

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West Vic 3020
Australia
Tel: 03 9311 0103
Fax: 03 9311 0138



Email: awis@woolindustries.org
Web: www.woolindustries.org
ABN: 30 454 304 967
Reg No: A0041776E

AWIS WOOL MARKET REVIEW

Week Ending 30 January 2015 (Week 31)

The AWEX EMI finished 19¢ higher (+1.8%) in Australian currency and 6¢ lower (-0.7%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

37,415 bales were on offer nationally, compared with 47,368 bales last sale. 6.7% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 31)									
Centre	Last Sale Week	Indicator	Day-to-Day Changes (Week 31)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
			Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	30	1051	No Sale	+10	+9	19 (1.8%)	1070	-6	+16
Northern	30	1079	No Sale	+11	+8	19 (1.8%)	1098	-7	+16
Southern	30	1032	No Sale	+10	+10	20 (1.9%)	1052	-5	+17
Western	30	1083	No Sale	+6	No Sale	6 (0.6%)	1089	-17	+6

Global markets for all commodities remain under pressure due to continuing economic uncertainty following recent events such as the European Central Bank's decision to start printing money ("Quantitative Easing"); and the uncertainty of what the new Greek Government will do.

However, the impact continues to be minimised for Australian wool growers due to the falling US exchange rate. The EMI has gone up by 11¢ since the closing December sale, while it has fallen by 39¢ in US currency in the same period.

The smaller rise in the WMI was due to the smaller proportion of fine wool in the West and because there was no sale there on Thursday.

This week's market started on a very positive note, with gains across all micron ranges and wool types, particularly from 16.5 to 18 microns. Thursday's market continued in the same manner. Further strong demand at the fine end has stretched the difference between prices for fine and the medium Merino wools. The difference between the closing AWEX MPGs for 22.0 and 16.5 microns were 237¢ and 198¢ in the North and the South, respectively. The corresponding figures in the last sale before Christmas were 123¢ and 115¢.

It was also a good week for crossbreds, whose average MPGs gained from 2 to 3%; and for Merino skirtings and oddments.

The US exchange rate finished 2.02¢ (-2.5%) lower to close at 78.69¢ on Thursday. It had been under pressure all week and fell by 1.22¢ on Thursday when speculation increased that the Reserve Bank will lower interest rates; and that they may do so when the Board meets on Tuesday.

Differences in AWEX MPGs	18.5 and 22.0	18.0 and 22.0	17.5 and 22.0	17.0 and 22.0	16.5 and 22.0
North	148¢	196¢	214¢	228¢	237¢
South	139¢	174¢	179¢	184¢	198¢

Market Indicator	Four Sales Ago	Start of the Season	Week 31 Last Year	Season Average to Week 31 Last Year
Eastern Market Indicator	+11 (+1.0%)	+48 (+4.7%)	-62 (-5.5%)	-53 (-4.9%)
Western Market Indicator	-20 (-1.8%)	+30 (+2.8%)	-83 (-7.1%)	-47 (-4.2%)

Sale-to-Sale Changes in Average AWEX Merino Micron Price Guides (MPGs)												
Micron	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	21.0	22.0	23.0	24.0
Since Last Sale												
Change ¢	+43	+47	+44	+44	+31	+17	+9	+15	+10	+14	+6	
Change %	+3.3%	+3.7%	+3.4%	+3.5%	+2.5%	+1.4%	+0.8%	+1.3%	+0.9%	+1.3%	+0.5%	
Since Start of the Season												
Change ¢	+61	+100	+126	+127	+94	+55	+30	+23	0	-18	-33	
Change %	+4.8%	+8.1%	+10.5%	+10.7%	+8.1%	+4.8%	+2.6%	+2.0%	0.0%	-1.6%	-2.9%	
Since Same Week Last Year												
Change ¢	-127	-79	-52	-33	-61	-92	-110	-108	-116	-119	-128	
Change %	-8.6%	-5.6%	-3.8%	-2.5%	-4.6%	-7.1%	-8.6%	-8.5%	-9.2%	-9.5%	-10.3%	

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC [#]
Since Last Sale						
Change ¢	+27	+17	+24	+25	+10	+18
Change %	+3.0%	+2.1%	+3.2%	+3.5%	+1.6%	+2.2%
Since Start of the Season						
Change ¢		+19	+108	+97	+68	+56
Change %		+2.3%	+16.0%	+15.0%	+11.7%	+7.0%
Since Same Week Last Year						
Change ¢	+47	+62	+95	+94	+83	+35
Change %	+5.3%	+8.0%	+13.8%	+14.5%	+14.7%	+4.3%

Average Merino Cardings Price Guide

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West Vic 3020
Australia
Tel: 03 9311 0103
Fax: 03 9311 0138



Email: awis@woolindustries.org
Web: www.woolindustries.org
ABN: 30 454 304 967
Reg No: A0041776E

AWIS WOOL MARKET REVIEW

Week Ending 30 January 2015 (Week 31)

The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the November ABS export data.

