

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 30 October 2015 (Week 18)

The AWEX EMI finished 45¢ higher (+3.7%) in Australian currency and 20¢ higher (+2.3%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

39,857 bales were on offer nationally, compared with 37,139 bales last sale. 2.0% of the offering was passed in.

The New Zealand Merino Company offered 2,321 bales in Melbourne on Tuesday, of which 15.7% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 18)									
Centre	Last Sale		Day-to-Day Changes (Week 18)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	17	1205	No Sale	+25	+20	45 (3.7%)	1250	+20	+47
Northern	17	1236	No Sale	+23	+19	42 (3.4%)	1278	+18	+46
Southern	17	1185	No Sale	+26	+21	47 (4.0%)	1232	+21	+48
Western	17	1247	No Sale	+46	No Sale	46 (3.7%)	1293	+20	+49

The market carried on from where it finished the week before as demand picked up. The EMI added 25¢ on Wednesday and a further 20¢ on Thursday, with strong rises across all micron ranges and wool types. The size of the gains were partly driven by a fall in the US exchange rate, but there had also been good gains in US currency.

The greatest gains were again among the Merino types with further keen demand for the fleece types. There were strong gains across all Merino micron ranges, with the greatest gains from 19.5 microns and up. Demand for Merino skirtings was also strong, as their prices followed the fleece wools.

Crossbreds had a good week, although their price movements were not as good as those for Merinos. Oddments moved up on Wednesday, but were generally unchanged on Thursday.

The US exchange rate finished 1.00¢ (-1.4%) lower to close at 71.03¢ on Thursday. This was mostly driven by a 1.1% fall on Wednesday that financial analysts attributed to weaker inflation data from Australia; and increasing speculation that the Reserve Bank will drop the official interest rate when it meets on Tuesday.

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

Looking ahead, the forecast offerings over the next three sales are 4.3% less than in the same period last year.

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	132¢	156¢	168¢	178¢	192¢
South	137¢	176¢	186¢	188¢	189¢

Market Indicator	Four Sales Ago Week 11	Changes From		
		Start of the Season	Week 16 Last Year	Season Average to Week 16 Last Year
Eastern Market Indicator	+33 (+2.7%)	+24 (+2.0%)	+221 (+21.5%)	+208 (+20.3%)
Western Market Indicator	+50 (+4.0%)	+40 (+3.2%)	+230 (+21.6%)	+200 (+18.7%)

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	+56	+58	+58	+55	+64	+70	+68	+63	+69	+53	
Change %	+3.4%	+3.9%	+4.0%	+4.1%	+4.0%	+4.8%	+5.4%	+5.3%	+5.0%	+5.5%	+4.3%	
Since Start of the Season												
Change ¢	-7	+19	+32	+60	+73	+60	+46	+38	+26	+34	+20	
Change %	-0.5%	+1.3%	+2.2%	+4.2%	+5.3%	+4.5%	+3.5%	+2.9%	+2.0%	+2.7%	+1.6%	
Since Same Week Last Year												
Change ¢	+203	+229	+236	+236	+246	+227	+214	+210	+202	+198	+181	
Change %	+15.5%	+18.0%	+18.7%	+18.9%	+20.5%	+19.4%	+18.5%	+18.5%	+17.9%	+17.7%	+16.3%	

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 ¢	+32	+32	+29	+28	+17	+9
Change %	+2.9%	+3.2%	+3.4%	+3.5%	+2.5%	+0.8%
Since Start of the Season						
Change ¢	0	-19	-15	+39	+46	+40
Change %	0.0%	-1.8%	-1.7%	+4.9%	+6.9%	+3.9%
Since Same Week Last Year						
Change ¢	+205	+229	+206	+187	+106	+289
Change %	+22.3%	+28.2%	+30.7%	+29.1%	+17.5%	+36.9%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 30 October 2015 (Week 18)

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 July ABS export data.

