AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 22 June 2018 (Week 51)

The AWEX EMI finished 52¢ higher (+2.6%) in Australian currency and 1¢ lower (-0.1%) in US currency at sales in Sydney and Melbourne this week.

20,904 bales were on offer nationally, compared with 28,029 bales last sale. 2.0% of the offering was passed in. It was the smallest sale of the year, both nationally and in Melbourne; and no doubt reflects the rush which has been on to shear and offer wool for sale as quickly as possible.

AWEX reports that the value of the wool sold was $46.6 million ($2,275 per bale, $519 more than at the same time last year), taking the season total to $3.4 billion.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 51)

Centre	Last Sale		Day-to-Day Changes (Week 51)			Sale-to-Sale	Closing	Sale-to-Sale Changes	
	Week	Indicator	**Tuesday**	**Wednesday**	**Thursday**	Change	Indicator	US ¢	Euro ¢
Eastern	50	2021	No Sale	+42	+10	+52 (+2.6%)	2073	-1	+26
Northern	50	2059	No Sale	+37	+14	+51 (+2.5%)	2110	-3	+25
Southern	50	1997	No Sale	+46	+7	+53 (+2.7%)	2050	0	+27
Western	50	2188	No Sale	No Sale	No Sale				

Another very strong market in a small offering, with all Regional Indicators and all average AWEX MPGs again at new record levels. Prices in Australian currency were assisted by the fall in the US Exchange Rate, but still remained fully firm in US Currency (the US Exchange Rate finished 1.95¢ (-2.6%) lower to close at 73.60¢ on Thursday).

There were good price rises across all wool types and across all micron ranges, apart from the coarse crossbred microns. The greatest gains this week were from 18.0 to 20 microns, with the rises for 21 and 22 microns not far behind.

The average AWEX Merino Cardings Price Guide continued its steady rise since mid March when it rose by a further 25¢ (+1.7%) to close at 1502¢, the first time it has been above 1500¢ since January.

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

Looking ahead, the recent pattern of smaller sale volumes is expected to continue, with the coming three offerings currently expected to be 20.5% less than in the same sales 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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	87¢	218¢	386¢	563¢	721¢

Market Indicator	Changes From			
	Four Sales Ago Week 47	Start of the Season	Week 51 Last Year	Season Average to Week 51 Last Year
Eastern Market Indicator	+90 (+4.5%)	+550 (+36.1%)	+540 (+35.2%)	+326 (+23.2%)
Western Market Indicator	No Sale	No Sale	No Sale	No Sale

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 ¢		+51	+28	+53	+70	+88	+93	+81	+54	+66		
Change %		+1.8%	+1.0%	+2.1%	+3.0%	+3.8%	+4.1%	+3.6%	+2.4%	+2.9%		
Since Start of the Season												
Change ¢	+859	+701	+562	+452	+447	+552	+667	+751	+800	+868		
Change %	+39.1%	+32.1%	+26.1%	+21.6%	+22.6%	+30.2%	+39.2%	+46.7%	+52.3%	+59.1%		
Since Same Week Last Year												
Change ¢	+870	+664	+518	+391	+385	+489	+596	+688	+746	+816		
Change %	+39.8%	+29.9%	+23.6%	+18.1%	+18.9%	+25.9%	+33.6%	+41.1%	+47.1%	+53.6%		

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 ¢		+40	+38	+9	-5	+25
Change %		+2.7%	+3.8%	+1.3%	-1.1%	+1.7%
Since the Start of the Season						
Change ¢	+481	+329	+230	+147	+56	+306
Change %	+40.5%	+29.7%	+30.0%	+26.3%	+14.6%	+26.3%
Since Same Week Last Year						
Change ¢	+528	+380	+245	+141		+275
Change %	+46.3%	+36.0%	+32.6%	+25.0%		+23.1%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW

Week Ending 22 June 2018 (Week 51)

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 April ABS export data.

