

boardtalk

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we know wool AWEX

Bale Weights

The Facts

On the front page of the May 2014 edition of BOARDtalk, an article raised the concerns of Australian Council of Wool Exporters and Processors (ACWEP) and Private Treaty Wool Merchants of Australia (PTWMA) members with respect to the potential risks and costs of low weight bales in the industry.

Analysis, conducted by the ACWEP and PTWMA, of 2012/13 data provided by AWTA Ltd found that:

- 4.6% of all bales ranged between 110 kg to 129 kg.
- 19.5% of all lots contained one or more bales between 110 kg – 129 kg, with
- 83% of these lots having an average bale weight of greater than 129 kg.
- The average bale weight was 178 kg, with a median weight of 185 kg

AWEX subsequently inspected randomly selected wool stores, observing that each store had stacks of wool bales that had either fallen or collapsed. The reason behind each collapse was that each stack contained soft, low weight bales at the base or low in the stack. The low weight bales had lost their structure and shape under pressure. This can equally happen on farm, on road transport and in warehouses.

It is easily observed that low weight bales perform poorly under pressure; however, the major offenders tend to be the 110 - 130 kg bales. The problem is clear, low weight bales:

- present an increased Work Health and Safety (WH&S) risk due to their often soft and spongy structure, and hence they may not stack well on trucks or in warehouses,
- make core and grab sampling more difficult because they do not hold their structure under pressure, and
- represent a higher 'per kg' cost to handle, transport, test and ship.

The increased WH&S risk can potentially impact on farm, on roads and in warehouses everywhere. While the higher 'per kg' costs associated with low weight bales impacts on the returns to the wool grower and on the costs to the wool buyer.

ACWEP & PTWMA strongly advocate an



Press scales should be calibrated

increase of the minimum bale weight to 130 kilograms.

AWEX is undertaking some further analysis of the AWTA/AWEX 2012/13 & 2013/14 season's data to establish:

- What actually is being pressed in the wool shed,
- Whether wool type, classer or state have a bearing,
- The impact of micron or lot/clip size, and
- Gain a better understanding of what needs to be done to improve current practices.

Logically, it was expected that "low weight" bales (110-129 kg) would most often appear as either the last bale or the last two bales in a line of wool. While this is often true, it is disturbing that the low weight bales can equally occur in the first bale or early on in a lot, well before the cut out of each mob.

What the statistics can't tell you is, why this happens? But regardless, we can improve.

Best Practice

- Prior to shearing, the wool press must be set up properly and the scales calibrated. It is impossible to know the accurate weight of the bale by either "listening to the strain/groan of the press", estimating how far the platen (monkey) has come down or just by looking at a bale - take the guess work out of it!

- Wool from different breed types, length and yield will press differently. Be aware of these variables as they are important to the end product.
- Communicate continually and effectively with all wool shed staff.
- If the weight of wool in all the bales within a line was more evenly distributed, this would reduce the WH&S concerns with low weight bales.

Woolclassers must plan the shearing in discussion with growers, contractors, shearers, wool handlers and wool pressers so the details of when a mob will cut-out and when it is appropriate to press out a bin are known well in advance. Pressing out of a line of wool is the responsibility of the woolclasser.

The Bale Weight Review represents an opportunity for the industry to work constructively together for the benefit of all by increasing the efficiency and productivity of the wool industry. The message is clear. We must improve the standard of wool bale pressing.

AWEX will be updating the Australian Wool Pressing Standard poster to be released as part of an education campaign.

For more information or to offer suggestions to help improve wool pressing contact:

Mark Grave, p. 02 9428 6100
e. mgrave@awex.com.au

Buyer requests for NWD on all wool types are on the rise

Buyers seeking wool that has been declared as NM (Non Mulesed), or even CM (Ceased Mulesing) and/or PR (Mulesed with Pain Relief) was previously considered the domain of wool destined for the apparel market, especially superfine wool.

In the May issue of BOARDtalk, leading superfine wool buyer, Mr Andrew Blanch (New England Wool), wrote an article confirming the increasing importance of the National Wool Declaration (NWD) and how it is being used through the supply chain. Andrew said, "We are finding more and more clients wanting this information."

