

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 2 June 2017 (Week 48)

The AWEX EMI finished at 1472¢, 23¢ lower (-1.5%) in Australian currency and 33¢ lower (-2.9%) in US currency at sales in Sydney, Melbourne and Fremantle this week. The season average rose by 2¢ to 1399¢.

28,459 bales were on offer nationally, compared with 34,270 bales last sale. 12.2% of the offering was passed in.

AWEX reports that the value of the wool sold was \$39.6 million (\$1,586 per bale), taking the season total to \$2.6 billion.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 48)									
Centre	Last Sale		Day-to-Day Changes (Week 48)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	47	1495	No Sale	-15	-8	-23 (-1.5%)	1472	-33	-29
Northern	47	1580	No Sale	-29	-4	-33 (-2.1%)	1547	-42	-36
Southern	47	1445	No Sale	-9	-10	-19 (-1.3%)	1426	-29	-26
Western	47	1520	No Sale	-7	-9	-16 (-1.1%)	1504	-29	-24

The pattern of the market was the same as last week, with a lower US Exchange Rate softening the falls; and Merinos again experiencing significant losses at the Superfine end. These falls generally became smaller as fibre diameter increased; and changed to small gains at 22 and 23 microns. Crossbreds continued their recent run of performing better than the Merinos. While the overall falls among the Superfine wool were significant, trade reports indicate that demand was strong for the better types. The market was also influenced by the number of lots with high VM values, particularly among the skirtings. Merino skirtings followed the fleece types, with the higher VM lots most affected. The oddments market was hard to read. Most descriptions of this market were described as firm, however the AWEX Southern Region Merino Cardings Price Guide was quoted as down by 22¢ on Wednesday.

The US Exchange Rate finished 1.07¢ (-1.4%) lower to go back below 75¢ and close at 74.03¢ on Thursday.

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

Looking ahead, after successive weeks of larger offerings than in the same weeks last year, the expected offering for the next three sales is less than last year, averaging only 28,000 bales. This change in the trend may be due to a number of reasons, that include an increase in "prem" shearing in recent months and growers not holding wool back in the current market.

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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	532¢	626¢	679¢	716¢	719¢

Market Indicator	Four Sales Ago Week 44	Changes From		
		Start of the Season	Week 48 Last Year	Season Average to Week 48 Last Year
Eastern Market Indicator	-72 (-4.7%)	+156 (+11.9%)	+175 (+13.5%)	+148 (+11.8%)
Western Market Indicator	-56 (-3.6%)	+85 (+6.0%)	No Sale	+146 (+11.2%)

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 ¢	-113	-83	-75	-60	-59	-66	-37	-23	-2	+8	+8	
Change %	-4.9%	-3.7%	-3.4%	-2.8%	-2.9%	-3.5%	-2.1%	-1.5%	-0.1%	+0.6%	+0.6%	
Since Start of the Season												
Change ¢	+591	+588	+562	+518	+440	+311	+194	+58	-8	-44	-114	
Change %	+37.4%	+37.5%	+36.0%	+33.5%	+28.9%	+20.6%	+12.9%	+3.9%	-0.5%	-3.0%	-7.8%	
Since Same Week Last Year												
Change ¢	+597	+589	+560	+516	+440	+315	+216	+110	+74	+40	-22	
Change %	+37.9%	+37.5%	+35.8%	+33.3%	+28.9%	+20.9%	+14.6%	+7.6%	+5.3%	+2.9%	-1.6%	

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 ¢		+8	+3	-15			-8
Change %		+0.8%	+0.4%	-2.7%			-0.7%
Since Start of the Season							
Change ¢		-37	0	-91	-132		+99
Change %		-3.4%	0.0%	-14.2%	-25.2%		+9.1%
Since Same Week Last Year							
Change ¢		-33	-68	-162	-205		+84
Change %		-3.0%	-8.3%	-22.8%	-34.4%		+7.6%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW

Week Ending 2 June 2017 (Week 48)

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 March ABS export data.

