

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 19 August 2016 (Week 07)

The AWEX EMI finished 1¢ higher (+0.1%) in Australian currency and 2¢ higher (+0.2%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

41,153 bales were on offer nationally, compared with 52,182 bales last sale. 4.8% of the offering was passed in.

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	1297	No Sale	-2	+3	+1 (+0.1%)	1298	+2	-10
Northern	06	1321	No Sale	-2	+1	-1 (-0.1%)	1320	+1	-11
Southern	06	1282	No Sale	-3	+4	+1 (+0.1%)	1283	+2	-10
Western	06	1397	No Sale	-8	+2	-6 (-0.4%)	1391	-3	-16

The market started a bit slowly on Wednesday, but finished very strongly on Thursday. The closing EMI at 1298 in Australian currency is among the five highest levels since May last year, while the EMI at 1001 in US currency is at its highest level since June 2015.

AWEX Merino MPGs were down slightly on Wednesday, but came back into positive territory on Thursday, when the greatest gains were made at the fine end in the North. Merino skirtings had mixed week, but also had a better day on Thursday. Oddments eased slightly on Wednesday on the back of last week's softness, before picking up on Thursday. The average AWEX Merino Cardings Price Guide came back by 2¢ to 1047¢

Crossbreds were in good demand, with increases on both days.

The daily closing US exchange rate oscillated through ranges of less than 0.5¢ during the week before finishing 0.10¢ (0.1%) higher to close at 77.11¢ on Thursday.

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

Looking ahead, the next sale's offering is expected to be back to 31,600, due to the absence of a sale in Fremantle.

	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	69¢	101¢	136¢	143¢	160¢
South	62¢	81¢	109¢	110¢	120¢

Market Indicator	Four Sales Ago Week 53	Start of the Season	Week 07 Last Year	Season Average to Week 07 Last Year
Eastern Market Indicator	+1 (+0.1%)	-18 (-1.4%)	-6 (-0.5%)	+53 (+4.2%)
Western Market Indicator	-2 (-0.1%)	-28 (-2.0%)	+36 (+2.7%)	+152 (+12.1%)

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 ¢		+6	+9	+7	+1	-3	-7	-10	-12	-9	+2	
Change %		+0.4%	+0.6%	+0.5%	+0.1%	-0.2%	-0.5%	-0.7%	-0.8%	-0.6%	+0.1%	
Since Start of the Season												
Change ¢		-5	-4	-20	-28	-29	-32	-34	-32	-24	-24	
Change %		-0.3%	-0.3%	-1.3%	-1.8%	-1.9%	-2.1%	-2.3%	-2.2%	-1.6%	-1.7%	
Since Same Week Last Year												
Change ¢		+10	+25	-2	+22	+17	+26	+35	+40	+46	+54	
Change %		+0.6%	+1.6%	-0.1%	+1.5%	+1.2%	+1.8%	+2.5%	+2.8%	+3.3%	+3.9%	

Micron	25.0	26.0	28.0	30.0	32.0	MC [#]
Since Last Sale						
Change ¢		-6	+8	+13	+15	+59
Change %		-0.5%	+0.7%	+1.7%	+2.3%	+11.3%
Since Start of the Season						
Change ¢		+10	+35	+7	+28	+59
Change %		+0.8%	+3.2%	+0.9%	+4.4%	+11.3%
Since Same Week Last Year						
Change ¢		+38	+48	-167	-194	-20
Change %		+3.2%	+4.4%	-18.0%	-22.5%	-1.9%

Average Merino Cardings Price Guide

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 19 August 2016 (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.

