

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 10 March 2017 (Week 36)

The AWEX EMI finished 22¢ higher (+1.5%) in Australian currency and 4¢ lower (-0.3%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

45,999 bales were on offer nationally, compared with 40,626 bales last sale. 5.0% of the offering was passed in (including 3.2% of the Merino wool and 11.7% of the crossbred wool).

AWEX reports that the value of the wool sold was \$73.3 million (\$1,677 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 36)									
Centre	Last Sale		Day-to-Day Changes (Week 36)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	35	1500	+7	+8	+7	+22 (+1.5%)	1522	-4	-4
Northern	35	1582	No Sale	+11	+12	+23 (+1.5%)	1605	-5	-5
Southern	35	1448	+11	+6	+4	+21 (+1.5%)	1469	-4	-4
Western	35	1547	No Sale	+8	+1	+9 (+0.6%)	1556	-15	-14

It was another good week, but with a bit of help from a falling US exchange rate. The EMI and the Regional AWEX Indicators moved to new record levels, as did the average AWEX MPGs from 18.5 to 20 microns.

The strongest demand was again at the Superfine end, where the better types attracted very keen competition. Demand eased among the Merinos as the diameter got broader, but the prices are still very good. The differing patterns of demand among the Merinos took the difference between the average AWEX MPGs for 16.5 microns and 22 microns to 808¢ in the North and to 817¢ in the South.

It was another better week for the crossbreds, with rises from 1.7% to 4.8% in their average AWEX MPGs. It was also another very good week for oddments, with the average Merino Cardings Price Guide up by another 19¢ (1.7%) to 1235¢.

The US Exchange Rate finished 1.41¢ (-1.8%) lower to close at 75.14¢ on Thursday. The fall in the Exchange Rate is probably associated with the widely held expectation of a rise in US interest rates this month.

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	576¢	704¢	772¢	796¢	808¢
South	599¢	710¢	760¢	777¢	817¢

Market Indicator	Changes From			
	Four Sales Ago Week 32	Start of the Season	Week 36 Last Year	Season Average to Week 36 Last Year
Eastern Market Indicator	+85 (+5.9%)	+206 (+15.7%)	+264 (+21.0%)	+108 (+8.6%)
Western Market Indicator	+84 (+5.7%)	+137 (+9.7%)	+241 (+18.3%)	+127 (+9.8%)

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
<b>Since Last Sale</b>												
Change ¢	+72	+61	+61	+47	+37	+41	+21	+14	-5	-8		
Change %	+3.3%	+2.8%	+2.9%	+2.2%	+1.9%	+2.2%	+1.2%	+0.9%	-0.3%	-0.6%		
<b>Since Start of the Season</b>												
Change ¢	+664	+649	+635	+592	+494	+402	+258	+134	+16	-31		
Change %	+42.0%	+41.3%	+40.6%	+38.3%	+32.4%	+26.6%	+17.2%	+9.0%	+1.1%	-2.1%		
<b>Since Same Week Last Year</b>												
Change ¢		+680	+690	+656	+578	+513	+377	+257	+134	+79		
Change %		+44.2%	+45.8%	+44.2%	+40.2%	+36.7%	+27.3%	+18.8%	+9.8%	+5.8%		

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC <sup>#</sup>
<b>Since Last Sale</b>						
Change ¢	+30	+34	+20	+10	+20	+19
Change %	+2.8%	+3.5%	+2.7%	+1.7%	+4.8%	+1.6%
<b>Since Start of the Season</b>						
Change ¢	-90	-101	0	-54	-84	+149
Change %	-7.5%	-9.2%	0.0%	-8.4%	-16.1%	+13.7%
<b>Since Same Week Last Year</b>						
Change ¢	+34	+26	-75	-124	-172	+130
Change %	+3.2%	+2.7%	-9.0%	-17.4%	-28.2%	+11.8%

# Average Merino Cardings Price Guide

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## AWIS WOOL MARKET REVIEW Week Ending 10 March 2017 (Week 36)

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 January ABS export data.

