

**BALANCE OF PAYMENTS, AUSTRALIA, MAY 1995**

**MAIN FEATURES**

Estimates of the main balance of payments aggregates for May 1995 and the three preceding months 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.

	1994-95				Jul-May		
	Feb	Mar	Apr	May	1993-94	1994-95 Change(a)	
	\$ million				\$ million		%
	<i>Not seasonally adjusted</i>						
Balance on current account	-1,452	-2,183	-1,583	-2,785	-14,989	-24,111	-61
Balance on merchandise trade	-495	-667	-81	-845	-539	-7,622	..
Net services	384	-52	-121	-248	-571	-818	-43
Net income	-1,412	-1,480	-1,472	-1,651	-14,241	-16,176	-14
Net unrequited transfers	71	16	91	-41	362	545	51
Official capital	73	-1,103	-53	378	9,636	10,533	9
Non-official capital plus balancing item	1,379	3,286	1,636	2,407	5,353	13,578	154
	<i>Seasonally adjusted</i>						
Balance on current account	-2,116	-2,337	-2,209	-2,906	..	..	..
Balance on merchandise trade	-518	-730	-665	-1,073	..	..	..
Net services	-149	-158	-107	-168	..	..	..
Net income	-1,495	-1,455	-1,497	-1,659	..	..	..
Net unrequited transfers	46	6	60	-6	..	..	..
\$US exchange rate (per unit of \$A)(b)	0.7453	0.7346	0.7361	0.7278	..	..	..
Trade weighted index (base May 1970 = 100)(b)	53.6	51.4	50.1	49.8	..	..	..

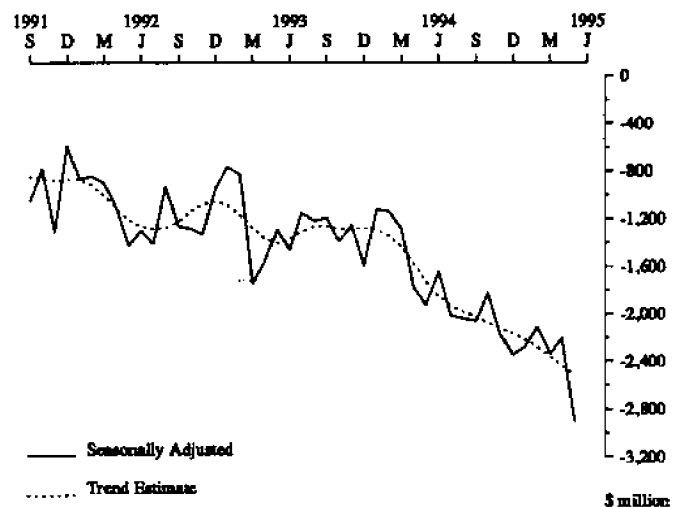
(a) For current account aggregates a minus sign means an increase in a deficit or a reduction in a surplus and an absence of sign means a decrease in a deficit or an increase in a surplus. (b) Period averages.

In seasonally adjusted terms, the current account deficit for May increased \$697 million, or 32 per cent, to \$2,906 million, the highest monthly deficit recorded to date. The increase in the deficit was caused by:

- an increase of \$408 million (61 per cent) in the merchandise trade deficit (merchandise exports fell 2 per cent, while merchandise imports rose 5 per cent);
- an increase of \$61 million (57 per cent) in the net services deficit;
- an increase of \$162 million (11 per cent) in the net income deficit; and
- a turnaround of \$66 million, from a surplus to a deficit, in the net unrequited transfers balance.

The provisional trend estimate for the May current account deficit was \$2,519 million, up \$75 million, or 3 per cent, on the provisional trend estimate for April.

GRAPH 1: BALANCE ON CURRENT ACCOUNT



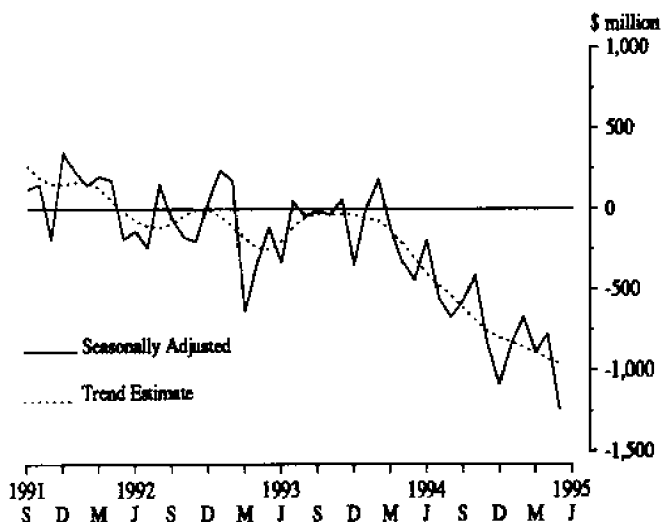
## ANALYSIS OF SELECTED MAJOR AGGREGATES

May 1995 compared with April 1995

**Balance on goods and services**

The seasonally adjusted *balance on goods and services* recorded a deficit of \$1,241 million, an increase of \$469 million on the deficit recorded in April.

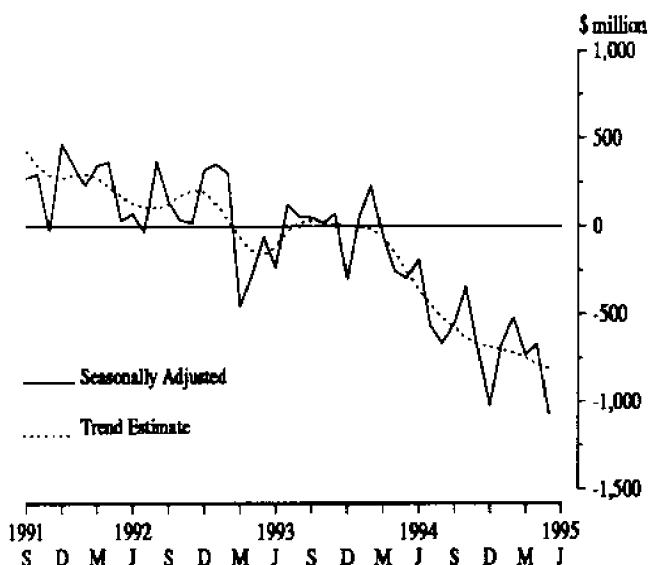
GRAPH 2: BALANCE ON GOODS AND SERVICES



**Balance on merchandise trade**

The seasonally adjusted *balance on merchandise trade* recorded a deficit of \$1,073 million, an increase of \$408 million on the deficit recorded in April.

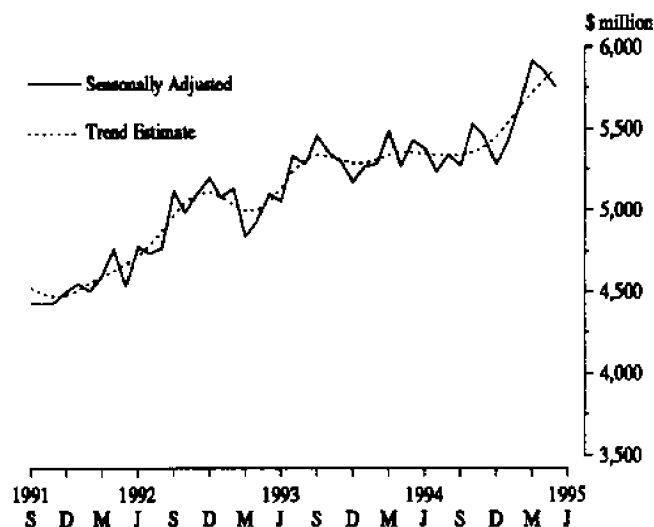
GRAPH 3: BALANCE ON MERCHANDISE TRADE



**Merchandise exports**

Seasonally adjusted *exports fob* fell \$97 million, or 2 per cent, to \$5,755 million. *Rural exports* rose \$28 million, or 2 per cent, to \$1,506 million. *Non-rural exports* fell \$125 million, or 3 per cent, to \$4,249 million.

GRAPH 4: MERCHANDISE - EXPORTS FOB



In original terms, *exports* rose \$522 million, or 9 per cent, to \$6,135 million.

