

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 18 December 2015 (Week 25)

The AWEX EMI finished 14¢ higher (+1.1%) in Australian currency and 2¢ lower (-0.2%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

42,434 bales were on offer nationally, compared with 43,547 bales last sale. 4.4% of the offering was passed in.

Sales are now in recess for the annual Christmas break. They will resume in the week commencing 11 January (Week 29).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 25)									
Centre	Last Sale		Day-to-Day Changes (Week 25)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	24	1251	No Sale	+14	0	14 (1.1%)	1265	-2	+9
Northern	24	1278	No Sale	+12	+4	16 (1.3%)	1294	-2	+10
Southern	24	1233	No Sale	+16	-3	13 (1.1%)	1246	-3	+9
Western	24	1299	No Sale	+21	No Sale	21 (1.6%)	1320	+2	+14

The market finished on a strong note, going into the Christmas recess, with the Merino types up across all micron ranges and wool types; and rises for some crossbred wools. The rises in Australian currency were partly helped by the fall in the US exchange rate (see below).

The first half of the season has finished with the EMI at an average of 1239¢, 206¢ (19.9%) above the average to Week 25 last year. It has been above 1200¢ in all but two weeks since early May.

The rises among the Merino wool this week were slightly higher from 19 microns up. Crossbred prices were more mixed with rises in the average AWEX MPGs at 28 and 30 microns and small falls at the other micron values. Merino skirtings had a good week and Merino cardings also edged up, with a 9¢ rise in the average AWEX Merino Cardings Price Guide, taking it to 297¢ (36.5%) above its value 12 months ago.

The US exchange rate finished 1.03¢ (-1.4%) lower to close at 71.82¢ on Thursday. The fall was in response to the expected decision by the US Federal Reserve to lift official interest rates by 0.25% to 0.5% on Wednesday (US time). It was the first rise since 2006.

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

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	133¢	170¢	183¢	192¢	205¢
South	108¢	141¢	163¢	167¢	169¢

Market Indicator	Changes From			
	Four Sales Ago Week 21	Start of the Season	Week 25 Last Year	Season Average to Week 25 Last Year
Eastern Market Indicator	+16 (+1.3%)	+39 (+3.2%)	No Sale	+206 (+19.9%)
Western Market Indicator	+24 (+1.9%)	+67 (+5.3%)	No Sale	+244 (+23.6%)

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 ¢	+15	+17	+22	+18	+10	+25	+22	+15	+17	+18	+22	
Change %	+1.0%	+1.1%	+1.5%	+1.2%	+0.7%	+1.8%	+1.6%	+1.1%	+1.3%	+1.4%	+1.7%	
Since Start of the Season												
Change ¢	+12	+38	+51	+72	+84	+86	+62	+48	+42	+53	+73	
Change %	+0.8%	+2.6%	+3.5%	+5.0%	+6.1%	+6.4%	+4.7%	+3.7%	+3.2%	+4.1%	+5.7%	
Since Same Week Last Year												
Change ¢	+241	+242	+233	+231	+220	+189	+173	+167	+164	+164	+182	
Change %	+18.9%	+19.1%	+18.5%	+18.5%	+17.9%	+15.6%	+14.5%	+14.2%	+14.1%	+14.2%	+16.0%	

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 ¢	-1	-3	+10	+10	-3	+9
Change %	-0.1%	-0.3%	+1.2%	+1.3%	-0.4%	+0.8%
Since Start of the Season						
Change ¢	-56	-68	-51	+2	+14	+87
Change %	-5.0%	-6.4%	-5.7%	+0.3%	+2.1%	+8.4%
Since Same Week Last Year						
Change ¢	+139	+159	+90	+83	+42	+297
Change %	+15.0%	+19.0%	+12.1%	+11.9%	+6.6%	+36.5%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 18 December 2015 (Week 25)

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 October ABS export data.

