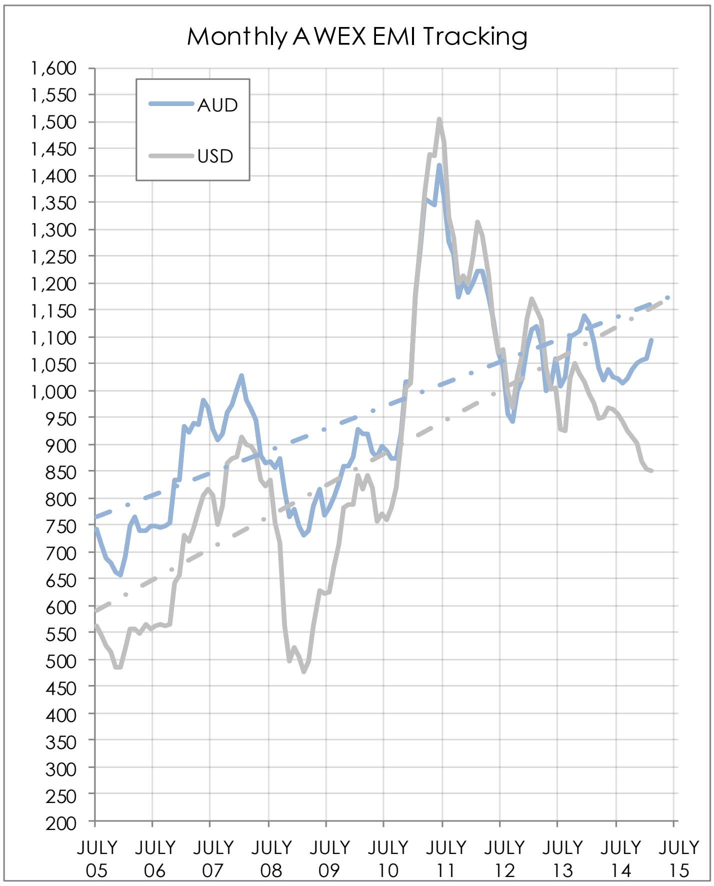
Offering	
Bales offered	42,488
Passed-In (%)	7.8%
Bales Sold	39,182

AWEX EMI			
AUD	1085 c/kg cln	- 3 c/kg	- 0.28%
USD	848.5 c/kg cln	- 2 c/kg	- 0.27%
CNY	53.17 ¥/kg cln	- 0.15 ¥/kg	- 0.27%
EUR	7.67 €/kg cln	+ 0.15 €/kg	+ 2.02%

Currency movements		
AU:USD	0.7820	- 0.47%
AU:CNY	4.9008	- 0.35%
AU:EUR	0.7071	+ 2.34%



AWEX Auction Micron Price Guides.

Sales held Tuesday Wednesday & Thursday.

MPG	North	South	West
17	1330 -16	1316n +8	-
18	1290 -10	1299 +8	1222n -1
19	1194 -8	1196 -4	1186 -17
20	1159 -6	1157 -3	1167 -19
21	1158 -5	1152 -8	1153 -9
22	1152n -7	1151 -5	-
23	1143n	1143n -5	-
24	-	1075n	-
25	-	990n	-
26	904n +5	888n +3	-
28	816 -4	802 -6	-
30	778 -7	768 -7	-
32	693n +2	695n =	-
MC	909 -6	923n +1	889n -2

Riemann Wool Forwards

21 Micron		Values	
Maturity month	**Sum of kgs**	**Low**	**High**
Apr'15	2,500	1,160	1,160
May'15	5,000	1,150	1,150
Jun'15	2,000	1,132	1,132
Jul'15	5,000	1,132	1,132
Aug'15	12,000	1,145	1,145
Sep'15	17,000	1,150	1,155
Nov'15	7,000	1,150	1,150
Dec'15	7,000	1,150	1,150
Jan-16	20,000	1,137	1,157
Total	**82,500**	-	-

Upcoming Wool Auction Sales

Sale week	2014/15 forecast	2013/14 actual
Week 37	45,078 bales	42,337 bales
Week 38	46,400 bales	40,587 bales
Week 39	44,900 bales	37,565 bales

AWI Commentary

Australian wool auction markets continued under a very cautious sentiment from buyers this week, as financial restraints appeared to restrict some normal operational activities. A slightly weaker Australian dollar against the USD failed to impact positively on the market, nor did the smaller offerings. Whilst pockets of small rises were taken in Melbourne within the super fine Merino and fine crossbreds categories and in Sydney on some areas of the Crossbred selection. All other sectors saw prices drift away to lower levels. As a result, the EMI (Eastern Market Indicator) fell away by 3ac/clean kg to finish the week at a level of 1085ac/ clean kg.

