

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 7 July 2017 (Week 01)

The AWEX EMI finished 1¢ lower (0.1%) in Australian currency and 9¢ lower (-0.8%) in US currency at sales in Sydney, Melbourne and Fremantle this week. Please note, the week-to-week differences from Week 52 of 2016/17 have been adjusted for the changes made to the weightings used for the different micron groups in the calculation of the EMI.

51,150 bales were on offer nationally, compared with 36,886 bales last sale. 7.4% of the offering was passed in.

AWEX reports that the value of the wool sold was \$80.0 million (\$1,690 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 01)									
Centre	Last Sale		Day-to-Day Changes (Week 01)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	52	1507	No Sale	0	-1	-1(+1.1%)	1524	+3	+9
Northern	52	1578	No Sale	0	-6	-6(+1.0%)	1593	+1	+7
Southern	52	1461	No Sale	0	+2	+2(+1.3%)	1480	+5	+11
Western	52	1552	No Sale	-10	-6	-16(+0.6%)	1561	-3	+3

The market got away to a good start to the new season when the largest number bales for Week 01 since 2010/11 were offered for sale. The market held firm in the East, but eased in the West on Wednesday; and generally held firm on Thursday. The average AWEX Micron Price Guides (MPGs) from 18.5 to 21 microns moved up by around 1% on average, while the other average Merino MPGs eased by around 0.5%, other than at 22 microns where the fall was 1.4%.

Fine crossbreds were virtually unchanged, while wools from 30 microns up again experienced falls. Oddments were mixed, but were generally cheaper. The average AWEX Merino Cardings Price Guide was down by 17¢ (-1.4%).

The US Exchange Rate finished 0.65¢ (-0.8%) lower to close at 75.97¢ on Thursday.

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

Looking ahead, the next sale (Week 02) is the last before the mid-year break. 45,300 bales are currently expected to be offered for sale, 10.7% than in the same week 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	551¢	656¢	699¢	730¢	750¢
South	497¢	617¢	667¢	692¢	705¢

Market Indicator	Changes From			
	Four Sales Ago Week 49	Start of the Season	Week 01 Last Year	Season Average to Week 01 Last Year
Eastern Market Indicator	+46 (+3.1%)	0 (0.0%)	+204 (+15.5%)	+204 (+15.5%)
Western Market Indicator	No Sale	0 (0.0%)	+138 (+9.7%)	+138 (+9.7%)

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 ¢		-11	-6	-7	+26	+12	+25	+16	+11	-21	-1	
Change %		-0.5%	-0.3%	-0.3%	+1.3%	+0.7%	+1.5%	+1.0%	+0.7%	-1.4%	-0.1%	
Since Start of the Season												
Change ¢	0	0	0	0	0	0	0	0	0	0	0	0
Change %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Since Same Week Last Year												
Change ¢	+614	+605	+583	+552	+440	+314	+200	+110	+38	-4	-35	
Change %	+38.9%	+38.5%	+37.3%	+35.6%	+28.7%	+20.7%	+13.2%	+7.3%	+2.6%	-0.3%	-2.4%	

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 ¢		+2	+1	-5	-8	-17
Change %		+0.2%	+0.1%	-0.9%	-2.1%	-1.4%
Since Start of the Season						
Change ¢	0	0	0	0	0	0
Change %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Since Same Week Last Year						
Change ¢	+4	+17	+8	-93	-152	+84
Change %	+0.3%	+1.6%	+1.1%	-14.4%	-28.6%	+7.7%

Average Merino Cardings Price Guide

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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 May ABS export data.

