

The Statistics Newsletter

for the extended OECD Statistical Network

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Seasonal Adjustment Methods in the European Union and Other OECD Countries

By Ronny Nilsson, OECD

The needs of the European Central Bank for reliable, timely and harmonised short-term indicators in the Eurozone has led to the varied seasonal adjustment (SA) procedures used in different countries being scrutinised more carefully. What scope is there for seasonal adjustment methods and software packages to be better harmonised throughout the Eurozone, the EU and OECD? What are the priorities? This article sets out the results of a recent study.

In January 2001, a Task Force was set up by the European Union's Committee on Monetary, Financial and Balance of Payments Statistics (CMFB), with a mandate to find a solution for harmonisation of seasonal adjustment methods within the network of statisticians in the European Union. OECD is participating in the Task Force, bringing the expertise of its researchers and the experiences of non-European countries.

In particular, the mandate of the Task Force, Seasonal adjustment Co-ordination Group (CG), is focused on two issues:

- Investigating the possible integration of X-12-ARIMA and TRAMO-SEATS¹ procedures
- Use of DEMETRA (Eurostat software package including above procedures) by National Statistical Institutes (NSIs) and National Central Banks (NCBs)

A questionnaire on seasonal adjustment procedures to evaluate user needs was sent out in February 2001 to NSIs and NCBs within the EU. Following this initiative, the OECD decided to circulate to OECD non-European statistical agencies (and some selected research institutes) a reduced version of the European questionnaire, in order to have a full picture of the situation in the OECD countries.

The final results of the survey for EU countries were presented to the CMFB meeting on 28-29 June 2001. The results of the OECD survey were made available to the meeting.

The EU survey covered both SA methodology and IT aspects and the resulting conclusions included:

- TRAMO-SEATS and X-12-ARIMA seem to be the only two relevant SA methods within the area of concern of the CMFB;
- A clear separation between research level and production level usage is important and a clear program-version policy is urgently needed.

X-12-ARIMA in continuation of the X-11 is easier to implement at the production level and to keep the continuity of the service to the customers. TRAMO-SEATS is highly regarded and improvements with respect to confidence in the SA routine would help to gain it acceptance at the production level. The integration of the two methods is important but not urgent:

¹ Some more explanation of these SA software packages can be found in the article in the May edition of the Statistics Newsletter.

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The Statistics Newsletter seeks to provide news on OECD statistics activities and to provide a forum for national statistical agencies, who wish to promote new work of potential international interest to a wider audience.

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- The automatic modelling procedure in X-12 ARIMA will be replaced by TRAMO and some other facilities in TRAMO will be added;
- The two SA procedures (SEATS and X-11) differ significantly and should both be made available through an integrated facility;
- The diagnostics facilities in the two programs should be harmonised (work is currently under way).

Different approaches in the countries and institutions make it difficult to implement a harmonised solution. The survey indicated that DEMETRA in its current version could not fulfil the role of a standard. The reasons for this are difficulties to comply with program changes in the SA core (no control), to ensure security in accessing data and to provide production functionality. On the other hand, DEMETRA gives easy access to SA for non-experts and is perceived by most users as a powerful research tool.

Priorities for the harmonisation of seasonal adjustment procedures across institutions in Europe against above background are the following:

- Use of a single SA software integrating both X-12 ARIMA and TRAMO-SEATS following the lines indicated above;
- A single reference source code underlying the SA software both from a statistical and software technological point of view;
- Standardisation of the reporting of SA metadata, in particular quality aspects of the adjustment;
- Definition of best SA practices via a European (EU and Member States) network of expertise on SA methodology.

The main results relating to the methodological aspect of seasonal adjustment emerging from the two surveys on seasonal adjustment conducted in OECD non-EU countries and in EU countries are summarised as follows:

a) Seasonal adjustment methods

X-12 ARIMA will be the predominant seasonal adjustment method in the future among OECD countries with TRAMO-SEATS taking the major share of the remaining market. However, It should be noted that many institutions will continue to use several methods, in particular X-12 ARIMA and TRAMO-SEATS in combination.

b) SA diagnostics

Close to 90% of the institutions indicate that the seasonal adjustment method used gives satisfactory diagnostics most of the time. Institutions in OECD non-EU countries indicate a slightly higher satisfaction compared to EU countries.

c) Pre-adjustment

Software features for pre-adjustment are graded by importance into the following groups:

First priority: outliers detection, trading day adjustment of flow variables

Second priority: implementing national holidays, missing observations and forecasts test for modelling type

Third priority: level shifts, additive outliers, seasonal breaks, Easter effect, user defined variables, dummy variables

d) Direct versus indirect adjustment

In the case of EU countries, about 30% of the institutions are considering the aggregation problem, but no method is predominant. For the remaining 70%, the problem is under study and/or the current software is not supporting the feature. In the case of OECD non-EU countries, direct adjustment is the most common method and is used by 58% of the responding institutions.

e) Projected seasonal factors versus concurrent adjustment

In the case of EU countries, about 25% of the institutions are considering the two methods, but no one is predominant. Concerning OECD non-EU countries, projected seasonal factors are used by 63% of the institutions as the regular method while concurrent adjustment is used by 32% on a regular basis

f) Update of seasonal adjustment options and models

Seasonal adjustment options are updated on a fixed periodicity by about 70% of the investigated institutions. Most of them perform updating once a year. The revision of model parameters and deterministic effects is performed on a fixed periodicity by most institutions. The revision may take place each time the series is updated, every quarter or every year with no real dominant pattern. In the case of the selection of fixed filters or ARIMA models a yearly periodicity is predominant.

g) Metadata and publication policy

Metadata on seasonal adjustment method, parameters used in the seasonal adjustment process, applied working/trading day adjustment are stored by over 85% of the institutions in

the production database for internal usage.

