

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 6 May 2016 (Week 45)

The AWEX EMI finished 27¢ higher (+2.2%) in Australian currency and 6¢ higher (+0.6%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

35,914 bales were on offer nationally, compared with 34,397 bales last sale. 5.0% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 45)									
Centre	Last Sale		Day-to-Day Changes (Week 45)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	44	1241	No Sale	+19	+8	27 (2.2%)	1268	+6	-6
Northern	44	1262	No Sale	+25	+10	35 (2.8%)	1297	+12	-1
Southern	44	1228	No Sale	+15	+7	22 (1.8%)	1250	+3	-9
Western	44	1325	No Sale	+28	+8	36 (2.7%)	1361	+12	-2

The level of the market was again influenced by changes in the US Exchange Rate, which has risen by 2.0%, fallen by 2.5% and fallen by 1.5% over the previous two sales and the current sale. The closing EMI of 1268¢ has risen by 51¢ over the last two sales.

The market started strongly with good demand and a weaker Australian currency. Merino fleece was in good demand, as were Merino skirtings. Merino average AWEX MPGs rose by around 2.5% except below 18 microns and at 23 microns.

Crossbred prices were also up, but by lesser amounts than for Merino types, except at 32 microns. It was also a good week for oddments, which rose on both days. The average AWEX Merino Cardings Price Guide was up by 19¢ to close at 1046¢

The US exchange rate finished 1.15¢ (-1.5%) lower to close at 75.00¢ on Thursday. The fall was mostly associated with the Reserve Bank's decision to lower the official interest rate by 0.25% to 1.75% on Tuesday. It fell by a further cent on Friday, taking the total fall to 3.7¢ over the last three weeks.

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

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	126¢	147¢	167¢	181¢	191¢
South	117¢	152¢	178¢	180¢	182¢

Market Indicator	Changes From			
	Four Sales Ago Week 41	Start of the Season	Week 45 Last Year	Season Average to Week 45 Last Year
Eastern Market Indicator	-2 (-0.2%)	+42 (+3.4%)	+27 (+2.2%)	+182 (+17.1%)
Western Market Indicator	+5 (+0.4%)	+108 (+8.6%)	+74 (+5.7%)	+196 (+17.8%)

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
Since Last Sale												
Change ¢		+27	+33	+35	+41	+39	+42	+36	+33	+36	+22	
Change %		+1.8%	+2.2%	+2.4%	+2.8%	+2.7%	+3.0%	+2.6%	+2.4%	+2.7%	+1.7%	
Since Start of the Season												
Change ¢	+37	+65	+76	+92	+116	+130	+129	+113	+91	+92	+69	
Change %	+2.4%	+4.4%	+5.2%	+6.4%	+8.4%	+9.7%	+9.7%	+8.6%	+7.0%	+7.2%	+5.4%	
Since Same Week Last Year												
Change ¢	+28	+54	+65	+66	+69	+72	+82	+84	+75	+105	+100	
Change %	+1.8%	+3.6%	+4.4%	+4.5%	+4.9%	+5.2%	+6.0%	+6.3%	+5.7%	+8.3%	+8.1%	

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 ¢	+17	+12	+9	+11	+18	+19
Change %	+1.5%	+1.2%	+1.2%	+1.6%	+3.1%	+1.9%
Since Start of the Season						
Change ¢	+7	-24	-110	-109	-70	+13
Change %	+0.6%	-2.3%	-12.3%	-13.8%	-10.5%	+1.3%
Since Same Week Last Year						
Change ¢	+43	+34	-97	-139	-115	+11
Change %	+4.0%	+3.4%	-11.0%	-16.9%	-16.2%	+1.1%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW

Week Ending 6 May 2016 (Week 45)

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.

