

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 11 November 2016 (Week 19)

The AWEX EMI finished at 1290¢, 13¢ lower (-1.0%) in Australian currency and 11¢ lower (-1.1%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

47,139 bales were on offer nationally, compared with 45,976 bales last sale. 8.7% of the offering was passed in.

AWEX reports that the value of the wool sold was \$66.9 million (\$1,554 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 19)									
Centre	Last Sale		Day-to-Day Changes (Week 19)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	18	1303	No Sale	-20	+7	-13 (-1.0%)	1290	-11	+5
Northern	18	1348	No Sale	-25	+8	-17 (-1.3%)	1331	-14	+3
Southern	18	1274	No Sale	-17	+7	-10 (-0.8%)	1264	-9	+7
Western	18	1363	No Sale	-11	+1	-10 (-0.7%)	1353	-8	+9

It was a mixed week. There were falls across all wool types and micron ranges in both currencies on Wednesday. This was followed by a much better day on Thursday when there were rises across most wool types and nearly all micron ranges. The rises on Thursday recovered part, but not all, of Wednesday's falls.

Among the Merinos demand was stronger for the better type wools; and the week finished with small falls across the various micron ranges. Crossbreds again did less well than the Merinos, with further significant falls among the broader types.

The US Exchange Rate fell by 1.04¢ on Wednesday in the economic uncertainty associated with the Presidential election, before moving back up by 0.65¢ on Thursday. It finished 0.07¢ (-0.1%) lower to close at 76.61¢ for the wool selling week.

It is not clear if Wednesday's price falls were also affected by the global economic uncertainty associated with the American Presidential election.

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

Looking ahead, the coming week's sale is expected to be around 50,000 bales, with smaller sales in the following weeks as shearing catches up after the earlier periods of prolonged rainfall.

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	233¢	262¢	273¢	278¢	288¢
South	230¢	250¢	257¢	266¢	272¢

Market Indicator	Changes From			
	Four Sales Ago Week 15	Start of the Season	Week 19 Last Year	Season Average to Week 19 Last Year
Eastern Market Indicator	-28 (-2.1%)	-26 (-2.0%)	+56 (+4.5%)	+74 (+6.0%)
Western Market Indicator	-22 (-1.6%)	-66 (-4.7%)	+78 (+6.1%)	+115 (+9.1%)

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 ¢	-13	-13	-9	-10	-16	-10	-14	-11	-6	-7	-21	
Change %	-0.8%	-0.8%	-0.6%	-0.6%	-1.0%	-0.7%	-0.9%	-0.8%	-0.4%	-0.5%	-1.6%	
Since Start of the Season												
Change ¢	+47	+50	+50	+57	+50	+16	-24	-78	-122	-117	-122	
Change %	+3.0%	+3.2%	+3.2%	+3.7%	+3.3%	+1.1%	-1.6%	-5.2%	-8.2%	-8.0%	-8.4%	
Since Same Week Last Year												
Change ¢	+119	+120	+122	+134	+148	+147	+135	+97	+61	+64	+51	
Change %	+7.9%	+8.0%	+8.2%	+9.1%	+10.4%	+10.7%	+10.1%	+7.4%	+4.7%	+5.0%	+4.0%	

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 ¢	+1	-11	-33	-16	-30	-18
Change %	+0.1%	-1.1%	-4.7%	-2.8%	-6.7%	-1.6%
Since Start of the Season						
Change ¢	-90	-94	-82	-88	-108	+2
Change %	-7.5%	-8.5%	-10.9%	-13.7%	-20.7%	+0.2%
Since Same Week Last Year						
Change ¢	-5	-22	-189	-264	-286	+32
Change %	-0.4%	-2.1%	-21.9%	-32.3%	-40.8%	+3.0%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 11 November 2016 (Week 19)

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 September ABS export data.

