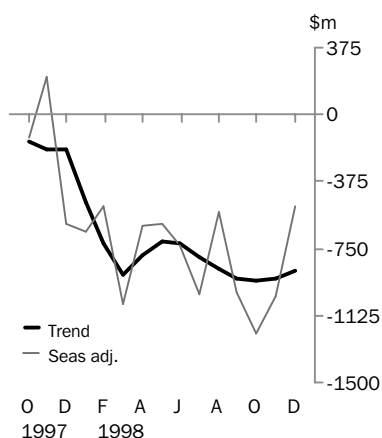


INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) TUES 2 FEB 1999

Balance on goods and services



DECEMBER KEY FIGURES

TREND ESTIMATES

	Oct 1998 \$m	Nov 1998 \$m	Dec 1998 \$m	Nov 1998 to Dec 1998 % change
Balance on goods & services	- 932	- 915	- 873	. .
Credits (exports of goods & services)	9 704	9 629	9 549	-1
Debits (imports of goods & services)	10 636	10 544	10 422	-1

SEASONALLY ADJUSTED

	Oct 1998 \$m	Nov 1998 \$m	Dec 1998 \$m	Nov 1998 to Dec 1998 % change
Balance on goods & services	-1 221	-1 021	- 508	. .
Credits (exports of goods & services)	9 825	9 455	9 502	0
Debits (imports of goods & services)	11 046	10 477	10 010	-4

DECEMBER KEY POINTS

TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services is a deficit of \$873 million in December, a decrease of \$42 million on the deficit in November.
- Goods and services credits fell \$80 million, while goods and services debits fell \$122 million.

SEASONALLY ADJUSTED ESTIMATES

- In seasonally adjusted terms, the balance on goods and services is a deficit of \$508 million, down \$513 million on the deficit in November.
- Goods and services credits rose \$47 million on the November figure.
- Goods and services debits fell \$467 million, or 4%. This is attributable to lower imports of gold and fuels and lubricants.

ORIGINAL ESTIMATES

- In original terms, the balance on goods and services in December is a deficit of \$286 million, down \$996 million on the deficit in November.
- Exports of goods to our major south east Asia and north Asia trading partners grew 9% during December, compared with exports to other destinations which grew 7% on the previous month. See analysis on page 4 for details.
- In original terms, the balance on goods and services for calendar year 1998 was a deficit of \$10.0 billion, compared with a surplus of \$2.3 billion in 1997.

- For further information about these and related statistics, contact Patricia Mahony on Canberra 02 6252 5540, or any ABS office shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>EXPECTED RELEASE DATE</i>
January 1999	1 March 1999
February 1999	30 March 1999
March 1999	3 May 1999
April 1999	31 May 1999
May 1999	30 June 1999
June 1999	29 July 1999

CHANGES IN THIS ISSUE

In original terms revisions since the last issue of this publication have:

- increased the deficit on goods and services for 1997-98 by \$54 million; and
- increased the deficit on goods and services for the five months to November 1998 by \$367 million.

The major factors contributing to the year to date revisions are:

- incorporation of the latest available data on imports of goods, up \$179 million; and
- incorporation of the latest available data from the Survey of International Trade in Services, increasing the services deficit by \$147 million.

CHANGES TO FORTHCOMING ISSUES

From the January 1999 issue of this publication, the European euro will replace the German mark in the period average exchange rates shown in table 7.

W. McLennan
Australian Statistician

ANALYSIS AND COMMENTS

BALANCE ON GOODS AND SERVICES

The trend estimate of the balance on goods and services is a deficit of \$873 million in December, a decrease of \$42 million on the deficit in November.

In seasonally adjusted terms, this balance was a deficit of \$508 million, down \$513 million on the deficit in November.

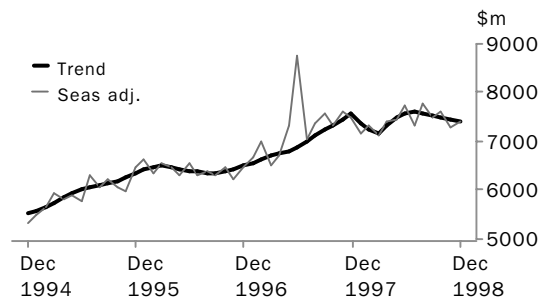
In original terms, the balance on goods and services in calendar year 1998 was a deficit of \$10.0 billion, a turnaround of \$12.3 billion on the surplus of \$2.3 billion in 1997. The major contributor to the turnaround was the \$12.5 billion increase in goods imports, although the balance on services trade also moved from near balance in 1997 to a deficit of \$1.2 billion in 1998. Goods exported increased \$1.5 billion in 1998 compared with 1997.

EXPORTS OF GOODS AND SERVICES

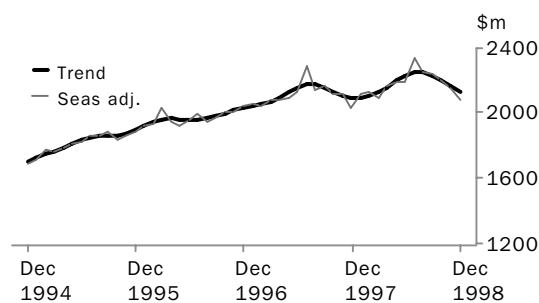
The trend estimate of goods and services credits fell \$80 million to \$9,549 million, and has been falling slowly since July 1998. There were small falls in December in each of rural goods, non-rural and other goods and services.

In seasonally adjusted terms, goods and services credits rose \$47 million to \$9,502 million. Goods rose \$120 million, or 2%, to \$7,426 million, while services fell \$73 million, or 3%.

