

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 17 February 2017 (Week 33)

The AWEX EMI finished 3¢ higher (+0.2%) in Australian currency and 15¢ higher (+1.4%) in US currency at sales in Sydney, Melbourne and Fremantle this week. The season average is now 1342¢ compared with 1247¢ at Week 33 last year. 44,938 bales were on offer nationally, compared with 44,484 bales last sale. 7.6% of the offering was passed in, including 6.7% of the Merino Fleece and Skirtings and 12.5% of the crossbred wool.

AWEX reports that the value of the wool sold was \$69.8 million (\$1,681 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 33)									
Centre	Last Sale		Day-to-Day Changes (Week 33)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	32	1437	+1	-1	+3	+3 (+0.2%)	1440	+15	+21
Northern	32	1518	No Sale	-3	+6	+3 (+0.2%)	1521	+16	+22
Southern	32	1385	+1	0	+2	+3 (+0.2%)	1388	+15	+21
Western	32	1472	No Sale	-3	-1	-4 (-0.3%)	1468	+10	+17

The general thrust of the market was again led by the Merino Superfine types. But, it was a steadier market, with smaller gains up to 18.5 microns and falls among the medium and broader Merinos.

The difference in price movements in the Merinos took the premium between the average AWEX MPG's for 16.5 microns and 22 microns to 728¢ in the North and 714¢ in the South. This was the first time the 700¢ difference had been achieved since June 2011, when the difference exceeded 1100¢ in some weeks.

Merino skirtings were a little mixed, but finished strongly, while oddments had another good week, with the average AWEX Merino Cardings Price Guide closing at the new record level of 1180¢.

It was another better week for crossbreds with rises in all their average MPG's.

The US Exchange Rate finished 0.88¢ (1.2%) higher to close at 77.13¢ on Thursday, the highest value since April last year. Financial analysts are bit mixed in explaining the reasons for the rise, but appear to associate it mostly with good recent economic data and rising commodity prices.

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

Differences in AWEX MPG's	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	538¢	632¢	681¢	713¢	728¢
South	499¢	593¢	656¢	683¢	714¢

Market Indicator	Changes From			
	Four Sales Ago Week 29	Start of the Season	Week 33 Last Year	Season Average to Week 33 Last Year
Eastern Market Indicator	+6 (+0.4%)	+124 (+9.4%)	+156 (+12.1%)	+95 (+7.6%)
Western Market Indicator	-8 (-0.5%)	+49 (+3.5%)	+112 (+8.3%)	+119 (+9.2%)

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 ¢	+16	+13	+9	+18	+3	-3	-5	-17	-7	-7	-2	
Change %	+0.8%	+0.6%	+0.4%	+0.9%	+0.2%	-0.2%	-0.3%	-1.1%	-0.5%	-0.5%	-0.1%	
Since Start of the Season												
Change ¢	+515	+503	+481	+441	+364	+260	+158	+44	-51	-87	-104	
Change %	+32.6%	+32.0%	+30.8%	+28.5%	+23.9%	+17.2%	+10.5%	+3.0%	-3.4%	-6.0%	-7.2%	
Since Same Week Last Year												
Change ¢	+519	+507	+494	+459	+405	+324	+244	+133	+34	-13	-20	
Change %	+32.9%	+32.4%	+31.9%	+30.0%	+27.3%	+22.4%	+17.3%	+9.5%	+2.4%	-0.9%	-1.5%	

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 ¢	+4	+9	+18	+9	+14	+11
Change %	+0.4%	+1.0%	+2.7%	+1.7%	+3.5%	+0.9%
Since Start of the Season						
Change ¢	-155	-179	-70	-102	-114	+94
Change %	-12.9%	-16.3%	-9.3%	-15.9%	-21.8%	+8.7%
Since Same Week Last Year						
Change ¢	-20	-49	-150	-202	-230	+85
Change %	-1.9%	-5.1%	-18.0%	-27.3%	-36.0%	+7.8%

Average Merino Cardings Price Guide

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For further information

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AWIS WOOL MARKET REVIEW Week Ending 17 February 2017 (Week 33)

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 December ABS export data.

