

Date of Fund Membership:

August 5, 1947

Standard Sources:

Reserve Bank of Australia

Commonwealth Cash Flow Statements

Department of the Treasury/Australian Office of Financial Management

Department of Finance

Australian Bureau of Statistics

Exchange Rates:

Market Rate (End of Period and Period Average):

Central bank midpoint rate.

International Liquidity:

Gold (National Valuation) (line 1and) is obtained by converting the value in national currency terms, as reported in the country's standard sources, using the prevailing exchange rate, as given in *line ae*. This line follows national valuation procedures which revalue gold monthly on the basis of the average U.S. dollar price of gold prevailing in the London market during the month.

Central Bank:

Consists of the Reserve Bank of Australia (RBA) only.

† Beginning in January 2007, data are based on a standardized report form (SRF) for central banks which accords with the concepts and definitions of the IMF's *Monetary and Financial Statistics Manual (MFSM)*, 2000. Departures from the *MFSM* methodology are explained, below.

Financial assets and liabilities for which the financial instrument breakdown is unavailable are allocated to the financial instrument having the largest volume of transactions in the category.

Financial assets and liabilities for which economic sectorization is unavailable are allocated to the economic sector having the largest volume of transactions in the category.

Accounts receivable and payable are included in *Other Items (Net)* rather than in central bank's claims on or liabilities to the corresponding economic sectors.

For January 2007 through February 2010, data are for the last Wednesday of every month. Beginning in March 2010, data are for the last day of every month.

For December 2001 through December 2006, data in the SRF format are compiled from pre-SRF data which are not fully based on the *MFSM* methodology. Departures from the *MFSM* methodology, in addition to departures from January 2007 listed above, are explained below.

Data are for the last Wednesday of every month.

Some positions with resident sectors are included in *Other Items (Net)* rather than as claims on or liabilities to the corresponding economic sectors.

Current year result and retained earnings are included in *Other Items (Net)* rather than in *Shares and Other Equity*.

Other Depository Corporations:

Comprise authorized deposit-taking institutions, namely banks, credit unions, and building societies. Data exclude registered financial corporations, cash management trusts, and specialist credit card institutions. Data are collected by the Australian Prudential Regulatory Authority (APRA).

† Beginning in January 2007, data are based on a standardized report form (SRF) for other depository corporations which accords with the concepts and definitions of the IMF's *Monetary and Financial Statistics Manual (MFSM)*, 2000. For other depository corporations in Australia, departures from *MFSM* methodology are explained below.

Financial assets and liabilities for which financial instrument breakdown is unavailable are allocated to the financial instrument having the largest volume of transactions in the category.

Financial assets and liabilities for which economic sectorization is unavailable are allocated to the economic sector having the largest volume of transactions in the category.

Data on public sector securities are reported net of short positions which may result in negative values of *Claims on Central Government* and *Claims on State and Local Governments*.

Currency includes holdings of foreign currency.

Trade credit and advances are included in *Other Items (Net)* rather than as claims on or liabilities to the corresponding economic sectors.

Transferable deposit assets and liabilities with other depository corporations in foreign currency are included as other deposits.

Some other deposits of other depository corporations are included as transferable deposits and settlement accounts.

Holdings of securities other than shares and shares and other equity issued by other nonfinancial corporations in foreign currency are included as shares and other equity.

Holdings of shares and other equity issued by other nonfinancial corporations in national currency may be underestimated slightly as holdings of securities other than shares and shares and other equity issued by other nonfinancial corporations in foreign currency are subtracted from holdings of shares and other equity issued by other nonfinancial corporations in national currency.

Financial derivatives are classified as with other financial corporations, except those with the central bank.

Settlement account assets with other financial corporations are included as other deposits.

Settlement account liabilities in foreign currency are included as with other financial corporations.

Asset and liability settlement account balances between other depository corporations may not be consistent due to timing differences.

The holder of securities issued by other depository corporations is unavailable. Promissory notes, commercial paper, and certificates of deposit issued by other depository corporations are included as securities other than shares included in broad money held by other nonfinancial corporations. Bill acceptances and other short-term securities issued by other depository corporations are included as securities other than shares excluded from broad money held by other nonfinancial corporations. Loan capital and

hybrid securities issued by other depository corporations are included as securities other than shares excluded from broad money held by other financial corporations. Long-term securities issued by other depository corporations are included as securities other than shares excluded from broad money held by other resident sectors. Securities other than shares issued by other depository corporations in foreign currency are included as held by other nonfinancial corporations.

