

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 30 March 2018 (Week 39)

The AWEX EMI finished at 1772¢, 6¢ lower (-0.3%) in Australian currency and 14¢ lower (-1.0%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

44,841 bales were on offer nationally, compared with 38,219 bales last sale. 7.8% of the offering was passed in, including a 22.6% Pass-In Rate across all types in Fremantle on Tuesday and an overall Pass-In Rate of 10.5% for Merino Fleece where the market eased across all Merino micron ranges other than 23 microns. This repeats what we have seen so often in the past, that a change in the Pass-In Rate is affected more by the direction of the market than by the level of the market.

AWEX reports that the value of the wool sold was \$80.4 million (\$1,945 per bale), taking the season total to \$2.6 billion.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 39)									
Centre	Last Sale		Day-to-Day Changes (Week 39)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	38	1778	-8	+2	No Sale	-6 (-0.3%)	1772	-14	-15
Northern	38	1852	-18	+3	No Sale	-15 (-0.8%)	1837	-21	-21
Southern	38	1731	-2	+3	No Sale	+1 (+0.1%)	1732	-7	-10
Western	38	1869	-7	+9	No Sale	+2 (+0.1%)	1871	-7	-11

The market remains at very good level, but was again influenced by changes in US Exchange Rate. All Regional Indicators fell in Australian currency on Tuesday, but moved back up on Wednesday when the US Exchange Rate fell.

There were also some marked differences in the movement in Merino prices between the North and the South on Tuesday that led to the differences seen in their Regional indicators on that day.

Crossbreds had a better week than the Merinos; and it was another good week for Oddments. The average AWEX Merino Cardings Indicator moved up by 25¢ on top of the precious week's lift of 24¢.

The US Exchange Rate remained steady until Wednesday, when it fell by 0.44¢ to finish 0.50¢ (-0.6%) lower and close at 76.94¢.

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

Looking ahead, the first sale after the Easter break is currently expected to include 48,800 bales before dropping back to 43,000 bales in the following week.

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	285¢	441¢	661¢	873¢	No 16.5µ MPG

Market Indicator	Changes From			
	Four Sales Ago Week 35	Start of the Season	Week 39 Last Year	Season Average to Week 39 Last Year
Eastern Market Indicator	-58 (-3.2%)	+249 (+16.3%)	+270 (+18.0%)	+293 (+21.3%)
Western Market Indicator	-34 (-1.8%)	+305 (+19.5%)	+383 (+25.7%)	+299 (+20.9%)

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 ¢	-20	-10	-21	-14	-24	-22	-17	-27	-7	+4	+12	
Change %	-0.7%	-0.4%	-0.8%	-0.6%	-1.1%	-1.1%	-0.9%	-1.4%	-0.4%	+0.2%	+0.7%	
Since Start of the Season												
Change ¢	+762	+563	+370	+204	+159	+205	+277	+315	+358	+378	+371	
Change %	+34.7%	+25.8%	+17.2%	+9.7%	+8.1%	+11.2%	+16.3%	+19.6%	+23.4%	+25.7%	+26.0%	
Since Same Week Last Year												
Change ¢	+569	+446	+305	+147	+91	+152	+268	+379	+474	+519	+453	
Change %	+23.8%	+19.4%	+13.8%	+6.8%	+4.5%	+8.1%	+15.7%	+24.5%	+33.5%	+39.1%	+33.7%	

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 ¢	+4	+13	+24	+20	+4	+25
Change %	+0.3%	+1.1%	+2.9%	+3.4%	+1.0%	+1.9%
Since Start of the Season						
Change ¢	+138	+84	+98	+53	+34	+166
Change %	+11.6%	+7.6%	+12.8%	+9.5%	+8.9%	+14.3%
Since Same Week Last Year						
Change ¢	+209	+179	+135	+35	-4	+105
Change %	+18.7%	+17.7%	+18.5%	+6.1%	-1.0%	+8.6%

Average Merino Cardings Price Guide

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For further information

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AWIS WOOL MARKET REVIEW Week Ending 30 March 2018 (Week 39)

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 January ABS export data.