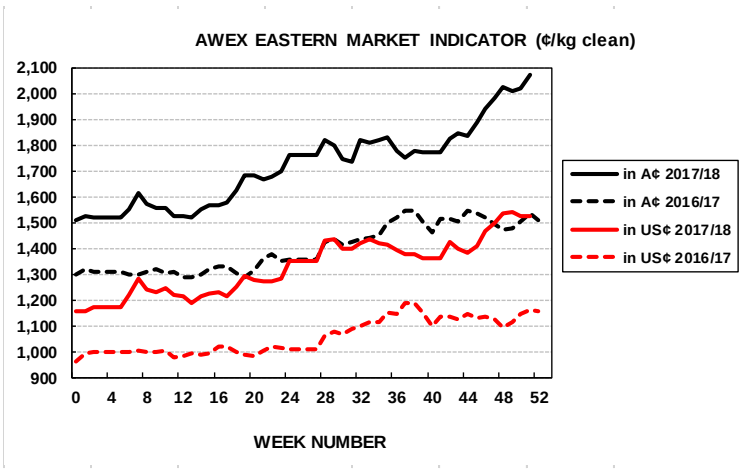
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	*Last Sale*	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	*10,965*	10,093	2.2%	1.4%	4.4%	9,876
South	*12,952*	10,811	1.9%	6.4%	2.4%	10,605
West	*4,112*					
Australia	***28,029***	**20,904**	**2.0%**	**4.0%**	**3.4%**	**20,481**

Actual and % Changes in the Progressive Offerings from Last Year	
+12,845	+2.5%
+54,468	+5.9%
-33,684	-8.8%
+33,629	**+1.8%**

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 52	Week 01	Week 02	Differences
North	10,619	12,525	11,580	**-24.8%**
South	16,915	16,832	19,475	**-16.3%**
West	4,994	8,575	5,450	**-23.1%**
New Zealand				
Australia	**32,528**	**37,932**	**36,505**	**-20.5%**
Differences	**-11.8%**	**-25.8%**	**-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	75.55	-0.90	-0.15	-0.70	+0.22	-0.42	-1.95 (-2.6%)	73.60	73.60	80.44
Euro	64.01	+0.56	-0.31	-0.75	+0.44	-0.28	-0.34 (-0.5%)	63.67	62.00	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to April	
	April 2018	July to April 2017/18	July to April 2016/19	By Weight	By Value
China	79.4%	79.2%	79.2%	+2.4%	+17.6%
India	6.4%	5.4%	5.9%	-6.3%	+7.2%
Italy	3.5%	4.4%	4.4%	+2.5%	+34.8%
Czech Republic	5.2%	5.9%	5.0%	+19.9%	+20.2%
Malaysia	2.1%	1.6%	1.0%	+72.4%	+116.9%
Korea	1.3%	1.4%	1.7%	-4.9%	-8.0%
Taiwan	0.2%	0.6%	0.7%	-2.6%	-13.7%
Egypt	0.7%	1.0%	1.0%	+5.3%	+38.7%
Change all Countries				**+10.6%**	**+20.9%**



AVERAGE EMI	
This Year	1732
Last Year	1408
2015/16	1254
2014/15	1102
2013/14	1070

THIS YEAR'S EMI	
This Week	2073
First Week	1524
Low (0/01)	1522
High (0/01)	2073

BALES OFFERED	
This Year	1,854,913
Last Year	1,821,284
Difference	+33,629
% Diff	+1.8%
FIRST OFFERED BALES	
Difference	+3.1%
% of Offering	95.7%

SEASON AVERAGES		
Region	This Year	Diff
North	1806	+336
South	1685	+315
West	1797	+342

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2110	+519
South	2050	+570
West	2188	

REGION BALES		
This Sale:		
North	10,093	
South	10,811	
West		
Progressive Totals:		Diff
North	532,555	+2.5%
South	972,406	+5.9%
West	349,952	-8.8%

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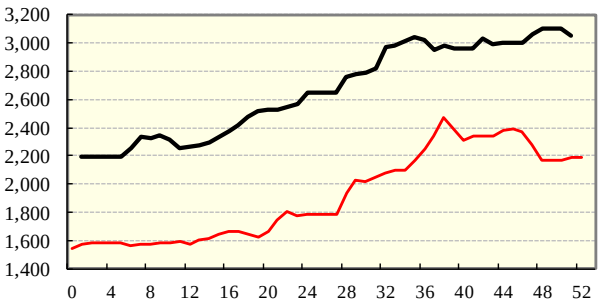
AVERAGE AWEX MICRON PRICE GUIDES

