

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 1 May 2015 (Week 44)

The AWEX EMI finished 19¢ higher (+1.6%) in Australian currency and 42¢ higher (+4.7%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

44,301 bales were on offer nationally, compared with 46,370 bales last sale. 2.9% of the offering was passed in, 1% above last week's figure. The offerings are now 6.1% above the same time last year as growers release wool onto the market.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 44)									
Centre	Last Sale		Day-to-Day Changes (Week 44)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	43	1153	No Sale	+2	+17	19 (1.6%)	1172	+42	+10
Northern	43	1177	No Sale	+6	+16	22 (1.9%)	1199	+45	+11
Southern	43	1137	No Sale	+1	+17	18 (1.6%)	1155	+41	+8
Western	43	1194	No Sale	+16	No Sale	16 (1.3%)	1210	+41	+7

The market has continued its surge this week with good rises in both US and Australian currencies (despite the 3.0% increase in the US exchange rate). The EMI has risen by 66¢ (90 US¢) since Easter, while the WMI has risen by 73¢ over the same period. Competition was very keen (particularly on Thursday) in response to continuing strong demand from China and Europe.

The graphs of the EMI in A\$ and in US\$ have both been moving upwards since the second week of March, whereas they had previously been moving apart as prices dropped in US\$, but increased in A\$ as the exchange rate fell.

The largest gains in the average AWEX MPGs were from 16.5 microns to 21 microns, including a gain of 2.4% at 16.5 microns.

Crossbreds were more mixed, with some small downward movements on Wednesday, which were mostly (but not entirely) compensated for by gains on Thursday. Merino skirtings were very strong, particularly on Thursday, as were the oddments. The AWEX Merino Cardings Price Guide finished at 1008¢ in Melbourne on Thursday.

The US exchange rate finished 2.33¢ (3.0%) higher to close at 79.81¢ on Thursday. Financial analysts attributed the gains to weaker economic data from the United States, a lift in iron ore prices and increased speculation that the Reserve Bank will not lower the official cash rate when it meets on Tuesday.

Buyers for China were dominant, with support from buyers for Europe and India.

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	141¢	170¢	179¢	202¢	226¢
South	140¢	173¢	189¢	196¢	237¢

Market Indicator	Changes From			
	Four Sales Ago	Start of the Season	Week 44 Last Year	Season Average to Week 44 Last Year
Eastern Market Indicator	+78 (+7.1%)	+150 (+14.7%)	+116 (+11.0%)	-18 (-1.7%)
Western Market Indicator	+94 (+8.4%)	+151 (+14.3%)	+114 (+10.4%)	-13 (-1.2%)

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 ¢	+34	+23	+19	+19	+18	+25	+24	+18	+24	+10	-1	
Change %	+2.4%	+1.7%	+1.4%	+1.4%	+1.4%	+1.9%	+1.9%	+1.4%	+2.0%	+0.8%	-0.1%	
Since Start of the Season												
Change ¢	+150	+167	+188	+188	+172	+162	+150	+130	+106	+54	+14	
Change %	+11.7%	+13.6%	+15.7%	+15.9%	+14.8%	+14.1%	+13.1%	+11.5%	+9.3%	+4.7%	+1.2%	
Since Same Week Last Year												
Change ¢	+70	+99	+110	+120	+114	+103	+100	+78	+66	+44	+30	
Change %	+5.1%	+7.6%	+8.6%	+9.6%	+9.4%	+8.5%	+8.4%	+6.6%	+5.6%	+3.8%	+2.7%	

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 ¢		+10	-4	-8	-6	+11
Change %		+1.0%	-0.5%	-1.0%	-0.9%	+1.1%
Since Start of the Season						
Change ¢		+144	+176	+152	+117	+196
Change %		+17.5%	+26.0%	+23.5%	+20.2%	+24.6%
Since Same Week Last Year						
Change ¢		+206	+184	+168	+137	+211
Change %		+27.1%	+27.5%	+26.7%	+24.5%	+27.0%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 1 May 2015 (Week 44)

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 February ABS export data.

