

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 4 December 2015 (Week 23)

The AWEX EMI finished 1¢ higher (+0.1%) in Australian currency and 10¢ higher (+1.1%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

37,172 bales were on offer nationally, compared with 41,730 bales last sale. 7.9% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 23)									
Centre	Last Sale		Day-to-Day Changes (Week 23)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	22	1246	No Sale	-4	+5	1 (0.1%)	1247	+10	+12
Northern	22	1275	No Sale	-6	+4	-2 (-0.2%)	1273	+8	+10
Southern	22	1228	No Sale	-4	+5	1 (0.1%)	1229	+10	+12
Western	22	1296	No Sale	-8	No Sale	-8 (-0.6%)	1288	+4	+6

Although the EMI was only up by 1¢ at the close of selling on Thursday, it had been a good overall week, with a strong finish on Thursday and prices withstanding an increase in the US exchange rate. The EMI moved up in US currency on both Wednesday and Thursday.

There were gains across all average AWEX Merino Micron Price Guides (MPGs), apart from a -0.1% fall at 19.5 and 22 microns. Crossbreds which are in plentiful supply at the moment continued the pattern seen in recent weeks when they eased by around 1.5%, on average.

Merino skirtings finished on a firm note; and it was another good week for oddments. Merino Cardings continued their upward movement. Their average AWEX Indicator has risen by 49¢ since mid-November.

The US exchange rate finished 0.76¢ (1.0%) higher to close at 73.15¢ on Thursday. Financial analysts attributed the rise to a combination of better Australian economic data and a weaker US currency. They also expect no change in the Australian official interest rate in the near future.

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

Looking ahead, the offering in the current week is expected to be 14.2% less than in the same week last year when 57,300 bales were offered. There was no sale in the following week (Week 25) 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	148¢	178¢	195¢	200¢	214¢
South	124¢	150¢	170¢	172¢	192¢

Market Indicator	Changes From			
	Four Sales Ago Week 11	Start of the Season	Week 16 Last Year	Season Average to Week 16 Last Year
Eastern Market Indicator	+13 (+1.1%)	+21 (+1.7%)	+193 (+18.3%)	+205 (+19.9%)
Western Market Indicator	+13 (+1.0%)	+35 (+2.8%)	+195 (+17.8%)	+198 (+18.4%)

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
<b>Since Last Sale</b>												
Change ¢	+7	+1	+1	+5	+3	+7	-2	+2	+2	-1		
Change %	+0.5%	+0.1%	+0.1%	+0.3%	+0.2%	+0.5%	-0.1%	+0.2%	+0.2%	-0.1%		
<b>Since Start of the Season</b>												
Change ¢	-2	+15	+30	+51	+69	+61	+33	+21	+11	+23		
Change %	-0.1%	+1.0%	+2.0%	+3.6%	+5.0%	+4.6%	+2.5%	+1.6%	+0.8%	+1.8%		
<b>Since Same Week Last Year</b>												
Change ¢	+247	+238	+234	+224	+216	+194	+168	+159	+156	+162		
Change %	+19.4%	+18.9%	+18.5%	+17.9%	+17.6%	+16.1%	+14.1%	+13.6%	+13.5%	+14.2%		

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC <sup>#</sup>
<b>Since Last Sale</b>						
Change ¢	-19	-15	-15	-15	-5	+9
Change %	-1.7%	-1.5%	-1.8%	-1.9%	-0.7%	+0.8%
<b>Since Start of the Season</b>						
Change ¢	-50	-57	-61	-5	+32	+82
Change %	-4.5%	-5.4%	-6.8%	-0.6%	+4.8%	+7.9%
<b>Since Same Week Last Year</b>						
Change ¢	+152	+171	+102	+94	+64	+312
Change %	+16.5%	+20.6%	+14.0%	+13.6%	+10.1%	+38.9%

# Average Merino Cardings Price Guide

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## AWIS WOOL MARKET REVIEW Week Ending 4 December 2015 (Week 23)

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.