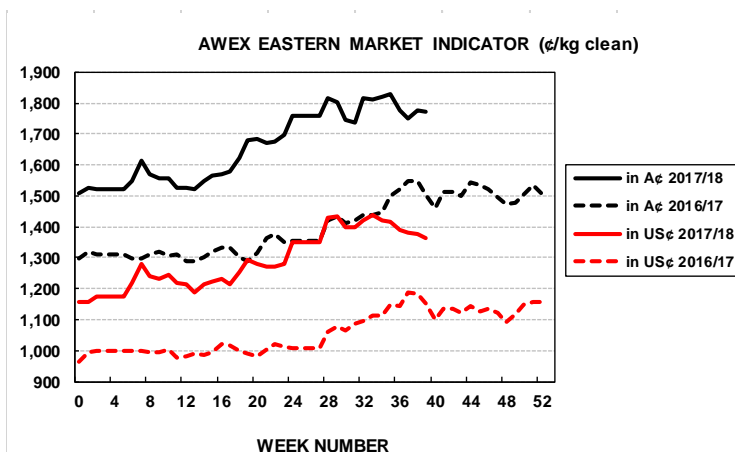
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	7,660	13,764	4.6%	1.3%	3.1%	13,135
South	21,577	21,476	6.9%	2.2%	6.6%	19,998
West	8,982	9,601	14.6%	3.0%	8.3%	8,201
Australia	38,219	44,841	7.8%	2.1%	5.9%	41,334

Actual and % Changes in the Progressive Offerings from Last Year	
+4,993	+1.2%
+51,582	+7.2%
-22,693	-7.3%
+33,882	+2.4%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 40	Week 41	Week 42	Differences
North	No Sale	13,432	11,650	-38.9%
South	No Sale	25,195	23,000	-45.8%
West	No Sale	10,182	8,450	-50.7%
New Zealand				
Australia		48,809	43,100	+13.4%
Differences		+13.4%		

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	77.44	-0.33	+0.12	+0.15	-0.44	Public	-0.50 (-0.6%)	76.94	75.45	80.44
Euro	62.65	-0.13	-0.11	-0.26	-0.15	Holiday	-0.65 (-1.0%)	62.00	62.00	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to January	
	January 2018	July to January 2017/18	July to January 2016/19	By Weight	By Value
China	81.4%	78.4%	79.0%	+5.6%	+20.8%
India	5.5%	5.3%	6.2%	-8.5%	+4.3%
Italy	3.1%	4.7%	4.7%	+4.4%	+42.2%
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	1666
Last Year	1408
2015/16	1254
2014/15	1102
2013/14	1070

SEASON AVERAGES		
Region	This Year	Diff
North	1747	+278
South	1615	+244
West	1731	+276

