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## Balance of Payments, Australia, June Quarter 1986

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- . about other statistics and ABS services - contact Information Services on Canberra (062) 52 6627 or any ABS State office.
- MAIL INQUIRIES . write to Information Services, ABS, PO Box 10, Belconnen, ACT 2616 or any ABS State office.
- ON VIATEL . key \*656# for selected economic, social and demographic statistics on VIATEL

### MAIN FEATURES

#### June quarter 1986 (revised) -

The merchandise trade deficit was \$911 million, almost double that recorded in the March quarter. Both exports f.o.b. and imports f.o.b. were down, by 6 per cent and 1 per cent respectively. The deficit on current account, at \$3,540 million, was up \$749 million on the previous quarter with about 60 per cent of the overall increase being attributable to the merchandise trade deficit.

In seasonally adjusted terms exports f.o.b. and imports f.o.b. fell 13 per cent and 6 per cent respectively, resulting in a merchandise trade deficit of \$1,185 million, up \$578 million on the March quarter deficit. The seasonally adjusted current account deficit rose \$687 million to \$3,718 million.

The preliminary estimate of the net inflow on capital account excluding Australian currency borrowing and lending by trading banks was \$2,337 million, consisting of an inflow of \$1,026 million on account of official sector transactions and an inflow of \$1,311 million from identified non-official sector transactions.

The trade weighted index of the value of the Australian dollar (base May 1970 = 100) stood at 56.3, down 7.9 per cent on the end of March 1986 and 13.4 per cent on the end of June 1985. Through the June quarter 1986, the dollar fell against the \$US (4.9 per cent) the £UK (8.5 per cent), the West German Mark (10.5 per cent) and the Japanese Yen (13.4 per cent).

#### Financial year ended 30 June 1986 (revised) -

The current account deficit of \$13,713 million was up \$2,894 million or 27 per cent on the deficit recorded for the 1984-85 financial year.

The initial estimate of the current account deficit (\$14,335 million) published in the June 1986 monthly balance of payments bulletin (5301.0) on 11 July 1986 has been revised downward by \$622 million in this issue. The revisions reflect the inclusion in the statistics of data from more accurate but less timely data sources. For further details see the "Revisions" statement which follows the "Analysis of Selected Major Aggregates".

The increase in the current account deficit over 1984-85 is substantially due to the merchandise trade deficit which rose from \$888 million to \$3,362 million. The net services deficit declined by \$91

million to \$3,859 million, due mainly to a slightly higher increase in services credits than in services debits in the year. The net transfers deficit increased by \$511 million to \$6,492 million (due mainly to higher interest payments abroad).

The balance on capital account (excluding Australian currency borrowing and lending by trading banks for the June quarter 1986) was a net inflow of \$9,697 million. This reflected a net inflow on official sector transactions of \$5,156 million together with a net inflow on non-official sector transactions of \$4,541 million.

There was a very large positive balancing item (net errors and omissions) of \$4,016 million. The increase in net errors and omissions may reflect timing, coverage and valuation problems arising from the rapid movement in the exchange rate and the impact of the earlier deregulation of the financial market. For this reason extra care needs to be exercised in interpreting the more recent quarterly estimates. It is suspected that the bulk of the increase in net errors and omissions arises in the recording of capital account transactions.

#### ANALYSIS OF SELECTED MAJOR AGGREGATES

June quarter 1986 compared with March quarter 1986 -

##### Current account

. Exports f.o.b. were \$7,647 million, down \$504 million or 6 per cent on the previous quarter.

. Seasonally adjusted exports f.o.b. fell 13 per cent. Rural exports were down 11 per cent with falls in all broad commodity groups, although the fall in meat exports was negligible. The most significant decreases were sugar (down 21 per cent) and other rural exports (down 18 per cent). Non-rural exports fell by 15 per cent. Machinery and transport equipment rose slightly and was the only broad commodity group to record a rise. All other non-rural groups fell. Mineral fuels other than coal dropped by 70 per cent, accounting for over half of the

non-rural fall. Other significant falls occurred in coal (down 15 per cent) and metals and metal manufactures (down 18 per cent).

. Imports f.o.b. fell \$53 million or 1 per cent to \$8,558 million.

. Seasonally adjusted imports f.o.b. fell 6 per cent. An 11 per cent fall in imports of machinery and transport equipment was largely responsible for the overall fall. This was partly because the March quarter included imports of 3 Qantas aircraft. The value of fuel imports was also down significantly (36 per cent), despite the fact that the volume of fuel imports rose. Food, beverages and tobacco, up 14 per cent, was the only other commodity group to record a change of greater than 5 per cent.

. The 32 per cent fall in seasonally adjusted exogenous imports was primarily due to the fall in the value of fuel imported in the June quarter and the inclusion of 3 Qantas aircraft in the March quarter figure. Seasonally adjusted endogenous imports fell 2 per cent, with a 14 per cent fall in the capital goods category being partly offset by increases of 4 per cent and 1 per cent in the consumption goods and other goods categories respectively.

. The net services deficit of \$877 million was up \$122 million or 16 per cent. In seasonally adjusted terms however, the net services deficit fell \$69 million or 8 per cent, with a 5 per cent increase in services credits (due mainly to increases in travel and other services) being only partly offset by a 1 per cent increase in services debits.

. The net transfers deficit of \$1,752 million was up \$176 million or 11 per cent. In seasonally adjusted terms the increase was \$178 million, mainly reflecting an increase of \$186 million in the net income deficit.

##### Capital account

. The net capital transactions of the official sector recorded an inflow of \$1,026 million, down \$224 million on the March quarter 1986. The net inflow of

\$269 million on general government transactions, down \$1,480 million on the inflow in the previous quarter, was largely the result of a sharp fall in net borrowing. The net borrowing inflow of \$363 million included the proceeds of a Yen 45 billion (\$A402 million) borrowing. The net transactions of the Reserve Bank yielded an inflow of \$757 million after an outflow of \$499 million in the March quarter 1986. This turnaround was largely the result of a fall of \$741 million in official reserve assets on account of transactions after an increase of \$479 million in the previous quarter.

. Interim estimates of foreign investment in the **non-official sector** (excluding Australian currency borrowing by trading banks) recorded a net inflow of \$2,564 million, down \$131 million on the figure for the corresponding group of items in the previous quarter. The turnaround (from net outflow to net inflow) in direct investment transactions, mainly due to a turnaround in transactions affecting net equity in branches, was slightly more than offset by the fall in the net inflow which occurred for portfolio and other investment transactions (excluding Australian currency borrowing by trading banks). This latter fall was mainly due to a change in public sector borrowing from a net inflow of \$1,228 million in the March quarter to a net outflow of \$243 million in the June quarter.

. Interim estimates of Australian investment abroad by the **non-official sector** (excluding Australian currency lending by trading banks) indicated a net outflow of \$1,253 million, down \$61 million on the outflow for the corresponding group of items in the March quarter 1986. The main contributor to the change was direct investment. A sharp decline in Australian direct investment abroad in corporate equities (down \$300 million to \$35 million) was only partly offset by an increase in net equity in branches (up \$167 million to \$182 million).

## Financial year 1985-86 compared with financial year 1984-85 -

### Current account

. **Exports f.o.b.** at \$32,254 million were \$3,038 million or 10 per cent up on 1984-85. Rural and non-rural exports rose 13 per cent and 9 per cent respectively. All broad rural commodity groups contributed to the rise. Meat rose 24 per cent to \$1,700 million, due largely to increases of \$241 million in beef and veal (quantity up 16 per cent, unit values up 5 per cent) and \$66 million in mutton and lamb (quantity up 56 per cent, unit values down 8 per cent). Wool rose 9 per cent to \$3,069 million with quantity and unit value increases for both greasy wool, up \$331 million, and scoured wool, up \$106 million. The residual other rural group rose by \$532 million or 22 per cent, with increases of \$120 million in cotton (quantity up 68 per cent, unit values down 14 per cent), \$116 million in fruit and vegetables and \$82 million in fish. Slight quantity and unit value increases produced a \$31 million or 5 per cent increase in sugar. Cereals rose by only \$45 million, or just 1 per cent, with an increase in wheat of \$238 million (quantity up 5 per cent, unit values up 3 per cent) mostly offset by falls in other cereals, mainly rice, barley and sorghum. Within the non-rural category, the only falls were in mineral fuels other than coal (down 2 per cent, with a 6 per cent fall in exports of petroleum being partly offset by a 16 per cent rise in exports of gas) and machinery and transport equipment (also down 2 per cent, due to a reduction in exports of second-hand transport equipment). The most significant increases were in coal and the other non-rural group. Coal rose 13 per cent to \$5,253 million, with a 9 per cent increase (mainly in quantity) in coking coal and a 19 per cent increase (due to both quantity and unit values) in non-coking coal. The other non-rural group rose 26 per cent or \$629 million, with increased gold exports contributing \$245 million to the rise.

. **Imports f.o.b.** rose \$5,512 million or 18 per cent to reach \$35,616 million. Machinery and transport equipment which rose by 26 per cent accounted for 60 per

cent of the overall increase. Fuels, down 18 per cent, was the only category to record a fall.

. **Exogenous imports f.o.b.** were up 6 per cent on the previous year despite the fall in fuel imports. Exogenous imports apart from fuels rose by \$681 million or 36 per cent, with aircraft imports by Qantas and the delivery of two Aussat satellites accounting for \$377 million of this rise. **Endogenous imports f.o.b.** rose 20 per cent with consumption, capital and other goods components increasing by 17 per cent, 23 per cent and 20 per cent respectively.

. **Net services** were in deficit by \$3,859 million, down \$91 million or 2 per cent on the deficit for 1984-85. A 9 per cent increase in services debits was insufficient to offset the 19 per cent increase in services credits. The reduction in the net services deficit was primarily the result of depreciation-induced effects in the travel and other transportation items. Increases to **services credits** were mainly due to travel (up by \$447 million or 17 per cent) and passenger services (up by \$246 million or 41 per cent) which reflect the increase in numbers of foreign visitors to Australia. Port services rose by \$110 million or 7 per cent. **Services debits**, in contrast, recorded only moderate increases in travel and passenger services (5 and 8 per cent, respectively), as the growth in overseas visits by Australians slowed. The main increases were in shipment, up by \$219 million or 9 per cent, which reflects the growth in imports, and miscellaneous services which rose by \$182 million or 19 per cent.

. The net transfers deficit was \$6,492 million, a rise of \$511 million or 9 per cent on the deficit for the previous financial year. An increase of \$992 million in the net income deficit, largely reflecting higher interest payable abroad, was partly offset by a \$481 million rise in the net unrequited transfers surplus.

#### Capital account

. The net capital inflow of the **official sector** was \$5,156 million, up \$1,327 million on that recorded for

1984-85. Net capital transactions of **general government** increased by \$713 million to \$3,032 million in 1985-86. Of the net increase, \$508 million was due to increased borrowing. Net capital transactions of the **Reserve Bank** increased by \$614 million to \$2,124 million. Most of this was due to a greater fall in official reserve assets (on account of transactions) in 1985-86 than in 1984-85.

. Foreign investment in the **non-official sector** (excluding Australian currency borrowing by trading banks in the June quarter) recorded a net inflow of \$11,449 million, which was \$1,120 million lower than that for 1984-85. Net inflow on direct investment declined by \$1,882 million over 1984-85. An increase in the net inflow on direct investment in corporate equities of \$1,146 million was more than offset by a turnaround from a net inflow to a net outflow on direct investment borrowing of \$2,333 million. Net inflow on portfolio and other investment (excluding Australian currency borrowing by trading banks in the June quarter) was \$10,725 million, up \$762 million on 1984-85. Increases in trading bank foreign currency borrowing and private sector borrowing n.e.c. of \$2,964 million and \$488 million respectively in 1985-86 ~~was~~ <sup>were</sup> offset by a decrease in public sector n.e.c. borrowing of \$2,023 million.