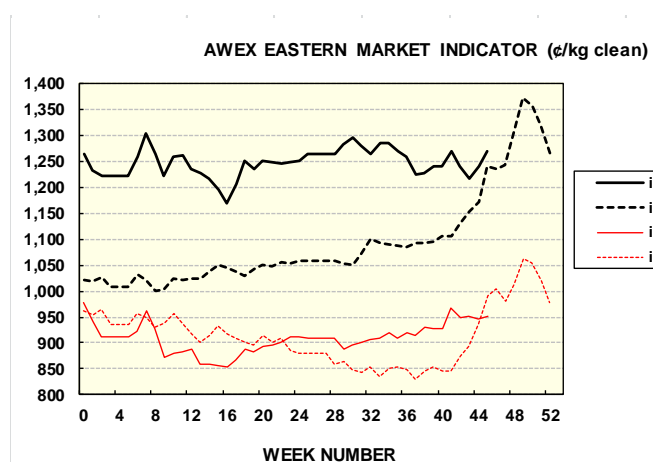
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	8,965	10,164	3.6%	2.7%	7.7%	9,803
South	18,382	19,083	5.8%	2.6%	9.7%	17,972
West	7,050	6,667	4.8%	1.8%	16.5%	6,350
Australia	34,397	35,914	5.0%	2.5%	10.4%	34,125

Actual and % Changes in the Progressive Offerings from Last Year	
-40,837	-8.6%
-93,661	-10.6%
-15,744	-4.6%
-150,242	-8.8%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 46	Week 47	Week 48	Differences
North	9,558	9,870	10,500	-21.1%
South	20,320	20,400	19,600	-3.3%
West	5,864	6,000	No Sale	-51.1%
New Zealand				
Australia	35,742	36,270	30,100	-18.0%
Differences	-18.2%	-16.0%	-20.2%	

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	76.15	+0.40	-0.48	-0.36	-0.70	-0.01	-1.15 (-1.5%)	75	69.05	78.12
Euro	67.18	+0.03	-0.88	-0.75	-0.27	-0.04	-1.91 (-2.8%)	65.27	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	148
South	1,231	144
West	1,299	170

THIS YEAR'S EMI	
This Week	1268
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

