

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West Vic 3020
Australia
Tel: 03 9311 0103
Fax: 03 9311 0138



Email: awis@woolindustries.org
Web: www.woolindustries.org
ABN: 30 454 304 967
Reg No: A0041776E

AWIS WOOL MARKET REVIEW

Week Ending 11 May 2018 (Week 45)

The AWEX EMI finished 55¢ higher (+3.0%) in Australian currency and 29¢ higher (+2.1%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

37,842 bales were on offer nationally, compared with 42,794 bales last sale. 2.3% of the offering was passed in.

AWEX reports that the value of the wool sold was \$75.6 million (\$2,046 per bale), taking the season total to \$3.0 billion, \$0.6 billion (24%) greater than in the same period last year.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 45)									
Centre	Last Sale		Day-to-Day Changes (Week 45)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	44	1836	No Sale	+37	+18	+55 (+3.0%)	1891	+29	+36
Northern	44	1892	No Sale	+39	+9	+48 (+2.5%)	1940	+23	+32
Southern	44	1800	No Sale	+36	+23	+59 (+3.3%)	1859	+32	+39
Western	44	1952	No Sale	+45	+21	+66 (+3.4%)	2018	+36	+43

The EMI (with a bit of assistance from a lower US Exchange Rate) hit a new records of 1873¢ on Wednesday and 1891¢ on Thursday. Thursday's EMI was 45¢ above the previous high of 1846¢ recorded two sales ago. The equivalent price for the EMI in US currency was 1414¢, 16¢ above the price of two weeks ago, but 23¢ below the highest price in US this season.

There were excellent gains across all micron ranges from 17.5 microns to 25 microns that ranged from +2.4% to +4.2%. However, crossbreds from 26 microns up showed little change.

The ongoing good demand among the medium/broader Merino types over the last few weeks has seen their average AWEX MPGs move up by 8% (144¢) to 10% (184¢) over the last five sales. The year-to-year gains in their average AWEX MPGs now range from +29% to +44%, the highest of all the micron ranges. It was also a good week for Merino Skirtings and for Oddments. The average AWEX Merino Cardings Price Guide moved up by 27¢ (+2.0%) to 1411¢.

The US Exchange Rate finished 0.66¢ (-0.9%) lower to close at 74.58¢ on Thursday. This was again associated with a stronger US\$. It was down from 78.04¢ three weeks ago.

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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	223¢	365¢	565¢	708¢	No 16.5µ MPG

Market Indicator	Four Sales Ago Week 41	Changes From			Season Average to Week 45 Last Year
		Start of the Season	Week 45 Last Year	Week 45 Last Year	
Eastern Market Indicator	+115 (+6.5%)	+368 (+24.2%)	+357 (+23.3%)	+297 (+21.4%)	
Western Market Indicator	+134 (+7.1%)	+452 (+28.9%)	+491 (+32.2%)	+354 (+25.2%)	

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 ¢		+17	+60	+40	+68	+75	+80	+83	+75	+73	+55	+45
Change %		+0.6%	+2.4%	+1.7%	+3.1%	+3.6%	+3.9%	+4.2%	+3.8%	+3.7%	+2.9%	+2.5%
Since Start of the Season												
Change ¢		+564	+435	+290	+265	+335	+403	+465	+513	+553	+555	
Change %		+25.8%	+20.2%	+13.8%	+13.4%	+18.3%	+23.7%	+28.9%	+33.5%	+37.6%	+38.9%	
Since Same Week Last Year												
Change ¢		+421	+309	+180	+136	+223	+321	+469	+547	+603	+605	
Change %		+18.1%	+13.6%	+8.2%	+6.5%	+11.5%	+18.0%	+29.2%	+36.6%	+42.5%	+43.9%	

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 ¢	+46	+3	+5	-2	-3	+27
Change %	+3.0%	+0.2%	+0.5%	-0.3%	-0.6%	+2.0%
Since Start of the Season						
Change ¢	+370	+231	+232	+146	+83	+249
Change %	+31.1%	+20.9%	+30.2%	+26.1%	+21.7%	+21.4%
Since Same Week Last Year						
Change ¢	+420	+286	+242	+117	+54	+224
Change %	+36.9%	+27.2%	+32.0%	+19.9%	+13.1%	+18.9%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 11 May 2018 (Week 45)

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.

