DON'T WASTE PAPER. P.N. 2044

IF THIS DOCUMENT IS OF NO REAL USE TO YOU, PLEASE ASK FOR IT TO BE STOPPED.

CONFIDENTIAL: To be treated as strictly confidential until released for publication as follows:-

MORNING PAPERS .. FRIDAY 9TH JULY, 1943.
EVENING PAPERS .. FRIDAY 9TH JULY, 1943.

MONTHLY INDEX OF EXPORT PRICES - MAY, 1943.

1. The monthly price index-numbers for May, 1943, together with comparative figures for earlier periods, have been issued by the Acting Commonwealth Statistician.

2. The index relates to 20 items, which constitute about 85 per cent. of the total value of exports of merchandise and silver plus 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 1928-36 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:-

BASE - SIMPLE AVERAGE OF 1928 = 1000.

Period		In terms of Australian Currency	In terms of British Currency
Average for year - 1928	..	1000	1000
1932	..	566	452
1933	..	616	492
1934	..	653	521
1935	..	656	524
1936	..	805	643
1937	..	923	737
1938	..	699	559
1939	..	686	548
1940	..	813	650
1941	..	826	660
1942	..	864	689
1941 - June	..	825	659
July	..	825	659
August	..	827	660
September	..	828	661
October	..	831	663
November	..	834	666
December	..	834	666
1942 - January	..	836	667
February	..	835	667
March	..	835	667
April	..	836	667
May	..	837	668
June	..	833	665
July	..	892	712
August	..	891	711
September	..	893	713
October	..	891	711
November	..	892	712
December	..	891	711
1943 - January	..	895	715
February	..	894	714
March	..	898	717
April	..	898	717
May	..	898	717

/4. The

4. The yearly averages increased steadily from 1932 to 1935, then rapidly during 1936 and 1937, until, in April of the latter year, the pre-depression level in terms of Australian currency had been reached. After that month, however, the index-number fell almost continuously to 630 in May, 1939. It rose sharply in September, October, 1939, with the sale to the British Government of a number of commodities at contract prices in excess of existing rates. Rises in prices have been maintained and the annual average index-number for 1940 shows a sharp rise. During 1941 the index-numbers rose steadily from 815 in January to 834 in December. The increases were due mainly to rises in the prices of wheat, dried fruits and meats, with gradual increases in the prices of metals. The rise in July, 1942, was due to an increase of 15 per cent. in the contract price of wool. The increase in January, 1943, was mainly due to rises in the price of wheat and lead, while that in March, 1943, showed the influence of the higher export prices of dried fruits.

THE MONTH-TO-MONTH INDEX : CHANGING WEIGHTS.

5. 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-weight" 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.

6. 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. The full trade year corresponds to the financial year ending June. A summary of the movements in this index is given in the following table:-

BASE - WEIGHTED AVERAGE PRICE LEVEL IN CORRESPONDING MONTHS OF THE 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
1940-41 - May ..	1012	1056
June ..	1015	1053
1941-42 - July ..	1021	1021
August ..	1018	1019
September..	1019	1019
October ..	1015	1018
November ..	1022	1019
December ..	1028	1020
January ..	1022	1021
February ..	1012	1020
March ..	1006	1018
April ..	1016	1018
May ..	1018	1018
June ..	1012	1018
1942-43 - July ..	1088	1088
August ..	1078	1083
September..	1076	1081
October ..	1057	1075
November ..	1062	1072
December ..	1043	1067
January ..	1063	1066
February ..	1069	1067
March ..	1103	1071
April ..	1095	1074
May ..	1084	1075

S. R. Carver
ACTING COMMONWEALTH STATISTICIAN.

Commonwealth Bureau of Census and Statistics,
CANBERRA, A.C.T.,
8th July, 1943.