

BALANCE OF PAYMENTS, AUSTRALIA, MAY 1994

MAIN FEATURES

Estimates of the main balance of payments aggregates for May 1994, the three preceding months and year-to-date are shown below. These estimates are preliminary and subject to revision. Particular care should be taken in interpreting month-to-month movements, as indicated in the note on page 7 on *Reliability of Contemporary Trend Estimates* and in paragraph 4 of the *Explanatory Notes* on page 15. Certain items have been estimated using extrapolation techniques until source data become available.

	1993-94				Jul-May		Change(a)
	Feb	Mar	Apr	May	1992-93	1993-94	
	\$ million				\$ million		%
<i>Not seasonally adjusted</i>							
Balance on current account	- 677	- 1,330	- 1,110	- 1,418	- 14,446	- 14,943	- 3
Balance on merchandise trade	167	- 196	202	85	491	- 611	..
Net services	241	- 35	- 123	- 209	- 2,667	- 1,727	+ 35
Net income	- 1,153	- 1,090	- 1,232	- 1,269	- 13,086	- 13,036	-
Net unrequited transfers	68	- 9	43	- 25	816	431	- 47
Official capital	- 1,694	- 716	- 852	46	15,501	7,663	..
Non-official capital plus balancing item	2,371	2,046	1,962	1,372	- 1,055	7,280	..
<i>Seasonally adjusted</i>							
Balance on current account	- 1,103	- 1,372	- 1,654	- 1,707	..	..	..
Balance on merchandise trade	234	- 179	- 295	- 295	..	..	..
Net services	- 157	- 140	- 144	- 129	..	..	..
Net income	- 1,237	- 1,041	- 1,232	- 1,284	..	..	..
Net unrequited transfers	57	- 12	17	1	..	..	..
\$US exchange rate (per unit of \$A)(b)	0.7161	0.7117	0.7165	0.7240	..	..	..
Trade weighted index (base May 1970 = 100)(b)	53.9	53.3	53.4	53.7	..	..	..

(a) For current account aggregates a minus sign means an increase in a deficit or a reduction in a surplus and a plus sign means a decrease in a deficit or an increase in a surplus. (b) Period averages.

In seasonally adjusted terms, the current account deficit for May rose \$53 million, or 3 per cent, to \$1,707 million.

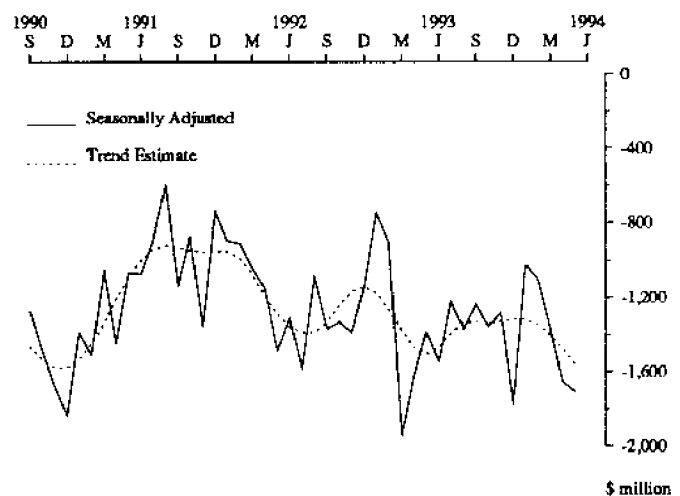
The increase in the deficit was caused by:

- an increase of \$52 million (4 per cent) in the net income deficit; and
- a decrease of \$16 million (94 per cent) in the net unrequited transfers surplus.

Partly offsetting these movements in income and unrequited transfers was a decrease of \$15 million (10 per cent) in the net services deficit. The merchandise trade deficit was unchanged from its April level.

The provisional trend estimate for the May current account deficit was \$1,561 million, up \$83 million, or 6 per cent, on the provisional trend estimate for April.

GRAPH 1: BALANCE ON CURRENT ACCOUNT

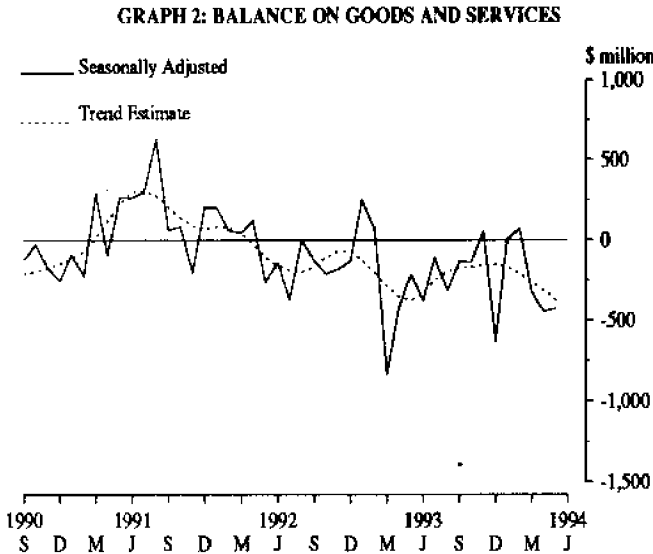


ANALYSIS OF SELECTED MAJOR AGGREGATES

May 1994 compared with April 1994

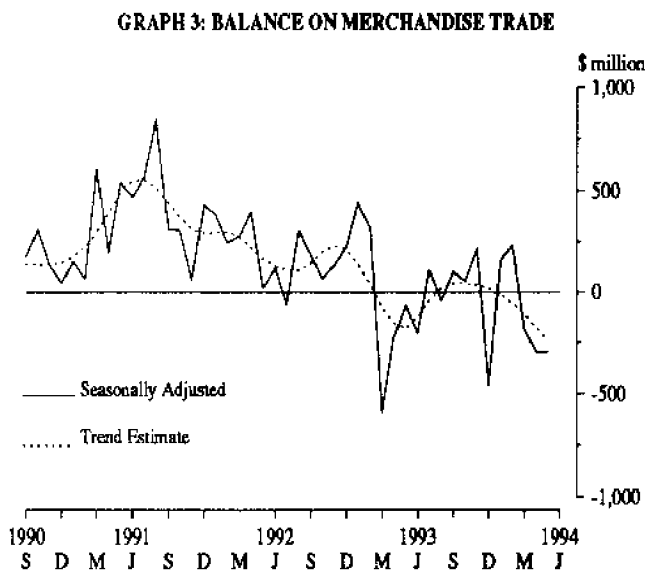
Balance on goods and services

The seasonally adjusted *balance on goods and services* recorded a deficit of \$424 million, a decrease of \$15 million on the deficit recorded in April.



Balance on merchandise trade

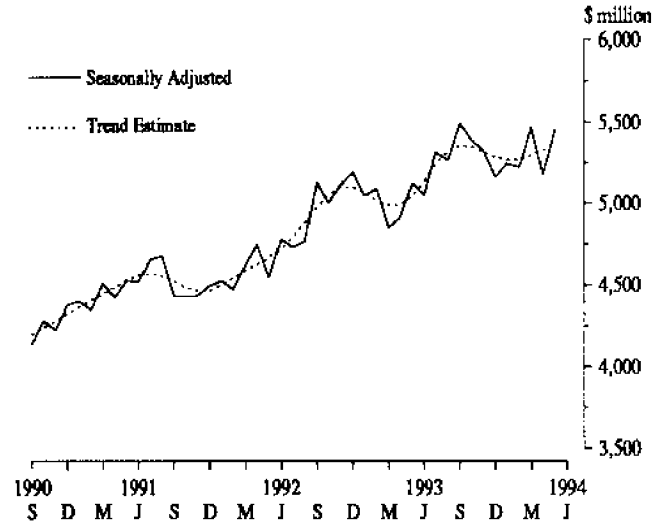
The seasonally adjusted *balance on merchandise trade* recorded a deficit of \$295 million, which is unchanged from the deficit recorded in April.



Merchandise exports

Seasonally adjusted *exports f.o.b.* rose \$273 million, or 5 per cent, to \$5,456 million. *Rural exports* rose \$172 million, or 12 per cent, to \$1,621 million. *Non-rural exports* rose \$101 million, or 3 per cent, to \$3,835 million.