*Rural exports*, in original terms, rose \$103 million, or 7 per cent, to \$1,636 million. Increases were recorded in:

- "other" rural exports, up \$129 million or 22 per cent (with most components recording increases); and
- cereals, up \$67 million or 48 per cent (due mainly to increased volumes of wheat exports).

These increases were partly offset by decreases in wool, down \$61 million or 16 per cent (due mainly to decreased volumes of greasy wool exports); and sugar, down \$29 million or 22 per cent (due mainly to decreased volumes of cane sugar exports).

*Non-rural exports*, in original terms, rose \$419 million, or 10 per cent, to \$4,499 million. The most significant increases were recorded in:

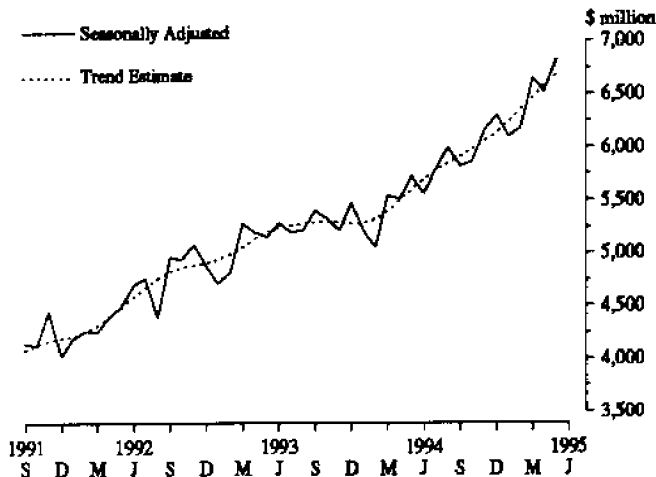
- metal ores and minerals, up \$198 million or 31 per cent (due mainly to increased exports of iron ore, copper ores and alumina);
- "other" metals, up \$94 million or 18 per cent (due mainly to increased volumes of aluminium exports);
- "other" manufactures, up \$91 million or 14 per cent (with most components recording increases); and
- machinery, up \$55 million or 11 per cent (with most components recording increases).

These increases were partly offset by a decrease in gold, down \$111 million or 20 per cent (due mainly to decreased volumes).

### Merchandise imports

Seasonally adjusted imports *fob* rose \$311 million, or 5 per cent, to \$6,828 million, the highest monthly level recorded to date. Consumption goods rose \$37 million, or 2 per cent, to \$1,737 million. Capital goods rose \$124 million, or 8 per cent, to \$1,691 million. Intermediate and other goods rose \$150 million, or 5 per cent, to \$3,400 million.

GRAPH 5: MERCHANDISE - IMPORTS FOB



In original terms, imports rose \$1,286 million, or 23 per cent, to \$6,980 million, also the highest monthly level recorded to date.

Imports of consumption goods, in original terms, rose \$276 million, or 19 per cent, to \$1,698 million. Increases were recorded in all groups. The largest increases were recorded in:

- consumption goods nes, up \$99 million or 26 per cent (with most components recording increases);
- food and beverages, mainly for consumption, up \$62 million or 37 per cent; and
- non-industrial transport equipment, up \$57 million or 15 per cent (due mainly to increased imports of passenger motor cars).

Imports of capital goods, in original terms, rose \$319 million, or 23 per cent, to \$1,715 million. Increases were recorded in all groups except civil aircraft, which fell \$27 million or 63 per cent on the April figure which included an Ansett aircraft valued at \$42 million. The largest increases were recorded in:

- ADP equipment, up \$150 million or 62 per cent;
- machinery and industrial equipment, up \$89 million or 14 per cent; and
- industrial transport equipment nes, up \$46 million or 24 per cent.

Imports of intermediate and other goods, in original terms, rose \$691 million, or 24 per cent, to \$3,567 million. Increases were recorded in all groups. The largest increases were recorded in:

- processed industrial supplies nes, up \$140 million or 20 per cent (with most components recording increases);
- "other" parts for capital goods, up \$100 million or 21 per cent;
- fuels and lubricants, up \$63 million or 20 per cent (due mainly to increased imports of crude petroleum); and
- textile yarn and fabrics, up \$57 million or 42 per cent.

### Net services

The seasonally adjusted net services deficit rose \$61 million, or 57 per cent, to \$168 million. Services credits fell \$10 million (1 per cent), while services debits rose \$51 million (3 per cent).

### Net income

The seasonally adjusted net income deficit rose \$162 million, or 11 per cent, to \$1,659 million. Income credits fell \$93 million, or 15 per cent, while income debits rose \$69 million, or 3 per cent. It should be noted that, in accordance with established methodology, the monthly estimates of the non-official sector for May 1995, are based on extrapolations of quarterly results divided by three. These extrapolations will be replaced by preliminary results from the June quarter 1995 ABS Survey of Foreign Investment (SFI) when these results become available. Preliminary results should be available in time for incorporation in the July 1995 issue of this publication, scheduled for release on 29 August 1995.

### Net unrequited transfers

The seasonally adjusted net unrequited transfers balance turned around \$66 million, from a surplus to a deficit of \$6 million. Unrequited transfers credits fell \$22 million, or 8 per cent, while unrequited transfers debits rose \$44 million or 19 per cent.

### Net capital transactions

In original terms, the net capital transactions of the official sector recorded a net inflow of \$378 million in May, a turnaround of \$431 million on the net outflow recorded in April.

The May estimate consisted of:

- a net inflow of \$210 million in general government transactions, an increase of \$163 million on the net inflow recorded in the previous month; and
- a net inflow of \$168 million in Reserve Bank transactions, a turnaround of \$268 million on the net outflow recorded in the previous month.

The net inflow in general government transactions was mainly the result of a net inflow of \$1,344 million in general government borrowing domiciled abroad, an increase of \$114 million on the net inflow recorded in April. This reflected increased net drawings by State governments partly offset by increased net repayments by the Commonwealth government.

The inflow due to general government borrowing domiciled abroad was partly offset by a net outflow of \$1,140 million in borrowing domiciled in Australia. This outflow was \$48 million less than the net outflow recorded in the previous month.

Reserve Bank transactions in May mainly reflected net sales of reserve assets of \$200 million, a turnaround of \$338 million on the net purchases recorded in April.

#### Exchange rates

During May, the \$A depreciated by 0.6 per cent on a trade weighted basis (using period average exchange rates) against the currencies of Australia's major trading partners. The \$A depreciated by 1.1 per cent against the \$US and appreciated by 0.4 per cent against the Japanese yen.

#### Eleven months ended May 1995, compared with eleven months ended May 1994

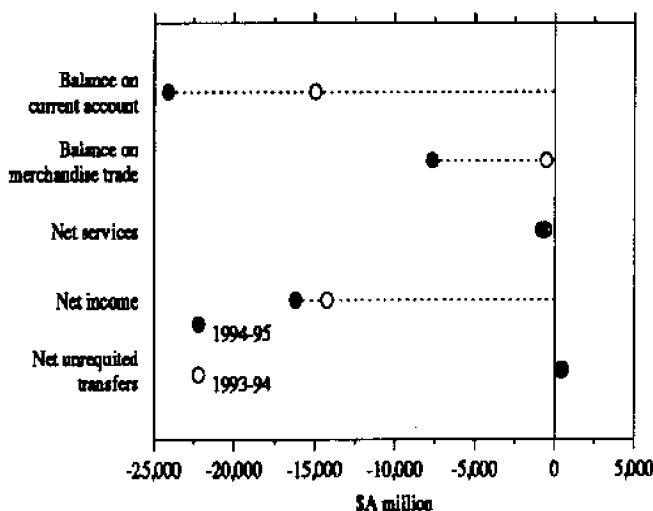
In original terms, the *current account* deficit for the eleven months ended May 1995 was \$24,111 million, up \$9,122 million, or 61 per cent, on the deficit for the eleven months ended May 1994.

This result was due to:

- an increase of \$7,123 million in the merchandise trade deficit;
- an increase of \$247 million (43 per cent) in the net services deficit; and
- an increase of \$1,935 million (14 per cent) in the net income deficit.