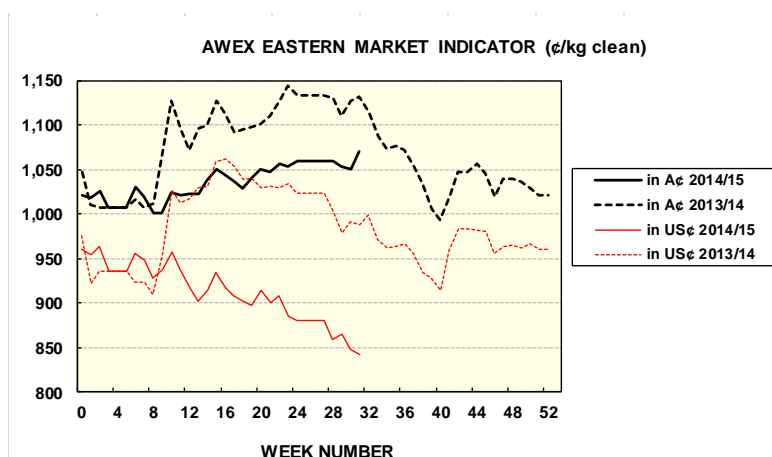
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	12,121	10,482	4.6%	3.1%	5.8%	9,999
South	26,586	19,146	5.5%	1.4%	8.6%	18,085
West	8,661	7,787	12.2%	4.0%	7.7%	6,837
Australia	47,368	37,415	6.7%	2.5%	7.6%	34,921

Actual and % Changes in the Progressive Offerings from Last Year	
-7,887	-2.5%
+28,032	+5.1%
+3,591	+1.7%
+23,736	+2.2%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 32	Week 33	Week 34	Differences
North	13,832	9,915	10,700	-4.7%
South	23,418	30,766	23,700	+12.8%
West	9,236	9,800	9,400	-15.5%
New Zealand			1,200	
Australia	46,486	50,481	43,800	+1.4%
Differences	+3.5%	-0.6%	+1.6%	

Exchange Rates (Reserve Bank)	Last Sale	Day-to-Day Changes					Sale-to-Sale Change	Closing Value	Season Min & Max	
		Fri	Mon	Tues	Wed	Thur			Min	Max
United States	80.71	-0.84	Public	-0.46	+0.50	-1.22	-2.02 (-2.5%)	78.69	78.69	93.97
Euro	69.58	+0.83	Holiday	+0.20	-0.13	-0.66	+0.24 (+0.3%)	69.82	66.87	71.1

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change in Weight of Wool Exports July - November
	November 2014	July - November This Season	July - November Last Season	
China	79.1%	74.3%	74.0%	-3.2%
India	5.2%	7.2%	7.3%	-4.1%
Italy	3.3%	4.9%	4.8%	-2.1%
Czech Republic	4.5%	5.1%	5.3%	-6.7%
Malaysia	1.9%	1.8%	2.0%	-13.6%
Korea	1.9%	2.1%	2.0%	+6.5%
Taiwan	0.7%	1.0%	1.0%	-4.4%
Egypt	0.5%	1.0%	1.2%	-21.7%
Change all Countries				-3.1%



AVERAGE EMI	
This Year	997
Last Year	1070
2012/13	1035
2011/12	1198
2010/11	1143

SEASON AVERAGES		
Region	This Year	Diff
North	1,058	-31
South	1,024	-32
West	1,079	-26

THIS YEAR'S EMI	
This Week	1070
First Week	1018
Low (0/01/00)	-11
High (5/12/02)	1070