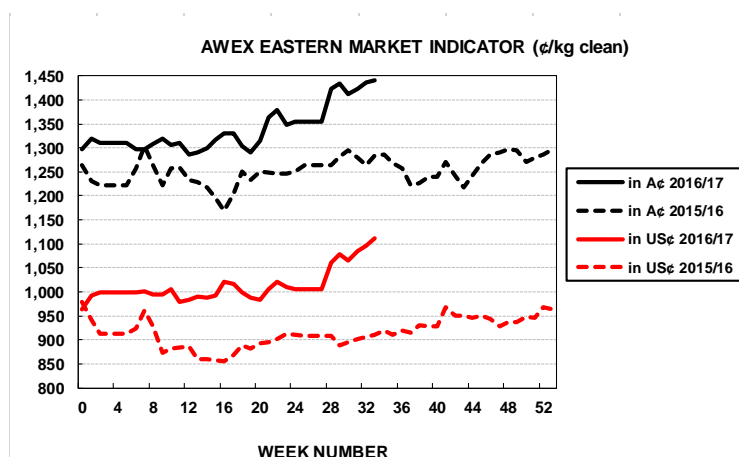
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	13,045	11,090	4.5%	4.1%	5.0%	10,589
South	21,399	21,803	6.0%	3.0%	6.4%	20,502
West	10,040	12,045	13.5%	3.2%	7.3%	10,423
Australia	44,484	44,938	7.6%	3.3%	6.3%	41,514

Actual and % Changes in the Progressive Offerings from Last Year	
+23,622	+7.5%
+18,373	+3.3%
+22,781	+10.2%
+64,776	+5.9%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 34	Week 35	Week 36	Differences
North	12,020	11,475	10,350	-4.2%
South	25,943	20,293	23,350	+12.5%
West	8,959	9,150	9,250	-10.3%
New Zealand				
Australia	48,204	40,918	42,950	+3.5%
Differences	+18.0%	-12.8%	+7.8%	

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	76.25	+0.20	+0.20	+0.13	-0.07	+0.42	+0.88 (+1.2%)	77.13	73.75	77.13
Euro	71.34	+0.36	+0.46	+0.20	+0.17	+0.13	+1.32 (+1.9%)	72.66	66.40	72.66

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to December	
	December 2016	July to December This Season	July to December Last Season	By Weight	By Value
China	76.6%	77.6%	73.3%	+13.5%	+19.2%
India	5.0%	6.7%	8.0%	-11.9%	-4.2%
Italy	6.0%	5.0%	5.7%	-5.7%	+2.7%
Czech Republic	6.4%	4.9%	5.2%	+1.1%	+4.0%
Malaysia	1.1%	0.9%	1.6%	-38.5%	-44.6%
Korea	1.6%	1.4%	1.7%	-7.3%	-10.7%
Taiwan	0.7%	0.8%	0.9%	-7.4%	-2.2%
Egypt	1.2%	1.0%	1.2%	-11.9%	-1.7%
Change all Countries				+7.2%	+11.6%



AVERAGE EMI	
This Year	1342
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1389	+109
South	1313	+75
West	1410	+102

THIS YEAR'S EMI	
This Week	1440
First Week	1320
Low (23/09)	1287
High (17/02)	1440

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1521	+184
South	1388	+87
West	1468	+49

BALES OFFERED	
This Year	1,162,077
Last Year	1,097,301
Difference	+64,776
% Diff	+5.9%
FIRST OFFERED BALES	
Difference	+5.8%
% of Offering	95.3%

REGION BALES		
This Sale:		
North	11,090	
South	21,803	
West	12,045	
Progressive Totals:		Diff
North	337,247	+7.5%
South	579,153	+3.3%
West	245,677	+10.2%

