

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 26 June 2015 (Week 52)

The AWEX EMI finished at 1263¢, 57¢ lower (-4.3%) in Australian currency and 43¢ lower (-4.2%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

45,052 bales were on offer nationally, compared with 23,622 bales last sale. 16.9% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 52)									
Centre	Last Sale		Day-to-Day Changes (Week 52)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	51	1320	No Sale	-49	-8	-57 (-4.3%)	1263	-43	-26
Northern	51	1342	No Sale	-44	-8	-52 (-3.9%)	1290	-39	-23
Southern	51	1305	No Sale	-51	-9	-60 (-4.6%)	1245	-45	-29
Western	50	1428	No Sale	-116	-55	-171 (-12.0%)	1257	-131	-104

The trade expected the market to move down on Wednesday, given the relatively large offering both in this sale and in the first sale of the 2015/16 season; and the increase of 11,000 bales plus in their expected size over the two weeks prior to sale.

However, the level of the EMI is still relatively high - it has only been exceeded four times this season.

Needless to say, there were falls across all micron ranges and wool types on Wednesday.

Thursday was a much steadier day. The EMI was still down, but by 8¢ (4¢ in US); and the competition was more evenly spread in the sale rooms.

Overall, the fine Merinos were again the least affected, while the average AWEX MPGs for other Merino wools and for crossbreds were down by around 5%.

The better performance at the fine end during June can be seen in the difference between the Eastern States average MPGs for 16.5 and 22 microns. It has risen from 184¢ to 255¢ since the first sale in June.

Merino skirtings followed the fleece wools down on Wednesday, but were generally quoted as firm on Thursday. Oddments followed a similar pattern. The average AWEX Merino Cardings Price Guide was down by 1.1%, which was the smallest fall of any of the AWEX Indicators.

The US exchange rate finished 0.07¢ (0.1%) higher to close at 77.41¢ on Thursday. The exchange rate has been quite stable, despite the doubts about what Greece will do.

Buyers for China were dominant, with support from buyers for Europe, particularly among the finer wools.

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	123¢	161¢	192¢	229¢	271¢
South	122¢	144¢	191¢	221¢	239¢

Market Indicator	Changes From			
	Easter This Year	Start of the Season	Week 52 Last Year	Season Average to Week 52 Last Year
Eastern Market Indicator	+157 (+14.2%)	+241 (+23.6%)	+241 (+23.6%)	+32 (+3.0%)
Western Market Indicator	+120 (+10.6%)	+198 (+18.7%)	+201 (+19.0%)	+23 (+2.1%)

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 ¢	-50	-63	-68	-85	-80	-77	-72	-71	-72	-75		
Change %	-3.1%	-4.0%	-4.4%	-5.5%	-5.4%	-5.3%	-5.0%	-5.0%	-5.1%	-5.5%		
Since Start of the Season												
Change ¢	+274	+294	+296	+269	+246	+231	+220	+208	+185	+147	+131	
Change %	+21.4%	+23.9%	+24.8%	+22.7%	+21.2%	+20.1%	+19.3%	+18.3%	+16.2%	+12.8%	+11.4%	
Since Same Week Last Year												
Change ¢	+275	+305	+311	+286	+266	+241	+221	+210	+192	+155	+139	
Change %	+21.5%	+25.0%	+26.4%	+24.5%	+23.3%	+21.1%	+19.4%	+18.5%	+16.9%	+13.6%	+12.2%	

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 ¢		-65	-45	-42	-76	-12
Change %		-5.6%	-4.6%	-4.9%	-10.1%	-1.1%
Since Start of the Season						
Change ¢		+284	+252	+167	+95	+291
Change %		+34.6%	+37.2%	+25.9%	+16.4%	+36.5%
Since Same Week Last Year						
Change ¢		+274	+279	+258	+172	+299
Change %		+31.1%	+33.8%	+38.5%	+26.8%	+37.9%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 26 June 2015 (Week 52)

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 April ABS export data.