. Australian investment abroad by the **non-official sector** (excluding Australian currency lending by trading banks in the June quarter) recorded a net outflow of \$6,908 million, up \$1,986 million on 1984-85. Net outflow on direct investment declined by \$511 million, due mainly to a reduction in Australian direct investment abroad in corporate equities of \$627 million. Net outflow on portfolio and other investment in 1985-86 was \$5,000 million (excluding Australian currency lending by trading banks in the June quarter), up \$2,497 million on 1984-85. An increase of \$1,537 million in the net outflow on Australian investment abroad in corporate equities and a turnaround (from a net inflow to a net outflow) of \$1,921 million in trading bank foreign currency lending were partly

offset by a reduction of \$975 million in net outflow on accounts receivable/prepayments made.

#### Levels of reserves

At 30 June 1986, Australia's holdings of official reserve assets valued at market rates of exchange and with gold holdings at market value stored at \$13,024 million.

#### REVISIONS

This issue incorporates revisions to estimates included in previous balance of payments publications.

Other transportation services now include data from the March quarter 1986 Survey of International Airline Operations which indicate that the increase in earnings of Australian airline operators and the decrease in earnings of foreign airline operators are more marked than expected from the previous survey results. New and revised survey data for September 1985 and March 1986 quarters have increased credits and decreased debits, whilst revised survey data for December quarter 1985 have mainly increased credits.

New data from the December quarter 1985 Survey of <sup>have</sup> International Shipping Operations ~~has~~ given rise to revisions to the port services component of other transportation debits.

Travel services revisions include additional data about traveller numbers up to November 1985, which indicate a substantially greater rate of increase in visitors to Australia and a greater rate of decrease in visitors abroad than could be expected from the previous data which was only available up to July 1985.

Extrapolations for the March and June quarters 1986 now reflect the more pronounced trend in the later data. These revisions have increased credits and decreased debits in all quarters of 1985-86.

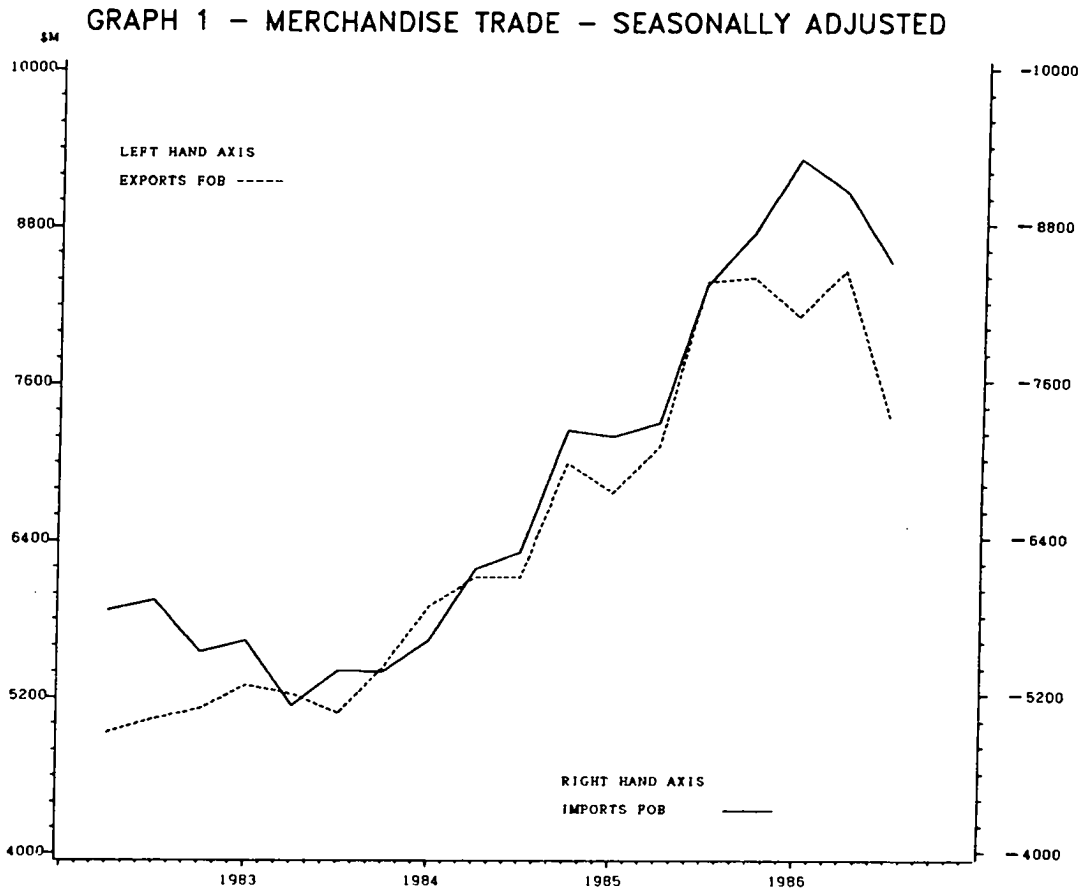
Investment income revisions occur because the latest data from the Survey of Foreign Investment replaces earlier estimates based on more timely, but less accurate information. The series most affected are portfolio and other investment interest debits, direct investment remitted profits debits, direct investment dividends credits and portfolio and other investment interest credits.

Revisions to net capital transactions for earlier quarters reflect the inclusion of more up-to-date data from the Surveys of Foreign Investment.

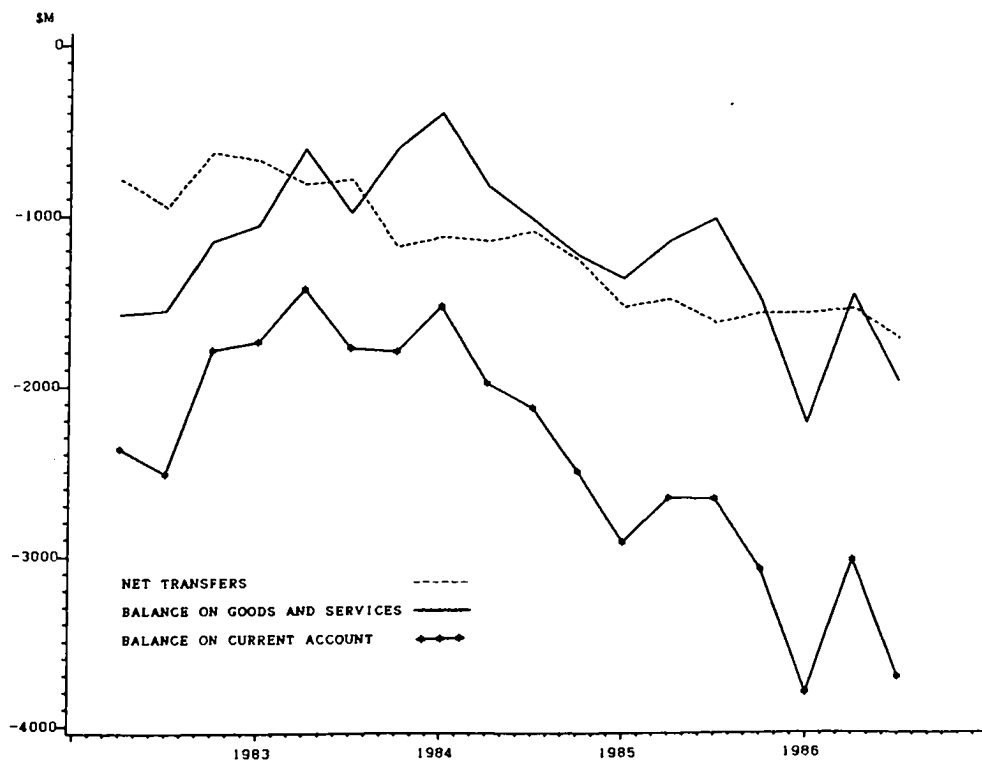
Other less significant revisions have been incorporated in other items reflecting the latest results of other surveys and data sources.

In summary, the previously-published preliminary estimate of the current account balance for 1985-86 has been revised downwards by \$622 million. This consists of an upward revision to total current account credits of \$194 million (about one half of one per cent) and a downward revision to total current account debits of \$428 million (about three quarters of one per cent). The previously-published estimate of the net inflow on capital account for the first three quarters of 1985-86 (an annual estimate has not previously been published) has been revised down from \$7,709 million to \$7,360 million.

