

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 8 April 2016 (Week 41)

The AWEX EMI finished 31¢ higher (+2.5%) in Australian currency and 40¢ higher (+4.3%) in US currency at sales in Sydney, Melbourne and Fremantle this week. The Sydney sale was held at the Four Seasons Hotel in Sydney in conjunction with the 2016 IWTO Congress.

48,878 bales were on offer nationally, compared with 43,508 bales last sale. 5.6% of the offering was passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 41)									
Centre	Last Sale		Day-to-Day Changes (Week 41)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	39	1239	+10	+26	-5	31 (2.5%)	1270	+40	+17
Northern	39	1261	+25	+12	No Sale	37 (2.9%)	1298	+44	+21
Southern	39	1224	No Sale	+36	-8	28 (2.3%)	1252	+37	+15
Western	39	1309	No Sale	+53	-6	47 (3.6%)	1356	+52	+27

It was a very good market, that followed on from the strong close at the sale immediately prior to Easter. The closing EMI was one of the highest for the season, while its level of 968¢ in US currency was the highest for the season.

The sale started very strongly in Sydney on Tuesday with good gains across all types and micron ranges, particularly among the medium and broad Merinos and at 26 microns. Wednesday was more of the same, with further gains in the North and the Southern and Western markets "catching-up" to the North. Thursday's sale resulted in an easing in nearly all AWEX Micron Price Guides. However, about half of this was associated with rise of 0.77¢ in the US exchange rate.

The overall gains in the average AWEX MPGs ranged from 1.7% at 17.0 microns up to 3.7% at 20 microns and 4.2% at 23 microns. The fine crossbreds were in strong demand with the average MPG for 26 microns up by 6.6%. The broader crossbreds were either slightly up or slightly down. Merino skirtings were up on the first two days, before easing on Thursday. Oddments also moved down on Thursday after firming earlier in the week.

The US exchange rate finished 1.29¢ (1.7%) higher to close at 76.21¢ on Thursday. Much of the increase was due to a rise of 1.59¢ the previous Friday that financial analysts attributed more to a weakening of the US currency.

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

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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	85¢	111¢	136¢	144¢	156¢

Market Indicator	Changes From			
	Four Sales Ago Week 36	Start of the Season	Week 41 Last Year	Season Average to Week 41 Last Year
Eastern Market Indicator	+12 (+1.0%)	+44 (+3.6%)	No Sale	+196 (+18.6%)
Western Market Indicator	+41 (+3.1%)	+103 (+8.2%)	No Sale	+207 (+19.0%)

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 ¢		+26	+36	+29	+48	+51	+47	+50	+47	+46	+56	
Change %		+1.7%	+2.4%	+2.0%	+3.4%	+3.6%	+3.4%	+3.7%	+3.5%	+3.5%	+4.2%	
Since Start of the Season												
Change ¢		+25	+48	+55	+63	+95	+112	+107	+100	+90	+95	+105
Change %		+1.6%	+3.2%	+3.8%	+4.4%	+6.9%	+8.4%	+8.1%	+7.6%	+6.9%	+7.4%	+8.3%
Since Same Week Last Year												
Change ¢		+168	+176	+168	+168	+175	+200	+201	+192	+193	+201	+210
Change %		+12.4%	+13.2%	+12.8%	+13.0%	+14.1%	+16.7%	+17.0%	+16.4%	+16.8%	+17.8%	+18.9%

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 ¢		+64	-4	-5	+3		-14
Change %		+6.6%	-0.5%	-0.7%	+0.5%		-1.3%
Since Start of the Season							
Change ¢		+19	-23	-88	-100	-58	+43
Change %		+1.7%	-2.2%	-9.9%	-12.6%	-8.7%	+4.2%
Since Same Week Last Year							
Change ¢		+46	-25	-89	-90		+154
Change %		+5.0%	-3.0%	-11.3%	-13.0%		+16.5%

Average Merino Cardings Price Guide

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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.

