

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 3 June 2016 (Week 49)

The AWEX EMI finished at 1296¢, 1¢ lower (-0.1%) in Australian currency and 2¢ higher (+0.2%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

32,043 bales were on offer nationally, compared with 29,403 bales last sale. 7.5% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 49)									
Centre	Last Sale		Day-to-Day Changes (Week 49)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	48	1297	No Sale	0	-1	-1 (-0.1%)	1296	+2	+1
Northern	48	1327	No Sale	-4	0	-4 (-0.3%)	1323	+1	-1
Southern	48	1278	No Sale	+3	-3	0 (0.0%)	1278	+3	+2
Western	47	1375	No Sale	-7	+2	-5 (-0.4%)	1370	0	-2

The market held on well during the week, to finish with the EMI virtually unchanged in both currencies. This is something that does not always happen in a small sale when buyers can have difficulty getting enough wool to complete orders.

It was a mixed start to the week with better demand for Merino types in the South than the North or the West on Wednesday. The North and the West steadied on Thursday, while the South eased slightly. The average AWEX Merino MPG's finished slightly up for 21 microns and broader; and slightly down for 20 microns and finer.

Average Crossbred AWEX MPG's were mixed again this week with slight falls or relatively small shifts except at 30 microns, where there was a lift of 1.1% for a small offering on top of a 2.7% rise last week. Merino Cardings continued their recent rises, adding 9¢ to the Merino Cardings Price Guide. It has risen by 84¢ over the last five sales.

All AWEX Indicators are well down on the same week last year, when the EMI peaked at 1373¢.

The US Exchange Rate fluctuated on Monday and Tuesday due to mixed Australian economic data, but was relatively unchanged by Thursday, when there was a small week-to-week gain of 0.25¢ (0.3%), that took the closing value to 72.39¢.

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

Looking ahead, small offerings are expected in the next three sales, with only the North and the South selling in Weeks 50 and 52.

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	140¢	167¢	183¢	188¢	191¢
South	124¢	146¢	162¢	165¢	168¢

Market Indicator	Changes From			
	Four Sales Ago Week 45	Start of the Season	Week 49 Last Year	Season Average to Week 49 Last Year
Eastern Market Indicator	+28 (+2.2%)	+70 (+5.7%)	-77 (-5.6%)	+166 (+15.3%)
Western Market Indicator	+9 (+0.7%)	+117 (+9.3%)	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 ¢		-7	-7	-7	-13	-10	-8	-5	+2	+7	+7	
Change %		-0.4%	-0.4%	-0.5%	-0.9%	-0.7%	-0.5%	-0.3%	+0.1%	+0.5%	+0.5%	
Since Start of the Season												
Change ¢	+46	+77	+92	+115	+137	+156	+146	+124	+99	+102	+99	
Change %	+3.0%	+5.2%	+6.3%	+8.1%	+10.0%	+11.7%	+11.0%	+9.5%	+7.6%	+8.0%	+7.8%	
Since Same Week Last Year												
Change ¢	-85	-60	-47	-58	-59	-52	-55	-86	-103	-83	-32	
Change %	-5.2%	-3.7%	-2.9%	-3.6%	-3.8%	-3.4%	-3.6%	-5.7%	-6.8%	-5.7%	-2.3%	

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	-1	-8	+8	-4	+9
Change %	+0.2%	-0.1%	-1.0%	+1.1%	-0.7%	+0.8%
Since Start of the Season						
Change ¢	+69	+35	-77	-71	-72	+78
Change %	+6.1%	+3.3%	-8.6%	-9.0%	-10.8%	+7.6%
Since Same Week Last Year						
Change ¢		-64	-150	-137	-152	+12
Change %		-5.5%	-15.5%	-16.0%	-20.4%	+1.1%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW

Week Ending 3 June 2016 (Week 49)

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 March ABS export data.

