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BALANCE OF PAYMENTS, AUSTRALIA, JANUARY 1996

MAIN FEATURES

Estimates of the main balance of payments aggregates for January 1996 and the two preceding months are shown below. These estimates are preliminary and subject to revision. Particular care should be taken in interpreting month-to-month movements, as indicated in the note on page 7 on *Reliability of Contemporary Trend Estimates* and in paragraph 4 of the *Explanatory Notes* on page 15. Certain items have been estimated using extrapolation techniques until source data become available.

| | 1995 | | 1996 | Change on previous month(a) |
|------------------------------|--------------------------------|----------|---------|--------------------------------|
| | November | December | January | |
| | \$ million | | | |
| | <i>Trend</i> | | | |
| Balance on current account | -1,795p | -1,797p | -1,785p | 1 |
| | <i>Seasonally adjusted</i> | | | |
| Balance on current account | -2,143 | -1,701 | -1,640 | 4 |
| Balance on merchandise trade | -458 | -60 | -180 | .. |
| Net services | -92 | -69 | -70 | -1 |
| Net income | -1,663 | -1,643 | -1,537 | 6 |
| Net unrequited transfers | 70 | 71 | 147 | .. |
| | <i>Not seasonally adjusted</i> | | | |
| Balance on current account | -2,599 | -714 | -1,869 | .. |
| Balance on merchandise trade | -905 | 815 | -582 | .. |
| Net services | -42 | 7 | 116 | .. |
| Net income | -1,721 | -1,615 | -1,556 | 4 |
| Net unrequited transfers | 69 | 79 | 153 | 94 |

(a) For current account aggregates, a minus sign means an increase in a deficit or a decrease in a surplus; and an absence of sign means a decrease in a deficit or an increase in a surplus.

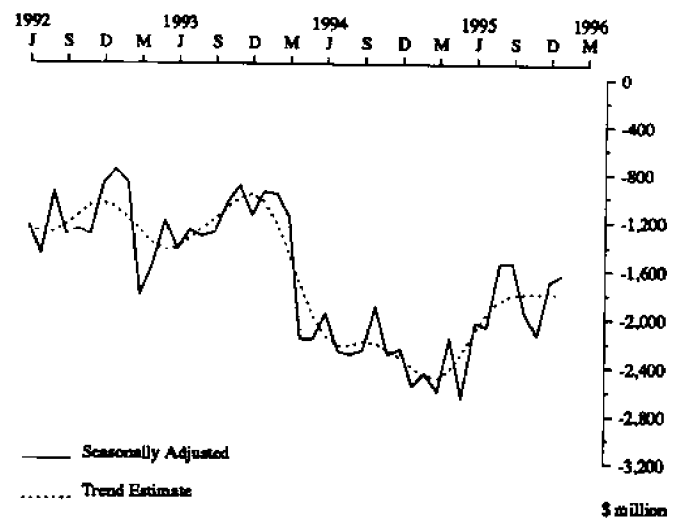
The provisional trend estimate for the January current account deficit was \$1,785 million, down \$12 million, or 1 per cent, on the provisional trend estimate for December.

In seasonally adjusted terms, the current account deficit for January decreased \$61 million, or 4 per cent, to \$1,640 million. The decrease in the deficit was caused by:

- a decrease of \$106 million (6 per cent) in the net income deficit; and
- an increase of \$76 million in the net unrequited transfers surplus.

Partly offsetting these movements in income and unrequited transfers was an increase of \$120 million in the merchandise trade deficit (merchandise exports rose 2 per cent, while merchandise imports rose 4 per cent) and an increase of \$1 million (1 per cent) in the net services deficit.

GRAPH 1: BALANCE ON CURRENT ACCOUNT



INQUIRIES • for further information about these and related unpublished statistics, contact Frank Bingham on Canberra (06) 252 6689 or Graeme Groves on Canberra (06) 252 5540 or any ABS State office.
• for information about other ABS statistics and services please refer to the back page of this publication.

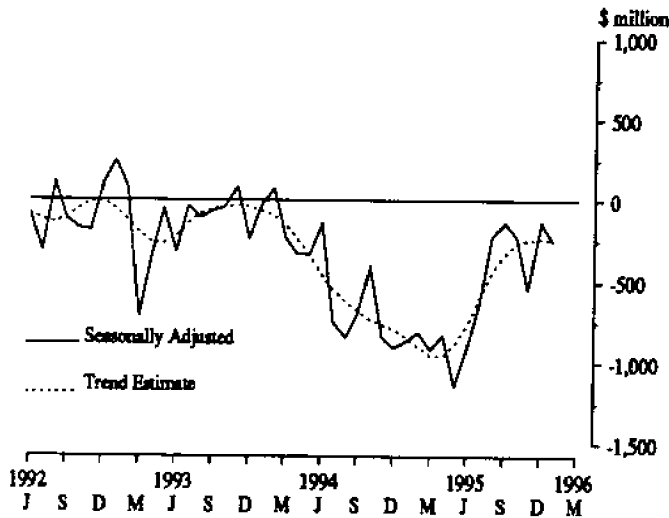
ANALYSIS OF SELECTED MAJOR AGGREGATES

January 1996 compared with December 1995

Balance on goods and services

The seasonally adjusted *balance on goods and services* recorded a deficit of \$250 million, an increase of \$121 million on the deficit recorded in December.

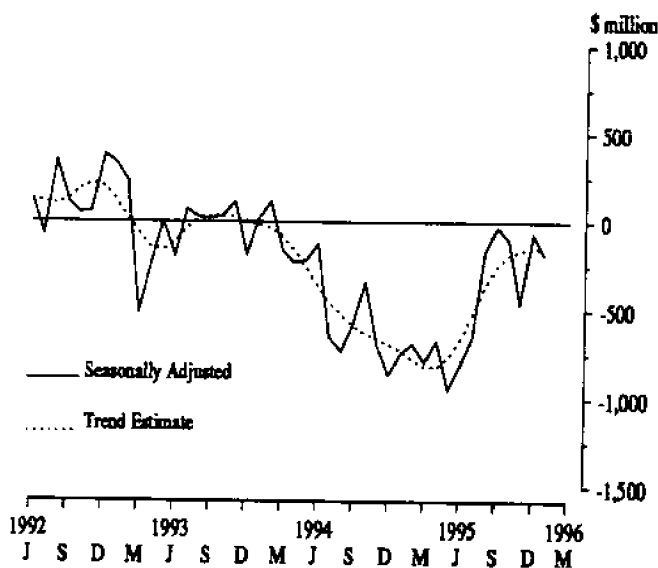
GRAPH 2: BALANCE ON GOODS AND SERVICES



Balance on merchandise trade

The seasonally adjusted *balance on merchandise trade* recorded a deficit of \$180 million, an increase of \$120 million on the deficit recorded in December.

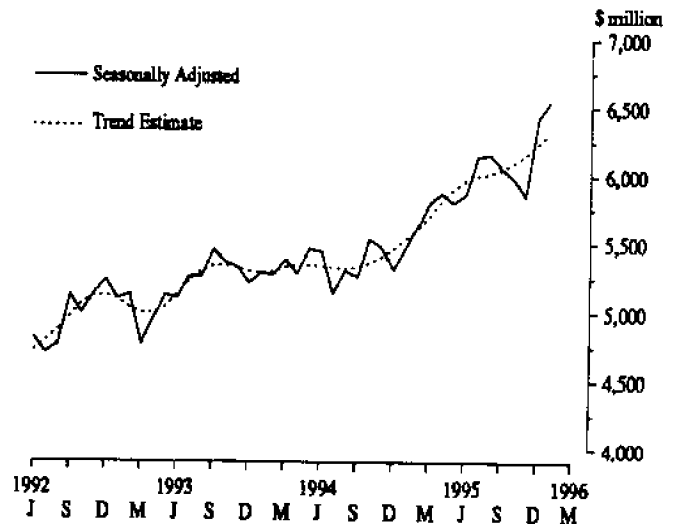
GRAPH 3: BALANCE ON MERCHANDISE TRADE



Merchandise exports

In seasonally adjusted terms, *merchandise exports* rose \$124 million, or 2 per cent, to \$6,543 million. *Rural exports* rose \$116 million, or 6 per cent, to \$2,055 million. *Non-rural exports* rose \$8 million to \$4,488 million.

