

CATALOGUE NO. 5301.0

EMBARGOED UNTIL 11.30 A.M 31 January 1996

BALANCE OF PAYMENTS, AUSTRALIA, DECEMBER 1995

MAIN FEATURES

Estimates of the main balance of payments aggregates for December 1995 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			<i>Change on previous month(a)</i>
	<i>October</i>	<i>November</i>	<i>December</i>	
	\$ million			<i>Trend</i>
Balance on current account	-1,587p	-1,558p	-1,599p	-3
				<i>Seasonally adjusted</i>
Balance on current account	-1,683	-1,858	-1,628	12
Balance on merchandise trade	.98	-500	-233	53
Net services	-106	-25	-74	..
Net income	-1,593	-1,443	-1,418	2
Net unrequited transfers	114	110	97	-12
				<i>Not seasonally adjusted</i>
Balance on current account	-2,107	-2,288	-457	80
Balance on merchandise trade	-455	-905	815	..
Net services	-132	27	24	-11
Net income	-1,674	-1,512	-1,402	7
Net unrequited transfers	154	102	106	4

(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.

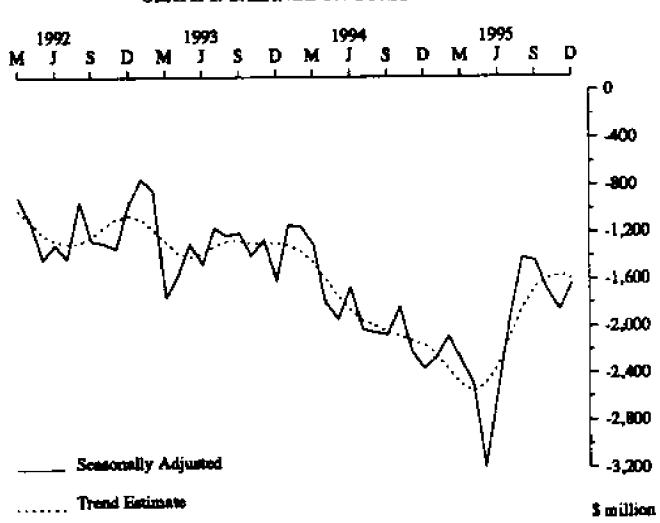
The provisional trend estimate for the December current account deficit was \$1,599 million, up \$41 million, or 3 per cent, on the provisional trend estimate for November.

In seasonally adjusted terms, the current account deficit for December decreased \$230 million, or 12 per cent, to \$1,628 million. The decrease in the deficit was caused by:

- a decrease of \$267 million (53 per cent) in the merchandise trade deficit (merchandise exports rose 10 per cent, while merchandise imports rose 5 per cent); and
- a decrease of \$25 million (2 per cent) in the net income deficit.

Partly offsetting these movements in merchandise trade and income was an increase of \$49 million in the net services deficit and a decrease of \$13 million (12 per cent) in the net unrequited transfers surplus.

GRAPH 1: BALANCE ON CURRENT ACCOUNT



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 • for information about other ABS statistics and services please refer to the back page of this publication.

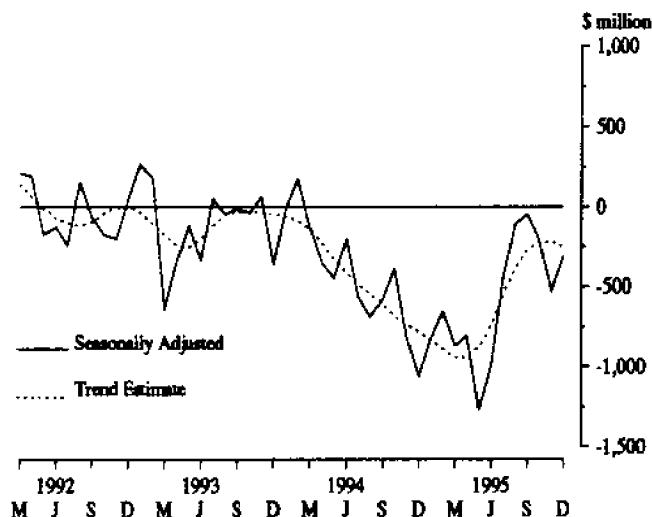
ANALYSIS OF SELECTED MAJOR AGGREGATES

December 1995 compared with November 1995

Balance on goods and services

The seasonally adjusted *balance on goods and services* recorded a deficit of \$307 million, a decrease of \$218 million on the deficit recorded in November.

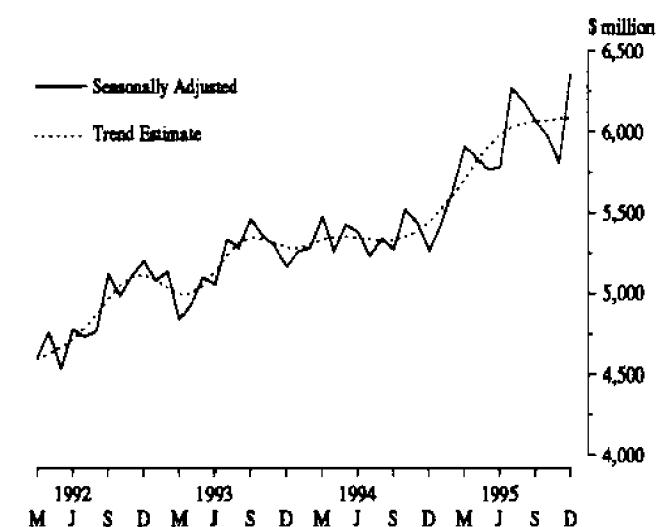
GRAPH 2: BALANCE ON GOODS AND SERVICES



Merchandise exports

In seasonally adjusted terms, *merchandise exports* rose \$555 million, or 10 per cent, to \$6,357 million. *Rural exports* rose \$359 million, or 23 per cent, to \$1,943 million. *Non-rural exports* rose \$196 million, or 5 per cent, to \$4,414 million.

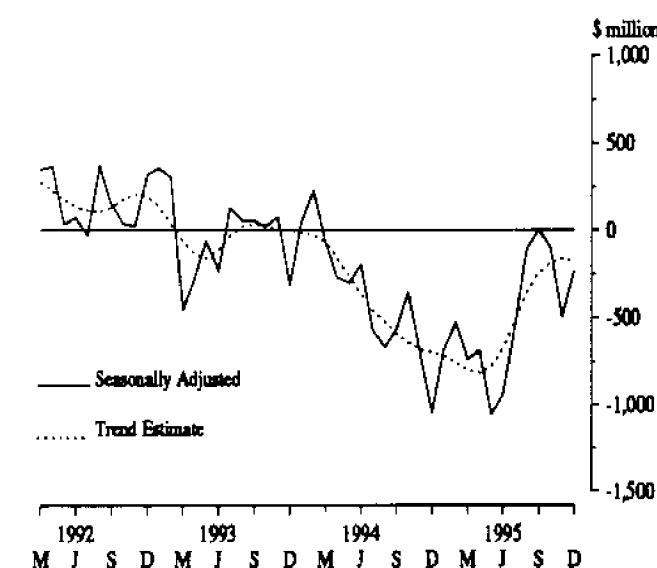
GRAPH 4: MERCHANDISE - EXPORTS FOB



Balance on merchandise trade

The seasonally adjusted *balance on merchandise trade* recorded a deficit of \$233 million, a decrease of \$267 million on the deficit recorded in November.

GRAPH 3: BALANCE ON MERCHANDISE TRADE



In original terms, *exports* rose \$829 million, or 14 per cent, to \$6,762 million.