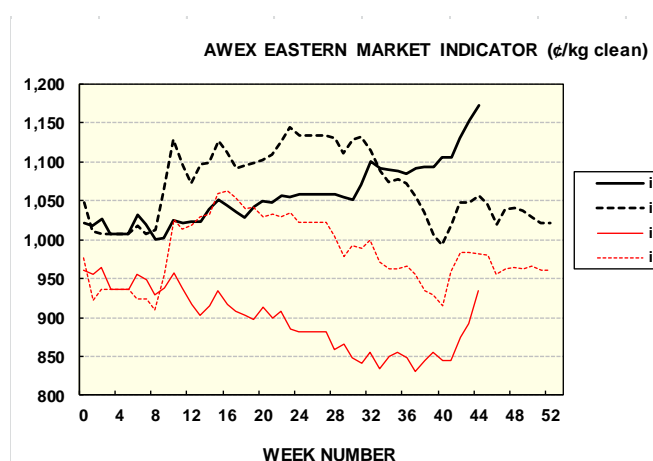
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	12,601	11,256	2.2%	7.5%	11.2%	11,007
South	23,755	24,562	2.7%	1.3%	5.3%	23,887
West	10,014	8,483	4.5%	2.6%	6.6%	8,102
Australia	46,370	44,301	2.9%	3.2%	7.1%	42,996

Actual and % Changes in the Progressive Offerings from Last Year	
+27,727	+6.3%
+63,561	+8.0%
+3,608	+1.1%
+94,896	+6.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 45	Week 46	Week 47	Differences
North	9,743	9,560	9,900	+6.9%
South	23,653	22,500	20,100	+23.6%
West	8,438	7,600	7,600	+7.1%
New Zealand	3,050			
Australia	41,834	39,660	37,600	+15.6%
Differences	+31.1%	-2.0%	+22.8%	

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	77.48	+0.30	+0.49	+0.52	+1.14	-0.12	+2.33 (+3.0%)	79.81	76.04	93.97
Euro	72.36	-0.41	+0.03	+0.42	+0.48	-0.90	-0.38 (-0.5%)	71.98	66.87	72.51

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change in Weight of Wool Exports July - February
	February 2015	July - February This Season	July - February Last Season	
China	79.1%	74.9%	74.7%	+1.6%
India	5.5%	6.5%	6.9%	-4.6%
Italy	3.6%	4.7%	5.2%	-6.9%
Czech Republic	4.5%	5.1%	5.2%	-1.2%
Malaysia	1.6%	2.0%	1.8%	+8.0%
Korea	2.1%	2.2%	2.0%	+24.1%
Taiwan	0.8%	0.9%	0.9%	+7.1%
Egypt	0.9%	1.0%	1.2%	-20.0%
Change all Countries				+1.3%



AVERAGE EMI	
This Year	1060
Last Year	1070
2012/13	1035
2011/12	1198
2010/11	1143

SEASON AVERAGES		
Region	This Year	Diff
North	1,082	-7
South	1,046	-10
West	1,098	-7

THIS YEAR'S EMI	
This Week	1172
First Week	1018
Low (27/09/0)	1,001
High (17/03/0)	1172

COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1199	172
South	1155	141
West (Wk)	1210	157

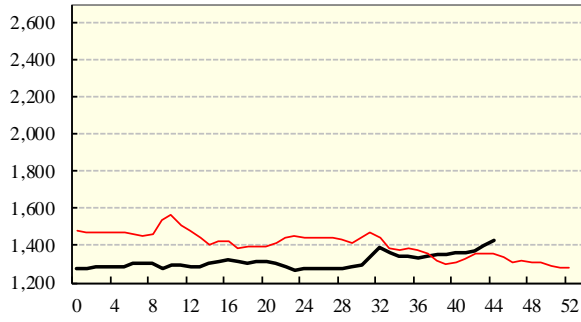
BALES OFFERED	
This Year	1,656,965
Last Year	1,562,069
Difference	94,896
% Diff	6.1%
FIRST OFFERED BALES	
Difference	5.7%
% of Offering	93.4%

REGION BALES		
This Sale:		
North	65	
South	11,256	
West	24,562	
Progressive Totals:		
North	466,530	6.3%
South	857,177	8.0%
West	333,258	1.1%

