

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 22 April 2016 (Week 43)

The AWEX EMI finished at 1217¢, 24¢ lower (-1.9%) in Australian currency and 1¢ higher (+0.1%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

42,082 bales were on offer nationally, compared with 43,043 bales last sale. 15.2% of the offering was passed in, comprising 16.4% of the Merino fleece wool and 11.8% of Merino skirtings. 13.3% of the Merino fleece was also withdrawn prior to sale.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 43)									
Centre	Last Sale		Day-to-Day Changes (Week 43)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	42	1241	No Sale	-21	-3	-24 (-1.9%)	1217	+1	-3
Northern	42	1265	No Sale	-25	-1	-26 (-2.1%)	1239	0	-3
Southern	42	1226	No Sale	-19	-5	-24 (-2.0%)	1202	0	-2
Western	42	1312	No Sale	-26	-8	-34 (-2.6%)	1278	-6	-8

This week's market was largely influenced by the increase in the US Exchange rate during the week. The US Exchange Rate has now risen by 8.82¢ (+12.7%) since the first sale in January. Although the closing EMI has risen from 888¢ to 951¢ in US currency since then, it has fallen from 1282¢ to 1217¢ in Australian currency over the same period.

The market steadied on Thursday; with the EMI up by 3¢ in US, but down by 3¢ in Australian currency due to a further rise of 0.4¢ in the US Exchange Rate.

The changes in average AWEX MPGs were least at the fine end and were greatest from 20 microns to 23 microns. Merino skirtings moved in line with the Merino fleece. Crossbred average MPGs were generally down. Oddments were down on both days, with the average Merino Cardings Price Guide down by 3.6%.

The US exchange rate finished 1.56¢ (2.0%) higher to close at 78.12¢ on Thursday. Financial analysts attributed the rise to improved commodity prices, particularly for iron ore and to better economic news from China.

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	115¢	127¢	159¢	185¢	208¢
South	110¢	138¢	169¢	192¢	199¢

Market Indicator	Changes From			
	Four Sales Ago Week 38	Start of the Season	Week 43 Last Year	Season Average to Week 43 Last Year
Eastern Market Indicator	-10 (-0.8%)	-9 (-0.7%)	+64 (+5.6%)	+190 (+18.0%)
Western Market Indicator	-3 (-0.2%)	+25 (+2.0%)	+84 (+7.0%)	+202 (+18.5%)

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 ¢		-14	-15	-25	-21	-22	-24	-28	-38	-40	-31	
Change %		-0.9%	-1.0%	-1.7%	-1.5%	-1.6%	-1.7%	-2.0%	-2.8%	-3.0%	-2.3%	
Since Start of the Season												
Change ¢	-13	+6	+1	+8	+33	+45	+42	+34	+15	+15	+23	
Change %	-0.9%	+0.4%	+0.1%	+0.6%	+2.4%	+3.4%	+3.2%	+2.6%	+1.2%	+1.2%	+1.8%	
Since Same Week Last Year												
Change ¢	+109	+116	+103	+83	+91	+96	+98	+97	+92	+107	+133	
Change %	+7.8%	+8.4%	+7.6%	+6.1%	+6.9%	+7.5%	+7.7%	+7.8%	+7.5%	+9.0%	+11.5%	

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 ¢		+8	-15	-13	-22	-38
Change %		+0.8%	-1.9%	-1.9%	-3.7%	-3.6%
Since Start of the Season						
Change ¢		-41	-117	-118	-88	-9
Change %		-3.9%	-13.1%	-14.9%	-13.3%	-0.9%
Since Same Week Last Year						
Change ¢		+64	-82	-133	-126	+41
Change %		+6.7%	-9.6%	-16.5%	-17.9%	+4.2%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 22 April 2016 (Week 43)

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.