GRAPH 4: MERCHANDISE - EXPORTS F.O.B.



In original terms, *exports* rose \$598 million, or 12 per cent, to \$5,725 million.

Rural exports, in original terms, rose \$233 million, or 15 per cent, to \$1,754 million. Increases were recorded in:

- "other" rural exports, up \$138 million or 26 per cent (due mainly to increased exports of cotton and dairy products);
- meat, up \$67 million or 22 per cent (due mainly to increased volumes of beef and veal exports);
- sugar, up \$22 million or 34 per cent; and
- cereals, up \$12 million or 4 per cent.

These increases were partially offset by a decrease in wool, down \$6 million or 2 per cent.

Non-rural exports, in original terms, rose \$365 million, or 10 per cent, to \$3,971 million. The most significant increases were recorded in:

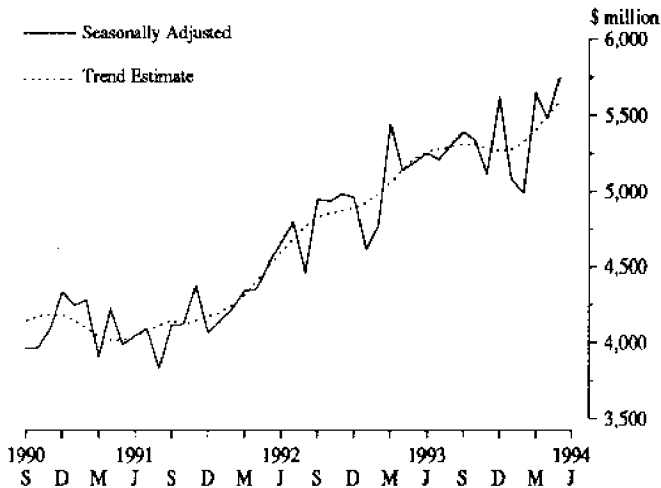
- machinery, up \$214 million or 53 per cent (mainly due to increased exports of telecommunications equipment);
- "other" metals, up \$109 million or 25 per cent (due mainly to increased exports of iron and steel); and
- "other" manufactures, up \$90 million or 16 per cent (with most components recording increases).

The most significant decreases were recorded in transport equipment, down \$32 million or 15 per cent; and metal ores and minerals, down \$30 million or 5 per cent.

Merchandise imports

Seasonally adjusted imports *f.o.b.* rose \$273 million, or 5 per cent, to \$5,751 million. Consumption goods rose \$112 million, or 8 per cent, to \$1,577 million. Capital goods rose \$135 million, or 11 per cent, to \$1,402 million. Intermediate and other goods rose \$26 million, or 1 per cent, to \$2,772 million.

GRAPH 5: MERCHANDISE - IMPORTS F.O.B.



In original terms, imports rose \$715 million, or 15 per cent, to \$5,640 million.

Imports of *consumption goods*, in original terms, rose \$174 million, or 14 per cent, to \$1,452 million. Increases were recorded in all groups, with the largest being:

- consumption goods nes, up \$64 million or 18 per cent (with most sub-groups recording increases); and
- toys, books and leisure goods, up \$37 million or 21 per cent.

Imports of *capital goods*, in original terms, rose \$202 million, or 18 per cent, to \$1,342 million. Increases were recorded in all groups except civil aircraft, which remained unchanged. The largest increases were recorded in:

- industrial transport equipment nes, up \$71 million or 46 per cent;
- machinery and industrial equipment, up \$55 million or 11 per cent (with most sub-groups recording increases); and
- ADP equipment, up \$45 million, or 20 per cent.

Imports of *intermediate and other goods*, in original terms, rose \$339 million, or 14 per cent, to \$2,846 million. Increases were recorded in all groups, except non-monetary gold, which remained unchanged. The largest increases were recorded in:

- parts for ADP equipment, up \$54 million or 44 per cent;
- "other" parts for capital goods, up \$53 million or 14 per cent;

- parts for transport equipment, up \$44 million or 13 per cent; and
- processed industrial supplies nes, up \$40 million or 6 per cent.

Net services

The seasonally adjusted *net services* deficit decreased \$15 million, or 10 per cent, to \$129 million. Services credits rose \$7 million, while services debits fell \$8 million.

Net income

The seasonally adjusted *net income* deficit rose \$52 million, or 4 per cent, to \$1,284 million. Income credits rose \$17 million, or 4 per cent, while income debits rose \$69 million or 4 per cent. It should be noted that, in accordance with established methodology, the monthly estimates for transactions of the non-official sector from April 1994 on are based on extrapolations of quarterly results divided by three. These extrapolations will be replaced by results from the June quarter 1994 ABS Survey of Foreign Investment when these results become available. Preliminary results should be available in time for incorporation in the July 1994 issue of this publication, scheduled for release on 29 August 1994.

Net unrequited transfers

The seasonally adjusted *net unrequited transfers* surplus fell \$16 million, or 94 per cent, to \$1 million. Unrequited transfers credits fell \$10 million, or 4 per cent, while unrequited transfers debits rose \$6 million or 3 per cent.

Net capital transactions

In original terms, the *net capital transactions of the official sector* recorded a net inflow of \$46 million in May, a turnaround of \$898 million on the net outflow recorded in April.

The May estimate consisted of:

- a net inflow of \$300 million in general government transactions, a turnaround of \$965 million on the net outflow recorded in April; and
- a net outflow of \$254 million in Reserve Bank transactions, up \$67 million on the April outflow.

The change in general government transactions was the result of:

- a turnaround of \$3,819 million, from an outflow to an inflow of \$2,471 million, in general government borrowing domiciled in Australia; partly offset by
- a \$2,845 million turnaround, from an inflow to an outflow of \$2,187 million, in general government borrowing domiciled abroad.

The change in Reserve Bank transactions in May reflected increased net purchases of official reserve assets during the

month, partly offset by a decreased net outflow from "other" transactions.

Exchange rates

During May the \$A appreciated by 0.6 per cent on a trade weighted index basis (using period average exchange rates) against the currencies of Australia's major trading partners. The \$A appreciated 1.0 per cent against the \$US and by 1.3 per cent against the Japanese yen.

Comparing rates at the end of May 1994 with those at the end of June 1993, the \$A has appreciated by 10.7 per cent on a trade weighted basis against the currencies of Australia's major trading partners, by 9.5 per cent against the \$US and by 7.4 per cent against the Japanese yen.

Eleven months ended May 1994 compared with eleven months ended May 1993 ---

In original terms, the *balance on current account* deficit for the eleven months ended May 1994 was \$14,943 million, up \$497 million, or 3 per cent, on the deficit for the eleven months ended May 1993.

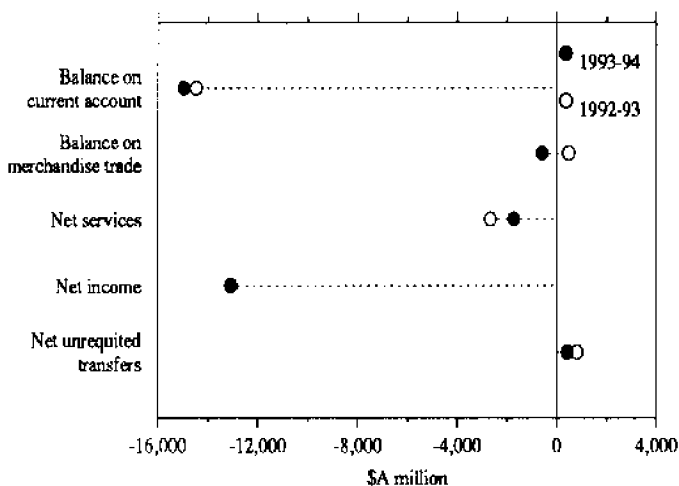
The result was due to:

- a turnaround of \$1,102 million, from a surplus to a deficit, in the balance on merchandise trade; and
- a decrease of \$385 million (47 per cent) in the net unrequited transfers surplus.

The movements in merchandise trade and unrequited transfers were partly offset by:

- a decrease of \$940 million (35 per cent) in the net services deficit; and
- a reduction of \$50 million in the net income deficit.