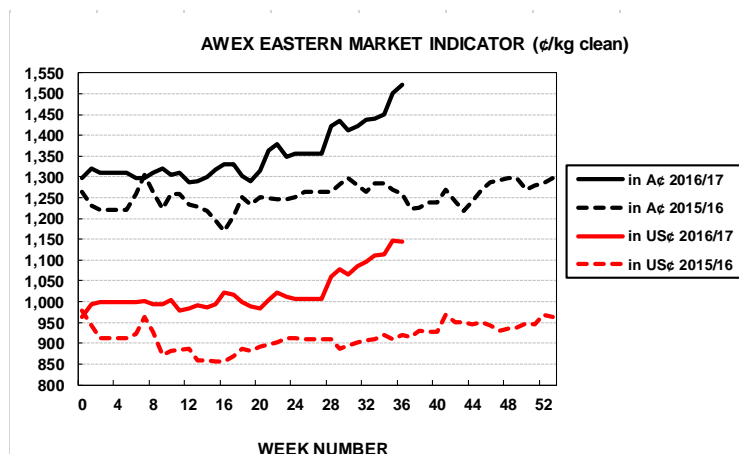
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	12,722	11,260	4.7%	1.1%	4.3%	10,726
South	20,238	24,073	5.0%	2.1%	5.0%	22,871
West	7,666	10,666	5.2%	2.0%	7.0%	10,113
<b>Australia</b>	<b>40,626</b>	<b>45,999</b>	<b>5.0%</b>	<b>1.8%</b>	<b>5.3%</b>	<b>43,710</b>

Actual and % Changes in the Progressive Offerings from Last Year	
+23,888	+6.8%
+25,550	+4.1%
+19,446	+7.7%
<b>+68,884</b>	<b>+5.6%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 37	Week 38	Week 39	Differences
North	10,279	10,800	10,650	+4.9%
South	22,661	22,450	21,316	+6.8%
West	10,791	9,150	9,150	+0.4%
<b>New Zealand</b>				
<b>Australia</b>	<b>43,731</b>	<b>42,400</b>	<b>41,116</b>	<b>+4.8%</b>
<b>Differences</b>	<b>+11.9%</b>	<b>+9.2%</b>	<b>-5.5%</b>	

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	76.55	-0.93	+0.11	+0.47	-0.30	-0.76	-1.41 (-1.8%)	75.14	73.75	77.13
Euro	72.68	-0.80	-0.44	+0.57	-0.14	-0.52	-1.33 (-1.8%)	71.35	66.40	72.77

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to January	
	January 2017	July to January This Season	July to January Last Season	By Weight	By Value
China	85.7%	78.6%	73.4%	+17.0%	+23.3%
India	2.5%	6.2%	7.8%	-13.5%	-6.1%
Italy	2.7%	4.7%	5.6%	-7.4%	+1.1%
Czech Republic	3.7%	4.8%	5.4%	-3.4%	-1.4%
Malaysia	0.6%	0.9%	1.6%	-42.1%	-46.9%
Korea	1.6%	1.4%	1.7%	-4.7%	-7.0%
Taiwan	0.1%	0.7%	0.9%	-15.0%	-11.2%
Egypt	0.7%	0.9%	1.0%	-11.8%	-1.3%
<b>Change all Countries</b>				<b>+9.3%</b>	<b>+14.1%</b>



AVERAGE EMI	
This Year	1357
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1407	+128
South	1325	+87
West	1422	+114