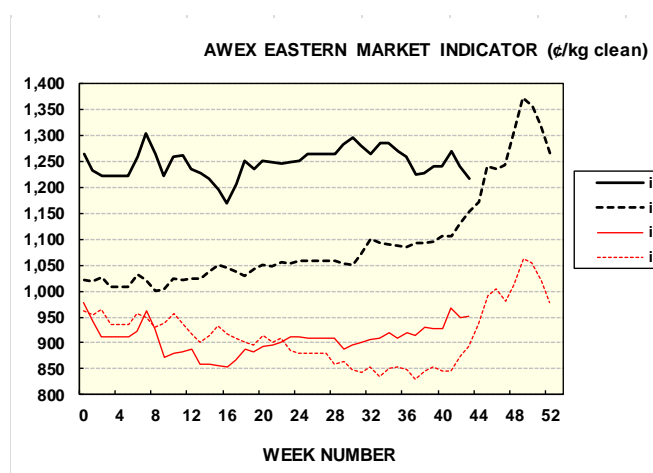
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	11,159	10,947	13.5%	8.9%	4.3%	9,468
South	21,291	22,813	14.7%	9.7%	5.1%	19,454
West	10,593	8,322	18.9%	12.0%	5.7%	6,751
Australia	43,043	42,082	15.2%	10.0%	5.0%	35,673

Actual and % Changes in the Progressive Offerings from Last Year	
-38,536	-8.5%
-82,530	-9.9%
-11,201	-3.4%
-132,267	-8.2%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 44	Week 45	Week 46	Differences
North	10,349	10,800	9,700	-6.5%
South	21,159	22,750	18,800	-10.8%
West	7,417	7,450	7,400	-22.3%
New Zealand				
Australia	38,925	41,000	35,900	-12.2%
Differences	-12.1%	-6.8%	-17.8%	

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	76.56	+0.55	-0.45	+1.22	-0.15	+0.39	+1.56 (+2.0%)	78.12	69.05	78.12
Euro	67.98	+0.52	-0.57	+0.84	-0.33	+0.70	+1.16 (+1.7%)	69.14	62.2	69.14

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%
Change all Countries				-8.4%



AVERAGE EMI	
This Year	1247
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1,272	147
South	1,231	144
West	1,296	168

THIS YEAR'S EMI	
This Week	1217
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

