

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 15 April 2016 (Week 42)

The AWEX EMI finished at 1241¢, 29¢ lower (-2.3%) in Australian currency and 18¢ lower (-1.9%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

43,043 bales were on offer nationally, compared with 48,878 bales last sale. 16.9% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 42)									
Centre	Last Sale		Day-to-Day Changes (Week 42)			Sale-to-Sale	Closing	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday	Change	Indicator	US ¢	Euro ¢
Eastern	41	1270	No Sale	-22	-7	-29 (-2.3%)	1241	-18	-4
Northern	41	1298	No Sale	-27	-6	-33 (-2.5%)	1265	-21	-7
Southern	41	1252	No Sale	-19	-7	-26 (-2.1%)	1226	-15	-3
Western	41	1356	No Sale	-32	-12	-44 (-3.2%)	1312	-29	-13

The market gave back most of last week's big gains, with the losses generally greatest among the micron ranges that had the biggest gains last week. Growers responded by passing in larger quantities of their wool. This was most noticeable on Thursday when 23.5% of the Merino Fleece was passed in.

As mentioned above, Merino Fleece came under pressure during the week. Merino skirtings held on in the North, but did less well in the South and the West. Oddments eased on Wednesday, but generally steadied on Thursday. The AWEX Merino Cardings Price Guide was down by 14¢. AWEX average crossbred MPGs were all down, but by lesser amounts than for the Merinos.

The US exchange rate finished 0.35¢ (0.5%) higher to close at 76.56¢ on Thursday. Financial analysts attribute the current higher level of the US exchange rate to improving prices for iron ore and other commodities. There was also some better economic news from China during the week.

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	105¢	125¢	139¢	169¢	198¢
South	91¢	119¢	150¢	165¢	171¢

Market Indicator	Changes From			
	Four Sales Ago Week 37	Start of the Season	Week 42 Last Year	Season Average to Week 42 Last Year
Eastern Market Indicator	+18 (+1.5%)	+15 (+1.2%)	+111 (+9.8%)	+194 (+18.4%)
Western Market Indicator	+36 (+2.8%)	+59 (+4.7%)	+144 (+12.3%)	+205 (+18.8%)

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
<b>Since Last Sale</b>												
Change ¢		-28	-39	-30	-41	-45	-41	-38	-37	-40	-51	
Change %		-1.8%	-2.6%	-2.0%	-2.8%	-3.1%	-2.9%	-2.7%	-2.7%	-2.9%	-3.7%	
<b>Since Start of the Season</b>												
Change ¢	+3	+20	+16	+33	+54	+67	+66	+62	+53	+55	+54	
Change %	+0.2%	+1.3%	+1.1%	+2.3%	+3.9%	+5.0%	+5.0%	+4.7%	+4.1%	+4.3%	+4.3%	
<b>Since Same Week Last Year</b>												
Change ¢	+147	+157	+141	+127	+139	+148	+151	+156	+158	+178	+184	
Change %	+10.7%	+11.6%	+10.5%	+9.5%	+10.8%	+11.8%	+12.2%	+12.8%	+13.2%	+15.4%	+16.1%	

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC <sup>#</sup>
<b>Since Last Sale</b>						
Change ¢		-26	-14	-5	-8	-14
Change %		-2.5%	-1.7%	-0.7%	-1.3%	-1.3%
<b>Since Start of the Season</b>						
Change ¢		-49	-102	-105	-66	+29
Change %		-4.6%	-11.4%	-13.3%	-9.9%	+2.8%
<b>Since Same Week Last Year</b>						
Change ¢		+63	-57	-114	-101	+92
Change %		+6.6%	-6.7%	-14.3%	-14.4%	+9.5%

# Average Merino Cardings Price Guide

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## AWIS WOOL MARKET REVIEW Week Ending 15 April 2016 (Week 42)

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.