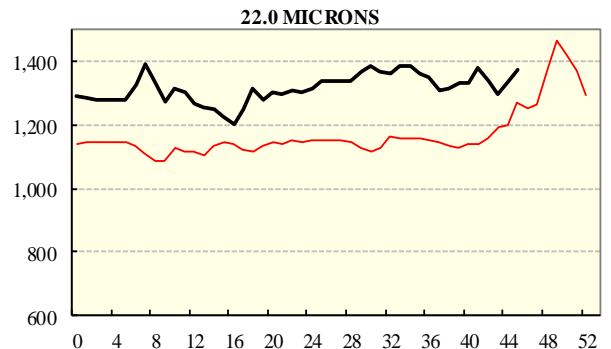
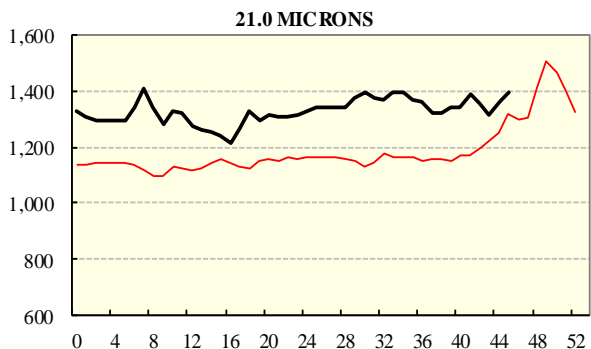
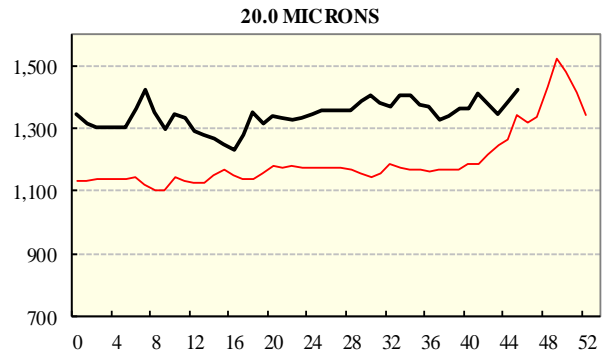
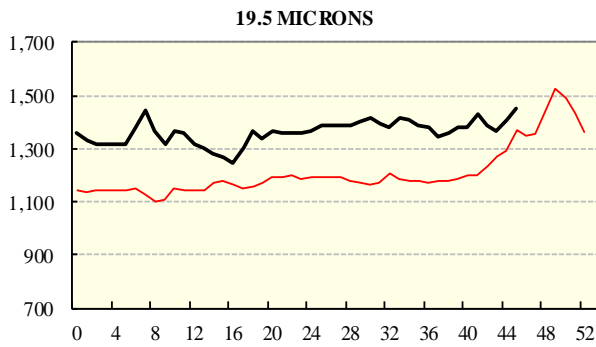
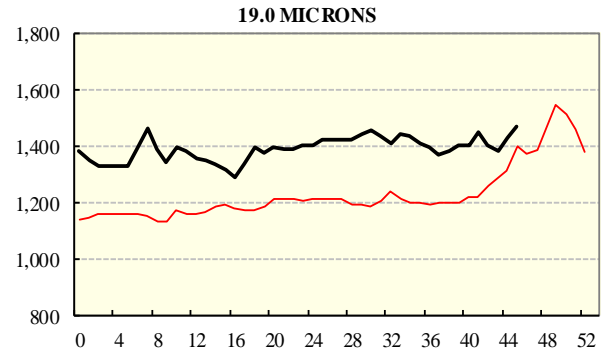
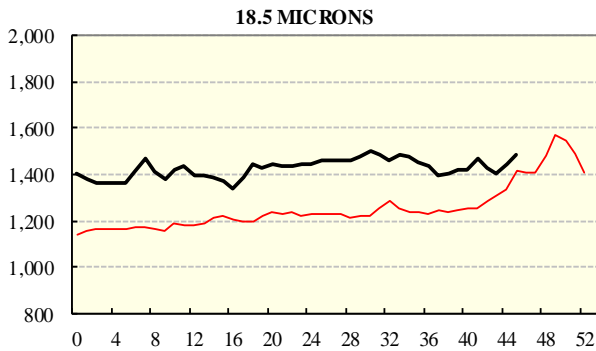
