

Wool Weekly

LANDMARK

Friday, 19 May 2017

Wool Market Movements

- The durability of the Australian wool market was tested this week by a stronger AUD. As a result, price trends between selling centres were very uneven, with prices falling in Melbourne, up and down in Sydney but mostly higher in Fremantle. Overall, the EMI declined by 12 cents to 1522 c/kg mainly due to the lower prices in Melbourne. With the AUD higher by more than 1 UScent, the EMI actually lifted by 8 UScents to 1135 USc/kg. There were 35,020 bales offered over the week with a pass-in rate of 8.3%.
- A good selection of Spinners style fine Merino wool encouraged buyers at the two-day sale in Sydney this week. Prices steadied after the volatility of recent weeks, with some small gains and losses. While lots with higher VM were penalised, low VM wools attracted good competition on both sale days. The small offering of Crossbred wool saw prices for fine Crossbreds gain ground, but broader wools fell back over the week. Fine Locks on offer were in demand and prices lifted. Stains and Crutchings were steady.
- The two-day sale in Melbourne was marked by a significant drop in buyer interest in the Merino offering. Prices for Merino wool fell sharply across the micron range as a result, with losses of up to 40 cents for superfine Merino wool. Broader Merino wool did a little better, with more moderate declines. Demand for fine Crossbred wool was solid and prices lifted by 5-10 cents. After a steady first day on Wednesday, demand for Crutchings and Stains dipped on Thursday and prices fell by up to 20 cents. Locks were steady.
- Fremantle hosted a two-day sale and prices for 20 micron and broader wool rebounded after last week's losses. Buyers were keen in spite of a large offering of this wool and prices rose on both days, lifting by 10-15 cents over the week. In contrast, prices for fine Merino wool mostly fell on Wednesday before steadying on Thursday. Prices for the very small offering of Oddments were unchanged on the previous week.

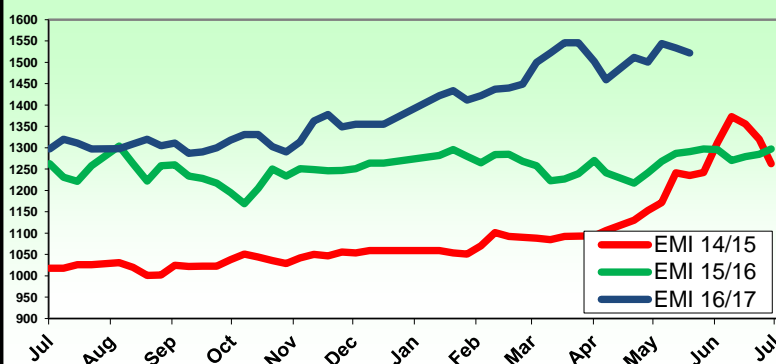
AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1612	-3	1470	-21	1535	+8

MICRON PRICE GUIDES						
16.5	2407n	0	2342n	-37	-	-
17	2354	0	2292n	-10	-	-
17.5	2301	+3	2231	-27	-	-
18	2219	-4	2153	-35	2118n	-20
18.5	2121	-3	2108	-21	2042n	-14
19	1942	+3	1940	-23	1927	+8
19.5	1784	-2	1776	-19	1768	-6
20	1628	-2	1606	-20	1574	+15
21	1499	-7	1495	-16	1481	+9
22	1441n	0	1417n	-3	1406	+11
23	-	-	-	-	-	-
24	-	-	-	-	-	-
25	1149n	+13	-	-	-	-
26	1049n	+6	1064n	+6	-	-
28	763	-5	757n	+11	-	-
30	570	-18	-	-	-	-
32	-	-	-	-	-	-
MC	1176	+5	1195n	-3	1193n	0

AWEX EMI 2014/15 & 2015/16 Season vs Current

Currently: 1522 c/kg clean



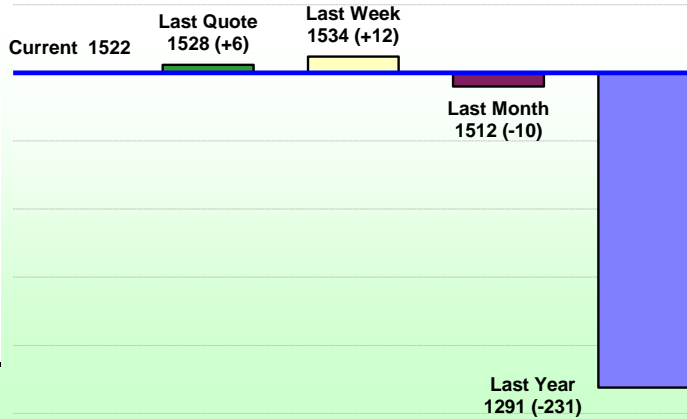
Upcoming Auction Volumes

	22/05/2017	29/05/2017	5/06/2017
Northern	S47	S48	S49
Sydney	9,547	9,150	8,700
Southern	M47	M48	M49
Melbourne	21,326	17,097	17,450
Western	F47	F48	F49
Fremantle	6,475	7,450	No sale
Total	37,348	33,697	26,150

