

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 19 February 2016 (Week 34)

The AWEX EMI finished 1¢ higher (+0.1%) in Australian currency and 9¢ higher (+1.0%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

40,868 bales were on offer nationally, compared with 37,844 bales last sale. 6.1% of the offering was passed in.

The New Zealand Merino Company offered 1,744 bales in Melbourne on Wednesday, of which 20.1% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 34)									
Centre	Last Sale		Day-to-Day Changes (Week 34)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	33	1284	No Sale	+4	-3	1 (0.1%)	1285	+9	+19
Northern	33	1309	No Sale	+7	-3	4 (0.3%)	1313	+11	+21
Southern	33	1267	No Sale	+2	-3	-1 (-0.1%)	1266	+8	+18
Western	33	1356	No Sale	+14	-15	-1 (-0.1%)	1355	+9	+19

It was another good market, with the EMI up in US currency; but up by a only 1¢ in Australian currency due to the rise in the US exchange rate on Thursday.

The sales had a good start on Wednesday, with rises across all wool types and micron ranges. However, the increase in the US exchange rate on Thursday saw most of the previous day's gains reversed. Overall week-to-week changes in average AWEX Merino MPGs were small; ranging from -0.6% to +0.3%.

Crossbred average AWEX MPGs were slightly up at the fine again, but were down at the coarse end. Merino skirtings generally did well, as did the oddments after a poorer week last week. The average Merino Cardings Price Guide reversed a two week downward movement to be up by 19¢ (+1.7%).

The US exchange rate finished 0.65¢ (0.9%) higher to close at 71.55¢ on Thursday.

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	107¢	152¢	168¢	190¢	195¢
South	98¢	135¢	148¢	178¢	185¢

Market Indicator	Changes From			
	Four Sales Ago Week 30	Start of the Season	Week 34 Last Year	Season Average to Week 34 Last Year
Eastern Market Indicator	-11 (-0.8%)	+59 (+4.8%)	+195 (+17.9%)	+205 (+19.7%)
Western Market Indicator	-17 (-1.2%)	+102 (+8.1%)	+247 (+22.3%)	+210 (+19.4%)

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 ¢	+2	+7	-3	+4	-2	-8	-4	0	-3	-1	+2	
Change %	+0.1%	+0.4%	-0.2%	+0.3%	-0.1%	-0.6%	-0.3%	0.0%	-0.2%	-0.1%	+0.1%	
Since Start of the Season												
Change ¢	+60	+88	+81	+106	+107	+98	+86	+92	+91	+104	+102	
Change %	+3.9%	+5.9%	+5.5%	+7.4%	+7.8%	+7.3%	+6.5%	+7.0%	+7.0%	+8.1%	+8.0%	
Since Same Week Last Year												
Change ¢	+234	+247	+235	+232	+239	+237	+229	+234	+232	+229	+220	
Change %	+17.4%	+18.6%	+17.9%	+17.8%	+19.3%	+19.8%	+19.4%	+20.0%	+20.0%	+19.8%	+19.1%	

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	+4	-2	-13	-10	+19
Change %	+0.2%	+0.4%	-0.2%	-1.8%	-1.6%	+1.7%
Since Start of the Season						
Change ¢	-57	-86	-59	-63	-35	+82
Change %	-5.1%	-8.1%	-6.6%	-8.0%	-5.3%	+7.9%
Since Same Week Last Year						
Change ¢	+84	+90	+23	-47	-58	+210
Change %	+8.6%	+10.2%	+2.8%	-6.1%	-8.4%	+23.2%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 19 February 2016 (Week 34)

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 December ABS export data.

