

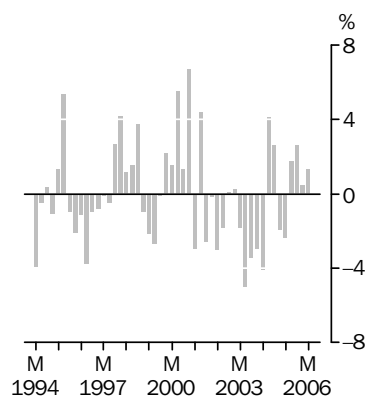
INTERNATIONAL TRADE PRICE INDEXES

AUSTRALIA

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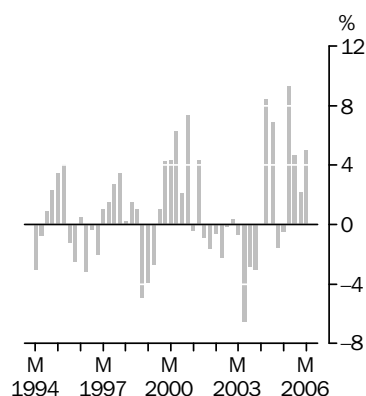
IMPORT PRICE INDEX: all groups

Quarterly % change



Export Price Index: all groups

Quarterly % change



INQUIRIES

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

KEY FIGURES

	Dec Qtr 05 to Mar Qtr 06 % change	Mar Qtr 05 to Mar Qtr 06 % change
Import Price Index all groups	1.3	6.2
Food and live animals	0.6	7.3
Beverages and tobacco	-0.8	6.8
Crude materials	1.3	8.5
Mineral fuels, etc.	7.1	53.7
Animal and vegetable oils, etc.	4.8	21.2
Chemicals and related products	-0.8	1.4
Manufactured goods by material	1.8	3.8
Machinery and transport equipment	-0.2	-0.9
Miscellaneous manufactured articles	1.5	3.0
Commodities and transactions n.e.s.	14.5	36.5
Export Price Index all groups	5.0	22.7
Food and live animals	2.4	6.9
Beverages and tobacco	0.6	2.3
Crude materials	5.3	26.0
Mineral fuels, etc.	3.2	48.6
Chemicals and related products	4.7	13.4
Manufactured goods by material	13.2	20.4
Machinery and transport equipment	0.7	3.8
Miscellaneous manufactured articles	1.2	7.7

KEY POINTS

IMPORT PRICE INDEX

- The Import Price Index increased by 1.3% in the March quarter 2006, following a 0.4% increase in the December quarter 2005. Crude and other petroleum oils were the main contributors to the increase. The most significant offsetting price decreases were for imports of chemical products and medicaments. Through the year to March quarter 2006, the IPI rose 6.2%.

EXPORT PRICE INDEX

- The Export Price Index increased by 5.0% in the March quarter 2006, following a 2.2% increase in the December quarter 2005. The increase this quarter was driven by price rises for aluminium, gold, alumina, crude petroleum oils, copper ores and concentrates, refined copper and alloys, and zinc. The most significant offsetting price decreases were for exports of medicaments and fresh and frozen edible offal. Through the year to March quarter 2006, the EPI rose 22.7%.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)

RELEASE DATE

June 2006

21 July 2006

September 2006

20 October 2006

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CHANGES IN THIS ISSUE

This publication contains amended data for the March quarter 2006 import and export price indexes to correct for processing errors. All component groups of the import price index were affected. The only export price index groups affected were "Mineral fuels, lubricants and other related materials" and "All groups".

The revisions to the international trade price indexes also affect several components of the producer price indexes. Together, the changes in the different indexes will cause revisions to the March quarter 2006 national accounts estimates, with the largest impact being on the volume of imports of goods and services. These revisions will be reflected in the June quarter 2006 issues of *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0) and *Balance of Payments and International Investment Position, Australia* (cat. no. 5302.0). The indexes enter into the compilation of the national accounts in many different ways, some of which offset. In isolation, the net effect of the revisions would cause the seasonally adjusted GDP chain volume measure of quarterly growth for March quarter 2006 to be revised from 0.9% to 0.8%. However, there will also be a range of other revisions to the national accounts estimates, for example those coming from updated source data. This means that the actual results published for GDP growth for March quarter 2006 in the June quarter 2006 *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0), to be released on 6 September 2006, may differ from the above.

ROUNDING

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

RELATED STATISTICS

For more information about statistics in this publication contact Steve Whennan on (02) 6252 6251, or email <steve.whennan@abs.gov.au>.

