

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 3 November 2017 (Week 18)

The AWEX EMI finished 45¢ higher (+2.9%) in Australian currency and 36¢ higher (+3.0%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

The closing EMI (1623¢) was the highest value for this year (and since AWIS began recording these data in 2006/07).

45,548 bales were on offer nationally, compared with 42,875 bales last sale. 2.2% of the offering was passed in.

AWEX reports that the value of the wool sold was \$85.4 million (\$1,918 per bale), taking the season total to \$1.1 billion.

The New Zealand Merino Company also offered 678 bales in Melbourne on Tuesday, of which 1.0% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 18)									
Centre	Last Sale		Day-to-Day Changes (Week 18)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	17	1578	+16	+17	+12	+45 (+2.9%)	1623	+36	+46
Northern	17	1673	No Sale	+32	+13	+45 (+2.7%)	1718	+36	+47
Southern	17	1517	+28	+7	+11	+46 (+3.0%)	1563	+37	+46
Western	17	1634	No Sale	+36	+4	+40 (+2.4%)	1674	+32	+43

The market opened strongly on Tuesday when only Melbourne sold. It maintained that strength on Wednesday as Sydney and Fremantle caught up; and finished on a strong note on Thursday. It was an excellent week across all micron ranges and wool types (including the crossbreds whose average AWEX Micron Price Guides went up by around 3.5%). Merinos made good gains up to 22 microns, with the greatest gains again being recorded at the Superfine end.

AWEX Merino Indicators up to 21 microns are at their highest level, (or near highest level) for the season and since 2006/07. Merino Skirtings and Oddments were in strong demand, with significant increases for Lambs. The average AWEX Merino Cardings Price Guide rose by another 51¢ (+4.1%) to close at 1287¢, - 197¢ (17.9%) higher than in Week 09.

The US Exchange Rate finished 0.09¢ (0.1%) higher to close at 77.15¢ on Thursday. This is among the lower levels recorded this season, but the EMI in \$US was still at its second highest value for the season.

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

The South African Cape Wools Indicator was up by 6.3% since last week against a 2.8% depreciation of the Rand against the US Dollar.

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	579¢	735¢	845¢	943¢	1010¢
South	550¢	704¢	800¢	851¢	921¢

Market Indicator	Changes From			
	Four Sales Ago Week 14	Start of the Season	Week 18 Last Year	Season Average to Week 18 Last Year
Eastern Market Indicator	+73 (+4.7%)	+100 (+6.6%)	+320 (+24.6%)	+248 (+18.9%)
Western Market Indicator	+66 (+4.1%)	+108 (+6.9%)	+311 (+22.8%)	+221 (+16.0%)

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 ¢	+55	+79	+42	+50	+41	+46	+54	+46	+42	+24	+4	
Change %	+2.3%	+3.4%	+1.8%	+2.3%	+2.0%	+2.4%	+3.0%	+2.8%	+2.7%	+1.6%	+0.3%	
Since Start of the Season												
Change ¢	+277	+219	+178	+131	+91	+124	+139	+98	+70	+43	+35	
Change %	+12.6%	+10.0%	+8.3%	+6.3%	+4.6%	+6.8%	+8.2%	+6.1%	+4.6%	+2.9%	+2.5%	
Since Same Week Last Year												
Change ¢	+832	+771	+708	+613	+476	+417	+352	+283	+235	+161	+110	
Change %	+50.7%	+47.2%	+43.6%	+38.0%	+30.0%	+27.2%	+23.6%	+19.9%	+17.2%	+11.9%	+8.1%	

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 ¢	+32	+34	+29	+17	+7	+51
Change %	+2.8%	+3.4%	+4.1%	+3.3%	+1.8%	+4.1%
Since Start of the Season						
Change ¢	-9	-58	-32	-25	+16	+125
Change %	-0.8%	-5.2%	-4.2%	-4.5%	+4.2%	+10.8%
Since Same Week Last Year						
Change ¢	+71	+31	+29	-35	-46	+181
Change %	+6.4%	+3.0%	+4.1%	-6.2%	-10.3%	+16.4%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 3 November 2017 (Week 18)

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 September ABS export data.