Rural exports, in original terms, rose \$368 million, or 22 per cent, to \$2,030 million. Increases were recorded in all groups except sugar, which fell \$36 million or 19 per cent (due mainly to decreased volumes of cane sugar exports). The largest increases occurred in:

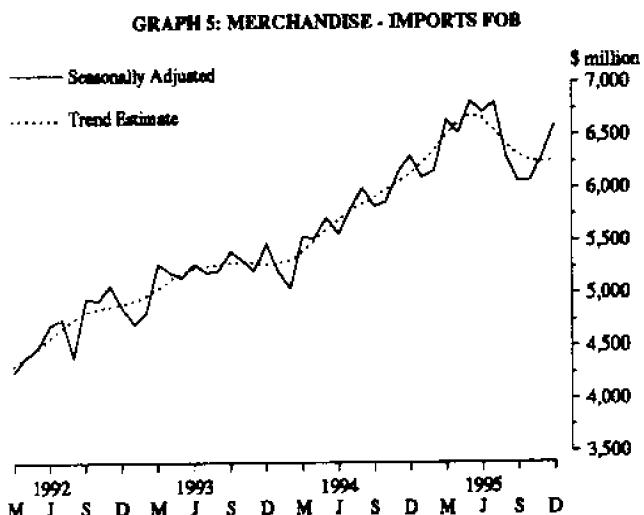
- cereals, up \$255 million or 90 per cent (due mainly to increased volumes of wheat and barley exports);
- "other" rural exports, up \$82 million or 14 per cent (with most components recording increases); and
- wool, up \$59 million or 19 per cent.

Non-rural exports, in original terms, rose \$461 million, or 11 per cent, to \$4,732 million. The most significant increases were recorded in:

- "other" mineral fuels, up \$117 million or 40 per cent (due mainly to increased exports of crude petroleum and LNG);
- transport equipment, up \$96 million or 60 per cent;
- metal ores and minerals, up \$82 million or 11 per cent (due mainly to increased exports of zinc and titanium ores); and
- "other" metals, up \$70 million or 14 per cent (due mainly to increased exports of aluminium and nickel).

Merchandise imports

In seasonally adjusted terms, *merchandise imports* rose \$288 million, or 5 per cent, to \$6,590 million. *Consumption goods* rose \$72 million, or 4 per cent, to \$1,734 million. *Capital goods* rose \$59 million, or 4 per cent, to \$1,610 million. *Intermediate and other goods* rose \$157 million, or 5 per cent, to \$3,246 million.



In original terms, *imports* fell \$891 million, or 13 per cent, to \$5,947 million.

Imports of *consumption goods*, in original terms, fell \$286 million, or 15 per cent, to \$1,583 million. Decreases were recorded in all groups. The largest decreases were recorded in:

- consumption goods nes, down \$89 million or 16 per cent (with most components recording decreases);
- toys, books and leisure goods, down \$72 million or 28 per cent (with all components recording decreases);
- textiles, clothing and footwear, down \$39 million or 17 per cent (with all components recording decreases); and
- household electrical items, down \$38 million or 21 per cent.

Imports of *capital goods*, in original terms, fell \$209 million, or 12 per cent, to \$1,497 million. Decreases were recorded in all groups. The largest decreases were recorded in:

- civil aircraft, down \$75 million or 72 per cent;
- capital goods nes, down \$40 million or 19 per cent (with all components recording decreases); and
- machinery and industrial equipment, down \$39 million or 5 per cent (with most components recording decreases).

Imports of *intermediate and other goods*, in original terms, fell \$396 million, or 12 per cent, to \$2,867 million. Decreases were recorded in 10 of the 14 groups. The largest decreases were recorded in:

- processed industrial supplies nes, down \$90 million or 12 per cent (with most components recording decreases);
- "other" parts for capital goods, down \$80 million or 15 per cent (with most components recording decreases); and
- organic and inorganic chemicals, down \$52 million or 21 per cent (with all components recording decreases).

Net services

The seasonally adjusted *net services* deficit rose \$49 million to \$74 million. Services credits rose \$8 million, while services debits rose \$57 million (3 per cent).

Net income

The seasonally adjusted *net income* deficit fell \$25 million, or 2 per cent, to \$1,418 million. Income credits fell \$16 million or 2 per cent, while income debits fell \$41 million or 2 per cent. It should be noted that, in accordance with established methodology, the monthly estimates of the non-official sector for October, November and December 1995 are based on extrapolations of quarterly results divided by three. These extrapolations will be replaced by preliminary results from the December quarter 1995 ABS Survey of Foreign Investment (SFI) when these results become available. Preliminary results should be available in time for incorporation in the January 1996 issue of this publication, scheduled for release on 29 February 1996.

Net unrequited transfers

The seasonally adjusted *net unrequited transfers* surplus fell \$13 million, or 12 per cent, to \$97 million. Unrequited transfers credits rose \$10 million, or 3 per cent, while unrequited transfers debits rose \$23 million or 11 per cent.

Net capital transactions

In original terms, the *net capital transactions of the official sector* recorded a net outflow of \$1,115 million in December, an increase of \$106 million on the net outflow recorded in November.

The December estimate consisted of:

- a net outflow of \$1,022 million in general government transactions, a turnaround of \$1,155 million on the net inflow recorded in the previous month; and
- a net outflow of \$93 million in Reserve Bank transactions, a decrease of \$1,049 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 \$535 million decrease in the net inflow of borrowing domiciled in Australia; and
- a \$359 million increase in the net outflow of State government borrowing domiciled abroad.

Reserve Bank transactions in December mainly reflected net purchases of reserve assets of \$98 million, a decrease of \$1,053 million on the net purchases recorded in November.

Exchange rates

Using period average exchange rates, the \$A depreciated by 0.4 per cent on a trade weighted basis during December against the currencies of Australia's major trading partners. The \$A depreciated by 0.7 per cent against the Japanese yen and by 0.6 per cent against the US\$.

Six months ended December 1995, compared with six months ended December 1994.

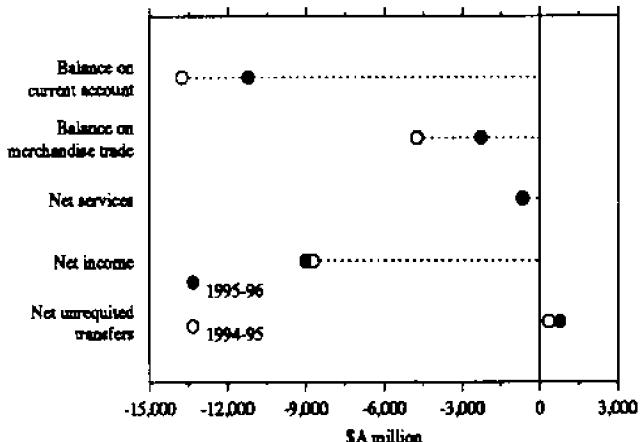
In original terms, the *current account* deficit for the six months ended December 1995 was \$11,213 million, down \$2,549 million, or 19 per cent, on the deficit for the six months ended December 1994.

This result was due to:

- a decrease of \$2,477 million (52 per cent) in the merchandise trade deficit; and
- an increase of \$422 million in the net unrequited transfers surplus.

The movements in merchandise trade and unrequited transfers were partly offset by an increase of \$58 million (9 per cent) in the net services deficit and an increase of \$292 million (3 per cent) in the net income deficit.