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ABBREVIATIONS

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

Jonathan Palmer
Acting Australian Statistician

COMMENTARY

REVISIONS

This publication contains amended data for the March quarter 2006 import and export price indexes to correct for processing errors. All component groups of the import price index were affected. The only export price index groups affected were "Mineral fuels, lubricants and other related materials" and "All groups". The following table summarises the effect of the revisions to the import and export price indexes at the SITC section level.

QUARTERLY AND ANNUAL MOVEMENTS AS ORIGINALLY PUBLISHED FOR MARCH QUARTER 2006 AND REISSUE

	DEC QTR 05 TO MAR QTR 06		MAR QTR 05 TO MAR QTR 06	
	<i>Original March publication</i>	<i>Reissued March publication</i>	<i>Original March publication</i>	<i>Reissued March publication</i>
	% change	% change	% change	% change
Import Price Index all groups	1.8	1.3	6.7	6.2
Food and live animals	1.3	0.6	8.1	7.3
Beverages and tobacco	-0.7	-0.8	6.9	6.8
Crude materials	1.9	1.3	9.1	8.5
Mineral fuels, etc.	7.3	7.1	53.9	53.7
Animal and vegetable oils, etc.	6.3	4.8	22.9	21.2
Chemicals and related products	-0.3	-0.8	1.9	1.4
Manufactured goods by material	2.2	1.8	4.2	3.8
Machinery and transport equipment	0.3	-0.2	-0.4	-0.9
Miscellaneous manufactured articles	2.2	1.5	3.7	3.0
Commodities and transactions n.e.s.	15.4	14.5	37.5	36.5
Export Price Index all groups	5.1	5.0	22.9	22.7
Mineral fuels, etc.	3.5	3.2	49.0	48.6

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

<i>Period</i>	<i>Index numbers</i>	<i>% change from previous period</i>	<i>% change from corresponding quarter of previous year</i>
2001-02	132.3	-1.5	. .
2002-03	126.0	-4.8	. .
2003-04	112.3	-10.9	. .
2004-05	112.8	0.4	. .
2001			
June	138.7	4.4	9.5
September	135.1	-2.6	5.2
December	134.9	-0.1	-1.5
2002			
March	130.8	-3.0	-1.6
June	128.4	-1.8	-7.4
September	128.5	0.1	-4.9
December	128.8	0.2	-4.5
2003			
March	126.4	-1.9	-3.4
June	120.1	-5.0	-6.5
September	116.0	-3.4	-9.7
December	112.6	-2.9	-12.6
2004			
March	108.0	-4.1	-14.6
June	112.4	4.1	-6.4
September	115.3	2.6	-0.6
December	113.1	-1.9	0.4
2005			
March	110.4	-2.4	2.2
June	112.3	1.7	-0.1
September	115.2	2.6	-0.1
December	115.7	0.4	2.3
2006			
March	117.2	1.3	6.2

. . not applicable

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

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

Category	Dec Qtr 2005	Mar Qtr 2006	Dec Qtr 2005 to Mar Qtr 2006
ALL GROUPS			
All groups	115.7	117.2	1.5
SITC SECTIONS—CONTRIBUTION TO ALL GROUPS (INDEX POINTS)			
0 Food and live animals chiefly for food	4.47	4.50	0.03
1 Beverages and tobacco	0.81	0.80	-0.01
2 Crude materials, inedible, except fuels	1.59	1.61	0.02
3 Mineral fuels, lubricants and other related materials	15.66	16.77	1.11
4 Animal and vegetable oils, etc.	0.32	0.34	0.02
5 Chemicals and related products n.e.s.	13.74	13.62	-0.12
6 Manufactured goods classified chiefly by material	13.72	13.96	0.24
7 Machinery and transport equipment	49.81	49.66	-0.15
8 Miscellaneous manufactured articles	15.03	15.25	0.22
9 Commodities and transactions n.e.s.	0.60	0.69	0.09
SELECTED SITC DIVISIONS—CONTRIBUTION TO ALL GROUPS (INDEX POINTS)			
3 Fish, crustaceans and molluscs and preparations thereof	0.78	0.79	0.01
24 Cork and wood	0.50	0.51	0.01
33 Petroleum, petroleum products and related materials	15.50	16.59	1.09
51 Organic chemicals	2.14	2.05	-0.09
52 Inorganic chemicals	0.81	0.86	0.05
59 Chemical materials and products n.e.s.	1.30	1.31	0.01
64 Paper, paperboard and articles made of paper	1.98	1.96	-0.02
65 Textile yarn, fabrics and related products	1.83	1.87	0.04
69 Manufactures of metals n.e.s.	2.89	2.92	0.03
71 Power generating machinery and equipment	2.49	2.52	0.03
72 Machinery specialised for particular industries	4.59	4.61	0.02
74 General industrial machinery, equipment and parts	6.26	6.41	0.15
75 Office machines and ADP machines	6.04	5.84	-0.20
76 Telecommunications and sound recording equipment	6.17	5.94	-0.23
77 Electrical machinery, etc. and parts thereof	5.81	5.92	0.11
78 Road vehicles	14.70	14.63	-0.07
79 Other transport equipment	3.21	3.27	0.06
87 Professional, scientific and controlling instruments and apparatus n.e.s.	2.77	2.74	-0.03
89 Miscellaneous manufactured articles n.e.s.	5.12	5.22	0.10

