AUSTRALIAN BUREAU OF STATISTICS

CANBERRA

CATALOGUE NO. 5301.0

NOON 11 MAY 1983

BALANCE OF PAYMENTS, AUSTRALIA, APRIL 1983

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MAIN FEATURES

April 1983—

An overall surplus of $986 million, as measured by net official monetary movements.

A trade deficit of $5 million.

A current account deficit of $529 million.

A net apparent capital inflow of $1,515 million.

ANALYSIS OF MAJOR AGGREGATES

April 1983—

An overall surplus of $986 million, as measured by *net official monetary movements*, up $769 million on the surplus for March 1983.

A *balance of trade* deficit of $5 million, compared with the deficit of $114 million in March 1983.

Exports f.o.b. of $1,540 million, a decrease of $182 million or 11 per cent on March 1983. Falls were recorded in most broad commodity groups. However, 'sugar' and 'machinery and transport equipment' recorded rises. Seasonally adjusted, exports fell 9 per cent.

Imports f.o.b. of $1,545 million, down $291 million or 16 per cent. Falls were recorded for all broad commodity groups apart from the two categories 'basic materials' and 'metals and metal manufactures', which remained unchanged on the previous month. Seasonally adjusted imports were virtually unchanged.

A *current account* deficit of $529 million, up $64 million on the deficit of $465 million in March 1983.

A *net apparent capital inflow* of $1,515 million or $833 million higher than the inflow estimated for the previous month.

Ten months ended April 1983—

An overall surplus of $2,730 million, compared with the deficit of $69 million for the ten months ended April 1982.

A *balance of trade* deficit of $834 million, substantially lower than the deficit of $2,859 million for the corresponding period of 1981-82.

Exports f.o.b. of $17,017 million, up $1,509 million or 10 per cent on the ten months ended April 1982. Apart from 'cereals' and 'sugar' which fell 15 per cent and 30 per cent respectively, all other commodity groups rose, the most notable being 'meat', up 25 per cent and 'coal', up 40 per cent.

Imports f.o.b. of $17,851 million, down $516 million or 3 per cent on the period July 1981 to April 1982. Falls were recorded in all broad commodity groups apart from 'food, beverages and tobacco' and 'petroleum', which both rose about 10 per cent.

A *current account* deficit of $5,464 million, down $1,943 million or 26 per cent on the corresponding period of 1981-82.

A *net apparent capital* inflow of $8,194 million or $856 million higher than the inflow recorded for July to April 1981-82.

EXPLANATORY NOTES

Introduction

This issue contains, in Table 1, preliminary estimates of Australia's international balance of payments for the month of April 1983 together with revised estimates for previous months and financial years. Supplementary information is contained in Table 2. The estimates should be examined in conjunction with the series contained in the quarterly and annual balance of payments publications (5302.0 and 5303.0, respectively). Reference should be made to the publication *Balance of Payments, Australia: Concepts, Sources and Methods* (5331.0) released on 19 March 1981 for information about balance of payments concepts and definitions. Changes to concepts, sources and methods since that publication are described in the 1979-80 and 1980-81 issues of 5303.0 and in the December quarter 1982 issue of 5302.0.

2. Care should be exercised in interpreting monthly movements in the balance of payments, especially those of the most recent months. The sources available for the production of timely and reliable monthly estimates are limited. Consequently, estimates in this publication, to a greater degree than estimates in the quarterly and annual balance of payments publications, are subject to revision as more complete and more accurate information becomes available.

Exports f.o.b. and imports f.o.b.

3. The figures for exports free-on-board (f.o.b.) and imports f.o.b. in Table 1 represent recorded trade figures adjusted in respect of coverage, timing and valuation for balance of payments purposes. Seasonally adjusted estimates for exports f.o.b. and imports f.o.b. are shown in Table 2.

Balance of trade

4. This is exports f.o.b. less imports f.o.b.

Net invisibles

5. Net invisibles comprises the net sum of credit and debit entries for transactions in services, income and unrequited transfers. Items included are transportation services, travel, government services, miscellaneous services, property income and unrequited transfers such as foreign aid, gifts and donations.