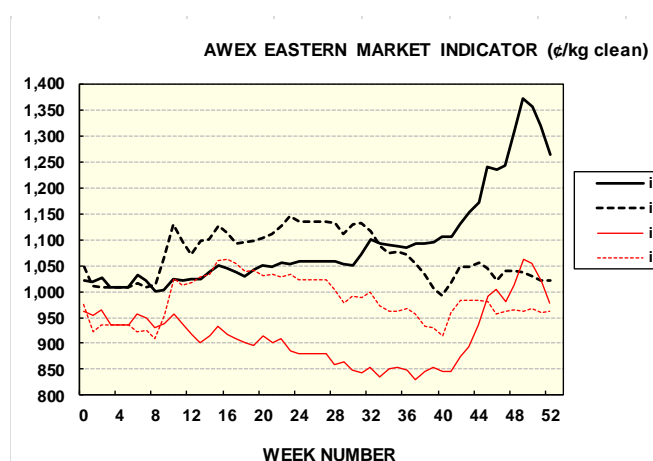
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	10,267	14,674	10.0%	2.1%	1.9%	13,203
South	13,355	20,561	13.9%	4.2%	1.4%	17,699
West		9,817	33.3%	8.6%	3.8%	6,548
Australia	23,622	45,052	16.9%	4.5%	2.1%	37,450

Actual and % Changes in the Progressive Offerings from Last Year	
+48,589	+9.5%
+76,534	+8.2%
+14,839	+4.0%
+139,962	+7.7%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 01	Week 02	Week 03	Differences
North	18,453	12,800	No Sale	+8.6%
South	18,059	19,100	No Sale	+7.8%
West	12,968	5,500	No Sale	+22.2%
New Zealand				
Australia	49,480	37,400		+10.9%
Differences	+30.1%	-7.2%		

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	77.34	+0.31	+0.29	-0.77	+0.06	+0.18	+0.07 (+0.1%)	77.41	76.04	93.97
Euro	68.12	+0.30	-0.07	+0.04	+0.59	+0.12	+0.98 (+1.4%)	69.1	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 - April
	April 2015	July - April This Season	July - April Last Season	
China	82.4%	76.2%	75.0%	+6.4%
India	5.5%	6.3%	7.4%	-10.3%
Italy	2.0%	4.4%	4.9%	-5.9%
Czech Republic	3.0%	4.7%	4.7%	+5.0%
Malaysia	2.1%	1.9%	1.7%	+18.0%
Korea	2.1%	2.2%	1.8%	+22.9%
Taiwan	0.4%	0.8%	0.9%	+2.4%
Egypt	0.7%	0.9%	1.0%	-18.8%
Change all Countries				+4.8%



AVERAGE EMI	
This Year	1102
Last Year	1070
2012/13	1035
2011/12	1198
2010/11	1143

SEASON AVERAGES		
Region	This Year	Diff
North	1,124	35
South	1,087	31
West	1,128	23

THIS YEAR'S EMI	
This Week	1263
First Week	1018
Low (27/09/0)	1,001
High (4/10/0)	1373