GRAPH 6: BALANCE OF PAYMENTS AGGREGATES - SIX MONTHS ENDED DECEMBER



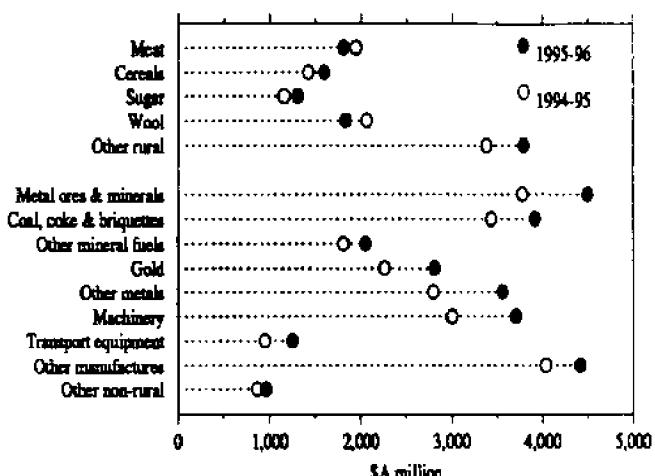
Merchandise exports rose \$4,614 million, or 14 per cent, to \$37,482 million. *Rural exports* rose \$369 million (4 per cent); and *non-rural exports* rose \$4,245 million (19 per cent). The largest increases were recorded in:

- "other" metals, up \$760 million (27 per cent);
- metal ores and minerals, up \$724 million (19 per cent);
- machinery, up \$703 million (23 per cent);
- gold, up \$552 million (24 per cent);

- coal, coke and briquettes, up \$486 million (14 per cent);
- "other" rural exports, up \$415 million (12 per cent);
- "other" manufactures, up \$376 million (9 per cent); and
- transport equipment, up \$299 million (32 per cent).

Decreases were recorded in wool, down \$232 million (11 per cent) and meat, down \$131 million (7 per cent).

GRAPH 7: MERCHANTISE EXPORTS - SIX MONTHS ENDED DECEMBER

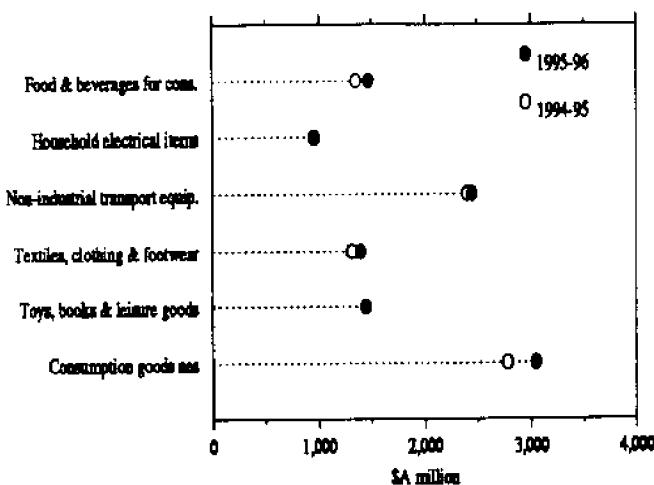


Merchandise imports rose \$2,137 million, or 6 per cent, to \$39,750 million. *Consumption goods* rose \$529 million (5 per cent); *capital goods* rose \$164 million (2 per cent); and *intermediate and other goods* rose \$1,444 million (8 per cent). The largest increases were recorded in:

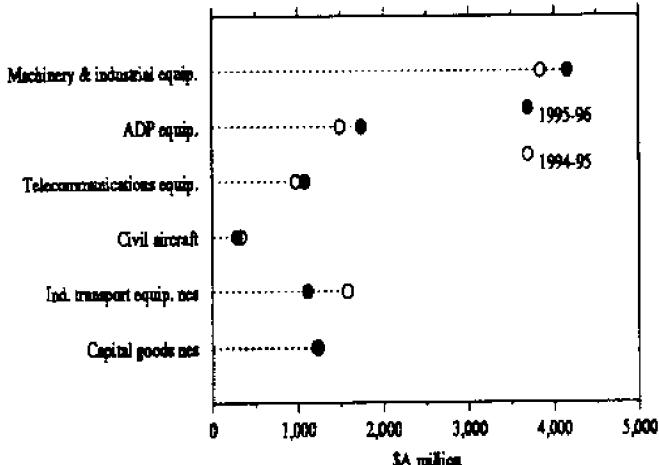
- "other" parts for capital goods, up \$388 million (13 per cent);
- machinery and industrial equipment, up \$320 million (8 per cent);
- consumption goods nes, up \$267 million (10 per cent);
- ADP equipment, up \$248 million (17 per cent);
- organic and inorganic chemicals, up \$230 million (21 per cent);
- fuels and lubricants, up \$220 million (13 per cent);
- processed industrial supplies nes, up \$194 million (5 per cent);
- paper and paperboard, up \$184 million (21 per cent); and
- iron and steel, up \$175 million (29 per cent).

The most significant decreases were recorded in industrial transport equipment nes, down \$465 million (30 per cent); and parts for transport equipment, down \$93 million (4 per cent).

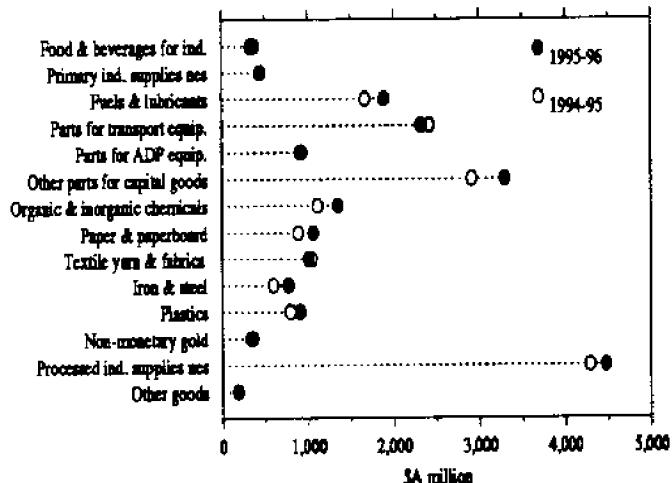
GRAPH 8: MERCHANTISE IMPORTS - CONSUMPTION GOODS
SIX MONTHS ENDED DECEMBER



GRAPH 9: MERCHANTISE IMPORTS - CAPITAL GOODS
SIX MONTHS ENDED DECEMBER



GRAPH 10: MERCHANTISE IMPORTS - INTERMEDIATE AND OTHER GOODS
SIX MONTHS ENDED DECEMBER



The *net services* deficit rose \$58 million, or 9 per cent, to \$702 million. Services credits rose \$1,163 million, or 12 per cent, due mainly to increases of \$682 million in travel credits and \$231 million in "other" services credits. Services debits rose \$1,221 million, or 12 per cent, due mainly

to increases of \$427 million in "other" transportation debits, \$383 million in travel debits and \$334 million in "other" services debits.

The *net income* deficit rose \$292 million, or 3 per cent, to \$9,002 million. Income credits rose \$402 million, or 11 per cent, due mainly to increases in reinvested earnings and "other" investment income receivable. Income debits rose \$694 million, or 6 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 \$422 million to \$759 million. Unrequited transfers credits rose \$385 million, or 25 per cent, due mainly to an increase in migrants' transfers. Unrequited transfers debits fell \$37 million, or 3 per cent.

