

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA, AUSTRALIA

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BALANCE OF PAYMENTS : QUARTERLY SUMMARY

JUNE QUARTER, 1967

This statement contains estimates of Australia's balance of payments for June quarter 1967 in comparison with revised estimates for previous quarters. Quarterly estimates are preliminary, subject to revision and are available in summary form only. More detailed annual information and explanatory notes on the composition of the estimates will be published in due course in "Balance of Payments, 1966-67".

June Quarter, 1967. Preliminary estimates for June quarter 1967 show a deficit on current account of \$169 million compared with the deficit of \$134 million for June quarter 1966. Both exports and imports increased substantially to \$797 million and \$753 million, respectively, compared with \$696 million and \$638 million in the previous June quarter. In addition to this small decline of \$14 million in the trade surplus during June quarter 1967, the net deficit in respect of invisible transactions grew by \$21 million to \$213 million. Invisible credits increased by \$14 million to \$203 million, due mainly to increases in transportation (up \$7 million), miscellaneous (up \$5 million) and transfers (up \$4 million). At the same time there was a larger increase of \$35 million to \$416 million in invisible debits, notably in respect of transportation (up \$11 million), property income payable (up \$15 million) and government (up \$4 million).

Capital account transactions during June quarter 1967 are provisionally estimated to have resulted in a net apparent capital inflow of \$200 million, \$63 million less than the net inflow in June quarter 1966. Government loan operations overseas resulted in a net inflow of \$47 million during the quarter just ended, due largely to drawings made under defence loans arranged in the U.S.A.; this was in contrast to the net outflow of \$11 million during June quarter 1966. Other official capital transactions during June quarter 1967 resulted in a net outflow of \$15 million, reflecting in the main an excess of payments overseas in respect of defence equipment over the value of equipment delivered during the quarter; in the corresponding quarter of 1966 the comparable net outflow was \$28 million.

While official capital movements during June quarter 1967 gave a more favourable result than during the corresponding quarter of 1966 - a net inflow of \$32 million compared with a net outflow of \$39 million - private capital transactions (including the balancing item) gave a less favourable result. The transactions of marketing authorities, mainly reflecting differences between the values of commodities exported during the quarter and payments received, resulted in a net outflow of \$31 million during June quarter 1967 (value of exports exceeding receipts) compared with a net inflow of \$17 million during June quarter 1966. Other identified capital movements and the balancing item combined resulted in a net inflow of \$199 million during June quarter 1967. This was \$86 million less than the very high net inflow of \$285 million in June quarter 1966.

There was a favourable net monetary movement of \$31 million during the quarter just ended including an increase in international reserves of \$23 million and an improvement of \$7 million in Australia's I.M.F. position. This compares with the much larger favourable net monetary movement of \$129 million during June quarter 1966.

Preliminary Estimates, 1966-67. Although the preliminary estimates for 1966-67 are, at this stage, only tentative, it is possible to make some broad comparisons between the year just ended and the previous year. On current account there was a marked improvement, the net deficit of \$655 million in 1966-67 being \$221 million less than during 1965-66. This was due almost entirely to the rise of \$311 million in the value of exports during the year which more than offset rises of \$23 million in the value of imports and \$67 million in the net deficit on invisibles.

The net apparent capital inflow during 1966-67 of \$530 million was \$407 million less than during 1965-66 when a record net inflow was recorded. Government capital transactions contributed in some measure to the lower net inflow during 1966-67 but more significant were changes in the direction of capital movements arising from transactions by marketing authorities (a net outflow of \$68 million in 1966-67 compared with a net inflow of \$38 million in 1965-66) and the net inflow attributable to other identified capital movements and the balancing item which, at \$602 million, was \$278 million less than in 1965-66.

The unfavourable net monetary movement of \$125 million during 1966-67 compared with the favourable net monetary movement of \$61 million in 1965-66.

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS,
CANBERRA, A.C.T. 28 JULY 1967.