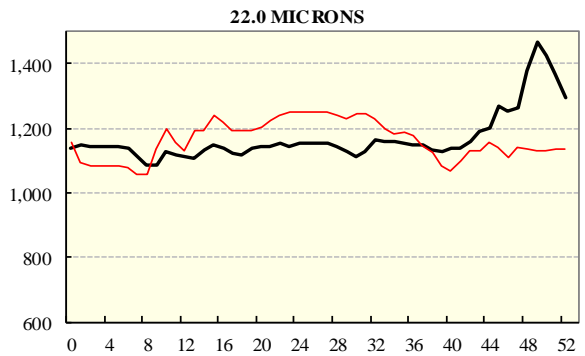
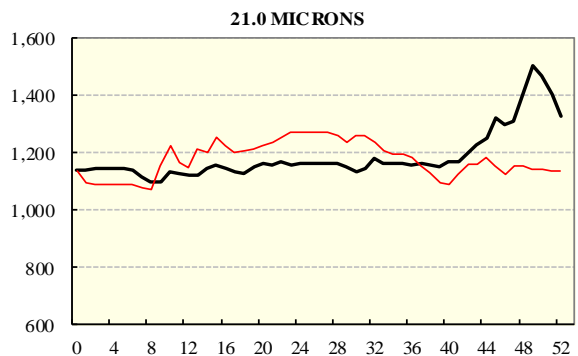
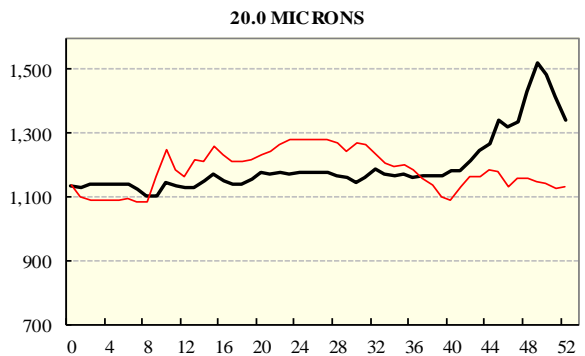
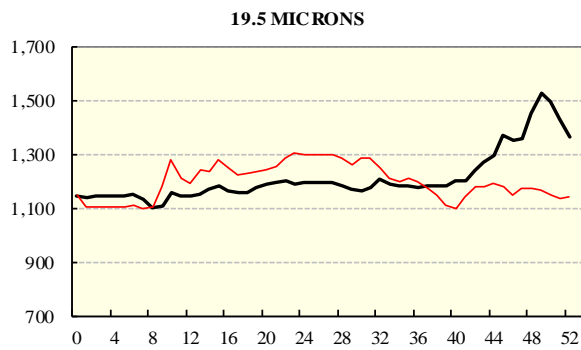
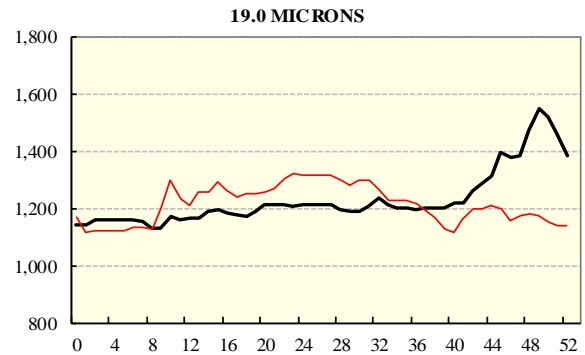
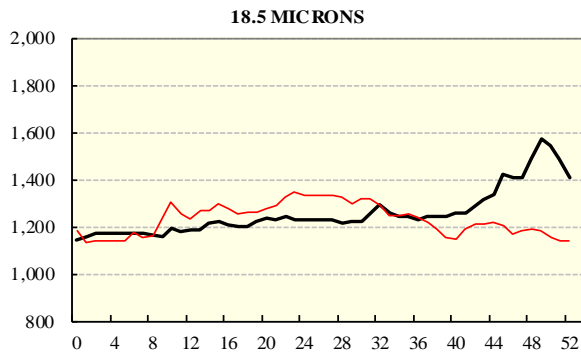
