

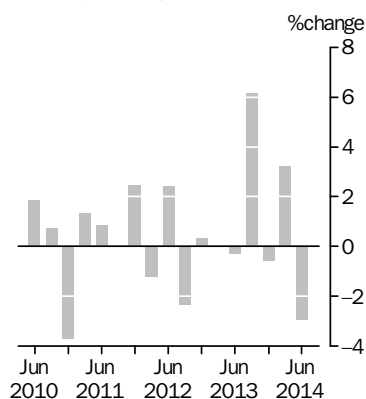
INTERNATIONAL TRADE PRICE INDEXES

AUSTRALIA

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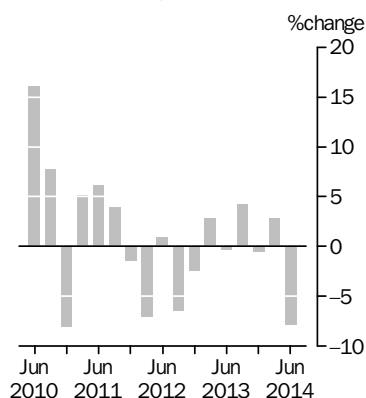
IMPORT PRICE INDEX: all groups

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.

KEY FIGURES

	Mar Qtr 14 to Jun Qtr 14 % change	Jun Qtr 13 to Jun Qtr 14 % change
Import Price Index all groups	-3.0	5.7
Food and live animals	-0.6	13.9
Beverages and tobacco	-0.8	7.0
Crude materials, inedible, except fuels	-2.0	10.4
Mineral fuels, lubricants and related materials	-4.8	10.0
Animal and vegetable oils, fats and waxes	-9.4	-1.3
Chemicals and related products, n.e.s.	-1.5	2.4
Manufactured goods classified chiefly by material	-2.2	3.7
Machinery and transport equipment	-2.6	4.2
Miscellaneous manufactured articles	-3.5	8.0
Commodities and transactions, n.e.s.	-4.5	-3.1
Export Price Index all groups	-7.9	-1.9
Food and live animals	2.0	9.9
Beverages and tobacco	-0.4	3.6
Crude materials, inedible, except fuels	-14.9	-8.8
Mineral fuels, lubricants and related materials	-7.3	-0.6
Animal and vegetable oils, fats and waxes	0.1	-1.5
Chemicals and related products, n.e.s.	-2.8	0.8
Manufactured goods classified chiefly by material	0.5	6.6
Machinery and transport equipment	-1.1	3.2
Miscellaneous manufactured articles	-2.8	7.8
Commodities and transactions, n.e.s.	-4.3	-3.8

KEY POINTS

IMPORT PRICE INDEX

- The Import Price Index fell 3.0% in the June quarter 2014. Through the year to the June quarter 2014, the Import Price Index rose 5.7%.

EXPORT PRICE INDEX

- The Export Price Index fell 7.9% in the June quarter 2014. Through the year to the June quarter 2014, the Export Price Index fell 1.9%.

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
September 2014	30 October 2014
December 2014	29 January 2015
March 2015	30 April 2015
June 2015	30 July 2015

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ADDITIONAL INFORMATION

Large scale innovation is planned as part of the ABS forward work plan. This innovation includes major upgrades to existing systems, processes and methodologies.

The ABS has deferred selected commitments from the Information paper: Outcome of the Review of the Producer and International Trade Price Indexes, 2012 (cat. no. 6427.0.55.004) pending upgrades to existing systems. Appendix 1 provides a full list of PPI commitments from the paper.

In the Information Paper: Outcome of the Review of the Producer and International Trade Price Indexes, 2012 (cat. no. 6427.0.55.004) the ABS undertook to release an updated Producer and International Trade Price Indexes: Concepts, Sources and Methods (cat. no. 6429.0) publication. This will be released on August 20, 2014.

REVISIONS TO MARCH QUARTER 2014 EXPORT PRICE INDEX

This issue of International Trade Price Indexes, Australia (cat. no. 6457.0) includes revisions to the Export Price Index (EPI) for the March quarter 2014. These revisions incorporate information not available at the time of compiling the March quarter 2014 EPI. The EPI has been revised from 3.6% to 2.8% in the March quarter 2014. The affected series are annotated in this publication and in the time series spreadsheets and data cubes.

CHANGES IN FUTURE ISSUES

From the December quarter 2014 the International Trade Price Indexes, Australia (cat. no. 6457.0) will be available from the ABS website in electronic format only. The September quarter 2014 release will be the final issue that contains a PDF version of the publication. There will be no change to the suite of International Trade Price Indexes published.

ROUNDING

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

DATA REFERENCES

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

Jonathan Palmer
Acting Australian Statistician

COMMENTARY

IMPORT PRICE INDEX

The Import Price Index fell 3.0% in the June quarter 2014. This decrease was driven primarily by the appreciation of the Australian dollar against the major trading currencies, as well as falls in the prices paid for petroleum, petroleum products and related materials (-4.5%), telecommunications and sound recording equipment and reproducing apparatus and equipment (-4.7%), general industrial machinery and equipment, n.e.s., and machine parts, n.e.s. (-3.4%), electrical machinery, etc. and parts thereof (-3.2%) and miscellaneous manufactured articles, n.e.s. (-3.3%).

Through the year to the June quarter 2014, the Import Price Index rose 5.7%. This increase was driven primarily by rises in the prices paid for petroleum, petroleum products and related materials (+11.0%), electrical machinery, etc. and parts thereof (+7.4%), general industrial and machinery and equipment, n.e.s., and machine parts, n.e.s. (+6.2%), miscellaneous manufactured articles, n.e.s. (+6.8%) and machinery specialised for particular industries (+6.3%). Partly offsetting these through the year rises were falls in the price paid for medicinal and pharmaceutical products (-3.9%).