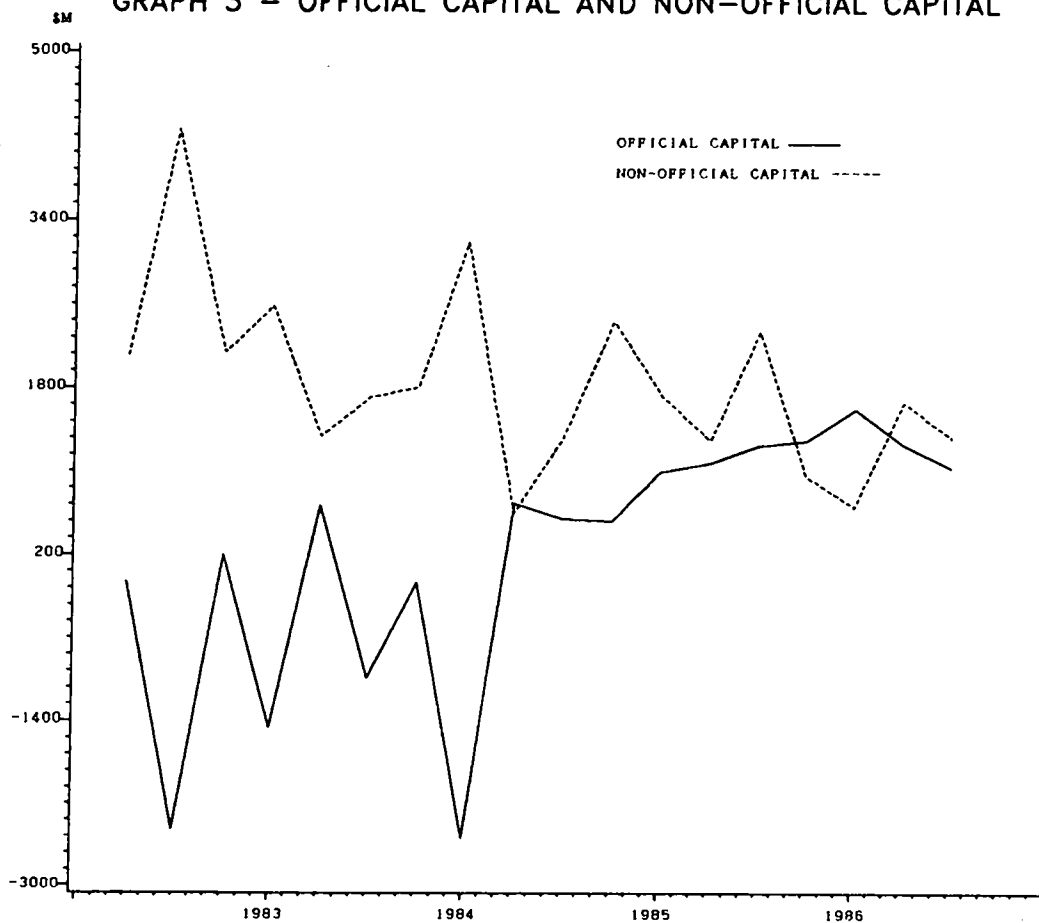
# GRAPHS OF BALANCE OF PAYMENTS PRINCIPAL AGGREGATE



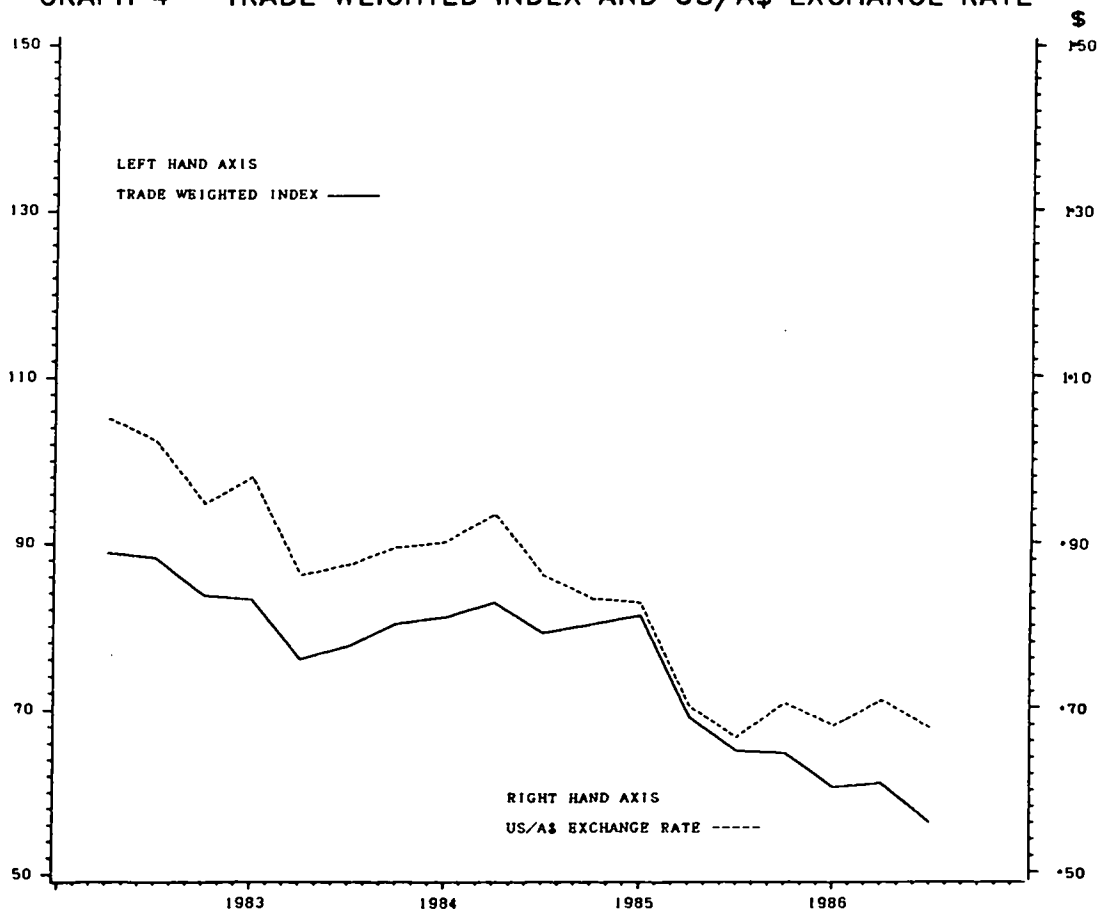
**GRAPH 2 - CURRENT ACCOUNT MAJOR AGGREGATES - SEASONALLY ADJUSTED**



GRAPH 3 - OFFICIAL CAPITAL AND NON-OFFICIAL CAPITAL



GRAPH 4 - TRADE WEIGHTED INDEX AND US/A\$ EXCHANGE RATE



## EXPLANATORY NOTES

## INTRODUCTION

This publication contains detailed estimates of Australia's balance of payments for June quarter 1986. It incorporates revisions to the initial estimates for the quarter published in Balance of Payments, Australia, June 1986 (5301.0), together with revised estimates for previous quarters and financial years. Longer term estimates, from September quarter 1959, consistent with those shown in this issue, will shortly be available in the publication **Balance of Payments, Australia - Historical Series on Microfiche** (5337.0) June quarter 1986.

2. Information about the classification and presentation of these estimates, and brief item descriptions, are provided in the Information Paper **Changes in the Presentation of Australian Balance of Payments Statistics** (5340.0) issued on 23 December 1985.

3. This publication contains four main tables and 12 supplementary tables. The main tables (Tables 1 to 4) provide summary statistics; they show the main aggregates and the more important components of the aggregates. The supplementary tables (Tables 5 to 16) provide additional breakdowns, related series (e.g. exchange rates and the trade-weighted index) and reconciliations of selected balance of payments series with other series (i.e. with foreign trade statistics and levels of official reserve assets).

## SCOPE OF THE BALANCE OF PAYMENTS

4. The Australian **balance of payments** is a statistical statement designed to provide a systematic record of Australia's economic transactions with the rest of the world. The statement is divided into a current account and a capital account. Table 1 presents summary statistics covering both accounts.

## RECORDING OF TRANSACTIONS

5. Transactions are recorded in the balance of payments as either **debits** or **credits**. The following transactions are regarded as debits and identified by a minus sign: the acquisition of goods and services from non-residents, income payable to non-residents, unrequited transfers provided to non-residents, increases in foreign financial assets and decreases in foreign liabilities. Credits have no arithmetic sign and consist of these transactions: the provision of goods and services to non-residents, income receivable from non-residents, unrequited transfers received from non-residents, decreases in foreign financial assets and increases in foreign liabilities. These sign conventions apply in all tables except Tables 7 and 16. In Table 7, imports are shown with no sign. In Table 16, decreases in Australia's official reserve assets are shown with a minus sign and increases in these assets are shown with no arithmetic sign.

## CURRENT ACCOUNT

6. The **current account** records transactions between Australian residents and non-residents in merchandise, other goods and services, income and unrequited transfers. Table 2 summarises the estimates of current account transactions, while Table 3 provides corresponding seasonally adjusted estimates.

## MERCHANDISE (BALANCE OF PAYMENTS BASIS)

7. **Merchandise** covers movable goods (with a few exceptions) which change ownership from residents to non-residents (exports) and from non-residents to residents (imports). The series are derived from foreign trade statistics which are adjusted for coverage, timing and (imports only) valuation to put them on a balance of payments basis. Table 7 provides details of the adjustments.

### COMMODITY BREAKDOWNS OF MERCHANDISE

8. Commodity breakdowns of merchandise exports and imports are provided in Table 5 and on a seasonally adjusted basis in Table 6. The groupings shown consist of the following Australian Export Commodity Classification (AECC) and Australian Import Commodity Classification (AICC) divisions and/or sections:

Exports	Section or Division of AECC
Rural -	
Meat and meat preparations	01
Cereal grains and cereal preparations	04
Sugar, sugar preparations and honey	06
Wool and sheepskins	Parts of 21, 26 and 65
Other rural	00, 02, 03, 05, 07 to 09, 21 (part), 22 to 25, 26(part), 29, 4
Non-rural -	
Metal ores and minerals	27,28
Mineral fuels - Coal, coke and briquettes	32
Other	33, 34
Metals and metal manufactures	67 to 69
Machinery and transport equipment	7
Other non-rural	1, 5, 61 to 64,65 (part), 66, 8, 9

### Imports

### Section or Division of AICC

Food, beverages and tobacco	0, 1
Fuels	3
Basic materials	2,4
Chemicals (incl plastics)	5
Textiles, fabrics, etc	65
Metals and metal manufactures	67 to 69
Machinery and transport equipment	7
Other imports	61 to 64, 66, 8, 9

### EXOGENOUS AND ENDOGENOUS IMPORTS

9. **Exogenous imports** comprise a group of imported goods which it has been found useful to identify separately in economic analysis because the transactions in these goods are lumpy, subject to government arrangements or significantly affected by factors other than the general level of economic activity in Australia. Exogenous imports include fuels, certain large items of equipment imported by both the public and private sectors, and certain other government goods. **Endogenous imports** comprise imports of all goods other than those regarded as exogenous.

10. Endogenous imports in Table 5 (original) and Table 6 (seasonally adjusted) are classified into three **classes** - **consumption goods**, **capital goods** and **other goods** - according to the United Nations' classification by broad economic categories (BEC). **Other goods** covers the BEC class **intermediate goods** and the residual BEC category **goods not elsewhere specified**. The **classes** consist of the following BEC categories (excluding goods defined as exogenous):

#### Consumption goods

- Food and beverages, primary, mainly for household consumption (112)
- Food and beverages, processed, mainly for household consumption (122)
- Passenger motor vehicles (51)
- Transport equipment, non-industrial (522)

Consumer goods, not elsewhere specified  
(6)

### Capital goods

Capital goods (except transport equipment)  
(41)

Transport equipment, industrial (521)

### Other goods

Food and beverages, primary, mainly for  
industry (111)

Food and beverages, processed, mainly for  
industry (121)

Industrial supplies not elsewhere  
specified (2)

Parts and accessories of capital goods  
(except transport equipment) (42)

Parts and accessories of transport  
equipment (53)

Goods not elsewhere specified (7)

11. The BEC attempts to classify merchandise trade statistics for purposes of general economic analysis according to the main **end-use** of the commodities traded. It does not achieve complete alignment with the particular end-use to which articles are put in specific circumstances; for example some passenger motor cars, which are conventionally classified as consumption goods, and some parts and accessories of capital goods, which are conventionally classified as other goods, are in fact acquired as capital equipment.

### SERVICES

12. **Services** covers services rendered by Australian residents to non-residents (credits) and by non-residents to residents (debits), together with transactions in a few types of goods (eg goods purchased by travellers). Detailed estimates are shown in Table 8.

### INCOME AND UNREQUITED TRANSFERS

13. **Income** covers income earned by Australian residents from non-residents (credits) or by non-residents from residents (debits). It includes investment income (eg dividends and

interest), other property income (eg royalties) and labour income (eg wages and salaries). Tables 9 and 10 give detailed estimates.

14. **Unrequited transfers** covers the offsetting entries required by the double-entry system of accounting when resources (goods, services and financial assets) are provided, without something of economic value being received in return, by non-residents to Australian residents (offsetting credits required) and by residents to non-residents (offsetting debits required). It includes foreign aid, migrants' transfers, gifts, donations, pensions and taxes. Detailed estimates are provided in Table 11.

### CAPITAL ACCOUNT

15. The **capital account** records transactions in Australia's foreign financial assets and liabilities, including the creation and extinction of claims on or by the rest of the world and a few specified other changes. Summary estimates for the capital account appear in Table 4.

### RESIDENT INSTITUTIONAL SECTORS

16. Capital transactions, and some current transactions, are grouped into two broad institutional sectors called **official** and **non-official**, with the former split into **general government** and **Reserve Bank of Australia**. The general government sector comprises the transactions of the Commonwealth, the States, local government authorities and statutory bodies, but it excludes the transactions of public business enterprises. Details of general government and Reserve Bank capital transactions are given in Tables 12 and 13 respectively. The non-official sector covers transactions of all other resident entities including private and government owned banks, private and public business enterprises, and households. Estimates of the capital transactions of the non-official sector are detailed in Tables 14 and 15.

## FOREIGN INVESTMENT IN AUSTRALIA AND AUSTRALIAN INVESTMENT ABROAD

17. Broadly, **foreign investment in Australia** covers transactions which increase or decrease the liabilities of residents to non-residents and **Australian investment abroad** covers transactions which increase or decrease Australia's foreign financial assets.

### BALANCES

18. This publication presents a number of **balances**, eg balance on goods and services, balance on capital account. A balance is derived as the net sum of the credit and debit entries selected for inclusion.

### SEASONAL ADJUSTMENT

19. Most of the current account series in this publication are affected to some extent by seasonal influences and it is useful to recognise and take account of this element of variation. Therefore **seasonally adjusted estimates** are presented in Tables 3 and 6.

20. Seasonal adjustment may be carried out by various methods and the results may vary slightly according to the procedure adopted. Accordingly, seasonally adjusted statistics should not be regarded as in any way definitive. In interpreting particular seasonally adjusted statistics it is important, therefore, to bear in mind the methods by which they have been derived and the limitations to which the methods used are subject. Details of the seasonal adjustment methods used are available on request.

21. For those items showing substantial irregular movement, particular care should be taken in interpreting quarter-to-quarter movements in the adjusted figures, as the short term movements cannot be assumed to indicate changes in trend.

22. In order to maintain an accounting identity, the seasonally adjusted balances (balance on merchandise trade, balance on goods and services and balance on current account) are derived by differencing independently adjusted series.

## OFFICIAL RESERVE ASSETS, EXCHANGE RATES AND THE TRADE WEIGHTED INDEX

23. Table 16 shows changes in **official reserve assets** dissected into those which are included in the balance of payments (ie those resulting from transactions and a few specified other changes), and those which are due to the effects of revaluations.

24. Table 16 also shows the **exchange rates** of the Australian dollar with four major currencies and a **trade-weighted index** of the value of the Australian dollar.

