

STATISTICAL NEWS

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INTERNATIONAL MERCHANDISE TRADE INDEXES [PRICES] DECEMBER QUARTER AND ANNUAL 2017 [Base: December Quarter 2011 = 100.0]

The Terms of Trade [TOT] is a ratio of two price indexes: one for exports and the other for imports. A rise in the index means that Fiji can buy more imports from the same amount of exports.

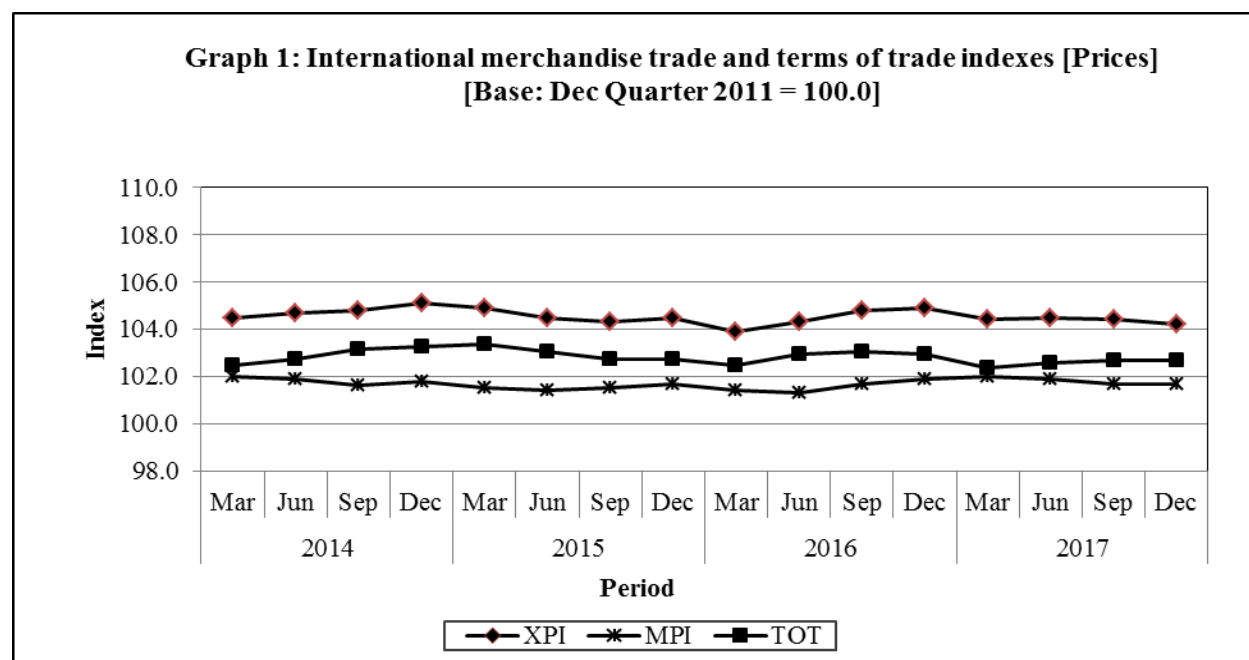
Key facts

The following movements occurred in the December quarter of 2017 when compared with the September quarter of 2017:

- The international merchandise terms of trade price index decreased by 0.3 ;
- Export prices for goods fell by 0.2 percent; and
- Import prices for goods showed no change.

Table 1: Summary

	Quarterly Index			% Change	
	Dec 2016	Sep 2017	Dec 2017	Dec 2017/ Sep 2017	Dec 2017/ Dec 2016
Export Price Index [XPI] - All Items	104.9	104.4	104.2	-0.2	-0.7
Import Price Index [MPI] - All Items	101.9	101.7	101.7	0.0	-0.2
Terms of Trade [TOT]	102.9	102.7	102.4	-0.3	-0.5

