## **AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC**

Unit 9, 42 - 46 Vella Drive Email: awis@woolindustries.org

|  |  |  |
| --- | --- | --- |
|  |  |  |

Sunshine West Vic 3020 Web: www.woolindustries.org

Australia ABN: 30 454 304 967

Tel: 03 9311 0103 Reg No: A0041776E

Fax: 03 9311 0138

**AWIS WOOL MARKET REVIEW**

### Week Ending 14 April 2017 (Week 41)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| The AWEX EMI bounced back to finish 53¢ higher (+3.6%) in Australian currency and 34¢ higher (+3.1%) in US currency at sales in Sydney, Melbourne and Fremantle this week.43,026 bales were on offer nationally, compared with 46,104 bales last sale. 5.5% of the offering was passed in.AWEX reports that the value of the wool sold was $67.2 million ($1,653 per bale).These were the last sales prior to the one week Easter break. The first sale after the break is currently expected to be around 50,000 bales.

|  |
| --- |
| **Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 41)** |
| **Centre** | **Last Sale** | **Day-to-Day Changes (Week 41)** | **Sale-to-Sale** | **Closing** | **Sale-to-Sale Changes** |
|  | **Week** | **Indicator** | **Tuesday** | **Wednesday** | **Thursday** | **Change** | **Indicator** | **US ¢** | **Euro ¢** |
| **Eastern** | 40 | 1459 | +30 | +23 | No Sale | +53 (+3.6%) | 1512 | +34 | +38 |
| **Northern** | 40 | 1549 | +30 | +29 | No Sale | +59 (+3.8%) | 1608 | +38 | +41 |
| **Southern** | 40 | 1400 | +31 | +35 | No Sale | +66 (+4.7%) | 1466 | +43 | +47 |
| **Western** | 40 | 1459 | +48 | +25 | No Sale | +73 (+5.0%) | 1532 | +49 | +52 |

Observers of the wool market could be forgiven for wondering what is happening, with the AWEX EMI moving up 53¢, following falls of 43¢ last week, 44¢ two sales ago and a zero change three sales ago.Also, while there were good rises across all Merino micron ranges, the biggest rises were from 19 to 22 microns, rather than at the fine end. This led to a narrowing of the differences between the closing AWEX MPGs for 16.5 and 22 microns to 971¢ in the North and 896¢ in the South.There were significant volumes of prem shorn wool again as growers looked to capitalise on the current market conditions.Merino skirtings generally followed the fleece types. Crossbreds moved up, but by less than the Merino types. Oddments generally eased on Tuesday before firming on Wednesday. The average AWEX Merino Cardings Price Guide was down by 10¢ to 1176¢.The US Exchange Rate was more stable this week, but still finished 0.43¢ (-0.6%) lower to close at 74.99¢ on Wednesday.Buyers for China were dominant, with support from buyers for Europe and India

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **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** | 662¢ | 768¢ | 850¢ | 912¢ | 971¢ |
| **South** | 651¢ | 728¢ | 817¢ | 877¢ | 896¢ |

|  |  |
| --- | --- |
| **Market Indicator** | **Changes From** |
|  | **Four Sales AgoWeek 37** | **Start ofthe Season** | **Week 41Last Year** | **Season Average toWeek 41 Last Year** |
| **Eastern Market Indicator** | -34 (-2.2%) | +196 (+14.9%) | +242 (+19.1%) | +132 (+10.6%) |
| **Western Market Indicator** | -22 (-1.4%) | +113 (+8.0%) | +176 (+13.0%) | +140 (+10.8%) |

|  |
| --- |
| **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 ¢** | +28 | +53 | +51 | +68 | +77 | +101 | +113 | +106 | +122 | +82 | +28 |  |
| **Change %** | +1.2% | +2.4% | +2.3% | +3.3% | +3.9% | +5.6% | +6.8% | +7.1% | +8.8% | +6.2% | +2.2% |  |
| **Since Start of the Season** |  |  |  |  |  |  |  |  |  |  |
| **Change ¢** | +760 | +732 | +678 | +609 | +529 | +400 | +271 | +116 | +25 | -61 | -125 |  |
| **Change %** | +48.1% | +46.6% | +43.4% | +39.4% | +34.7% | +26.5% | +18.1% | +7.8% | +1.7% | -4.2% | -8.6% |  |
| **Since Same Week Last Year** |  |  |  |  |  |  |  |  |  |  |
| **Change ¢** | +797 | +769 | +720 | +666 | +584 | +458 | +340 | +197 | +114 | +23 | -46 |  |
| **Change %** | +51.6% | +50.2% | +47.3% | +44.7% | +39.8% | +31.6% | +23.8% | +14.0% | +8.2% | +1.7% | -3.3% |  |