GOODS CREDITS



SERVICES CREDITS



RURAL GOODS The trend estimate of rural goods fell \$19 million to \$1,867 million. The trend estimate is now 4% below the level estimated 12 months ago.

Rural goods, in original terms, rose \$351 million, or 20%, to \$2,110 million. The largest movements were in cereals, up \$169 million or 47%, mainly due to increases in wheat exports, and 'other' rural, up \$162 million or 20%.

ANALYSIS AND COMMENTS

NON-RURAL AND OTHER GOODS The trend estimate of non-rural and other goods is down slightly to \$5,551 million, the lowest level recorded in the past nine months. In seasonally adjusted terms non-rural and other goods fell \$64 million, or 1%, to \$5,479 million.

Non-rural and other goods in original terms rose \$137 million, or 2%, to \$5,660 million. The largest increases were in:

- metal ores and minerals, up \$93 million (9%) to \$1,104 million;
- coke, coal and briquettes, up \$85 million or 11%; and
- machinery, up \$76 million or 13%.

These increases were partly offset by a decrease in gold, down \$145 million, or 24% to \$452 million.

MERCHANDISE EXPORTS BY COUNTRY

The table below shows Australia's recorded merchandise exports for the 9 months to December 1998 (in original terms, not adjusted for BOP purposes) to 10 selected south east Asia and north Asia trading partners. Movements in the individual series reflect a range of seasonal and irregular influences. In December, exports to these selected Asian destinations grew 9% on the previous month while exports to other countries grew 7%. Exports to the largest market, Japan, bounced back 11% in December. Exports to Singapore were up again this month, although most of the increase in November and December in this merchandise series represents temporary exports for subsequent reimport (which are excluded from BOP statistics). Overall, exports to the group of 10 countries listed below is down 7% in the 12 months to December 1998 compared with the 12 months to December 1997, while exports to all other countries rose 20% over the same period. Comparing these periods after excluding gold, exports to the selected Asian destinations fell 5% while exports to the rest of the world rose 10%.

AUSTRALIA'S MERCHANDISE EXPORTS(a) TO SELECTED MAJOR TRADING PARTNERS

	Apr 1998	May 1998	Jun 1998	Jul 1998	Aug 1998	Sep 1998	Oct 1998	Nov 1998	Dec 1998	Nov 1998 to Dec 1998 % change
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
China	256	352	313	295	307	343	280	370	433	17
Hong Kong	255	365	305	279	279	285	228	254	251	-1
Indonesia	157	140	191	162	243	225	192	194	172	-11
Japan	1 362	1 444	1 485	1 406	1 570	1 484	1 564	1 366	1 520	11
Korea, Republic of	595	488	592	657	482	468	540	531	554	4
Malaysia	139	167	133	180	149	156	164	172	161	-6
Philippines	68	66	99	105	113	105	106	101	94	-7
Singapore	237	428	266	195	237	200	215	308	407	32
Taiwan	397	418	317	360	370	344	353	352	395	12
Thailand	91	126	98	102	107	111	108	118	131	11
<i>Sub-total</i>	3 557	3 994	3 799	3 741	3 857	3 721	3 750	3 766	4 118	9
<i>All other countries</i>	3 641	3 955	3 933	3 730	3 893	3 881	4 071	3 517	3 772	7
Total	7 198	7 949	7 732	7 471	7 750	7 602	7 821	7 283	7 890	8

(a) Merchandise exports, in original terms, as recorded in ABS international trade statistics, not adjusted to a balance of payments basis.

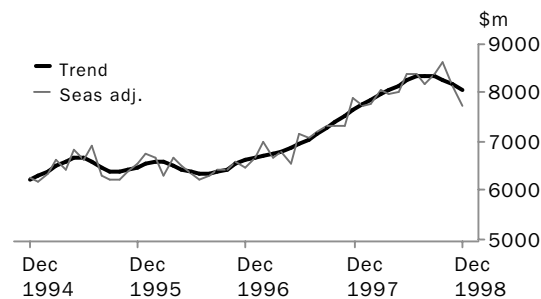
ANALYSIS AND COMMENTS

IMPORTS OF GOODS AND SERVICES

The trend estimate of goods and services debits fell \$122 million to \$10,422 million. Consumption goods fell \$21 million in December, continuing a gradual fall over the past five months. Capital goods in December 1998 have fallen to the level of December 1997 after peaking in July 1998. Intermediate and other goods fell \$47 million. Services imports were \$2,345 million in trend terms and have remained flat over the past six months.

In seasonally adjusted terms, goods and services debits fell \$467 million, or 4%, to \$10,010 million. Goods fell \$392 million, or 5%, to \$7,739 million, the lowest level since January 1998. Services fell \$76 million, or 3%, to \$2,270 million.

GOODS DEBITS



CONSUMPTION GOODS

The trend estimate of consumption goods was \$2,258 million in December, falling slowly over the past five months. In seasonally adjusted terms, consumption goods rose \$8 million, to \$2,228 million.

Consumption goods, in original terms, fell \$123 million, or 5%, to \$2,302 million. The largest decrease was in consumption goods n.e.s., down \$56 million or 8%.

CAPITAL GOODS

The trend estimate of capital goods fell \$45 million to \$1,764 million, roughly at the level of twelve months ago. High civil aircraft imports in the five months from May to September 1998 pushed the total series up for a few months before falling back to its current level. In seasonally adjusted terms, capital goods fell \$159 million, or 9%, to \$1,646 million.

Capital goods, in original terms, fell \$55 million, or 3%, to \$1,805 million. The largest decrease was in machinery and industrial equipment, down \$74 million or 9%.

INTERMEDIATE AND OTHER GOODS

The trend estimate of intermediate and other goods fell \$47 million to \$4,055 million in December. Lower non-monetary gold imports and imports of gold for processing and re-export in the last two months have contributed to this decline. In seasonally adjusted terms, intermediate and other goods fell \$241 million, or 6%, to \$3,865 million.

