

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 8 September 2017 (Week 10)

The AWEX EMI finished at 1556¢, 2¢ lower (-0.1%) in Australian currency and 12¢ higher (+1.0%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

40,596 bales were on offer nationally, compared with 45,838 bales last sale. 5.2% of the offering was passed in.

AWEX reports that the value of the wool sold was \$71.5 million (\$1,859 per bale), taking the season total to \$512.1 million.

The New Zealand Merino Company also offered 457 bales in Melbourne on Wednesday, of which none were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 10)									
Centre	Last Sale		Day-to-Day Changes (Week 10)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	09	1558	No Sale	-1	-1	-2 (-0.1%)	1556	+12	+7
Northern	09	1636	No Sale	-7	-1	-8 (-0.5%)	1628	+9	+3
Southern	09	1509	No Sale	+2	-1	+1 (+0.1%)	1510	+15	+8
Western	09	1609	No Sale	+1	-10	-9 (-0.6%)	1600	+8	+2

The market remained firm this week, moving down by 1¢ in Australian currency on each day, but moving up by 12¢ over the week in US Currency.

The market differed from last week in that there were falls in the average AWEX MPGs at the fine end that became progressively smaller as the micron value increased; before finishing with a gain of 0.7% at 23 microns. Crossbreds did better than last week, but showed no clear pattern, with the week-to-week changes ranging from -10¢ to +15¢.

Merino skirtings eased in the East on Wednesday. But generally recovered their losses on Thursday. It was a good week for oddments, with most types finishing on a firm or upward market. The average AWEX Merino Cardings Index settled after its steady downward movement since the start of the season. It finished at 1096¢, 4¢ higher than the previous week.

The US Exchange Rate finished 0.93¢ (1.2%) higher based on a weaker US currency following the reported detonation of a nuclear device in North Korea. It closed at 79.91¢ on Thursday, before moving up by a further 1.3¢ on Friday to finish the week at 81.21¢.

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

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	500¢	616¢	686¢	750¢	805¢
South	507¢	613¢	687¢	754¢	789¢

Market Indicator	Changes From			
	Four Sales Ago Week 06	Start of the Season	Week 10 Last Year	Season Average to Week 10 Last Year
Eastern Market Indicator	+6 (+0.4%)	+33 (+2.2%)	+251 (+19.2%)	+248 (+18.9%)
Western Market Indicator	-6 (-0.4%)	+34 (+2.2%)	+221 (+16.0%)	+202 (+14.4%)

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 ¢	-29	-35	-36	-37	-21	-13	-8	-6	-5	-1	+10	
Change %	-1.2%	-1.5%	-1.6%	-1.7%	-1.0%	-0.7%	-0.5%	-0.4%	-0.3%	-0.1%	+0.7%	
Since Start of the Season												
Change ¢	+117	+83	+51	+35	+13	+1	+18	+30	+60	+48	+38	
Change %	+5.3%	+3.8%	+2.4%	+1.7%	+0.7%	+0.1%	+1.1%	+1.9%	+3.9%	+3.3%	+2.7%	
Since Same Week Last Year												
Change ¢	+730	+687	+626	+579	+476	+337	+249	+187	+154	+89	+42	
Change %	+46.1%	+43.5%	+39.7%	+37.3%	+31.5%	+22.6%	+16.9%	+12.9%	+10.7%	+6.2%	+2.9%	

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 ¢	-10	+15	-5	-5	0	+4
Change %	-0.8%	+1.3%	-0.6%	-0.8%	0.0%	+0.4%
Since Start of the Season						
Change ¢	+28	+32	+77	+72	+44	-66
Change %	+2.4%	+2.9%	+10.0%	+12.9%	+11.5%	-5.7%
Since Same Week Last Year						
Change ¢	-26	-21	+74	+8		+53
Change %	-2.1%	-1.8%	+9.6%	+1.3%		+5.1%

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 June ABS export data.