GRAPH 6: BALANCE OF PAYMENTS AGGREGATES - ELEVEN MONTHS ENDED MAY

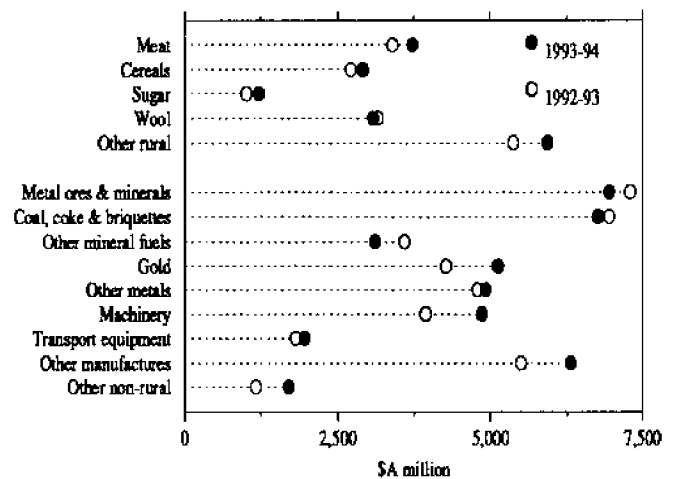


Merchandise exports rose \$3,612 million, or 7 per cent, to \$58,567 million. The largest increases were recorded in:

- machinery, up \$923 million (23 per cent);
- gold, up \$847 million (20 per cent);
- "other" manufactures, up \$815 million (15 per cent);
- "other" rural exports, up \$558 million (10 per cent);
- "other" non-rural exports, up \$541 million (47 per cent); and
- meat, up \$329 million (10 per cent).

Decreases were recorded in "other" mineral fuels, down \$478 million (13 per cent); metal ores and minerals, down \$348 million (5 per cent); coal, coke and briquettes, down \$184 million (3 per cent); and wool, down \$75 million (2 per cent).

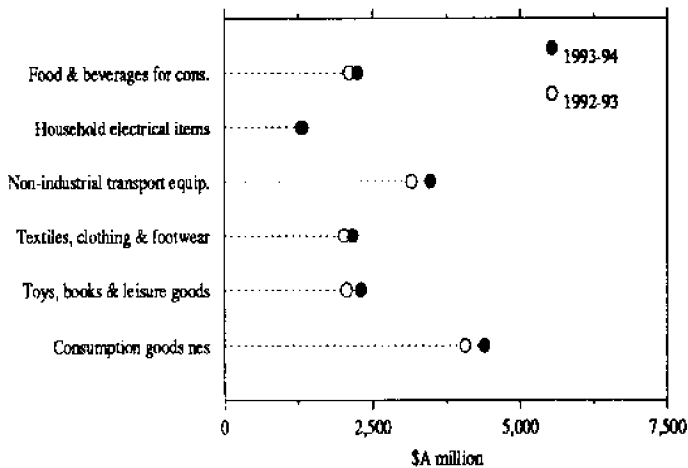
GRAPH 7: MERCHANDISE EXPORTS - ELEVEN MONTHS ENDED MAY



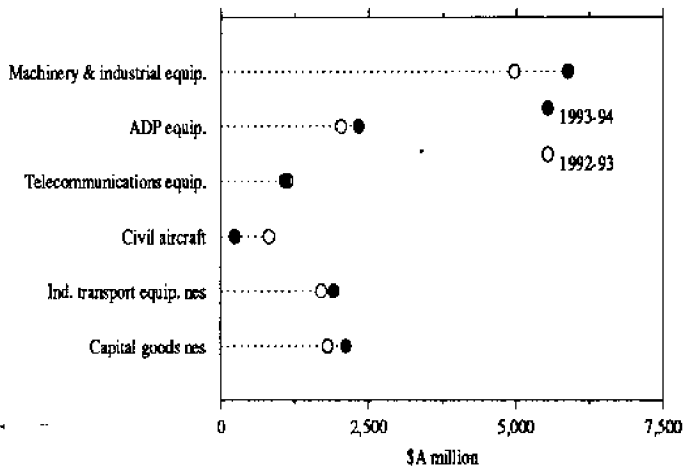
Merchandise imports rose \$4,714 million, or 9 per cent, to \$59,178 million. *Consumption goods* rose \$1,217 million (8 per cent); *capital goods* rose \$1,072 million (9 per cent); and *intermediate and other goods* rose \$2,425 million (9 per cent). Increases were recorded in 22 of the 26 groups, with the largest being:

- machinery and industrial equipment, up \$909 million (18 per cent);
- "other" parts for capital goods, up \$767 million (20 per cent);
- processed industrial supplies nes, up \$639 million (10 per cent);
- parts for transport equipment, up \$478 million (14 per cent);
- consumption goods nes, up \$319 million (8 per cent);
- non-industrial transport equipment, up \$317 million (10 per cent);
- capital goods nes, up \$297 million (16 per cent); and
- ADP equipment, up \$297 million (15 per cent).

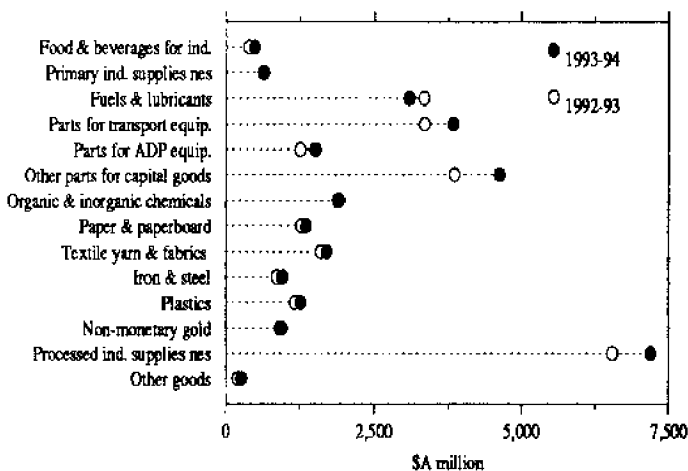
GRAPH 8: MERCHANDISE IMPORTS - CONSUMPTION GOODS
ELEVEN MONTHS ENDED MAY



GRAPH 9: MERCHANDISE IMPORTS - CAPITAL GOODS
ELEVEN MONTHS ENDED MAY



GRAPH 10: MERCHANDISE IMPORTS - INTERMEDIATE AND OTHER GOODS
ELEVEN MONTHS ENDED MAY



The most significant decreases were recorded in civil aircraft, down \$579 million (71 per cent); and fuels and lubricants, down \$255 million (8 per cent).

The net services deficit fell \$940 million, or 35 per cent, to \$1,727 million. Services credits increased by \$1,649 million, or 11 per cent, due largely to increases of \$1,084 million in travel credits, \$375 million in "other" services credits and \$135 million in shipment credits. Services debits rose \$709 million or 4 per cent, due largely to increases of \$280 million, or 8 per cent, in shipment debits; \$177 million, or 4 per cent, in "other" transportation debits; and \$164 million, or 3 per cent, in travel debits.

The net income deficit fell \$50 million, to \$13,036 million. Income credits rose \$150 million, or 3 per cent, due mainly to increases in reinvested earnings and "other" property income. These rises were partly offset by a fall in "other" investment income. Income debits rose \$100 million, due mainly to increases in interest payable on official sector borrowing, reinvested earnings and "other" property income. These increases were almost entirely offset by a decrease in "other" investment income payable.

The net unrequited transfers surplus fell \$385 million, or 47 per cent, to \$431 million. Unrequited transfers credits fell \$294 million, or 10 per cent, due mainly to a decline in migrants' transfers. Unrequited transfers debits rose \$91 million or 4 per cent, due mainly to increases in official miscellaneous transfers and pensions.

Official sector capital transactions for the eleven months ended May 1994 yielded a net inflow of \$7,663 million, compared with a net inflow of \$15,501 million for the corresponding period of the previous financial year. Making up the net inflow of official sector transactions were:

- an inflow of \$8,599 million in general government transactions, down \$2,640 million on the inflow for the eleven months to May 1993; and
- an outflow of \$936 million in Reserve Bank transactions, a turnaround of \$5,198 million on the inflow for the eleven months to May 1993.

