

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 26 August 2016 (Week 08)

The AWEX EMI finished 11¢ higher (+0.8%) in Australian currency and 6¢ lower (-0.6%) in US currency at sales in Sydney and Melbourne this week.

25,785 bales were on offer nationally, compared with 41,153 bales last sale. 3.1% of the offering was passed in.

It was a smaller sale, that was conducted on Tuesday and Wednesday to avoid a clash with Wool Week and wool industry Associations' Annual General Meetings on Thursday and Friday.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 08)									
Centre	Last Sale		Day-to-Day Changes (Week 08)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	07	1298	+6	+5	No Sale	+11 (+0.8%)	1309	-6	-3
Northern	07	1320	+6	+7	No Sale	+13 (+1.0%)	1333	-5	-2
Southern	07	1283	+6	+5	No Sale	+11 (+0.9%)	1294	-5	-2
Western	07	1391	No Sale	No Sale	No Sale				

It was another good market, with widespread strong competition and rises on both days. The fall in the US exchange rate that started on the previous the previous Friday helped to give an impetus to the market.

The week's prices continued the excellent start to the new season - the average EMI to date in Australian currency is 1307¢.

There were rises across all Merino micron ranges, with the medium and broader types doing slightly better than the finer types over the two days. Merino skirtings were dearer on both days.

Crossbreds were mixed, but all average AWEX crossbred MPGs were up, except at 32 microns for which it was unchanged.

Oddments were generally unchanged. The average AWEX Merino Cardings Price Guide was up by 2¢ to 1048¢.

The US exchange rate was under pressure from the previous Friday. It finished 1.08¢ (-1.4%) lower to close at 76.03¢ on Wednesday.

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

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	68¢	101¢	127¢	136¢	148¢
South	51¢	79¢	103¢	106¢	108¢

Market Indicator	Changes From			
	Four Sales Ago Week 01	Start of the Season	Week 08 Last Year	Season Average to Week 08 Last Year
Eastern Market Indicator	-11 (-0.8%)	-7 (-0.5%)	+46 (+3.6%)	+52 (+4.1%)
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 ¢		+9	+7	+14	+9	+11	+11	+14	+14	+15	+13	
Change %		+0.6%	+0.4%	+0.9%	+0.6%	+0.7%	+0.7%	+1.0%	+1.0%	+1.0%	+0.9%	
Since Start of the Season												
Change ¢	-2	+2	+3	-6	-19	-18	-21	-20	-18	-9	-11	
Change %	-0.1%	+0.1%	+0.2%	-0.4%	-1.2%	-1.2%	-1.4%	-1.3%	-1.2%	-0.6%	-0.8%	
Since Same Week Last Year												
Change ¢	+66	+90	+94	+84	+92	+98	+112	+118	+122	+116	+109	
Change %	+4.4%	+6.1%	+6.4%	+5.8%	+6.5%	+7.0%	+8.2%	+8.7%	+9.1%	+8.7%	+8.2%	

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 ¢	+6	+6	+20	+9	0	+2
Change %	+0.5%	+0.5%	+2.6%	+1.3%	0.0%	+0.2%
Since Start of the Season						
Change ¢	+16	+41	+27	+37	+59	-37
Change %	+1.3%	+3.7%	+3.6%	+5.8%	+11.3%	-3.4%
Since Same Week Last Year						
Change ¢		+54	-139	-188	-152	-21
Change %		+5.0%	-15.1%	-21.7%	-20.7%	-2.0%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 26 August 2016 (Week 08)

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.