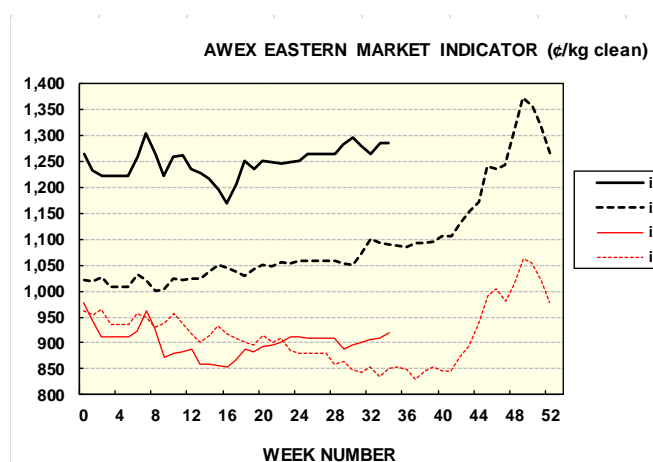
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	9,027	12,293	3.9%	1.9%	5.4%	11,812
South	20,577	18,605	5.9%	1.1%	5.4%	17,504
West	8,240	9,970	9.2%	0.8%	11.1%	9,056
Australia	37,844	40,868	6.1%	1.2%	6.8%	38,372

Actual and % Changes in the Progressive Offerings from Last Year	
-29,279	-8.2%
-68,492	-10.6%
-11,069	-4.5%
-108,840	-8.7%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 35	Week 36	Week 37	Differences
North	13,064	10,870	10,300	-2.8%
South	24,947	22,332	21,800	+0.7%
West	11,807	9,650	9,500	+9.1%
New Zealand	1,630			
Australia	49,818	42,852	41,600	+1.6%
Differences	+6.6%	+0.9%	-3.2%	

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	70.9	+0.14	+0.51	0.00	-0.65	+0.65	+0.65 (+0.9%)	71.55	69.05	76.49
Euro	62.78	+0.10	+0.88	+0.39	-0.67	+0.75	+1.45 (+2.3%)	64.23	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 - December
	December 2015	July - December This Season	July - December Last Season	
China	76.7%	73.4%	74.3%	-11.2%
India	6.7%	8.1%	7.0%	+5.1%
Italy	4.7%	5.7%	4.9%	+3.8%
Czech Republic	5.0%	5.2%	5.3%	-12.6%
Malaysia	1.7%	1.6%	1.8%	-23.0%
Korea	1.6%	1.6%	2.1%	-29.4%
Taiwan	0.6%	0.9%	1.0%	-17.1%
Egypt	0.7%	1.2%	0.9%	+9.4%
Change all Countries				-10.1%



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

SEASON AVERAGES		
Region	This Year	Diff
North	1,274	150
South	1,232	145
West	1,293	165

THIS YEAR'S EMI	
This Week	1285
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1313	63
South	1266	47
West (Wk)	1355	104

BALES OFFERED	
This Year	1,138,169
Last Year	1,247,009
Difference	-108,840
% Diff	-8.7%

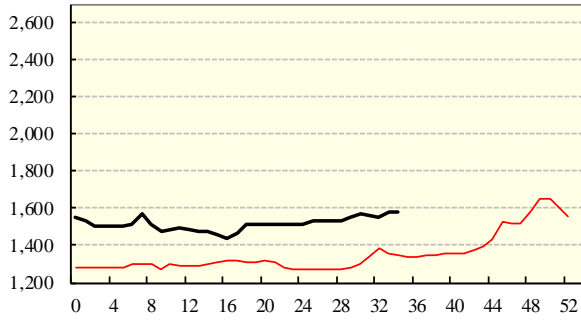
FIRST OFFERED BALES	
Difference	-7.0%
% of Offering	94.9%

REGION BALES		
This Sale:		
North	61	
South	12,293	
West	18,605	
Progressive Totals:		Diff
North	325,918	-8.2%
South	579,385	-10.6%
West	232,866	-4.5%