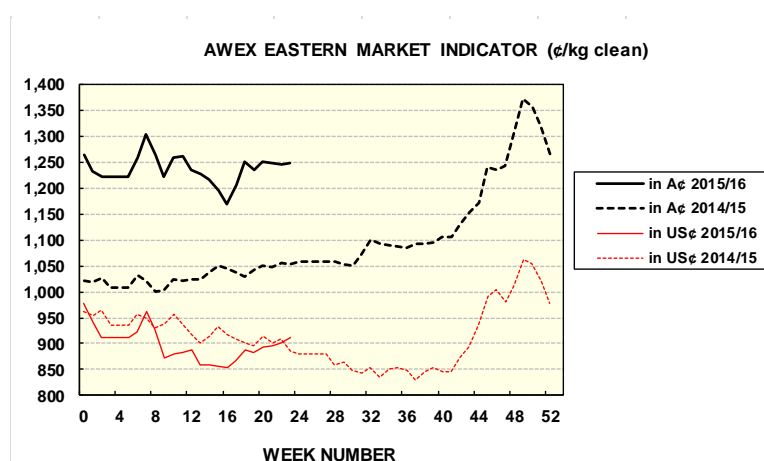
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	10,045	10,482	4.3%	2.6%	3.4%	10,030
South	23,370	19,289	7.3%	3.3%	4.1%	17,880
West	8,315	7,401	14.7%	3.1%	10.7%	6,311
<b>Australia</b>	<b>41,730</b>	<b>37,172</b>	<b>7.9%</b>	<b>3.1%</b>	<b>5.2%</b>	<b>34,221</b>

Actual and % Changes in the Progressive Offerings from Last Year	
-23,101	-9.2%
-47,580	-10.9%
-9,955	-6.1%
<b>-80,636</b>	<b>-9.5%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 24	Week 25	Week 26	Differences
North	11,255	11,140	No Sale	<b>-30.3%</b>
South	28,815	23,526	No Sale	<b>-8.4%</b>
West	9,100	8,500	No Sale	<b>-6.1%</b>
New Zealand	2,200			
<b>Australia</b>	<b>49,170</b>	<b>43,166</b>		<b>-14.2%</b>
<b>Differences</b>	<b>-14.2%</b>			

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	72.39	-0.12	-0.38	+0.75	+0.42	+0.09	+0.76 (+1.0%)	73.15	69.98	76.49
Euro	68.16	-0.03	-0.23	+0.80	+0.13	+0.23	+0.90 (+1.3%)	69.06	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%
<b>Change all Countries</b>				<b>-7.7%</b>



AVERAGE EMI	
This Year	1237
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1,262	137
South	1,222	135
West	1,273	145

THIS YEAR'S EMI	
This Week	1247
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