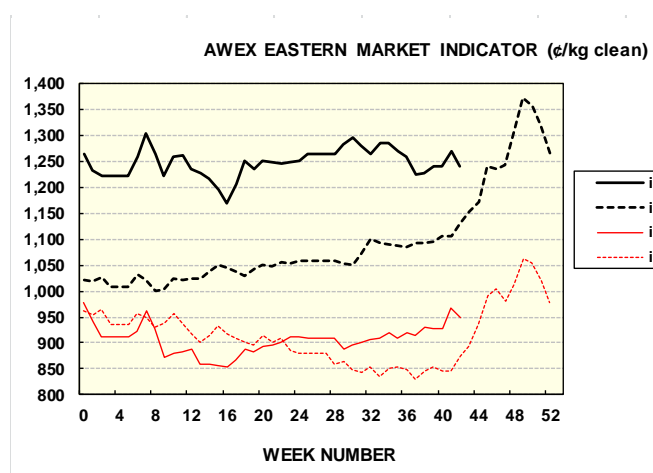
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	15,420	11,159	12.0%	2.8%	5.8%	9,818
South	21,163	21,291	18.2%	3.1%	5.3%	17,418
West	12,295	10,593	19.3%	4.2%	10.0%	8,549
<b>Australia</b>	<b>48,878</b>	<b>43,043</b>	<b>16.9%</b>	<b>3.3%</b>	<b>6.6%</b>	<b>35,785</b>

Actual and % Changes in the Progressive Offerings from Last Year	
-36,882	-8.3%
-81,588	-10.1%
-9,509	-3.0%
<b>-127,979</b>	<b>-8.2%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 43	Week 44	Week 45	Differences
North	11,941	10,500	10,600	-2.9%
South	27,486	21,648	23,000	-0.3%
West	9,651	8,550	8,400	-5.9%
<b>New Zealand</b>				
<b>Australia</b>	<b>49,078</b>	<b>40,698</b>	<b>42,000</b>	<b>-2.1%</b>
<b>Differences</b>	<b>+5.8%</b>	<b>-8.1%</b>	<b>-4.5%</b>	

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	76.21	-0.86	+0.24	+0.66	+0.49	-0.18	+0.35 (+0.5%)	76.56	69.05	76.56
Euro	66.76	-0.49	0.00	+0.55	+0.73	+0.43	+1.22 (+1.8%)	67.98	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 - February
	February 2016	July - February This Season	July - February Last Season	
China	76.5%	73.9%	74.9%	-9.6%
India	8.0%	7.8%	6.5%	+11.1%
Italy	3.4%	5.2%	4.8%	-0.4%
Czech Republic	5.4%	5.4%	5.0%	-2.1%
Malaysia	1.8%	1.6%	2.0%	-23.4%
Korea	1.6%	1.7%	2.2%	-29.8%
Taiwan	0.6%	0.8%	1.0%	-18.0%
Egypt	0.6%	1.1%	1.0%	+2.0%
<b>Change all Countries</b>				<b>-8.4%</b>



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	148
South	1,231	145
West	1,297	168

THIS YEAR'S EMI	
This Week	1241
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

