

Goods Trade Balance March 2025

Australia's seasonally adjusted goods trade surplus surged to an over two-year high of A\$6,900m, from the downwardly revised A\$2,852m (originally A\$2,968m). The market expectation was for a rise to A\$3,200m.

The surge in the goods trade surplus was driven by a 7.6% bounce in exports and, to a lesser extent, a 2.2% decline in imports.

Key Numbers (A\$ Millions)

Seasonally Adjusted	Change	March	February
Goods Trade Balance	4,048	6,900	2,852
Goods Exports	3,199	45,348	42,149
Goods Imports	-850	38,447	39,297

The rise in goods credits was driven by all major categories except for rural goods. However, around 80% of the gain came from metal ores and minerals (mainly iron ore), and the volatile non-monetary gold.

Supplementary information provided by the ABS suggested that the increase in iron ore exports was driven by a surge in export volumes (unadjusted) to China. Meanwhile, exports of lump iron ore to smaller markets in South Korea and Taiwan doubled, and export volumes of iron ore fines to Japan and Vietnam rose by 141% and 193%, respectively.

Non-monetary gold exports remain elevated, driven by heightened demand from the US.

Goods Exports (A\$ Millions)

Seasonally Adjusted	Change	March	February
Rural Goods	-576	6,223	6,799
Metal Ores and Minerals (Incl. Iron Ore)	1,507	14,525	13,018
Coal, Coke and Briquettes	552	5,691	5,139
Other Mineral Fuels (Oil and Gas)	266	6,662	6,396
Metals (Ex Non-monetary Gold)	45	1,568	1,523
Non-monetary Gold	1,090	5,303	4,213
Manufactures	247	4,326	4,079

The fall in goods debits was broad-based, driven by capital goods as well as intermediate and other merchandise goods. The decline of the latter came despite a 9.3% gain in fuels and lubricants.

Imports of consumption goods declined by 0.7%, with declines or flat results for all subcategories except for non-industrial transport equipment, which saw a 3.3% gain.

Goods Imports (A\$ Millions)

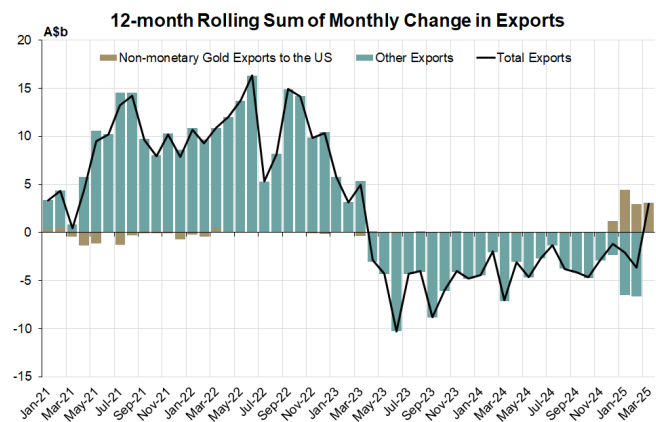
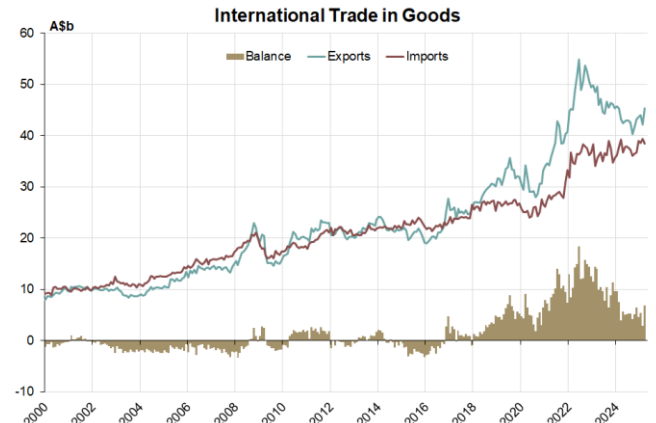
Seasonally Adjusted	Change	March	February
Consumption Goods	-85	12,085	12,170
Capital Goods	-459	8,607	9,066
Intermediate and Other Merchandise Goods	-350	16,544	16,894
Non-monetary Gold	46	1,212	1,166

Western Australia remains the dominant state in terms of exports.

State Share Merchandise Goods Exports Excluding Re-Exports (Original, %)

	March	February
Western Australia	48	46
New South Wales	15	18
Victoria	8	8
Queensland	19	18
South Australia	4	3
Tasmania	1	1

*May not add to 100% due to exclusion of re-exports.



Comment

The March trade report showed a strong rise in iron ore exports after weather impacted shipments in January and February, with the value of metal ores and minerals exports rising to the highest level in over a year. Similarly, coal exports also picked up after falling in the previous two months.

The rise in uncertainty and risk aversion led to further strong demand for non-monetary gold from the US.

The Q1 international trade prices report, also released by the ABS today, illustrated the impact of the depreciation in the Australian dollar, which led to a 2.1% rise in export prices in Q1. The largest gains were registered for metalliferous ores and scrap (mainly iron ore), which rose 5.4%, and non-monetary gold (+12.4%).

At the same time, Australian imports slipped by 2.2% in March, as domestic demand is still subdued amid cost-of-living pressures. A 3.3% rise in import prices in Q1, another impact of the AUD's depreciation, is not helpful.

Looking ahead at the future trade policies of the Trump administration, Australia remains shielded from the direct impacts of US tariffs due to limited trade exposure. The scale and direction of indirect spillovers from trade war will depend on the size and design of the Chinese response, both in terms of trade and stimulus measures.

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