THIS YEAR'S EMI	
This Week	1772
First Week	1524
Low (0/01)	1522
High (0/01)	1830

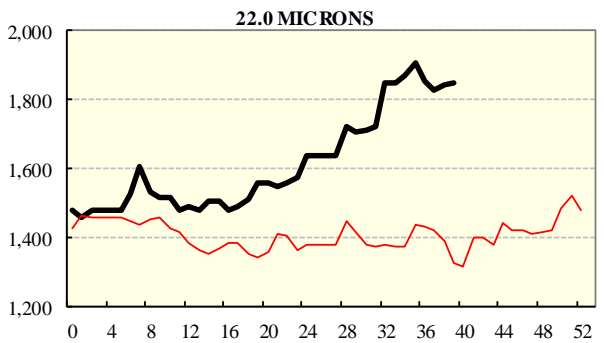
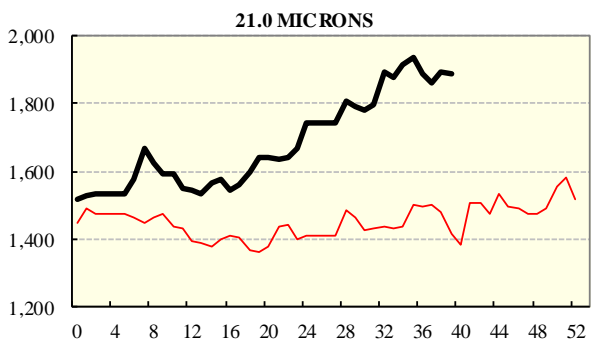
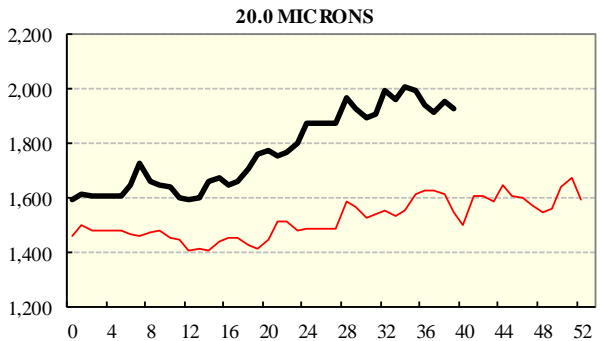
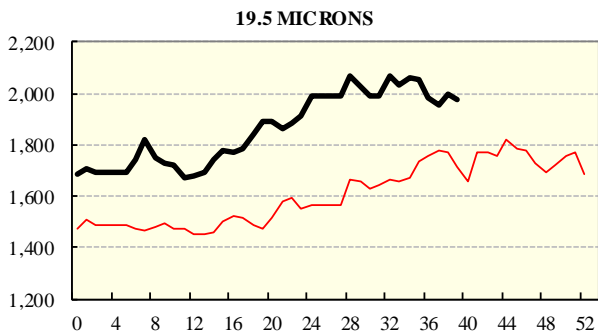
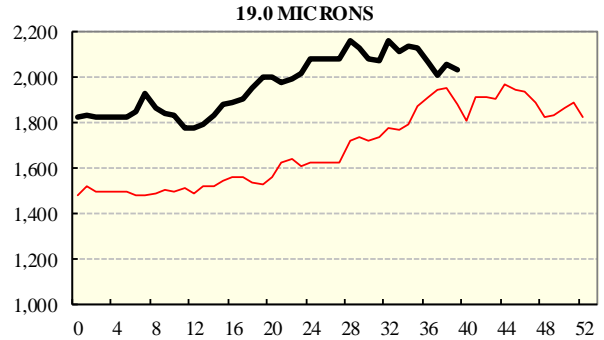