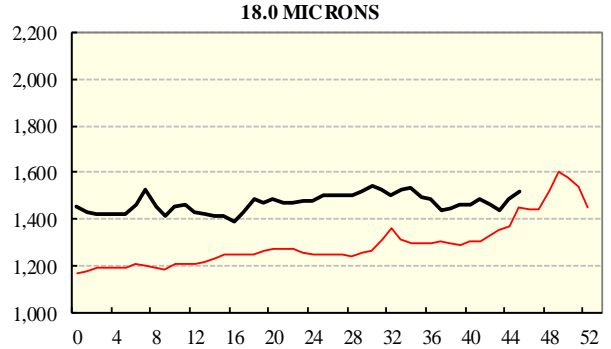
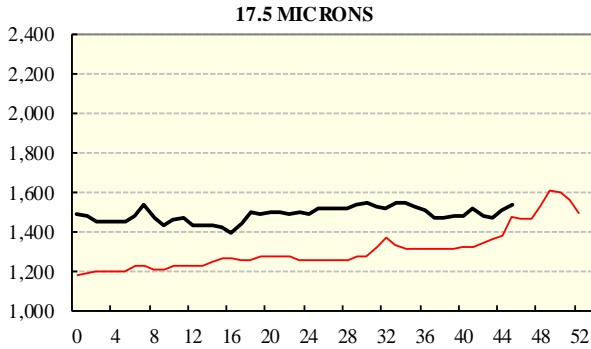
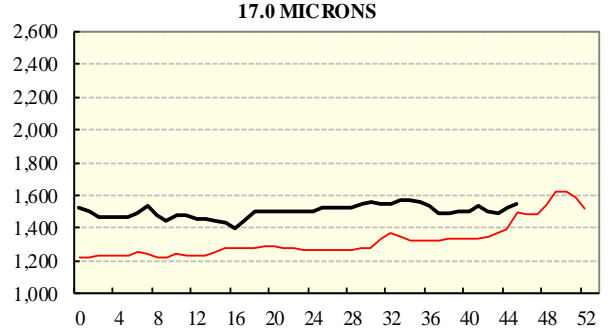
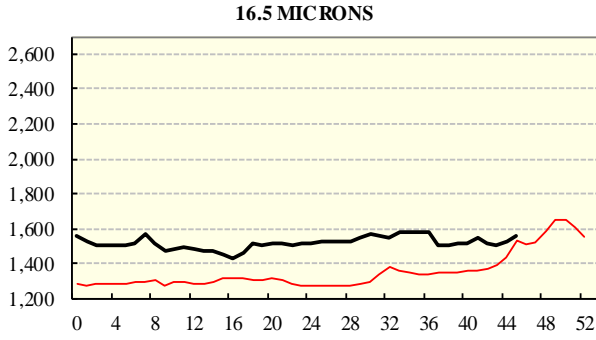
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1297	47
South	1250	31
West (Wk)	1361	110

