

Superfine Wool Report

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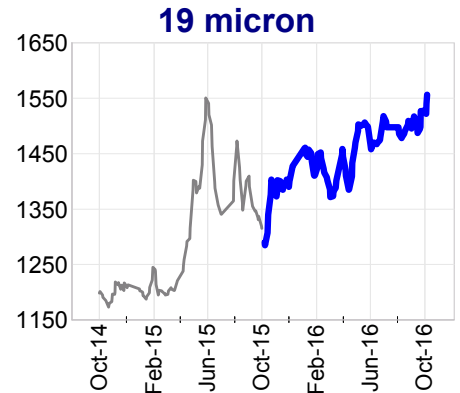
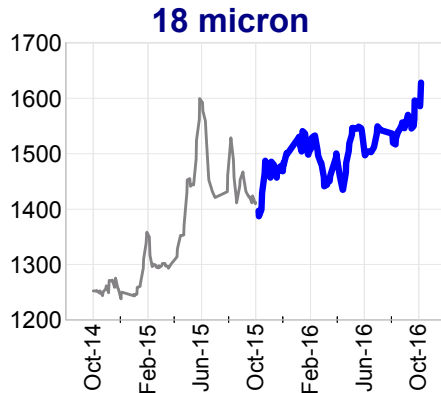
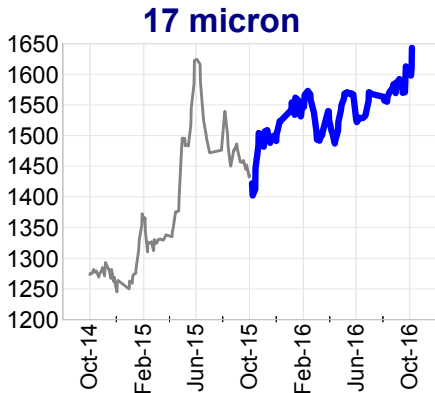
Thursday, 13 October, 2016 (8:25 pm AEST)

Compared to Thursday, 6 October, 2016



we know wool

AWEX Superfine Indicators



2 year charts (North/South average). Blue line = last 12 months.

Regional Indicators (¢/kg clean)

| Region Indicator | North | South | West |
|------------------|--------------------|--------------------|--------------------|
| | 1,359 (+18) | 1,291 (+17) | 1,375 (+27) |
| 16.5 MPG | 1,666 (+44) | 1,631n (+32) | |
| 17 MPG | 1,658 (+43) | 1,628 (+30) | |
| 17.5 MPG | 1,654 (+44) | 1,622 (+26) | |
| 18 MPG | 1,642 (+40) | 1,615 (+29) | 1,602n (+36) |
| 18.5 MPG | 1,617 (+36) | 1,594 (+38) | 1,579n (+24) |
| 19 MPG | 1,561 (+27) | 1,552 (+30) | 1,525 (+23) |

Offering Analysis (19.5 micron & finer)

| Region | Sale ID | Bales | Bales | Passed | AM | VMB% | Best | Average Price (YTD) | |
|------------------------------|---------|---------------|---------------|------------|-------------|-------------|-----------------|---------------------|--------------|
| | | Offered | Sold | In % | % | > 1% | Style & Better% | \$/bale | c/kg clean |
| Northern | S15 | 4,558 | 4,397 | 3.5 | 82.0 | 45.5 | 52.7 | 1,918 | |
| Southern | M15 | 6,972 | 6,777 | 2.8 | 80.4 | 36.0 | 55.5 | 1,946 | |
| Western | F15 | 3,558 | 3,500 | 1.6 | 77.5 | 24.6 | 45.1 | 1,951 | |
| Total | | 15,088 | 14,674 | 2.7 | 80.2 | 36.2 | 52.2 | 1,711 | 1,487 |
| Less than 17.6 micron | | 5,773 | 5,508 | 4.6 | 86.0 | 32.5 | 67.5 | 1,662 | 1,560 |
| 17.6 - 18.5 micron | | 4,029 | 3,939 | 2.2 | 75.1 | 39.7 | 47.7 | 2,083 | 1,581 |
| 18.6 - 19.5 micron | | 5,286 | 5,227 | 1.1 | 77.8 | 37.6 | 38.9 | 1,946 | 1,515 |

AWEX Commentary

Less than 32,000 bales were offered this week making it the smallest national total for an October selling week in AWEX's history (since 1995). That total also included 2,500 bales of New Zealand sourced wool which sold in isolation on Tuesday. The market opened very strongly from the outset and continued to strengthen as the week progressed. Again, it was the fine microns (18.5 micron and finer) leading the way with this sector of the market generally 45 to 50 cents dearer compared to the previous sale. The medium microns (20.0-22.5 microns) bucked the recent price trend and moved back into positive territory, gaining between 20 and 30 cents for the week.

