

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 4 May 2018 (Week 44)

The AWEX EMI finished at 1836¢, 10¢ lower (-0.5%) in Australian currency and 17¢ lower (-1.2%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

42,794 bales were on offer nationally, compared with 42,621 bales last sale. 5.3% of the offering was passed in.

AWEX reports that the value of the wool sold was \$79.3 million (\$1,957 per bale), taking the season total to \$2.9 billion.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 44)									
Centre	Last Sale		Day-to-Day Changes (Week 44)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	43	1846	No Sale	-9	-1	-10 (-0.5%)	1836	-17	+5
Northern	43	1908	No Sale	-15	-1	-16 (-0.8%)	1892	-21	+1
Southern	43	1807	No Sale	-6	-1	-7 (-0.4%)	1800	-15	+6
Western	43	1949	No Sale	-10	+13	+3 (+0.2%)	1952	-7	+14

It was another strong market. Although easier than the previous week's record level, it was the second highest closing EMI for the season. But, this was not enough to stop the Pass-In Rate going up from 3.6% to 5.3%.

The AWEX 16.5 micron MPG reached 3007¢ on Thursday to finish 16¢ up for the week. There were modest falls in the other average Merino AWEX MPGs, with the greatest fall occurring at 17.0 microns; and generally becoming smaller as the Fibre Diameter increased.

Crossbred prices eased after their large increases last week, but are still ahead of their prices of two weeks ago. This was particularly so at the fine/medium end where the two-week increase in the average AWEX MPGs ranged from to 26¢ to 97¢; and increased as the Fibre Diameter became lower.

The US Exchange Rate finished 0.50¢ (-0.7%) lower to close at 75.24¢ on Thursday, as the US\$ continued to strengthen.

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

Looking ahead, 38,300 bales are currently expected to be offered in the coming sale, 0.7% above 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	231¢	399¢	585¢	806¢	No 16.5µ MPG
South	228¢	391¢	568¢	757¢	1052¢

Market Indicator	Changes From			
	Four Sales Ago Week 39	Start of the Season	Week 44 Last Year	Season Average to Week 44 Last Year
Eastern Market Indicator	+64 (+3.6%)	+313 (+20.6%)	+292 (+18.9%)	+296 (+21.3%)
Western Market Indicator	+81 (+4.3%)	+386 (+24.6%)	+392 (+25.1%)	+351 (+25.0%)

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 ¢	+16	-13	-11	-6	-6	-5	-3	-1	+2	-4	-1	-3
Change %	+0.5%	-0.5%	-0.4%	-0.3%	-0.3%	-0.2%	-0.1%	-0.1%	+0.1%	-0.2%	-0.1%	-0.2%
Since Start of the Season												
Change ¢	+805	+547	+375	+250	+197	+260	+323	+382	+438	+480	+500	
Change %	+36.7%	+25.0%	+17.4%	+11.9%	+10.0%	+14.2%	+19.0%	+23.7%	+28.6%	+32.7%	+35.0%	
Since Same Week Last Year												
Change ¢	+617	+379	+232	+125	+53	+120	+205	+345	+435	+505		
Change %	+25.9%	+16.1%	+10.1%	+5.6%	+2.5%	+6.1%	+11.3%	+21.0%	+28.4%	+35.0%		

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 ¢	-52	0	-3	-35	-14	-8
Change %	-3.3%	0.0%	-0.3%	-4.7%	-2.9%	-0.6%
Since Start of the Season						
Change ¢	+324	+228	+227	+148	+86	+222
Change %	+27.3%	+20.6%	+29.6%	+26.5%	+22.5%	+19.1%
Since Same Week Last Year						
Change ¢		+291	+240	+120	+56	+204
Change %		+27.9%	+31.8%	+20.4%	+13.6%	+17.3%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 4 May 2018 (Week 44)

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 February ABS export data.

