

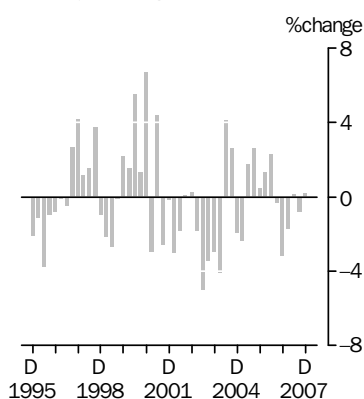
# INTERNATIONAL TRADE PRICE INDEXES

AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) FRI 18 JAN 2008

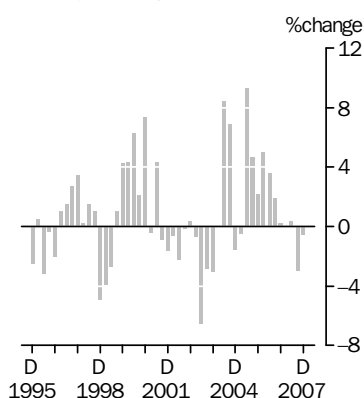
## IMPORT PRICE INDEX: all groups

Quarterly % change



## EXPORT PRICE INDEX: all groups

Quarterly % change



## KEY FIGURES

	Sep Qtr 07 to Dec Qtr 07 % change	Dec Qtr 06 to Dec Qtr 07 % change
<b>Import Price Index all groups</b>	<b>0.2</b>	<b>-2.2</b>
Food and live animals	-2.1	-2.0
Beverages and tobacco	0.6	-1.8
Crude materials, inedible, except fuels	-0.1	3.2
Mineral fuels, lubricants and related materials	13.9	24.2
Animal and vegetable oils, fats and waxes	1.1	7.4
Chemicals and related products, n.e.c.	-1.2	0.9
Manufactured goods classified chiefly by material	-2.3	-5.5
Machinery and transport equipment	-2.5	-8.5
Miscellaneous manufactured articles	-3.3	-9.3
Commodities and transactions, n.e.c.	10.1	10.8
<b>Export Price Index all groups</b>	<b>-0.6</b>	<b>-3.2</b>
Food and live animals	3.5	3.0
Beverages and tobacco	-8.8	-14.7
Crude materials, inedible, except fuels	-5.2	-3.9
Mineral fuels, lubricants and related materials	6.5	-1.3
Chemicals and related products, n.e.c.	-4.9	-10.2
Manufactured goods classified chiefly by material	-6.8	-10.1
Machinery and transport equipment	-2.5	-4.7
Miscellaneous manufactured articles	-2.3	-8.2

## KEY POINTS

### IMPORT PRICE INDEX

- The Import Price Index increased by 0.2% in the December quarter 2007. The increase was mainly driven by rises in prices paid for petroleum, petroleum products and related materials (+13.9%) and gold, non-monetary (+10.1%). These rises were partly offset by falls in prices paid for office machines and ADP machines (-8.0%) and telecommunications and sound recording and reproducing apparatus and equipment (-5.7%). Through the year to December quarter 2007, the Import Price Index decreased by 2.2%.

### EXPORT PRICE INDEX

- The Export Price Index decreased by 0.6% in the December quarter 2007. The decrease this quarter was driven by price falls in metalliferous ores and metal scrap (-6.5%), non-ferrous metals (-8.9%) and coal, coke and briquettes (-6.1%), partly offset by increases in prices received for gas, natural and manufactured (+42.4%) and petroleum products and related materials (+11.4%). Through the year to December quarter 2007, the Export Price Index decreased by 3.2%. Appreciation of the Australian dollar also contributed to this decrease.

## INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Lee Taylor on Canberra (02) 6252 6251.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
March 2008	18 April 2008
June 2008	18 July 2008



## CHANGES IN THIS ISSUE

There are no changes in this issue.

## ROUNDING

Any discrepancies between totals and sums of components in this publication are due to rounding.

## DATA REFERENCES

Data referenced in the Key points are available from the tables shown in this publication, or in the corresponding tables of this publication on the ABS website <<http://www.abs.gov.au>>.

## RELATED STATISTICS

For more information about statistics in this publication contact Lee Taylor on (02) 6252 6251, or email <[lee.taylor@abs.gov.au](mailto:lee.taylor@abs.gov.au)>.



## ABBREVIATIONS

ABS	Australian Bureau of Statistics
ADP	automatic data processing
AHECC	Australian Harmonised Export Commodity Classification
ANZSIC	Australian and New Zealand Standard Industrial Classification
BEC	Classification by Broad Economic Categories
f.o.b.	free on board
HTISC	Harmonized Tariff Item Statistical Classification
n.e.c.	not elsewhere classified
SITC	Standard International Trade Classification

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Australian Statistician

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## IMPORT PRICE INDEX(a): All groups index numbers and percentage changes