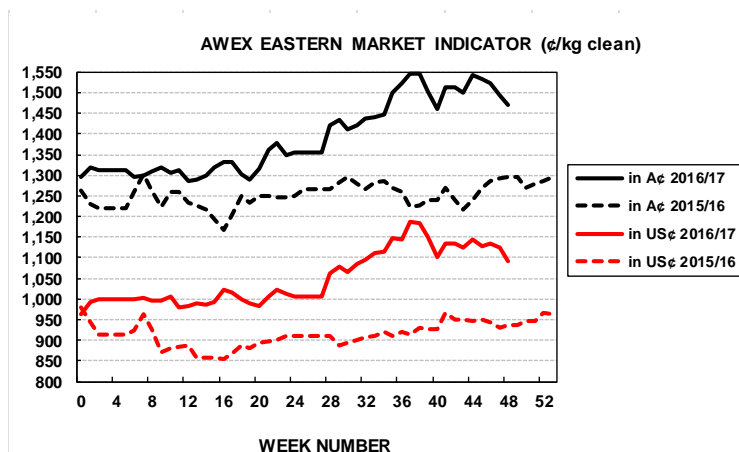
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	8,789	8,552	13.0%	1.1%	5.6%	7,442
South	19,499	15,871	10.4%	4.4%	6.2%	14,223
West	5,982	4,036	18.0%	6.3%	13.5%	3,311
Australia	34,270	28,459	12.2%	3.7%	7.0%	24,976

Actual and % Changes in the Progressive Offerings from Last Year	
+22,936	+4.9%
+30,648	+3.6%
+33,304	+9.6%
+86,888	+5.2%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 49	Week 50	Week 51	Differences
North	10,330	9,050	8,910	-4.1%
South	14,948	17,266	16,000	+2.7%
West	No Sale	6,677	No Sale	
New Zealand				
Australia	26,058	32,993	24,910	-7.7%
Differences	-18.7%	+21.2%	-21.4%	

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	75.10	-0.75	-0.02	+0.05	+0.12	-0.47	-1.07 (-1.4%)	74.03	73.52	77.13
Euro	66.79	-0.37	+0.14	+0.35	-0.20	-0.84	-0.92 (-1.4%)	65.87	65.87	72.77

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to March	
	March 2017	July to March This Season	July to March Last Season	By Weight	By Value
China	82.0%	79.0%	74.4%	+12.8%	+22.6%
India	4.7%	6.0%	7.5%	-15.8%	-8.2%
Italy	4.1%	4.5%	5.1%	-5.4%	+4.2%
Czech Republic	3.6%	4.9%	5.3%	-1.5%	-1.2%
Malaysia	0.3%	0.7%	1.6%	-54.5%	-57.8%
Korea	1.7%	1.6%	1.7%	-1.0%	-2.0%
Taiwan	0.8%	0.7%	0.8%	-7.1%	-3.7%
Egypt	1.3%	1.0%	1.2%	-8.3%	+7.4%
Change all Countries				+6.3%	+13.8%



AVERAGE EMI	
This Year	1399
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1459	+180
South	1361	+123
West	1449	+141

THIS YEAR'S EMI	
This Week	1472
First Week	1320
Low (23/09)	1287
High (17/03)	1546

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1547	+210
South	1426	+125
West	1504	+85

BALES OFFERED	
This Year	1,746,383
Last Year	1,659,495
Difference	+86,888
% Diff	+5.2%
FIRST OFFERED BALES	
Difference	+5.5%
% of Offering	94.7%

REGION BALES		
This Sale:		Diff
North	8,552	+4.9%
South	15,871	+3.6%
West	4,036	+9.6%
Progressive Totals:		Diff
North	491,056	+4.9%
South	876,350	+3.6%
West	378,977	+9.6%