The movements in merchandise trade, services and income were partly offset by an increase of \$183 million (51 per cent) in the net unrequited transfers surplus.

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

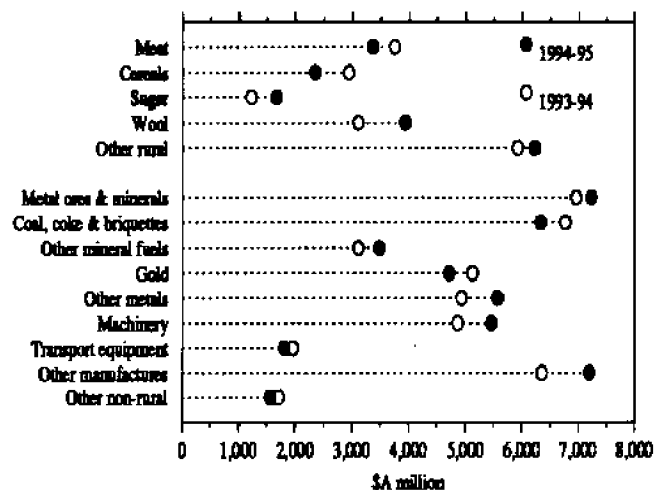


In original terms, *merchandise exports* rose \$2,171 million, or 4 per cent, to \$60,807 million. Increases were recorded in:

- "other" manufactures, up \$845 million (13 per cent);
- wool, up \$823 million (26 per cent);
- "other" metals, up \$640 million (13 per cent);
- machinery, up \$595 million (12 per cent);
- sugar, up \$442 million (36 per cent);
- "other" mineral fuels, up \$369 million (12 per cent);
- "other" rural exports, up \$315 million (5 per cent); and
- metal ores and minerals, up \$273 million (4 per cent).

The largest decreases were recorded in cereals, down \$597 million (20 per cent); coal, coke and briquettes, down \$441 million (7 per cent); gold, down \$410 million (8 per cent); and meat, down \$382 million (10 per cent).

GRAPH 7: MERCHANDISE EXPORTS - ELEVEN MONTHS ENDED MAY

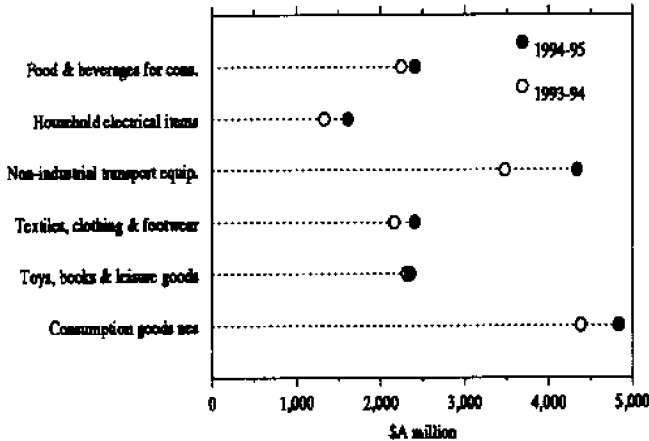


In original terms, *merchandise imports* rose \$9,294 million, or 16 per cent, to \$68,469 million. *Consumption goods* rose \$2,072 million (13 per cent); *capital goods* rose \$3,279 million (24 per cent); and *intermediate and other goods* rose \$3,943 million (13 per cent). Increases were recorded in all groups except non-monetary gold, down \$266 million (29 per cent). The largest increases were recorded in:

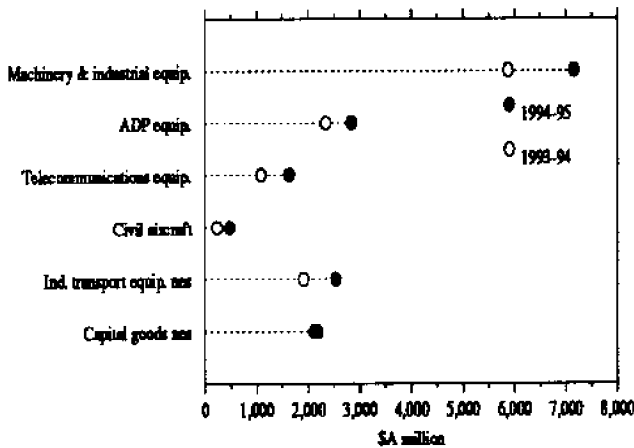
- machinery and industrial equipment, up \$1,283 million (22 per cent);
- non-industrial transport equipment, up \$870 million (25 per cent);
- processed industrial supplies nes, up \$821 million (11 per cent);
- "other" parts for capital goods, up \$798 million (17 per cent);
- industrial transport equipment nes, up \$627 million (33 per cent);

- telecommunications equipment, up \$555 million (52 per cent);
- parts for transport equipment, up \$532 million (14 per cent);
- ADP equipment, up \$509 million (22 per cent); and
- consumption goods nes, up \$448 million (10 per cent).

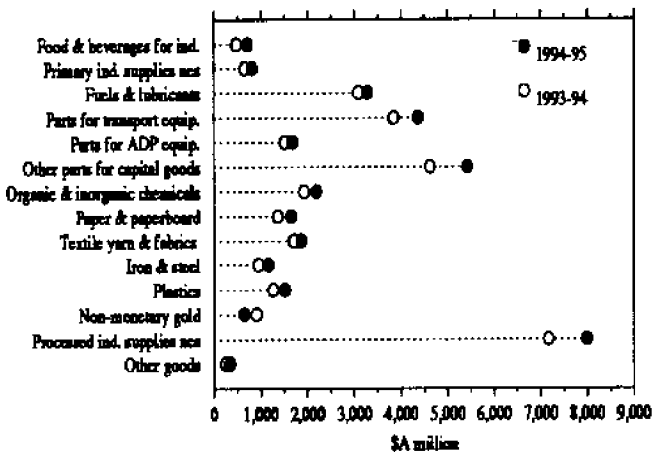
GRAPH 8: MERCHANDISE IMPORTS - CONSUMPTION GOODS  
ELEVEN MONTHS ENDED MAY



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



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



The *net services* deficit rose \$247 million, or 43 per cent, to \$818 million. *Services credits* rose \$1,160 million, or 7 per cent, due to increases of \$793 million in travel credits and \$396 million in "other services" credits. *Services debits* rose \$1,407 million, or 8 per cent, due largely to increases of \$507 million in shipment debits, \$504 million in travel debits and \$296 million in "other transportation" debits.

The *net income* deficit rose \$1,935 million, or 14 per cent, to \$16,176 million. *Income credits* rose \$885 million, or 16 per cent, due mainly to increases in reinvested earnings and "other property income", partly offset by a fall in other investment income receivable. *Income debits* rose \$2,820 million or 14 per cent, due mainly to increases in reinvested earnings and other investment income payable by the non-official sector.

The *net unrequited transfers* surplus increased \$183 million, or 51 per cent, to \$545 million. *Unrequited transfers credits* rose \$334 million, or 13 per cent, due mainly to an increase in migrants' transfers. *Unrequited transfers debits* rose \$151 million, or 7 per cent.

*Official sector capital transactions* for the eleven months ended May 1995 yielded a net inflow of \$10,533 million, compared with a net inflow of \$9,636 million for the corresponding period of the previous financial year. The estimate for the latest period consisted of:

- a net inflow of \$9,495 million in general government transactions, down \$1,077 million on the net inflow for the eleven months to May 1994; and
- a net inflow of \$1,038 million in Reserve Bank transactions, a turnaround of \$1,974 million on the net outflow for the eleven months to May 1994.

The decreased net inflow from general government transactions was largely due to a decrease of \$2,095 million, to \$3,947 million, in general government borrowing domiciled abroad (mainly attributable to State government borrowing).

Net sales of official reserve assets, compared with net purchases for the corresponding period of the previous financial year, was the main factor underlying the turnaround in Reserve Bank transactions.

## REVISIONS

Revisions since the last issue of this publication have increased the current account deficit for 1993-94 and the first ten months of this financial year by \$62 million and \$88 million respectively.