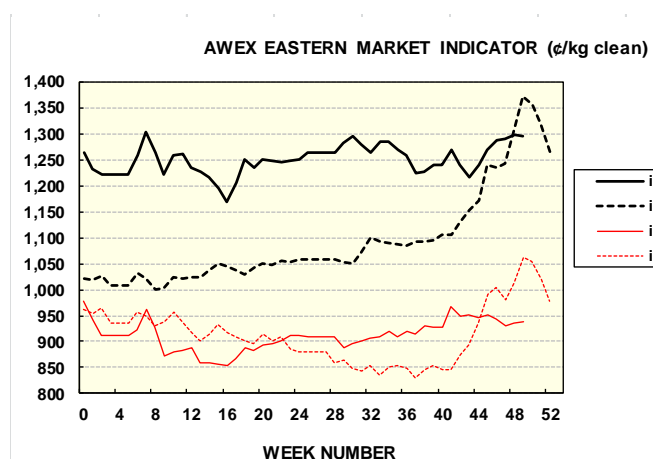
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	11,405	8,354	6.8%	1.0%	4.7%	7,788
South	17,998	14,723	6.1%	1.5%	8.7%	13,827
West		8,966	10.6%	2.4%	9.3%	8,012
Australia	29,403	32,043	7.5%	1.6%	7.9%	29,627

Actual and % Changes in the Progressive Offerings from Last Year	
-50,036	-9.5%
-96,932	-10.1%
-12,652	-3.4%
-159,620	-8.6%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 50	Week 51	Week 52	Differences
North	12,454	10,250	10,660	-7.0%
South	16,041	19,105	15,013	+1.4%
West	No Sale	6,870	No Sale	-62.4%
New Zealand				
Australia	28,495	36,225	25,673	-12.8%
Differences	-18.4%	+53.4%	-43.0%	

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	72.14	+0.13	-0.67	+0.82	+0.28	-0.31	+0.25 (+0.3%)	72.39	69.05	78.12
Euro	64.50	+0.08	-0.10	+0.58	+0.29	-0.72	+0.13 (+0.2%)	64.63	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 March 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	1252
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1277	153
South	1235	148
West	1305	176

THIS YEAR'S EMI	
This Week	1296
First Week	1231
Low (13/03/0)	1169
High (13/03/0)	1304