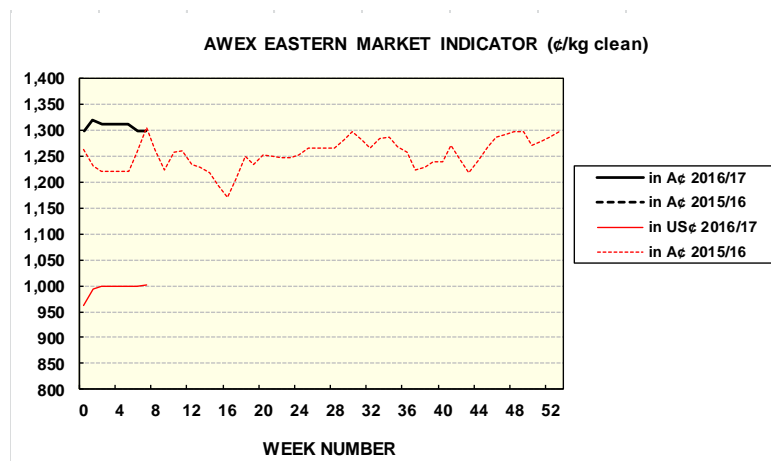
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	17,533	14,069	4.4%	1.5%	1.8%	13,446
South	23,741	19,773	4.7%	1.3%	2.0%	18,843
West	10,908	7,311	5.7%	1.3%	3.0%	6,892
Australia	52,182	41,153	4.8%	1.4%	2.1%	39,181

Actual and % Changes in the Progressive Offerings from Last Year	
+2,877	+5.0%
+7,384	+10.4%
+5,599	+19.1%
+15,860	+10.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 08	Week 09	Week 10	Differences
North	10,794	12,055	11,660	-0.5%
South	20,769	19,871	24,280	+20.2%
West	No Sale	8,900	7,600	-6.6%
New Zealand			<i>1,500</i>	
Australia	31,563	40,826	43,540	+9.0%
Differences	-1.3%	+5.8%	+21.6%	

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	77.01	-0.10	-0.34	+0.41	-0.27	+0.40	+0.10 (+0.1%)	77.11	75.21	77.11
Euro	68.98	+0.05	-0.43	+0.04	-0.54	+0.06	-0.82 (-1.2%)	68.16	67.82	68.98

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to May	
	June 2016	July to June This Season	July to June Last Season	By Weight	By Value
China	78.5%	75.7%	76.9%	-12.1%	+0.6%
India	8.2%	7.4%	6.4%	+3.0%	+18.2%
Italy	2.1%	4.4%	3.9%	-0.5%	+10.0%
Czech Republic	3.7%	4.9%	4.8%	-9.3%	-1.9%
Malaysia	1.4%	1.5%	1.7%	-21.3%	-36.0%
Korea	2.1%	1.8%	2.1%	-21.8%	-3.6%
Taiwan	1.0%	0.8%	0.8%	-13.1%	-7.1%
Egypt	1.3%	1.2%	0.9%	+17.0%	+27.4%
Change all Countries				-10.7%	+1.3%



AVERAGE EMI	
This Year	1307
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES			
Region	This Year	Diff	
North	1329	+50	
South	1292	+54	
West	1406	+98	

THIS YEAR'S EMI	
This Week	1298
First Week	1320
Low (12/08)	1297
High (8/07)	1320

