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EVENING PAPERS .. MONDAY, 24th APRIL, 1939.

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MONTHLY INDEX OF EXPORT PRICES - MARCH, 1939.

1. The monthly export price index-numbers for March, 1939, 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 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
1928	average for year	1000	1000
1929	" " "	847	842
1930	" " "	840	805
1931	" " "	864	437
1932	" " "	868	452
1933	" " "	616	492
1934	" " "	653	521
1935	" " "	656	524
1936	" " "	805	643
1937	" " "	923	737
1938	" " "	699	559
1937 -	March ..	982	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 ..	685	548
	September ..	661	528
	October ..	668	533
	November ..	663	524
	December ..	647	517
1939 -	January ..	653	521
	February ..	651	520
	March ..	635	507

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 March, 1938, being 36 per cent.

5. The chief movements in individual prices during March as compared with the previous month of February were:- Higher prices for Mutton (5%), Dried Fruits (2%), and Lead (3%) and lower prices for Wheat (6%), Wool (3%), Beef (3%), Lamb (3%) 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. 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 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 - October	1064	1137
November	890	1057
December	868	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
December	835	806
January	864	813
February	871	821
March	853	825

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 nine months of 1938-39 was 17.5 per cent. lower than that of the corresponding period last year, while the index for March, 1939, was 14.7 per cent. below that for March, 1938.

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