

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 5 May 2017 (Week 44)

The AWEX EMI finished 43¢ higher (+2.9%) in Australian currency and 21¢ higher (+1.9%) in US currency at sales in Sydney, Melbourne and Fremantle this week. The EMI was only 2¢ less than its peak of 1546¢ two sales ago; and was equal to or greater than 1500¢ for the eighth time in the last nine sales. The season average EMI is now at 1387¢; and likely to exceed 1400¢ by the end of June.

The WMI rose by 45¢ to a new peak value of 1560¢.

38,292 bales were on offer nationally, compared with 52,189 bales last sale. 4.5% of the offering was passed in (including 1.9% of the Merino fleece).

AWEX reports that the value of the wool sold was \$62.8 million (\$1,717 per bale), taking the season total to \$2.4 billion.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 44)									
Centre	Last Sale		Day-to-Day Changes (Week 44)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	43	1501	No Sale	+22	+21	+43 (+2.9%)	1544	+21	+19
Northern	43	1597	No Sale	+19	+23	+42 (+2.6%)	1639	+19	+18
Southern	43	1452	No Sale	+23	+16	+39 (+2.7%)	1491	+18	+17
Western	43	1508	No Sale	+45	+7	+52 (+3.4%)	1560	+27	+26

It was another strong sale with rises across all average AWEX MPGs on both days, except for 18 microns in the West on Thursday. The greatest gains were among the medium Merino micron ranges. This was the area that experienced a correction last week.

Merino skirtings followed the fleece types, while the oddments were in strong demand on both days. Crossbreds were again relatively unchanged.

The US Exchange Rate oscillated during the week, before finishing 0.77¢ (-1.0%) lower to close at 74.08¢ on Thursday.

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	695¢	797¢	869¢	928¢	959¢
South	702¢	759¢	836¢	892¢	924¢

Market Indicator	Changes From			
	Four Sales Ago Week 39	Start of the Season	Week 44 Last Year	Season Average to Week 44 Last Year
Eastern Market Indicator	+42 (+2.8%)	+228 (+17.3%)	+303 (+24.4%)	+140 (+11.2%)
Western Market Indicator	+72 (+4.8%)	+141 (+9.9%)	+235 (+17.7%)	+144 (+11.1%)

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 ¢	+39	+47	+54	+66	+72	+62	+67	+61	+60	+66		
Change %	+1.7%	+2.0%	+2.4%	+3.1%	+3.5%	+3.3%	+3.8%	+3.8%	+4.1%	+4.8%		
Since Start of the Season												
Change ¢	+803	+783	+732	+674	+595	+459	+321	+155	+52	-17		
Change %	+50.8%	+49.9%	+46.8%	+43.6%	+39.1%	+30.4%	+21.4%	+10.4%	+3.5%	-1.2%		
Since Same Week Last Year												
Change ¢	+859	+830	+786	+737	+670	+538	+410	+259	+173	+106		
Change %	+56.3%	+54.5%	+52.1%	+49.7%	+46.3%	+37.6%	+29.1%	+18.7%	+12.7%	+7.9%		

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 ¢		+2	+15	+2	-2	+2
Change %		+0.2%	+2.0%	+0.3%	-0.5%	+0.2%
Since Start of the Season						
Change ¢		-57	-1	-54	-110	+94
Change %		-5.2%	-0.1%	-8.4%	-21.0%	+8.7%
Since Same Week Last Year						
Change ¢		+19	-19	-84	-163	+154
Change %		+1.9%	-2.5%	-12.5%	-28.3%	+15.0%

Average Merino Cardings Price Guide

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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.