Official sector capital transactions for the six months ended December 1995 yielded a net inflow of \$1,493 million, compared with a net inflow of \$13,160 million for the corresponding period of the previous financial year. The estimate for the latest period consisted of:

- a net inflow of \$2,453 million in general government transactions, down \$9,218 million on the net inflow for the six months to December 1994; and
- a net outflow of \$960 million in Reserve Bank transactions, a turnaround of \$2,449 million on the net inflow for the six months to December 1994.

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

- a decrease of \$5,072 million in borrowing domiciled in Australia, to a net inflow of \$2,451 million; and
- a decrease of \$3,302 million in total borrowing domiciled abroad, to a net inflow of \$194 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

Revisions since the last issue of this publication have decreased the current account deficits for 1994-95 and for the first five months of this financial year by \$6 million and \$35 million respectively.

The main factor contributing to these revisions is the incorporation of the latest available data on merchandise imports and exports. This was the sole contributor to the revisions to the current account deficit in 1994-95 and has affected merchandise imports and exports figures for the current year to date.

Revisions to the capital account are due to the incorporation of the latest Commonwealth overseas loan data.

SEASONAL REANALYSIS

The seasonally adjusted monthly estimates of the current account will be revised in the next issue of this publication when the results of the annual seasonal reanalysis are incorporated. The reanalysis will take account of additional in-

formation that has become available since the previous reanalysis, undertaken at the beginning of 1995. The seasonal factors for 1996, which are expected to be available in late February, can be obtained, for \$75.00, by contacting Karen McGuigan on Canberra (06) 252 6239.

Release date for January 1996 issue

**The expected release date for the January issue of this publication is 29 February 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.**

RELIABILITY OF CONTEMPORARY TREND ESTIMATES

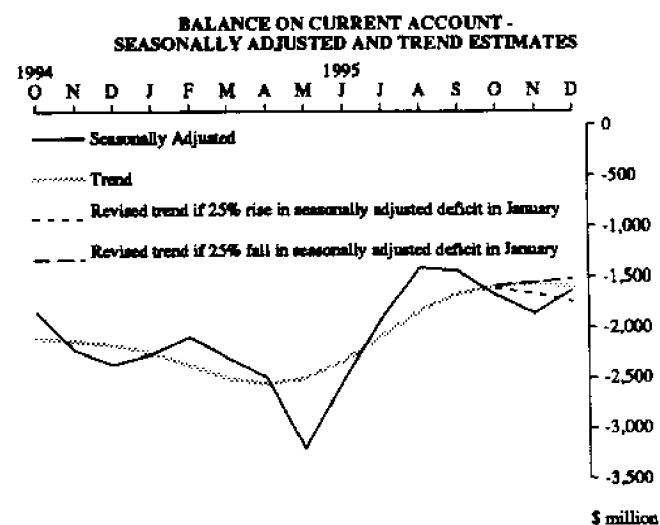
The table below presents trend estimates of the deficit on current account from October 1994 onwards, including provisional trend estimates for the latest three months (October, November and December 1995).

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 (January 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 January by 25 per cent, to \$2,035 million, the provisional trend movement for that month would be 5.8 per cent. The movements in the trend estimates for October, November and December which are provisionally -4.6 per cent, -1.8 per cent and 2.6 per cent respectively, would be revised to -2.1 per cent, 3.0 per cent and 4.7 per cent, respectively. On the other hand, a 25 per cent decline in the seasonally adjusted deficit next month, to \$1,221 million, would produce a movement of -0.9 per cent in the trend estimate

for January, with the movements in the trend estimates for October, November and December being revised to -5.1 per cent, -2.3 per cent and -1.8 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 January 1996 seasonally adjusted current account deficit is up 25% on December 1995 (a)				is down 25% on December 1995 (a)			
	\$m	% change on previous month	\$m	% change on previous month	\$m	% change on previous month	\$m	% change on previous month		
1994-95 —										
October	2078	2.4	2078	2.4	2078	2.4	2085	2.4	-10.2	
November	2115	1.8	2115	1.8	2115	1.8	2115	1.8	-11.7	
December	2154	1.8	2154	1.8	2154	1.8	2154	1.8	-9.5	
January	2231	3.6	2231	3.6	2231	3.6	2231	3.6	-5.1	
February	2360	5.8	2360	5.8	2360	5.8	2360	5.8	-5.1	
March	2490	5.5	2490	5.5	2490	5.5	2490	5.5	-2.3	
April	2550	2.4	2550	2.4	2550	2.4	2550	2.4	-1.8	
May	2493	-2.2	2493	-2.2	2493	-2.2	2493	-2.2	-0.9	
June	2323	-6.8	2323	-6.8	2323	-6.8	2323	-6.8	-0.9	
1995-96 —										
July	2078	-10.5	2069	-10.9	2085	-10.9	2085	-10.2	-11.7	
August	1833	-11.8	1815	-12.3	1842	-12.3	1842	-11.7	-9.5	
September	1664	-9.2	1633	-8.9	1667	-8.9	1667	-9.5	-5.1	
October	1587 p	-4.6	1618	-2.1	1582	-2.1	1582	-2.3	-1.8	
November	1558 p	-1.8	1666	3.0	1546	3.0	1546	-2.3	-1.8	
December	1599 p	2.6	1745	4.7	1518	4.7	1518	-1.8	-0.9	
January			1847	5.8	1504	5.8	1504	-0.9	-0.9	

(a) Assumes no revisions to the seasonally adjusted estimates of the current account balance for the 15 months October 1994 to December 1995.

TABLE I. BALANCE OF PAYMENTS
(\$ millions)

	Years			1994-95			Months			1995-96			July to Dec.							
	1992-93	1993-94	1994-95	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1994-95	1995-96
Current transactions —																				
<i>Goods and services (a) —</i>																				
Exports fob	60,022	63,822	66,434	5,735	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	32,868	
Imports fob	-59,431	-64,411	-74,716	-6,268	-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	-37,613	
<i>Balance on merchandise trade</i>	591	-589	-8,282	-533	-969	-432	-922	-501	-672	-97	-877	-518	-951	-886	114	-455	-905	815	-4,745	
<i>Services —</i>																				
Creditus	16,422	18,688	20,341	1,680	1,664	1,748	1,895	2,033	1,727	1,686	1,580	1,606	1,953	1,735	1,618	1,840	1,878	1,953	9,814	
Debitus	-18,430	-19,508	-21,302	-1,735	-1,695	-1,692	-1,865	-1,624	-1,751	-1,817	-1,874	-1,913	-2,020	-1,894	-2,013	-1,972	-1,851	-1,929	-10,458	
<i>Net services</i>	-2,008	-820	-967	-55	-37	56	30	409	-24	-131	-294	-307	-67	-159	-395	-132	27	24	-644	
<i>Balance on goods and services</i>	-1,417	-1,409	-9,243	-588	-1,000	-376	-862	-92	-696	-228	-1,121	-825	-1,018	-1,045	-281	-587	-878	839	-5,389	
<i>Income —</i>																				
Creditus	5,925	6,016	7,305	601	555	580	621	634	662	641	541	704	604	605	626	689	695	684	3,501	
Debitus	-19,863	-21,692	-25,653	-2,129	-2,075	-1,917	-2,191	-2,032	-2,127	-2,365	-2,445	-2,282	-2,100	-2,017	-2,132	-2,363	-2,207	-2,087	-12,211	
<i>Net income</i>	-13,938	-15,676	-18,348	-1,529	-1,521	-1,337	-1,570	-1,398	-1,466	-1,724	-1,904	-1,577	-1,496	-1,412	-1,505	-1,674	-1,512	-1,402	-8,710	
<i>Unrequited transfers —</i>																				
Creditus	3,119	2,820	3,209	258	235	288	315	315	237	295	247	272	364	327	282	309	304	327	1,528	
Debitus	-2,434	-2,624	-2,722	-180	-170	-224	-222	-241	-218	-193	-285	-372	-230	-168	-178	-155	-202	-221	-1,191	
<i>Net unrequited transfers</i>	685	196	487	78	65	64	93	74	19	102	-38	-100	134	159	104	154	102	106	337	
<i>Balance on current account</i>	-14,670	-16,889	-27,104	-2,039	-2,456	-1,649	-2,389	-1,416	-1,413	-1,850	-3,063	-2,502	-2,380	-2,298	-1,682	-2,107	-2,288	-457	-13,762	
<i>Net capital transactions —</i>																				
<i>Official —</i>																				
<i>General government</i>	11,384	7,869	13,626	2,774	4,215	2,032	-491	505	-300	-715	774	2,182	3,498	-2,033	-146	2,024	133	-1,022	11,671	
<i>Reserve Bank —</i>	3,950	-1,054	1,971	904	-32	73	13	-93	-441	-138	200	956	-940	1,024	226	-49	-1,151	-98	1,474	
<i>Reserve assets</i>	39	-49	23	-44	22	13	-13	19	-4	38	-32	—	3	56	-32	-13	9	5	15	
<i>Other</i>	3,989	-1,103	1,904	860	-10	86	—	-24	-445	-100	168	956	-937	1,080	194	-62	-1,162	-93	1,489	
<i>Total official</i>	15,373	6,766	15,620	3,634	4,205	2,118	-491	431	-745	-815	942	3,138	2,561	-953	48	1,962	-1,009	-1,115	13,160	
<i>Non-official plus balancing item</i>	-705	10,127	11,485	-1,596	-1,750	-469	2,860	985	2,887	2,665	2,121	-635	-181	3,251	1,634	145	3,297	1,573	602	
<i>Balance on capital account plus balancing item</i>	14,670	16,889	27,104	2,039	2,456	1,649	2,369	1,416	2,143	1,850	3,063	2,502	2,380	2,298	1,682	2,107	2,288	457	13,762	
(a) Balance of payments deficit.																				