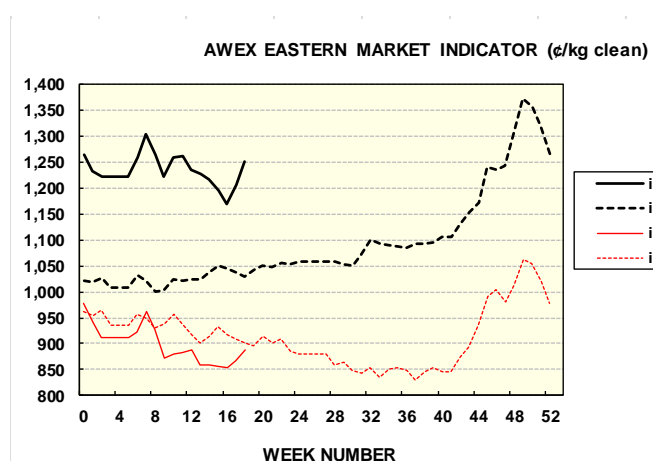
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	8,198	10,944	1.6%	2.8%	4.1%	10,766
South	20,022	20,835	2.2%	3.7%	3.5%	20,381
West	8,919	8,078	2.0%	2.9%	8.2%	7,914
Australia	37,139	39,857	2.0%	3.3%	4.6%	39,061

Actual and % Changes in the Progressive Offerings from Last Year	
-11,671	-6.3%
-27,118	-8.8%
-10,508	-8.9%
-49,297	-8.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 19	Week 20	Week 21	Differences
North	11,790	9,950	10,400	-10.2%
South	19,593	23,950	22,600	-8.8%
West	11,789	8,300	8,200	+18.5%
New Zealand			2,300	
Australia	43,172	42,200	41,200	-4.3%
Differences	+3.9%	-6.9%	-9.1%	

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	72.03	+0.47	+0.05	-0.23	-1.11	-0.18	-1.00 (-1.4%)	71.03	69.98	76.49
Euro	63.54	+1.72	+0.49	-0.38	-0.83	+0.48	+1.48 (+2.3%)	65.02	62.2	69.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change in Weight of Wool Exports July - August
	August 2015	July - August This Season	July - August Last Season	
China	74.8%	74.8%	68.0%	+13.0%
India	10.5%	10.5%	11.5%	-5.2%
Italy	5.2%	5.2%	4.5%	+20.9%
Czech Republic	2.0%	2.0%	4.7%	-55.6%
Malaysia	1.7%	1.7%	1.6%	+8.0%
Korea	1.4%	1.4%	3.6%	-60.0%
Taiwan	0.8%	0.8%	1.4%	-45.9%
Egypt	1.9%	1.9%	1.6%	+17.6%
Change all Countries				+3.3%



AVERAGE EMI	
This Year	1234
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1,258	133
South	1,219	133
West	1,268	139

THIS YEAR'S EMI	
This Week	1250
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