Documentation about events explaining outliers is stored by about 40% of the responding institutions and other types of metadata are stored by only about 20% of the institutions.

Other information is stored by about a third of the institutions but only a bit over 10% of them store it in a database. This type of information is mainly kept on records and for research purpose.

Concluding remarks and future work

The two seasonal adjustment methods X-12 ARIMA and TRAMO-SEATS are considered the best alternatives for the future by almost all institutions. Both methods are, however used in many institutions and most of them would welcome a merge of the two methods. Such work is in progress and concerns mainly the pre-adjustment and diagnostics level. Both EU and OECD support this development.

Work on seasonal adjustment has been carried out within Eurostat for many years. Such work covers both software developments such as DEMETRA, methodological investigations and reporting of seasonal adjustment metadata. Further information on Eurostat SA work can be found on: <http://forum.europa.eu.int/Public/irc/dsis/eurosam/home>

As for individual OECD countries, the Italian National Statistical Office ISTAT published a major study on seasonal adjustment in 2000. This study entitled "Seasonal Adjustment Procedures – Experiences and Perspectives" is based on the Proceedings of an International Conference held in Rome in 1998. A comparison of TRAMO-SEATS and X-12 ARIMA is the focus of many papers included in the study.

A new OECD expert group on "Short term Economic Statistics" managed by the Statistics Directorate will be established in 2002. One of the issues to be addressed according to the needs of EU countries are best practices in treating seasonal adjustment and presenting short term statistics.

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Italian Non-profit Institutions: a Statistical Profile

By Nereo Zamaro, Istat, Italian Institute of Statistics, Statistics on Public and Private Institutions

(e-mail: zamaro@istat.it)

Recent empirical research has shown that non-profit organisations are both economically and socially relevant institutions. Most researchers have noticed that their importance is growing due to the restraints on public spending experienced in the more economically advanced nations. Moreover, the role of non-profit organisations is even more important if a restructuring of people's preferences, enhancing the value of 'trustworthy' goods and services, is considered. In spite of this, until a few years ago in most countries, little attention was paid to non-profit institutions (NPIs) by official statistics.

In order to overcome this lack of statistics, in 2000 Istat carried out a census of Italian non-profit institutions and enterprises. The survey was based on the SNA93 definition of "non-profit institutions", but also national legislation was taken into account to keep within the survey field the "social co-operatives" and any other "not-for-profit organisations of social utility" whose institutional behavior is regulated by Italian law. Furthermore, to appropriately cover the economic activity sectors of non-profit institutions and enterprises we decided to test the *International Classification of NonProfit Organizations* (ICNPO) designed by the Johns Hopkins University (Baltimore) researchers along with their comparative surveys on NPIs and which is largely compatible with the Italian, the European, and the international industry classifications².

In the SNA93 a definition of NPIs is given as follows: "non-profit institutions are legal or social entities created for the purpose of producing goods and services whose status does not permit them to be a source of income, profit, or other financial gain for the units that establish, control or finance them. In practice their productive activities are bound to generate either surpluses or deficits but any surpluses they happen to make cannot be appropriated by other institutional units" (SNA93, 4.54).

However, in the SNA the NPI's contribution to national economies is not well marked out, neither in terms of *institutional sectoring*, nor in terms of organisational economic patterns *NPI specific*. As evidence of this the SNA93, besides the "non-profit institutions serving households" (NPISH) sector, locates NPIs in any institutional sector. First, this solution prevents a complete representation of the whole non-profit institution population within the NPISH sector; secondly, it tends to inhibit a proper coverage of these units; and finally, may produce some distortion in imputing the NPI's particular contribution to the corporate and government sector as a whole. The general survey organised by Istat was aimed at finding out and measuring the main structural and economic characteristics of this set of "hidden" non-profit organisations.

The list of target institutions for the survey was put together through the matching of several administrative archives

(private and public) and the operating statistical archives on business enterprises and private institutions. The questionnaire was mailed and the net response rate was 76%.

Summing up the survey results, the Italian NPIs display a very heterogeneous profile. Many of them are located within families, hospitals and city council houses; often they are small (with few members and low budgets) and most of them have never before been counted in statistical surveys. However, besides these units, much larger economic and social institutions exist, with many hundreds of employees, big annual expenditure and a complex organisational structure.

At the end of 1999 there were 221,000 Italian NPIs. Half of them were based in the northern regions; the main activity field of almost two thirds of these institutions was "culture, sport and recreation"; 55% were established during the last decade. Breaking down the whole population by legal form: 141,000 were associations without legal status; 61,000 associations with a legal status; 3,000 were foundations; and nearly 5,000 "social" cooperatives.