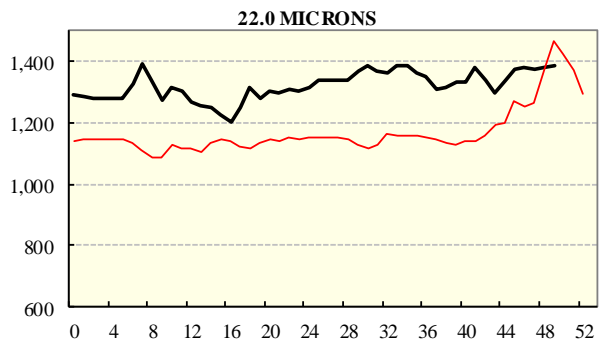
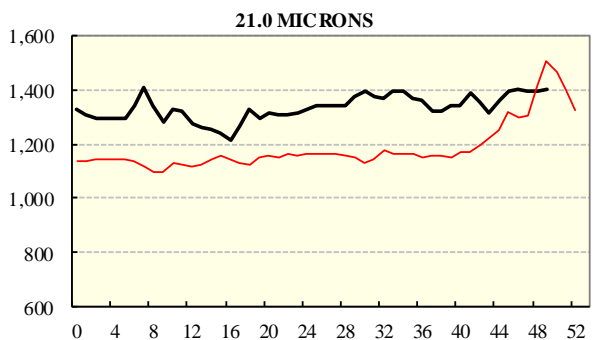
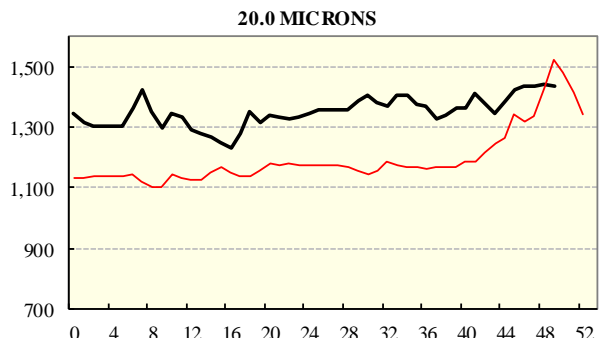
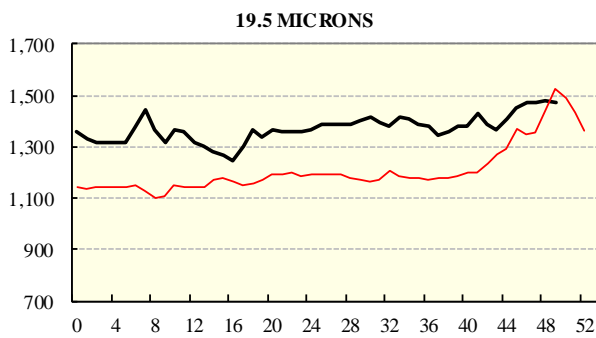
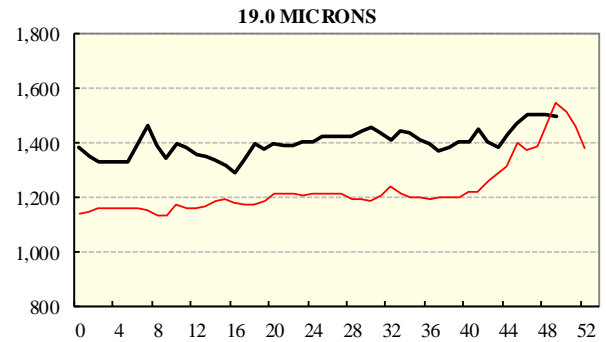
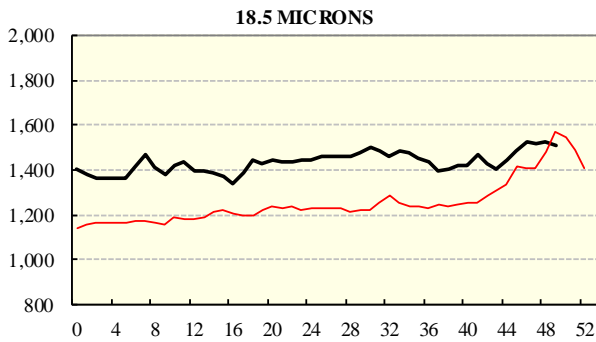