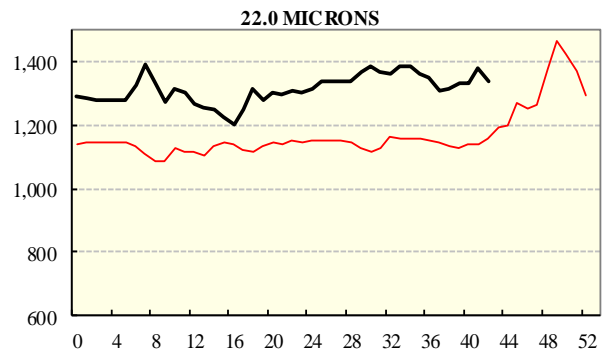
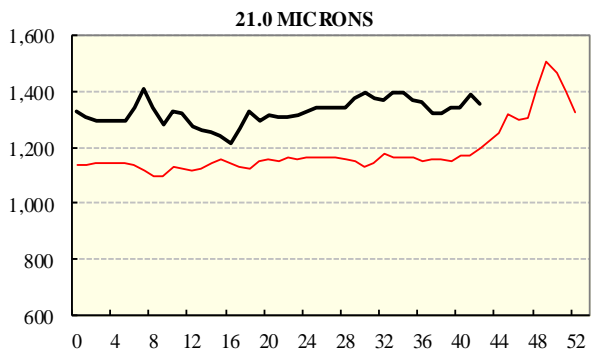
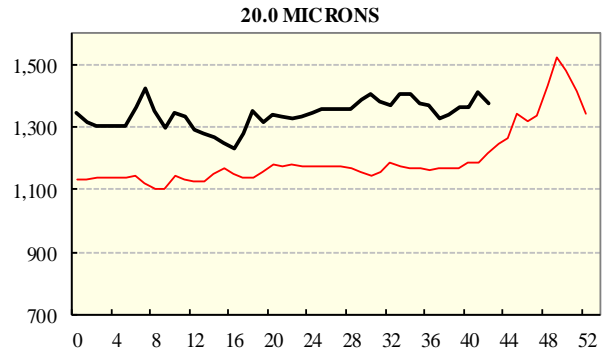
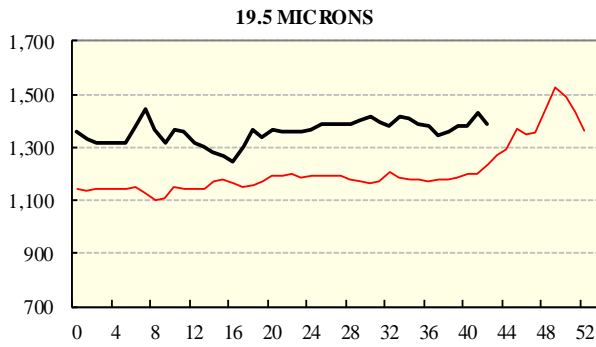
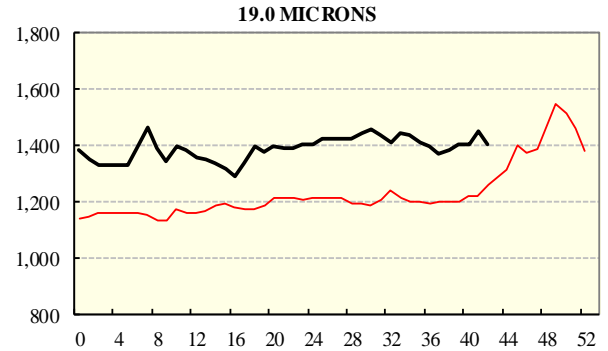
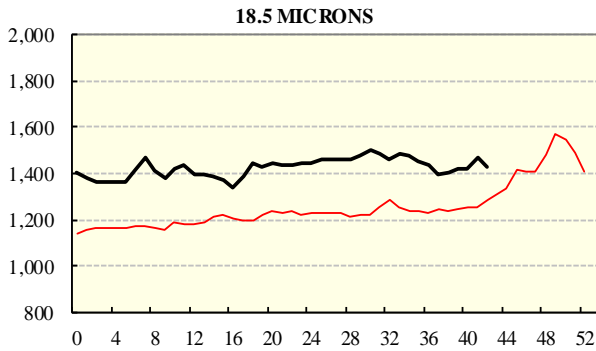