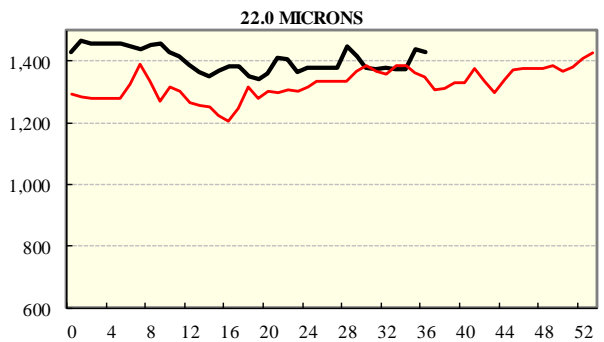
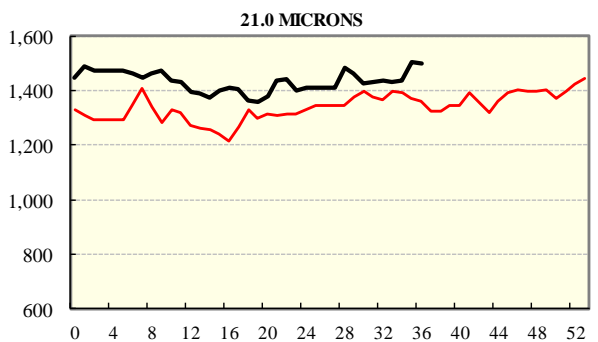
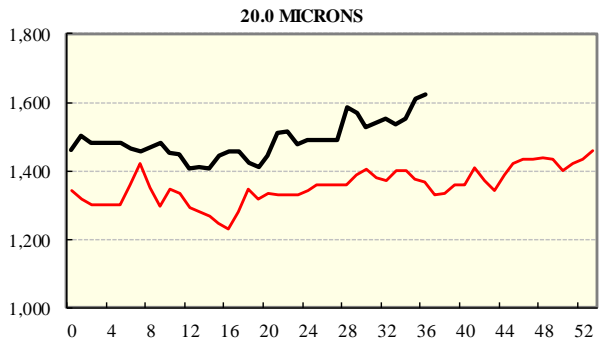
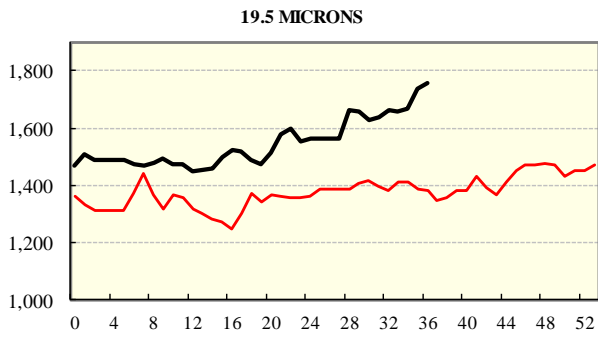
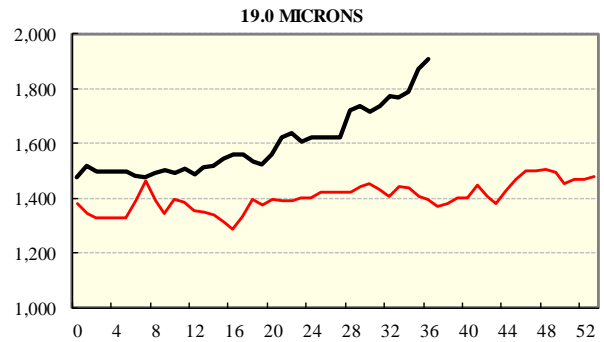
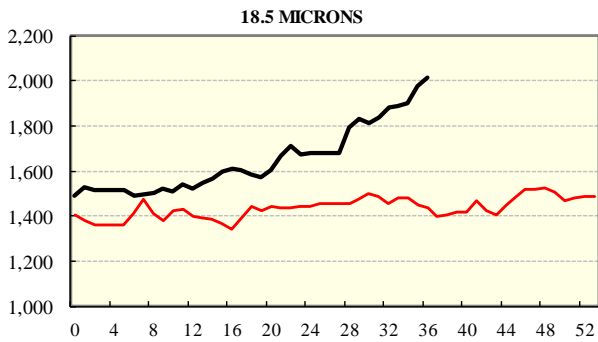