As we have seen in recent weeks there is almost a second tier market for any wools possessing cvh results of less than 45. In some cases these lots are attracting premiums of over 50 cents compared to wools of similar style and specs with higher cvh readings.

A small but very stylish selection of skirtings followed a similar trend to the fleece market. Most focus was on the finer edge of the selection, in particular 17.5 micron and finer skirtings were in some cases extreme. All other types and descriptions were generally 20 to 30 cents dearer compared to the previous week's sale.

A very limited selection of locks and crutchings were generally 5 to 10 cents dearer. Stains very firm. Washing lambs irregular.

Crossbreds saw 25.0 to 28.0 micron 15 to 20 cents easier compared to last week, with 30 micron generally 10 cents dearer. Next week sees another small national offering of just 36,000 bales with selling in Melbourne, Sydney and Fremantle.

Certified 1PP Lots Offered for Current Season 16-17

| | <u>Price</u> (Greasy) | <u>Price</u> (Clean) | <u>Sale</u> | <u>Brand</u> | <u>Micron</u> | <u>VMB</u> | <u>Nkt</u> | <u>Lgth</u> | <u>AWEX ID</u> | <u>Broker</u> | <u>Sale</u> <u>Result</u> | <u>Buyer</u> |
|---|--------------------------|-------------------------|-------------|-----------------------|---------------|------------|------------|-------------|----------------|---------------|------------------------------|--------------|
| 1 | | | S13 | CSS/MULGOWAN/TRAPROCK | 14.9 | 0.2 | 46 | 85 | ASF1E. | AWNS | WD | |
| 2 | | | S13 | CSS/MULGOWAN/TRAPROCK | 15.9 | 0.1 | 56 | 79 | ASF1E. | AWNS | WD | |
| 3 | | | S06 | RYWUNG/NEW ENGLAND | 15.4 | 0.3 | 44 | 80 | ASF1E. | AWNS | WD | |

Major Auction Buyers by Micron Range for Current Sale Week

| | <u>Buyer</u> | <u>Bales</u> |
|--------------------------------------|---------------------------|--------------|
| <u>15.0 microns and finer</u> | Techwool Trading | 61 |
| | Lempriere (Aust) | 58 |
| | Tianyu Wool | 57 |
| <u>15.1 - 16.5 micron</u> | Australian Merino Exports | 486 |
| | Techwool Trading | 425 |
| | Tianyu Wool | 375 |
| <u>16.6 - 18.5 micron</u> | Australian Merino Exports | 1329 |
| | Fox & Lillie | 824 |
| | Techwool Trading | 655 |

Top 5 Australian Auction Prices for Sale Week (Sold Only)

| | <u>Price</u> (Greasy) | <u>Price</u> (Clean) | <u>Sale</u> | <u>Brand</u> | <u>Micron</u> | <u>VMB</u> | <u>Nkt</u> | <u>Lgth</u> | <u>AWEX ID</u> | <u>Broker</u> | <u>Buyer</u> |
|---|--------------------------|-------------------------|-------------|---------------------------|---------------|------------|------------|-------------|----------------|---------------|--------------|
| 1 | 1,550 | 2,092 | S15 | VV/VALHAVEN | 14.6 | 0.2 | 42 | 78 | ASF3E. | ESMR | ASFS |
| 2 | 1,492 | 1,928 | S15 | SCRUBBY GULLY CLIPS/WAL | 16.1 | 0.7 | 49 | 77 | ASF3E. | EPWN | NENM |
| 3 | 1,492 | 1,837 | S15 | RVM/GARWAY | 18.5 | 0.3 | 51 | 87 | ASF4E. | SBBR | GSAS |
| 4 | 1,490 | 1,901 | S15 | P IN A CIRCLE/GLENBROOK/N | 15.0 | 0.3 | 53 | 70 | ASF3E. | AWNS | GSAS |
| 5 | 1,479 | 1,879 | S15 | RVM/GARWAY | 17.6 | 0.3 | 57 | 85 | ASF4E. | SBBR | NENM |

