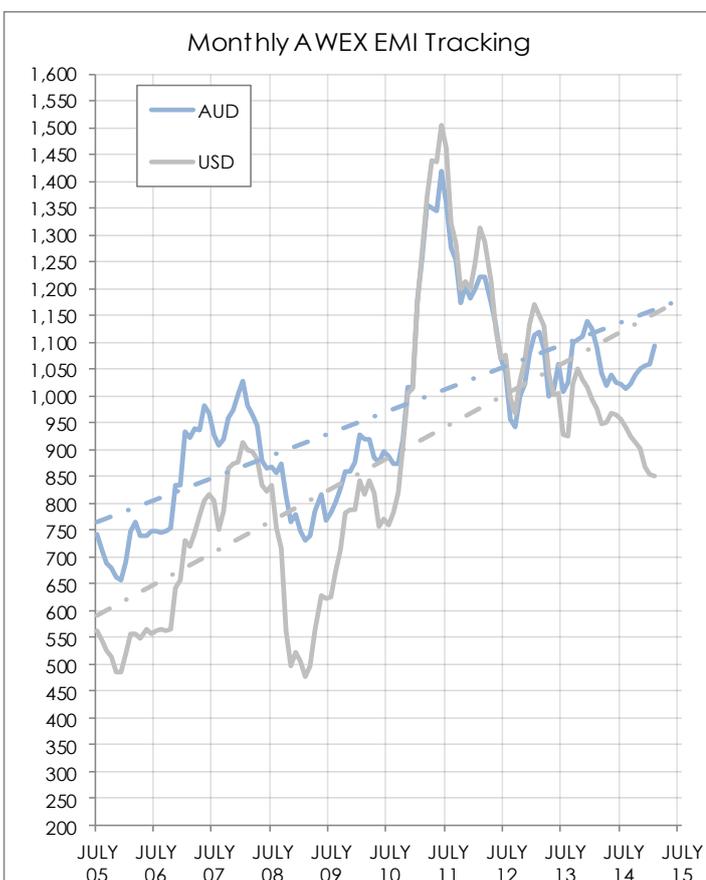




Offering		AWEX EMI				Currency movements		
Bales offered	43,442	AUD	1093 c/kg cln	+1 c/kg	+ 0.09%	AU:USD	0.7732	+1.68%
Passed-In (%)	6.4%	USD	845 c/kg cln	+14c/kg	+1.68%	AU:CNY	4.7906	+0.59%
		CNY	52.36 ¥/kg cln	+0.30 ¥/kg	+0.59%			
Bales Sold	40,646	EUR	7.85 €/kg cln	-0.05 €/kg	-0.69%	AU:EUR	0.7183	-0.69%



AWEX Auction Micron Price Guides.

Sales held on Wednesday & Thursday.

MPG	North	South	West
17	1336n +2	1326 =	-
18	1299 -4	1296 -5	1233n +5
19	1208 +4	1202 +1	1192 +4
20	1170 =	1161 -4	1167 -1
21	1157 -8	1152 -11	1158 +5
22	1134 -18	1128 -22	1133n -9
23	1121n	1112n -29	-
24	1077n	1072n -10	-
25	993n =	1008n +17	-
26	918n +3	917n +19	-
28	831 =	829 +7	-
30	787 +1	783 +5	-
32	698n =	693n -5	-
MC	925 +17	948 +23	911n +23

Riemann Wool Forwards

21 Micron		Values	
Maturity month	Sum of kgs	Low	High
Apr'15	2,500	1,160	1,160
Aug'15	12,000	1,145	1,145
Sept'15	5,000	1,150	1,150
Sept'15	12,000	1,155	1,155
Nov'15	7,000	1,150	1,150
Dec'15	7,000	1,150	1,150
Jan'16	10,000	1,147	1,157
<b>Total</b>	<b>60,500</b>	-	-

Upcoming Wool Auction Sales

Sale week	2014/15 forecast	2013/14 actual
Week 39	42,906 bales	37,565 bales
Week 40	43,125 bales	34,679 bales
Week 41	NO SALES	34,352 bales

Australian wool auctions continued in a largely positive direction this week, although an upsurge in the Australian dollar at the end of the week appeared to put a cap on the upswing of the past few weeks. All types and descriptions on offer managed to hold near to the established quotations or improve in a lot of cases. An exception was the offering in the medium (21 to 24 micron) Merino fleece sector which saw a retraction in levels. The EMI (Eastern Market Indicator) added a cent during the course of selling to finish the week at 1092ac/clean kg, a figure which is approaching 6% better than at the same time period of last year.

