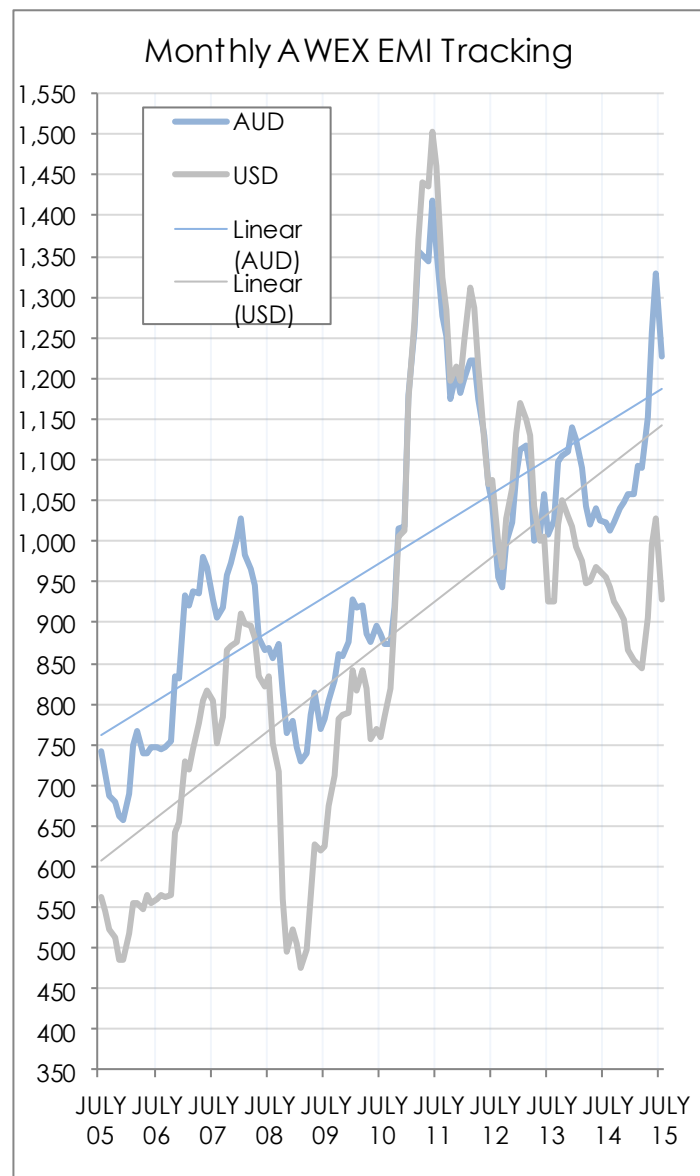




Offering		AWEX EMI				Currency movements		
Bales offered	39,858	AUD	1221 c/kg cln	-10 c/kg	-0.81%	AUD:USD	0.7479	-2.22%
Passed-In (%)	8.7 %	USD	913 c/kg cln	-28 c/kg	-3.02%	AUD:CNY	4.6430	-2.17%
		CNY	56.69 ¥/kg cln	-1.73 ¥/kg	-2.97%			
Bales Sold	36,401	EUR	8.23 €/kg cln	-0.27 €/kg	-3.25%	AUD:EUR	0.6738	-2.46%



AWEX Auction Micron Price Guides

Sales held on Wednesday & Thursday

MPG	North	South	West
17	1488n -10	1456 -39	-
18	1438 =	1404 -24	1352n -10
19	1345 -11	1336 -22	1321 -6
20	1303 -14	1308 -13	1312 +1
21	1298 -15	1303 -17	1302 +6
22	1285n -8	1291 -4	1258n -9
23		1268n =	-
24	-	-	-
25	-	-	-
26	1055n -10	1056n -7	-
28	883 -11	894 =	-
30	795n =	794n +16	-
32	678n +20	-	-
MC	1005 -31	1044 -15	1007n -27