GRAPH 4: MERCHANDISE - EXPORTS FOB



In original terms, *exports* fell \$883 million, or 13 per cent, to \$5,879 million.

Rural exports, in original terms, fell \$240 million, or 12 per cent, to \$1,790 million. Decreases were recorded in all groups except cereals, which rose \$70 million or 13 per cent (due mainly to increased volumes of wheat exports). The largest decreases occurred in:

- meat, down \$107 million or 34 per cent (due mainly to decreased volumes of beef and veal exports);
- wool, down \$99 million or 27 per cent; and
- "other" rural exports, down \$73 million or 11 per cent.

Non-rural exports, in original terms, fell \$643 million, or 14 per cent, to \$4,089 million. The most significant decreases were recorded in:

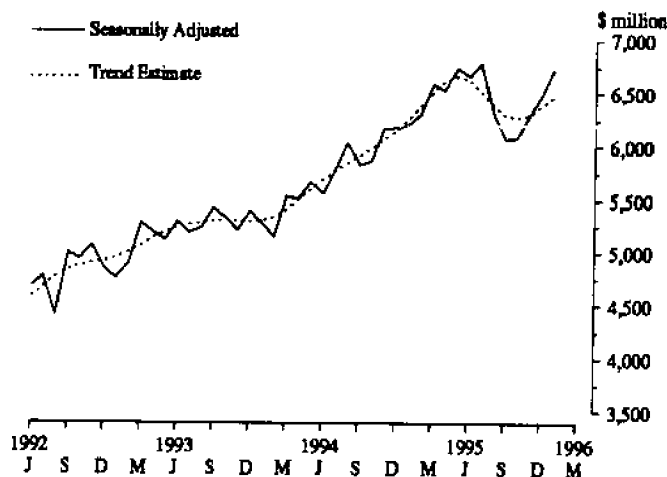
- machinery, down \$259 million or 37 per cent (with all components recording decreases);
- "other" manufactures, down \$171 million or 23 per cent (with most components recording decreases);
- transport equipment, down \$119 million or 46 per cent; and
- "other" mineral fuels, down \$68 million or 17 per cent.

The most significant increase was recorded in gold, up \$189 million or 48 per cent (due mainly to increased volumes).

Merchandise imports

In seasonally adjusted terms, *merchandise imports* rose \$244 million, or 4 per cent, to \$6,723 million. *Consumption goods* fell \$127 million, or 7 per cent, to \$1,604 million. *Capital goods* rose \$271 million, or 18 per cent, to \$1,752 million. *Intermediate and other goods* rose \$100 million, or 3 per cent, to \$3,367 million.

GRAPH 5: MERCHANDISE - IMPORTS FOB



In original terms, *imports* rose \$514 million, or 9 per cent, to \$6,461 million.

Imports of *consumption goods*, in original terms, fell \$52 million, or 3 per cent, to \$1,531 million. The largest decrease was recorded in non-industrial transport equipment, down \$98 million or 26 per cent (due mainly to decreased imports of passenger motor cars). The largest increase was recorded in textiles, clothing and footwear, up \$72 million or 38 per cent (due mainly to increased imports of articles of apparel).

Imports of *capital goods*, in original terms, rose \$57 million, or 4 per cent, to \$1,554 million. The largest increase was recorded in machinery and industrial equipment, up \$51 million or 7 per cent (with most components recording increases).

Imports of *intermediate and other goods*, in original terms, rose \$509 million, or 18 per cent, to \$3,376 million. Increases were recorded in 12 of the 14 groups. The largest increases were recorded in:

- processed industrial supplies, up \$94 million or 14 per cent (with most components recording increases);
- fuels and lubricants, up \$85 million or 27 per cent (due mainly to increased imports of crude petroleum);
- organic and inorganic chemicals, up \$81 million or 42 per cent (with all components recording increases);
- "other" parts for capital goods, up \$71 million or 15 per cent (with most components recording increases); and
- parts for transport equipment, up \$54 million or 16 per cent.

Net services

The seasonally adjusted *net services* deficit rose \$1 million to \$70 million. Services credits rose \$49 million (3 per cent), while services debits rose \$50 million (3 per cent).

Net income

The seasonally adjusted *net income* deficit fell \$106 million, or 6 per cent, to \$1,537 million. Income credits rose \$57 million or 8 per cent, while income debits fell \$49 million or 2 per cent. It should be noted that, in accordance with established methodology, the monthly estimates of the non-official sector for January 1996 are based on extrapolations of quarterly results divided by three. These extrapolations will be replaced by preliminary results from the March quarter 1996 ABS Survey of Foreign Investment (SFI) when these results become available. Preliminary results should be available in time for incorporation in the April 1996 issue of this publication, scheduled for release on 30 May 1996.

Net unrequited transfers

The seasonally adjusted *net unrequited transfers* surplus rose \$76 million to \$147 million. Unrequited transfers credits rose \$55 million, or 17 per cent, while unrequited transfers debits fell \$21 million or 8 per cent.

Net capital transactions

In original terms, the *net capital transactions of the official sector* recorded a net outflow of \$2,314 million in January, a turnaround of \$2,794 million on the net inflow recorded in December.

The January estimate consisted of:

- a net outflow of \$2,894 million in general government transactions, a turnaround of \$3,467 million on the net inflow recorded in the previous month; and
- a net inflow of \$580 million in Reserve Bank transactions, a turnaround of \$673 million on the net outflow recorded in the previous month.

The turnaround in general government transactions to a net outflow was mainly the result of:

- a \$3,021 million turnaround from a net inflow to a net outflow of borrowing domiciled in Australia; and
- a \$773 million increase in the net outflow (net repayments) of State government borrowing domiciled abroad.

Reserve Bank transactions in January mainly reflected net sales of reserve assets of \$592 million, a turnaround of \$690 million on the net purchases recorded in the previous month.

Exchange rates

Using period average exchange rates, the \$A appreciated by 1.3 per cent on a trade weighted basis during January against the currencies of Australia's major trading partners.

The \$A appreciated by 3.2 per cent against the Japanese yen and marginally against the \$US.

Seven months ended January 1996 compared with seven months ended January 1995.

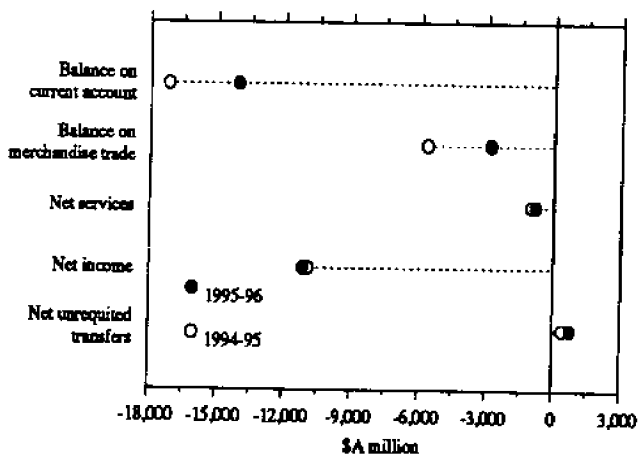
In original terms, the *current account* deficit for the seven months ended January 1996 was \$14,088 million, down \$3,110 million, or 18 per cent, on the deficit for the seven months ended January 1995.

This result was due to:

- a decrease of \$2,817 million (50 per cent) in the merchandise trade deficit;
- a decrease of \$197 million (19 per cent) in the net services deficit; and
- an increase of \$329 million (77 per cent) in the net unrequited transfers surplus.

The movements in merchandise trade, services and unrequited transfers were partly offset by an increase of \$233 million (2 per cent) in the net income deficit.