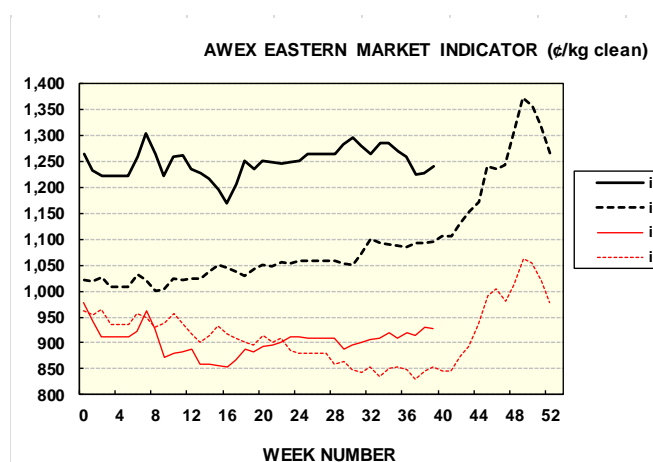
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	13,368	15,420	3.9%	1.6%	4.8%	14,819
South	20,526	21,163	6.6%	1.6%	6.6%	19,768
West	9,614	12,295	6.1%	4.9%	4.8%	11,541
Australia	43,508	48,878	5.6%	2.5%	5.6%	46,128

Actual and % Changes in the Progressive Offerings from Last Year	
-32,850	-7.7%
-76,568	-9.8%
-7,375	-2.4%
-116,793	-7.7%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 42	Week 43	Week 44	Differences
North	11,165	10,740	10,100	-18.0%
South	21,611	18,555	21,800	-17.0%
West	10,291	8,400	8,100	-14.2%
New Zealand				
Australia	43,067	37,695	40,000	-16.7%
Differences	-20.6%	-18.7%	-9.7%	

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	74.92	+1.59	-0.13	-0.36	-0.44	+0.63	+1.29 (+1.7%)	76.21	69.05	76.49
Euro	67.06	+0.20	-0.20	-0.29	-0.29	+0.28	-0.30 (-0.4%)	66.76	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 - 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	1248
Last Year	1102
2013/14	1070
2012/13	1035
2011/12	1198

SEASON AVERAGES		
Region	This Year	Diff
North	1,273	149
South	1,232	145
West	1,296	168

THIS YEAR'S EMI	
This Week	1270
First Week	1231
Low (14/03/0)	1,169
High (27/07/0)	1304

