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MONTHLY INDEX OF AUSTRALIAN EXPORT PRICES - OCTOBER, 1950.

1. The monthly export price index-numbers for October, 1950 together with comparative figures for earlier periods, have been issued by the Commonwealth Statistician (Dr. Roland Wilson).

2. Two series of index-numbers are provided - one on fixed weights, the other on changing weights. Each takes account of 20 items, which constitute at present about 80 per cent of the total value of exports of merchandise and silver together with gold production.

3. All export parities are calculated from price quotations from the most reliable and representative sources available. In most cases the prices used are those at which current sales are being effected. For some metals, however, the prices are the average value of current realizations in various markets and hence show some irregularity.

In respect of wheat, during 1948 it became impossible to determine "prices at which current sales are being effected" because a very large proportion of exportable wheat was being sold forward on long-term contracts and at widely differing prices. In August, 1949 export sales of wheat became subject to the International Wheat Agreement, under which maximum and minimum export prices are fixed for a specified quota of wheat. Wheat in excess of the quota is sold on the open market at contract prices. A new series of wheat prices was introduced into the index in June, 1948 to meet the effect of the practice of selling on contract. This is based on average actual realizations for current shipments and, for comparability, the price index of wheat and the aggregate index were revised on this basis as from July, 1945. Immediately prior to devaluation of the £ on 19th September, 1949 the Australian equivalent of the maximum price for International Wheat Agreement wheat was 11s.2d. per bushel. This maximum then rose to 16s. 1d., but this change and the corresponding change in the price of other wheat did not immediately affect realizations for current shipments.

In respect of wool, an average monthly "price at which current sales are being effected" can be determined during the selling season which usually extends from September to June.

I. THE SIMPLE AGGREGATIVE INDEX : FIXED WEIGHTS

4. The "quantity multipliers" used for this series for the period 1928-36 were the average annual exports (or production, in the case of gold) during the five years 1928-29 to 1932-33. Since July, 1936 these multipliers have been recalculated on the basis of average annual exports (production, in the case of gold) during the three years 1933-34 to 1935-36. A summary of the movements in this index is given in the following table, the base of the index-numbers being the average of the three years ended June, 1939 = 1000.

Indexes are also given for individual commodities and certain groups thereof. The percentage distribution of these groups in the aggregates of the "All Groups" indexes for the base period (1936-37 to 1938-39) is shown at the head of the table and represents the proportional contribution of each to the "All Groups" indexes for all periods from 1936-37. Thus, the equivalence in "points" of any percentage variation in the 'group' etc., indexes, when multiplied by the percentage at the head of its column will give the number of "points" by which the "All Groups" index would be varied. Those of line (f) are applicable to the "All Groups (inclusive of Gold)" and of line (g) to the "All Groups (exclusive of Gold)" indexes.

5. Compared with the year 1949-50 the combined index (including gold) for October, 1950 increased by 56 per cent, and is 617 per cent higher than for the year 1938-39.

Individual group indexes for October, 1950 compared with group indexes for the year 1949-50 show percentage changes as follows:- Wool +88; Wheat +5; Butter nil; Metals +62; Meats +2; Sugar +7; Dried Fruits +6; Tallow -12; Hides +39 and Gold +7.

EXPORT PRICE INDEX

INDIVIDUAL COMMODITIES, GROUPS AND ALL GROUPS COMBINED

(Base of each Section - Average of 3 years ended June, 1939 = 1000)

