

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 14 August 2015 (Week 07)

The AWEX EMI finished 46¢ higher (+3.7%) in Australian currency and 39¢ higher (+4.2%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

28,515 bales were on offer nationally, compared with 41,832 bales last sale. 1.1% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 07)									
Centre	Last Sale		Day-to-Day Changes (Week 07)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	06	1258	No Sale	+42	+4	46 (3.7%)	1304	+39	+20
Northern	06	1282	No Sale	+34	+7	41 (3.2%)	1323	+36	+15
Southern	06	1243	No Sale	+47	+2	49 (3.9%)	1292	+41	+22
Western	06	1273	No Sale	+82	No Sale	82 (6.4%)	1355	+66	+42

The market opened very strongly on Wednesday when the EMI rose by 42¢ in Australian currency and by 22¢ in US Currency. The additional upward movement was expected by exporters after the fall in the forecast size of the week's offering; and prices had moved up significantly on Wool Trade.

There were gains across all wool types and micron ranges, with the Merino wools leading the way. While all Merino micron ranges did well, the rises increased as the micron range got broader.

Merino skirtings followed the fleece types. Crossbred wools moved up (but by less than the Merinos), as did the oddments. Crossbreds and Merino Cardings remain at very high price levels that are 35 to 40% above their levels of twelve months ago. It was a mixed week for exchange rate, mostly influenced by China's devaluation of the Yuan. It fell by 3.9% against the A\$ during the week. The longer term impact of this decision is not known.

The US exchange rate finished 0.45¢ (0.6%) higher to close at 73.80¢ on Thursday. This was after weakening early in the week; and then moving up by 1.12¢ on Thursday.

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

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	100¢	143¢	152¢	160¢	No 16.5µ MPG
South	85¢	115¢	117¢	120¢	133¢

Market Indicator	Changes From			
	Four Sales Ago	Start of the Season	Week 07 Last Year	Season Average to Week 07 Last Year
Eastern Market Indicator	+41 (+3.2%)	+78 (+6.4%)	+284 (+27.8%)	+230 (+22.5%)
Western Market Indicator	+68 (+5.3%)	+102 (+8.1%)	+288 (+27.0%)	+219 (+20.6%)

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 ¢	+53	+51	+52	+68	+59	+72	+70	+62	+64	+67	+76	
Change %	+3.5%	+3.4%	+3.5%	+4.7%	+4.2%	+5.2%	+5.1%	+4.6%	+4.8%	+5.1%	+5.8%	
Since Start of the Season												
Change ¢	+47	+55	+68	+102	+100	+124	+118	+112	+107	+109	+106	
Change %	+3.1%	+3.7%	+4.6%	+7.1%	+7.3%	+9.3%	+8.9%	+8.5%	+8.2%	+8.5%	+8.3%	
Since Same Week Last Year												
Change ¢	+265	+295	+307	+326	+299	+312	+310	+300	+294	+280	+268	
Change %	+20.4%	+23.7%	+25.0%	+27.1%	+25.5%	+27.1%	+27.4%	+26.7%	+26.4%	+25.2%	+24.2%	

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 ¢	+23	+26	+14	+14		+20
Change %	+2.0%	+2.5%	+1.5%	+1.6%		+1.9%
Since Start of the Season						
Change ¢	+48	+27	+37	+72		+35
Change %	+4.3%	+2.5%	+4.1%	+9.1%		+3.4%
Since Same Week Last Year						
Change ¢		+285	+277	+231		+282
Change %		+35.5%	+42.5%	+36.6%		+35.9%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 14 August 2015 (Week 07)

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 June ABS export data.

