

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 9 December 2016 (Week 23)

The AWEX EMI finished at 1349¢, 29¢ lower (-2.1%) in Australian currency and 10¢ lower (-1.0%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

52,412 bales were on offer nationally, compared with 49,145 bales last sale. 12.6% of the offering was passed in.

AWEX reports that the value of the wool sold was \$71.8 million (\$1,567 per bale).

The New Zealand Merino Company offered 836 bales in Melbourne on Tuesday, of which 13.3% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 23)									
Centre	Last Sale		Day-to-Day Changes (Week 23)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	22	1378	-19	-17	+7	-29 (-2.1%)	1349	-10	-24
Northern	22	1441	No Sale	-46	+8	-38 (-2.6%)	1403	-15	-31
Southern	22	1337	-31	+1	+7	-23 (-1.7%)	1314	-5	-20
Western	22	1444	No Sale	-43	+10	-33 (-2.3%)	1411	-12	-27

The market opened in Melbourne on Tuesday with a 31¢ fall in the AWEX Southern Region Indicator before steadying on Wednesday and rising across nearly all wool types and micron ranges on Thursday. Thursday's rises recovered some, but not all, of the earlier falls. The fall on Tuesday followed the easing that occurred on the previous Thursday after it became known that the offering for the current week (Week 23) had increased to 55,000 bales.

The fine end of the Merino wools were less affected than the broader types. This lifted the difference between the closing AWEX 16.5 and 22 micron MPGs by a further 10¢ in the North and a further 12¢ in the South.

Crossbred wools were less affected than Merinos; and experienced significant increases at the broad end on Thursday.

The US Exchange Rate withstood the news on Wednesday of the fall in Australia's September quarter GDP to close 0.89¢ (1.2%) higher at 74.97¢ on Thursday.

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

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	310¢	350¢	378¢	400¢	420¢
South	301¢	327¢	361¢	372¢	392¢

Market Indicator	Changes From			
	Four Sales Ago Week 19	Start of the Season	Week 23 Last Year	Season Average to Week 23 Last Year
Eastern Market Indicator	+59 (+4.6%)	+33 (+2.5%)	+102 (+8.2%)	+79 (+6.4%)
Western Market Indicator	+58 (+4.3%)	-8 (-0.6%)	+123 (+9.5%)	+117 (+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 ¢	-26	-32	-27	-40	-38	-32	-45	-38	-42	-42		
Change %	-1.4%	-1.8%	-1.5%	-2.3%	-2.2%	-2.0%	-2.8%	-2.5%	-2.9%	-3.0%		
Since Start of the Season												
Change ¢	+195	+186	+177	+162	+151	+97	+51	-14	-82	-95	-103	
Change %	+12.3%	+11.8%	+11.3%	+10.5%	+9.9%	+6.4%	+3.4%	-0.9%	-5.5%	-6.5%	-7.1%	
Since Same Week Last Year												
Change ¢	+259	+256	+244	+231	+232	+206	+194	+146	+86	+61		
Change %	+17.1%	+17.1%	+16.3%	+15.6%	+16.1%	+14.7%	+14.3%	+11.0%	+6.5%	+4.7%		

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 ¢		-7	+2	+24	+19	-10
Change %		-0.7%	+0.3%	+4.1%	+4.2%	-0.9%
Since Start of the Season						
Change ¢		-140	-72	-35	-47	+49
Change %		-12.7%	-9.5%	-5.5%	-9.0%	+4.5%
Since Same Week Last Year						
Change ¢		-43	-148	-180	-220	+21
Change %		-4.3%	-17.8%	-22.9%	-31.6%	+1.9%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 9 December 2016 (Week 23)

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 October ABS export data.

