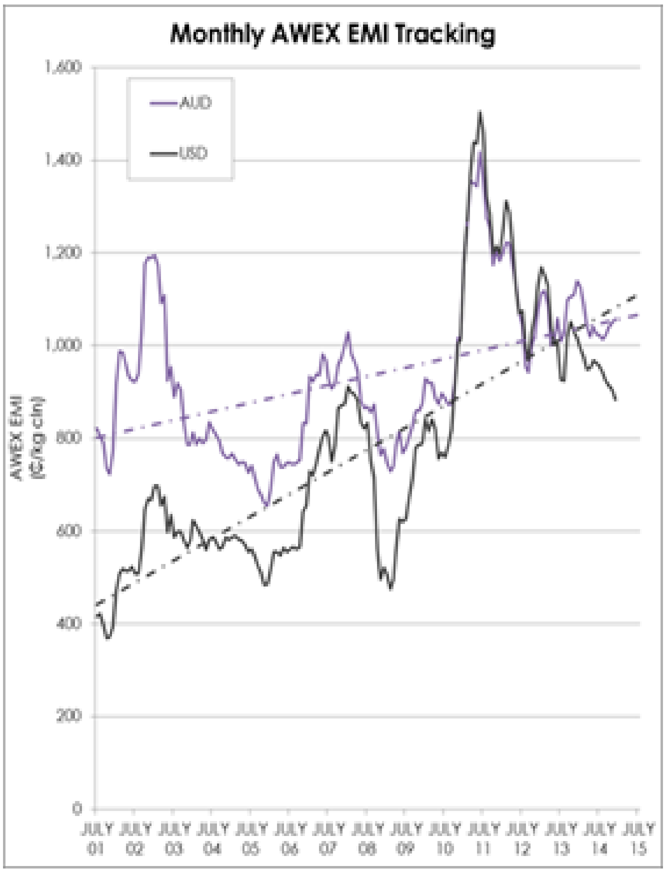
Offering	
Bales offered	47,368
Passed-In (%)	9.0 %
Bales Sold	43,127

AWEX EMI			
AUD	1051 c/kg cln	- 3 c/kg	-0.28%
USD	848.3 c/kg cln	-16 c/kg	-1.90%
CNY	52.69 ¥/kg cln	-0.90 ¥/kg	-1.67%
EUR	7.31 €/kg cln	-0.03 €/kg	-0.43%

Currency movements		
AU:USD	0.8071	-1.62%
AU:CNY	5.0131	-1.39%
AU:EUR	0.6958	-0.14%



Sale days		Wed, Thu	
MPG	North	South	West
17	1297n +16	1270 +5	-
18	1273 +7	1258 +6	1183n -15
19	1194 +3	1189 -8	1172 -13
20	1145 -10	1136 -21	1153 -9
21	1136 -14	1129 -22	1147 -4
22	1119n	1108 -17	1127n -5
23	1108n	1104n -15	-
24	-	-	-
25	911n	900n -16	-
26	832n -5	813n -21	-
28	762 -2	759 -2	-
30	722 +1	713 -2	-
32	636n -7	637 +11	-
MC	839 +11	843 +2	825n +9

MPG and indicator data in AU cents and sourced from AWEX

Riemann Wool Forwards			
21 Micron		Values	
Maturity month	Sum of kgs	Low	High
Feb - 2015	5,000	1,170	1,170
Jun - 2015	2,000	1,132	1,132
Jul - 2015	5,000	1,132	1,132

Forward wool prices in the above table are in AU cents and supplied by Riemann, www.riemann.com.au

Sale week	2014/15 forecast	2013/14 actual
Week 31	38,947	35,141
Week 32	44,710	44,935
Week 33	48,350	50,790

AWI Commentary

Australian wool markets tracked to a similar course this week with the finest and broadest end of the national clip in good demand. The mid micron (20 to 26 micron) sectors in both Merino and Crossbred remained slightly out of favour and dipped slightly. Significant gains in better superfine Merino fleece types were witnessed, albeit on just a small section of the market. Rises of over 100ac/clean kg for some sale lots in the 17 to 18.5 micron Merino fleece area were the standout improvements for the series. The EMI (Eastern Market Indicator) reflected these opposing trends, and once again drifted 3ac/clean kg lower to a closing level of 1051ac/clean kg.