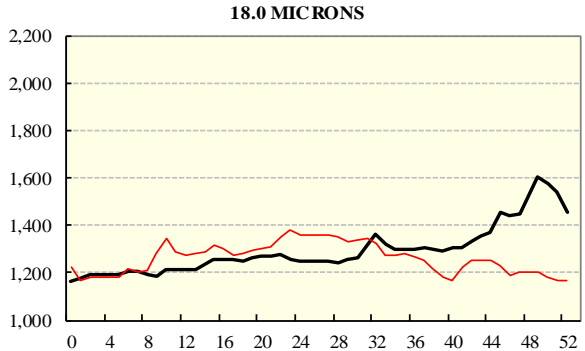
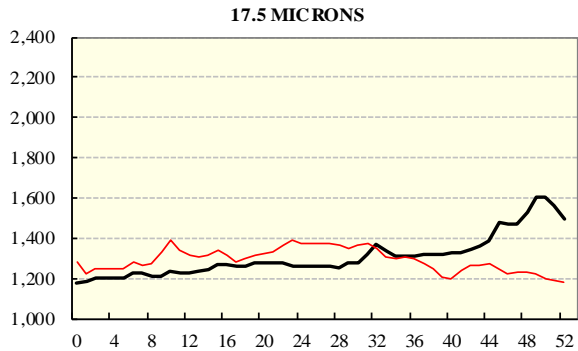
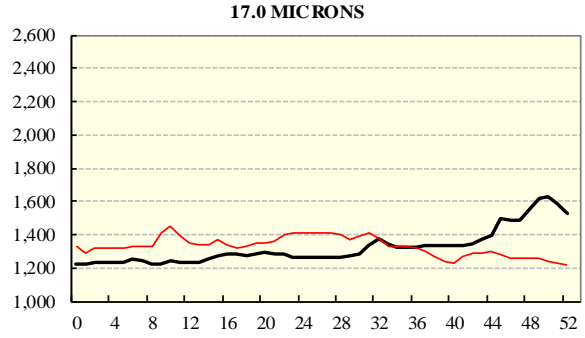
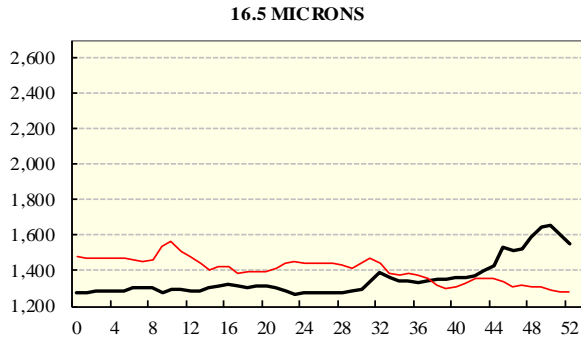
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1290	263
South	1245	231
West (Wk)	1257	204