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

IMPORT PRICE INDEX(a): Selected SITC section

<i>Period</i>	<i>Food and live animals chiefly for food (0)</i>	<i>Beverages and tobacco (1)</i>	<i>Crude materials, inedible, except fuels (2)</i>	<i>Mineral fuels, lubricants and other materials (3)</i>	<i>Animal and vegetable oils, fats and waxes (4)</i>	<i>Chemicals and related products n.e.s. (5)</i>	<i>Manufactured goods classified chiefly by material (6)</i>	<i>Machinery and transport equipment (7)</i>	<i>Miscellaneous manufactured articles (8)</i>	<i>Commodities and transactions n.e.s. (9)</i>
2001-02	122.5	132.9	124.9	158.4	122.1	128.5	133.9	128.2	143.0	110.8
2002-03	125.1	139.9	123.1	174.9	141.0	120.2	129.2	118.7	132.1	115.4
2003-04	116.9	134.1	112.2	156.2	134.9	113.2	118.9	103.3	114.4	110.2
2004-05	120.0	128.2	115.1	202.3	142.2	116.8	123.2	98.3	111.8	113.3
2001										
June	124.3	131.0	133.3	183.9	120.1	137.1	136.1	134.0	146.2	101.1
September	121.3	132.1	127.6	180.4	121.2	131.1	133.8	130.1	144.1	107.1
December	122.9	133.1	124.7	156.5	123.9	132.8	135.8	131.3	146.4	109.0
2002										
March	123.8	133.7	125.1	136.0	122.7	127.8	134.4	127.9	143.0	112.8
June	121.9	132.6	122.3	160.5	120.5	122.1	131.6	123.4	138.3	114.2
September	124.1	139.9	124.3	165.1	137.9	122.0	131.0	123.3	136.6	115.1
December	126.3	139.2	123.7	179.3	143.6	122.3	131.4	121.9	135.6	115.6
2003										
March	126.0	140.9	122.5	191.5	143.2	119.6	129.1	117.4	131.4	120.0
June	123.8	139.4	121.7	163.6	139.2	117.0	125.2	112.1	124.9	110.9
September	119.2	134.9	118.0	156.3	134.5	114.6	121.6	107.9	120.3	111.2
December	117.0	134.7	112.4	152.4	135.7	112.4	118.8	104.4	115.2	110.5
2004										
March	114.5	134.0	106.6	145.2	135.3	110.6	115.2	99.3	109.1	107.8
June	116.8	132.8	111.6	171.0	134.1	115.1	120.0	101.6	112.9	111.1
September	119.5	131.1	117.2	192.2	148.3	117.4	124.5	102.6	115.1	114.2
December	119.4	128.0	114.4	200.1	143.6	116.6	123.2	99.1	112.0	115.8
2005										
March	117.7	124.4	112.6	188.2	135.5	115.7	122.4	96.2	110.1	110.8
June	123.2	129.4	116.1	228.7	141.4	117.5	122.5	95.2	109.8	112.2
September	124.9	133.3	118.4	268.9	141.1	118.2	123.1	95.5	110.8	116.8
December	125.6	133.9	120.6	270.1	156.7	118.3	124.8	95.5	111.7	132.0
2006										
March	126.3	132.8	122.2	289.2	164.2	117.3	127.0	95.3	113.4	151.2