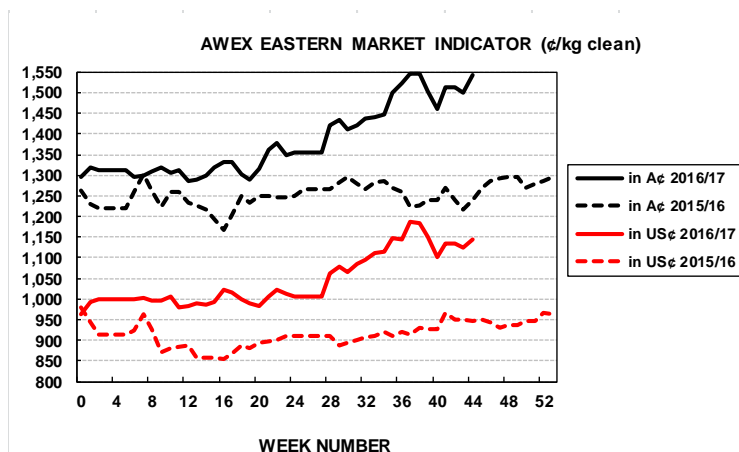
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	15,540	9,052	3.7%	1.0%	4.2%	8,716
South	24,196	20,943	4.3%	4.6%	4.6%	20,038
West	12,453	8,297	5.8%	5.3%	10.4%	7,813
Australia	52,189	38,292	4.5%	3.9%	5.8%	36,567

Actual and % Changes in the Progressive Offerings from Last Year	
+28,368	+6.7%
+37,776	+4.9%
+29,668	+9.3%
+95,812	+6.3%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 45	Week 46	Week 47	Differences
North	9,971	9,300	8,800	-9.5%
South	18,692	19,000	21,500	-0.1%
West	10,590	7,850	7,350	+3.0%
New Zealand				
Australia	38,884	36,150	37,650	-2.3%
Differences	+8.3%	-2.5%	-11.0%	

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	74.85	-0.10	+0.11	+0.53	-0.39	-0.92	-0.77 (-1.0%)	74.08	73.75	77.13
Euro	68.66	+0.16	-0.06	+0.28	-0.39	-0.64	-0.65 (-0.9%)	68.01	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%
Change all Countries				+6.3%	+13.8%



AVERAGE EMI	
This Year	1387
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1445	+166
South	1351	+113
West	1441	+133

THIS YEAR'S EMI	
This Week	1544
First Week	1320
Low (23/09)	1287
High (17/03)	1546

