

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 24 June 2016 (Week 52)

The AWEX EMI finished 6¢ higher (+0.5%) in Australian currency and 23¢ higher (+2.4%) in US currency at sales in Sydney and Melbourne this week.

22,108 bales were on offer nationally in the smallest sale of the season. 6.6% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 52)									
Centre	Last Sale		Day-to-Day Changes (Week 52)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	51	1279	No Sale	+3	+3	+6 (+0.5%)	1285	+23	+15
Northern	51	1300	No Sale	+1	+2	+3 (+0.2%)	1303	+21	+13
Southern	51	1266	No Sale	+3	+3	+6 (+0.5%)	1272	+22	+14
Western	51	1362	No Sale	No Sale	No Sale				

It was another strong market this week with rises in both Australian and US currencies. The EMI in US cents is 968¢, the equal highest for the season. All Indicators were up in US currency, but not all were up in Australian currency because of the 1.9% lift in the US exchange rate

The market got away to a good start on Wednesday, with keen demand for Merino fleece and the better types; and for 21 and 22 micron wool. The average AWEX Crossbred MPG's were mixed. This pattern continued on Thursday.

The overall average AWEX MPG's were up by around 1.5% from 20 to 22 microns, but were virtually unchanged, on average, for Merino wools of less than 20 microns.

Merino skirtings followed the fleece types. Average crossbred MPG's were down by around 1%. The outcomes for Oddments were also mixed.

The US exchange rate finished 1.42¢ (1.9%) higher to close at 75.33¢ on Thursday. The strengthening of the US exchange rate appeared to be influenced by cautious remarks about the United States economy from the Secretary of the US Federal Reserve. The Australian currency also strengthened against all currencies during the week.

However, it fell to 73.87¢ by the close of trading on Friday in response to the uncertainty associated with the Brexit vote.

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

Differences in AWEX MPG's	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	87¢	103¢	128¢	130¢	144¢
South	73¢	89¢	102¢	113¢	119¢

Market Indicator	Four Sales Ago Week 48	Changes From		
		Start of the Season	Week 52 Last Year	Season Average to Week 52 Last Year
Eastern Market Indicator	-12 (-0.9%)	+59 (+4.8%)	+22 (+1.7%)	+151 (+13.7%)
Western Market Indicator	No Sale	No Sale	No Sale	No Sale

Sale-to-Sale Changes in Average AWEX Merino Micron Price Guides (MPG's)												
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 ¢		+1	-4	-1	+1	-1	+3	+16	+23	+24	+10	
Change %		+0.1%	-0.3%	-0.1%	+0.1%	-0.1%	+0.2%	+1.1%	+1.6%	+1.7%	+0.7%	
Since Start of the Season												
Change ¢	+20	+44	+56	+76	+112	+129	+128	+126	+119	+125	+111	
Change %	+1.3%	+3.0%	+3.8%	+5.3%	+8.2%	+9.6%	+9.7%	+9.6%	+9.1%	+9.8%	+8.7%	
Since Same Week Last Year												
Change ¢	-16	+4	+31	+51	+78	+86	+90	+93	+93	+114	+105	
Change %	-1.0%	+0.3%	+2.1%	+3.5%	+5.5%	+6.2%	+6.6%	+6.9%	+7.0%	+8.8%	+8.2%	

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 ¢		-9	-2	-13		-6
Change %		-0.8%	-0.3%	-1.9%		-0.6%
Since Start of the Season						
Change ¢		+30	-111	-103		+48
Change %		+2.8%	-12.4%	-13.0%		+4.7%
Since Same Week Last Year						
Change ¢		-15	-148	-125		-8
Change %		-1.4%	-15.9%	-15.4%		-0.7%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 24 June 2016 (Week 52)

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 April ABS export data.