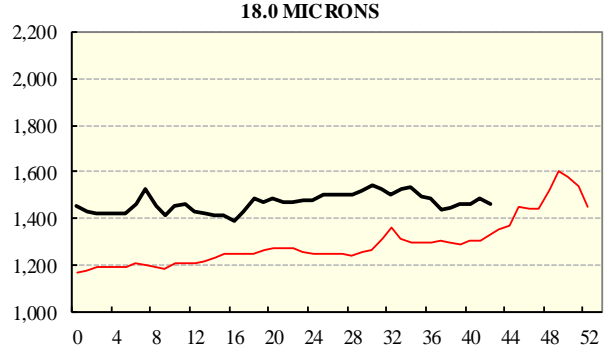
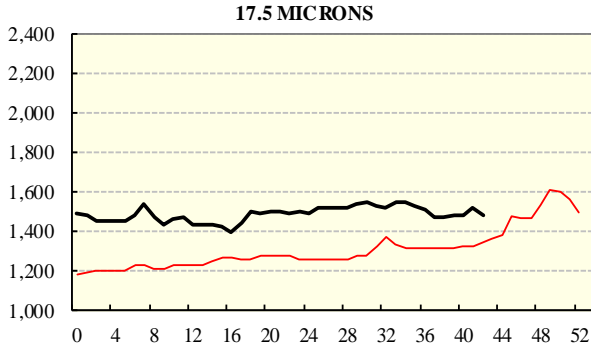
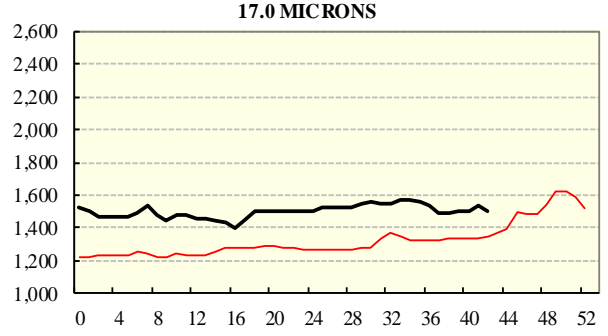
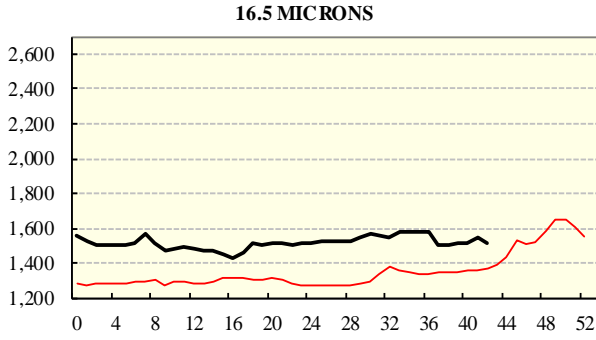
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1265	15
South	1226	7
West (Wk)	1312	61