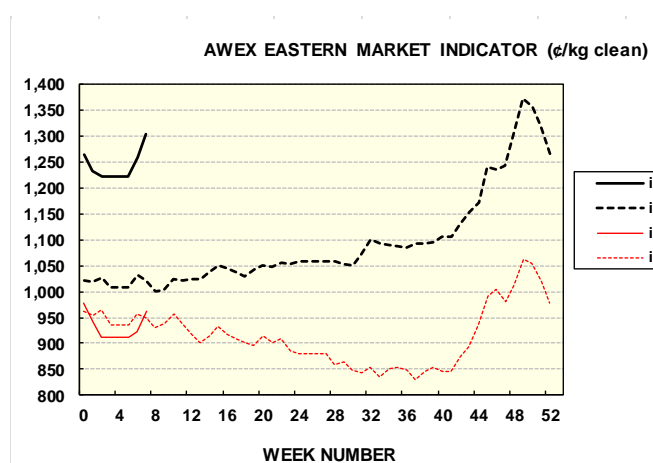
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	12,827	11,614	1.0%	3.4%	4.7%	11,494
South	22,138	11,696	1.1%	3.9%	2.1%	11,565
West	6,867	5,205	1.3%	1.6%	5.4%	5,135
Australia	41,832	28,515	1.1%	3.3%	3.8%	28,194

Actual and % Changes in the Progressive Offerings from Last Year	
-2,154	-3.6%
-569	-0.8%
-2,221	-7.1%
-4,944	-3.0%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 08	Week 09	Week 10	Differences
North	12,562	11,770	10,600	+1.7%
South	18,770	18,082	22,100	+3.8%
West	No Sale	7,850	7,500	-14.3%
New Zealand			2,000	
Australia	31,332	37,702	40,200	+0.2%
Differences	+6.7%	-12.3%	+9.6%	

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	73.35	+0.32	+0.30	-0.81	-0.48	+1.12	+0.45 (+0.6%)	73.8	73.35	76.49
Euro	67.13	+0.38	-0.09	-0.72	-1.12	+0.65	-0.90 (-1.3%)	66.23	66.23	69.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change in Weight of Wool Exports July - June
	June 2015	July - June This Season	July - June Last Season	
China	80.1%	76.9%	74.9%	+13.1%
India	7.3%	6.4%	8.0%	-11.5%
Italy	1.7%	3.9%	4.5%	-4.1%
Czech Republic	4.4%	4.8%	5.0%	+11.9%
Malaysia	0.7%	1.7%	1.7%	+13.8%
Korea	1.8%	2.1%	1.9%	+21.3%
Taiwan	0.9%	0.8%	1.0%	+12.0%
Egypt	1.4%	0.9%	1.0%	-2.2%
Change all Countries				+10.1%



AVERAGE EMI	
This Year	1254
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1,274	150
South	1,240	153
West	1,284	155

THIS YEAR'S EMI	
This Week	1304
First Week	1231
Low (5/05/03)	1,221
High (27/07/03)	1304