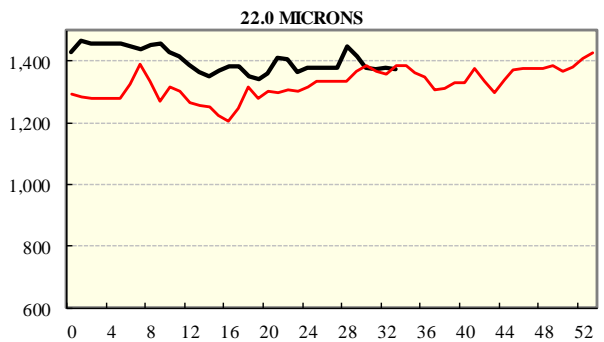
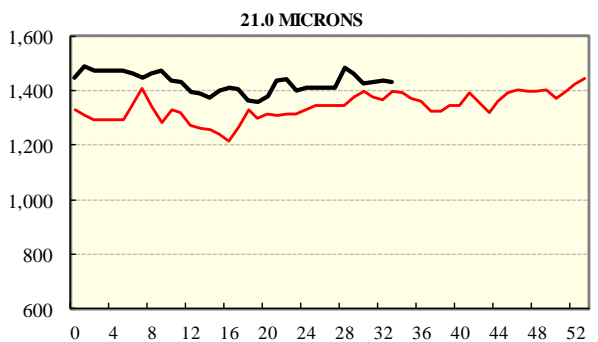
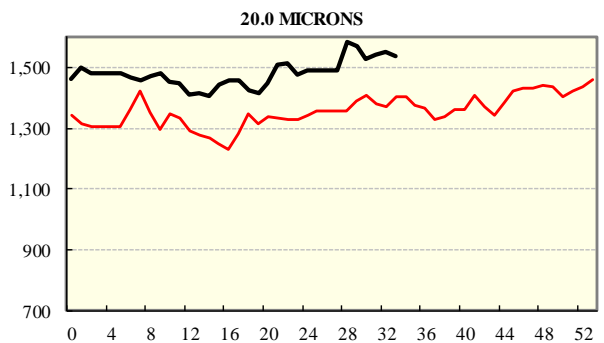
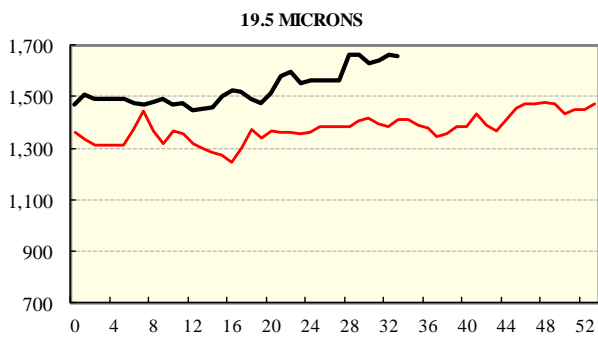
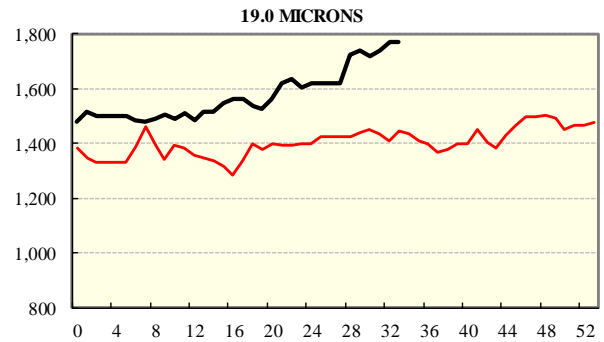
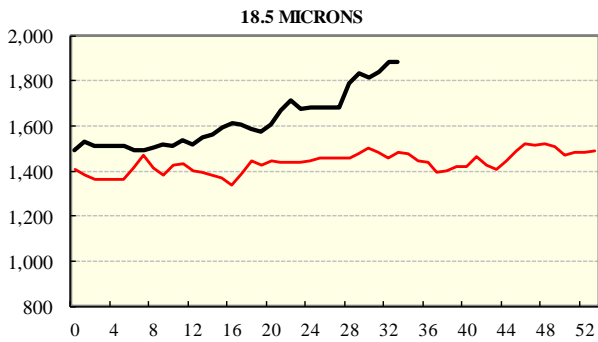
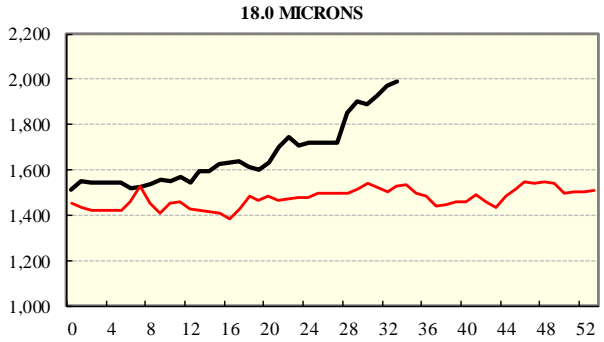
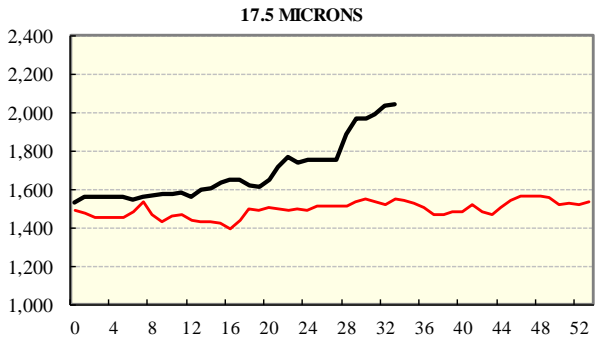
