

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW Week Ending 12 May 2017 (Week 45)

The AWEX EMI finished at 1534¢, 10¢ lower (-0.6%) in Australian currency and 16¢ lower (-1.4%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

38,028 bales were on offer nationally, compared with 38,292 bales last sale. 16.3% of the offering was passed in, driven mostly by values of 21.5% on Wednesday and 35.3% on Thursday in the West where the falls in the market were greatest.

AWEX reports that the value of the wool sold was \$53.3 million (\$1,674 per bale), taking the season total to \$2.4 billion.

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	Closing	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday	Change	Indicator	US ¢	Euro ¢
Eastern	44	1544	No Sale	+5	-15	-10 (-0.6%)	1534	-16	-13
Northern	44	1639	No Sale	0	-24	-24 (-1.5%)	1615	-27	-23
Southern	44	1491	No Sale	+8	-8	0 (0.0%)	1491	-9	-6
Western	44	1560	No Sale	-14	-19	-33 (-2.1%)	1527	-33	-29

It was a very mixed market this week, with the unusual situation of big differences occurring between the changes in the NMI, SMI and WMI, ranging from -33¢ in the West to 0 in the South. The North and the South performed satisfactorily on Wednesday (more so in the South), while the West started well, but eased towards the close of selling.

The weaker finish in the West on Wednesday suggested that the market might be a bit softer on Thursday, as turned out to be the case. Thursday's fall in the SMI was the least, helping the South to a better performance for the week than the North or the West.

Falls in the Merino average AWEX MPGs were least at the find end, after which they progressively increased up to 21 microns.

Crossbreds did better than the Merinos with small gains over most micron ranges. Merino skirtings had a mixed week, while oddments generally held their own or moved up slightly.

The US Exchange Rate finished 0.56¢ (-0.8%) lower to close at 73.52¢ on Thursday. Financial analysts attributed the fall to a stronger US Dollar and weaker retail data in Australia

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

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	683¢	782¢	857¢	913¢	966¢
South	709¢	768¢	838¢	882¢	959¢

Market Indicator	Changes From			
	Four Sales Ago Week 40	Start of the Season	Week 45 Last Year	Season Average to Week 45 Last Year
Eastern Market Indicator	+75 (+5.1%)	+218 (+16.6%)	+266 (+21.0%)	+144 (+11.5%)
Western Market Indicator	+68 (+4.7%)	+108 (+7.6%)	+166 (+12.2%)	+145 (+11.2%)

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 ¢	+9	-25	-17	-15	-15	-28	-36	-41	-37	-25		
Change %	+0.4%	-1.1%	-0.7%	-0.7%	-0.7%	-1.4%	-2.0%	-2.5%	-2.4%	-1.7%		
Since Start of the Season												
Change ¢	+812	+758	+715	+659	+580	+431	+285	+114	+15	-42	-76	
Change %	+51.4%	+48.3%	+45.7%	+42.6%	+38.1%	+28.6%	+19.0%	+7.6%	+1.0%	-2.9%	-5.2%	
Since Same Week Last Year												
Change ¢	+837	+778	+736	+687	+614	+471	+332	+182	+103	+45	+39	
Change %	+53.8%	+50.2%	+47.7%	+45.2%	+41.2%	+32.1%	+22.8%	+12.8%	+7.4%	+3.3%	+2.9%	

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC <sup>#</sup>
Since Last Sale						
Change ¢		+8	+3	+1	-1	+7
Change %		+0.8%	+0.4%	+0.2%	-0.2%	+0.6%
Since Start of the Season						
Change ¢	-61	-49	+2	-53	-111	+101
Change %	-5.1%	-4.5%	+0.3%	-8.3%	-21.2%	+9.3%
Since Same Week Last Year						
Change ¢	+8	+15	-25	-94	-182	+142
Change %	+0.7%	+1.4%	-3.2%	-13.8%	-30.6%	+13.6%

# Average Merino Cardings Price Guide

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## AWIS WOOL MARKET REVIEW Week Ending 12 May 2017 (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 March ABS export data.