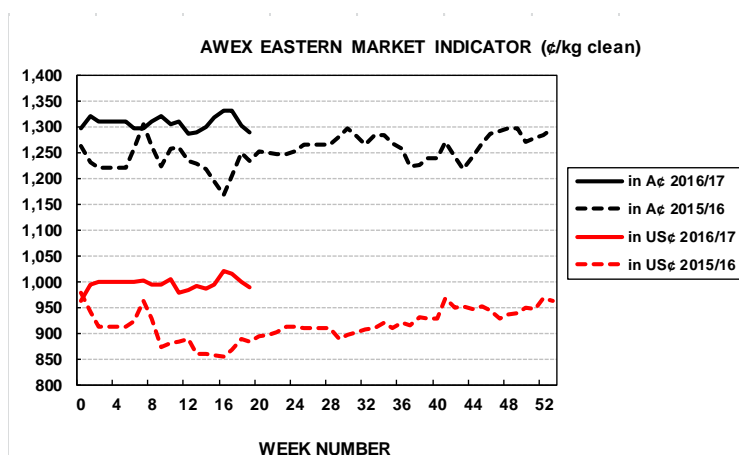
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	13,966	14,444	7.4%	2.7%	0.9%	13,377
South	22,910	21,852	9.9%	4.5%	2.6%	19,678
West	9,100	10,843	7.8%	4.8%	1.7%	9,994
Australia	45,976	47,139	8.7%	4.0%	1.9%	43,049

Actual and % Changes in the Progressive Offerings from Last Year	
+6,749	+3.6%
+1,630	+0.5%
+13,007	+10.9%
+21,386	+3.5%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 20	Week 21	Week 22	Differences
North	12,413	11,450	11,680	+14.7%
South	28,577	24,128	24,450	+7.0%
West	9,041	8,320	8,100	-1.7%
New Zealand		2,000		
Australia	50,031	43,898	44,230	+7.1%
Differences	+6.7%	+8.7%	+6.0%	

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	76.68	+0.12	-0.06	+0.26	-1.04	+0.65	-0.07 (-0.1%)	76.61	74.69	77.11
Euro	68.98	+0.25	+0.07	+0.43	-2.37	+2.75	+1.13 (+1.6%)	70.11	66.40	70.11

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to September	
	September 2016	July to September This Season	July to September Last Season	By Weight	By Value
China	75.3%	75.2%	73.9%	+7.2%	+7.5%
India	7.2%	7.4%	9.3%	-16.2%	-11.8%
Italy	6.3%	5.9%	5.5%	+14.3%	+25.5%
Czech Republic	5.5%	5.4%	3.8%	+50.3%	+56.3%
Malaysia	0.5%	0.8%	1.4%	-37.7%	-49.2%
Korea	1.2%	1.5%	1.6%	-5.4%	-7.4%
Taiwan	1.1%	0.9%	0.9%	+0.3%	+5.4%
Egypt	1.0%	1.0%	1.4%	-22.9%	-21.2%
Change all Countries				+5.4%	+5.9%



AVERAGE EMI	
This Year	1308
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1340	+61
South	1287	+49
West	1383	+75

THIS YEAR'S EMI	
This Week	1290
First Week	1320
Low (26/10)	1287
High (17/10)	1331