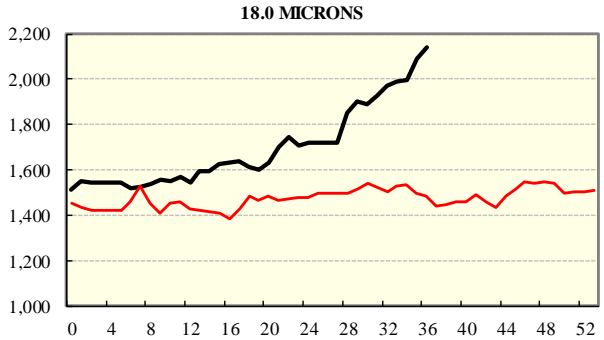
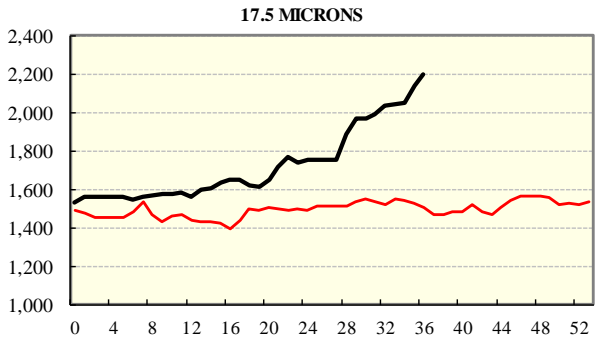
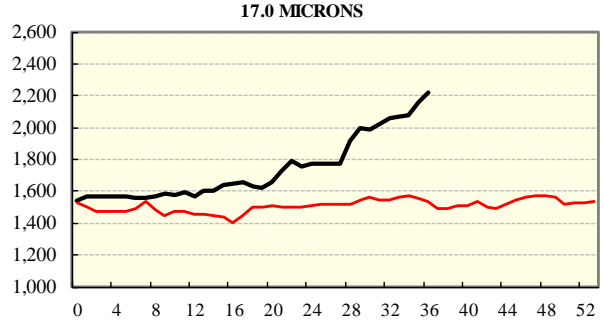
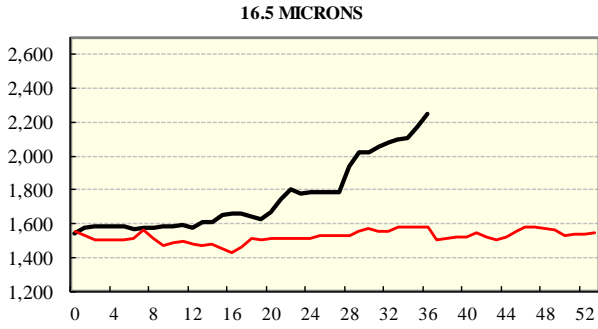
THIS YEAR'S EMI	
This Week	1522
First Week	1320
Low (23/09)	1287
High (10/03)	1522