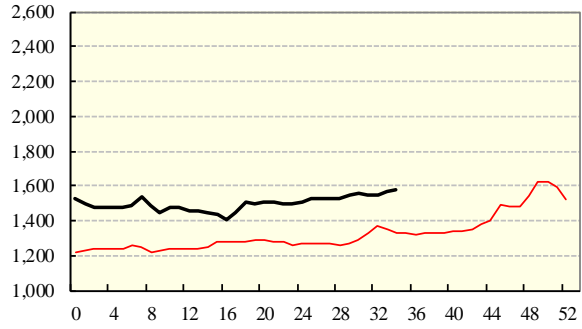
AVERAGE AWEX MICRON PRICE GUIDES

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

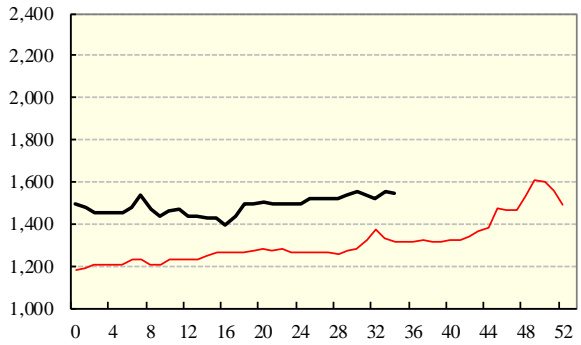
16.5 MICRONS



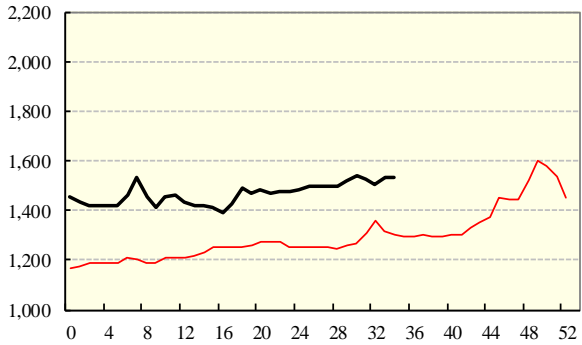
17.0 MICRONS



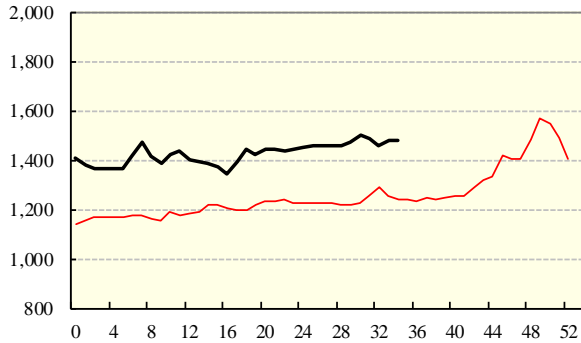
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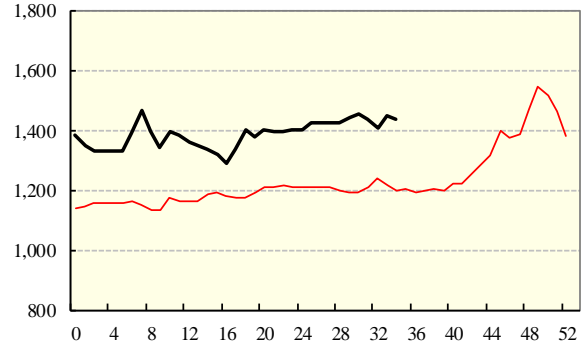
18.0 MICRONS