Requests for the NWD (Mulesing Status) are now coming forward from buyers of other wool types including crossbred wool. AWEX has been approached by major buyers of Australian wool, asking that we encourage all growers to complete the mulesing status in the NWD, regardless of the breed of sheep or type of wool.

Mr Lou Morsch, Director of Modiano Australia Pty Ltd based in Melbourne has stated that Modiano is receiving regular requests from its European customers to verify the mulesing status of Australian wool they purchase and process into tops. This applies to all Merino and Crossbred wool including lamb's wool. We need the Mulesing Status of the NWD to be completed so we can (a) identify NM, CM or PR wool, (b) batch these wools into separate orders for processing, and (c) provide this information and documentation to satisfy our customers' growing demand for these types of tops. We ask all growers to complete the NWD for all breeds and types of wool, as this gives us greater flexibility when putting together orders and delivering to our customers' requirements.

In this competitive market, Australian growers should complete the NWD, giving buyers every reason to purchase their wool - availability of the declared Dark and Medullated Fibre Risk for Merinos and/or Mulesing Status for ALL sheep breeds may tip the balance.

Complete the NWD Mulesing Status Declaration Correctly!

The Non-Compliance for Non Mulesed (or Ceased Mulesing) status for 2013/14 was 12%. While this figure has declined from 18%

in 2011/12, it is still of great concern to AWEX and the wool industry. Buyers trust that the information provided in the NWD is correct and make purchasing decisions based on it. Given that the NWD was introduced in 2008, this level of Non-Compliance is considered high.

Analysis of Non Compliance for NM status for 2013/14 showed that in approximately 75% of cases, it was the owner/manager who made the mistake, with the remaining 25% of errors coming from woolclassers, brokers or relatives filling out the form without consulting with the owner/manager.

To ensure the NWD is completed correctly, carefully read it. Version 6.1 (2014) has been designed to simplify the process, so ask your broker to supply updated shearing stationery and pay attention to the questions! It is also available on the AWEX website. The following points are important:

- Complete the Ceased Mulesing question and fill out all mob details including the mob mulesed question.
- There is no "allowable" number of mulesed (skin removed from the breech and/or tail) sheep in a non mulesed mob. Prior to shearing every effort must be made to draft off all mulesed sheep from non mulesed sheep. The intention is that a non mulesed mob is just that, non mulesed. Sheep of different mulesing status should be easily differentiated (e.g. by ear tags or ear marks).
- Even if the mob is mulesed, or mulesed



Mulesed sheep



Mr Lou Morsch

sheep are mixed in a mob with non-mulesed sheep, declare Mulesed. In this case, the Mulesing Status code that appears in Sale Catalogues and on Test Certificates is left [Blank]. If you do not complete the declaration, Not Declared [ND] appears in the Sale Catalogues or Test Certificates.

- When mulesing is not undertaken on the property, Ceased Mulesing (CM) status may be declared. However, each mob must be still be listed in the mob section, with the Mulesing Status listed (i.e. NM for Non Mulesed, PR for Mulesed with Pain Relief, or M for Mulesed). In the catalogue/certificate, for the mulesed mobs, [CM] will automatically appear instead of Mulesed [Blank]. Mobs that are mulesed with Pain Relief appear as [PR] and Non Mulesed mobs as [NM].
- If you have purchased sheep and wish to declare that they are Non Mulesed or Mulesed with Pain Relief, verify this with the Vendor, but also check for mulesing scars before making an NM declaration. For the purchased sheep, ask the Vendor to write (and sign off on) in the comments box of the Vendor Declaration, the Mulesing Status as well information related to Dark and Medullated Fibre Risk (i.e. date of crutching and contact with shedding breeds).
- Double check that you have completed the NWD correctly before it leaves the property. This is important, as buyers are informed of Non Compliance, leaving the potential for a commercial claim if the NWD is completed incorrectly. This applies even is the mistake was accidental.

For further information contact:

Mark Grave, ph. 02 9428 6100
e. mgrave@awex.com.au

Kerry Hansford, ph. 03 9318 0277
e. khansford@awex.com.au

contact



Woolclasser Registrar
Peter Sudholz
Telephone 02 9428 6144
Email woolclasser@awex.com.au



Northern Region
Robert McKeown
Telephone 02 9632 6166
Email northernregion@awex.com.au



Southern Region
David Williams
Telephone 03 9318 0277
Email southernregion@awex.com.au



Western Region
David Aslett
Telephone 08 9434 6999
Email westernregion@awex.com.au



AWEX Auditor Tablet



Dark stain in fleece wool



Brands in wool

Clip Inspection Photos

Over the past few years, woolclassers have suggested to AWEX that it would be helpful if a photo of the problem could be provided when Clip Inspection issues are reported in writing to the classer.