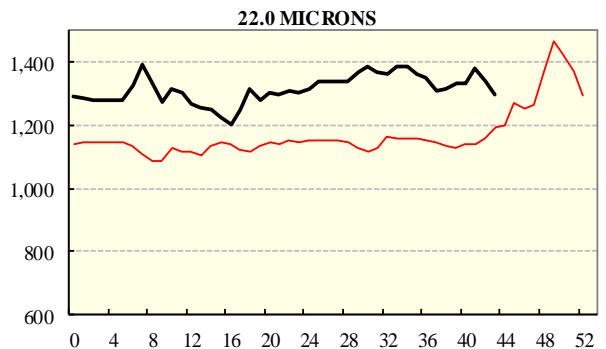
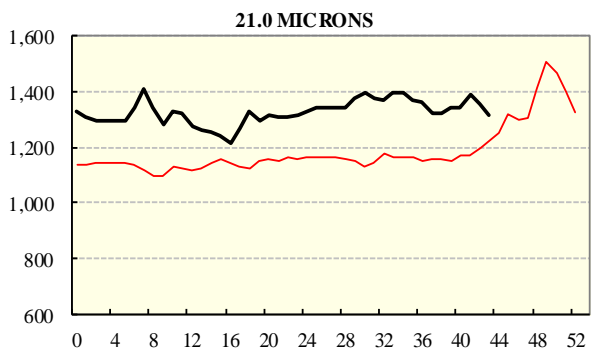
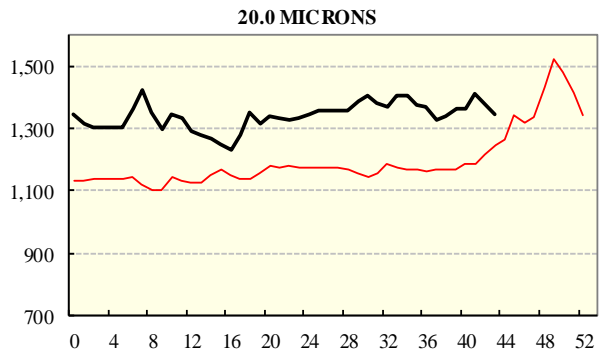
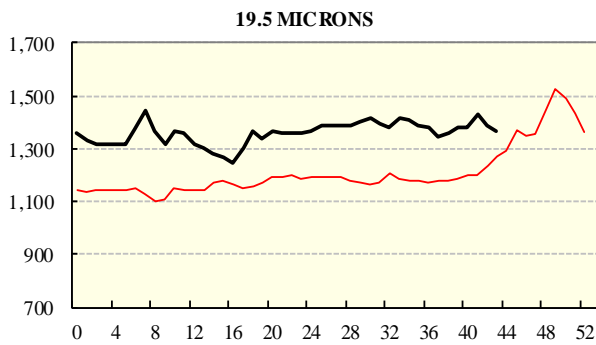
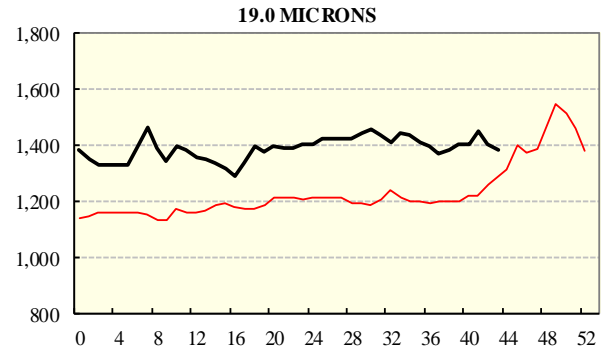
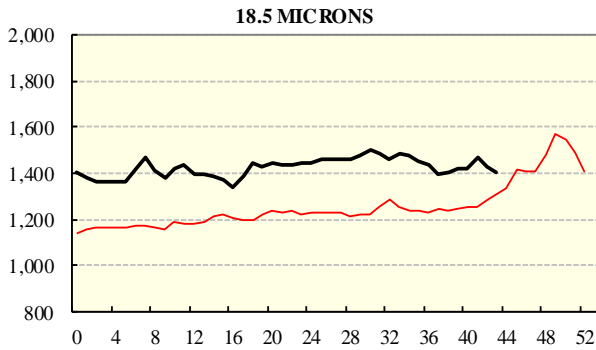