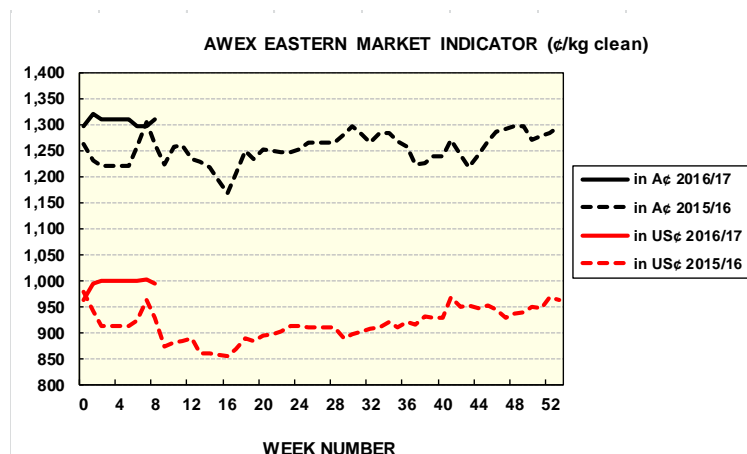
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	14,069	13,545	3.1%	2.7%	5.6%	13,127
South	19,773	12,240	3.0%	1.5%	6.1%	11,871
West	7,311					
Australia	41,153	25,785	3.1%	2.1%	5.8%	24,998

Actual and % Changes in the Progressive Offerings from Last Year	
+3,084	+4.4%
+987	+1.1%
+5,599	+19.1%
+9,670	+5.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 09	Week 10	Week 11	Differences
North	13,602	11,650	10,980	+13.0%
South	18,183	24,070	20,671	+22.6%
West	11,345	7,850	7,850	+9.2%
New Zealand		1,500		
Australia	43,130	43,570	39,501	+16.7%
Differences	+11.8%	+21.7%	+17.1%	

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	77.11	-0.67	-0.55	+0.53	-0.39	Public	-1.08 (-1.4%)	76.03	75.21	77.11
Euro	68.16	-0.72	-0.13	+0.09	-0.05	Holiday	-0.81 (-1.2%)	67.35	67.35	68.98

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to June	
	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	1330	+50
South	1292	+54
West	1406	+98

THIS YEAR'S EMI	
This Week	1309
First Week	1320
Low (12/08)	1297
High (8/07)	1320

