

Goods Trade Balance March 2026

Australia's seasonally adjusted goods trade balance dropped by A\$6,867m to a deficit of A\$1,841m in March, from an upwardly revised A\$5,686m surplus in February (originally A\$5,026m). This is the first goods trade deficit since December 2017. The market expectation was for a A\$4,400m surplus.

The trade balance turned negative due to a drop in exports and a surge in imports.

Key Numbers (A\$ Millions)

Seasonally Adjusted	Change	March	February
Goods Trade Balance	-6,867	-1,841	5,026
Goods Exports	-1,214	43,929	45,143
Goods Imports	5,652	45,770	40,118

The drop in credits was driven mainly by lower exports of rural goods and the volatile non-monetary gold. There were also declines in metal ores and minerals (mainly iron ore), as well as coal, coke and briquettes.

The declines were partly offset by a solid gain in other mineral fuels (oil and gas), driven by higher export volumes, while export values did not change much. Manufactures and metals excluding non-monetary gold also saw slight increases.

Goods Exports (A\$ Millions)

Seasonally Adjusted	Change	March	February
Rural Goods	-828	6,316	7,144
Metal Ores and Minerals (Incl. Iron Ore)	-177	12,848	13,025
Coal, Coke and Briquettes	-92	5,093	5,185
Other Mineral Fuels (Oil and Gas)	240	5,508	5,268
Metals (Ex Non-monetary Gold)	43	1,478	1,435
Non-monetary Gold	-478	7,416	7,894
Manufactures	105	4,169	4,064

The surge in goods debits was broad-based, with all three major categories seeing gains.

Capital goods imports recorded the largest gain, driven by increased spending on ADP equipment.

Intermediate and other merchandise goods also saw a strong increase, with imports of fuels and lubricants surging by 53.6%. Import volumes of crude petroleum and gasoline rose by 40.8% and 18.8%, respectively, though diesel import volumes fell by 11.6%.

Imports of consumption goods saw a relatively modest increase in March.

Goods Imports (A\$ Millions)

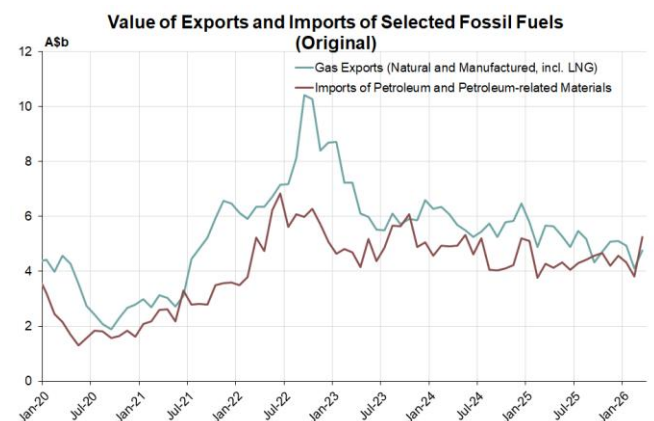
Seasonally Adjusted	Change	March	February
Consumption Goods	152	12,518	12,366
Capital Goods	3,411	12,677	9,266
Intermediate and Other Merchandise Goods	1,411	17,953	16,542
Non-monetary Gold	680	2,623	1,943

Western Australia remains the dominant state in terms of exports.

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

	March	February
Western Australia	47	44
New South Wales	19	19
Victoria	7	8
Queensland	16	17
South Australia	3	4
Tasmania	1	1

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



Comment

The March trade report was dominated by the impacts of the Middle East war and surging investment in data centres.

On the one hand, lower exports of food and live animals to the Gulf region were partly responsible for a large drop in rural goods exports, which was partly offset by higher exports of LNG. Despite the March gain, LNG exports remain lower than the 2025 average and well below the levels reached after Russia's 2022 invasion of Ukraine.

On the other hand, disruptions from the conflict in the Middle East drove petrol and fuel prices higher, while precautionary purchases of fuel drove import volumes higher. While quite significant, petrol was not the major mover for imports in March, being outpaced by ADP equipment, most likely due to ongoing development of data centres. What is more, imports of petrol remain below their levels from 2022.

The unpredictable nature of the US-Iran conflict makes it hard to predict developments in Australian trade in the coming months. The RBA projection, which assumes that the conflict will come to an end by mid-2026, expects export volume growth to slow compared to late 2025, and then turn negative later this year. Import volumes are forecast to grow further, albeit at a slower pace. However, higher commodity prices are expected to provide a boost to the terms of trade.

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