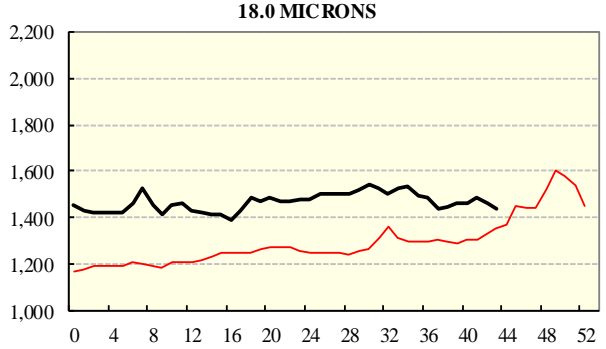
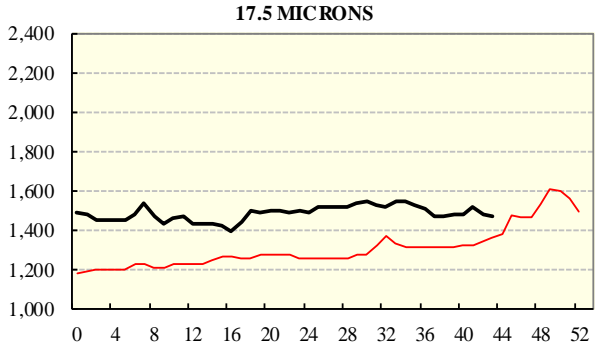
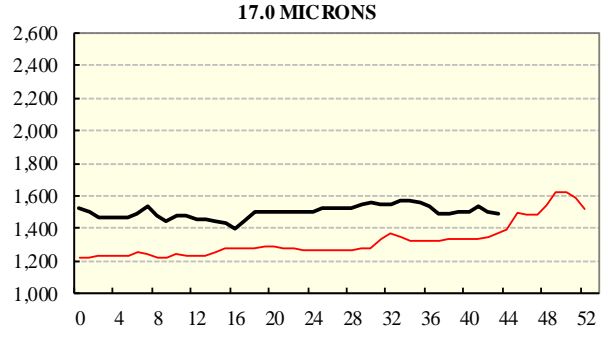
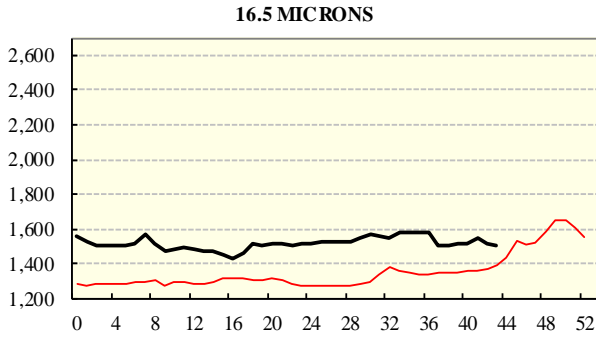
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1239	-11
South	1202	-17
West (Wk)	1278	27