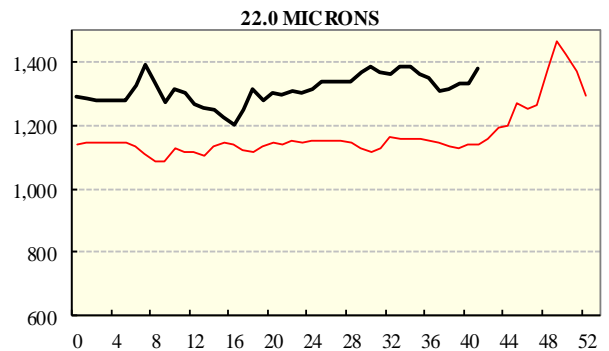
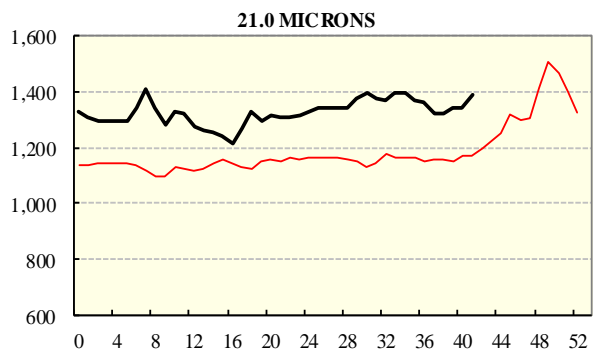
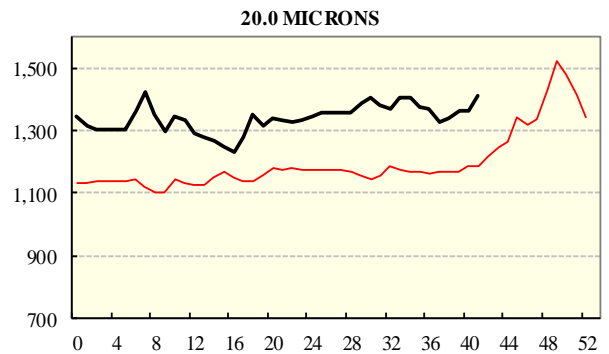
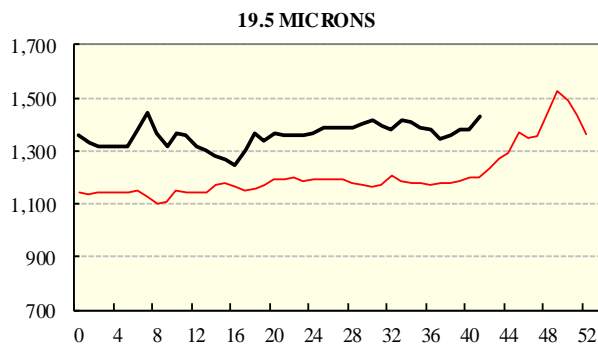
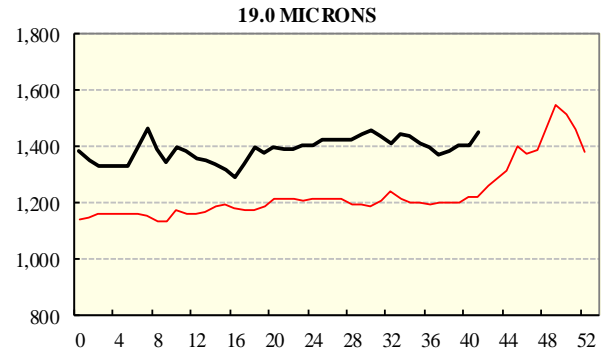
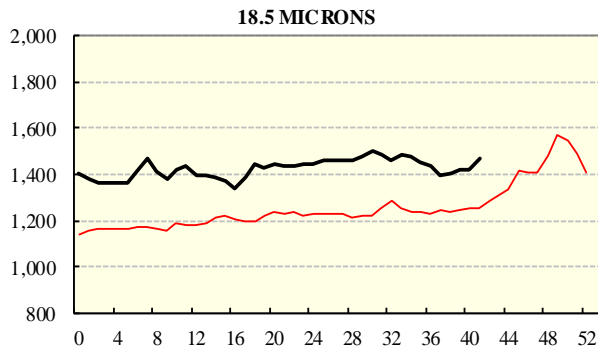