|  |
| --- |
| **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 ¢** |  | +31 | +10 | +5 | +8 | -10 |
| **Change %** |  | +3.1% | +1.4% | +0.9% | +2.0% | -0.8% |
| **Since Start of the Season** |  |  |  |  |
| **Change ¢** | -74 | -58 | -19 | -54 | -106 | +90 |
| **Change %** | -6.2% | -5.3% | -2.5% | -8.4% | -20.3% | +8.3% |
| **Since Same Week Last Year** |  |  |  |  |
| **Change ¢** | -17 | +5 | -68 | -104 | -189 | +101 |
| **Change %** | -1.5% | +0.5% | -8.5% | -15.1% | -31.2% | +9.4% |
| # Average Merino Cardings Price Guide |

 |

**AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC**

Unit 9, 42 - 46 Vella Drive Email: awis@woolindustries.org

|  |  |  |
| --- | --- | --- |
|  |  |  |

Sunshine West Vic 3020 Web: www.woolindustries.org

Australia ABN: 30 454 304 967

Tel: 03 9311 0103 Reg No: A0041776E

Fax: 03 9311 0138

**AWIS WOOL MARKET REVIEW**

### Week Ending 14 April 2017 (Week 41)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 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 February ABS export data.

|  |  |  |
| --- | --- | --- |
| **Details of this Week’s Offering and the Comparison with the Previous Sale’s Offering** |  | **Actual and % Changes in the Progressive Offerings fromLast Year** |
| **Centre** | ***Last Sale*** | **This Sale** |  |
|  | ***Offering*** | **Offering** | **Passed-In** | **WithdrawnBefore Sale** | **Re-Offered** | **Bales Sold** |  |
| **North** | *9,951* | 12,048 | 6.0% | 2.4% | 6.0% | 11,329 |  | +34,847 | +8.8% |
| **South** | *25,033* | 21,447 | 5.6% | 3.6% | 7.4% | 20,249 |  | +55,123 | +7.8% |
| **West** | *11,120* | 9,531 | 4.7% | 7.3% | 12.8% | 9,086 |  | +34,883 | +11.8% |
| **Australia** | ***46,104*** | **43,026** | **5.5%** | **4.1%** | **8.2%** | **40,664** |  | **+124,853** | **+8.9%** |

|  |
| --- |
| **Next Sale Offerings and Year-on-Year Differences** |
| **Centre** | **Week 42** | **Week 43** | **Week 44** | **Differences** |
| **North** | No Sale | 12,450 | 10,600 | **-25.8%** |
| **South** | No Sale | 26,754 | 22,443 | **-21.3%** |
| **West** | No Sale | 11,105 | 8,950 | **-22.8%** |
| **New Zealand** |  |  |  |  |
| **Australia** |  | **50,309** | **41,993** | **+20.7%** |
| **Differences** |  | **+19.5%** | **+22.1%** |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Exchange Rates** | **Last**  | **Day-to-Day Changes** | **Sale-to-Sale** | **Closing** | **Season Min & Max** |
| **(Reserve Bank)** | **Sale** | **Fri** | **Mon** | **Tues** | **Wed** | **Thur** | **Change** | **Value** | **Min** | **Max** |
| **United States** | 75.42 | -0.19 | -0.33 | +0.12 | -0.03 | Public | -0.43 (-0.6%) | 74.99 | 73.75 | 77.13 |
| **Euro** | 70.66 | -0.04 | +0.09 | +0.16 | -0.20 | Holiday | +0.01 (+0.0%) | 70.67 | 66.40 | 72.77 |

|  |  |  |
| --- | --- | --- |
| **Country** | **% Share of Australia’s Wool Exports by Weight of Wool Shipped** | **Year-on-Year % Change** |
|  | **February2017** | **July to FebruaryThis Season** | **July to FebruaryLast Season** | **July to February** |
| **By Weight** | **By Value** |
| China | 77.8% | 78.5% | 73.9% | +12.5% | +20.1% |
| India | 6.0% | 6.2% | 7.8% | -16.7% | -9.7% |
| Italy | 3.9% | 4.6% | 5.2% | -6.0% | +2.8% |
| Czech Republic | 7.1% | 5.1% | 5.4% | +0.3% | +1.7% |
| Malaysia | 0.3% | 0.8% | 1.6% | -49.8% | -54.1% |
| Korea | 2.1% | 1.5% | 1.7% | -1.0% | -2.5% |
| Taiwan | 0.4% | 0.6% | 0.8% | -17.7% | -14.4% |
| Egypt | 1.2% | 1.0% | 1.0% | -3.8% | +10.2% |
| **Change all Countries** |  |  |  | **+6.0%** | **+11.9%** |
|  |

 |
|  |
|  |
|  |