Intermediate and other goods, in original terms, fell \$312 million, or 8%, to \$3,769 million. There were decreases in 9 of the 14 groups shown in this publication. Within 'other' goods, goods for processing fell \$144 million (73%) to \$54 million, and non-monetary gold fell \$114 million (72%) to \$44 million.

The decreases were partly offset by an increase in organic and inorganic chemicals, up \$104 million or 49%.

GOODS AND SERVICES(a), Summary: Seasonally Adjusted and Trend

Period	CREDITS.....						DEBITS.....					
	Balance on goods and services	Total goods and services	Total goods	Rural goods(b)	Non-rural and other goods(b)	Total services	Total goods and services	Total goods	Con-sumption goods	Capital goods	Inter-mediate and other goods	Total services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
SEASONALLY ADJUSTED												
1997												
October	- 130	9 445	7 322	1 920	5 402	2 123	-9 575	-7 332	-2 059	-1 716	-3 557	-2 243
November	214	9 748	7 630	1 948	5 682	2 118	-9 534	-7 315	-2 037	-1 674	-3 603	-2 219
December	- 617	9 523	7 492	1 962	5 530	2 031	-10 140	-7 917	-2 183	-1 841	-3 894	-2 223
1998												
January	- 659	9 263	7 149	1 819	5 329	2 114	-9 922	-7 734	-2 280	-1 738	-3 716	-2 188
February	- 510	9 443	7 316	1 751	5 565	2 127	-9 952	-7 783	-2 209	-1 780	-3 794	-2 169
March	-1 064	9 198	7 107	1 634	5 473	2 091	-10 262	-8 061	-2 277	-1 879	-3 905	-2 202
April	- 618	9 592	7 428	1 699	5 728	2 165	-10 210	-7 991	-2 293	-1 839	-3 859	-2 219
May	- 608	9 656	7 465	1 764	5 701	2 190	-10 264	-8 015	-2 280	-1 990	-3 746	-2 249
June	- 727	9 908	7 717	1 865	5 852	2 191	-10 635	-8 402	-2 384	-1 806	-4 212	-2 233
July	-1 002	9 681	7 344	1 836	5 508	2 337	-10 683	-8 370	-2 253	-1 976	-4 140	-2 313
August	- 544	10 035	7 788	2 034	5 754	2 247	-10 578	-8 199	-2 294	-1 919	-3 986	-2 379
September	- 997	9 719	7 479	2 060	5 419	2 240	-10 716	-8 386	-2 357	-2 024	-4 005	-2 330
October	-1 221	9 825	7 616	1 770	5 846	2 208	-11 046	-8 619	-2 362	-1 840	-4 417	-2 427
November	-1 021	9 455	7 306	1 763	5 543	2 149	-10 477	-8 131	-2 220	-1 805	-4 106	-2 346
December	- 508	9 502	7 426	1 947	5 479	2 076	-10 010	-7 739	-2 228	-1 646	-3 865	-2 270
TREND ESTIMATES												
1997												
October	- 154	9 460	7 327	1 943	5 384	2 133	-9 614	-7 401	-2 065	-1 701	-3 635	-2 213
November	- 190	9 544	7 437	1 942	5 495	2 107	-9 734	-7 519	-2 110	-1 725	-3 684	-2 215
December	- 193	9 655	7 564	1 938	5 626	2 091	-9 848	-7 638	-2 157	-1 753	-3 728	-2 210
1998												
January	- 487	9 472	7 383	1 831	5 552	2 089	-9 959	-7 757	-2 206	-1 784	-3 766	-2 202
February	- 718	9 344	7 242	1 739	5 503	2 102	-10 062	-7 867	-2 248	-1 813	-3 806	-2 195
March	- 899	9 268	7 143	1 669	5 474	2 126	-10 167	-7 969	-2 277	-1 842	-3 851	-2 198
April	- 788	9 483	7 323	1 713	5 609	2 160	-10 270	-8 058	-2 293	-1 870	-3 894	-2 213
May	- 716	9 669	7 472	1 779	5 692	2 198	-10 385	-8 146	-2 303	-1 899	-3 943	-2 239
June	- 723	9 799	7 567	1 847	5 720	2 232	-10 522	-8 247	-2 313	-1 927	-4 007	-2 275
July	- 794	9 846	7 595	1 897	5 698	2 251	-10 640	-8 329	-2 320	-1 940	-4 069	-2 310
August	- 867	9 830	7 580	1 919	5 661	2 250	-10 696	-8 359	-2 318	-1 931	-4 109	-2 337
September	- 918	9 775	7 546	1 917	5 629	2 229	-10 693	-8 340	-2 310	-1 903	-4 127	-2 353
October	- 932	9 704	7 506	1 903	5 603	2 199	-10 636	-8 278	-2 296	-1 861	-4 121	-2 358
November	- 915	9 629	7 464	1 886	5 579	2 164	-10 544	-8 190	-2 279	-1 809	-4 102	-2 354
December	- 873	9 549	7 419	1 867	5 551	2 130	-10 422	-8 078	-2 258	-1 764	-4 055	-2 345