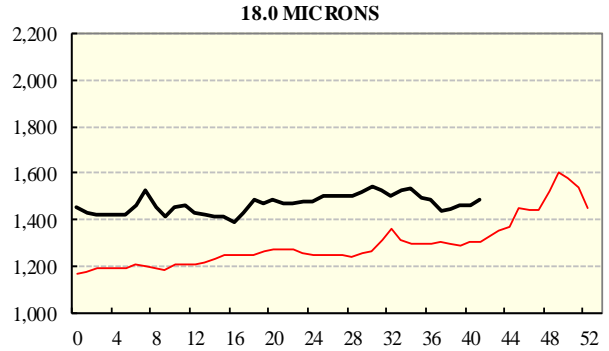
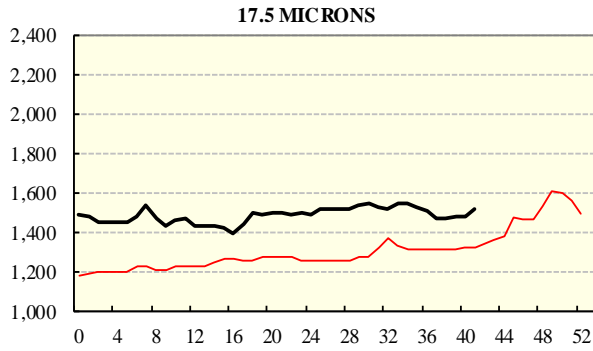
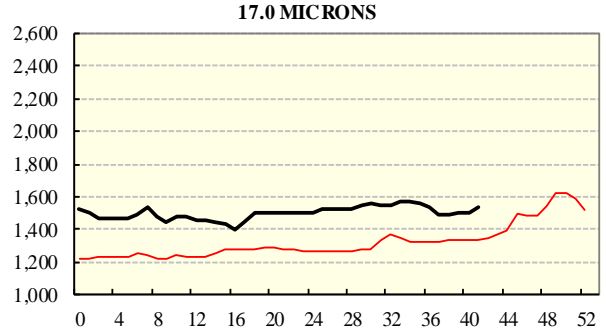
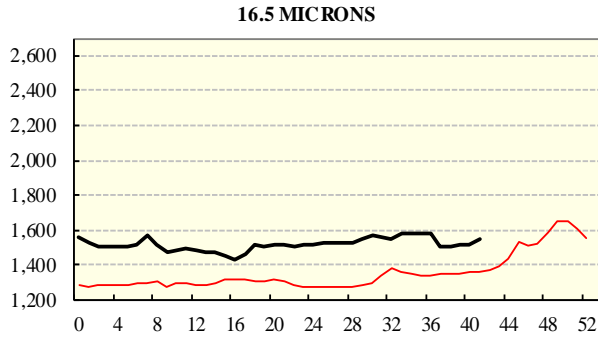
COMPARED WITH WEEK 1		
Region	This Week	Diff
North	1298	48
South	1252	33
West (Wk)	1356	105