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

IMPORT PRICE INDEX(a): **Consumption goods**

Period	BEC END USE	BROAD BALANCE OF PAYMENTS CATEGORIES					
	Consumption goods total	Food and beverages, mainly for consumption	Household electrical items	Non- industrial transport equipment	Textiles, clothing and footwear	Toys, books and leisure goods	Consumption goods n.e.s.
2001-02	139.4	129.9	118.6	169.8	137.8	145.4	132.7
2002-03	133.5	132.8	107.9	164.7	127.7	138.0	126.4
2003-04	121.8	125.9	93.2	156.3	107.9	121.2	116.6
2004-05	119.4	128.1	85.7	152.2	103.8	118.7	115.4
2001							
June	142.4	131.4	121.5	170.3	140.8	145.5	137.1
September	139.8	128.8	119.6	170.6	137.8	144.1	133.8
December	141.7	130.7	120.1	172.7	140.1	147.8	135.4
2002							
March	139.7	131.4	119.0	169.6	138.7	147.2	132.1
June	136.4	128.8	115.8	166.1	134.7	142.3	129.3
September	136.0	132.2	113.8	165.9	132.7	140.7	128.6
December	135.7	133.7	109.0	166.1	132.1	140.5	128.6
2003							
March	133.4	133.4	107.0	164.7	126.7	138.1	126.3
June	129.0	131.9	101.8	162.0	119.4	132.8	121.9
September	125.5	127.7	97.5	158.9	114.7	128.3	119.3
December	122.3	126.0	94.4	156.8	109.9	122.3	116.5
2004							
March	118.3	123.9	89.9	154.6	101.9	115.2	113.7
June	120.9	125.9	90.9	154.9	105.2	118.8	116.8
September	122.2	128.2	89.7	154.0	108.4	121.4	118.2
December	119.9	127.2	85.9	153.8	104.8	118.9	116.1
2005							
March	117.6	125.5	84.6	151.3	101.0	117.3	113.9
June	117.8	131.3	82.7	149.5	100.8	117.2	113.4
September	119.0	133.2	84.4	149.4	101.9	118.0	114.7
December	118.7	134.7	83.3	147.7	103.7	119.4	112.6
2006							
March	119.0	135.6	81.5	147.0	105.6	119.6	113.2

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

IMPORT PRICE INDEX(a): Capital goods

Period	BEC END USE		BROAD BALANCE OF PAYMENTS CATEGORIES				
	Capital goods total	Machinery and industrial equipment	ADP equipment	Telecommuni- cations equipment	Civil aircraft	Industrial transport equipment n.e.s.	Capital goods n.e.s.
2001-02	125.7	155.2	43.6	67.3	173.8	178.2	155.3
2002-03	116.7	145.1	35.5	62.9	158.8	175.4	143.9
2003-04	101.9	130.6	25.9	52.0	136.7	165.5	129.0
2004-05	97.3	130.1	22.4	43.7	137.0	163.5	124.4
2001							
June	131.2	158.7	52.1	68.9	175.7	179.4	159.0
September	127.4	156.2	46.2	67.6	174.7	179.3	155.3
December	129.0	160.9	45.7	68.0	178.0	181.6	158.0
2002							
March	125.3	155.2	42.8	67.1	176.1	177.4	156.3
June	121.1	148.6	39.6	66.5	166.5	174.4	151.5
September	121.4	149.1	38.9	66.5	164.6	178.9	147.8
December	119.9	147.5	37.5	66.7	164.9	176.6	147.1
2003							
March	115.4	144.5	34.4	61.7	157.5	174.4	143.2
June	110.1	139.2	31.2	56.7	148.2	171.7	137.6
September	106.3	134.8	28.8	54.6	144.1	169.0	133.9
December	102.6	130.0	26.5	53.0	138.5	166.5	129.0
2004							
March	98.3	125.9	23.7	50.9	128.3	162.2	126.0
June	100.5	131.5	24.4	49.6	135.9	164.3	127.2
September	101.4	133.7	24.7	48.4	140.0	167.6	128.4
December	98.2	129.9	22.8	46.1	137.3	164.5	123.8
2005							
March	95.3	128.6	21.4	40.4	133.5	162.8	123.5
June	94.2	128.2	20.6	39.8	137.2	158.9	121.9
September	94.2	127.3	20.7	39.5	140.0	160.0	121.9
December	94.4	128.7	20.3	39.8	144.6	161.1	122.4
2006							
March	93.5	129.6	19.6	38.2	147.0	158.1	120.9