TABLE 2. BALANCE OF PAYMENTS — CURRENT ACCOUNT — SEASONALLY ADJUSTED AND TREND ESTIMATES (a)
 (\$ million)

	1994-95												1995-96													
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Oct.	Nov.	Dec.	Oct.	Nov.	Dec.	Oct.	Nov.	Dec.		
Seasonally Adjusted (b)																										
<i>Goods and services —</i>																										
<i>Merchandise —</i>																										
Exports fob —																										
Rural	1,674	1,717	1,531	1,464	1,509	1,603	1,477	1,510	1,581	1,710	1,681	1,757	1,584	1,584	1,943											
Non-rural	3,846	3,720	3,729	3,958	4,133	4,306	4,362	4,257	4,203	4,557	4,504	4,309	4,393	4,218	4,414											
Total	5,520	5,437	5,260	5,422	5,642	5,909	5,039	5,767	5,784	6,267	6,185	6,066	5,977	5,802	6,357											
Imports fob —																										
Consumption goods	-1,576	-1,616	-1,631	-1,601	-1,511	-1,708	-1,699	-1,735	-1,651	-1,812	-1,714	-1,626	-1,564	-1,662	-1,734											
Capital goods	-1,356	-1,574	-1,738	-1,441	-1,629	-1,746	-1,568	-1,689	-1,788	-1,525	-1,446	-1,370	-1,445	-1,551	-1,610											
Intermediate and other goods	-2,960	-2,959	-2,937	-3,061	-3,027	-3,191	-3,255	-3,398	-3,279	-3,470	-3,134	-3,066	-3,089	-3,246	-3,246											
Total	-5,872	-6,149	-6,306	-6,103	-6,167	-6,645	-6,522	-6,822	-6,718	-6,807	-6,294	-6,062	-6,075	-6,302	-6,590											
Balance on merchandise trade	-352	-712	-1,046	-681	-525	-736	-683	-1,055	-934	-540	-109	4	-98	-500	-233											
Services —																										
Credits	1,658	1,625	1,671	1,664	1,731	1,769	1,713	1,766	1,726	1,798	1,952	1,877	1,857	1,841	1,849											
Debits	-1,689	-1,720	-1,684	-1,809	-1,861	-1,844	-1,885	-1,939	-1,854	-1,867	-1,874	-1,904	-1,906	-1,866	-1,923											
Net services	-31	-95	-13	-145	-130	-131	-116	-213	-213	-56	85	3	-47	-106	-25	-74										
Balance on goods and services	-383	-807	-1,059	-826	-655	-867	-799	-1,268	-990	-455	-106	-43	-264	-525	-307											
Income —																										
Credits	597	560	580	647	674	698	623	525	683	598	609	621	684	700	684											
Debits	-2,078	-2,031	-1,929	-2,184	-2,148	-2,132	-2,377	-2,442	-2,252	-2,155	-2,032	-2,109	-2,277	-2,143	-2,102											
Net income	-1,481	-1,471	-1,349	-1,537	-1,474	-1,434	-1,754	-1,917	-1,569	-1,557	-1,423	-1,488	-1,593	-1,443	-1,418											
Unrequited transfers —																										
Credits	248	241	279	296	307	238	295	266	285	359	324	300	294	313	323											
Debits	-208	-171	-222	-182	-257	-228	-223	-269	-247	-253	-206	-209	-180	-203	-226											
Net unrequited transfers	40	70	57	114	50	10	72	3	38	106	118	91	114	110	97											
Balance on current account	-1,824	-2,208	-2,351	-2,249	-2,079	-2,291	-2,481	-3,188	-2,521	-1,906	-1,411	-1,440	-1,683	-1,858	-1,628											
Trend Estimates																										
<i>Merchandise —</i>																										
Exports fob	5,348	5,381	5,445	5,522	5,608	5,706	5,811	5,914	5,987	6,027	6,052	6,067	6,072p	6,081p	6,089p											
Imports fob	-5,992	-6,062	-6,141	-6,237	-6,363	-6,503	-6,625	-6,688	-6,659	-6,549	-6,411	-6,308	-6,256p	-6,245p	-6,272p											
Balance on merchandise trade	-644	-681	-696	-715	-755	-797	-814	-774	-673	-522	-359	-241	-184p	-164p	-182p											
<i>Balance on goods and services</i>	-677	-736	-778	-823	-886	-937	-941	-872	-736	-557	-383	-268	-222p	-215p	-233p											
<i>Balance on current account</i>	-2,078	-2,115	-2,154	-2,231	-2,360	-2,490	-2,550	-2,493	-2,323	-2,078	-1,833	-1,664	-1,587p	-1,558p	-1,599p											

(a) Balance of payments basis. (b) For forward seasonal factors see paragraph 6 of the Explanatory Notes.

