



Asia-Pacific integration drives Australia's two-way trade to A\$648 billion

Economic integration with the expanding Asia-Pacific region continues to drive Australia's economic growth. Australia's two-way trade with the world grew by 3.7 per cent year-on-year to A\$648 billion in 2013. Trade in 2013 was 42 per cent of GDP, up from 32 per cent in 1990.

Growth was underpinned by Australia's trade with East Asia, which has grown 7.6 per cent year-on-year to A\$367 billion in 2013. The region now accounts for over 55 per cent of Australia's two-way trade, with five-year trend growth of 6.1 per cent a year. Seven of Australia's ten largest trading partners are within Asia, reflecting the country's strategic location and increased economic participation within the fast-growing region.

- ▶ Australia's exports of goods and services rose by six per cent to A\$319 billion in 2013, about 21 per cent of GDP. This solid growth was driven by strong demand in East Asia for Australia's minerals and fuels. Australia's top three merchandise export items – iron ore, coal and natural gas – were valued at A\$124 billion accounting for 39 per cent of Australia's total export value.
- ▶ Australia's imports of goods and services grew by 1.6 per cent to A\$329 billion in 2013, about 21 per cent of GDP. Personal travel (excluding education) services, crude petroleum and passenger cars were Australia's top three import categories, representing 19 per cent of total imports.
- ▶ By region, Australia's exports to the East Asian region were particularly strong, increasing by 11 per cent to A\$219 billion in 2013, which accounted for over two thirds of Australia's exports. However, Australia's imports from East Asian economies rose by only 3.6 per cent to A\$148 billion in 2013, representing less than half of Australia's import value.
- ▶ Australia's total trade with China in 2013 exceeded A\$150 billion (up A\$25 billion or 20 per cent on 2012), the fourth year exceeding A\$100 billion. China accounted for almost one quarter of Australia's two-way trade. It was Australia's largest two-way trading partner, the largest export market (A\$102 billion) and largest source of imports (A\$49 billion).
- ▶ Japan and the USA remain Australia's second and third largest trading partners, with respective total two-way trade values of A\$71 billion (10.9 per cent of trade) and A\$55 billion (8.4 per cent) in 2013. South Korea and Singapore have also been important markets, with two-way trade values of A\$32 billion (5 per cent) and A\$27 billion (4.2 per cent) respectively.
- ▶ The USA was Australia's largest two-way services trading partner (A\$18 billion) in 2013, followed by the UK (A\$10 billion) and China (A\$9 billion).

AUSTRALIA'S EXPORTS AND IMPORTS OF GOODS AND SERVICES¹

Rank	Selected Economies	A\$ billion						% Share 2013	% Change 2012-13
		2008	2009	2010	2011	2012	2013		
1	China	73.8	85.2	105.3	121.6	125.7	150.9	23.3	20.1
2	Japan	76.1	59.4	66.3	72.7	71.3	70.8	10.9	-0.8
3	USA ²	55.1	49.4	49.5	54.1	56.1	54.7	8.4	-2.5
4	South Korea	27.3	24.4	30.1	32.7	31.9	32.1	5.0	0.6
5	Singapore	31.2	23.1	21.7	27.8	29.1	27.1	4.2	-7.1
6	New Zealand	23.2	20.6	21.1	21.5	21.0	21.6	3.3	2.5
7	UK	28.6	24.3	22.7	23.3	22.4	19.9	3.1	-11.1
8	Thailand	18.4	19.1	19.8	18.4	18.4	19.5	3.0	6.2
9	Malaysia	15.5	13.3	15.5	16.0	17.6	17.9	2.8	1.4
10	Germany	15.8	14.4	14.7	15.2	15.7	16.1	2.5	2.4
11	India	18.9	20.6	22.0	20.4	17.7	15.2	2.3	-13.9
12	Indonesia	11.6	11.3	12.8	14.8	14.6	14.9	2.3	2.1
	Other	170.9	142.2	157.4	176.0	182.9	187.2	28.9	2.3
	All Economies (BOP Basis)	566.5	507.2	559.0	614.5	624.5	647.8	100.0	3.7
	APEC ²	383.6	349.1	389.7	432.0	438.1	461.1	71.2	5.3
	East Asia	288.2	263.6	302.6	336.8	340.7	366.5	56.6	7.6
	OECD ²	292.0	246.7	261.1	281.5	281.7	277.5	42.8	-1.5
	EU28 ³	92.5	77.5	78.2	81.9	82.1	79.3	12.2	-3.3

1. Trade in goods is on a recorded trade basis; 2. From 2008 based on unpublished ABS data and includes US confidential aircraft imports; 3. EU 27 from 2007 to 2012

Sources: ABS trade data on DFAT STARS database, Australian Bureau of Statistics Cat. No. 5368.0.55.004 and ABS unpublished data; Austrade