

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 24 February 2017 (Week 34)

The AWEX EMI finished 9¢ higher (+0.6%) in Australian currency and 3¢ higher (+0.3%) in US currency at sales in Sydney, Melbourne and Fremantle this week. The season average EMI is now 1346¢, 98¢ higher than the value of 1248¢ in Week 34 last year.

The season average is also well ahead of the full season averages of 1143¢ and 1198¢ in 2010/11 and 2011/12, the last time the market received a good boost to prices.

45,144 bales were on offer nationally, compared with 44,938 bales last sale. 5.6% of the offering was passed in – including 4.1% of the Merino wool and 8.8% of the crossbreds.

AWEX reports that the value of the wool sold was \$67.6 million (\$1,587 per bale). The per bale figure was down on last week because of a fall in the percentage of Merino fleece on offer from 57% last week to 51%.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 34)									
Centre	Last Sale		Day-to-Day Changes (Week 34)			Sale-to-Sale Closing		Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday	Change	Indicator	US ¢	Euro ¢
Eastern	33	1440	0	+9	0	+9 (+0.6%)	1449	+3	+8
Northern	33	1521	No Sale	+9	0	+9 (+0.6%)	1530	+3	+8
Southern	33	1388	0	+8	+1	+9 (+0.6%)	1397	+3	+8
Western	33	1468	No Sale	+8	+6	+14 (+1.0%)	1482	+7	+11

The market continued its upward movement this week, with the EMI, NMI, SMI, the average AWEX MPG for 19.0 microns and the Merino Cardings Price Guide all at new record levels.

Prices at the finer end of the Merino types continued to rise, but they were not the largest rises this week. The largest rises occurred from 18.5 to 20.0 microns and from 26 to 32 microns. The welcome lift in crossbred prices continued on from the rises seen in the two previous sales.

Merino skirtings generally moved in line with the fleece types, while the oddments had a very good week. As mentioned above, the AWEX Merino Cardings Price Guide reached another record level of 1196¢, up by 16¢ (+1.4%) since last week. This raises the question of whether it will reach 1200¢.

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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	515¢	602¢	656¢	681¢	714¢

Market Indicator	Changes From			
	Four Sales Ago Week 30	Start of the Season	Week 34 Last Year	Season Average to Week 34 Last Year
Eastern Market Indicator	+37 (+2.6%)	+133 (+10.1%)	+164 (+12.8%)	+98 (+7.9%)
Western Market Indicator	+25 (+1.7%)	+63 (+4.4%)	+127 (+9.4%)	+120 (+9.3%)

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 ¢	+6	+2	+4	+10	+17	+23	+11	+16	+7	0		
Change %	+0.3%	+0.1%	+0.2%	+0.5%	+0.9%	+1.3%	+0.7%	+1.0%	+0.5%	0.0%		
<b>Since Start of the Season</b>												
Change ¢	+521	+505	+485	+451	+381	+283	+169	+60	-44	-87		
Change %	+33.0%	+32.2%	+31.0%	+29.2%	+25.0%	+18.8%	+11.3%	+4.0%	-3.0%	-6.0%		
<b>Since Same Week Last Year</b>												
Change ¢	+523	+502	+501	+465	+424	+355	+259	+149	+44	-12		
Change %	+33.1%	+31.9%	+32.4%	+30.3%	+28.6%	+24.7%	+18.4%	+10.6%	+3.2%	-0.9%		

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC <sup>#</sup>
<b>Since Last Sale</b>						
Change ¢	+8	+17	+24	+6	+10	+16
Change %	+0.8%	+1.8%	+3.5%	+1.1%	+2.4%	+1.4%
<b>Since Start of the Season</b>						
Change ¢	-147	-162	-46	-96	-104	+110
Change %	-12.3%	-14.7%	-6.1%	-15.0%	-19.9%	+10.1%
<b>Since Same Week Last Year</b>						
Change ¢	-14	-36	-124	-183	-210	+82
Change %	-1.3%	-3.7%	-14.9%	-25.1%	-33.4%	+7.4%

# Average Merino Cardings Price Guide

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For further information

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## AWIS WOOL MARKET REVIEW Week Ending 24 February 2017 (Week 34)

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.