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

GOODS AND SERVICES(a), Summary: Original

Period	CREDITS.....						DEBITS.....					
	<i>Balance on goods and services</i>	<i>Total goods and services</i>	<i>Total goods</i>	<i>Rural goods(b)</i>	<i>Non-rural and other goods(b)</i>	<i>Total services</i>	<i>Total goods and services</i>	<i>Total goods</i>	<i>Con-sumption goods</i>	<i>Capital goods</i>	<i>Inter-mediate and other goods</i>	<i>Total services</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1995-96	-1 983	99 095	76 146	19 588	56 558	22 949	- 101 078	-77 729	-19 860	-19 183	-38 686	-23 349
1996-97	1 785	105 330	80 934	21 045	59 889	24 396	- 103 545	-79 438	-21 293	-18 884	-39 261	-24 107
1997-98	-4 307	114 203	88 538	22 130	66 408	25 665	- 118 510	-92 084	-25 899	-21 168	-45 017	-26 426
1997												
October	- 622	9 715	7 632	1 943	5 689	2 083	-10 337	-8 020	-2 405	-1 863	-3 752	-2 317
November	378	9 801	7 721	1 969	5 752	2 080	-9 423	-7 285	-2 111	-1 659	-3 515	-2 138
December	- 172	9 931	7 825	2 127	5 698	2 106	-10 103	-7 865	-2 243	-1 915	-3 707	-2 238
1998												
January	- 648	8 798	6 367	1 677	4 690	2 431	-9 446	-7 218	-2 036	-1 580	-3 602	-2 228
February	478	9 326	6 722	1 687	5 035	2 604	-8 848	-6 942	-1 947	-1 481	-3 514	-1 906
March	-1 097	9 373	7 313	1 779	5 534	2 060	-10 470	-8 340	-2 279	-1 866	-4 195	-2 130
April	- 549	9 273	7 211	1 727	5 484	2 062	-9 822	-7 677	-2 089	-1 829	-3 759	-2 145
May	-6	9 774	7 890	1 946	5 944	1 884	-9 780	-7 590	-2 029	-1 901	-3 660	-2 190
June	-1 167	9 642	7 675	1 888	5 787	1 967	-10 809	-8 474	-2 276	-2 019	-4 179	-2 335
July	-1 452	10 015	7 474	1 757	5 717	2 541	-11 467	-9 028	-2 486	-2 055	-4 487	-2 439
August	- 774	9 866	7 761	1 816	5 945	2 105	-10 640	-8 264	-2 414	-1 910	-3 940	-2 376
September	-1 665	9 582	7 608	1 929	5 679	1 974	-11 247	-8 734	-2 524	-2 067	-4 143	-2 513
October	-1 577	10 000	7 828	1 764	6 064	2 172	-11 577	-9 076	-2 676	-1 955	-4 445	-2 501
November	-1 282	9 374	7 282	1 759	5 523	2 092	-10 656	-8 366	-2 425	-1 860	-4 081	-2 290
December	- 286	9 898	7 770	2 110	5 660	2 128	-10 184	-7 876	-2 302	-1 805	-3 769	-2 308
FINANCIAL YEAR TO DATE												
6 months to Dec 1997	-1 318	58 017	45 360	11 426	33 934	12 657	-59 335	-45 843	-13 243	-10 492	-22 108	-13 492
6 months to Dec 1998	-7 036	58 735	45 723	11 135	34 588	13 012	-65 771	-51 344	-14 827	-11 652	-24 865	-14 427

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

GOODS CREDITS: Original

RURAL GOODS.....

<i>Period</i>	<i>Total goods</i>	<i>Total rural goods(a)</i>	<i>Meat and meat preparations</i>	<i>Cereal grains and cereal preparations</i>	<i>Sugar, sugar preparations and honey(a)</i>	<i>Wool and sheepskins</i>	<i>Other rural</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1995-96	76 146	19 588	3 292	4 926	n.p.	3 664	7 706
1996-97	80 934	21 045	2 957	5 954	n.p.	3 744	8 390
1997-98	88 538	22 130	3 731	5 094	n.p.	4 020	9 285
1997							
October	7 632	1 943	344	385	n.p.	411	803
November	7 721	1 969	332	439	n.p.	437	761
December	7 825	2 127	342	549	n.p.	429	807
1998							
January	6 367	1 677	220	520	n.p.	299	638
February	6 722	1 687	302	417	n.p.	325	643
March	7 313	1 779	334	387	n.p.	312	746
April	7 211	1 727	274	454	n.p.	277	722
May	7 890	1 946	358	379	n.p.	291	918
June	7 675	1 888	342	427	n.p.	236	883
July	7 474	1 757	339	321	n.p.	240	857
August	7 761	1 816	313	492	n.p.	197	814
September	7 608	1 929	366	430	n.p.	250	883
October	7 828	1 764	351	311	n.p.	249	853
November	7 282	1 759	351	361	n.p.	234	813
December	7 770	2 110	361	530	n.p.	244	975

FINANCIAL YEAR TO DATE

6 months to Dec 1997	45 360	11 426	1 901	2 510	n.p.	2 280	4 735
6 months to Dec 1998	45 723	11 135	2 081	2 445	n.p.	1 414	5 195

(a) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

GOODS CREDITS: *Original* *continued*

NON-RURAL GOODS.....