A much smaller offering of the better, stylish wools of good strength in the super fine (18.5 micron and finer) Merino fleece were put up for sale and prices showed no reaction at all and remained unchanged throughout. The average and inferior top making descriptions sold well early in the week, but showed some weakening on the final day, particularly the lots showing high CvH (coefficient of variation hauteur) and high PoBM (position of break in the middle) test readings and also the over long (>100mm greasy staple length) lots.

Fine and medium (19 to 23 micron) Merino fleece experienced somewhat of a tumultuous market through the week, with prices falling away by upwards of 15ac clean kg at some stages of selling. Price levels corrected strongly towards the end of the week and only minor losses of around 5ac/clean kg were eventually recorded. Volumes in this area of the Merino fleece type selection are continuing to grow as the super fine wools are getting “out of season” and on farm production of the finer microns are swinging towards a heavier cutting wool type of a broader micron. Additionally a lot of the growing regions have experienced good climatic conditions over the past 12 months, which have not only pushed the micron broader, but has caused exceptional staple length growth resulting in some discounting to appear on any overlong lots.

Merino skirtings experienced yet another uneventful week at unchanged levels and appeared to have reached a point of price sensitivity where forward sales are limited. Some sporadic and lower bids are now being put before the exporters, but most are wanting to complete their current commitments prior to taking any more open positions into their inventory.

The carding market also appears to have stalled for the time being and most prices achieved this week were similar to the previous sales series. Indicators at each of the 3 selling centres were largely within 5ac/clean kg by the conclusion of selling. Demand for wool types suitable for open/broken top production remained steady and quotes closed out the week at firm unchanged levels.

Crossbred and comeback (25 to 32micron) types repeated the pattern formed 2 weeks ago, with the finest of the types (finer than 27 micron) were well sought and 5ac clean kg dearer mainly due to lack of volume, whilst the broader section lost 5ac/clean kg. An exception was the very broadest types of around 31 to 33 micron which held on well and managed a few cents rise in the Sydney auction.

Next week we slightly over 45,000 bales rostered to be sold. Appearing to hamper the market at present is a slow rate of enquiry from China since their New Year period and also some local buyers’ finances stretched to the limit awaiting upon some execution of L/C’s (Letters of Credit). As we enter into a traditional downturn in volumes in the availability of Australian wool for a few months, hopefully we can see demand over ride supply and kick the market along. A weaker but stable AUD : USD would also help.

Wool Selling System Review

Public submissions to the WSSR panel are now on line at the home page link at www.wool.com

There are a few submissions outstanding to process, and will be published in due course.

Industry News

China’s raw wool imports in January 2015

China’s global raw wool imports in January registered a year-on-year increase of 8.5 percent in terms of quantity. But import value fell 4 percent year on year to USD230.84 million.

Of the total imports, general trade accounted for 72.9 percent, with imports up 24 percent year on year; processing trade reached 11.02 percent, with imports up 5 percent year on year; and imports into bonded zone took up 15.23 percent, with imports down 31 percent year on year.

Average unit price for raw wool imports in January is

Commentary from Riemann

Another week of restricted activity on the Riemann Forward market as buyers and sellers move to the sidelines waiting for clearer market directions.

That said, some producers are now starting to look at pricing spring production, while buyers remain more focused in the short term. On that note, one 21MPG contract was traded at 1150¢/kg clean with maturity in May 2015, or only 5¢ below the current spot market.

For the spring deliveries, producers are still largely aiming for +1160¢ for 21 micron wools, but that’s still a bit out of the buyer’s range.