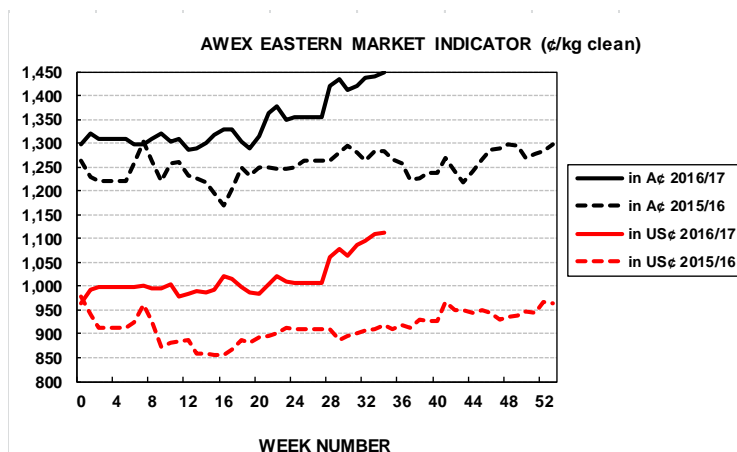
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	11,090	11,617	5.5%	1.6%	5.4%	10,979
South	21,803	24,703	5.2%	1.9%	4.3%	23,425
West	12,045	8,824	7.1%	5.4%	5.1%	8,194
<b>Australia</b>	<b>44,938</b>	<b>45,144</b>	<b>5.6%</b>	<b>2.5%</b>	<b>4.7%</b>	<b>42,598</b>

Actual and % Changes in the Progressive Offerings from Last Year	
+22,946	+7.0%
+24,471	+4.2%
+21,635	+9.3%
<b>+69,052</b>	<b>+6.1%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 35	Week 36	Week 37	Differences
North	12,767	10,700	10,200	<b>+6.6%</b>
South	21,480	21,950	20,745	<b>-0.7%</b>
West	8,073	9,550	9,550	<b>-8.4%</b>
<b>New Zealand</b>				
<b>Australia</b>	<b>41,271</b>	<b>42,200</b>	<b>40,495</b>	<b>-1.5%</b>
<b>Differences</b>	<b>-12.1%</b>	<b>+5.9%</b>	<b>+3.6%</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	77.13	-0.04	-0.33	-0.08	+0.23	-0.04	-0.26 (-0.3%)	76.87	73.75	77.13
Euro	72.66	-0.44	+0.07	+0.18	+0.47	-0.17	+0.11 (+0.2%)	72.77	66.40	72.77

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%
<b>Change all Countries</b>				<b>+7.2%</b>	<b>+11.6%</b>



AVERAGE EMI	
This Year	1346
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1394	+114
South	1316	+78
West	1413	+105

THIS YEAR'S EMI	
This Week	1449
First Week	1320
Low (23/09)	1287
High (24/02)	1449

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1530	+193
South	1397	+96
West	1482	+63

BALES OFFERED	
This Year	1,207,221
Last Year	1,138,169
Difference	+69,052
% Diff	+6.1%
FIRST OFFERED BALES	
Difference	+6.1%
% of Offering	95.3%

REGION BALES		
This Sale:		Diff
North	11,617	
South	24,703	
West	8,824	
Progressive Totals:		Diff
North	348,864	+7.0%
South	603,856	+4.2%
West	254,501	+9.3%