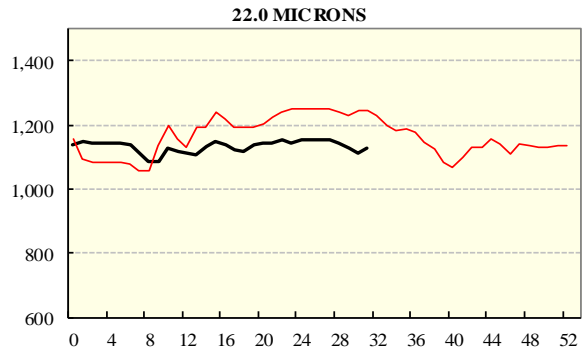
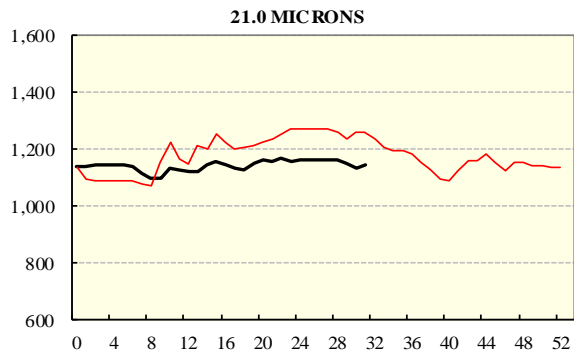
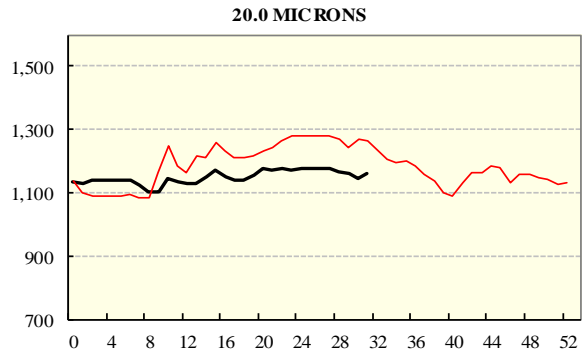
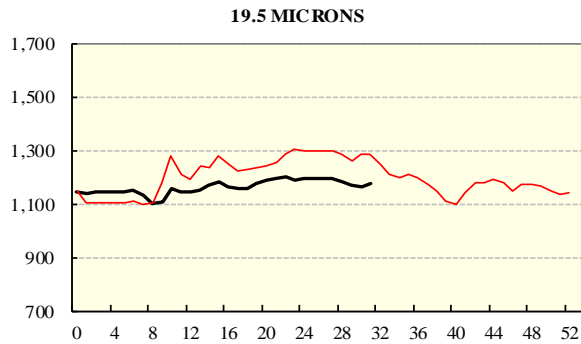
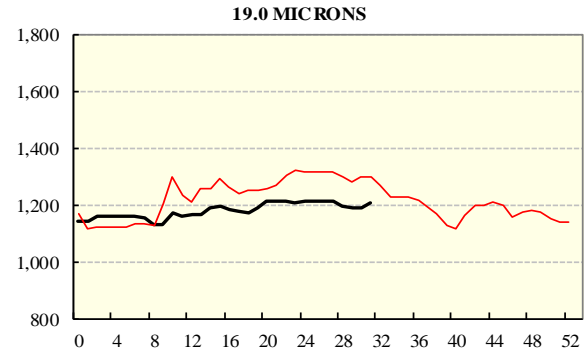
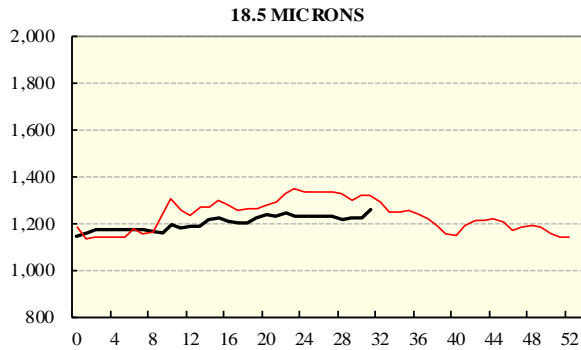
