

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 11 March 2016 (Week 37)

The AWEX EMI finished at 1223¢, 35¢ lower (-2.8%) in Australian currency and 5¢ lower (-0.5%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

39,082 bales were on offer nationally, compared with 39,850 bales last sale. 13.9% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 37)									
Centre	Last Sale		Day-to-Day Changes (Week 37)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	36	1258	No Sale	-21	-14	-35 (-2.8%)	1223	-5	-14
Northern	36	1283	No Sale	-21	-12	-33 (-2.6%)	1250	-4	-12
Southern	36	1241	No Sale	-20	-15	-35 (-2.8%)	1206	-6	-14
Western	36	1315	No Sale	-17	-22	-39 (-3.0%)	1276	-7	-16

Movements in the Australian wool market were again heavily influenced by the increase in the US exchange rate throughout the week. The increase in the exchange rate was in response to better economic news and rising oil and minerals prices. It finished 1.65¢ (2.3%) higher to close at 74.73¢ on Thursday, the highest value since the end of the last selling season. It has risen by 3¢ in the last two weeks and by 5.4¢ since sales resumed after the Christmas break.

Growers responded with pass-in rates of 9.9% on Wednesday and 18.5% on Thursday.

The AWEX MPGs fell across all Merino types and micron ranges on both days. The week-to-week falls ranged from 2.5% to 3.0% across the various micron ranges apart from 23 microns where the fall was 4.4%. Merino skirtings followed the fleece wools. Oddments also moved down. The Merino Cardings Price Guides fell sharply on Wednesday, followed by lesser falls on Thursday.

Crossbreds were less affected, particularly on Wednesday when some MPGs moved up.

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

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	102¢	131¢	170¢	188¢	198¢
South	100¢	133¢	150¢	180¢	193¢

Market Indicator	Changes From			
	Four Sales Ago Week 33	Start of the Season	Week 37 Last Year	Season Average to Week 37 Last Year
Eastern Market Indicator	-61 (-4.8%)	-3 (-0.2%)	+131 (+12.0%)	+200 (+19.1%)
Western Market Indicator	-80 (-5.9%)	+23 (+1.8%)	+164 (+14.7%)	+209 (+19.2%)

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 ¢		-45	-38	-41	-41	-28	-35	-39	-41	-42	-60	
Change %		-2.9%	-2.5%	-2.8%	-2.8%	-2.0%	-2.5%	-2.9%	-3.0%	-3.1%	-4.4%	
Since Start of the Season												
Change ¢	-14	+9	+4	+15	+25	+31	+22	+19	+20	+27	+24	
Change %	-0.9%	+0.6%	+0.3%	+1.1%	+1.8%	+2.3%	+1.7%	+1.5%	+1.5%	+2.1%	+1.9%	
Since Same Week Last Year												
Change ¢	+158	+164	+151	+140	+155	+172	+166	+161	+162	+161	+153	
Change %	+11.7%	+12.3%	+11.4%	+10.8%	+12.5%	+14.4%	+14.1%	+13.8%	+14.0%	+14.0%	+13.4%	

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 ¢	-11	-7	-13	-16	-6	-30
Change %	-1.0%	-0.7%	-1.6%	-2.3%	-1.0%	-2.7%
Since Start of the Season						
Change ¢	-59	-94	-75	-96	-59	+43
Change %	-5.3%	-8.9%	-8.4%	-12.1%	-8.9%	+4.2%
Since Same Week Last Year						
Change ¢	+72	+59	-10	-87	-93	+168
Change %	+7.3%	+6.5%	-1.2%	-11.1%	-13.3%	+18.5%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 11 March 2016 (Week 37)

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 January ABS export data.