The main factors contributing to these revisions are:

- amendments to merchandise exports data which were due largely to certain interstate shipments of crude oil being incorrectly recorded as exports in information received from the Australian Customs Service: this was the sole contributor to the revisions to the current account deficit in 1993-94 and was a major contributor to the revisions for 1994-95;
- incorporation of the latest available information from the quarterly International Trade in Services Survey which has affected the credit and debit series for ser-

vices and "other property income" credits for the current year to date; and

- incorporation of the latest available information on overseas arrivals and departures which has affected the credit and debit series for services and unrequited transfers for the current year to date.

### **Release date for June 1995 issue**

The expected release date for the June issue of this publication is 31 July 1995. 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

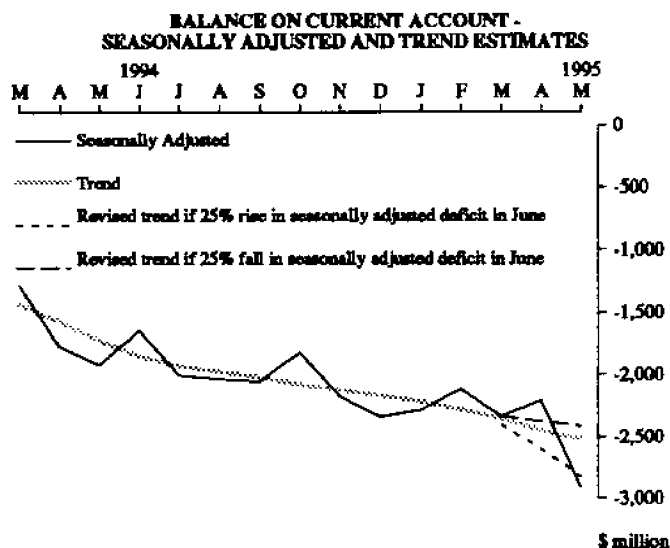
The table below presents trend estimates of the deficit on current account from March 1994 onwards, including provisional trend estimates for the latest three months (March, April and May 1995).

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 1995) 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 \$3,633 million, the provisional trend movement for that month would be 8.2 per cent. The movements in the trend estimates for March, April and May which are provisionally 3.3 per cent, 3.8 per cent and 3.1 per cent respectively, would be revised to 6.2 per cent, 8.1 per cent and 8.7 per cent, respectively. On the other hand, a 25 per cent decline in the seasonally adjusted deficit next month, to \$2,180 mil-

lion, would produce a movement of 1.0 per cent in the trend estimate for June, with the movements in the trend estimates for March, April and May being revised to 2.2 per cent, 1.9 per cent and 1.5 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 1995 seasonally adjusted current account deficit -			
	\$m	% change on previous month	is up 25% on May 1995 (a)		is down 25% on May 1995 (a)	
			\$m	% change on previous month	\$m	% change on previous month
1993-94 —						
March	1431	7.0	1431	7.0	1431	7.0
April	1571	9.8	1571	9.8	1571	9.8
May	1724	9.7	1724	9.7	1724	9.7
June	1848	7.2	1848	7.2	1848	7.2
1994-95 —						
July	1929	4.4	1929	4.4	1929	4.4
August	1976	2.4	1976	2.4	1976	2.4
September	2019	2.2	2019	2.2	2019	2.2
October	2074	2.7	2074	2.7	2074	2.7
November	2125	2.5	2125	2.5	2125	2.5
December	2167	2.0	2146	1.0	2174	2.3
January	2215	2.2	2178	1.5	2228	2.5
February	2280	2.9	2261	3.8	2286	2.6
March	2355 p	3.3	2402	6.2	2337	2.2
April	2444 p	3.8	2596	8.1	2381	1.9
May	2519 p	3.1	2821	8.7	2416	1.5
June			3052	8.2	2440	1.0

(a) Assumes no revisions to the seasonally adjusted estimates of the current account balance for the 15 months March 1994 to May 1995.

TABLE 1. BALANCE OF PAYMENTS  
(\$ million)

	Years			Months																
	1991-92	1992-93	1993-94	1993-94	1994-95	1993-94	1994-95	1993-94	1994-95	1993-94	1994-95	1993-94	1994-95	1993-94	1994-95					
<b>Current transactions —</b>																				
<b>Goods and services —</b>																				
<b>Merchandise (a) —</b>																				
Exports fob	54,874	60,022	63,876	5,634	5,182	5,729	5,240	5,378	5,277	5,286	5,743	5,730	5,512	4,873	5,115	6,145	5,613	6,135	58,636	60,807
Imports fob	-51,055	-59,427	-64,400	-5,793	-4,927	-5,638	-5,225	-5,985	-6,672	-6,068	-6,264	-6,679	-5,920	-5,785	-6,610	-6,812	-5,694	-6,980	-59,175	-68,469
Balance on merchandise trade	3,819	595	-524	-159	255	91	15	-607	-1,395	-782	-521	-949	-408	-912	-495	-667	-81	-845	-539	-7,662
<b>Services —</b>																				
Credits	15,123	16,422	18,688	1,604	1,487	1,388	1,468	1,692	1,560	1,471	1,636	1,614	1,696	1,859	2,001	1,692	1,616	1,543	17,220	18,390
Debits	-16,935	-18,430	-19,497	-1,583	-1,571	-1,608	-1,706	-1,815	-1,697	-1,821	-1,735	-1,693	-1,691	-1,857	-1,617	-1,744	-1,737	-1,791	-17,791	-19,198
Net services	-1,812	-2,008	-809	21	-84	-220	-238	-123	-137	-350	-99	-79	5	2	384	-52	-121	-248	-571	-818
<b>Balance on goods and services</b>	2,007	-1,413	-1,333	-138	171	-129	-223	-730	-1,532	-1,132	-620	-1,028	-403	-910	-111	-719	-202	-1,093	-1,110	-8,480
<b>Income —</b>																				
Credits	4,396	5,924	6,015	478	401	420	416	579	582	607	591	560	575	588	604	635	629	534	5,599	6,484
Debits	-19,968	-19,861	-21,695	-1,662	-1,833	-1,882	-1,835	-2,001	-1,981	-2,114	-2,083	-2,018	-1,876	-2,170	-2,016	-2,115	-2,101	-2,185	-19,840	-22,660
Net income	-15,572	-13,937	-15,680	-1,184	-1,432	-1,462	-1,439	-1,422	-1,399	-1,507	-1,492	-1,458	-1,301	-1,582	-1,412	-1,480	-1,472	-1,651	-14,241	-16,176
<b>Unrequited transfers —</b>																				
Credits	4,584	3,119	2,820	216	235	206	224	271	250	226	258	235	288	315	315	237	288	247	2,596	2,930
Debits	-2,389	-2,434	-2,624	-230	-198	-237	-390	-228	-182	-217	-183	-173	-227	-225	-244	-221	-197	-288	-2,234	-2,385
Net unrequited transfers	2,195	685	196	-14	37	-31	-166	43	68	9	75	62	61	90	71	16	91	-41	362	545
<b>Balance on current account</b>	-11,370	-14,665	-16,817	-1,336	-1,224	-1,622	-1,828	-2,109	-2,863	-2,630	-2,037	-2,424	-1,643	-2,402	-1,452	-2,183	-1,583	-2,785	-14,989	-24,111
<b>Net capital transactions —</b>																				
<b>Official —</b>																				
General government	2,727	11,384	7,869	-493	-439	812	-2,703	3,174	-1,003	477	2,417	3,858	1,674	-848	147	-658	47	210	10,572	9,495
Reserve Bank —																				
Reserve assets	3,929	3,950	-1,055	36	-128	-243	-171	30	16	483	904	-32	73	13	-93	-441	-138	200	-884	1,015
Other	21	39	-49	-13	-59	-11	3	25	-32	31	-44	22	13	-13	19	-4	38	-32	-52	23
Total	3,950	3,989	-1,104	23	-187	-254	-168	55	-16	514	860	-10	86	-	-74	-445	-100	168	-936	1,038
Total official	6,677	15,373	6,765	-470	-626	538	-2,871	3,229	-1,019	991	3,277	3,848	1,760	-848	73	-1,103	-53	378	9,636	10,533
<b>Non-official plus balancing item</b>	4,693	-708	10,052	1,806	1,850	1,064	4,699	-1,120	3,882	1,639	-1,240	-1,424	-117	3,250	1,370	3,286	1,636	2,407	5,353	13,578
<b>Balance on capital account plus balancing item</b>	11,370	14,665	16,817	1,336	1,224	1,622	1,828	2,109	2,863	2,630	2,037	2,424	1,643	2,402	1,452	2,183	1,583	2,785	14,989	24,111

(a) Balance of payments basis.