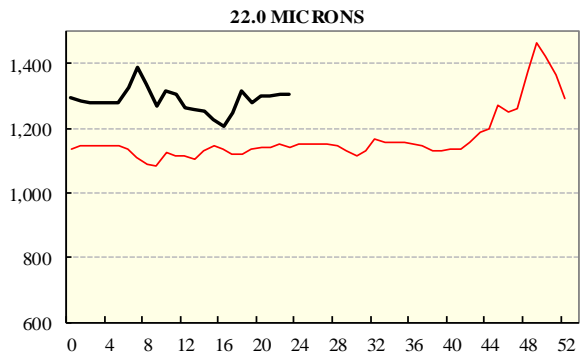
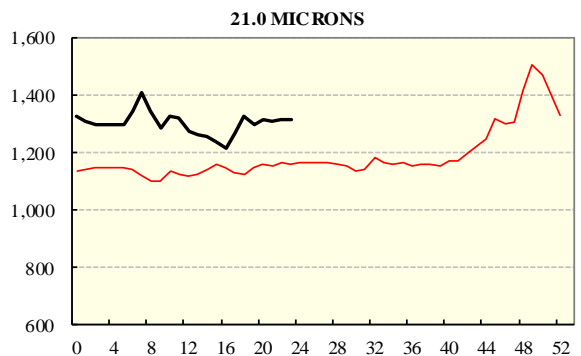
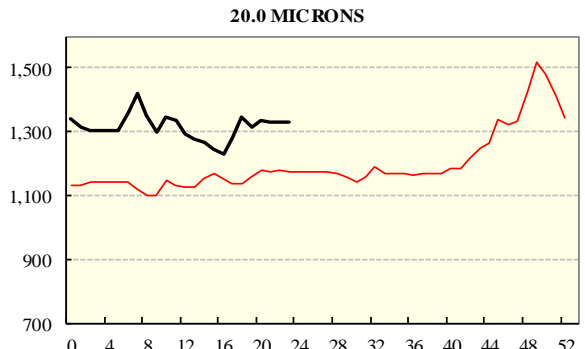
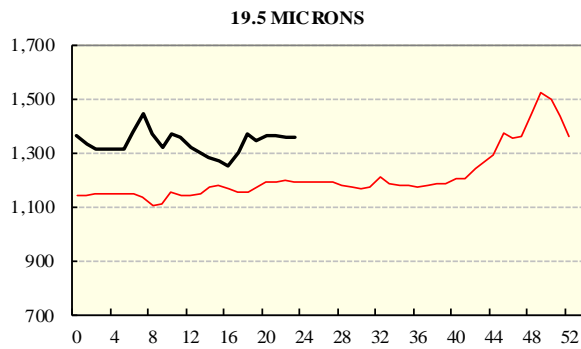
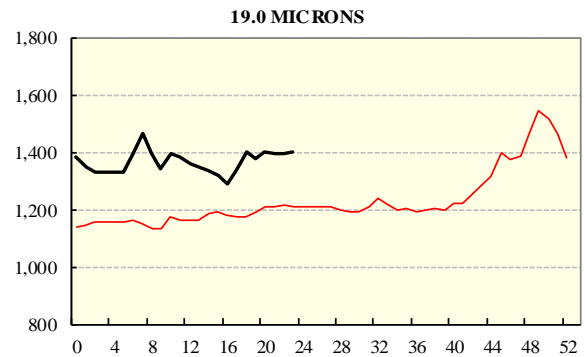
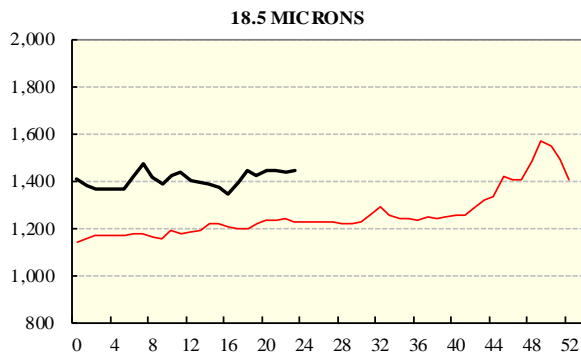
