1 446	1 440	1 320	1 362	1 444	1 485	1 406	1 569	1 481	-6
Korea, Republic of	407	342	442	595	488	592	657	482	470	-2
Malaysia	132	113	161	139	168	133	179	149	155	4
Philippines	86	65	92	68	66	99	105	112	105	-6
Singapore	183	265	333	237	428	265	194	237	198	-16
Taiwan	326	306	325	397	418	317	360	369	344	-7
Thailand	94	87	106	90	126	99	102	106	110	4
<i>Sub-total</i>	<i>3 447</i>	<i>3 392</i>	<i>3 586</i>	<i>3 556</i>	<i>3 994</i>	<i>3 800</i>	<i>3 744</i>	<i>3 858</i>	<i>3 718</i>	<i>-4</i>
<i>All other countries</i>	<i>2 857</i>	<i>3 277</i>	<i>3 725</i>	<i>3 641</i>	<i>3 953</i>	<i>3 932</i>	<i>3 731</i>	<i>3 891</i>	<i>3 885</i>	<i>0</i>
Total	6 304	6 669	7 311	7 197	7 947	7 732	7 475	7 749	7 603	-2

(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 \$43 million to \$10,600 million, continuing an upward movement since August 1996. In seasonally adjusted terms, goods and services debits rose \$206 million, or 2%, to \$10,666 million. Goods rose \$200 million, while services rose \$6 million.

GOODS DEBITS



CONSUMPTION GOODS The trend estimate of consumption goods rose \$3 million to \$2,326 million, continuing the upward movement since March 1996. In seasonally adjusted terms, consumption goods rose \$67 million, or 3%, to \$2,362 million.

Consumption goods, in original terms, rose \$114 million, or 5%, to \$2,529 million. The largest increases were in:

- consumption goods n.e.s., up \$67 million or 9%; and
- food and beverages, up \$42 million or 15%.

CAPITAL GOODS The trend estimate of capital goods rose \$18 million to \$1,976 million. In seasonally adjusted terms, capital goods rose \$108 million, or 6%, to \$2,028 million.

Capital goods, in original terms, rose \$160 million, or 8%, to \$2,071 million. The largest increases were in machinery and industrial equipment, up \$65 million or 8%; and civil aircraft, up \$55 million or 50%.

INTERMEDIATE AND OTHER GOODS The trend estimate of intermediate and other goods rose \$13 million, to \$4,046 million. In seasonally adjusted terms, intermediate and other goods rose \$25 million, or 1%, to \$4,013 million.

Intermediate and other goods, in original terms, rose \$209 million, or 5%, to \$4,151 million. There were increases in 9 of the 14 groups with the largest being:

- processed industrial supplies n.e.s., up \$83 million or 10%;
- parts for transport equipment, up \$55 million or 11%;
- 'other' parts for capital goods, up \$49 million or 8%; and
- non-monetary gold, up \$35 million or 14%.

The largest decrease was in parts for ADP equipment, down \$38 million or 20%.