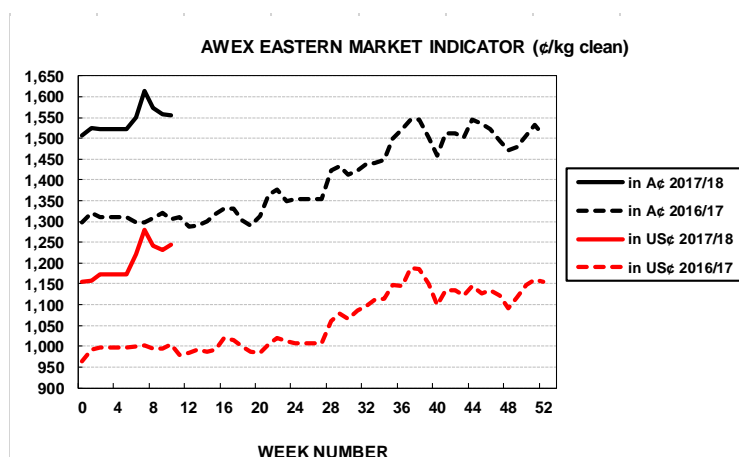
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	15,612	11,007	4.1%	1.6%	7.2%	10,558
South	18,718	22,077	6.0%	1.7%	7.5%	20,746
West	11,508	7,512	4.7%	3.7%	1.5%	7,161
Australia	45,838	40,596	5.2%	2.1%	6.3%	38,465

Actual and % Changes in the Progressive Offerings from Last Year	
+11,230	+11.8%
+20,754	+15.5%
-2,451	-4.5%
+29,533	+10.4%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 11	Week 12	Week 13	Differences
North	13,476	11,370	11,350	+27.0%
South	22,609	25,230	20,039	+14.9%
West	8,196	7,700	7,650	+9.9%
New Zealand		1,200		
Australia	44,281	44,300	39,039	+17.1%
Differences	+18.3%	+17.6%	+15.1%	

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	78.98	+0.36	+0.33	-0.06	+0.32	-0.02	+0.93 (+1.2%)	79.91	75.97	79.91
Euro	66.52	+0.19	+0.32	-0.16	+0.15	0.00	+0.50 (+0.8%)	67.02	66.52	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to July	
	July 2017	July to July 2017/18	July to July 2016/17	By Weight	By Value
China	70.5%	70.5%	73.9%	+8.1%	+16.5%
India	9.3%	9.3%	8.5%	+24.3%	+44.4%
Italy	6.6%	6.6%	5.3%	+40.8%	+93.9%
Czech Republic	6.3%	6.3%	6.0%	+29.8%	+29.8%
Malaysia	1.3%	1.3%	1.1%	+30.7%	+64.3%
Korea	1.5%	1.5%	1.7%	+4.2%	-3.1%
Taiwan	0.9%	0.9%	1.2%	-11.5%	-20.4%
Egypt	1.1%	1.1%	1.2%	+12.3%	+44.2%
Change all Countries				+13.3%	+26.9%



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

SEASON AVERAGES		
Region	This Year	Diff
North	1627	+158
South	1512	+142
West	1604	+150

THIS YEAR'S EMI	
This Week	1556
First Week	1524
Low (14/07)	1522
High (18/08)	1614