Upcoming Wool Auction Sales

Sale week	2014/15 forecast	2013/14 actual
Week 3	RECESS	RECESS
Week 4	RECESS	RECESS
Week 5	RECESS	RECESS

Riemann Wool - Forward trades this week

Maturity month	Type	Price	Sum of kgs
August 2015	21.0 micron	1260	5,000
January 2016	30.0 micron	760	7,000
Total kgs			12,000

The final sale of the wool selling season was held this week at Australian wool auctions. Whilst the EMI (Eastern Market Indicator) concluded the week at levels of 10ac/clean kg lower at 1221ac/clean kg, it was the strong finish on the final day that gave positive signals that the market slide has been arrested for the time being. Buyers took to the relatively large offering available on the final day with gusto, with widespread buying interest being evident. Renewed interest was forthcoming from India and Europe, and to a lesser extent China, who were possibly distracted by the share market ructions in their country. Top makers from all areas also appeared to be keener in their purchasing.

The influences on the wool market were mainly away from the auction rooms over the last few days. A radically plummeting Australian dollar against the US dollar added a positive, but the share market woes in China offset, and possibly negated, any significant movement upward by virtue of the very favourable rates under 0.74 early in the week. Chinese taxi drivers to millionaires are all being adversely affected by the crash, although the Chinese government intervention towards the end of the week may help restore some semblance of normality and confidence. The saga that is the Greek debt continues to play out in Europe, although no direct effect on wool demand can yet be attributed.

The sporadic demand for wool scenario continues in the same pattern, with orders from the sub continent reasonably urgent, whilst some larger Chinese mills continue to lock in on some further out forward contracts for August to October delivery. The Interest from the Europeans remains on a constant slow feed, but this market is expected to pick up its purchasing intensity through the August to November period to coincide with

the expected offerings of better wools. Also playing on the thoughts of the users of the better end spinners and best top making types is the reported sheep numbers being reduced greatly over the past 12 months in favour of a heavier cutting, broader type Merino or crossbreeding to meat breeds.

The Merino fleece market featured wildly erratic price variations this week between the selling centres. Types broader than 19 micron were basically in line and depreciated by a general 15ac/clean kg, but differences by up to 40ac/clean kg were seen in the finer than 18.5 micron type area. Sydney showed a firm to 10ac cheaper result for the week, but Melbourne saw these types 25 to 40ac/clean kg cheaper. The stand out performers were super fine (finer than 18.5 micron) spinners/best top making style, high strength descriptions which gained 20 to 30ac/clean kg for the sale.

Skirtings of all Merino descriptions opened to a weak market and fell away 30 to 40ac/clean kg on opening but a firming rally on the final day saw all types and descriptions starting to reverse and become firm to dearer.

Merino cardings were generally quoted 15 to 30ac/clean kg lower, with discoloured and stained types making up the most of this drift by losing up to 60ac/clean kg. Good and best colour types were only slightly cheaper, as were the lighter (less than 2%) VM (vegetable matter) types.

The Crossbred (26 to 32 micron) area of the market split into 2 directions this week as types finer than 28 micron lost ground to be 10ac/clean kg whilst 29 micron and broader gained a very healthy 15 to 25ac/clean kg.

Australian wool auctions will now go into recess for 3 weeks. Sales will recommence in August with a firmer to stronger market expected as interest and demand builds through the break in auction sales.

Industry News

According to a recent article by Just-Style, US apparel imports from all sources increase 6.8% year-on-year, up from a rise of 1.2% the previous month; reaching 2.02 billion square metre equivalents (SME), up from 1.89 billion SME for the same time last year.

The past five months have seen increases in exports from the top three apparel supplier countries; with China rising 5.2% to 3.73 billion SME, Vietnam up 15.4% to 1.26 billion SME and Bangladesh increasing 9.5% to 772 million SME.

Source: *Just-Style, July 2015.*

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