BALES OFFERED	
This Year	1,954,773
Last Year	1,814,811
Difference	139,962
% Diff	7.7%
FIRST OFFERED BALES	
Difference	8.6%
% of Offering	94%

REGION BALES		
This Sale:		
North	64	
South	14,674	
West	20,561	
Progressive Totals:		
North	562,401	9.5%
South	1,006,805	8.2%
West	385,567	4.0%

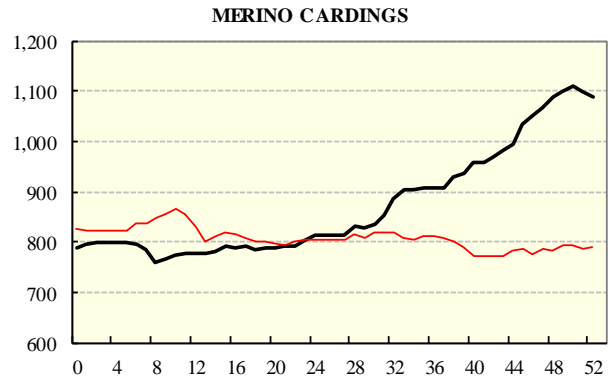
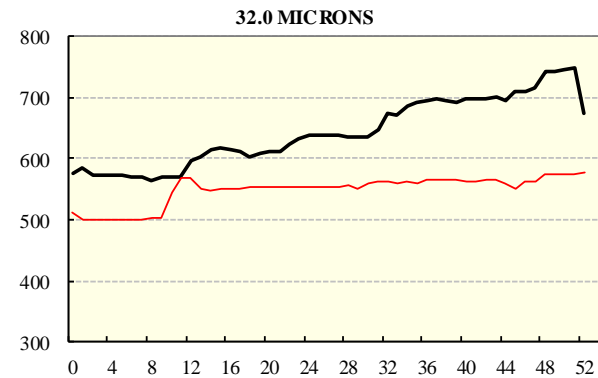
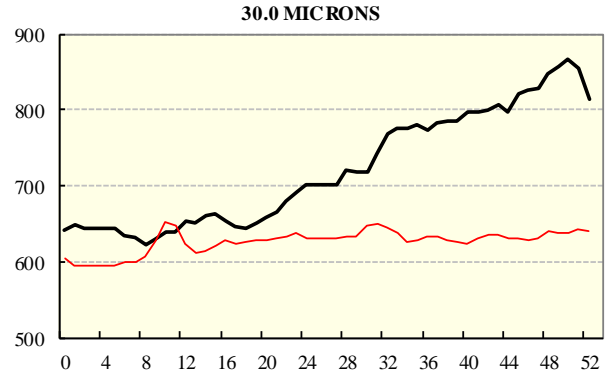
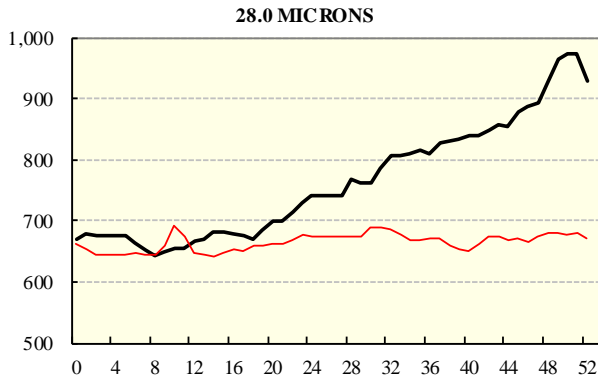
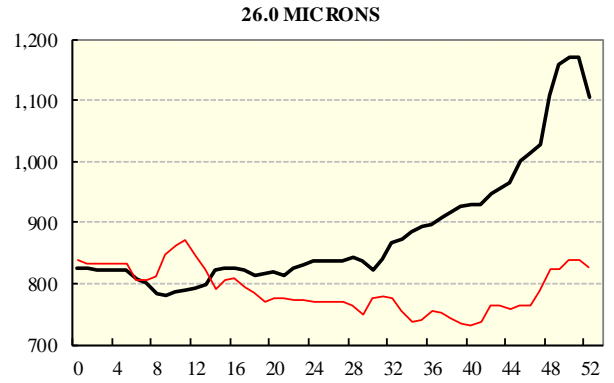
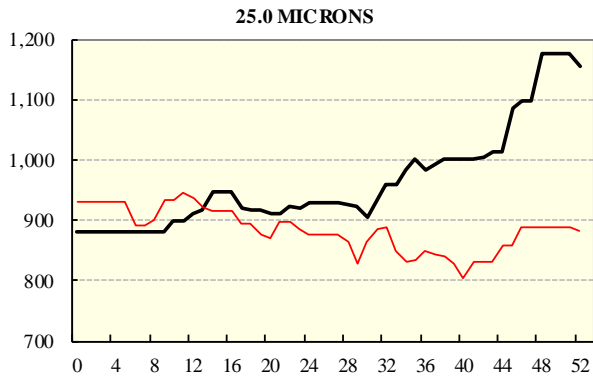
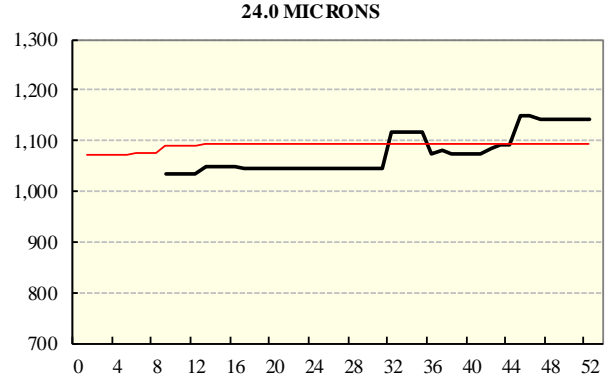
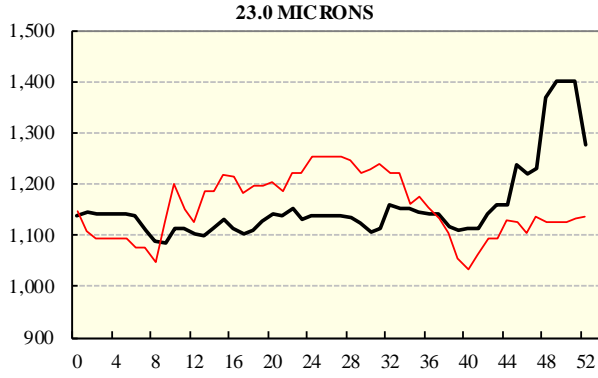
AVERAGE AWEX MICRON PRICE GUIDES