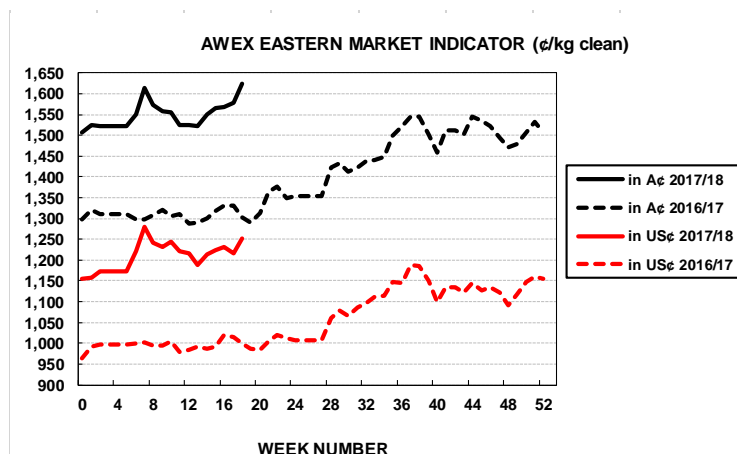
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	12,221	11,152	1.3%	1.1%	3.5%	11,004
South	21,555	25,560	2.5%	2.3%	4.5%	24,931
West	9,099	8,836	2.7%	2.2%	2.9%	8,596
Australia	42,875	45,548	2.2%	2.0%	4.0%	44,531

Actual and % Changes in the Progressive Offerings from Last Year	
+25,781	+14.8%
+44,251	+15.5%
-5,873	-4.8%
+64,159	+11.0%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 19	Week 20	Week 21	Differences
North	11,052	10,480	10,250	-19.9%
South	21,821	25,650	22,059	-2.0%
West	9,849	8,050	7,850	-12.5%
New Zealand			1,000	
Australia	42,722	44,180	40,159	-9.3%
Differences	-9.4%	-6.4%	-12.2%	

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	77.06	-0.64	+0.35	-0.04	-0.14	+0.56	+0.09 (+0.1%)	77.15	75.97	80.00
Euro	65.16	+0.52	+0.40	-0.08	-0.15	+0.33	+1.02 (+1.6%)	66.18	65.16	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to September	
	September 2017	July to September 2017/18	July to September 2016/17	By Weight	By Value
China	78.3%	76.1%	75.3%	+8.0%	+17.0%
India	5.0%	6.4%	7.3%	-7.4%	+8.8%
Italy	6.6%	5.8%	5.9%	+3.7%	+40.8%
Czech Republic	5.2%	5.9%	5.0%	+19.9%	+20.2%
Malaysia	2.1%	1.6%	1.0%	+72.4%	+116.9%
Korea	1.3%	1.4%	1.7%	-4.9%	-8.0%
Taiwan	0.2%	0.6%	0.7%	-2.6%	-13.7%
Egypt	0.7%	1.0%	1.0%	+5.3%	+38.7%
Change all Countries				+10.6%	+20.9%



AVERAGE EMI	
This Year	1557
Last Year	1408
2015/16	1254
2014/15	1102
2013/14	1070

SEASON AVERAGES		
Region	This Year	Diff
North	1634	+164
South	1508	+138
West	1606	+152