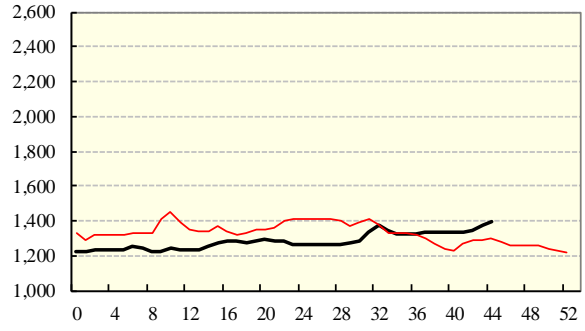
AVERAGE AWEX MICRON PRICE GUIDES

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

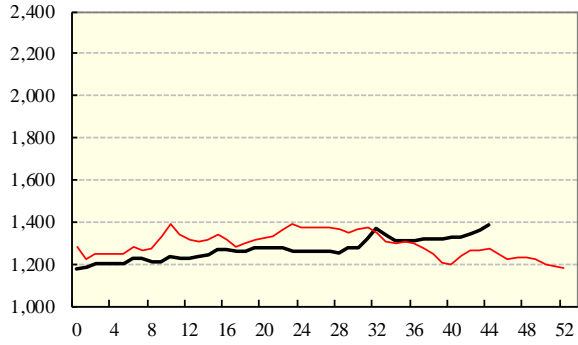
16.5 MICRONS



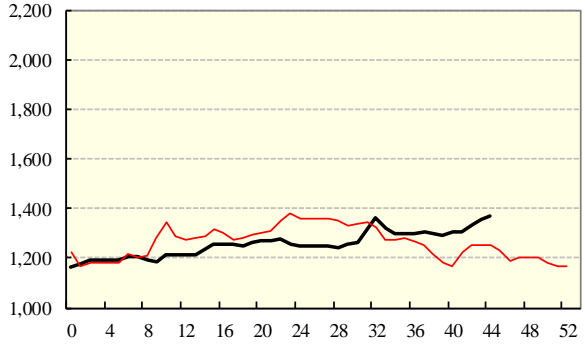
17.0 MICRONS



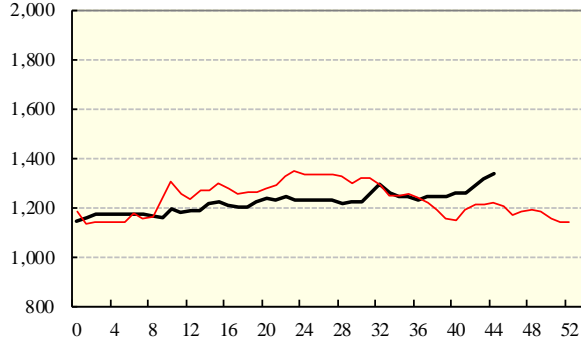
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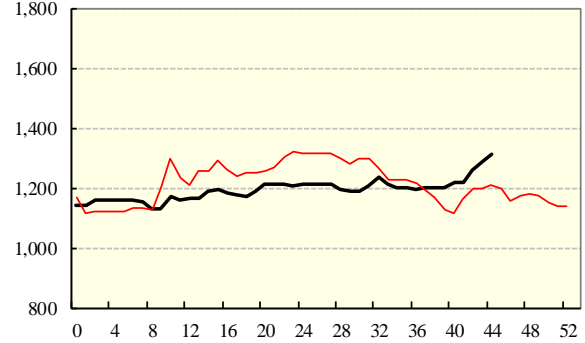
18.0 MICRONS