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

	Months														
	1993-94						1994-95								
	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	1,632	1,472	1,625	1,616	1,651	1,669	1,647	1,674	1,717	1,531	1,463	1,507	1,599	1,478	1,506
Non-rural	3,856	3,794	3,804	3,764	3,581	3,671	3,627	3,854	3,735	3,747	3,967	4,142	4,316	4,374	4,249
Total	5,488	5,266	5,429	5,380	5,232	5,340	5,274	5,528	5,452	5,278	5,430	5,649	5,915	5,852	5,755
<i>Imports fob —</i>															
Consumption goods	-1,432	-1,486	-1,536	-1,507	-1,568	-1,567	-1,610	-1,576	-1,616	-1,628	-1,601	-1,512	-1,710	-1,700	-1,737
Capital goods	-1,385	-1,275	-1,380	-1,302	-1,350	-1,477	-1,334	-1,336	-1,574	-1,738	-1,440	-1,630	-1,742	-1,567	-1,691
Intermediate and other goods	-2,726	-2,755	-2,806	-2,757	-2,874	-2,955	-2,880	-2,956	-2,955	-2,953	-3,059	-3,025	-3,193	-3,250	-3,400
Total	-5,543	-5,516	-5,722	-5,566	-5,792	-5,999	-5,824	-5,868	-6,145	-6,299	-6,100	-6,167	-6,645	-6,517	-6,828
<i>Balance on merchandise trade</i>	-55	-250	-293	-186	-560	-659	-550	-340	-693	-1,021	-670	-518	-730	-665	-1,073
<i>Services —</i>															
Credits	1,598	1,557	1,513	1,645	1,683	1,678	1,682	1,615	1,576	1,621	1,633	1,704	1,678	1,695	1,685
Debits	-1,667	-1,638	-1,659	-1,650	-1,675	-1,692	-1,700	-1,689	-1,718	-1,683	-1,801	-1,853	-1,836	-1,802	-1,853
Net services	-69	-81	-146	-5	8	-14	-18	-74	-142	-62	-168	-149	-158	-107	-168
<i>Balance on goods and services</i>	-124	-331	-439	-191	-552	-673	-568	-414	-835	-1,083	-838	-667	-888	-772	-1,241
<i>Income —</i>															
Credits	520	391	412	403	580	592	609	587	565	575	608	638	666	617	524
Debits	-1,649	-1,843	-1,886	-1,829	-2,044	-1,988	-2,080	-2,030	-1,972	-1,887	-2,165	-2,133	-2,121	-2,114	-2,183
Net income	-1,129	-1,452	-1,474	-1,426	-1,464	-1,396	-1,471	-1,443	-1,407	-1,312	-1,557	-1,495	-1,455	-1,497	-1,659
<i>Unrequited transfers —</i>															
Credits	214	232	222	237	268	249	238	248	241	279	296	307	238	288	266
Debits	-240	-221	-230	-262	-259	-216	-255	-211	-174	-225	-184	-261	-232	-228	-272
Net unrequited transfers	-26	11	-8	-25	9	33	-17	37	67	54	112	46	6	60	-6
<i>Balance on current account</i>	-1,279	-1,772	-1,921	-1,642	-2,007	-2,056	-2,056	-1,820	-2,175	-2,341	-2,283	-2,116	-2,337	-2,209	-2,906
Trend Estimates															
<i>Merchandise —</i>															
Exports fob	5,341	5,359	5,355	5,344	5,337	5,338	5,343	5,358	5,393	5,456	5,538	5,631	5,723p	5,800p	5,867p
Imports fob	-5,398	-5,500	-5,607	-5,701	-5,781	-5,851	-5,917	-5,988	-6,058	-6,137	-6,234	-6,349	-6,468p	-6,584p	-6,679p
<i>Balance on merchandise trade</i>	-57	-141	-252	-357	-444	-513	-574	-630	-665	-681	-696	-718	-745p	-784p	-812p
<i>Balance on goods and services</i>	-130	-214	-312	-401	-474	-538	-610	-692	-757	-798	-828	-858	-890p	-932p	-962p
<i>Balance on current account</i>	-1,431	-1,571	-1,724	-1,848	-1,929	-1,976	-2,019	-2,074	-2,125	-2,167	-2,215	-2,280	-2,355p	-2,444p	-2,519p

(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)

	Months												July to May										
	Years			1994-95																			
	1991-92	1992-93	1993-94	1993-94	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1993-94	1994-95	
<i>Rural exports fob (a) —</i>																							
Meat & meal preparations	3,434	3,750	4,043	347	308	375	300	307	291	327	370	358	288	230	264	321	304	301	301	3743	3,361		
Cereal grains & cereal preparations	2,352	2,954	3,216	368	298	309	282	295	286	227	222	209	185	152	190	224	140	207	207	2,934	2,337		
Sugar, sugar preparations & honey	747	1,072	1,315	54	65	87	94	215	230	179	212	204	119	92	81	102	129	100	100	1,221	1,663		
Wool & sheepskins	3,829	3,367	3,369	391	331	329	262	260	220	307	405	447	423	339	371	469	375	314	314	3,107	3,930		
Other rural	5,241	5,937	6,519	576	526	663	611	594	524	505	582	579	590	470	497	583	585	714	714	5,908	6,223		
<b>Total rural</b>	<b>15,603</b>	<b>17,080</b>	<b>18,462</b>	<b>1,736</b>	<b>1,528</b>	<b>1,763</b>	<b>1,549</b>	<b>1,671</b>	<b>1,551</b>	<b>1,545</b>	<b>1,791</b>	<b>1,797</b>	<b>1,605</b>	<b>1,283</b>	<b>1,403</b>	<b>1,699</b>	<b>1,533</b>	<b>1,636</b>	<b>1,636</b>	<b>16,913</b>	<b>17,514</b>		
<i>Non-rural exports fob (a) —</i>																							
Metal ores & minerals	7,938	7,943	7,671	628	636	582	720	580	561	655	662	655	664	603	586	766	647	845	845	6,951	7,224		
Coal, coke & briquettes	6,949	7,620	7,257	531	562	577	492	618	587	522	614	560	529	556	512	608	593	625	625	6,765	6,324		
Other mineral fuels	3,402	3,913	3,350	230	294	290	250	262	362	290	288	312	295	386	267	371	294	342	342	3,100	3,469		
Gold	4,605	4,580	5,548	509	374	369	432	382	407	303	453	411	356	459	453	483	555	444	444	5,116	4,706		
Other metals	4,702	5,210	5,396	513	441	535	471	494	418	453	455	482	497	546	527	563	518	612	612	4,925	5,565		
Machinery	3,471	4,344	5,295	503	406	619	435	474	457	507	485	520	558	345	493	589	486	541	541	4,860	5,455		
Transport equipment	1,655	2,022	2,086	166	209	181	127	146	159	161	143	164	175	131	145	201	189	187	187	1,959	1,801		
Other manufactures	5,268	6,026	6,968	647	559	644	626	653	660	686	696	676	660	472	582	713	649	740	740	6,342	7,187		
Other non-rural	1,281	1,284	1,843	171	173	169	138	98	115	164	156	153	173	92	147	152	149	163	163	1,705	1,562		
<b>Total non-rural</b>	<b>39,271</b>	<b>42,942</b>	<b>45,414</b>	<b>3,898</b>	<b>3,654</b>	<b>3,966</b>	<b>3,691</b>	<b>3,707</b>	<b>3,726</b>	<b>3,741</b>	<b>3,952</b>	<b>3,933</b>	<b>3,907</b>	<b>3,590</b>	<b>3,712</b>	<b>4,446</b>	<b>4,080</b>	<b>4,499</b>	<b>4,499</b>	<b>41,723</b>	<b>43,293</b>		
<b>Total exports fob</b>	<b>54,874</b>	<b>60,022</b>	<b>63,876</b>	<b>5,634</b>	<b>5,182</b>	<b>5,729</b>	<b>5,240</b>	<b>5,378</b>	<b>5,277</b>	<b>5,286</b>	<b>5,743</b>	<b>5,730</b>	<b>5,512</b>	<b>4,873</b>	<b>5,115</b>	<b>6,145</b>	<b>5,613</b>	<b>6,135</b>	<b>6,135</b>	<b>58,636</b>	<b>60,807</b>		