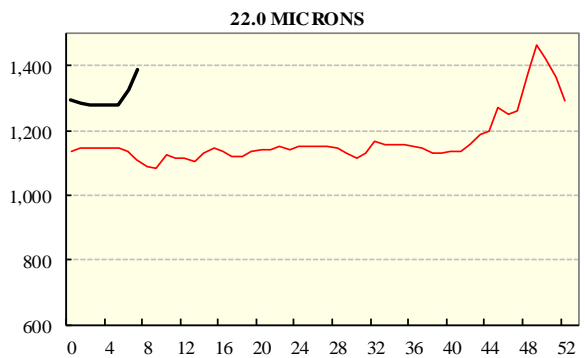
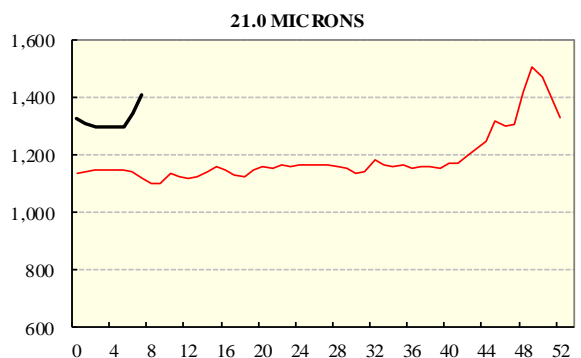
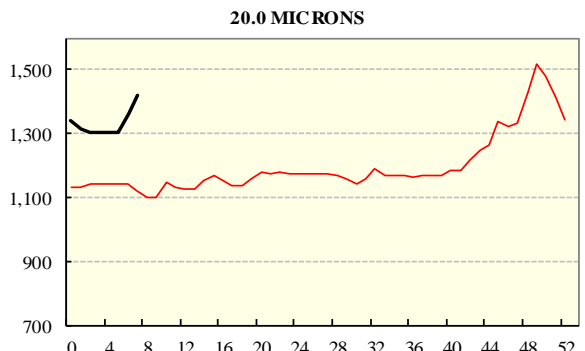
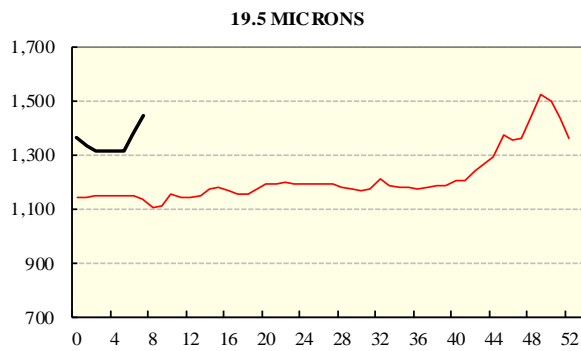
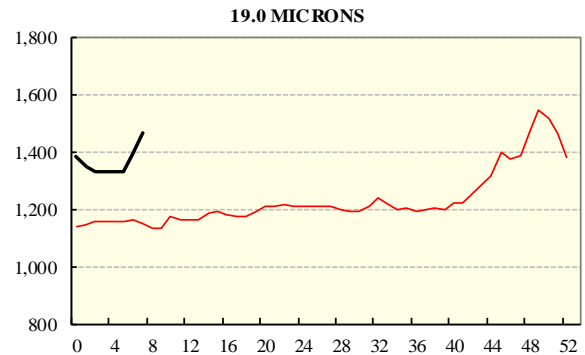
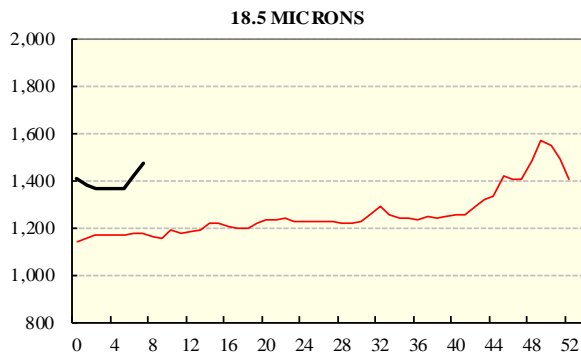