25. The exchange rates shown are provided by the Reserve Bank of Australia and relate to the last trading day of the quarter. Prior to 12 December 1983, the rate for the US dollar was the mid-point of the rates at which the Reserve Bank was prepared to deal with Australian trading banks. From that date, the rate is a representative mid-point determined by the Reserve Bank on the basis of market quotations at 4pm Eastern Australian time. Rates for the other currencies are calculated by crossing the rate for the US dollar with the mid-points of closing buying and selling rates in New York (prior to 31 October 1983) or largely in Asian markets (from 31 October 1983). The rates shown are indications of market value only and could differ from those quoted by Australian banks.

26. The trade-weighted index is also provided by the Reserve Bank and is an index of the average value of the Australian dollar vis-a-vis currencies of Australia's trading partners. Prior to 12 December 1983, the index was as published each morning by the Reserve Bank; from that date, the index is as calculated at 4pm on the basis of the

representative rate for the US dollar and rates for other currencies, mainly from Asian markets.

### ACCURACY AND RELIABILITY OF ESTIMATES

27. Because the transactions recorded in the balance of payments are of many different kinds, compilation of balance of payments estimates entails the use of a very wide range of statistical data of varying degrees of accuracy and timeliness. One feature that is common to all components of the estimates, whatever the source of the basic data, is the element of judgement that has to be applied in compiling them.

28. Therefore care should be exercised in the use and interpretation of estimates in this publication. The latest estimates are **preliminary and subject to revision** as more accurate data come to hand. Also, the more detailed estimates may be less accurate in relative terms than broader items and aggregates of which they form components.

### COMPARABILITY WITH CAPITAL EXPENDITURE STATISTICS

29. Tables 5 and 6 in this publication contain estimates of **imports of endogenous capital goods**. Shorter-term movements in this series can differ quite significantly from the corresponding movements in the **new private capital expenditure equipment, plant and machinery** series published in **Private New Capital Expenditure, Australia** (5625.0 and 5626.0). The main reasons for the differences are:

- The imports series includes all goods defined as endogenous capital goods (see paragraphs 9 to 11 above), whereas the capital expenditure series relates only to goods classified as equipment, plant and machinery that are required by private enterprises in selected industries.

- The capital expenditure series includes all plant, machinery and equipment, irrespective of whether it has been imported or manufactured in Australia.

- Imports are valued f.o.b. at the point of export whereas estimates of capital expenditure are measured at domestic market prices, including international transport margins, government duties and domestic trade and transport margins.

30. Accordingly while movements in imports of endogenous capital goods can provide a broad indication of movements in the **import component** of private new capital expenditure on equipment, plant and machinery, they do not necessarily provide an accurate indication of movements in total private new capital expenditure on these goods.

### SERIES AVAILABLE ON REQUEST

31. Detailed quarterly statistics relating to transportation can be obtained from Mr Dudley Scoullar on Canberra (062) 52 6057.

### RELATED PUBLICATIONS

32. Other ABS publications which may be of interest include:

**Balance of Payments Australia (5301.0)** - issued monthly

**Balance of Payments, Australia, Historical Series on Microfiche (5337.0)** - issued quarterly.

**Balance of Payments, Australia 1983-84 (5303.0)**

**Changes in the Presentation of Australian Balance of Payments Statistics (5340.0)** - published 23 December 1985

**Imports by Commodity Divisions, Australia (Preliminary) (5405.0)** - issued monthly

**Exports by Commodity Divisions, Australia (Preliminary) (5402.0)** - issued monthly

**Exports and Imports (Balance of Payments Basis) at Constant Prices, Australia (5332.0) - issued quarterly**

**Foreign Investment, Australia 1984-85 (Preliminary) (5304.0)**

**Foreign Investment, Australia (5306.0) - issued quarterly**

33. Current publications produced by the ABS are listed in the **Catalogue of Publications, Australia (1101.0)**. The ABS also issues, on Tuesdays and Fridays, a **Publications Advice (1105.0)** which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

#### **STATISTICS ON VIATEL**

34. Selected economic, social and demographic statistics are available on VIATEL \*656#.

#### **NEW ABS SERVICE: AUSSTATS**

35. A wide range of economic, social and demographic statistics is now available on AUSSTATS, ABS' new on-line service through CSIRONET.

36. For further information phone the AUSSTATS Help Desk on (062) 52 6017.

#### **SYMBOLS AND OTHER USAGES**

na not available  
 nya not yet available  
 nei not elsewhere included  
 - nil or rounded to zero  
 .. not applicable.

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

**W. McLENNAN**  
**ACTING AUSTRALIAN STATISTICIAN**

TABLE 1. BALANCE OF PAYMENTS

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
CURRENT TRANSACTIONS -													
GOODS AND SERVICES -													
MERCHANDISE (a) -													
Exports fob	23682	29216	32254	5912	6350	7071	6632	6821	8692	8477	7979	8151	7647
Imports fob	-23497	-30104	-35616	-5932	-6330	-7692	-7062	-6963	-8387	-9297	-9150	-8611	-8558
BALANCE ON MERCHANDISE TRADE	185	-888	-3362	-20	20	-621	-430	-142	305	-820	-1171	-460	-911
SERVICES -													
Credits	4331	4936	5870	1094	1089	1102	1234	1292	1308	1275	1507	1569	1519
Debits	-7247	-8886	-9729	-1788	-1969	-2201	-2093	-2174	-2418	-2587	-2422	-2324	-2396
NET SERVICES	-2916	-3950	-3859	-694	-880	-1099	-859	-882	-1110	-1312	-915	-755	-877
BALANCE ON GOODS AND SERVICES	-2731	-4838	-7221	-714	-860	-1720	-1289	-1024	-805	-2132	-2086	-1215	-1788
INCOME AND UNREQUITED TRANSFERS -													
Credits	3580	3880	4646	918	989	869	938	992	1081	1056	1120	1197	1273
Debits	-8087	-9861	-11138	-2052	-2118	-2066	-2554	-2471	-2770	-2517	-2823	-2773	-3025
NET TRANSFERS	-4507	-5981	-6492	-1134	-1129	-1197	-1616	-1479	-1689	-1461	-1703	-1576	-1752
BALANCE ON CURRENT ACCOUNT	-7238	-10819	-13713	-1848	-1989	-2917	-2905	-2503	-2494	-3593	-3789	-2791	-3540
NET CAPITAL TRANSACTIONS -													
OFFICIAL -													
GENERAL GOVERNMENT -													
Foreign investment in Australia	975	2589	3173	60	62	526	851	438	774	456	516	1807	394
Australian investment abroad	-489	-270	-141	-117	-87	67	-48	-166	-122	62	-21	-58	-125
Total	486	2319	3032	-57	-24	592	803	272	652	518	496	1749	269
RESERVE BANK -													
Foreign investment in Australia	-15	-10	-16	-3	12	-5	10	-11	-4	-16	4	-20	16
Australian investment abroad	-1853	1520	2140	752	558	-68	179	814	595	786	1092	-479	741
Total	-1868	1510	2124	749	570	-73	189	803	591	770	1096	-499	757
TOTAL OFFICIAL	-1382	3829	5156	692	546	519	992	1075	1243	1288	1592	1250	1026
NON-OFFICIAL -													
Foreign investment in Australia	9140	12714	11449(b)	2158	1790	3548	3023	3471	2673	2253	3659	2973	2564(b)
Australian investment abroad	-2242	-4953	-6908(c)	-1562	-465	-1124	-1310	-2180	-338	-1314	-3014	-1327	-1253(c)
TOTAL NON-OFFICIAL	6898	7762	4541(b)(c)	595	1324	2424	1713	1291	2335	939	645	1646	1311(b)(c)
BALANCE ON CAPITAL ACCOUNT	5516	11591	9697(b)(c)	7287	1870	2943	2705	2366	3577	2227	2237	2896	2337(b)(c)
BALANCING ITEM	1722	-772	4016(d)	561	119	-26	200	137	-1083	1366	1552	-105	1203(d)

(a) Balance of payments basis

(b) Excludes Australian currency borrowing by trading banks for the June quarter 1986.

(c) Excludes Australian currency lending by trading banks for the June quarter 1986.

(d) Includes Australian currency borrowing and lending by trading banks for the June quarter 1986.

TABLE 3. BALANCE OF PAYMENTS - CURRENT ACCOUNT - SEASONALLY ADJUSTED

\$MILLION

	QUARTERS ENDED-									
	1983-84		1984-85				1985-86			
	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>CURRENT TRANSACTIONS -</b>										
<b>GOODS AND SERVICES -</b>										
<b>MERCHANDISE (a) -</b>										
Exports fob	6120	6117	6992	6767	7120	8383	8415	8114	8468	7341
Imports fob	-6187	-6313	-7251	-7201	-7305	-8355	-8750	-9317	-9075	-8526
<b>BALANCE ON MERCHANDISE TRADE</b>	-67	-196	-259	-434	-185	28	-335	-1203	-607	-1185
<b>SERVICES -</b>										
<b>Credits -</b>										
Shipment	93	85	92	94	99	110	97	89	110	111
Other transportation	432	463	484	514	527	571	568	627	641	615
Travel	293	318	304	320	358	378	360	450	470	525
Other services	243	266	249	266	268	299	284	283	292	343
<b>Total services credits</b>	1061	1132	1129	1194	1252	1358	1309	1449	1513	1594
<b>Debits -</b>										
Shipment	-526	-557	-621	-599	-621	-699	-715	-733	-662	-647
Other transportation	-422	-451	-476	-496	-548	-578	-581	-577	-571	-553
Travel	-532	-607	-634	-645	-651	-693	-706	-677	-673	-688
Other services	-347	-351	-378	-398	-409	-444	-476	-488	-474	-504
<b>Total services debits</b>	-1827	-1966	-2109	-2138	-2229	-2414	-2478	-2475	-2380	-2392
<b>NET SERVICES</b>	-766	-834	-980	-944	-977	-1056	-1169	-1026	-867	-798
<b>BALANCE ON GOODS AND SERVICES</b>	-833	-1030	-1239	-1378	-1162	-1028	-1504	-2229	-1474	-1983
<b>INCOME -</b>										
<b>Credits -</b>										
Property income -										
Reinvested earnings (b)	77	78	78	79	79	79	100	100	100	100
Other (c)	307	390	339	350	315	335	340	366	425	366
Labour and other income	118	47	51	52	52	55	56	55	55	55
<b>Total income credits</b>	502	515	468	481	446	469	496	521	580	521
<b>Debits -</b>										
Property income -										
Reinvested earnings (b)	-138	-139	-156	-157	-157	-157	-155	-155	-155	-155
Other	-1524	-1480	-1614	-1796	-1906	-2068	-2078	-2082	-2170	-2294
Labour and other income	-38	-43	-40	-40	-41	-43	-45	-52	-51	-54
<b>Total income debits</b>	-1700	-1662	-1810	-1993	-2104	-2268	-2278	-2289	-2376	-2503
<b>NET INCOME</b>	-1198	-1147	-1342	-1512	-1658	-1799	-1782	-1768	-1796	-1982
<b>UNREQUITED TRANSFERS -</b>										
<b>Credits</b>	433	433	422	445	563	585	590	591	685	698
<b>Debits (d)</b>	-393	-388	-352	-480	-408	-425	-389	-403	-446	-451
<b>NET UNREQUITED TRANSFERS</b>	40	45	70	-35	155	160	201	188	239	247
<b>BALANCE ON CURRENT ACCOUNT</b>	-1991	-2132	-2511	-2925	2665	-2667	-3085	-3809	-3031	-3718

(a) Balance of payments basis

(b) See footnote (b) to Table 2.

(c) See footnote (c) to Table 2.

(d) See footnote (d) to Table 2.