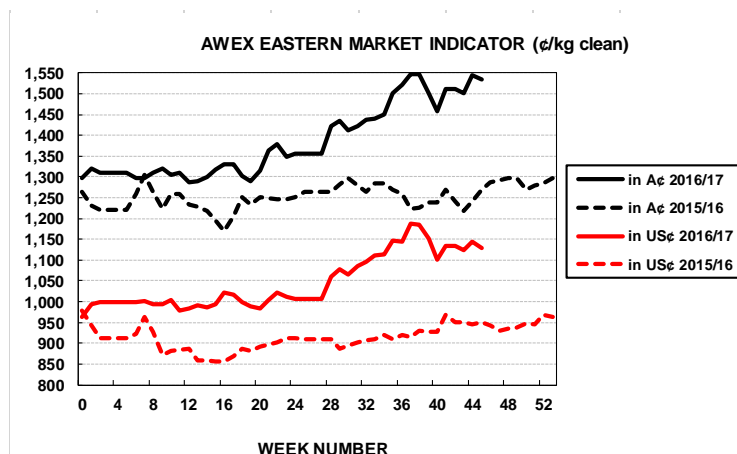
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	9,052	9,724	9.9%	2.5%	7.8%	8,757
South	20,943	17,565	12.3%	3.6%	11.4%	15,411
West	8,297	10,739	28.5%	1.4%	18.0%	7,674
<b>Australia</b>	<b>38,292</b>	<b>38,028</b>	<b>16.3%</b>	<b>2.7%</b>	<b>12.4%</b>	<b>31,842</b>

Actual and % Changes in the Progressive Offerings from Last Year	
+27,928	+6.4%
+36,258	+4.6%
+33,740	+10.3%
<b>+97,926</b>	<b>+6.3%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 46	Week 47	Week 48	Differences
North	9,823	8,730	9,700	<b>-12.4%</b>
South	18,134	20,700	16,896	<b>-4.2%</b>
West	8,386	8,250	7,500	<b>-9.5%</b>
<b>New Zealand</b>				
<b>Australia</b>	<b>37,304</b>	<b>37,680</b>	<b>34,096</b>	<b>+0.3%</b>
<b>Differences</b>	<b>+0.6%</b>	<b>-11.0%</b>	<b>+16.0%</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	74.08	-0.32	+0.39	-0.63	+0.14	-0.14	-0.56 (-0.8%)	73.52	73.52	77.13
Euro	68.01	-0.83	+0.26	-0.13	+0.33	-0.04	-0.41 (-0.6%)	67.60	66.40	72.77

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to March	
	March 2017	July to March This Season	July to March Last Season	By Weight	By Value
China	82.0%	79.0%	74.4%	+12.8%	+22.6%
India	4.7%	6.0%	7.5%	-15.8%	-8.2%
Italy	4.1%	4.5%	5.1%	-5.4%	+4.2%
Czech Republic	3.6%	4.9%	5.3%	-1.5%	-1.2%
Malaysia	0.3%	0.7%	1.6%	-54.5%	-57.8%
Korea	1.7%	1.6%	1.7%	-1.0%	-2.0%
Taiwan	0.8%	0.7%	0.8%	-7.1%	-3.7%
Egypt	1.3%	1.0%	1.2%	-8.3%	+7.4%
<b>Change all Countries</b>				<b>+6.3%</b>	<b>+13.8%</b>



AVERAGE EMI	
This Year	1391
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1449	+170
South	1355	+117
West	1444	+135