<i>Period</i>	<i>Index numbers</i>	<i>% change from previous period</i>	<i>% change from corresponding quarter of previous year</i>
<b>2003-04</b>	112.3	-10.9	..
<b>2004-05</b>	112.8	0.4	..
<b>2005-06</b>	117.0	3.7	..
<b>2006-07</b>	115.7	-1.1	..
<b>2003</b>			
March	126.4	-1.9	-3.4
June	120.1	-5.0	-6.5
September	116.0	-3.4	-9.7
December	112.6	-2.9	-12.6
<b>2004</b>			
March	108.0	-4.1	-14.6
June	112.4	4.1	-6.4
September	115.3	2.6	-0.6
December	113.1	-1.9	0.4
<b>2005</b>			
March	110.4	-2.4	2.2
June	112.3	1.7	-0.1
September	115.2	2.6	-0.1
December	115.7	0.4	2.3
<b>2006</b>			
March	117.2	1.3	6.2
June	119.9	2.3	6.8
September	119.5	-0.3	3.7
December	115.7	-3.2	0.0
<b>2007</b>			
March	113.7	-1.7	-3.0
June	113.8	0.1	-5.1
September	112.9	-0.8	-5.5
December	113.1	0.2	-2.2

.. not applicable

(a) Reference base of each index: 1989-90 = 100.0.

## IMPORT PRICE INDEX(a): SITC contribution to all groups index

Category	CONTRIBUTION TO ALL GROUPS (INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2007	Dec Qtr 2007	Sep Qtr 2007 to Dec Qtr 2007
	ALL GROUPS		
All groups	112.9	113.1	0.2
SITC SECTIONS			
0 Food and live animals	4.48	4.39	-0.09
1 Beverages and tobacco	0.89	0.90	0.01
2 Crude materials, inedible, except fuels	1.68	1.67	-0.01
3 Mineral fuels, lubricants and related materials	15.10	17.20	2.10
4 Animal and vegetable oils, fats and waxes	0.36	0.37	0.01
5 Chemicals and related products, n.e.c.	13.22	13.06	-0.16
6 Manufactured goods classified chiefly by material	13.22	12.92	-0.30
7 Machinery and transport equipment	46.76	45.57	-1.19
8 Miscellaneous manufactured articles	13.92	13.46	-0.46
9 Commodities and transactions, n.e.c.	3.28	3.61	0.33
SELECTED SITC DIVISIONS			
03 Fish, crustaceans, molluscs and aquatic invertebrates and preparations thereof	0.81	0.79	-0.02
24 Cork and wood	0.42	0.40	-0.02
33 Petroleum, petroleum products and related materials	14.37	16.36	1.99
51 Organic chemicals	2.28	2.29	0.01
52 Inorganic chemicals	0.78	0.74	-0.04
59 Chemical materials and products, n.e.c.	1.08	1.06	-0.02
64 Paper, paperboard and articles of paper pulp, of paper or of paperboard	1.73	1.73	0.00
65 Textile yarn, fabrics, made-up articles, n.e.c., and related products	1.59	1.59	0.00
69 Manufactures of metals, n.e.c.	2.79	2.70	-0.09
71 Power generating machinery and equipment	2.24	2.18	-0.06
72 Machinery specialised for particular industries	4.35	4.34	-0.01
74 General industrial machinery and equipment, n.e.c. and machine parts, n.e.c.	6.29	6.19	-0.10
75 Office machines and ADP machines	5.48	5.05	-0.43
76 Telecommunications and sound recording and reproducing apparatus and equipment	5.77	5.44	-0.33
77 Electrical machinery, apparatus and appliances, n.e.c., and electrical parts thereof	5.52	5.41	-0.11
78 Road vehicles (incl. air-cushion vehicles)	14.63	14.61	-0.02
79 Transport equipment (excl. road vehicles)	2.00	1.88	-0.12
87 Professional, scientific and controlling instruments and apparatus, n.e.c.	2.64	2.57	-0.07
89 Miscellaneous manufactured articles, n.e.c.	4.66	4.51	-0.15

(a) Reference base of each index 1989-90 = 100.0.