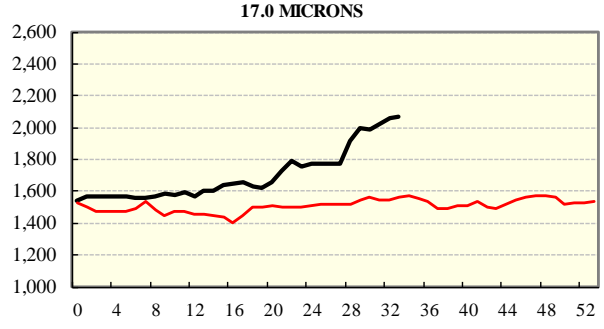
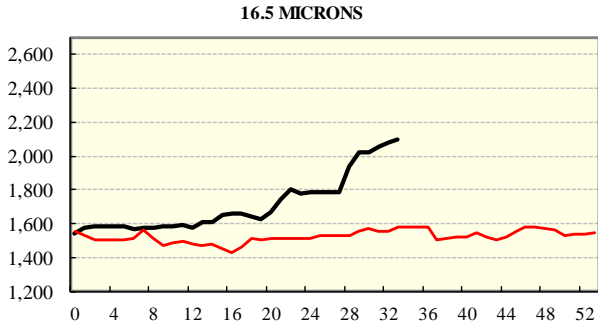
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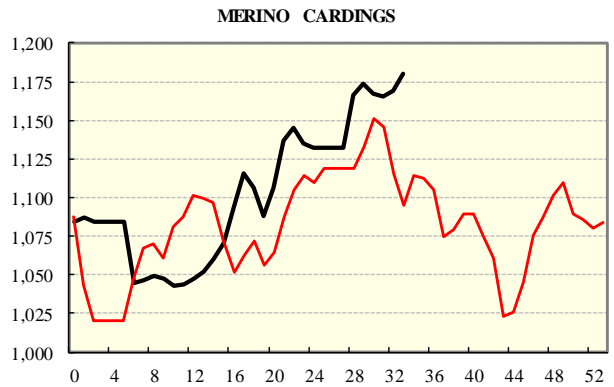
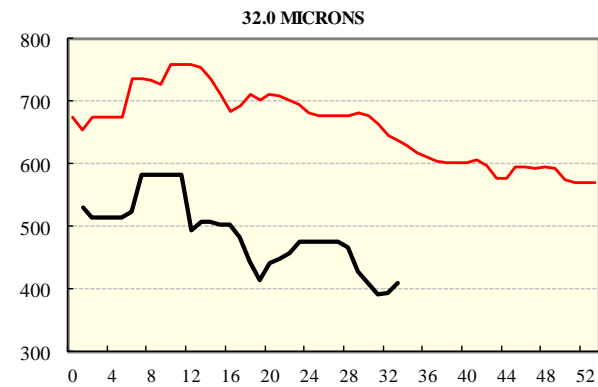
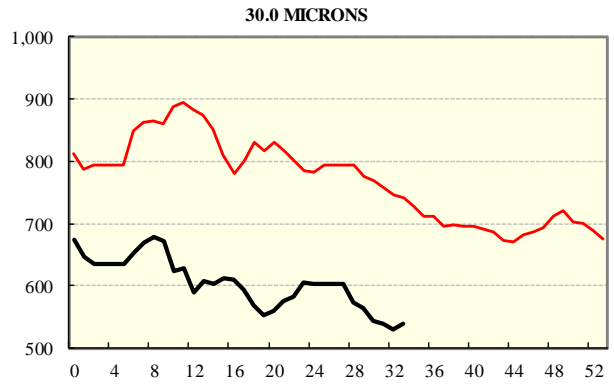
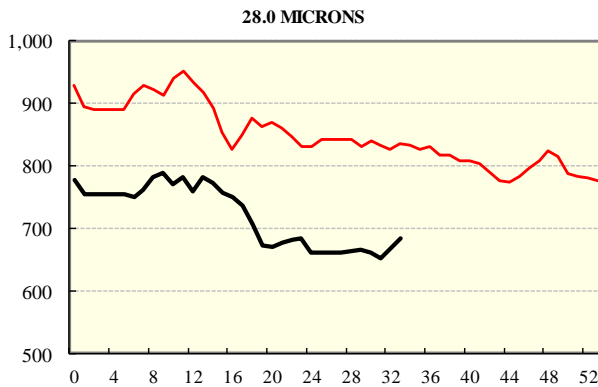