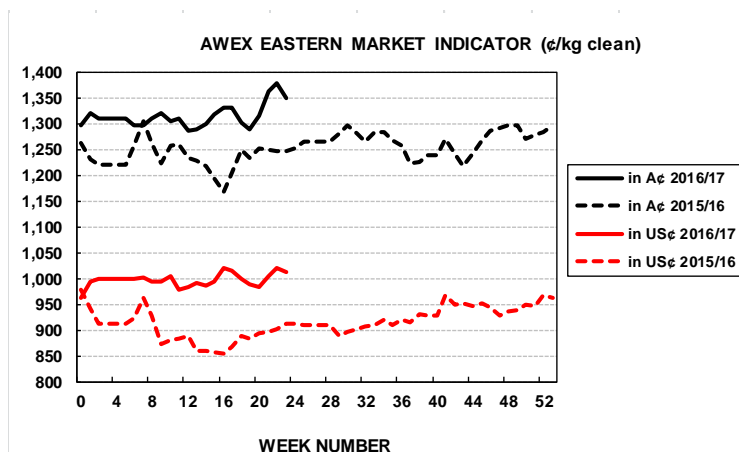
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	14,859	14,766	10.1%	2.3%	4.9%	13,273
South	24,530	27,070	13.8%	3.5%	4.2%	23,343
West	9,756	10,576	13.1%	7.7%	3.5%	9,193
Australia	49,145	52,412	12.6%	4.0%	4.3%	45,809

Actual and % Changes in the Progressive Offerings from Last Year	
+17,249	+7.6%
+17,677	+4.5%
+18,613	+12.2%
+53,539	+7.0%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 24	Week 25	Week 26	Differences
North	15,954	No Sale	No Sale	-33.6%
South	31,082	No Sale	No Sale	-30.7%
West	9,086	No Sale	No Sale	-46.8%
New Zealand				
Australia	56,122			+28.9%
Differences	+28.9%			

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	+0.03	+0.42	+0.06	-0.29	+0.67	+0.89 (+1.2%)	74.97	73.75	77.11
Euro	69.89	-0.49	+1.24	-1.29	-0.05	+0.28	-0.31 (-0.4%)	69.58	66.40	70.11

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to October	
	October 2016	July to October This Season	July to October Last Season	By Weight	By Value
China	77.2%	75.8%	73.4%	+10.3%	+12.0%
India	8.0%	7.5%	8.9%	-10.0%	-3.0%
Italy	4.8%	5.6%	6.0%	-0.4%	+9.2%
Czech Republic	4.4%	5.1%	4.0%	+36.0%	+43.4%
Malaysia	0.6%	0.8%	1.5%	-45.2%	-53.4%
Korea	1.2%	1.4%	1.7%	-12.4%	-15.3%
Taiwan	0.4%	0.8%	0.9%	-11.4%	-6.2%
Egypt	1.0%	1.0%	1.3%	-19.0%	-14.7%
Change all Countries				+6.8%	+8.5%



AVERAGE EMI	
This Year	1316
Last Year	1254
2014/15	1102
2013/14	1070
2012/13	1035

SEASON AVERAGES		
Region	This Year	Diff
North	1353	+74
South	1292	+54
West	1390	+82

THIS YEAR'S EMI	
This Week	1349
First Week	1320
Low (26/10)	1287
High (20/10)	1378