The decreased inflow from general government transactions was largely due to State government borrowing domiciled abroad, which fell \$3,449 million, to a net inflow of \$6,644 million; and Commonwealth government borrowing domiciled abroad, which turned around \$1,493 million to a net outflow of \$1,101 million. These movements were partly offset by an increase of \$2,403 million in the net inflow from general government borrowing domiciled in Australia. Net purchases of official reserve assets of \$884 million, compared with net sales of \$4,264 million for the corresponding period of the previous financial year, was the main factor underlying the turnaround in Reserve Bank transactions.

CHANGES IN THIS ISSUE

Changes to Shipment and Other Transportation Services

Commencing with this issue of this publication, the data source for *shipment and other transportation services* has changed. The new methodology has resulted in a significant improvement in the quality of the estimates for these items.

Previously, the estimates of *shipment and other transportation* credits and debits were partly compiled using information collected in the ABS Surveys of International Shipping Operations (SISO) and Airline Operations (SIAO). The SISO and SIAO were replaced in September quarter 1993 by new collections within the framework of the ABS International Trade in Services Survey. The new shipping collection obtains aggregated information, on a quarterly basis, on sea transport services provided by resident and non-resident shipping operators. This approach differs from that in the SISO which obtained aggregated quarterly information from some respondents and individual information on each voyage of a vessel from other respondents. The new airline collection is essentially the same as the SIAO.

The new shipping collection has resulted in estimates for *shipment credits and other transportation credits and debits* that are significantly higher than those based on the SISO, largely as a result of the more comprehensive coverage of the new collection and better response rates achieved from a much simpler form design. Consequently, undercoverage adjustments based on data from the new collection, and historical information supplied by the major respondents, have been made to all periods back to 1982-83.

The impact of these adjustments on the current account deficit are outlined in *Revisions*. Whereas the net effect of these revisions is relatively small for each year up to and including 1992-93, the impact is much larger on the separate credit and debit series and on the net outcome for the current year to date.

REVISIONS

Revisions since the last issue of this publication have resulted in changes to the current account deficits for the last eleven years and for the first ten months of the current financial year as follows:

- for 1982-83 to 1990-91, the deficits were increased by \$15 million, \$30 million, \$46 million, \$61 million, \$76 million, \$91 million, \$107 million, \$132 million and \$145 million respectively;
- for 1991-92 the deficit was reduced by \$81 million; and
- for 1992-93 and the first ten months of 1993-94 the deficits were increased by \$32 million and \$477 million respectively.

The main factors contributing to the revisions are:

- the improved methodology for estimating *shipment and other transportation services* described above in *Changes In This Issue*. This was the sole contributor to the revisions for 1982-83 to 1988-89 and was the major contributor to the revisions for 1990-91, 1991-92 and the current year to date;
- the incorporation of the latest available information on *other services and other property income* (e.g. royalties) from the 1992-93 International Trade in Services Survey; and
- minor revisions to *merchandise trade, travel services and unrequited transfers*, resulting from the incorporation of the latest available information on recorded exports, overseas arrivals and departures, and migrants' transfers respectively.

Release date for June 1994 issue

The expected release date for the June issue of this publication is 29 July 1994. Any variations which might occur will be notified in the ABS Publications Advice (1105.0) and on DISCOVERY.

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

RELIABILITY OF CONTEMPORARY TREND ESTIMATES

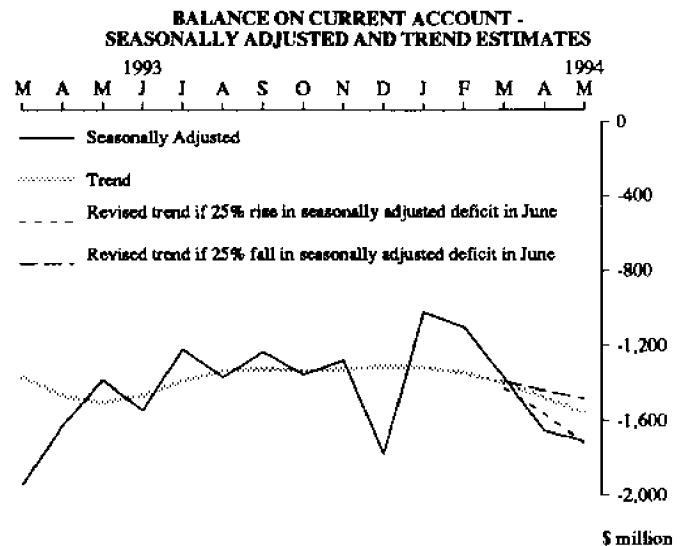
The table below presents trend estimates of the deficit on current account from March 1993 onwards, including provisional trend estimates for the latest three months (March, April and May 1994).

To illustrate the possible impact of future months' observations on the provisional trend estimates for the latest three months, the table also shows the revisions to these trend estimates that would result if the seasonally adjusted estimate of the current account balance next month (June 1994) is 25 per cent higher or lower than this month and if there are no revisions to the current or previous months' estimates. The 25 per cent range has been chosen because in the last decade the average monthly percentage movement, without regard to sign, of the seasonally adjusted current account deficit has been about 25 per cent.

If the deficit were to increase in June by 25 per cent, to \$2,134 million, the provisional trend movement for that month would be 8.1 per cent. The movements in the trend estimates for March, April and May which are provisionally 4.2 per cent, 5.4 per cent and 5.6 per cent respectively, would be revised to 7.0 per cent, 9.6 per cent and 9.9 per cent, respectively. On the other hand, a 25 per cent decline in the seasonally adjusted deficit next month, to \$1,280 mil-

lion, would produce a trend movement of 1.2 per cent for June with the movements in the trend estimates for March, April and May revised to 3.0 per cent, 3.5 per cent and 3.1 per cent, respectively.

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



DEFICIT ON CURRENT ACCOUNT — RELIABILITY OF TREND ESTIMATES

	Trend estimate		Revised trend estimate if June 1994 seasonally adjusted current account deficit -			
	\$m	% change on previous month	is up 25% on May 1994 (a)		is down 25% on May 1994 (a)	
	\$m	% change on previous month	\$m	% change on previous month	\$m	% change on previous month
1992-93 —						
March	1373	8.8	1373	8.8	1373	8.8
April	1468	6.9	1468	6.9	1468	6.9
May	1506	2.6	1506	2.6	1506	2.6
June	1466	-2.7	1466	-2.7	1466	-2.7
1993-94 —						
July	1390	-5.2	1390	-5.2	1390	-5.2
August	1335	-4.0	1335	-4.0	1335	-4.0
September	1326	-0.7	1326	-0.7	1326	-0.7
October	1335	0.7	1335	0.7	1335	0.7
November	1325	-0.7	1325	-0.7	1325	-0.7
December	1313	-0.9	1301	-1.8	1317	-0.6
January	1316	0.2	1296	-0.4	1325	0.6
February	1345	2.2	1334	2.9	1349	1.8
March	1402 p	4.2	1428	7.0	1390	3.0
April	1478 p	5.4	1565	9.6	1438	3.5
May	1561 p	5.6	1720	9.9	1482	3.1
June			1860	8.1	1500	1.2

(a) Assumes no revisions to the seasonally adjusted estimates of the current account balance for the 15 months March 1993 to May 1994.