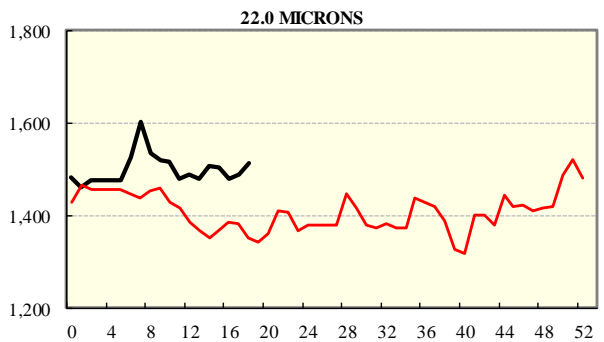
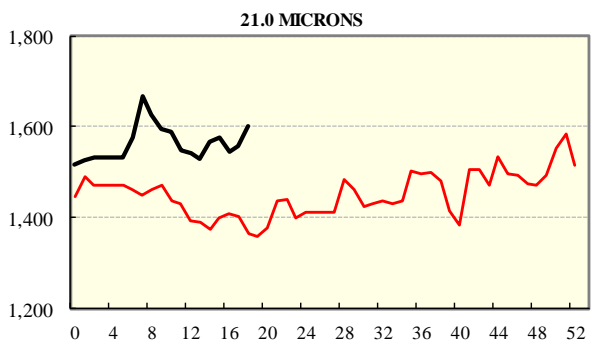
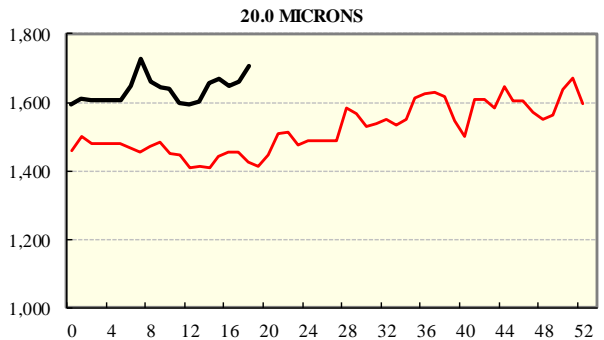
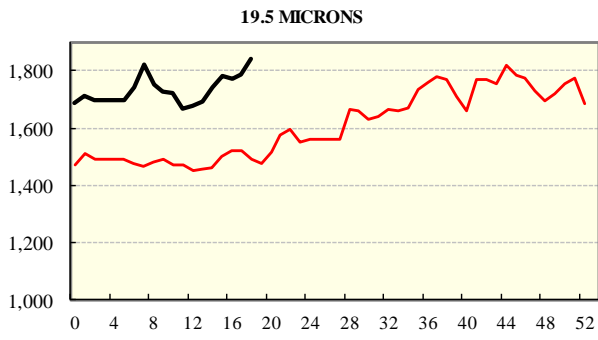
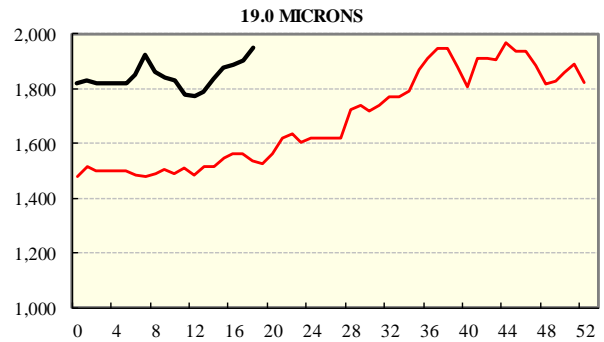
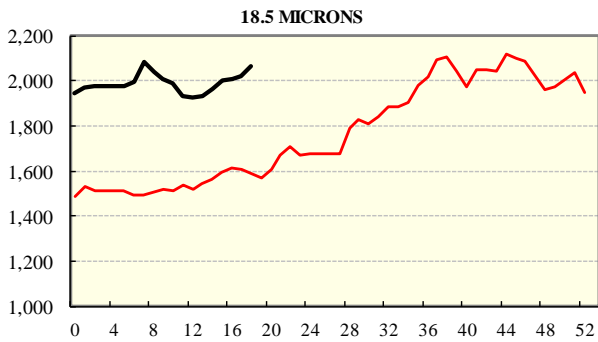
