

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 8 June 2018 (Week 49)

The market eased slightly in Australian currency this week, when the AWEX EMI finished at 2011¢, 16¢ lower (-0.8%) in Australian currency and 7¢ higher (+0.5%) in US currency at sales in Sydney and Melbourne this week.

This is only the second time in the nine sales since Easter that the EMI has fallen; while the value of the EMI has moved from 1772¢ to 2011¢ (+239¢ - +13.5%) over the same period. The EMI in US currency is at a new record level 1540¢.

26,942 bales were on offer nationally, compared with 30,439 bales last sale. 3.6% of the offering was passed in, compared with 2.3% last week.

AWEX reports that the value of the wool sold was \$57.1 million (\$2,199 per bale), taking the season total to \$3.3 billion.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 49)									
Centre	Last Sale		Day-to-Day Changes (Week 49)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	48	2027	No Sale	-9	-7	-16 (-0.8%)	2011	+7	-7
Northern	48	2076	No Sale	-13	-6	-19 (-0.9%)	2057	+5	-9
Southern	48	1996	No Sale	-7	-8	-15 (-0.8%)	1981	+7	-7
Western	48	2167	No Sale	No Sale	No Sale				

The strongest demand continues to be among the broader Merinos where there were small increases in the average AWEX MPGs from 21 microns up, whereas there were falls of around 40¢ from 17.0 to 19.0 microns.

The narrow price differences between the broader Merinos is also a continuing feature of this part of the market – there was only 32¢ between the closing average MPGs for 20 and 23 microns.

Crossbreds were slightly easier, while oddments were mixed.

The US Exchange Rate finished 0.95¢ (1.3%) higher to close at 76.59¢ on Thursday.

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

Looking ahead, the offerings over the coming three sales are expected to average around 29,000 bales, 0.2% less than at the same time last year.

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	123¢	288¢	462¢	632¢	No 16.5µ MPG
South	109¢	263¢	474¢	592¢	No 16.5µ MPG

Market Indicator	Changes From			
	Four Sales Ago Week 45	Start of the Season	Week 49 Last Year	Season Average to Week 49 Last Year
Eastern Market Indicator	+120 (+6.3%)	+488 (+32.0%)	+533 (+36.1%)	+316 (+22.6%)
Western Market Indicator	No Sale	No Sale	No Sale	No Sale

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 ¢		-38	-45	-31	-50	-46	-12	-3	+4	+2	+13	
Change %		-1.3%	-1.6%	-1.2%	-2.1%	-2.0%	-0.5%	-0.1%	+0.2%	+0.1%	+0.6%	
Since Start of the Season												
Change ¢		+664	+553	+416	+379	+453	+557	+651	+721	+773	+800	
Change %		+30.4%	+25.7%	+19.8%	+19.2%	+24.8%	+32.7%	+40.5%	+47.1%	+52.6%	+56.0%	
Since Same Week Last Year												
Change ¢		+673	+569	+437	+377	+450	+542	+698	+758	+822		
Change %		+30.9%	+26.6%	+21.1%	+19.1%	+24.6%	+31.5%	+44.7%	+50.8%	+57.9%		

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 ¢			-1	-8	-10	+3
Change %			-0.1%	-0.8%	-1.4%	+0.7%
Since the Start of the Season						
Change ¢		+481	+329	+230	+147	+306
Change %		+40.5%	+29.7%	+30.0%	+26.3%	+26.3%
Since Same Week Last Year						
Change ¢		+528	+380	+245	+141	+275
Change %		+46.3%	+36.0%	+32.6%	+25.0%	+23.1%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 8 June 2018 (Week 49)

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 April ABS export data.

