



EXPORT PRICE INDEX, AUSTRALIA, JULY 1987

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MAIN FEATURES

The All groups index increased by 0.8% between June and July 1987. The main price increases were for alumina, iron ore and concentrates and sheep and lamb skins. The main price decreases were for coal and wheat.

The All groups index increased by 1.2% between July 1986 and July 1987.

EXPLANATORY NOTES

Introduction

This publication contains the Export Price Index on reference base 1974-75 = 100. The July 1979 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.

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 the period 1974-75 to 1976-77. They constituted 89 per cent of the total value of exports of merchandise from Australia in the same period. The selected items were allocated weights in accordance with the average value of exports for each item over the period 1974-75 to 1976-77. 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, were contained in the July 1979 issue of this publication, and are also available from the ABS on request.

Classification

4. The selected items have been combined into broad index groups in two ways. Tables 1 and 2 contain index numbers for groups based on the Sections (1 digit) and selected Divisions (2 digit) of the *Australian Export Commodity Classification (AECC) 1978-79 (1203.0)*. Tables 1 and 3 contain index numbers on an industry of origin basis for groups based on the Divisions (1 digit) and selected Subdivisions (2 digit) of the 1978 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 values 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.

9. The July 1979 issue of this publication contained explanations of:

- Pricing of wool exports
- Pricing goods shipped at unknown prices
- Treatment of seasonal exports.

Index numbers

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

11. 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.

Percentage changes

12. Table 1 shows percentage changes for the 'All groups' index and for AECC Sections and ASIC Divisions. The following example illustrates the method of calculating percentage changes:

All groups

July 1987	245 (see Table 1)
less June 1987	243 (see Table 1)
Change in index points	+2

$$\text{Percentage change} = \frac{+2}{243} \times 100 = +0.8\%$$

Interpretation

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

Related publications

14. 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.

15. Current publications produced by the ABS are listed in the *Catalogue of Publications, 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.

Symbols and other usages

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

Electronic services

16. VIATEL. Key *656# for selected current economic, social and demographic statistics.

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IAN CASTLES
Australian Statistician