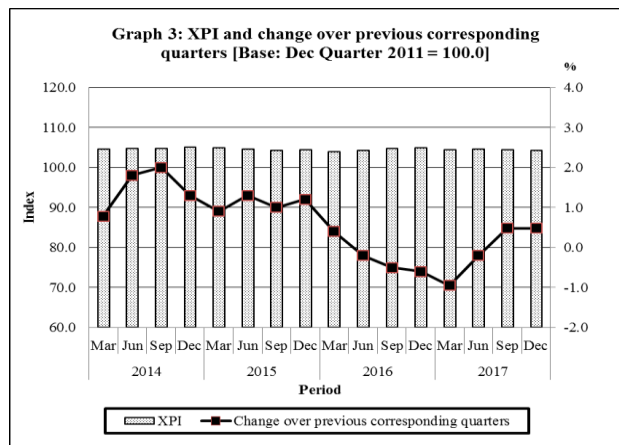
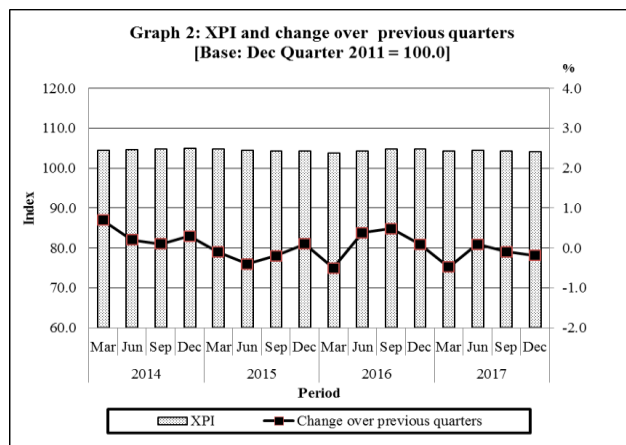


Commentary

The seasonally unadjusted international merchandise TOT index for the December quarter of 2017 stood at 102.4. This is a decrease of 0.5 percent over the December quarter of 2016.

The export price index decreased by 0.7 percent and import price index decreased by 0.2 percent.

Export Price Index



There were significant price changes in the following export and import items when comparisons were made to the September quarter of 2017 and December quarter of 2016 periods:

Changes over the September quarter of 2017

The overall Export Price Index [XPI] for the December quarter of 2017 stands at 104.2, a decrease of 0.2 percent when compared to the September quarter of 2017 [104.4]. Contributing to this decrease were lower prices recorded for the following categories and specific items:

- Base metals and articles of base metal decreased by 4.2 percent due to low export prices of *iron & steel* and *articles of iron or steel*; and
- Vegetable products decreased by 1.1 percent due to low export prices of *products of the milling industry, malt, starches, inulin and wheat gluten*; and
- Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes decreased by 0.9 percent due to low export price of *Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates; Preparations of cereals, flour, starch or milk; pastrycooks' products; Beverages, spirits and vinegar*.

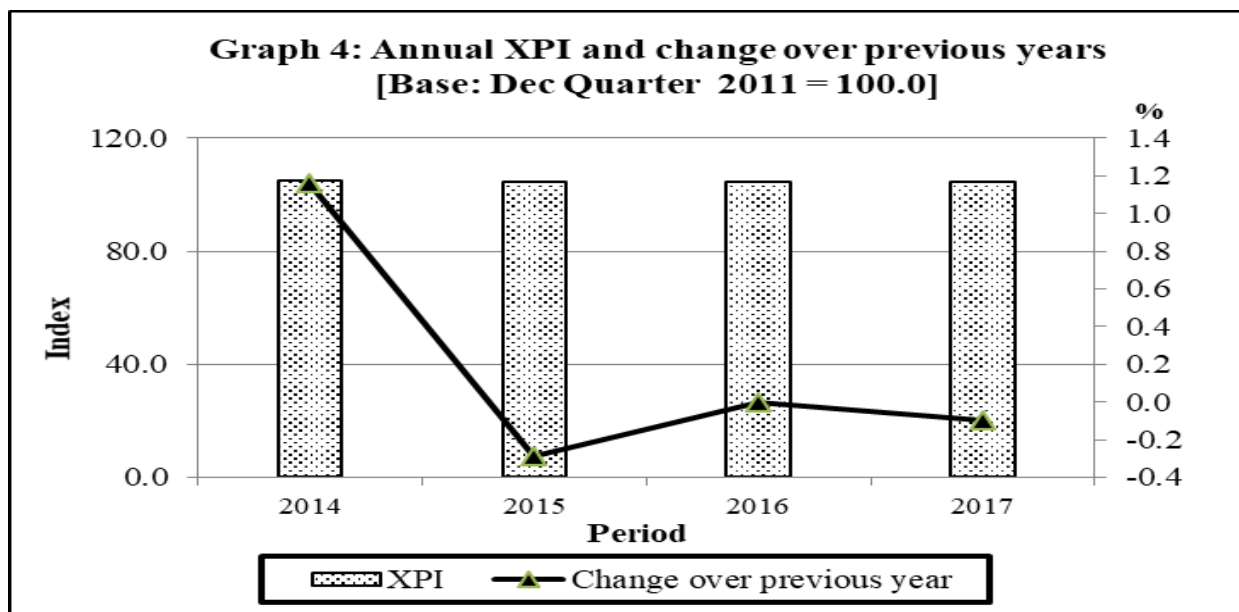
Changes over the December quarter of 2016