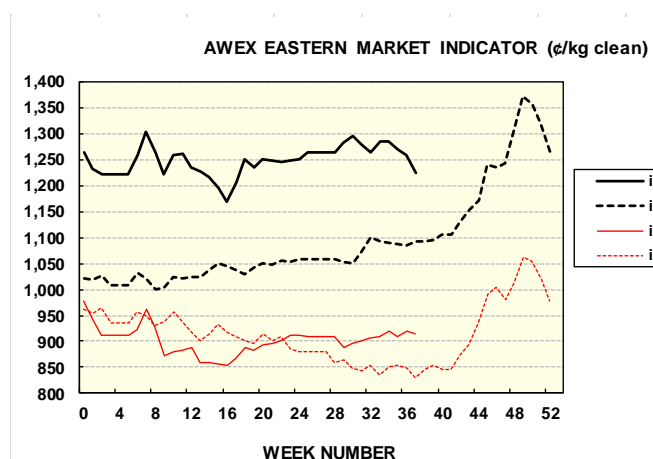
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	10,501	8,546	10.4%	1.1%	3.9%	7,660
South	20,224	21,386	13.9%	5.0%	7.7%	18,423
West	9,125	9,150	17.2%	5.6%	6.6%	7,579
Australia	39,850	39,082	13.9%	4.3%	6.6%	33,662

Actual and % Changes in the Progressive Offerings from Last Year	
-32,896	-8.4%
-72,474	-10.1%
-9,770	-3.6%
-115,140	-8.3%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 38	Week 39	Week 40	Differences
North	8,464	11,410	No Sale	-46.4%
South	22,609	25,450	No Sale	-27.3%
West	10,798	9,700	No Sale	-31.0%
New Zealand				
Australia	41,871	46,560		+4.2%
Differences	-3.6%	+12.4%		

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	73.08	+0.57	+0.49	+0.20	-0.06	+0.45	+1.65 (+2.3%)	74.73	69.05	76.49
Euro	67.3	-0.02	+0.19	+0.01	+0.21	+0.39	+0.78 (+1.2%)	68.08	62.2	69.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change in Weight of Wool Exports July - January
	January 2016	July - January This Season	July - January Last Season	
China	74.3%	73.4%	74.1%	-9.4%
India	5.4%	7.8%	6.7%	+7.4%
Italy	4.6%	5.6%	5.0%	+3.4%
Czech Republic	6.8%	5.4%	5.2%	-5.1%
Malaysia	2.0%	1.6%	2.0%	-27.7%
Korea	1.6%	1.7%	2.2%	-32.6%
Taiwan	0.8%	0.9%	1.0%	-16.5%
Egypt	1.0%	1.1%	1.0%	+9.6%
Change all Countries				-8.6%



AVERAGE EMI	
This Year	1248
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES			
Region	This Year	Diff	
North	1,273	149	
South	1,232	145	
West	1,295	166	

THIS YEAR'S EMI	
This Week	1223
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