<i>Period</i>	<i>Total non-rural goods(a)</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other mineral fuels</i>	<i>Metals (excl. gold)</i>	<i>Machinery</i>	<i>Transport equipment</i>	<i>Other manufactures</i>	<i>Other non-rural(a)</i>	<i>Other goods(b)</i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1995-96	50 021	9 088	7 843	4 165	6 799	7 119	2 500	8 755	3 752	6 537
1996-97	52 334	9 407	8 005	5 154	6 054	7 001	3 649	9 108	3 956	7 555
1997-98	58 441	10 835	9 586	5 309	7 185	7 549	3 412	9 834	4 731	7 967
1997										
October	5 096	907	744	511	596	658	279	871	530	593
November	5 135	895	783	469	644	679	329	882	454	617
December	5 149	969	879	522	606	773	287	825	288	549
1998										
January	4 172	840	869	398	582	424	167	603	289	518
February	4 353	813	766	427	536	557	217	740	297	682
March	4 778	930	717	391	655	628	232	857	368	756
April	4 751	984	807	404	586	533	324	707	406	733
May	5 142	957	850	375	687	661	386	883	343	802
June	5 084	995	860	399	631	596	384	829	390	703
July	4 817	839	829	390	682	560	247	800	470	900
August	5 183	1 070	843	474	598	588	295	891	424	762
September	5 078	945	890	408	613	575	278	899	470	601
October	5 040	1 007	815	402	546	576	278	896	520	1 024
November	4 839	1 011	764	335	548	564	343	861	413	684
December	5 079	1 104	849	403	572	640	305	862	344	581
FINANCIAL YEAR TO DATE										
6 months to Dec 1997	30 161	5 316	4 717	2 915	3 508	4 150	1 702	5 215	2 638	3 773
6 months to Dec 1998	30 036	5 976	4 990	2 412	3 559	3 503	1 746	5 209	2 641	4 552

(a) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural. (b) Includes non-monetary gold.

GOODS DEBITS(a): Original

CONSUMPTION GOODS.....

<i>Period</i>	<i>Total goods</i>	<i>Total consumption goods</i>	<i>Food and beverages, mainly for consumption</i>	<i>Household electrical items</i>	<i>Non-industrial transport equipment</i>	<i>Textiles, clothing and footwear</i>	<i>Toys, books and leisure goods</i>	<i>Consumption goods n.e.s.</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1995-96	-77 729	-19 860	-2 760	-1 766	-4 436	-2 726	-2 534	-5 638
1996-97	-79 438	-21 293	-2 879	-1 890	-5 143	-2 880	-2 567	-5 934
1997-98	-92 084	-25 899	-3 282	-2 062	-7 102	-3 456	-2 956	-7 041
1997								
October	-8 020	-2 405	-314	-212	-600	-283	-316	-680
November	-7 285	-2 111	-296	-196	-501	-257	-265	-596
December	-7 865	-2 243	-299	-189	-631	-281	-248	-595
1998								
January	-7 218	-2 036	-256	-133	-633	-319	-199	-496
February	-6 942	-1 947	-246	-145	-499	-342	-196	-519
March	-8 340	-2 279	-285	-177	-685	-316	-226	-590
April	-7 677	-2 089	-246	-172	-622	-253	-215	-581
May	-7 590	-2 029	-251	-162	-558	-245	-229	-584
June	-8 474	-2 276	-294	-176	-679	-236	-270	-621
July	-9 028	-2 486	-285	-172	-621	-394	-311	-703
August	-8 264	-2 414	-274	-168	-593	-360	-303	-716
September	-8 734	-2 524	-316	-189	-573	-345	-320	-781
October	-9 076	-2 676	-346	-231	-689	-311	-342	-757
November	-8 366	-2 425	-343	-241	-538	-284	-298	-721
December	-7 876	-2 302	-341	-202	-559	-279	-256	-665
FINANCIAL YEAR TO DATE								
6 months to Dec 1997	-45 843	-13 243	-1 704	-1 097	-3 426	-1 745	-1 621	-3 650
6 months to Dec 1998	-51 344	-14 827	-1 905	-1 203	-3 573	-1 973	-1 830	-4 343

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): Original *continued*

CAPITAL GOODS.....

<i>Period</i>	<i>Total capital goods</i>	<i>Machinery and industrial equipment</i>	<i>ADP equipment</i>	<i>Telecommunications equipment</i>	<i>Civil aircraft</i>	<i>Industrial transport equipment n.e.s.</i>	<i>Capital goods n.e.s.</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
1995-96	-19 183	-8 326	-3 593	-1 996	- 688	-2 214	-2 366
1996-97	-18 884	-8 020	-3 719	-1 748	- 784	-2 178	-2 435
1997-98	-21 168	-8 862	-4 345	-2 070	- 464	-2 560	-2 867
1997							
October	-1 863	- 747	- 359	- 208	-15	- 286	- 248
November	-1 659	- 688	- 337	- 175	-17	- 203	- 239
December	-1 915	- 833	- 353	- 194	-36	- 204	- 295
1998							
January	-1 580	- 725	- 324	- 131	-1	- 193	- 206
February	-1 481	- 616	- 293	- 126	-36	- 215	- 195
March	-1 866	- 755	- 432	- 184	-24	- 216	- 255
April	-1 829	- 735	- 365	- 181	-62	- 254	- 232
May	-1 901	- 756	- 378	- 166	-159	- 201	- 241
June	-2 019	- 795	- 455	- 210	-33	- 258	- 268
July	-2 055	- 887	- 366	- 182	-121	- 235	- 264
August	-1 910	- 827	- 356	- 171	-109	- 199	- 248
September	-2 067	- 894	- 376	- 170	-164	- 188	- 275
October	-1 955	- 887	- 341	- 184	-12	- 265	- 266
November	-1 860	- 824	- 365	- 216	- 8	- 195	- 252
December	-1 805	- 750	- 359	- 220	-6	- 221	- 249

FINANCIAL YEAR TO DATE

6 months to Dec 1997	-10 492	-4 480	-2 098	-1 072	- 149	-1 223	-1 470
6 months to Dec 1998	-11 652	-5 069	-2 163	-1 143	- 420	-1 303	-1 554

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): **Original** *continued*

INTERMEDIATE AND OTHER MERCHANDISE GOODS.....