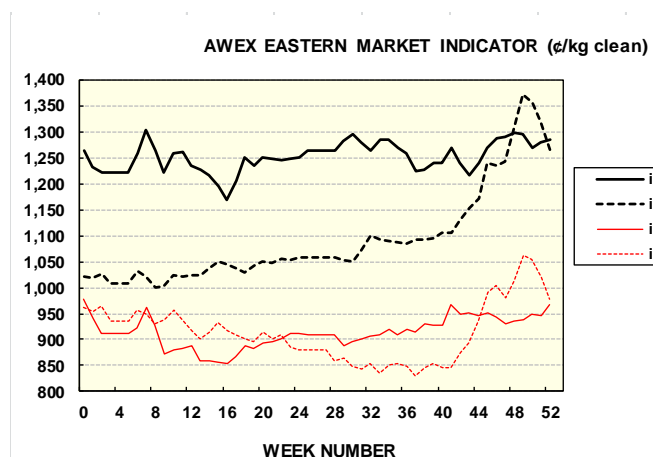
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	9,021	9,939	6.9%	1.8%	7.9%	9,249
South	17,130	12,169	6.3%	3.5%	9.3%	11,407
West	5,521					
Australia	31,672	22,108	6.6%	2.8%	8.6%	20,656

Actual and % Changes in the Progressive Offerings from Last Year	
-54,833	-9.7%
-101,984	-10.1%
-25,407	-6.6%
-182,224	-9.3%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 53	Week 01	Week 02	Differences
North	9,623	12,300	12,035	+3.5%
South	16,290	17,723	18,705	+41.6%
West	6,437	7,617	4,599	+8.5%
New Zealand				
Australia	32,350	37,640	35,339	-16.3%
Differences		-20.5%	-11.3%	

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	73.91	-0.02	+0.55	-0.71	+0.88	+0.72	+1.42 (+1.9%)	75.33	69.05	78.12
Euro	65.54	+0.16	-0.12	+0.38	+0.32	+0.11	+0.85 (+1.3%)	66.39	62.20	69.14

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change in Weight of Wool Exports July to April
	April 2016	July to April This Season	July to April Last Season	
China	79.3%	75.0%	76.2%	-10.1%
India	6.7%	7.4%	6.0%	+7.6%
Italy	2.2%	4.8%	4.4%	-0.5%
Czech Republic	4.4%	5.2%	4.7%	-0.2%
Malaysia	1.0%	1.6%	1.9%	-26.0%
Korea	2.4%	1.8%	2.2%	-25.0%
Taiwan	0.9%	0.8%	0.8%	-15.2%
Egypt	1.3%	1.2%	0.9%	+24.5%
Change all Countries				-8.6%



AVERAGE EMI	
This Year	1253
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES			
Region	This Year	Diff	
North	1278	+154	
South	1237	+150	
West	1306	+177	

THIS YEAR'S EMI	
This Week	1285
First Week	1231
Low (16/10)	1169
High (14/08)	1304