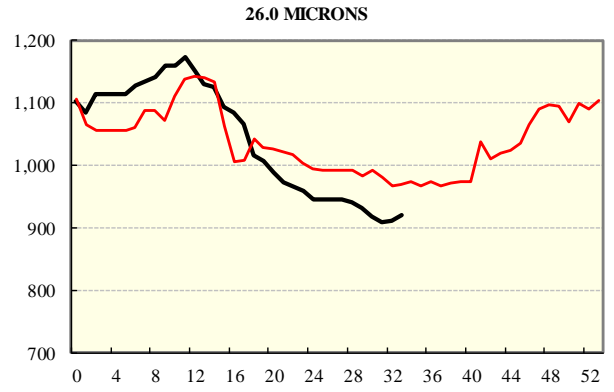
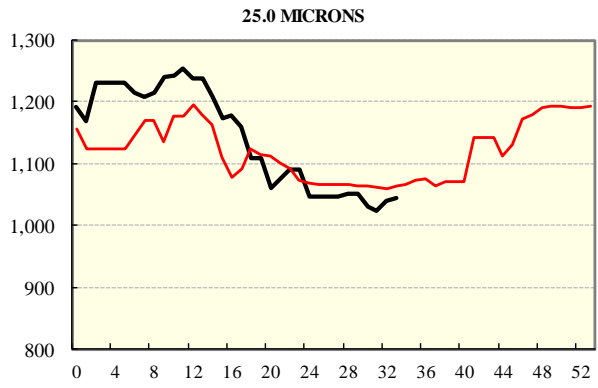
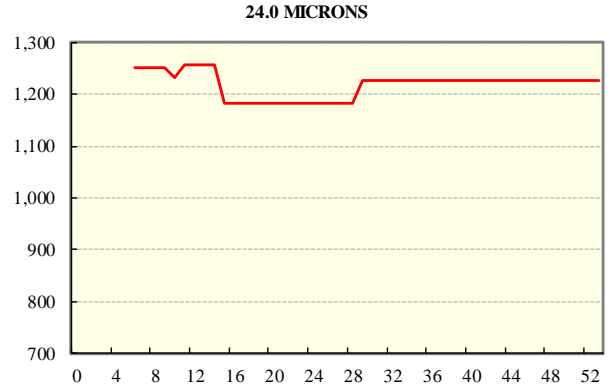
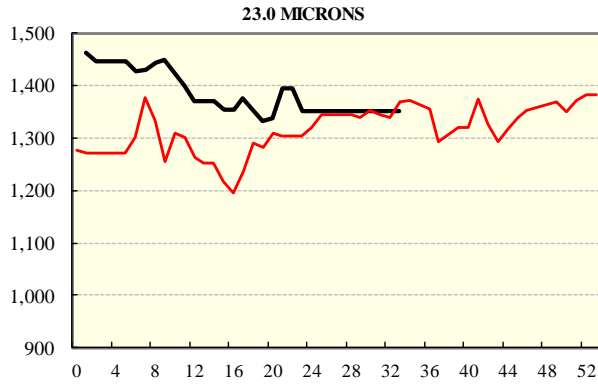
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AVERAGE AWEX MICRON PRICE GUIDES
 2016/17(black graph line) and 2015/16 (red graph line)