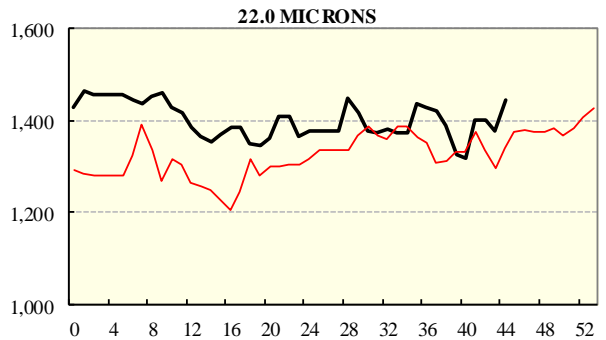
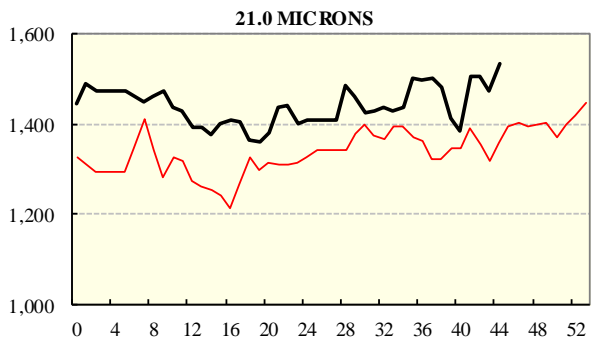
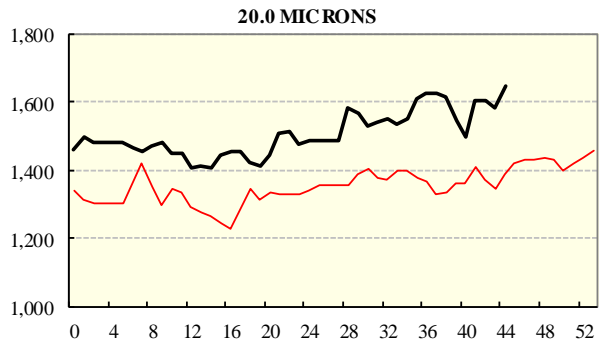
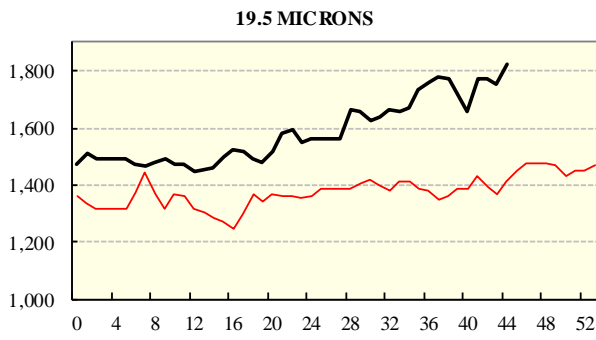
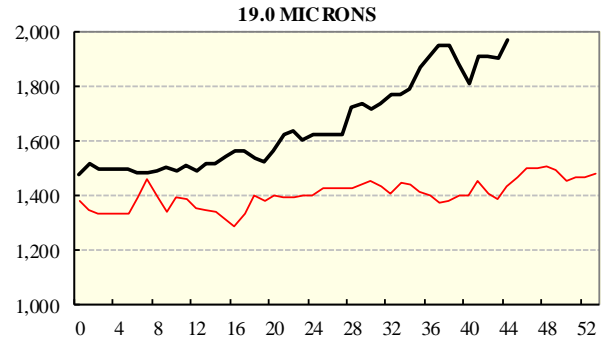
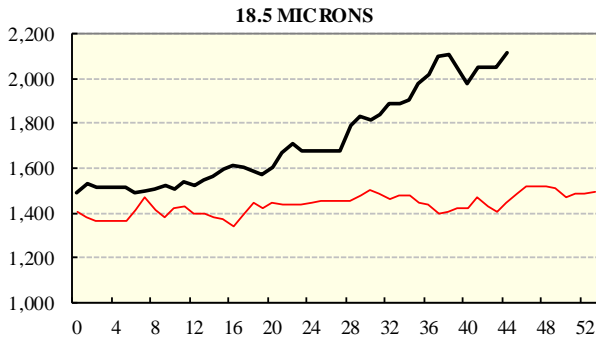