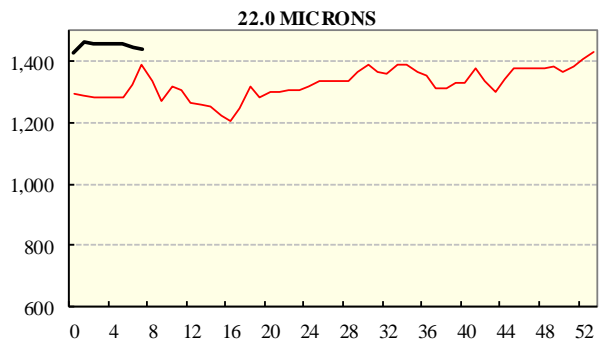
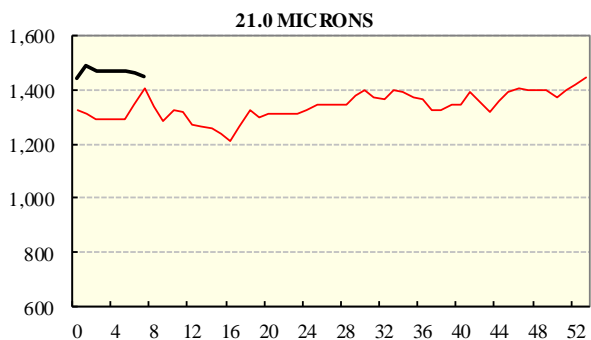
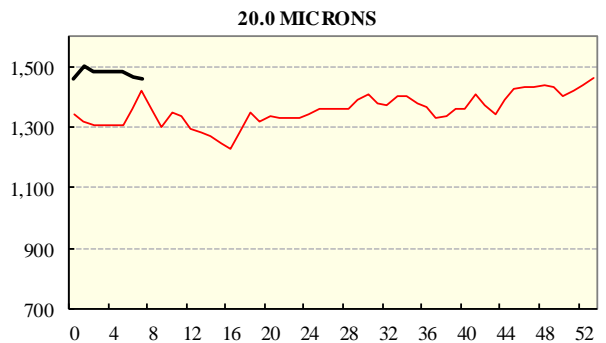
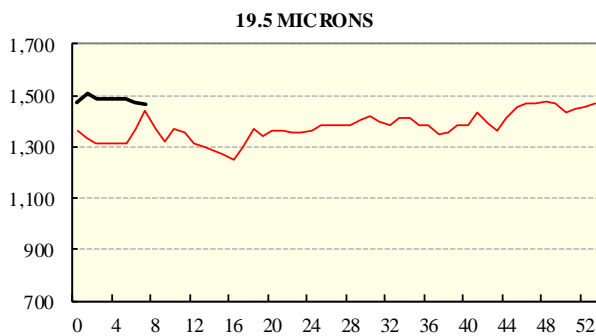
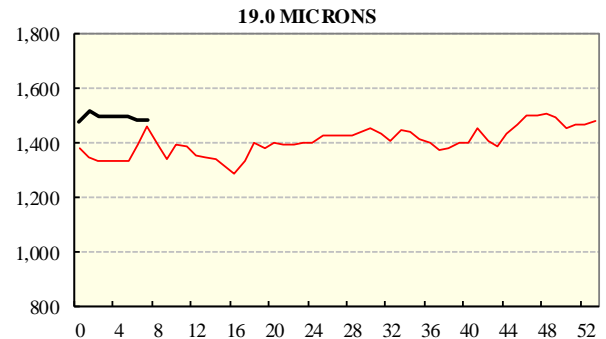
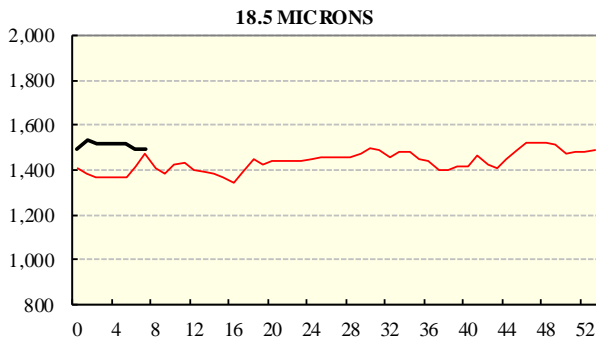