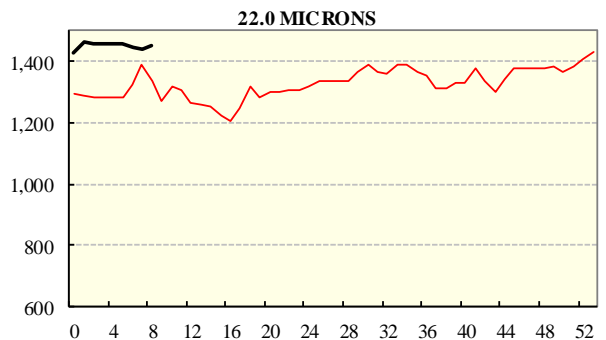
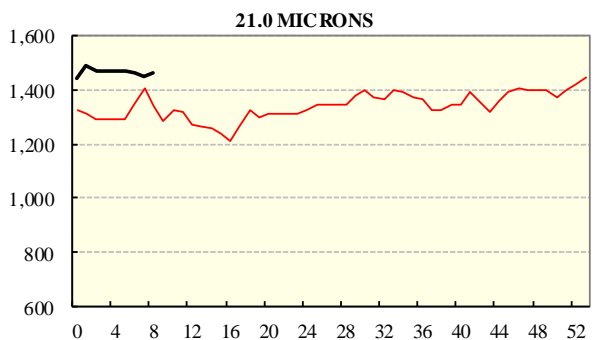
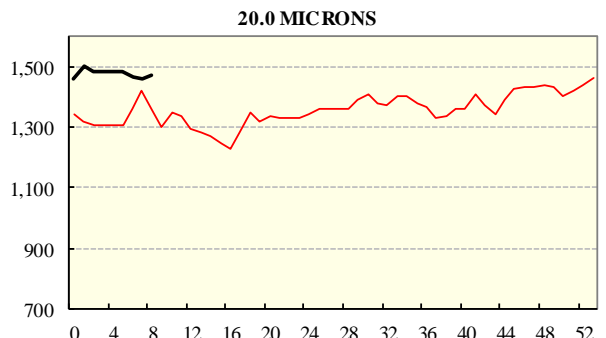
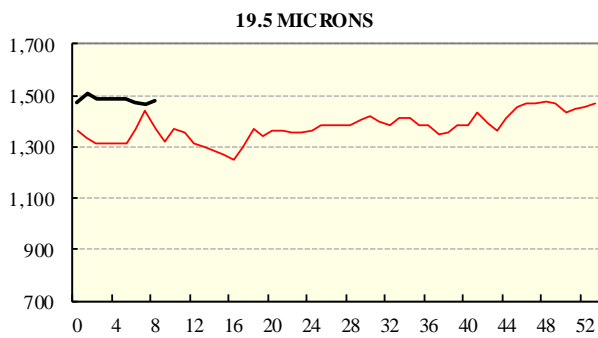
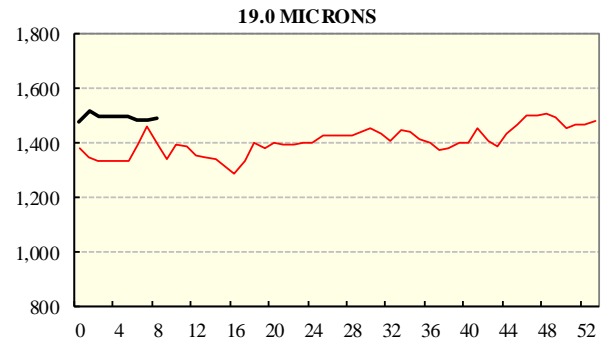
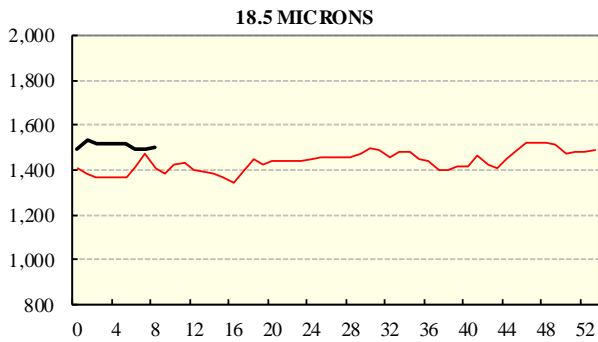