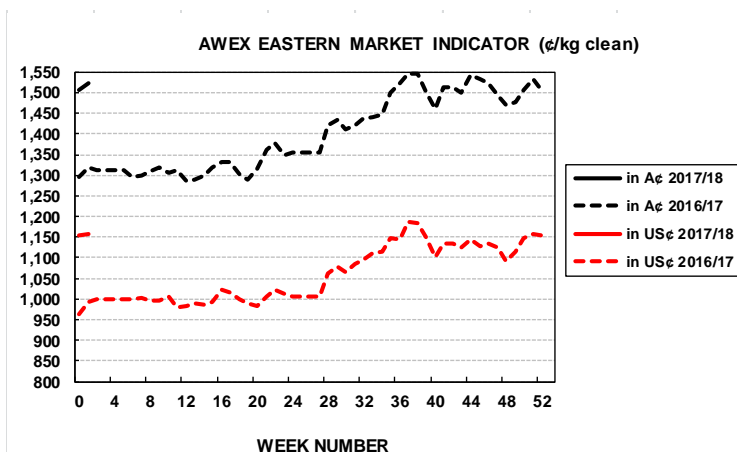
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	12,061	17,524	7.8%	1.0%	3.8%	16,153
South	17,968	22,688	7.0%	0.9%	3.8%	21,093
West	6,857	10,938	7.6%	1.6%	7.0%	10,104
Australia	36,886	51,150	7.4%	1.1%	4.5%	47,350

Actual and % Changes in the Progressive Offerings from Last Year	
+3,813	+27.8%
+6,703	+41.9%
+1,482	+15.7%
+11,998	+30.6%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 02	Week 03	Week 04	Differences
North	16,840	No Sale	No Sale	+13.8%
South	23,513	No Sale	No Sale	+24.1%
West	6,995	No Sale	No Sale	-2.7%
New Zealand				
Australia	45,302			+10.7%
Differences	+10.7%			

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	76.62	+0.30	-0.17	-0.67	+0.11	-0.22	-0.65 (-0.8%)	75.97	75.97	75.97
Euro	67.18	+0.12	-0.03	-0.23	+0.06	-0.10	-0.18 (-0.3%)	67.00	67.00	67.00

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to May	
	May 2017	July to May This Season	July to May Last Season	By Weight	By Value
China	80.3%	79.3%	75.4%	+11.1%	+23.0%
India	7.3%	6.0%	7.3%	-12.8%	-3.0%
Italy	4.3%	4.4%	4.6%	+1.1%	+16.4%
Czech Republic	2.7%	4.6%	5.0%	-2.9%	-3.5%
Malaysia	0.3%	0.6%	1.5%	-57.3%	-59.6%
Korea	1.7%	1.6%	1.8%	-5.1%	-5.3%
Taiwan	0.7%	0.7%	0.8%	-6.2%	-3.6%
Egypt	1.2%	1.0%	1.2%	-11.7%	+6.7%
Change all Countries				+5.7%	+15.5%



AVERAGE EMI	
This Year	1524
Last Year	1410
2015/16	1254
2014/15	1102
2013/14	1070

SEASON AVERAGES		
Region	This Year	Diff
North	1593	+124
South	1480	+110
West	1561	+106

THIS YEAR'S EMI	
This Week	1524
First Week	1524
Low (7/07)	1524
High (7/07)	1524

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1593	
South	1480	
West	1561	

BALES OFFERED	
This Year	51,150
Last Year	39,152
Difference	+11,998
% Diff	+30.6%
FIRST OFFERED BALES	
Difference	+32.6%
% of Offering	95.5%

REGION BALES		
This Sale:		
North	17,524	
South	22,688	
West	10,938	
Progressive Totals:		
North	17,524	+27.8%
South	22,688	+41.9%
West	10,938	+15.7%