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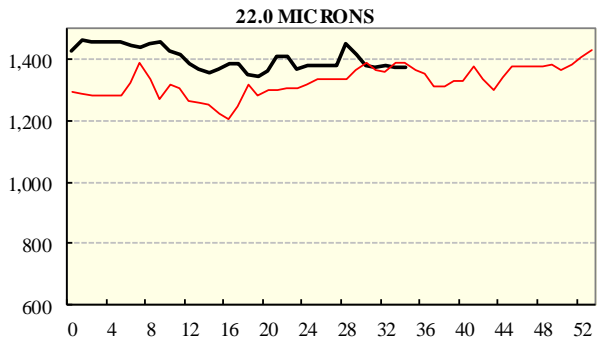
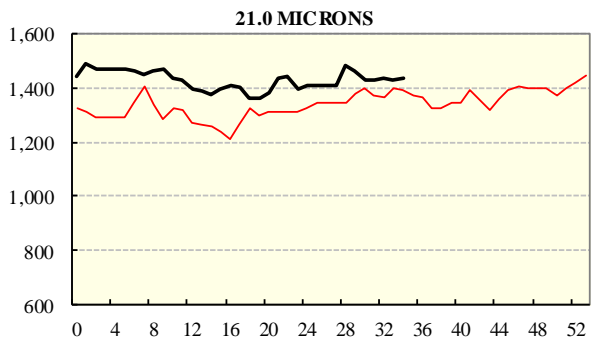
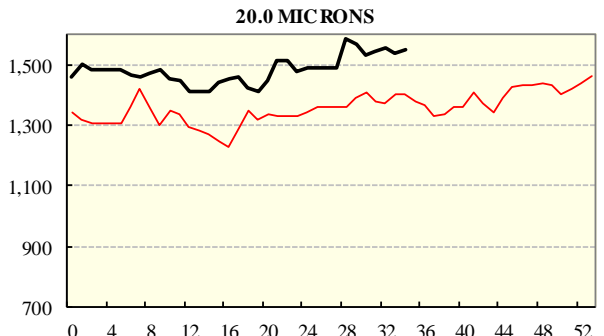
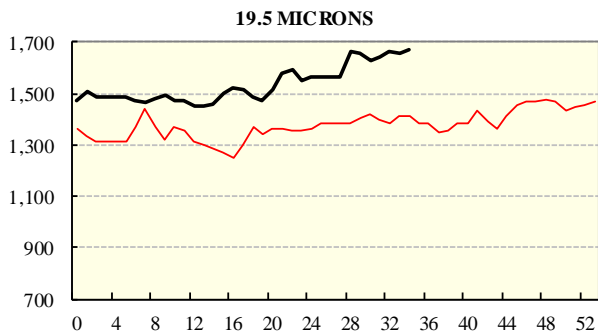
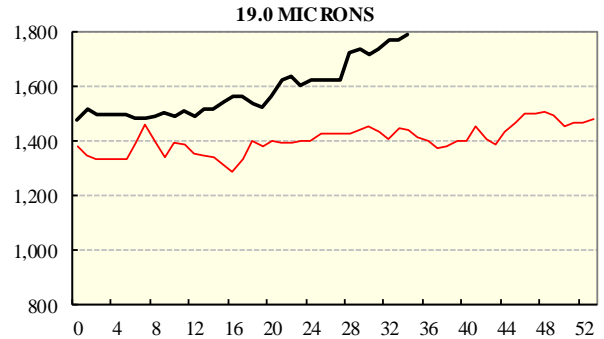
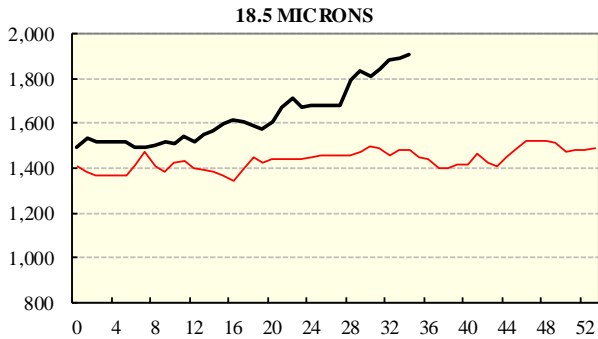