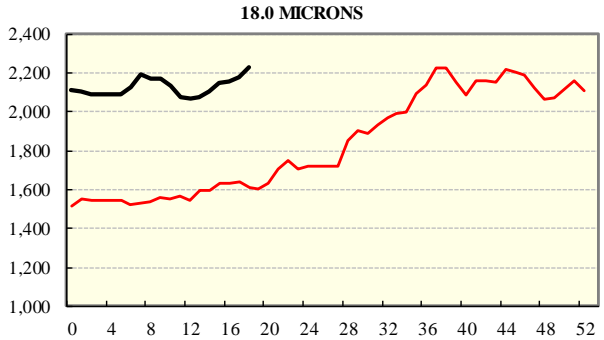
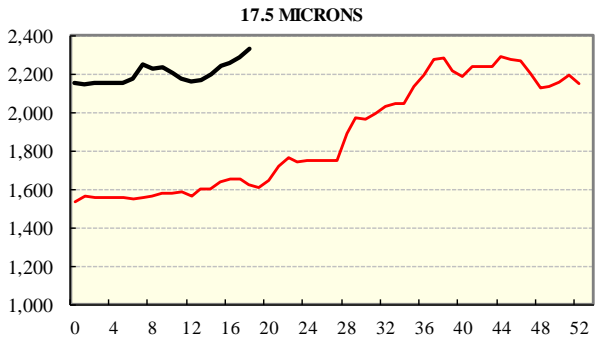
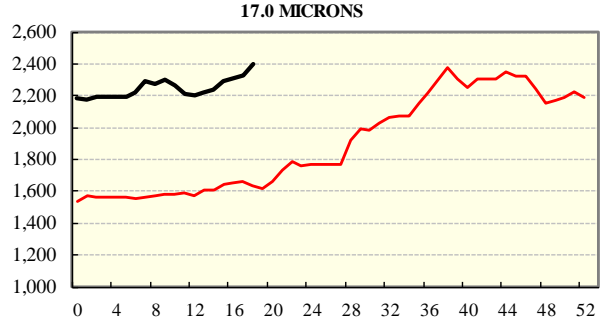
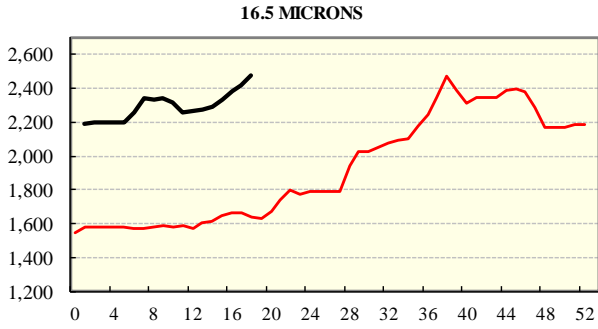
THIS YEAR'S EMI	
This Week	1623
First Week	1524
Low (0/01)	1522
High (0/01)	1623