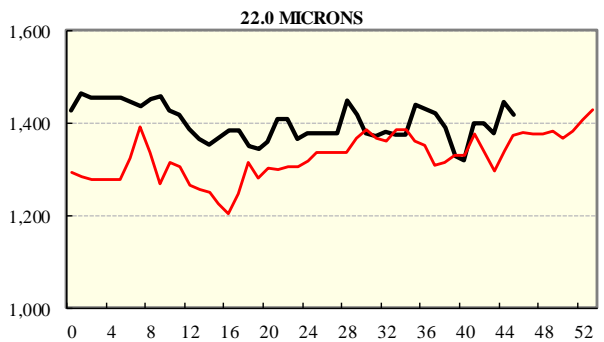
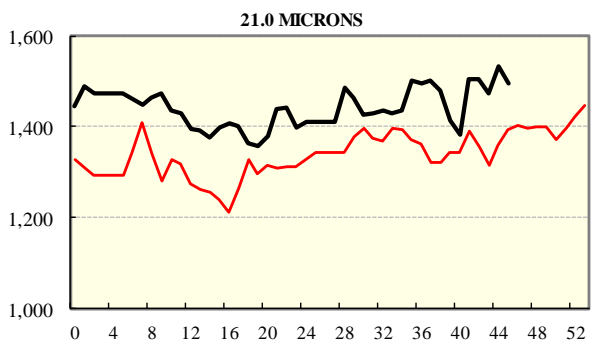
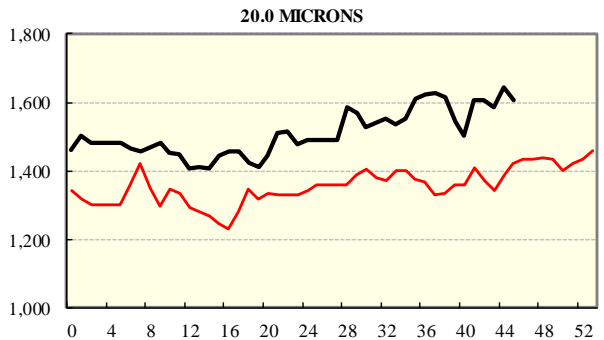
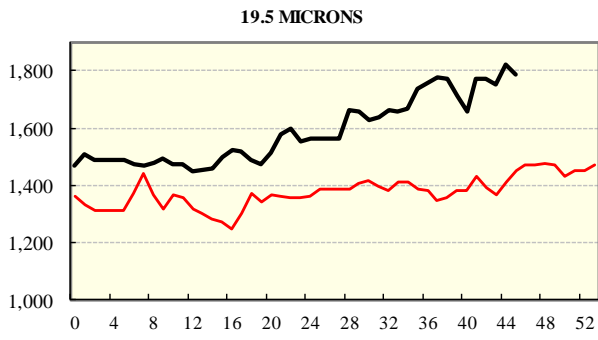
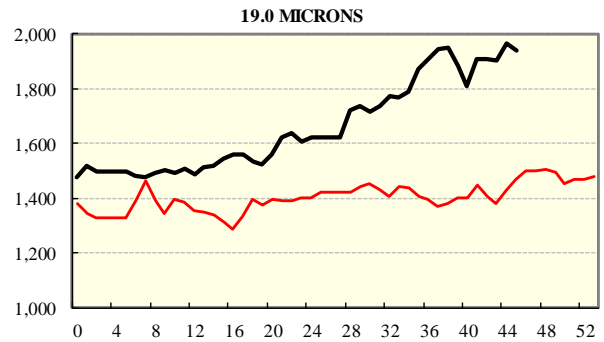
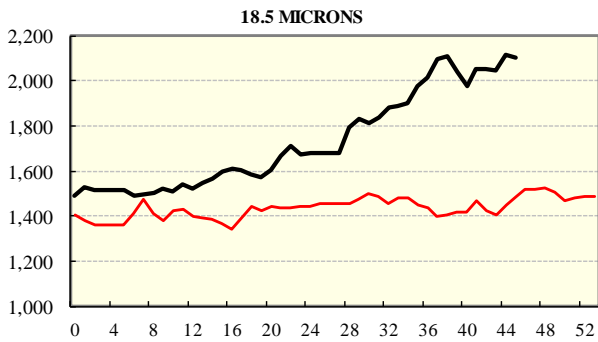