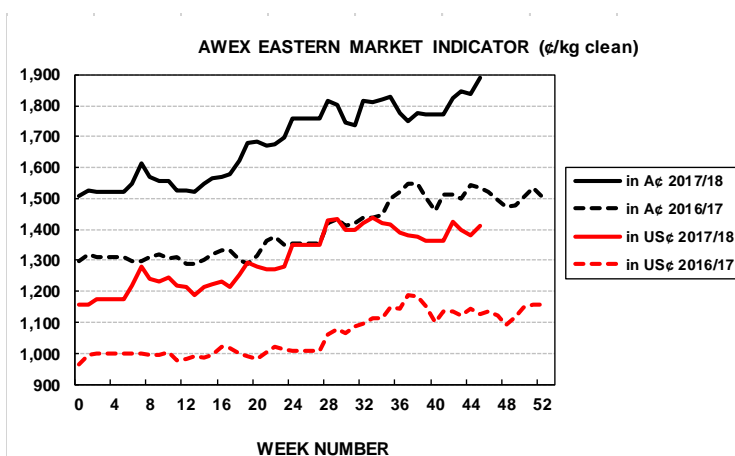
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	11,343	9,157	2.0%	2.7%	4.8%	8,975
South	23,120	22,032	2.3%	2.9%	4.2%	21,532
West	8,331	6,653	3.1%	4.5%	6.5%	6,449
Australia	42,794	37,842	2.3%	3.1%	4.8%	36,956

Actual and % Changes in the Progressive Offerings from Last Year	
+5,023	+1.1%
+59,131	+7.2%
-30,640	-8.5%
+33,514	+2.0%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 46	Week 47	Week 48	Differences
North	11,281	10,120	9,465	+13.2%
South	19,251	18,402	18,650	+7.2%
West	6,964	6,449	6,500	+11.0%
New Zealand				
Australia	37,496	34,971	34,615	+9.5%
Differences	+7.1%	+2.0%	+21.6%	

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	75.24	+0.14	-0.18	-0.06	-0.79	+0.23	-0.66 (-0.9%)	74.58	74.58	80.44
Euro	62.79	+0.11	+0.01	+0.12	-0.29	+0.14	+0.09 (+0.1%)	62.88	62.00	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to March	
	March 2018	July to March 2017/18	July to March 2016/19	By Weight	By Value
China	79.1%	79.1%	78.9%	+5.8%	+22.3%
India	5.8%	5.3%	6.0%	-6.4%	+8.0%
Italy	5.0%	4.5%	4.5%	+4.6%	+40.0%
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	1688
Last Year	1408
2015/16	1254
2014/15	1102
2013/14	1070

SEASON AVERAGES		
Region	This Year	Diff
North	1766	+297
South	1639	+269
West	1760	+339