Holdings of own bankers acceptances are included as claims.

Securities sold under agreements to repurchase are included in *Other Items (Net)* rather than as liabilities to the corresponding economic sectors.

Securities other than shares and shares and other equity held for investment are valued at amortized cost, in accordance with Australian accounting standards in AASB 139

http://www.aasb.gov.au/admin/file/content105/c9/AASB139_07-04_COMPoct10_01-11.pdf, rather than at current market price or fair value.

Securities other than shares issued are generally valued at amortized cost, in accordance with Australian accounting standards in AASB 139, rather than at current market price or fair value.

† For March 2002 through December 2006, data in the SRF format are compiled from pre-SRF data which are not fully based on the *MFSM* methodology and are, therefore, not strictly comparable to data for later periods. Departures from the *MFSM* methodology, in addition to departures from January 2007 listed above, are explained below.

Some positions with resident sectors are included in *Other Items (Net)* rather than as claims on or liabilities to the corresponding economic sectors.

Claims on Other Financial Corporations and *Financial Derivatives* include positions in financial derivatives with other depository corporations.

Securities Other than Shares Included in Broad Money and *Securities Other than Shares Excluded from Broad Money* include securities held by other depository corporations.

Securities other than shares and shares and other equity held for investment purposes are valued at acquisition cost, in accordance with Australian accounting standards in AASB 139, rather than at current market price or fair value.

† For December 2001 through February 2002, data in the SRF format are compiled from pre-SRF data which are not fully based on the *MFSM* methodology and are, therefore, not strictly comparable to data for later periods.

Depository Corporations:

† See notes on central bank and other depository corporations.

Other Financial Corporations:

Comprises money market corporations and finance companies. Data exclude life insurance corporations, other insurance corporations, pension funds, securitization vehicles, other financial institutions, central borrowing authorities, and financial auxiliaries. Data are collected by the APRA.

Data are based on a standardized report form (SRF) for other financial corporations which accords with the concepts and definitions of the IMF's *Monetary and Financial Statistics Manual (MFSM)*, 2000.). For other financial corporations in Australia, departures from the *MFSM* methodology are explained below.

Financial assets and liabilities for which economic sectorization is unavailable are allocated to the economic sector having the largest volume of transactions in the category.

Financial assets and liabilities for which financial instrument breakdown is unavailable are allocated to the financial instrument having the largest volume of transactions in the category.

Claims on Depository Corporations includes holdings of foreign currency.

Other deposits with other depository corporations are included as transferable deposits.

Other Items (Net) includes discrepancies which result from data inaccuracies.

Securities Other than Shares held by other nonfinancial corporations includes all short-term securities other than shares issued by other financial corporations to resident sectors.

Securities Other than Shares held by other resident sectors includes all long-term securities other than shares issued by other financial corporations to resident sectors.

Financial derivatives are classified as with other financial corporations, except those with the central bank.

Settlement accounts between other financial corporations are included as other deposits.

Securities other than shares and shares and other equity held for investment are valued at amortized cost, in accordance with Australian accounting standards in AASB 139

http://www.aasb.gov.au/admin/file/content105/c9/AASB139_07-04_COMPoct10_01-11.pdf, rather than at current market price or fair value.

Securities other than shares issued are generally valued at amortized cost, in accordance with Australian accounting standards in AASB 139, rather than at current market price or fair value.

Monetary Aggregates:

Broad Money:

Broad Money (line 59m) calculated from the liability data in the sections for the central bank and other depository corporations accords with the concepts and definitions of the *MFSM*. Broad money includes currency issued by the central government. Broad money (line 59m) differs from broad money (line 59mea) as line 59mea includes deposits of the private sector with registered financial corporations and cash management trusts; certificates of deposit and commercial paper issued by registered financial corporations held by the private sector; and bills drawn by the nonfinancial intermediary private sector and accepted by other depository corporations and other financial corporations, net of bank holdings of those acceptances.

