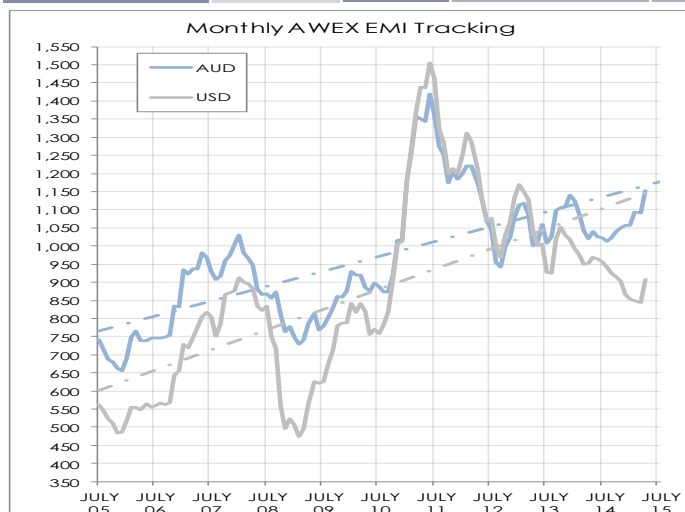




Offering		AWEX EMI				Currency movements		
Bales offered	43,985	AUD	1241 c/kg cln	+69 c/kg	+5.89%	AU:USD	0.7983	+0.03%
Passed-In (%)	1.1%	USD	991 c/kg cln	+56 c/kg	+5.91%	AU:CNY	4.9523	+0.01%
		CNY	61.46 ¥/kg cln	+3.42 ¥/kg	+5.90%			
Bales Sold	43,517	EUR	8.72 €/kg cln	+0.29 €/kg	+3.42%	AU:EUR	0.7030	-2.33%



AWEX Auction Micron Price Guides.

Sales held on Wednesday & Thursday

MPG	North	South	West
17	1503 +99	1489 +97	-
18	1453 +81	1452 +83	1437n +114
19	1408 +95	1396 +77	1386 +92
20	1348 +79	1329 +64	1341 +78
21	1323 +75	1320 +68	1311 +69c
22	1274 +72	1258 +62	1274n +52
23	1241n	1236n +71	-
24	1150n	-	-
25	1086n	-	-
26	1006 +35	998n +39	-
28	886 +28	872 +25	-
30	826 +27	816 +19	-
32	708n +10	709 +16	-
MC	1036 +42	1051n +43	1015n +44

Riemann Wool Forwards - TRADES this week

Maturity date	Type	Price Low	Price high	Sum of kgs
27/05/2015	21.0 micron	1,250	1,250	3,750
24/06/2015	21.0 micron	1,240	1,240	5,000
8/07/2015	21.0 micron	1,200	1,250	18,500
5/08/2015	21.0 micron	1,220	1,230	5,000
26/08/2015	21.0 micron	1,200	1,225	26,500
26/08/2015	28.0 micron	820	820	2,500
26/08/2015	30.0 micron	760	760	5,000
9/09/2015	21.0 micron	1,210	1,225	8,125
23/09/2015	21.0 micron	1,200	1,225	12,500
23/09/2015	28.0 micron	820	820	5,000
23/09/2015	30.0 micron	760	760	10,000
7/10/2015	21.0 micron	1,200	1,200	10,000
21/10/2015	21.0 micron	1,200	1,200	15,000
11/11/2015	21.0 micron	1,200	1,200	2,500
25/11/2015	21.0 micron	1,200	1,200	19,000
9/12/2015	21.0 micron	1,200	1,210	16,500
9/12/2015	19.0 micron	1,305	1,305	2,500
9/12/2015	28.0 micron	800	800	2,500
13/01/2016	21.0 micron	1,200	1,210	10,000
13/01/2016	28.0 micron	800	800	2,000
27/01/2016	21.0 micron	1,185	1,200	17,500
23/03/2016	21.0 micron	1,185	1,185	5,000
23/03/2016	19.0 micron	1,305	1,305	5,000
13/04/2016	21.0 micron	1,180	1,180	5,000
Total				214,375

Upcoming Wool Auction Sales

Sale week	2014/15 forecast	2013/14 actual
Week 46	41,849 bales	40,453 bales
Week 47	34,945 bales	30,628 bales
Week 48	38,100 bales	35,116 bales

The buoyant Australian wool auction markets shot up to a whole new level this week, in a sales series which saw substantial price rises across the offerings. Once more the Merino sector excelled in the gains, with some types at the finer end of the micron ranges exceeding the 100ac/clean kg or 14% dearer mark. The EMI (Eastern Market Indicator) recorded a 69ac/clean kg addition to close at 1241ac/clean kg which equates to a single week rise of nearly 6%. In comparison to last year at the same time, the EMI was almost 200ac/clean kg or 18.6% lower.