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

IMPORT PRICE INDEX(a): Intermediate & other merchandise goods

Period	BROAD BALANCE OF PAYMENTS CATEGORIES								
	Intermediate and other merchandise goods total	Intermediate and other merchandise goods total excluding non-monetary gold	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
2001-02	126.0	126.2	103.1	125.2	183.3	153.7	35.7	122.9	124.2
2002-03	121.7	121.7	125.7	126.9	204.0	146.0	28.5	111.9	110.0
2003-04	108.2	108.4	115.8	115.2	182.8	130.4	20.6	94.0	103.7
2004-05	114.8	115.1	117.5	116.4	238.3	127.6	17.9	89.2	110.6
2001									
June	134.7	135.1	100.6	133.7	213.7	154.9	43.4	132.0	135.2
September	130.9	131.2	102.4	130.2	209.9	154.6	38.0	125.0	128.6
December	128.3	128.5	100.0	122.2	181.0	155.3	37.5	126.0	130.4
2002									
March	122.7	122.8	101.4	125.2	156.2	154.9	35.0	123.0	123.6
June	122.2	122.3	108.7	123.3	186.2	149.9	32.2	117.7	114.1
September	122.6	122.7	119.1	124.8	192.0	148.9	31.4	116.7	113.2
December	124.6	124.7	127.3	128.1	209.2	149.4	30.2	115.7	112.9
2003									
March	123.5	123.6	131.8	128.4	223.8	144.9	27.6	110.4	108.9
June	115.9	115.9	124.6	126.2	190.8	140.6	24.9	104.8	104.8
September	111.3	111.4	117.2	122.3	182.6	134.4	22.9	100.1	104.1
December	108.1	108.2	115.8	115.9	177.9	134.1	21.2	95.2	102.7
2004									
March	103.1	103.2	115.6	109.9	169.9	125.0	18.9	88.9	101.1
June	110.3	110.6	114.4	112.6	200.6	128.2	19.5	91.9	106.8
September	115.7	116.0	120.4	118.5	225.8	133.1	19.7	93.3	109.1
December	114.5	114.8	117.7	119.6	235.7	127.9	18.2	89.9	108.6
2005									
March	111.7	112.0	112.7	113.3	221.4	124.7	17.1	87.1	110.4
June	117.1	117.4	119.1	114.3	270.2	124.5	16.4	86.5	114.3
September	123.2	123.5	119.1	118.4	318.5	126.2	16.5	86.8	113.0
December	124.6	124.8	119.6	121.5	319.6	127.6	16.2	87.2	114.9
2006									
March	128.6	128.5	121.6	122.4	343.0	131.1	15.6	87.7	113.3

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

BROAD BALANCE OF PAYMENTS CATEGORIES *continued*

<i>Period</i>	<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>Non- monetary gold</i>
2001-02	122.5	126.3	111.9	137.6	139.0	110.9
2002-03	113.6	117.8	114.4	128.9	134.2	115.5
2003-04	101.5	103.3	113.2	113.0	122.4	110.3
2004-05	93.8	105.1	141.9	122.1	126.5	113.4
2001						
June	126.1	132.3	118.3	142.6	141.0	101.3
September	122.3	128.2	112.9	140.0	139.5	107.2
December	125.0	129.2	114.3	140.5	141.7	109.1
2002						
March	122.3	127.0	111.7	137.6	138.8	112.9
June	120.5	120.8	108.7	132.4	136.1	114.3
September	116.5	121.3	111.9	134.5	135.8	115.2
December	115.4	120.7	116.1	131.2	136.3	115.7
2003						
March	112.4	116.6	115.9	126.2	134.5	120.1
June	110.2	112.6	113.7	123.8	130.0	111.0
September	105.6	107.5	112.4	117.2	125.8	111.3
December	103.9	102.1	109.1	112.0	122.3	110.6
2004						
March	99.3	98.7	106.6	106.7	118.3	108.0
June	97.0	105.0	124.5	116.2	123.0	111.3
September	96.0	108.4	140.3	120.7	127.4	114.3
December	93.9	105.8	138.6	121.2	126.1	115.9
2005						
March	92.7	103.5	143.5	121.9	124.9	110.9
June	92.7	102.8	145.3	124.6	127.5	112.3
September	93.9	103.4	143.4	126.3	128.6	116.9
December	94.6	106.4	143.6	127.1	131.7	132.2
2006						
March	93.6	106.9	140.7	131.1	135.4	151.4