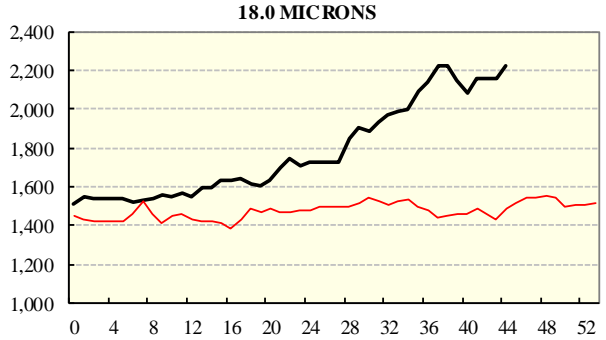
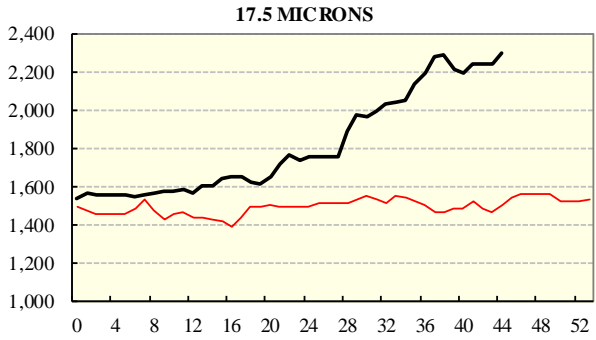
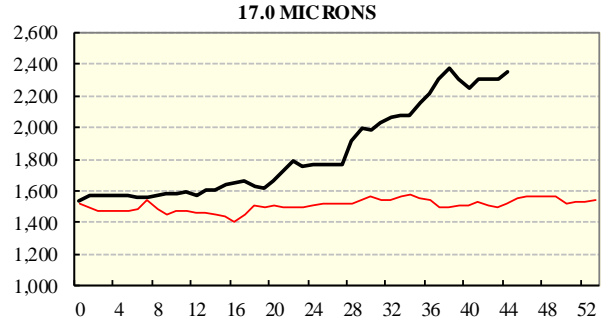
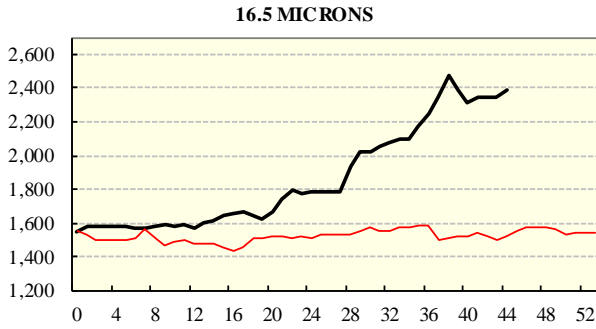
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1639	+302
South	1491	+190
West	1560	+141