(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)  
(\$ million)

	Years												Months											
	1992-93			1993-94			1993-94			1994-95			1994-95			1993-94			1994-95					
	1992-92	1992-93	1993-94	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1993-94	1994-95				
<i>Consumption goods job (a) —</i>																								
Food and beverages, mainly for consumption	-2,028	-2,261	-2,430	-207	-173	-200	-186	-212	-199	-208	-237	-260	-235	-227	-199	-237	-168	-230	-2,244	-2,412				
Household electrical items	-1,257	-1,382	-1,436	-112	-105	-122	-104	-130	-148	-152	-184	-181	-156	-121	-119	-147	-132	-145	-1,332	-1,615				
Non-industrial transport equipment	-2,777	-3,478	-3,800	-359	-302	-327	-323	-382	-378	-428	-392	-407	-408	-337	-313	-463	-391	-448	-3,477	-4,347				
Textiles, clothing and footwear	-1,799	-2,178	-2,320	-233	-167	-172	-163	-214	-249	-223	-208	-225	-192	-246	-249	-236	-179	-190	-2,157	-2,411				
Toys, books and leisure goods	-2,015	-2,238	-2,496	-189	-177	-215	-192	-233	-262	-238	-271	-249	-183	-181	-157	-199	-170	-204	-2,304	-2,353				
Consumption goods net	-3,793	-4,389	-4,751	-393	-354	-417	-362	-436	-489	-464	-486	-521	-384	-390	-360	-444	-382	-481	-4,389	-4,837				
Total consumption goods	-13,669	-15,926	-17,233	-1,493	-1,278	-1,453	-1,330	-1,607	-1,725	-1,713	-1,784	-1,843	-1,558	-1,502	-1,397	-1,726	-1,422	-1,698	-15,903	-17,975				
<i>Capital goods job (a) —</i>																								
Machinery and industrial equipment	-4,320	-5,446	-6,414	-577	-510	-565	-535	-607	-681	-614	-646	-675	-620	-637	-619	-742	-616	-705	-5,879	-7,162				
ADP equipment	-1,915	-2,319	-2,629	-254	-221	-266	-298	-253	-243	-276	-235	-251	-217	-189	-195	-325	-243	-393	-2,331	-2,840				
Telecommunications equipment	-949	-1,224	-1,182	-107	-87	-98	-105	-120	-132	-136	-148	-310	-127	-119	-119	-153	-117	-151	-1,077	-1,632				
Civil aircraft	-1,685	-828	-241	-10	-4	-4	-3	-5	-256	-13	-25	-9	-33	-6	-57	-18	-43	-16	-238	-481				
Industrial transport equipment net	-1,240	-1,838	-2,084	-207	-154	-225	-178	-225	-204	-162	-227	-239	-518	-149	-197	-190	-188	-234	-1,906	-2,533				
Capital goods net	-1,788	-2,000	-2,293	-184	-164	-184	-182	-208	-223	-187	-201	-221	-180	-173	-170	-205	-189	-216	-2,111	-2,173				
Total capital goods job	-11,897	-13,655	-14,843	-1,339	-1,140	-1,342	-1,301	-1,418	-1,739	-1,388	-1,502	-1,705	-1,695	-1,273	-1,357	-1,633	-1,396	-1,715	-13,542	-16,821				
<i>Intermediate and other goods (a) —</i>																								
Food and beverages, mainly for industry	-388	-436	-509	-50	-42	-44	-38	-56	-59	-44	-59	-58	-57	-110	-90	-59	-53	-67	-471	-712				
Primary industrial supplies net	-586	-677	-701	-69	-53	-80	-52	-85	-76	-71	-66	-96	-55	-80	-79	-64	-62	-83	-649	-817				
Fuels and lubricants	-2,715	-3,623	-3,317	-272	-264	-275	-234	-319	-337	-318	-250	-208	-235	-280	-313	-325	-315	-378	-3,083	-3,278				
Parts for transport equipment	-2,941	-3,675	-4,183	-392	-332	-376	-351	-409	-409	-402	-418	-437	-341	-401	-329	-410	-385	-423	-3,832	-4,364				
Parts for ADP equipment	-1,278	-1,423	-1,681	-157	-123	-177	-169	-151	-156	-152	-152	-165	-136	-133	-138	-171	-143	-189	-1,512	-1,686				
Other parts for capital goods	-3,538	-4,232	-5,036	-451	-388	-440	-415	-474	-502	-479	-482	-510	-438	-460	-453	-559	-481	-581	-4,621	-5,419				
Organic and inorganic chemicals	-1,804	-2,056	-2,102	-191	-168	-178	-185	-176	-200	-157	-191	-216	-177	-203	-201	-246	-202	-228	-1,917	-2,197				
Paper and paperboard	-1,295	-1,381	-1,465	-128	-109	-120	-101	-137	-150	-145	-151	-160	-142	-151	-133	-164	-137	-181	-1,364	-1,651				
Textile yarn and fabrics	-1,680	-1,763	-1,869	-160	-144	-173	-162	-190	-183	-175	-174	-191	-140	-170	-143	-176	-137	-194	-1,707	-1,873				
Iron and steel	-822	-946	-1,039	-91	-71	-87	-85	-83	-121	-99	-96	-113	-84	-97	-112	-124	-96	-137	-954	-1,162				
Plastics	-1,086	-1,272	-1,375	-128	-103	-119	-109	-127	-136	-125	-131	-149	-127	-140	-134	-155	-134	-160	-1,266	-1,518				
Non-monetary gold	-1,034	-1,019	-978	-105	-68	-68	-62	-54	-60	-60	-41	-58	-74	-69	-56	-90	-30	-66	-916	-650				
Processed industrial supplies net	-6,059	-7,135	-7,783	-730	-632	-672	-606	-681	-745	-714	-740	-753	-650	-700	-653	-856	-683	-823	-7,177	-7,998				
Other goods	-243	-208	-286	-37	-12	-34	-25	-20	-80	-26	-27	-17	-11	-16	-22	-54	-18	-57	-261	-348				
Total intermediate and other goods	-25,489	-29,846	-32,324	-2,961	-2,509	-2,843	-2,594	-2,960	-3,208	-2,967	-2,978	-3,131	-2,667	-3,010	-2,856	-3,453	-2,876	-3,567	-29,730	-33,673				
Total imports job	-51,055	-59,427	-64,400	-5,793	-4,927	-5,638	-5,225	-5,985	-6,672	-6,068	-6,264	-6,679	-5,920	-6,785	-6,510	-6,812	-5,694	-6,980	-59,175	-68,469				

(a) Definitions of the component series are given in the ABS Information Paper, *Change to Commodity Classification of Merchandise Imports in Balance of Payments Publications* (ABS Catalogue No. 5344.0).