TABLE I. BALANCE OF PAYMENTS
(\$ million)

	Months												July to May								
	Years			1993-94																	
	1990-91	1991-92	1992-93	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1992-93	1993-94	
Current transactions —																					
Goods and services —																					
Merchandise (a) —																					
Exports fob	52,155	54,874	60,015	5,017	4,761	5,332	5,060	5,379	5,182	5,413	5,748	5,441	5,475	4,693	4,784	5,600	5,127	5,725	54,955	58,567	
Imports fob	-49,244	-51,055	-59,427	-5,556	-4,802	-4,913	-4,963	-5,578	-5,586	-5,702	-5,557	-5,701	-5,286	-4,790	-4,617	-5,796	-4,925	-5,640	-54,464	-59,178	
Balance on merchandise trade	2,911	3,819	588	-539	-41	419	97	-199	-404	-289	191	-260	189	-97	167	-196	202	85	491	-611	
Services —																					
Credits	13,600	14,607	15,698	1,316	1,338	1,308	1,250	1,363	1,309	1,244	1,450	1,495	1,544	1,643	1,665	1,496	1,474	1,414	14,448	16,097	
Debits	-17,216	-17,422	-18,757	-1,458	-1,534	-1,530	-1,642	-1,751	-1,647	-1,750	-1,670	-1,550	-1,630	-1,651	-1,424	-1,531	-1,597	-1,623	-17,115	-17,824	
Net services	-3,616	-2,815	-3,059	-142	-196	-222	-392	-388	-338	-506	-220	-55	-86	-8	241	-35	-123	-209	-2,667	-1,727	
Balance on goods and services	-705	1,004	-2,471	-681	-237	197	-295	-587	-742	-795	-29	-315	103	-105	408	-231	79	-124	-2,176	-2,338	
Income —																					
Credits	3,972	4,257	5,573	499	420	430	442	503	545	557	455	490	501	453	449	418	448	462	5,131	5,281	
Debits	-22,138	-20,045	-19,818	-1,717	-1,666	-1,654	-1,601	-1,652	-1,630	-1,714	-1,714	-1,819	-1,674	-1,593	-1,602	-1,508	-1,680	-1,731	-18,217	-18,317	
Net income	-18,166	-15,788	-14,245	-1,218	-1,246	-1,224	-1,159	-1,149	-1,085	-1,157	-1,259	-1,329	-1,173	-1,140	-1,153	-1,090	-1,232	-1,269	-13,086	-13,036	
Unrequited transfers —																					
Credits	4,711	4,584	3,119	250	255	229	228	252	232	210	218	230	257	273	271	214	235	205	2,891	2,597	
Debits	-2,283	-2,343	-2,392	-192	-175	-192	-317	-157	-174	-162	-178	-198	-217	-232	-203	-223	-192	-230	-2,075	-2,166	
Net unrequited transfers	2,428	2,241	727	58	80	37	-89	95	58	48	40	32	40	41	68	-9	43	-25	816	431	
Balance on current account	-16,443	-12,543	-15,989	-1,841	-1,403	-990	-1,543	-1,641	-1,769	-1,904	-1,248	-1,612	-1,030	-1,204	-677	-1,330	-1,110	-1,418	-14,446	-14,943	
Net capital transactions —																					
Official —																					
General government	317	2,722	11,629	-965	2,959	1,995	390	1,180	1,065	5	376	1,405	2,396	5,064	-1,788	-739	-665	300	11,239	8,599	
Reserve Bank —																					
Reserve assets	-1,446	3,929	3,950	-1,241	466	-459	-314	502	-725	-491	-190	61	45	213	36	36	-128	-243	4,264	-884	
Other	-22	21	39	-17	19	-9	41	-10	-16	-14	9	-25	27	2	58	-13	-59	-11	-2	-52	
Total	-1,468	3,950	3,989	-1,258	485	-468	-273	492	-741	-505	-181	36	72	215	94	23	-187	-254	4,262	-936	
Total official	-1,151	6,672	15,618	-2,223	3,444	1,527	117	1,672	324	-500	195	1,441	2,468	5,279	-1,694	-716	-852	46	15,501	7,663	
Non-official plus balancing item	17,594	5,871	371	4,064	-2,041	-537	1,426	-31	1,445	2,404	1,053	171	-1,438	-4,075	2,371	2,046	1,962	1,372	-1,055	7,280	
Balance on capital account plus balancing item	16,443	12,543	15,989	1,841	1,403	990	1,543	1,641	1,769	1,904	1,248	1,612	1,030	1,204	677	1,330	1,110	1,418	14,446	14,943	

(a) Balance of payments basis.

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

	1992-93												1993-94				
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		
Seasonally Adjusted (b)																	
<i>Goods and services —</i>																	
<i>Merchandise —</i>																	
<i>Exports fob —</i>																	
Rural	1,366	1,363	1,416	1,461	1,449	1,476	1,513	1,552	1,540	1,509	1,581	1,514	1,633	1,449	1,621		
Non-rural	3,489	3,549	3,709	3,593	3,871	3,790	3,981	3,843	3,788	3,653	3,666	3,711	3,839	3,734	3,835		
Total	4,855	4,912	5,125	5,054	5,320	5,266	5,494	5,395	5,328	5,162	5,247	5,225	5,472	5,183	5,456		
<i>Imports fob —</i>																	
Consumption goods	-1,358	-1,413	-1,416	-1,384	-1,450	-1,419	-1,431	-1,458	-1,382	-1,436	-1,356	-1,323	-1,445	-1,465	-1,577		
Capital goods	-1,472	-1,182	-1,134	-1,181	-1,081	-1,155	-1,187	-1,142	-1,109	-1,453	-1,249	-1,163	-1,449	-1,267	-1,402		
Intermediate and other goods	-2,613	-2,544	-2,642	-2,692	-2,682	-2,733	-2,775	-2,740	-2,624	-2,733	-2,484	-2,505	-2,757	-2,746	-2,772		
Total	-5,443	-5,139	-5,192	-5,257	-5,213	-5,307	-5,393	-5,340	-5,115	-5,622	-5,089	-4,991	-5,651	-5,478	-5,751		
Balance on merchandise trade	-588	-227	-67	-203	107	-41	101	55	213	-460	158	234	-179	-295	-295		
<i>Services —</i>																	
Credits	1,266	1,363	1,422	1,401	1,411	1,383	1,397	1,474	1,437	1,451	1,442	1,479	1,458	1,512	1,519		
Debits	-1,521	-1,565	-1,565	-1,571	-1,621	-1,655	-1,626	-1,664	-1,592	-1,622	-1,594	-1,636	-1,598	-1,656	-1,648		
Net services	-255	-202	-143	-170	-210	-272	-229	-190	-155	-171	-152	-157	-140	-144	-129		
Balance on goods and services	-843	-429	-210	-373	-103	-313	-128	-135	58	-631	6	77	-319	-439	-424		
<i>Income —</i>																	
Credits	521	397	409	417	495	544	550	449	492	498	474	482	448	425	442		
Debits	-1,684	-1,648	-1,648	-1,582	-1,678	-1,627	-1,677	-1,681	-1,865	-1,683	-1,594	-1,719	-1,489	-1,657	-1,726		
Net income	-1,163	-1,251	-1,239	-1,165	-1,183	-1,083	-1,127	-1,232	-1,373	-1,185	-1,120	-1,237	-1,041	-1,232	-1,284		
<i>Unrequited transfers —</i>																	
Credits	248	245	248	236	244	232	216	217	229	255	267	267	213	229	219		
Debits	-186	-193	-182	-244	-176	-207	-194	-205	-195	-217	-176	-210	-225	-212	-218		
Net unrequited transfers	62	52	66	-8	68	25	22	12	34	38	91	57	-12	17	1		
Balance on current account	-1,944	-1,628	-1,383	-1,546	-1,218	-1,371	-1,233	-1,385	-1,281	-1,778	-1,023	-1,103	-1,372	-1,654	-1,707		
Trend Estimates																	
<i>Merchandise (a) —</i>																	
Exports fob	4,989	4,996	5,047	5,140	5,244	5,325	5,360	5,353	5,322	5,287	5,270	5,277	5,301p	5,330p	5,362p		
Imports fob	-5,061	-5,147	-5,223	-5,265	-5,285	-5,302	-5,314	-5,312	-5,286	-5,268	-5,281	-5,331	-5,410p	-5,502p	-5,597p		
Balance on merchandise trade	-72	-151	-176	-125	-41	23	46	41	36	19	-11	-54	-109p	-172p	-235p		
Balance on goods and services	-284	-347	-368	-324	-248	-189	-167	-161	-149	-148	-167	-204	-254p	-311p	-371p		
Balance on current account	-1,373	-1,468	-1,506	-1,466	-1,390	-1,335	-1,326	-1,335	-1,325	-1,313	-1,316	-1,345	-1,402p	-1,478p	-1,561p		