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

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

<i>Period</i>	<i>Index numbers</i>	<i>% change from previous period</i>	<i>% change from corresponding quarter of previous year</i>
2001-02	116.7	1.7	..
2002-03	111.7	-4.3	..
2003-04	102.5	-8.2	..
2004-05	116.4	13.6	..
2001			
June	120.3	4.3	13.8
September	119.2	-0.9	10.5
December	117.2	-1.7	1.2
2002			
March	116.4	-0.7	1.0
June	113.8	-2.2	-5.4
September	113.6	-0.2	-4.7
December	114.0	0.4	-2.7
2003			
March	113.2	-0.7	-2.7
June	105.8	-6.5	-7.0
September	102.8	-2.8	-9.5
December	99.6	-3.1	-12.6
2004			
March	99.6	0.0	-12.0
June	108.0	8.4	2.1
September	115.4	6.9	12.3
December	113.6	-1.6	14.1
2005			
March	113.0	-0.5	13.5
June	123.5	9.3	14.4
September	129.3	4.7	12.0
December	132.1	2.2	16.3
2006			
March	138.7	5.0	22.7

.. not applicable

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

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

Category	Dec Qtr 2005	Mar Qtr 2006	Dec Qtr 2005 to Mar Qtr 2006
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ALL GROUPS

All groups	132.1	138.7	6.6
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SELECTED SITC SECTIONS—CONTRIBUTION TO ALL GROUPS (INDEX POINTS)

0	Food and live animals	19.48	19.94	0.46
1	Beverages and tobacco	2.69	2.70	0.01
2	Crude materials, inedible, except fuels	23.76	25.02	1.26
3	Mineral fuels, lubricants and other related materials	34.61	35.72	1.11
5	Chemicals and related products n.e.s.	10.38	10.86	0.48
6	Manufactured goods classified chiefly by material	15.90	17.99	2.09
7	Machinery and transport equipment	11.61	11.70	0.09
8	Miscellaneous manufactured articles	4.28	4.33	0.05

SELECTED SITC DIVISIONS—CONTRIBUTION TO ALL GROUPS (INDEX POINTS)

00	Live animals other than animals of division 03	1.03	1.03	—
01	Meat and meat preparations	6.11	6.03	-0.08
02	Dairy products and eggs	2.26	2.30	0.04
03	Fish, crustaceans and molluscs and preparations thereof	1.25	1.31	0.06
04	Cereals and cereal preparations	4.81	4.93	0.12
05	Vegetables and fruit	1.34	1.32	-0.02
11	Beverages	2.60	2.61	0.01
21	Hides, skins and furskins, raw	0.49	0.47	-0.02
26	Textile fibres and their wastes	2.80	2.79	-0.01
28	Metalliferous ores and metal scrap	17.75	19.15	1.40
32	Coal, coke and briquettes	22.99	23.15	0.16
33	Petroleum, petroleum products and related materials	8.06	8.86	0.80
52	Inorganic chemicals	5.20	6.07	0.87
54	Medicinal and pharmaceutical products	2.70	2.31	-0.39
61	Leather, leather manufactures, n.e.s. and dressed furskins	0.37	0.38	0.01
67	Iron and steel	2.31	2.28	-0.03
68	Non-ferrous metals	9.83	11.87	2.04
71-75	Power generating machinery and equipment	4.31	4.37	0.06
76-77	Telecommunications and electrical machinery n.e.s.	2.19	2.21	0.02
78	Road vehicles	3.88	3.85	-0.03
79	Other transport equipment	1.23	1.27	0.04
89	Miscellaneous manufactured articles n.e.s.	2.53	2.55	0.02

— nil or rounded to zero (including null cells)