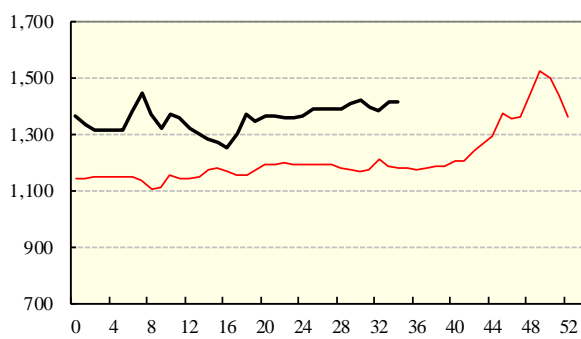
18.5 MICRONS



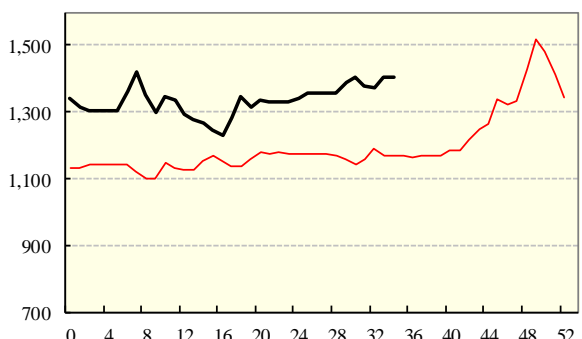
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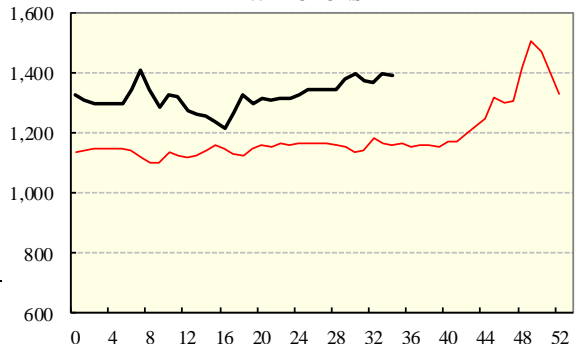
19.5 MICRONS