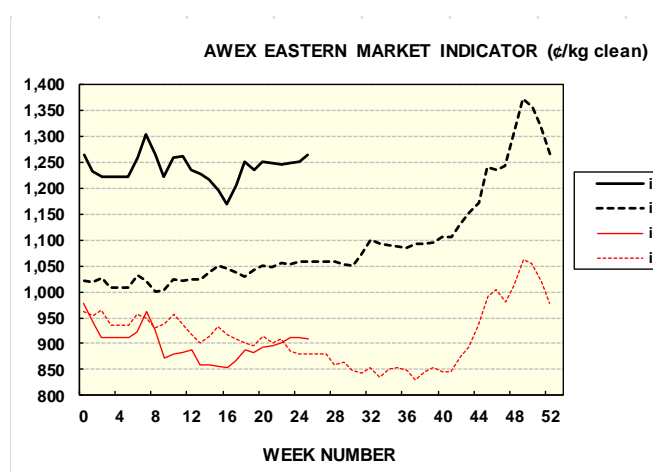
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	11,070	12,970	3.1%	1.6%	5.0%	12,567
South	23,955	20,906	5.1%	3.5%	4.7%	19,843
West	8,522	8,558	4.7%	1.9%	8.2%	8,156
Australia	43,547	42,434	4.4%	2.6%	5.5%	40,566

Actual and % Changes in the Progressive Offerings from Last Year	
-15,209	-5.7%
-34,164	-7.3%
-2,569	-1.5%
-51,942	-5.7%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 26	Week 27	Week 28	Differences
North	No Sale	No Sale	No Sale	
South	No Sale	No Sale	No Sale	
West	No Sale	No Sale	No Sale	
New Zealand				
Australia				
Differences				

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	72.85	-0.39	-0.50	+0.54	-0.46	-0.22	-1.03 (-1.4%)	71.82	69.98	76.49
Euro	66.19	+0.08	-0.61	+0.12	+0.09	+0.32	0.00 (0.0%)	66.19	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 - October
	October 2015	July - October This Season	July - October Last Season	
China	72.4%	73.5%	73.0%	-6.8%
India	8.0%	8.9%	7.9%	+4.7%
Italy	7.3%	6.0%	5.3%	+3.6%
Czech Republic	4.6%	4.0%	5.2%	-29.1%
Malaysia	1.6%	1.5%	1.7%	-21.8%
Korea	1.8%	1.7%	2.1%	-25.8%
Taiwan	0.8%	0.9%	1.0%	-20.0%
Egypt	1.2%	1.3%	1.1%	+5.5%
Change all Countries				-7.7%



AVERAGE EMI	
This Year	1239
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1,264	140
South	1,223	136
West	1,277	148

THIS YEAR'S EMI	
This Week	1265
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