BALES OFFERED	
This Year	1,480,397
Last Year	1,612,664
Difference	-132,267
% Diff	-8.2%
FIRST OFFERED BALES	
Difference	-6.8%
% of Offering	94.8%

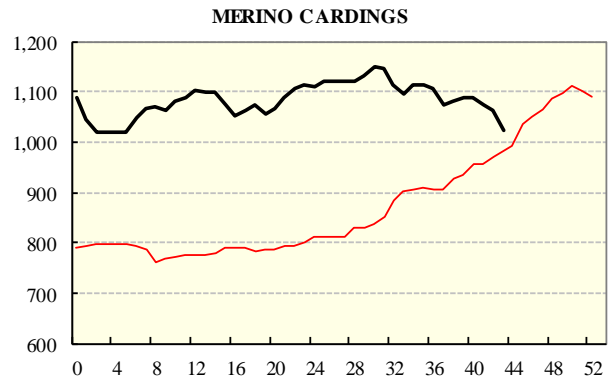
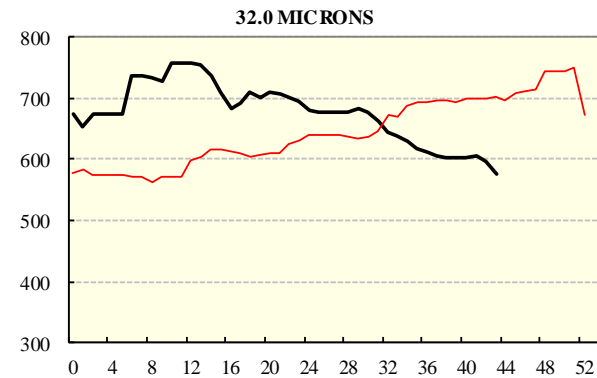
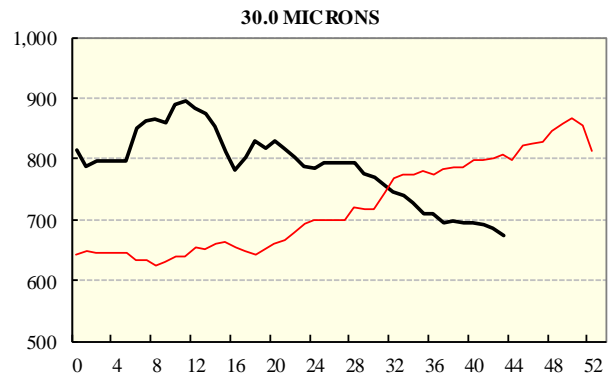
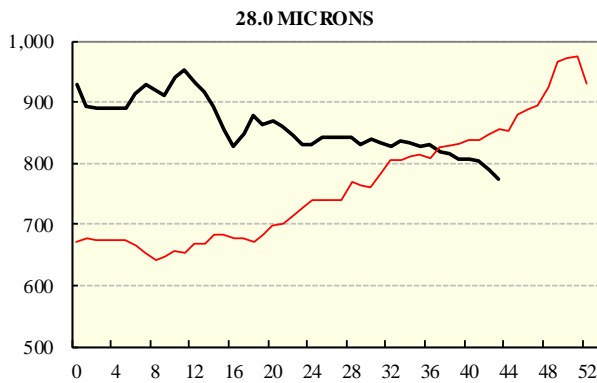
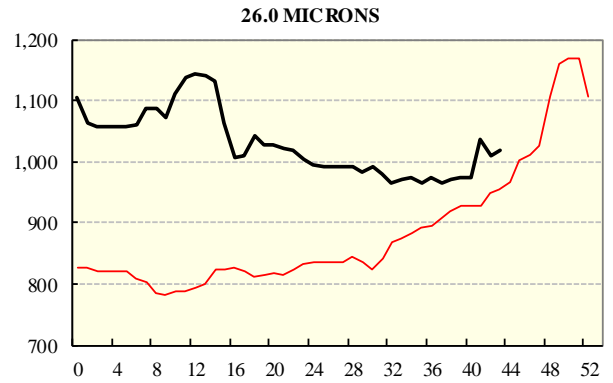
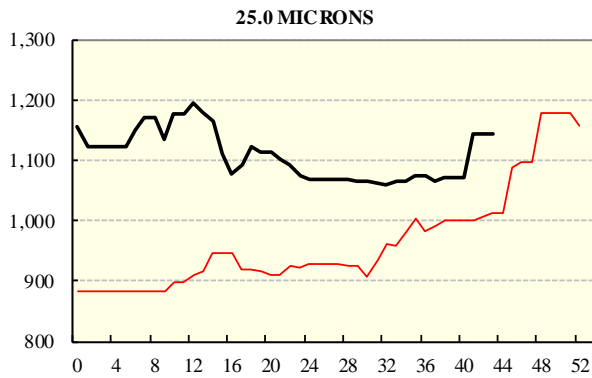
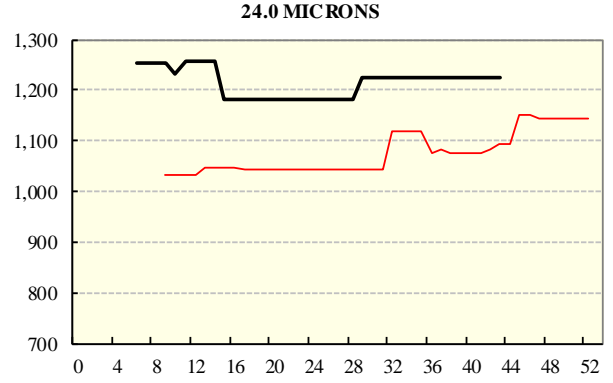
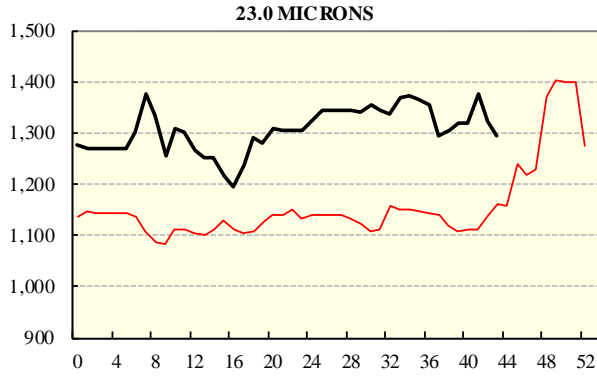
REGION BALES		
This Sale:		
North	65	
South	10,947	
West	22,813	
Progressive Totals:		Diff
North	416,738	-8.5%
South	750,085	-9.9%
West	313,574	-3.4%