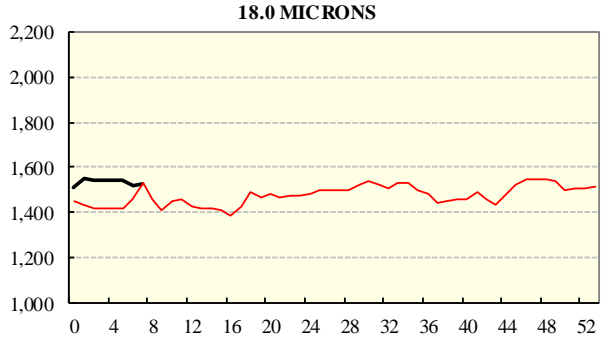
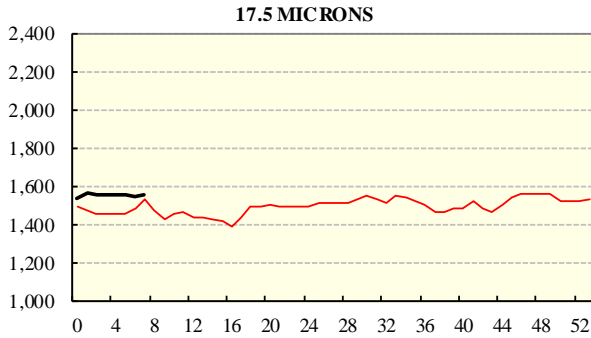
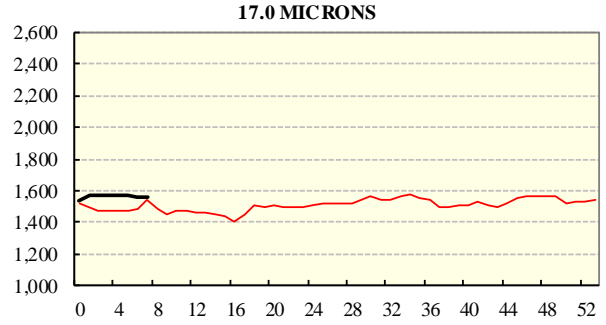
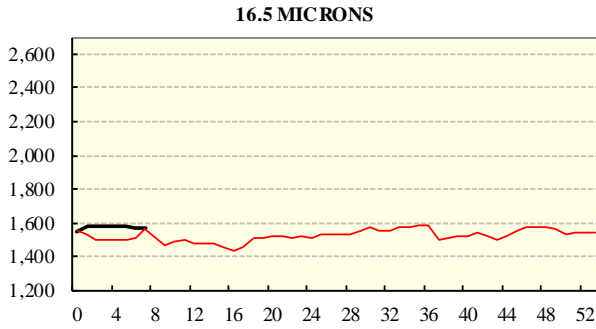
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1320	-17
South	1283	-18
West	1391	-28