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



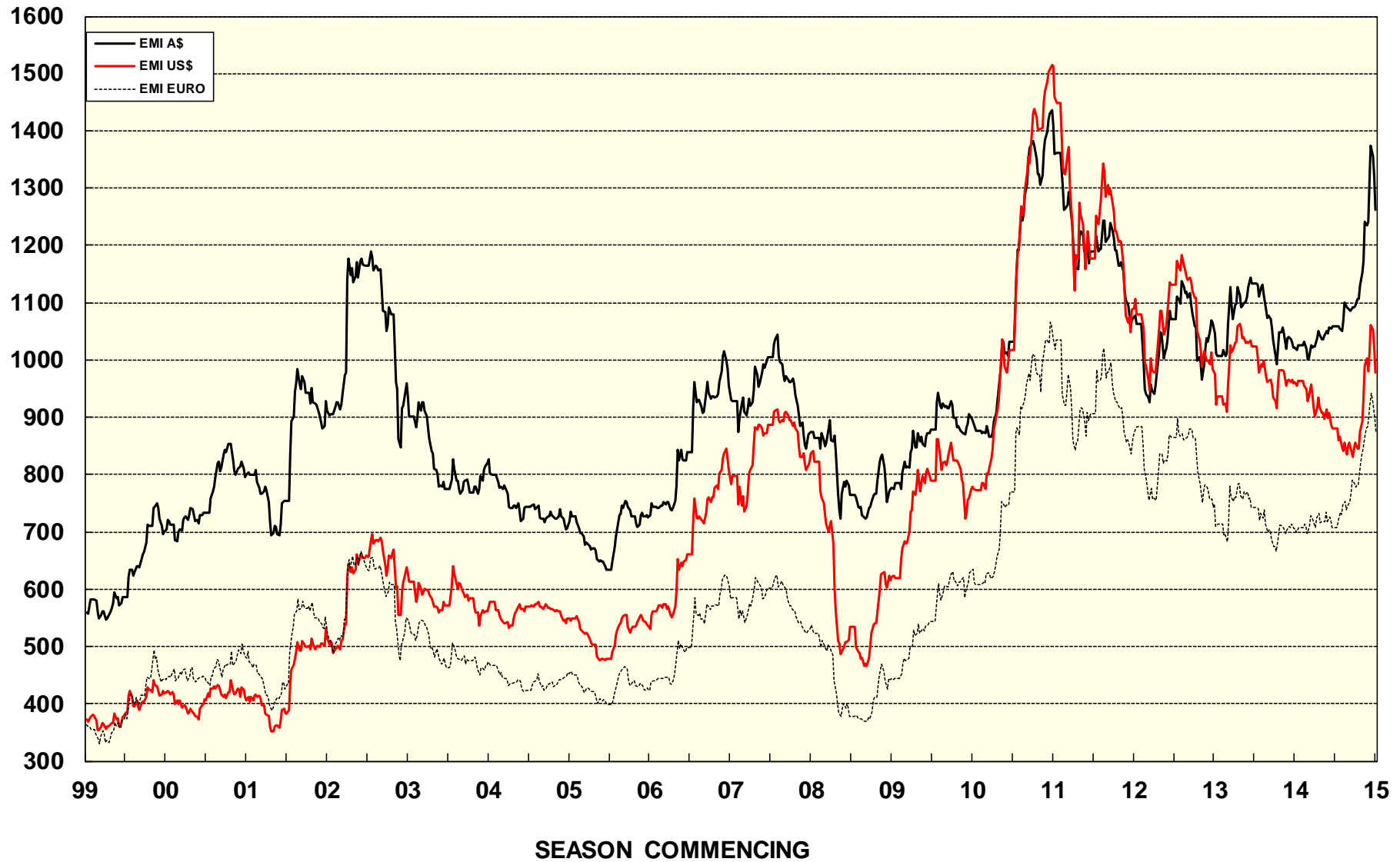
AVERAGE AWEX MICRON PRICE GUIDES

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)



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