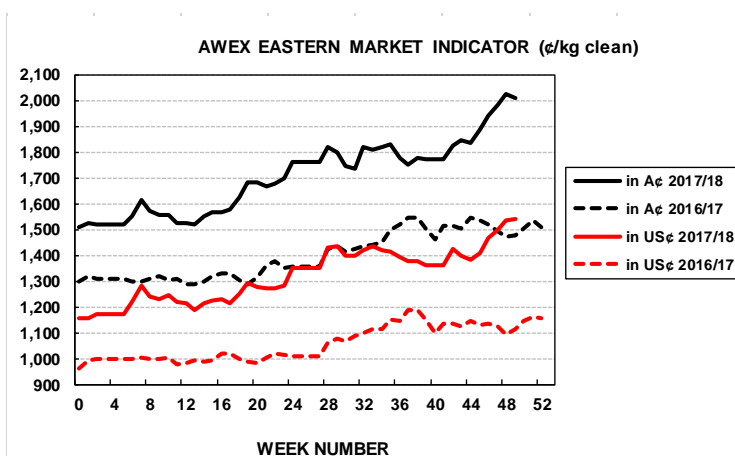
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	10,477	11,516	4.5%	2.4%	1.4%	10,994
South	15,822	15,426	2.9%	0.8%	2.7%	14,976
West	4,140					
Australia	30,439	26,942	3.6%	1.5%	2.2%	25,970

Actual and % Changes in the Progressive Offerings from Last Year	
+10,414	+2.1%
+58,302	+6.5%
-33,137	-8.7%
+35,579	+2.0%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 50	Week 51	Week 52	Differences
North	11,043	10,175	10,185	+2.3%
South	13,623	15,064	17,550	+1.5%
West	4,290	No Sale	5,650	-13.7%
New Zealand				
Australia	28,956	25,239	33,385	-0.2%
Differences	+1.3%	+13.2%	-9.5%	

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	75.64	-0.23	+0.74	+0.18	+0.31	-0.05	+0.95 (+1.3%)	76.59	74.58	80.44
Euro	64.75	-0.16	+0.55	+0.15	+0.09	-0.50	+0.13 (+0.2%)	64.88	62.00	67.39

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to April	
	April 2018	July to April 2017/18	July to April 2016/19	By Weight	By Value
China	79.4%	79.2%	79.2%	+2.4%	+17.6%
India	6.4%	5.4%	5.9%	-6.3%	+7.2%
Italy	3.5%	4.4%	4.4%	+2.5%	+34.8%
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	1717
Last Year	1408
2015/16	1254
2014/15	1102
2013/14	1070

SEASON AVERAGES		
Region	This Year	Diff
North	1792	+323
South	1669	+299
West	1787	+332