Money (National Definitions):

Money Base comprises currency in circulation, deposits of banks with the central bank, and other liabilities issued by the central bank to the private sector and other financial corporations.

Currency comprises notes and coins outside the central bank and banks.

M1 comprises currency and current account deposits of public nonfinancial corporations, and private sector with the central bank

and banks.

M3 comprises M1; other deposits (including certificates of deposit) of other financial corporations, public nonfinancial corporations, and private sector with banks in national currency; and deposits of other financial corporations, public nonfinancial corporations, and private sector with the rest of other depository corporations in national currency.

Broad Money comprises M3; deposits of public nonfinancial corporations and private sector with other financial corporations; and commercial paper, promissory notes, and bill acceptances issued by all financial intermediaries held by the private sector.

Interest Rates:

Central Bank Policy Rate (End of Period):

Rediscount rate offered by the RBA to holders of treasury notes. Rates shown are average for period. † Beginning in August 1990, Target cash rate set by the RBA at each Board meeting. The RBA targets the weighted average of the interest rates at which banks have borrowed and lent exchange settlement funds on the interbank overnight market. The 11am call rate is used prior to July 1998.

Money Market Rate:

Weighted average short-term rate of outstanding loans. † Beginning in January 1995, rate paid on unsecured overnight loans of cash as calculated by the Australian Financial Markets Association and published on Reuters page at 11 a.m. † Beginning in January 1999, weighted average rate of the interest rates at which banks have borrowed and lent exchange settlement funds during the day. The rate is weighted by loan amounts.

Treasury Bill Rate:

Weighted average yield on thirteen-week treasury notes allotted at last tender of month. † Beginning in January 1995, estimated closing yield in the secondary market on thirteen-week treasury notes. No treasury notes were issued between May 2002 and March 2009.

Savings Rate:

Rate on bonus savings accounts which are deposit accounts of at least \$10,000 Australian dollars that pay a higher rate of interest if at least one deposit and no withdrawals are made each month. Rate is an average of the five largest banks' rates assuming these requirements are met. Prior to April 2003, the average is for three of the five largest banks and, between April 2003 and April 2005, the average is for four of the five largest banks.

Deposit Rate:

Investment rate offered by savings banks. † Beginning in December 1981, average rate offered by major banks on three-month fixed deposits of 10,000 Australian dollars. † Beginning in February 2002, average rate on \$10 000 term deposits across all terms offered by the five largest banks, including their advertised 'specials' and regular rates.

Lending Rate:

Maximum rate charged by banks on overdrafts of less than 100,000 Australian dollars. † Beginning in January 1977, rate charged by banks on loans to large businesses. † Beginning in January 2007, rate charged by banks on standard housing loans.

Government Bond Yield:

Short-Term: Yield on two-year Treasury bonds. † Beginning in June 1981, assessed secondary market yield on two-year non-rebate bonds. † Beginning in June 1992, assessed secondary market yield on three-year non-rebate bonds. Yield is calculated before brokerage and on the last business day of the month. *Long-Term:* Yield on 15-year Treasury bonds † Beginning in July 1969, assessed secondary market yield on ten-year non-rebate bonds. Yield is calculated before brokerage and on the last business day of the month.

Prices, Production, Labor:

Share Prices (End of Month):

Share price index covering shares quoted in the Australian Stock Exchange (ASX) refers to the All Ordinaries Index, base December 31, 1979. † Beginning in December 1979, share price index refers to the S&P/ASX 200, base December 31, 1979.

Prices: Manufacturing Output:

Australian Bureau of Statistics index of articles produced by manufacturing industry, weights reference period: 1998-99 The index includes prices of articles produced by domestic manufacturers for sale or transfer to other domestic sectors or for export or for use as capital equipment.

Consumer Prices:

Source: Australian Bureau of Statistics. Weights Reference Period: 2011-12; Geographical Coverage: Eight capital cities; Number of Items in Basket: Goods and services actually acquired by the reference population in the weighting base period; Basis for Calculation: Weights are based on Household Expenditure Survey and are updated at approximately five-yearly intervals.