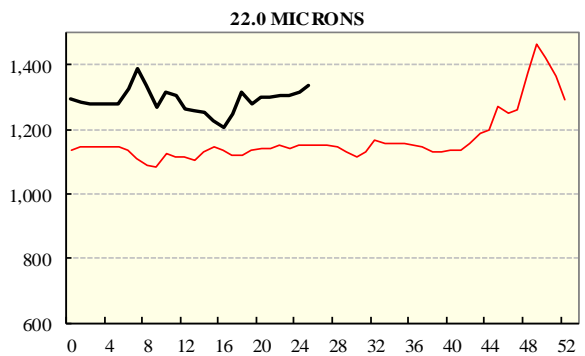
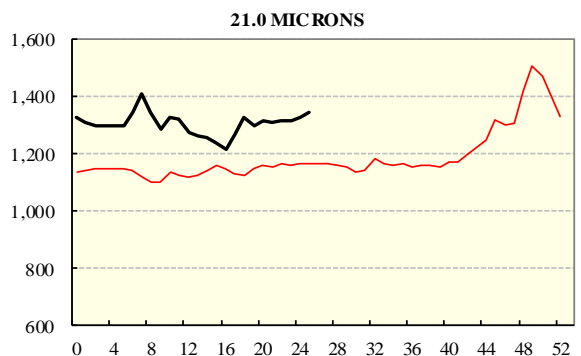
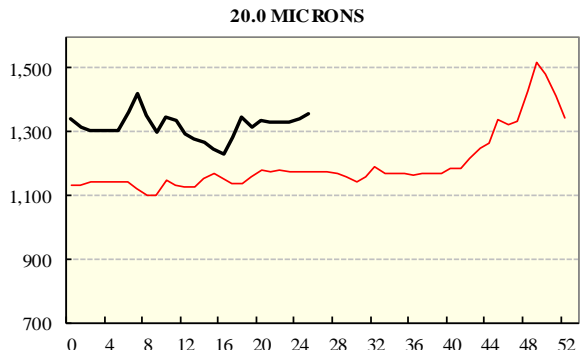
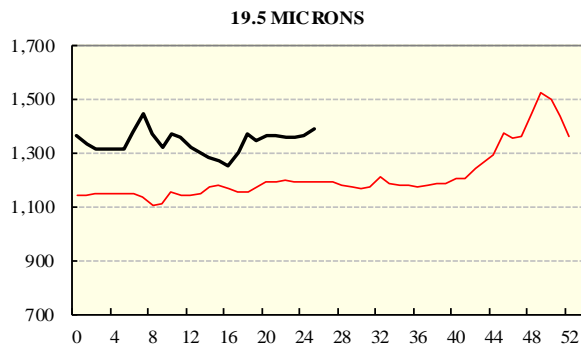
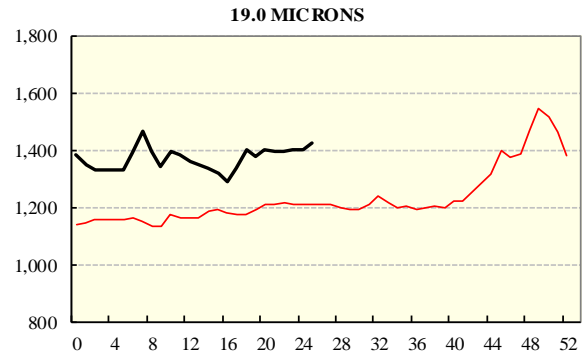
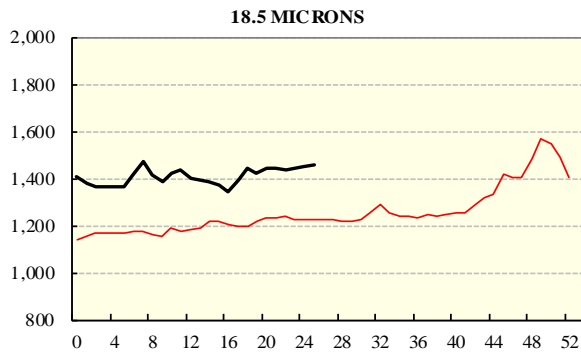