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1718	+127
South	1563	+83
West	1674	+108

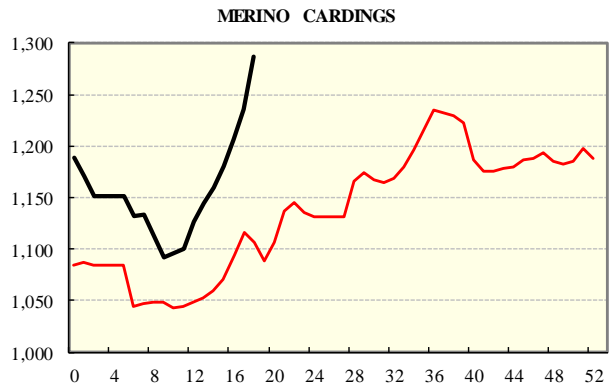
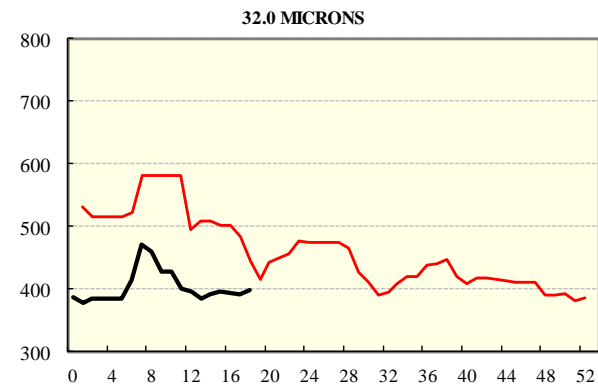
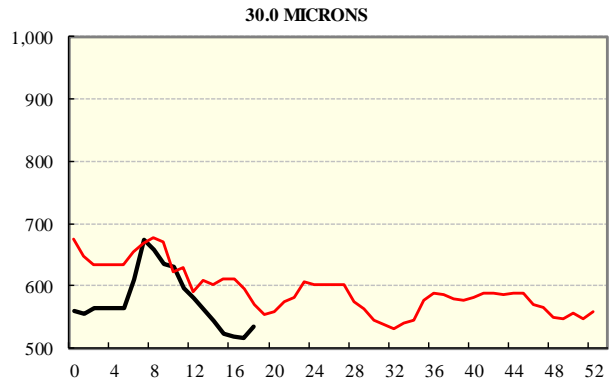
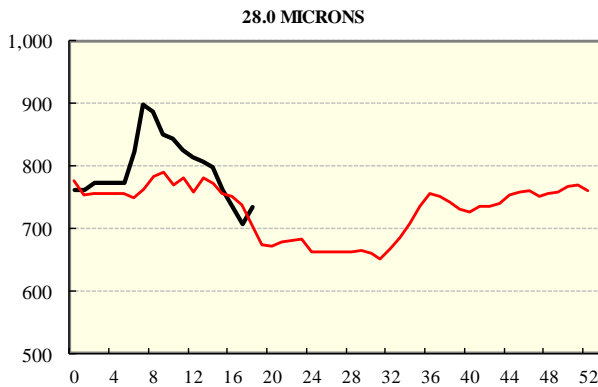
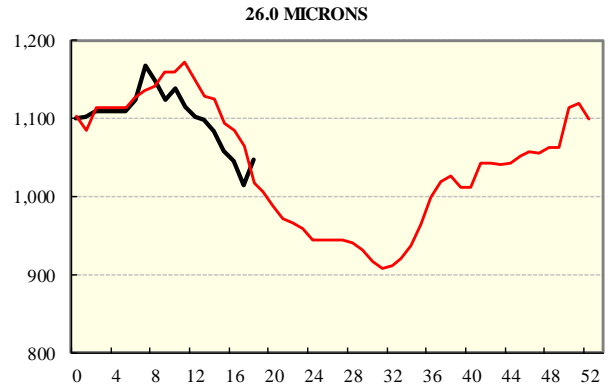
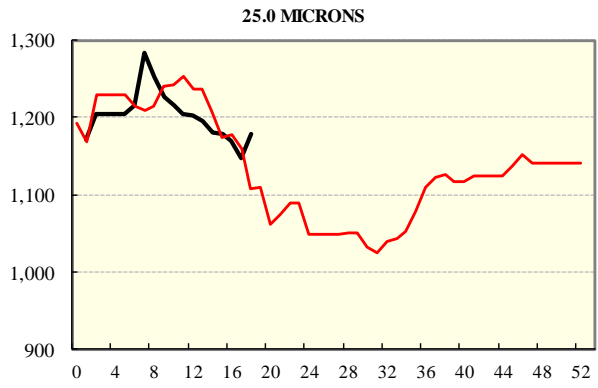
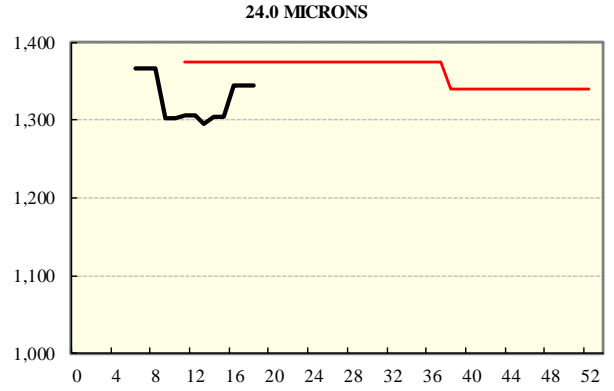
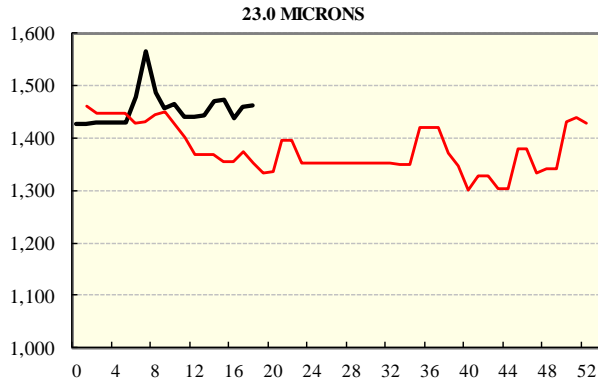
BALES OFFERED	
This Year	645,719
Last Year	581,560
Difference	+64,159
% Diff	+11.0%
FIRST OFFERED BALES	
Difference	+10.0%
% of Offering	95.1%

REGION BALES		
This Sale:		Diff
North	11,152	
South	25,560	+15.5%
West	8,836	-4.8%
Progressive Totals:		Diff
North	200,317	+14.8%
South	329,909	+15.5%
West	115,493	-4.8%