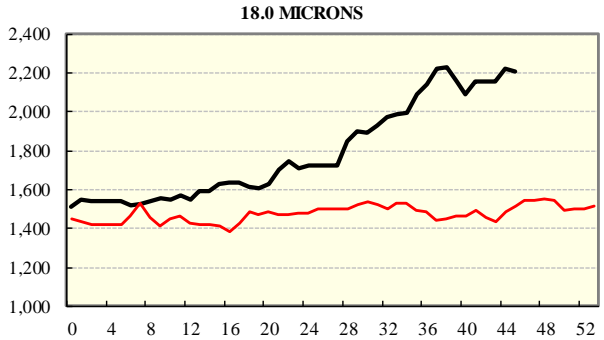
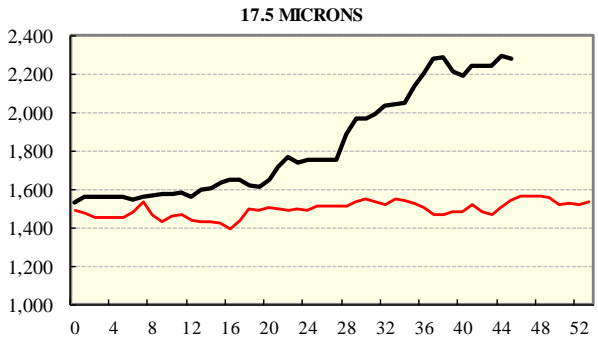
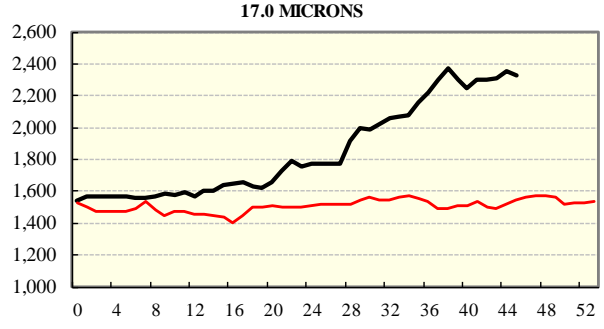
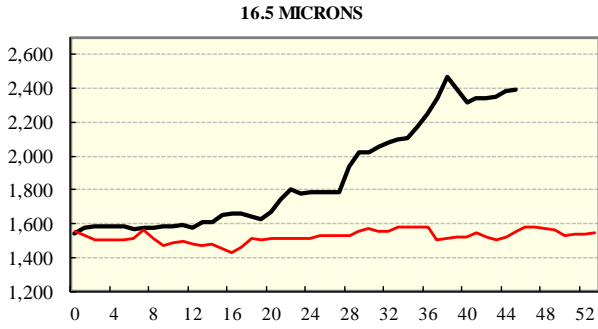
THIS YEAR'S EMI	
This Week	1534
First Week	1320
Low (23/09)	1287
High (17/03)	1546