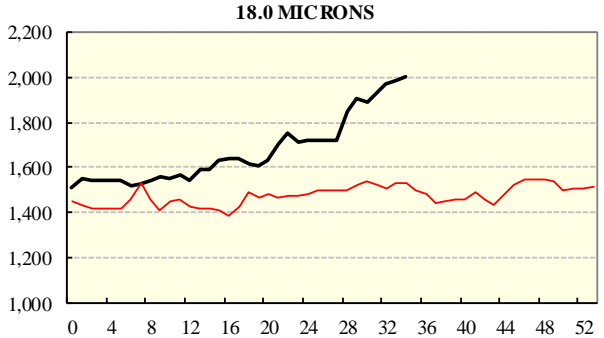
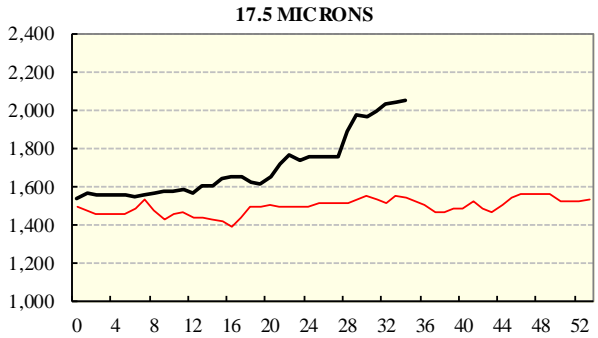
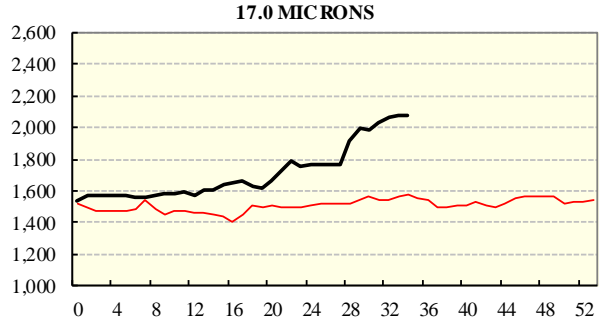
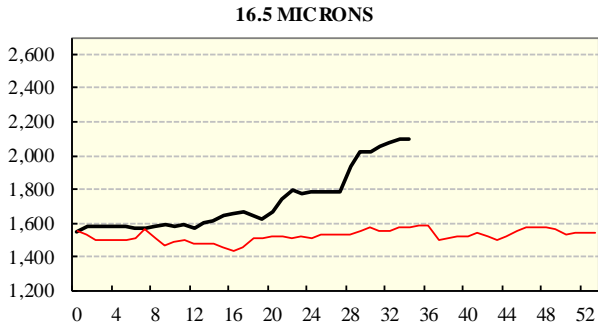
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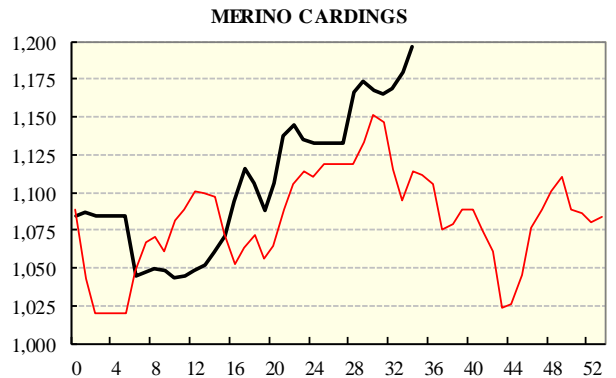
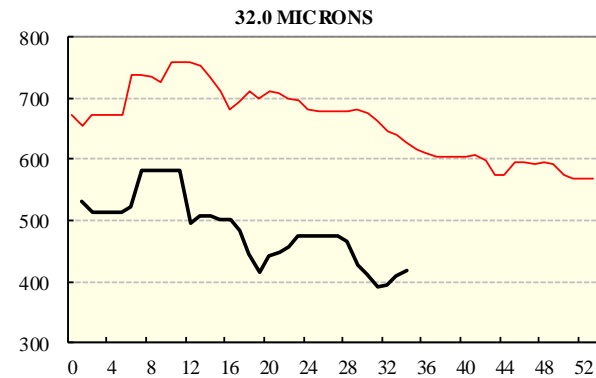
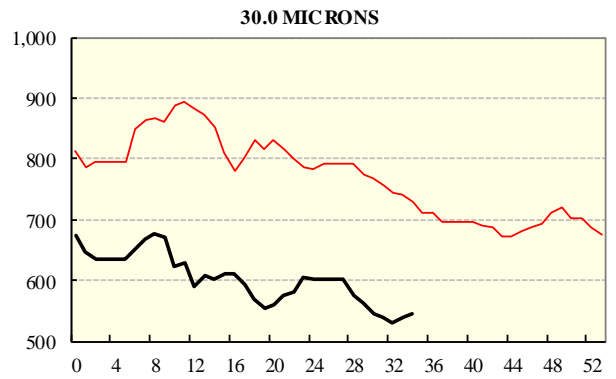