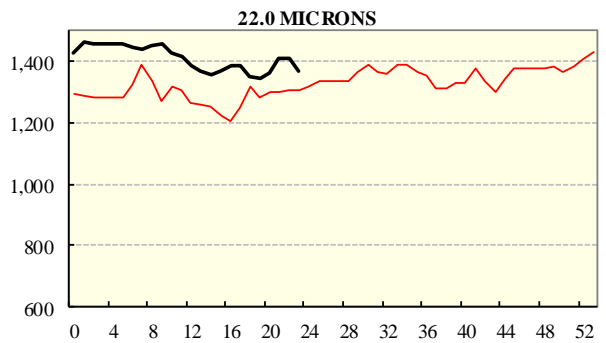
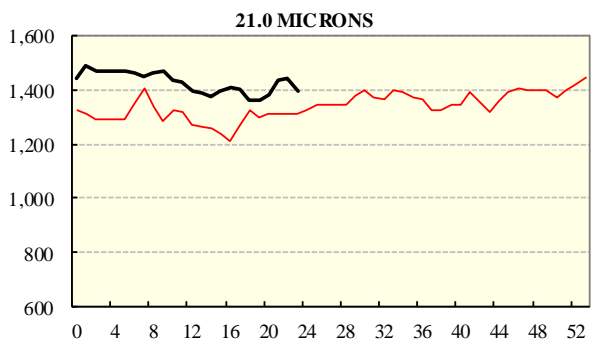
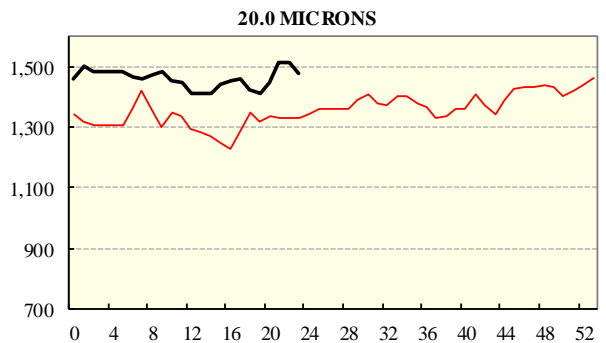
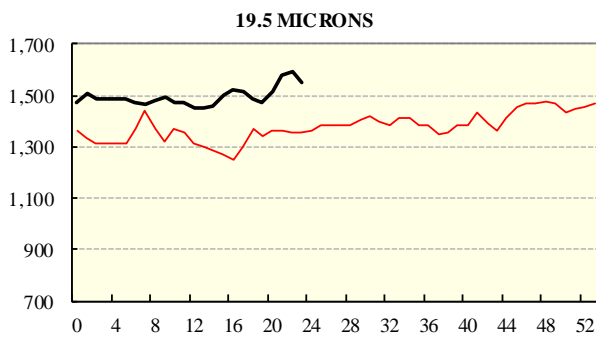
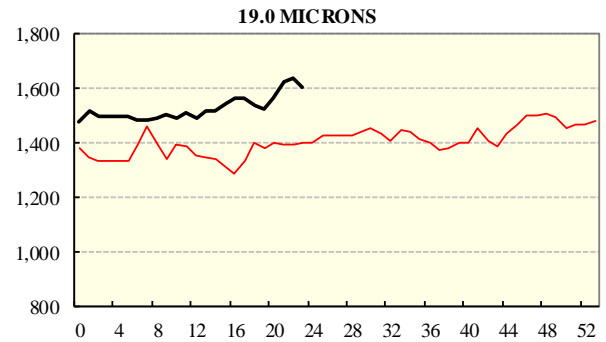
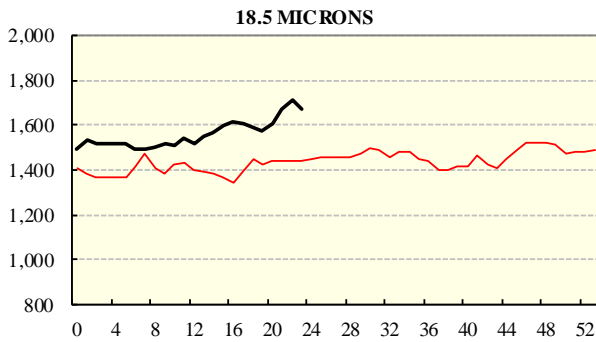
