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Canberra



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EXPORT PRICE INDEX, AUSTRALIA, FEBRUARY 1988

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MAIN FEATURES

The All groups index increased by 1.5% between January 1988 and February 1988. In terms of the effect at the All groups level, the main price increases were for wheat, sugar, beef and veal. The main price decreases were for refined copper and copper ores and concentrates.

The All groups index increased by 11.9% between February 1987 and February 1988.

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

January 1988	268 (see Table 1)
less December 1987	264 (see Table 1)
Change in index points	+4

$$\text{Percentage change} = \frac{+4}{264} \times 100 = +1.5\%$$

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

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

AUSSTATS. Thousands of up-to-date time series are available on this ABS on-line service through CSIRONET.

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IAN CASTLES
Australian Statistician

TABLE 1. EXPORT PRICE INDEX—BROAD GROUPS

	AECC SECTIONS					ASIC DIVISIONS			
	All groups	Food and live animals (0)	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	243	185	296	280	160	249	182	298	251
<i>1986-87—</i>									
December	243	188	291	279	164	250	176	299	253
January	244	185	296	281	169	250	177	299	252
February	243	183	295	284	172	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	243	177	311	249	170	254	201	268	254
<i>1987-88—</i>									
July	245	177	314	248	162	256	199	269	257
August	247	180	316	248	164	261	202	268	260
September	252	180	330	248	174	260	218	266	262
October	253	179	333	247	165	267	217	266	265
November	258	183	336	250	184	276	216	274	272
December	264	184	348	249	175	285	229	272	277
January p	268	188	358	247	172	285	234	273	283
February p	272	196	360	248	176	288	241	274	287
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	+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>									
<i>1986-87—</i>									
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	+8.3	-3.3	+3.1	+6.3
March	+4.3	+1.1	+10.1	-7.3	+2.4	+8.7	-1.1	+1.7	+7.2
April	+4.3	—	+14.5	-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	+3.8	-3.3	+13.1	-13.8	+16.4	+9.0	+10.4	-7.9	+8.1
<i>1987-88—</i>									
July	+1.2	-5.3	+8.3	-16.5	+13.3	+7.1	+8.7	-14.6	+6.6
August	+0.4	-4.8	+7.1	-17.1	+13.9	+6.5	+11.0	-16.0	+5.3
September	+2.4	-5.3	+11.9	-16.5	+17.6	+5.7	+21.1	-15.3	+4.8
October	+3.3	-4.8	+12.9	-13.6	+8.6	+6.8	+21.2	-13.1	+5.2
November	+5.7	-2.1	+14.7	-11.3	+15.0	+10.0	+22.0	-9.6	+7.9
December	+8.6	-2.1	+19.6	-10.8	+6.7	+14.0	+30.1	-9.0	+9.5
January p	+9.8	+1.6	+20.9	-12.1	+1.8	+14.0	+32.2	-9.9	+12.3
February p	+11.9	+7.1	+22.0	-12.7	+2.3	+15.7	+36.9	-8.7	+13.9
<i>Change from previous month</i>									
<i>1986-87—</i>									
December	-0.4	+0.5	-0.7	-1.1	+2.5	-0.4	-0.6	-1.3	+0.4
January	+0.4	-1.6	+1.7	+0.7	+3.4	—	+0.6	+1.3	-0.4
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	—	-1.1	+1.0	-2.7	+0.6	—	+1.5	-1.5	—
<i>1987-88—</i>									
July	+0.8	—	+1.0	-0.4	-4.7	+0.8	-1.0	+0.4	+1.2
August	+0.8	+1.7	+0.6	—	+1.2	+2.0	+1.5	-0.4	+1.2
September	+2.0	—	+4.4	—	+6.1	-0.4	+7.9	-0.7	+0.8
October	+0.4	-0.6	+0.9	-0.4	-5.2	+2.7	-0.5	—	—
November	+2.0	+2.2	+0.9	+1.2	+11.5	+3.4	-0.5	+3.0	+2.6
December	+2.3	+0.5	+3.6	-0.4	-4.9	+3.3	+6.0	-0.7	+1.8
January p	+1.5	+2.2	+2.9	-0.8	-1.7	—	+2.2	+0.4	+2.2
February p	+1.5	+4.3	+0.6	+0.4	+2.3	+1.1	+3.0	+0.4	+1.4

TABLE 2. INDEX NUMBERS FOR SELECTED DIVISIONS OF AUSTRALIAN EXPORT COMMODITY CLASSIFICATION (AECC)

(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	370	216	537	120	373	94	533	273	292
<i>1986-87—</i>									
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	356	215	551	111	385	84	609	338	275
<i>1987-88—</i>									
July	361	216	574	110	374	84	628	336	279
August	371	217	576	110	368	85	626	341	279
September	380	217	570	109	362	83	628	387	278
October	376	217	568	111	358	80	632	384	283
November	376	226	588	115	372	83	650	374	293
December	375	222	589	114	369	88	687	412	290
January p	380	234	579	118	374	95	703	419	301
February p	386	234	569	127	367	105	720	420	304

TABLE 2. INDEX NUMBERS FOR SELECTED DIVISIONS OF AUSTRALIAN EXPORT COMMODITY CLASSIFICATION (AECC)—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	392
1986-87	295	249	160	190	225	331	371	312	510
<i>1986-87—</i>									
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	250	251	170	178	244	342	370	317	515
<i>1987-88—</i>									
July	247	263	162	176	250	346	360	318	526
August	246	261	164	176	258	355	381	320	542
September	246	263	174	176	253	355	375	319	524
October	243	267	165	178	262	355	394	324	534
November	248	260	184	180	281	355	419	326	560
December	249	255	175	185	302	355	419	324	564
January p	247	251	172	184	299	376	402	325	553
February p	246	256	176	184	301	379	404	327	511

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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	297	295	242	273	233	238	294
1986-87 —							
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	276	250	241	327	241	238	293
1987-88 —							
July	279	247	243	331	247	241	295
August	279	246	247	335	250	245	299
September	275	246	248	377	250	245	296
October	278	243	246	375	255	252	300
November	288	248	251	366	254	262	305
December	283	249	255	400	253	272	300
January p	287	247	261	406	252	280	303
February p	289	246	268	408	256	281	304