BALES OFFERED	
This Year	1,438,315
Last Year	1,566,294
Difference	-127,979
% Diff	-8.2%
FIRST OFFERED BALES	
Difference	-6.7%
% of Offering	94.8%

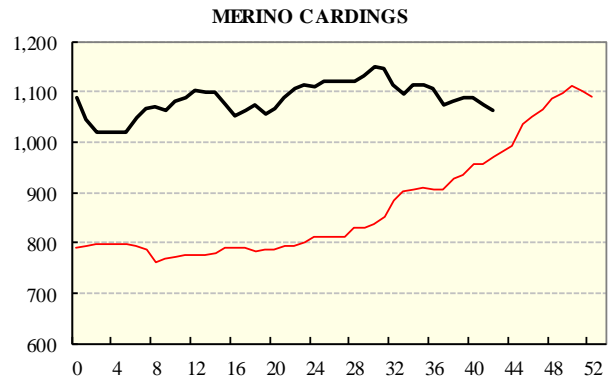
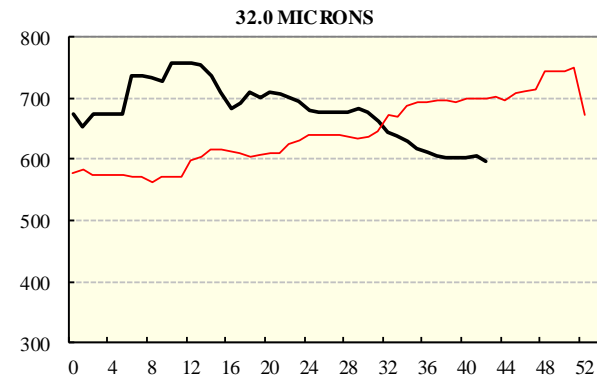
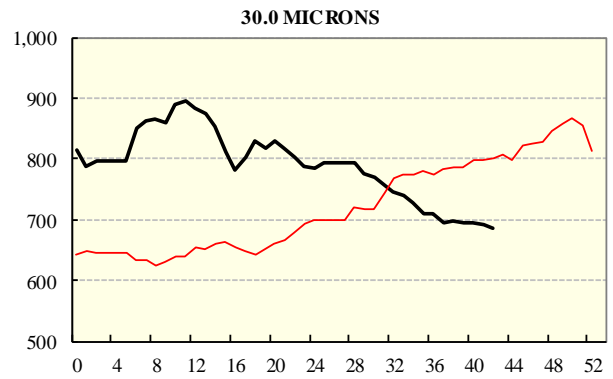
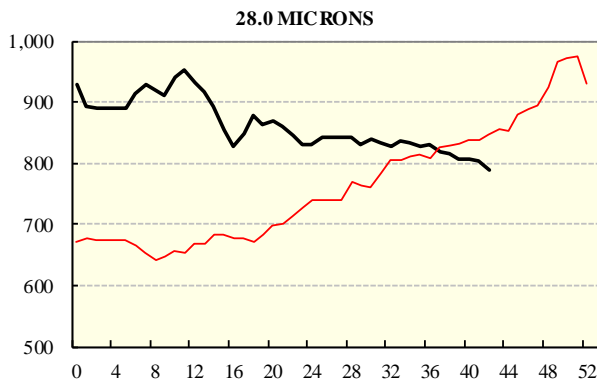
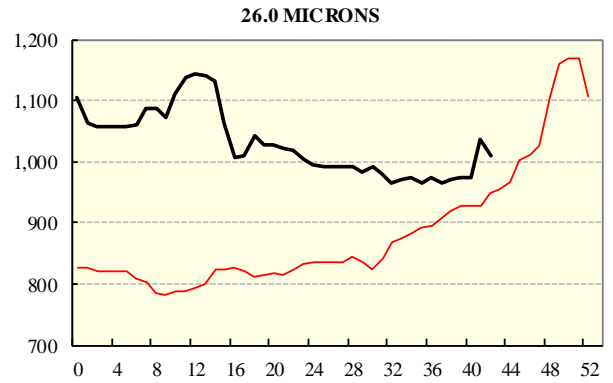
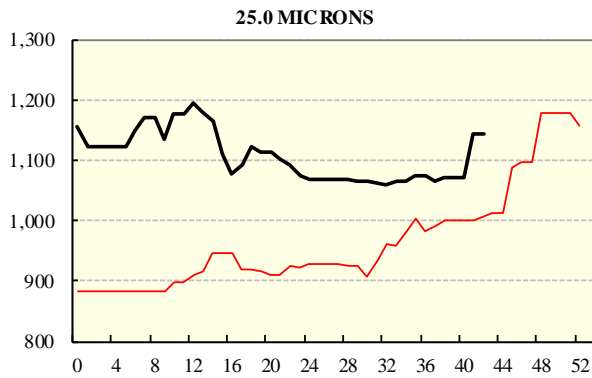
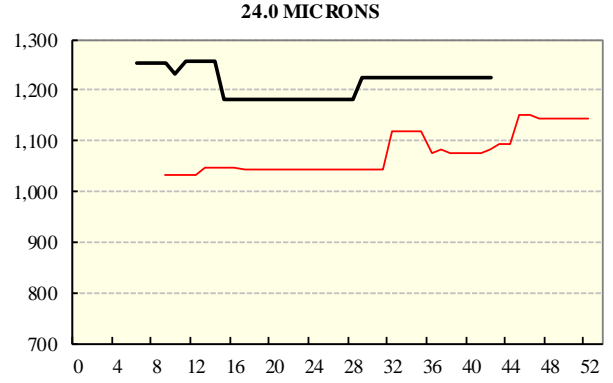
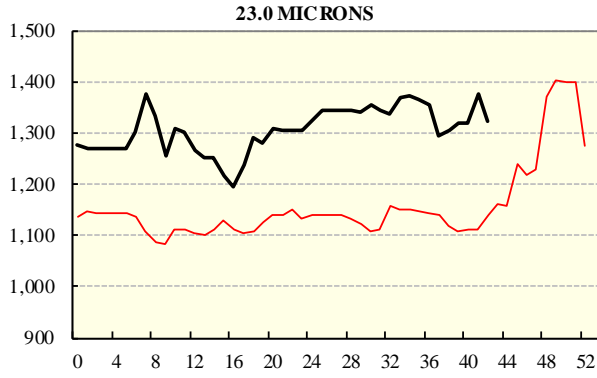
REGION BALES		
This Sale:		Diff
North	64	
South	11,159	
West	21,291	
Progressive Totals:		Diff
North	405,791	-8.3%
South	727,272	-10.1%
West	305,252	-3.0%