GRAPH 6: BALANCE OF PAYMENTS AGGREGATES - SEVEN MONTHS ENDED JANUARY



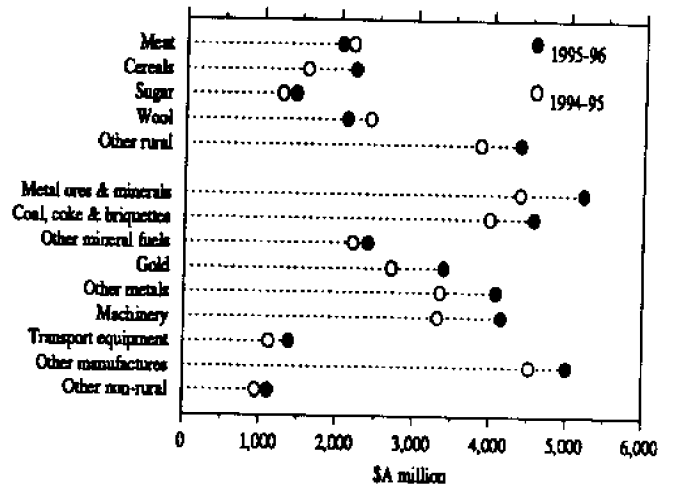
Merchandise exports rose \$5,627 million, or 15 per cent, to \$43,361 million. *Rural exports* rose \$875 million (8 per cent); and *non-rural exports* rose \$4,752 million (18 per cent). The largest increases were recorded in:

- metal ores and minerals, up \$834 million (19 per cent);
- machinery, up \$830 million (25 per cent);
- "other" metals, up \$733 million (22 per cent);
- gold, up \$684 million (25 per cent);
- cereals, up \$625 million (40 per cent);
- coal, coke and briquettes, up \$568 million (14 per cent);

- "other" rural exports, up \$529 million (14 per cent); and
- "other" manufactures, up \$485 million (11 per cent).

Decreases were recorded in wool, down \$300 million (12 per cent) and meat, down \$154 million (7 per cent).

GRAPH 7: MERCHANDISE EXPORTS - SEVEN MONTHS ENDED JANUARY

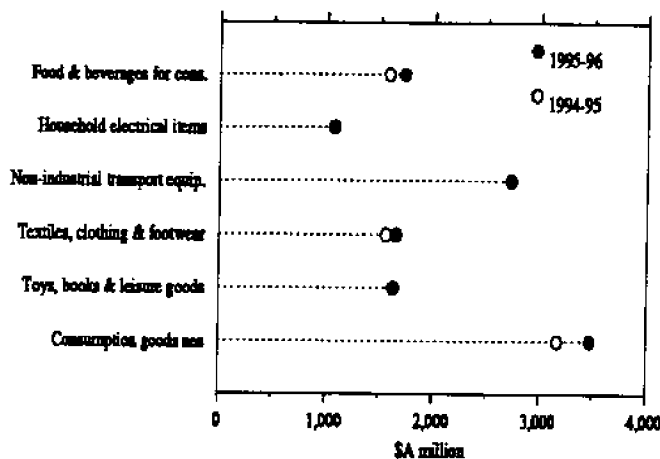


Merchandise imports rose \$2,810 million, or 6 per cent, to \$46,211 million. *Consumption goods* rose \$558 million (5 per cent); *capital goods* rose \$444 million (4 per cent); and *intermediate and other goods* rose \$1,808 million (9 per cent). The largest increases were recorded in:

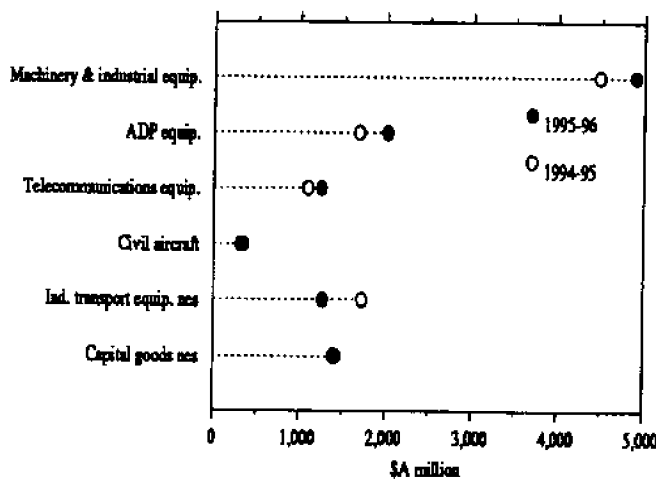
- "other" parts for capital goods, up \$468 million (14 per cent);
- machinery and industrial equipment, up \$422 million (9 per cent);
- fuels and lubricants, up \$337 million (17 per cent);
- ADP equipment, up \$326 million (19 per cent);
- consumption goods nes, up \$307 million (10 per cent);
- organic and inorganic chemicals, up \$301 million (23 per cent);
- processed industrial supplies nes, up \$250 million (5 per cent);
- iron and steel, up \$199 million (29 per cent); and
- paper and paperboard, up \$195 million (19 per cent).

The most significant decreases were recorded in industrial transport equipment nes, down \$457 million (26 per cent); and parts for transport equipment, down \$96 million (3 per cent).

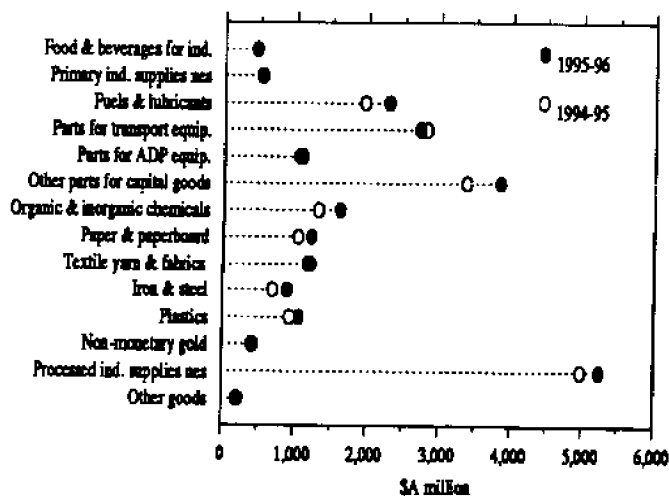
GRAPH 8: MERCHANDISE IMPORTS - CONSUMPTION GOODS
SEVEN MONTHS ENDED JANUARY



GRAPH 9: MERCHANDISE IMPORTS - CAPITAL GOODS
SEVEN MONTHS ENDED JANUARY



GRAPH 10: MERCHANDISE IMPORTS - INTERMEDIATE AND OTHER GOODS
SEVEN MONTHS ENDED JANUARY



The *net services* deficit fell \$197 million, or 19 per cent, to \$821 million. Services credits rose \$1,291 million, or 11 per cent, due mainly to increases of \$792 million in travel credits and \$188 million in "other" services credits. Services debits rose \$1,094 million, or 9 per cent, due mainly to increases of \$461 million in travel debits and \$391 million in "other" transportation debits.

The *net income* deficit rose \$233 million, or 2 per cent, to \$11,176 million. Income credits rose \$480 million, or 11 per cent, due mainly to increases in reinvested earnings. Income debits rose \$712 million, or 5 per cent, due mainly to increases in "other" investment income payable by the non-official sector and investment income payable by the official sector, which were partly offset by a decrease in reinvested earnings.

The *net unrequited transfers* surplus rose \$329 million, or 77 per cent, to \$759 million. Unrequited transfers credits rose \$486 million, or 26 per cent, due mainly to an increase in migrants' transfers. Unrequited transfers debits rose \$157 million, or 11 per cent.

Official sector capital transactions for the seven months ended January 1996 yielded a net inflow of \$840 million, compared with a net inflow of \$17,682 million for the corresponding period of the previous financial year. The estimate for the latest period consisted of:

- a net inflow of \$1,220 million in general government transactions, down \$14,973 million on the net inflow for the seven months to January 1995; and
- a net outflow of \$380 million in Reserve Bank transactions, a turnaround of \$1,869 million on the net inflow for the seven months to January 1995.

The decreased net inflow from general government transactions was largely due to:

- a decrease of \$11,080 million in borrowing domiciled in Australia, to a net inflow of \$1,423 million; and
- a turnaround of \$3,099 million in total borrowing domiciled abroad, to a net outflow of \$72 million. This was mainly due to a decrease in the net inflow (drawings) of State government borrowing domiciled abroad.

A turnaround, from net sales to net purchases, in official reserve assets was the main factor underlying the turnaround in Reserve Bank transactions.

REVISIONS

The unadjusted current account estimates in this publication are consistent with those published in the December quarter 1995 issue of *Balance of Payments, Australia* (5302.0), which was released on 28 February 1996.