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

EXPORT PRICE INDEX(a): Selected SITC section

<i>Period</i>	<i>Food and live animals chiefly for food (0)</i>	<i>Beverages and tobacco (1)</i>	<i>Crude materials, inedible, except fuels (2)</i>	<i>Mineral fuels, lubricants and other materials (3)</i>	<i>Chemicals and related products n.e.s. (5)</i>	<i>Manufactured goods classified chiefly by material (6)</i>	<i>Machinery and transport equipment (7)</i>	<i>Miscellaneous manufactured articles (8)</i>
2001-02	118.9	142.8	99.0	164.7	113.0	105.1	105.6	119.2
2002-03	109.3	143.8	97.0	160.9	100.4	102.1	100.6	104.5
2003-04	100.7	124.4	90.0	139.4	97.2	100.6	89.8	90.8
2004-05	106.8	126.4	103.1	184.9	108.3	121.1	88.4	89.2
2001								
June	117.5	140.1	102.4	174.8	121.7	118.8	105.8	121.1
September	118.2	142.8	99.9	174.1	118.4	110.0	106.4	121.0
December	121.5	141.4	98.0	166.3	115.1	103.2	107.0	121.3
2002								
March	120.7	145.1	100.6	159.4	111.0	103.4	105.8	119.9
June	115.0	142.0	97.5	158.9	107.3	103.6	103.1	114.7
September	111.3	146.0	96.4	163.7	106.7	103.8	103.7	109.9
December	111.9	145.5	98.5	166.4	101.1	103.7	102.8	107.5
2003								
March	110.7	143.7	99.8	163.9	99.0	103.5	100.0	103.2
June	103.3	140.0	93.2	149.4	94.7	97.2	96.0	97.3
September	100.5	126.0	90.4	142.4	93.9	95.6	94.2	95.3
December	99.2	122.7	86.7	134.7	90.1	95.5	89.4	90.2
2004								
March	100.2	122.5	87.8	127.3	98.6	100.5	86.5	88.0
June	103.0	126.3	95.0	153.3	106.1	110.7	89.0	89.6
September	108.6	128.9	100.2	177.1	108.2	121.0	89.6	90.4
December	106.2	125.5	98.7	174.5	106.2	119.7	88.3	88.7
2005								
March	105.5	124.4	98.6	174.3	106.4	119.7	87.0	88.3
June	106.8	126.6	115.0	213.6	112.2	124.1	88.5	89.2
September	108.7	126.3	116.7	248.4	110.5	123.0	89.0	92.9
December	110.2	126.5	118.0	250.9	115.3	127.3	89.7	94.0
2006								
March	112.8	127.2	124.2	259.0	120.7	144.1	90.3	95.1

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

BALANCE OF PAYMENTS GROUPS

<i>Period</i>	<i>Rural goods total</i>	<i>Meat and meat preparations</i>	<i>Cereal grains and cereal preparations</i>	<i>Wool and sheepskins</i>	<i>Other rural</i>
2001-02	107.7	133.8	105.3	75.6	141.0
2002-03	104.0	118.5	104.8	94.8	125.1
2003-04	95.1	120.4	93.7	78.1	113.5
2004-05	97.2	137.2	87.4	70.8	117.4
2001					
June	106.2	130.6	105.6	74.1	138.8
September	107.2	129.0	105.1	72.4	143.9
December	108.4	137.9	106.6	66.8	146.0
2002					
March	109.6	136.6	107.9	77.2	142.5
June	105.7	131.7	101.6	85.9	131.4
September	103.5	123.7	100.9	83.6	130.5
December	106.1	120.7	107.5	96.2	127.8
2003					
March	107.1	116.4	111.5	104.3	125.1
June	99.3	113.3	99.3	95.0	117.1
September	96.2	109.8	97.8	84.1	116.3
December	94.4	121.1	92.3	79.0	111.6
2004					
March	94.1	126.2	90.7	74.8	111.1
June	95.8	124.4	94.1	74.4	115.1
September	100.3	138.6	94.9	76.7	118.9
December	96.8	138.7	85.7	71.6	116.3
2005					
March	95.3	136.0	84.5	68.0	115.6
June	96.2	135.5	84.3	66.7	118.9
September	97.4	140.7	84.0	64.9	120.4
December	97.1	135.5	87.7	60.6	121.6
2006					
March	97.2	133.7	89.9	60.2	121.7