BALES OFFERED	
This Year	1,550,708
Last Year	1,700,950
Difference	-150,242
% Diff	-8.8%
FIRST OFFERED BALES	
Difference	-7.7%
% of Offering	94.6%

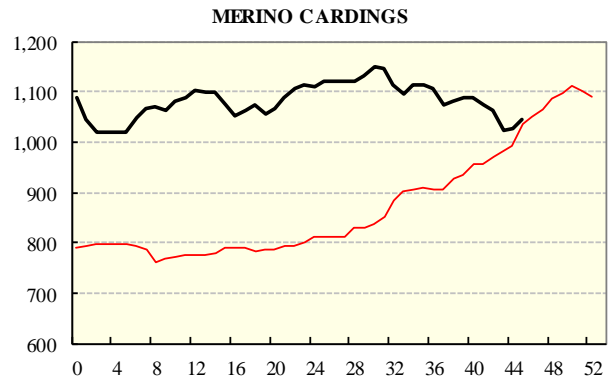
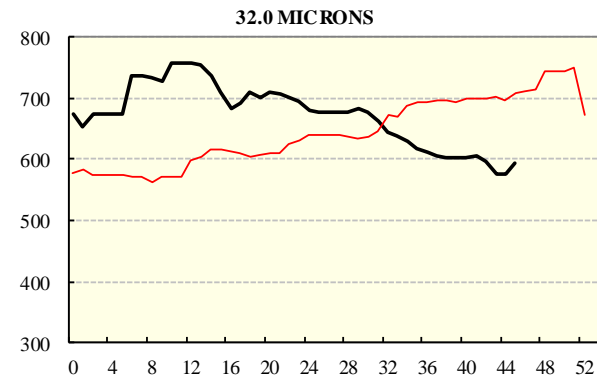
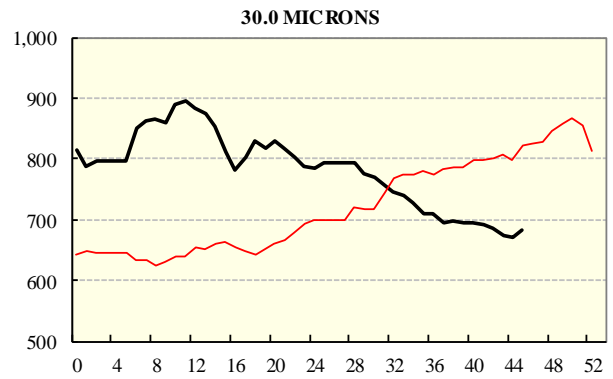
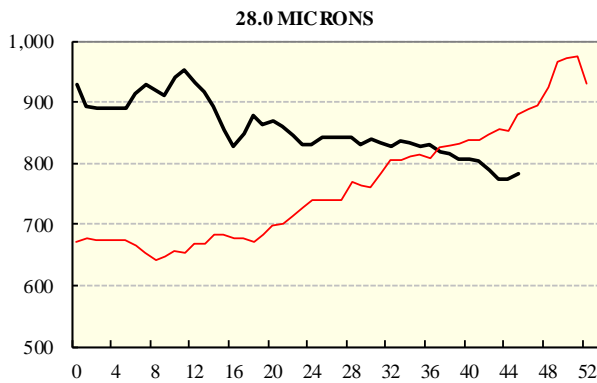
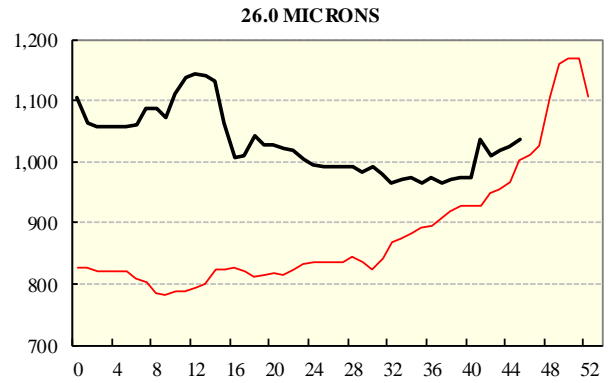
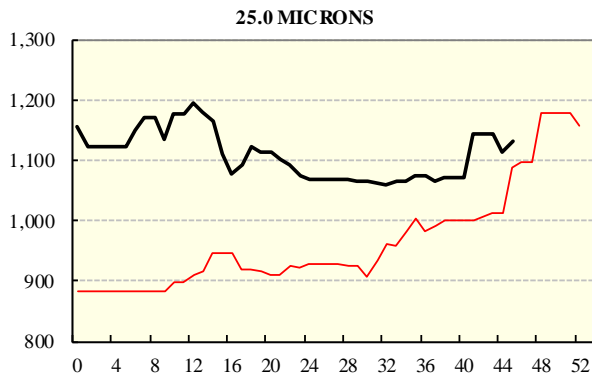
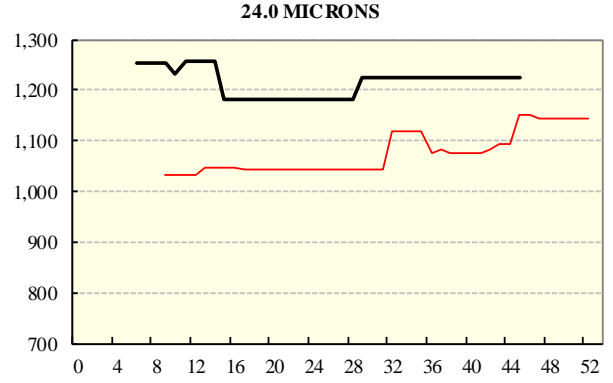
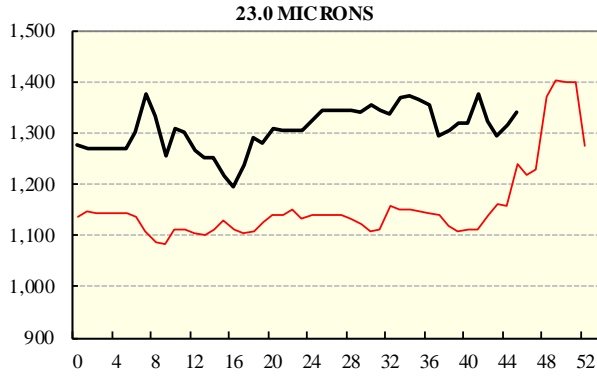
REGION BALES		
This Sale:		
North	63	
South	10,164	
West	19,083	
Progressive Totals:		
North	435,867	-8.6%
South	787,550	-10.6%
West	327,291	-4.6%