Major Import Products

Australia's major import products based on contribution are;

- Petroleum, petroleum products and related materials (SITC 33) (-4.5%)
- Road vehicles (incl. air-cushion vehicles) (SITC 78) (-0.4%)
- General industrial machinery and equipment, n.e.s., and machine parts, n.e.s. (SITC 74) (-3.4%)
- Electrical machinery, etc. and parts thereof (SITC 77) (-3.2%)
- Telecommunications and sound recording equipment and reproducing apparatus and equipment (SITC 76) (-4.7%).

COMMENTARY *continued*

EXPORT PRICE INDEX

The Export Price Index fell 7.9% in the June quarter 2014. This decrease was driven mainly by falls in the prices received for metalliferous ores and metal scrap (-16.6%), coal, coke and briquettes (-12.5%), gold, non-monetary (excluding gold ores and concentrates) (-4.0%), and petroleum, petroleum products and related materials (-2.1%).

Through the year to the June quarter 2014, the Export Price Index fell 1.9%. This decrease was driven mainly by falls in the prices received for metalliferous ores and metal scrap (-10.5%), coal, coke and briquettes (-13.4%), and gold, non-monetary (excluding gold ores and concentrates) (-3.5%). Partly offsetting these through the year falls were rises in the prices received for gas, natural and manufactured (+21.1%), meat and meat preparations (+19.0%), petroleum, petroleum products and related materials (+14.5%), dairy products and birds' eggs (+35.4%), power generating, general industrial and other specialised machinery and equipment (+6.1%), non-ferrous metals (+7.9%) and professional, scientific and controlling instruments and apparatus, n.e.s. (+15.5%).

Major Export Products

Australia's major export products based on contribution are;

- Metalliferous ores and metal scrap (SITC 28) (-16.6%)
- Coal, coke and briquettes (SITC 32) (-12.5%)
- Gas, natural and manufactured (SITC 34) (-0.6%)
- Gold, non-monetary (excluding gold ores and concentrates) (SITC 97) (-4.0%)
- Petroleum, petroleum products and related materials (SITC 33) (-2.1%).

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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>
2010-11	97.9	-0.8	..
2011-12	100.0	2.1	..
2012-13	99.6	-0.4	..
2013-14	106.0	6.4	..
2009			
September	101.3	-3.1	-2.3
December	97.0	-4.2	-15.5
2010			
March	97.3	0.3	-12.9
June	99.1	1.8	-5.2
September	99.8	0.7	-1.5
December	96.1	-3.7	-0.9
2011			
March	97.4	1.4	0.1
June	98.2	0.8	-0.9
September	98.2	0.0	-1.6
December	100.6	2.4	4.7
2012			
March	99.4	-1.2	2.1
June	101.8	2.4	3.7
September	99.4	-2.4	1.2
December	99.7	0.3	-0.9
2013			
March	99.7	0.0	0.3
June	99.4	-0.3	-2.4
September	105.5	6.1	6.1
December	104.9	-0.6	5.2
2014			
March	108.3	3.2	8.6
June	105.1	-3.0	5.7

.. not applicable

(a) Index reference period: 2011-12 = 100.0.

IMPORT PRICE INDEX, SITC contribution to all groups Index

Category	CONTRIBUTION TO ALL GROUPS INDEX		CHANGE IN POINTS CONTRIBUTION
	March Quarter 2014	June Quarter 2014	March Qtr 2014 to June Qtr 2014
ALL GROUPS			
All groups	108.3	105.1	-3.2
SITC SECTIONS			
0 Food and live animals	4.91	4.88	-0.03
1 Beverages and tobacco	1.00	0.99	-0.01
2 Crude materials, inedible, except fuels	1.19	1.17	-0.02
3 Mineral fuels, lubricants and related materials	20.20	19.23	-0.97
4 Animal and vegetable oils, fats and waxes	0.24	0.22	-0.02
5 Chemicals and related products, n.e.s.	10.80	10.64	-0.16
6 Manufactured goods classified chiefly by material	11.95	11.69	-0.26
7 Machinery and transport equipment	42.37	41.28	-1.09
8 Miscellaneous manufactured articles	13.56	13.08	-0.48
9 Commodities and transactions not classified elsewhere in the SITC	2.04	1.95	-0.09

Category	CONTRIBUTION TO ALL GROUPS INDEX		CHANGE IN POINTS CONTRIBUTION
	March Quarter 2014	June Quarter 2014	March Qtr 2014 to June Qtr 2014
	SITC DIVISIONS		
02 Dairy products and birds' eggs	0.36	0.38	0.02
03 Fish, crustaceans, molluscs and aquatic invertebrates and preparations thereof	0.75	0.79	0.04
05 Vegetables and fruits	1.00	0.94	-0.06
07 Coffee, tea, cocoa spices and manufactures thereof	0.64	0.65	0.01
09 Miscellaneous edible products and preparations	0.86	0.88	0.02
11 Beverages	0.81	0.81	0.00
12 Tobacco	0.19	0.18	-0.01
23 Crude rubber	0.04	0.04	0.00
24 Cork and wood	0.31	0.31	0.00
25 Pulp and Waste Paper	0.08	0.07	-0.01
26 Textile Fibres and Wastes	0.06	0.06	0.00
27 Crude fertilizers, other than those of division 56, and crude minerals (excluding coal, petroleum	0.13	0.12	-0.01
33 Petroleum, petroleum products and related materials	18.87	18.00	-0.87
42 Fixed vegetable fats and oils	0.18	0.16	-0.02
51 Organic chemicals	1.21	1.20	-0.01
52 Inorganic chemicals	0.62	0.63	0.01
53 Dyeing, tanning and colouring materials	0.30	0.30	0.00
54 Medicinal and pharmaceutical products	4.46	4.39	-0.07
55 Essential oils etc	0.99	1.00	0.01
56 Fertilizers (excluding crude)	0.71	0.63	-0.08
57 Plastics in primary forms	0.77	0.75	-0.02
58 Plastics in non-primary forms	0.70	0.69	-0.01
59 Chemical materials and products, n.e.s.	1.05	1.04	-0.01
61 Leather, leather manufactures, n.e.s., and dressed furskins	0.05	0.06	0.01
62 Rubber manufactures n.e.s.	1.74	1.68	-0.06
63 Cork and wood manufactures	0.42	0.40	-0.02
64 Paper, paperboard and articles of paper pulp, of paper or of paperboard	1.16	1.14	-0.02
65 Textile yarn, fabrics, made-up articles, n.e.s., and related products	1.19	1.20	0.01
66 Non-metallic mineral manufactures	1.24	1.20	-0.04
67 Iron and steel	1.84	1.78	-0.06
68 Non-ferrous metals	1.17	1.13	-0.04
69 Manufactures of metals, n.e.s.	3.14	3.10	-0.04
71 Power generating machinery and equipment	2.21	2.13	-0.08
72 Machinery specialised for particular industries	4.17	4.06	-0.11
74 General industrial machinery and equipment, n.e.s., and machine parts, n.e.s.	6.15	5.95	-0.20
75 Office machines and ADP machines	4.17	4.04	-0.13
76 Telecommunications and sound recording equipment and reproducing apparatus and equipment	5.22	4.97	-0.25
77 Electrical machinery, etc. and parts thereof	5.32	5.14	-0.18
78 Road vehicles (incl. air-cushion vehicles)	13.25	13.20	-0.05
79 Other transport equipment	1.60	1.53	-0.07
81 Prefabricated buildings and fixtures n.e.s.	0.65	0.62	-0.03
82 Furniture and parts thereof	1.49	1.45	-0.04
83 Travel goods and handbags	0.50	0.50	0.00
84 Articles of apparel and clothing	2.96	2.83	-0.13
85 Footwear	0.75	0.70	-0.05
87 Professional, scientific and controlling instruments and apparatus, n.e.s.	2.48	2.37	-0.11
88 Photographic and optical goods	0.68	0.69	0.01
89 Miscellaneous manufactured articles, n.e.s.	4.06	3.92	-0.14
97 Gold, non-monetary (excluding gold ores and concentrates)	2.04	1.95	-0.09