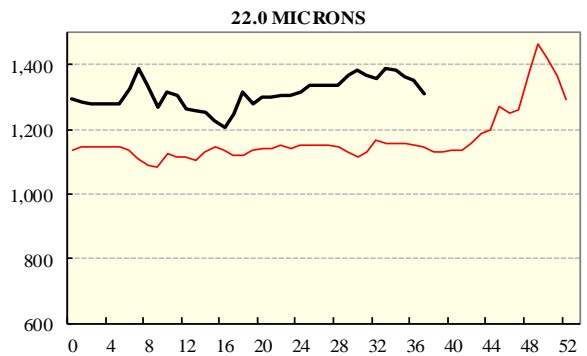
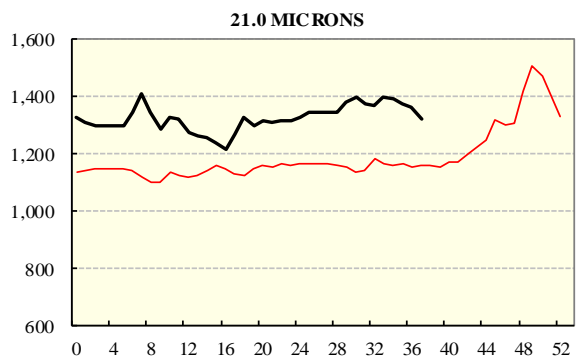
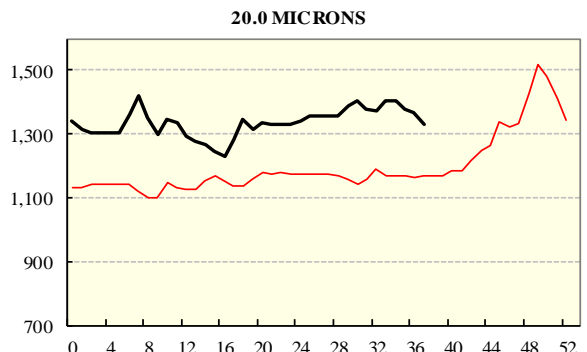
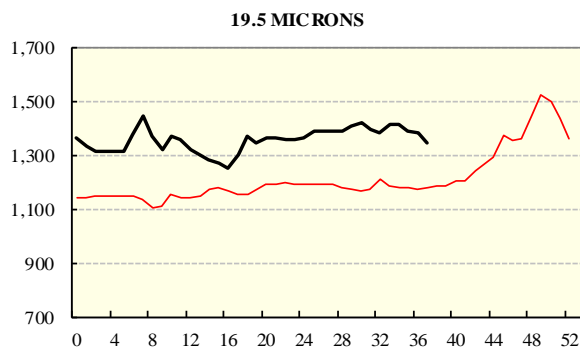
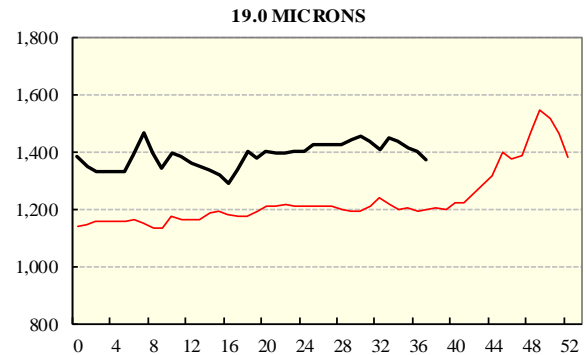
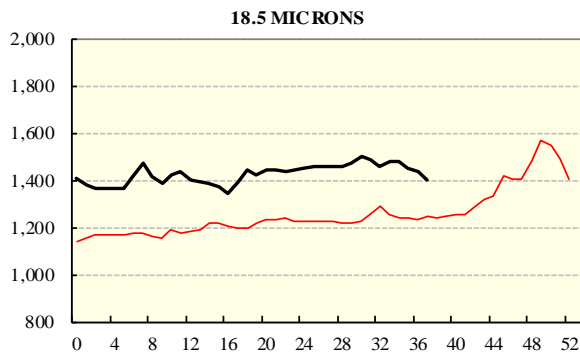