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

BALANCE OF PAYMENTS GROUPS

<i>Period</i>	<i>Non-rural goods total (excluding non- monetary gold)</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other minerals</i>	<i>Metals (excluding non- monetary gold)</i>	<i>Machinery</i>	<i>Transport equipment</i>	<i>Other manufactures</i>	<i>Other non- rural</i>	<i>Non- monetary gold</i>
2001-02	123.7	116.4	136.9	238.0	102.2	94.2	131.7	121.4	87.7	112.5
2002-03	117.1	103.3	120.3	258.7	99.4	89.4	126.4	112.5	82.4	117.1
2003-04	107.3	99.9	99.1	234.6	100.2	79.8	112.7	103.7	69.1	111.8
2004-05	126.8	124.8	139.9	289.2	125.4	78.9	110.4	107.2	73.0	114.9
2001										
June	131.3	124.4	131.2	277.5	115.7	94.8	131.2	127.6	92.4	102.8
September	128.3	120.3	138.7	262.0	106.7	95.1	132.5	125.5	89.6	108.8
December	124.5	117.5	140.4	236.7	99.7	95.6	133.1	123.8	87.3	110.7
2002										
March	122.2	116.2	138.5	219.8	101.3	94.5	131.8	119.3	89.7	114.5
June	119.8	111.4	129.9	233.5	101.1	91.7	129.2	117.0	84.0	115.9
September	120.5	110.1	128.6	251.0	101.2	92.4	129.4	115.9	81.4	116.8
December	119.8	104.7	126.9	262.8	100.8	91.1	129.6	114.7	83.4	117.3
2003										
March	117.7	102.2	118.2	272.3	100.9	88.6	126.1	111.6	82.9	121.8
June	110.5	96.0	107.5	248.6	94.5	85.4	120.3	107.6	82.0	112.6
September	107.3	95.7	103.1	235.5	93.3	83.5	118.5	105.0	73.0	112.8
December	103.1	92.6	95.2	228.0	93.9	79.7	111.8	101.4	68.0	112.1
2004										
March	103.5	99.2	87.5	220.9	101.2	77.3	107.7	102.4	66.3	109.6
June	115.1	111.9	110.7	254.0	112.4	78.5	112.8	106.0	68.9	112.8
September	124.1	118.0	127.1	295.8	124.5	79.3	113.2	108.7	72.7	115.9
December	122.7	117.4	128.2	283.2	123.9	78.8	110.2	107.1	71.9	117.5
2005										
March	122.7	120.0	133.2	269.1	124.7	78.1	108.1	105.1	71.5	112.5
June	137.6	143.8	171.2	308.6	128.3	79.4	110.0	107.8	75.8	113.8
September	145.3	145.4	205.2	339.7	127.1	79.5	111.1	109.2	77.0	118.6
December	148.3	150.5	211.7	329.5	132.5	79.6	112.5	110.6	79.6	133.9
2006										
March	156.6	165.1	213.2	356.5	154.4	80.4	112.7	108.5	85.0	153.5

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

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains indexes measuring changes in the prices of imports of merchandise that are landed in Australia each quarter—the import price index (tables 1–6), and exports of merchandise that are shipped from Australia each quarter—the export price index (tables 7–11).

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

SCOPE

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

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

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

CLASSIFICATIONS

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

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

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

ITEMS AND WEIGHTS

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

9 The annual reweighting and chaining process involves a number of steps in order to provide new weights each year. The current weighting basis for the import price index was derived from the average value of import items during 2004-05. This differs slightly from the export price index which has used the average value of export items during 2003-04 and 2004-05, due to the greater volatility associated with the value of export items. These weights were revalued to reflect link period (June quarter 2005) price levels; this means, for example, that the weights for the import price index are effectively determined using quantities from 2004-05 and prices from June quarter 2005. Indexes derived by using the new weights for the September quarter 2005 were then linked to the already published June quarter 2005 (link period) levels which were derived using the previous series weights. Using this methodology, long-term chain linked series can be constructed over time on a consistent reference base for continuity and user convenience, but using annually refreshed weights. The reference base for each index series continues to be 1989-90=100 even though the weights are being updated each year.

10 The commodities directly represented in each index (the index items) were selected on the basis of the significance of their import and export values in the period 2004-05 for imports and 2003-04 & 2004-05 for exports. All significant commodities were selected for pricing. The weights for minor commodities which are not directly priced are included with those of comparable directly priced items whose prices are likely to move in a similar way.

EXPLANATORY NOTES *continued*

PRICE MEASUREMENT

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

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

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

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

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

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

INDEX NUMBERS

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

ANALYSIS OF INDEX CHANGES

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

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

Export price index, All groups index number:

March quarter 2006	138.7 (see table 7)
less March quarter 2005	113.0 (see table 7)
Change in index points	25.7
Percentage change	$25.7/113.0 \times 100 = 22.7\%$

EXPLANATORY NOTES *continued*

ANALYSIS OF INDEX CHANGES *continued*

20 Tables 2 and 8 provide analyses of the contribution which SITC sections and divisions make to the All groups import price index and export price index, respectively. For example, imports of mineral fuels, etc. contributed 16.77 index points to the All groups import price index number of 117.2 for March quarter 2006 and 1.11 index points to the net change of 1.5 index points between December 2005 and March 2006 quarters.

FURTHER INFORMATION

21 Further information on recent price index developments in the ABS is presented in the following publications:

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

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

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

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

RELATED PUBLICATIONS

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

Producer Price Indexes, Australia, cat. no. 6427.0

Consumer Price Index, Australia, cat. no. 6401.0

Labour Price Index, Australia, cat. no. 6345.0

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

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

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

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