Top 5 Auction Prices for Season 16-17

| | <u>Price</u> (Greasy) | <u>Price</u> (Clean) | <u>Sale</u> | <u>Brand</u> | <u>Micron</u> | <u>VMB</u> | <u>Nkt</u> | <u>Lgth</u> | <u>AWEX ID</u> | <u>Broker</u> | <u>Buyer</u> |
|---|--------------------------|-------------------------|-------------|-----------------------|---------------|------------|------------|-------------|----------------|---------------|--------------|
| 1 | 1,800 | 2,242 | S13 | CSS/MULGOWAN/TRAPROCK | 15.5 | 0.2 | 44 | 82 | ASF2E. | AWNS | NENM |
| 2 | 1,750 | 2,229 | S13 | CSS/MULGOWAN/TRAPROCK | 15.0 | 0.2 | 51 | 70 | ASF2E. | AWNS | NENM |
| 3 | 1,741 | 2,285 | M06 | DM/MIENA/ASWGA/T/545 | 17.6 | 0.2 | 36 | 88 | MF4E. | EPWL | NENM |
| 4 | 1,670 | 2,155 | M11 | PS/BUCHAN | 17.4 | 0.9 | 46 | 82 | ASF4S. | AWNS | NENM |
| 5 | 1,660 | 2,219 | S13 | WEST LYNNE/NE | 15.4 | 0.4 | 48 | 76 | ASF3E. | AWNS | NENM |

Finest Micron Sold for Season 16-17

| | <u>Price</u> (Greasy) | <u>Price</u> (Clean) | <u>Sale</u> | <u>Brand</u> | <u>Micron</u> | <u>VMB</u> | <u>Nkt</u> | <u>Lgth</u> | <u>AWEX ID</u> | <u>Broker</u> | <u>Buyer</u> |
|---|--------------------------|-------------------------|-------------|---------------|---------------|------------|------------|-------------|----------------|---------------|--------------|
| 1 | 1,110 | 1,667 | S09 | B&G/F | 12.1 | 0.5 | 32 | 71 | MWF5E.H1F1U | EPWB | GSAS |
| 2 | 1,166 | 1,722 | S09 | B&G/F | 12.2 | 0.1 | 31 | 97 | MF4E.R1 | EPWB | GSAS |
| 3 | 870 | 1,596 | M10 | SOMERTON PARK | 13.2 | 6.1 | 0 | 0 | MP4S.60W1 | NZMZC | LEMM |
| 4 | 890 | 1,516 | M10 | SOMERTON PARK | 13.4 | 4.9 | 0 | 0 | MP4S.60W1 | NZMZC | LEMM |
| 5 | 1,150 | 1,694 | M15 | KOORINGA/F | 13.5 | 0.2 | 31 | 72 | ASP3E. | LMKG | JMTM |

Superfine Point of Micron (ASF4/MF4)

| Micron | Strength (Nkt) | | | | |
|-------------|----------------|------|------|------|------|
| | 40 | 35 | 28 | 21 | 14 |
| 14.7 | 1769 | | | | |
| 14.9 | 1664 | | | | |
| 15.0 | | 1662 | | 1640 | |
| 15.1 | 1783 | | | | |
| 15.4 | | 1663 | | | |
| 15.5 | 1707 | | | | |
| 15.6 | 1701 | 1648 | | 1601 | |
| 15.7 | | | 1640 | | |
| 15.8 | | 1671 | | | |
| 15.9 | | 1596 | 1665 | | |
| 16.0 | | | | 1596 | |
| 16.1 | 1673 | 1627 | | | |
| 16.2 | 1628 | 1644 | | | |
| 16.3 | 1680 | 1653 | | | |
| 16.4 | 1673 | 1653 | | | |
| 16.5 | 1625 | 1638 | | | |
| 16.6 | | | 1606 | | |
| 16.7 | 1664 | 1638 | 1621 | | |
| 16.8 | 1661 | 1656 | | 1580 | |
| 16.9 | 1626 | 1641 | | | |
| 17.0 | 1652 | 1662 | | | 1571 |
| 17.1 | 1699 | 1654 | 1618 | 1588 | |
| 17.2 | 1615 | 1606 | | | |
| 17.3 | 1666 | | | | |
| 17.4 | 1673 | 1624 | | | |
| 17.5 | 1859 | | | | |
| 17.6 | 1655 | 1637 | 1561 | | |
| 17.7 | 1707 | | | | |
| 17.8 | 1704 | 1628 | | | |
| 17.9 | 1722 | | | | 1545 |
| 18.0 | 1673 | | | | |
| 18.1 | 1804 | | | | |
| 18.2 | 1645 | | | | |
| 18.3 | 1632 | 1583 | 1630 | | |
| 18.4 | | | | 1550 | |
| 18.5 | | | 1532 | | |

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