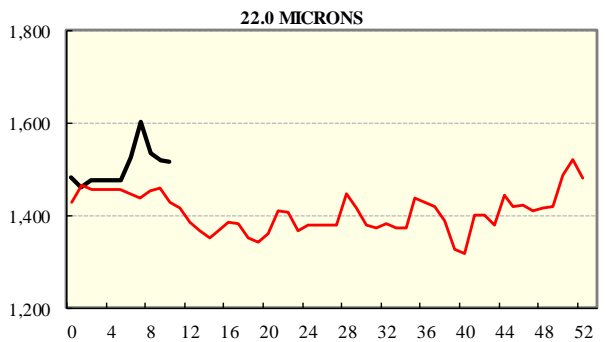
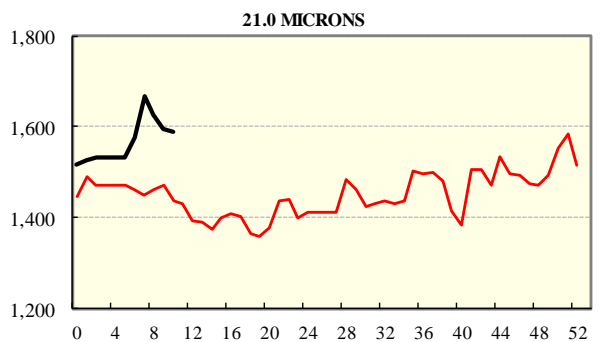
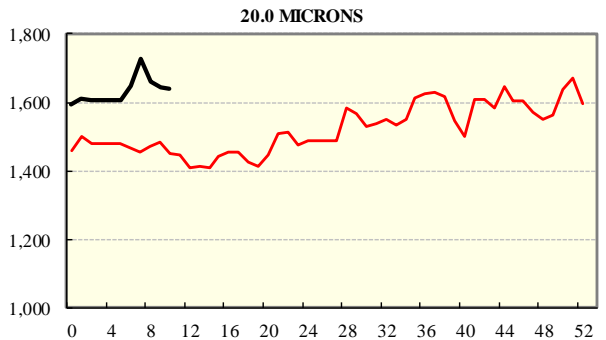
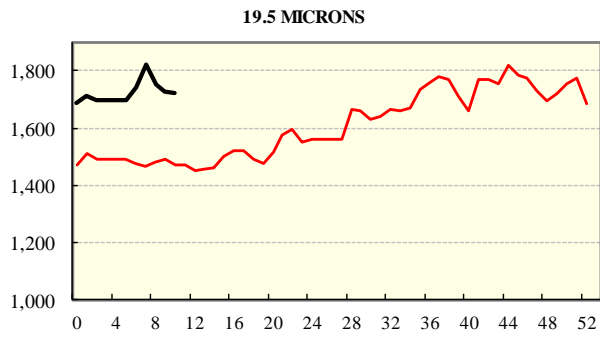
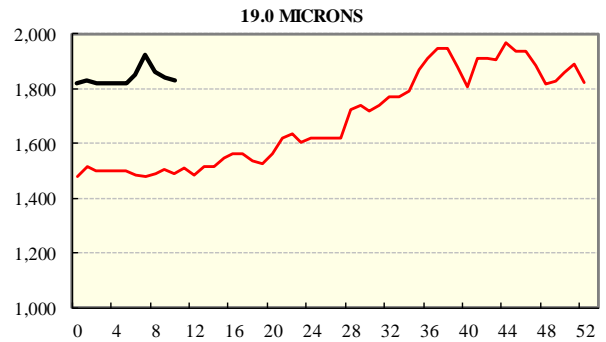
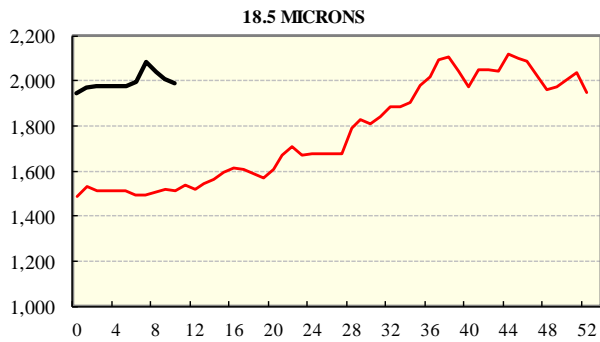