AWEX is currently undertaking a feasibility study for this idea. Following a recent upgrade, the show floor auditors' tablets now includes a

built-in camera. The tablets allow the auditors to manage all catalogue data, AWEX-ID and Clip Inspections.

Wool can be notoriously difficult to photograph, especially in variable light conditions on a show floor. Therefore, the inspectors are currently working on techniques that will enable them to best illustrate the specific clip preparation issue that is being reported.

Some early examples of our clip inspectors' camera skills are illustrated (see also the AWEX Facebook page). The photos show examples of Clip Preparation issues found within a single sample box. Subject to satisfactory outcomes under testing, it is anticipated that AWEX will start to publish these images early in 2015.

Changes to Clip Inspection Reporting

Background

All lots of wool offered for sale by auction are inspected by AWEX auditors to ensure they meet the preparation standards as outlined in the Woolclassers Code of Practice (COP). When a sale lot is identified as not meeting these standards, a clip inspection is categorised as either:

- Scale 3 (Major) e.g. mixed wool categories, poorly or unskirted, non-conforming bale description,
- Scale 2 (Minor) e.g. heavy dark stain not in bale description, frib/sweat/skirt evident (U1), or
- Scale 1 (Notice) e.g. breed code not in bale description.

Scale 3 infringements result in the sale lot being identified as a Non-Conforming Lot with the Test Certificate Preparation Category changed from "P"(classed) to "D" (unclassed).

Current Practice

A Clip Inspection Report Letter is sent to the woolclasser on clip inspections recorded during the month. Where a lot has been identified as non-conforming, the classer is required to provide a written response to AWEX regarding the sale lot(s).

Where the issue is identified as Scale 1 (Notice) or Scale 2 (Minor), a Feedback Letter is sent to the classer advising them of the issue to be addressed, with no response required.

What is Changing?

From October 2014, AWEX will be mailing/emailing monthly clip inspection letters only where:

- a) Scale 3 non-conforming clip inspections are recorded, or
- b) Where 4 or more issues are recorded in a month by the classer, regardless of the scale.

This means letters will not be sent where woolclassers record small or isolated numbers of Scale 1 and 2 inspections. These items will be reported to classers via their monthly or annual activity statements.

Whilst this approach will reduce the number of letters issued, Scale 1 and 2 inspections will continue to be recorded by auditors and (these lots) will be included as part of a performance review if the classer is referred to the Registration Review Committee.

For further information contact:

Peter Sudholz, p. 02 9428 6144
or e. psudholz@awex.com.au

Classing House Audits

Australian Wool Exchange staff are currently auditing Classing House facilities across Australia. Every Classing House is required to have at least one registered Woolclasser who is responsible for the wool preparation in that facility. The audits are based upon the AWEX Code of Practice "The Registered Classing House", which specifically details a number of requirements that must be followed to achieve and retain registration.

These requirements include management and inspection of incoming product, record keeping, classing to the Code of Practice requirements, correct certification of sale lots, etc. Emphasis is placed on the management of "risk" wool from exotic breeds and all facilities are required to take extra steps to minimise the risk of any cross contamination.

Woolclassers working in a Classing House environment often have dual roles; specifically, preparing wool for sale at auction as well as preparing wool for direct sale to exporters, which can be blended product. They may also be involved with core and grab sampling operations.

All product from Classing Houses offered at auction is subject to a show floor audit and any issues relating to preparation will be notified to the Classing House, who is then expected to respond to the issue and identify any actions that may be needed to prevent a recurrence.

For further information contact:

David Williams. P. 03 9318 0277
e. dwilliams@awex.com.au

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Find qualified Woolclassers, Shearers and Shed Hands

woolsearch.com.au

- FREE Online search tool
- Thousands of listings
- Work wanted section
- Local or interstate
- Search by postcode or town
- Download Wool Preparation Standards



Mark Grave addresses the large crowd attending the Cooma Wool Forum

AWEX Wool Forums

AWEX has completed the 2014 series of Wool Forums, which were conducted at Katanning WA, Bendigo VIC, Cooma and Armidale NSW and Naracoorte SA. These forums were strongly supported by woolclassers, wool growers and industry personnel with attendances ranging from 67 to 120.