IMPORT PRICE INDEX(a): SITC sections

<i>Period</i>	<i>Food and live animals (0)</i>	<i>Beverages and tobacco (1)</i>	<i>Crude materials, inedible, except fuels (2)</i>	<i>Mineral fuels, lubricants and related materials (3)</i>	<i>Animal and vegetable oils, fats and waxes (4)</i>	<i>Chemicals and related products, n.e.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>
2010-11	96.8	103.6	102.5	84.9	97.8	99.8	99.8	103.3	100.1	84.9
2011-12	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012-13	99.9	97.4	96.9	97.6	95.3	98.9	99.3	99.8	102.1	96.7
2013-14	114.0	104.3	105.5	107.0	100.6	100.7	104.8	105.0	113.4	87.6
2009										
September	101.5	108.3	90.1	74.4	103.6	104.2	103.3	114.5	112.2	69.6
December	95.2	107.8	90.2	74.0	97.9	100.3	97.0	108.2	104.1	73.3
2010										
March	98.7	107.1	94.6	73.6	92.3	98.2	98.2	108.8	103.9	74.8
June	101.0	105.3	104.7	78.4	85.0	100.7	100.1	107.6	105.4	82.7
September	99.8	105.4	101.5	77.8	89.2	102.2	103.4	108.1	106.4	83.1
December	94.3	103.2	101.3	77.0	95.2	98.5	98.8	103.6	99.2	84.8
2011										
March	96.1	103.5	104.0	87.4	99.0	98.5	98.8	102.0	98.8	84.5
June	96.9	102.4	103.2	97.2	107.9	99.8	98.0	99.5	96.1	87.2
September	97.9	100.5	102.2	94.5	104.9	99.8	99.2	99.1	97.4	99.7
December	100.7	99.4	102.4	99.8	105.1	100.4	100.6	100.8	100.9	102.9
2012										
March	99.7	99.3	94.9	100.8	94.7	98.5	99.4	99.2	99.3	98.9
June	101.7	100.8	100.5	104.8	95.4	101.4	100.9	100.9	102.4	98.5
September	99.8	96.2	96.8	95.3	91.0	99.7	99.6	100.1	101.5	98.2
December	98.9	96.3	97.0	97.3	95.9	99.7	99.4	100.0	101.2	102.6
2013										
March	98.6	98.1	97.6	101.3	98.2	97.3	98.7	99.4	101.5	97.6
June	102.4	98.9	96.3	96.3	96.0	98.8	99.5	99.7	104.1	88.3
September	111.3	101.9	103.6	104.0	101.9	101.1	105.9	105.1	113.1	90.1
December	110.6	102.7	103.5	106.9	100.9	97.9	104.6	104.3	111.6	85.2
2014										
March	117.3	106.7	108.5	111.2	104.6	102.7	105.5	106.7	116.5	89.6
June	116.6	105.8	106.3	105.9	94.8	101.2	103.2	103.9	112.4	85.6

(a) Index reference period: 2011-12 = 100.0.

IMPORT PRICE INDEX(a): Consumption goods

BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES

	Consumption goods total	<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>
2010–11	101.7	97.7	107.9	102.3	94.4	104.1	104.6
2011–12	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012–13	99.5	100.3	97.7	100.3	100.8	102.0	97.7
2013–14	105.3	113.0	103.5	100.7	111.7	109.1	102.6
2009							
September	108.7	103.4	132.0	107.7	101.4	115.0	108.4
December	103.6	98.0	122.8	105.6	92.6	106.7	104.7
2010							
March	104.9	100.5	122.9	106.1	92.5	109.9	106.6
June	105.6	102.2	120.9	104.2	95.8	109.9	108.2
September	105.4	100.6	116.4	103.1	99.2	111.1	108.7
December	101.2	95.8	107.4	102.6	92.9	103.9	104.3
2011							
March	100.6	97.1	106.1	101.6	94.0	102.0	103.0
June	99.6	97.2	101.8	101.7	91.4	99.3	102.3
September	99.5	98.1	101.9	100.9	96.8	99.0	100.0
December	101.2	100.4	101.6	100.2	101.8	99.7	102.4
2012							
March	98.4	99.6	97.3	98.7	99.7	99.1	97.1
June	100.8	101.8	99.3	100.2	101.8	102.1	100.5
September	99.5	99.5	98.1	100.2	100.4	101.9	98.1
December	99.2	99.2	96.5	100.9	100.7	101.1	97.2
2013							
March	99.1	99.5	97.5	100.5	99.8	100.9	97.4
June	100.2	103.0	98.6	99.5	102.3	104.1	98.0
September	105.1	110.7	104.2	101.0	111.3	109.4	102.7
December	103.9	110.4	102.2	100.6	109.6	107.6	100.7
2014							
March	107.0	116.0	104.6	100.6	114.9	111.5	104.4
June	105.3	114.9	102.8	100.4	110.9	107.8	102.5

(a) Index reference period: 2011–12 = 100.0.