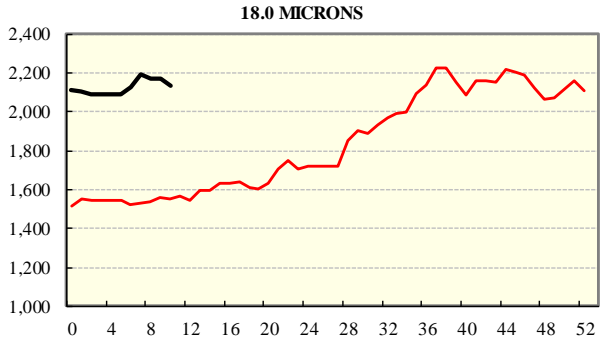
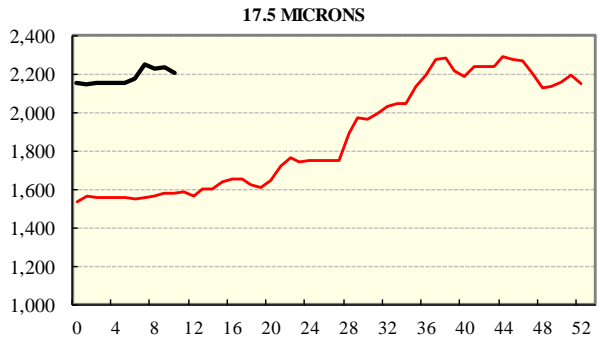
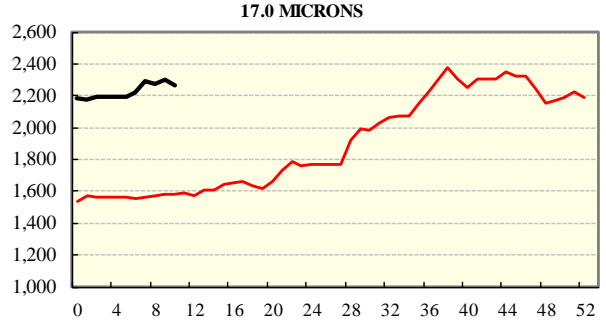
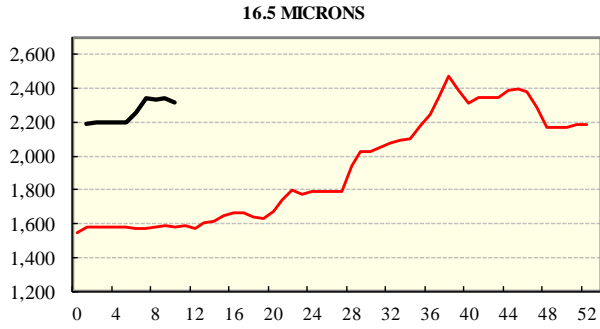
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1628	+37
South	1510	+30
West	1600	+34