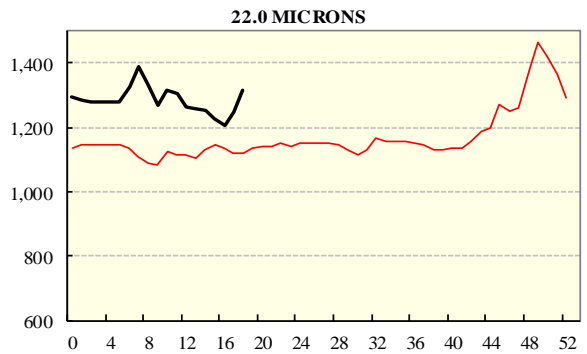
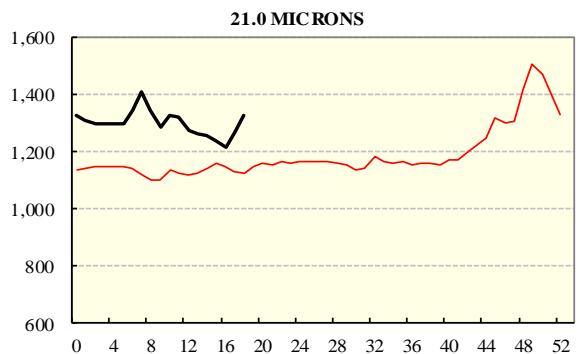
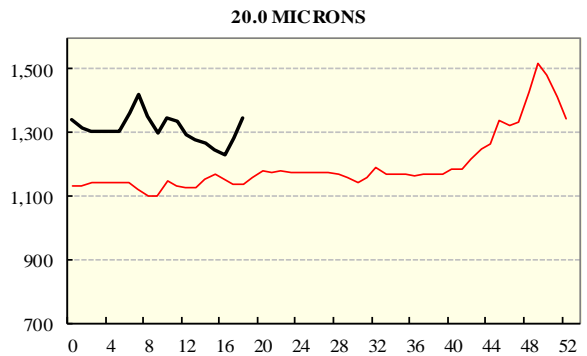
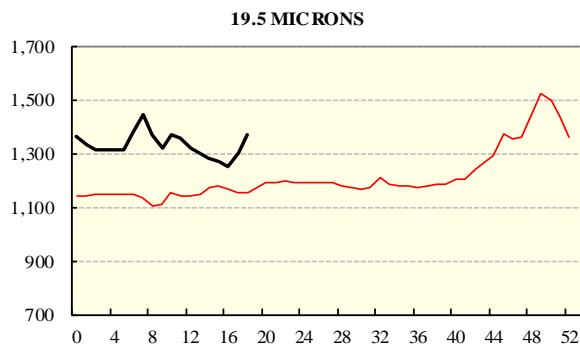
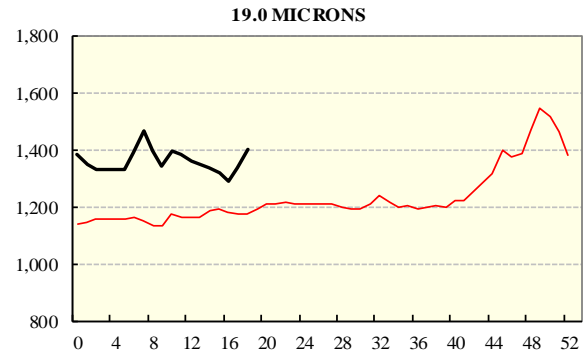
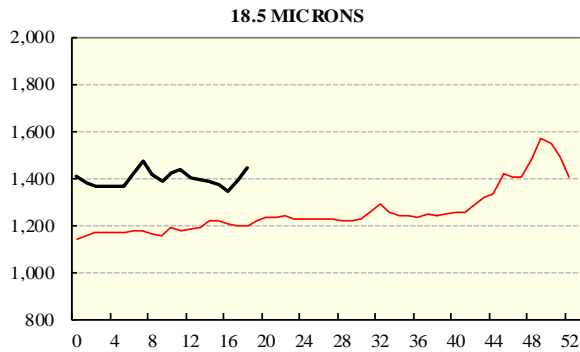