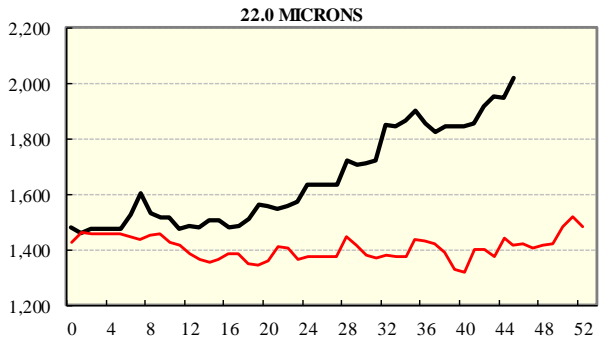
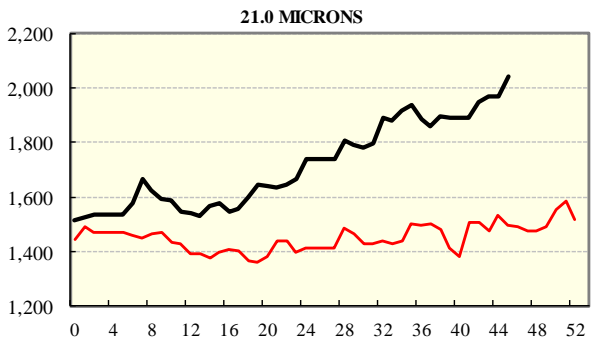
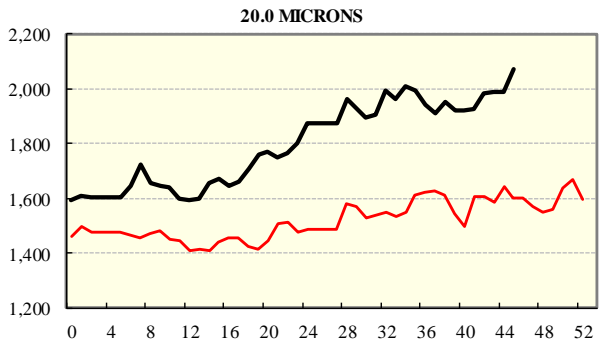
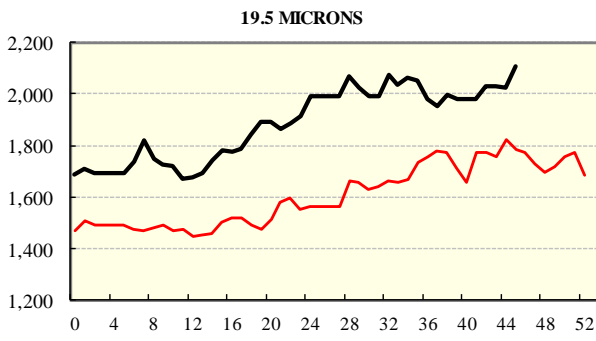
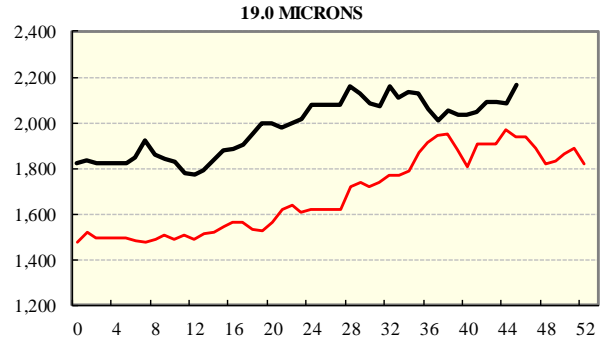
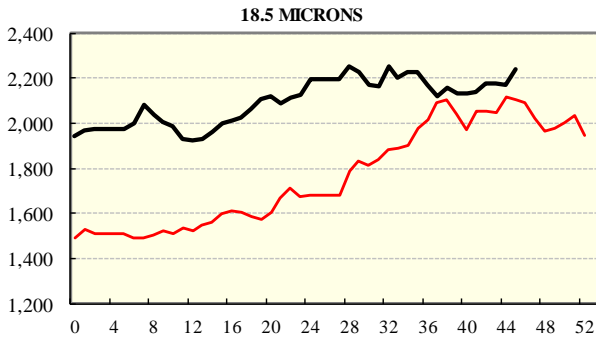