## IMPORT PRICE INDEX(a): Selected SITC section

<i>Period</i>	<i>Food and live animals (0)</i>	<i>Beverages and tobacco (1)</i>	<i>Crude materials, inedible, except fuels (2)</i>	<i>Mineral fuels, lubricants and related materials (3)</i>	<i>Animal and vegetable oils, fats and waxes (4)</i>	<i>Chemicals and related products, n.e.c. (5)</i>	<i>Manufactured goods classified chiefly by material (6)</i>	<i>Machinery and transport equipment (7)</i>	<i>Miscellaneous manufactured articles (8)</i>	<i>Commodities and transactions, n.e.c. (9)</i>
<b>2003-04</b>	116.9	134.1	112.2	156.2	134.9	113.2	118.9	103.3	114.4	110.2
<b>2004-05</b>	120.0	128.2	115.1	202.3	142.2	116.8	123.2	98.3	111.8	113.3
<b>2005-06</b>	125.9	132.5	121.4	288.0	160.9	117.9	126.7	95.4	112.3	142.3
<b>2006-07</b>	123.8	122.3	125.6	280.2	167.0	118.8	135.1	92.4	109.3	163.7
<b>2003</b>										
March	126.0	140.9	122.5	191.5	143.2	119.6	129.1	117.4	131.4	120.0
June	123.8	139.4	121.7	163.6	139.2	117.0	125.2	112.1	124.9	110.9
September	119.2	134.9	118.0	156.3	134.5	114.6	121.6	107.9	120.3	111.2
December	117.0	134.7	112.4	152.4	135.7	112.4	118.8	104.4	115.2	110.5
<b>2004</b>										
March	114.5	134.0	106.6	145.2	135.3	110.6	115.2	99.3	109.1	107.8
June	116.8	132.8	111.6	171.0	134.1	115.1	120.0	101.6	112.9	111.1
September	119.5	131.1	117.2	192.2	148.3	117.4	124.5	102.6	115.1	114.2
December	119.4	128.0	114.4	200.1	143.6	116.6	123.2	99.1	112.0	115.8
<b>2005</b>										
March	117.7	124.4	112.6	188.2	135.5	115.7	122.4	96.2	110.1	110.8
June	123.2	129.4	116.1	228.7	141.4	117.5	122.5	95.2	109.8	112.2
September	124.9	133.3	118.4	268.9	141.1	118.2	123.1	95.5	110.8	116.8
December	125.6	133.9	120.6	270.1	156.7	118.3	124.8	95.5	111.7	132.0
<b>2006</b>										
March	126.3	132.8	122.2	289.2	164.2	117.3	127.0	95.3	113.4	151.2
June	126.8	129.8	124.4	323.7	181.7	117.9	132.0	95.2	113.2	169.3
September	125.3	120.6	127.6	320.5	174.5	118.7	136.1	94.4	111.5	164.6
December	124.5	124.8	127.2	266.5	165.7	118.0	136.5	93.2	110.9	161.2
<b>2007</b>										
March	124.7	123.9	123.2	250.8	164.8	117.2	134.9	92.0	109.2	167.0
June	120.6	120.0	124.5	282.9	162.9	121.4	132.7	89.8	105.7	161.9
September	124.6	121.8	131.4	290.6	176.1	120.6	132.0	87.5	104.0	162.2
December	122.0	122.5	131.3	330.9	178.0	119.1	129.0	85.3	100.6	178.6

(a) Reference base of each index: 1989-90 = 100.0.

## IMPORT PRICE INDEX(a): Consumption goods

Period	BEC END	BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES						
	USE	Consumption goods total	Food and beverages, mainly for consumption	Household electrical items	Non-industrial transport equipment	Textiles, clothing and footwear	Toys, books and leisure goods	Consumption goods, n.e.c.
<b>2003-04</b>		121.8	125.9	93.2	156.3	107.9	121.2	116.6
<b>2004-05</b>		119.4	128.1	85.7	152.2	103.8	118.7	115.4
<b>2005-06</b>		119.0	134.9	82.3	148.0	104.1	119.3	113.6
<b>2006-07</b>		116.5	130.3	75.3	146.0	102.7	114.2	113.0
<b>2003</b>								
March		133.4	133.4	107.0	164.7	126.7	138.1	126.3
June		129.0	131.9	101.8	162.0	119.4	132.8	121.9
September		125.5	127.7	97.5	158.9	114.7	128.3	119.3
December		122.3	126.0	94.4	156.8	109.9	122.3	116.5
<b>2004</b>								
March		118.3	123.9	89.9	154.6	101.9	115.2	113.7
June		120.9	125.9	90.9	154.9	105.2	118.8	116.8
September		122.2	128.2	89.7	154.0	108.4	121.4	118.2
December		119.9	127.2	85.9	153.8	104.8	118.9	116.1
<b>2005</b>								
March		117.6	125.5	84.6	151.3	101.0	117.3	113.9
June		117.8	131.3	82.7	149.5	100.8	117.2	113.4
September		119.0	133.2	84.4	149.4	101.9	118.0	114.7
December		118.7	134.7	83.3	147.7	103.7	119.4	112.6
<b>2006</b>								
March		119.0	135.6	81.5	147.0	105.6	119.6	113.2
June		119.2	136.0	79.9	148.0	105.3	120.3	113.7
September		118.1	132.3	77.7	147.0	106.3	116.9	113.3
December		116.9	131.1	75.5	145.4	104.3	115.2	113.2
<b>2007</b>								
March		116.3	130.9	75.1	146.0	101.6	114.6	112.6
June		114.5	126.7	72.7	145.4	98.5	110.0	113.0
September		113.4	130.2	69.9	142.7	98.5	107.7	112.5
December		112.0	127.8	66.7	142.5	96.4	103.8	110.4

(a) Reference base of each index: 1989-90 = 100.0.