2017/18(black graph line) and 2016/17 (red graph line)

16.5 MICRONS



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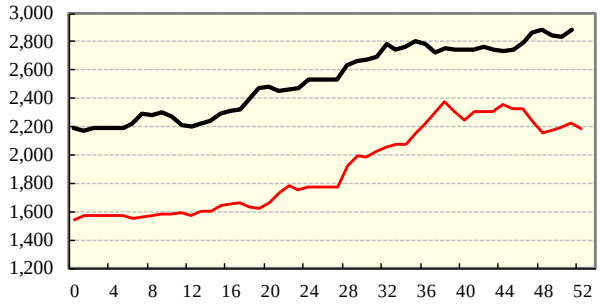

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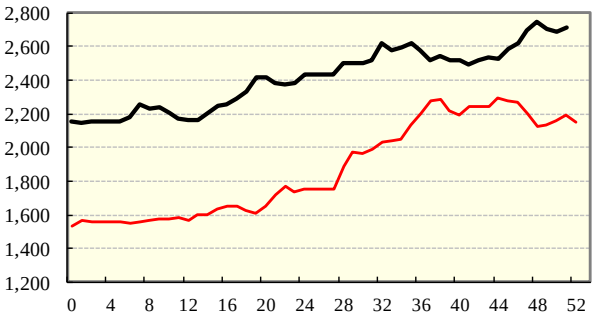

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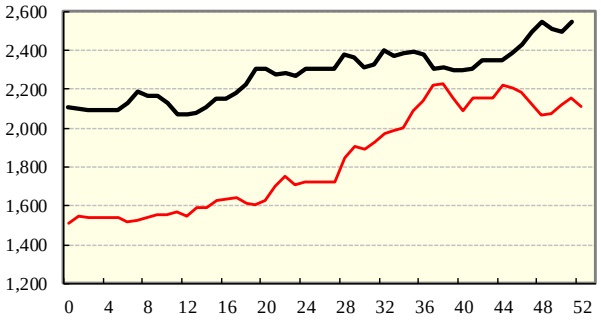

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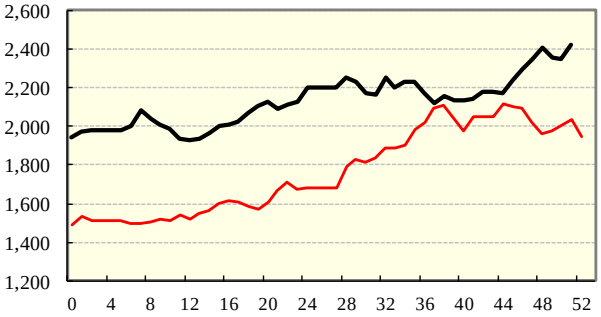

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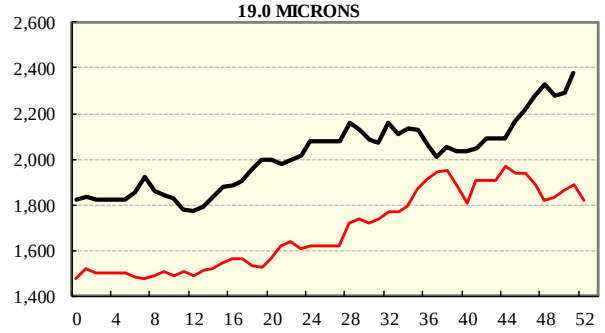

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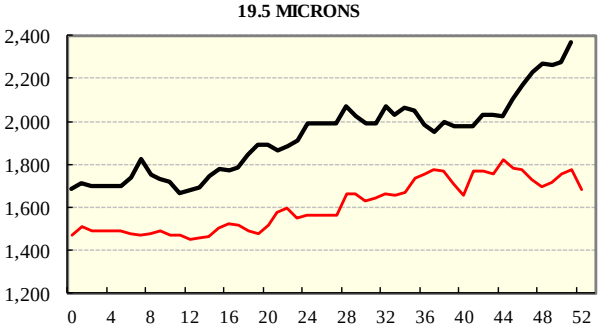