BALES OFFERED	
This Year	1,610,606
Last Year	1,514,794
Difference	+95,812
% Diff	+6.3%
FIRST OFFERED BALES	
Difference	+6.6%
% of Offering	95.1%

REGION BALES		
This Sale:		Diff
North	9,052	
South	20,943	
West	8,297	
Progressive Totals:		Diff
North	454,071	+6.7%
South	806,243	+4.9%
West	350,292	+9.3%

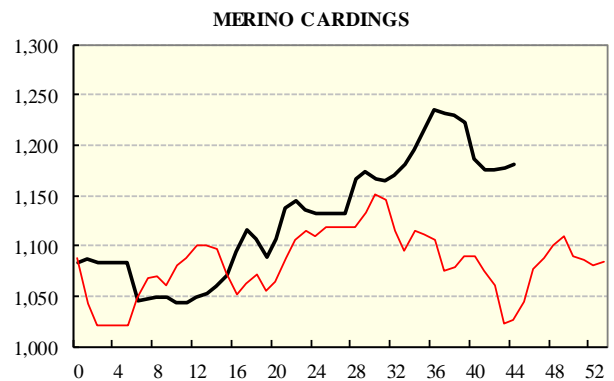
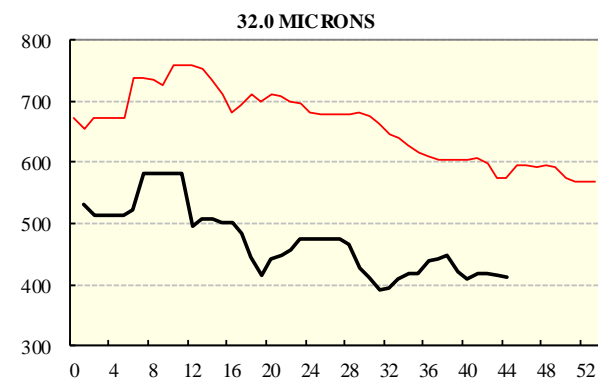
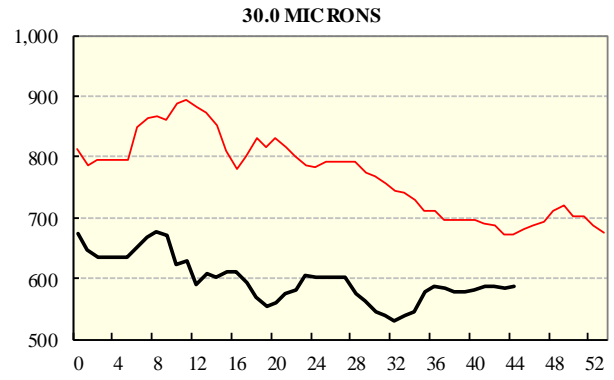
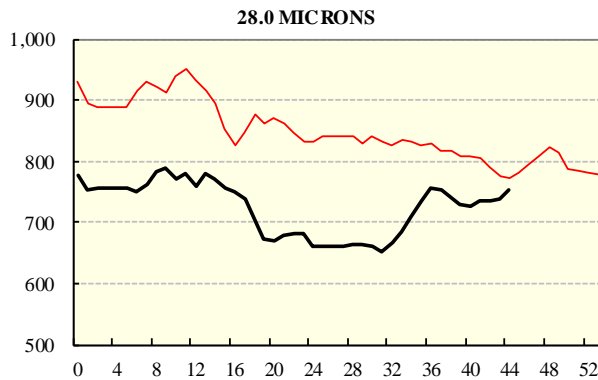
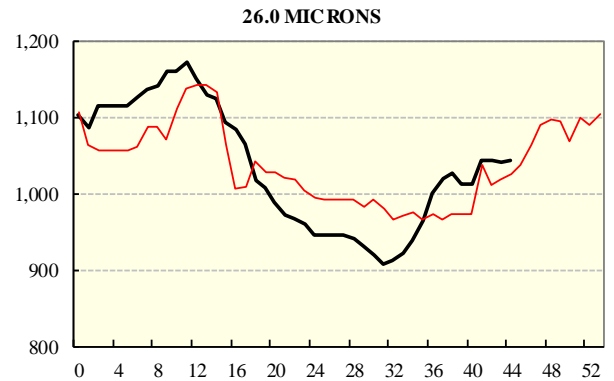
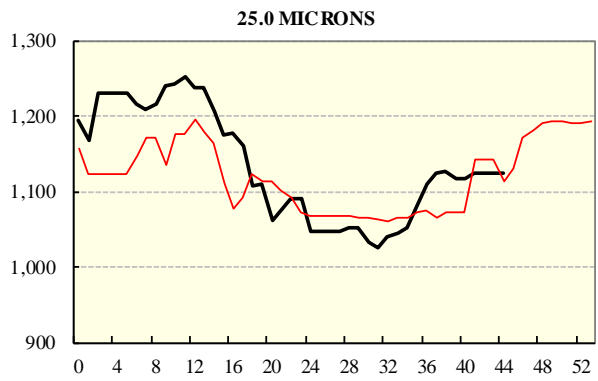
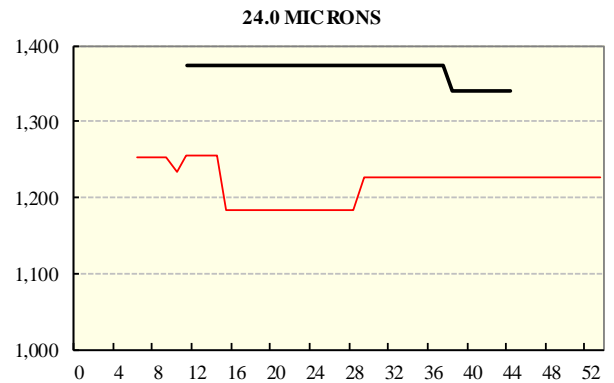
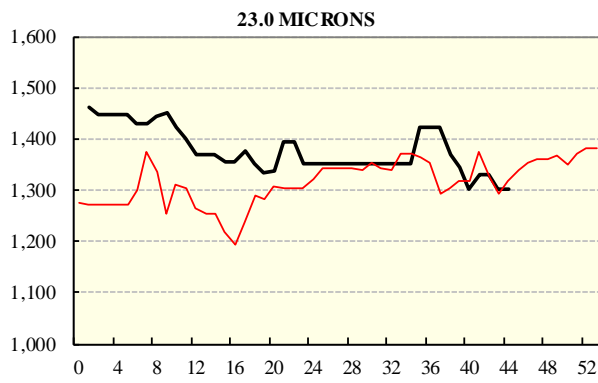
AVERAGE AWEX MICRON PRICE GUIDES

mi(black graph line) and 2015/16 (red graph line)