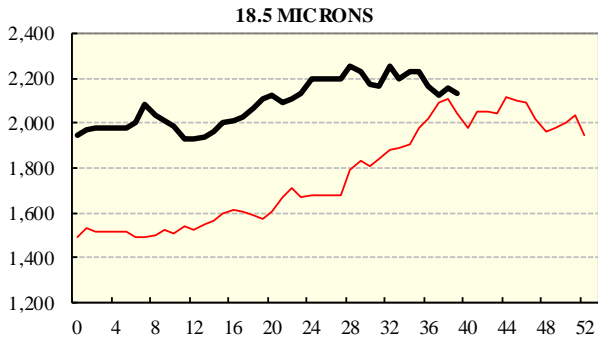
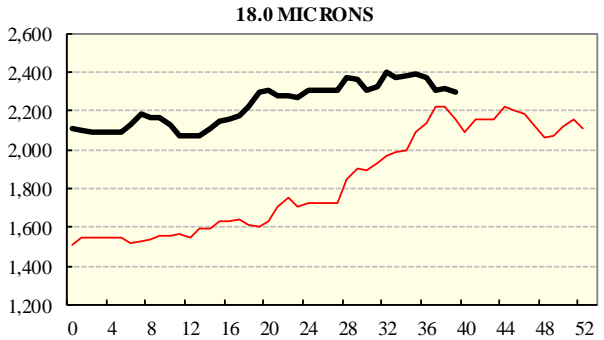
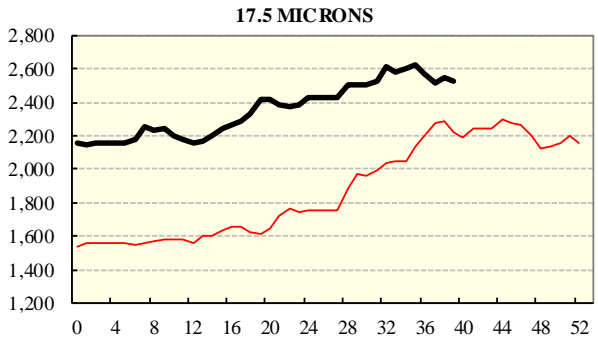
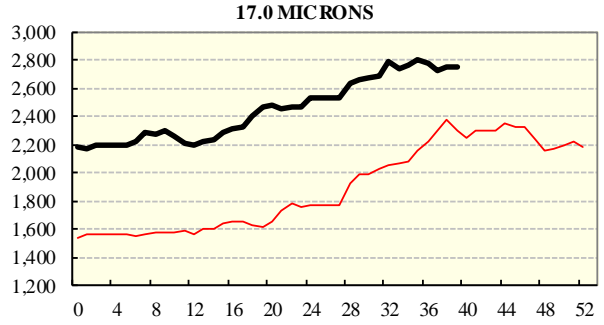
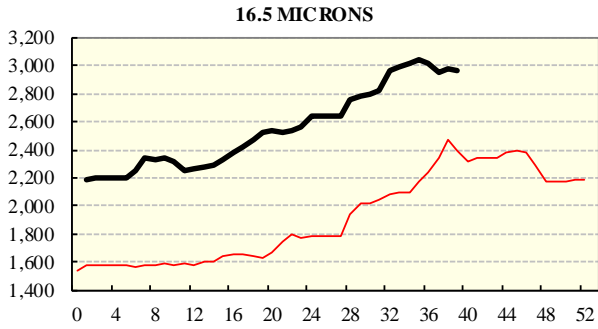
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1837	+246
South	1732	+252
West	1871	+305