TABLE 3. BALANCE OF PAYMENTS—CURRENT ACCOUNT—MERCHANTISE EXPORTS (BALANCE OF PAYMENTS BASIS)

	Years												Months											
	1992-93	1993-94	1994-95	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1994-95	1995-96				
<i>Rural exports fob (a)—</i>																								
Meat & meat preparations	3,750	4,043	3,654	370	358	288	230	265	321	302	299	296	327	265	293	305	306	314	1,941	1,810				
Cereal grains & cereal preparations	2,954	3,205	2,523	222	209	185	152	190	225	143	212	177	173	180	199	223	282	537	1,424	1,594				
Sugar, sugar preparations & honey	1,072	1,315	1,730	212	204	119	92	81	103	129	100	66	235	240	249	244	187	151	1,159	1,206				
Wool & sheepskins	3,367	4,216	4,05	447	423	339	371	468	315	317	284	315	222	285	327	311	370	2,062	1,320					
Other rural	5,937	6,513	6,916	582	579	590	471	498	586	583	712	692	682	651	622	600	576	658	3,374	3,789				
<i>Total rural</i>	17,080	18,445	19,039	1,791	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	9,960	10,329				
<i>Non-rural exports fob (a)—</i>																								
Metal ores & minerals	7,943	7,671	7,966	662	650	665	603	587	766	652	835	750	785	768	664	726	736	818	3,773	4,497				
Coal, coke & briquettes	7,620	7,253	6,936	613	560	529	556	512	609	596	645	589	666	688	619	679	632	631	3,429	3,915				
Other mineral fuels	3,913	3,351	3,794	290	312	295	386	267	372	296	343	319	391	307	351	306	289	406	1,811	2,050				
Gold	4,580	5,521	4,907	445	397	335	448	440	468	538	430	327	440	382	574	584	437	391	2,256	2,808				
Other metals	5,210	5,296	6,097	454	482	497	546	528	562	520	621	524	565	686	608	597	515	585	2,796	3,556				
Machinery	4,344	5,293	6,035	487	521	558	307	490	591	486	547	614	631	554	614	574	637	693	3,000	3,703				
Transport equipment	2,022	2,087	2,046	142	164	175	169	146	201	184	207	206	205	212	160	256	947	1,246						
Other manufactures	6,026	6,966	7,904	695	677	662	475	586	717	651	740	699	775	699	724	755	4,036	4,412						
Other non-rural	1,284	1,839	1,710	156	154	172	92	148	150	146	161	153	128	154	175	171	141	197	860	946				
<i>Total non-rural</i>	42,942	45,377	47,395	3,944	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	22,908	27,153				
<i>Total exports fob</i>	60,022	63,822	66,434	5,735	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	32,868	37,482				

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

TABLE 4. BALANCE OF PAYMENTS — CURRENT ACCOUNT — MERCHANTISE IMPORTS (BALANCE OF PAYMENTS BASIS)

	Years												Months												July to Dec.			
	1993-94				1994-95				1994-95				1994-95				1995-96				1995-96				1995-96			
	1992-93	1993-94	1994-95	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1994-95	1995-96	1995-96	1995-96	1995-96	1995-96	1995-96	1995-96	1995-96	
<i>Consumption goods fob (a) —</i>																												
Food and beverages, mainly for consumption	-2,261	-2,430	-2,592	-2,377	-2,60	-2,335	-2,277	-1,99	-2,36	-1,68	-2,30	-1,81	-2,45	-2,33	-2,31	-2,55	-2,63	-243	-1,351	-1,470								
Household electrical items	-1,382	-1,436	-1,744	-1,84	-1,81	-1,56	-1,21	-1,19	-1,47	-1,32	-1,45	-1,29	-1,57	-1,67	-1,38	-1,79	-1,77	-139	-951	-957								
Non-industrial transport equipment	-3,478	-3,800	-4,758	-3,92	-407	-409	-337	-313	-462	-391	-446	-413	-469	-426	-346	-423	-404	-376	-2,396	-2,444								
Textiles, clothing and footwear	-2,178	-2,320	-2,566	-208	-225	-192	-246	-249	-235	-179	-189	-157	-266	-274	-220	-213	-229	-190	-1,311	-1,392								
Toys, books and leisure goods	-2,238	-2,496	-2,546	-277	-249	-183	-181	-156	-199	-170	-205	-193	-246	-252	-220	-260	-256	-184	-1,442	-1,450								
Consumption goods net	-4,389	-4,751	-5,213	-486	-521	-385	-390	-360	-445	-381	-481	-375	-518	-524	-486	-529	-540	-451	-2,781	-3,048								
<i>Total consumption goods</i>	-15,926	-17,233	-19,419	-1,784	-1,843	-1,560	-1,502	-1,396	-1,421	-1,696	-1,448	-1,901	-1,876	-1,673	-1,859	-1,869	-1,583	-10,232	-10,761									
<i>Capital goods fob (a) —</i>																												
Machinery and industrial equipment	-5,446	-6,414	-7,897	-646	-675	-620	-637	-618	-745	-616	-705	-733	-718	-691	-616	-723	-727	-688	-3,843	-4,163								
ADP equipment	-2,319	-2,629	-3,232	-255	-251	-217	-189	-195	-325	-243	-393	-392	-338	-325	-253	-273	-282	-272	-1,495	-1,743								
Telecommunications equipment	-1,224	-1,182	-1,804	-148	-310	-127	-119	-119	-153	-117	-150	-173	-164	-163	-207	-178	-200	-170	-973	-1,062								
Civil aircraft	-828	-241	-529	-25	-9	-33	-6	-57	-18	-43	-16	-48	-28	-81	-11	-31	-104	-29	-341	-284								
Industrial transport equipment net	-1,838	-2,084	-2,714	-227	-239	-518	-190	-190	-189	-234	-179	-222	-198	-148	-197	-180	-165	-1,575	-1,110									
Capital goods net	-2,000	-2,293	-2,365	-201	-221	-180	-173	-170	-205	-189	-215	-193	-234	-213	-183	-213	-173	-1,220	-1,229									
<i>Total capital goods fob</i>	-13,655	-14,843	-18,541	-1,502	-1,705	-1,695	-1,274	-1,356	-1,636	-1,397	-1,713	-1,718	-1,704	-1,671	-1,418	-1,615	-1,706	-1,497	-9,447	-9,611								
<i>Intermediate and other goods (a) —</i>																												
Food and beverages, mainly for industry	-436	-509	-774	-59	-58	-57	-110	-90	-59	-53	-68	-61	-65	-65	-65	-65	-65	-55	-77	-43	-333	-370						
Primary industrial supplies net	-677	-701	-66	-96	-55	-80	-79	-63	-62	-83	-73	-71	-66	-66	-63	-76	-76	-449	-445									
Fuels and lubricants	-3,623	-3,317	-3,566	-250	-208	-235	-280	-314	-329	-409	-385	-424	-351	-448	-446	-338	-406	-340	-344	-2,415	-2,322							
Parts for transport equipment	-3,675	-4,183	-4,714	-418	-437	-340	-401	-340	-329	-409	-409	-424	-424	-424	-386	-386	-290	-264	-353	-312	-1,667	-1,887						
Parts for ADP equipment	-1,423	-1,681	-1,858	-152	-165	-136	-133	-138	-172	-142	-189	-172	-159	-158	-155	-161	-161	-138	-912	-932								
Other parts for capital goods	-4,236	-5,047	-5,975	-486	-514	-442	-462	-456	-561	-84	-583	-583	-583	-583	-583	-583	-583	-563	-551	-471	-2,909	-3,297						
Organic and inorganic chemicals	-2,056	-2,431	-191	-216	-177	-203	-201	-245	-203	-245	-245	-245	-245	-245	-245	-245	-245	-245	-193	-1,117	-1,347							
Paper and paperboard	-1,381	-1,465	-1,794	-151	-160	-142	-153	-164	-137	-179	-145	-189	-189	-189	-189	-189	-189	-189	-189	-189	-1,069							
Textile yarn and fabrics	-1,763	-1,869	-2,036	-174	-191	-139	-170	-142	-176	-197	-194	-165	-189	-187	-187	-187	-187	-187	-187	-187	-1,006							
Iron and steel	-946	-1,039	-1,285	-96	-113	-85	-97	-112	-124	-96	-137	-122	-117	-117	-117	-117	-117	-125	-125	-125	-597	-772						
Plastics	-1,272	-1,375	-1,646	-131	-149	-127	-140	-134	-155	-133	-160	-129	-170	-155	-146	-146	-146	-149	-149	-129	-795	-907						
Non-monetary gold	-1,019	-978	-8,680	-740	-753	-650	-700	-652	-856	-684	-818	-687	-824	-762	-728	-749	-752	-662	-4,283	-4,477								
Processed industrial supplies net	-7,135	-7,783	-8,680	-27	-17	-11	-16	-22	-54	-17	-57	-44	-50	-38	-25	-28	-14	-30	-181	-185								
Other goods	-208	-286	-391	-27	-17	-11	-16	-22	-54	-17	-57	-44	-50	-38	-25	-28	-14	-30	-181	-185								
<i>Total intermediate and other goods</i>	-29,850	-32,335	-36,756	-2,982	-3,135	-2,670	-2,858	-3,451	-2,880	-3,565	-3,056	-3,585	-3,407	-3,028	-3,228	-3,263	-2,867	-17,934	-19,378									
Total imports fob	-59,431	-64,411	-74,716	-6,268	-6,683	-5,925	-5,789	-5,611	-6,811	-5,630	-6,974	-6,222	-7,190	-6,5954	-6,119	-6,702	-6,838	-5,947	-37,613	-39,750								