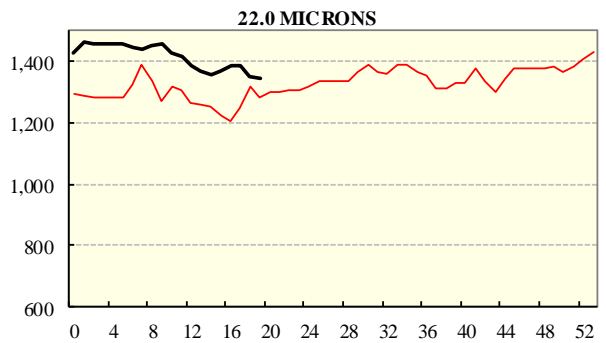
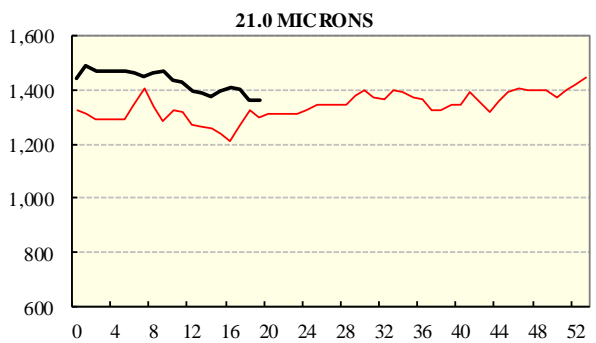
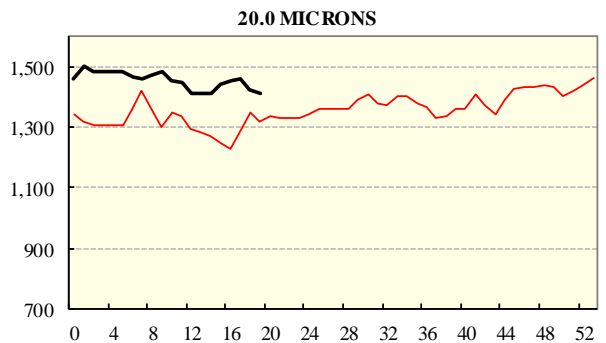
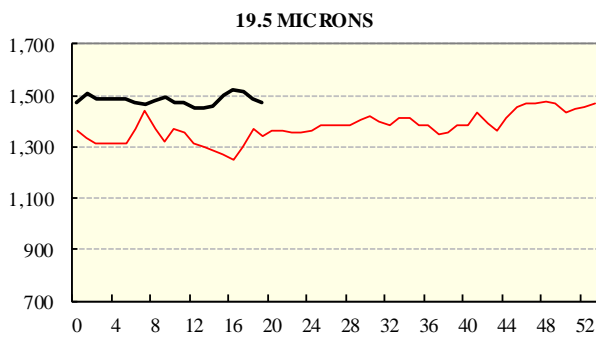
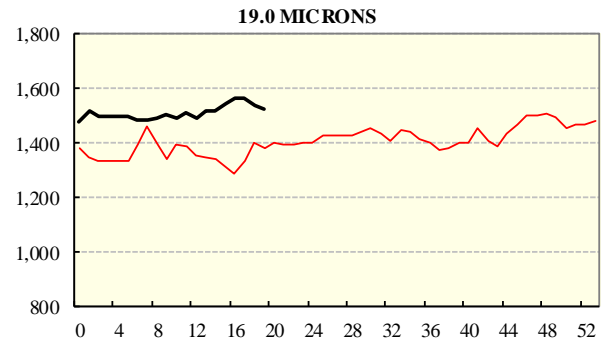
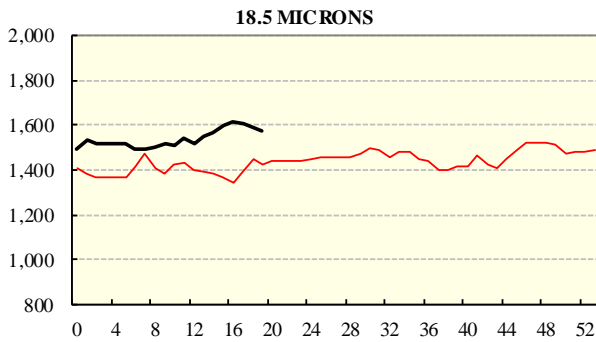