General market gains of 85 to 105ac/clean kg were recorded in the ultrafine (finer than 16.5 micron) Merino fleece types. The majority of the improving levels of up to 100ac/clean kg came about on the first day, as traders took nearly all of the ultrafine on offer, out-muscling the Italian and Chinese indents to secure the small volume on offer. A "Buy at best" strategy (no price limit, just bales have to buy) set the tone and hence prices escalated rapidly yet uniformly.

Within the superfine (16.6 to 18.5 micron) Merino fleece sector, the competition was largely between the largest Chinese indent buyer and the largest of the local exporters, but most other buyer interests had securing some of the supply fairly in their sights. This extreme competition saw an immediate 60ac/clean kg jump as auctions commenced, followed by a further 20ac/clean kg surge towards the end of the first selling day alone. A more subdued, but still solid to stronger market on the final day led to a further 10 to 20ac/clean kg increase, to top the week off nicely for grower sellers. The market closed 85 to 95ac/clean kg dearer for the week for all superfine wools, with the lowest quality of types on offer showing the greatest of ascent, thereby almost eliminating any price gaps within similar micron categories.

The fine wool (18.6 to 20.5 micron) and medium (20.6 to 23 micron) Merino fleece replicated the positive growth moves of the finer microns with the extent of the upsurge being a general 65 to 80ac/clean kg. Low quality wools gained the most, and no discounts are appearing to be applied by auction room operators to secure inventory.

The performance of the Merino skirtings segment was at the highest level of any description on offer this week, with gains of 90 to 130ac/clean kg again being common place by the close of selling for the week. The "buy at best" scenario witnessed towards the end of last week was activated almost immediately as the auctions started, resulting in some extremely strong activity in the sale room not seen since 2011. All wool types came under pressure and demand remained strong till the last lot of the week.

The Merino Cardings market segment added a further 40ac/clean kg to their values this sale series, as all 3 regions saw their Merino carding (MC) indicators fly past the 1000ac/clean kg level. When merino locks are worth over 1050ac/clean kg clean, this gives rise as to the strong grower returns being extracted for all wool at present.

Demand for all Open/broken top types and descriptions can only be described as insatiable at the moment. Exporters report on continued enquiry for these types, even though they approach the levels of their Merino fleece counterparts. A general 100ac/clean kg was added to the current market rates this week, with particularly strong buying interest centred around the 17.5 to 18.5 micron area.

Despite the apparent lack of interest in the Crossbred and comeback (25 to 32micron) types last week, the market sentiment rebounded in a very positive manner this week, with all types 15 to 35ac/clean kg dearer. The stronger price moves emanated from the finer (25 to 28 micron) types, with the small amount of the broadest (32 micron) descriptions moving just 10ac/clean

With such rapid market movements of the past fortnight, a reasonable expectation would be to assume a consolidation around the established levels would be the situation for next week. But given the voracity of the competition this week, the question must be asked:- will the volume of just over 40,000 bales scheduled to be sold next week be sufficient to feed the current demand and needs of the forward sellers and processors?

Textile Industry News

The diversity of cotton farming systems around the world rules out the development of a fixed global blueprint on sustainability, according to a new report.

'Measuring sustainability in cotton farming systems: towards a guidance framework' is the result of three years of collaborative efforts by the International Cotton Advisory Committee (ICAC) and the UN's Food and Agriculture Organization (FAO). The report comes up with a list of 68 core indicators across the key pillars of sustainability, but – following discussions by ICAC members – says national committees should be formed to discuss them and then consider a framework for pilot testing. In drawing up the 68 indicators, the report covers three "pillars" of sustainability: environmental, economic and social.

Full report—www.just-style.com

Textile Industry News

Excess cotton stocks held outside China are likely to keep international cotton prices down in 2015/16, says the International Cotton Advisory Committee (ICAC).

China is expected to end 2014/15 with 12.4m tons of stock, up 3% from last season, and stocks outside China are projected to soar 26% to 9.4m tons, the highest level in 35 years. Although China announced last spring it was ending its reserve policy, the government still holds over 11m tons, and sales were initially anticipated to occur this spring. However, sales have not yet begun and the Chinese government has not announced an official date for sales to start this year.

The ICAC's May report shows world acreage is projected to drop 7% to 31.2m hectares. Production is forecast down 9% at 23.9m tons from 2014/15. Full report—www.just-style.com

www.wool.com