BALES OFFERED	
This Year	1,464,877
Last Year	1,430,995
Difference	+33,882
% Diff	+2.4%
FIRST OFFERED BALES	
Difference	+2.8%
% of Offering	95.7%

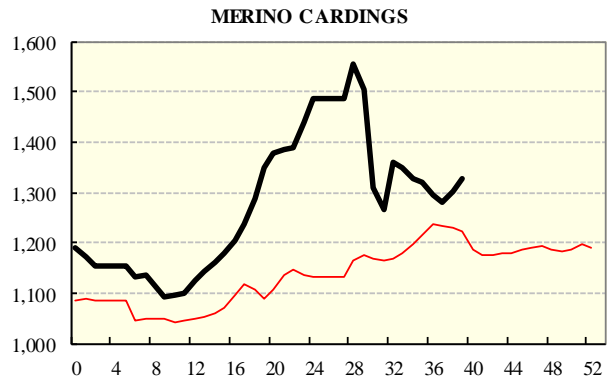
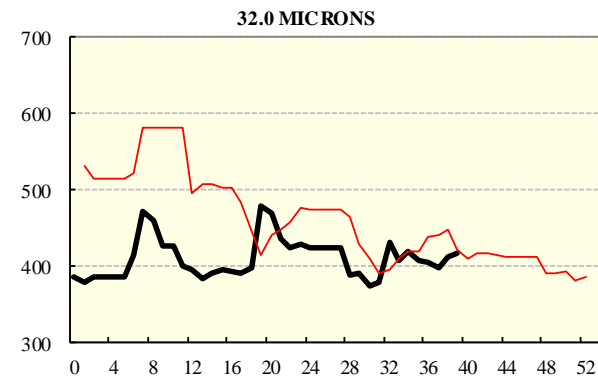
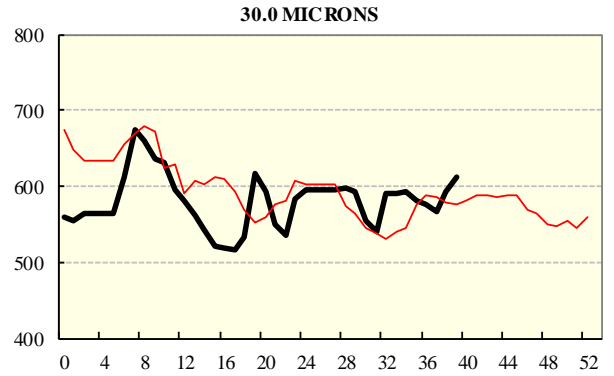
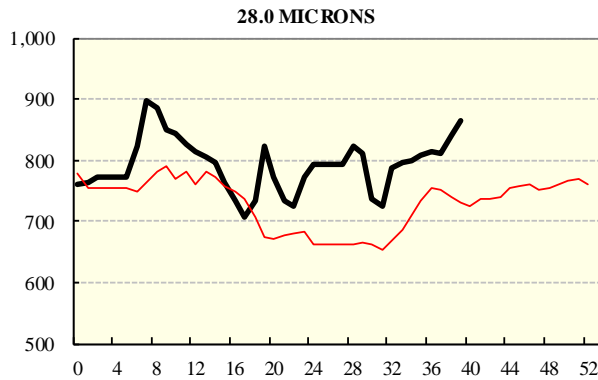
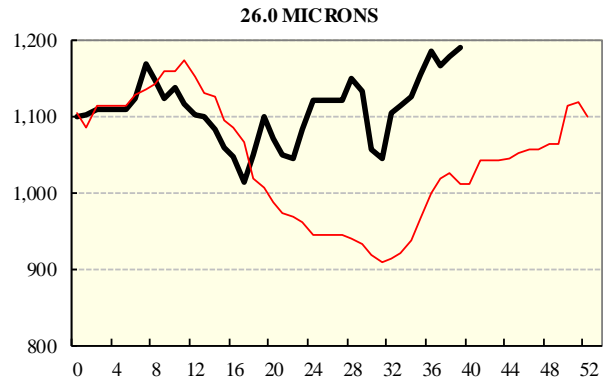
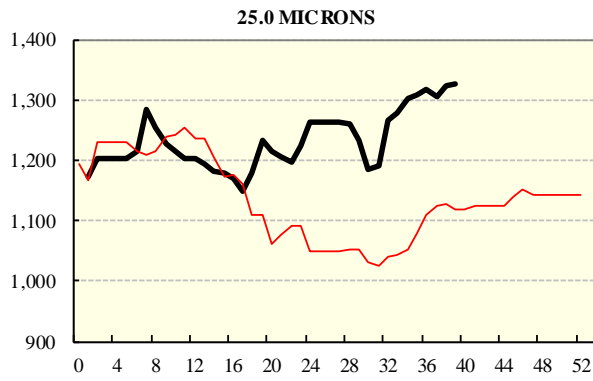
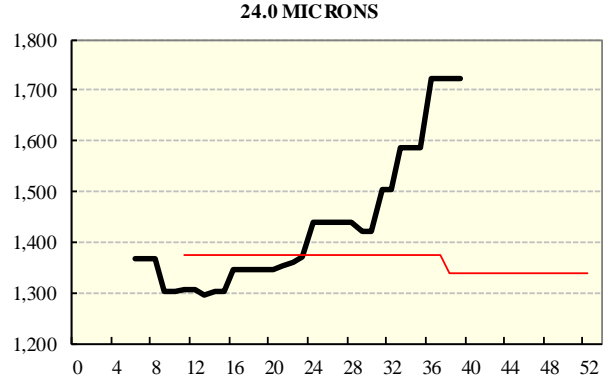
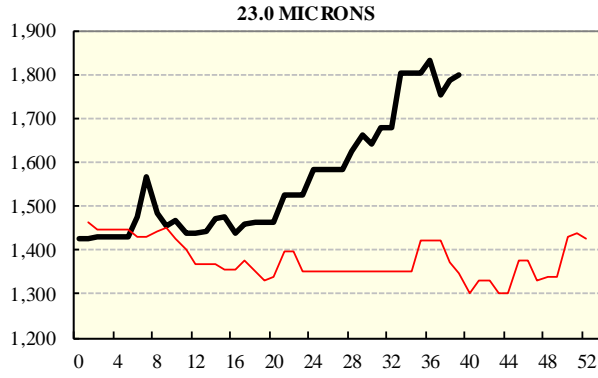
REGION BALES		
This Sale:		
North	13,764	
South	21,476	
West	9,601	
Progressive Totals:		
North	412,473	+1.2%
South	766,206	+7.2%
West	286,198	-7.3%

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)