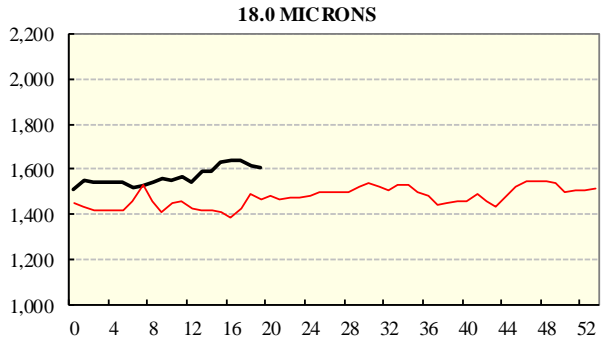
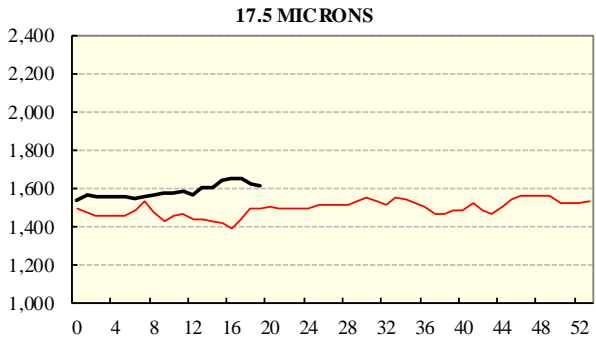
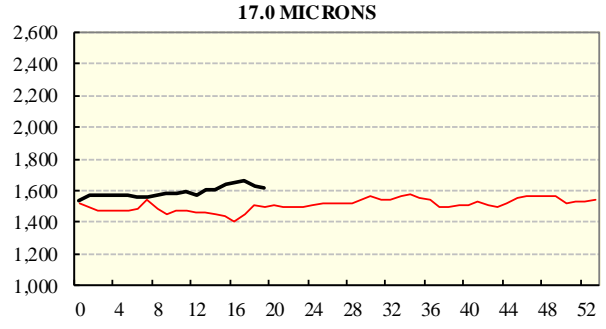
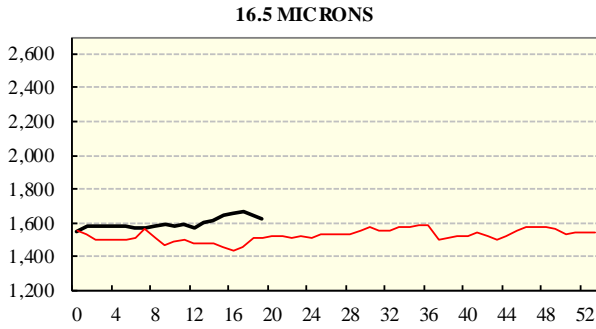
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1331	-6
South	1264	-37
West	1353	-66