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

	Years			Months																		
	1991-92	1992-93	1993-94	1994-95																		
	1991-92	1992-93	1993-94	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1993-94	1994-95	July to May	
<b>Services —</b>																						
<b>Credits —</b>																						
Shipment	1,112	1,241	1,487	117	132	132	130	123	123	123	113	114	114	114	134	135	140	140	1,393	1,393	1,357	1,393
Other transportation	4,069	4,614	4,604	396	355	354	351	365	395	367	370	373	384	390	371	385	391	397	4,253	4,188	4,253	4,188
Travel	5,939	6,411	7,502	664	610	509	506	573	514	676	667	734	667	734	894	1,046	711	672	6,996	7,789	6,996	7,789
Other services	4,003	4,156	5,095	427	390	393	481	466	469	467	477	460	464	441	450	461	413	442	4,614	5,010	4,614	5,010
<b>Total services credits</b>	<b>15,123</b>	<b>16,422</b>	<b>18,688</b>	<b>1,604</b>	<b>1,487</b>	<b>1,388</b>	<b>1,468</b>	<b>1,692</b>	<b>1,560</b>	<b>1,471</b>	<b>1,636</b>	<b>1,614</b>	<b>1,696</b>	<b>1,859</b>	<b>2,001</b>	<b>1,692</b>	<b>1,616</b>	<b>1,543</b>	<b>17,220</b>	<b>18,380</b>	<b>17,220</b>	<b>18,380</b>
<b>Debits —</b>																						
Shipment	-3,257	-3,772	-3,854	-347	-293	-334	-296	-347	-376	-366	-371	-455	-320	-349	-343	-395	-347	-396	-3,558	-4,065	-3,558	-4,065
Other transportation	-4,432	-4,637	-4,906	-383	-405	-414	-437	-463	-430	-459	-429	-403	-435	-447	-402	-426	-429	-442	-4,469	-4,765	-4,469	-4,765
Travel	-4,626	-4,985	-5,157	-398	-452	-430	-502	-544	-450	-549	-455	-363	-427	-567	-396	-431	-501	-476	-4,655	-5,159	-4,655	-5,159
Other services	-4,620	-5,036	-5,580	-455	-421	-430	-471	-461	-441	-447	-480	-472	-509	-494	-476	-492	-460	-477	-5,209	-5,209	-5,209	-5,209
<b>Total services debits</b>	<b>-16,935</b>	<b>-18,430</b>	<b>-19,497</b>	<b>-1,583</b>	<b>-1,571</b>	<b>-1,608</b>	<b>-1,706</b>	<b>-1,815</b>	<b>-1,697</b>	<b>-1,821</b>	<b>-1,735</b>	<b>-1,693</b>	<b>-1,691</b>	<b>-1,857</b>	<b>-1,617</b>	<b>-1,744</b>	<b>-1,737</b>	<b>-1,791</b>	<b>-17,791</b>	<b>-19,198</b>	<b>-17,791</b>	<b>-19,198</b>
<b>Net services</b>	<b>-1,812</b>	<b>-2,008</b>	<b>-809</b>	<b>21</b>	<b>-84</b>	<b>-220</b>	<b>-238</b>	<b>-123</b>	<b>-137</b>	<b>-350</b>	<b>-99</b>	<b>-79</b>	<b>5</b>	<b>2</b>	<b>384</b>	<b>-52</b>	<b>-121</b>	<b>-248</b>	<b>-571</b>	<b>-818</b>	<b>-571</b>	<b>-818</b>
<b>Income —</b>																						
<b>Credits —</b>																						
Property income —																						
Investment income —																						
Reinvested earnings	556	2,044	2,660	222	221	222	222	291	292	292	291	292	292	291	292	292	291	292	2,438	3,208	2,438	3,208
Other	3,145	3,040	2,464	180	111	128	120	180	191	207	201	178	187	198	225	253	254	159	2,344	2,233	2,344	2,233
Other property income	240	343	380	37	29	30	30	56	56	56	50	49	49	48	48	48	41	41	350	542	350	542
Labour and other income	455	497	511	39	40	40	44	52	43	52	49	41	47	51	39	42	43	42	467	501	467	501
<b>Total income credits</b>	<b>4,396</b>	<b>5,924</b>	<b>6,015</b>	<b>478</b>	<b>401</b>	<b>420</b>	<b>416</b>	<b>579</b>	<b>582</b>	<b>607</b>	<b>591</b>	<b>560</b>	<b>575</b>	<b>588</b>	<b>604</b>	<b>635</b>	<b>629</b>	<b>534</b>	<b>5,599</b>	<b>6,484</b>	<b>5,599</b>	<b>6,484</b>
<b>Debits —</b>																						
Property income —																						
Investment income —																						
Official	-3,946	-3,580	-4,110	-345	-300	-350	-315	-302	-275	-408	-383	-316	-168	-491	-337	-430	-280	-363	-3,795	-3,753	-3,795	-3,753
Non-official	-704	-2,384	-4,244	-355	-353	-353	-355	-483	-483	-484	-483	-483	-484	-483	-483	-484	-483	-483	-3,889	-5,316	-3,889	-5,316
Reinvested earnings	-13,468	-12,022	-11,326	-782	-1,017	-1,018	-1,021	-1,045	-1,046	-1,049	-1,061	-1,064	-1,067	-1,031	-1,034	-1,037	-1,174	-1,176	-10,305	-11,784	-10,305	-11,784
Other	-1,524	-1,564	-1,732	-155	-140	-140	-142	-138	-139	-140	-138	-136	-136	-137	-136	-136	-137	-137	-1,590	-1,510	-1,590	-1,510
Labour and other income	-326	-311	-283	-25	-23	-21	-22	-35	-38	-33	-18	-19	-21	-28	-26	-28	-27	-26	-261	-297	-261	-297
<b>Total income debits</b>	<b>-19,968</b>	<b>-19,861</b>	<b>-21,695</b>	<b>-1,662</b>	<b>-1,833</b>	<b>-1,882</b>	<b>-1,855</b>	<b>-2,001</b>	<b>-1,981</b>	<b>-2,114</b>	<b>-2,083</b>	<b>-2,018</b>	<b>-1,876</b>	<b>-2,170</b>	<b>-2,016</b>	<b>-2,115</b>	<b>-2,101</b>	<b>-2,185</b>	<b>-19,840</b>	<b>-22,660</b>	<b>-19,840</b>	<b>-22,660</b>
<b>Net income</b>	<b>-15,572</b>	<b>-13,937</b>	<b>-15,680</b>	<b>-1,184</b>	<b>-1,432</b>	<b>-1,462</b>	<b>-1,439</b>	<b>-1,422</b>	<b>-1,399</b>	<b>-1,507</b>	<b>-1,492</b>	<b>-1,458</b>	<b>-1,301</b>	<b>-1,582</b>	<b>-1,412</b>	<b>-1,480</b>	<b>-1,472</b>	<b>-1,651</b>	<b>-14,241</b>	<b>-16,176</b>	<b>-14,241</b>	<b>-16,176</b>
<b>Unrequited transfers —</b>																						
<b>Credits</b>	<b>4,584</b>	<b>3,119</b>	<b>2,820</b>	<b>216</b>	<b>235</b>	<b>206</b>	<b>224</b>	<b>271</b>	<b>250</b>	<b>226</b>	<b>258</b>	<b>235</b>	<b>288</b>	<b>315</b>	<b>315</b>	<b>237</b>	<b>288</b>	<b>247</b>	<b>2,596</b>	<b>2,930</b>	<b>2,596</b>	<b>2,930</b>
<b>Debits —</b>																						
Official	-1,373	-1,432	-1,583	-142	-112	-155	-303	-136	-92	-133	-102	-80	-112	-112	-150	-126	-103	-199	-1,280	-1,345	-1,280	-1,345
Non-official	-1,016	-1,002	-1,041	-88	-86	-82	-87	-92	-90	-84	-81	-93	-115	-113	-94	-95	-94	-89	-934	-954	-934	-1,040
<b>Total</b>	<b>-2,389</b>	<b>-2,434</b>	<b>-2,624</b>	<b>-230</b>	<b>-198</b>	<b>-237</b>	<b>-390</b>	<b>-228</b>	<b>-182</b>	<b>-217</b>	<b>-183</b>	<b>-173</b>	<b>-227</b>	<b>-225</b>	<b>-244</b>	<b>-221</b>	<b>-197</b>	<b>-288</b>	<b>-2,234</b>	<b>-2,385</b>	<b>-2,234</b>	<b>-2,385</b>
<b>Net unrequited transfers</b>	<b>2,195</b>	<b>685</b>	<b>196</b>	<b>-14</b>	<b>37</b>	<b>-31</b>	<b>-166</b>	<b>43</b>	<b>68</b>	<b>9</b>	<b>75</b>	<b>62</b>	<b>61</b>	<b>90</b>	<b>71</b>	<b>16</b>	<b>91</b>	<b>-41</b>	<b>362</b>	<b>545</b>	<b>-41</b>	<b>362</b>