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												
1997												
July	137	9 325	7 041	1 933	5 108	2 284	-9 187	-7 082	-1 991	-1 555	-3 536	-2 105
August	128	9 493	7 354	1 929	5 425	2 140	-9 365	-7 217	-1 974	-1 674	-3 569	-2 148
September	221	9 718	7 564	1 954	5 610	2 154	-9 497	-7 307	-2 024	-1 679	-3 604	-2 190
October	-116	9 442	7 321	1 920	5 402	2 121	-9 558	-7 332	-2 059	-1 716	-3 557	-2 227
November	221	9 745	7 629	1 947	5 682	2 116	-9 524	-7 315	-2 037	-1 674	-3 603	-2 209
December	-609	9 525	7 491	1 963	5 527	2 034	-10 134	-7 917	-2 183	-1 841	-3 894	-2 217
1998												
January	-633	9 262	7 149	1 819	5 330	2 112	-9 895	-7 734	-2 280	-1 738	-3 716	-2 161
February	-520	9 440	7 315	1 750	5 565	2 125	-9 960	-7 783	-2 209	-1 780	-3 794	-2 177
March	-1 033	9 205	7 106	1 635	5 471	2 099	-10 238	-8 060	-2 277	-1 879	-3 904	-2 179
April	-602	9 594	7 425	1 699	5 725	2 170	-10 196	-7 985	-2 298	-1 839	-3 849	-2 211
May	-597	9 645	7 448	1 763	5 686	2 196	-10 242	-8 011	-2 282	-1 991	-3 739	-2 230
June	-687	9 903	7 714	1 859	5 854	2 190	-10 590	-8 384	-2 385	-1 806	-4 193	-2 206
July	-857	9 625	7 349	1 841	5 508	2 276	-10 482	-8 265	-2 255	-1 979	-4 031	-2 216
August	-544	9 916	7 765	2 030	5 735	2 151	-10 460	-8 203	-2 295	-1 920	-3 988	-2 257
September	-1 014	9 652	7 482	2 061	5 421	2 170	-10 666	-8 403	-2 362	-2 028	-4 013	-2 263
TREND ESTIMATES												
1997												
July	-17	9 163	6 993	1 909	5 083	2 170	-9 180	-7 056	-1 938	-1 651	-3 468	-2 124
August	-49	9 282	7 113	1 926	5 186	2 169	-9 331	-7 174	-1 981	-1 662	-3 530	-2 157
September	-96	9 379	7 226	1 937	5 289	2 153	-9 476	-7 290	-2 024	-1 678	-3 588	-2 185
October	-147	9 456	7 328	1 943	5 385	2 128	-9 603	-7 401	-2 065	-1 701	-3 636	-2 201
November	-181	9 541	7 438	1 942	5 496	2 104	-9 722	-7 519	-2 110	-1 725	-3 684	-2 203
December	-183	9 655	7 564	1 938	5 626	2 090	-9 837	-7 638	-2 157	-1 753	-3 728	-2 199
1998												
January	-478	9 474	7 382	1 831	5 551	2 092	-9 951	-7 759	-2 206	-1 784	-3 768	-2 193
February	-708	9 348	7 240	1 739	5 501	2 108	-10 056	-7 868	-2 248	-1 813	-3 807	-2 188
March	-882	9 272	7 139	1 668	5 471	2 133	-10 155	-7 965	-2 278	-1 842	-3 846	-2 189
April	-770	9 475	7 313	1 708	5 605	2 161	-10 245	-8 047	-2 294	-1 867	-3 886	-2 197
May	-700	9 630	7 447	1 766	5 681	2 184	-10 330	-8 121	-2 301	-1 891	-3 928	-2 209
June	-692	9 726	7 529	1 834	5 695	2 196	-10 417	-8 195	-2 308	-1 915	-3 973	-2 222
July	-716	9 778	7 577	1 904	5 673	2 201	-10 494	-8 261	-2 315	-1 937	-4 009	-2 233
August	-754	9 804	7 602	1 970	5 632	2 201	-10 557	-8 314	-2 323	-1 958	-4 033	-2 244
September	-788	9 813	7 615	2 029	5 586	2 198	-10 600	-8 348	-2 326	-1 976	-4 046	-2 253

(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

CREDITS.....

DEBITS.....

Period	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
1995-96	-1 983	99 095	76 146	19 588	56 558	22 949	- 101 078	-77 729	-19 860	-19 183	-38 686	-23 349
1996-97	1 785	105 330	80 934	21 045	59 889	24 396	- 103 545	-79 438	-21 293	-18 884	-39 261	-24 107
1997-98	-4 160	114 161	88 509	22 122	66 387	25 652	- 118 321	-92 055	-25 906	-21 169	-44 980	-26 266
1997												
July	- 452	9 624	7 134	1 841	5 293	2 490	-10 076	-7 825	-2 228	-1 663	-3 934	-2 251
August	144	9 528	7 544	1 760	5 784	1 984	-9 384	-7 253	-2 043	-1 637	-3 573	-2 131
September	- 589	9 393	7 504	1 786	5 718	1 889	-9 982	-7 595	-2 213	-1 755	-3 627	-2 387
October	- 607	9 713	7 632	1 943	5 689	2 081	-10 320	-8 020	-2 405	-1 863	-3 752	-2 300
November	385	9 798	7 720	1 968	5 752	2 078	-9 413	-7 285	-2 111	-1 659	-3 515	-2 128
December	- 164	9 933	7 824	2 128	5 696	2 109	-10 097	-7 865	-2 243	-1 915	-3 707	-2 232
1998												
January	- 623	8 795	6 366	1 677	4 689	2 429	-9 418	-7 218	-2 036	-1 580	-3 602	-2 200
February	468	9 323	6 721	1 686	5 035	2 602	-8 855	-6 942	-1 947	-1 481	-3 514	-1 913
March	-1 067	9 380	7 312	1 780	5 532	2 068	-10 447	-8 339	-2 279	-1 866	-4 194	-2 108
April	- 533	9 275	7 208	1 727	5 481	2 067	-9 808	-7 671	-2 093	-1 829	-3 749	-2 137
May	4	9 762	7 873	1 944	5 929	1 889	-9 758	-7 586	-2 031	-1 902	-3 653	-2 172
June	-1 126	9 637	7 671	1 882	5 789	1 966	-10 763	-8 456	-2 277	-2 019	-4 160	-2 307
July	-1 298	9 953	7 479	1 762	5 717	2 474	-11 251	-8 914	-2 488	-2 058	-4 368	-2 337
August	- 769	9 753	7 738	1 813	5 925	2 015	-10 522	-8 268	-2 415	-1 911	-3 942	-2 254
September	-1 668	9 524	7 612	1 930	5 682	1 912	-11 192	-8 751	-2 529	-2 071	-4 151	-2 441