Period	Total intermediate and other merchandise goods	Food and beverages, mainly for industry	Primary industrial supplies n.e.s.	Fuels and lubricants	Parts for transport equipment	Parts for ADP equipment	Other parts for capital goods	Organic and inorganic chemicals
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1995-96	-36 964	- 700	- 879	-4 163	-4 600	-1 857	-6 393	-2 754
1996-97	-37 028	- 641	- 839	-5 004	-4 609	-1 759	-6 507	-2 743
1997-98	-40 454	- 746	- 950	-4 276	-5 346	-1 993	-7 193	-2 814
1997								
October	-3 493	-59	-75	- 394	- 440	- 155	- 639	- 242
November	-3 294	-69	-80	- 409	- 374	- 152	- 589	- 250
December	-3 418	-56	-84	- 359	- 461	- 162	- 674	- 219
1998								
January	-3 382	-63	-73	- 426	- 413	- 160	- 566	- 216
February	-3 122	-61	-78	- 276	- 410	- 144	- 532	- 249
March	-3 682	-67	-78	- 395	- 488	- 194	- 634	- 311
April	-3 328	-54	-80	- 240	- 463	- 192	- 602	- 254
May	-3 224	-60	-78	- 304	- 447	- 171	- 579	- 184
June	-3 601	-63	-84	- 325	- 528	- 201	- 636	- 249
July	-3 927	-67	-84	- 364	- 532	- 176	- 814	- 236
August	-3 540	-59	-77	- 338	- 488	- 188	- 616	- 235
September	-3 695	-62	-93	- 337	- 490	- 149	- 664	- 235
October	-3 823	-59	-78	- 326	- 518	- 143	- 712	- 348
November	-3 665	-65	-69	- 448	- 501	- 153	- 661	- 211
December	-3 613	-61	-79	- 372	- 518	- 163	- 604	- 315
FINANCIAL YEAR TO DATE								
6 months to Dec 1997	-20 115	- 378	- 479	-2 310	-2 597	- 931	-3 644	-1 351
6 months to Dec 1998	-22 263	- 373	- 480	-2 185	-3 047	- 972	-4 071	-1 580

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): **Original** *continued*INTERMEDIATE AND OTHER MERCHANDISE GOODS *continued*.....

Period	<i>Paper and paperboard</i>	<i>Textile yarn and fabrics</i>	<i>Iron and steel</i>	<i>Plastics</i>	<i>Processed industrial supplies n.e.s.</i>	<i>Other merchandise goods</i>	<i>Other goods(b)</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1995-96	-1 868	-1 922	-1 408	-1 685	-8 398	- 337	-1 722
1996-97	-1 713	-1 817	-1 297	-1 577	-8 212	- 310	-2 233
1997-98	-1 901	-2 005	-1 623	-1 814	-9 431	- 362	-4 563
1997							
October	- 175	- 173	- 134	- 168	- 818	-21	- 259
November	- 146	- 165	- 138	- 151	- 740	-31	- 221
December	- 167	- 158	- 134	- 141	- 775	-28	- 289
1998							
January	- 158	- 175	- 148	- 152	- 802	-30	- 220
February	- 146	- 155	- 137	- 140	- 748	-46	- 392
March	- 172	- 168	- 147	- 162	- 835	-31	- 513
April	- 149	- 150	- 147	- 148	- 818	-31	- 431
May	- 150	- 163	- 119	- 149	- 793	-27	- 436
June	- 173	- 183	- 132	- 154	- 827	-46	- 578
July	- 184	- 212	- 151	- 158	- 884	-65	- 560
August	- 178	- 175	- 138	- 148	- 812	-88	- 400
September	- 182	- 181	- 116	- 166	- 894	-126	- 448
October	- 187	- 177	- 130	- 179	- 904	-62	- 622
November	- 165	- 171	- 125	- 167	- 826	-103	- 416
December	- 147	- 143	- 118	- 164	- 818	-111	- 156
FINANCIAL YEAR TO DATE							
6 months to Dec 1997	- 953	-1 011	- 793	- 909	-4 608	- 151	-1 993
6 months to Dec 1998	-1 043	-1 059	- 778	- 982	-5 138	- 555	-2 602

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) Includes non-monetary gold.

SERVICES(a)(b): Original

Period	CREDITS.....					DEBITS.....				
	Total services	Freight	Other transportation	Travel	Other services	Total services	Freight	Other transportation	Travel	Other services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1995-96	22 949	1 221	5 305	11 252	5 171	-23 349	-4 405	-4 083	-6 988	-7 873
1996-97	24 396	951	5 697	11 926	5 822	-24 107	-4 373	-4 066	-7 769	-7 899
1997-98	25 665	1 042	5 678	11 876	7 069	-26 426	-5 013	-4 112	-8 372	-8 929
1997										
October	2 083	81	477	906	619	-2 317	-456	-333	-757	-771
November	2 080	81	477	906	616	-2 138	-407	-300	-641	-790
December	2 106	81	478	921	626	-2 238	-426	-338	-650	-824
1998										
January	2 431	91	497	1 280	563	-2 228	-404	-336	-736	-752
February	2 604	91	497	1 465	551	-1 906	-373	-272	-545	-716
March	2 060	90	492	925	553	-2 130	-450	-327	-616	-737
April	2 062	94	435	919	614	-2 145	-423	-328	-686	-708
May	1 884	94	435	734	621	-2 190	-396	-362	-698	-734
June	1 967	94	437	790	646	-2 335	-449	-394	-710	-782
July	2 541	112	475	1 331	623	-2 439	-474	-402	-773	-790
August	2 105	112	475	910	608	-2 376	-433	-364	-735	-844
September	1 974	111	480	777	606	-2 513	-476	-402	-828	-807
October	2 172	101	475	933	663	-2 501	-476	-380	-816	-829
November	2 092	101	475	858	658	-2 290	-432	-352	-677	-829
December	2 128	101	475	884	668	-2 308	-418	-403	-625	-862
FINANCIAL YEAR TO DATE										
6 months to Dec 1997	12 657	488	2 885	5 763	3 521	-13 492	-2 518	-2 093	-4 381	-4 500
6 months to Dec 1998	13 012	638	2 855	5 693	3 826	-14 427	-2 709	-2 303	-4 454	-4 961

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For detailed trade in services by commodity, see Table 6 and paragraph 11 of the Explanatory Notes.