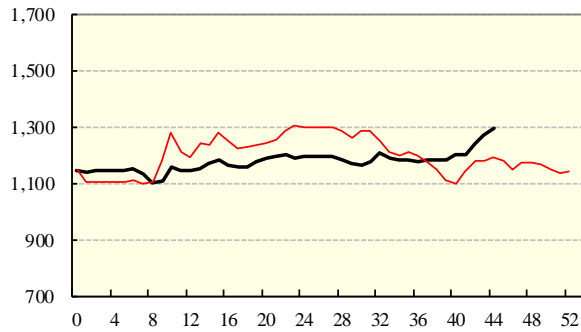
18.5 MICRONS



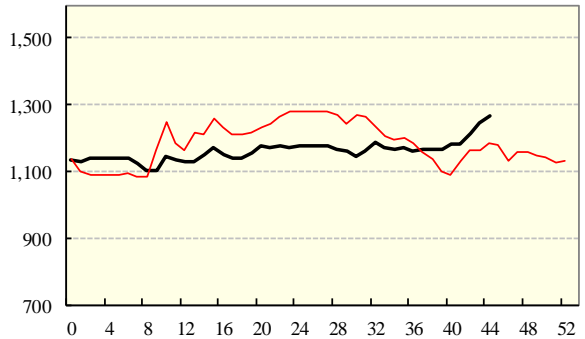
19.0 MICRONS



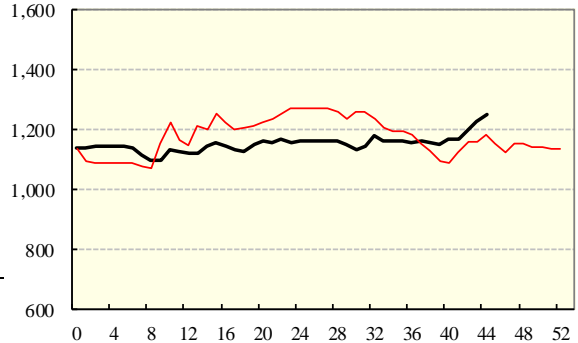
19.5 MICRONS



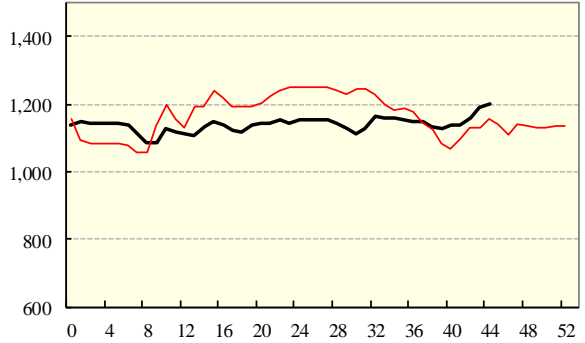
20.0 MICRONS



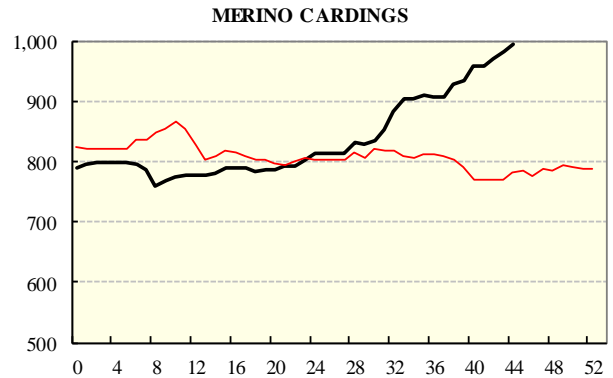