Those in audience appreciated the opportunity to be updated with the latest industry information, which included presentations from keynote speakers and the AWEX woolclasser ambassador Phil Kennedy. There was also the opportunity to engage with wool buyers in the open panel forum. Thanks go to the wool buyers/exporters and keynote speakers who supported these important communication events for woolclassers and wool growers.

All classers and wool growers are urged to attend future Wool Forums, which are conducted in major regional centres. The Australia-wide locations for the 2015 and 2016 Forums have been finalised and will be promoted in the April 2015 edition of BoardTalk.

Code of Practice Review Begins

October 2015 will mark the beginning of the 2016-18 woolclasser registration triennium. In the 12 months leading up to the registration period, AWEX undertakes a thorough review of the Code of Practice for the Preparation of Australian Wool Clips, and we would like your input.

The review of the Code of Practice is important to the industry – not only to those currently working in the industry but also for those in training and those to come. The Code of Practice; globally, is the benchmark standard for wool preparation and it is what elevates Australian wool over our international competitors.

The Code of Practice reflects the expectations of buyers, it updates woolclassers on the latest industry standards (wool packs, NWD, wool pressing etc.); and as well, provides valuable



guidance to woolclassers, wool growers and industry stakeholders.

As we have done over the last 3 reviews, AWEX will kick off the review of the Code of Practice by calling for written submissions (email, letter, fax etc.) from all industry participants on any issue they would like considered in the review, and an online survey for woolclassers and wool growers will be conducted. Woolclassers and wool growers are welcome to make a written submission as well as complete the online survey.

The submissions and survey results are valuable information and feedback for AWEX and the industry. All written submissions and the results of the survey will be tabled for the consideration of ISAC, who will make recommendations on changes (if any) to the Code of Practice. The recommendations will be considered by the AWEX Board.

The review period is now open and will close on 28 November, 2014.

ISAC will hold their first meeting to discuss the review in December 2014.

Written submissions should be sent to:
e. woolclasser@awex.com.au
Post: PO Box 651, North Ryde BC
NSW 2113

To complete the Online Survey go to the following website:
<https://www.surveymonkey.com/s/2P7MLGQ>

Masterclasser Course 2015

Masterclasser Courses are now offered on a rotational basis. In 2015, a Masterclasser Course will be conducted at the Southern Wool Selling Centre, Frederick St, Brooklyn, Melbourne from 22nd - 25th June 2015. This course is a professional development opportunity for Australian Woolclassers and applicants must be nominated by an industry body who believes the woolclasser would benefit from attending this program.

Woolclassers nominated by industry should have the following attributes:

- Must have been actively woolclassing for the last three years, (and intend to continue),
- Must class a minimum of 7 clips or 400 bales per annum,
- Must have the ability and desire to further their wool knowledge, and
- Must demonstrate good character, judgment and capacity for leadership.

The Masterclasser Course, which is of 4 days duration, focusses on:

- Staff management and supervision skills, strategic thinking and communication techniques,
- Customer requirements (producer, warehouse, broker, buyer and processor),
- Quality assurance and wool preparation (practical component based on show floor lots), and
- Deeper understanding of the content of the Woolclasser's Code of Practice.

Further details about the course are available on the AWEX website.

For further information contact:

Peter Sudholz, p. 02 9428 6144
e. psudholz@awex.com.au



The Wool Trainers at the Southern Wool Selling Centre, Brooklyn Melbourne

National Wool Trainers Workshop

The 2014 National Wool Trainers Workshop was recently conducted at the Southern Wool Selling Centre at Brooklyn in Melbourne.

Twenty seven wool trainers representing 16 Registered Training Organisations from across Australia attended the 2-day workshop, which included industry tours to the Australian Wool Testing Authority, Victoria Wool Processors and Australian Wool Handlers. This annual workshop is an opportunity for trainers to

discuss the latest innovations and changes in both woolclassing and agricultural training, receive updates on industry issues, and to calibrate their skills with their peers from around the country.