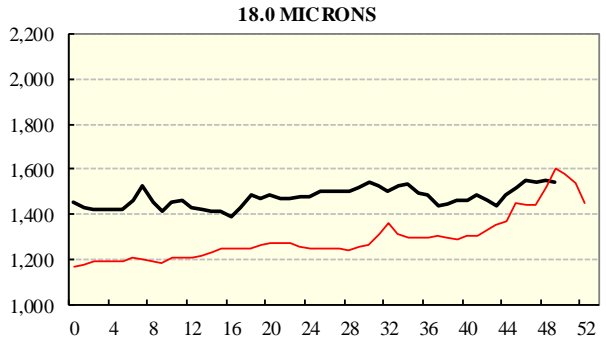
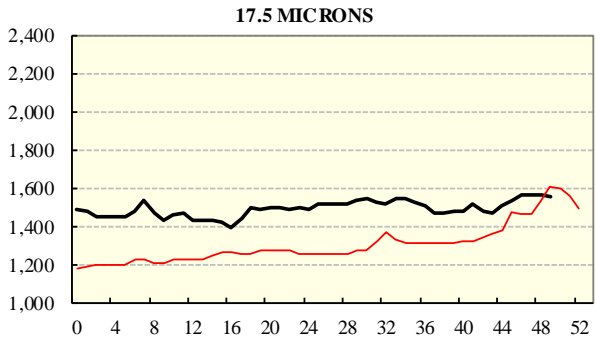
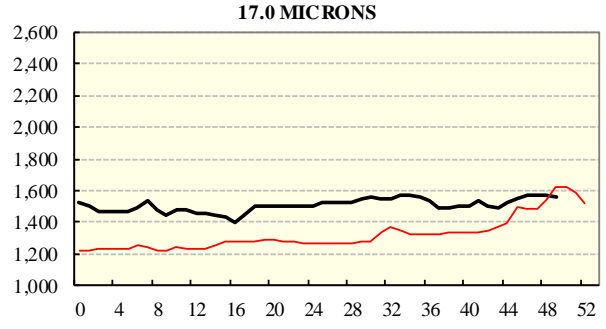
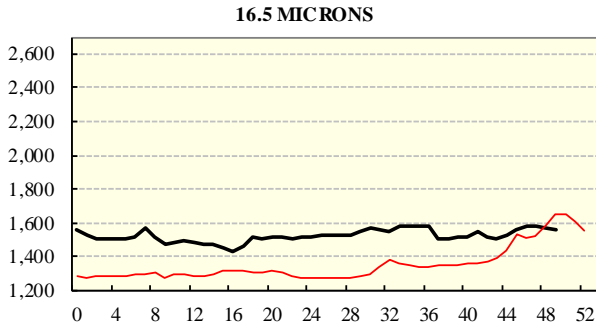
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1323	73
South	1278	59
West (Wk)	1370	119