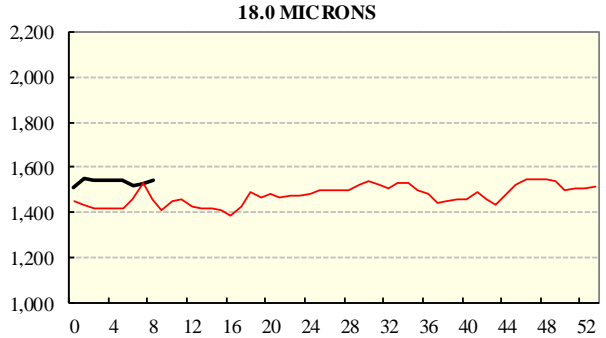
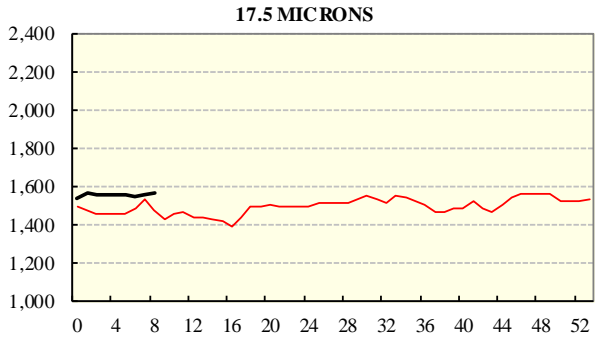
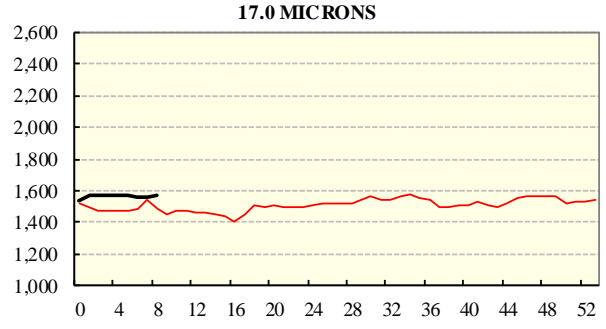
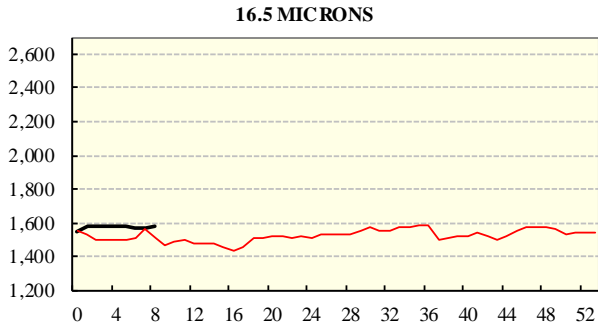
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1333	-4
South	1294	-7
West	1391	