FINANCIAL YEAR TO DATE

3 months to Sep 1997	- 897	28 545	22 182	5 387	16 795	6 363	-29 442	-22 673	-6 484	-5 055	-11 134	-6 769
3 months to Sep 1998	-3 735	29 230	22 829	5 505	17 324	6 401	-32 965	-25 933	-7 432	-6 040	-12 461	-7 032

(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
1995-96	76 146	19 588	3 292	4 926	n.p.	3 664	7 706
1996-97	80 934	21 045	2 957	5 954	n.p.	3 744	8 390
1997-98	88 509	22 122	3 731	5 094	n.p.	4 020	9 277
1997							
July	7 134	1 841	294	340	n.p.	391	816
August	7 544	1 760	296	398	n.p.	288	778
September	7 504	1 786	293	401	n.p.	324	768
October	7 632	1 943	344	385	n.p.	411	803
November	7 720	1 968	332	439	n.p.	437	760
December	7 824	2 128	342	549	n.p.	429	808
1998							
January	6 366	1 677	220	519	n.p.	299	639
February	6 721	1 686	302	417	n.p.	325	642
March	7 312	1 780	334	387	n.p.	312	747
April	7 208	1 727	274	454	n.p.	277	722
May	7 873	1 944	358	378	n.p.	291	917
June	7 671	1 882	342	427	n.p.	236	877
July	7 479	1 762	340	321	n.p.	240	861
August	7 738	1 813	312	490	n.p.	195	816
September	7 612	1 930	358	440	n.p.	249	883

FINANCIAL YEAR TO DATE

3 months to Sep 1997	22 182	5 387	883	1 139	n.p.	1 003	2 362
3 months to Sep 1998	22 829	5 505	1 010	1 251	n.p.	684	2 560

(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>
1995-96	50 021	9 088	7 843	4 165	6 799	7 119	2 500	8 755	3 752	6 537
1996-97	52 334	9 407	8 005	5 154	6 054	7 001	3 649	9 108	3 956	7 555
1997-98	58 484	10 848	9 588	5 310	7 235	7 499	3 423	9 869	4 712	7 903
1997										
July	4 758	764	751	486	525	700	236	861	435	535
August	5 085	943	754	457	608	667	340	874	442	699
September	4 949	838	807	470	540	667	231	911	485	769
October	5 100	907	744	511	601	654	280	875	528	589
November	5 134	897	783	469	644	676	329	883	453	618
December	5 152	969	879	522	610	769	287	830	286	544
1998										
January	4 181	840	869	398	592	423	167	605	287	508
February	4 354	813	767	427	538	554	217	743	295	681
March	4 779	929	716	391	659	624	232	860	368	753
April	4 751	983	808	404	590	529	324	709	404	730
May	5 144	961	850	375	688	646	396	885	343	785
June	5 097	1 004	860	400	640	590	384	833	386	692
July	4 820	844	829	391	699	560	249	801	447	897
August	5 164	1 069	845	481	593	587	285	884	420	761
September	5 092	948	889	405	627	574	278	899	472	590