Period	Wool	Wheat (a)	Butter (b)	Metals (c)	Meats (c)	Sugar	Dried Fruits (d)	Tallow	Hides (e)	Gold	All Groups	
											Excl. Gold	Incl. Gold
(f) =	45.63	17.06	11.36	6.83	6.63	2.40	1.81	.64	.66	6.98	-	100.00
(g) =	49.05	18.34	12.21	7.34	7.13	2.58	1.94	.69	.72	-	100.00	-
1928-29	1244	1168	1263	1765	1051	1256	564	1409	1356	479	1205	1172
1936-37	1218	1234	915	1196	978	1035	1025	1217	1129	988	1156	1144
1937-38	989	1110	1074	962	1066	925	1034	1002	999	982	1025	1022
1938-39	793	656	1011	842	956	1040	949	781	872	1030	819	834
1939-40	978	819	1077	918	1022	1255	943	762	1202	1184	964	980
1940-41	1013	1016	1095	945	1032	1370	953	817	975	1214	1026	1039
1941-42	1013	1045	1095	1005	1092	1372	1058	1139	1325	1201	1047	1058
1942-43	1165	1055	1140	1004	1122	1519	1116	1192	1447	1188	1137	1141
1943-44	1165	1155	1140	1127	1132	1585	1207	1231	1514	1188	1170	1171
1944-45	1165	1536	1474	1286	1218	1715	1282	(m) 1514	1474	1204	1304	1297
1945-46	1165	2130	1474	1956	1234	2130	1375	(m) 1608	1518	1223	1477	1459
1946-47	1734	3046	1734	3076	1393	2644	1523	(m) 3614	3344	1223	2087	2027
1947-48	2872	4195	1935	3723	1464	3203	1566	(m) 4365	3643	1223	2955	2834
1948-49	3649	4134	2330	4781	1706	3426	1619	(m) 4986	4206	1223	3481	3324
1949-50	4727	4002	2504	4212	1969	3694	1762	(m) 4000	4792	1644	3994	3830
1948-49												
Oct.	3281	4429	2330	4728	1757	3402	1572	(m) 5110	3847	1223	3352	3204
Nov.	3658	4382	2330	4687	1757	3402	1572	(m) 5110	4186	1223	3529	3368
Dec.	3997	4184	2330	4805	1757	3402	1572	(m) 5110	4199	1223	3667	3497
Jan.	3997	3967	2330	5508	1757	3450	1572	(m) 5110	4421	1223	3682	3511
Feb.	4111	3827	2330	5513	1757	3450	1572	(m) 5110	4711	1223	3705	3532
March	4111	3794	2330	5347	1757	3450	1707	(m) 5110	4682	1223	3699	3525
April	3319	3802	2330	4580	1757	3450	1707	(m) 5110	4822	1223	3253	3111
May	3356	3711	2330	4524	1757	3450	1716	(m) 5110	4812	1223	3254	3112
June	3394	3650	2330	4486	1757	3450	1716	(m) 5110	4617	1223	3257	3115
1949-50												
July	(j) 3394	3619	2504	3298	1862	3450	1716	(m) 5110	4428	1223	3191	3055
Aug.	(j) 3470	3674	2504	3696	1862	3450	1716	(m) 5110	4460	1223	3268	3126
Sept.	3394	3767	2504	3883	1862	3450	1716	(m) 5110	4512	1438	3262	3135
Oct.	3922	3779	2504	4538	2004	3450	1716	(m) 3630	4656	1761	3574	3449
Nov.	4186	3819	2504	4406	2004	3450	1716	(m) 3630	4819	1761	3703	3568
Dec.	4563	3943	2504	4265	2004	3450	1716	(m) 3630	4985	1761	3901	3753
Jan.	5619	3948	2504	4321	2004	3938	1716	(m) 3630	5001	1761	4437	4251
Feb.	5355	4093	2504	4346	2005	3938	1716	(m) 3630	4995	1761	4337	4157
March	5242	4198	2504	4114	2005	3938	1854	(m) 3630	4975	1761	4286	4111
April	(j) 5544	4426	2504	4167	2005	3938	1854	(m) 3630	4900	1761	4479	4289
May	6109	4413	2504	4561	2005	3938	1854	(m) 3630	4904	1761	4782	4572
June	5921	4345	2504	4944	2005	3938	1854	(m) 3630	4865	1761	4705	4500
1950-51												
July	(j) 5921	4236	(l) 2504	4963	(l) 2005	3938	1871	(m) 3630	4904	1761	(k) 4687	(k) 4483
Aug.	8636	4227	(l) 2504	5471	(l) 2005	3938	1871	(m) 3630	5816	1761	(k) 6061	(k) 5762
Sept.	8900	(h) 4191	(l) 2504	6747	(l) 2005	3938	1871	(m) 3630	6364	1761	(k) 6281	(k) 5966
Oct.	(k) 8900	(k) 4211	(l) 2504	6812	(l) 2005	3938	1871	3535	6671	1761	(k) 6295	(k) 5979

(a) See para. 3 on previous page.

(c) Beef, Lamb, Mutton, Pork.

(e) Cattle Hides, Calf Skins.

(g) Percentage distribution of Base Aggregate for "All Groups (incl. Gold)" - applicable from 1936-37.

(h) Revised.

(i) Subject to revision.

(j) Nominal.

(k) Revised on a more representative basis. Effect of this revision on the "All Groups"

index is insignificant.

(b) Silver, Copper, Tin, Zinc, Lead.

(d) Sultanas, Lexias, Currants.

(f) Percentage distribution of Base

(g) Percentage distribution of Base Aggregate for "All Groups (excl. Gold)" -

applicable from 1936-37.

(h) Revised.

(j) Nominal.

(k) Revised on a more representative basis. Effect of this revision on the "All Groups"

index is insignificant.

II. THE MONTH-TO-MONTH INDEX : CHANGING WEIGHTS.

6. Australian products are not marketed regularly throughout the year. Wool and wheat are obvious examples of commodities which are marketed in relatively large quantities at certain periods of the year. In consequence, while the "fixed weights" index indicates satisfactorily the trend of the market, it does not, by itself, give an adequate indication of the significance of price movements as they actually affected current sales. This is shown much more clearly by the "changing weights" index given in the table below.

7. This index is designed to compare prices in any one month (or period of a trade year) with those in the corresponding month (or period) of the previous year. The weights used in its construction are the quantities exported in these two corresponding months (or periods). A full description of the method of computation can be found on page 434 of the Official Year Book of the Commonwealth No. 35, 1942 and 1943. A summary of movements in this index follows:-

(Base : Weighted Average Price Level in corresponding months (or periods) of preceding year = 1,000)

Month	<u>Month stated compared with same month of preceding year</u>	<u>Period of trade year ending in month stated, com- pared with same period of preced- ing year</u>
<u>1948-49</u> October	1,234	1,331
November	1,262	1,313
December	1,327	1,316
January	1,191	1,293
February	1,133	1,264
March	1,172	1,252
April	982	1,223
May	956	1,189
June	907	1,158
<u>1949-50</u> July	914	914
August	923	919
September	935	924
October	1,103	970
November	1,080	998
December	1,099	1,019
January	1,295	1,060
February	1,192	1,081
March	1,191	1,095
April	1,450	1,123
May	1,586	1,175
June	1,494	1,197
<u>1950-51</u> July	1,553 (a)	1,553 (a)
August	1,820 (a)	1,680 (a)
September	1,735 (a)(b)	1,698 (a)(b)
October	1,834 (a)	1,743 (a)

(a) Subject to revision. (b) Revised

This document is published by the Commonwealth Statistician, and contains statistics or abstracts thereof compiled and tabulated by the Commonwealth Statistician pursuant to the Census and Statistics Act 1905-1949.

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CANBERRA. A.C.T.

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