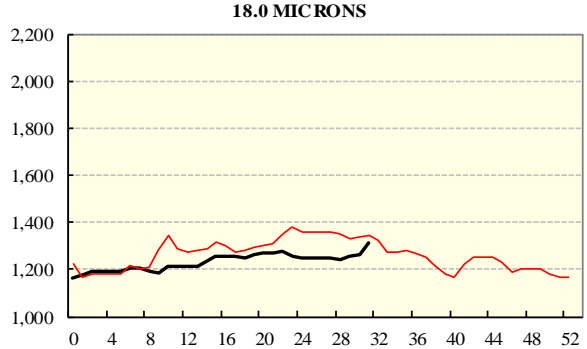
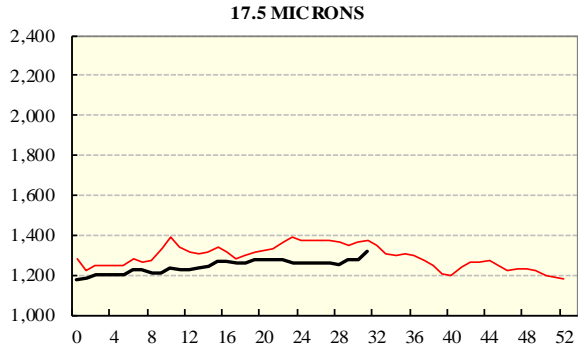
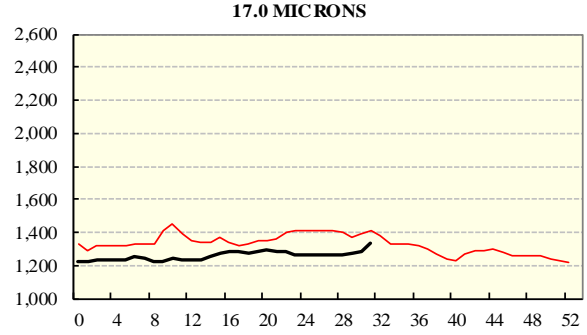
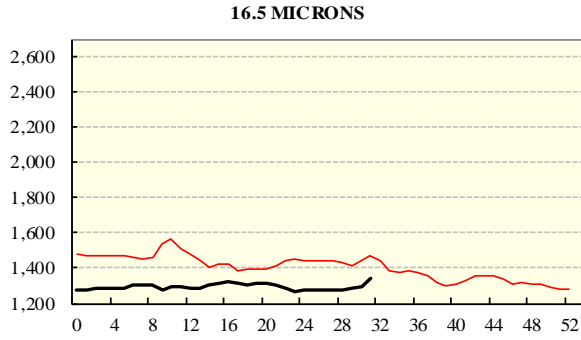
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1098	71
South	1052	38
West (Wk)	1089	36