IMPORT PRICE INDEX(a): Capital goods

BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES

<i>Period</i>	Capital goods total	<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>
2010–11	103.7	101.3	110.6	106.3	102.0	101.2	103.8
2011–12	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012–13	99.7	97.9	100.3	97.3	102.8	102.1	102.9
2013–14	105.4	104.9	107.0	100.5	115.0	102.7	112.1
2009							
September	116.8	110.1	136.4	122.3	117.2	107.1	121.9
December	109.1	104.6	123.8	114.2	106.2	100.7	112.7
2010							
March	109.5	105.8	123.3	113.6	108.3	103.0	108.7
June	108.4	104.3	122.9	112.4	109.8	98.4	111.5
September	109.5	106.3	122.0	113.3	110.7	101.7	109.7
December	104.2	101.6	111.1	107.0	101.9	102.5	104.1
2011							
March	102.2	99.9	107.9	104.3	99.9	100.9	102.6
June	98.8	97.4	101.4	100.5	95.5	99.5	98.8
September	98.5	98.3	99.9	98.2	95.9	98.9	99.1
December	101.1	101.3	101.8	102.7	100.9	98.4	101.0
2012							
March	99.3	99.4	97.7	98.6	99.4	102.0	98.6
June	101.1	101.1	100.6	100.5	103.8	100.8	101.4
September	100.4	98.4	101.2	99.7	102.4	102.4	103.3
December	99.9	98.8	100.4	97.6	102.8	101.4	101.7
2013							
March	99.0	97.3	98.8	95.3	102.8	103.0	102.5
June	99.3	96.9	100.7	96.5	103.2	101.7	104.1
September	105.3	104.9	108.3	102.1	103.1	102.0	112.1
December	104.8	104.4	105.4	99.8	116.2	102.8	110.4
2014							
March	107.6	106.9	109.1	103.0	122.4	103.5	115.2
June	104.0	103.4	105.3	96.9	118.1	102.5	110.8

(a) Index reference period: 2011–12 = 100.0.

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

BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES

<i>Period</i>	Intermediate and other merchandise goods total	<i>Intermediate and other goods total excluding non- monetary gold</i>	<i>Food and beverages, mainly for industry</i>	<i>Primary industrial supplies, n.e.s.</i>	<i>Fuels and lubricants</i>	<i>Parts for transport equipment</i>	<i>Parts for ADP equipment</i>	<i>Other parts for capital goods</i>	<i>Organic and inorganic chemicals</i>
2010–11	93.4	93.8	99.7	103.3	84.6	99.9	111.2	101.7	89.7
2011–12	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012–13	99.4	99.5	91.2	98.9	97.9	100.3	102.0	101.3	102.4
2013–14	106.5	107.6	99.8	106.5	107.7	107.1	110.7	109.8	105.5
2009									
September	91.4	93.9	94.2	97.4	74.4	103.4	138.0	113.4	109.1
December	88.6	90.1	90.6	94.5	74.3	98.5	123.5	107.1	103.2
2010									
March	88.4	89.6	92.4	97.1	73.8	100.1	123.2	106.3	88.4
June	91.9	92.5	91.3	106.1	78.5	102.6	123.6	106.2	86.7
September	92.9	93.4	96.6	99.9	77.4	103.1	123.8	106.8	92.0
December	90.0	90.1	95.9	101.6	76.9	99.7	111.6	101.6	87.6
2011									
March	93.7	94.2	99.3	105.7	87.2	99.3	108.2	100.9	87.7
June	97.1	97.6	106.8	106.0	96.8	97.6	101.0	97.6	91.3
September	97.3	97.1	104.0	102.2	94.4	97.8	99.3	98.4	97.7
December	100.1	99.9	103.1	101.3	99.7	100.3	101.6	100.8	94.9
2012									
March	100.0	100.1	96.8	94.7	100.9	100.2	97.8	99.5	100.0
June	102.6	102.9	96.1	101.8	104.9	101.7	101.3	101.3	107.3
September	98.6	98.6	93.5	98.0	95.6	100.0	101.9	100.5	103.6
December	99.8	99.5	91.9	99.0	97.5	100.3	101.8	100.8	108.0
2013									
March	100.2	100.3	89.8	100.5	101.8	99.9	100.9	101.0	98.2
June	98.8	99.5	89.6	97.9	96.7	100.8	103.5	102.9	99.9
September	105.7	106.6	96.6	106.2	104.5	106.6	111.6	110.4	104.5
December	105.4	106.6	94.9	103.1	107.6	105.5	108.8	108.6	101.5
2014									
March	109.2	110.4	103.9	109.6	111.9	109.3	113.6	111.9	107.7
June	105.5	106.6	103.6	107.1	106.6	107.0	108.9	108.3	108.2

(a) Index reference period: 2011–12 = 100.0.