# AVERAGE AWEX MICRON PRICE GUIDES

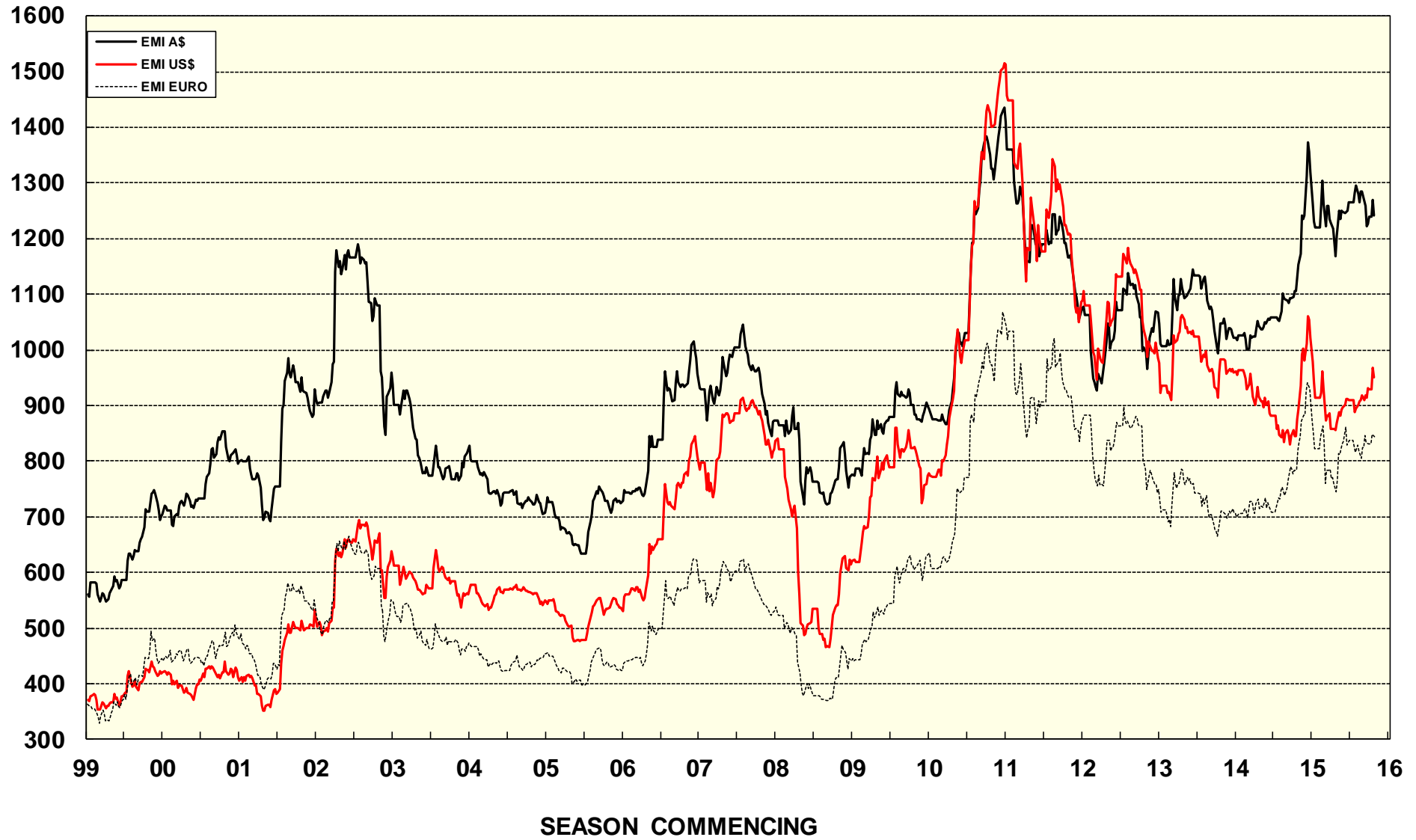
2015/16( black graph line) and 2014/15 (red graph line)



**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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