TABLE 2. BALANCE OF PAYMENTS - CURRENT ACCOUNT

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>CURRENT TRANSACTIONS -</b>													
<b>GOODS AND SERVICES -</b>													
<b>MERCHANDISE (a) -</b>													
Exports fob	23682	29216	32254	5912	6350	7071	6632	6821	8692	8477	7979	8151	7647
Imports fob	-23497	-30104	-35616	-5932	-6330	-7692	-7062	-6963	-8387	-9297	-9150	-8611	-8558
<b>BALANCE ON MERCHANDISE TRADE</b>	<b>185</b>	<b>-888</b>	<b>-3362</b>	<b>-20</b>	<b>20</b>	<b>-621</b>	<b>-430</b>	<b>-142</b>	<b>305</b>	<b>-820</b>	<b>-1171</b>	<b>-460</b>	<b>-911</b>
<b>SERVICES -</b>													
<b>Credits -</b>													
Shipment	362	395	407	93	85	92	94	99	110	97	89	110	111
Other transportation	1746	2096	2452	435	446	486	529	530	551	568	647	649	588
Travel	1223	1359	1806	321	284	281	347	393	338	332	489	516	469
Other services	1000	1086	1205	245	274	243	264	270	309	278	282	294	351
<b>Total services credits</b>	<b>4331</b>	<b>4936</b>	<b>5870</b>	<b>1094</b>	<b>1089</b>	<b>1102</b>	<b>1234</b>	<b>1292</b>	<b>1308</b>	<b>1275</b>	<b>1507</b>	<b>1569</b>	<b>1519</b>
<b>Debits-</b>													
Shipment	-2030	-2539	-2758	-505	-555	-653	-596	-593	-697	-753	-729	-631	-645
Other transportation	-1695	-2097	-2283	-407	-458	-504	-479	-527	-587	-616	-556	-550	-561
Travel	-2146	-2618	-2746	-515	-594	-678	-636	-628	-676	-757	-669	-649	-671
Other services	-1376	-1632	-1942	-361	-362	-366	-382	-426	-458	-461	-468	-494	-519
<b>Total services debits</b>	<b>-7247</b>	<b>-8886</b>	<b>-9729</b>	<b>-1788</b>	<b>-1969</b>	<b>-2201</b>	<b>-2093</b>	<b>-2174</b>	<b>-2418</b>	<b>-2587</b>	<b>-2422</b>	<b>-2324</b>	<b>-2396</b>
<b>NET SERVICES</b>	<b>-2916</b>	<b>-3950</b>	<b>-3859</b>	<b>-694</b>	<b>-880</b>	<b>-1099</b>	<b>-859</b>	<b>-882</b>	<b>-1110</b>	<b>-1312</b>	<b>-915</b>	<b>-755</b>	<b>-877</b>
<b>BALANCE ON GOODS AND SERVICES</b>	<b>-2731</b>	<b>-4838</b>	<b>-7221</b>	<b>-714</b>	<b>-860</b>	<b>-1720</b>	<b>-1289</b>	<b>-1024</b>	<b>-805</b>	<b>-2132</b>	<b>-2086</b>	<b>-1215</b>	<b>-1788</b>
<b>INCOME -</b>													
<b>Credits -</b>													
<b>Property income -</b>													
Reinvested earnings (b)	309	315	400	77	78	78	79	79	79	100	100	100	100
Other (c)	1240	1340	1470	298	430	327	346	307	360	326	355	372	417
Labour and other income	245	209	221	117	47	53	51	50	55	59	54	53	55
<b>Total income credits</b>	<b>1794</b>	<b>1864</b>	<b>2091</b>	<b>492</b>	<b>555</b>	<b>458</b>	<b>476</b>	<b>436</b>	<b>494</b>	<b>485</b>	<b>509</b>	<b>525</b>	<b>572</b>
<b>Debits -</b>													
<b>Property income -</b>													
Reinvested earnings (b)	-553	-627	-620	-138	-139	-156	-157	-157	-157	-155	-155	-155	-155
Other	-5831	-7413	-8602	-1475	-1499	-1536	-1933	-1857	-2087	-1953	-2241	-2113	-2295
Labour and other income	-155	-165	-202	-41	-41	-36	-42	-45	-42	-41	-54	-56	-51
<b>Total income debits</b>	<b>-6539</b>	<b>-8205</b>	<b>-9424</b>	<b>-1654</b>	<b>-1679</b>	<b>-1728</b>	<b>-2132</b>	<b>-2059</b>	<b>-2286</b>	<b>-2149</b>	<b>-2450</b>	<b>-2324</b>	<b>-2501</b>
<b>NET INCOME</b>	<b>-4745</b>	<b>-6341</b>	<b>-7333</b>	<b>-1162</b>	<b>-1124</b>	<b>-1270</b>	<b>-1656</b>	<b>-1623</b>	<b>-1792</b>	<b>-1664</b>	<b>-1941</b>	<b>-1799</b>	<b>-1929</b>
<b>UNREQUITED TRANSFERS -</b>													
<b>Credits</b>													
Debits (d)	-1548	-1656	-1714	-398	-439	-338	-422	-412	-484	-368	-373	-449	-524
<b>NET UNREQUITED TRANSFERS</b>	<b>238</b>	<b>360</b>	<b>841</b>	<b>28</b>	<b>-5</b>	<b>73</b>	<b>40</b>	<b>144</b>	<b>103</b>	<b>203</b>	<b>238</b>	<b>223</b>	<b>177</b>
<b>BALANCE ON CURRENT ACCOUNT</b>	<b>-7238</b>	<b>-10819</b>	<b>-13713</b>	<b>-1848</b>	<b>-1989</b>	<b>-2917</b>	<b>-2905</b>	<b>-2503</b>	<b>-2494</b>	<b>-3593</b>	<b>-3789</b>	<b>-2791</b>	<b>-3540</b>

(a) Balance of payments basis

(b) From September quarter 1985, the entries are not strictly comparable with entries for previous periods because of the change in the definition of direct investment. See Appendix B to the December quarter 1985 issue of this publication.

(c) Up to and including June quarter 1985, this income is recorded after deducting withholding tax on both interest and dividends. From September quarter 1985 withholding tax is not deducted.

(d) From September quarter 1985, includes withholding tax.

TABLE 4. BALANCE OF PAYMENTS - CAPITAL ACCOUNT

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
NET CAPITAL TRANSACTIONS -													
OFFICIAL -													
GENERAL GOVERNMENT -													
Foreign investment in Australia													
Borrowing	1068	2635	3143	81	95	551	870	408	806	480	481	1819	363
Other	-93	-46	30	-21	-32	-25	-19	30	-32	-24	35	-12	31
Total	975	2589	3173	60	62	526	851	438	774	456	516	1807	394
Australian investment abroad	-489	-270	-141	-117	-87	67	-48	-166	-122	62	-21	-58	-125
TOTAL	486	2319	3032	-57	-24	592	803	272	652	518	496	1749	269
RESERVE BANK -													
Foreign investment in Australia	-15	-10	-16	-3	12	-5	10	-11	-4	-16	4	-20	16
Australian investment abroad -													
Reserve assets	-1853	1520	2140	752	558	-68	179	814	595	786	1092	-479	741
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-1853	1520	2140	752	558	-68	179	814	595	786	1092	-479	741
TOTAL	-1868	1510	2124	749	570	-73	189	803	591	770	1096	-499	757
TOTAL OFFICIAL	-1382	3829	5156	692	546	519	992	1075	1243	1288	1592	1250	1026
NON-OFFICIAL -													
Foreign investment in Australia-													
Direct investment (a) -													
Reinvestment of earnings	553	627	620	138	139	156	157	157	157	155	155	155	155
Other (b)	1453	1979	104	-72	-708	1001	-306	175	1109	-3	256	-568	419
Portfolio & other investment(a)(c)	7134	10108	10725(d)	2092	2359	2391	3172	3139	1407	2101	3248	3386	1990(d)
Total foreign investment in Australia	9140	12714	11449(d)	2158	1790	3548	3023	3471	2673	2253	3659	2973	2564(d)
Australian investment abroad -													
Direct investment (a) -													
Reinvestment of earnings	-309	-315	-400	-77	-78	-78	-79	-79	-79	-100	-100	-100	-100
Other (b)	-1001	-2104	-1508	-112	-758	-536	-398	-478	-692	-104	-1065	-204	-135
Portfolio & other investment(a)(c)	-932	-2534	-5000(e)	-1373	371	-510	-833	-1623	433	-1110	-1849	-1023	-1018(e)
Total Australian investment abroad	-2242	-4953	-6908(e)	-1562	-465	-1124	-1310	-2180	-338	-1314	-3014	-1327	-1253(e)
TOTAL NON-OFFICIAL	6898	7762	4541(dx)e	595	1324	2424	1713	1291	2335	939	645	1646	1311(d)(e)
BALANCE ON CAPITAL ACCOUNT	5516	11591	9697(dx)e	1287	1870	2943	2705	2366	3577	2227	2237	2896	2337(d)(e)

(a) From September quarter 1985, the entries are not strictly comparable with entries for previous periods because of the change in the definition of direct investment and, for portfolio and other investment, changes in the coverage of foreign currency borrowing and lending by trading banks. See Appendix B to the December quarter 1985 issue of this publication.

(b) Direct investment borrowing and lending by trading banks is included in portfolio and other investment.

(c) Includes direct investment borrowing and lending by trading banks.

(d) Excludes Australian currency borrowing by trading banks for the June quarter 1986;

(e) Excludes Australian currency lending by trading banks for the June quarter 1986;

TABLE 5. BALANCE OF PAYMENTS - MERCHANDISE TRADE (BALANCE OF PAYMENTS BASIS) - ORIGINAL

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
EXPORTS FOB (a) -													
RURAL EXPORTS FOB -													
Meat and meat preparations	1393	1371	1700	279	311	383	294	280	414	461	401	378	460
Cereals and cereal preparations	2773	3855	3900	1071	934	880	839	1045	1091	891	769	1279	961
Sugar, sugar preps. and honey	676	615	646	61	198	236	111	111	157	164	158	122	202
Wool and sheepskins	2000	2573	3069	580	515	383	521	717	952	635	780	918	736
Other (dairy produce, fruit etc.)	2132	2426	2958	511	568	634	551	519	722	785	733	704	736
TOTAL RURAL	8974	10840	12273	2502	2526	2516	2316	2672	3336	2936	2841	3401	3095
NON-RURAL EXPORTS FOB -													
Metal ores and minerals	4229	4722	5000	871	1117	1142	1152	1029	1399	1412	1229	1118	1241
Mineral fuels -													
Coal, coke and briquettes	3338	4665	5253	917	780	1156	1064	1093	1352	1323	1359	1336	1235
Other	1437	2360	2303	353	445	556	449	579	776	756	754	614	179
Metals and metal manufactures	2192	2512	2717	515	570	596	618	539	759	785	655	676	601
Machinery and transport equipment	1379	1658	1620	277	336	488	419	331	420	407	434	346	433
Other	2133	2459	3088	477	576	617	614	578	650	858	707	660	863
TOTAL NON-RURAL	14708	18376	19981	3410	3824	4555	4316	4149	5356	5541	5138	4750	4552
TOTAL EXPORTS FOB	23682	29216	32254	5912	6350	7071	6632	6821	8692	8477	7979	8151	7647
IMPORTS FOB (a) -													
Food, beverages and tobacco	-1211	-1476	-1705	-326	-311	-327	-374	-386	-389	-402	-412	-427	-464
Fuels	-2209	-2321	-1907	-610	-609	-695	-488	-516	-622	-621	-488	-490	-308
Basic materials	-873	-1052	-1109	-214	-226	-286	-244	-243	-279	-282	-276	-263	-288
Chemicals (including plastics)	-2155	-2567	-3012	-581	-564	-644	-590	-593	-740	-763	-721	-739	-789
Textiles, fabrics etc	-1304	-1452	-1669	-328	-349	-398	-350	-316	-388	-431	-428	-380	-430
Metals and metal manufactures	-1143	-1462	-1697	-298	-337	-367	-363	-335	-397	-422	-429	-409	-437
Machinery and transport equipment	-9261	-12830	-16185	-2194	-2552	-3239	-2996	-2904	-3691	-4214	-4243	-3907	-3821
Other	-5341	-6944	-8332	-1381	-1382	-1736	-1657	-1670	-1881	-2162	-2153	-1996	-2021
TOTAL IMPORTS FOB	-23497	-30104	-35616	-5932	-6330	-7692	-7062	-6963	-8387	-9297	-9150	-8611	-8558
Of which:													
Exogenous (b)	-3098	-4237	-4504	-833	-851	-1246	-884	-914	-1193	-1357	-1187	-1167	-793
Endogenous (b)													
Consumption goods	-5616	-6916	-8122	-1429	-1388	-1707	-1784	-1638	-1787	-2172	-2169	-1872	-1909
Capital goods	-4932	-6583	-8094	-1155	-1428	-1628	-1492	-1531	-1932	-2028	-2120	-1977	-1969
Other goods	-9851	-12368	-14896	-2515	-2663	-3111	-2902	-2880	-3475	-3740	-3674	-3595	-3887
Total	-20399	-25867	-31112	-5099	-5479	-6446	-6178	-6049	-7194	-7940	-7963	-7444	-7765
BALANCE ON MERCHANDISE TRADE	185	-888	-3362	-20	20	-621	-430	-142	305	-820	-1171	-460	-911

(a) For composition of component series, see paragraph 8 of the Explanatory Notes.