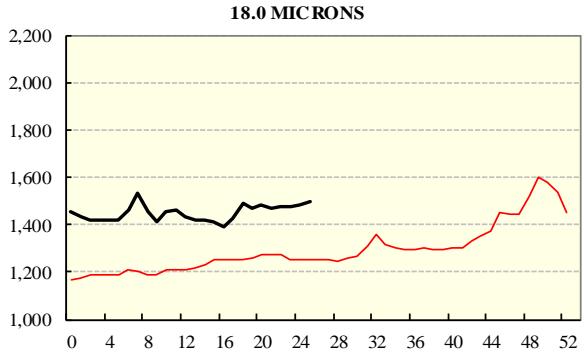
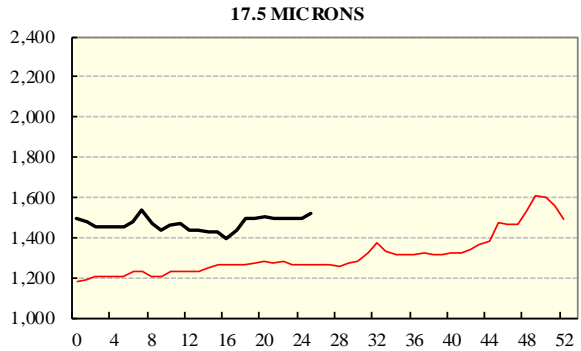
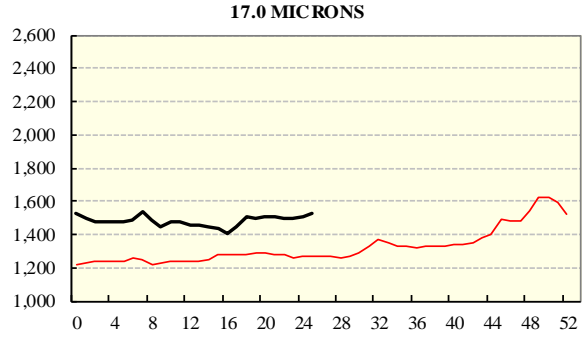
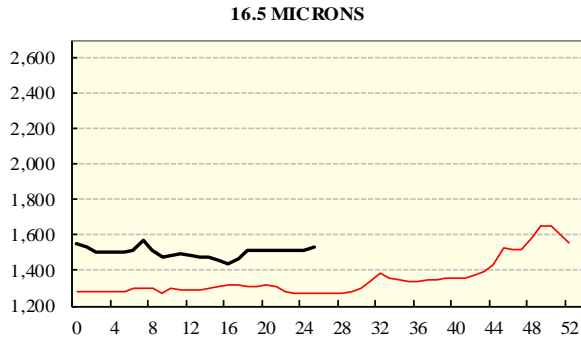
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1294	44
South	1246	27
West (Wk)	1320	69

