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EXPORT PRICE INDEX, AUSTRALIA, OCTOBER 1990

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• *about these statistics and the availability of related unpublished statistics* — contact Peter Cordy on Canberra (06) 252 5541 or any ABS State office.

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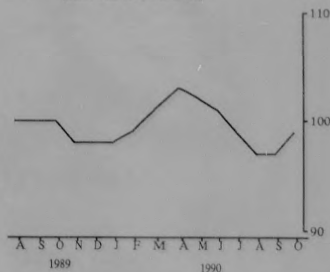
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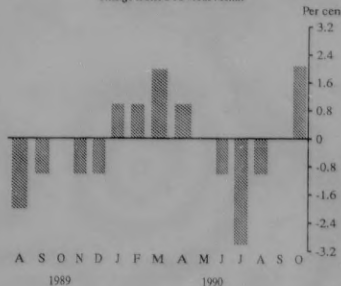
MAIN FEATURES

	Change between—	
	Sept. 90 and Oct. 90	Oct. 89 and Oct. 90
All groups	% +2.1	% —
AHECC Sections		
01 Live animals, animal products	+1.1	-6.9
02 Vegetable products	-2.4	-18.0
04 Prepared food stuffs	+1.1	-5.0
05 Mineral products	+5.6	+15.2
06 Products of chemical or allied industries	+4.0	+10.5
11 Wool and cotton fibres	-3.4	-15.2
14 Gold, diamonds and coin	+2.1	+2.1
15 Base metals and articles of base metals	+1.0	-4.8
16 Machinery and mechanical appliances	+2.0	+1.0
17 Motor vehicles, aircraft and vessels	+1.0	+3.1

ALL GROUPS INDEX
Index Numbers
(Base: Year 1989-90 = 100)



Change from Previous Month



The All groups index increased by 2.1 per cent (+2 index points) in October 1990.

Petroleum products continued to increase significantly in October (contributing +1.3 index points) reflecting higher world prices for crude oil. Increases for chemicals and aluminium products also contributed significantly (contributing +0.6 index points) to the overall increase.

Approximately one third of the items included in the index recorded price decreases. The most significant decreases were for textile fibres (contributing -0.5 index points), reflecting lower wool and cotton prices.

The All groups index was unchanged between October 1989 and October 1990.

NOTE: Explanatory Notes are published at the back of this publication.

TABLE 1. EXPORT PRICE INDEX
(Base of each index : Year 1989-90 = 100)

Period	AHECC Section										
	All groups	Live animals, animal products (01)	Vegetable products (02)	Prepared foodstuffs (04)	Mineral products (05)	Products of chemical or allied industries (06)	Wool and cotton fibres (11)	Gold, diamonds and coin (14)	Base metals and articles of base metals (15)	Machinery and mechanical appliances (16)	Motor vehicles, aircraft and vessels (17)
1989-90	100	100	100	100	100	100	100	100	100	100	100
1989-90—											
August	100	101	101	96	99	97	101	97	106	100	102
September	99	102	100	96	99	100	96	94	108	100	102
October	99	102	100	100	99	95	99	95	104	100	98
November	98	101	99	96	97	94	100	101	102	100	98
December	97	101	99	97	97	93	100	105	98	100	98
January	98	98	100	104	98	94	99	104	93	99	99
February	99	96	102	101	99	99	99	109	90	100	100
March	101	99	104	102	101	107	100	105	95	100	100
April	102	100	101	102	104	105	101	100	100	100	99
May	102	100	99	105	104	107	103	98	97	100	101
June	101	99	94	99	103	106	100	92	96	100	100
1990-91—											
July	98	98	90	105	103	104	88	94	96	99	100
August	97	96	88	103	107	101	84	98	95	99	100
September p	97	94	84	94	108	101	87	95	98	99	100
October p	99	95	82	95	114	105	84	97	99	101	101
PERCENTAGE CHANGE											
Change from corresponding month of previous year											
1989-90—											
August	-3.0	-5.0	-12.9	+7.3	+8.1	+4.1	-16.8	+1.0	-10.4	+1.0	-2.0
September	-2.0	-7.8	-16.0	-2.1	+9.1	+5.2	-13.0	+1.1	-9.3	+1.0	-2.0
October	—	-6.9	-18.0	-5.0	+15.2	+10.5	-15.2	+2.1	-4.8	+1.0	+3.1
Change from previous month											
1989-90—											
August	-2.0	-1.0	-1.0	-6.8	-1.0	-10.2	+1.0	-3.0	-6.2	—	—
September	-1.0	+1.0	-1.0	—	—	-1.0	-1.0	-3.1	+1.9	—	—
October	—	—	—	+4.2	—	-1.0	-1.0	+1.1	-3.7	—	-3.9
November	-1.0	-1.0	-1.0	-4.0	-2.0	-1.1	+1.0	+6.3	-1.9	—	—
December	-1.0	—	—	+1.0	—	-1.1	—	+4.0	-3.9	—	+1.0
January	+1.0	-3.0	+1.0	+7.2	+1.0	+1.1	-1.0	-1.0	-5.1	-1.0	—
February	+1.0	-2.0	+2.0	-2.4	+1.0	+5.3	—	+4.8	-3.2	+1.0	+1.0
March	+2.0	+3.1	+2.0	+1.0	+2.0	+8.1	+1.0	-3.7	+5.6	—	—
April	+1.0	+1.0	-2.9	—	+3.0	-1.9	+1.0	-4.8	+5.3	—	-1.0
May	—	—	-2.0	+2.9	—	+1.9	+2.0	-2.0	-3.0	—	+2.0
June	-1.0	+1.0	-5.1	-5.7	-1.0	-0.9	-2.9	-6.1	-1.0	—	-1.0
1990-91—											
July	-3.0	-1.0	-4.3	+6.1	—	-1.9	-12.0	-2.2	—	-1.0	—
August	-1.0	-2.0	-2.2	-1.9	+3.9	-2.9	-4.5	+4.3	-1.0	—	—
September p	—	-2.1	-4.5	-8.7	+0.9	—	+3.6	-3.1	+3.2	—	—
October p	+2.1	+1.1	-2.4	+1.1	+5.6	+4.0	-3.4	+2.1	+1.0	+2.0	+1.0