BALES OFFERED	
This Year	1,100,007
Last Year	1,076,271
Difference	23,736
% Diff	2.2%
FIRST OFFERED BALES	
Difference	0.6%
% of Offering	93.3%

REGION BALES		
This Sale:		
North	65	
South	10,482	
West	19,146	
Progressive Totals:		Diff
North	313,351	-2.5%
South	573,688	5.1%
West	212,968	1.7%

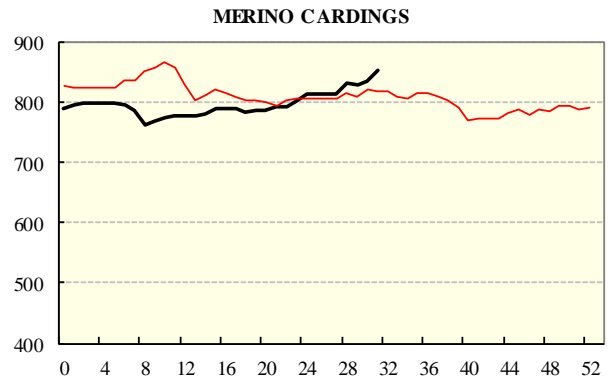
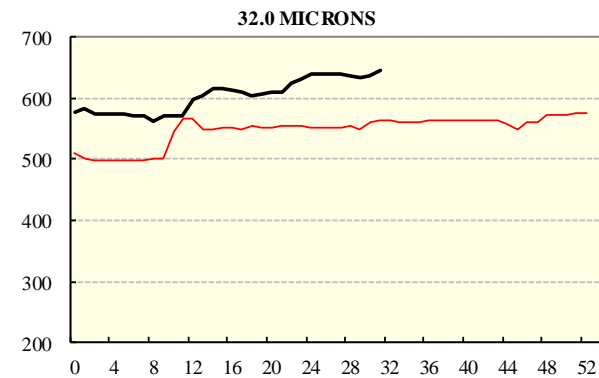
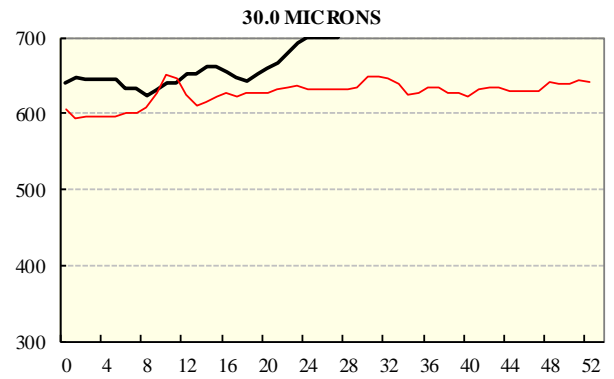
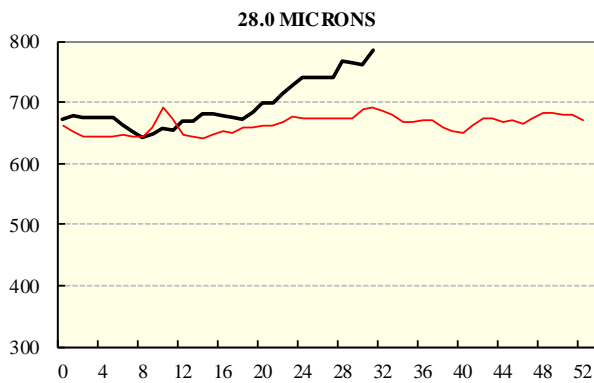
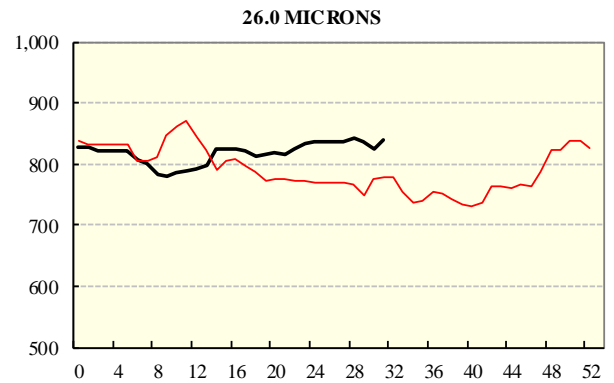
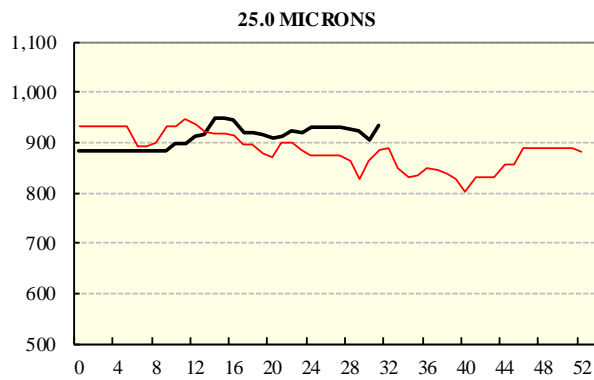
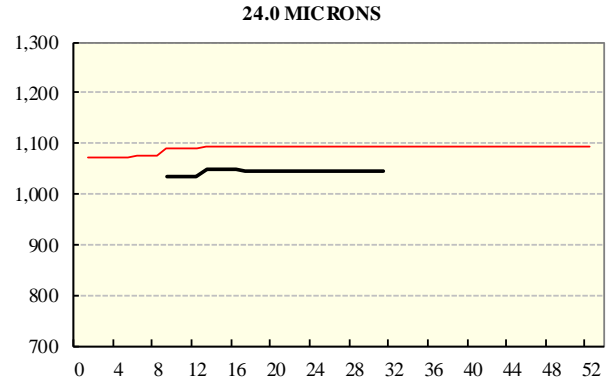
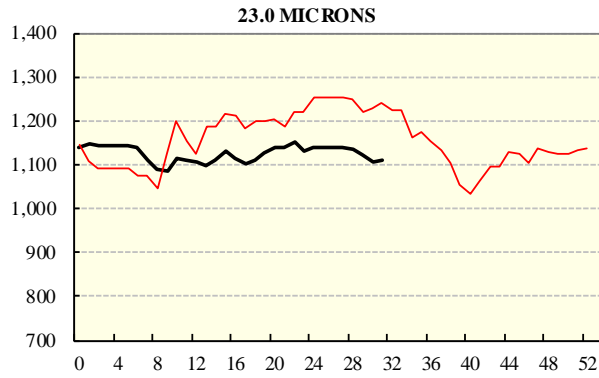
AVERAGE AWEX MICRON PRICE GUIDES