The NPIs engage in their activities 532,000 employees, 80,000 professionals and advisors; 18,000 thousand workers "borrowed" from other institutional units (public administrations and business enterprises); furthermore within these institutions also 3.2 million volunteers, 96,000 priests and nuns and 28,000 conscientious objectors (to military service) work.

In 1999, the total revenue of NPIs was about 38 billion Euro and their total expenditure was 35 billion Euro. As a whole, the aggregate positive result was more than 2 billion Euro. The economic results, considered in absolute values, were not homogeneously distributed among the main activity sectors of NPIs. 60% of their aggregate revenue is concentrated within three activity sectors (social services; health; culture sport and recreation).

The final census results will be published by the end of 2001 (but the main census results can be drawn from the Istat's web site: www.istat.it).

Finally, some of the census results have already been analysed to test the *Handbook on NonProfit Institutions in the System of National Accounts*, which is being developed jointly by the United Nations Statistical Division, Johns Hopkins University (Centre for Civil Society Studies) and London School of Economics (Centre for Civil Society).

Compiling Telecommunications Price Indices

By Kuniko Moriya and Junko Kunihiro, Bank of Japan

The Bank of Japan (BOJ) has published the Corporate Services Price Index (CSPI) since 1991 with the index series from 1985, which is one of the longest time series world-wide in the field of corporate service prices. Service prices are the most problematic areas for capturing actual price trends according to our long experience in compiling this index. The problems of capturing services prices have attracted a great deal of attention amongst statistics organisations and users around the world in recent years. Telecommunications services, especially, are a focus of attention. They are characterised by

² ATECO91, NACE Rev 1, ISIC rev 3 respectively

rapid growth, and are affected by advances in information technology and government deregulation.

This article summarises a new BOJ Working Paper, which shows how the telecommunications services prices index is compiled in Japan, by taking into account these drivers of change and evaluates the actual developments in the index. Methodological limitations and future concerns are also addressed.

First the telecommunications industry of Japan is explained in terms of service providers, types of service (see table 1) and government regulations. This sheds light on the circumstances of service price index compilation. Secondly the pricing methodology that is used in the price survey is described. For accuracy either representative prices or all prices are adopted as the surveyed prices. Discounts are counted as price movements on a real-time basis or on a retroactive basis depending on the timing of receiving data. Thirdly developments in the price index for more than 15 years are analysed and evaluated. The downward trends, due a) to increased competition amongst service providers following deregulation and b) to the quality improvement of telecommunication services caused by technological innovation, are shown.

Table 1

Service group	Types of telecommunication services currently priced
Domestic & international services	
	Domestic (national) fixed telephone charges
	International fixed telephone charges
	Integrated Services Digital Network (ISDN)
	Data transmission services
	Domestic leased circuits
	International leased circuits
Mobile telecommunications	
	Cellular phone services
	Personal handyphone services
	Pager services
Access charges	
	Access charges

Overall, the index has succeeded in tracking the actual trend of the prices, reflecting our continuous efforts to catch up with the changes in the industry. Limitations and future concerns include the pricing methodologies adopted, the quality adjustment procedures in replacement of price data, and how to factor in the new types of service not yet covered in the CSPI. Finally the paper considers the prospects for the index. We continue to adopt new types of services emerging in the telecommunications field and are deepening the study of how to improve quality adjustment procedures.

For the full paper in English "Recent Improvements and Prospects of Price Indexes -(1) Corporate Service Price Index (CSPI): Telecommunications Services" go to the Bank of Japan website <http://www.boj.or.jp/en/index.htm>

This paper was also originally part of a joint international paper submitted to the Voorburg Group in Sweden in September 2001. "Price Indexes for Telecommunications Services from the U.S. Bureau of Labor Statistics and Bank of Japan; authors: *Gregory Deuchars, Kuniko Moriya, Junko Kunihiro*, which can be found at: <http://www.voorburg.scb.se/sessions.asp>.

(Both the BLS and BOJ authors would appreciate comments).

Volume Balance Sheets for Australia

By Tony Johnson, Australian Bureau of Statistics

An experimental real/volume balance sheet for Australia has been included for the first time in the Australian System National Accounts. Volume estimates for the major categories of produced assets have been available for many years in Australia's national accounts. These represent over half of the total value of assets at the national level. The focus of the new work was on volume estimates for stocks of non-produced, non-financial assets and real estimates of financial assets and liabilities, so as to derive an estimate of 'real' net worth.

Methods and Issues

Values for subsoil assets and native standing timber can be decomposed into prices and volumes, so chain volume indexes can be derived. As current price estimates are derived as the present value of the future net income stream (resource rents), volume estimates are derived by valuing the physical volumes in each period using the resource rents and internal rates which apply in the base period.

Deriving chain volume estimates of land raises a number of important issues. Can the volume of land change over time, or is change in its value wholly due to price change? A nation's land area does not change very much in the normal course of events. However, as volume change incorporates changes in quality, it seems clear that the volume of land can change due to both natural processes and human activity. Urban land is more valuable than rural land because of the higher utility it provides to urban dwellers. As urban boundaries expand and land is rezoned for urban use, it can be argued that the volume of land changes as it becomes available for higher value use. Location is critical in determining the quality, and hence the volume, of land. Thus, land in a city's central business district can be said to be of higher quality than land in its suburbs.