THIS YEAR'S EMI	
This Week	2011
First Week	1524
Low (0/01)	1522
High (0/01)	2027

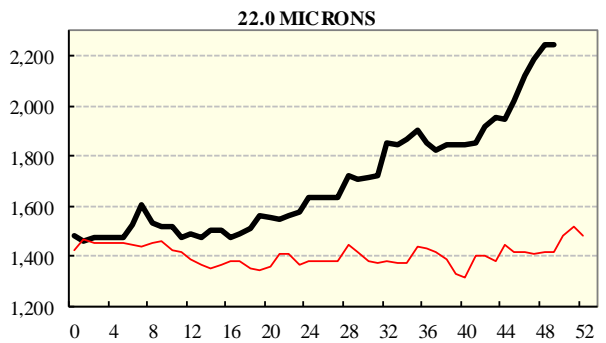
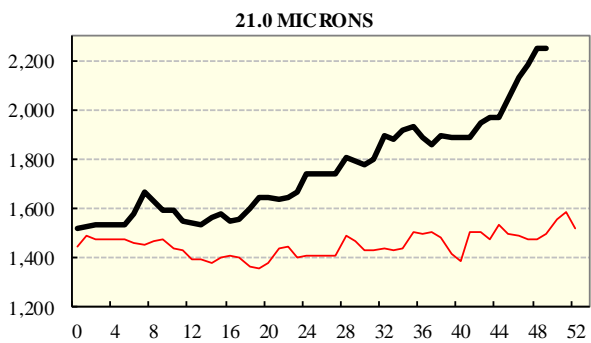
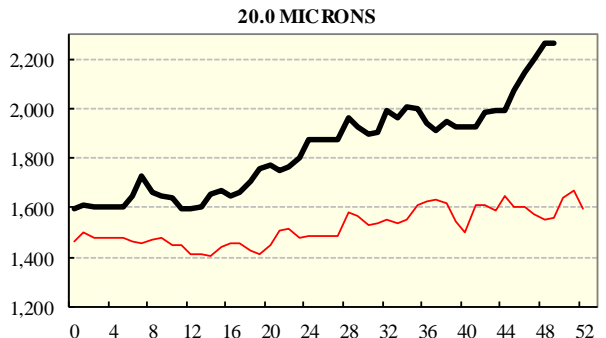
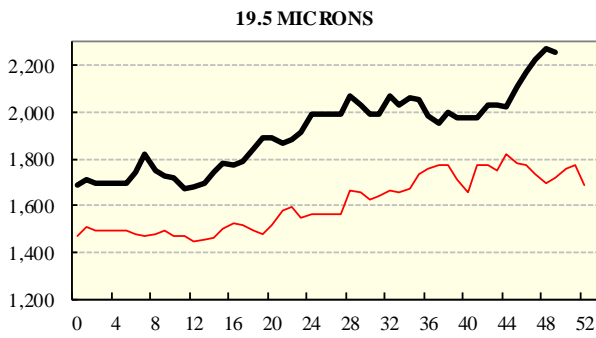
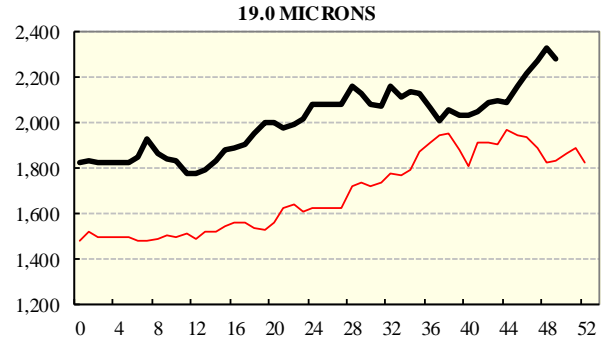