BALES OFFERED	
This Year	1,691,538
Last Year	1,851,158
Difference	-159,620
% Diff	-8.6%
FIRST OFFERED BALES	
Difference	-8.0%
% of Offering	94.4%

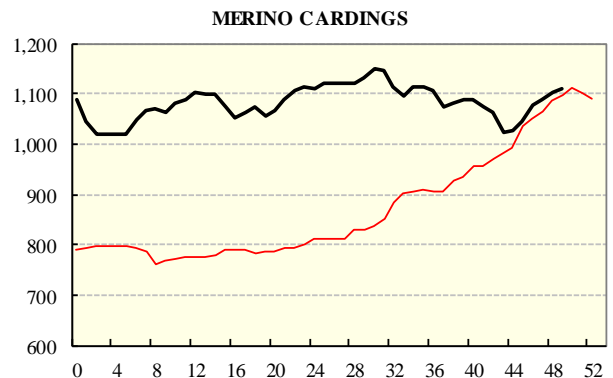
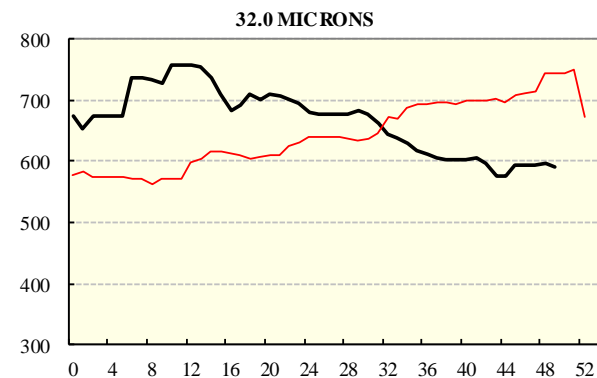
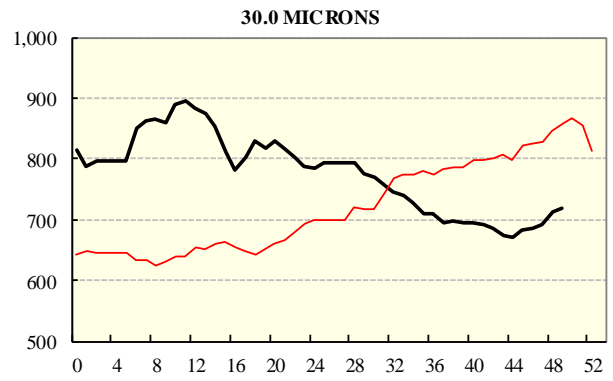
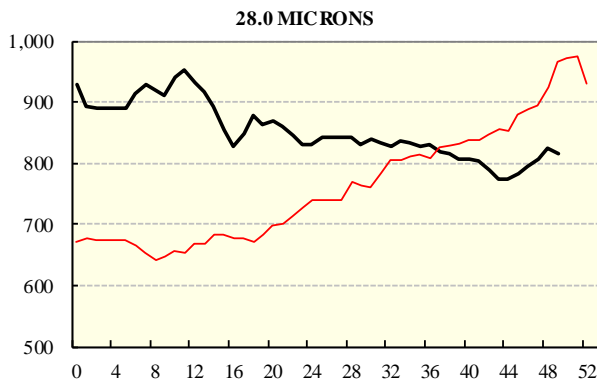
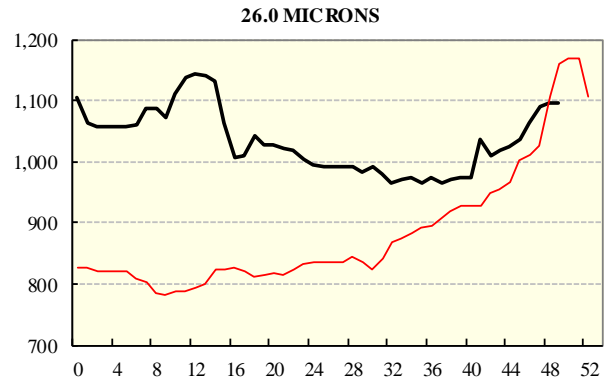
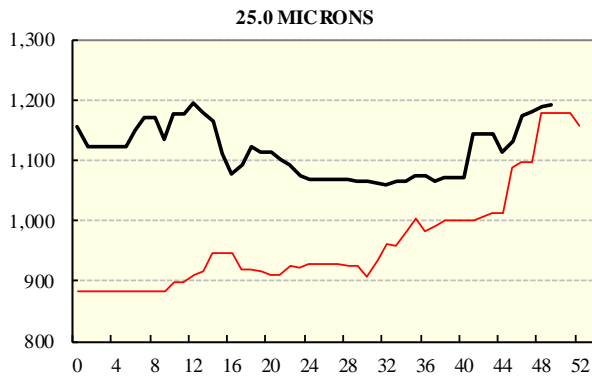
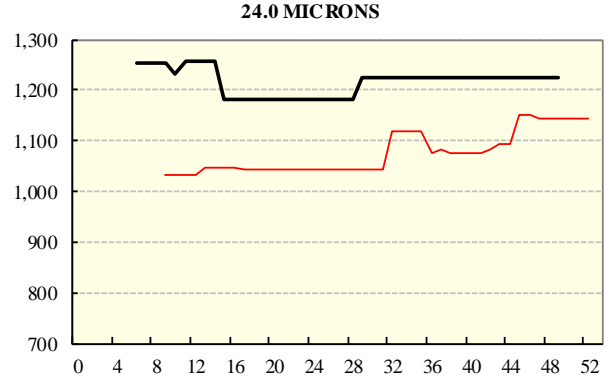
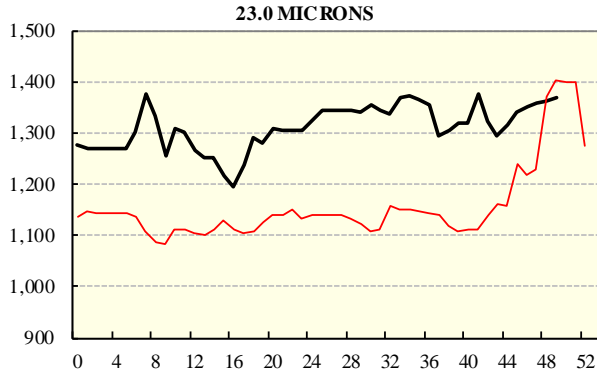
REGION BALES		
This Sale:		
North	8,354	
South	14,723	
West	8,966	
Progressive Totals:		
North	476,474	-9.5%
South	860,425	-10.1%
West	354,639	-3.4%