SEASONAL REANALYSIS

Seasonal reanalysis

The seasonally adjusted and trend estimates of the current account have been revised in this issue as a result of an annual seasonal reanalysis. The reanalysis took account of additional information that had become available since the previous reanalysis in early 1995. The following table compares the revised seasonally adjusted current account estimates for each of the 12 months to December 1995 with those which would have been obtained had the old 1995 seasonal factors been used. Since these latter estimates incorporate the effects of the revisions to original data introduced in the December quarter 1995 issue of *Balance of Payments, Australia* (5302.0), which was released on 28 February 1995, they will differ from those corresponding estimates shown in the previous issue of this publication.

For information about the availability of seasonal factors for 1996 refer to paragraph 6 of the Explanatory Notes.

Seasonally Adjusted Current Account Deficit (\$m)

| 1995 | As published in this issue | As derived using the previous seasonal factors | Difference |
|-------|----------------------------|--|------------|
| Jan. | 2,561 | 2,486 | 75 |
| Feb. | 2,450 | 2,322 | 128 |
| Mar. | 2,602 | 2,533 | 69 |
| Apr. | 2,160 | 2,122 | 38 |
| May | 2,660 | 2,831 | -171 |
| June | 2,035 | 2,168 | -133 |
| July | 2,078 | 1,966 | 112 |
| Aug. | 1,546 | 1,475 | 71 |
| Sept. | 1,542 | 1,512 | 30 |
| Oct. | 1,948 | 1,948 | .. |
| Nov. | 2,143 | 2,167 | -24 |
| Dec. | 1,701 | 1,883 | -182 |

Release date for February 1996 issue

The expected release date for the February issue of this publication is 1 April 1996. Any variations which might occur will be notified in the ABS Publications Advice (1105.0) and on DISCOVERY

The date can be confirmed a few days prior to release by telephoning Canberra (06) 252 6627.

New Information Paper

Information Paper: Quality of Australian Balance of Payments Statistics, 1996 (5342.0) (\$10.00) is now available. Please refer to the enclosed flyer for more details or contact Mr Bob McColl on (06) 252 6189.

RELIABILITY OF CONTEMPORARY TREND ESTIMATES

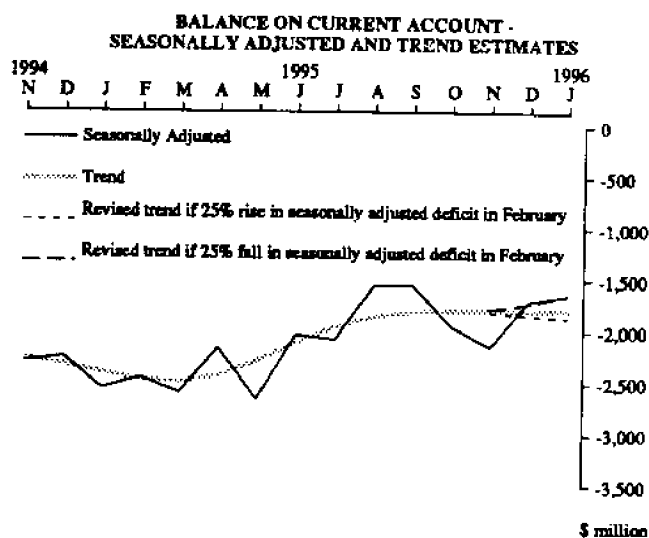
The table below presents trend estimates of the deficit on current account from November 1994 onwards, including provisional trend estimates for the latest three months (November, December 1995 and January 1996).

To illustrate the possible impact of future months' observations on the provisional trend estimates for the latest three months, the table also shows the revisions to these trend estimates that would result if the seasonally adjusted estimate of the current account balance next month (February 1996) is 25 per cent higher or lower than this month and if there are no revisions to the current or previous months' estimates. The 25 per cent range has been chosen because in the last decade the average monthly percentage movement, without regard to sign, of the seasonally adjusted current account deficit has been about 25 per cent.

If the seasonally adjusted deficit were to increase in February by 25 per cent, to \$2,050 million, the provisional trend movement for that month would be 2.1 per cent. The movements in the trend estimates for November, December and January which are provisionally 0.2 per cent, 0.1 per cent and -0.7 per cent respectively, would be revised to 1.8 per cent, 1.7 per cent and 1.1 per cent, respectively. On the other hand, a 25 per cent decline in the seasonally adjusted deficit next month, to \$1,230 million, would produce a movement of -4.8 per cent in the trend estimate for

February, with the movements in the trend estimates for November, December and January being revised to -1.1 per cent, -3.0 per cent and -5.0 per cent, respectively.

The graph below illustrates this potential degree of revision at the current end of the trend series.



DEFICIT ON CURRENT ACCOUNT — RELIABILITY OF TREND ESTIMATES

| | Trend estimate | | Revised trend estimate if February 1996 seasonally adjusted current account deficit - | | | |
|-----------|----------------|----------------------------|---|----------------------------|---------------------------------|----------------------------|
| | \$m | % change on previous month | is up 25% on January 1996 (a) | | is down 25% on January 1996 (a) | |
| | | | \$m | % change on previous month | \$m | % change on previous month |
| 1994-95 — | | | | | | |
| November | 2256 | 2.3 | 2256 | 2.3 | 2256 | 2.3 |
| December | 2328 | 3.2 | 2328 | 3.2 | 2328 | 3.2 |
| January | 2406 | 3.4 | 2406 | 3.4 | 2406 | 3.4 |
| February | 2474 | 2.8 | 2474 | 2.8 | 2474 | 2.8 |
| March | 2493 | 0.8 | 2493 | 0.8 | 2493 | 0.8 |
| April | 2430 | -2.5 | 2430 | -2.5 | 2430 | -2.5 |
| May | 2286 | -5.9 | 2286 | -5.9 | 2286 | -5.9 |
| June | 2114 | -7.5 | 2114 | -7.5 | 2114 | -7.5 |
| 1995-96 — | | | | | | |
| July | 1958 | -7.4 | 1958 | -7.4 | 1958 | -7.4 |
| August | 1853 | -5.4 | 1843 | -5.9 | 1859 | -5.1 |
| September | 1803 | -2.7 | 1786 | -3.1 | 1814 | -2.4 |
| October | 1792 | -0.6 | 1784 | -0.1 | 1798 | -0.9 |
| November | 1795 p | 0.2 | 1816 | 1.8 | 1779 | -1.1 |
| December | 1797 p | 0.1 | 1846 | 1.7 | 1725 | -3.0 |
| January | 1785 p | -0.7 | 1867 | 1.1 | 1638 | -5.0 |
| February | | | 1906 | 2.1 | 1560 | -4.8 |

(a) Assumes no revisions to the seasonally adjusted estimates of the current account balance for the 15 months November 1994 to January 1996.