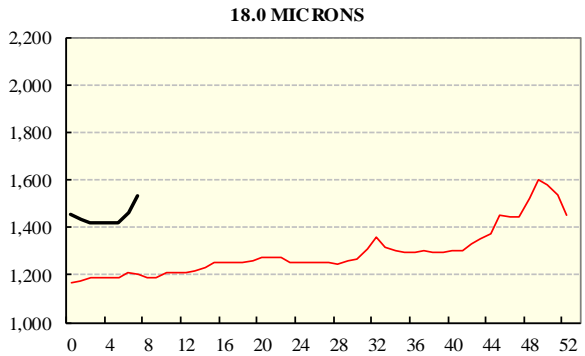
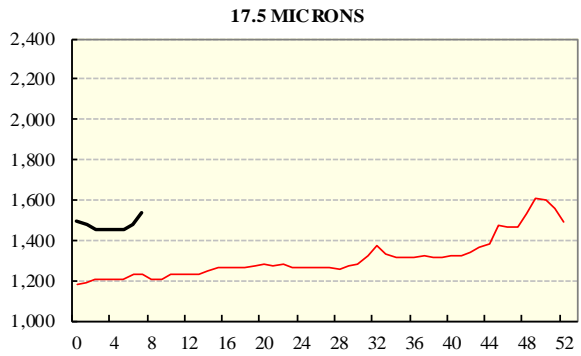
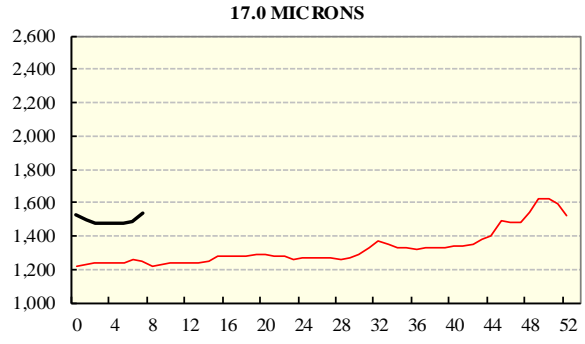
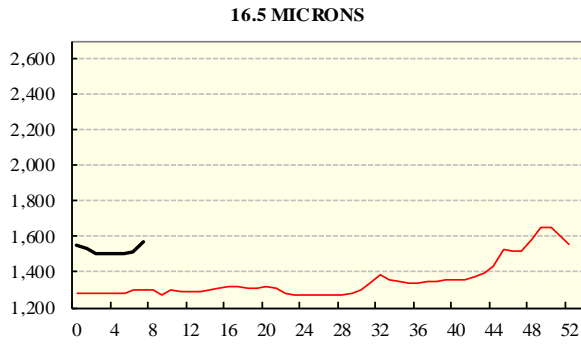
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1323	73
South	1292	73
West (Wk)	1355	104