BALES OFFERED	
This Year	199,207
Last Year	189,537
Difference	9,670
% Diff	5.1%
FIRST OFFERED BALES	
Difference	5.7%
% of Offering	95.5%

REGION BALES		
This Sale:		Diff
North	13,545	
South	12,240	
West	0	
Progressive Totals:		Diff
North	73,657	4.4%
South	90,689	1.1%
West	34,861	19.1%

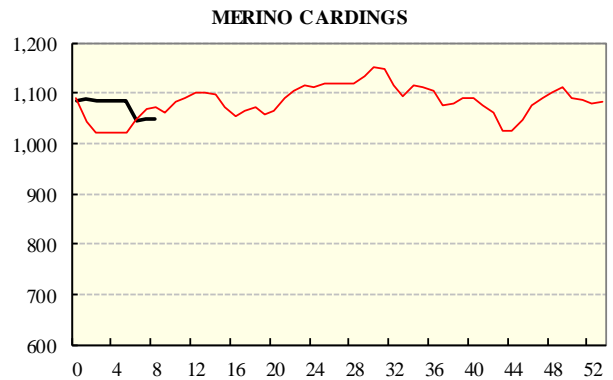
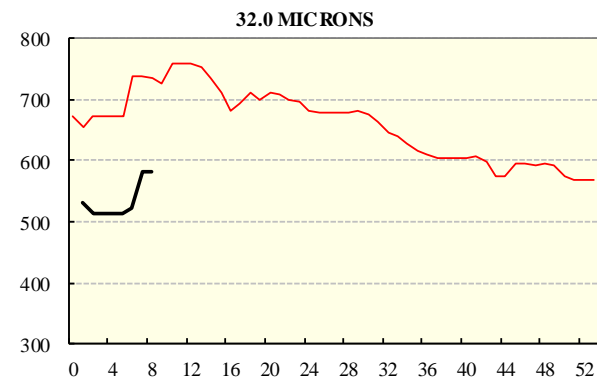
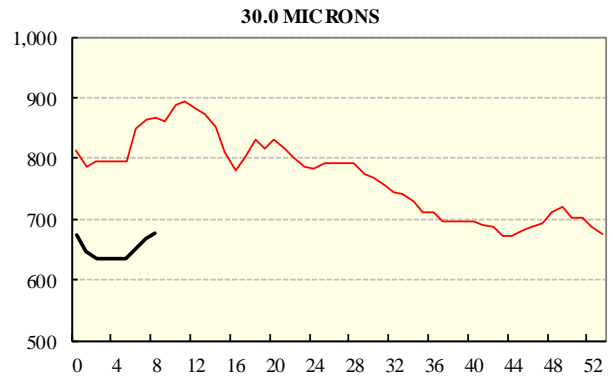
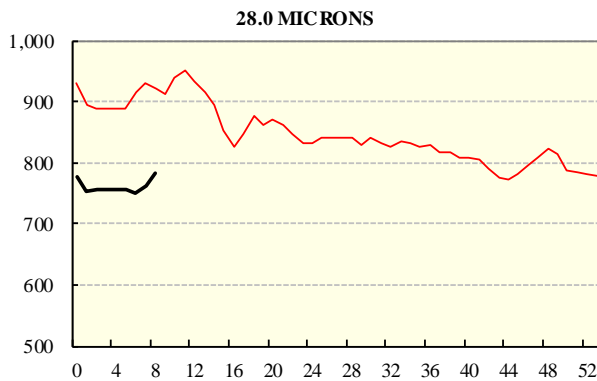
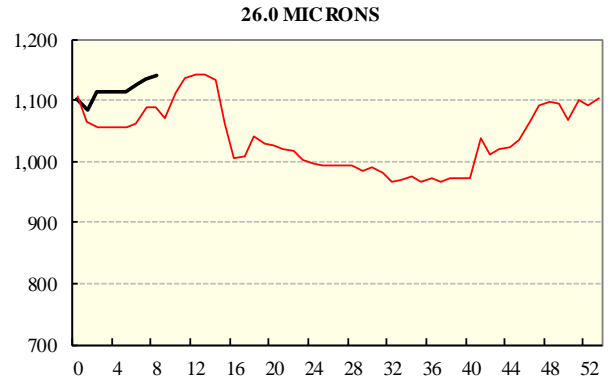
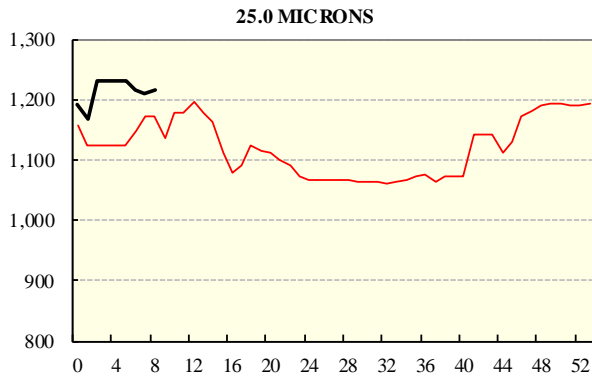
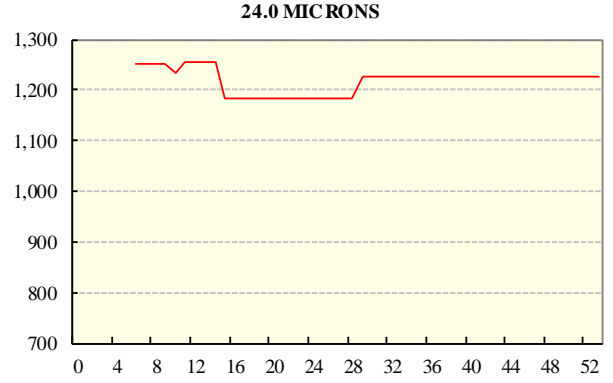
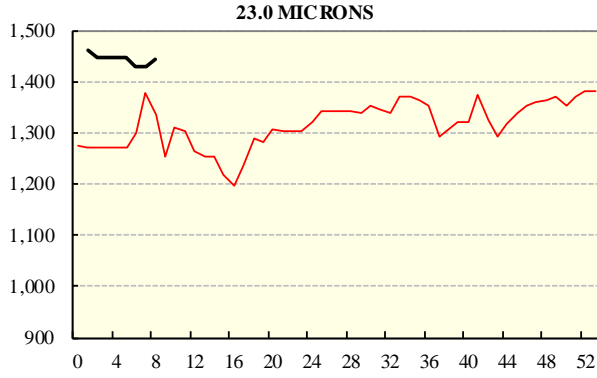
AVERAGE AWEX MICRON PRICE GUIDES