TABLE 1. BALANCE OF PAYMENTS

| | (\$ million) | | | | | | | | | | | | | | | | | | | | | |
|--|--------------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|--------------|---------|
| | Years | | | Months | | | | | | | | | | | | | | | | | | |
| | 1992-93 | 1993-94 | 1994-95 | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | 1994-95 | 1995-96 | July to Jan. | |
| Current transactions — | | | | | | | | | | | | | | | | | | | | | | |
| Goods and services — | | | | | | | | | | | | | | | | | | | | | | |
| Merchandise (a) — | | | | | | | | | | | | | | | | | | | | | | |
| Exports fob | 60,022 | 63,822 | 66,434 | 5,714 | 5,493 | 4,866 | 5,109 | 6,139 | 5,601 | 6,147 | 5,704 | 6,239 | 6,068 | 6,233 | 6,247 | 5,933 | 6,762 | 5,879 | 37,734 | 43,361 | 37,734 | 43,361 |
| Imports fob | -59,431 | -64,411 | -74,716 | -6,683 | -5,925 | -5,788 | -5,610 | -6,811 | -5,698 | -6,974 | -6,222 | -7,190 | -6,954 | -6,119 | -6,702 | -6,838 | -5,947 | -6,461 | -43,401 | -46,211 | -43,401 | -46,211 |
| Balance on merchandise trade | 591 | -589 | -8,282 | -969 | -432 | -922 | -501 | -672 | -97 | -827 | -518 | -951 | -886 | 114 | -455 | -905 | 815 | -582 | -5,667 | -2,850 | -5,667 | -2,850 |
| Services — | | | | | | | | | | | | | | | | | | | | | | |
| Credits | 16,374 | 18,539 | 19,937 | 1,618 | 1,704 | 1,895 | 2,029 | 1,727 | 1,660 | 1,555 | 1,581 | 1,894 | 1,662 | 1,547 | 1,781 | 1,802 | 1,892 | 2,098 | 11,385 | 12,676 | 11,385 | 12,676 |
| Debits | -18,562 | -19,499 | -21,369 | -1,702 | -1,701 | -1,856 | -1,618 | -1,745 | -1,816 | -1,873 | -1,914 | -2,002 | -1,859 | -1,984 | -1,941 | -1,844 | -1,885 | -1,982 | -12,403 | -13,497 | -12,403 | -13,497 |
| Net services | -2,188 | -960 | -1,432 | -84 | 3 | 39 | 411 | -18 | -156 | -318 | -333 | -108 | -197 | -437 | -160 | -42 | 7 | 116 | -1,018 | -821 | -1,018 | -821 |
| Balance on goods and services | -1,597 | -1,549 | -9,714 | -1,053 | -429 | -883 | -90 | -690 | -253 | -1,145 | -851 | -1,059 | -1,083 | -323 | -615 | -947 | 822 | -466 | -6,685 | -3,671 | -6,685 | -3,671 |
| Income — | | | | | | | | | | | | | | | | | | | | | | |
| Credits | 5,921 | 5,789 | 7,505 | 617 | 643 | 514 | 527 | 554 | 754 | 655 | 819 | 636 | 637 | 659 | 671 | 682 | 668 | 722 | 4,196 | 4,676 | 4,196 | 4,676 |
| Debits | -19,868 | -21,072 | -25,859 | -2,181 | -2,025 | -2,324 | -2,170 | -2,264 | -2,096 | -2,176 | -2,014 | -2,130 | -2,048 | -2,164 | -2,545 | -2,403 | -2,283 | -2,278 | -15,139 | -15,851 | -15,139 | -15,851 |
| Net income | -13,947 | -15,283 | -18,354 | -1,564 | -1,382 | -1,811 | -1,643 | -1,710 | -1,342 | -1,521 | -1,195 | -1,494 | -1,411 | -1,505 | -1,874 | -1,721 | -1,615 | -1,556 | -10,943 | -11,176 | -10,943 | -11,176 |
| Unrequited transfers — | | | | | | | | | | | | | | | | | | | | | | |
| Credits | 3,096 | 2,802 | 3,209 | 295 | 288 | 315 | 315 | 237 | 295 | 247 | 272 | 364 | 327 | 282 | 309 | 303 | 327 | 417 | 1,843 | 2,329 | 1,843 | 2,329 |
| Debits | -2,434 | -2,624 | -2,722 | -170 | -224 | -222 | -241 | -218 | -193 | -285 | -372 | -252 | -188 | -197 | -187 | -234 | -248 | -264 | -1,413 | -1,570 | -1,413 | -1,570 |
| Net unrequited transfers | 662 | 178 | 487 | 65 | 64 | 93 | 74 | 19 | 102 | -38 | -100 | 112 | 139 | 85 | 122 | 69 | 79 | 153 | 430 | 759 | 430 | 759 |
| Balance on current account | -14,882 | -16,654 | -27,581 | -2,552 | -1,747 | -2,601 | -1,659 | -2,381 | -1,493 | -2,704 | -2,146 | -2,441 | -2,355 | -1,743 | -2,367 | -2,599 | -714 | -1,869 | -17,198 | -14,088 | -17,198 | -14,088 |
| Net capital transactions — | | | | | | | | | | | | | | | | | | | | | | |
| Official — | | | | | | | | | | | | | | | | | | | | | | |
| General government | 10,901 | 7,869 | 13,080 | 5,500 | 3,316 | -1,485 | -489 | -1,294 | -1,905 | -417 | 992 | 3,509 | -2,020 | -195 | 2,063 | 184 | 573 | -2,894 | 16,193 | 1,220 | 16,193 | 1,220 |
| Reserve Bank — | 3,949 | -1,037 | 1,971 | -32 | 73 | 13 | 93 | -441 | -138 | 200 | 956 | -940 | 1,024 | 226 | -49 | -1,151 | -98 | 592 | 1,487 | -396 | 1,487 | -396 |
| Other | 39 | -49 | 23 | 22 | 13 | -13 | 19 | -4 | 38 | -32 | — | 3 | 56 | -32 | -13 | 9 | 5 | -12 | 2 | 16 | 2 | 16 |
| Total | 3,988 | -1,086 | 1,994 | -10 | 86 | — | -74 | -445 | -100 | 168 | 956 | -937 | 1,080 | 194 | -62 | -1,142 | -93 | 580 | 1,489 | -380 | 1,489 | -380 |
| Total official | 14,889 | 6,783 | 15,074 | 5,490 | 3,402 | -1,485 | -563 | -1,739 | -2,005 | -249 | 1,948 | 2,572 | -940 | -1 | 2,001 | -958 | 480 | -2,314 | 17,682 | 840 | 17,682 | 840 |
| Non-official plus balancing item | -7 | 9,871 | 12,508 | -2,938 | -1,655 | 4,086 | 2,222 | 4,120 | 3,499 | 2,953 | 198 | -130 | 3,295 | 1,744 | 166 | 3,557 | 233 | 4,183 | -483 | 13,248 | -483 | 13,248 |
| Balance on capital account plus balancing item | 14,882 | 16,654 | 27,581 | 2,552 | 1,747 | 2,601 | 1,659 | 2,381 | 1,493 | 2,704 | 2,146 | 2,441 | 2,355 | 1,743 | 2,367 | 2,599 | 714 | 1,869 | 17,198 | 14,088 | 17,198 | 14,088 |

(a) Balance of payments basis.

TABLE 3. BALANCE OF PAYMENTS — CURRENT ACCOUNT — MERCHANDISE EXPORTS (BALANCE OF PAYMENTS BASIS)
(\$ million)

| | Months | | | | | | | | | | | | July to Jan. | | | | | | | | |
|-------------------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--|
| | Years | | | 1994-95 | | | | | | | | | | | | | | | | | |
| | 1992-93 | 1993-94 | 1994-95 | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | 1994-95 | 1995-96 | |
| Rural exports fob (a) — | | | | | | | | | | | | | | | | | | | | | |
| Meat & meat preparations | 3,750 | 4,043 | 3,654 | 358 | 288 | 230 | 265 | 321 | 302 | 299 | 296 | 327 | 265 | 293 | 305 | 306 | 314 | 207 | 2,171 | 2,017 | |
| Cereal grains & cereal preparations | 2,954 | 3,205 | 2,523 | 209 | 185 | 152 | 190 | 225 | 143 | 212 | 177 | 173 | 180 | 199 | 223 | 282 | 537 | 607 | 1,576 | 2,201 | |
| Sugar, sugar preparations & honey | 1,072 | 1,315 | 1,730 | 204 | 119 | 92 | 81 | 103 | 129 | 100 | 66 | 235 | 240 | 249 | 244 | 187 | 151 | 120 | 1,251 | 1,426 | |
| Wool & sheepskins | 3,367 | 3,369 | 4,216 | 447 | 423 | 339 | 371 | 468 | 375 | 317 | 284 | 315 | 222 | 285 | 327 | 311 | 370 | 271 | 2,401 | 2,101 | |
| Other rural | 5,937 | 6,513 | 6,916 | 579 | 590 | 471 | 498 | 586 | 583 | 712 | 692 | 682 | 651 | 622 | 600 | 576 | 658 | 585 | 3,845 | 4,374 | |
| Total rural | 17,080 | 18,445 | 19,039 | 1,797 | 1,605 | 1,284 | 1,405 | 1,703 | 1,532 | 1,640 | 1,515 | 1,732 | 1,558 | 1,648 | 1,699 | 1,662 | 2,030 | 1,790 | 11,244 | 12,119 | |
| Non-rural exports fob (a) — | | | | | | | | | | | | | | | | | | | | | |
| Metal ores & minerals | 7,943 | 7,671 | 7,966 | 650 | 665 | 603 | 587 | 766 | 652 | 835 | 750 | 785 | 768 | 664 | 726 | 736 | 818 | 713 | 4,376 | 5,210 | |
| Coal, coke & briquettes | 7,620 | 7,253 | 6,936 | 560 | 529 | 556 | 512 | 609 | 596 | 645 | 589 | 666 | 688 | 619 | 679 | 632 | 631 | 638 | 3,985 | 4,553 | |
| Other mineral fuels | 3,913 | 3,351 | 3,794 | 312 | 295 | 386 | 267 | 372 | 296 | 343 | 319 | 391 | 307 | 351 | 306 | 289 | 406 | 338 | 2,197 | 2,388 | |
| Gold | 1,580 | 5,521 | 4,907 | 397 | 335 | 448 | 440 | 468 | 538 | 430 | 327 | 440 | 382 | 574 | 584 | 437 | 391 | 580 | 2,704 | 3,388 | |
| Other metals | 5,210 | 5,396 | 6,097 | 482 | 497 | 546 | 528 | 562 | 520 | 621 | 524 | 565 | 686 | 608 | 597 | 515 | 585 | 519 | 3,342 | 4,075 | |
| Machinery | 4,344 | 5,293 | 6,035 | 521 | 558 | 307 | 490 | 591 | 486 | 547 | 614 | 631 | 554 | 614 | 574 | 637 | 693 | 434 | 3,307 | 4,137 | |
| Transport equipment | 1,022 | 2,087 | 2,046 | 164 | 175 | 169 | 146 | 201 | 184 | 185 | 214 | 207 | 206 | 205 | 212 | 160 | 256 | 137 | 1,116 | 1,383 | |
| Other manufactures | 6,026 | 6,966 | 7,904 | 677 | 662 | 475 | 586 | 717 | 651 | 740 | 699 | 694 | 765 | 775 | 699 | 724 | 755 | 584 | 4,511 | 4,996 | |
| Other non-rural | 1,284 | 1,839 | 1,710 | 154 | 172 | 92 | 148 | 150 | 146 | 161 | 153 | 128 | 154 | 175 | 171 | 141 | 197 | 146 | 952 | 1,112 | |
| Total non-rural | 41,942 | 45,377 | 47,395 | 3,917 | 3,888 | 3,582 | 3,704 | 4,436 | 4,069 | 4,507 | 4,189 | 4,507 | 4,510 | 4,585 | 4,548 | 4,271 | 4,732 | 4,089 | 26,490 | 31,242 | |
| Total exports fob | 61,022 | 63,822 | 66,434 | 5,714 | 5,493 | 4,866 | 5,109 | 6,139 | 5,601 | 6,147 | 5,704 | 6,239 | 6,068 | 6,233 | 6,247 | 5,933 | 6,762 | 5,879 | 37,734 | 43,361 | |