The initial offering of over 50,000 bales scheduled to sell for the week failed to materialize, as an offering of 6% lower at just over 47,000 bales was eventually placed before the trade. In a week where two day sales in the East and just a one day sale in the West occurred, the opening day fared the best, as the closing quotes in the West at the Fremantle selling centre reflected. The bulk of the offering of 20 to 21.5 micron in that centre closed the week at levels 10ac/ clean kg higher than their Eastern counterparts, as the Eastern centres lost most ground in that area on the final day when Fremantle didn't have an auction.

Super fine (18.5 micron and finer) Merino fleece excelled for the week. Prices for the better types escalated rapidly under intense competition from 4 or 5 buyers. Whilst the Italian indent orders remained most dominant, they were occasionally knocked off purchasing by forward sellers having to meet delivery commitments and a strong Chinese order. Some individual lots showed substantial rises, and in a lot of instances, achieved well over 100ac/ clean kg better prices than established quotes. The level of support for the lower types was not in evidence, and as a result, the price gaps extended wildly, and now a 200ac clean/kg exists between the top and bottom types of the same micron.

The fine and medium (19 to 23 micron) Merino fleece wools opened to an easing tendency and 5ac/clean kg was lost on the first day The second and final day failed to ignite any further interest, unusual given the fact the Aussie dollar fell by a full cent overnight. Whilst Sydney only drifted slightly, the larger offering in Melbourne saw prices fall away more, and by the close Melbourne had prices at 20ac/clean kg lower for the week whilst Sydney closed at levels 10ac/ clean kg higher than Melbourne, but still 10ac cheaper for the week. Fremantle closed at the highest micron indicators as they did not suffer the losses of Thursday as they sold within a single day on Wednesday., whereby prices were only 5ac/clean kg lower for the sale.

Merino skirtings of most descriptions on offer met with relatively strong demand and sold to a fully firm market throughout. Some sale lots of increasing VM levels and containing jowls and cotts were the only casualty as buyers avoided the processing issues with these wool fault types.

Cardings of all types, faults and descriptions met renewed competition and rises between 5 to 10ac/clean kg were achieved. These types are now achieving returns to wool grower sellers of over 60% of the value of their fleece lines, whereby historically they would be achieving less than 40%. The level of support seen this week was exceptional, and it is hard to see the interest waning any time soon.

The Crossbred and Comeback fleece (25 to 32 micron) market split into two directions this week, with the finer (25 to 27 micron) types 5 to 15ac clean/kg lower and the broader wools fully firm. For the first time in a few months the top two Chinese indent operators were out-purchased.

Next week will see a short selling week due to Australia Day celebrations and just 39,000 bales will be offered to the trade. With this volume and a lower AUD:USD a largely unchanged market is expected.

Industry News

FiberVisions, a global leader in developing, manufacturing and marketing polyolefin staple fibers for nonwoven applications has developed a new wool merging blends of CoolVisions polypropylene fibre and Merino wool. FiberVisions claim the wool offers a deeply improved thermal performance in comparison to synthetic fibres.

With qualities of warmth, moisture management, breathability, and natural elasticity, Merino wool is becoming increasingly popular within the active wear and sports/ outdoor industry. The trend started with mainly base layers but is now seen in all types of high performance sports apparel such as running and cycling and even now every day lifestyle wear.

Commentary from Riemann

As medium wools continued to drift lower, buyers finally revised their bids lower on the Riemann Wool Forward market this week. Overall, the bids for 21MPG contracts were reduced by 10-15¢ later in the week to reflect changes in the physical market and are now at 1125¢ for autumn deliveries and 1120¢/kg clean for the June-December 2015 period. That said, the best bids for September 2015 and early 2016 remain at 1130¢/kg clean. Trades were restricted to two 21MPG contracts with deliveries in June and July 2015, at 1132¢/kg clean.

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