Compared to the December quarter of 2016 [104.9], the XPI for the December quarter of 2017 decreased by 0.7 percent. Contributing to this decrease were lower prices recorded for the following categories and specific items:

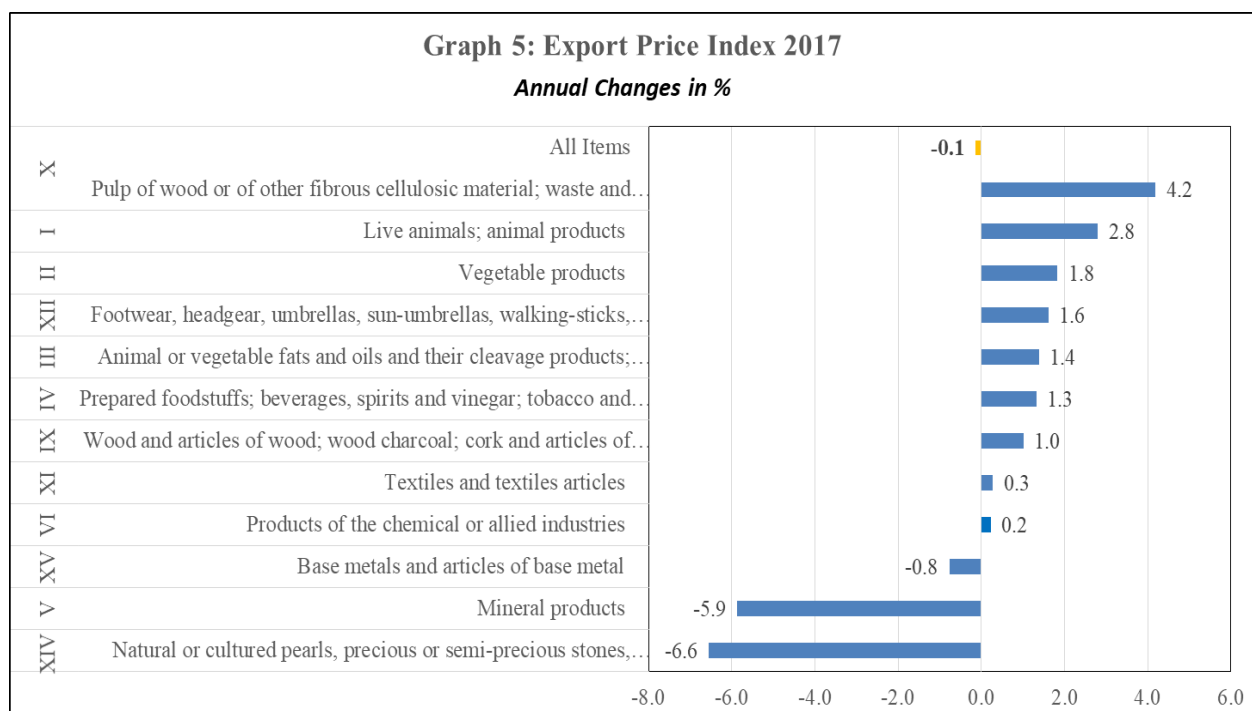
- Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewelry decreased by 5.5 percent due to low export prices of *gold*; and
- Base metals & articles of base metal decreased by 4.9 percent due to low export prices of *iron & steel* and *articles of iron or steel*; and
- Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes prices decreased by 0.5 due to low export price *soya bean oil, palm oil, canola oil and vegetable oil*.

Annual 2017

The annual XPI for 2017 stands at 104.4, a decrease of 0.1 percent over the annual 2016 XPI of 104.5.