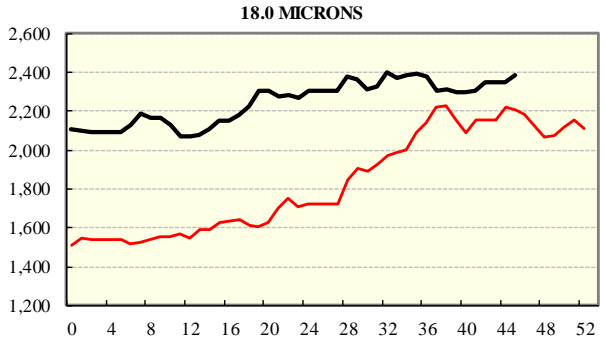
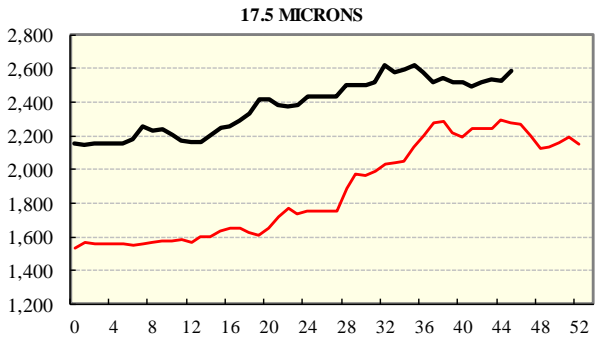
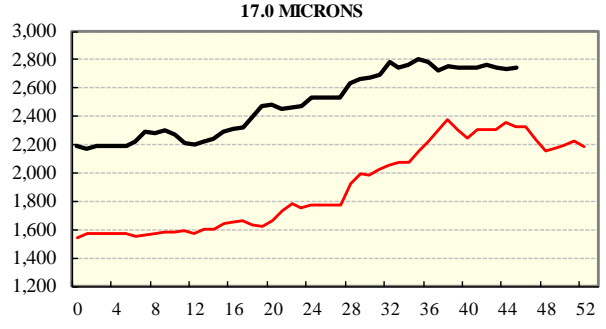
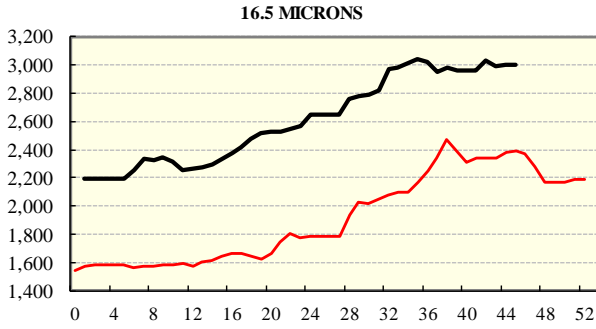
THIS YEAR'S EMI	
This Week	1891
First Week	1524
Low (0/01)	1522
High (0/01)	1891