BALES OFFERED	
This Year	313,121
Last Year	283,588
Difference	+29,533
% Diff	+10.4%
FIRST OFFERED BALES	
Difference	+9.5%
% of Offering	94.8%

REGION BALES		
This Sale:		
North	11,007	
South	22,077	
West	7,512	
Progressive Totals:		Diff
North	106,365	+11.8%
South	154,379	+15.5%
West	52,377	-4.5%

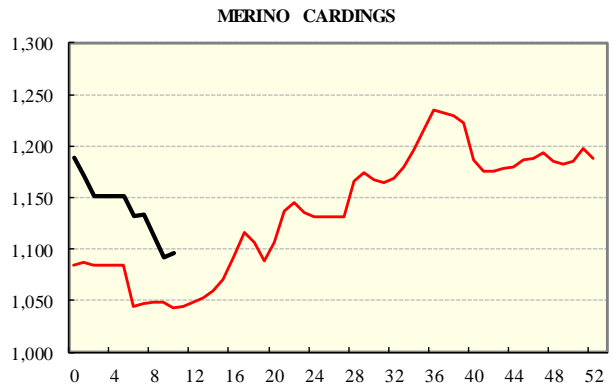
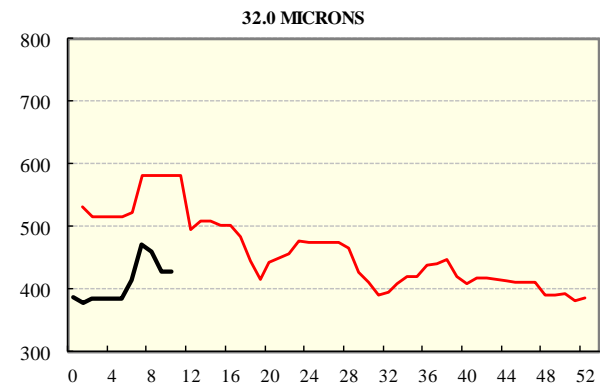
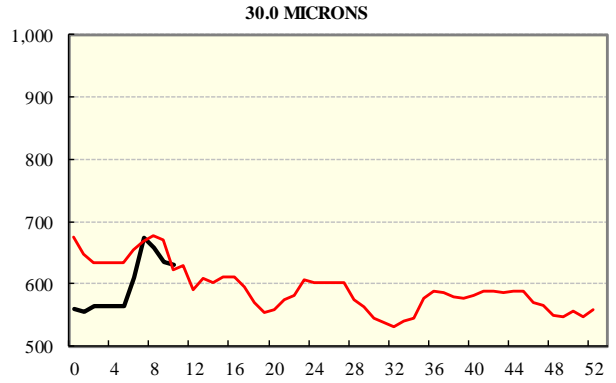
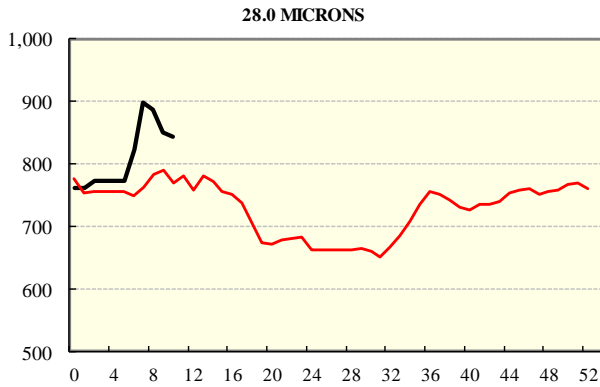
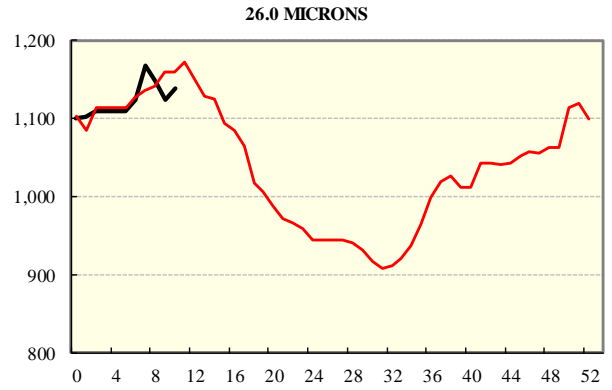
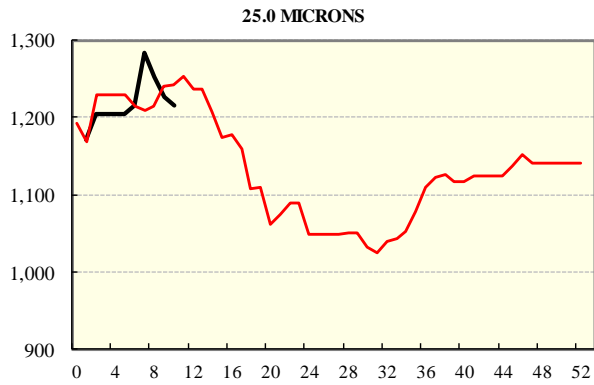
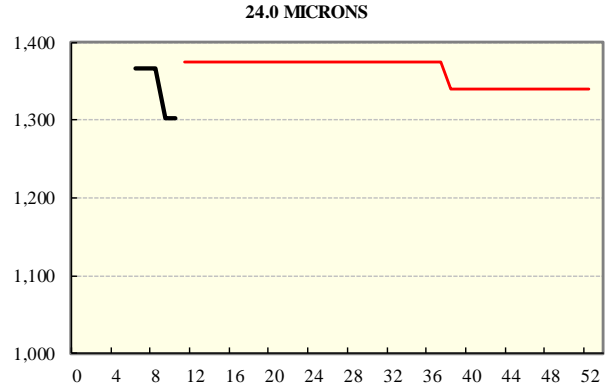
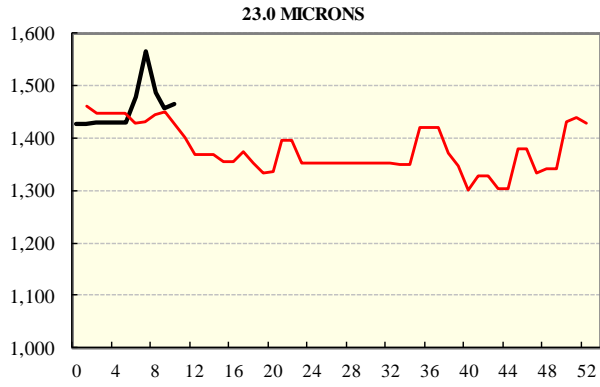
AVERAGE AWEX MICRON PRICE GUIDES

mic(black graph line) and 2016/17 (red graph line)