## IMPORT PRICE INDEX(a): Capital goods

Period	BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES						
	Capital goods total	Machinery and industrial equipment	ADP equipment	Telecommunications equipment	Civil aircraft	Industrial transport equipment n.e.c.	Capital goods, n.e.c.
<b>2003-04</b>	101.9	130.6	25.9	52.0	136.7	165.5	129.0
<b>2004-05</b>	97.3	130.1	22.4	43.7	137.0	163.5	124.4
<b>2005-06</b>	93.9	129.3	19.9	38.9	145.0	159.1	121.2
<b>2006-07</b>	90.0	129.2	16.9	35.3	146.0	156.1	115.4
<b>2003</b>							
March	115.4	144.5	34.4	61.7	157.5	174.4	143.2
June	110.1	139.2	31.2	56.7	148.2	171.7	137.6
September	106.3	134.8	28.8	54.6	144.1	169.0	133.9
December	102.6	130.0	26.5	53.0	138.5	166.5	129.0
<b>2004</b>							
March	98.3	125.9	23.7	50.9	128.3	162.2	126.0
June	100.5	131.5	24.4	49.6	135.9	164.3	127.2
September	101.4	133.7	24.7	48.4	140.0	167.6	128.4
December	98.2	129.9	22.8	46.1	137.3	164.5	123.8
<b>2005</b>							
March	95.3	128.6	21.4	40.4	133.5	162.8	123.5
June	94.2	128.2	20.6	39.8	137.2	158.9	121.9
September	94.2	127.3	20.7	39.5	140.0	160.0	121.9
December	94.4	128.7	20.3	39.8	144.6	161.1	122.4
<b>2006</b>							
March	93.5	129.6	19.6	38.2	147.0	158.1	120.9
June	93.4	131.6	18.8	38.2	148.4	157.2	119.5
September	92.1	129.9	18.3	36.5	149.2	159.0	117.8
December	91.1	130.2	17.4	36.0	148.3	156.5	117.8
<b>2007</b>							
March	89.5	128.7	16.6	35.0	146.2	154.8	114.3
June	87.4	127.9	15.4	33.5	140.4	154.2	111.7
September	85.3	125.4	14.6	31.5	137.0	153.6	111.4
December	83.3	124.8	13.4	29.9	131.8	154.2	107.8

(a) Reference base of each index: 1989-90 = 100.0.



## IMPORT PRICE INDEX(a): Intermediate and other merchandise goods

BEC END									
USE									
BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES									
Period	Intermediate and other goods total	<i>Intermediate and other goods total</i>							
		<i>excluding non-monetary gold</i>	<i>Food and beverages, mainly for industry</i>	<i>Primary industrial supplies, n.e.c.</i>	<i>Fuels and lubricants</i>	<i>Parts for transport equipment</i>	<i>Parts for ADP machinery</i>	<i>Other parts for capital equipment</i>	<i>Organic and inorganic chemicals</i>
<b>2003-04</b>	108.2	108.4	115.8	115.2	182.8	130.4	20.6	94.0	103.7
<b>2004-05</b>	114.8	115.1	117.5	116.4	238.3	127.6	17.9	89.2	110.6
<b>2005-06</b>	127.9	127.9	121.3	122.0	341.4	129.2	15.8	87.4	113.9
<b>2006-07</b>	129.2	129.2	130.1	125.6	331.8	132.1	13.5	86.5	115.1
<b>2003</b>									
March	123.5	123.6	131.8	128.4	223.8	144.9	27.6	110.4	108.9
June	115.9	115.9	124.6	126.2	190.8	140.6	24.9	104.8	104.8
September	111.3	111.4	117.2	122.3	182.6	134.4	22.9	100.1	104.1
December	108.1	108.2	115.8	115.9	177.9	134.1	21.2	95.2	102.7
<b>2004</b>									
March	103.1	103.2	115.6	109.9	169.9	125.0	18.9	88.9	101.1
June	110.3	110.6	114.4	112.6	200.6	128.2	19.5	91.9	106.8
September	115.7	116.0	120.4	118.5	225.8	133.1	19.7	93.3	109.1
December	114.5	114.8	117.7	119.6	235.7	127.9	18.2	89.9	108.6
<b>2005</b>									
March	111.7	112.0	112.7	113.3	221.4	124.7	17.1	87.1	110.4
June	117.1	117.4	119.1	114.3	270.2	124.5	16.4	86.5	114.3
September	123.2	123.5	119.1	118.4	318.5	126.2	16.5	86.8	113.0
December	124.6	124.8	119.6	121.5	319.6	127.6	16.2	87.2	114.9
<b>2006</b>									
March	128.6	128.5	121.6	122.4	343.0	131.1	15.6	87.7	113.3
June	135.0	134.8	124.7	125.5	384.5	131.9	15.0	87.9	114.5
September	135.6	135.6	124.8	130.1	380.5	133.4	14.6	88.2	115.3
December	128.1	128.0	128.6	129.8	315.1	133.0	13.9	87.3	112.6
<b>2007</b>									
March	124.9	124.8	133.4	121.7	296.3	132.8	13.2	86.4	112.1
June	128.2	128.2	133.7	120.9	335.3	129.1	12.2	84.2	120.3
September	128.5	128.1	145.1	130.4	344.7	126.0	11.6	82.6	120.6
December	131.7	131.2	148.4	133.4	393.7	122.1	10.7	80.1	119.3

(a) Reference base of each index: 1989-90 = 100.0.

BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES *continued*

<i>Period</i>	<i>Paper and paperboard</i>	<i>Textile yarn and fabric</i>	<i>Iron and steel</i>	<i>Plastics</i>	<i>Processed industrial supplies, n.e.c.</i>	<i>Non- monetary gold</i>
<b>2003-04</b>	101.5	103.3	113.2	113.0	122.4	110.3
<b>2004-05</b>	93.8	105.1	141.9	122.1	126.5	113.4
<b>2005-06</b>	94.0	105.9	143.4	128.8	134.2	142.5
<b>2006-07</b>	95.1	106.2	158.6	132.2	141.9	163.9
<b>2003</b>						
March	112.4	116.6	115.9	126.2	134.5	120.1
June	110.2	112.6	113.7	123.8	130.0	111.0
September	105.6	107.5	112.4	117.2	125.8	111.3
December	103.9	102.1	109.1	112.0	122.3	110.6
<b>2004</b>						
March	99.3	98.7	106.6	106.7	118.3	108.0
June	97.0	105.0	124.5	116.2	123.0	111.3
September	96.0	108.4	140.3	120.7	127.4	114.3
December	93.9	105.8	138.6	121.2	126.1	115.9
<b>2005</b>						
March	92.7	103.5	143.5	121.9	124.9	110.9
June	92.7	102.8	145.3	124.6	127.5	112.3
September	93.9	103.4	143.4	126.3	128.6	116.9
December	94.6	106.4	143.6	127.1	131.7	132.2
<b>2006</b>						
March	93.6	106.9	140.7	131.1	135.4	151.4
June	93.9	107.0	145.7	130.6	141.2	169.5
September	94.4	107.1	152.5	134.2	143.7	164.8
December	95.5	107.4	158.1	134.6	143.7	161.4
<b>2007</b>						
March	96.5	105.0	164.3	130.2	140.5	167.2
June	94.1	105.2	159.6	129.9	139.6	162.0
September	92.6	102.8	165.6	128.1	136.2	162.3
December	92.7	101.3	158.5	123.3	132.8	178.8

(a) Reference base of each index: 1989-90 = 100.0.

## EXPORT PRICE INDEX (a): All groups, index numbers and percentage changes

<i>Period</i>	<i>Index numbers</i>	<i>% change from previous period</i>	<i>% change from corresponding quarter of previous year</i>
<b>2003-04</b>	102.5	-8.2	..
<b>2004-05</b>	116.4	13.6	..
<b>2005-06</b>	136.0	16.8	..
<b>2006-07</b>	146.8	7.9	..
<b>2003</b>			
March	113.2	-0.7	-2.7
June	105.8	-6.5	-7.0
September	102.8	-2.8	-9.5
December	99.6	-3.1	-12.6
<b>2004</b>			
March	99.6	0.0	-12.0
June	108.0	8.4	2.1
September	115.4	6.9	12.3
December	113.6	-1.6	14.1
<b>2005</b>			
March	113.0	-0.5	13.5
June	123.5	9.3	14.4
September	129.3	4.7	12.0
December	132.1	2.2	16.3
<b>2006</b>			
March	138.7	5.0	22.7
June	143.7	3.6	16.4
September	146.4	1.9	13.2
December	146.7	0.2	11.1
<b>2007</b>			
March	146.7	0.0	5.8
June	147.2	0.3	2.4
September	142.8	-3.0	-2.5
December	142.0	-0.6	-3.2

.. not applicable

(a) Reference base of each index: 1989-90 = 100.0.

## EXPORT PRICE INDEX(a): SITC contribution to all groups index

Category	CONTRIBUTION TO ALL GROUPS (INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2007	Dec Qtr 2007	Sep Qtr 2007 to Dec Qtr 2007
ALL GROUPS			
All groups	142.8	142.0	-0.8
SELECTED SITC SECTIONS			
0 Food and live animals	18.35	19.01	0.66
1 Beverages and tobacco	2.55	2.32	-0.23
2 Crude materials, inedible, except fuels	33.90	32.13	-1.77
3 Mineral fuels, lubricants and related materials	29.98	31.92	1.94
5 Chemicals and related products, n.e.c.	11.19	10.64	-0.55
6 Manufactured goods classified chiefly by material	20.06	18.69	-1.37
7 Machinery and transport equipment	11.65	11.36	-0.29
8 Miscellaneous manufactured articles	3.94	3.85	-0.09
SELECTED SITC DIVISIONS			
00 Live animals other than animals of division 03	0.79	0.80	0.01
01 Meat and meat preparations	5.73	5.65	-0.08
02 Dairy products and birds' eggs	2.23	2.66	0.43
03 Fish, crustaceans, molluscs and aquatic invertebrates and preparations thereof	1.06	0.97	-0.09
04 Cereals and cereal preparations	4.90	5.46	0.56
05 Vegetables and fruit	1.45	1.26	-0.19
11 Beverages	2.46	2.24	-0.22
21 Hides, skins and furskins, raw	0.65	0.63	-0.02
26 Textile fibres and their wastes	3.66	3.63	-0.03
28 Metalliferous ores and metal scrap	27.15	25.37	-1.78
32 Coal, coke and briquettes	16.85	15.82	-1.03
33 Petroleum, petroleum products and related materials	8.39	9.35	0.96
52 Inorganic chemicals	5.54	4.87	-0.67
54 Medicinal and pharmaceutical products	3.11	3.10	-0.01
61 Leather, leather manufactures, n.e.c., and dressed furskins	0.31	0.29	-0.02
67 Iron and steel	2.48	2.43	-0.05
68 Non-ferrous metals	14.09	12.84	-1.25
71-75 Power generating machinery and equipment	5.00	4.81	-0.19
76-77 Telecommunications and electrical machinery, n.e.c.	2.17	2.18	0.01
78 Road vehicles (incl. air-cushion vehicles)	3.48	3.36	-0.12
79 Transport equipment (excl. road vehicles)	1.00	1.01	0.01
89 Miscellaneous manufactured articles, n.e.c.	2.46	2.41	-0.05

(a) Reference base of each index: 1989-90 = 100.0.