AVERAGE AWEX MICRON PRICE GUIDES

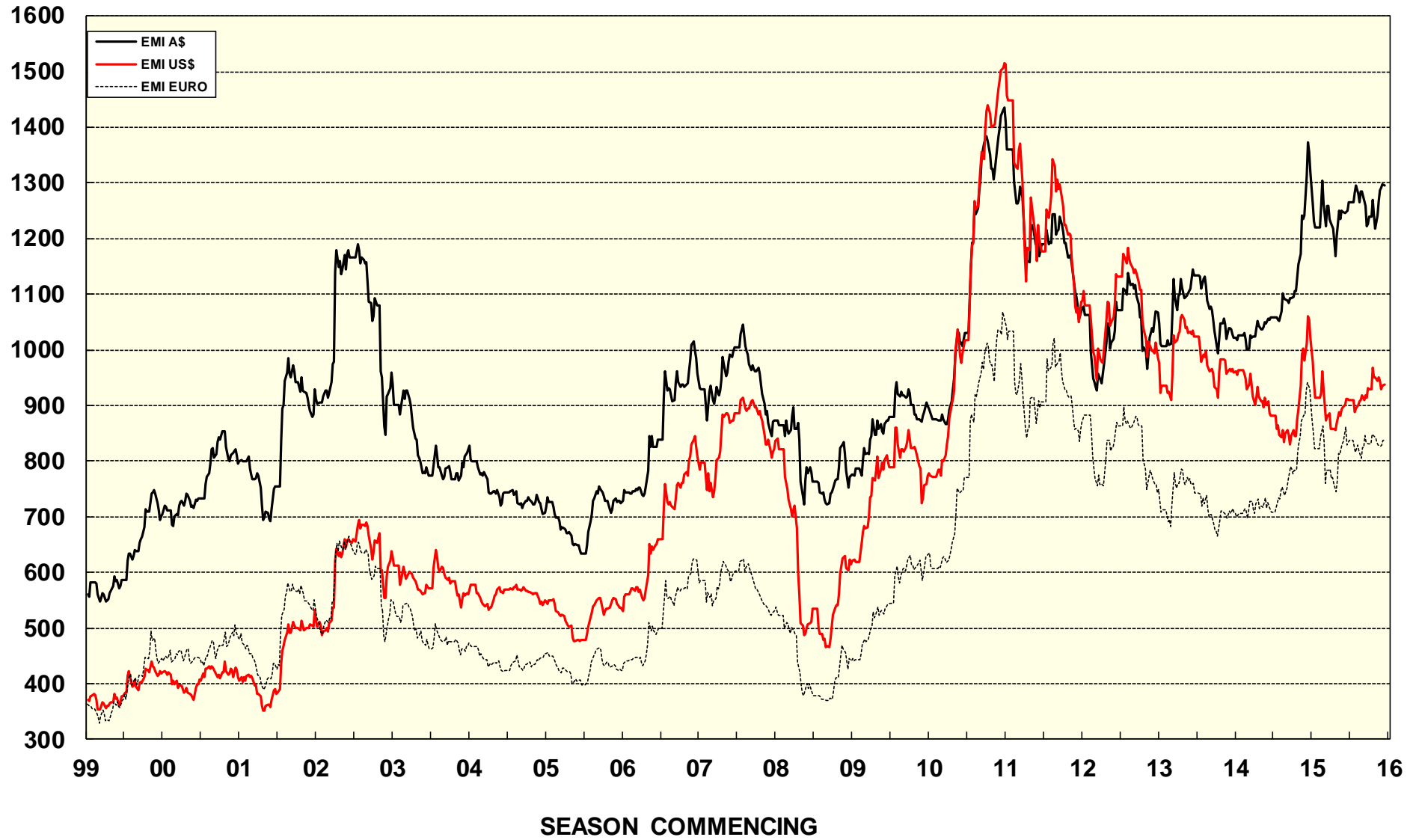
2015/16 (black graph line) and 2014/15 (red graph line)



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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