BALANCE OF PAYMENTS BROAD ECONOMIC CATEGORIES *continued*

<i>Period</i>	<i>Paper and paperboard</i>	<i>Textile yarn and fabric</i>	<i>Iron and steel</i>	<i>Plastics</i>	<i>Processed industrial supplies, n.e.s.</i>	<i>Non- monetary gold</i>
2010-11	102.2	90.6	101.7	106.0	98.8	84.9
2011-12	100.0	100.0	100.0	100.0	100.0	100.0
2012-13	100.1	98.5	94.7	104.5	100.1	96.7
2013-14	105.9	106.1	98.2	114.1	106.8	87.6
2009						
September	114.3	88.9	101.8	112.7	102.0	69.6
December	108.8	83.5	92.1	108.6	96.2	73.3
2010						
March	108.0	85.7	95.2	109.0	96.7	74.8
June	105.1	89.8	97.0	116.4	99.0	82.7
September	105.9	94.5	106.5	115.7	101.9	83.1
December	104.3	87.8	98.2	101.8	97.2	84.8
2011						
March	100.5	88.7	99.8	102.2	98.1	84.5
June	98.1	91.5	102.3	104.4	98.0	87.2
September	100.2	96.2	101.4	100.3	98.5	99.7
December	101.6	101.7	102.2	101.2	99.7	102.9
2012						
March	97.9	101.4	99.2	97.1	100.3	98.9
June	100.4	100.7	97.3	101.5	101.6	98.5
September	98.6	98.5	96.2	102.0	100.3	98.2
December	100.2	98.5	94.9	103.0	100.3	102.6
2013						
March	99.9	97.7	93.1	105.3	98.8	97.6
June	101.7	99.2	94.6	107.7	100.8	88.3
September	107.8	108.5	101.3	112.6	107.5	90.1
December	104.4	105.9	100.3	111.8	105.1	85.2
2014						
March	106.8	106.4	97.1	117.3	108.7	89.6
June	104.6	103.6	94.0	114.6	105.8	85.6

(a) Index reference period: 2011-12 = 100.0.

EXPORT PRICE INDEX : ALL GROUPS INDEX NUMBERS & PERCENTAGE CHANGES

	Index Numbers (a)	% change from previous period	% change from corresponding quarter of previous year
index			
.....			
2010-11	95.9	19.3	..
2011-12	100.0	4.3	..
2012-13	90.0	-10.0	..
2013-14	93.3	3.7	..
2009			
September	76.8	-9.6	-20.7
December	75.5	-1.7	-32.7
2010			
March	78.4	3.8	-26.7
June	91.0	16.1	7.1
September	98.1	7.8	27.7
December	90.2	-8.1	19.5
2011			
March	94.8	5.1	20.9
June	100.6	6.1	10.5
September	104.5	3.9	6.5
December	103.0	-1.4	14.2
2012			
March	95.8	-7.0	1.1
June	96.7	0.9	-3.9
September	90.5	-6.4	-13.4
December	88.3	-2.4	-14.3
2013			
March	90.8	2.8	-5.2
June	90.5	-0.3	-6.4
September	94.3	4.2	4.2
December	93.8	-0.5	6.2
2014			
March	r96.4	r2.8	r6.2
June	88.8	-7.9	-1.9

.. not applicable

r revised

(a) Index reference period: 2011-12 = 100.0.

EXPORT PRICE INDEX, SITC contribution to all groups index

Category	CONTRIBUTION TO ALL GROUPS INDEX		CHANGE IN POINTS CONTRIBUTION
	March Quarter 2014	June Quarter 2014	March Qtr 2014 to June Qtr 2014
ALL GROUPS			
All groups	r96.4	88.8	-7.6
SITC SECTIONS			
0 Food and live animals	10.39	10.60	0.21
1 Beverages and tobacco	0.82	0.82	0.00
2 Crude materials, inedible, except fuels	r36.16	30.74	-5.42
3 Mineral fuels, lubricants and related materials	26.05	24.13	-1.92
4 Animal and vegetable oils, fats and waxes	0.21	0.21	0.00
5 Chemicals and related products n.e.s.	3.24	3.15	-0.09
6 Manufactured goods classified chiefly by material	6.21	6.24	0.03
7 Machinery and transport equipment	5.21	5.15	-0.06
8 Miscellaneous manufactured articles	2.04	1.99	-0.05
9 Commodities and transactions not classified elsewhere in the SITC	r6.02	5.77	-0.25

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Category	CONTRIBUTION TO ALL GROUPS INDEX		CHANGE IN POINTS CONTRIBUTION
	March Quarter 2014	June Quarter 2014	March Qtr 2014 to June Qtr 2014
	SITC DIVISIONS		
00 Live animals other than animals of division 03	0.41	0.43	0.02
01 Meat and meat preparations	3.09	3.17	0.08
02 Dairy products and birds' eggs	1.00	1.05	0.05
03 Fish, crustaceans, molluscs and aquatic invertebrates and preparations thereof	0.38	0.38	0.00
04 Cereals and cereal preparations	3.29	3.31	0.02
05 Vegetables and fruit	0.76	0.80	0.04
06 Sugars, sugar preparations and honey	0.61	0.57	-0.04
07 Coffee, tea, cocoa, spices and manufactures thereof	0.09	0.09	0.00
08 Feeding stuff for animals (not including unmilled cereals)	0.41	0.41	0.00
09 Miscellaneous edible products and preparations	0.37	0.40	0.03
11 Beverages	0.79	0.79	0.00
21 Hides, skins and furskins, raw	0.30	0.28	-0.02
22 Oil seeds and oleaginous fruits	0.80	0.75	-0.05
24 Cork and wood	0.34	0.35	0.01
26 Textile fibres and their wastes	2.09	2.02	-0.07
27 Crude fertilizers, other than those of division 56, and crude minerals(excluding coal, petroleum)	r0.43	0.43	0.00
28 Metalliferous ores and metal scrap	r32.00	26.72	-5.28
32 Coal, coke and briquettes	14.28	12.51	-1.77
33 Petroleum, petroleum products and related materials	5.11	5.00	-0.11
34 Gas, natural and manufactured	6.66	6.62	-0.04
41 Animal oils and fats	0.14	0.15	0.01
51 Organic chemicals	0.09	0.08	-0.01
52 Inorganic chemicals	0.31	0.30	-0.01
53 Dying, tanning and colouring materials	0.27	0.26	-0.01
54 Medical and pharmaceutical products	1.54	1.51	-0.03
57 Plastics in primary forms	0.15	0.15	0.00
58 Plastics in non-primary forms	0.12	0.12	0.00
59 Chemical materials and products, n.e.s.	0.40	0.38	-0.02
61 Leather, leather manufactures, n.e.s., and dressed furskins	0.08	0.08	0.00
62 Rubber manufactures	0.08	0.07	-0.01
64 Paper, paperboard, and articles of paper pulp, of paper or of paperboard	0.32	0.32	0.00
66 Non-metallic mineral manufactures, n.e.s.	0.34	0.33	-0.01
67 Iron and steel	0.52	0.52	0.00
68 Non-ferrous metals	4.36	4.41	0.05
71-75 Power generating, general industrial and other specialised machinery and equipment	2.47	2.43	-0.04
76-77 Telecommunications equipment, sound recording apparatus and electrical machinery, n.e.s.	1.01	1.04	0.03
78 Road vehicles (incl. air-cushion vehicles)	1.12	1.08	-0.04
79 Other transport equipment	0.60	0.59	-0.01
81-82 Prefabricated buildings and furniture and parts thereof	0.08	0.08	0.00
87 Professional, scientific and controlling instruments and apparatus, n.e.s.	0.82	0.80	-0.02
88 Photographic apparatus, equipment and supplies and optical goods, n.e.s.	0.10	0.10	0.00
89 Miscellaneous manufactured articles, n.e.s.	r0.91	0.89	-0.02
97 Gold, non-monetary (excluding gold ores and concentrates)	5.35	5.14	-0.21