Australia's experimental balance sheet is consistent with the notion that land volumes do change over time. However, the practical task of splitting value changes into their price and volume components is a difficult one. As an interim approach the ABS has calculated the growth in volume of urban land at half the rate of growth in the volume of overlying construction. Rural land is calculated to have zero volume growth, which assumes that rural land degradation, land improvement and rezoning net to zero.

Financial assets and liabilities cannot be decomposed into prices and volumes, so it is impossible to derive volume indexes for them. The same is true of operating surplus and other income flows. This is the reason why chain volume estimates of GDP cannot be derived by aggregating volume indexes of its income components. However, it is possible to deflate income flows, financial assets and liabilities by a price index in order to measure the change in purchasing power of

the aggregate in question over a designated numeraire set of goods and services. The ABS has used the domestic final demand chain price index as the deflator for financial assets and liabilities with the rest of the world. As such, these measures are called 'real' estimates.

Real net worth has been derived by aggregating the volume estimates of the non-financial assets with the real estimates of financial assets less liabilities using the standard method of chain aggregation.

Further information

The ABS plans to publish the experimental real/volume balance sheets in future editions of the Australian System of National Accounts (Cat.no.5204.0).

For further information, refer to the Feature Article published in the March quarter 2001 issue of Australian National Accounts: National Income, Expenditure and Product (Cat.no.5206.0) at <http://www.abs.gov.au> (starting from the home page select: Statistics – Special Articles – National Accounts – Special Article, “Real/Volume balance sheet for Australia (Mar Qtr 2001)”).

News in Brief

Asia-Pacific Statisticians Meeting on IT&T Statistics in Brisbane

The idea for a technical meeting on Information Technology & Telecommunications (IT&T) statistics first arose during a discussion between Dennis Trewin, Australian Statistician and Paul Cheung, Chief Statistician of Singapore. Australia offered to host the meeting in Brisbane in May 2001. It was attended by Asia/Pacific statisticians with expertise in the design and collection of statistics on IT&T. Countries represented were Singapore, Japan, Republic of Korea, Hong Kong (SAR of China), New Zealand and Australia.

The broad aim of the meeting was to share experiences and work together to better understand the issues and future directions for statistical work in this field. A number of proposals were agreed by the meeting; they covered statistical classifications and standards, statistical frameworks and compilation of data on several IT&T topics.

The agenda was wide-ranging and included:

- country presentations on current collection activity and future directions;
- underlying frameworks for the collection of IT&T statistics, including OECD standards, a proposed framework based on national accounting standards (an *IT&T satellite account*) and other frameworks, classifications and standards used by attending countries;
- collection issues relating to scope, methodology, definitions and data items;
- discussion of common data items;
- proposals to further the work of the group.

The meeting agreed a number of actions:-

- 1 Prepare concordance tables showing, for all countries:

- definitions of the IT&T sector
- IT&T and electronic content product classifications
- classifications of IT&T occupations and qualifications.

2 Compile comparable statistics on:

- the IT&T sector (using the current OECD definition)
- electronic commerce (using the proposed OECD core e-commerce indicators).

3 Undertake further work on IT&T statistical frameworks:

- further develop the concept of an IT&T satellite account framework
- develop a broad conceptual framework for measuring IT&T
- prepare a paper on measuring the social and economic impacts of IT.

The group plan to meet again in October or November 2002.

More information and papers are available from the ABS website <http://www.abs.gov.au> – see Themes on the home page. Then choose Information Technology.

Sheridan Roberts, Australian Bureau of Statistics

OECD National Accounts Experts Meeting

The OECD National Accounts Experts met during 9-12 October in Paris. More than 90 national accountant experts from more than 40 different countries attended. The main topics covered issues linked to the measurement of the ICT sector (and in particular software), capital stock and services, intangibles and wealth, banking services. They decided to establish a number of task forces to examine areas where the 1993 SNA and its current implementation can be improved. It was also agreed to establish inventories of country practices in certain key areas where international comparability is perceived to be poor.

One such task force on the Measurement of Software in the National Accounts had been pre-announced and it was agreed that it would work together with Eurostat and send out a common questionnaire to Member countries in November.

New task forces are to be established on defining the output of financial services, insurance services, alternative measures of household income, the measurement of capital stocks and the treatment of intangible assets. These task force are chaired by member countries representatives, with the assistance of the OECD Secretariat. They will report to the 2002 annual meeting of experts, scheduled for 8-11 October, 2002. At the end of the meeting Enrico Giovannini informed delegates that it had been agreed with the Heads of National Statistical Offices (NSOs) to establish a new advisory group on statistics. This would facilitate discussion between NSOs and the OECD Statistics Directorate in the establishment of an annual agenda.

For further information contact francois.lequiller@oecd.org

Selected Recent OECD Publications

❑ OECD Agricultural Databases – 2001 Edition

This CD-ROM is a unique, reliable and up-to-date source of international statistics on Agriculture. It includes 3 databases:

Agricultural Commodities Outlook Database 1970-2006 –

It provides users with policy analyses and specific agricultural commodity projections to 2006 for production, consumption, trade, stocks and prices in OECD countries. It includes selected information on other countries, including China, Argentina and the NIS. Aggregate results are also provided for the OECD and non-OECD areas as well as for the World.