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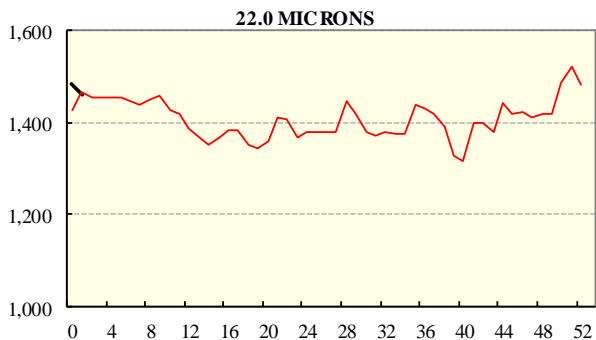
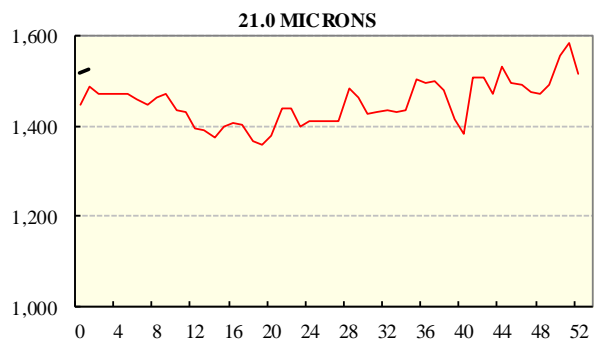
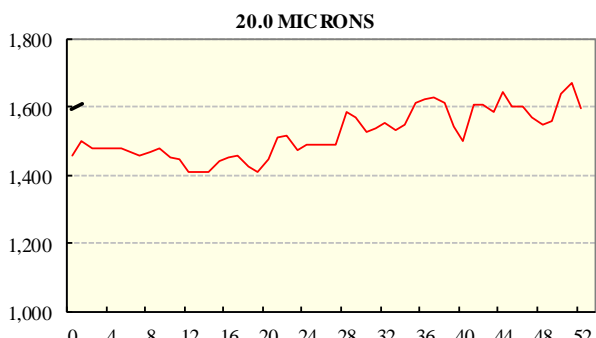
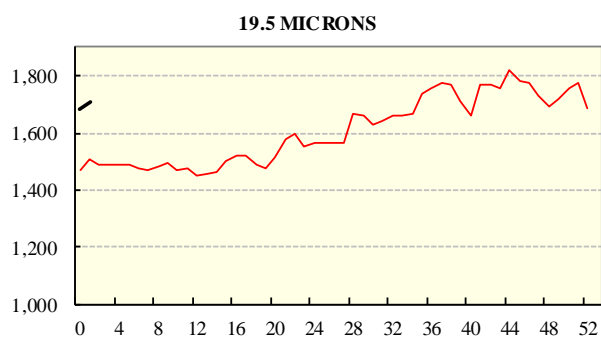
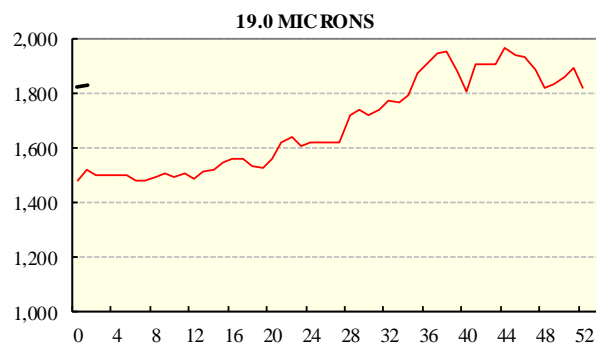