(a) Definitions of the component series are given in the ABS Information Paper, *Changes to Commodity Classification in Balance of Payments Publications* (ABS Catalogue No. 5344.0).

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

	Years		1994-95						1995-96													
	1992-93		1993-94		1994-95		Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Augs.	Sept.	Oct.	Nov.	Dec.	
<i>Services —</i>																						
<i>Credits —</i>																						
Shipment	1,241	1,487	1,533	113	114	114	134	134	135	140	140	140	143	143	136	136	136	136	710	837		
Other transportation	4,614	4,604	4,473	370	373	384	390	372	385	370	357	345	392	405	374	402	402	402	2,254	2,377		
Travel	6,411	7,502	8,730	711	706	775	921	1,069	737	733	612	627	927	679	593	796	820	898	4,031	4,713		
Other services	4,156	5,995	5,605	486	471	475	450	458	470	443	471	494	491	508	506	520	517	2,819	3,050			
<i>Total services credits</i>	<i>16,422</i>	<i>18,588</i>	<i>20,341</i>	<i>1,6680</i>	<i>1,6680</i>	<i>1,748</i>	<i>1,895</i>	<i>2,033</i>	<i>1,727</i>	<i>1,886</i>	<i>1,580</i>	<i>1,606</i>	<i>1,953</i>	<i>1,735</i>	<i>1,618</i>	<i>1,840</i>	<i>1,878</i>	<i>1,953</i>	<i>9,814</i>	<i>10,977</i>		
<i>Debits —</i>																						
Shipment	-3,772	-3,854	-4,384	-371	-455	-320	-349	-343	-395	-333	-391	-338	-403	-398	-359	-393	-415	-344	-2,235	-3,312		
Other transportation	-4,637	-4,906	-5,333	-429	-403	-435	-451	-405	-429	-454	-478	-494	-511	-496	-524	-513	-488	-517	-2,622	-3,049		
Travel	-4,985	-5,157	-5,774	-454	-363	-427	-567	-396	-431	-538	-496	-538	-592	-504	-620	-529	-422	-504	-2,788	-3,171		
Other services	-5,036	-5,591	-5,811	-481	-474	-510	-498	-480	-496	-492	-509	-523	-514	-496	-510	-537	-526	-564	-2,813	-3,147		
<i>Total services debits</i>	<i>-18,430</i>	<i>-19,508</i>	<i>-21,302</i>	<i>-1,735</i>	<i>-1,695</i>	<i>-1,662</i>	<i>-1,865</i>	<i>-1,624</i>	<i>-1,751</i>	<i>-1,817</i>	<i>-1,874</i>	<i>-1,913</i>	<i>-2,020</i>	<i>-1,894</i>	<i>-2,013</i>	<i>-1,972</i>	<i>-1,851</i>	<i>-1,929</i>	<i>-10,458</i>	<i>-11,679</i>		
<i>Net services</i>	<i>-2,008</i>	<i>-820</i>	<i>-961</i>	<i>-55</i>	<i>-31</i>	<i>56</i>	<i>30</i>	<i>409</i>	<i>-24</i>	<i>-131</i>	<i>-294</i>	<i>-307</i>	<i>-67</i>	<i>-159</i>	<i>-395</i>	<i>-132</i>	<i>27</i>	<i>24</i>	<i>-644</i>	<i>-702</i>		
<i>Income —</i>																						
<i>Credits —</i>																						
Property income —																						
Investment income —																						
Reinvented earnings	2,045	2,661	3,500	292	292	292	292	292	292	292	292	292	292	334	334	334	334	334	334	334	2,004	
Other	3,040	2,464	2,673	210	173	193	231	257	282	261	164	324	163	171	183	251	268	251	1,154	1,287		
Other property income	343	380	581	50	49	49	47	47	47	42	42	41	52	52	50	49	49	315	304			
Labour and other income	497	511	551	49	41	46	51	39	41	46	44	48	55	48	57	54	44	50	282	308		
<i>Total income credits</i>	<i>5,925</i>	<i>6,016</i>	<i>7,305</i>	<i>601</i>	<i>555</i>	<i>580</i>	<i>621</i>	<i>634</i>	<i>662</i>	<i>641</i>	<i>541</i>	<i>704</i>	<i>604</i>	<i>605</i>	<i>626</i>	<i>689</i>	<i>695</i>	<i>684</i>	<i>3,507</i>	<i>3,903</i>		
<i>Debits —</i>																						
Property income —																						
Investment income —																						
Official	-3,580	-4,109	-3,977	-383	-328	-168	-491	-336	-430	-286	-368	-203	-417	-329	-450	-505	-354	-231	-1,864	-2,285		
Non-official																						
Reinvented earnings	-2,384	-4,243	-5,800	-483	-483	-483	-483	-483	-483	-483	-483	-483	-483	-434	-434	-434	-434	-434	-434	-434	-2,604	
Other	-12,024	-11,325	-13,843	-1,097	-1,097	-1,097	-1,097	-1,097	-1,093	-1,043	-1,043	-1,043	-1,043	-1,427	-1,427	-1,065	-1,065	-1,065	-1,065	-1,065	-6,932	
Other	-1,564	-1,732	-1,642	-139	-138	-137	-137	-137	-136	-136	-136	-136	-136	-133	-133	-149	-149	-149	-140	-140	-6,131	
Other property income	-311	-283	-391	-27	-29	-32	-32	-32	-33	-33	-34	-34	-34	-35	-35	-40	-34	-30	-33	-36	-34	
Labour and other income	-19,863	-21,692	-25,633	-2,129	-2,075	-1,917	-2,191	-2,032	-2,127	-2,365	-2,445	-2,292	-2,100	-2,017	-2,132	-2,363	-2,207	-2,087	-12,211	-12,211	-12,211	
<i>Total income debits</i>	<i>-13,938</i>	<i>-15,676</i>	<i>-18,348</i>	<i>-1,529</i>	<i>-1,521</i>	<i>-1,337</i>	<i>-1,570</i>	<i>-1,398</i>	<i>-1,466</i>	<i>-1,724</i>	<i>-1,904</i>	<i>-1,577</i>	<i>-1,036</i>	<i>-1,412</i>	<i>-1,505</i>	<i>-1,674</i>	<i>-1,512</i>	<i>-1,402</i>	<i>-8,710</i>	<i>-9,002</i>		
<i>Net income</i>	<i>-2,008</i>	<i>-820</i>	<i>-961</i>	<i>-55</i>	<i>-31</i>	<i>56</i>	<i>30</i>	<i>409</i>	<i>-24</i>	<i>-131</i>	<i>-294</i>	<i>-307</i>	<i>-67</i>	<i>-159</i>	<i>-395</i>	<i>-132</i>	<i>27</i>	<i>24</i>	<i>-644</i>	<i>-702</i>		
<i>Unrequited transfers —</i>																						
<i>Credits —</i>																						
Official	3,119	2,820	3,209	258	235	288	315	315	237	295	247	272	364	327	282	369	364	327	1,528	1,913		
Non-official	-1,432	-1,583	-1,591	-99	-77	-109	-109	-147	-123	-100	-196	-280	-130	-71	-89	-69	-104	-100	-636	-563		
Total	-1,092	-1,041	-1,131	-81	-93	-115	-94	-95	-93	-89	-92	-100	-97	-89	-86	-98	-121	-555	-591			
<i>Net unrequited transfers</i>	<i>685</i>	<i>196</i>	<i>487</i>	<i>78</i>	<i>65</i>	<i>64</i>	<i>93</i>	<i>74</i>	<i>19</i>	<i>102</i>	<i>-38</i>	<i>-100</i>	<i>134</i>	<i>159</i>	<i>104</i>	<i>154</i>	<i>102</i>	<i>106</i>	<i>337</i>	<i>759</i>		