Agricultural Policies in Emerging and Transition Economies – Database 1990-2000 –

It provides a unique collection of internationally comparable and policy-relevant macro-economic and key agricultural indicators. It spans 21 emerging and transition economies. The data include detailed support estimates for seven transition economies for the period 1986-2000.

Agricultural Support Estimates – Database 1986-2000 –

It provides the most up-to-date statistical series on agricultural support in OECD countries. It monitors changes in the level and composition of support and includes detailed information on sources and definitions, methods of calculation of support and criteria for classification of policy measures.

The 3 databases are in user-friendly software, Beyond 20/20TM for WindowsTM, that allows you to build customised tables and charts, export to other software packages, and perform your own analysis. Available on CD-ROM.

❑ World Energy Outlook – 2001 Insights: Assessing Today's Supplies to Fuel Tomorrow's Growth

The recent surge in energy prices is drawing attention once again to the availability and security of energy resources and the prospects for both supply and prices. World Energy Outlook: 2001 Insights – a follow-up to the acclaimed World Energy Outlook 2000 – takes a detailed look at all these issues. It analyses the main factors driving energy production and distribution, including the cost of developing resources and bringing them to market, energy pricing and the impact of government policies.

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❑ CO2 Emissions from Fuel Combustion - 1971/1999 - 2001 Edition

Recent years have witnessed a fundamental change in the way governments approach energy-related environmental issues. The data in this book are designed to assist in understanding the evolution of these emissions from 1971 to 1999 for more than 140 countries and regions by sector and by fuel.

❑ OECD Statistics on International Trade in Services – 2001 Edition

This database contains information from the joint OECD-Eurostat publication OECD Statistics on International Trade in Services, 2001 Edition. It includes statistical data for the 30 OECD countries as well as definitions and methodological notes. The data are based on the fifth edition of the IMF's Balance of Payments Manual and the OECD-Eurostat Classification of Trade in Services, which is consistent with the balance of payments classification but is more detailed. The database uses Beyond 20/20TM, a user-friendly WindowsTM-based software that allows the user to extract data and build customised tools for analysis such as graphs and tables. Also available in paper version and on line at www.SourceOECD.org.

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❑ Insurance Statistics Yearbook – 1992/1999 – 2001 Edition

The insurance industry is a major component of the economy by virtue of the amount of premiums it collects, the scale of its investment and, more fundamentally, the essential social and economic role it plays by covering personal and business risks. This OECD database is an essential tool for experts from public, private and academic sectors working in the insurance field. It gathers major official insurance statistics for all OECD countries as well as Singapore.

It provides information on the diverse activities of this industry and on international insurance market trends. The data, standardised as far as possible, are broken down under numerous sub-headings, and a series of indicators makes the characteristics of the national markets more readily comprehensible. It uses Beyond 20/20TM, a user-friendly WindowsTM-based software that allows the user to extract data and build customised tools for analysis such as graphs and tables. Technical documentation on the software and the statistics is included in AcrobatTM format. Also available in paper version and on line at www.SourceOECD.org.

❑ National Accounts of OECD Countries. Detailed Tables 1970/1999 – 2001 Edition Volume 2

This issue also includes provisional data for 2000. The 2001 edition of the National Accounts of OECD countries: Detailed Tables, Volume II covers, in addition to main aggregates, detailed national accounts data for most OECD countries. It includes detailed breakdown by kind of activity for gross value added (current and constant 1995 prices), components of value added, gross fixed capital formation and employment. It also includes final consumption expenditure of households by purpose, simplified accounts for general government and detailed accounts by institutional sectors. Data are shown for 30 OECD countries back to 1970 in most cases, expressed in national currency. These data are based on the System of National Accounts 1993 (1993 SNA) for a majority of

countries, but not all. In this issue, the national accounts for three OECD countries (New Zealand, Switzerland and Turkey) are still presented on the basis of the 1968 SNA.

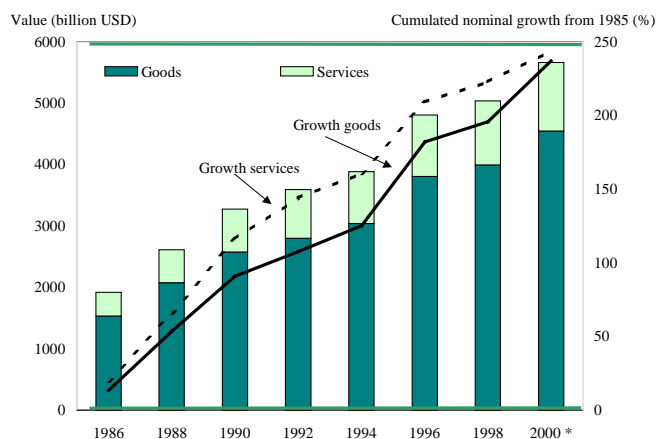
The database uses Beyond 20/20™ for Windows™, fast and user-friendly software including query modules which enables you to carry out data extractions, build customised graphs and tables, and perform your own analysis. ALSO AVAILABLE in paper form and on line A condensed paper version (period 1988-1999 and provisional 2000) of the National Accounts database, including analysis, is also published. The database (period 1970-1999 and provisional 2000) is also available on line at www.sourceoecd.org. For information on all OECD countries preparing Quarterly accounts, please consult the OECD Quarterly National Accounts database, which is also available in paper, CD-ROM and online versions. www.oecd.org/std/na/home.htm

□ Statistics Brief (Issue Number 1) Trade in Goods and Services – Statistical Trends and measurement Challenges

Statistics Brief is a new OECD publication, which presents important statistical issues to the international community of statisticians, economists, policy makers and researchers. The first issue gives an overview of broad trends in trade in goods and services and describes some important methodological issues and new developments.