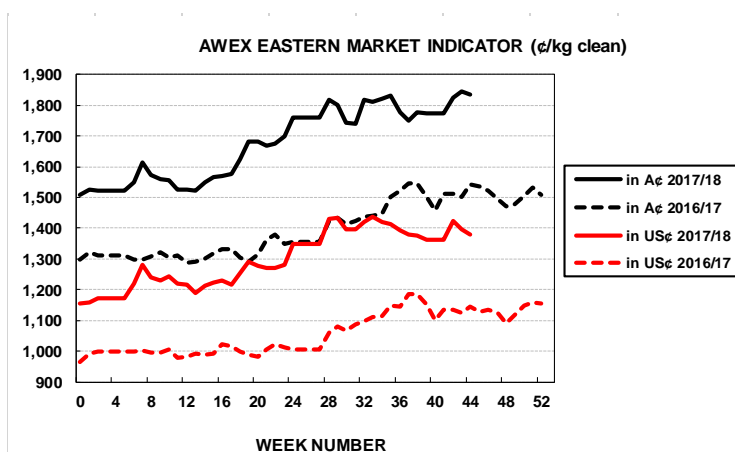
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	11,537	11,343	3.2%	2.1%	4.1%	10,982
South	22,984	23,120	5.3%	2.9%	5.4%	21,891
West	8,100	8,331	8.2%	4.2%	9.5%	7,648
Australia	42,621	42,794	5.3%	2.9%	5.8%	40,521

Actual and % Changes in the Progressive Offerings from Last Year	
+5,590	+1.2%
+54,664	+6.8%
-26,554	-7.6%
+33,700	+2.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 45	Week 46	Week 47	Differences
North	9,247	9,530	9,670	0.0%
South	22,736	17,420	18,732	+8.6%
West	6,309	7,450	7,400	-14.2%
New Zealand				
Australia	38,292	34,400	35,802	+1.1%
Differences	+0.7%	-1.8%	+4.5%	

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	75.74	-0.29	+0.25	-0.30	-0.37	+0.21	-0.50 (-0.7%)	75.24	75.24	80.44
Euro	62.19	+0.13	+0.05	+0.11	+0.06	+0.25	+0.60 (+1.0%)	62.79	62.00	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to February	
	February 2018	July to February 2017/18	July to February 2016/19	By Weight	By Value
China	83.2%	79.2%	78.4%	+7.9%	+24.4%
India	4.5%	5.2%	6.2%	-9.6%	+2.9%
Italy	3.2%	4.4%	4.6%	+2.9%	+40.5%
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	1683
Last Year	1408
2015/16	1254
2014/15	1102
2013/14	1070

SEASON AVERAGES		
Region	This Year	Diff
North	1762	+292
South	1633	+263
West	1753	+332