FINANCIAL YEAR TO DATE

3 months to Sep 1997	14 792	2 545	2 312	1 413	1 673	2 034	807	2 646	1 362	2 003
3 months to Sep 1998	15 076	2 861	2 563	1 277	1 919	1 721	812	2 584	1 339	2 248

(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>
1995-96	-77 729	-19 860	-2 760	-1 766	-4 436	-2 726	-2 534	-5 638
1996-97	-79 438	-21 293	-2 879	-1 890	-5 143	-2 880	-2 567	-5 934
1997-98	-92 055	-25 906	-3 282	-2 063	-7 106	-3 456	-2 956	-7 043
1997								
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	-7 865	-2 243	- 299	- 189	- 631	- 281	- 248	- 595
1998								
January	-7 218	-2 036	- 256	- 133	- 633	- 319	- 199	- 496
February	-6 942	-1 947	- 246	- 145	- 499	- 342	- 196	- 519
March	-8 339	-2 279	- 285	- 177	- 685	- 316	- 226	- 590
April	-7 671	-2 093	- 246	- 173	- 624	- 253	- 215	- 582
May	-7 586	-2 031	- 251	- 162	- 559	- 245	- 229	- 585
June	-8 456	-2 277	- 294	- 176	- 680	- 236	- 270	- 621
July	-8 914	-2 488	- 285	- 172	- 622	- 394	- 311	- 704
August	-8 268	-2 415	- 274	- 168	- 594	- 360	- 303	- 716
September	-8 751	-2 529	- 316	- 190	- 574	- 346	- 320	- 783

FINANCIAL YEAR TO DATE

3 months to Sep 1997	-22 673	-6 484	- 795	- 500	-1 694	- 924	- 792	-1 779
3 months to Sep 1998	-25 933	-7 432	- 875	- 530	-1 790	-1 100	- 934	-2 203

(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>
1995-96	-19 183	-8 326	-3 593	-1 996	- 688	-2 214	-2 366
1996-97	-18 884	-8 020	-3 719	-1 748	- 784	-2 178	-2 435
1997-98	-21 169	-8 863	-4 346	-2 075	- 464	-2 557	-2 864
1997							
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	-1 915	- 833	- 353	- 194	-36	- 204	- 295
1998							
January	-1 580	- 725	- 324	- 131	- 1	- 193	- 206
February	-1 481	- 616	- 293	- 126	-36	- 215	- 195
March	-1 866	- 755	- 432	- 184	-24	- 216	- 255
April	-1 829	- 734	- 366	- 183	-62	- 253	- 231
May	-1 902	- 758	- 378	- 168	-159	- 199	- 240
June	-2 019	- 795	- 455	- 211	-33	- 258	- 267
July	-2 058	- 887	- 366	- 185	-121	- 235	- 264
August	-1 911	- 830	- 356	- 171	-109	- 198	- 247
September	-2 071	- 895	- 376	- 170	-164	- 188	- 278

FINANCIAL YEAR TO DATE

3 months to Sep 1997	-5 055	-2 212	-1 049	- 495	-81	- 530	- 688
3 months to Sep 1998	-6 040	-2 612	-1 098	- 526	-394	- 621	- 789

(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>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1995-96	-36 964	- 700	- 879	-4 163	-4 600	-1 857	-6 393	-2 754
1996-97	-37 028	- 641	- 839	-5 004	-4 609	-1 759	-6 507	-2 743
1997-98	-40 379	- 746	- 950	-4 248	-5 357	-1 992	-7 176	-2 814
1997								
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	-3 418	-56	-84	- 359	- 461	- 162	- 674	- 219
1998								
January	-3 372	-63	-73	- 426	- 413	- 160	- 566	- 216
February	-3 119	-61	-78	- 276	- 410	- 144	- 532	- 249
March	-3 671	-67	-78	- 395	- 488	- 194	- 634	- 311
April	-3 308	-54	-80	- 232	- 462	- 191	- 602	- 254
May	-3 199	-60	-78	- 296	- 455	- 171	- 563	- 184
June	-3 595	-63	-84	- 313	- 532	- 201	- 635	- 249
July	-3 787	-67	-84	- 360	- 549	- 176	- 681	- 236
August	-3 529	-59	-77	- 338	- 510	- 188	- 615	- 235
September	-3 687	-62	-92	- 337	- 565	- 150	- 664	- 234