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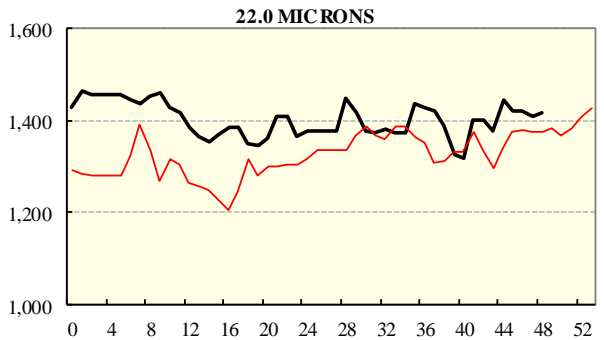
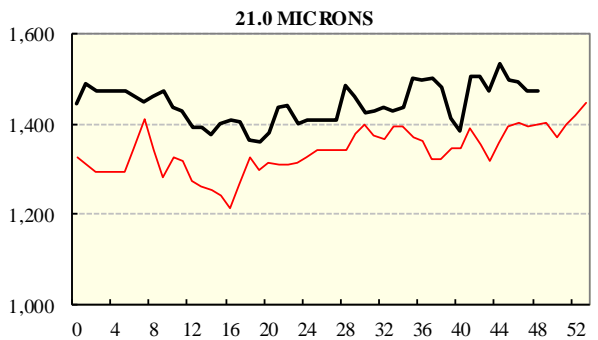
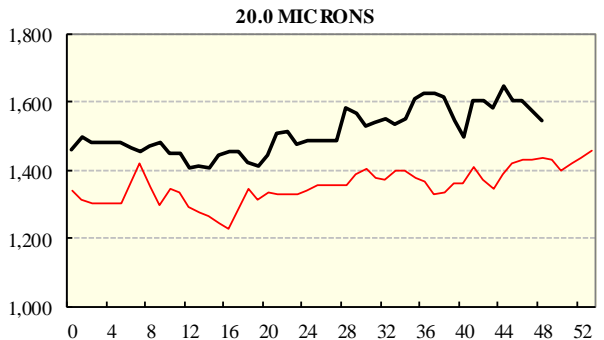
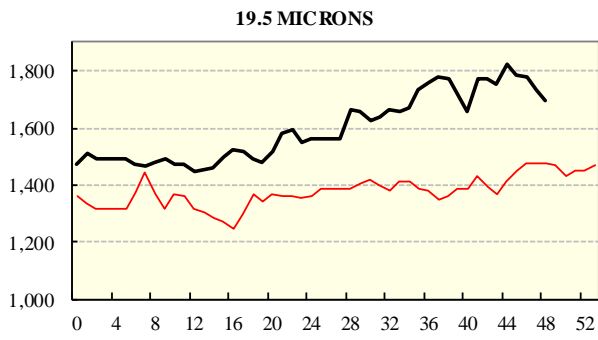
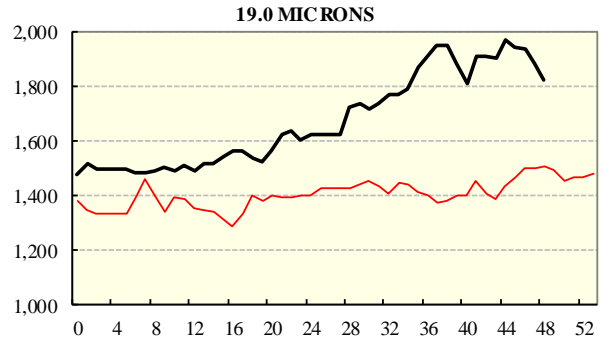