Wages:

Average weekly ordinary time earnings (excludes overtime) refers to one week's earnings of employees for the reference period attributable to award, standard or agreed hours of work. It is calculated before taxation and any other deductions (e.g. superannuation, board and lodging) have been made. Prior to 2012, AWE was conducted on a quarterly basis. The frequency of the AWE survey was changed to biannual with effect from the 2012/13 financial year. The May 2012 publication was the last quarterly issue and the November 2012 the first produced on a biannual basis.

Industrial Production, Seasonally Adjusted:

Source: Australian Bureau of Statistics. Weights Reference Period: 2008-2009; Sectoral Coverage: mining, manufacturing and electricity, gas, water and waste industrial sectors; Basis for Calculation: from 1985-86 the elemental volume indexes are aggregated together to form annually reweighted chain Laspeyres indexes which are referenced to the current price values of the latest but one complete financial year. The reference year is advanced one year with every September quarter issue.

Manufacturing Employment, Seasonally Adjusted:

Australian Bureau of Statistics data for the middle month of the quarter on civilians employed in manufacturing establishments. For coverage see the explanatory notes to "The Labor Force, Australia," published by the Australian Bureau of Statistics.

International Transactions:

All trade value and volume data are from the Australian Bureau of Statistics. Beginning July 1985, non-merchandise trade is

excluded from total trade value. Non-merchandise trade includes such items as coin being legal tender and goods for temporary exhibition.

Exports:

Data refer to total exports, f.o.b.

Imports, c.i.f.:

Prior to June 1976, data are based on imports, f.o.b., adjusted by the f.o.b./c.i.f. factor supplied by the Australian Bureau of Statistics. Since July 1976, the Australian Bureau of Statistics has supplied imports, c.i.f. data. † Beginning October 1985, import statistics exclude posted articles with a value of less than \$1,000 inclusive (previously \$250) and will not be strictly comparable with data for previous periods.

Volume of Exports:

Laspeyres index of exports of merchandise annually chained. Volume indices for individual commodities are based on data in physical quantities.

Volume of Imports:

Laspeyres index of imports of merchandise annually chained.

Export Prices:

Australian Bureau of Statistics Laspeyres export prices index (including re-exports), weights reference period: annually reweighted and chained.

Wheat:

Australian Bureau of Statistics Australian Wheat Board price.

Coal/Greasy Wool (Unit Value):

Data are calculated by *IFS* from reported value and volume data.

Import Prices:

Reserve Bank of Australia Laspeyres import price index, f.o.b., weights reference period: annually reweighted and chained.

Balance of Payments:

The Australian Bureau of Statistics (ABS) has compiled data on a *BPM6* basis since Q32009 and also re-published previous periods on a *BPM6* basis.

Government Finance:

Prior to May 2003, monthly cash data are derived from Commonwealth Cash Flow Statements and Department of the Treasury/Australian Office of Financial Management. Commonwealth Cash Flow Statements are used for revenue, expenditure, and financing, whereas Department of the Treasury/Australian Office of Financial Management is used for debt. Monthly data cover the operations of the budgetary central government (Commonwealth Public Account) and include the budget appropriations to central government agencies with individual budgets. Excluded are own revenues of central government agencies with individual budgets and the expenditures from those revenues. Total debt, *line 63* for budgetary central government includes government securities on issue. From July 1995, debt data include Income Equalization Deposits and exclude Treasury Bond holdings by the Loan Consolidation and Investment Reserve Trust Fund.

† Owing to changes associated with the introduction of accrual accounting cash data provided from September quarter 1999 are not comparable with earlier data. From 1999 onward, data for the month of June are derived as a residual.

From July 2003, quarterly accrual data are reported by the Australian Bureau of Statistics.

From Jan 2011, monthly cash data are reported by the Department of Finance, and cover the operations of the consolidated central government (the Commonwealth Public Account and central government entities operating outside the Commonwealth Public Account).

† Starting in July 2008, defense weapons platforms are capitalized and included in net acquisition or nonfinancial assets. Through June 2008, these outlays are treated as expense.

National Accounts:

† Data have been revised from mid-quarter 1959 onwards following the implementation of improved compilation methods and the 2008 *SNA*. *Lines 99a.c* and *99b.c* include a statistical discrepancy. GDP chain-linked volume measures are calculated based on the prices and weights of the previous year, using Laspeyres formula in general. Quarterly data are no longer adjusted at annual rates.