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EXPORT PRICE INDEX(a): SITC sections

<i>Period</i>	<i>Food and live animals (0)</i>	<i>Beverages and tobacco (1)</i>	<i>Crude materials, inedible, except fuels (2)</i>	<i>Mineral fuels, lubricants and related materials (3)</i>	<i>Animal and vegetable oils, fats and waxes (4)</i>	<i>Chemicals and related products, n.e.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>
2010-11	98.2	104.1	101.5	87.4	107.5	94.9	105.9	100.9	103.8	85.9
2011-12	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012-13	98.5	106.0	86.4	84.5	93.4	102.6	95.0	101.9	96.6	95.5
2013-14	106.1	109.2	92.7	84.2	97.5	104.7	99.5	108.0	104.9	86.8
2009										
September	89.5	112.7	65.5	68.9	86.7	89.4	93.9	109.3	118.8	70.3
December	84.8	110.0	64.5	67.6	88.8	88.1	92.6	104.9	112.3	74.2
2010										
March	90.2	110.0	68.3	69.3	78.4	89.8	99.3	105.4	108.7	75.1
June	92.6	110.1	93.5	80.8	89.1	91.6	105.0	106.6	112.4	83.5
September	93.6	107.6	105.8	91.6	94.8	94.3	104.1	105.6	107.8	84.4
December	95.7	105.3	92.3	79.4	110.5	93.2	103.8	100.2	103.4	85.3
2011										
March	100.4	105.8	99.6	84.5	118.3	96.0	108.3	100.3	103.1	85.4
June	103.1	97.7	108.1	94.0	106.3	96.2	107.2	97.3	100.8	88.5
September	102.1	100.5	108.8	103.4	104.6	97.5	106.6	98.7	101.0	100.7
December	102.6	100.6	103.8	104.5	103.9	98.9	98.7	99.5	101.5	103.3
2012										
March	98.0	98.1	92.6	95.6	94.0	101.2	98.3	99.6	98.5	98.9
June	97.3	100.7	94.9	96.6	97.5	102.4	96.4	102.2	99.0	97.2
September	97.0	105.4	83.8	91.0	92.7	102.6	92.2	100.3	96.3	96.9
December	99.9	105.7	80.9	84.2	84.0	102.3	95.5	100.6	96.6	100.9
2013										
March	98.1	106.0	90.3	81.3	97.9	102.6	97.1	102.1	96.5	96.2
June	99.1	107.0	90.5	81.6	98.8	102.7	95.1	104.7	96.9	87.8
September	104.8	108.9	94.9	84.8	100.3	104.4	98.5	107.2	102.8	89.7
December	103.8	105.8	96.4	83.3	95.2	104.4	97.0	107.5	104.8	84.6
2014										
March	106.8	111.3	97.0	87.5	97.2	106.5	100.9	109.3	107.5	88.3
June	108.9	110.9	82.5	81.1	97.3	103.5	101.4	108.1	104.5	84.5

r revised

(a) Index reference period: 2011-12 = 100.0.

BALANCE OF PAYMENTS CLASSIFICATION OF EXPORTS

<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>
2010–11	95.0	101.2	98.6	89.2	92.0
2011–12	100.0	100.0	100.0	100.0	100.0
2012–13	97.1	98.8	101.4	86.3	95.8
2013–14	105.2	109.5	105.0	89.9	106.0
2009					
September	84.8	91.8	98.2	61.5	82.5
December	81.4	85.8	90.0	65.6	80.1
2010					
March	85.4	91.2	87.6	74.9	84.4
June	88.2	96.2	87.6	73.2	88.3
September	90.2	99.9	88.8	73.2	90.3
December	91.7	96.2	96.8	78.1	90.5
2011					
March	97.0	103.7	102.5	96.0	91.7
June	101.2	105.1	106.3	109.3	95.4
September	103.2	96.7	109.4	112.2	101.8
December	101.5	101.0	101.3	99.7	102.1
2012					
March	98.0	102.3	94.5	96.0	98.0
June	97.2	100.1	94.7	92.0	98.1
September	95.1	100.3	95.4	84.4	94.5
December	97.1	98.2	105.1	80.8	95.4
2013					
March	97.4	98.4	101.9	90.0	95.6
June	98.6	98.2	103.0	90.1	97.8
September	104.5	102.2	109.1	89.5	105.8
December	103.5	105.0	103.7	90.6	104.8
2014					
March	105.9	113.9	103.3	92.7	106.0
June	106.8	116.9	104.0	86.7	107.4

(a) Index reference period: 2011–12 = 100.0.