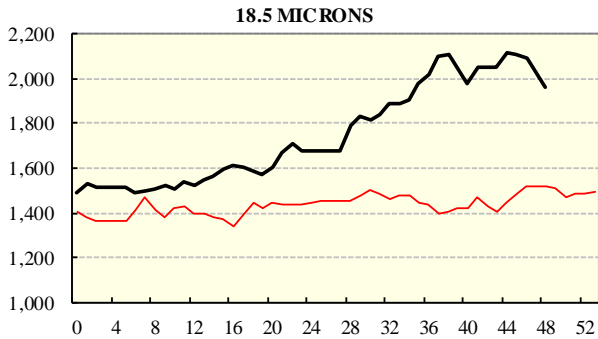
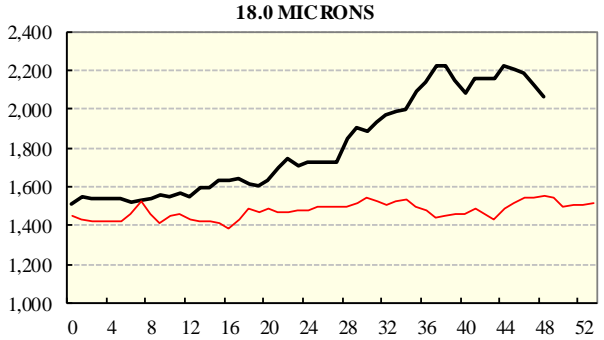
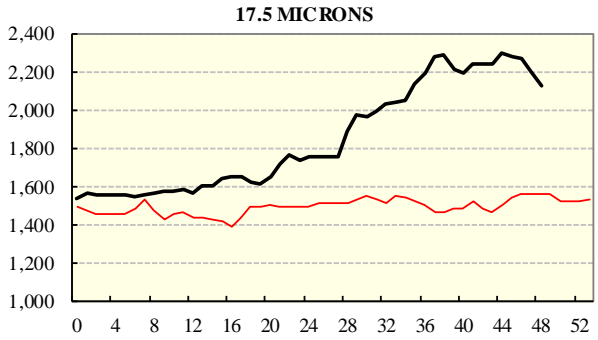
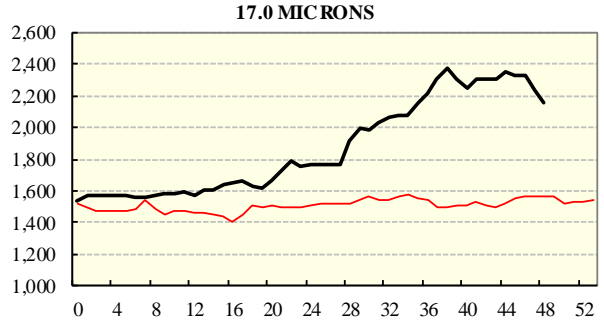
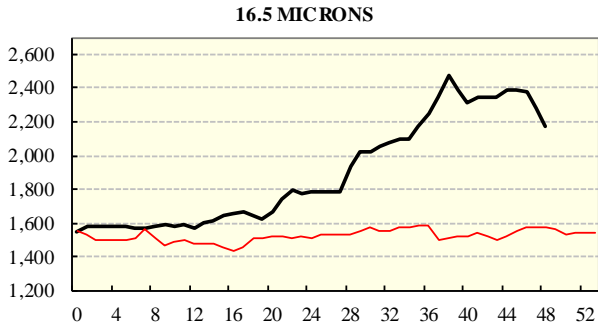
For further information