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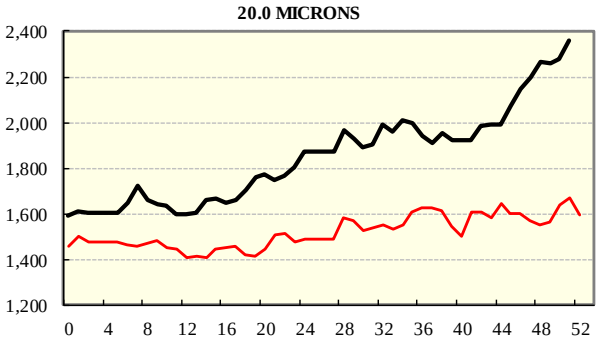

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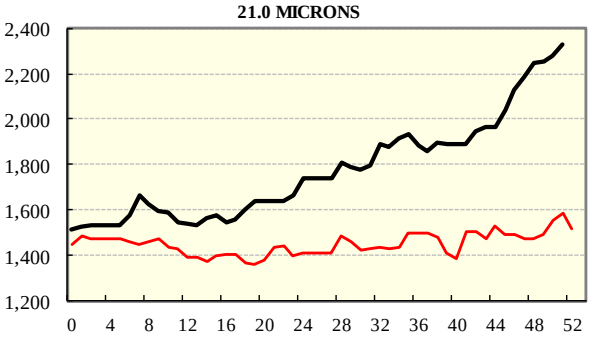

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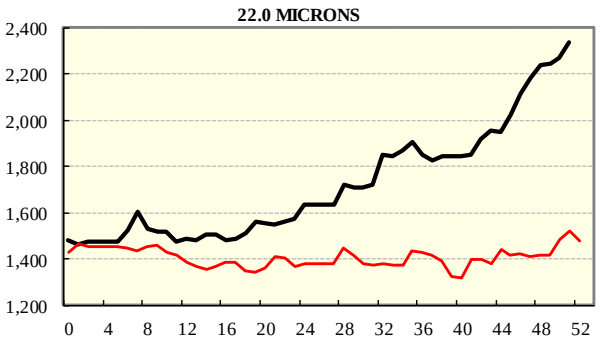

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AVERAGE AWEX MICRON PRICE GUIDES

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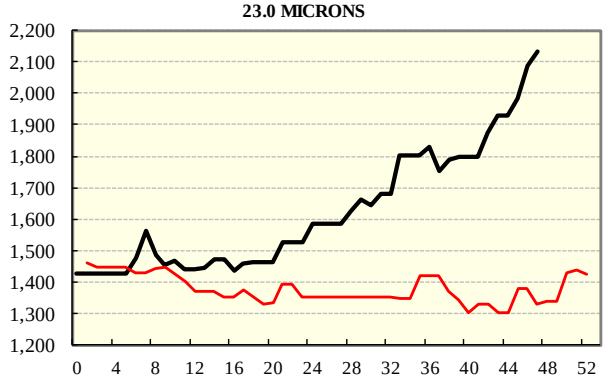

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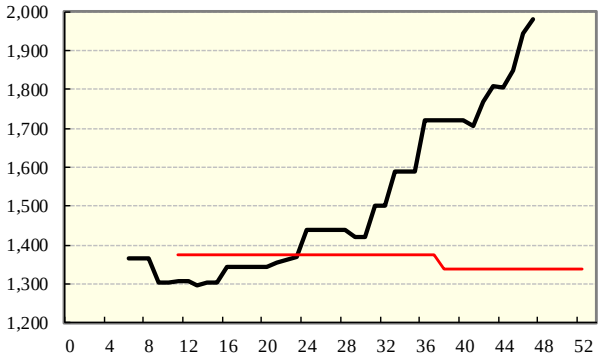