Trainers are critical to the ongoing development of skills, particularly in wool, and all are passionate about the industry and the future need for well trained professionals.

A list of educational institutions offering woolclasser training can be found on the AWEX website at: <http://www.awex.com.au/woolclasser/education/woolclassing-courses-and-contacts/>



Dr. Kerry Hansford trialling new wool packs

New Wool Packs

Update

The new 2013 wool pack standard was officially approved by the Australian Government on the 24th July, 2014. Immediately after approval was given; AWEX, the Department of Agriculture and Australian Customs and Border Protection Service put transitional arrangements in place to allow wool packs currently in production and/or transit to be imported. The final date of importation of the 'old' standard packs is: 31st October, 2014.

After this date, all wool packs imported into Australia must be compliant with the new 2013 standard.

All manufacturers and importers are well aware of the impending dates and the transition process to import 'old' standard wool packs.

The NSW Government has written to AWEX congratulating "AWEX and the wool industry in addressing this significant issue regarding the transport of wool bales on NSW Roads." They also recognised that "the new wool pack standard will help reduce the safety risks associated with oversize and over-mass loads."

This is a huge step forward with both industry and government working co-operatively together to ensure that wool may continue to be transported safely on our roads.

Q&A

What are the changes to the new wool pack?

The base of the new wool pack will have 4 seams – the seams will make a square base and reduce bulging.

The new wool pack will have a stitch line (Bale Fastening Guide, BFG) across each flap. This BFG is a best practice guide for wool pressers to reach with bale fasteners.

The wool pack material and dimensions are unchanged.

Can I still use my 'old' wool packs?

Yes. Wool packs currently in Australia, in sheds or held by retailers, can continue to be used until they are all gone.

When will the new wool pack be available?

The first shipment of the new wool packs is expected in Australia in December 2014.

Contact AWEX:

Sydney: 02 9428 6100

Melbourne: 03 9318 0277

Fremantle: 08 9434 6999

e. woolpack@awex.com.au

or contact your local broker/agent.

News Flash

19,000 Woolclassers can't be wrong...

The number of registered woolclassers has reached 19,000. This is an important milestone and a positive story for the wool industry, especially given the tough market conditions over recent months. This means that there will continue to be trained and skilled people available to class wool, and that this important expertise won't be lost to the industry.

e-Bale

AWEX will conduct large scale trials of different RFID tags on wool packs. The trials will be conducted in two parts: the first, from wool pack manufacturer to farm to warehouse, and the second, from warehouse to dump to processor. These trials are complex but will test the traceability of e-Bale through the wool supply chain.

A cost-benefit analyses has been completed, which identified the potential benefits of using RFID technology for accurate and timely information. More to come.

Wool Forums 2015

In 2015, AWEX will again conduct a series of Wool Forums. All woolclassers, wool growers and industry personnel are invited to attend these free Forums. The proposed locations for 2015 are Cooma, Wagga Wagga and Dubbo (NSW), Clare (SA), Hamilton (VIC), Northam (WA) and Campbelltown (TAS). Further details regarding dates and venues will be published in the April 2015 edition of BOARDtalk.

Alpaca Classer Registration

The Australian Alpaca Association Ltd is now offering training in Alpaca classing for Australian Woolclassers and Owner classers who may be interested in becoming registered Alpaca classers. For Further details contact the Australian Alpaca Association.

NEW look BOARDtalk

This edition of BOARDtalk is a new look and layout for the woolclassing journal. Give us your feedback - what you like or don't like and whether the changes have improved BOARDtalk.

Send your comments to AWEX by:

Facebook: www.facebook.com/woolexchange
Email: woolclasser@awex.com.au or
Post: AWEX, PO Box 651, North Ryde BC, NSW 2113



Woolclip live in the shearing shed

WoolClip at Work

AWEX was delighted to be invited by Masterclasser Anthony Ryan to watch the AWEX WoolClip software at work in the Cooinbil woolshed, Coleambally NSW, running 16 stands and 2 wool presses.

Anthony runs the software on a laptop and updates the Tally and Wool Books progressively during the day. This clip required several specification sheets and consignment notes.