Peter Morgan

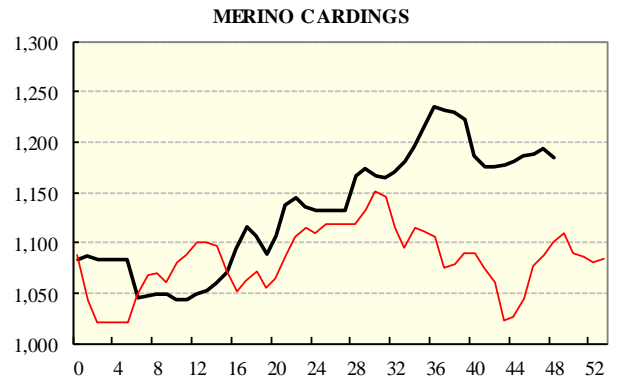
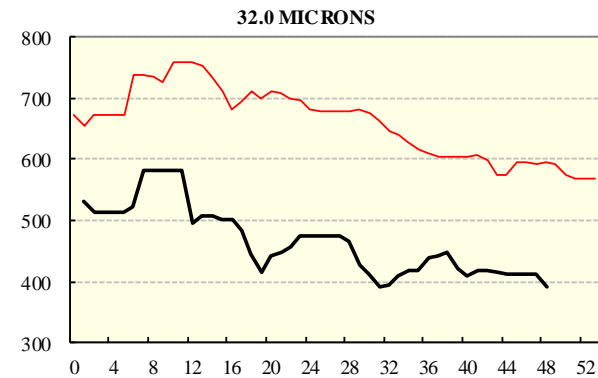
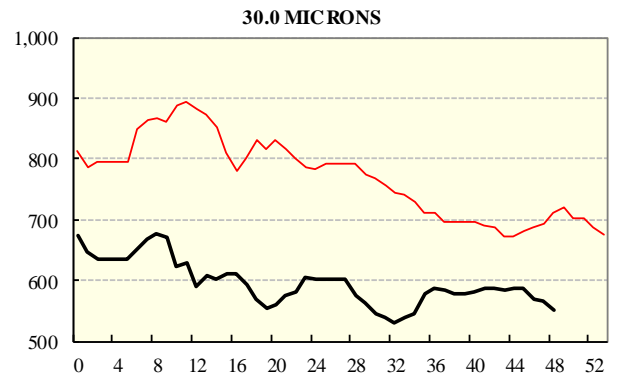
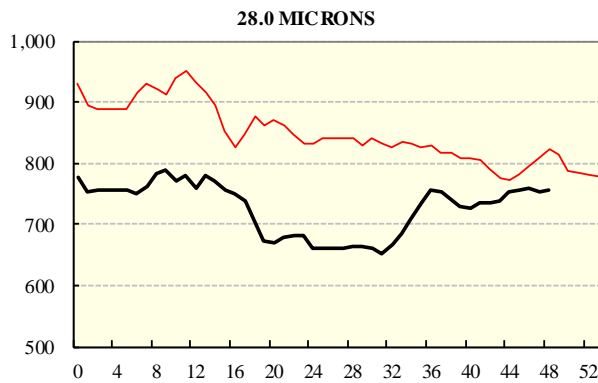
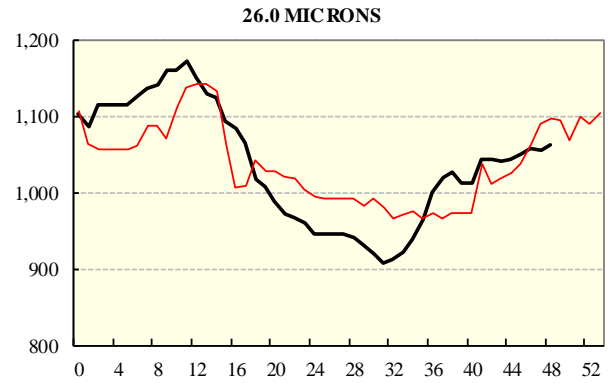
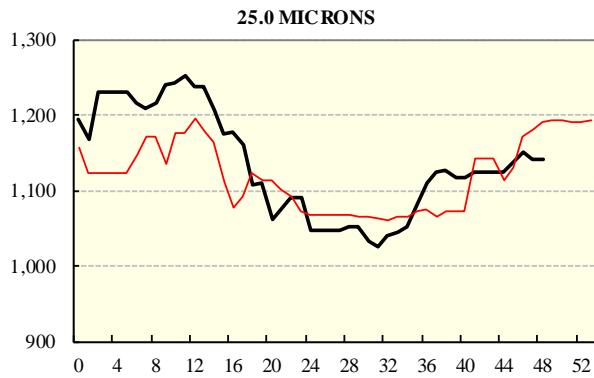
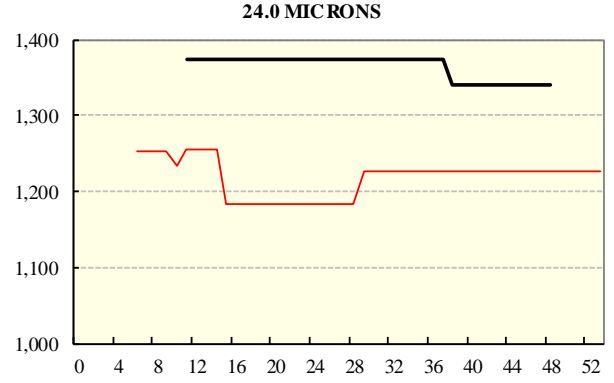
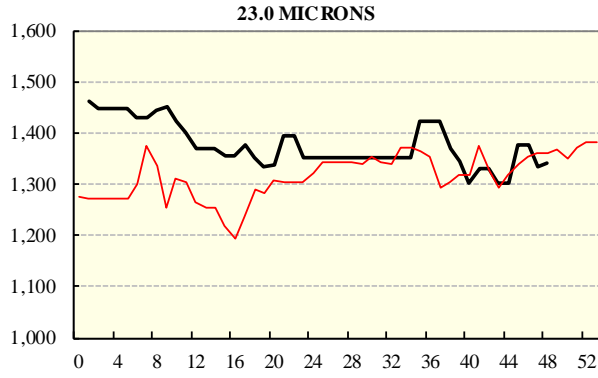
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AVERAGE AWEX MICRON PRICE GUIDES

n+B36y(black graph line) and 2015/16 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
n+B36y(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)