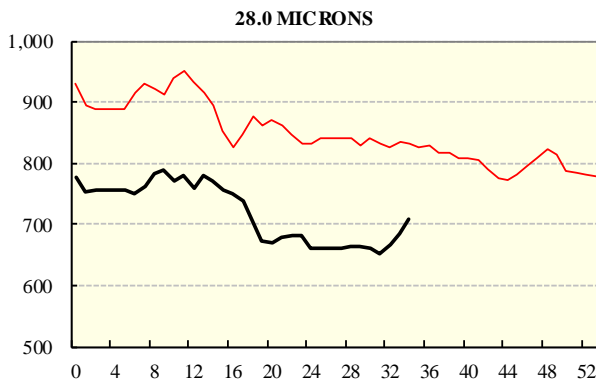
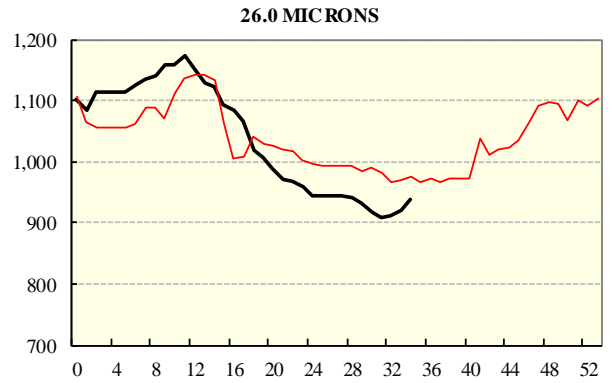
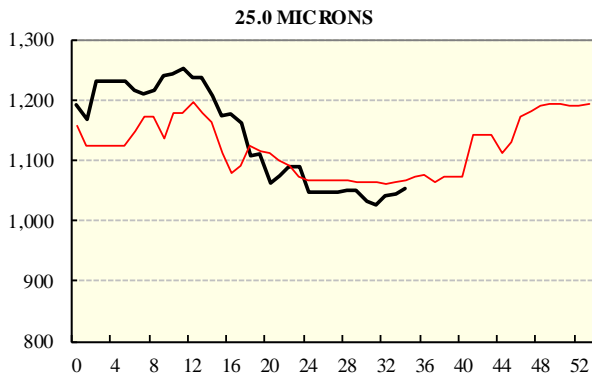
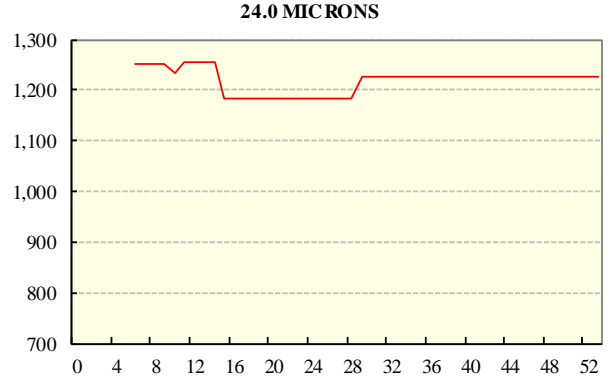
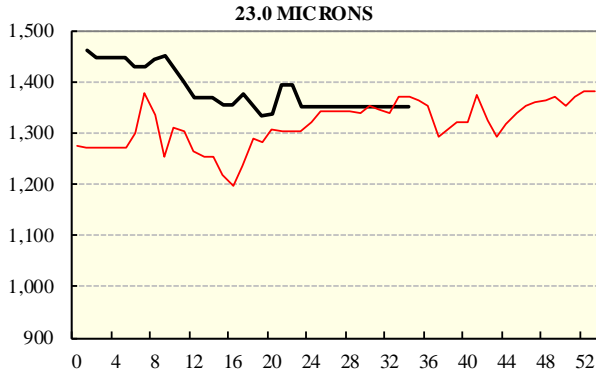
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# AVERAGE AWEX MICRON PRICE GUIDES