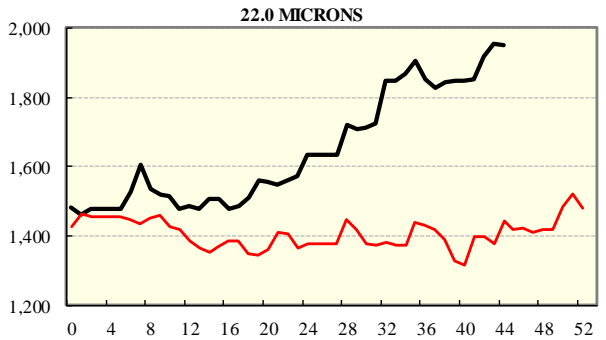
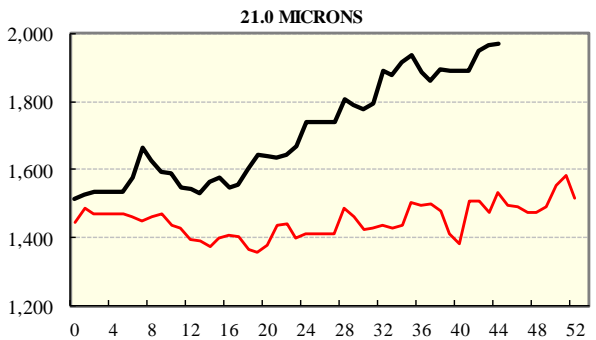
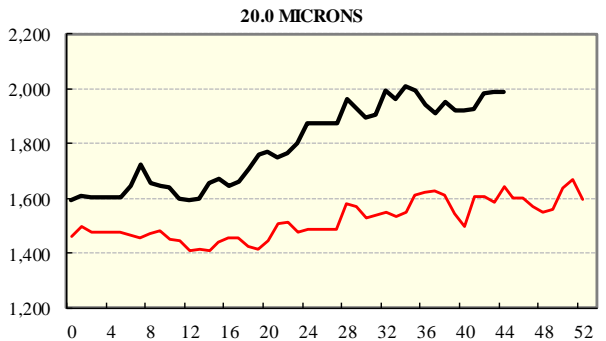
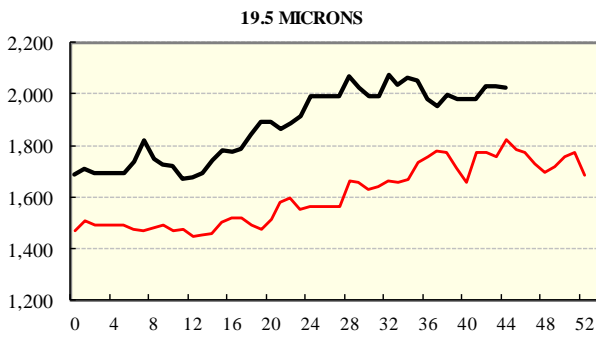
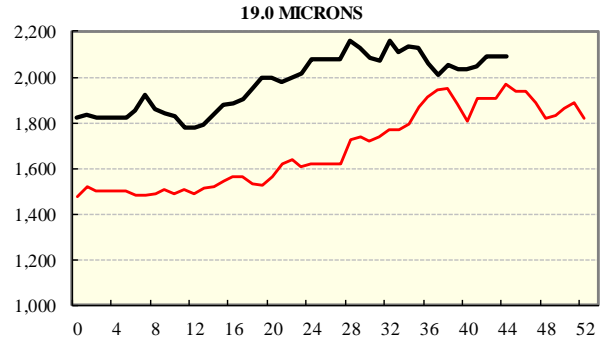
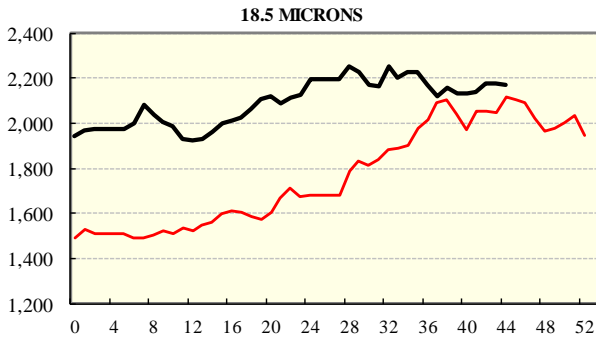