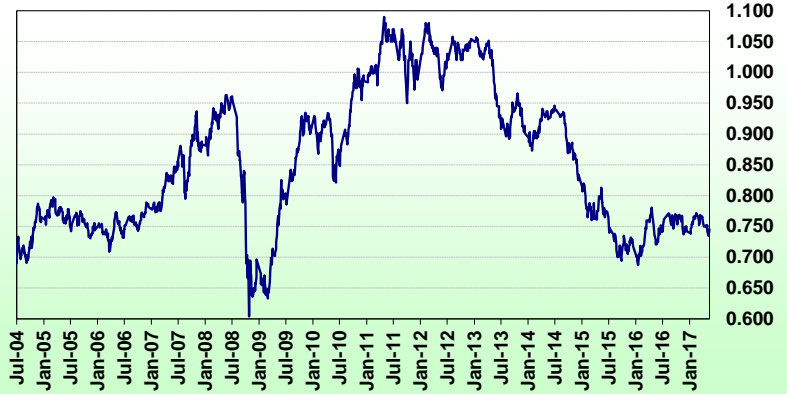
THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	9,300	9,920	9,105	8.2%
Southern	19,000	17,172	15,752	8.3%
Western	7,850	7,928	7,268	8.3%
TOTAL	36,150	35,020	32,125	8.3%

**AWEX Weekly Eastern Market Indicator
 Quote Comparisons**



AUD vs USD from 06-Jul-04 to 18-May-17



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1522	2375	2323	2266	2186	2115	1941	1780	1617	1497	1429	1384	1149	760	0.746
10 year Average	992	1599	1435	1435	1316	1259	1194	1135	1081	1043	1015	988	808	577	0.851
This time last year	1291	1580	1570	1562	1545	1522	1502	1474	1432	1402	1382	1360	1180	808	0.721
10 year High	1551	2680	2497	2339	2243	2147	1975	1824	1657	1538	1496	1461	1255	976	1.090
10 year Low	632	1259	1073	1087	881	833	777	736	686	659	654	646	549	339	0.604
%Reported above current	1%	7%	4%	2%	1%	0%	1%	0%	1%	1%	3%	3%	5%	12%	82%
Diff b/w High & Current	29	306	174	73	57	33	34	44	40	41	67	77	106	216	0.344
Diff b/w Ave & Current	530	775	888	831	870	856	747	645	536	454	414	396	341	183	-0.105

Percentile Bands

95%	1359	2463	2257	2208	1999	1844	1656	1531	1481	1434	1389	1362	1404	838	1.050
90%	1294	2037	1762	1804	1615	1574	1521	1469	1407	1380	1360	1325	1322	781	1.030
80%	1218	1738	1562	1563	1494	1453	1402	1367	1331	1303	1259	1228	1246	680	0.971
75%	1148	1638	1518	1526	1444	1396	1336	1300	1262	1245	1220	1190	1158	669	0.937
60%	1035	1540	1403	1420	1326	1267	1216	1176	1146	1134	1116	1091	1057	615	0.887
50%	976	1501	1352	1348	1259	1220	1157	1119	1072	1025	971	935	1008	522	0.826
40%	915	1460	1292	1305	1205	1157	1099	1030	983	946	920	888	941	481	0.777
25%	788	1400	1242	1237	1130	1059	1001	937	854	813	777	759	807	466	0.755
10%	728	1325	1171	1182	1022	991	927	863	799	745	715	696	745	447	0.720

Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28	
May-2017		2250	2170	2120	2020	1870	1710	1550	1455	1390	1300	695	All prices on this sheet are listed in c/kg clean. Basis Contract prices are indicative only. The levels are published to use purely as a guide. For more information regarding forward contracts or to submit a GTC or Target order, contact your local Landmark wool manager, or call Landmark Risk Management on 1800 629 396.
Jun-2017		2200	2140	2090	1980	1860	1690	1530	1455	1365	1260	695	
Jul-2017		2180	2120	2070	1975	1850	1660	1490	1445	1360	1250	695	
Aug-2017		2160	2100	2050	1950	1800	1650	1490	1420	1350	1210	695	
Sep-2017		2140	2070	2020	1920	1735	1630	1480	1410	1340	1200	680	
Oct-2017		2100	2060	2010	1910	1700	1600	1470	1385	1320	1200	630	
Nov-2017		2030	1980	1920	1820	1675	1590	1430	1370	1300	1190	580	
Dec-2017		1960	1930	1870	1770	1670	1580	1380	1360	1260	1180	540	
Jan-2018		1940	1910	1850	1750	1650	1560	1340	1320	1250	1170	458	
Feb-2018		1920	1890	1840	1740	1650	1530	1330	1300	1210	1160	448	
Mar-2018		1920	1890	1840	1740	1650	1480	1330	1300	1210	1160	448	
Apr-2018		1920	1890	1840	1740	1650	1480	1330	1300	1210	1160	448	
May-2018		1920	1890	1830	1740	1650	1480	1330	1300	1210	1160	448	
Jun-2018		1880	1870	1820	1740	1640	1480	1300	1270	1210	1160	448	
Jul-2018		1850	1830	1770	1740	1620	1460	1280	1250	1210	1160	448	

Please use above figures as a guide to submit your GTC or Target orders. Call 1800 629 396.