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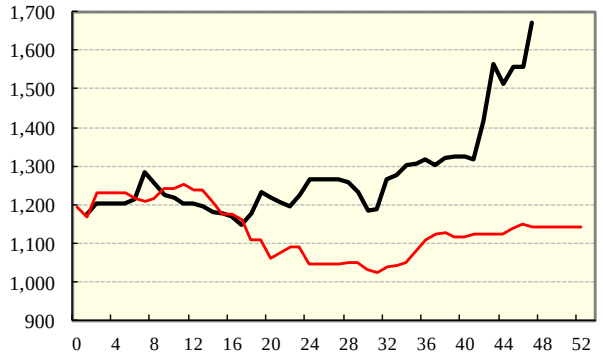

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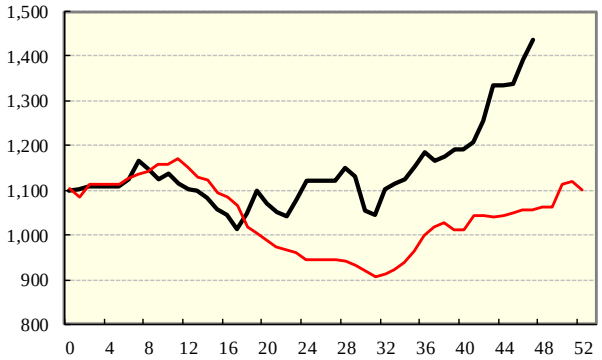

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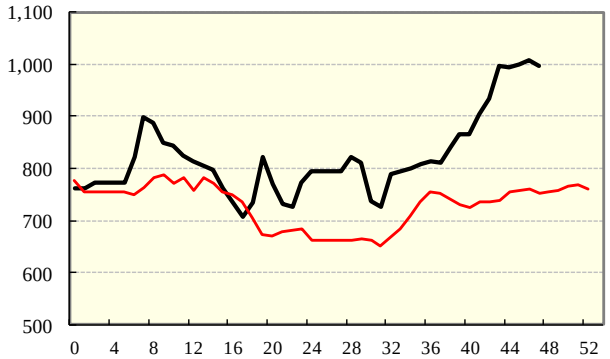

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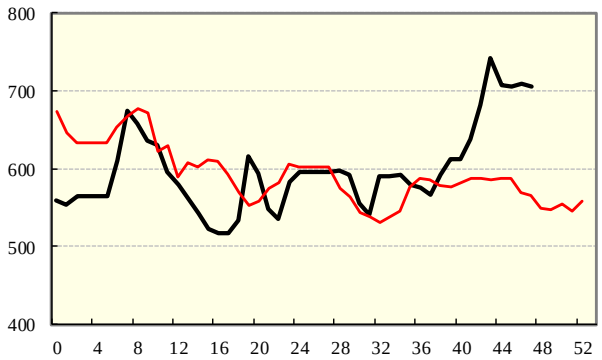

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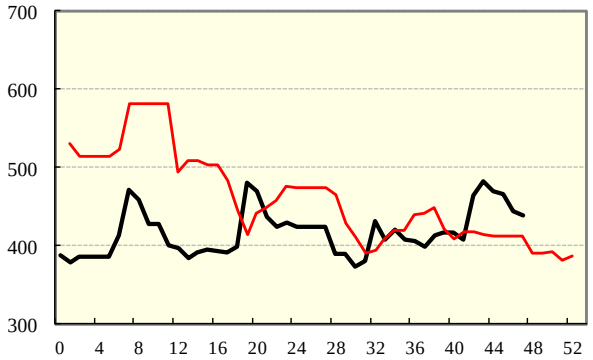
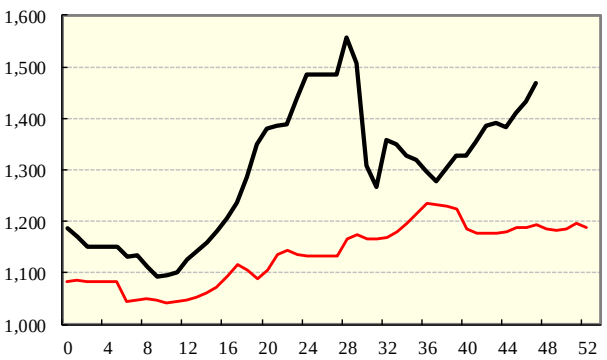