BALES OFFERED	
This Year	1,395,272
Last Year	1,512,065
Difference	-116,793
% Diff	-7.7%
FIRST OFFERED BALES	
Difference	-6.2%
% of Offering	94.9%

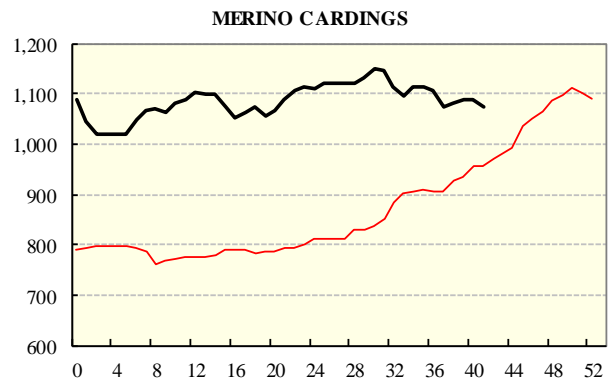
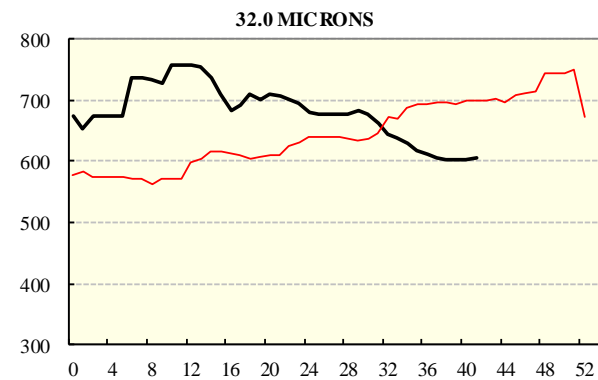
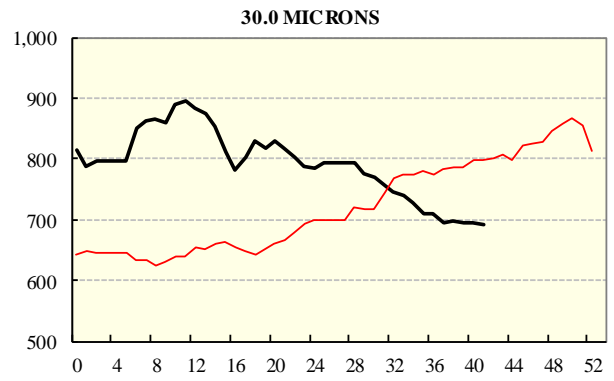
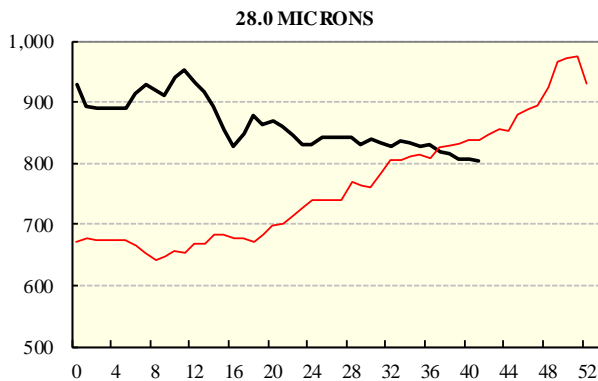
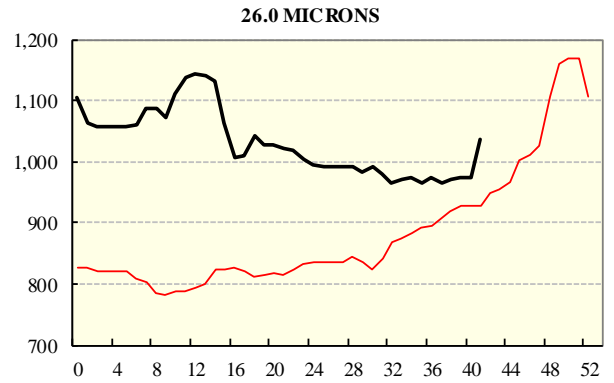
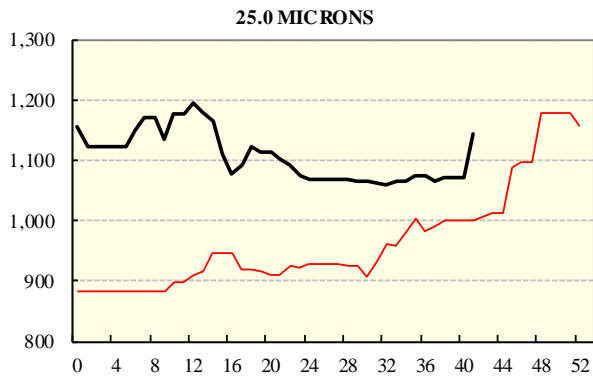
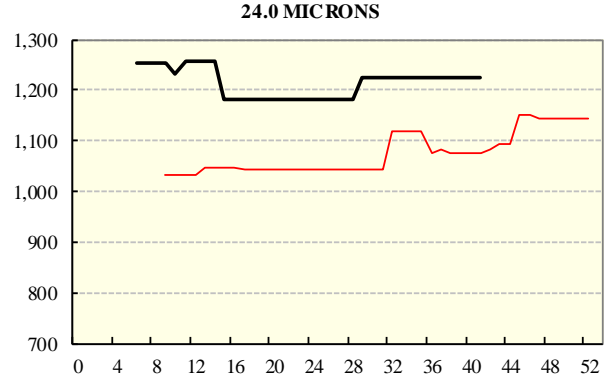
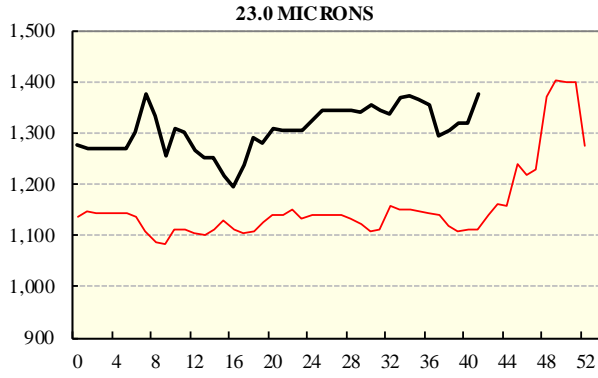
REGION BALES		
This Sale:		
North	64	
South	15,420	
West	21,163	
Progressive Totals:		
North	394,632	-7.7%
South	705,981	-9.8%
West	294,659	-2.4%

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)