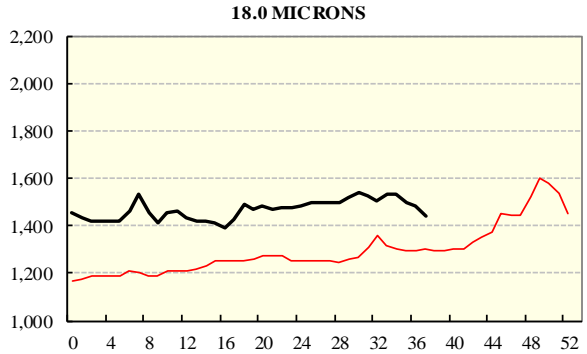
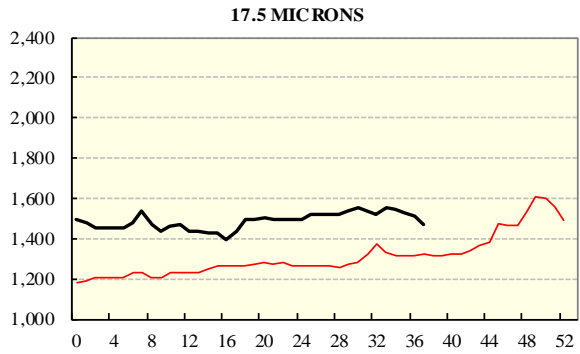
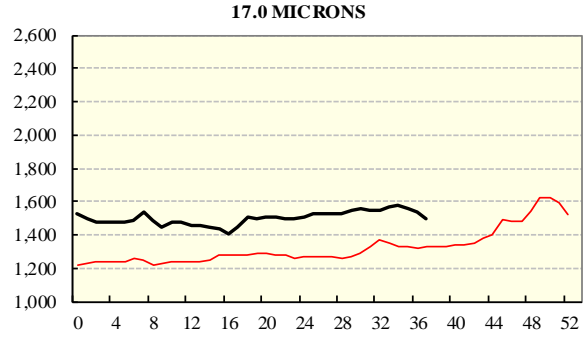
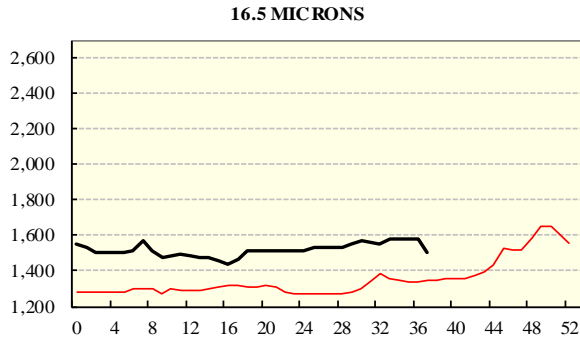
COMPARED WITH WEEK 1			
Region	This Week	Diff	
North	1250	0	
South	1206	-13	
West (Wk)	1276	25	