FINANCIAL YEAR TO DATE

3 months to Sep 1997	-9 910	- 194	- 240	-1 148	-1 322	- 462	-1 742	- 640
3 months to Sep 1998	-11 003	- 188	- 253	-1 035	-1 624	- 514	-1 960	- 705

(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>
1995-96	-1 868	-1 922	-1 408	-1 685	-8 398	- 337	-1 722
1996-97	-1 713	-1 817	-1 297	-1 577	-8 212	- 310	-2 233
1997-98	-1 901	-2 005	-1 623	-1 813	-9 392	- 362	-4 601
1997							
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
1998							
January	- 158	- 175	- 148	- 152	- 792	-30	- 230
February	- 146	- 155	- 137	- 140	- 745	-46	- 395
March	- 172	- 168	- 147	- 162	- 824	-31	- 523
April	- 149	- 150	- 147	- 148	- 808	-31	- 441
May	- 150	- 163	- 119	- 149	- 784	-27	- 454
June	- 173	- 183	- 132	- 153	- 831	-46	- 565
July	- 184	- 212	- 152	- 158	- 871	-57	- 581
August	- 178	- 175	- 139	- 148	- 794	-73	- 413
September	- 182	- 180	- 116	- 167	- 877	-61	- 464
FINANCIAL YEAR TO DATE							
3 months to Sep 1997	- 465	- 515	- 387	- 449	-2 275	-71	-1 224
3 months to Sep 1998	- 544	- 567	- 407	- 473	-2 542	- 191	-1 458

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

SERVICES(a)(b): Original

CREDITS.....

DEBITS.....

Period	Total services \$m	Freight \$m	Other transport- ation \$m	Travel \$m	Other services \$m	Total services \$m	Freight \$m	Other transport- ation \$m	Travel \$m	Other services \$m
1995-96	22 949	1 221	5 305	11 252	5 171	-23 349	-4 405	-4 083	-6 988	-7 873
1996-97	24 396	951	5 697	11 926	5 822	-24 107	-4 373	-4 066	-7 769	-7 899
1997-98	25 652	1 042	5 691	11 876	7 043	-26 266	-4 917	-4 135	-8 372	-8 842
1997										
July	2 490	82	484	1 370	554	-2 251	-417	-377	-761	-696
August	1 984	82	484	875	543	-2 131	-381	-347	-712	-691
September	1 889	81	483	785	540	-2 387	-418	-394	-860	-715
October	2 081	81	479	906	615	-2 300	-448	-336	-757	-759
November	2 078	81	479	906	612	-2 128	-404	-303	-641	-780
December	2 109	81	480	921	627	-2 232	-418	-345	-650	-819
1998										
January	2 429	91	496	1 280	562	-2 200	-399	-339	-736	-726
February	2 602	91	496	1 465	550	-1 913	-372	-276	-545	-720
March	2 068	90	498	925	555	-2 108	-434	-325	-616	-733
April	2 067	94	437	919	617	-2 137	-410	-332	-686	-709
May	1 889	94	437	734	624	-2 172	-386	-366	-698	-722
June	1 966	94	438	790	644	-2 307	-430	-395	-710	-772
July	2 474	87	454	1 330	603	-2 337	-453	-391	-773	-720
August	2 015	87	454	885	589	-2 254	-418	-381	-724	-731
September	1 912	87	454	774	597	-2 441	-461	-401	-852	-727

FINANCIAL YEAR TO DATE

3 months to Sep 1997	6 363	245	1 451	3 030	1 637	-6 769	-1 216	-1 118	-2 333	-2 102
3 months to Sep 1998	6 401	261	1 362	2 989	1 789	-7 032	-1 332	-1 173	-2 349	-2 178