2014/15(black graph line) and 2013/14 (red graph line)

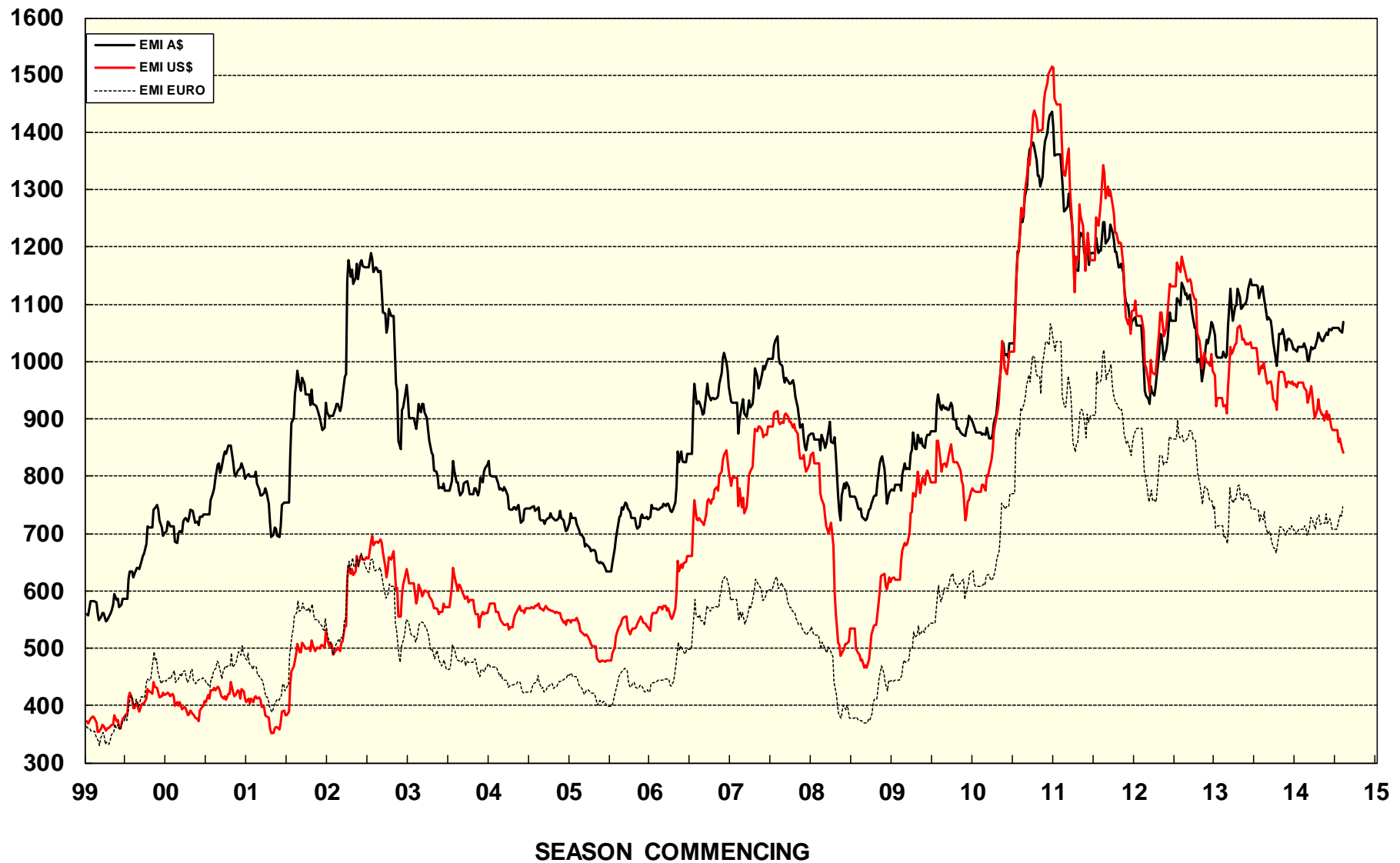


AVERAGE AWEX MICRON PRICE GUIDES

2014/15(black graph line) and 2013/14 (red graph line)



EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)
(In Australian, United States and European Currencies)



© AWIS 2013 (for permission to reprint, in part or whole, please contact this office)

For further information

Peter Morgan

03 9311 0103