BALES OFFERED	
This Year	1,264,044
Last Year	1,379,184
Difference	-115,140
% Diff	-8.3%
FIRST OFFERED BALES	
Difference	-6.7%
% of Offering	94.9%

REGION BALES			
This Sale:			
North		64	
South		8,546	
West		21,386	
Progressive Totals:			Diff
North	357,504		-8.4%
South	644,003		-10.1%
West	262,537		-3.6%

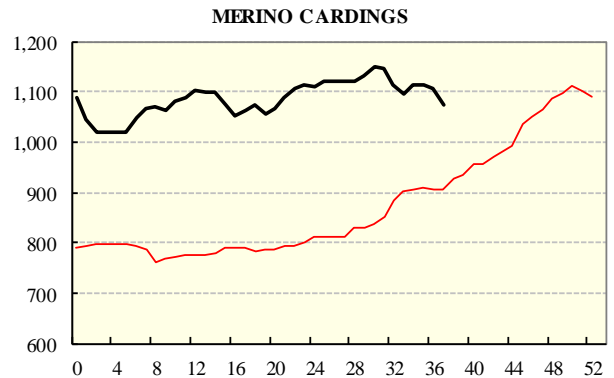
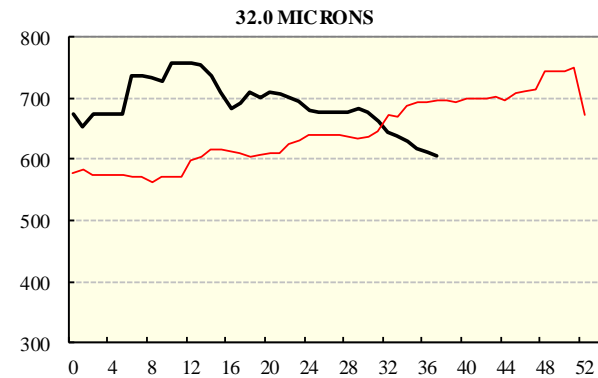
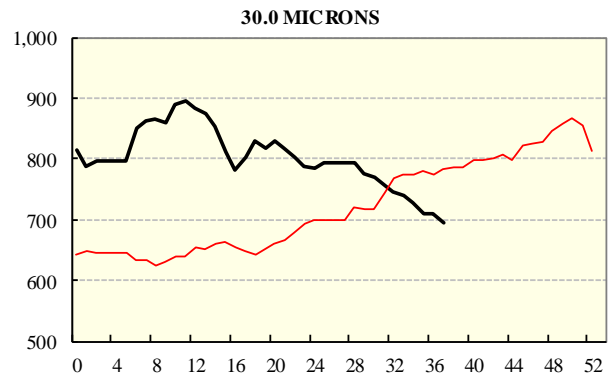
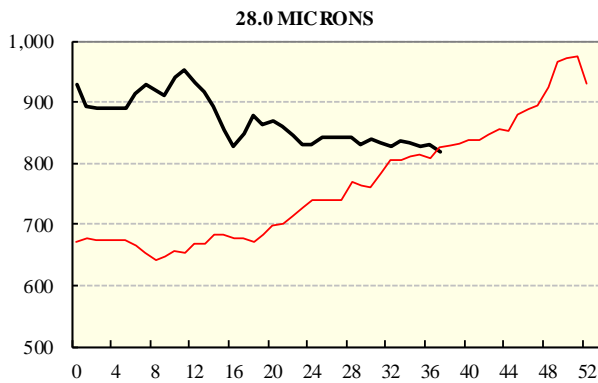
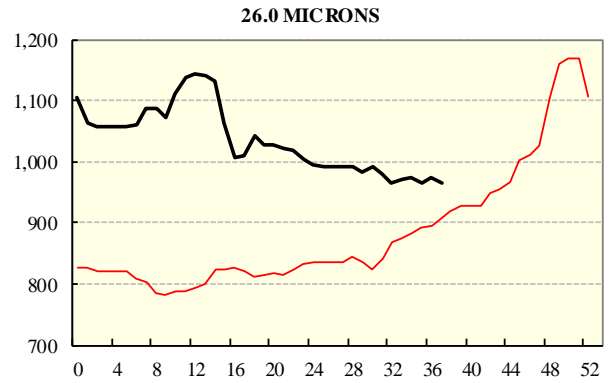
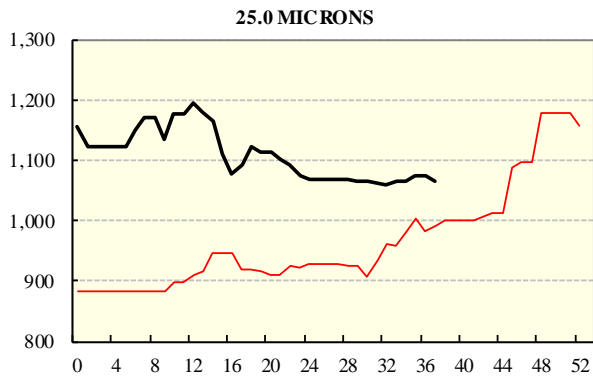
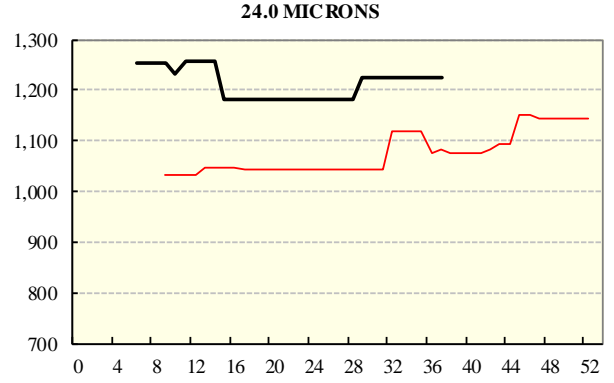
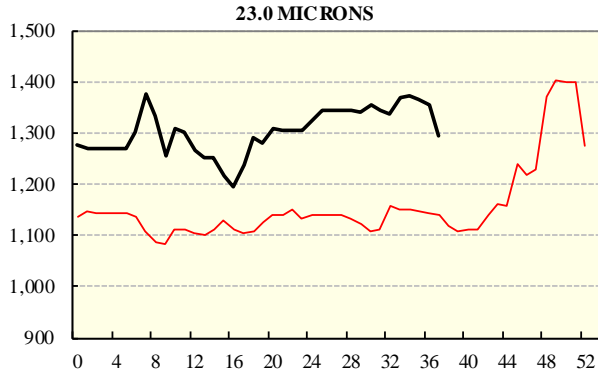
AVERAGE AWEX MICRON PRICE GUIDES

2015/16(black graph line) and 2014/15 (red graph line)