## EXPORT PRICE INDEX(a): Selected SITC section

<i>Period</i>	<i>Food and live animals (0)</i>	<i>Beverages and tobacco (1)</i>	<i>Crude materials, inedible, except fuels (2)</i>	<i>Mineral fuels, lubricants and related materials (3)</i>	<i>Chemicals and related products, n.e.c. (5)</i>	<i>Manufactured goods classified chiefly by material (6)</i>	<i>Machinery and transport equipment (7)</i>	<i>Miscellaneous manufactured articles (8)</i>
<b>2003-04</b>	100.7	124.4	90.0	139.4	97.2	100.6	89.8	90.8
<b>2004-05</b>	106.8	126.4	103.1	184.9	108.3	121.1	88.4	89.2
<b>2005-06</b>	112.0	124.8	121.3	254.0	118.8	139.8	89.8	94.4
<b>2006-07</b>	117.3	119.0	147.3	229.5	125.5	187.0	88.7	94.7
<b>2003</b>								
March	110.7	143.7	99.8	163.9	99.0	103.5	100.0	103.2
June	103.3	140.0	93.2	149.4	94.7	97.2	96.0	97.3
September	100.5	126.0	90.4	142.4	93.9	95.6	94.2	95.3
December	99.2	122.7	86.7	134.7	90.1	95.5	89.4	90.2
<b>2004</b>								
March	100.2	122.5	87.8	127.3	98.6	100.5	86.5	88.0
June	103.0	126.3	95.0	153.3	106.1	110.7	89.0	89.6
September	108.6	128.9	100.2	177.1	108.2	121.0	89.6	90.4
December	106.2	125.5	98.7	174.5	106.2	119.7	88.3	88.7
<b>2005</b>								
March	105.5	124.4	98.6	174.3	106.4	119.7	87.0	88.3
June	106.8	126.6	115.0	213.6	112.2	124.1	88.5	89.2
September	108.7	126.3	116.7	248.4	110.5	123.0	89.0	92.9
December	110.2	126.5	118.0	250.9	115.3	127.3	89.7	94.0
<b>2006</b>								
March	112.8	127.2	124.2	259.0	120.7	144.1	90.3	95.1
June	116.3	119.3	126.3	257.7	128.6	164.6	90.2	95.7
September	113.3	119.3	140.8	247.5	128.9	178.6	88.9	96.0
December	117.9	119.6	144.4	233.5	126.2	185.8	89.3	95.5
<b>2007</b>								
March	120.6	119.6	148.0	222.3	126.1	186.1	89.1	94.8
June	117.4	117.4	155.8	214.7	120.9	197.4	87.5	92.5
September	117.3	111.9	146.3	216.4	119.1	179.2	87.3	89.8
December	121.4	102.0	138.7	230.4	113.3	167.0	85.1	87.7

(a) Reference base of each index: 1989-90 = 100.0.

## BALANCE OF PAYMENTS EXPORT GROUPS

<i>Period</i>	<i>Rural goods total</i>	<i>Meat and meat preparations</i>	<i>Cereal grains and cereal preparations</i>	<i>Wool and sheepskins</i>	<i>Other rural</i>
<b>2003-04</b>	<b>95.1</b>	120.4	93.7	78.1	113.5
<b>2004-05</b>	<b>97.2</b>	137.2	87.4	70.8	117.4
<b>2005-06</b>	<b>97.5</b>	136.4	87.8	63.0	121.2
<b>2006-07</b>	<b>102.4</b>	134.2	100.2	72.1	124.5
<b>2003</b>					
March	<b>107.1</b>	116.4	111.5	104.3	125.1
June	<b>99.3</b>	113.3	99.3	95.0	117.1
September	<b>96.2</b>	109.8	97.8	84.1	116.3
December	<b>94.4</b>	121.1	92.3	79.0	111.6
<b>2004</b>					
March	<b>94.1</b>	126.2	90.7	74.8	111.1
June	<b>95.8</b>	124.4	94.1	74.4	115.1
September	<b>100.3</b>	138.6	94.9	76.7	118.9
December	<b>96.8</b>	138.7	85.7	71.6	116.3
<b>2005</b>					
March	<b>95.3</b>	136.0	84.5	68.0	115.6
June	<b>96.2</b>	135.5	84.3	66.7	118.9
September	<b>97.4</b>	140.7	84.0	64.9	120.4
December	<b>97.1</b>	135.5	87.7	60.6	121.6
<b>2006</b>					
March	<b>97.2</b>	133.7	89.9	60.2	121.7
June	<b>98.1</b>	135.7	89.5	66.2	121.0
September	<b>96.3</b>	131.2	86.6	65.6	120.3
December	<b>101.0</b>	137.9	96.9	66.0	123.4
<b>2007</b>					
March	<b>106.2</b>	138.7	108.7	76.3	125.8
June	<b>105.9</b>	129.1	108.7	80.4	128.3
September	<b>106.7</b>	127.8	112.4	80.6	128.9
December	<b>110.1</b>	126.0	125.3	81.2	132.2

(a) Reference base of each index: 1989-90 = 100.0.