Private capital and balancing item

6. This aggregate covers private capital movements (i.e. foreign investment in enterprises in Australia, Australian investment abroad, trade credit n.e.i.), non-official monetary sector transactions and the balancing item (i.e. net errors and omissions). Within this aggregate, separate details are shown for public non-monetary enterprise borrowings, the trade credit of marketing authorities and other (which includes the balancing item).

Net official monetary movements

7. The aggregate net official monetary movements, the main component of which is changes in official reserve assets, is usually taken as a measure of the overall surplus or deficit in the balance of payments. This aggregate excludes changes that do not arise from international economic transactions.

Official reserve assets and exchange rates

8. Table 2 shows changes in official reserve assets which are included in the balance of payments, together with the adjustments made to the original Reserve Bank statistics to exclude changes in the Australian dollar value of reserve assets that are the result of revaluations. The table also shows changes in the value of the Australian dollar against specified foreign currencies.

Residual items

9. Due to lack of monthly data certain aggregates in Table 1 are derived as residuals after having first calculated those aggregates for which monthly information can be obtained or estimated. The aggregates which are derived as residuals are net apparent capital inflow, which is calculated by subtracting the balance on current account from net official monetary movements, and private capital and balancing item, which is derived by subtracting government capital from net apparent capital inflow.

Seasonal adjustment

10. In carrying out seasonal adjustment of exports f.o.b. and imports f.o.b. account is taken not only of seasonal factors, but also of 'trading-day' effects (arising from the varying numbers of Sundays, Mondays, etc. in the month) which may affect figures for different months in different years. Details of the methods used in the seasonal adjustment of these series are given in *Seasonally Adjusted Indicators, Australia* (1308.0). The statistics are also subject to large irregular influences which are not removed by seasonal adjustment and may be affected by changes in the composition of exports and imports. For these reasons, particular care should be exercised in interpreting individual month-to-month movements.

Presentation

11. In Table 1, minus sign (-) denotes: a debit for aggregates in the current account; an outflow for components of capital inflow (net); and for monetary movements, a decrease in assets or an increase in liabilities.

Available longer-term series

12. Users requiring monthly series for months earlier than those shown in this publication should contact Mr Mark Lound on Canberra (062) 52 5507. Series consistent with Tables 1 and 2 are available from July 1971 onwards.

Related publications

13. 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

.. not applicable
— nil or rounded to zero

14. Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

R. J. CAMERON
Australian Statistician

TABLE 1. BALANCE OF PAYMENTS
($ million)

	Exports f.o.b.	Imports f.o.b.	Balance of trade	Net invisibles	Balance on current account	Government capital	Private capital and balancing item(a)				Net apparent capital inflow	Net official monetary movements
							Trade credit of marketing authorities	Public non-monetary enterprise borrowings	Other	Total		
1979-80	18,589	-15,829	2,760	-4,809	-2,049	-80	-379	509	1,698	1,828	1,748	-301
1980-81	18,718	-19,169	-451	-5,015	-5,466	-67	93	409	6,180	6,682	6,615	1,149
1981-82	19,089	-22,374	-3,285	-5,667	-8,952	482	83	1,056	8,681	9,824	10,306	1,354
1981-82—												
March	1,701	-2,124	-423	-481	-904	-36	26	115	1,223	1,365	1,329	-25
April	1,639	-1,900	-262	-564	-826	-9	-27	78	1,962	2,012	2,003	1,178
May	1,798	-1,994	-196	-564	-760	98	-72	204	1,717	1,849	1,948	1,188
June	1,782	-2,013	-230	-560	-790	13	16	303	693	1,012	1,025	235
1982-83—												
July	1,931	-2,027	-96	-505	-601	97	-34	71	321	358	455	-146
August	1,692	-2,008	-316	-460	-776	—	-24	122	231	330	330	-446
September	1,575	-1,808	-233	-493	-726	362	89	477	777	1,343	1,705	979
October	1,729	-1,980	-251	-513	-764	315	36	251	631	919	1,233	469
November	1,896	-1,839	57	-434	-377	-22	-6	172	913	1,079	1,058	681
December	1,615	-1,666	-51	-449	-500	13	4	30	1,142	1,176	1,188	688
January	1,792	-1,534	258	-522	-264	268	-1	69	289	357	625	361
February	1,525	-1,608	-83	-379	-462	30	-40	80	-667	-627	-597	-1,059
March	1,722	-1,836	-114	-351	-465	-122	-42	64	782	804	682	217
April	1,540	-1,545	-5	-524	-529	-29	-9	96	1,457	1,544	1,515	986
Ten months ended—												
April 1982	15,508	-18,367	-2,859	-4,548	-7,407	371	138	553	6,276	6,967	7,338	-69
April 1983	17,017	-17,851	-834	-4,630	-5,464	912	-25	1,432	5,875	7,282	8,194	2,730