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1615	+278
South	1491	+190
West	1527	+108

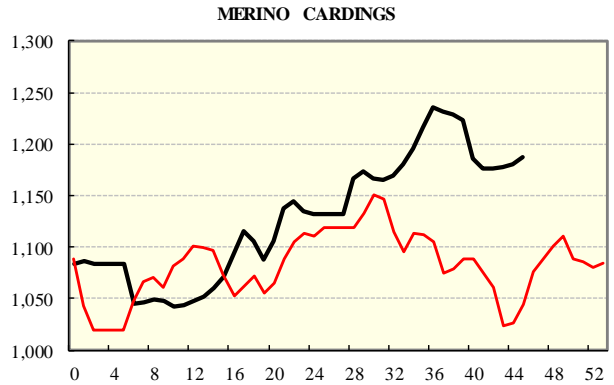
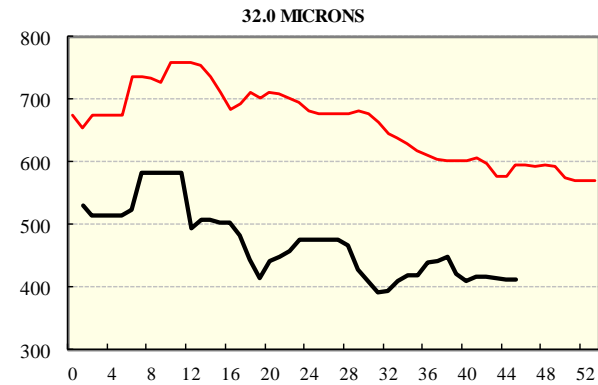
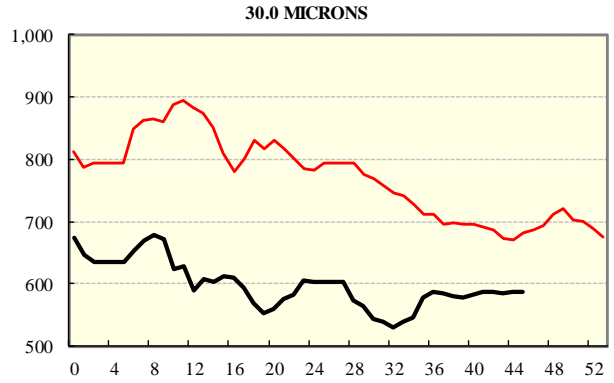
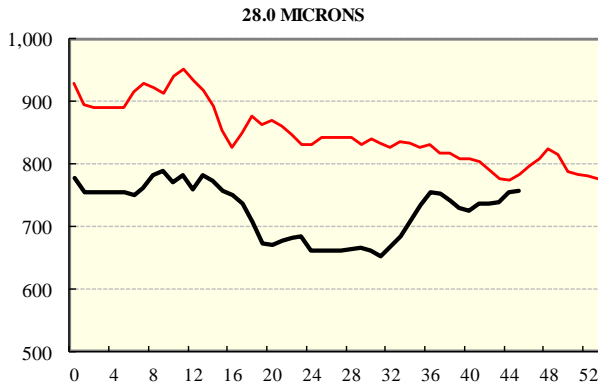
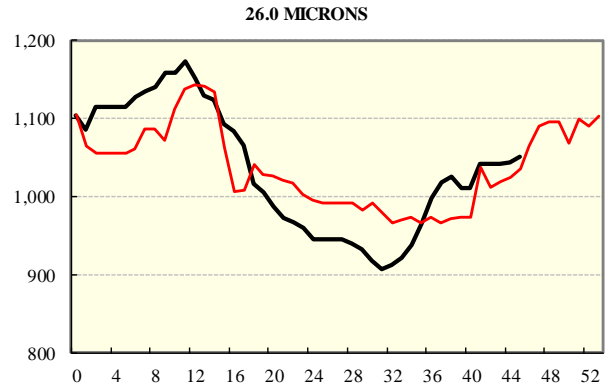
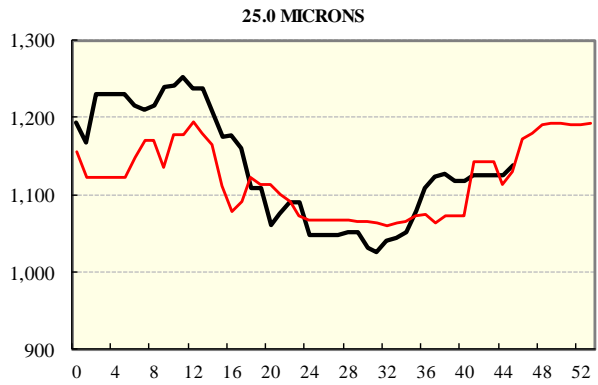
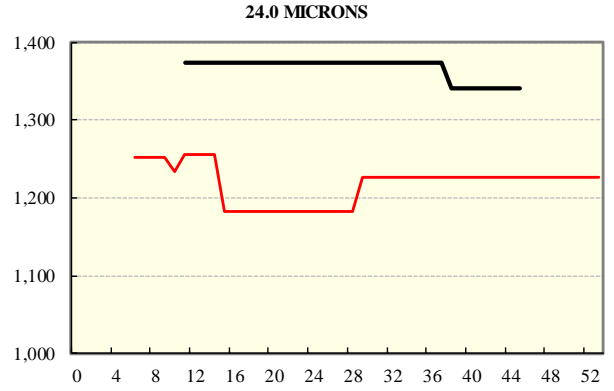
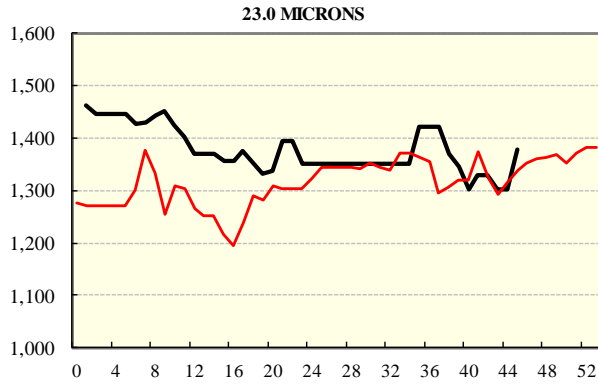
BALES OFFERED	
This Year	1,648,634
Last Year	1,550,708
Difference	+97,926
% Diff	+6.3%
FIRST OFFERED BALES	
Difference	+6.6%
% of Offering	94.9%