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

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

	(\$ million)																			
	Years				Months				July to May											
	1990-91	1991-92	1992-93	1993-94	1990-91	1991-92	1992-93	1993-94	1992-93	1993-94	1992-93	1993-94								
<i>Rural exports fob (a) —</i>																				
Meat & meat preparations	3,173	3,434	3,752	284	282	358	352	385	327	353	396	379	344	250	275	339	307	374	340	3,729
Cereal grains & cereal preparations	2,436	2,352	2,953	296	308	312	234	187	207	189	214	233	265	276	388	369	291	303	2,719	2,922
Sugar, sugar preparations & honey	948	747	1,073	92	81	50	61	140	165	158	168	124	47	122	91	53	65	87	1,012	1,220
Wool & sheepskins	2,887	3,829	3,365	288	250	228	206	204	169	236	301	327	349	264	202	388	325	319	3,159	3,084
Other rural	4,578	5,241	5,936	485	507	582	558	543	514	487	553	517	599	470	475	574	533	671	5,378	5,936
Total rural	14,022	15,603	17,079	1,445	1,428	1,530	1,411	1,459	1,382	1,423	1,632	1,580	1,604	1,382	1,431	1,723	1,521	1,754	15,668	16,891
<i>Non-rural exports fob (a) —</i>																				
Metal ores & minerals	8,557	7,938	7,942	642	688	661	647	639	708	700	655	687	633	573	509	625	624	594	7,295	6,947
Coal, coke & briquettes	6,480	6,949	7,620	635	622	632	674	686	640	552	695	636	725	559	602	532	561	574	6,946	6,762
Other mineral fuels	3,595	3,402	3,913	340	271	363	328	307	309	291	299	291	259	269	285	230	277	290	3,585	3,107
Gold	4,136	4,605	4,583	354	255	346	311	412	394	739	568	452	299	538	466	509	374	368	4,272	5,119
Other metals	4,737	4,702	5,211	416	431	461	426	441	463	392	474	441	492	409	335	501	430	539	4,785	4,917
Machinery	3,123	3,471	4,347	357	318	503	419	411	399	427	449	431	549	300	362	501	404	618	3,928	4,851
Transport equipment	1,907	1,655	2,020	156	177	169	203	272	172	138	208	193	195	65	162	165	210	178	1,817	1,958
Other manufactures	4,355	5,268	6,017	537	464	558	521	552	562	592	618	585	610	450	511	643	549	639	5,496	6,311
Other non-rural	1,243	1,281	1,283	135	107	109	120	200	153	159	150	145	109	148	121	171	177	171	1,163	1,704
Total non-rural	38,133	39,271	42,936	3,572	3,333	3,802	3,649	3,920	3,800	3,990	4,116	3,861	3,871	3,311	3,353	3,877	3,606	3,971	39,287	41,676
Total exports fob	52,155	54,874	60,015	5,017	4,761	5,332	5,060	5,379	5,182	5,413	5,748	5,441	5,475	4,693	4,784	5,600	5,127	5,725	54,955	58,567

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

TABLE 4. BALANCE OF PAYMENTS — CURRENT ACCOUNT — MERCHANDISE IMPORTS (BALANCE OF PAYMENTS BASIS) (a)
(\$ million)

	Months												July to May											
	Years						1993-94																	
	1990-91	1991-92	1992-93	1992-93	1993-94	1993-94	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1992-93	1993-94	
<i>Consumption goods job (b) —</i>																								
Food and beverages, mainly for consumption	-1,923	-2,028	-2,261	-199	-181	-178	-167	-208	-204	-209	-218	-237	-222	-190	-176	-207	-173	-207	-173	-199	-199	-2,094	-2,243	
Household electrical items	-1,103	-1,257	-1,382	-117	-114	-98	-92	-118	-112	-132	-151	-155	-126	-102	-96	-112	-105	-112	-105	-122	-122	-1,290	-1,331	
Non-industrial transport equipment	-2,466	-2,777	-3,478	-278	-311	-291	-318	-357	-344	-282	-365	-327	-314	-250	-250	-359	-302	-359	-302	-327	-327	-3,160	-3,477	
Textiles, clothing and footwear	-1,623	-1,799	-2,178	-272	-176	-153	-165	-219	-222	-196	-185	-185	-172	-184	-223	-233	-167	-233	-167	-172	-172	-2,013	-2,158	
Toys, books and leisure goods	-1,741	-2,015	-2,238	-176	-158	-180	-180	-227	-242	-244	-245	-244	-189	-172	-160	-188	-178	-188	-178	-215	-215	-2,058	-2,304	
Consumption goods nes	-3,449	-3,793	-4,389	-363	-336	-345	-320	-414	-401	-463	-439	-463	-376	-340	-329	-393	-353	-393	-353	-417	-417	-4,069	-4,388	
<i>Total consumption goods</i>	<i>-12,305</i>	<i>-13,669</i>	<i>-15,926</i>	<i>-1,405</i>	<i>-1,276</i>	<i>-1,245</i>	<i>-1,242</i>	<i>-1,543</i>	<i>-1,525</i>	<i>-1,526</i>	<i>-1,603</i>	<i>-1,611</i>	<i>-1,399</i>	<i>-1,238</i>	<i>-1,234</i>	<i>-1,492</i>	<i>-1,278</i>	<i>-1,492</i>	<i>-1,278</i>	<i>-1,452</i>	<i>-1,452</i>	<i>-14,684</i>	<i>-15,901</i>	
<i>Capital goods job (b) —</i>																								
Machinery and industrial equipment	-4,488	-4,320	-5,446	-444	-426	-425	-478	-546	-573	-506	-542	-558	-528	-535	-437	-577	-510	-577	-510	-565	-565	-4,968	-5,877	
ADP equipment	-1,880	-1,915	-2,319	-219	-189	-226	-285	-212	-204	-224	-187	-210	-231	-147	-175	-254	-221	-254	-221	-266	-266	-2,034	-2,331	
Telecommunications equipment	-832	-949	-1,224	-85	-112	-83	-86	-99	-86	-120	-116	-115	-93	-76	-79	-107	-87	-107	-87	-98	-98	-1,138	-1,076	
Civil aircraft	-1,885	-1,885	-828	-8	-46	-10	-11	-24	-52	-7	-61	-3	-16	-57	-	-10	-4	-10	-4	-4	-4	-817	-238	
Industrial transport equipment nes	-1,605	-1,240	-1,838	-443	-133	-182	-142	-139	-118	-264	-156	-238	-138	-130	-137	-207	-154	-207	-154	-225	-225	-1,696	-1,906	
Capital goods nes	-1,627	-1,788	-2,000	-185	-167	-164	-186	-194	-176	-196	-185	-190	-317	-160	-161	-184	-164	-184	-164	-184	-184	-1,814	-2,111	
<i>Total capital goods job</i>	<i>-12,317</i>	<i>-11,897</i>	<i>-13,655</i>	<i>-1,384</i>	<i>-1,073</i>	<i>-1,090</i>	<i>-1,188</i>	<i>-1,214</i>	<i>-1,209</i>	<i>-1,317</i>	<i>-1,247</i>	<i>-1,314</i>	<i>-1,323</i>	<i>-1,105</i>	<i>-989</i>	<i>-1,339</i>	<i>-1,140</i>	<i>-1,342</i>	<i>-1,140</i>	<i>-1,342</i>	<i>-1,342</i>	<i>-12,467</i>	<i>-13,539</i>	
<i>Intermediate and other goods (b) —</i>																								
Food and beverages, mainly for industry	-390	-388	-436	-40	-33	-37	-47	-45	-39	-47	-36	-35	-30	-57	-46	-50	-42	-46	-50	-42	-45	-389	-472	
Primary industrial supplies nes	-556	-586	-677	-45	-55	-54	-55	-63	-60	-53	-65	-51	-55	-42	-58	-69	-53	-58	-69	-53	-80	-622	-649	
Fuels and lubricants	-2,977	-2,715	-3,623	-360	-268	-357	-281	-219	-393	-335	-276	-303	-308	-211	-229	-277	-262	-277	-262	-274	-274	-3,342	-3,087	
Parts for transport equipment	-3,028	-2,941	-3,675	-359	-297	-311	-323	-375	-340	-356	-352	-376	-310	-305	-317	-391	-332	-317	-391	-332	-376	-3,352	-3,830	
Parts for ADP equipment	-1,109	-1,278	-1,423	-148	-122	-119	-162	-142	-136	-145	-121	-141	-141	-110	-119	-157	-123	-119	-157	-123	-177	-1,261	-1,512	
Other parts for capital goods	-3,426	-3,558	-4,232	-395	-366	-386	-377	-454	-422	-436	-407	-451	-395	-391	-386	-451	-388	-451	-388	-441	-441	-3,855	-4,622	
Organic and inorganic chemicals	-1,675	-1,804	-2,056	-180	-171	-157	-161	-185	-156	-193	-178	-172	-169	-161	-166	-190	-167	-166	-190	-167	-178	-1,895	-1,915	
Paper and paperboard	-1,142	-1,295	-1,381	-127	-108	-106	-104	-130	-125	-129	-136	-137	-114	-127	-110	-129	-109	-110	-129	-109	-120	-1,277	-1,366	
Textile yarn and fabrics	-1,516	-1,680	-1,763	-152	-142	-151	-160	-183	-162	-160	-153	-163	-133	-142	-134	-159	-144	-134	-159	-144	-173	-1,603	-1,706	
Iron and steel	-887	-822	-946	-96	-89	-76	-82	-92	-88	-88	-103	-104	-79	-90	-80	-91	-71	-80	-91	-71	-87	-864	-955	
Plastics	-1,036	-1,086	-1,272	-114	-103	-114	-102	-124	-110	-124	-111	-119	-107	-109	-111	-128	-102	-111	-128	-102	-119	-1,170	-1,264	
Non-monetary gold	-624	-1,034	-1,019	-88	-72	-85	-75	-92	-120	-100	-80	-61	-94	-62	-66	-105	-68	-66	-105	-68	-68	-944	-916	
Processed industrial supplies nes	-5,817	-6,059	-7,135	-649	-601	-611	-591	-705	-681	-663	-662	-665	-613	-612	-543	-731	-634	-543	-731	-634	-674	-6,544	-7,183	
Other goods	-439	-243	-208	-14	-26	-14	-13	-12	-20	-15	-26	-23	-25	-28	-29	-37	-12	-29	-37	-12	-34	-195	-261	
<i>Total intermediate and other goods</i>	<i>-24,622</i>	<i>-25,489</i>	<i>-29,846</i>	<i>-2,767</i>	<i>-2,453</i>	<i>-2,578</i>	<i>-2,533</i>	<i>-2,821</i>	<i>-2,852</i>	<i>-2,859</i>	<i>-2,707</i>	<i>-2,776</i>	<i>-2,564</i>	<i>-2,447</i>	<i>-2,394</i>	<i>-2,965</i>	<i>-2,507</i>	<i>-2,965</i>	<i>-2,507</i>	<i>-2,846</i>	<i>-2,846</i>	<i>-27,313</i>	<i>-29,738</i>	
<i>Total imports job</i>	<i>-49,244</i>	<i>-51,055</i>	<i>-59,427</i>	<i>-5,556</i>	<i>-4,802</i>	<i>-4,913</i>	<i>-4,963</i>	<i>-5,578</i>	<i>-5,586</i>	<i>-5,702</i>	<i>-5,557</i>	<i>-5,701</i>	<i>-5,286</i>	<i>-4,790</i>	<i>-4,617</i>	<i>-5,796</i>	<i>-4,925</i>	<i>-5,796</i>	<i>-4,925</i>	<i>-5,640</i>	<i>-5,640</i>	<i>-54,464</i>	<i>-59,178</i>	