TABLE 6. BALANCE OF PAYMENTS — CAPITAL ACCOUNT AND BALANCING ITEM

	Years			Months																				
	1991-92	1992-93	1993-94	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	1993-94	1994-95	July to May			
<b>Official —</b>																								
General government —																								
Borrowing —																								
Domestic abroad —																								
Commonwealth Government —																								
Drawings		1,239	40		13	13	14															26		
Repayments		-830	-1,129	-1	-100	-9	-1	-1	-1	-2	-1,243	-11	-92	-30	-17	-1	-1	-1	-1	-1	-1	-173	-1,128	
Total		-602	-1,089	-1	-87	4	13	-1	-1	-2	-1,243	-11	-92	-30	-17	-1	-1	-1	-1	-1	-1	-173	-1,102	
State government		4,154	4,848	1,053	783	-1,703	-2,296	1,182	-1,243	-1,010	1,699	791	2,354	-798	1,188	-1,392	1,231	1,517				1,517	7,144	
Total domestic abroad		3,552	3,759	1,052	696	-1,699	-2,283	1,181	-1,244	-1,012	456	780	2,262	-828	1,171	-1,393	1,230	1,344				1,344	6,042	
Domestic in Australia		-1,452	831	4,580	-1,487	-1,009	2,647	-229	1,800	8	1,276	3,084	-595	-32	-1,019	787	-1,188	-1,140				-1,140	4,809	
Total borrowing		2,100	11,375	8,339	-435	-313	948	-2,512	2,981	-1,236	264	2,406	1,667	-860	152	-606	42	204				204	10,851	
Other		627	9	-470	-58	-126	-191	193	233	213	11	-6	7	12	-5	-52	5	6				6	-279	
Total general government		2,727	11,384	7,869	-493	-439	812	-2,703	3,174	-1,003	477	2,417	3,858	1,674	147	-658	47	210				210	10,572	
Reserve Bank —																								
Reserve assets —																								
Official reserve assets		3,929	3,950	-1,055	36	-128	-243	-171	30	16	483	904	-32	73	13	-93	-441	-138	200				200	-884
Allocation of SDRs																								
Other		21	39	-49	-13	-59	-11	3	25	-32	31	-44	22	13	-13	19	-4	38	-32				-32	-52
Total Reserve Bank		3,950	3,989	-1,104	23	-187	-254	-168	55	-16	514	860	-10	86		-74	-445	-100	168				168	-936
Total official		6,677	15,373	6,765	-470	-626	558	-2,871	3,229	-1,019	991	3,277	3,848	1,760	-848	73	-1,103	-83	378				378	9,636
Non-official plus balancing item —																								
Public sector —																								
Non equity securities domiciled in Australia (a)		-594	-291	-1,060	-79	-178	-162	-105	-35	1	-19	-55	-84	-73	16	-157	-50	10	65				65	-955
Accounts receivable/prepayments made		1,011	88	-1,215	-10	-347	-383	-486	310	412	401	-56	97	18	70	2	31	16	-70				-70	-729
Other (including balancing item) (b)		4,276	-505	12,327	1,895	2,375	1,609	5,290	-1,395	3,469	1,257	-1,129	-1,437	-62	3,164	1,534	3,305	1,610	2,412				2,412	7,037
Total non-official plus balancing item		4,693	-708	10,052	1,806	1,850	1,064	4,699	-1,120	3,882	1,639	-1,240	-1,424	-117	3,250	1,379	3,286	1,636	2,407				2,407	5,353
Balance on capital account plus balancing item		11,370	14,665	16,817	1,336	1,224	1,622	1,828	2,109	2,863	2,630	2,037	2,424	1,643	2,402	1,452	2,183	1,583	2,785				2,785	14,989

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

TABLE 7. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

	Months																		
	Years			1993-94			1994-95												
	1991-92	1992-93	1993-94	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	
Official reserve assets (\$ million) —	22,240	20,823	20,661	20,834	20,434	20,006	20,661	20,367	20,473	20,308	19,443	18,575	18,417	19,047	19,828	21,240	21,293	21,443	
Levels at end of period	-1,807	-1,417	-162	581	-400	-428	655	-294	106	-165	-865	-868	-158	630	781	1,412	53	150	
Changes in levels of which —	2,122	2,533	-1,216	617	-528	-671	485	-264	122	318	39	-900	-85	643	688	971	-85	350	
Changes due to effects of revaluations	-3,929	-3,950	1,054	-36	128	243	171	-30	-16	-483	-904	32	-73	-13	93	441	138	-200	
Changes included in the balance of payments (a)																			
Exchange rates (b) —																			
Units of foreign currency per \$A —																			
End of period (c) —																			
United States dollar	0.7488	0.6722	0.7291	0.7008	0.7124	0.7361	0.7291	0.7393	0.7425	0.7393	0.7422	0.7674	0.7768	0.7583	0.7395	0.7280	0.7299	0.7138	
United Kingdom pound	0.3945	0.4453	0.4721	0.4728	0.4707	0.4879	0.4721	0.4844	0.4837	0.4680	0.4575	0.4912	0.4982	0.4752	0.4669	0.4534	0.4515	0.4449	
German mark	1.144	1.137	1.159	1.173	1.235	1.211	1.159	1.177	1.170	1.145	1.121	1.206	1.207	1.141	1.084	1.026	1.004	0.993	
Japanese yen	94.05	71.54	72.20	72.04	72.20	76.85	72.20	73.86	73.82	72.88	72.25	75.93	77.56	74.75	71.75	64.92	61.04	59.45	
Special drawing right	0.5213	0.4818	0.5026	0.4971	0.5035	0.5201	0.5026	0.5078	0.5122	0.5042	0.4971	0.5255	0.5336	0.5144	0.4944	0.4677	0.4621	0.4530	
Period average (d) —																			
United States dollar	0.7694	0.7030	0.6919	0.7117	0.7165	0.7240	0.7333	0.7349	0.7404	0.7414	0.7382	0.7539	0.7740	0.7658	0.7453	0.7346	0.7361	0.7278	
United Kingdom pound	0.4381	0.4363	0.4623	0.4770	0.4836	0.4815	0.4807	0.4756	0.4800	0.4743	0.4599	0.4738	0.4963	0.4869	0.4740	0.4591	0.4574	0.4580	
German mark	1.274	1.103	1.171	1.205	1.249	1.213	1.194	1.154	1.158	1.150	1.223	1.159	1.217	1.174	1.115	1.033	1.014	1.040	
Japanese yen	100.97	84.22	73.52	74.84	74.10	75.05	75.29	72.45	73.96	73.24	72.72	73.86	77.49	76.37	73.24	66.66	61.58	61.84	
Special drawing right	0.5580	0.4982	0.4944	0.5078	0.5106	0.5115	0.5141	0.5041	0.5092	0.5071	0.5000	0.5119	0.5330	0.5231	0.5049	0.4792	0.4670	0.4671	
Trade weighted index of value of the Australian dollar (May 1970 = 100) (b) —																			
End of period (c)	55.2	49.5	53.0	52.1	52.6	54.6	53.0	53.9	53.9	53.4	53.1	55.5	56.2	54.5	52.9	50.7	49.6	48.5	
Period average (d)	58.2	52.3	51.4	53.3	53.4	53.7	54.0	53.3	53.8	53.6	53.1	54.3	56.2	55.3	53.6	51.4	50.1	49.8	

(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 1995, together with revised estimates for previous months. More comprehensive quarterly estimates are available in the March quarter 1995 issue of the quarterly balance of payments publication (5302.0) released on 31 May 1995.

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 fob: 9 in 10 months  
 Merchandise imports fob: 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 1995 can be obtained, for \$70.00, from Mr David Jenkins on Canberra (06) 252 6128.

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 Trevor Jolly on Canberra (06) 252 6820. There may be a charge for this information.

**Related products and services**

9. More detailed merchandise exports and merchandise imports data, including dissections by commodity and country of origin, are also available on an international merchandise trade basis for May 1995 and previous months. These data can be obtained by contacting information services on Canberra (06) 252 5400.

**Symbols and other usages**

fob	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

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

W. McLennan  
 Australian Statistician



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