BALES OFFERED	
This Year	855,716
Last Year	907,658
Difference	-51,942
% Diff	-5.7%
FIRST OFFERED BALES	
Difference	-4.0%
% of Offering	95%

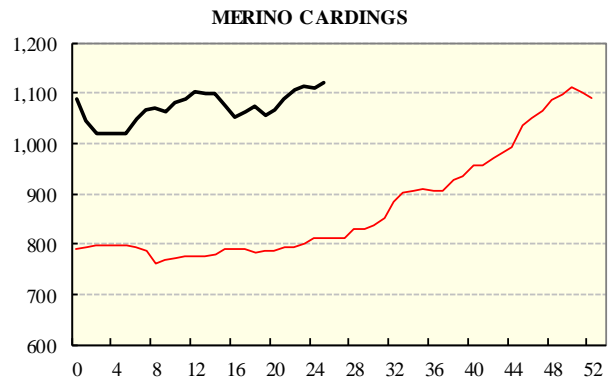
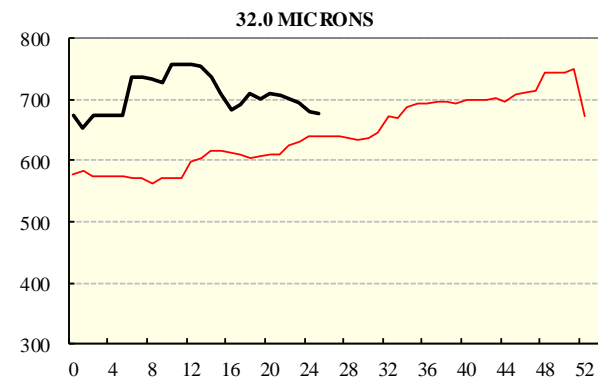
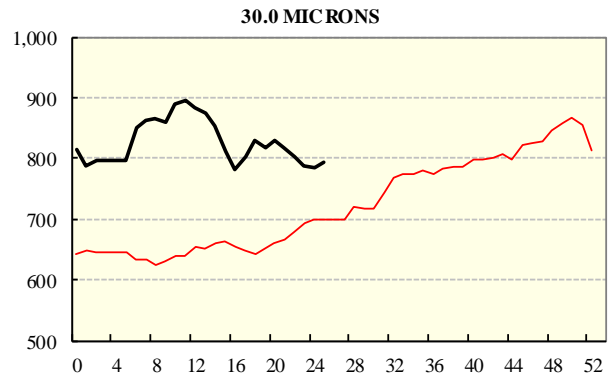
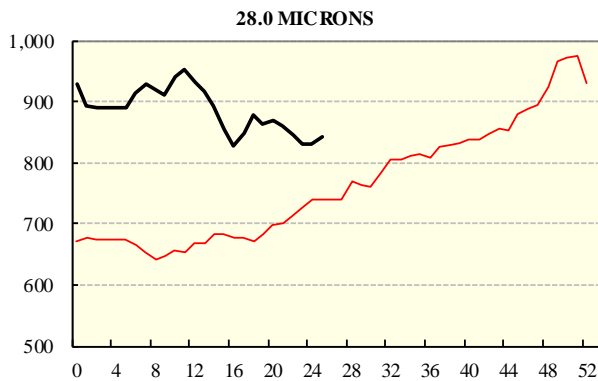
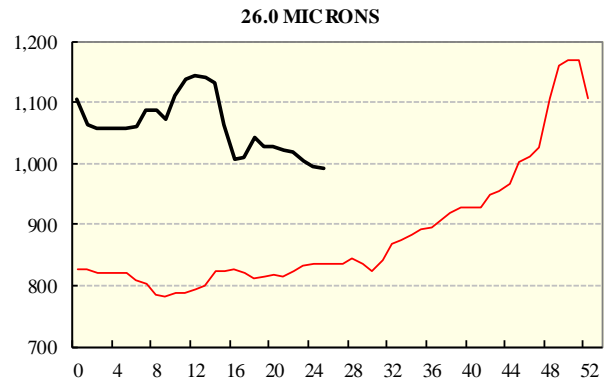
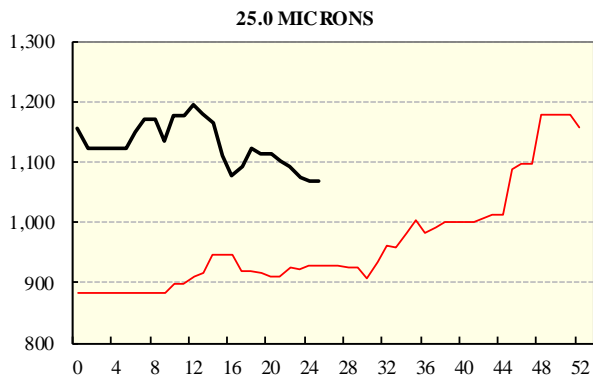
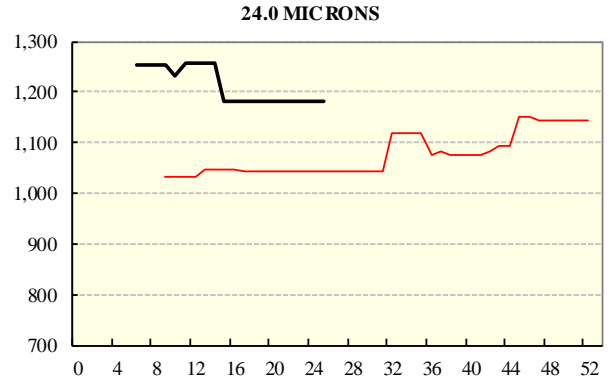
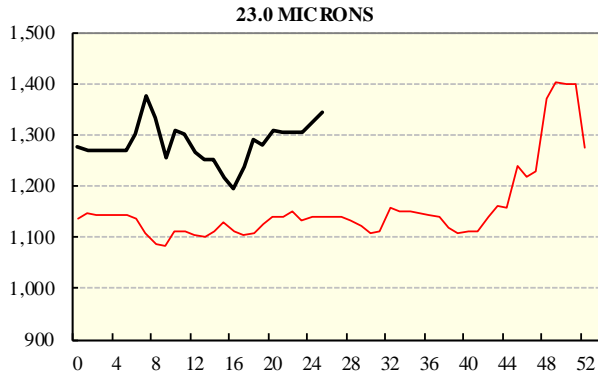
REGION BALES		
This Sale:		
North	62	
South	12,970	
West	20,906	
Progressive Totals:		
North	250,752	-5.7%
South	435,382	-7.3%
West	169,582	-1.5%