BALES OFFERED	
This Year	624,941
Last Year	603,555
Difference	+21,386
% Diff	+3.5%
FIRST OFFERED BALES	
Difference	+4.7%
% of Offering	96.1%

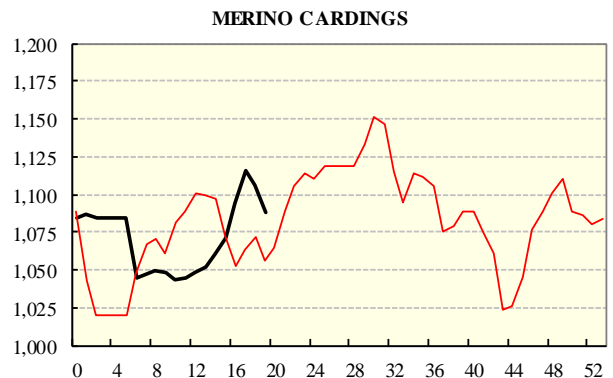
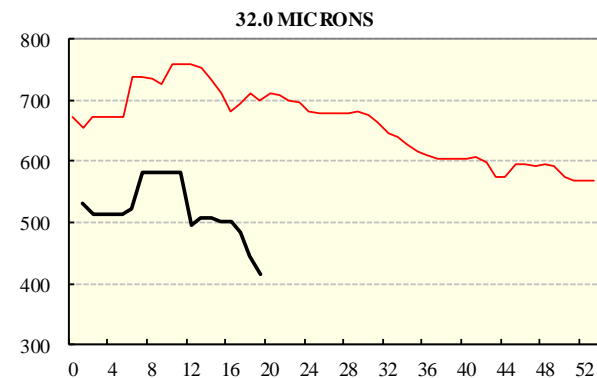
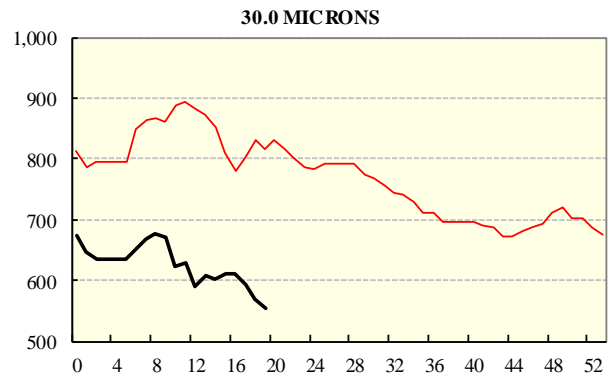
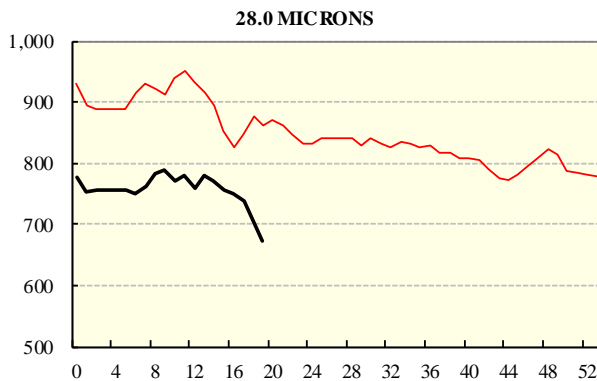
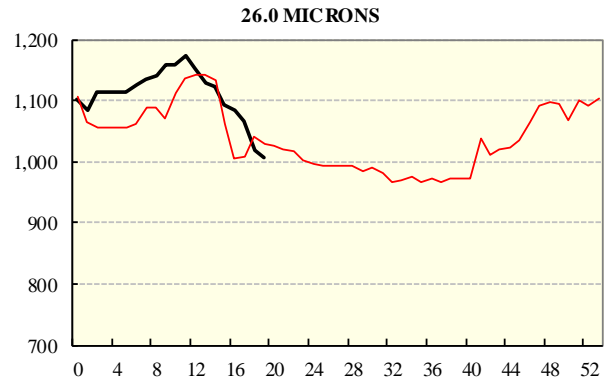
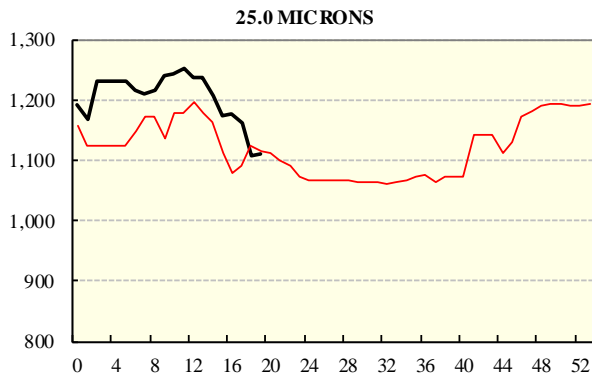
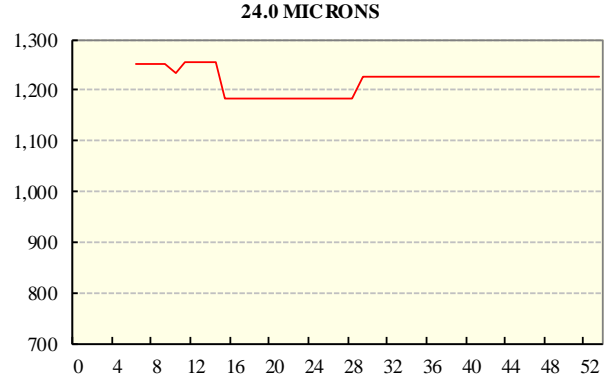
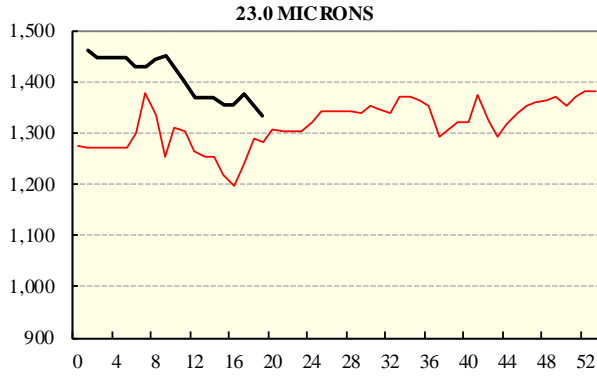
REGION BALES		
This Sale:		
North	14,444	
South	21,852	
West	10,843	
Progressive Totals:		
North	191,996	+3.6%
South	300,736	+0.5%
West	132,209	+10.9%