SERVICES(a)(b): Original—Quarterly

	CREDITS.....				DEBITS.....			
	Mar Qtr 1998	Jun Qtr 1998	Sep Qtr 1998	Dec Qtr 1998	Mar Qtr 1998	Jun Qtr 1998	Sep Qtr 1998	Dec Qtr 1998
SERVICES	7 095	5 913	6 620	6 392	-6 264	-6 670	-7 328	-7 099
Transportation services	1 758	1 589	1 765	1 728	-2 162	-2 352	-2 551	-2 461
Passenger	1 486	1 307	1 430	1 425	- 716	- 882	- 966	- 906
Freight	272	282	335	303	-1 227	-1 268	-1 383	-1 326
Other	<i>n.p.</i>	<i>n.p.</i>	<i>n.p.</i>	<i>n.p.</i>	- 219	- 202	- 202	- 229
Travel services	3 670	2 443	3 018	2 675	-1 897	-2 094	-2 336	-2 118
Business	193	191	191	210	- 623	- 557	- 529	- 492
Personal	3 477	2 252	2 827	2 465	-1 274	-1 537	-1 807	-1 626
Education-related	1 473	416	846	353	- 139	- 111	- 160	- 108
Other	2 004	1 836	1 981	2 112	-1 135	-1 426	-1 647	-1 518
Communications services	329	348	295	354	- 336	- 360	- 318	- 363
Construction services	3	2	5	3	0	0	0	0
Insurance services	213	213	232	232	- 268	- 268	- 280	- 280
Financial services	179	173	179	179	- 109	- 109	- 117	- 117
Computer and information services	105	139	171	155	-92	-80	-87	-95
Royalties and licence fees	96	127	115	150	- 334	- 348	- 439	- 421
Other business services	530	614	598	684	- 771	- 729	- 877	- 869
Merchandising and other trade-related	123	141	126	114	-92	-93	-96	- 101
Operational leasing	2	2	2	2	- 254	- 216	- 292	- 263
Miscellaneous business, professional & technical	405	471	470	568	- 425	- 420	- 489	- 505
Legal, accounting, management consulting and public relations	87	81	90	96	-29	-45	-38	-41
Advertising, market research, and public opinion polling	19	24	17	35	-52	-55	-17	-40
Research and development	38	35	45	63	-24	-28	-35	-28
Architectural, engineering and other technical services	94	113	109	117	-76	-76	- 106	- 137
Agricultural, mining, and on-site processing	10	7	8	12	-61	-27	-80	-51
Services between affiliated enterprises n.i.e.	135	185	168	220	- 157	- 161	- 190	- 190
Other	22	26	33	25	-26	-28	-23	-18
Personal, cultural, and recreational services	84	94	115	104	- 164	- 152	- 175	- 209
Audiovisual and related services	26	30	44	50	- 130	- 123	- 151	- 187
Other personal, cultural and recreational services	58	64	71	54	-34	-29	-24	-22
Government services n.i.e.	128	171	127	128	- 131	- 178	- 148	- 166

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For detailed trade in services by commodity, see paragraph 11 of the Explanatory Notes.

PERIOD AVERAGE EXCHANGE RATES(a)

UNITS OF FOREIGN CURRENCY PER AUSTRALIAN DOLLAR.....

<i>Period</i>	<i>United States dollar</i>	<i>United Kingdom pound</i>	<i>German mark</i>	<i>Japanese yen</i>	<i>Special drawing right</i>	<i>Trade weighted index of value of the \$A(b)</i>
1995-96	0.7593	0.4909	1.109	77.66	0.5156	54.8
1996-97	0.7828	0.4851	1.251	90.51	0.5521	58.7
1997-98	0.6806	0.4138	1.221	86.02	0.5026	58.3
1997						
October	0.7212	0.4422	1.267	87.35	0.5269	58.1
November	0.6954	0.4121	1.203	86.97	0.5055	57.0
December	0.6627	0.3986	1.178	85.80	0.4891	57.9
1998						
January	0.6543	0.4004	1.190	84.87	0.4871	60.2
February	0.6733	0.4107	1.221	84.75	0.4988	60.8
March	0.6699	0.4034	1.222	86.22	0.4981	60.2
April	0.6524	0.3899	1.183	86.19	0.4860	58.5
May	0.6312	0.3851	1.120	85.13	0.4695	57.4
June	0.6030	0.3656	1.081	84.74	0.4522	56.6
July	0.6182	0.3758	1.111	86.94	0.4645	58.0
August	0.5903	0.3614	1.055	85.42	0.4452	55.7
September	0.5889	0.3504	1.003	79.24	0.4321	54.2
October	0.6179	0.3648	1.013	74.87	0.4398	54.4
November	0.6342	0.3815	1.066	76.34	0.4548	55.5
December	0.6192	0.3706	1.033	72.71	0.4423	53.7

(a) 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.

(b) May 1970=100.

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains preliminary estimates of Australia's international trade in goods and services on a balance of payments basis. These estimates form part of Australia's balance of payments statistics.

2 More comprehensive quarterly estimates of Australia's trade in goods and services, together with comprehensive details of Australia's balance of payments and international investment position statistics are included in the quarterly publication, *Balance of Payments and International Investment Position, Australia* (Cat. no. 5302.0).