Detailed sectional changes over the annual 2016 XPI are as follows:



Contributing to this decrease were lower prices recorded for the following categories and specific items:

- Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewellery; coin decreased by 6.6 percent due to low export prices of *gold*; and
- Mineral products decreased by 5.9 percent due to low export prices of *mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes*; and
- Base metals and articles of base metal decreased by 0.8 percent due to low export prices of *iron & steel*.

Import Price Index

Changes over the September quarter of 2017

There was no change in the overall Import Price Index [MPI] for the December quarter of 2017 when compared to the September quarter of 2017.

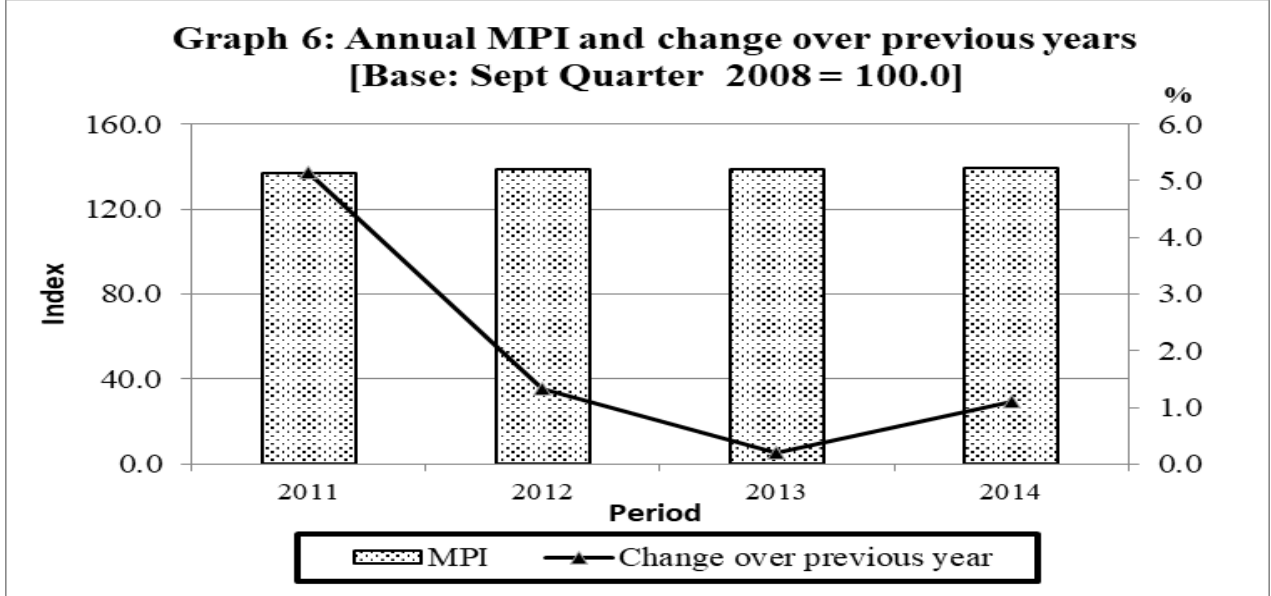
Changes over the December quarter of 2016

Compared to the December quarter of 2016 [101.9], the MPI for the December quarter of 2017 decreased by 0.2 percent. Contributing to this decrease were lower prices recorded for the following categories and specific items:

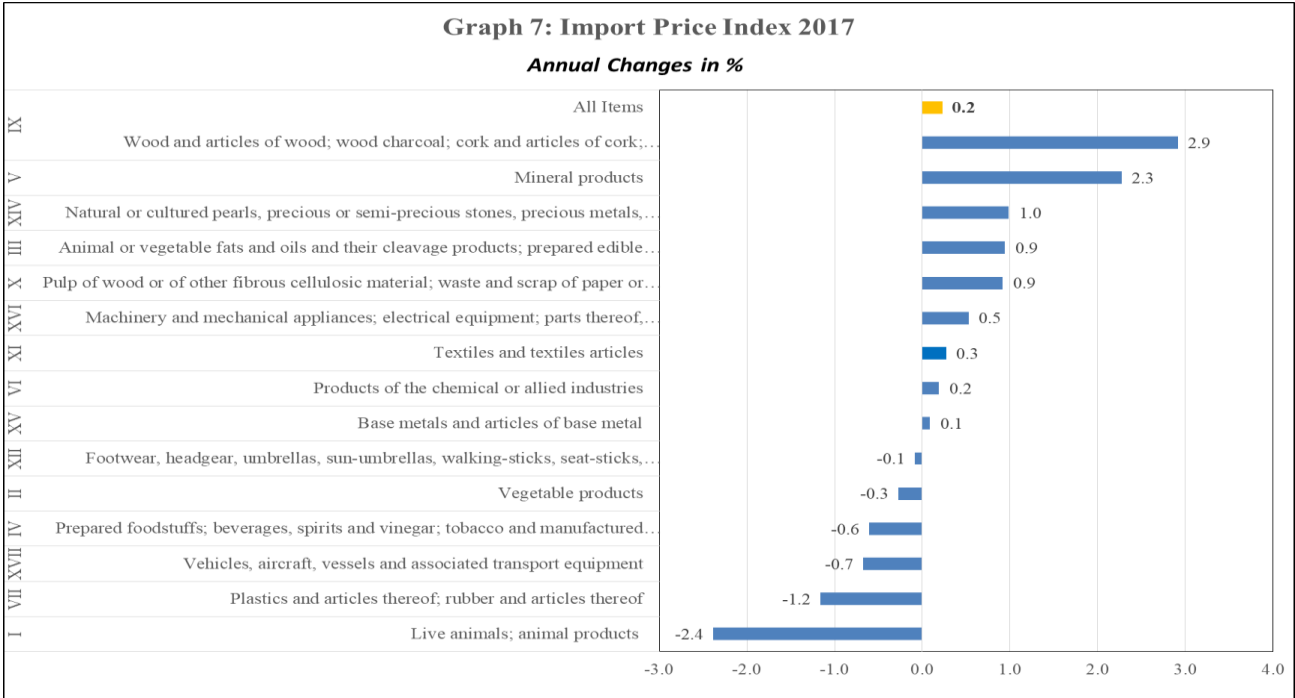
- Live animals; animal products decreased by 4.3 percent due to low import prices of *meat of sheep*; and
- Vehicles, aircraft, vessels and associated transport equipment decreased by 1.4 percent due to low import prices of *parts & accessories of motor vehicles*; and
- Wood and articles of wood; wood charcoal; cork and articles of cork; manufacturers of straw, of esparto or of other plaiting materials; basketware and wickerwork decreased by 0.7 percent due to low import prices of *wood and articles of wood*; and
- Machinery and mechanical appliances; electrical equipment; parts thereof, sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles decreased by 0.6 percent due to low import prices of *tools for working in the hand, pneumatic, hydraulic or with self-contained electric or non-electric motor* and *printing machinery, copying and facsimile machines*.

Annual 2017

The annual MPI for 2017 stands at 101.8, an increase of 0.2 percent over the annual 2016 MPI of 101.6.



Detailed sectional changes over the annual 2016 MPI are as follows:



Contributing to this increase were higher prices recorded for the following categories and specific items:

- Wood and articles of wood; wood charcoal; cork and articles of cork; manufacturers of straw, of esparto or of other plaiting materials; basketware and wickerwork increased by 2.9 percent due to high import prices of *wood and articles of wood*; and
- Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes increased by 2.3 percent due to higher import prices of *unleaded petrol, kerosene and diesel*; and

- Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewelry; coin jewelry; coin increased by 1.0 percent due to higher prices of *ladies diamond ring, pendant, bangles and sterling silver earrings*; and
- Pulp of wood or of other fibrous cellulosic material; waste and scrap of paper or paperboard; paper and paperboard and articles thereof increased by 0.9 percent due to higher import prices of *paper, paperboard and articles thereof*; and
- Machinery and mechanical appliances; electrical equipment; parts thereof, sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles increased by 0.5 percent due to increased prices of *tools for working in the hand, pneumatic, hydraulic or with self-contained electric or non-electric motor and printing machinery, copying and facsimile machines*.

Please find attached the following:

Table 2: Export Price Index;

Table 3: Import Price Index;

Table 4: Terms of Trade Index; and

Appendix 1: Technical Notes.

For further enquiries, please contact Mr. Yesnil Naiker on email yinaiker@statsfiji.gov.fj or telephone 331 5822 (ext. 386 239) or direct line 323 0839.

The International Merchandise Trade Indexes (Prices) release for the March quarter of 2018 will be released in June, 2018.



Epeli Waqavonovono [Mr]

Government Statistician

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