TABLE 2. EXPORT PRICE INDEX — INDEX POINTS CONTRIBUTION TO ALL GROUPS INDEX(a)

<i>Code and Description</i>	<i>September 1990</i>	<i>October 1990</i>	<i>Change</i>
<i>ALL GROUPS</i>	97	99	+2
<i>AHECC SECTIONS</i>			
01 Live animals, animal products	8.3	8.4	+0.1
02 Vegetable products	7.4	7.2	-0.2
04 Prepared foodstuffs	4.1	4.2	+0.1
05 Mineral products	28.8	30.4	+1.6
06 Products of chemical or allied industries	7.5	7.8	+0.3
11 Wool and cotton fibres	11.7	11.2	-0.5
14 Gold, diamonds and coin	6.7	6.9	+0.2
15 Base metals and articles of base metals	11.8	11.9	+0.1
16 Machinery and mechanical appliances	4.4	4.4	—
17 Motor vehicles, aircraft and vessels	2.1	2.1	—
<i>SELECTED ASIC SUBDIVISIONS</i>			
01 Agriculture	19.4	18.7	-0.7
11 Metallic minerals	11.2	11.4	+0.2
12 Coal	10.8	10.9	+0.1
21 Food, beverages and tobacco	11.4	11.6	+0.2
27 Chemical, petroleum and coal products	13.0	14.1	+1.1
29 Basic metal products	11.8	11.9	+0.1
32 Transport equipment	2.1	2.1	—

(a) For an explanation of this table see paragraph 14 of the Explanatory Notes.

TABLE 3. INDEX NUMBERS FOR SELECTED DIVISIONS AND SUBDIVISIONS OF THE AUSTRALIAN STANDARD INDUSTRIAL CLASSIFICATION (ASIC)
(Base of each index : Year 1989-90 = 100)

<i>Period</i>	<i>Agriculture (A)</i>	<i>Metallic minerals (11)</i>	<i>Coal (12)</i>	<i>Mining (8)</i>	<i>Food, beverages and tobacco (21)</i>	<i>Chemical, petroleum and coal products (27)</i>	<i>Manufacturing (C)</i>
1989-90	100	100	100	100	100	100	100
<i>1989-90—</i>							
August	101	98	98	98	100	97	101
September	100	98	99	98	99	98	100
October	100	98	99	98	100	99	100
November	99	95	98	96	99	97	98
December	99	95	98	96	100	97	98
January	99	95	98	96	101	104	98
February	100	96	100	98	98	108	98
March	101	99	101	100	99	104	101
April	100	109	101	106	100	103	102
May	100	110	102	107	100	101	101
June	97	110	103	108	98	98	100
<i>1990-91—</i>							
July	88	109	101	106	99	97	99
August	84	108	100	105	97	119	99
September p	85	105	99	104	92	126	99
October p	82	107	100	108	94	136	102

EXPLANATORY NOTES

Introduction

This publication contains the Export Price Index on the reference base 1989-90 = 100. The September 1990 issue of this publication contains a more detailed description of the index. A detailed description of previous Export Price Indexes is contained in *Year Book Australia No. 55, 1969, pages 256-7* and in *Year Book Australia No. 58, 1972, pages 240-2* and in the July 1979 issue of this publication.