BALES OFFERED	
This Year	157,562
Last Year	162,506
Difference	-4,944
% Diff	-3.0%
FIRST OFFERED BALES	
Difference	-2.2%
% of Offering	94.9%

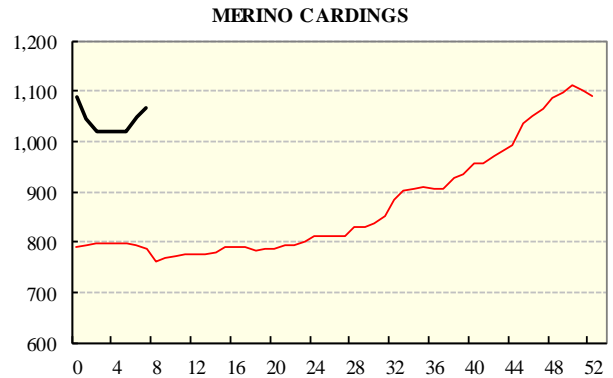
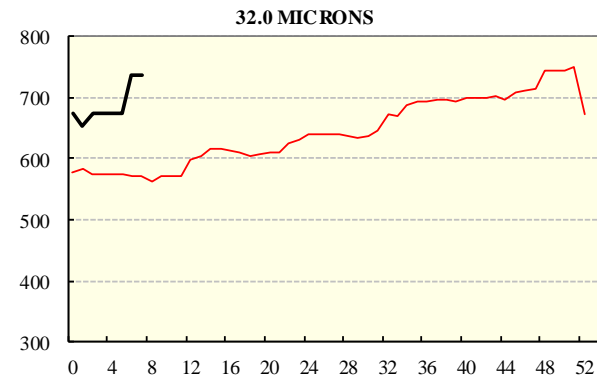
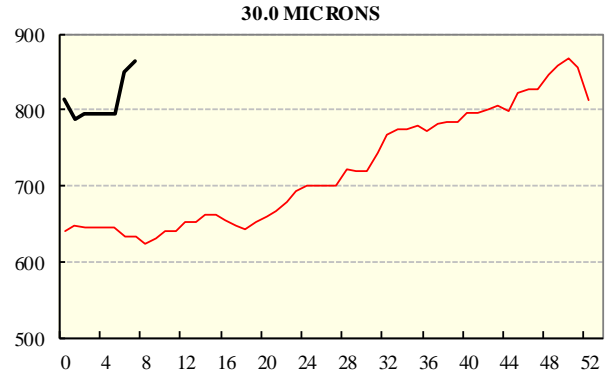
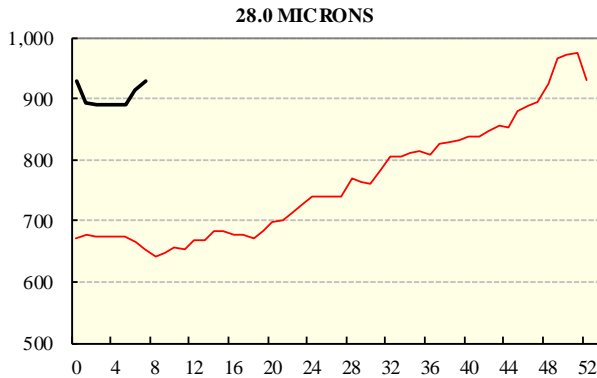
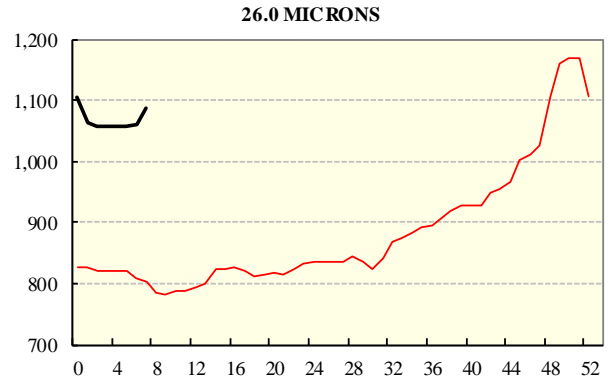
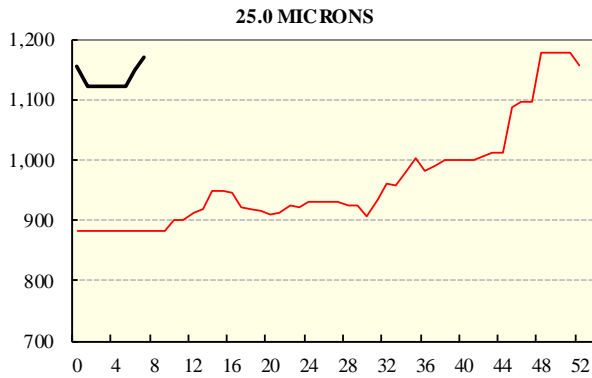
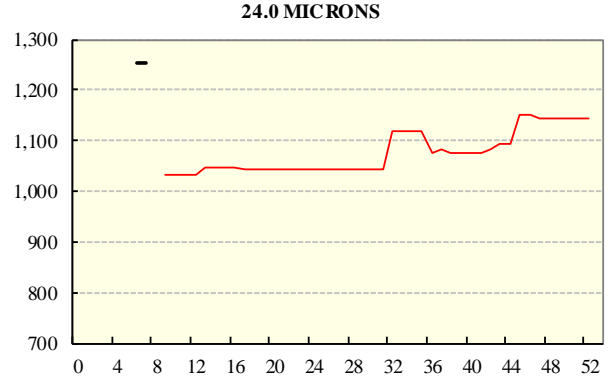
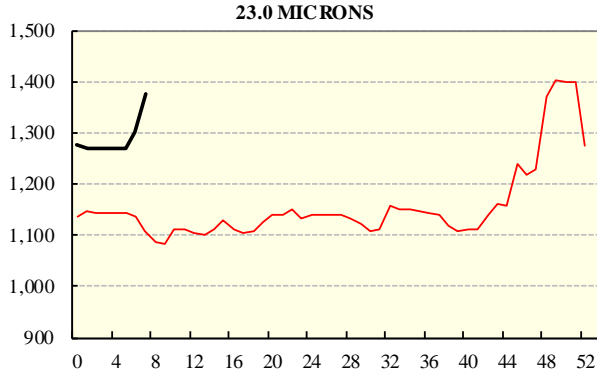
REGION BALES		
This Sale:		
North	63	
South	11,614	
West	11,696	
Progressive Totals:		
North	57,235	-3.6%
South	71,065	-0.8%
West	29,262	-7.1%

AVERAGE AWEX MICRON PRICE GUIDES

2015/16(black graph line) and 2014/15 (red graph line)