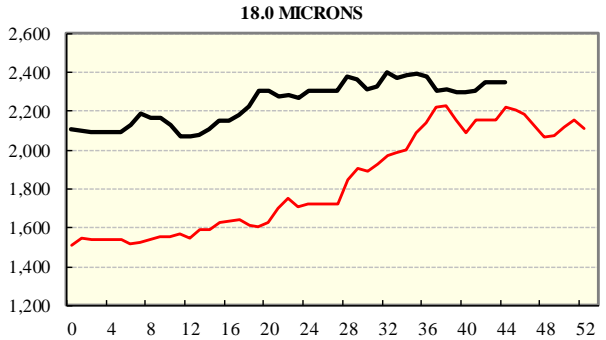
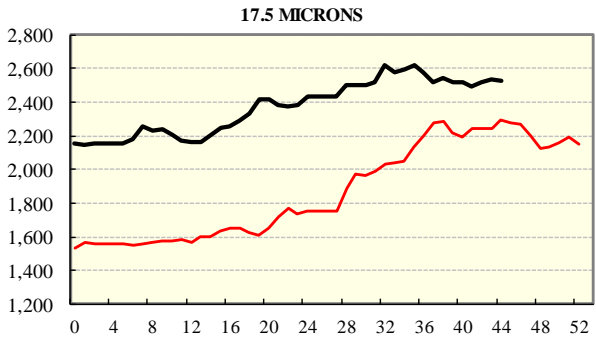
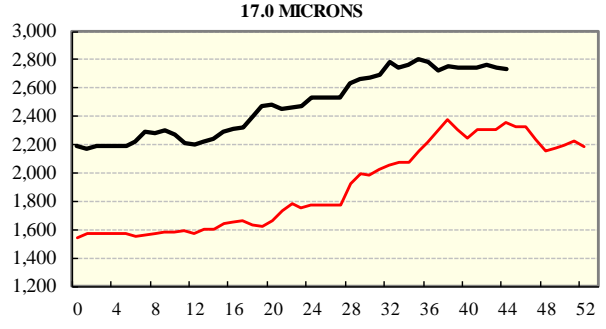
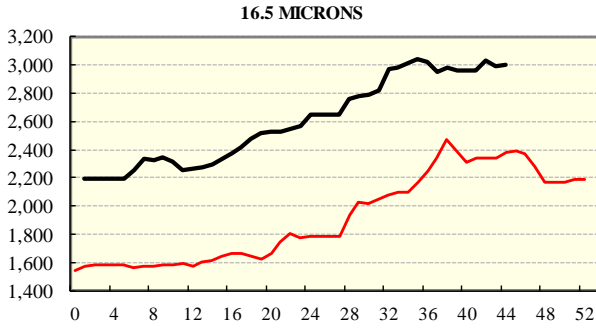
THIS YEAR'S EMI	
This Week	1836
First Week	1524
Low (0/01)	1522
High (0/01)	1846