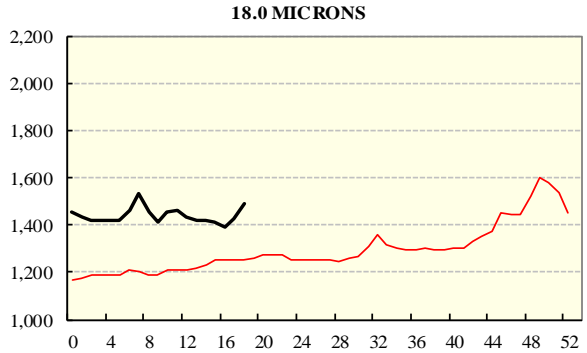
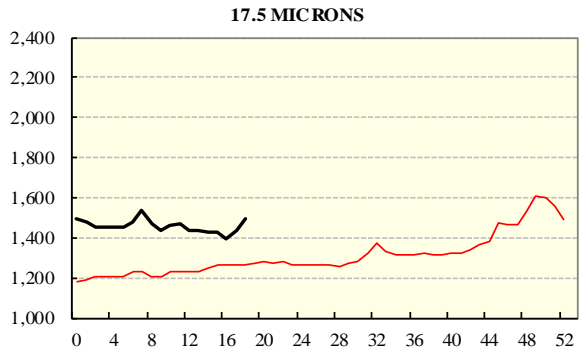
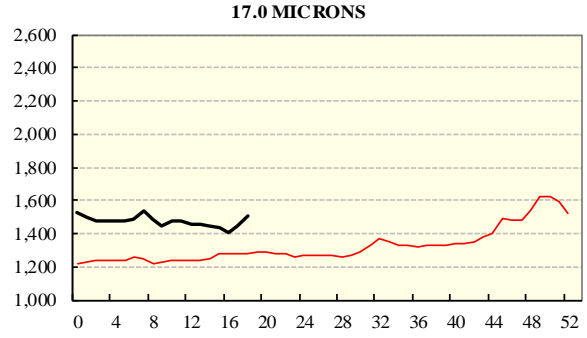
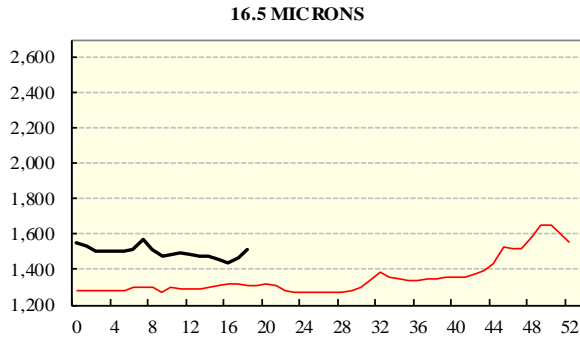
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1278	28
South	1232	13
West (Wk)	1293	42