## BALANCE OF PAYMENTS EXPORT GROUPS

<i>Period</i>	<i>Non-rural goods total (excl. non-monetary gold)</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other mineral fuels</i>	<i>Metals (excl. non-monetary gold)</i>	<i>Machinery</i>	<i>Transport equipment</i>	<i>Other manufactures</i>	<i>Other non-rural</i>	<i>Non-monetary gold</i>
<b>2003-04</b>	<b>107.3</b>	99.9	99.1	234.6	100.2	79.8	112.7	103.7	69.1	111.8
<b>2004-05</b>	<b>126.8</b>	124.8	139.9	289.2	125.4	78.9	110.4	107.2	73.0	114.9
<b>2005-06</b>	<b>153.1</b>	158.1	208.2	352.4	148.7	80.2	111.7	109.5	83.2	144.6
<b>2006-07</b>	<b>165.6</b>	196.3	174.7	360.6	211.2	79.8	109.1	109.1	85.2	166.2
<b>2003</b>										
March	<b>117.7</b>	102.2	118.2	272.3	100.9	88.6	126.1	111.6	82.9	121.8
June	<b>110.5</b>	96.0	107.5	248.6	94.5	85.4	120.3	107.6	82.0	112.6
September	<b>107.3</b>	95.7	103.1	235.5	93.3	83.5	118.5	105.0	73.0	112.8
December	<b>103.1</b>	92.6	95.2	228.0	93.9	79.7	111.8	101.4	68.0	112.1
<b>2004</b>										
March	<b>103.5</b>	99.2	87.5	220.9	101.2	77.3	107.7	102.4	66.3	109.6
June	<b>115.1</b>	111.9	110.7	254.0	112.4	78.5	112.8	106.0	68.9	112.8
September	<b>124.1</b>	118.0	127.1	295.8	124.5	79.3	113.2	108.7	72.7	115.9
December	<b>122.7</b>	117.4	128.2	283.2	123.9	78.8	110.2	107.1	71.9	117.5
<b>2005</b>										
March	<b>122.7</b>	120.0	133.2	269.1	124.7	78.1	108.1	105.1	71.5	112.5
June	<b>137.6</b>	143.8	171.2	308.6	128.3	79.4	110.0	107.8	75.8	113.8
September	<b>145.3</b>	145.4	205.2	339.7	127.1	79.5	111.1	109.2	77.0	118.6
December	<b>148.3</b>	150.5	211.7	329.5	132.5	79.6	112.5	110.6	79.6	133.9
<b>2006</b>										
March	<b>156.6</b>	165.1	213.2	356.5	154.4	80.4	112.7	108.5	85.0	153.5
June	<b>162.2</b>	171.5	202.8	383.7	180.8	81.3	110.6	109.8	91.0	172.2
September	<b>167.1</b>	191.1	189.2	386.2	199.2	79.7	109.8	111.1	88.8	167.2
December	<b>166.2</b>	194.8	178.5	364.2	210.2	80.1	110.3	109.1	86.6	163.7
<b>2007</b>										
March	<b>163.9</b>	196.3	171.0	343.7	210.2	80.1	109.6	108.6	84.4	169.6
June	<b>165.2</b>	203.1	160.1	348.2	225.0	79.3	106.5	107.6	81.1	164.4
September	<b>158.5</b>	189.9	155.6	368.0	201.3	79.3	106.0	106.2	75.6	164.6
December	<b>155.0</b>	175.8	146.1	451.2	185.6	77.3	103.4	105.8	71.6	181.3

(a) Reference base of each index: 1989-90 = 100.0.

## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication contains indexes measuring changes in the prices paid for imports of merchandise that are landed in Australia each quarter and prices received for exports of merchandise that are shipped from Australia each quarter. The import price indexes are in tables 1–6 and the export price indexes are in tables 7–11.

**2** The indexes are calculated on the reference base 1989–90=100.0.

### SCOPE

**3** The import price index excludes the following items (representing approximately 5% of the value of merchandise imported during the weighting period) because of the inherent difficulties in pricing the items to constant quality (see paragraph 15 below):

- live animals (not for food)
- jewellery and other articles of precious metal, n.e.c.
- military equipment
- commodities not classified according to kind
- works of art, collectors' pieces, antiques
- ships of various types.

**4** The export price index includes re-exports of merchandise (i.e. goods which are imported into Australia and exported at a later date without physical transformation).

### CLASSIFICATIONS

**5** Index numbers for selected sections of the Standard International Trade Classification (SITC) are provided in table 3 (import price index) and table 9 (export price index).

**6** The import price index is also presented by End Use Class of the United Nations' Classification by Broad Economic Categories (BEC) in tables 4–6. These have been disaggregated into balance of payments groupings.

**7** The export price index is also presented by balance of payments export groupings in tables 10 and 11.

### ITEMS AND WEIGHTS

**8** The import price index and export price index are annually reweighted chained Laspeyres indexes. This method of weighting was introduced in the September quarter 2000 and replaces the 'fixed-base' method of weighting in which the weighting patterns are updated infrequently (generally once every 5 or 10 years).

**9** The annual reweighting and chaining process involves a number of steps in order to provide new weights each year. The current weighting basis for the import price index was derived from the average value of import items during 2006-07. This differs slightly from the export price index which has used the average value of export items during 2005-06 and 2006-07, due to the greater volatility associated with the value of export items. These weights were revalued to reflect link period (June quarter 2007) price levels; this means, for example, that the weights for the import price index are effectively determined using quantities from 2006-07 and prices from June quarter 2007. Indexes derived by using the new weights for the September quarter 2007 were then linked to the already published June quarter 2007 (link period) levels which were derived using the previous series weights. Using this methodology, long-term chain linked series can be constructed over time on a consistent reference base for continuity and user convenience, but using annually refreshed weights. The reference base for each index series continues to be 1989-90=100 even though the weights are being updated each year.