AVERAGE AWEX MICRON PRICE GUIDES
 2017/18(black graph line) and 2016/17 (red graph line)

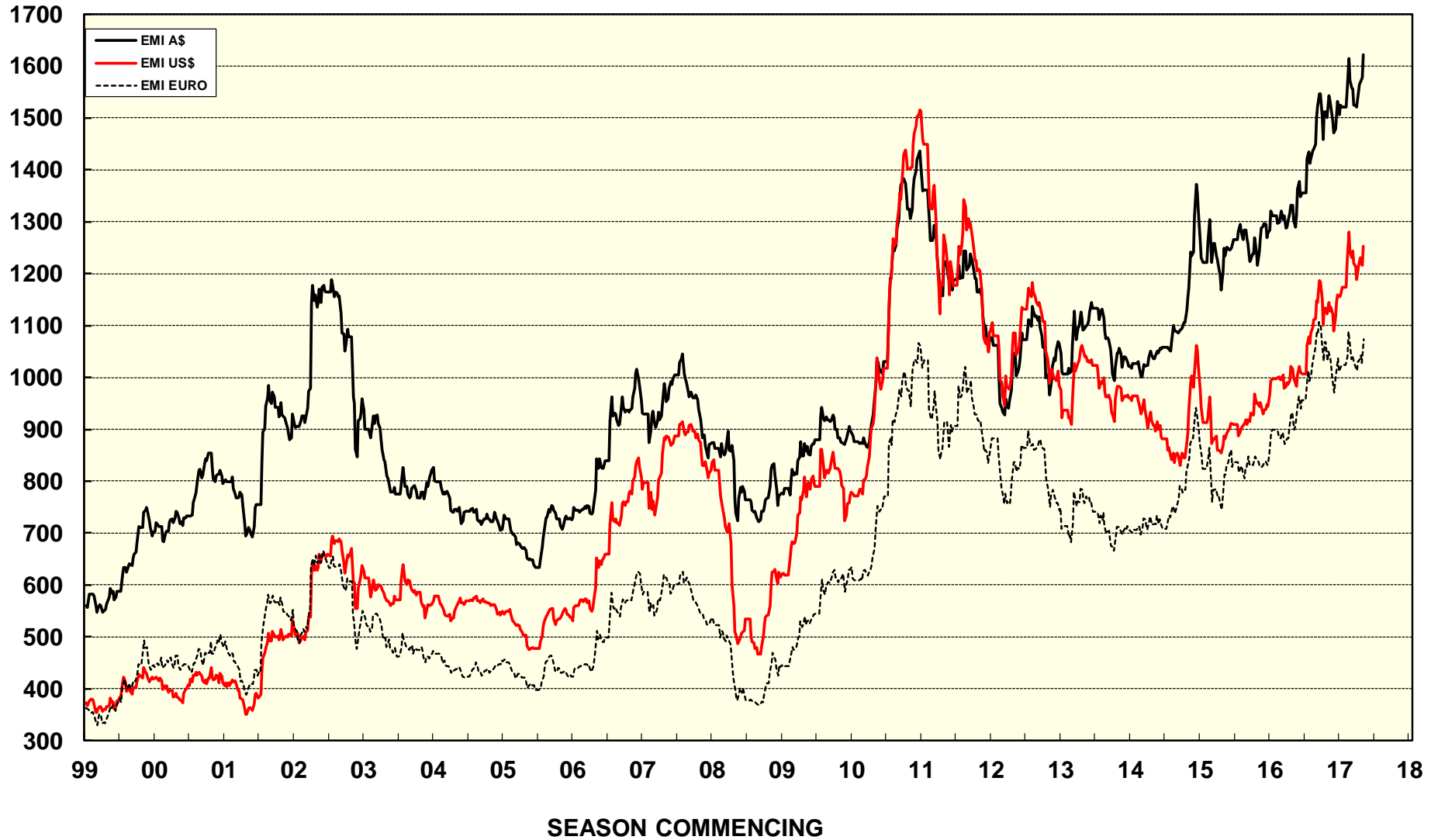


AVERAGE AWEX MICRON PRICE GUIDES
 2017/18(black graph line) and 2016/17 (red graph line)



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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