(a) Definitions of the components series are given in ABS Catalogue No. 5302.0.

TABLE 5. BALANCE OF PAYMENTS — CURRENT ACCOUNT — SERVICES, INCOME AND UNREQUITTED TRANSFERS
(\$ million)

| | Years | | | | | | | | | | | | July to Jan. | | | | | | |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------------|---------|---------|---------|---------|---------|---------|
| | 1993-94 | | | 1994-95 | | | Months | | | | | | | 1994-95 | | | | | |
| | 1993-94 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | |
| | 1993-94 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | 1994-95 | |
| Services — | | | | | | | | | | | | | | | | | | | |
| Credits — | | | | | | | | | | | | | | | | | | | |
| Shipment | 1,241 | 1,487 | 1,533 | 114 | 114 | 134 | 134 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 141 | 136 | 136 | 136 | 160 |
| Other transportation | 4,614 | 4,604 | 4,473 | 373 | 384 | 390 | 372 | 385 | 370 | 357 | 345 | 397 | 410 | 379 | 406 | 406 | 406 | 406 | 406 |
| Travel | 6,411 | 7,502 | 8,879 | 706 | 775 | 963 | 1,107 | 778 | 743 | 621 | 636 | 927 | 679 | 593 | 795 | 804 | 895 | 1,093 | 2,810 |
| Other services | 4,108 | 4,946 | 5,052 | 425 | 431 | 408 | 416 | 429 | 407 | 437 | 460 | 430 | 433 | 434 | 444 | 456 | 455 | 439 | 4,994 |
| Total services credits | 16,374 | 18,539 | 19,937 | 1,618 | 1,704 | 1,895 | 2,029 | 1,727 | 1,660 | 1,555 | 1,581 | 1,894 | 1,662 | 1,547 | 1,781 | 1,802 | 1,892 | 2,098 | 11,385 |
| Debits — | | | | | | | | | | | | | | | | | | | |
| Shipment | -1,772 | -3,854 | -4,384 | -455 | -320 | -349 | -343 | -395 | -333 | -391 | -338 | -399 | -401 | -360 | -393 | -415 | -344 | -361 | -2,584 |
| Other transportation | -1,637 | -4,906 | -5,333 | -403 | -435 | -451 | -405 | -429 | -454 | -478 | -494 | -514 | -475 | -509 | -496 | -471 | -500 | -499 | -3,073 |
| Travel | -4,985 | -5,157 | -5,774 | -363 | -427 | -567 | -396 | -431 | -538 | -496 | -558 | -592 | -504 | -620 | -529 | -457 | -504 | -610 | -3,464 |
| Other services | -5,168 | -5,582 | -5,878 | -481 | -519 | -489 | -474 | -490 | -491 | -508 | -524 | -497 | -479 | -495 | -523 | -501 | -537 | -512 | -3,816 |
| Total services debits | -13,562 | -19,499 | -21,369 | -1,702 | -1,701 | -1,856 | -1,618 | -1,745 | -1,816 | -1,873 | -1,914 | -2,002 | -1,859 | -1,984 | -1,941 | -1,844 | -1,885 | -1,982 | -12,403 |
| Net services | -2,188 | -960 | -1,432 | -84 | 3 | 39 | 411 | -18 | -156 | -318 | -333 | -108 | -197 | -437 | -160 | -42 | 7 | 116 | -1,018 |
| Income — | | | | | | | | | | | | | | | | | | | |
| Credits — | | | | | | | | | | | | | | | | | | | |
| Property income — | | | | | | | | | | | | | | | | | | | |
| Investment income — | | | | | | | | | | | | | | | | | | | |
| Reinvested earnings (a) | 2,045 | 2,434 | 3,866 | 366 | 366 | 199 | 199 | 199 | 199 | 415 | 415 | 415 | 375 | 375 | 375 | 375 | 375 | 375 | 2,225 |
| Other | 3,040 | 2,467 | 2,656 | 174 | 194 | 229 | 254 | 280 | 261 | 163 | 324 | 161 | 169 | 181 | 199 | 217 | 200 | 253 | 1,373 |
| Labour and other income | 339 | 376 | 432 | 36 | 36 | 35 | 35 | 35 | 32 | 33 | 33 | 45 | 45 | 46 | 43 | 43 | 43 | 39 | 304 |
| Total income credits | 497 | 511 | 551 | 41 | 46 | 51 | 39 | 41 | 46 | 44 | 48 | 55 | 48 | 57 | 54 | 47 | 50 | 55 | 333 |
| Debits — | 5,921 | 5,789 | 7,505 | 617 | 643 | 514 | 527 | 554 | 754 | 655 | 819 | 636 | 637 | 659 | 671 | 682 | 668 | 722 | 4,196 |
| Property income — | | | | | | | | | | | | | | | | | | | |
| Investment income — | | | | | | | | | | | | | | | | | | | |
| Official | -3,580 | -4,109 | -3,968 | -328 | -168 | -489 | -335 | -428 | -286 | -368 | -203 | -418 | -330 | -451 | -507 | -362 | -238 | -454 | -2,350 |
| Non-official — | | | | | | | | | | | | | | | | | | | |
| Reinvested earnings (a) | -2,364 | -3,570 | -6,256 | -608 | -608 | -619 | -619 | -619 | -277 | -277 | -277 | -277 | -434 | -434 | -434 | -434 | -434 | -434 | -4,187 |
| Other | -12,047 | -11,350 | -13,486 | -1,067 | -1,067 | -1,044 | -1,044 | -1,044 | -1,352 | -1,352 | -1,352 | -1,079 | -1,079 | -1,079 | -1,079 | -1,079 | -1,079 | -1,079 | -7,342 |
| Other property income | -1,565 | -1,760 | -1,760 | -149 | -150 | -146 | -147 | -147 | -137 | -138 | -139 | -164 | -165 | -166 | -158 | -158 | -158 | -156 | -1,052 |
| Labour and other income | -311 | -283 | -389 | -29 | -32 | -27 | -25 | -27 | -44 | -41 | -43 | -35 | -40 | -34 | -30 | -32 | -36 | -41 | -209 |
| Total income debits | -19,868 | -21,072 | -25,859 | -2,181 | -2,025 | -2,324 | -2,170 | -2,264 | -2,096 | -2,176 | -2,014 | -2,130 | -2,048 | -2,164 | -2,545 | -2,403 | -2,283 | -2,278 | -15,139 |
| Net income | -13,947 | -15,283 | -18,354 | -1,564 | -1,382 | -1,811 | -1,643 | -1,710 | -1,342 | -1,521 | -1,195 | -1,494 | -1,411 | -1,505 | -1,874 | -1,721 | -1,615 | -1,556 | -10,943 |
| Unrequited transfers — | | | | | | | | | | | | | | | | | | | |
| Credits | 3,096 | 2,802 | 3,209 | 235 | 288 | 315 | 315 | 237 | 295 | 247 | 272 | 364 | 327 | 282 | 309 | 303 | 327 | 417 | 1,843 |
| Debits — | | | | | | | | | | | | | | | | | | | |
| Official | -1,432 | -1,583 | -1,591 | -77 | -109 | -109 | -147 | -123 | -100 | -196 | -280 | -152 | -91 | -108 | -101 | -135 | -127 | -146 | -745 |
| Non-official | -1,002 | -1,041 | -1,131 | -93 | -115 | -113 | -94 | -95 | -93 | -89 | -92 | -100 | -97 | -89 | -86 | -99 | -121 | -118 | -668 |
| Total | -2,434 | -2,624 | -2,722 | -170 | -224 | -222 | -241 | -218 | -193 | -285 | -372 | -252 | -188 | -197 | -187 | -234 | -248 | -264 | -1,413 |
| Net unrequited transfers | 662 | 178 | 487 | 65 | 64 | 93 | 74 | 19 | 102 | -38 | -100 | 112 | 139 | 85 | 122 | 69 | 79 | 153 | 430 |
| Total | 3,758 | 3,424 | 3,996 | 300 | 372 | 408 | 389 | 256 | 397 | 209 | 272 | 476 | 466 | 367 | 391 | 374 | 378 | 470 | 2,273 |