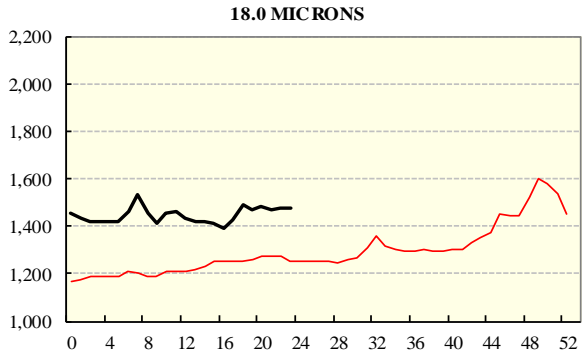
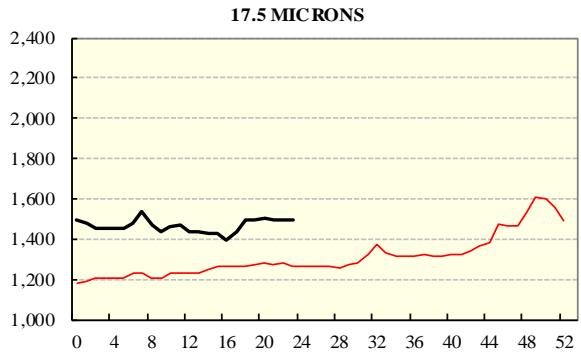
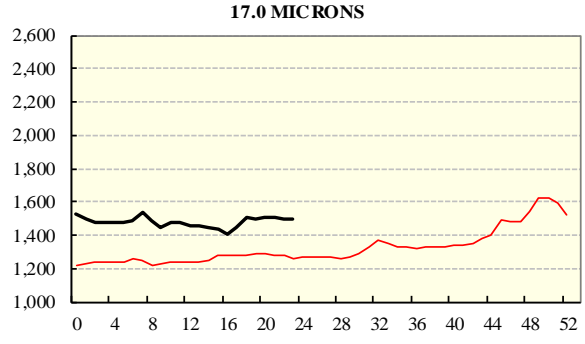
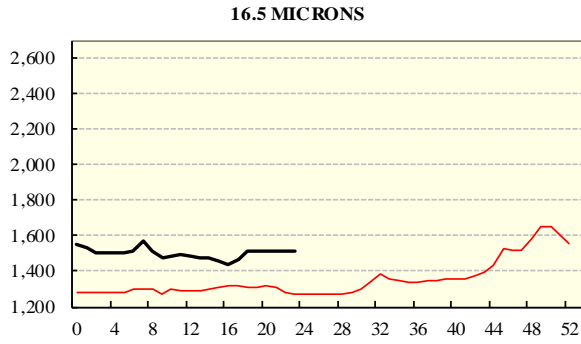
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1273	23
South	1229	10
West (Wk)	1288	37