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1605	+268
South	1469	+168
West	1556	+137

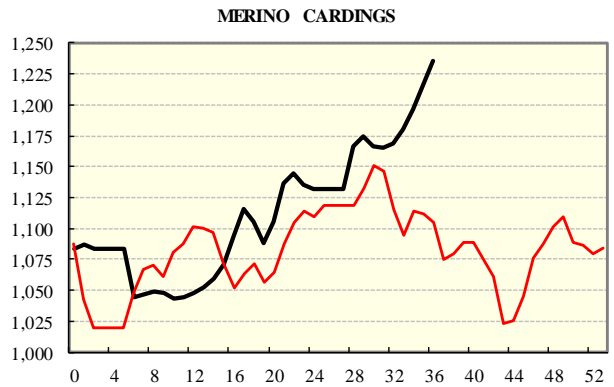
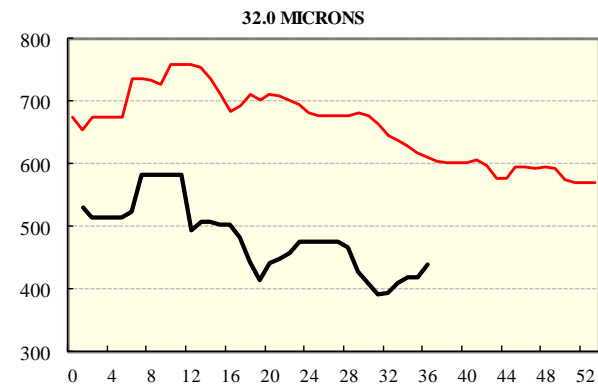
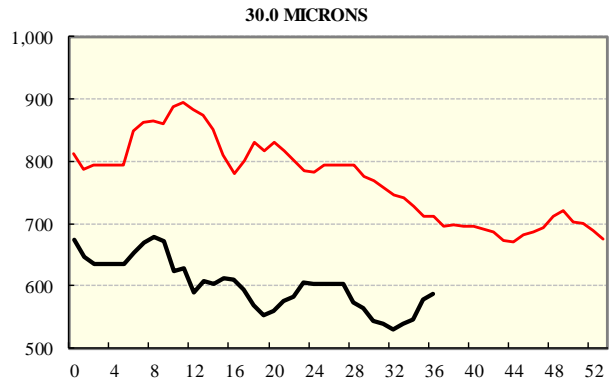
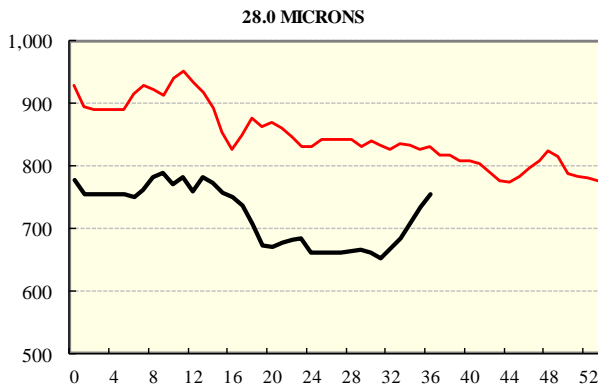
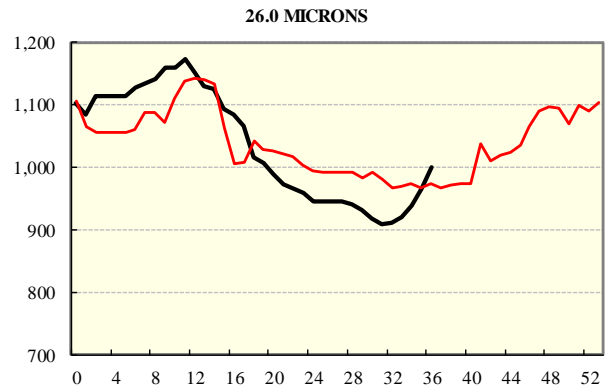
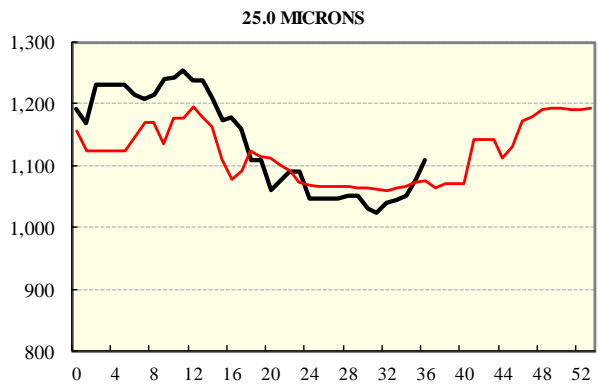
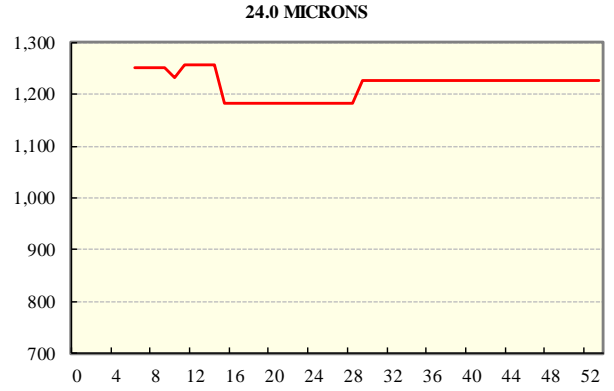
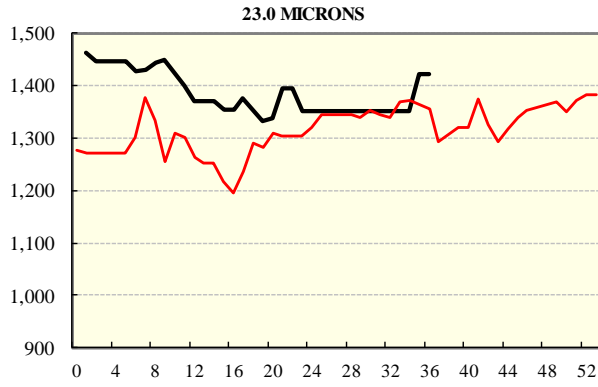
BALES OFFERED	
This Year	1,293,846
Last Year	1,224,962
Difference	+68,884
% Diff	+5.6%
<b>FIRST OFFERED BALES</b>	
Difference	+5.6%
% of Offering	95.2%

REGION BALES		
This Sale:		Diff
Region	Bales	
North	11,260	+6.8%
South	24,073	+4.1%
West	10,666	+7.7%
<b>Progressive Totals:</b>		
North	372,846	+6.8%
South	648,167	+4.1%
West	272,833	+7.7%