MERINO CARDINGS



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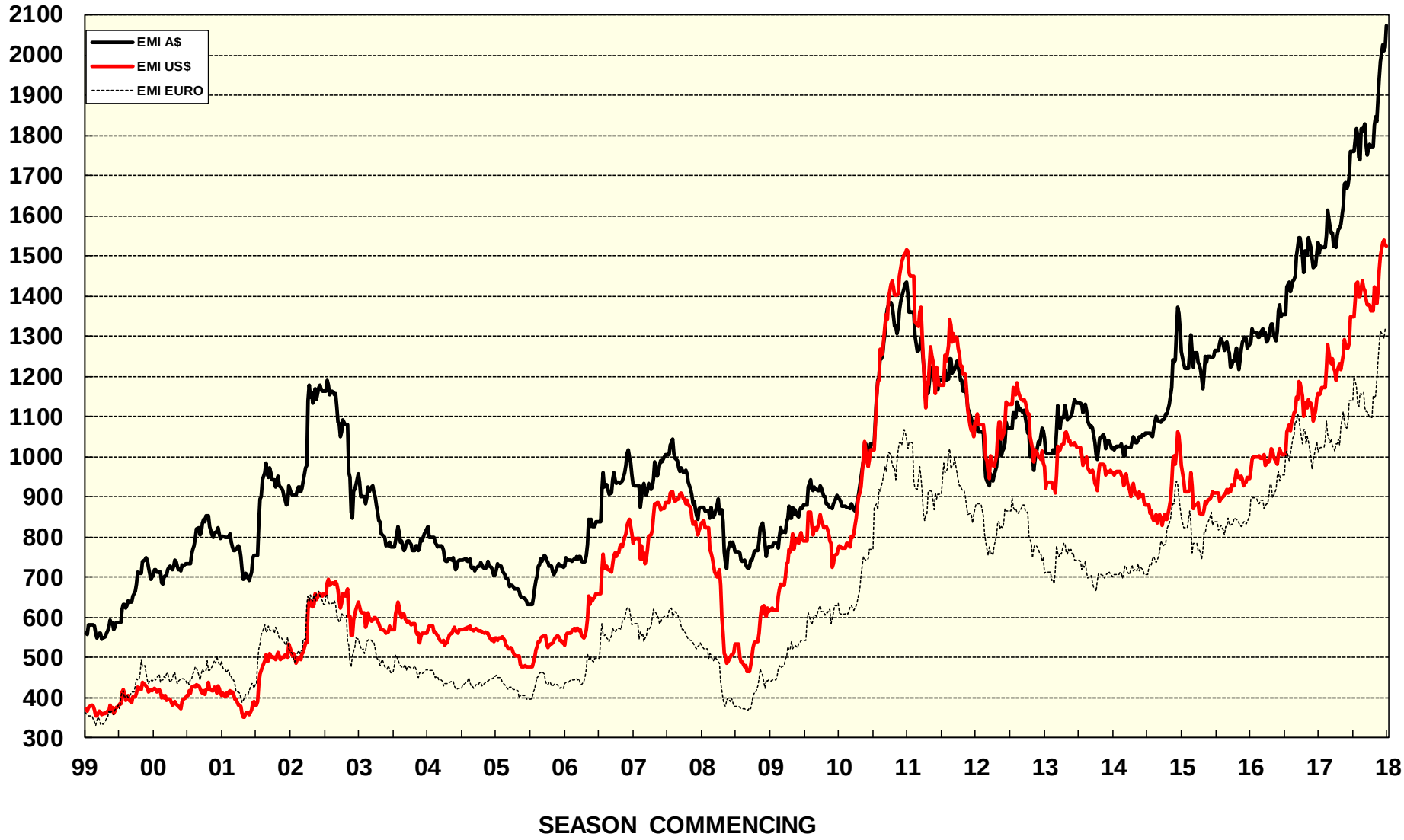
EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)



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