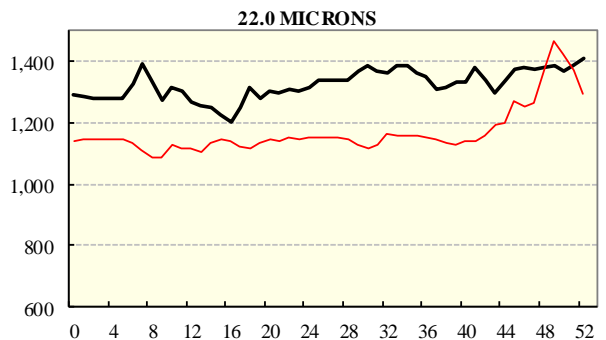
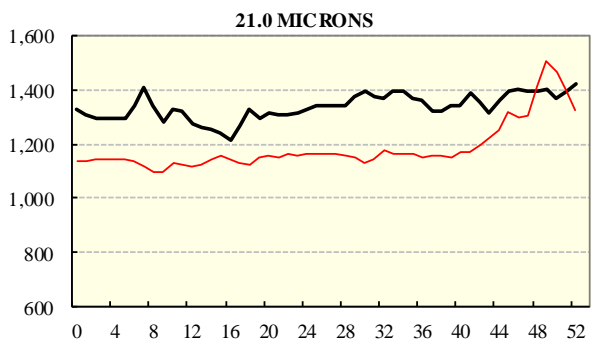
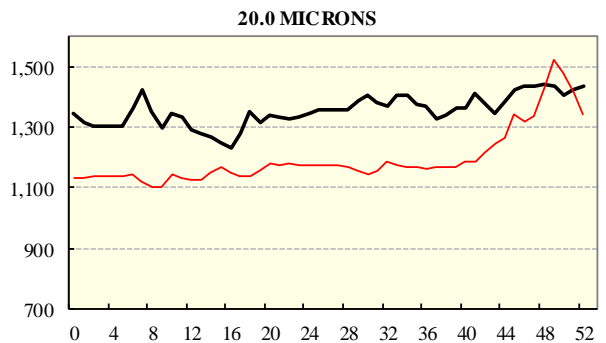
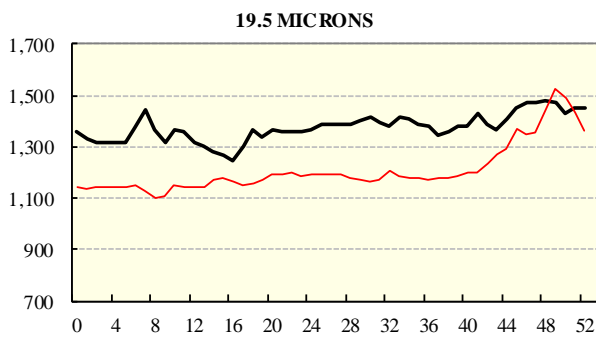
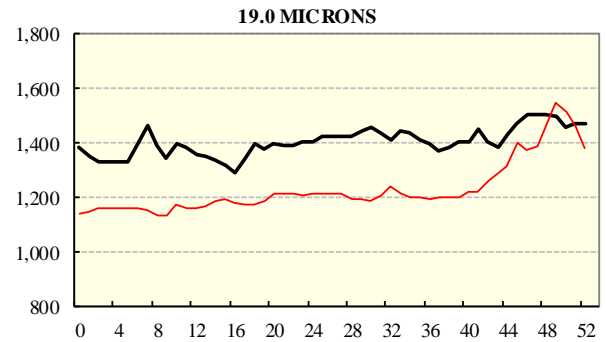
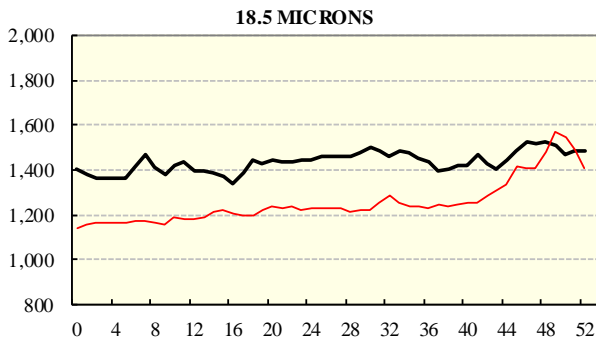