TABLE I. EXPORT PRICE INDEX—BROAD GROUPS

	AECC SECTIONS					ASIC DIVISIONS				
	All groups	Food and live animals (1)	Crude materials inedible (except fuels) (2)	Mineral fuels and lubricants (3)	Animal and vegetable oils and fats (4)	Chemicals and other manufactured exports (5,6,7 & 8)	Agriculture, forestry, fishing and hunting (A)	Mining (B)	Manufacturing (C)	
INDEX NUMBERS (Base of each index : Year 1974-75 = 100)										
1984-85	223	171	264	288	211	216	182	265	226	
1985-86	235	180	277	308	183	229	184	290	237	
1986-87 p	243	185	296	280	160	249	182	298	251	
1985-86—										
May	228	178	269	277	150	228	178	281	229	
June	234	183	275	289	146	233	182	291	235	
1986-87—										
July	242	187	290	297	143	239	183	315	241	
August	246	189	295	299	144	245	182	319	247	
September	246	190	295	297	148	246	180	314	250	
October	245	188	295	286	152	250	179	306	252	
November	244	187	293	282	160	251	177	303	252	
December	243	188	291	279	164	250	176	299	253	
January	244	185	296	284	179	249	179	292	252	
February	243	183	295	281	171	249	176	300	252	
March	242	183	293	281	171	249	179	292	252	
April	240	180	295	267	160	250	181	280	252	
May	243	179	308	256	169	254	198	272	254	
June p	243	177	311	249	170	254	201	268	254	
1987-88—										
July p	245	177	314	248	162	256	199	269	257	
PERCENTAGE CHANGES										
<i>Change from previous year</i>										
1984-85	+7.2	+4.9	+9.1	+7.1	+25.6	+6.4	+7.7	+8.6	+6.6	
1985-86	+5.4	+5.3	+4.9	+6.9	-13.3	+6.0	+1.1	+9.4	+4.9	
1986-87 p	+3.4	+2.8	+6.9	-9.1	-12.6	+8.7	-1.1	+2.8	+5.9	
<i>Change from corresponding month of previous year</i>										
1985-86—										
May	-6.2	-3.8	-7.2	-12.6	-30.9	-2.1	-10.1	-4.7	-6.1	
June	-4.9	-1.1	-8.3	-9.4	-36.0	-0.4	-9.5	-4.3	-4.1	
1986-87—										
July	+0.4	+3.9	-0.7	-5.1	-38.4	+3.5	-7.1	+8.2	-0.4	
August	+3.4	+5.0	+3.1	-4.8	-34.5	+7.0	-6.2	+10.0	+3.3	
September	+3.8	+8.0	+3.9	-5.1	-28.8	+6.5	-3.7	+7.2	+5.0	
October	+4.3	+6.8	+5.4	-9.5	-19.1	+9.6	-1.6	+5.2	+5.9	
November	+2.5	+3.3	+4.3	-12.1	-14.0	+10.1	-3.8	+2.7	+5.0	
December	+2.1	+3.3	+4.7	-13.9	-10.4	+9.2	-3.8	+1.0	+5.4	
January	+4.3	+2.2	+9.2	-11.6	-7.1	+9.6	-2.7	+4.8	+6.3	
February	+3.4	+1.1	+8.1	-9.8	-1.7	+8.7	-1.1	+1.7	+7.2	
March	+4.3	+1.1	+8.5	-7.3	+2.4	+8.3	-3.3	+3.1	+6.3	
April	+4.3	—	+10.1	-7.6	-0.6	+9.6	+1.1	+1.4	+8.6	
May	+6.6	+0.6	+14.5	-7.6	+12.7	+11.4	+11.2	-3.2	+10.9	
June p	+3.8	-3.3	+13.1	-13.8	+16.4	+9.0	+10.4	-7.9	+8.1	
1987-88—										
July p	+1.2	-5.3	+8.3	-16.5	+13.3	+7.1	+8.7	-14.6	+6.6	
<i>Change from previous month</i>										
1985-86—										
May	-0.9	-1.1	+0.4	-4.2	-6.8	—	-0.6	-1.1	-1.3	
June	+2.6	+2.8	+2.2	+4.3	-2.7	+2.2	+2.2	+3.6	+2.6	
1986-87—										
July	+3.4	+2.2	+5.5	+2.8	-2.1	+2.6	+0.5	+8.2	+2.6	
August	+1.7	+1.1	+1.7	+0.7	+0.7	+2.5	-0.5	+1.3	+2.5	
September	—	+0.5	—	-0.7	+2.8	+0.4	-1.1	-1.6	+1.2	
October	-0.4	-1.1	—	-3.7	+2.7	+1.6	-0.6	-2.5	+0.8	
November	-0.4	-0.5	-0.7	-1.4	+5.3	+0.4	-1.1	-1.0	—	
December	-0.4	+0.5	-0.7	-1.1	+2.5	—	-0.6	-1.3	-0.4	
January	+0.4	-1.6	+1.7	+0.7	+3.4	—	+0.6	+1.3	—	
February	-0.4	-1.1	-0.3	+1.1	+1.8	-0.4	-0.6	-1.0	—	
March	-0.4	—	-0.7	-1.1	-0.6	—	+1.7	-2.7	—	
April	-0.8	-1.6	+0.7	-5.0	-6.4	+0.4	+1.1	-4.1	—	
May	+1.3	-0.6	+4.4	-4.1	+5.6	+1.6	+9.4	-2.9	+0.8	
June p	—	-1.1	+1.0	-2.7	+0.6	—	+1.5	-1.5	—	
1987-88—										
July p	+0.8	—	+1.0	-0.4	-4.7	+0.8	-1.0	+0.4	+1.2	

TABLE 2. INDEX NUMBERS FOR SELECTED DIVISIONS OF AUSTRALIAN EXPORT COMMODITY CLASSIFICATION (AEC)
(Base of each index : Year 1974-75 = 100)