BALES OFFERED	
This Year	562,269
Last Year	611,566
Difference	-49,297
% Diff	-8.1%
FIRST OFFERED BALES	
Difference	-6.3%
% of Offering	95.1%

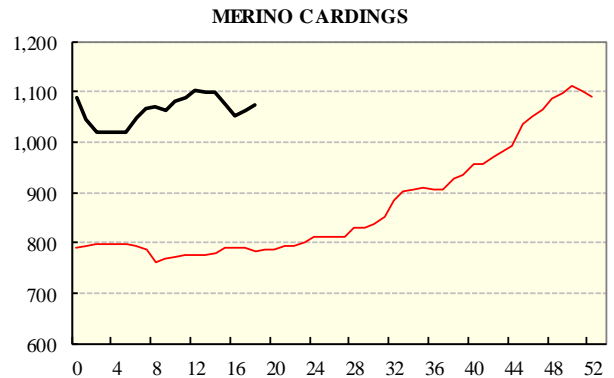
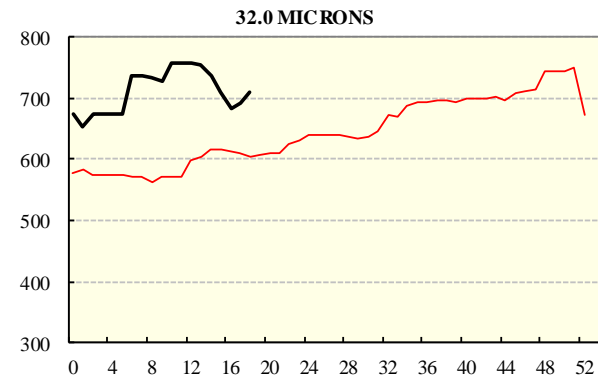
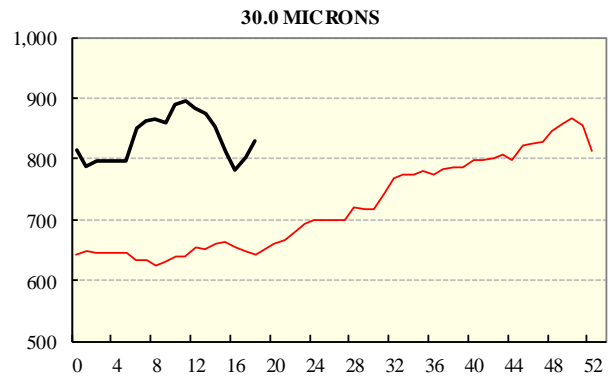
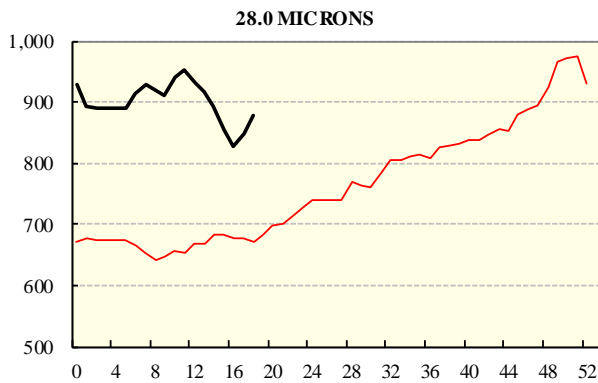
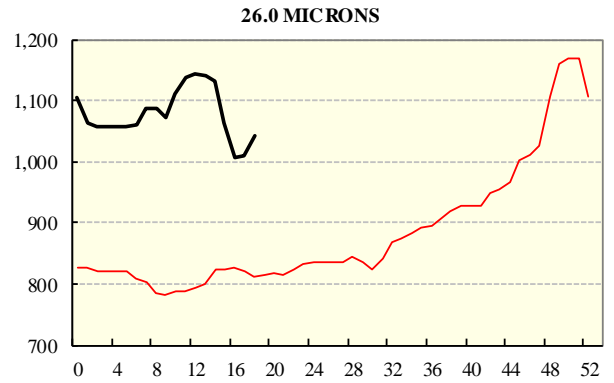
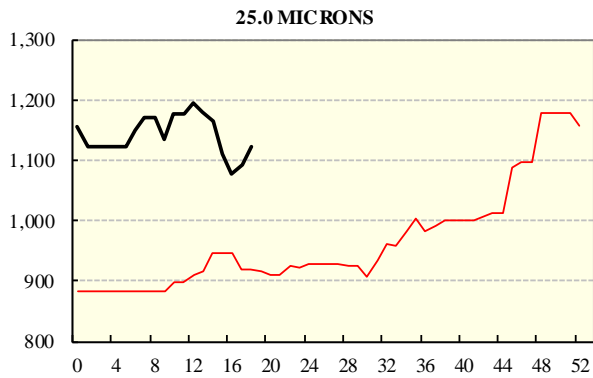
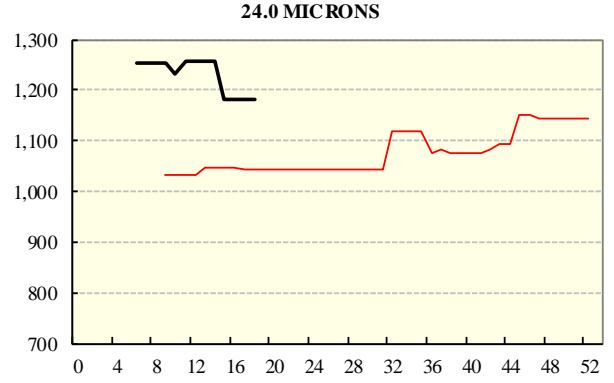
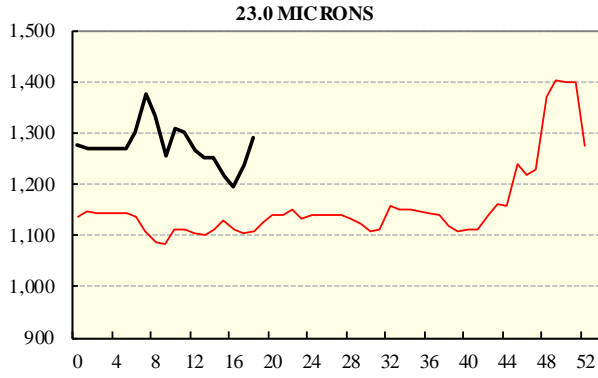
REGION BALES		
This Sale:		
North	60	
South	10,944	
West	20,835	
Progressive Totals:		
North	172,932	-6.3%
South	281,199	-8.8%
West	108,138	-8.9%