As a result of this experience as well as feedback from other users, modifications for the next release of WoolClip will include:

1. The Wool-In-Shed report will be updated with:
 - a) additional details to allow cross-checking of bale markings when loading, and
 - b) a new section listing the heavier and lighter bales to assist safe loading.
2. The Tally Book Summary page screen shall replicate a printed Tally Book grid.
3. The wool presser's name can be recorded against each bale to allow auto-calculations of bales and kgs pressed (under a contract rate). Where one presser exists in the team, this presser shall be the default. Where more than one presser is active for a job, the user can nominate which presser was responsible for the bale.
4. The ability to print an In-Shed Mob Declaration Form for use by the owner/manager.

5. The ability to nominate separate bale lotting rules for cast lines allowing these lines to suitably lotted together using Auto Generation.

For more information or a copy of WoolClip contact:

David Cother, p.02 9428 6100
e. woolclip@awex.com.au

Classers Stamp

Running dry?

Occasionally woolclassers contact AWEX about their classers stamp running out of ink or starting to run dry—this can easily be fixed. You do not have to order a new stamp! The Trodat stamps are refillable and the ink pad is also replaceable. The box that the stamp came in has instructions on how to do this.

The instructions are: press the top of the stamp down approximately 4 mm and then press the small red button below the "Trodat Printy 4927" logo - the pad pops out the back. Re-ink the pad with normal stamp pad ink and allow it to soak in (do not over-ink the pad) and then replace it into the stamper. Press the top down slightly to release the lock and the stamper will work as normal.

An internet search (e.g. Google) shows many places to buy replacement ink pads if you would like to replace it.



Interested in working with digital measuring equipment, sheep and wool?

AWEX is seeking expressions of interest from woolclassers who would be interested in participating in a Sheep CRC project relating to the use of electronic sheep-ID in a woolshed and on-farm environment.

Suitable attributes for interested parties would be:

- a) An interest in trial work,
- b) An interest in and have a basic level of competency using electronic equipment (e.g. laptop etc.), and
- c) Pro-active in trying new ideas.

For more information:

David Cother, p: 02 9428 6100
e: dcother@awex.com.au

Change of details?

If you have moved or changed contact details, please advise AWEX Head Office by:

- p. (02) 9428 6100
- f. (02) 9428 6120
- e. woolclasser@awex.com.au

Make sure you provide your **full name and stencil number** as well as your postal address, phone, fax, mobile numbers and email address.

Marker Pens

Available at **1 @ \$4.50, 2 @ \$6.50, 3 @ \$8.30 & 4 @ \$9.95** including GST & postage.



Payment options:

By Cheque: Please attach a cheque to this Order Form and return by mail to: AWEX, PO Box 651, North Ryde BC, NSW 2113. Cheques are to be payable to Australian Wool Exchange Ltd.

By Credit Card: Order/Payment can be made by telephone (02) 9428 6100 or by completing the details below and returning by fax (02) 9428 6120.
Post: AWEX, PO Box 651, North Ryde BC, NSW 2113
E-mail (scanned): woolclasser@awex.com.au

Please retain this section as your tax invoice

Paid By: CHEQUE / CREDIT CARD (please circle)

NO. OF MARKER PENS	<input type="text"/>	1 @ \$4.50, 2 @ \$6.50, 3 @ \$8.30 & 4 @ \$9.95 including GST & postage.	TOTAL \$	<input type="text"/>
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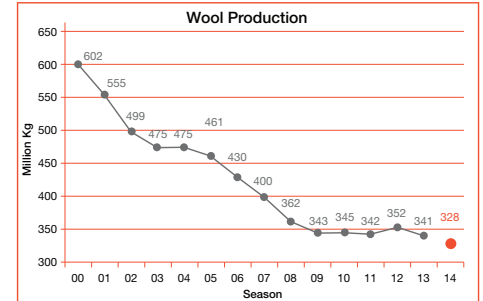
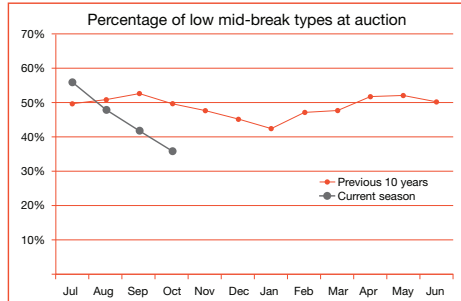
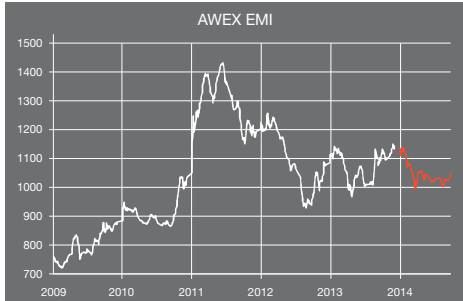
Date Paid: ____/____/____