Scope of the index

2. The Export Price Index measures changes in prices of all exports of merchandise from Australia. It includes re-exports of merchandise (that is, goods which are imported into Australia and exported at a later date without physical transformation). The index numbers for each month relate to prices of those exports of merchandise that are physically shipped from Australia during that month.

Items and weights

3. The index is a *fixed weights index*. The index items, i.e. the commodities directly represented in the index, were selected on the basis of their export values in 1988-89. They constituted approximately 95 per cent of the total value of exports of merchandise from Australia in that year. The selected items were allocated weights in accordance with the average value of exports for each item in 1988-89. These weights were then revalued to reflect 1989-90 price levels. Many of the items carry not only their own weight but also the weight of unpriced commodities whose prices are considered to move in a similar manner. Full details of the weighting pattern of the Export Price Index, i.e. the percentage contributions for index items and groups, are contained in the September 1990 issue of this publication.

Classification

4. The selected items have been combined into broad index groups in two ways. Table 1 contains index numbers and percentage changes for groups based on selected Sections of the *Australian Harmonized Export Commodity Classification (AHECC)* (1233.0). Table 3 contains index numbers on an industry of origin basis for groups based on the Divisions (1 digit) and selected Subdivisions (2 digit) of the 1983 edition of the *Australian Standard Industrial Classification (ASIC)* (1201.0). These groups have been formed by allocating each of the index items to its industry of origin (e.g. Agriculture, forestry and fishing; Mining; and Manufacturing).

5. The *industry of origin* is the industry in which the exported commodity is *primarily produced*, determined in accordance with the classification rules of the ASIC. It is therefore not necessarily identical with the industry from which the export transactions are actually made. For

instance, many exports are made by traders or by marketing authorities, but these exports are classified to the appropriate producing industries, rather than to the wholesale trading industries from which they are actually exported.

Prices

6. In general, prices are obtained from major exporters of the selected items included in the index. The point of pricing for the Export Price Index is the point at which the goods physically leave Australia, i.e. prices are on the basis f.o.b. at main Australian ports of export.

7. As the prices used in the index 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 sold in currencies other than Australian dollars. Where exports are sold at prices expressed in terms of a foreign currency and forward exchange cover is used, the prices used in the index EXCLUDE forward exchange cover.

8. The price series used relate to specified standards, grades, types, etc. of each commodity with the aim of incorporating in the index price changes for exports of representative goods of constant quality. Wherever possible, prices to predominant export markets are used for each of the specified goods priced, in order to lessen the impact of price variations attributable solely to changes, over time, in market destinations. In most cases prices are combined using fixed weights between markets. Weights between markets are reviewed from time to time and revised where necessary.

Index numbers

9. Index numbers for financial years are simple averages of monthly index numbers.

10. Index numbers for the current month and the previous month are preliminary and subject to revision. However, from time to time, index numbers for earlier months may be revised. This will occur whenever the ABS discovers that prices previously reported by respondents are incorrect and corrected prices are obtained. It can also occur for those exports where some data used in compiling the index numbers has been estimated (e.g. export market combining weights). When final data becomes available, index numbers are revised as far back as necessary.

Analysis of index changes

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

12. 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:

All groups index numbers—

July 1990	98 (see Table 1)
less June 1990	101 (see Table 1)
Change in index points	-3
Percentage change =	$\frac{-3}{101} \times 100 = -3.0\%$

13. In this publication percentage changes are shown in respect of movements between:

- corresponding months of consecutive years
- consecutive months.

14. Table 2 provides an analysis of the contribution which selected categories of exports make to the total All groups index. For example, food and live animals contributed +8.4 index points to the total All groups index number of 99 in October 1990 and +0.1 index points to the net change of +2.0 index points in the All groups index number for that month.

Related publications

15. Users may also wish to refer to the following publications which are available on request:

Import Price Index, Australia (6414.0)—issued quarterly

Price Indexes of Articles Produced by Manufacturing Industry, Australia (6412.0)—issued monthly

Price Indexes of Materials Used in Manufacturing Industries, Australia (6411.0)—issued monthly

Balance of Payments, Australia (5302.0)—issued quarterly.

16. Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays,

a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Unpublished Statistics

17. As well as the statistics included in this and related publications, the ABS has a large range of other relevant unpublished data available. Inquiries should be directed to the contact in the Phone Inquiries box at the front of this publication.

Symbols and other usages

- p preliminary, series subject to revision
- r figures revised since previous issue
- nil or rounded to zero

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