Statistics Brief is available on the OECD website www.oecd.org. If you wish to subscribe, please register at OECDdirect www.oecd.org/oecdirect.

Chart: Growth of OECD trade in goods and services



* 2000 OECD estimates
Source: OECD-Eurostat, OECD Statistics on International Trade in Services, 2001. IMF, Balance of Payments Yearbook, 2000.

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Press Release: OECD COMPOSITE LEADING INDICATORS September 2001

A new monthly press release series on composite leading indicators in the OECD Member countries was first issued on 9 November. The press release announced the leading indicators position in September as follows:

OECD CLI FALLS IN SEPTEMBER; DETERIORATION IN ALL G7 COUNTRIES

The Composite Leading Indicator (CLI) for the OECD area fell 1.6 points in September to 110.6 from 112.2 in August (see chart below). At the same time the six-month rate of change has deteriorated for two consecutive months.

The CLI for the United States decreased by 2.8 points in September 2001. The US six-month rate of change has fallen for three consecutive months after three months of improvement. The CLI for the Euro area decreased by 1.8 points in September. The area's six-month rate of change has deteriorated for three consecutive months. The CLI for Japan decreased by 1.6 points in September. The six-month rate of change for that country has also shown a downward trend since Spring 2000.

The CLI for the United Kingdom decreased by 1.0 point in September and its six-month rate of change has deteriorated for the past three months. The CLI for Canada decreased 0.6 of a point in September while its six-month rate of change has shown little change for the past few months. Finally, CLIs for France, Germany and Italy decreased in September.

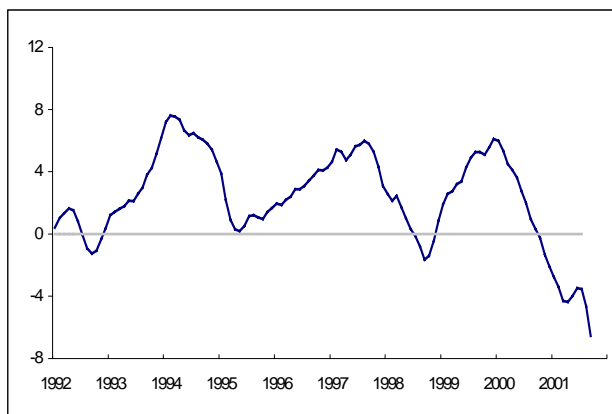


Chart: Trend restored CLI (annualised 6-month rate of change).
Percentage change for total OECD

Tables and charts giving the composite leading indicators for OECD Total, G7 countries, Euro area and other area totals, methodological notes and CLI data for all the countries with related information can also be found with the press release at www.oecd.org.

The next publication date of the OECD's CLI will be on 7 December 2001.

For further information, journalists are invited to contact the OECD's Media Relations Division on 00 331 4524 9700 or e-mail news.contact@oecd.org

On Line Access Developments

ConIstat-on-line

Short Term Statistics Database in a Web Environment
(<http://con.istat.it>)

By Francesco Rizzo and Federico Polidoro, Italian National Institute of Statistics (ISTAT)

The timely availability of short-term economic data is one of the main problems in the dissemination of high frequency data. Moreover quick and easy access to the data is an important user requirement.

The development of WEB technology and high-performance low-cost hardware, have led ISTAT to build a short term statistics data base in a web environment (ConIstat-on-line), replacing the one on CD-ROM.

ConIstat-on-line is a database containing more than 8000 time-series of short-term indicators produced by ISTAT. ConIstat-on-line allows the display of tables with time-series, from different surveys, covering many sectors of industry and services. The current domains are:

prices, services, employment, wages and other labour indicators, construction, industry, foreign trade, tourism.

Each domain contains data from one or more survey.

During the planning phase, it was noted that several functions already present in the CD-ROM version have been extensively appreciated by users. So the main goal was to design carefully the user interface to reach the right compromise between what the CD-ROM version currently offered and what the on line data base could offer. The user interface has been implemented through a search system (navigation) designed to be logical. The main functions that a user can perform with the navigator are:

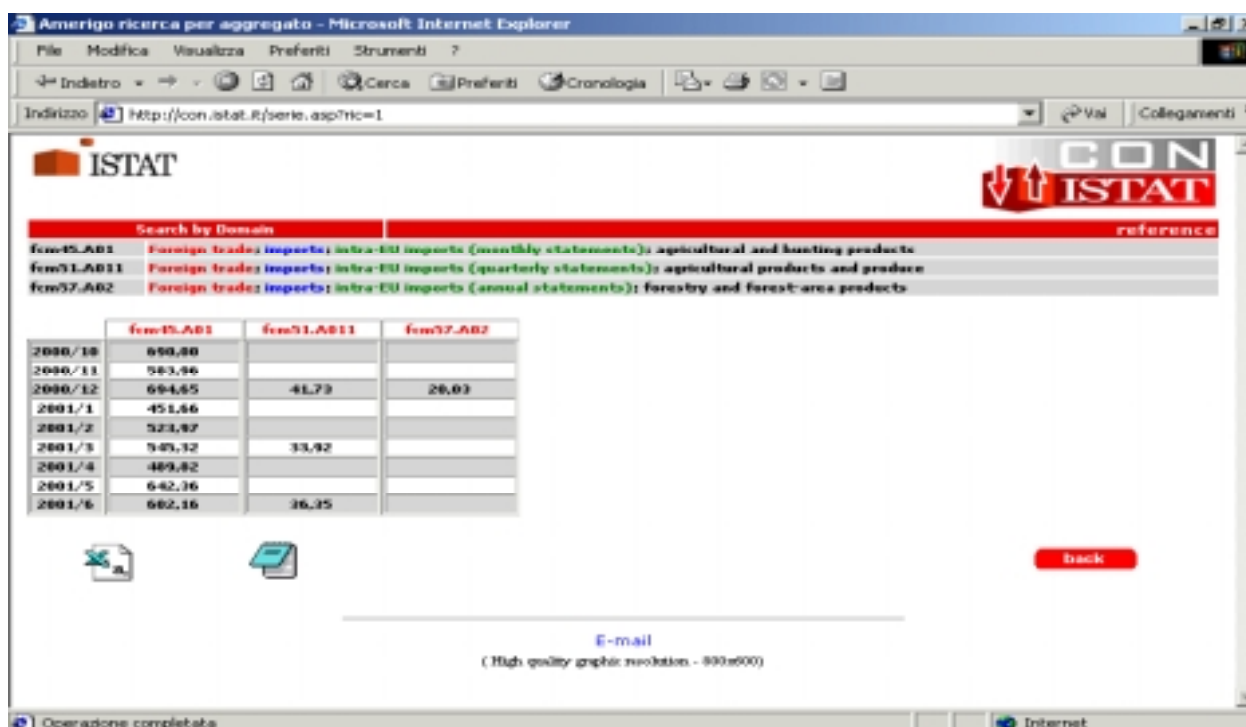
- personal authentication by inserting a user ID and a password, or registration by filling in an on-line form; in this case, the proper user ID and password will be sent immediately to the new user by e-mail;
- Data search by the ATECO (Italian version of NACE) code, by Main Economic Industrial Groupings (MIGS) or by domain;
- Time-series displaying and comparing from different ATECO or different aggregates;
- Data selection by choosing the time-series and the appropriate time interval (starting period – starting year, ending period – ending year);
- simultaneous management of time-series with different frequencies;
- full metadata visibility;
- management of both raw and seasonally-adjusted time-series;
- Time-series download in text (.txt) and csv file format;
- Saving of one or more search paths in order to recall them during the following work sessions.

Users have unlimited and free access to the data base.

Future developments:

- Data on demand (being tested): the system automatically and periodically sends by email to the user who subscribes to this service, data sets of time-series ready to be loaded in analysis software like SAS or Excel;
- Enlarging the domains, sub-domains and aggregates, particularly inserting data from the labour force survey and quarterly national accounts.

For more information contact: rizzo@istat.it or polidoro@istat.it



Forthcoming OECD Statistics Meetings

N.B. Unless otherwise indicated attendance at OECD meetings and Working Parties is by invitation only

12-14 November

Working Party on Financial Statistics, OECD, Paris, *Directorate for Financial, Fiscal and Enterprise Affairs* (DAFFE)

13-15 November

Working Party no. 2 on Tax Policy Analysis and Tax Statistics of the Committee on Fiscal Affairs, OECD, Paris, *Directorate for Financial, Fiscal and Enterprise Affairs* (DAFFE)

16 November

Joint meeting of environment and tax experts, OECD, Paris, *Environment Directorate* (ENV)

19-21 November

Workshop on Business Tendency Surveys 2nd joint meeting with ECLAC, Rio de Janeiro, *Statistics Directorate* (STD)

26-28 November

Statistical Working Party of the Committee on Industry and Business Environment, OECD, Paris, *Directorate for Science, Technology and Industry* (STI). The first two days are for the Workshop on Firm-Level Statistics and Enterprise Demography.

(n.b. The session on globalisation indicators originally scheduled for the 29 November has been postponed)

5-7 December

International Trade Statistics Meeting, OECD, Paris, *Statistics Directorate* (STD)

10-11 December

Joint OECD-Eurostat Meeting of Experts on International Trade-in-services Statistics, *Statistics Directorate* (STD)

13-15 December

INES Technical Group, *Directorate for Education, Employment, Labour and Social Affairs* (DEELSA)

24-25 January 2002

3rd Session of the Working Party on Territorial Indicators, *Territorial Development Service* (TDS)

Other International Statistical Meetings

12-14 November

Consultation on the European Comparison Programme, *Statistical Commission and Economic Commission for Europe, Conference of European Statisticians*, Geneva.