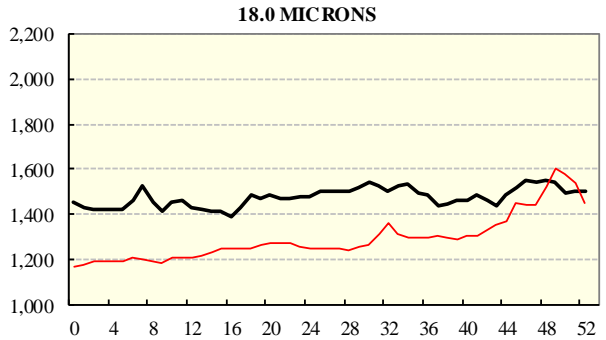
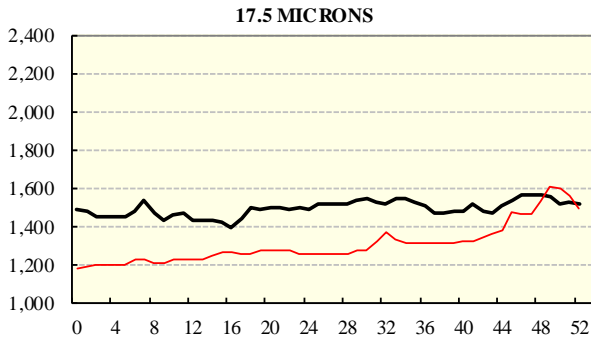
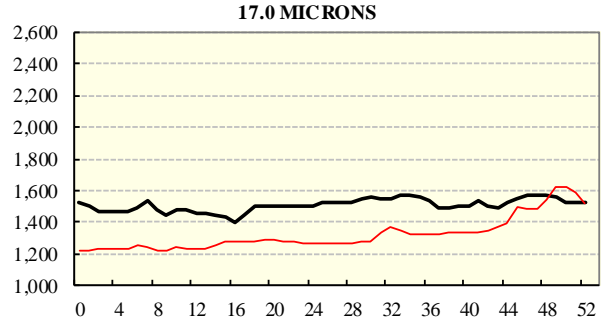
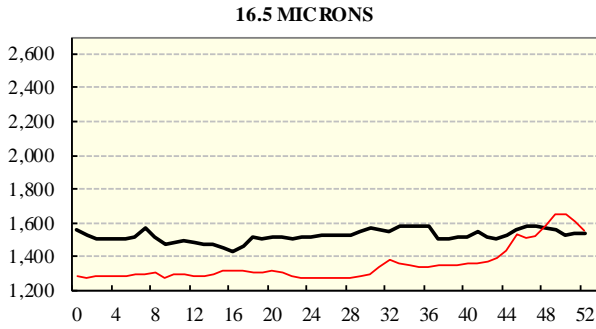
COMPARED WITH WKS 1/2			
Region	This Week	Diff	
North	1303	+57	
South	1272	+59	
West	1362		