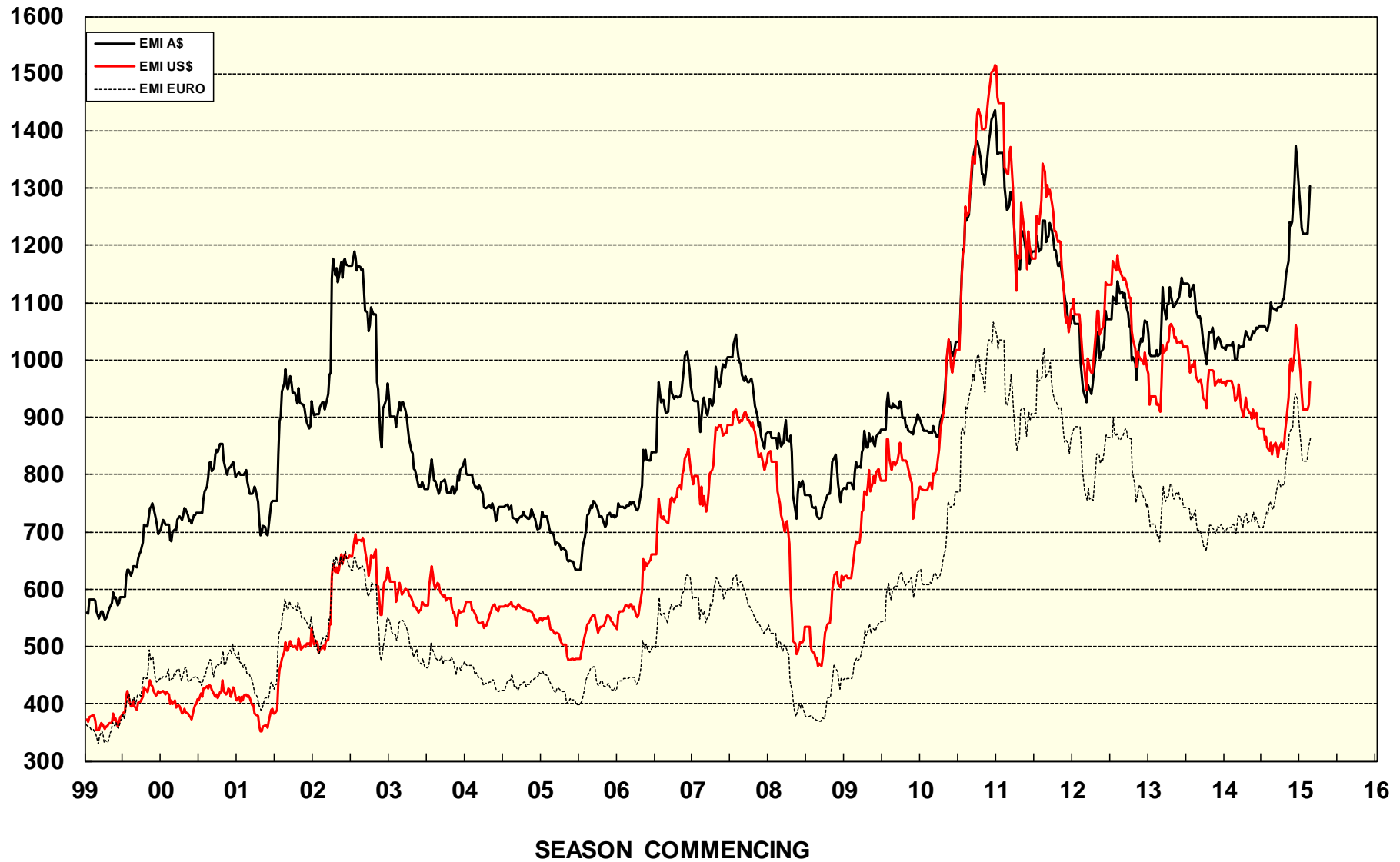


AVERAGE AWEX MICRON PRICE GUIDES
 2015/16(black graph line) and 2014/15 (red graph line)



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

(In Australian, United States and European Currencies)



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For further information

Peter Morgan

03 9311 0103