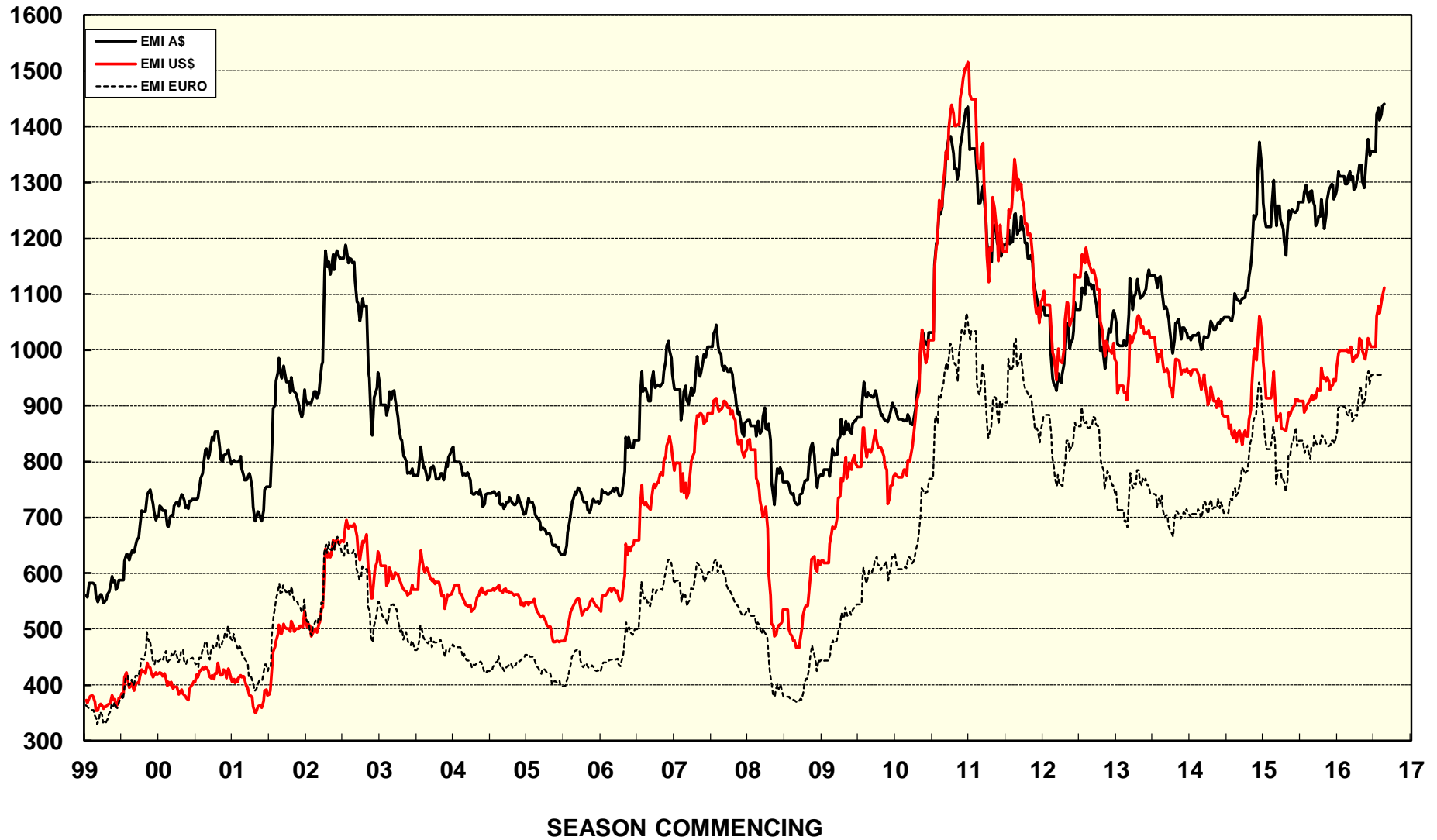


AVERAGE AWEX MICRON PRICE GUIDES
2016/17(black graph line) and 2015/16 (red graph line)



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

(In Australian, United States and European Currencies)



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