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MORNING PAPERS .. FRIDAY, 4th September, 1942.
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MONTHLY INDEX OF EXPORT PRICES - JULY, 1942.

The monthly export price index-numbers for July, 1942, 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
<u>Average for years</u> - 1928 ..	1000	1000
1929 ..	847	842
1930 ..	640	605
1931 ..	564	437
1932 ..	566	452
1933 ..	616	492
1934 ..	683	521
1935 ..	656	524
1936 ..	805	643
1937 ..	923	737
1938 ..	699	559
1939 ..	686	548
1940 ..	813	650
1941 ..	826	660
<u>1940</u> - July ..	814	650
August ..	811	648
September ..	813	649
October ..	814	650
November ..	815	651
December ..	814	650
<u>1941</u> - January ..	815	651
February ..	821	655
March ..	825	659
April ..	825	659
May ..	824	658
June ..	825	659
July ..	825	659
August ..	827	660
September ..	828	661
October ..	831	663
November ..	834	666
December ..	834	666
<u>1942</u> - January ..	836	667
February ..	835	667
March ..	835	667
April ..	836	667
May ..	837	668
June ..	833	665
July ..	831	711

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 615 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 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
<u>1940-41 -</u>		
July ..	1249	1249
August ..	1214	1232
September ..	1086	1182
October ..	1052	1145
November ..	1045	1117
December ..	1045	1099
January ..	1006	1082
February ..	1013	1074
March ..	1011	1067
April ..	1009	1060
May ..	1012	1056
June ..	1015	1053
<u>1941-42 -</u>		
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
<u>1942-43 -</u>		
July ..	1088	1088

Commonwealth Bureau of Census
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S. R. CARVER
Acting Commonwealth Statistician