BALES OFFERED	
This Year	1,772,549
Last Year	1,954,773
Difference	-182,224
% Diff	-9.3%
FIRST OFFERED BALES	
Difference	-9.0%
% of Offering	94.3%

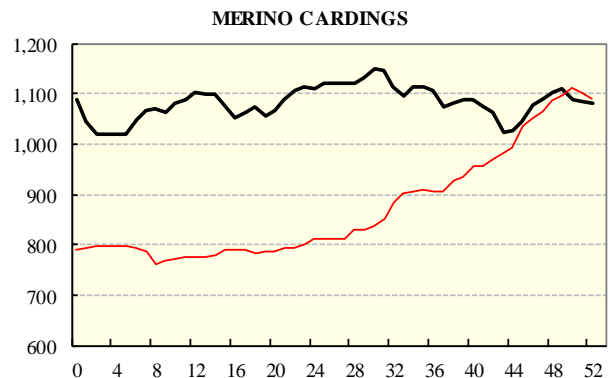
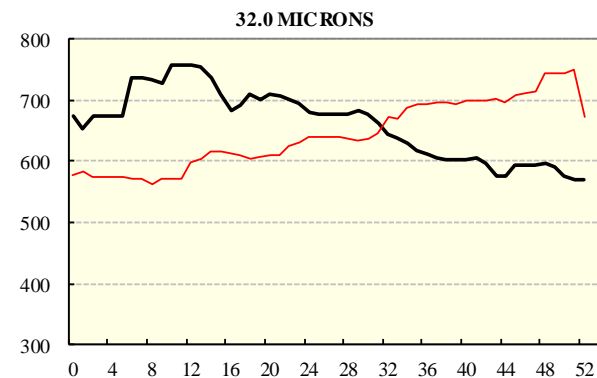
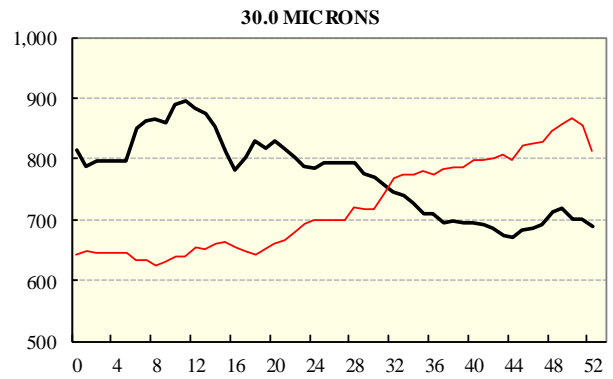
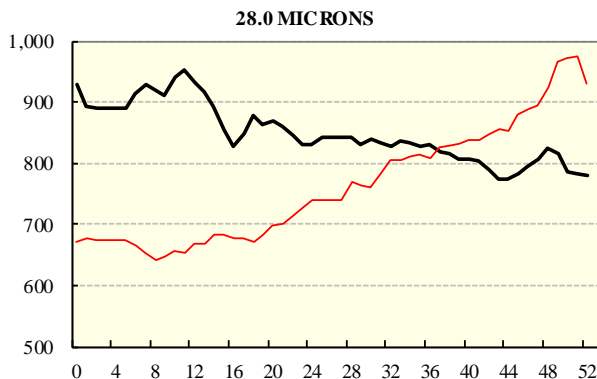
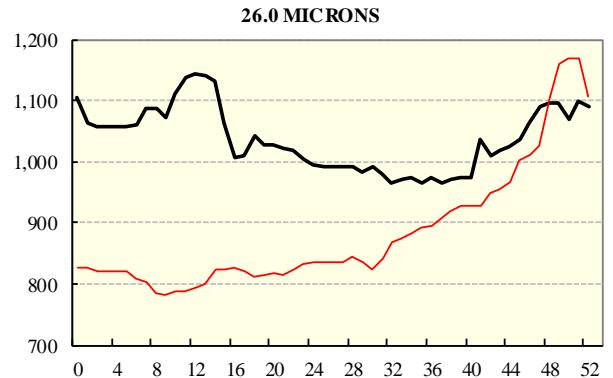
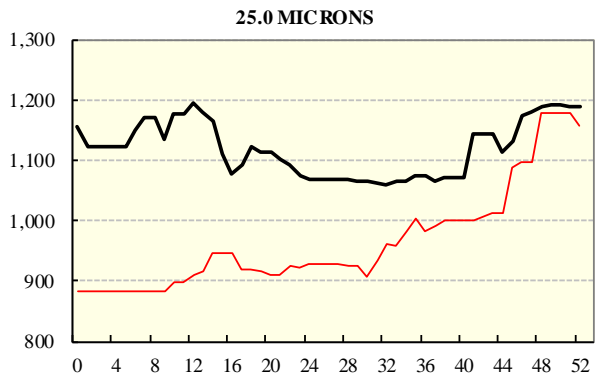
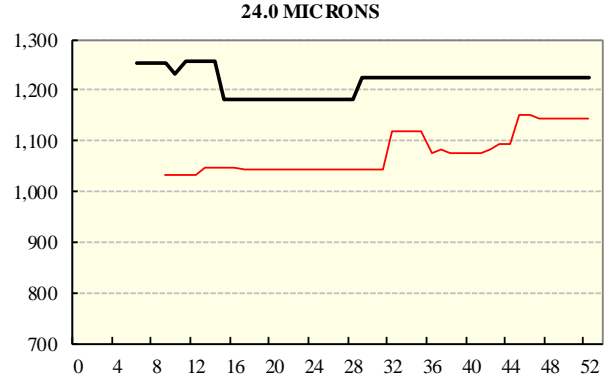
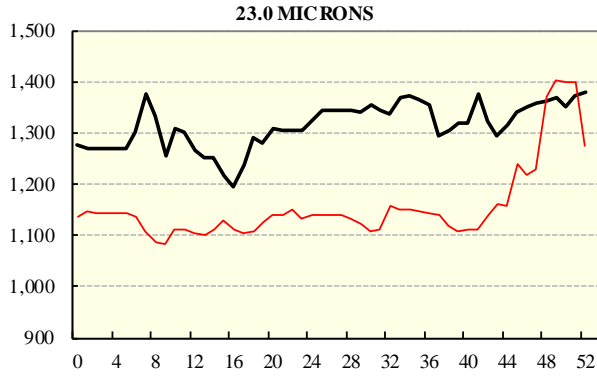
REGION BALES			
This Sale:			
North	9,939		
South	12,169		
West	0		
Progressive Totals:			
North	507,568	-9.7%	
South	904,821	-10.1%	
West	360,160	-6.6%	