(a) From 1 October 1990 changed arrangements applied to the classification of government imports. As a result, categories are not strictly comparable with those for earlier periods. (b) Definitions of the component series are given in ABS Catalogue No. 5344.0.

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

	Years			Months												July to May					
	1990-91	1991-92	1992-93	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.		Mar.	Apr.	May	1992-93	1993-94
Services —																					
<i>Credits —</i>																					
Shipment	1,029	1,112	1,241	98	110	111	111	118	117	117	127	126	125	107	107	107	107	107	107	1,130	1,265
Other transportation	3,811	4,069	4,614	374	386	373	330	361	371	350	399	418	424	439	402	411	389	375	375	4,284	4,339
Travel	4,983	5,437	5,707	495	490	458	422	539	465	413	533	554	602	728	787	586	601	551	551	5,285	6,369
Other services	3,777	3,989	4,136	349	352	366	387	345	356	364	391	397	393	369	369	382	377	381	377	3,749	4,124
<i>Total services credits</i>	13,600	14,607	15,698	1,316	1,338	1,308	1,250	1,363	1,309	1,244	1,450	1,495	1,544	1,643	1,665	1,496	1,474	1,414	1,414	14,448	16,097
<i>Debits —</i>																					
Shipment	-3,188	-3,257	-3,772	-340	-297	-298	-293	-367	-377	-373	-369	-370	-335	-300	-288	-346	-300	-334	-334	-3,479	-3,759
Other transportation	-4,156	-4,432	-4,637	-360	-369	-391	-419	-425	-410	-426	-411	-389	-420	-394	-358	-378	-387	-397	-397	-4,218	-4,395
Travel	-5,230	-5,122	-5,599	-380	-482	-458	-514	-544	-463	-547	-470	-374	-427	-575	-399	-421	-528	-501	-501	-5,085	-5,249
Other services	-4,642	-4,611	-4,749	-378	-386	-383	-416	-415	-397	-404	-420	-417	-448	-382	-379	-386	-382	-391	-391	-4,333	-4,421
<i>Total services debits</i>	-17,216	-17,422	-18,757	-1,458	-1,534	-1,530	-1,642	-1,751	-1,647	-1,750	-1,670	-1,550	-1,630	-1,651	-1,424	-1,531	-1,597	-1,623	-1,623	-17,115	-17,824
Net services	-3,616	-2,815	-3,059	-142	-196	-222	-392	-388	-338	-506	-220	-55	-86	-8	241	-35	-123	-209	-209	-2,667	-1,727
Income —																					
<i>Credits —</i>																					
Property income —																					
Investment income	204	555	1,930	161	161	161	160	200	200	200	200	200	200	200	200	200	200	200	200	1,770	2,200
Reinvested earnings	2,964	2,990	2,823	272	198	210	218	224	274	279	176	227	232	179	182	149	176	191	191	2,605	2,289
Other	202	240	306	29	20	20	21	29	29	29	30	23	25	25	30	30	29	29	29	285	308
Other property income	602	472	514	37	41	39	43	50	42	49	49	40	44	49	37	39	43	42	42	471	484
Labour and other income	3,972	4,257	5,573	499	420	430	442	503	545	557	455	490	501	453	449	418	448	462	462	5,131	5,281
<i>Total income credits</i>																					
<i>Debits —</i>																					
Property income —																					
Investment income	-3,843	-3,940	-3,576	-437	-301	-287	-236	-312	-286	-370	-325	-400	-241	-433	-439	-343	-293	-342	-342	-3,340	-3,784
Official																					
Non-official																					
Reinvested earnings	-676	-752	-2,318	-193	-193	-193	-193	-233	-233	-234	-233	-233	-234	-233	-233	-234	-233	-233	-233	-2,125	-2,566
Other	-15,728	-13,503	-12,049	-939	-1,009	-1,011	-1,012	-927	-928	-931	-967	-969	-972	-755	-758	-757	-968	-970	-970	-11,037	-9,902
Other property income	-1,462	-1,524	-1,564	-120	-130	-130	-131	-150	-150	-150	-162	-188	-195	-133	-132	-131	-147	-147	-147	-1,433	-1,685
Labour and other income	-429	-326	-311	-28	-33	-33	-29	-30	-33	-29	-27	-29	-32	-39	-40	-43	-39	-39	-39	-282	-380
<i>Total income debits</i>	-22,138	-20,045	-19,818	-1,717	-1,666	-1,654	-1,601	-1,652	-1,630	-1,714	-1,714	-1,819	-1,674	-1,593	-1,602	-1,508	-1,680	-1,731	-1,731	-18,217	-18,317
Net income	-18,166	-15,788	-14,245	-1,218	-1,246	-1,224	-1,159	-1,149	-1,085	-1,157	-1,259	-1,329	-1,173	-1,140	-1,153	-1,090	-1,232	-1,269	-1,269	-13,086	-13,036
Unrequited transfers —																					
<i>Credits</i>	4,711	4,584	3,119	250	255	229	228	252	232	210	218	230	257	273	271	214	235	205	205	2,891	2,597
<i>Debits —</i>																					
Official	-1,284	-1,327	-1,390	-102	-101	-118	-243	-72	-89	-82	-102	-115	-114	-137	-117	-134	-106	-147	-147	-1,147	-1,215
Non-official	-999	-1,016	-1,002	-90	-74	-74	-74	-85	-85	-80	-76	-83	-103	-95	-86	-89	-86	-83	-83	-928	-951
<i>Total</i>	-2,283	-2,343	-2,392	-192	-175	-192	-317	-157	-174	-162	-178	-198	-217	-232	-203	-223	-192	-230	-230	-2,075	-2,166
Net unrequited transfers	2,428	2,241	727	58	80	37	-89	95	58	48	40	32	40	41	68	-9	43	-25	-25	816	431