TABLE 6. BALANCE OF PAYMENTS - CAPITAL ACCOUNT AND BALANCING ITEM

	Years	1994-95												1995-96												
		1992-93	1993-94	1994-95	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1994-95	1995-96					
		Months												July to Dec.												
Official —																										
General government —																										
Borrowing —																										
Domiciled abroad —																										
Commonwealth Government —																										
Drawings	1,239	40	-1,129	-1,573	-1,243	-11	-92	-30	-17	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-250	-24	-136	-1,350	-1,350	-609	
Rewpayments	-830	-	-1,069	-1,573	-1,243	-11	-92	-30	-17	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-250	-24	-136	-1,350	-1,350	-609	
Total	409	-	10,135	4,848	8,992	2,057	1,148	2,712	-440	1,546	-1,034	317	2,129	1,427	3,352	6	-599	1,098	-1,347	-1,706	4,846	803				
State government	10,135	4,848	8,992	2,057	1,148	2,712	-440	1,546	-1,034	317	2,129	1,427	3,352	6	-599	1,098	-1,347	-1,706	4,846	803						
Total domiciled abroad	10,544	3,759	7,419	814	1,137	2,620	-470	1,529	-1,035	516	1,956	1,426	3,155	5	-601	848	-1,371	-1,842	3,496	194						
Domiciled in Australia	831	4,580	5,590	1,950	3,084	-595	-33	-1,019	787	-1,227	-1,179	739	377	-2,019	471	1,151	1,503	968	7,523	2,451						
Total borrowing	11,375	8,339	13,009	2,763	4,221	2,025	-503	510	-248	-711	777	2,165	3,532	-2,014	-130	1,999	133	-874	11,020	2,645						
Other	9	-470	617	11	-6	7	12	-5	-52	-4	-3	17	-34	-19	-16	25	—	-148	651	-192						
<i>Total general government</i>	<i>11,384</i>	<i>7,869</i>	<i>13,626</i>	<i>2,774</i>	<i>4,215</i>	<i>2,032</i>	<i>-491</i>	<i>505</i>	<i>-300</i>	<i>-715</i>	<i>774</i>	<i>2,182</i>	<i>3,498</i>	<i>-2,033</i>	<i>-146</i>	<i>2,024</i>	<i>133</i>	<i>-1,022</i>	<i>11,671</i>	<i>2,453</i>						
Reserve Bank —																										
Reserve assets —																										
Official reserve assets	3,940	-1,054	1,971	904	-32	73	13	-93	-441	-138	200	956	-940	1,024	226	-49	-1,151	-98	1,474	-988						
Allocation of SDRs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Other	39	-49	23	-44	22	13	-13	19	-4	38	-32	—	3	56	-32	-13	9	5	15	15	15	15	28	28		
<i>Total Reserve Bank</i>	<i>3,989</i>	<i>-1,103</i>	<i>1,994</i>	<i>860</i>	<i>-10</i>	<i>86</i>	<i>—</i>	<i>-74</i>	<i>-445</i>	<i>-100</i>	<i>168</i>	<i>956</i>	<i>-937</i>	<i>1,080</i>	<i>194</i>	<i>-62</i>	<i>-1,142</i>	<i>-93</i>	<i>1,489</i>	<i>-960</i>						
<i>Total official</i>	<i>15,373</i>	<i>6,766</i>	<i>15,620</i>	<i>3,634</i>	<i>4,205</i>	<i>2,118</i>	<i>-591</i>	<i>431</i>	<i>-745</i>	<i>-815</i>	<i>942</i>	<i>3,138</i>	<i>2,561</i>	<i>-953</i>	<i>48</i>	<i>1,962</i>	<i>-1,009</i>	<i>-1,115</i>	<i>13,160</i>	<i>1,493</i>						
Non-official plus balancing item —																										
Public sector —																										
Non equity securities ^a domiciled in Australia (a)	-291	-1,060	-441	-55	-84	-73	16	-157	-50	10	71	-66	73	-32	-93	-14	5	-17	-265	-78						
Accounts receivable/prepayments made	88	-1,215	1,184	-18	134	57	70	2	29	-33	-119	-61	67	47	92	-4	-55	-20	1,295	127						
<i>Other (including balancing item) (b)</i>	-502	12,402	10,743	-1,523	-1,800	-452	2,774	1,140	2,908	2,688	2,169	-509	-321	3,236	1,635	164	3,247	1,609	-428	9,670						
<i>Total non-official plus balancing item</i>	<i>-705</i>	<i>10,127</i>	<i>11,485</i>	<i>-1,596</i>	<i>-1,750</i>	<i>-469</i>	<i>2,860</i>	<i>985</i>	<i>2,887</i>	<i>2,665</i>	<i>2,121</i>	<i>-635</i>	<i>-181</i>	<i>3,251</i>	<i>1,634</i>	<i>145</i>	<i>3,297</i>	<i>1,573</i>	<i>602</i>	<i>9,719</i>						
<i>Balance on capital account plus balancing item</i>	<i>14,670</i>	<i>16,889</i>	<i>27,104</i>	<i>2,039</i>	<i>2,456</i>	<i>1,649</i>	<i>2,369</i>	<i>1,416</i>	<i>2,143</i>	<i>1,850</i>	<i>3,063</i>	<i>2,502</i>	<i>2,380</i>	<i>2,298</i>	<i>1,682</i>	<i>2,107</i>	<i>2,288</i>	<i>457</i>	<i>13,762</i>	<i>11,213</i>						

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

TABLE 7. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

(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 December 1995, together with revised estimates for previous months. More comprehensive quarterly estimates are available in the September quarter 1995 issue of the quarterly balance of payments publication (5302.0) released on 28 November 1995.

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.

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: 9 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 seasonally adjusted monthly estimates of the current account will be revised in the next issue of this publication as a result of a seasonal reanalysis. The factors used in seasonally adjusting the monthly balance of payments statistics 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 December 1995 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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