	<i>Meat and meat preparations (01)</i>	<i>Dairy products and eggs (02)</i>	<i>Fish and fish preparations (03)</i>	<i>Cereals and cereal preparations (04)</i>	<i>Fruit and vegetables (05)</i>	<i>Sugar and sugar preparations (06)</i>	<i>Hides, skins and furskins raw (21)</i>	<i>Textile fibres and their wastes (26)</i>	<i>Metalliferous ores and metal scrap (28)</i>
1984-85	314	180	401	143	273	70	394	237	270
1985-86	340	194	450	141	315	78	434	247	283
1986-87 p	370	216	537	120	373	94	533	273	292
<i>1985-86—</i>									
May	332	204	438	134	322	87	438	242	271
June	341	202	461	138	334	91	453	246	278
<i>1986-87—</i>									
July	355	215	476	135	359	94	465	250	300
August	363	221	493	133	371	98	472	251	306
September	370	219	525	129	366	100	478	253	306
October	376	217	535	124	374	98	499	257	301
November	377	216	527	123	368	95	509	254	299
December	388	213	556	121	365	93	522	255	293
January	377	214	567	117	369	95	532	264	296
February	370	216	573	114	378	93	549	266	291
March	372	218	554	114	379	93	565	273	283
April	372	215	546	110	376	91	589	287	277
May	359	217	543	112	383	89	604	328	275
June p	356	215	551	111	385	84	609	338	275
<i>1987-88—</i>									
July p	361	216	574	110	374	84	628	336	279

TABLE 2. INDEX NUMBERS FOR SELECTED DIVISIONS OF AUSTRALIAN EXPORT COMMODITY CLASSIFICATION (AECG)—continued
(Base of each index : Year 1974-75 = 100)

	Coal, coke and briquettes (32)	Petroleum, petroleum products and related materials (33)	Animal oils and fats (41)	Manufactures of—		Power generating machinery and equipment (71)	Specialised machinery for particular industries (72)	Road vehicles (78)	Gold (97)
				Iron and steel (67)	Non-ferrous metals (68)				
1984-85	273	329	211	173	200	267	313	274	349
1985-86	299	328	183	181	203	304	347	283	352
1986-87 p	295	249	160	190	225	331	371	312	340
1985-86—									
May	288	259	150	183	189	308	350	286	388
June	302	253	146	184	201	308	350	301	409
1986-87—									
July	320	241	143	187	214	308	354	302	449
August	323	237	144	190	223	308	367	306	503
September	317	251	148	191	225	324	371	308	551
October	307	243	152	193	227	324	378	309	552
November	302	241	160	193	227	324	378	311	507
December	299	242	164	193	226	335	373	312	493
January	298	258	169	193	221	342	369	315	510
February	297	263	172	194	215	342	369	317	495
March	291	258	171	195	214	342	379	317	489
April	275	249	160	184	224	342	375	316	516
May	259	249	169	183	238	342	365	317	537
June p	250	251	170	178	244	342	370	317	515
1987-88—									
July p	247	263	162	176	250	346	360	318	526

TABLE 3. INDEX NUMBERS FOR SELECTED SUBDIVISIONS OF AUSTRALIAN STANDARD INDUSTRIAL CLASSIFICATION (ASIC)
(Base of each index : Year 1974-75 = 100)

	<i>Metallic minerals (11)</i>	<i>Coal (12)</i>	<i>Food, beverages and tobacco (21-22)</i>	<i>Textiles (23)</i>	<i>Chemical, petroleum and coal products (27)</i>	<i>Basic metal products (29)</i>	<i>Transport equipment (32)</i>
1984-85	258	273	201	238	299	228	269
1985-86	282	299	216	249	304	228	278
1986-87 p	297	295	242	273	233	238	294
<i>1985-86—</i>							
May	274	288	217	245	236	216	279
June	281	302	222	249	240	223	290
<i>1986-87—</i>							
July	309	320	230	253	226	232	287
August	314	323	235	254	226	241	294
September	310	317	240	255	234	244	296
October	304	307	242	259	223	245	294
November	300	302	243	256	223	244	294
December	297	299	247	258	221	240	293
January	304	298	246	265	230	237	296
February	299	297	244	268	241	233	296
March	289	291	245	274	244	231	294
April	280	275	245	287	239	231	294
May	277	259	242	322	242	237	294
June p	276	250	241	327	241	238	293
<i>1987-88—</i>							
July p	279	247	241	331	247	241	295