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

	Years			Months																	
	1990-91	1991-92	1992-93	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1992-93	1993-94	
Official —																					
<i>General government —</i>																					
Borrowing —																					
Domiciled abroad —																					
Commonwealth Government —																					
Drawings																					
Repayments																					
Total																					
State government																					
Total domiciled abroad																					
Domiciled in Australia																					
Total borrowing																					
Other																					
<i>Total general government</i>																					
<i>Reserve Bank —</i>																					
Reserve assets —																					
Official reserve assets																					
Allocation of SDRs																					
Other																					
<i>Total Reserve Bank</i>																					
<i>Total official</i>																					
<i>Non-official plus balancing item —</i>																					
<i>Public sector —</i>																					
Non equity securities domiciled in Australia (a)																					
Accounts receivable/prepayments made																					
Other (including balancing item) (b)																					
<i>Total non-official plus balancing item</i>																					
<i>Balance on capital account plus balancing item</i>																					

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

TABLE 7. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

	Months																		
	Years						1993-94												
	1990-91	1991-92	1992-93	1993-94	1993-94	1993-94	1993-94	1993-94	1993-94	1993-94	1993-94	1993-94							
91	92	93	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May		
Official reserve assets (\$ million) —	24,047	22,240	20,823	18,888	18,740	20,588	20,823	20,131	21,014	22,023	21,198	21,394	20,955	19,882	20,253	20,834	20,434	20,006	
Levels at end of period	2,176	-1,807	-1,417	1,335	-148	1,848	235	-692	883	1,009	-825	196	-439	-1,073	371	581	-400	-428	
Changes in levels Of which —																			
Changes due to effects of revaluations	730	2,122	2,533	94	318	1,389	-79	-190	158	518	-1,015	257	-394	-860	407	617	-528	-671	
Changes included in the balance of payments (a)	1,446	-3,929	-3,950	1,241	-466	459	314	-502	725	491	190	-61	-45	-213	-36	-36	128	243	
Exchange rates (b) —																			
Units of foreign currency per \$A —																			
End of period (c) —																			
United States dollar	0.7681	0.7488	0.6722	0.7058	0.7116	0.6769	0.6722	0.6834	0.6708	0.6453	0.6661	0.6586	0.6771	0.7112	0.7178	0.7008	0.7124	0.7361	
United Kingdom pound	0.4712	0.3945	0.4453	0.4725	0.4530	0.4345	0.4453	0.4609	0.4494	0.4271	0.4476	0.4423	0.4575	0.4757	0.4825	0.4728	0.4707	0.4879	
German mark	1.382	1.144	1.137	1.143	1.123	1.077	1.137	1.188	1.121	1.046	1.113	1.125	1.175	1.242	1.226	1.173	1.235	1.211	
Japanese yen	106.19	94.05	71.54	81.51	79.06	72.60	71.54	72.41	69.93	67.85	72.17	71.77	75.80	78.11	74.67	72.04	72.20	76.85	
Special drawing right	0.5825	0.5213	0.4818	0.5085	0.5010	0.4738	0.4818	0.4907	0.4769	0.4546	0.4789	0.4763	0.4921	0.5146	0.5143	0.4971	0.5035	0.5201	
Period average (d) —																			
United States dollar	0.7853	0.7694	0.7030	0.7073	0.7118	0.6979	0.6751	0.6775	0.6785	0.6521	0.6603	0.6649	0.6728	0.6956	0.7161	0.7117	0.7165	0.7240	
United Kingdom pound	0.4240	0.4381	0.4363	0.4852	0.4609	0.4499	0.4470	0.4527	0.4549	0.4277	0.4391	0.4488	0.4515	0.4661	0.4837	0.4770	0.4836	0.4815	
German mark	1.248	1.274	1.103	1.167	1.135	1.120	1.115	1.161	1.151	1.058	1.081	1.130	1.151	1.212	1.243	1.205	1.249	1.213	
Japanese yen	107.60	100.97	84.22	82.80	79.94	76.95	72.51	73.03	70.39	68.71	70.60	72.73	73.79	77.59	76.12	74.84	74.10	75.05	
Special drawing right	0.5656	0.5580	0.4982	0.5127	0.5046	0.4931	0.4790	0.4873	0.4844	0.4605	0.4691	0.4785	0.4858	0.5062	0.5165	0.5078	0.5106	0.5115	
Trade weighted index of value of the Australian dollar (May 1970 = 100) (b) —																			
End of period (c)	59.7	55.2	49.5	52.9	52.3	49.4	49.5	50.6	49.3	47.3	49.4	49.1	50.8	54.0	53.6	52.1	52.6	54.8	
Period average (d)	58.9	58.2	52.3	53.4	52.6	51.3	49.6	50.2	49.8	47.8	48.6	49.4	50.2	53.1	53.9	53.3	53.4	53.7	

(a) The entries carry the opposite sign to corresponding entries in Tables 1 and 6. (b) These exchange rates and the trade-weighted index are derived using rates provided by the Reserve Bank of Australia in respect of each trading day. (c) These exchange rates and index numbers relate to the last trading day of the reference period. (d) These exchange rates and index numbers are derived by averaging figures for each trading day.

EXPLANATORY NOTES

Introduction

1. This publication contains preliminary estimates of Australia's balance of payments for May 1994, together with revised estimates for previous months. More comprehensive quarterly estimates are available in the March quarter 1994 issue of the quarterly balance of payments publication (5302.0) released on 1 June 1994.

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

Accuracy, reliability and volatility

3. Care should be exercised in the use and interpretation of estimates in this publication. The sources available for the production of timely and reliable monthly estimates are limited and the initial estimates are made available very quickly. Consequently, the latest estimates in this publication, to a greater extent than estimates in quarterly and annual balance of payments publications, are **preliminary and subject to revision** as more complete and accurate information becomes available. Certain items are estimated using extrapolation techniques until source data become available. Further, the more detailed estimates may be less accurate in relative terms than broader items and aggregates of which they form components.

4. Particular care should be exercised in interpreting month-to-month movements in original and seasonally adjusted series as short term movements cannot be assumed to indicate changes in trend. The monthly estimates are volatile, being subject to seasonal factors (except where adjusted in Table 2) and large irregular influences. The irregular influences may reflect both random economic events and difficulties of statistical recording. Seasonal adjustment does not aim to remove the irregular or non-seasonal influences which may be present in any particular month. This means that the month-to-month movements of the seasonally adjusted estimates may not be reliable indicators of trend behaviour. For example, irregular factors unrelated to the trend account for more than half the seasonally adjusted monthly movements with the following frequency:

Balance on current account: 9 in 10 months
Merchandise exports f.o.b: 8 in 10 months
Merchandise imports f.o.b: 9 in 10 months

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

Seasonal adjustment

6. The factors used in seasonally adjusting the monthly balance of payments statistics during 1994 can be obtained, for \$65.00, from Mr Damian Dwyer on Canberra (06) 252 6820.

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

Available longer term series

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

Symbols and other usages

f.o.b.	free on board
n.a.	not available
n.e.c.	not elsewhere classified
n.e.s.	not elsewhere specified
n.y.a.	not yet available
—	nil or rounded to zero
..	not applicable
p	provisional

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

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