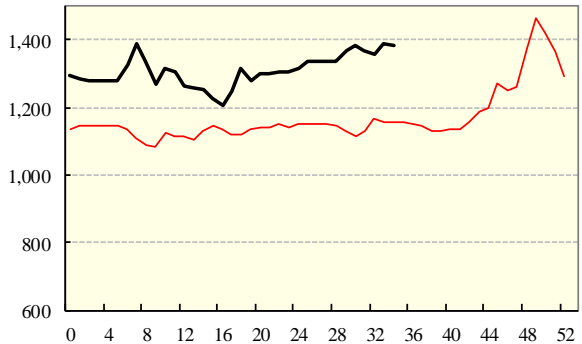
20.0 MICRONS



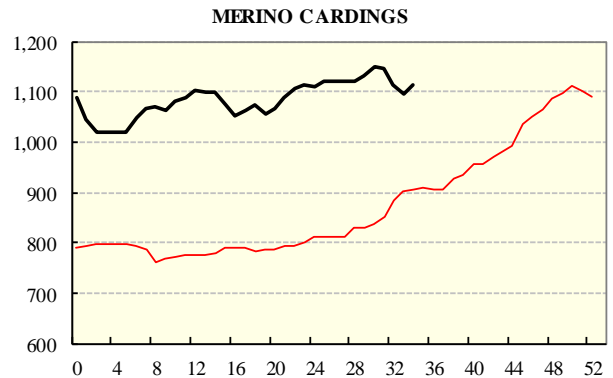
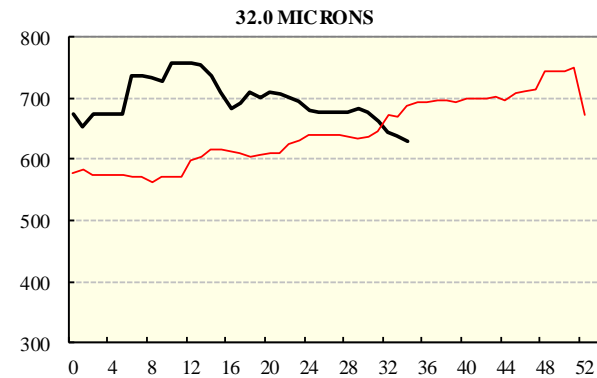
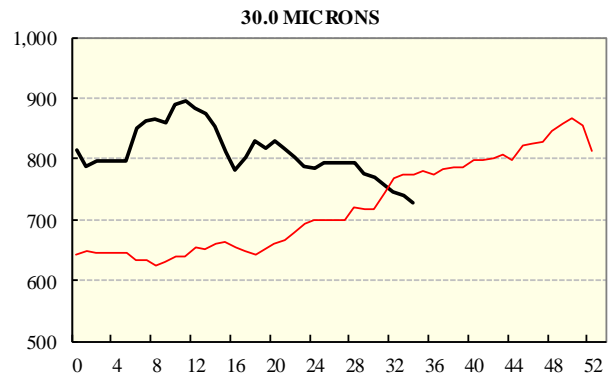
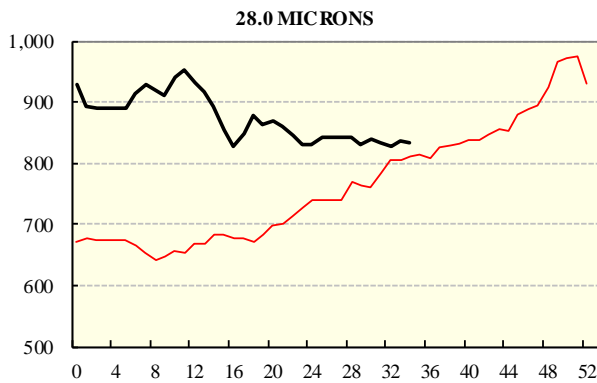
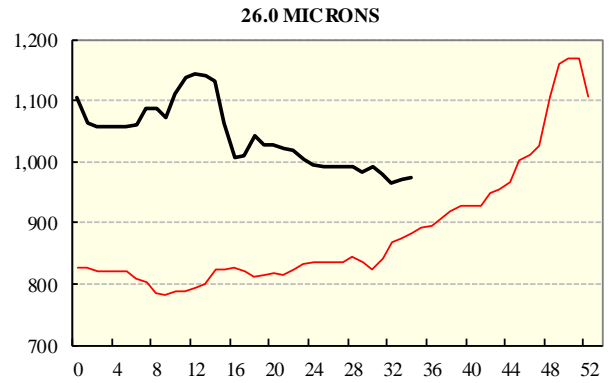
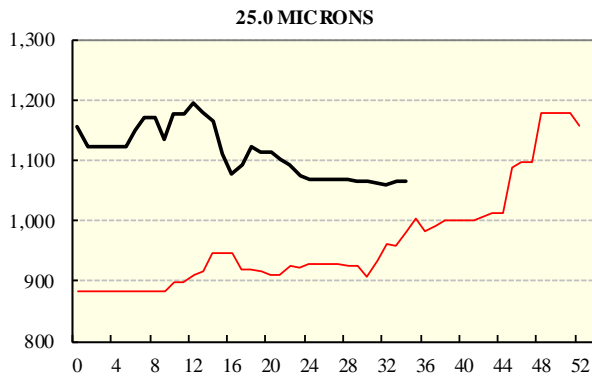
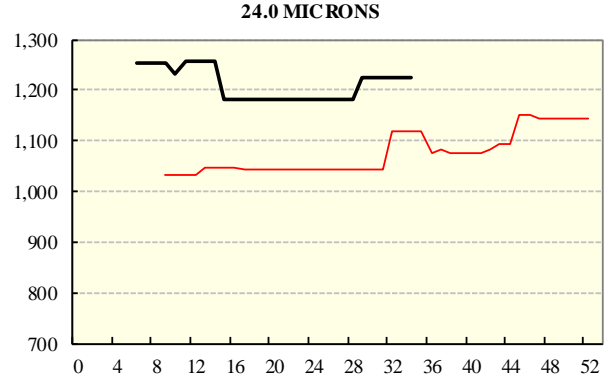
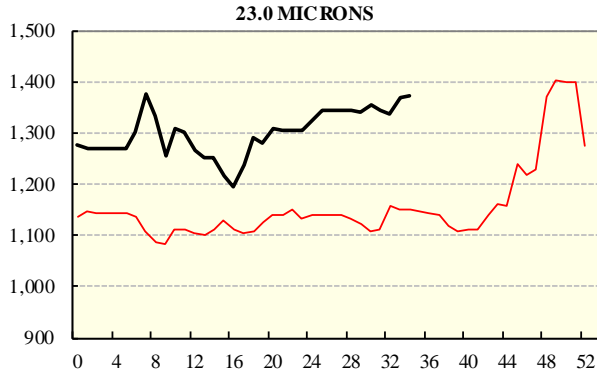
21.0 MICRONS



22.0 MICRONS



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)