AVERAGE AWEX MICRON PRICE GUIDES

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

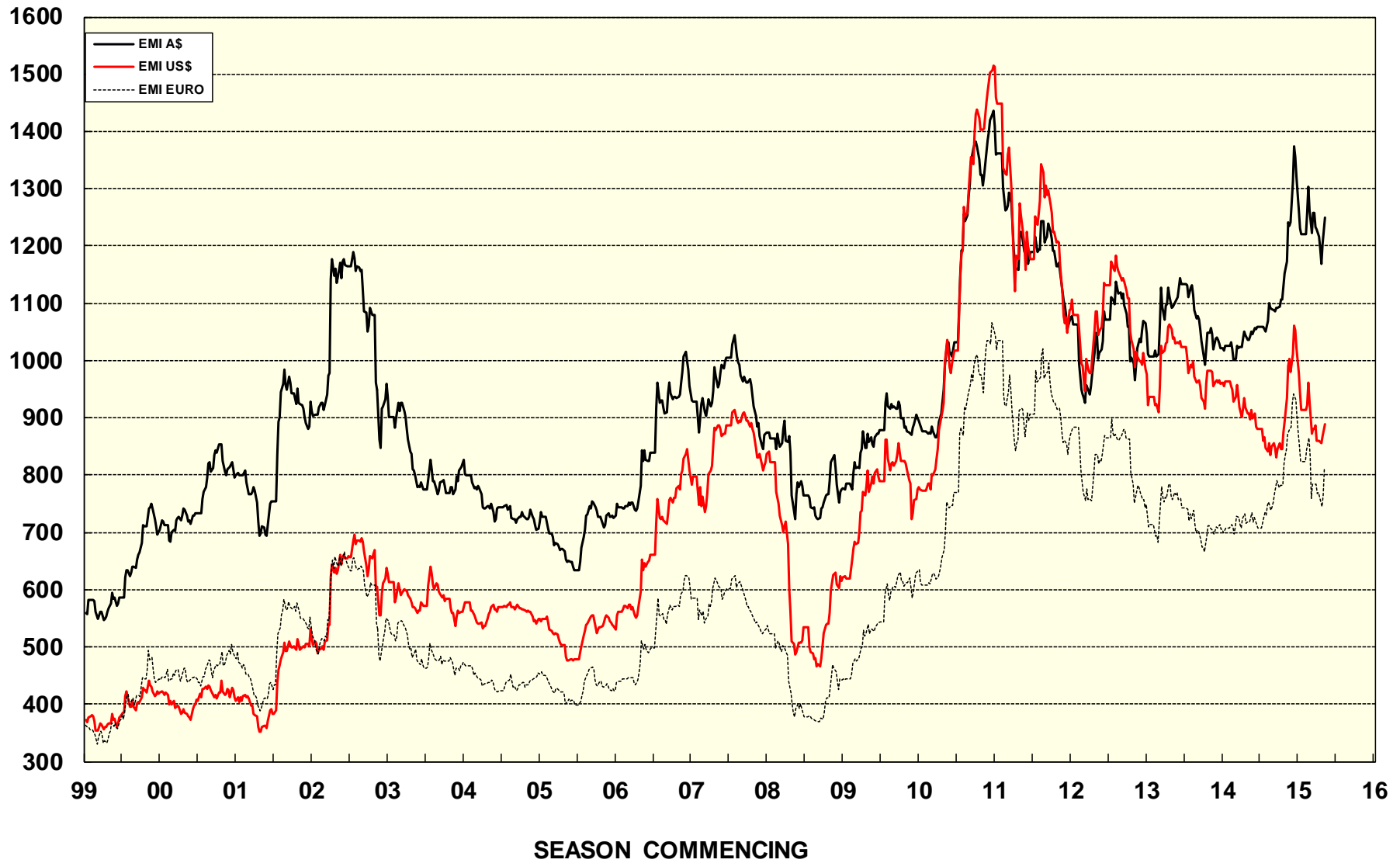


AVERAGE AWEX MICRON PRICE GUIDES
 2015/16(black graph line) and 2014/15 (red graph line)



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

(In Australian, United States and European Currencies)



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For further information

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