BALES OFFERED	
This Year	769,735
Last Year	850,371
Difference	-80,636
% Diff	-9.5%
FIRST OFFERED BALES	
Difference	-7.7%
% of Offering	95.1%

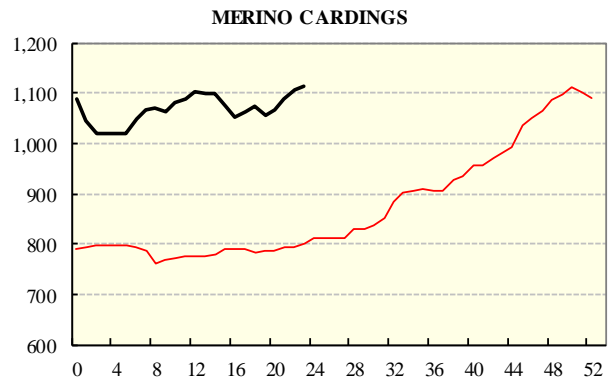
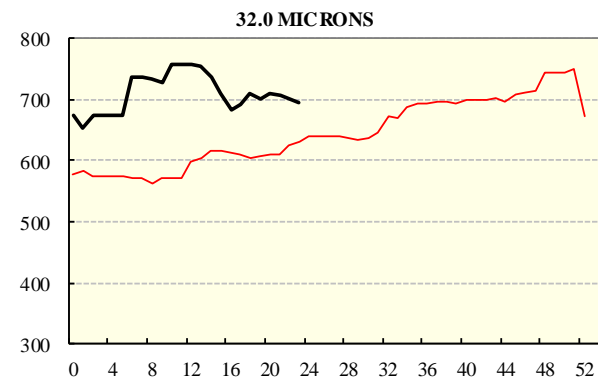
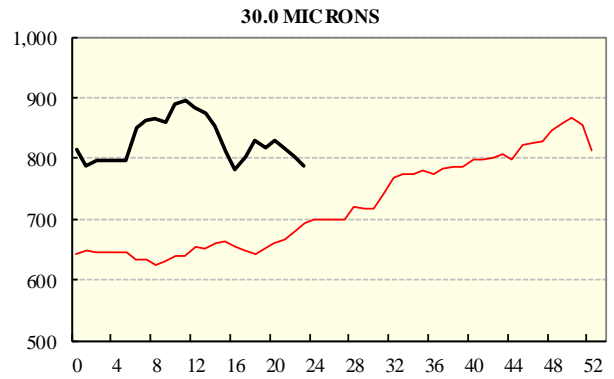
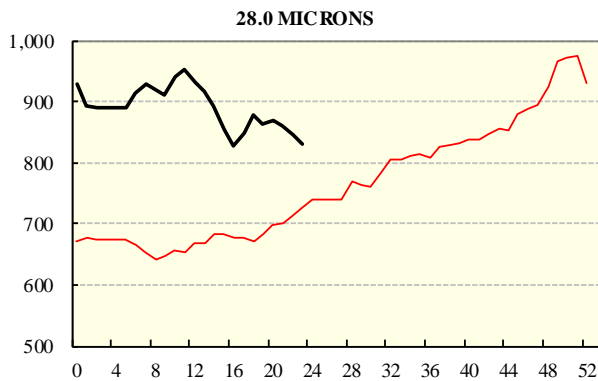
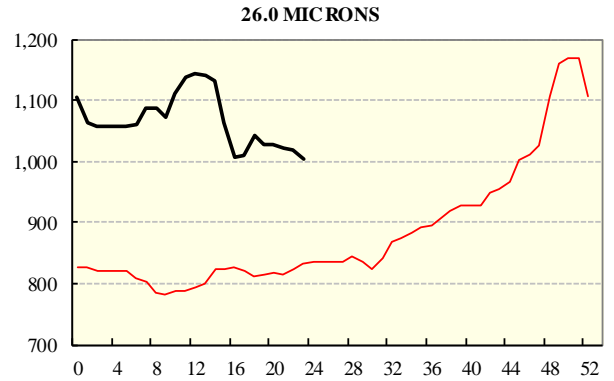
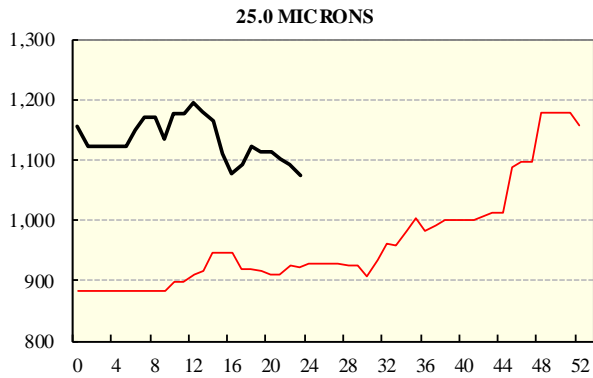
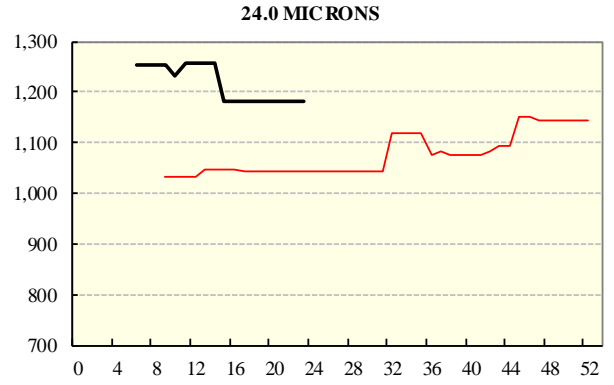
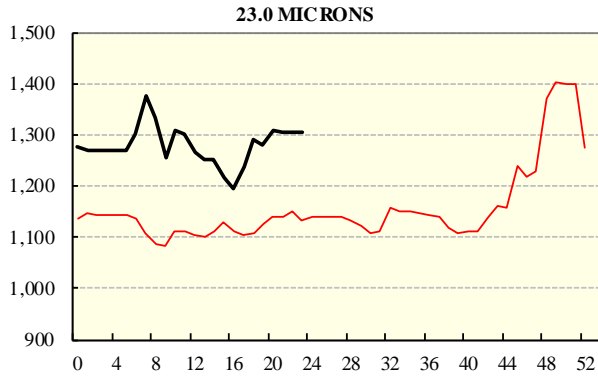
REGION BALES		
This Sale:		
North	63	
South	10,482	
West	19,289	
Progressive Totals:		
North	226,712	Diff -9.2%
South	390,521	-10.9%
West	152,502	-6.1%