(a) From July 1993, these series are collected on a quarterly basis and then divided by three. Prior to this they were collected annually and divided by twelve.

TABLE 6. BALANCE OF PAYMENTS — CAPITAL ACCOUNT AND BALANCING ITEM
(\$ million)

| | Months | | | | | | | | | | | | July to Jan. | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|------------|---------------|---------------|---------------|--|
| | Years | | | 1995-96 | | | | | | | | | | | | | | | | | |
| | 1992-93 | 1993-94 | 1994-95 | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | 1994-95 | 1995-96 | |
| Official — | | | | | | | | | | | | | | | | | | | | | |
| General government — | | | | | | | | | | | | | | | | | | | | | |
| Borrowing — | | | | | | | | | | | | | | | | | | | | | |
| Domestic abroad — | | | | | | | | | | | | | | | | | | | | | |
| Commonwealth Government — | | | | | | | | | | | | | | | | | | | | | |
| Drawings | 1,239 | 40 | | | | | | | | | | | | | | | | | | | |
| Repayments | -830 | -1,129 | -1,573 | -11 | -92 | -30 | -17 | -1 | -1 | -173 | -1 | -197 | -1 | -1 | -250 | -24 | -136 | -18 | -1,380 | -627 | |
| Total | 409 | -1,089 | -1,573 | -11 | -92 | -30 | -17 | -1 | -1 | -173 | -1 | -197 | -1 | -1 | -250 | -24 | -136 | -18 | -1,380 | -627 | |
| State government | 9,653 | 4,848 | 8,992 | 1,148 | 2,712 | 440 | 1,546 | -1,034 | 517 | 2,129 | 1,427 | 3,362 | 19 | -649 | 1,098 | -1,333 | -584 | -1,357 | 4,406 | 555 | |
| Total domiciled abroad | 10,062 | 3,759 | 7,419 | 1,137 | 2,620 | -470 | 1,529 | -1,035 | 516 | 1,956 | 1,426 | 3,166 | 18 | -650 | 848 | -1,358 | -720 | -1,375 | 3,027 | -72 | |
| Domiciled in Australia | 830 | 4,580 | 5,044 | 4,369 | 689 | -1,027 | -2,013 | -207 | -2,418 | -2,370 | -451 | 377 | -2,019 | 471 | 1,190 | 1,542 | 1,441 | -1,580 | 12,503 | 1,423 | |
| Total borrowing | 10,892 | 8,339 | 12,463 | 5,506 | 3,309 | -1,497 | -484 | -1,242 | -1,902 | -414 | 975 | 3,543 | -2,001 | -179 | 2,038 | 184 | 721 | -2,955 | 15,530 | 1,551 | |
| Other | 9 | -470 | 617 | -6 | 7 | 12 | -5 | -52 | -4 | -3 | 17 | -34 | -19 | -16 | 25 | - | -148 | 61 | 663 | -131 | |
| Total general government | 10,901 | 7,869 | 13,080 | 5,500 | 3,316 | -1,485 | -489 | -1,294 | -1,905 | -417 | 992 | 3,509 | -2,020 | -195 | 2,063 | 184 | 573 | -2,894 | 16,193 | 1,220 | |
| Reserve Bank — | | | | | | | | | | | | | | | | | | | | | |
| Reserve assets — | | | | | | | | | | | | | | | | | | | | | |
| Official reserve assets | 3,949 | -1,037 | 1,971 | -32 | 73 | 13 | -93 | -441 | -138 | 200 | 956 | -940 | 1,024 | 226 | -49 | -1,151 | -98 | 592 | 1,487 | -396 | |
| Allocation of SDRs | | | | | | | | | | | | | | | | | | | | | |
| Other | 39 | -49 | | 23 | 22 | 13 | -13 | 19 | 4 | 38 | -32 | 3 | 56 | -32 | -13 | 9 | 5 | -12 | 2 | 16 | |
| Total Reserve Bank | 3,988 | -1,086 | 1,994 | -10 | 86 | - | -74 | -445 | -100 | 168 | 956 | -937 | 1,080 | 194 | -62 | -1,142 | -93 | 580 | 1,489 | -380 | |
| Total official | 14,889 | 6,783 | 15,074 | 5,490 | 3,402 | -1,485 | -563 | -1,739 | -2,005 | -249 | 1,948 | 2,572 | -940 | -1 | 2,001 | -958 | 480 | -2,314 | 17,682 | 840 | |
| Non-official plus balancing item — | | | | | | | | | | | | | | | | | | | | | |
| Public sector — | | | | | | | | | | | | | | | | | | | | | |
| Non equity securities domiciled in Australia (a) | -291 | -1,060 | -198 | -41 | -37 | 52 | -121 | -13 | 5 | 64 | -68 | 73 | -32 | -93 | -31 | 4 | -24 | 35 | -65 | -67 | |
| Accounts receivable/prepayments made | 84 | -1,217 | 1,183 | 134 | 57 | 70 | 2 | 28 | -33 | -119 | -61 | 12 | -8 | 38 | -27 | -78 | -45 | -40 | 1,365 | -148 | |
| Other (including balancing item) (b) | 199 | 12,149 | 11,523 | -3,031 | -1,674 | 3,964 | 2,341 | 4,105 | 3,326 | 3,008 | 327 | -215 | 3,335 | 1,799 | 424 | 3,630 | 302 | 4,188 | -1,783 | 13,463 | |
| Total non-official plus balancing item | -7 | 9,871 | 12,508 | -2,938 | -1,655 | 4,086 | 2,222 | 4,120 | 3,499 | 2,953 | 198 | -130 | 3,295 | 1,744 | 366 | 3,557 | 233 | 4,183 | -483 | 13,248 | |
| Balance on capital account plus balancing item | 14,882 | 16,654 | 27,581 | 2,552 | 1,747 | 2,601 | 1,659 | 2,381 | 1,493 | 2,704 | 2,146 | 2,441 | 2,355 | 1,743 | 2,367 | 2,599 | 714 | 1,869 | 17,198 | 14,088 | |

(a) Excludes bank securities. (b) Includes public sector transactions n.e.c.