(b) For definitions, see paragraph 9, 10 and 11 of the Explanatory Notes.

TABLE 6. BALANCE OF PAYMENTS - MERCHANDISE TRADE (BALANCE OF PAYMENTS BASIS) - SEASONALLY ADJUSTED

\$MILLION

	QUARTERS ENDED-									
	1983-84		1984-85				1985-86			
	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
EXPORTS FOB (a) -										
RURAL EXPORTS FOB -										
Meat and meat preparations	325	298	349	293	328	398	418	399	444	443
Cereals and cereal preparations	853	906	1024	984	829	1064	1038	899	1012	939
Sugar, sugar preps. and honey	121	182	186	98	217	144	129	140	235	185
Wool and sheepskins	491	485	496	530	605	898	821	795	774	695
Other (dairy produce, fruit etc)	598	519	589	566	608	660	728	754	824	673
TOTAL RURAL	2388	2390	2644	2471	2587	3164	3134	2987	3289	2935
NON-RURAL EXPORTS FOB -										
Metal ores and minerals	1020	1094	1046	1114	1207	1369	1294	1188	1312	1214
Mineral fuels -										
Coal, coke and briquettes	947	726	1160	1107	1123	1266	1328	1411	1369	1160
Other	347	458	555	444	575	798	743	754	613	184
Metals and metal manufactures	547	558	562	634	573	741	741	671	718	586
Machinery and transport equipment	337	337	451	379	407	420	377	391	427	432
Other	534	554	574	618	648	625	798	712	740	830
TOTAL NON-RURAL	3732	3727	4348	4296	4533	5219	5281	5127	5179	4406
TOTAL EXPORTS FOB	6120	6117	6992	6767	7120	8383	8415	8114	8468	7341
IMPORTS FOB (a) -										
Food, beverages and tobacco	-321	-321	-326	-371	-379	-401	-401	-407	-419	-478
Fuels	-593	-600	-673	-530	-502	-613	-596	-537	-476	-303
Basic materials	-233	-221	-257	-257	-265	-272	-255	-290	-287	-281
Chemicals (including plastics)	-614	-540	-610	-618	-629	-707	-722	-756	-786	-752
Textiles, fabrics etc	-360	-352	-365	-348	-347	-390	-395	-426	-418	-432
Metals and metal manufactures	-315	-327	-346	-376	-354	-386	-398	-444	-433	-425
Machinery and transport equipment	-2324	-2510	-3068	-3034	-3099	-3622	-3988	-4290	-4186	-3744
Other	-1427	-1442	-1606	-1667	-1730	-1964	-1995	-2167	-2070	-2111
TOTAL IMPORTS FOB	-6187	-6313	-7251	-7201	-7305	-8355	-8750	-9317	-9075	-8526
Of which:										
Exogenous (b)	-816	-842	-1224	-926	-900	-1184	-1332	-1236	-1153	-788
Endogenous (b)										
Consumption goods	-1508	-1496	-1594	-1691	-1732	-1924	-2030	-2054	-1981	-2054
Capital goods	-1268	-1361	-1480	-1588	-1682	-1839	-1843	-2257	-2172	-1874
Other goods	-2595	-2614	-2953	-2996	-2991	-3408	-3545	-3770	-3769	-3810
Total	-5371	-5471	-6027	-6275	-6405	-7171	-7418	-8081	-7922	-7738
BALANCE ON MERCHANDISE TRADE	-67	-196	-259	-434	-185	28	-335	-1203	-607	-1185

(a) See footnote (a) to Table 5.

(b) See footnote (b) to Table 5.

TABLE 7. MERCHANDISE TRADE - FOREIGN TRADE STATISTICS ADJUSTED FOR BALANCE OF PAYMENTS PURPOSES

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
EXPORTS -													
Foreign trade statistics	24013	29708	32795	6000	6373	7269	6724	6859	8856	8604	8063	8352	7776
Adjustments -													
Coverage	-437	-339	-496	-123	-88	-33	-84	-106	-116	-137	-128	-137	-94
Timing	106	-153	-45	35	65	-165	-8	68	-48	10	44	-64	-35
Merchandise exports (balance of payments basis)	23682	29216	32254	5912	6350	7071	6632	6821	8692	8477	7979	8151	7647
IMPORTS -													
Foreign trade statistics	23540	29051	34690	5931	6275	6955	6715	7396	7985	9098	8652	8500	8440
Adjustments -													
Coverage	65	397	797	18	6	14	119	117	147	302	158	306	31
Timing	-151	625	105	-30	38	708	217	-554	254	-104	333	-204	80
Valuation	43	31	24	13	11	15	11	4	1	1	7	9	7
Merchandise imports (balance of payments basis) (a)	23497	30104	35616	5932	6330	7692	7062	6963	8387	9297	9150	8611	8558

(a) These entries carry the opposite sign to corresponding entries in Tables 1,2,3,5 and 6. See paragraph 5 of the Explanatory Notes.

TABLE 8. BALANCE OF PAYMENTS - CURRENT ACCOUNT - SERVICES

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>CREDITS -</b>													
<b>Shipment -</b>													
Freight on exports	356	388	399	91	83	90	92	98	108	95	87	108	109
Insurance on exports	6	7	8	2	2	2	2	1	2	2	2	2	2
<b>Total</b>	<b>362</b>	<b>395</b>	<b>407</b>	<b>93</b>	<b>85</b>	<b>92</b>	<b>94</b>	<b>99</b>	<b>110</b>	<b>97</b>	<b>89</b>	<b>110</b>	<b>111</b>
<b>Other transportation -</b>													
Passenger services	507	601	847	136	114	121	158	171	151	159	220	255	213
Port services etc	1239	1495	1605	299	332	365	371	359	400	409	427	394	375
<b>Total</b>	<b>1746</b>	<b>2096</b>	<b>2452</b>	<b>435</b>	<b>446</b>	<b>486</b>	<b>529</b>	<b>530</b>	<b>551</b>	<b>568</b>	<b>647</b>	<b>649</b>	<b>588</b>
<b>Travel</b>	<b>1223</b>	<b>1359</b>	<b>1806</b>	<b>321</b>	<b>284</b>	<b>281</b>	<b>347</b>	<b>393</b>	<b>338</b>	<b>332</b>	<b>489</b>	<b>516</b>	<b>469</b>
<b>Other services -</b>													
<b>Official</b>	<b>163</b>	<b>169</b>	<b>172</b>	<b>36</b>	<b>49</b>	<b>33</b>	<b>38</b>	<b>42</b>	<b>56</b>	<b>34</b>	<b>37</b>	<b>41</b>	<b>60</b>
<b>Non-official -</b>													
Expenditure of foreign govts	67	76	85	16	18	20	19	18	19	18	22	23	22
Expenditure of foreign govt employees	45	48	52	11	11	12	12	12	12	13	13	13	13
Expenditure of resident entity employees	106	121	152	29	26	26	32	35	28	28	41	44	39
Insurance services nec	4	10	12	1	1	2	3	2	3	3	3	3	3
Miscellaneous services	615	662	732	152	169	150	160	161	191	182	166	170	214
<b>Total</b>	<b>837</b>	<b>917</b>	<b>1033</b>	<b>209</b>	<b>225</b>	<b>210</b>	<b>226</b>	<b>228</b>	<b>253</b>	<b>244</b>	<b>245</b>	<b>253</b>	<b>291</b>
<b>Total other services</b>	<b>1000</b>	<b>1086</b>	<b>1205</b>	<b>245</b>	<b>274</b>	<b>243</b>	<b>264</b>	<b>270</b>	<b>309</b>	<b>278</b>	<b>282</b>	<b>294</b>	<b>351</b>
<b>TOTAL SERVICES CREDITS</b>	<b>4331</b>	<b>4936</b>	<b>5870</b>	<b>1094</b>	<b>1089</b>	<b>1102</b>	<b>1234</b>	<b>1292</b>	<b>1308</b>	<b>1275</b>	<b>1507</b>	<b>1569</b>	<b>1519</b>
<b>DEBITS -</b>													
<b>Shipment -</b>													
Freight on imports	-2018	-2523	-2734	-502	-552	-649	-592	-589	-693	-747	-723	-625	-639
Insurance on imports	-12	-16	-24	-3	-3	-4	-4	-4	-4	-6	-6	-6	-6
<b>Total</b>	<b>-2030</b>	<b>-2539</b>	<b>-2758</b>	<b>-505</b>	<b>-555</b>	<b>-653</b>	<b>-596</b>	<b>-593</b>	<b>-697</b>	<b>-753</b>	<b>-729</b>	<b>-631</b>	<b>-645</b>
<b>Other transportation -</b>													
Passenger services	-968	-1220	-1313	-227	-273	-312	-265	-297	-346	-351	-313	-308	-341
Port services etc	-727	-877	-970	-180	-185	-192	-214	-230	-241	-265	-243	-242	-220
<b>Total</b>	<b>-1695</b>	<b>-2097</b>	<b>-2283</b>	<b>-407</b>	<b>-458</b>	<b>-504</b>	<b>-479</b>	<b>-527</b>	<b>-587</b>	<b>-616</b>	<b>-556</b>	<b>-550</b>	<b>-561</b>
<b>Travel</b>	<b>-2146</b>	<b>-2618</b>	<b>-2746</b>	<b>-515</b>	<b>-594</b>	<b>-678</b>	<b>-636</b>	<b>-628</b>	<b>-676</b>	<b>-757</b>	<b>-669</b>	<b>-649</b>	<b>-671</b>
<b>Other services -</b>													
<b>Official -</b>													
Defence services	-63	-73	-80	-18	-21	-13	-18	-16	-26	-14	-15	-19	-32
Financial services	-21	-33	-39	-2	-	-8	-8	-7	-10	-10	-9	-10	-10
Miscellaneous services	-139	-162	-188	-37	-42	-31	-39	-39	-53	-42	-42	-44	-60
<b>Total</b>	<b>-223</b>	<b>-268</b>	<b>-307</b>	<b>-57</b>	<b>-63</b>	<b>-52</b>	<b>-65</b>	<b>-62</b>	<b>-89</b>	<b>-66</b>	<b>-66</b>	<b>-73</b>	<b>-102</b>
<b>Non-official -</b>													
Expenditure of Aust govt employees	-84	-99	-108	-21	-25	-22	-23	-23	-31	-28	-29	-24	-27
Expenditure of non-resident entity employees	-134	-171	-179	-33	-38	-44	-42	-41	-44	-49	-44	-42	-44
Insurance services nec	-161	-144	-216	-40	-41	-36	-36	-36	-36	-54	-54	-54	-54
Miscellaneous services	-774	-950	-1132	-210	-195	-212	-216	-264	-258	-264	-275	-301	-292
<b>Total</b>	<b>-1153</b>	<b>-1364</b>	<b>-1635</b>	<b>-304</b>	<b>-299</b>	<b>-314</b>	<b>-317</b>	<b>-364</b>	<b>-369</b>	<b>-395</b>	<b>-402</b>	<b>-421</b>	<b>-417</b>
<b>Total other services</b>	<b>-1376</b>	<b>-1632</b>	<b>-1942</b>	<b>-361</b>	<b>-362</b>	<b>-366</b>	<b>-382</b>	<b>-426</b>	<b>-458</b>	<b>-461</b>	<b>-468</b>	<b>-494</b>	<b>-519</b>
<b>TOTAL SERVICES DEBITS</b>	<b>-7247</b>	<b>-8886</b>	<b>-9729</b>	<b>-1788</b>	<b>-1969</b>	<b>-2201</b>	<b>-2093</b>	<b>-2174</b>	<b>-2418</b>	<b>-2587</b>	<b>-2422</b>	<b>-2324</b>	<b>-2396</b>
<b>NET SERVICES</b>	<b>-2916</b>	<b>-3950</b>	<b>-3859</b>	<b>-694</b>	<b>-880</b>	<b>-1099</b>	<b>-859</b>	<b>-882</b>	<b>-1110</b>	<b>-1312</b>	<b>-915</b>	<b>-755</b>	<b>-877</b>