BALANCE OF PAYMENTS CLASSIFICATION OF EXPORTS

<i>Period</i>	<i>Non-rural goods total (excl. non-monetary gold)</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other mineral fuels</i>	<i>Metals (excl. non-monetary gold)</i>	<i>Machinery</i>	<i>Transport equipment</i>	<i>Other manufactures</i>	<i>Other non-rural</i>	<i>Non-monetary gold</i>
2010–11	97.1	103.8	90.0	82.9	108.2	101.2	100.5	99.4	97.4	84.9
2011–12	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2012–13	88.5	85.9	77.2	98.1	94.2	101.6	102.1	96.9	93.6	95.9
2013–14	91.9	91.8	69.0	113.8	98.0	108.9	106.9	102.8	93.8	86.6
2009										
September	76.0	65.1	72.5	64.2	95.6	109.0	111.5	97.0	88.1	69.6
December	74.4	63.7	67.5	67.1	94.0	105.4	105.4	95.0	88.3	74.0
2010										
March	77.3	67.3	66.4	71.9	100.9	106.2	105.3	96.5	96.7	74.7
June	92.1	95.9	82.6	78.0	106.6	106.8	107.5	99.9	96.6	82.7
September	100.8	109.7	96.9	81.2	105.5	105.8	105.4	100.3	93.5	83.0
December	90.3	94.4	81.5	76.1	106.4	100.8	99.5	97.7	94.4	84.7
2011										
March	95.4	101.4	84.5	85.7	111.3	100.5	100.2	99.9	100.4	84.4
June	101.7	109.7	97.0	88.7	109.5	97.7	97.0	99.8	101.1	87.3
September	105.1	109.1	106.1	98.7	107.5	99.1	98.0	101.9	101.4	100.3
December	103.2	104.2	107.1	100.0	98.3	99.3	100.0	100.8	104.4	103.3
2012										
March	95.1	92.1	94.9	96.7	98.7	99.4	100.1	97.6	95.6	99.2
June	96.6	94.6	92.0	104.6	95.5	102.2	102.0	99.7	98.6	97.2
September	89.3	83.3	86.4	98.9	90.8	100.4	99.8	95.7	95.4	97.5
December	85.9	79.8	77.6	96.1	95.2	100.3	100.9	96.1	94.0	102.0
2013										
March	89.3	90.3	73.2	96.4	96.9	102.0	101.6	97.4	91.5	96.7
June	89.4	90.1	71.4	100.8	93.7	103.6	106.2	98.2	93.4	87.5
September	93.0	94.2	73.1	107.2	97.0	105.9	110.1	102.5	94.1	89.6
December	93.0	96.3	70.4	108.2	95.2	108.1	106.8	101.8	92.4	84.2
2014										
March	r95.5	r96.5	70.6	120.6	99.4	111.0	106.6	105.1	r96.2	88.0
June	86.2	80.0	61.8	119.1	100.5	110.4	103.9	101.9	92.5	84.4

r revised

(a) Index reference period: 2011–12 = 100.0.

EXPLANATORY NOTES

INTRODUCTION

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

2 The indexes are calculated on the index reference period 2011–12 = 100.0.

SCOPE

3 The import price index excludes the following items (representing less than 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
- railway vehicles
- 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). The SITC (Revision 4) used from the September quarter 2008 onwards is the United Nations' updated version, replacing SITC (Revision 3). SITC (Revision 4) retains the overall structure of SITC (Revision 3) and consists of the same number of sections, divisions and groups. Changes to the classification labels and components were made at levels lower than those used in the import and export prices indexes. As a result, there has been no material impact on the indexes, which remain comparable across the changes in classification.

6 The import price index is also presented by Balance of Payments Broad Economic Categories in tables 4–6, which have been disaggregated into balance of payments groupings of consumption goods, capital goods and intermediate and other merchandise goods. From the September quarter 2008 onwards, the previous heading of Classification of Broad Economic Categories (BEC) End Use, has been replaced with Balance of Payments Broad Economic Categories. This is simply a name change, with the series remaining comparable to previously published series.

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

ITEMS AND WEIGHTS

8 The import price index and export price index are annually reweighted chained Lowe indexes. This method of weighting was introduced for the September quarter 2000 and replaced the 'fixed-base' method of weighting in which the weighting patterns were 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 2012–13. This differs slightly from the export price index which has used the average value of export items during 2011–12 and 2012–13, due to the greater volatility associated with the value of export items. These weights were revalued to reflect link period (June quarter 2013) price levels. This means, for example, that the weights for the import price index are effectively determined using quantities from 2012–13 and prices from the June quarter 2013. Indexes derived by using the new weights for the September quarter 2013 were then linked to the already published June quarter 2013 (link period) levels which were derived using the previous series weights. Using this methodology, long-term chain

EXPLANATORY NOTES *continued*

ITEMS AND WEIGHTS *continued*

linked series can be constructed over time on a consistent reference base for continuity and user convenience, but using annually refreshed weights. From the September quarter 2012, the index reference period for each index series is 2011–12 = 100.0 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 2012–13 for imports and 2011–12 and 2012–13 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 where prices are likely to move in a similar way.

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. As noted, imports are priced on a country of origin basis. Therefore the exchange rates applied are impacted by the differences between the date of transaction (ownership change) and the shipping time from the country of origin to Australia.

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. The ABS has access to a rich source of international merchandise trade data and selectively uses average unit values in the export price index to augment specification pricing. Imported commodities are typically

EXPLANATORY NOTES *continued*

PRICE MEASUREMENT *continued*

more stable in price, but non-homogenous in character and generally do not lend themselves to measurement by average unit value.

DIFFERENCES BETWEEN EPI AND EXPORT IPD

17 There are differences between the export price index (EPI) presented in this publication, and the export implicit price deflator (IPD) presented in *National Income, Expenditure and Product* (cat. no. 5206.0) and *Balance of Payments and International Investment Position* (cat. no. 5302.0). The differences are mainly due to the index methodology (fixed basket price index for the EPI, whereas the IPD is a quarterly weighted index, which includes price change and compositional change from period to period), the completeness of the dataset used and the source of the data. Further, the EPI is calculated from predominantly sampled businesses, whereas the export IPD is calculated from predominantly international merchandise trade data supplied by Customs. These differences can result in significant divergences between the measures when prices of commodities, which form a large proportion of exports, are volatile.