TABLE 7. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

| | Months | | | | | | | | | | | | | | | | | |
|---|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 1993 | | | 1994 | | | 1995 | | | 1996 | | | | | | | | |
| | 93 | 94 | 95 | 93 | 94 | 95 | 93 | 94 | 95 | 93 | 94 | 95 | 96 | | | | | |
| Official reserve assets (\$ million) — | 20,823 | 20,661 | 20,185 | 18,575 | 18,417 | 19,047 | 19,828 | 21,240 | 21,293 | 21,443 | 20,185 | 20,050 | 18,350 | 18,659 | 18,671 | 19,934 | 20,068 | 19,375 |
| Levels at end of period | -1,417 | -162 | -476 | -868 | -158 | 630 | 781 | 1,412 | 53 | 150 | -1,258 | -135 | -1,700 | 309 | 12 | 1,263 | 134 | -693 |
| Changes in levels Of which — | 2,532 | -1,199 | 1,495 | -900 | -85 | 643 | 688 | 971 | -85 | 350 | -302 | -1,075 | -676 | 535 | -37 | 112 | 36 | -101 |
| Changes due to effects of revaluations | -3,949 | 1,037 | -1,971 | 32 | -73 | -13 | 93 | 441 | 138 | -200 | -956 | 940 | -1,024 | -226 | 49 | 1,151 | 98 | -592 |
| Changes included in the balance of payments (a) | 0.6722 | 0.7291 | 0.7086 | 0.7674 | 0.7768 | 0.7583 | 0.7395 | 0.7280 | 0.7299 | 0.7138 | 0.7086 | 0.7389 | 0.7524 | 0.7550 | 0.7566 | 0.7469 | 0.7450 | 0.7447 |
| Exchange rates (b) — | 0.4453 | 0.4721 | 0.4452 | 0.4912 | 0.4982 | 0.4752 | 0.4669 | 0.4534 | 0.4515 | 0.4449 | 0.4452 | 0.4611 | 0.4861 | 0.4777 | 0.4800 | 0.4860 | 0.4814 | 0.4943 |
| Units of foreign currency per \$A — | 1.137 | 1.159 | 0.981 | 1.206 | 1.207 | 1.141 | 1.084 | 1.026 | 1.004 | 0.993 | 0.981 | 1.023 | 1.109 | 1.070 | 1.066 | 1.072 | 1.071 | 1.108 |
| End of period (c) — | 71.54 | 72.20 | 60.08 | 75.93 | 77.56 | 74.75 | 71.75 | 64.92 | 61.04 | 59.45 | 60.08 | 65.31 | 73.55 | 74.22 | 76.98 | 75.83 | 76.66 | 79.88 |
| United States dollar | 0.4818 | 0.5026 | 0.4539 | 0.5255 | 0.5336 | 0.5144 | 0.4944 | 0.4677 | 0.4621 | 0.4530 | 0.4539 | 0.4753 | 0.5070 | 0.5024 | 0.5031 | 0.5020 | 0.5009 | 0.5121 |
| United Kingdom pound | 0.7030 | 0.6919 | 0.7427 | 0.7539 | 0.7740 | 0.7658 | 0.7453 | 0.7346 | 0.7361 | 0.7278 | 0.7196 | 0.7268 | 0.7412 | 0.7542 | 0.7580 | 0.7459 | 0.7416 | 0.7420 |
| German mark | 0.4363 | 0.4623 | 0.4705 | 0.4738 | 0.4963 | 0.4869 | 0.4740 | 0.4591 | 0.4574 | 0.4580 | 0.4511 | 0.4557 | 0.4725 | 0.4841 | 0.4800 | 0.4768 | 0.4815 | 0.4846 |
| Japanese yen | 1.103 | 1.171 | 1.120 | 1.159 | 1.217 | 1.174 | 1.115 | 1.033 | 1.014 | 1.040 | 1.008 | 1.010 | 1.071 | 1.103 | 1.073 | 1.056 | 1.068 | 1.083 |
| Special drawing right | 84.22 | 73.52 | 70.35 | 73.86 | 77.49 | 76.37 | 73.24 | 66.66 | 61.58 | 61.84 | 60.84 | 63.43 | 70.06 | 75.79 | 76.28 | 76.02 | 75.49 | 77.91 |
| Period average (d) — | 0.4982 | 0.4944 | 0.4972 | 0.5119 | 0.5330 | 0.5231 | 0.5049 | 0.4792 | 0.4670 | 0.4671 | 0.4601 | 0.4665 | 0.4897 | 0.5084 | 0.5056 | 0.4988 | 0.4993 | 0.5047 |
| Trade weighted index of value of the Australian dollar (May 1970 = 100) (b) — | 49.5 | 53.0 | 48.4 | 55.5 | 56.2 | 54.5 | 52.9 | 50.7 | 49.6 | 48.5 | 48.4 | 51.0 | 53.9 | 53.8 | 54.3 | 53.8 | 53.9 | 54.7 |
| End of period (c) | 52.3 | 51.4 | 52.8 | 54.3 | 56.2 | 55.3 | 53.6 | 51.4 | 50.1 | 49.8 | 49.2 | 50.0 | 52.5 | 54.4 | 54.3 | 53.7 | 53.5 | 54.2 |
| Period average (d) | (a) The entries carry the opposite sign to corresponding entries in Tables 1 and 6. (b) 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. (c) These exchange rates and index numbers relate to the last trading day of the reference period. (d) These exchange rates and index numbers are derived by averaging figures for each trading day. | | | | | | | | | | | | | | | | | |

EXPLANATORY NOTES

Introduction

1. This publication contains preliminary estimates of Australia's balance of payments for January 1996, together with revised estimates for previous months. More comprehensive quarterly estimates are available in the December quarter 1995 issue of the quarterly balance of payments publication (5302.0) released on 28 February 1996.

2. Descriptions of the underlying concepts and structure of the balance of payments and the sources and methods used in compiling the estimates are presented in *Balance of Payments, Australia: Concepts, Sources and Methods* (5331.0). The publication also provides item definitions; explanations of seasonal adjustment and trend estimates; and an analysis of the quality of the estimates.

Accuracy, reliability and volatility

3. Care should be exercised in the use and interpretation of estimates in this publication. The sources available for the production of timely and reliable monthly estimates are limited and the initial estimates are made available very quickly. Consequently, the latest estimates in this publication, to a greater extent than estimates in quarterly and annual balance of payments publications, are preliminary and subject to revision as more complete and accurate information becomes available. Certain items are estimated using extrapolation techniques until source data become available. Further, the more detailed estimates may be less accurate in relative terms than broader items and aggregates of which they form components. A detailed assessment of the quality of Australia's balance of payments statistics is provided in the information paper *Quality of Australian Balance of Payments Statistics, 1996* (5342.0) released on 20 February 1996.

4. Particular 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 2) 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 current account: 9 in 10 months
 Merchandise exports fob: 8 in 10 months
 Merchandise imports fob: 9 in 10 months

5. The impact of the irregular influences upon the seasonally adjusted series is reduced by smoothing, as shown by the trend estimates in Table 2 and the graphs. The trend estimates are generally derived by applying a 13-term Henderson-weighted moving average to the seasonally adjusted series.

Seasonal adjustment

6. The factors used in seasonally adjusting the monthly balance of payments statistics during 1996 can be obtained, for \$75.00, by contacting Karen McGuigan on Canberra (06) 252 6239.

7. The seasonally adjusted statistics in this publication should not be regarded as in any way definitive as results from seasonal adjustment vary according to the method used.

Available longer term series

8. Estimates for months prior to those shown in this publication are available and can be obtained by contacting Trevor Jolly on Canberra (06) 252 6820. There may be a charge for this information.

Related products and services

9. More detailed merchandise exports and merchandise imports data, including dissections by commodity and country of origin, are also available on an international merchandise trade basis for January 1996 and previous months. These data can be obtained by contacting information services on Canberra (06) 252 5400.

Symbols and other usages

| | |
|--------|--------------------------|
| fob | free on board |
| n.a. | not available |
| n.e.c. | not elsewhere classified |
| n.e.s. | not elsewhere specified |
| n.p. | not for publication |
| n.y.a. | not yet available |
| — | nil or rounded to zero |
| .. | not applicable |
| p | provisional |

10. Where figures have been rounded, discrepancies may occur between the sums of component items and totals.

W. McLennan
 Australian Statistician



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