AVERAGE AWEX MICRON PRICE GUIDES

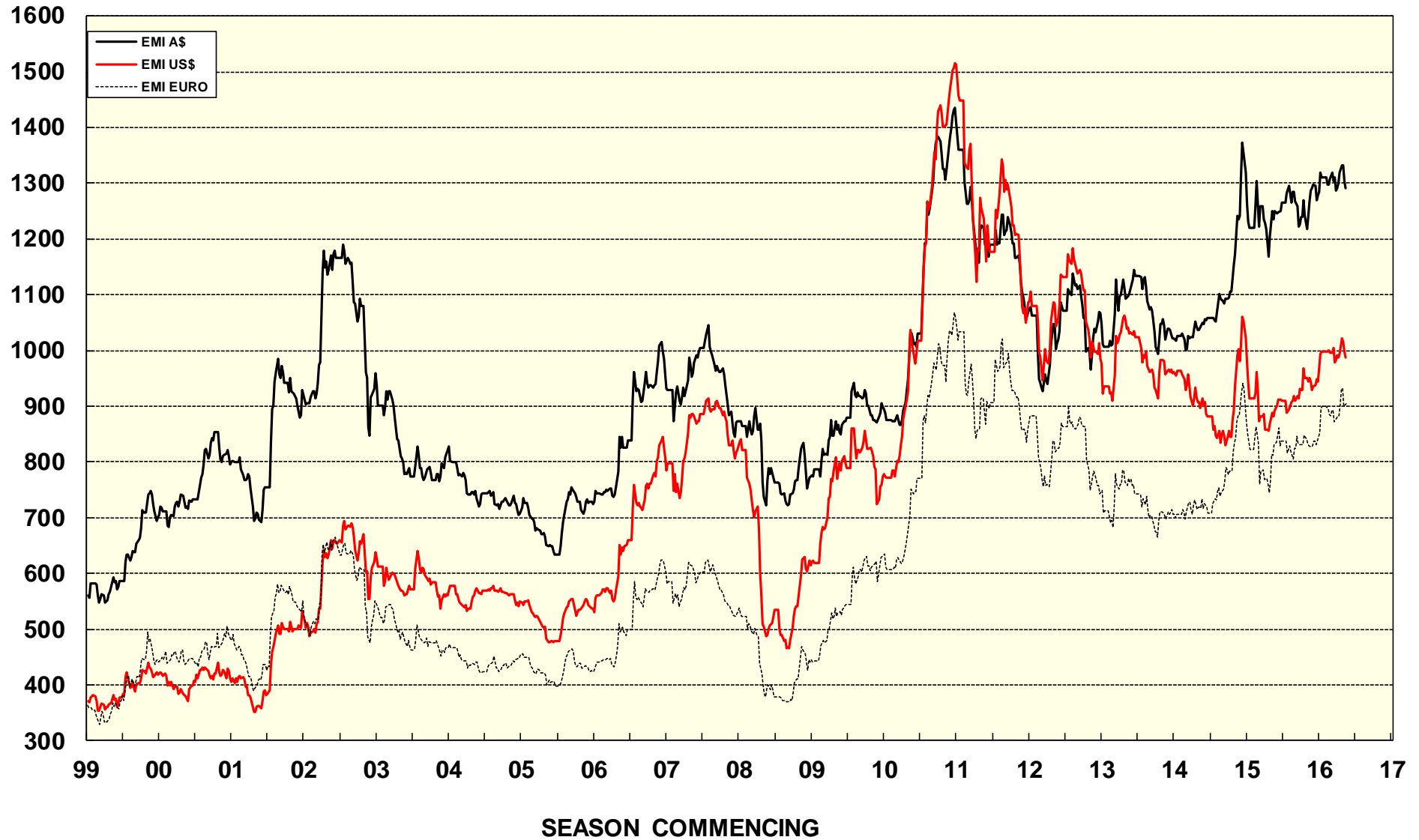
2016/17(black graph line) and 2015/16 (red graph line)



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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For further information

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