AVERAGE AWEX MICRON PRICE GUIDES

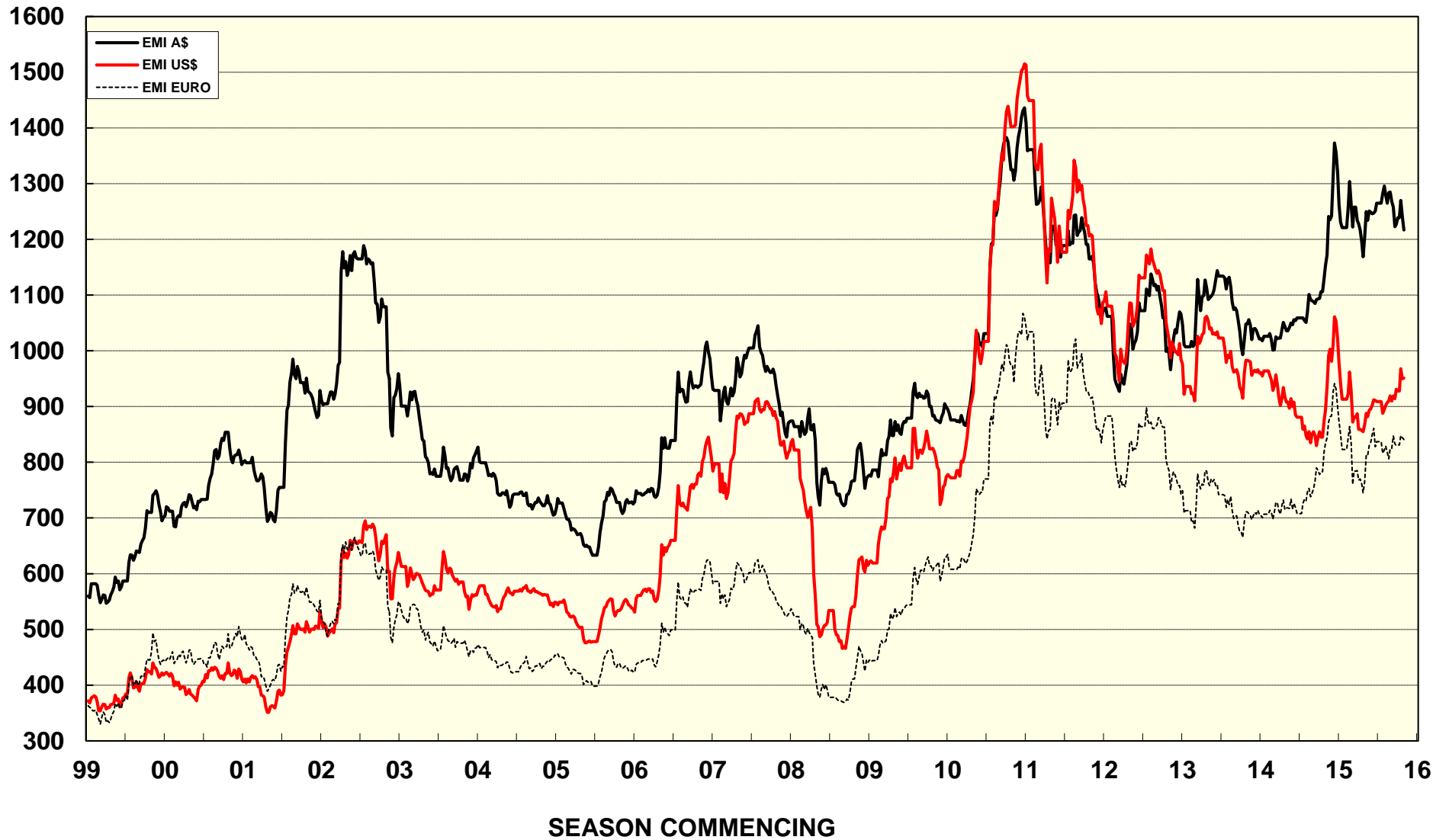
2015/16(black graph line) and 2014/15 (red graph line)



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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For further information

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