AVERAGE AWEX MICRON PRICE GUIDES

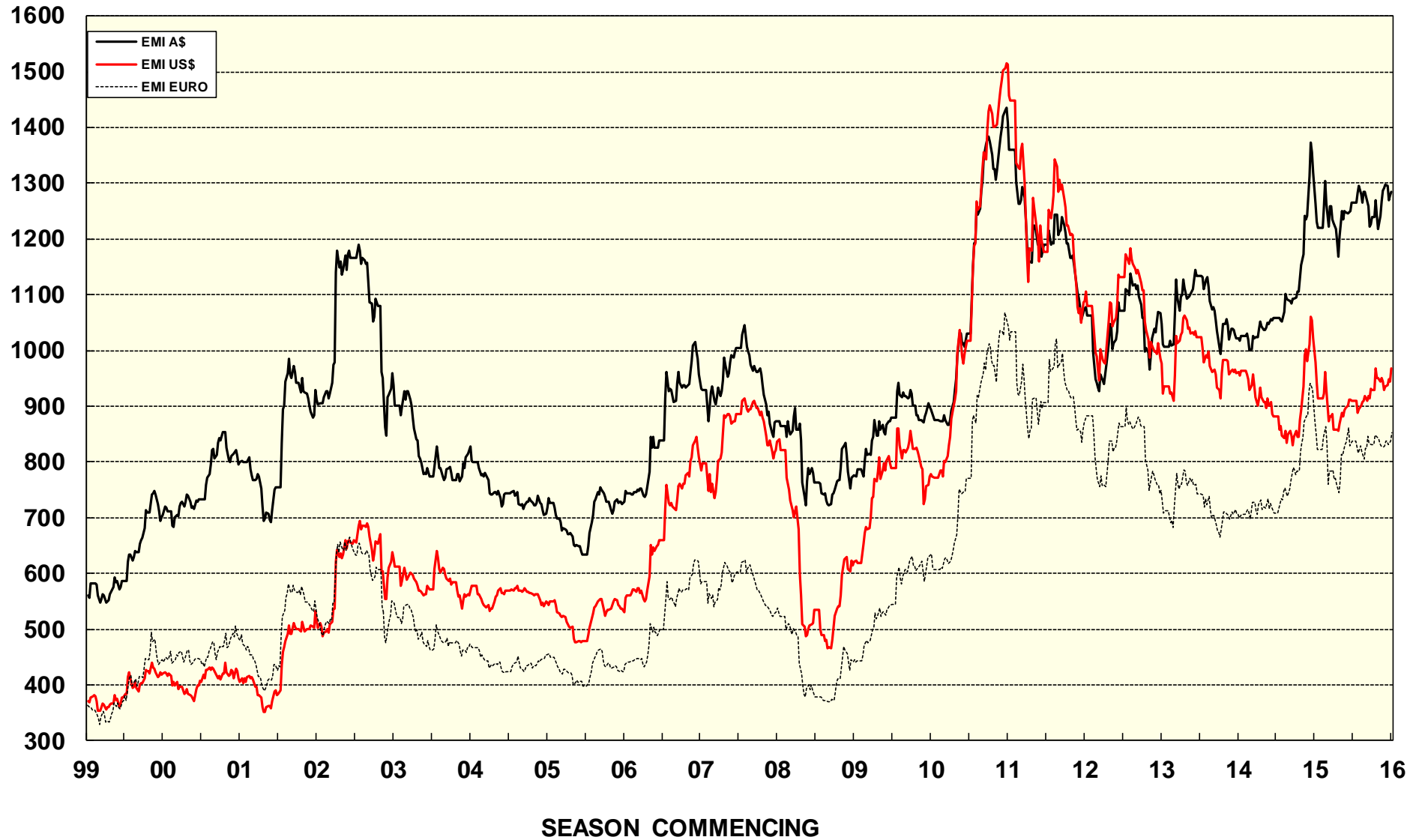
2015/16 (black graph line) and 2014/15 (red graph line)



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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For further information

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