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*Articles for the December Newsletter are invited by
3 December 2001*

As a guide:

Article length 600 words maximum

News in brief 200 words maximum

Recent Publications 150 words maximum

Please send articles, comments or questions to

STD.STATNEWS@oecd.org



DATABASE OF THE MONTH

Main Economic Indicators

The Main Economic Indicators database presents a range of comparative short-term economic indicators that provide an overview of recent international economic developments. It is an indispensable source of statistics for analysis by corporate planners, economists, academics, and researchers, as well as students, in a variety of fields. Monthly, quarterly and annual data are available for 30 OECD Member countries, and a number of non-member countries including Brazil, China, Indonesia and Russian Federation. Indicators are also presented for a number of OECD country groupings including official statistics for the euro zone. Many series for OECD countries are available back to 1960 and back as far as possible, at least to the early 1990s for non-members. The database is updated monthly.

Contents

For all countries the indicators cover the main aggregates of quarterly national accounts, indices of production, commodity output, domestic demand, business tendency and consumer confidence survey results, stocks, orders and deliveries in the manufacturing industry, construction, consumer and producer prices, domestic and external finance, labour market, wages, foreign trade and balance of payments

For OECD countries considerably more information is available on balance of payments statistics, business survey results and composite leading indicators. For the majority of OECD countries, balance of payments statistics are compiled in accordance with the methodology of the 5th edition of the *Balance of Payments Manual* published by the IMF (BPM5), and presented according to the Standard Presentation. They cover credit, debit and balances of the current account; income, services, trade in goods, current transfers, in both seasonally adjusted and unadjusted forms plus many details for the financial accounts which are presented only in a seasonally unadjusted form. Results from business tendency surveys reflect business managers' perceptions of current and future developments of important business indicators. They form an important part of the OECD composite leading indicators, which facilitate early detection of turning points of economic activity.

The following variables are available for country groupings: quarterly national accounts by category of expenditure, GDP volume index, industrial production, composite leading indicators, passenger car registrations, volume of retail sales, producer prices, consumer prices, hourly earnings in manufacturing, standardised unemployment rates, civilian employment, international trade, world trade (country groupings given are world, OECD-Total, non-OECD), narrow and broad money.

Information is made available about revisions, additions and suppressions to data series, and about other modifications to the database. The statistics are accompanied by extensive statistical methodological information on current national practices for the compilation of the indicators. In order to assist cross-country comparisons this information is presented in a structured format under the headings: definition, coverage, calculation, collection and source.

Presentation

In conformity with international recommendations for a standard reference year, index numbers are shown with 1995=100 except for a small number of series for which the year 1995 is not available. Many series are shown in both seasonally adjusted and unadjusted form. Where seasonally adjusted data are not available from national sources the series have been adjusted by the Secretariat according to the X12-ARIMA method of the U.S. Bureau of the Census.

Sources

Data are provided by National Statistical Institutes, Central Banks, international organisations and various national research organisations. Real effective exchange rates and world trade statistics are compiled by the Economics Department of OECD and leading indicators are compiled by the Statistics Directorate of OECD.

Countries and OECD country groupings

Data are available for all OECD Member countries and the following OECD country groupings: OECD total; OECD former total (excludes Korea, Czech Republic, Hungary, Poland, Slovak Republic); European Union; European Monetary Union countries; OECD Europe, OECD Europe former (excludes Czech Republic, Hungary, Poland, Slovak Republic); Major seven industrialised countries (Canada, France, Germany, Italy, Japan, United Kingdom, and United States).

Data are available for the following non-member countries: Brazil, Bulgaria, China, Estonia, Indonesia, Latvia, Lithuania, Romania, Russian Federation, Slovenia and Ukraine.

Accessing the data

The data are available on CD-Rom in csv format and Beyond 20/20 browser format and via the OECD's on-line service SourceOECD. Government agencies can access the data via OLISnet. Paper versions of the publication are also available but with less detailed information on balance of payments statistics, business tendency survey results and leading indicators.

Methodological information

The MEI Database is accompanied by a number of supporting elements that help lend methodological transparency to the indicators included, and assist users to access the data. These elements are

- Links to international statistical guidelines and recommendations developed by the OECD and other international organisations for short-term economic indicators;
- A list of MEI target short-term economic indicators;
- Statistical methodological information outlining current national practices in individual countries. Methodological information for all countries is available in French and English in HTML format on the Internet Site at www.oecd.org/std/mei.htm and on CD-ROM. The MEI Data inventory that outlines what the OECD actually collects and disseminates in both the paper publication and in the CD-ROM. The series listed in the inventory are consistent with those published in the March 2001 issue of *Main Economic Indicators*.

Further information on these elements is available on the OECD website. In addition, work is well advanced on the development of a corporate OECD Glossary which will contain target definitions and concepts used in MEI (for more information about the glossary see the article "OECD Statistical Glossary" in *The Statistics Newsletter*, October 2001, edition 4).

Data for non-members countries can also be consulted on the OECD website at: <http://www.oecd.org/pdf/M00009000/M00009160.pdf>.

For OECD Member countries and OECD country groupings, a selection of data called the "HOTfile" is available on a weekly basis in csv format plus monthly updates of a number of key indicators presented in pdf format at <http://www.oecd.org/oecd/pages/home/displaygeneral/0,3380,EN-document-20-nodirectorate-no-1-9066-20,FF.html - title5>

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