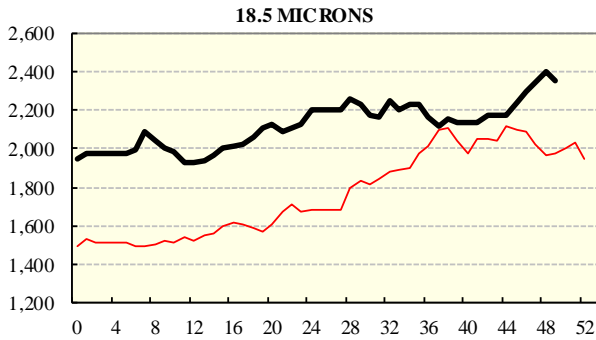
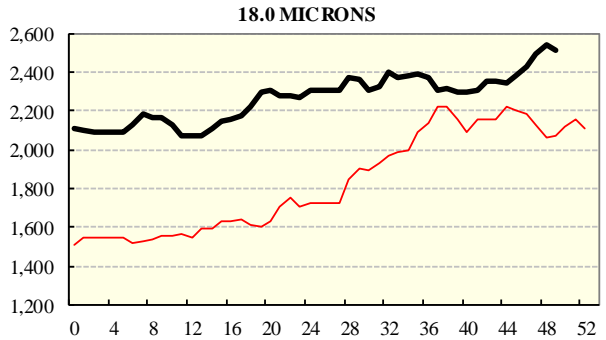
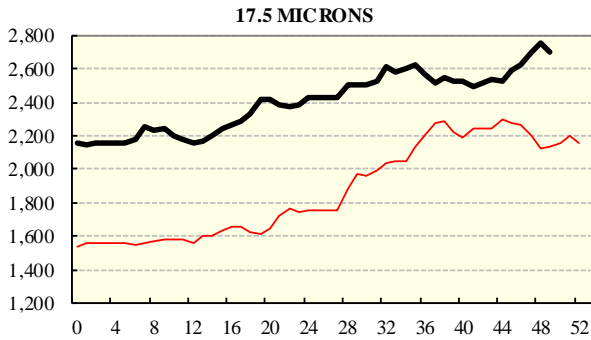
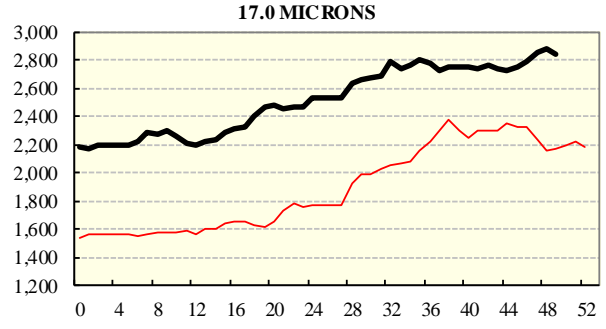
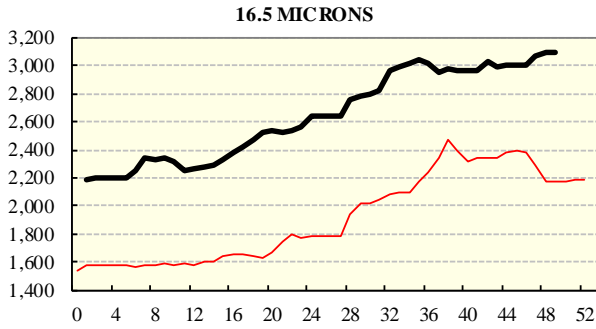
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2057	+466
South	1981	+501
West	2167	