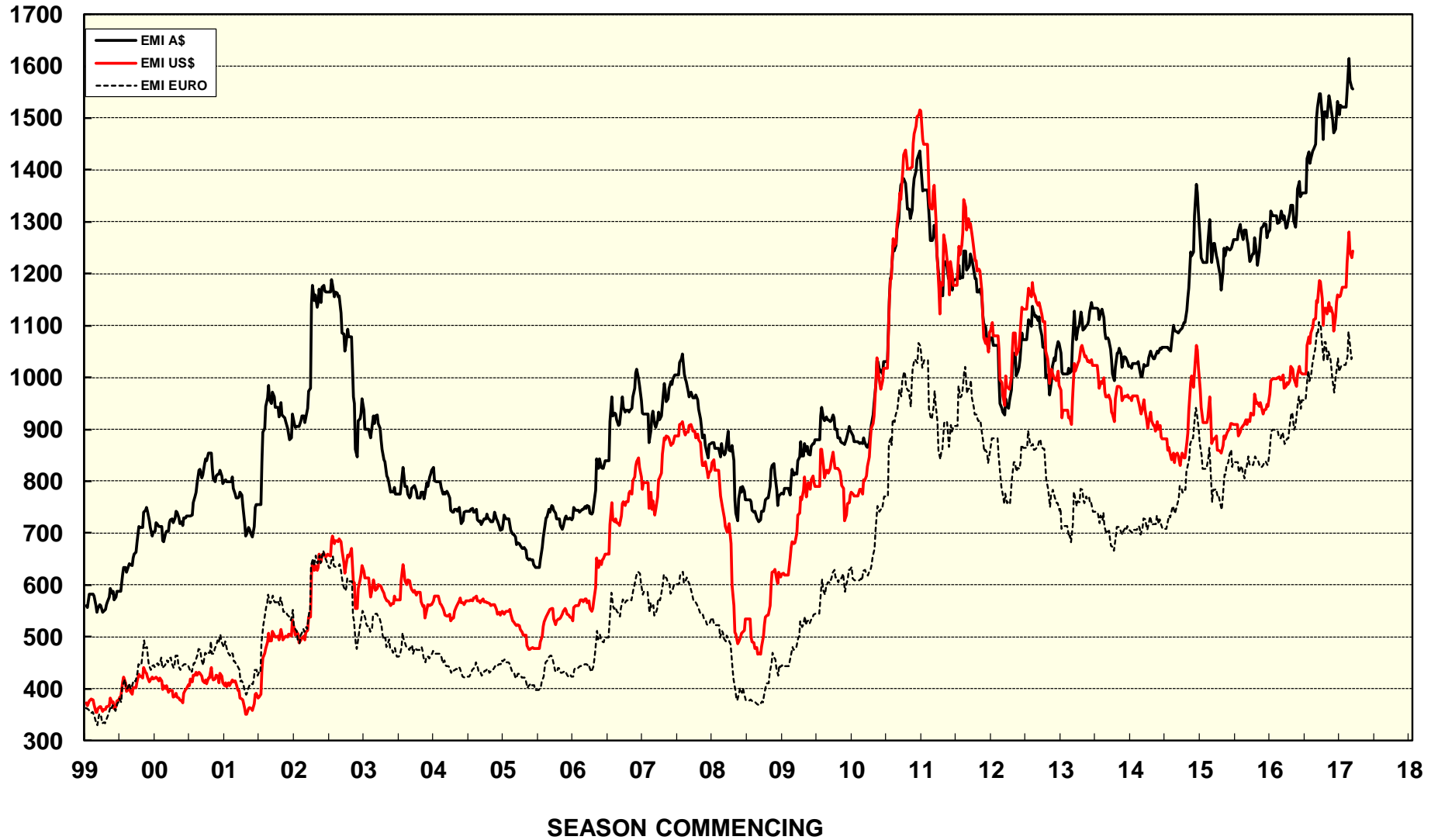
AVERAGE AWEX MICRON PRICE GUIDES

mic(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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