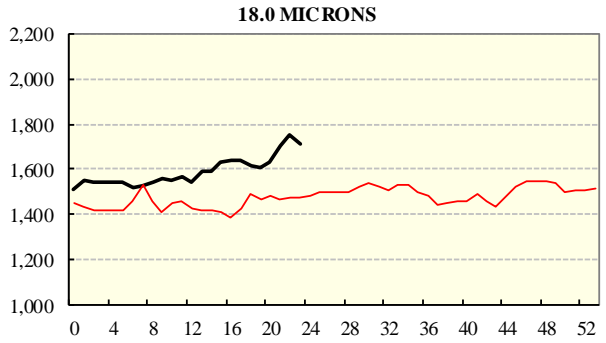
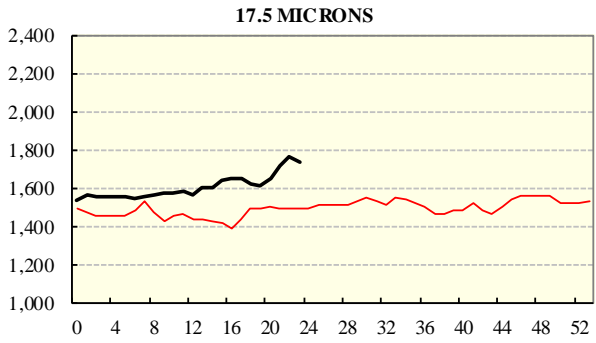
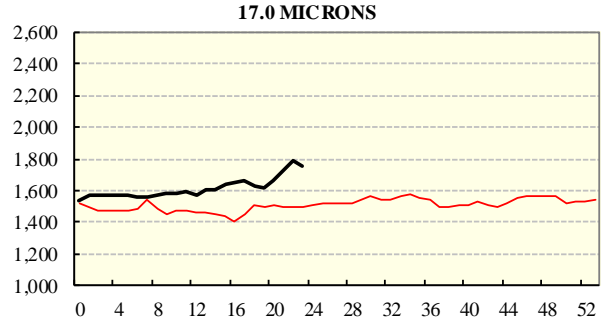
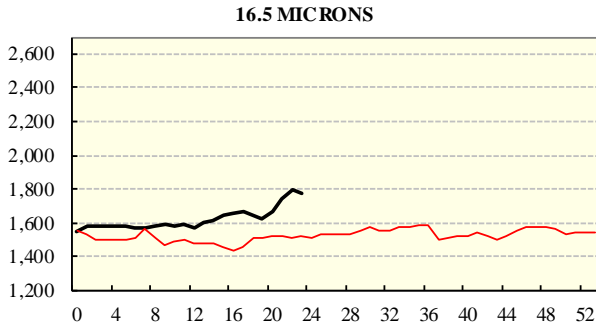
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1403	+66
South	1314	+13
West	1411	-8

