ECONOMIC INDICATORS

Balance of Payments Q3 2025

Balance of Payment

Australia's seasonally adjusted current account balance fell by A$493m to -A$16,646m in Q3, from a revised -A$16,153m (originally -A$13,654m) in Q2. Market participants expected a current account balance of around -A$13,000m.

Deterioration in the current account balance was driven by a A$290m decline in the trade surplus, partly offset by a A$299m narrowing in the net primary account deficit.

Current Account Balance (A$m, Seasonally Adjusted)

	Change	Q3 2025	Q2 2025
Current Account	-493	-16,646	-16,153
Trade Balance	-290	2,489	2,779
Net Primary Income Balance	299	-18,690	-18,989

The decline in the trade surplus came as a A$1,541m rise in exports was weaker than a A$1,833m gain in imports.

The rise in exports was broad-based, with other minerals and fuels (mainly LNG) being the only category to see a decline due to both lower volumes and prices.

Exports of metal ores and minerals saw the strongest absolute gain of all categories, due to higher volumes and prices.

The value of non-monetary gold exports rose to a new record high of A$14,882m, following another A$523m gain in Q3, reflecting higher volumes and prices. However, non-monetary gold export volumes are half their record high from mid-1997.

Key Exports (Seasonally Adjusted)

	Change (A$m)	Volume (%)	Prices (%)
Rural Goods	343	1.9	-0.1
Metal Ores and Minerals	1,810	0.7	3.9
Coal, Coke and Briquettes	1,103	6.9	0.3
Other Mineral Fuels (Oil and Gas)	-2,238	-0.6	-10.6
Non-Monetary Gold	523	0.4	3.2
Services	342	0.0	1.0

Developments in import categories were more mixed compared to exports.

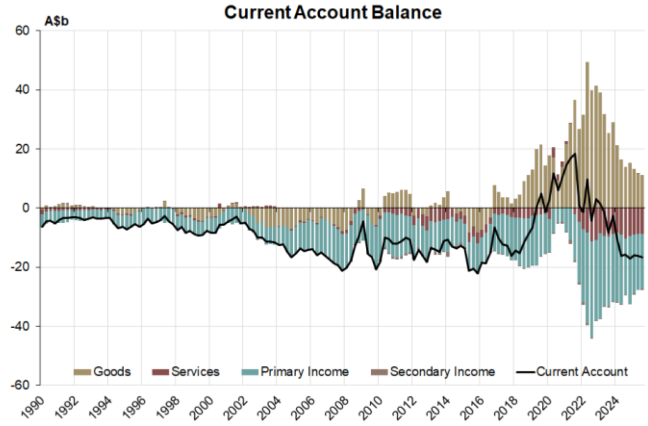
There was a rise in imports of capital goods (+A$1,498m), intermediate and other merchandise goods (+A$2,015m), as well as services (+A$224m).

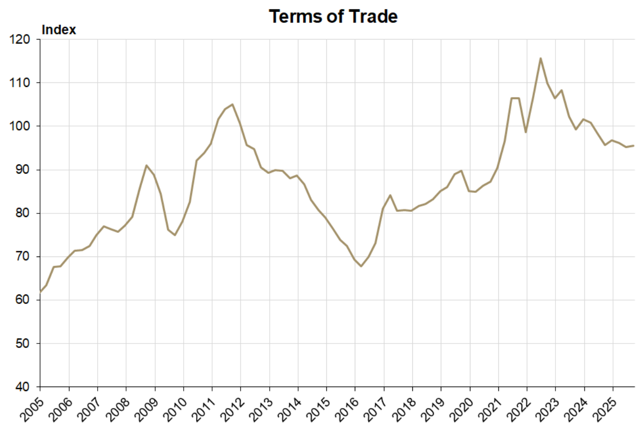
Most of the increase in intermediate and other merchandise products came from fuels and lubricants. Among capital goods, there was an over 200% surge in the choppy civil aircraft and other confidentialised items.

At the same time, consumption goods saw a A$791m fall, with a strong decline in the volatile non-industrial transport equipment.

Key Imports (Seasonally Adjusted)

	Change (A$m)	Volume (%)	Prices (%)
Consumption Goods	-791	-1.7	-0.4
Capital Goods	1,498	6.7	-1.3
Intermediate and Other Merch. Goods	2,015	4.2	0.2
Non-Monetary Gold	-1,113	-23.6	3.1
Services	224	-0.2	0.7





The narrowing of the net primary income deficit in Q3 resulted mainly by higher profits of Aussie direct investment holdings.

The smaller decline in export prices (-0.1%) compared to import prices (-0.4%) translated into the first rise in the terms of trade in 2025, of 0.3%. However, the terms of trade are 17.4% below their record high in mid-2022.

Net International Investment Position

The net international liability position widened to A$665.2b from A$646.4b in Q2. Net foreign debt increased to A$1,434.5b from A$1,419.7b during the quarter.

Comment

The Australian external position is normalising, following a period of a boost in exports during COVID-19 and the start of the Russia-Ukraine war.

In trend terms, which look through quarter-to-quarter volatilities, the current account deficit reached A$16,415m in Q3, a level unseen since mid-2016. In its October update, the International Monetary Fund expected the current account deficit to be roughly steady in the coming years.

The ABS estimates that net exports detracted 0.1ppts from real GDP growth in Q3.

02 December 2025