(a) Includes private capital movements, non-official monetary sector transactions and the balancing item.

TABLE 2. VISIBLE TRADE, SEASONALLY ADJUSTED; OFFICIAL RESERVE ASSETS; AND EXCHANGE RATES

	Seasonally adjusted visible trade ($ million)		*Official reserve assets ($ million)*				*Exchange rates (end of year/month) Units of foreign currency per $A(a)*				*Trade-weighted index (end of year/month) of value of Australian dollar, May 1970 = 100(b)*
			Changes included in the balance of payments	*Changes due to effects of revaluations*	*Reserve bank series*						
	Exports f.o.b.	*Imports f.o.b.*			*Changes in levels*	*Levels at end of year/month*	*U.S.A. Dollar*	*U.K. Pound*	*Germany Fed. Rep. Mark*	*Japan Yen*	
1979-80	..	..	-349	+2,145	+1,796	5,681	1.1576	0.4914	2.033	251.26	85.0
1980-81	..	..	+1,101	-1,072	+29	5,709	1.1480	0.5894	2.746	259.57	92.9
1981-82	..	..	+1,364	-556	+808	6,517	1.0223	0.5849	2.501	259.23	88.2
1981-82—											
March	1,725	-2,041	+379	-256	+123	4,065	1.0503	0.5888	2.534	258.75	88.8
April	1,646	-1,996	+1,020	+119	+1,139	5,204	1.0608	0.5921	2.477	249.11	88.2
May	1,695	-2,037	+1,156	-59	+1,097	6,301	1.0482	0.5875	2.459	254.80	88.0
June	1,686	-1,981	+230	-14	+216	6,517	1.0223	0.5849	2.501	259.23	88.2
1982-83—											
July	1,879	-1,973	-103	+355	+253	6,770	0.9958	0.5736	2.482	255.45	86.1
August	1,760	-1,913	-466	+407	-59	6,711	0.9643	0.5642	2.420	251.62	84.1
September	1,639	-1,894	+975	+711	+1,686	8,396	0.9493	0.5595	2.401	255.58	83.8
October	1,760	-1,858	+517	-25	+492	8,888	0.9367	0.5579	2.390	259.24	83.9
November	1,858	-1,790	+697	-190	+507	9,395	0.9548	0.5937	2.376	239.90	83.5
December	1,587	-1,781	+663	+37	+699	10,094	0.9806	0.6051	2.332	229.07	83.4
January	1,847	-1,592	+384	+372	+755	10,850	0.9718	0.6334	2.367	230.61	83.6
February	1,615	-1,685	-1,081	+210	-871	9,979	0.9606	0.6285	2.315	225.60	82.4
March	1,740	-1,703	+215	+171	+386	10,365	0.8629	0.5861	2.094	206.87	76.1
April	1,586	-1,702	+995	+44	+1,039	11,404	0.8680	0.5553	2.134	206.41	76.2

(a) The rates quoted are mid-points of the buying and selling rates for the last trading day of the month obtained from the Commonwealth Trading Bank. (b) The trade-weighted index is published by the Reserve Bank and is an index of the average value of the Australian dollar vis a vis currencies of Australia's major trading partners.

Printed by C. J. THOMPSON, Commonwealth Government Printer, Canberra