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1892	+301
South	1800	+320
West	1952	+386

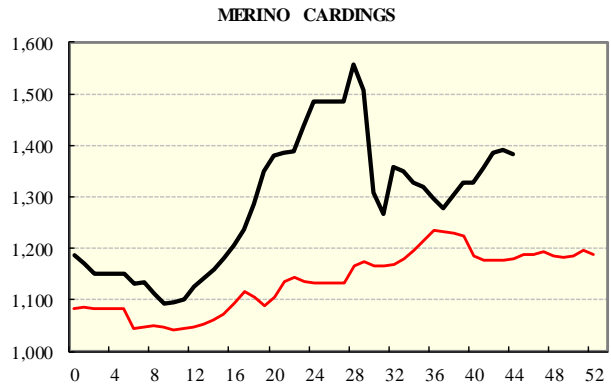
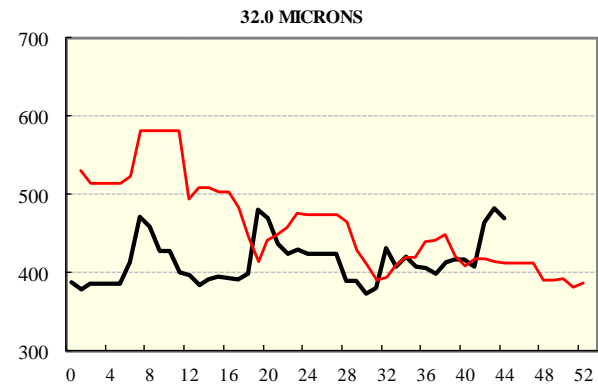
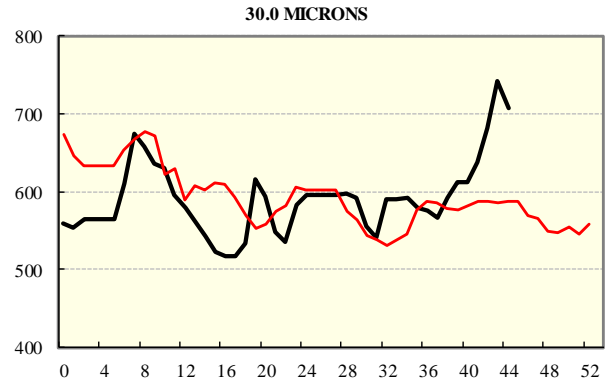
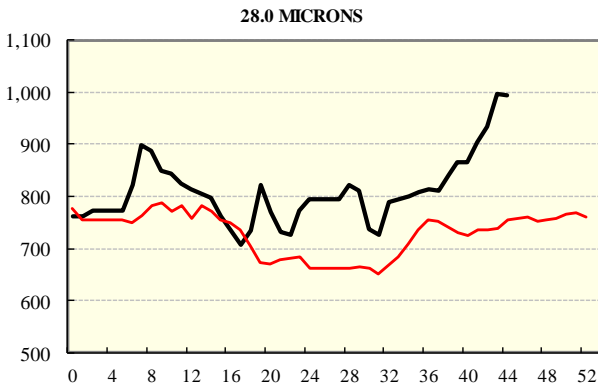
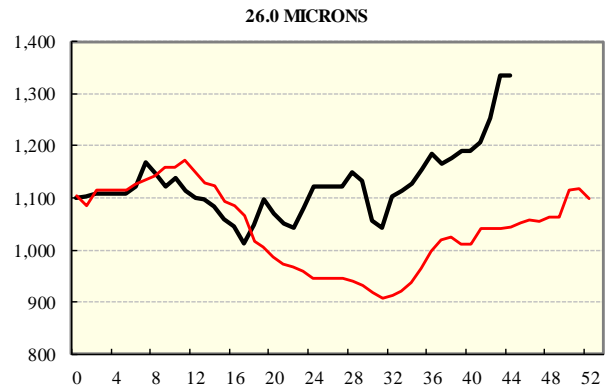
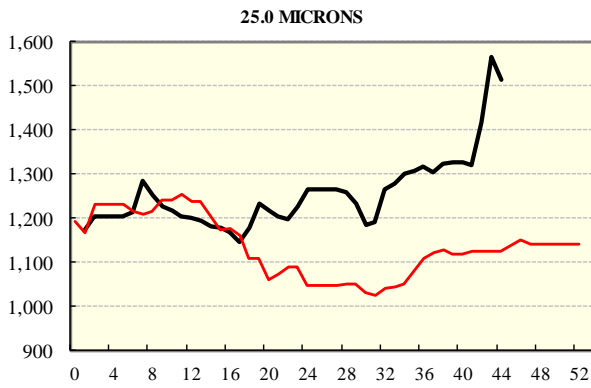
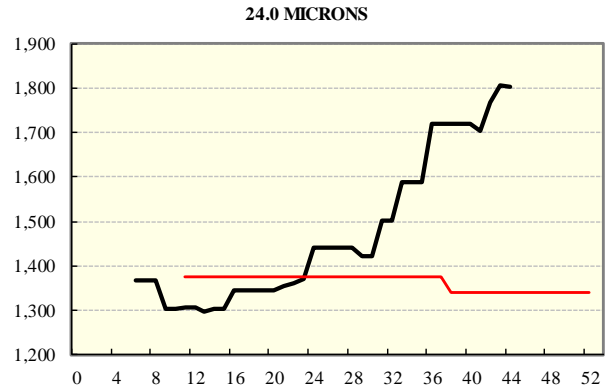
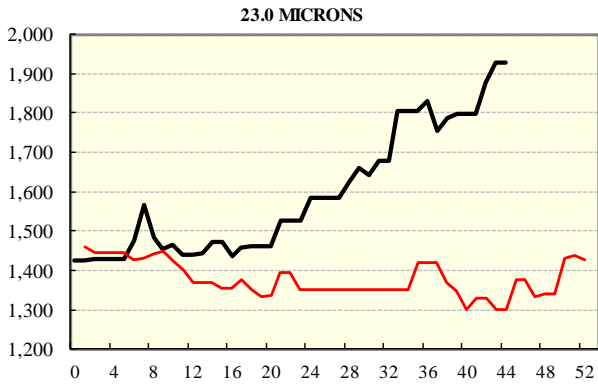
BALES OFFERED	
This Year	1,644,306
Last Year	3,130,731
Difference	-1,486,425
% Diff	-47.5%
FIRST OFFERED BALES	
Difference	-47.2%
% of Offering	95.7%

REGION BALES		
This Sale:		Diff
North	11,343	
South	23,120	
West	8,331	
Progressive Totals:		Diff
North	459,661	-48.0%
South	860,907	-45.1%
West	323,738	-52.4%

AVERAGE AWEX MICRON PRICE GUIDES
2017/18(black graph line) and 2016/17 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
2017/18(black graph line) and 2016/17 (red graph line)



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

(In Australian, United States and European Currencies)

