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EVENING PAPERS .. FRIDAY, 16th DECEMBER, 1938
MORNING PAPERS .. SATURDAY, 17th DECEMBER, 1938

MONTHLY INDEX OF EXPORT PRICES - NOVEMBER, 1938

1. The monthly export price index-numbers for November, 1938, together with comparative figures for earlier periods, have been issued by the Commonwealth Statistician (Dr. Roland Wilson).

2. Each series of index-numbers takes account of 20 items, which constitute at present about 85 per cent. of the total value of exports of merchandise and silver and gold production. All export parities are calculated from actual price quotations from the most reliable and representative sources available.

THE SIMPLE AGGREGATIVE INDEX: FIXED WEIGHTS

3. The "multipliers" used for this series for the period 1928-1936 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 averave 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:-

BASE: SIMPLE AVERAGE OF 1928 = 1000

Period	In terms of Australian Currency	In terms of British Currency
1928 average for year	1000	1000
1929 " " "	847	842
1930 " " "	640	605
1931 " " "	564	437
1932 " " "	566	452
1933 " " "	616	492
1934 " " "	653	521
1935 " " "	656	524
1936 " " "	805	643
1937 " " "	923	737
1936 - December ..	920	735
1937 - January ..	957	764
February ..	934	746
March ..	988	789
April ..	1000	798
May ..	983	785
June ..	946	755
July ..	954	762
August ..	952	760
September ..	901	719
October ..	880	703
November ..	802	640
December ..	796	636
1938 - January ..	755	603
February ..	736	588
March ..	730	583
April ..	722	576
May ..	725	579
June ..	697	556
July ..	710	567
August ..	686	548
September ..	661	528
October ..	668	533
November ..	656	524

4. The yearly averages show increases since 1932 which were fairly steady up to 1935 but very marked during 1936 and 1937, until, in April of the latter year, the pre-depression level in terms of Australian currency had been reached. Since that month, however, the index-number has fallen substantially, the decrease to November, 1938 being 34 per cent.

5. The chief movements in individual prices during November, as compared with the previous month of October, were higher prices for Wool (1%); Sugar (2%); Gold (1%) and Hides (8%); and lower prices for Wheat (10%); Butter (7%); Lamb (2%) and Zinc (1%).

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

THE MONTH-TO-MONTH INDEX: CHANGING WEIGHTS

7. These index-numbers are designed merely for comparisons of current prices with those of the corresponding months, or periods of months, of the preceding year. The simple month-to-month index numbers are obtained by applying the "ideal formula" to prices and quantities exported in corresponding pairs of months. The index-numbers for periods of two or more months are obtained by combining the monthly aggregates in the manner described in the statement of method issued on 29th May, 1937. A summary of the movements in this index is given in the following table:

BASE: Weighted Average Price Level in corresponding months of preceding year = 1000

Month	Month stated compared with same month of preceding year	Period of trade year ending in month stated compared with same period of preceding year
1937-38 - August ..	1153	1200
September	1137	1174
October ..	1064	1137
November ..	890	1057
December ..	866	1010
January ..	832	986
February ..	744	945
March ..	731	919
April ..	732	897
May ..	755	884
June ..	760	875
1938-39 - July ..	757	757
August ..	771	762
September	759	762
October ..	791	771
November ..	874	799

8. The table shows that the export price index-number for the twelve months of 1937-38 as a whole was 12.5 per cent. below the level of 1936-37. For the first four months of 1937-38 export prices were higher than for the similar months of the previous year, but thereafter prices in 1937-38 were substantially lower. The average price level of goods exported during the five months of 1938-39 was 20 per cent. lower than that of the corresponding period last year, while the index for November, 1938 was 13 per cent. below that for November, 1937.

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Commonwealth Bureau of Census and Statistics,
CANBERRA, A.C.T. 16TH DECEMBER, 1938.