TABLE 9. BALANCE OF PAYMENTS - CURRENT ACCOUNT - INCOME CREDITS

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
PROPERTY INCOME -													
Investment income -													
Official -													
General government	21	24	20	5	6	6	6	6	6	6	3	7	4
Reserve Bank (a)	744	831	598	187	213	212	208	205	206	162	158	134	144
Total official	765	855	618	192	219	218	214	211	212	168	161	141	148
Non-official -													
Direct investment income(b)-													
Reinvested earnings	309	315	400	77	78	78	79	79	79	100	100	100	100
Distributed earnings -													
Remitted profits	69	35	72	10	48	12	14	3	6	58	1	1	12
Dividends (c)	144	129	319	18	93	33	26	15	55	30	68	110	111
Interest (c)	38	15	18	21	12	3	2	3	7	-11	-2	19	12
Total	251	179	409	49	153	48	42	21	68	77	67	130	135
Total direct investment income	560	494	809	126	231	126	121	100	147	177	167	230	235
Portfolio and other													
investment income (b) (c) -													
Dividends	33	36	49	5	13	8	10	8	10	13	10	8	18
Interest	103	140	286	26	25	33	36	36	35	48	84	74	80
Total	136	176	335	31	38	41	46	44	45	61	94	82	98
Total non-official	696	670	1144	157	269	167	167	144	192	238	261	312	333
Total investment income	1461	1525	1762	349	488	385	381	355	404	406	422	453	481
Other property income	88	130	108	26	20	20	44	31	35	20	33	19	36
TOTAL PROPERTY INCOME	1549	1655	1870	375	508	405	425	386	439	426	455	472	517
LABOUR AND OTHER INCOME -													
Labour income -													
Earnings in Australia	36	38	42	9	9	9	9	9	11	10	10	11	11
Earnings abroad	134	171	179	33	38	44	42	41	44	49	44	42	44
Total	170	209	221	42	47	53	51	50	55	59	54	53	55
Insurance income	75	-	-	75	-	-	-	-	-	-	-	-	-
TOTAL LABOUR AND OTHER INCOME	245	209	221	117	47	53	51	50	55	59	54	53	55
TOTAL INCOME CREDITS	1794	1864	2091	492	555	458	476	436	494	485	509	525	572

(a) Also includes interest/remuneration received from the IMF on behalf of the Commonwealth Government.

(b) See footnote (b) to Table 2.

(c) See footnote (c) to Table 2.

TABLE 10. BALANCE OF PAYMENTS - CURRENT ACCOUNT - INCOME DEBITS

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>PROPERTY INCOME -</b>													
Investment income -													
Official -													
General government -													
Interest on foreign currency borrowing	-540	-657	-927	-147	-86	-166	-205	-180	-106	-214	-303	-232	-178
Interest on Australian currency borrowing	-128	-270	-392	-32	-33	-67	-68	-67	-68	-98	-98	-98	-98
Total	-668	-927	-1319	-179	-119	-233	-273	-247	-174	-312	-401	-330	-276
Reserve Bank (a)	-40	-32	-23	-9	-19	-10	-8	-6	-8	-6	-6	-6	-5
Total official	-708	-959	-1342	-188	-138	-243	-281	-253	-182	-318	-407	-336	-281
Non-official -													
Direct investment income (b) -													
Reinvested earnings	-553	-627	-620	-138	-139	-156	-157	-157	-157	-155	-155	-155	-155
Distributed earnings -													
Remitted profits	-591	-440	-350	-163	-114	-98	-63	-82	-197	-110	-89	-42	-109
Dividends	-610	-645	-797	-126	-155	-99	-249	-109	-188	-229	-217	-141	-210
Interest	-412	-505	-608	-74	-122	-115	-121	-123	-146	-144	-183	-130	-151
Total	-1613	-1590	-1755	-363	-391	-312	-433	-314	-531	-483	-489	-313	-470
Total direct investment income	-2166	-2217	-2375	-501	-530	-468	-590	-471	-688	-638	-644	-468	-625
Portfolio and other investment income (b) -													
Dividends	-291	-383	-400	-57	-75	-59	-148	-65	-111	-50	-177	-72	-101
Interest -													
Public sector (c)	-794	-1166	-1650	-194	-245	-249	-299	-282	-336	-337	-335	-485	-493
Private sector (d)	-1798	-2626	-2826	-496	-500	-500	-597	-762	-767	-650	-700	-719	-757
Total	-2592	-3792	-4476	-690	-745	-749	-896	-1044	-1103	-987	-1035	-1204	-1250
Total portfolio and other investment income	-2883	-4175	-4876	-747	-820	-808	-1044	-1109	-1214	-1037	-1212	-1276	-1351
Total non-official	-5049	-6392	-7251	-1248	-1350	-1276	-1634	-1580	-1902	-1675	-1856	-1744	-1976
Total investment income	-5757	-7351	-8593	-1436	-1488	-1519	-1915	-1833	-2084	-1993	-2263	-2080	-2257
Other property income -													
Cinema and TV film royalties	-200	-240	-250	-50	-50	-60	-60	-60	-60	-42	-69	-75	-64
Other	-427	-449	-379	-127	-100	-113	-115	-121	-100	-73	-64	-113	-129
Total	-627	-689	-629	-177	-150	-173	-175	-181	-160	-115	-133	-188	-193
<b>TOTAL PROPERTY INCOME</b>	<b>-6384</b>	<b>-8040</b>	<b>-9222</b>	<b>-1613</b>	<b>-1638</b>	<b>-1692</b>	<b>-2090</b>	<b>-2014</b>	<b>-2244</b>	<b>-2108</b>	<b>-2396</b>	<b>-2268</b>	<b>-2450</b>
<b>LABOUR AND OTHER INCOME -</b>													
Official	-44	-44	-50	-11	-13	-10	-10	-10	-14	-13	-13	-12	-12
Non-official													
Labour income	-106	-121	-152	-29	-26	-26	-32	-35	-28	-28	-41	-44	-39
Insurance income	-5	-	-	-1	-2	-	-	-	-	-	-	-	-
Total non-official	-111	-121	-152	-30	-28	-26	-32	-35	-28	-28	-41	-44	-39
<b>TOTAL LABOUR AND OTHER INCOME</b>	<b>-155</b>	<b>-165</b>	<b>-202</b>	<b>-41</b>	<b>-41</b>	<b>-36</b>	<b>-42</b>	<b>-45</b>	<b>-42</b>	<b>-41</b>	<b>-54</b>	<b>-56</b>	<b>-51</b>
<b>TOTAL INCOME DEBITS</b>	<b>-6539</b>	<b>-8205</b>	<b>-9424</b>	<b>-1654</b>	<b>-1679</b>	<b>-1728</b>	<b>-2132</b>	<b>-2059</b>	<b>-2286</b>	<b>-2149</b>	<b>-2450</b>	<b>-2324</b>	<b>-2501</b>

(a) Also includes interest /charges paid to the IMF on behalf of the Commonwealth Government.

(b) See footnote (b) to Table 2.

(c) Excluding interest payable by public sector trading banks and interest payable by the public sector on long term trade credit on imports.

(d) Including all interest payable by trading banks and all interest payable on long term trade credit on imports. See footnote (c).

TABLE 11. BALANCE OF PAYMENTS - CURRENT ACCOUNT - UNREQUITED TRANSFERS

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
CREDITS -													
Official	466	598	712	129	123	122	127	184	165	162	168	181	201
Non-official -													
Migrants' transfers	977	1052	1303	210	223	207	249	278	318	285	316	351	351
Foreign government pensions	22	19	20	6	5	4	5	5	5	5	5	5	5
Miscellaneous transfers	321	347	520	81	83	78	81	89	99	119	122	135	144
Total	1320	1418	1843	297	311	289	335	372	422	409	443	491	500
TOTAL UNREQUITED TRANSFERS													
CREDITS	1786	2016	2555	426	434	411	462	556	587	571	611	672	701
DEBITS -													
Official -													
Foreign aid -													
Papua New Guinea aid	-319	-330	-337	-79	-82	-79	-85	-85	-81	-80	-85	-87	-85
Other foreign aid	-412	-462	-462	-113	-162	-46	-121	-116	-179	-63	-69	-113	-217
Total	-731	-792	-799	-192	-244	-125	-206	-201	-260	-143	-154	-200	-302
Pensions	-83	-97	-122	-22	-23	-22	-22	-26	-27	-26	-26	-35	-35
Miscellaneous transfers	-42	-63	-57	-15	-1	-15	-11	-10	-27	-8	-8	-34	-7
Total official	-856	-952	-978	-229	-268	-162	-239	-237	-314	-177	-188	-269	-344
Non-official (a) -													
Migrants' transfers	-291	-296	-303	-78	-75	-74	-71	-79	-72	-79	-76	-74	-74
Withholding taxes	na	na	na	na	na	na	na	na	na	-4	-4	-4	-4
Miscellaneous transfers	-401	-408	-417	-91	-96	-102	-112	-96	-98	-108	-105	-102	-102
Total non-official	-692	-704	-736	-169	-171	-176	-183	-175	-170	-191	-185	-180	-180
TOTAL UNREQUITED TRANSFERS DEBITS	-1548	-1656	-1714	-398	-439	-338	-422	-412	-484	-368	-373	-449	-524
NET UNREQUITED TRANSFERS	238	360	841	28	-5	73	40	144	103	203	238	223	177

(a) See footnote (d) to Table 2.

TABLE 12. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF GENERAL GOVERNMENT

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>FOREIGN INVESTMENT IN AUSTRALIA -</b>													
Borrowing -													
Foreign currency -													
Drawings	1174	1807	2876	107	30	733	375	259	440	59	896	1519	402
Repayments	-817	-880	-1605	-150	-74	-258	-211	-255	-155	-156	-642	-440	-367
Total	357	927	1271	-43	-44	475	163	4	285	-97	254	1079	35
Australian currency -													
Drawings	1291	3079	6072	373	290	382	904	817	976	1014	978	2037	2043
Repayments	-580	-1371	-4200	-249	-151	-306	-197	-413	-455	-437	-751	-1297	-1715
Total	711	1708	1872	124	139	76	707	404	521	577	227	740	328
Total borrowing	1068	2635	3143	81	95	551	870	408	806	480	481	1819	363
Other	-93	-46	30	-21	-32	-25	-19	30	-32	-24	35	-12	31
<b>TOTAL FOREIGN INVESTMENT IN AUSTRALIA</b>	<b>975</b>	<b>2589</b>	<b>3173</b>	<b>60</b>	<b>62</b>	<b>526</b>	<b>851</b>	<b>438</b>	<b>774</b>	<b>456</b>	<b>516</b>	<b>1807</b>	<b>394</b>
<b>AUSTRALIAN INVESTMENT ABROAD -</b>													
Lending	3	-1	-12	1	-3	3	-5	4	-3	0	0	4	-17
Accounts receivable/prepayments made	-483	-213	7	-115	-84	64	-41	-117	-119	62	52	-59	-48
Other	-9	-55	-136	-3	-	-	-2	-53	-	-	-73	-3	-60
<b>TOTAL AUSTRALIAN INVESTMENT ABROAD</b>	<b>-489</b>	<b>-270</b>	<b>-141</b>	<b>-117</b>	<b>-87</b>	<b>67</b>	<b>-48</b>	<b>-166</b>	<b>-122</b>	<b>62</b>	<b>-21</b>	<b>-58</b>	<b>-125</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>486</b>	<b>2319</b>	<b>3032</b>	<b>-57</b>	<b>-24</b>	<b>592</b>	<b>803</b>	<b>272</b>	<b>652</b>	<b>518</b>	<b>496</b>	<b>1749</b>	<b>269</b>