REGION BALES		
This Sale:		Diff
North	9,724	
South	17,565	+4.6%
West	10,739	+10.3%
Progressive Totals:		Diff
North	463,795	+6.4%
South	823,808	+4.6%
West	361,031	+10.3%

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

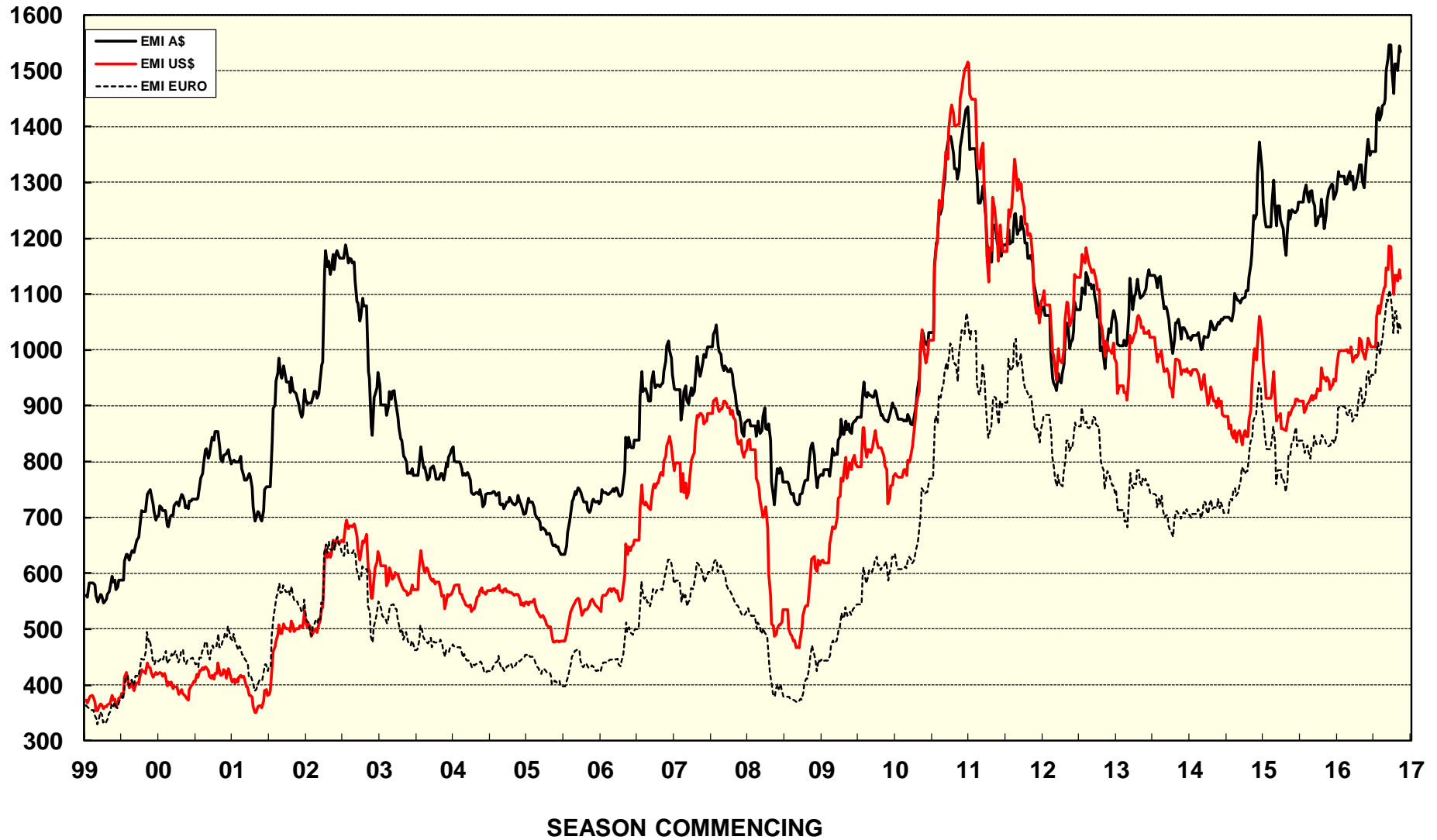


**AVERAGE AWEX MICRON PRICE GUIDES**  
2016/17( black graph line) and 2015/16 (red graph line)



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

(In Australian, United States and European Currencies)



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