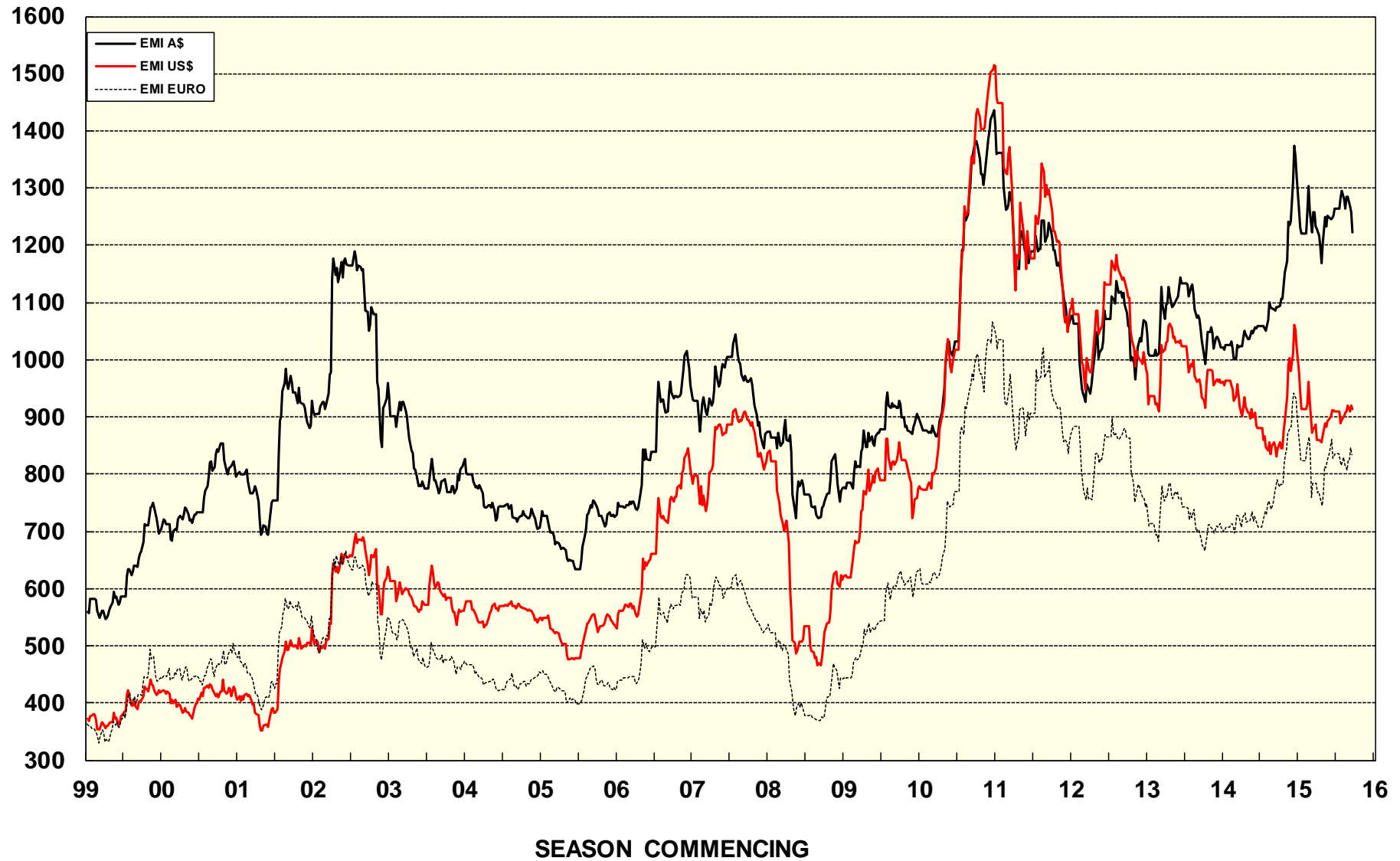
AVERAGE AWEX MICRON PRICE GUIDES

2015/16(black graph line) and 2014/15 (red graph line)



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

(In Australian, United States and European Currencies)



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