BALES OFFERED	
This Year	823,274
Last Year	769,735
Difference	+53,539
% Diff	+7.0%
FIRST OFFERED BALES	
Difference	+7.3%
% of Offering	95.8%

REGION BALES		
This Sale:		
North	14,766	
South	27,070	
West	10,576	
Progressive Totals:		
North	243,961	+7.6%
South	408,198	+4.5%
West	171,115	+12.2%

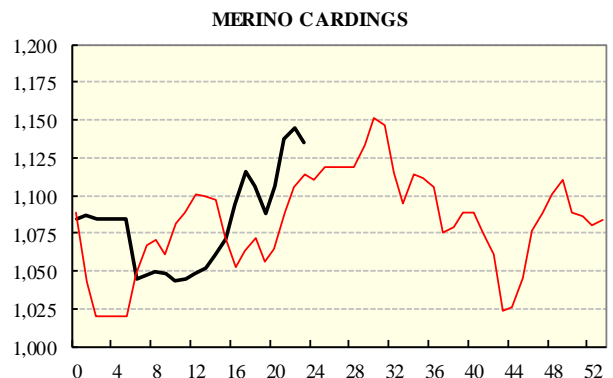
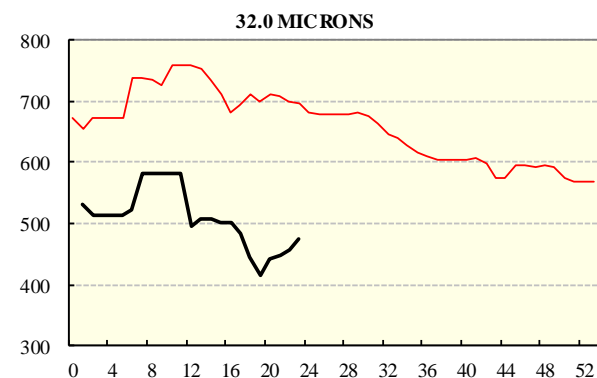
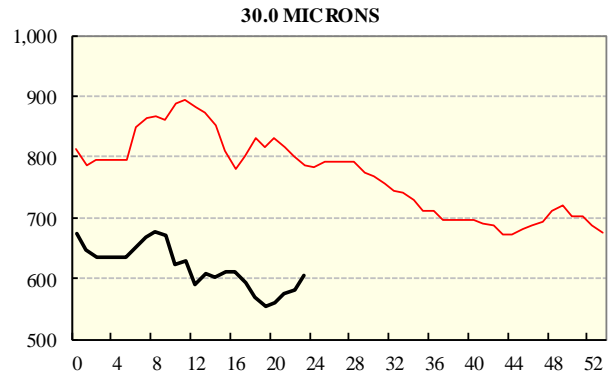
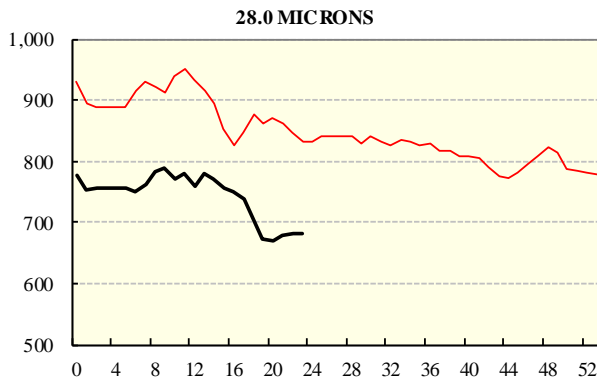
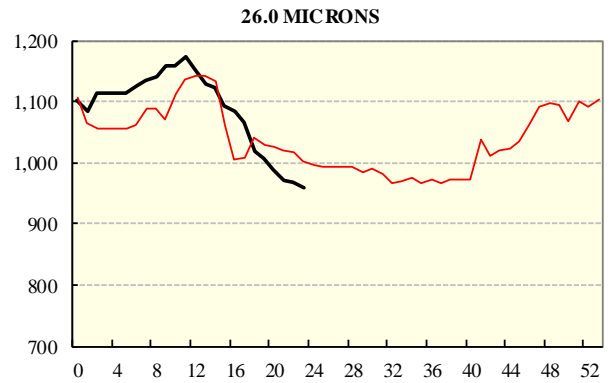
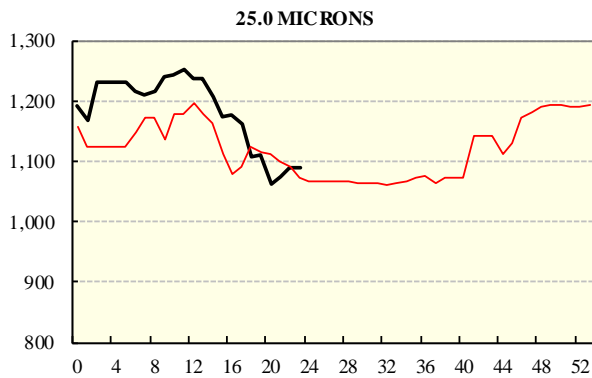
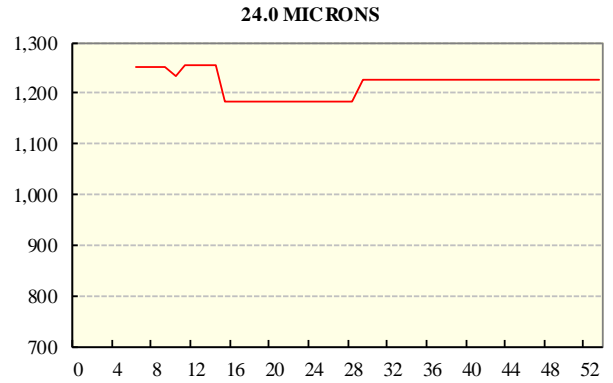
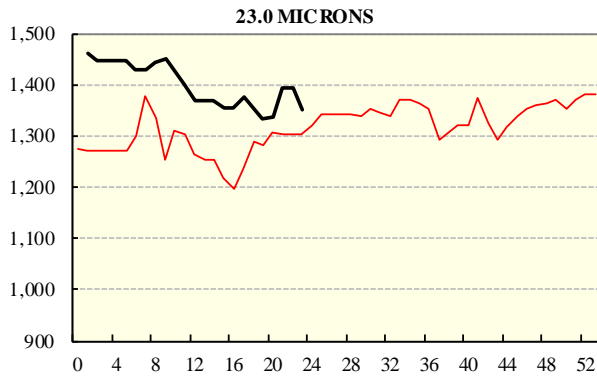
AVERAGE AWEX MICRON PRICE GUIDES