# **AVERAGE AWEX MICRON PRICE GUIDES**

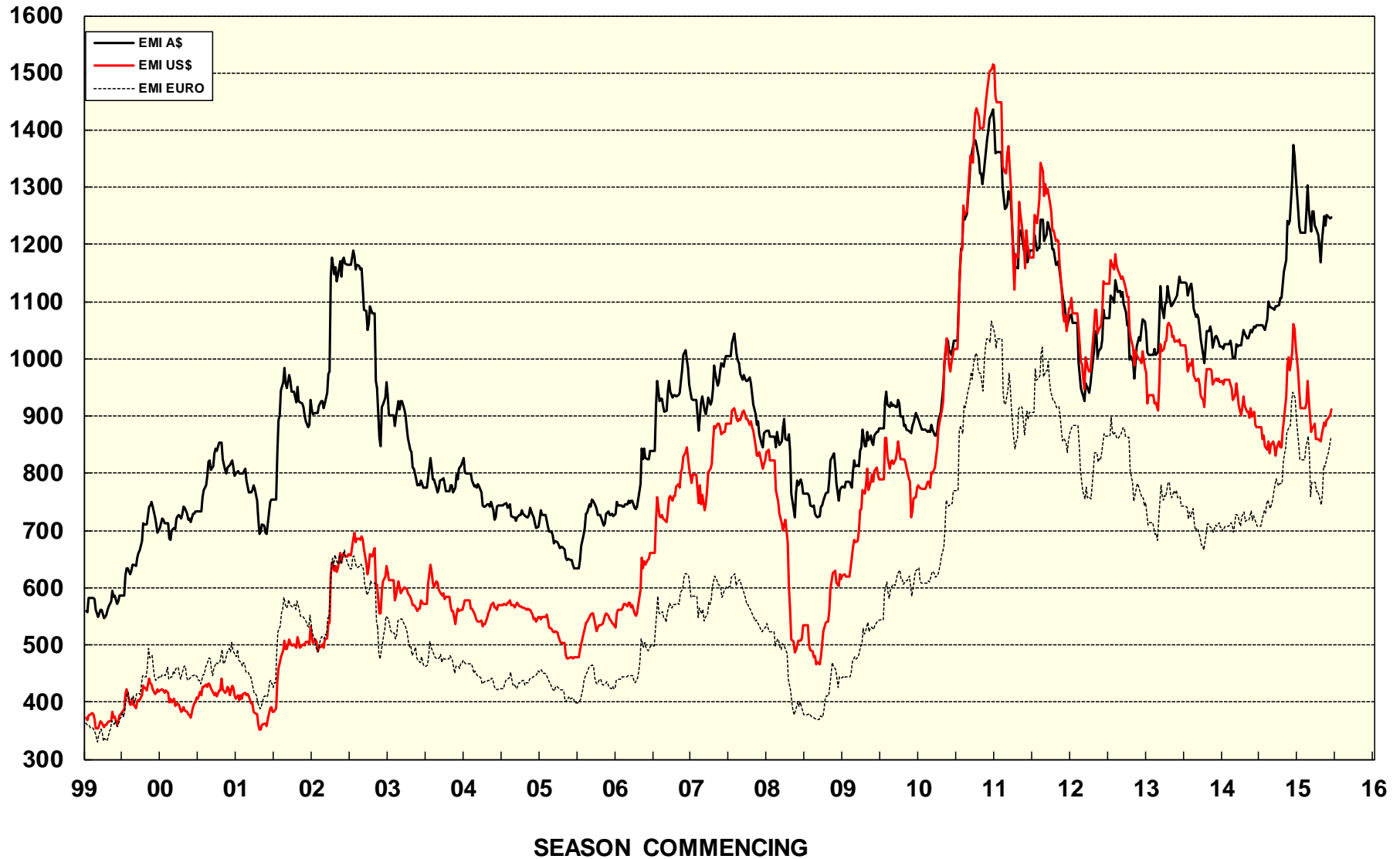
2015/16( black graph line) and 2014/15 (red graph line)



**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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