(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.....			
	<i>Dec Qtr</i> 1997	<i>Mar Qtr</i> 1998	<i>Jun Qtr</i> 1998	<i>Sep Qtr</i> 1998	<i>Dec Qtr</i> 1997	<i>Mar Qtr</i> 1998	<i>Jun Qtr</i> 1998	<i>Sep Qtr</i> 1998
SERVICES	6 268	7 099	5 922	6 401	-6 660	-6 221	-6 616	-7 032
Transportation services	1 681	1 762	1 594	1 623	-2 254	-2 145	-2 319	-2 505
Passenger	1 438	1 490	1 312	1 362	- 740	- 721	- 891	- 960
Freight	243	272	282	261	-1 270	-1 205	-1 226	-1 332
Other	<i>n.p.</i>	<i>n.p.</i>	<i>n.p.</i>	<i>n.p.</i>	- 244	- 219	- 202	- 213
Travel services	2 733	3 670	2 443	2 989	-2 048	-1 897	-2 094	-2 349
Business	169	193	191	210	- 546	- 623	- 557	- 578
Personal	2 564	3 477	2 252	2 779	-1 502	-1 274	-1 537	-1 771
Education-related	367	1 473	416	835	- 121	- 139	- 111	- 177
Other	2 197	2 004	1 836	1 944	-1 381	-1 135	-1 426	-1 594
Communications services	334	367	328	320	- 357	- 330	- 348	- 297
Construction services	3	3	2	24	0	0	0	0
Insurance services	213	213	213	232	- 268	- 268	- 268	- 280
Financial services	182	179	173	179	- 112	- 109	- 109	- 117
Computer and information services	137	106	140	163	-94	-91	-80	-74
Royalties and licence fees	147	104	129	147	- 388	- 325	- 348	- 364
Other business services	610	472	625	487	- 791	- 754	- 719	- 746
Merchanting and other trade-related	107	79	142	118	- 101	-92	-92	- 112
Operational leasing	2	2	2	2	- 205	- 254	- 216	- 219
Miscellaneous business, professional & technical	501	391	481	367	- 485	- 408	- 411	- 415
Legal, accounting, management consulting and public relations	89	82	81	77	-41	-25	-45	-42
Advertising, market research, and public opinion polling	31	19	24	21	-40	-52	-55	-37
Research and development	58	38	35	51	-28	-26	-23	-41
Architectural, engineering and other technical services	85	96	114	68	- 120	-54	-58	-72
Agricultural, mining, and on-site processing	11	10	9	7	-51	-63	-41	-58
Services between affiliated enterprises n.i.e.	204	121	191	128	- 187	- 160	- 161	- 146
Other	23	25	27	15	-18	-28	-28	-19
Personal, cultural, and recreational services	96	95	104	94	- 196	- 171	- 153	- 152
Audiovisual and related services	34	35	39	38	- 174	- 137	- 123	- 133
Other personal, cultural and recreational services	62	60	65	56	-22	-34	-30	-19
Government services n.i.e.	132	128	171	143	- 152	- 131	- 178	- 148

(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>
1995-96	0.7593	0.4909	1.109	77.66	0.5156	54.8
1996-97	0.7828	0.4851	1.251	90.51	0.5521	58.7
1997-98	0.6806	0.4138	1.221	86.02	0.5026	58.3
1997						
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
1998						
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
July	0.6182	0.3758	1.111	86.94	0.4645	58.0
August	0.5903	0.3614	1.055	85.42	0.4452	55.7
September	0.5889	0.3504	1.003	79.24	0.4321	54.2

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

(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). 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* (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* (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* (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 and International Investment Position, Australia: Concepts, Sources and Methods* (5331.0)
- *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

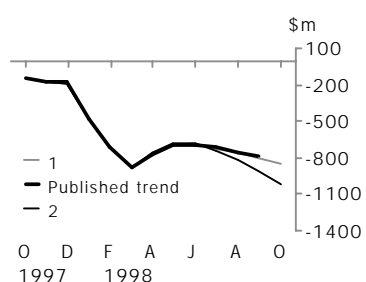
The graph below presents the effect of two possible scenarios on the previous trend estimates:

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

2 The October seasonally adjusted estimate of the balance on goods and services 'deteriorates' by \$200 million when compared with the September 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 Sep 98 \$m	2 <i>deteriorates by</i> \$200m on Sep 98 \$m
March 1998	- 882	- 881	- 881
April 1998	- 770	- 767	- 759
May 1998	- 700	- 694	- 681
June 1998	- 692	- 688	- 681
July 1998	- 716	- 722	- 739
August 1998	- 754	- 761	- 821
September 1998	- 788	- 800	- 911
October 1998		- 854	-1 023

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