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COMMONWEALTH STATISTICIAN

NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning 63 9111, Extension 2192, or, in each State Capital, by telephoning the office of the Bureau of Census and Statistics.

BALANCE OF PAYMENTS : SEPTEMBER QUARTER 1964 TO JUNE QUARTER 1967

(\$ million)

	1964-65					1965-66					1966-67p				
	Sept. Qtr	Dec. Qtr	March Qtr	June Qtr	Year	Sept. Qtr	Dec. Qtr	March Qtr	June Qtr	Year	Sept. Qtr	Dec. Qtr	March Qtr	June Qtr	Year
CURRENT ACCOUNT (a)															
Exports f.o.b. (b)	600	672	640	663	2,575	636	660	637	696	2,629	693	704	746	797	2,940
Imports f.o.b. (b)	663	678	678	720	2,739	800	726	658	638	2,822	697	656	739	753	2,845
Balance of Trade	-63	-6	-38	-57	-164	-164	-66	-21	58	-193	-4	48	7	44	95
Invisible Credits -															
Gold production	7	7	6	7	27	6	6	6	7	25	6	6	6	6	24
Transportation	64	71	72	72	279	71	72	74	74	291	75	72	82	81	310
Travel	11	14	14	15	54	13	14	16	15	58	15	18	16	15	64
Property income	30	32	30	27	119	29	25	30	30	114	39	31	37	30	137
Government	14	15	15	16	60	18	17	22	20	77	19	22	20	19	80
Miscellaneous	14	14	13	14	55	15	17	13	11	56	13	12	13	16	54
Transfers	26	29	29	28	112	28	30	29	32	119	34	31	30	36	131
Invisible Debits -															
Transportation	110	120	125	129	484	126	132	123	131	512	126	129	134	142	531
Travel	25	21	27	41	114	27	23	30	42	122	29	26	33	45	133
Property income	92	118	97	105	412	110	113	96	106	425	105	132	121	121	479
Government	11	12	15	13	51	13	14	19	19	65	17	22	21	23	83
Miscellaneous	21	23	22	20	86	29	24	20	24	97	25	23	23	25	96
Transfers	38	37	49	48	172	44	51	48	59	202	49	57	62	60	228
Balance on Current Account	-194	-155	-194	-234	-777	-333	-242	-167	-134	-876	-154	-149	-183	-169	-655
CAPITAL ITEMS (a)															
Government loans overseas	6	-5	-15	-6	-20	-1	21	-34	-11	-25	-69	20	28	47	26
Other official capital movements	-14	-1	10	-14	-19	24	41	7	-28	44	2	-33	16	-15	-30
Marketing authorities	40	-30	-37	-34	-61	-7	-6	34	17	38	14	-5	-46	-31	-68
Other identified capital movements (c)	124	167	89	200	543	207	211	177	285	631	146	127	130	199	602
Balancing item (c)															
Net Apparent Capital Inflow	156	131	47	146	480	223	267	184	263	937	93	109	128	200	530
Monetary Movements (a)															
Change in net I.M.F. position	11	11	22	22	9	..	9	40	19	7	26
Change in international reserves	-36	-24	-161	-97	-318	-133	18	15	121	21	-89	-38	-73	23	-177
Other	-2	..	3	-2	-1	1	-2	2	-1	..	28	-2	-1	1	26
Net Monetary Movements	-38	-24	-147	-88	-297	-110	25	17	129	61	-61	-40	-55	31	-125

(a) For current account balances, minus sign (-) denotes deficit; for capital items other than monetary movements, minus sign (-) denotes outflow; for monetary movements, minus sign (-) denotes decrease in international reserves or net I.M.F. position or an increase in foreign holdings of Australian currency. (b) The amounts shown represent the recorded trade figures adjusted for balance of payments purposes. Adjustments affect both coverage and valuation. (c) Particulars of the Survey of Overseas Investment are not available by quarters. Private capital movements for these periods are therefore combined with the balancing item.