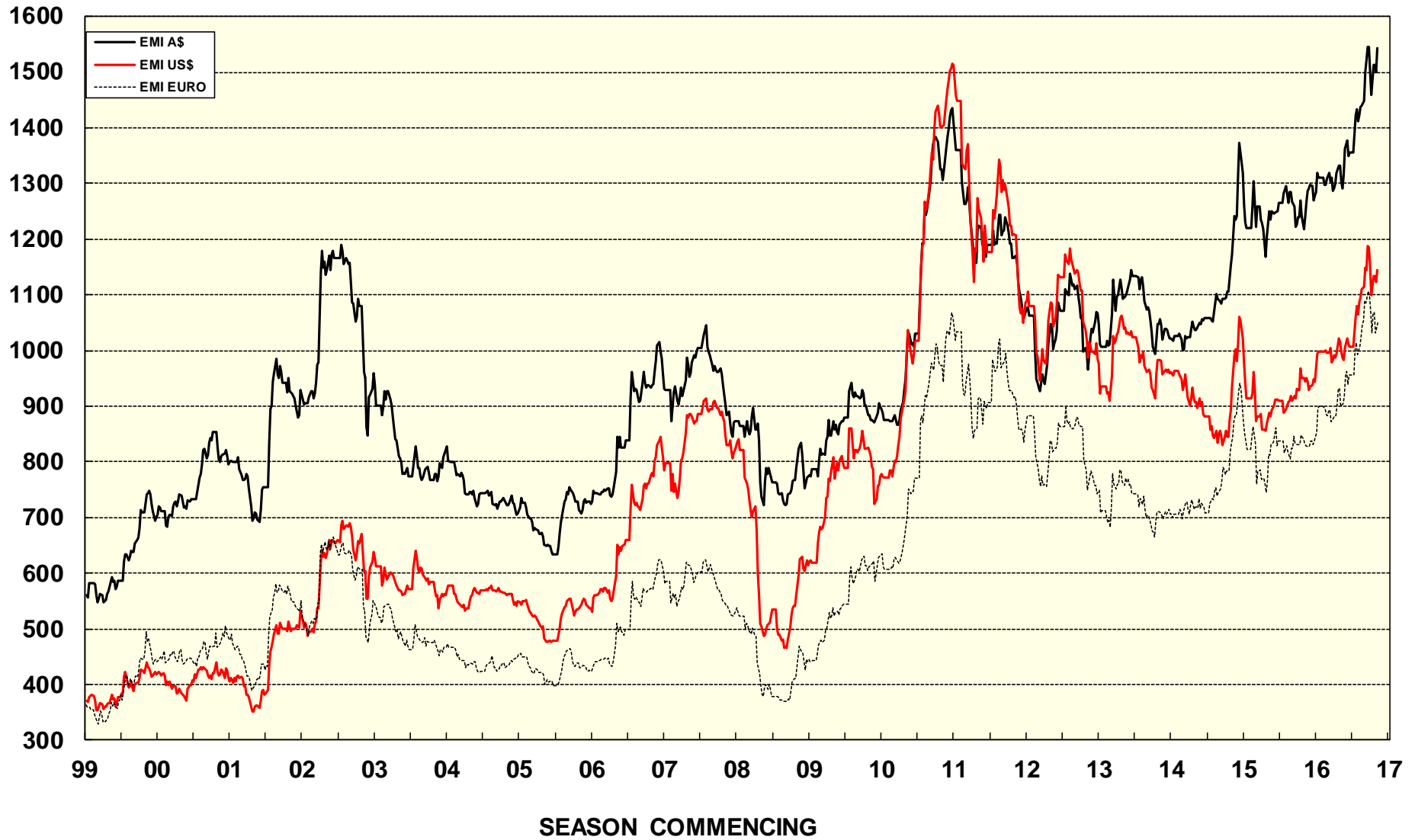
AVERAGE AWEX MICRON PRICE GUIDES

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

(In Australian, United States and European Currencies)



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