TABLE 13. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF THE RESERVE BANK

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
FOREIGN INVESTMENT IN AUSTRALIA -													
Use of IMF credit	-37	-	-	-	-	-	-	-	-	-	-	-	-
Other	22	-10	-16	-3	12	-5	10	-11	-4	-16	4	-20	16
TOTAL FOREIGN INVESTMENT IN AUSTRALIA	-15	-10	-16	-3	12	-5	10	-11	-4	-16	4	-20	16
AUSTRALIAN INVESTMENT ABROAD-													
RESERVE ASSETS -													
Official reserve assets -													
Monetary gold	-	-	-	-	-	-	-	-	-	-	-	-	-
SDRs	-58	-124	-53	-24	-46	-58	-30	-13	-23	-46	-17	5	5
Reserve position in IMF	-159	-57	-4	-	-31	-	-59	-	2	-6	2	-	-
Foreign exchange	-1636	1701	2197	776	635	-10	268	827	616	838	1107	-484	736
Total	-1853	1520	2140	752	558	-68	179	814	595	786	1092	-479	741
Allocation of SDRs	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL RESERVE ASSETS	-1853	1520	2140	752	558	-68	179	814	595	786	1092	-479	741
OTHER	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL AUSTRALIAN INVESTMENT ABROAD	-1853	1520	2140	752	558	-68	179	814	595	786	1092	-479	741
TOTAL RESERVE BANK	-1868	1510	2124	749	570	-73	189	803	591	770	1096	-499	757

TABLE 14. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF THE NON-OFFICIAL SECTOR:  
FOREIGN INVESTMENT IN AUSTRALIA \$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85				1985-86			
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>DIRECT INVESTMENT (a) -</b>													
Reinvestment of earnings	553	627	620	138	139	156	157	157	157	155	155	155	155
Corporate equities	585	353	1499	47	48	-7	108	-34	286	245	493	324	437
Net equity in branches	-784	65	-404	90	-1574	175	-98	-29	17	67	102	-724	151
<b>Borrowing (b) -</b>													
Drawings	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya
Repayments	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya
Total	1050	1127	-1206	-200	364	599	-138	90	576	-330	-474	-198	-204
Other	602	434	215	-9	454	234	-178	148	230	15	135	30	35
<b>TOTAL DIRECT INVESTMENT</b>	<b>2006</b>	<b>2606</b>	<b>724</b>	<b>66</b>	<b>-569</b>	<b>1157</b>	<b>-149</b>	<b>332</b>	<b>1266</b>	<b>152</b>	<b>411</b>	<b>-413</b>	<b>574</b>
<b>PORTFOLIO AND OTHER INVESTMENT (a)-</b>													
Corporate equities	584	143	-342	226	-50	18	-207	127	205	-168	-122	-30	-22
<b>Borrowing -</b>													
Trading banks (c) -													
Foreign currency (d)	377	1690	4654	112	97	524	295	453	418	153	1048	1524	1929
Australian currency	59	683	588(e)	-30	13	303	333	-97	145	264	46	278	nya
Total	436	2373	5242(e)	83	111	827	628	356	563	417	1094	1802	1929(e)
<b>Enterprises n.e.c. -</b>													
Public sector -													
Foreign currency	2244	2898	1511	1306	324	225	1253	1192	228	-113	nya	nya	nya
Australian currency	111	677	41	87	-	150	249	311	-33	104	nya	nya	nya
Total	2355	3575	1552	1393	324	375	1502	1503	195	-9	576	1228	-243
Of which -													
Drawings	6470	12540	nya	nya	nya	2461	3743	3338	2998	nya	nya	nya	nya
Repayments	-4115	-8966	nya	nya	nya	-2086	-2241	-1835	-2804	nya	nya	nya	nya
<b>Private sector -</b>													
Drawings	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya
Repayments	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya	nya
Total	3216	3778	4266	348	1676	1000	1249	1124	405	1860	1606	374	426
Total enterprises n.e.c.	5571	7353	5818	1741	2000	1375	2751	2627	600	1851	2182	1602	183
<b>Total borrowing</b>	<b>6007</b>	<b>9726</b>	<b>11060(e)</b>	<b>1824</b>	<b>2111</b>	<b>2202</b>	<b>3379</b>	<b>2983</b>	<b>1163</b>	<b>2268</b>	<b>3276</b>	<b>3404</b>	<b>2112(e)</b>
<b>Accounts payable/prepayments received -</b>													
Public sector	167	63	-43	16	20	11	22	18	12	-12	-16	-10	-5
Private sector	376	176	50	26	278	160	-22	11	27	13	110	22	-95
Total	543	239	7	42	298	171	-	29	39	1	94	12	-100
<b>TOTAL PORTFOLIO AND OTHER INVESTMENT</b>	<b>7134</b>	<b>10108</b>	<b>10725(e)</b>	<b>2092</b>	<b>2359</b>	<b>2391</b>	<b>3172</b>	<b>3139</b>	<b>1407</b>	<b>2101</b>	<b>3248</b>	<b>3386</b>	<b>1990(e)</b>
<b>TOTAL FOREIGN INVESTMENT IN AUSTRALIA</b>	<b>9140</b>	<b>12714</b>	<b>11449(e)</b>	<b>2158</b>	<b>1790</b>	<b>3548</b>	<b>3023</b>	<b>3471</b>	<b>2673</b>	<b>2253</b>	<b>3659</b>	<b>2973</b>	<b>2564(e)</b>

(a) From September quarter 1985, the entries are not strictly comparable with entries for previous periods because of the change in the definition of direct investment. See Appendix B to the December quarter 1985 issue of this publication.

(b) Direct investment borrowing by trading banks is included in portfolio and other investment.

(c) Includes direct investment borrowing - see footnote (b).

(d) Up to and including June quarter 1985, covers foreign currency borrowing for on-lending only. From September quarter 1985, covers all foreign currency borrowing. See Appendix B to the December quarter 1985 issue of this publication.

(e) Excludes Australian currency borrowing by trading banks for the June quarter 1986.

TABLE 15. BALANCE OF PAYMENTS - CAPITAL ACCOUNT - NET CAPITAL TRANSACTIONS OF THE NON-OFFICIAL SECTOR:  
AUSTRALIAN INVESTMENT ABROAD

\$MILLION

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>DIRECT INVESTMENT (a) -</b>													
Reinvestment of earnings	-309	-315	-400	-77	-78	-78	-79	-79	-79	-100	-100	-100	-100
Corporate equities	-1042	-1823	-1196	-19	-897	-585	-352	-393	-493	86	-912	-335	-35
Net equity in branches	-60	-111	-262	-3	-37	-13	-4	13	-107	-33	-32	-15	-182
Lending (b)	111	-146	-30	-45	219	66	-29	-82	-101	-150	-87	116	91
Other	-10	-24	-20	-45	-43	-4	-13	-16	9	-7	-34	30	-9
<b>TOTAL DIRECT INVESTMENT</b>	<b>-1310</b>	<b>-2419</b>	<b>-1908</b>	<b>-189</b>	<b>-836</b>	<b>-614</b>	<b>-477</b>	<b>-557</b>	<b>-771</b>	<b>-204</b>	<b>-1165</b>	<b>-304</b>	<b>-235</b>
<b>PORTFOLIO AND OTHER INVESTMENT (a) -</b>													
Corporate equities	-127	-824	-2361	-50	-3	-102	-341	-403	22	-269	-639	-766	-687
Lending -													
Trading banks (c) -													
Foreign currency (d)	-99	120	-1801	-251	55	186	-108	-485	527	-528	-129	-545	-599
Australian currency	10	-23	-97(e)	-1	-18	7	14	-12	-31	-65	-45	13	nva
Total	-89	97	-1898(e)	-252	37	193	-94	-497	496	-593	-174	-532	-599(e)
Enterprises n.e.c.	-335	-754	-663	-934	546	-151	-328	-436	161	-211	-773	374	-53
Total lending	-424	-657	-2561(e)	-1186	583	42	-422	-933	657	-804	-947	-158	-652(e)
Accounts receivable/prepayments made -													
Public sector	-313	-643	-40	-135	-174	-200	-126	-193	-124	-24	-39	-73	96
Private sector	-68	-410	-38	-2	-35	-250	56	-94	-122	-13	-224	-26	225
Total	-381	-1053	-78	-137	-209	-450	-70	-287	-246	-37	-263	-99	321
<b>TOTAL PORTFOLIO AND OTHER INVESTMENT</b>	<b>-932</b>	<b>-2534</b>	<b>-5000(e)</b>	<b>-1373</b>	<b>371</b>	<b>-510</b>	<b>-833</b>	<b>-1623</b>	<b>433</b>	<b>-1110</b>	<b>-1849</b>	<b>-1023</b>	<b>-1018(e)</b>
<b>TOTAL AUSTRALIAN INVESTMENT ABROAD</b>	<b>-2242</b>	<b>-4953</b>	<b>-6908(e)</b>	<b>-1562</b>	<b>-465</b>	<b>-1124</b>	<b>-1310</b>	<b>-2180</b>	<b>-338</b>	<b>-1314</b>	<b>-3014</b>	<b>-1327</b>	<b>-1253(e)</b>

(a) See footnote (a) to Table 14.

(b) Direct investment lending by trading banks is included in portfolio and other investment.

(c) Includes direct investment lending. From September quarter 1985, covers all foreign currency lending. See Appendix B to the December quarter 1985 issue of this publication for details.

(d) Up to and including June quarter 1985, selected borrowing is netted off against lending. From September quarter 1985, covers all foreign currency lending. See Appendix B to the December quarter 1985 issue of this publication.

(e) Excludes Australian currency lending by trading banks for the June quarter 1986.

TABLE 16. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

	YEAR			QUARTERS ENDED-									
	1983-84	1984-85	1985-86	1983-84		1984-85		1985-86					
				MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN
<b>OFFICIAL RESERVE ASSETS</b>													
(\$MILLION) -													
Levels at end of year/quarter	12417	13517(b)	13024	12241	12417	12432(b)	12058	13129	13517	12505	12216	12811	13024
Changes in levels	1668	(c)	-492	-1109	176	(c)	-374	1071	387	-1011	-289	595	214
Of which -													
Changes due to effects of revaluations	-185	(c)	1648	-357	734	(c)	-195	1885	982	-225	803	116	955
Changes included in the balance of payments (a)	1853	-1520	-2140	-752	-558	68	-179	-814	-595	-786	-1092	479	-741
<b>EXCHANGE RATES (END OF YEAR/QUARTER) -</b>													
<b>UNITS OF FOREIGN CURRENCY PER \$A -</b>													
United States dollar	.8613	.6655	.6772	.9350	.8613	.8330	.8278	.7051	.6655	.7077	.6809	.7119	.6772
UK pound	.6378	.5136	.4414	.6461	.6378	.6696	.7130	.5641	.5136	.5042	.4732	.4823	.4414
West German mark	2.399	2.030	1.485	2.426	2.399	2.526	2.606	2.172	2.030	1.891	1.672	1.659	1.485
Japanese yen	204.60	165.68	110.96	210.22	204.60	204.67	207.24	176.94	165.68	152.97	136.49	128.09	110.96
<b>TRADE-WEIGHTED INDEX (END OF YEAR/QUARTER) OF VALUE OF THE AUSTRALIAN DOLLAR (MAY 1970 = 100)</b>													
	79.2	65.0	56.3	82.9	79.2	80.3	81.3	69.2	65.0	64.8	60.7	61.1	56.3

- (a) These entries carry the opposite sign to corresponding entries in Tables 4 & 13. See paragraph 5 of the Explanatory Notes.  
 (b) From September quarter 1984, figures for official reserve assets are not fully comparable with earlier data due to changes in the the Reserve Bank's accounting procedures.  
 (c) Not available, see footnote (b).

