

Using the following DFAT document, write 1-2 sentences describing main trends for each box on the trade mind map.

Australian Trade Trends	Size -Volume Value(TOT)
	Composition -ETM -STM -Commodities -Services
	Direction -China -Asian Region -USA -EU

AUSTRALIA'S TRADE: KEY POINTS, 2017

Australia's trade in goods and services

In 2017, the value of Australia's exports of goods and services rose 14.8 per cent to \$386.7 billion. Minerals & fuels, Rural goods, Services and Manufactures rose while Gold declined. Australia's export volumes rose 3.7 per cent in 2017, with volumes of Rural goods up 14.3 per cent, Services up 7.6 per cent and Minerals & fuels up 2.0 per cent.

The value of Australia's imports of goods and services grew 7.4 per cent to \$376.6 billion in 2017. Rises occurred in Capital goods, Intermediate & other goods, Services and Consumption goods while Gold decreased. Import volumes increased 7.9 per cent with Capital goods up 18.8 per cent, Services up 7.4 per cent, Consumption goods up 6.1 per cent and Intermediate & other goods up 4.3 per cent.

In 2017, Australia's terms of trade¹ rose 11.2 per cent; export prices rose 10.7 per cent while import prices declined 0.4 per cent.

Australia's direction of trade

China was Australia's largest individual two-way goods and services trading partner in 2017, accounting for 24.0 per cent (\$183.4 billion) of total trade. Japan became the second largest trading partner accounting for 9.4 per cent (\$71.9 billion) followed by the United States, accounting for 9.0 per cent (\$68.5 billion). China was Australia's largest export destination (valued at \$116.0 billion) and import source (valued at \$67.4 billion).

APEC members accounted for 73.8 per cent of Australia's total trade; ASEAN members accounted for 13.7 per cent; members of the European Union accounted for 13.2 per cent; G20 members accounted for 71.8 per cent; OECD countries accounted for 45.3 per cent and Oceania & Antarctica accounted for 4.9 per cent.

Australia's composition of trade

In 2017, Australia's top five goods and services exports were: Iron ore & concentrates (\$63.1 billion); Coal (\$57.1 billion); Education-related travel services – which includes foreign student expenditure on tuition fees and living expenses in Australia – (\$30.3 billion); Natural gas (\$25.6 billion) and Personal travel (excl education) services – which includes short term visitors' expenditure in Australia mainly for recreational purposes – (\$21.3 billion).

Australia's top five goods and services imports in 2017 were: Personal travel (excl education) services – which includes Australian short term visitors' expenditure abroad mainly for recreational purposes – (\$40.0 billion); Passenger motor vehicles (\$22.8 billion); Refined petroleum (\$19.2 billion); Ships, boats & floating structures (\$18.9 billion) and Telecommunication equipment & parts (\$12.8 billion).

<https://dfat.gov.au/about-us/publications/Documents/cot-cy-2017.pdf>

¹ The terms of trade are calculated as the ratio of the prices we receive for our exports to the prices we pay for our imports.