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

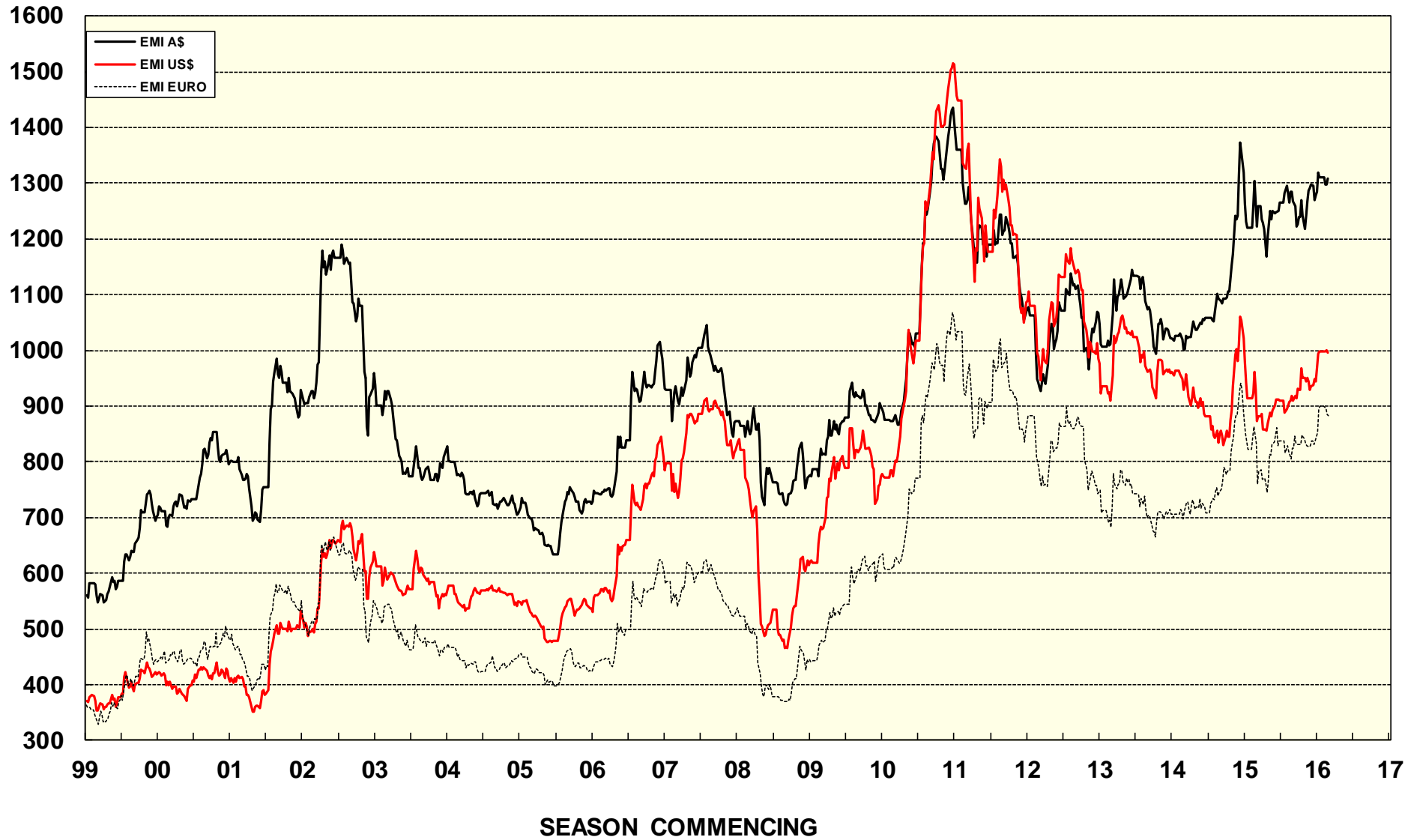


AVERAGE AWEX MICRON PRICE GUIDES

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)



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