BALES OFFERED	
This Year	173,422
Last Year	157,562
Difference	15,860
% Diff	10.1%
FIRST OFFERED BALES	
Difference	10.9%
% of Offering	95.7%

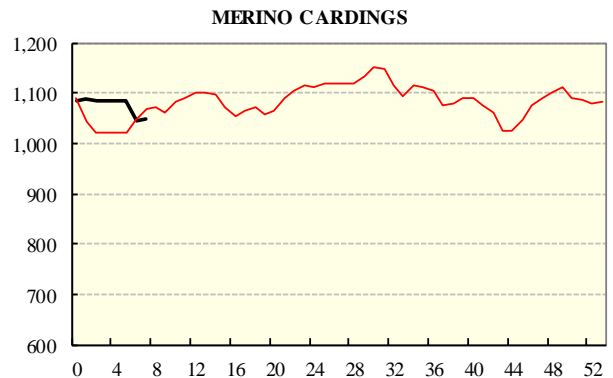
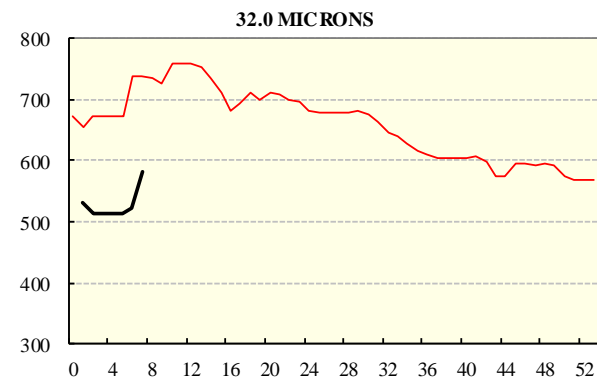
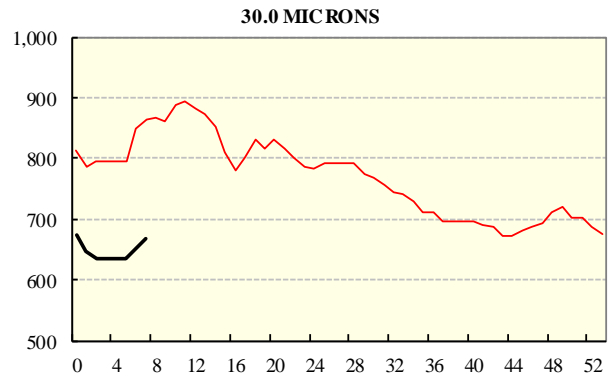
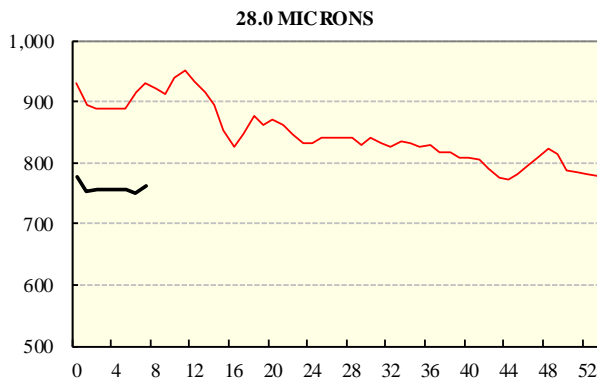
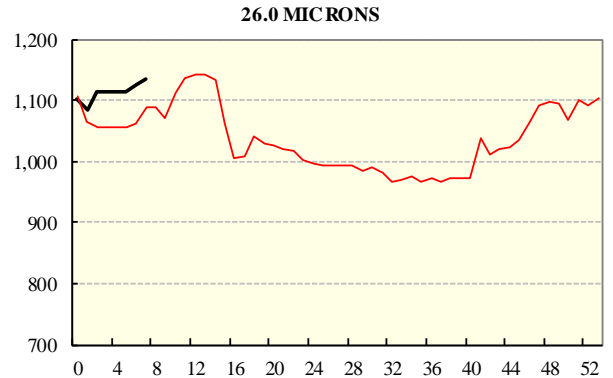
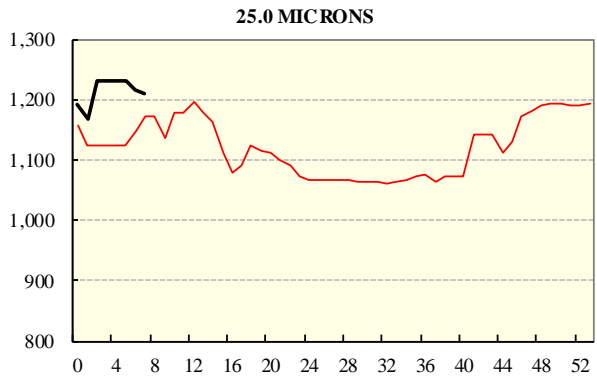
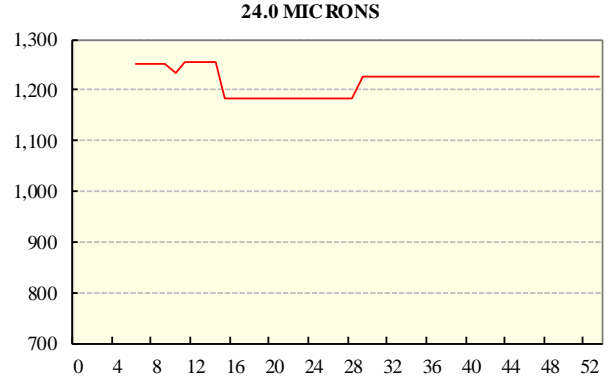
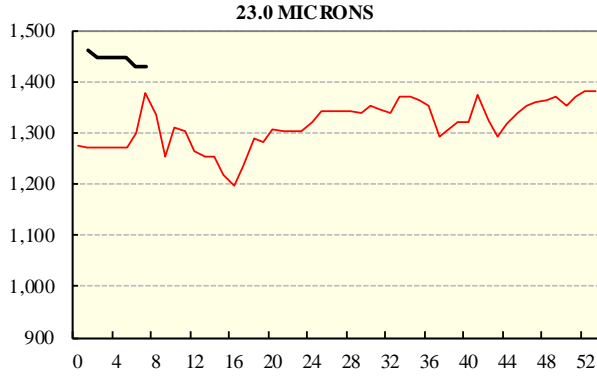
REGION BALES		
This Sale:		Diff
North	14,069	
South	19,773	
West	7,311	
Progressive Totals:		Diff
North	60,112	5.0%
South	78,449	10.4%
West	34,861	19.1%