AVERAGE AWEX MICRON PRICE GUIDES

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

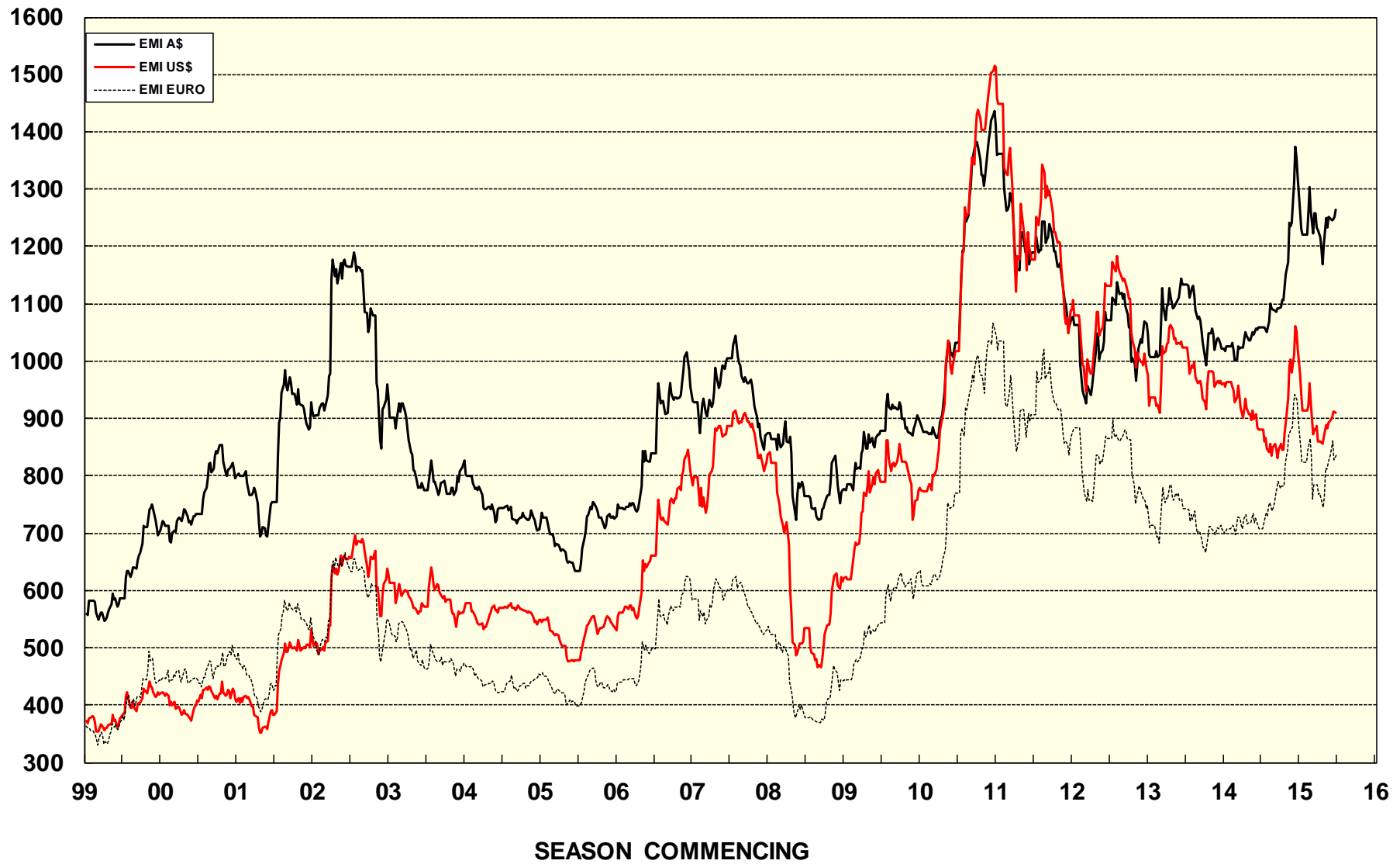


AVERAGE AWEX MICRON PRICE GUIDES
 2015/16(black graph line) and 2014/15 (red graph line)



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

(In Australian, United States and European Currencies)



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For further information