AVERAGE AWEX MICRON PRICE GUIDES

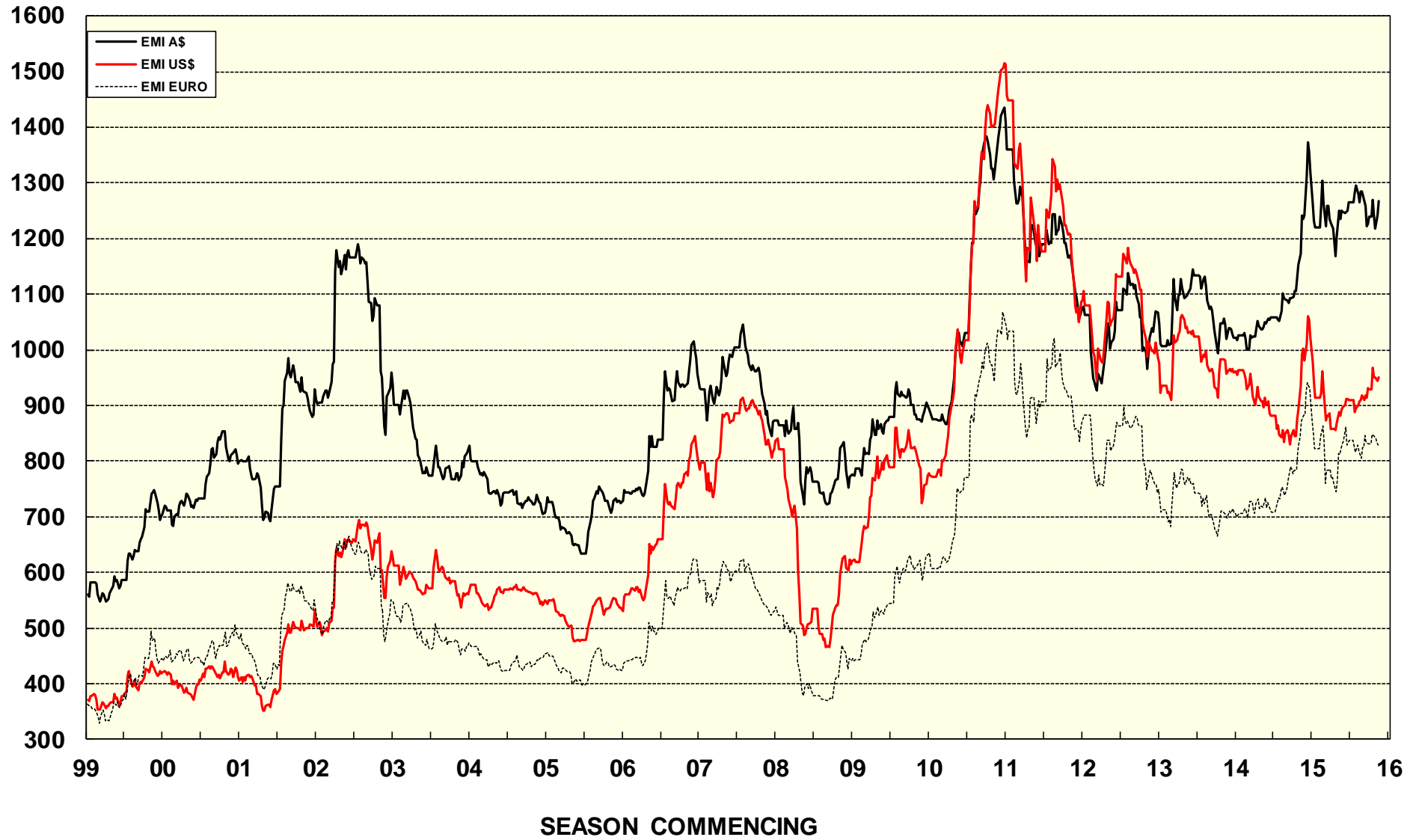
2015/16(black graph line) and 2014/15 (red graph line)



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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