INDEX NUMBERS

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

ANALYSIS OF INDEX CHANGES

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

20 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:

June quarter 2014	88.8 (see table 7)
less March quarter 2014	90.5 (see table 7)
Change in index points	-1.7
Percentage change	$-1.7/90.5 \times 100 = -1.9\%$

21 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, exports of mineral fuels, lubricants and related materials contributed 24.13 index points to the All groups export price index number of 88.8 for the June quarter 2014 and -1.92 index points to the decrease of 7.6 index points between the March 2014 and June 2014 quarters.

EXPLANATORY NOTES *continued*

FURTHER INFORMATION

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

- Information Paper: Producer and International Trade Price Indexes; Concepts, Sources and Methods 2006* (cat. no. 6429.0)
- Information Paper: Changes to Time Series Spreadsheets for Producer Price Indexes, Australia, Feb 2006* (cat. no. 6427.0.55.001)
- Information Paper: Update on ANZSIC 2006 Implementation for Producer and International Trade Price Indexes, Australia, 2009* (cat. no. 6427.0.55.002)
- Information Paper: Review of the Producer and International Trade Price Indexes, 2011* (cat. no. 6427.0.55.003)
- Information Paper: Outcome of the Review of the Producer and International Trade Price Indexes, 2012* (cat. no. 6427.0.55.004)
- Information Paper: Implementation of the Review of the Producer and International Trade Price Indexes, 2012* (cat. no. 6427.0.55.005)
- 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

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

- Producer Price Indexes, Australia* (cat. no. 6427.0)
- Consumer Price Index, Australia* (cat. no. 6401.0)
- Wage 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)

24 Current publications and other products released by the ABS are listed on the ABS website <<http://www.abs.gov.au>>. The ABS also issues a daily *Release Advice* on the website which details products to be released in the week ahead.

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
- IPD implicit price deflator
- n.e.c. not elsewhere classified
- n.e.s. not elsewhere specified
- SITC Standard International Trade Classification

APPENDIX UPDATE ON 2012 REVIEW COMMITMENTS

COMPLETE/NEARING COMPLETION

The Producer Price Index (PPI) and International Trade Price Index (ITPI) 2012 Review commitments that are complete or nearing completion:

- From the September quarter 2012, the indexes represent an industry, rather than a product (primary to an industry) view.
- From the September quarter 2012, the ABS re-weighted the individual PPIs and SOP indexes based on the latest available Input-Output (I-O) tables (i.e. in respect of 2007–08). The Stage of Production (SOP) indexes are now classified according to the Australian and New Zealand Standard Industrial Classification, (ANZSIC) 2006 edition (cat. no. 1292.0).
- From the September quarter 2012, the ABS has increased the collection of price observations in the third month of the reference quarter to ensure full quarter coverage.
- The ABS has delayed the timing of the PPI and ITPI publication releases by nine working days, aligning with the National Accounts and Balance of Payments input deadlines.
- The ABS fully incorporated the use of the Export Price Indexes (EPIs) and the Import Price Indexes (IPIs) (i.e. the ITPIs) in the compilation of the National Accounts and the Balance of Payments chain volume measures (CVMs).
- The ABS harmonised the index reference periods for PPIs (including the SOP indexes), ITPIs and the Consumer Price Index. These series are presented on an index reference period of 2011–12 = 100.0.
- The ABS adopted 2008 System of National Accounts (SNA) terminology when referencing indexes that align with the 2008 SNA. This resulted in some changes to PPI series titles, details of which appear in the outcomes paper.
- The ABS PPIs for retail trade margins commenced on 25 February 2014.
- The ABS PPIs will continue to support the compilation of the National Accounts and Balance of Payments.
- The ABS will continue to improve the coverage of the PPIs in line with the 2008 SNA I-O framework by progressively developing new price indexes, in line with the priorities detailed in the review.
- The ABS will increase the frequency of re-weighting the PPIs in line with international recommendations to update weights at a minimum of once every five years. The ABS is undertaking additional research to firm up the possibility for more frequent PPI re-weighting. The schedule of release of the National Accounts I-O tables will influence this outcome. The re-weighting frequency of the ITPIs will remain annual.
- The services prices index development program will continue to improve the coverage of the PPIs and ITPIs to reflect the contribution of services to the economy.
- Price indexes for Construction; Transport, Postal and Warehousing; and Information Media and Telecommunications products are currently under development.
- The ABS will provide further clarification on the concept of the SOP indexes in the Explanatory Notes of the publication *Producer Price Indexes, Australia* (cat. no. 6427.0) and within an updated *Producer and International Trade Price Indexes: Concepts, Sources and Methods* publication, which will be released on 20 August 2014.

DEFERRED

The PPI and ITPI 2012 Review commitments that are deferred pending ABS 2017 outcomes:

- Due to the timing of input data receipt from survey respondents, the current period retail trade margins data will not be available to be incorporated in the suite of PPIs for publication at the same time as all other PPIs. The ABS is exploring options for a more timely inclusion of retail trade margins price indexes.

DEFERRED *continued*

- The introduction of a new computer system will allow the coverage of the PPIs to include non-market price indexes.
- The ABS will broaden the scope of the ITPIs to include International Trade in Services. The ITPIs will change to being aggregated using weights aligned with Balance of Payments and International Investment Position Manual, sixth edition (BPM6) concepts.
- It is the aim of the ABS that the PPIs and ITPIs are able to be revised to accommodate improved data in subsequent quarters. To minimise the impact on those who use the indexes for contract indexation, once revised, indexes will be considered final (barring significant error and respondent corrections). The time period that the statistics will remain open to revision is subject to further investigation. The revisions strategy is dependent on the development and implementation of a new computer system, which is reliant on ABS 2017 outcomes.

FOR MORE INFORMATION . . .

INTERNET **www.abs.gov.au** the ABS website is the best place for data from our publications and information about the ABS.

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