BALES OFFERED	
This Year	1,805,980
Last Year	1,770,401
Difference	+35,579
% Diff	+2.0%
FIRST OFFERED BALES	
Difference	+3.0%
% of Offering	95.6%

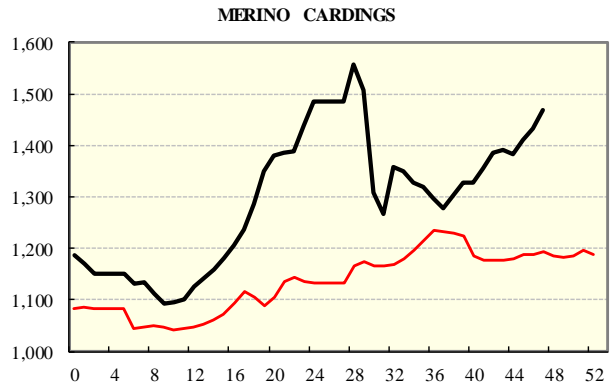
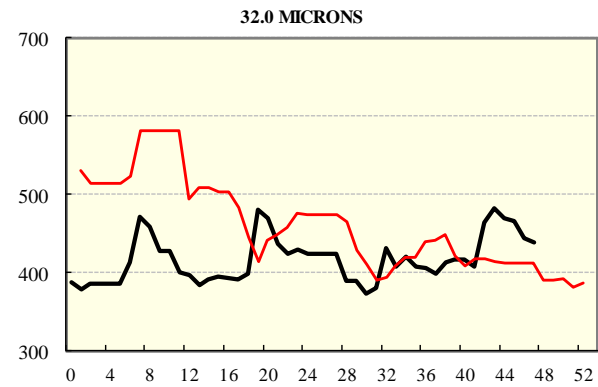
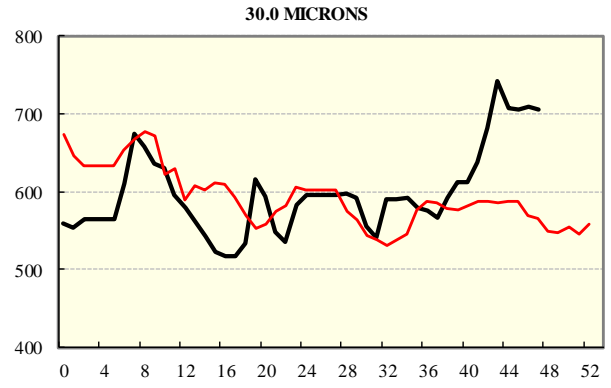
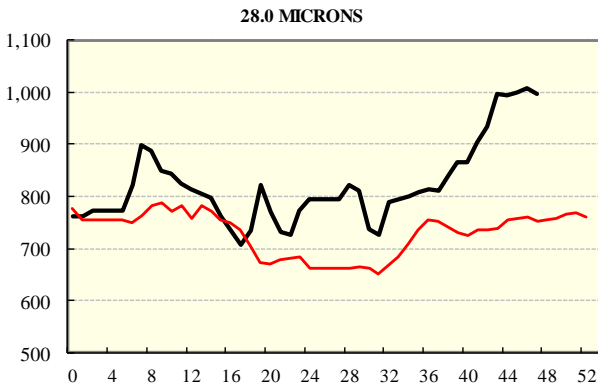
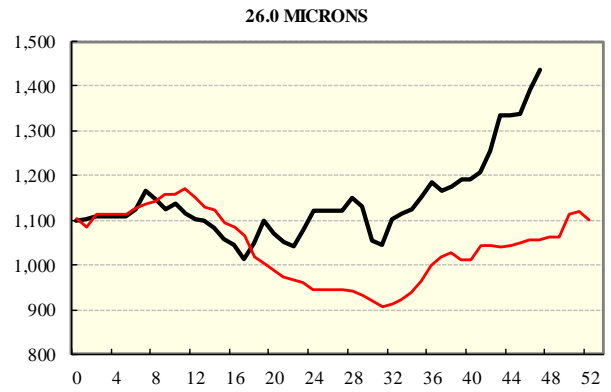
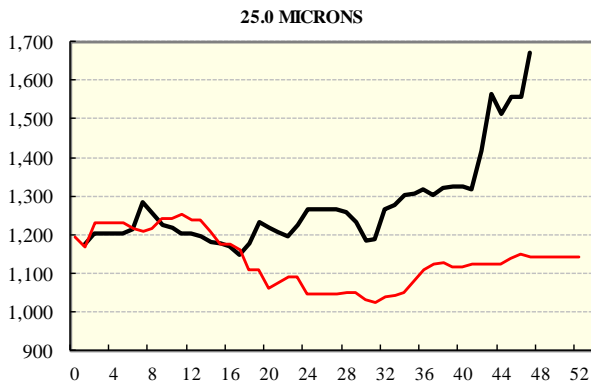
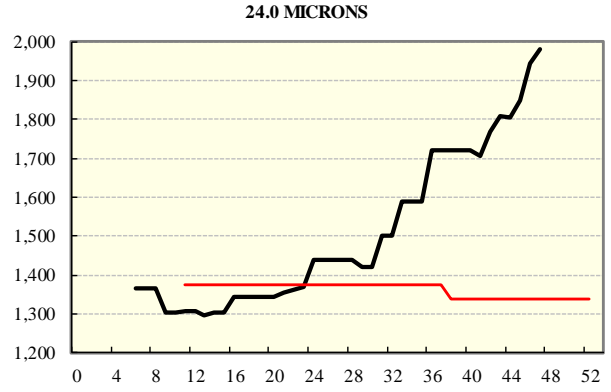
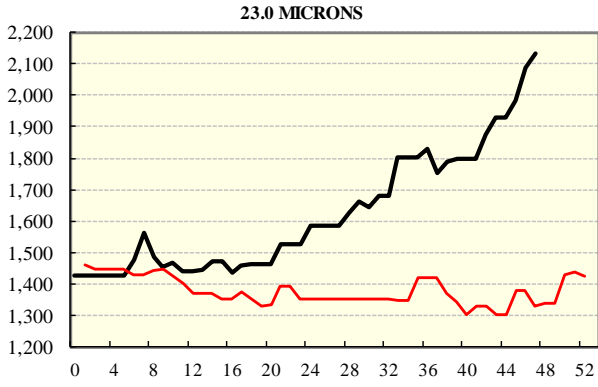
REGION BALES		
This Sale:		
North	11,516	
South	15,426	
West		
Progressive Totals:		
North	511,497	+2.1%
South	948,643	+6.5%
West	345,840	-8.7%

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)