AMOUNT PAID \$ (incl. GST)

Supplier: Australian Wool Exchange Ltd, ABN 35 061 495 565, PO Box 651, North Ryde BC, NSW 2113
When fully complete and paid, this section will be a Tax Invoice for GST purposes.

WOOLCLASSER NAME	<input type="text"/>	STENCIL NO.	<input type="text"/>
DELIVERY ADDRESS	<input type="text"/>		
NO. OF MARKER PENS	<input type="text"/>	1 @ \$4.50, 2 @ \$6.50, 3 @ \$8.30 & 4 @ \$9.95 including GST & postage.	
	<input type="checkbox"/> VISA	<input type="checkbox"/> MASTERCARD	
CARDHOLDER NAME	<input type="text"/>		
CARD NUMBER	<input type="text"/>	<input type="text"/>	<input type="text"/>
EXPIRY DATE	<input type="text"/>	<input type="text"/>	<input type="text"/>
TOTAL AMOUNT	\$ <input type="text"/>	CARDHOLDER SIGNATURE	<input type="text"/>

Auction Action



At times, prices differentials for percentage mid-breaks has stretched out to 150/200 cents for otherwise similar wool.

Over the last six months, the AWEX Eastern Market Indicator has generally traded in a 50-cent range between 1000 and 1050 cents. Merino Fleece, which makes a significant contribution to the indicator, has tracked a similar line, although it has traded in a 100-cent range. Crossbreds have outperformed all other sectors with the 28 Micron Price Guide currently trading close to 3 year highs.

In the Merino Fleece sector, the recent focus has been on the low mid-break types. AWTA Ltd measures the Position of Staple Break (POB) as a part of its Staple Length and Strength test. The test indicates the location of the weakest part(s) of the staple by giving a percentage distribution of where the wool breaks in three categories: Tip, Middle and Base. The total of the three categories adds up to 100%.

Wools with a high proportion of mid-breaks tend to produce tops with a shorter fibre length (Hauteur), which can affect their value to processors further along the wool pipeline. Therefore, buyers will often take mid-break, in combination with the Staple Strength measurement, into account when compiling consignments for export. This can form part of contract specifications that buyers must meet, both in terms of individual lots (minimum and/or maximum) and the entire consignment, which may have an average that must be met.

September and October 2014 saw the amount of low (percentage) mid-break Fleece wool trending lower, which appears to have had a direct influence on price. September/October over the last 10 years has generally been evenly balanced between high and low mid-break wool (i.e. 50% of the offering is

typically low mid-break). This year; however, low mid-break types made up 42% of the offering in September, and only 36% during the early weeks in October. Buyers have chased the reduced offering in these low mid-break types at the expense of the larger volumes of high mid-break types. This is because the high mid-break types are more difficult to incorporate into export deliveries due to their adverse effect on their consignment averages.

At times, price differentials for percentage mid-breaks has stretched out to 150/200 cents for otherwise similar wool. Lately, however, the price gap has narrowed. Mid-break remains important but some part tender and tender types have been sought by buyers where the proportion of mid-breaks has conformed to their specifications. Lower spec types, which had been regularly neglected, have crept up towards the better types, indicating a possible broadening of the support base.

Wool production is tipped to drop this year after a four year period of stable levels. The AWI Australian Wool Production Forecasting Committee estimates the current season (2014/15) will come in at 328 million kg, down 3.8% on the previous season. Total weight offered through auction to date is currently only showing a 1.8% decline, however First-Hand Offered (which excludes reoffers) is in line with the forecast at 3.7%. Auctions in Sydney, which receives wool from Qld and most of NSW, have lost the most ground with a drop of 9.3%.

For more information contact:

Lionel Plunkett, ph. 02 9428 6136
e. lplunkett@awex.com.au

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