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

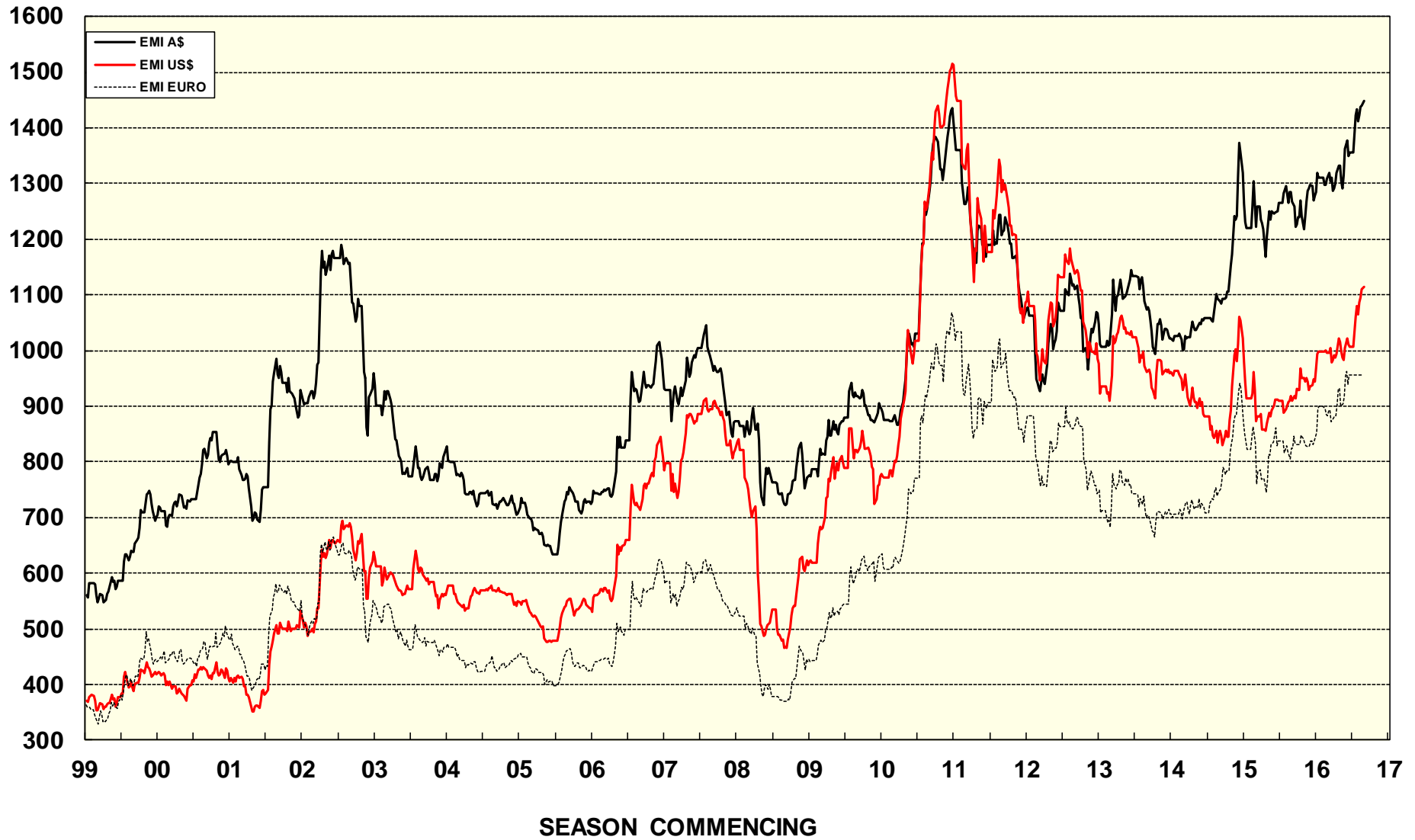


**AVERAGE AWEX MICRON PRICE GUIDES**  
 2016/17( black graph line) and 2015/16 (red graph line)



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

(In Australian, United States and European Currencies)



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