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

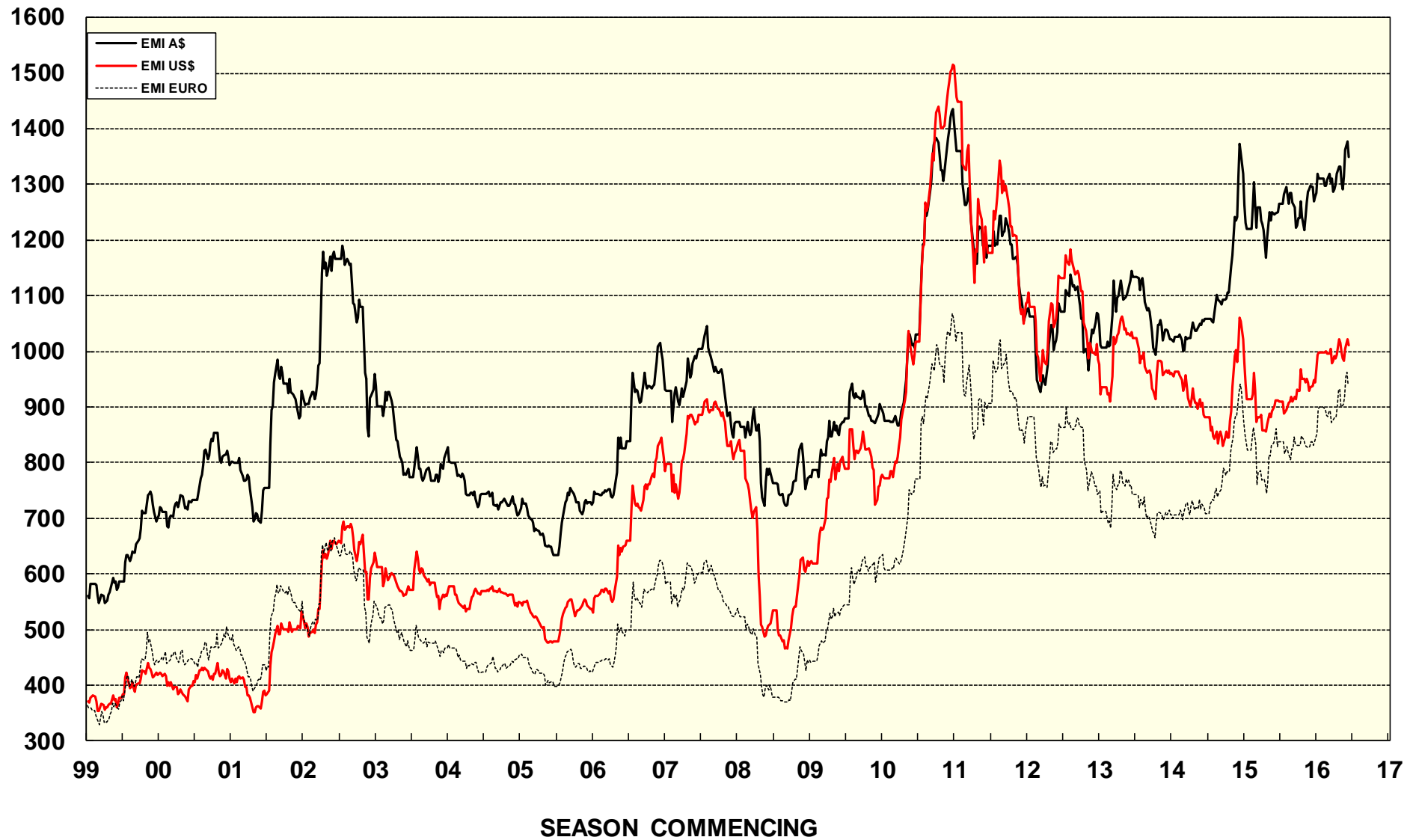


AVERAGE AWEX MICRON PRICE GUIDES

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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