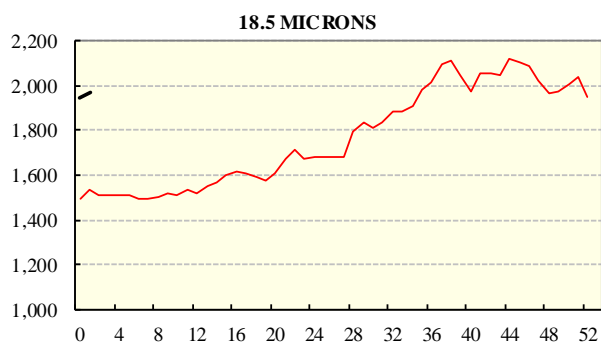
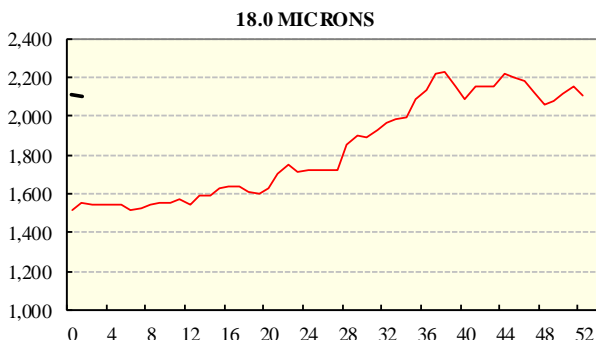
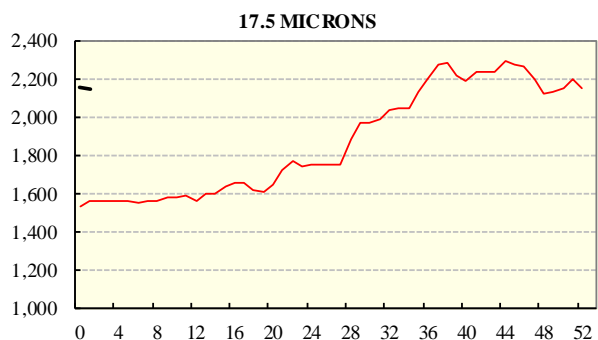
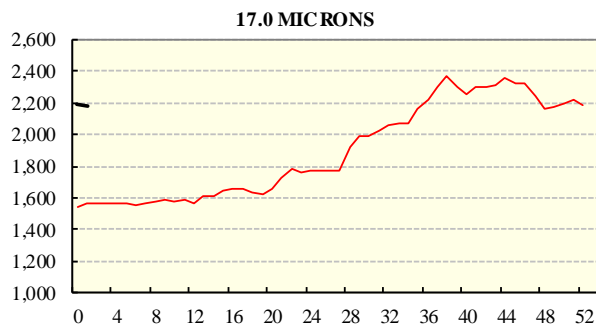
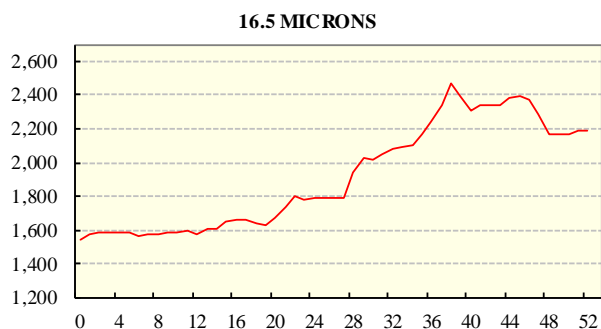
For further information