In the ever diminishing Super fine (16.6 to 18.5micron) and ultrafine (16.5micron and finer) Merino fleece offering, prices remained generally fully firm for the week, with the better specified wool types adding just a couple of cents to their value. The superior end of the best top making and spinners descriptions were almost impossible to find, but the few lots available traded at similar levels seen over the past two or three weeks.

The Fine wool (18.6 to 20.5 micron) Merino fleece was well sought throughout the selling week with some very good wools on offer attracting full and strong attention from all operators. Quotations barely moved after the opening day saw significant Chinese buying interest. At the commencement of the last day a slight wavering was seen due to a cautious approach by buyers due to the erratic foreign exchange rate, but this was short lived as Chinese led competition saw all types swiftly recover.

The medium and broad (20.6 to 24micron) Merino fleece segment didn't fare well this series, as these types struggled from the outset to maintain their price levels. Interest appeared minimal throughout the week from both the forward sellers and indent buyers in a larger offering. As a result prices were generally 10 to 25 ac/clean kg lower by the close of selling on Thursday afternoon.

## Industry News

Following their meeting in Canberra on Wednesday, Prime Minister Tony Abbott MP and Prime Minister Nguyen Tan Dung of Vietnam underscored the strength and breadth of Australia-Vietnam ties and agreed to lift the relationship to a new level. They agreed to deepen and intensify the existing Comprehensive Partnership, reflecting the increasingly strategic nature of the bilateral relationship.

The two Prime Ministers agreed to reach a prompt conclusion of the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) negotiations. Noting these agreements would help to drive higher growth. The Minister for Trade and Investment, Mr Robb, will lead a trade mission to Vietnam in the second half of 2015 to promote and advance the wide range of trade and investment opportunities.

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Merino skirtings sold to a fully firm market and demand was strong throughout. An improvement in price was witnessed across the offering towards the close, and most quotes on the better skirting types ended the week being 5 to 10ac/clean kg dearer.

The carding market bounced back into the spotlight once more this week, with a surge of interest pushing the prices on most types upwards of 30ac/clean kg dearer and further into record levels. All carding indicators showed 20ac/clean kg rises with carbonizing types heavily sought after. All types suitable for open/broken top production managed to just hold the large gains extracted last week, although a slight pull back late in selling was seen.

Crossbred and comeback (25 to 32micron) fleece maintained the pattern of the past month whereby the finer types (25 to 27 micron) were dearer by 15 to 20ac/clean kg, the middle microns (28 to 30 micron) very firm to slightly dearer by 5ac/clean kg and the broader types (31 micron plus) struggling to hold onto the quoted levels.

The next two weeks of selling have around 43,000 bales scheduled to be auctioned each week, followed by a week of no sales. With the local market battling hard and holding ground against a detrimental US v AD exchange, firm to dearer markets should be expected.

## Wool Selling System Review

Public submissions to the WSSR panel are now on line at the home page link at [www.wool.com](http://www.wool.com)

All of the submissions have now been processed and we encourage all interested parties to view.

If you have sent a submission and it is not appearing on-line at the above web link, please send an email to [wssr@wool.com](mailto:wssr@wool.com) and we will rectify.

## Industry News

In the debate over global manufacturing competitiveness, the labour cost question looms largest. The rapid growth in Chinese wages is having an impact not only on firms currently manufacturing in China, but also on emerging economies seeking to grab a share of that manufacturing activity (like Vietnam and Bangladesh). Rising wages in China could threaten the country's status as a manufacturing powerhouse if they are not matched by comparable gains in productivity.

Manufacturing labour compensation in China per hour rose by an average of 11.9% a year (in local-currency terms) in 2001-12, a pace we expect will be maintained in the period to 2020. Manufacturing labour cost averaged US\$2.1 per hour in China in 2012 and are already higher than in India, Indonesia and Vietnam.

**Source EUI**