**AVERAGE AWEX MICRON PRICE GUIDES**  
 2016/17( black graph line) and 2015/16 (red graph line)

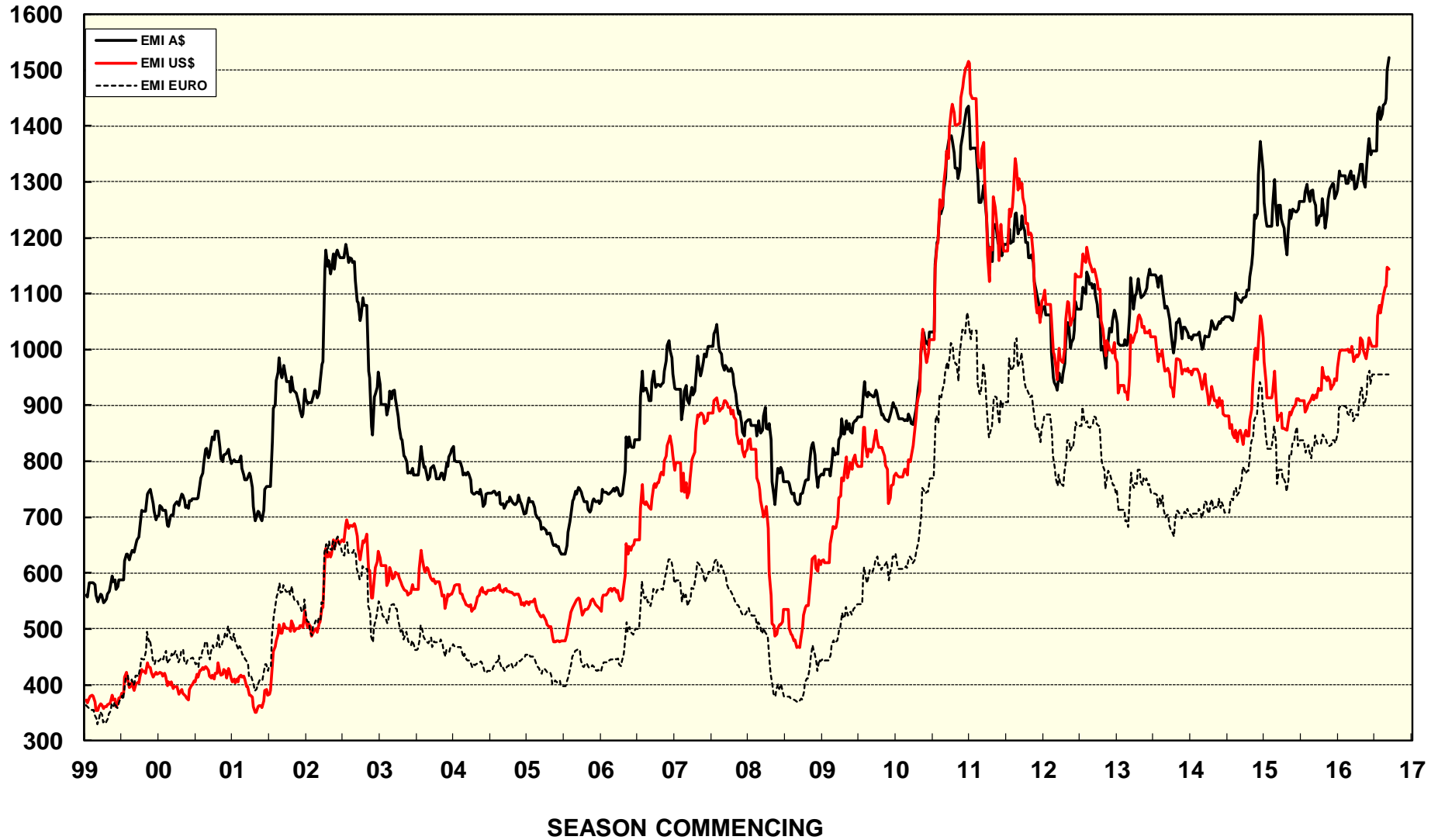


**AVERAGE AWEX MICRON PRICE GUIDES**  
2016/17 (black graph line) and 2015/16 (red graph line)



### EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)



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