**10** The commodities directly represented in each index (the index items) were selected on the basis of the significance of their import and export values in the period 2006-07 for imports and 2005-06 and 2006-07 for exports. All significant commodities were selected for pricing. The weights for minor commodities which are not directly priced are included with those of comparable directly priced items whose prices are likely to move in a similar way.



## EXPLANATORY NOTES *continued*

### PRICE MEASUREMENT

**11** In general, prices of individual shipments are obtained from major importers and exporters of the selected items and relate to the quarter in which the imported goods physically arrive in Australia and the exported goods physically leave Australia.

**12** Imports are priced on a 'free on board' (f.o.b.), country of origin basis. Therefore freight and insurance charges involved in shipping goods from foreign to Australian ports are excluded from the prices used in the index, as are Australian import duties and taxes. Similarly, exports are priced on a f.o.b. basis at the main Australian ports of export. Exports are exempt from taxes on products.

**13** As the prices used in the indexes are expressed in Australian currency, changes in the relative value of the Australian dollar and overseas currencies can have a direct impact on price movements for the many commodities that are bought and sold in currencies other than Australian dollars. Prices reported in a foreign currency are converted to Australian dollars using relevant exchange rates. Where imports or exports are transacted in prices expressed in terms of a foreign currency and forward exchange cover is used, the prices in the indexes exclude the forward exchange cover.

**14** The main pricing methodology used is specification pricing, under which a manageable sample of precisely specified products is selected, in consultation with each reporting business, for repeat pricing. In specifying the products, care is taken to ensure that they are fully defined in terms of all the characteristics which influence their transaction prices. As such, all the relevant technical characteristics need to be described (e.g. make, model, features) along with the unit of sale, type of packaging, conditions of sale (e.g. delivered, payment within 30 days), etc. The goods are also specified by country and market in order to lessen the impact of price variations attributable solely to changes over time in the mix of countries, or markets.

**15** When the quality or specifications of an item being priced change over time, adjustments are made to the reported prices so that the index captures only pure price change. That is, any element of price change attributable to a change in quality is removed. If there is an increase (decrease) in the quality of an item, then the price index is adjusted downwards (upwards) to reflect the 'worth' of the quality change. This technique is known as pricing to constant quality.

**16** Wherever possible, prices from volume selling products being traded with predominant countries, or markets, are obtained to ensure specifications have a good chance of being re-priced over time and index series are representative of overall price movements. Individual product weights and weights between markets and countries are regularly reviewed to keep the indexes up to date.

### INDEX NUMBERS

**17** Index numbers for financial years are simple averages of the relevant quarterly index numbers.

### ANALYSIS OF INDEX CHANGES

**18** Care should be exercised when interpreting quarter-to-quarter movements in the indexes as short-term movements do not necessarily indicate changes in trend.

**19** Movements in indexes from one period to another can be expressed either as changes in 'index points' or as percentage changes. The following example illustrates the method of calculating index points changes and percentage changes between any two periods:

Export price index, All groups index number:

December quarter 2007	142.0 (see table 7)
less December quarter 2006	146.7 (see table 7)
Change in index points	-4.7
Percentage change	$-4.7/146.7 \times 100 = -3.2\%$

## EXPLANATORY NOTES *continued*

### ANALYSIS OF INDEX CHANGES *continued*

**20** Tables 2 and 8 provide analyses of the contribution which SITC sections and divisions make to the All groups import price index and export price index, respectively. For example, imports of mineral fuels, lubricants and related materials contributed 17.20 index points to the All groups import price index number of 113.1 for December quarter 2007 and 2.10 index points to the net change of 0.2 index points between September 2007 and December 2007 quarters.

### FURTHER INFORMATION

**21** For further information on price indexes in the ABS refer to the following publications:

*Information Paper: Producer and International Trade Price Indexes; Concepts, Sources and Methods 2006*, cat.no.6429.0

*Information Paper: An Analytical Framework for Price Indexes in Australia*, cat. no. 6421.0

*Information Paper: Producer Price Index Developments*, cat. no. 6422.0

*Information Paper: Review of the Import Price Index and Export Price Index, Australia*, cat. no. 6424.0

*Information Paper: Price Indexes and The New Tax System*, cat. no. 6425.0

*Information Paper: Changes to the Weights of the Price Indexes for the Output of the General Construction Industry, Australia*, cat. no. 6406.0

### RELATED PUBLICATIONS

**22** Users may also wish to refer to the following related publications, which are available from ABS bookshops:

*Producer Price Indexes, Australia*, cat. no. 6427.0

*Consumer Price Index, Australia*, cat. no. 6401.0

*Labour Price Index, Australia*, cat. no. 6345.0

*Australian National Accounts, Input-Output Tables*, cat. no. 5209.0

*Balance of Payments and International Investment Position, Australia*, cat. no. 5302.0

**23** Current publications and other products released by the ABS are listed in the *Catalogue of Publications and Products*, cat. no. 1101.0. The Catalogue is available from any ABS office or the ABS web site <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.



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