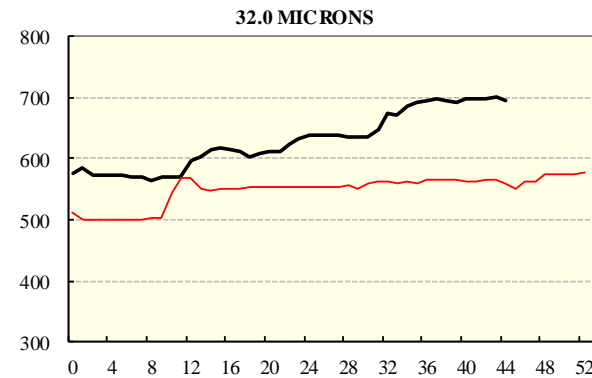
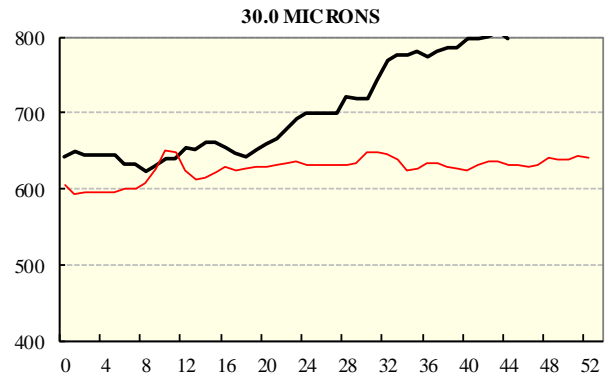
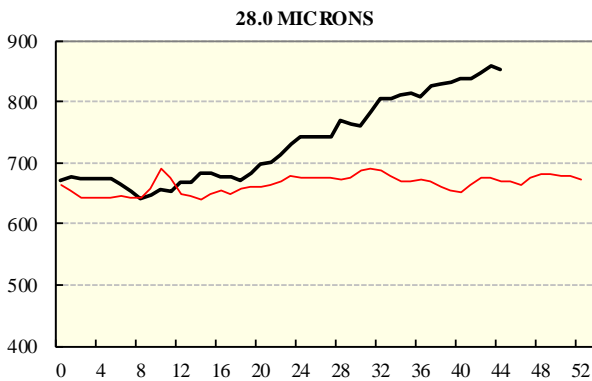
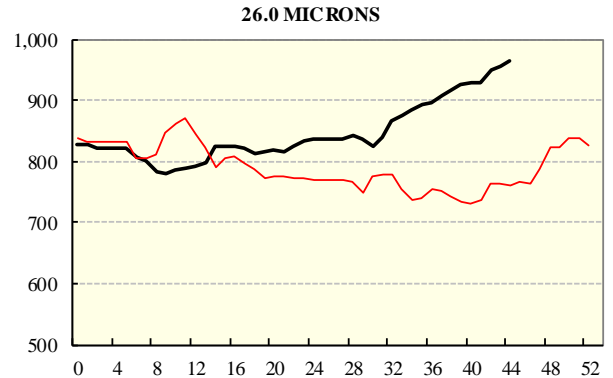
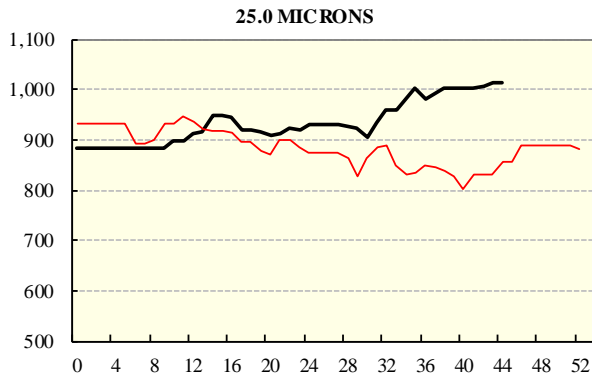
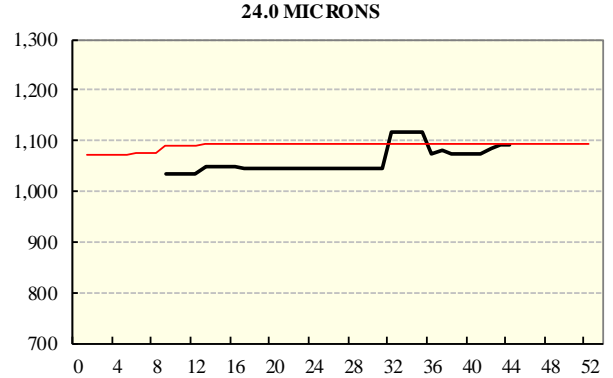
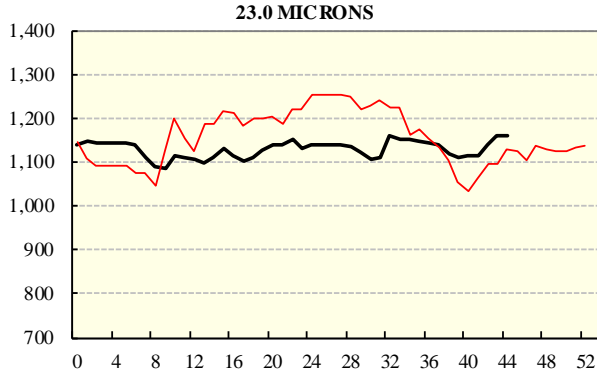
21.0 MICRONS