CONCEPTS, SOURCES AND METHODS

3 The conceptual framework used in Australia's balance of payments and international investment position statistics is based on the Fifth Edition of the International Monetary Fund's *Balance of Payments Manual* (BPM5, 1993). Descriptions of the underlying concepts and structure of the balance of payments and international investment position, and the sources, methods and terms used in compiling the estimates are presented in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0), which was released on 22 September, 1998.

RELIABILITY AND VOLATILITY

4 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 1) 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 goods and services: 9 in 10 months

goods and services credits: 8 in 10 months

goods and services debits: 8 in 10 months.

TREND ESTIMATES

5 The trend estimates are derived by applying a 13-term Henderson moving average to the seasonally adjusted series. The 13-term Henderson average (like all Henderson averages) is symmetric, but as the end of a time series is approached, asymmetric forms of the average are applied. While the asymmetric weights enable trend estimates for recent months to be produced, it does result in revisions to the estimates for the most recent six months (the most recent three months in particular) as additional observations become available. There may also be revisions because of changes in the original data and as a result of the re-estimation of the seasonal factors. Details of trend-cycle weighting patterns are available on request from Time Series Analysis Section on Canberra (02) 6252 6103.

SEASONAL ADJUSTMENT

6 The factors used in seasonally adjusting the monthly goods and services statistics can be obtained from Balance of Payments Section on Canberra (02) 6252 6224 at a cost of \$100.00.

SIGN CONVENTION

7 In keeping with balance of payments conventions, credit entries are shown without sign and debit items are shown as negative entries. However, references to debit items in Key Figures, Key Points, and Analysis and Comments are made without regard to sign.

EXPLANATORY NOTES

COMMODITY BREAKDOWNS OF GOODS

8 For details of the classification used for rural and non-rural goods see Table 6.6 in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0).

9 Table 6.7 in 5331.0 provides details of the classification used for goods debits. Most of the 25 commodity groups shown in Table 4 for merchandise goods debits are further sub-divided into a total of 106 commodity sub-groups. Although the information at this level is not published, it is available as a special data service, and can be obtained from Balance of Payments Section on Canberra (02) 6252 6419.

10 For more information on the commodity classification of merchandise goods debits, refer to *Information Paper: Change to Commodity Classification of Merchandise Imports in Balance of Payments Publications* (Cat. no. 5344.0).

COMMODITY BREAKDOWNS OF SERVICES

11 The quarterly detailed services data published in Table 6 are consistent with the monthly aggregates shown in Table 5. A further 14 sub-commodities are available on request. Detailed annual data are published for 61 services commodities, and a further 4 are available. Services trade data by major partner countries and by Australian State of production/consumption are also published annually. Additional detail and additional presentations of the data may be available on request. For further information contact Balance of Payments Section on Canberra (02) 6252 5336.

RELATED PRODUCTS AND SERVICES

12 Detailed data of exports and imports of goods dissected by commodity and country are available on an international trade basis by contacting the General Sales and Inquiries telephone numbers shown on the back of this publication. There may be a charge for this information, depending on the volume of data requested.

13 Users may also wish to refer to the following publications which are available from ABS Bookshops:

- *Balance of Payments and International Investment Position, Australia* (Cat. no. 5302.0)—issued quarterly
- *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0)
- *Information Paper: Quality of Australian Balance of Payments Statistics* (Cat. no. 5342.0)
- *International Merchandise Trade, Australia* (Cat. no. 5422.0)—issued quarterly
- *Information Paper: Implementing New International Statistical Standards in ABS International Accounts Statistics* (Cat. no. 5364.0)—irregular, issued on 29 September 1997
- *Information Paper: Upgraded Balance of Payments and International Investment Position Statistics* (Cat. no. 5365.0)—irregular, issued on 24 November 1997.

SYMBOLS AND OTHER USAGES

- n.e.s. not elsewhere specified
n.i.e. not included elsewhere
n.p. not published
. . not applicable

WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

Readers should exercise care in the interpretation of the trend data as the last three observations, in particular, are likely to be revised with the addition of subsequent months' data. For further information, see Explanatory Note 5.

TREND REVISIONS

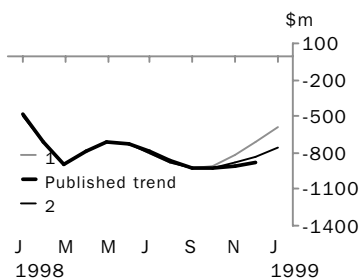
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The January seasonally adjusted estimate of the balance on goods and services 'improves' by \$200 million when compared with the December seasonally adjusted estimate. (An 'improvement' refers to an increase in a surplus or a decrease in a deficit.)

2 The January seasonally adjusted estimate of the balance on goods and services 'deteriorates' by \$200 million when compared with the December seasonally adjusted estimate. (A 'deterioration' refers to a decrease in a surplus or an increase in a deficit.)

The change of \$200 million has been chosen because in the last decade the average monthly movement, without regard to sign, of the seasonally adjusted balance on goods and services series has been approximately \$200 million.

BALANCE ON GOODS AND SERVICES



	TREND AS PUBLISHED	WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:	
		1 <i>improves by \$200m on Dec 1998</i>	2 <i>deteriorates by \$200m on Dec 1998</i>
	\$m	\$m	\$m
June 1998	- 723	- 723	- 723
July 1998	- 794	- 803	- 796
August 1998	- 867	- 886	- 872
September 1998	- 918	- 927	- 920
October 1998	- 932	- 904	- 922
November 1998	- 915	- 826	- 885
December 1998	- 873	- 718	- 829
January 1999		- 593	- 761

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Brisbane	07 3222 6351	07 3222 6283
Perth	08 9360 5140	08 9360 5955
Adelaide	08 8237 7400	08 8237 7566
Hobart	03 6222 5800	03 6222 5995
Darwin	08 8943 2111	08 8981 1218



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