AVERAGE AWEX MICRON PRICE GUIDES

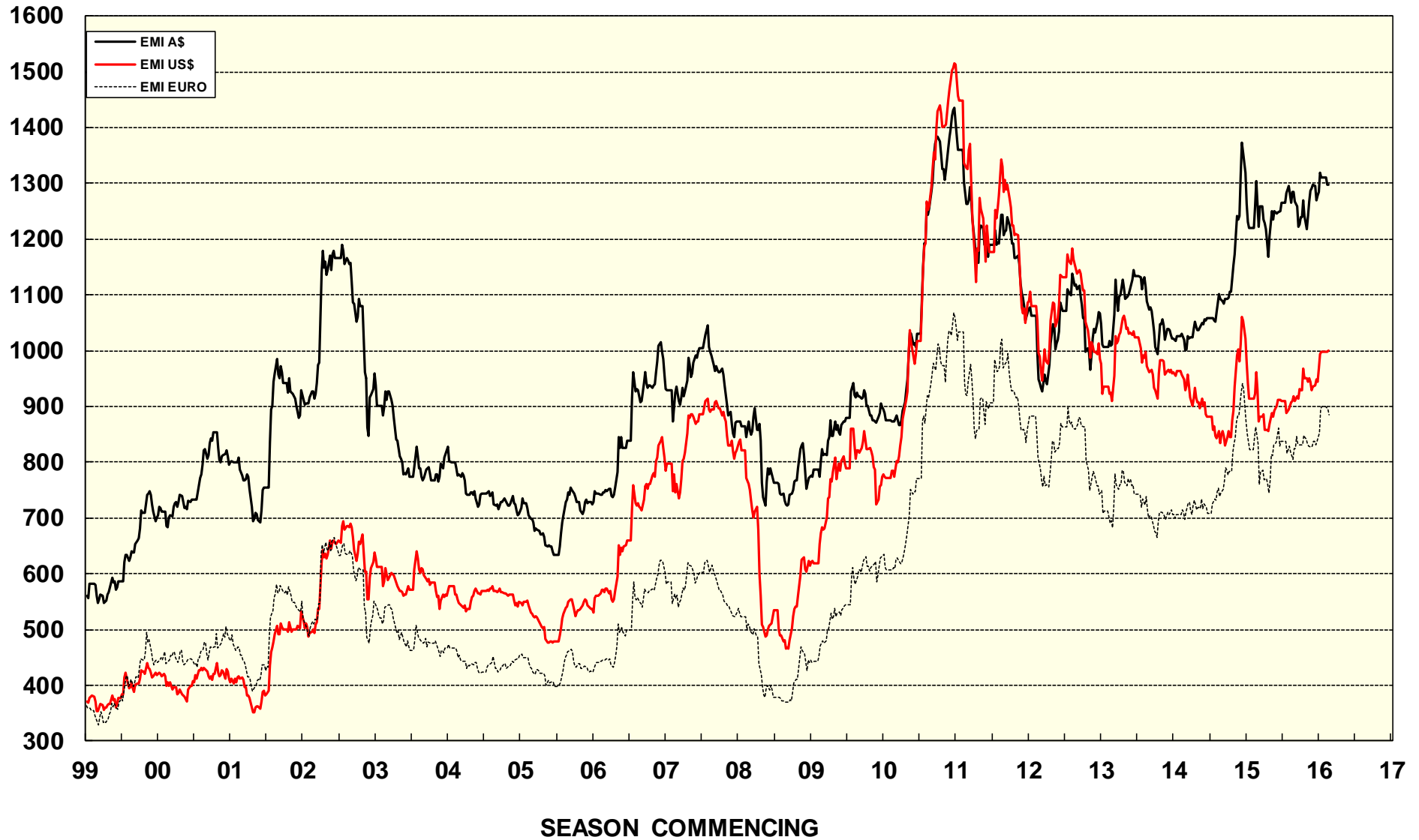
2016/17 (black graph line) and 2015/16 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
 2016/17(black graph line) and 2015/16 (red graph line)



EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean) (In Australian, United States and European Currencies)



© AWIS 2013 (for permission to reprint, in part or whole, please contact this office)

For further information

Peter Morgan

03 9311 0103