22.0 MICRONS

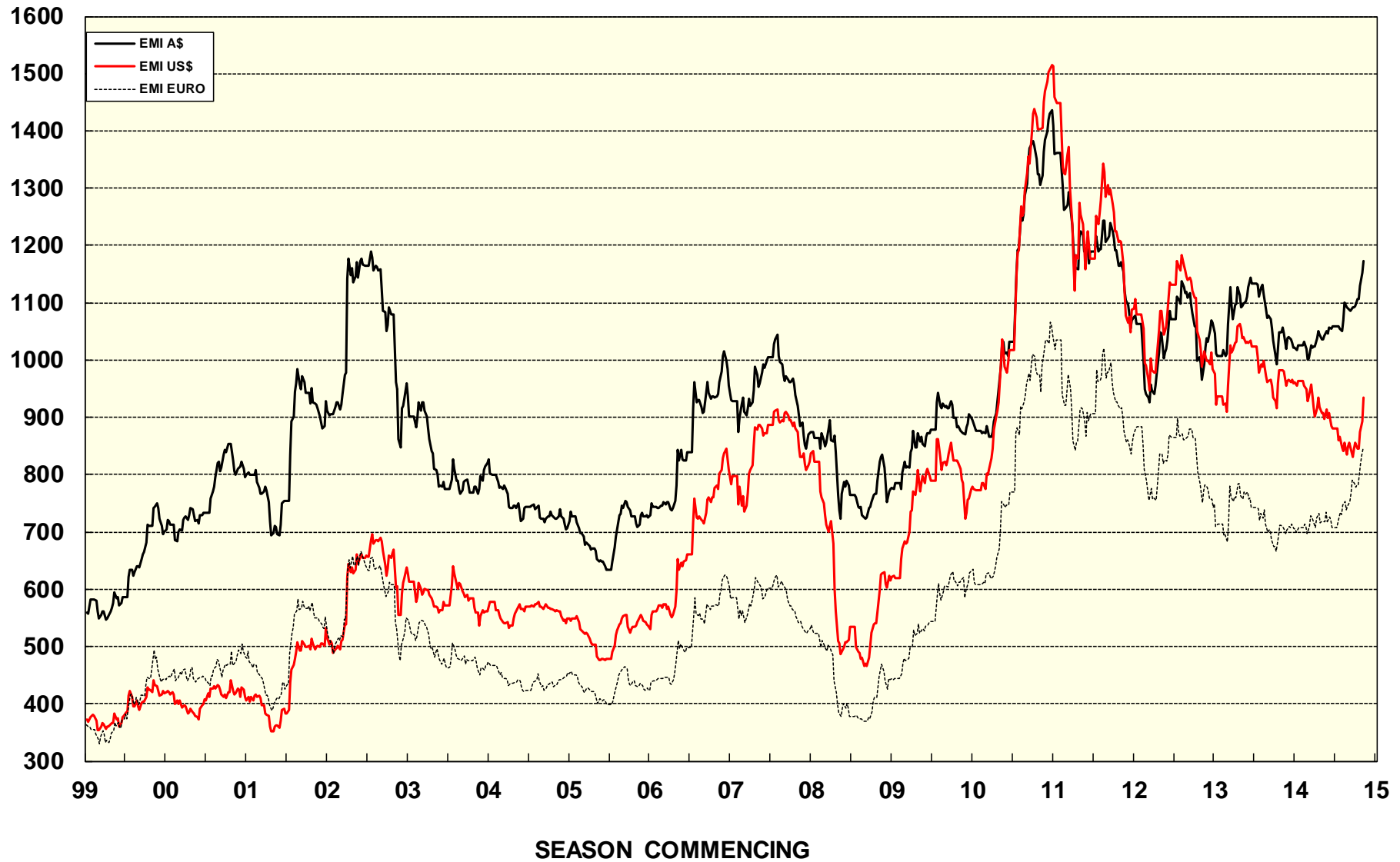


AVERAGE AWEX MICRON PRICE GUIDES
 2014/15(black graph line) and 2013/14 (red graph line)



EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)



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