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1940	+349
South	1859	+379
West	2018	+452

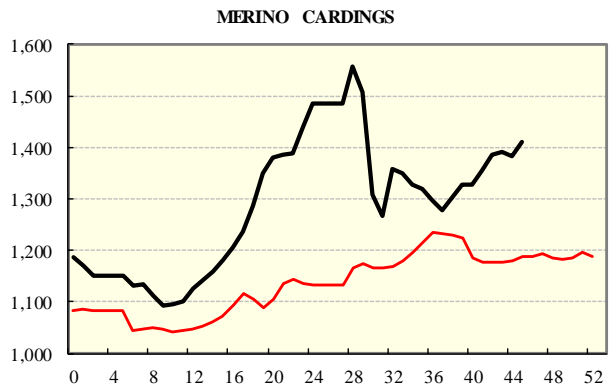
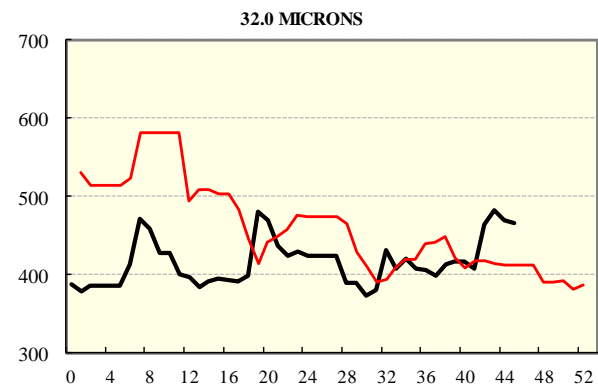
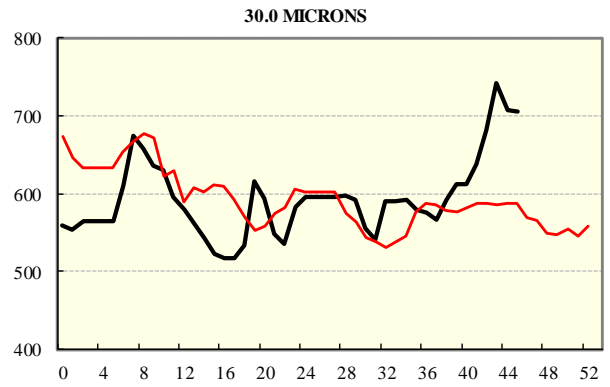
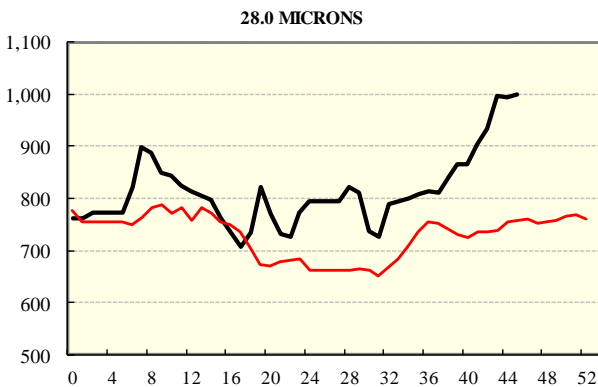
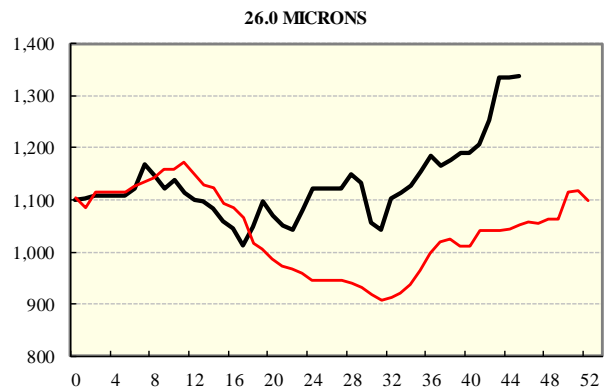
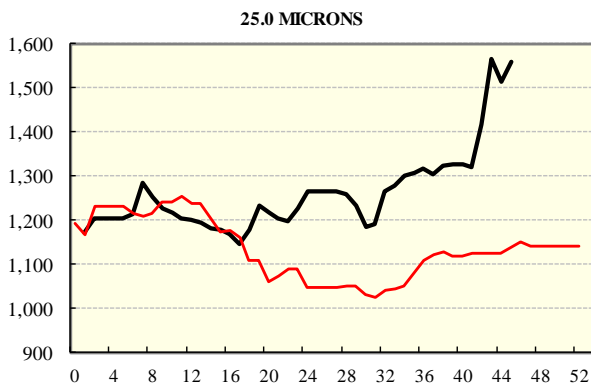
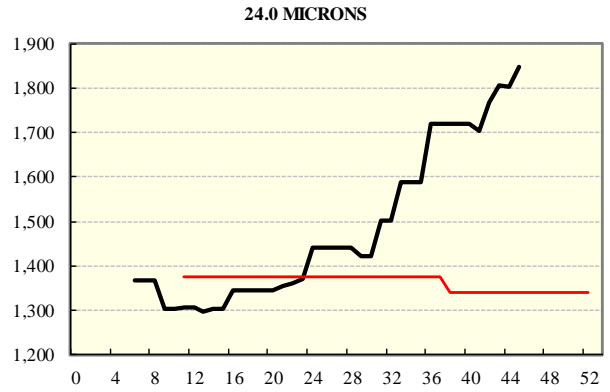
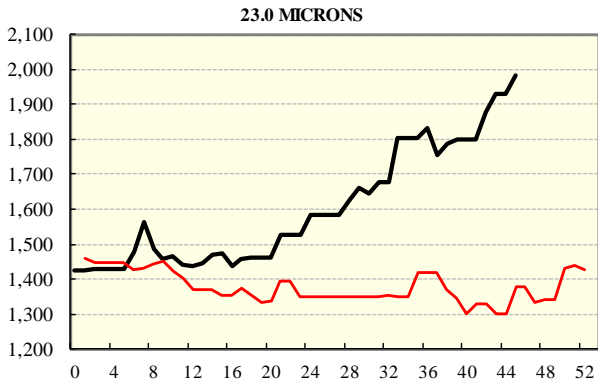
BALES OFFERED	
This Year	1,682,148
Last Year	1,648,634
Difference	+33,514
% Diff	+2.0%
FIRST OFFERED BALES	
Difference	+2.8%
% of Offering	95.6%

REGION BALES		
This Sale:		
North	9,157	
South	22,032	
West	6,653	
Progressive Totals:		Diff
North	468,818	+1.1%
South	882,939	+7.2%
West	330,391	-8.5%

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)