Peter Morgan

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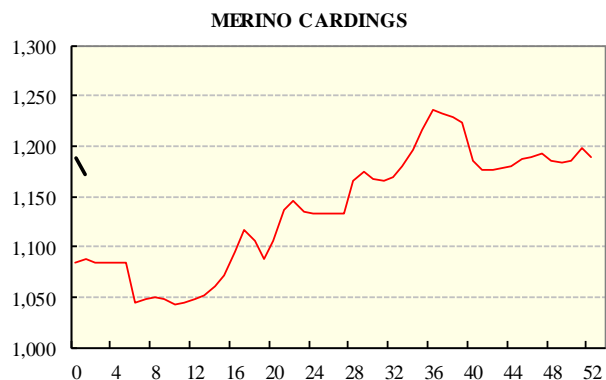
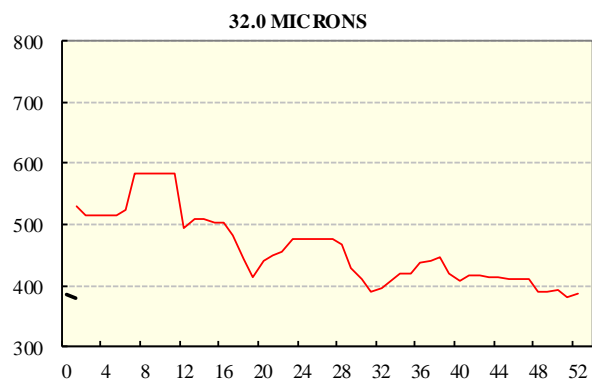
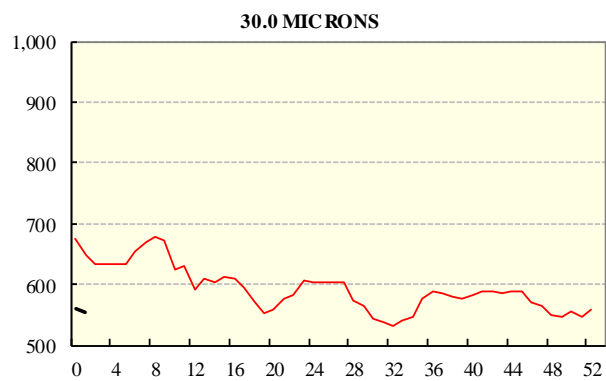
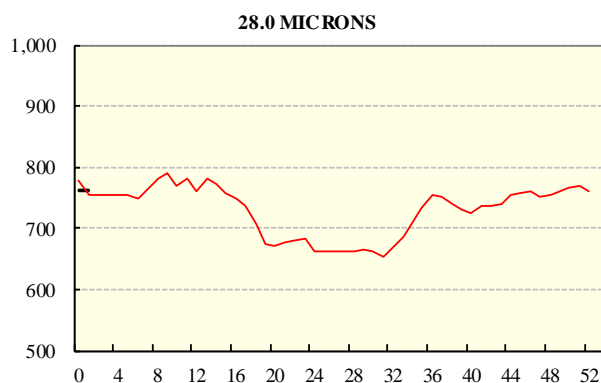
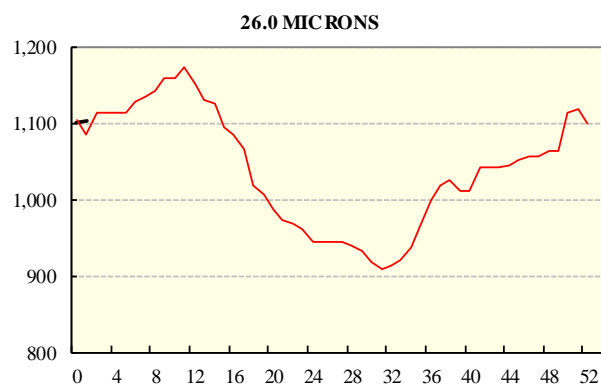
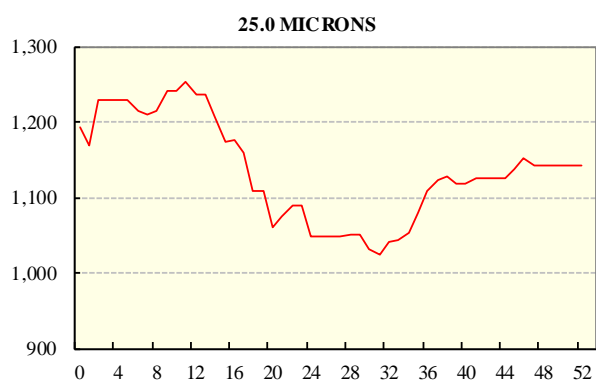
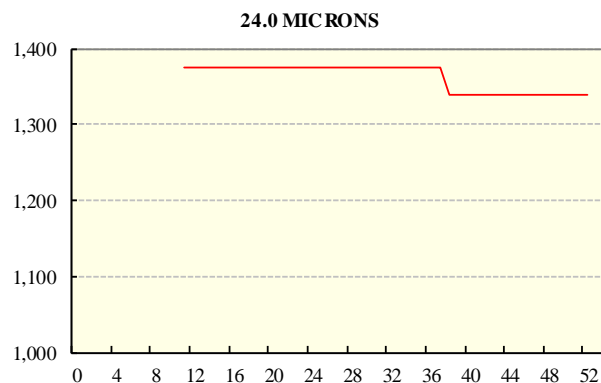
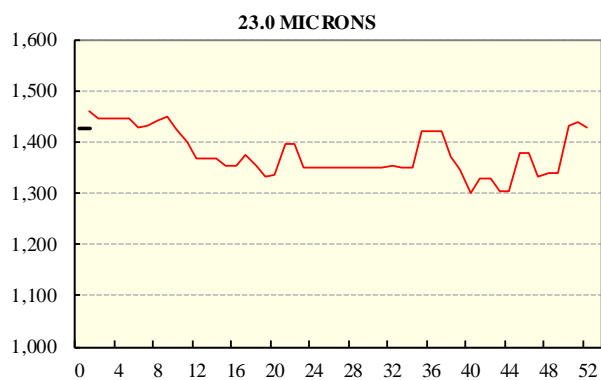
AVERAGE AWEX MICRON PRICE GUIDES

2017/18(black graph line) and f+B36wf (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES

2017/18(black graph line) and f+B36wf (red graph line)



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

(In Australian, United States and European Currencies)

