December 2016

Australian Wool Production Forecast Report

Australian Wool Production Forecast Committee

Summary

- The Australian Wool Production Forecasting Committee forecasts that shorn wool production will lift by 2.2% to 332 mkg greasy in 2016/17 compared to 2015/16. This reflects a 2.7% increase in average wool cut per head because of excellent season conditions and an abundance of feed, which more than offsets the small decline expected in the number of sheep shorn.

- This increase is 7 mkg greater than the Committee's final estimate of shorn wool production for 2015/16 at 325 mkg, which in turn is 6.2% below the 2014/15 production level of 346 mkg.

- The Committee noted that almost all major sheep producing areas across Australia are experiencing very good to excellent season conditions and an abundance of feed after a very wet Spring. This is expected to result in better average wool cuts per head in 2016/17 than the Committee anticipated in August.

- Some regions, notably in Victoria, in the Tablelands of New South Wales and in Tasmania, have experienced a rather tough winter after seeing very dry conditions up until May, so fleece weights are only now starting to improve. The full benefit of the improved season is expected to be seen during autumn shearing. Elsewhere it seems that fleece weights have already improved and this should continue as the season progresses.

- The Committee also noted that the results of the recent MLA/AWI survey of wool and sheep producers indicate that an increased proportion of producers intend increasing their ewe flocks in 2016/17, in response to the excellent seasonal conditions and the current markets for wool and lambs.

- The Committee's final estimate of shorn wool production for 2015/16 has been confirmed at 325 mkg greasy. This is 6.2% below the 2014/15 level, with the decline due to a combination of lower sheep shorn numbers and lower average wool cut.

- Table 1 summarises the estimates and forecasts for Australia.

FURTHER INFORMATION
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Table 1: Summary of wool production estimates and forecasts for Australia

Parameter	2014/15 Final Estimate	2015/16 Final Estimate	*Change y-o-y (%)*	2016/17 Third Forecast	*Change y-o-y (%)*
Opening Sheep Number (million)	72.6	70.9	*-2.4%*	68.7	*-3.1%*
Sheep Numbers Shorn (million)	76.9	73.4	*-4.6%*	73.0	*-0.5%*
Average Cut Per Head (kg)	4.50	4.43	*-1.6%*	4.55	*2.7%*
Shorn Wool Production (mkg greasy)	346	325	*-6.2%*	332	*2.2%*

- By state, the Committee predicts that shorn wool production will increase in New South Wales, Western Australia, South Australia and Queensland. The increase in Queensland is particularly welcome after three consecutive years of declines and in part reflects sheep returning to the state after the breaking of the long drought. Production in Victoria is expected to be steady, with an improvement in the second half of the season after the tough start to the season while production in Tasmania is predicted to be slightly lower.
- Table 2 shows the estimates and forecasts for each state.

Table 2: Summary of wool production estimates and forecasts for individual states

Shorn wool production (mkg greasy)	NSW	VIC	WA	SA	TAS	QLD	National
2014/15 Final Estimate	130.0	72.6	67.2	56.5	10.8	9.1	346
2015/16 Final Estimate	122.9	66.1	65.2	54.8	9.1	6.9	325
Change y-o-y (%)	*-5.5%*	*-9.0%*	*-3.0%*	*-3.1%*	*-15.9%*	*-24.0%*	*-6.2%*
2016/17 Third Forecast	124.4	66.1	67.6	56.8	9.0	8.0	332
Change y-o-y (%)	*1.3%*	*0.0%*	*3.7%*	*3.7%*	*-0.9%*	*15.5%*	*2.2%*

- The Committee noted that for the 2016/17 season to November, the AWTA test data showed a significant decline in the weight of wool tested between 16.6 to 18.5 micron and wool broader than 26.5 micron. There was an increase in the volumes of wool for all micron ranges between 18.6 micron and 23.5 micron. The mean fibre diameter for Australia in 2016/17 to November was 20.7 microns, the same as in 2015/16.

More detailed information on shorn wool production by state and by micron can be found in the Appendix to this report.

Detail on 2015/16 Final Estimate and 2016/17 Third Forecast

Major data inputs

The AWPFC forecasts are based on detailed consideration by the state and national committees of data from various sources including:

- AWTA wool test data for the full 2015/16 season and the 2016/17 season to end November;
- AWEX auction statistics and matched brand analysis for 2015/16 and 2016/17 to week 21;
- ABS wool receivals data for the 2015/16 season and 2016/17 to September;
- ABS sheep numbers as at 30th June 2015 and ABS sheep and lamb turn-off in 2015/16 and for 2016/17 to September 2016;
- Information on current and expected seasonal conditions from the Bureau of Meteorology (BoM); and
- Information gathered on sheep producer and wool grower intentions, including the results from the MLA/AWI Wool and Sheep Survey.

AWTA wool test data

Each month, AWTA produces data on the volumes of greasy wool tested within the various diameter categories for the month and the season to date. Comparative financial year to November results are shown in tables 3 and 4. Figure 1 shows the trends in the month-by-month comparison of wool tested for the past four seasons, as well as for July to November 2016. Figure 2 shows the total volume of wool tested for each season to November between 2013/14 to 2016/17 by state and for Australia. Finally, figure 3 provides the micron profile for each season to November between 2013/14 and 2016/17. A historical comparison of the Australian micron profile percentage share and average micron can be found in Appendix table 3 (at the end of this report).

Table 3: AWTA key test data volumes for the financial year to November by micron range. 2013/14 – 2016/17 (tonnes greasy)

Parameter	Year	<16.6um	17um	18um	19um	20um	21um	22um	23um	24um	25-26um	26-28um	29-30um	>30.5um	TOTAL
AWTA Test Data Mkg greasy	2013/14	7.92	14.14	22.69	29.31	27.50	18.62	10.37	5.24	3.16	7.24	9.11	4.33	2.22	161.86
	2014/15	6.30	13.75	23.20	29.03	25.87	18.86	11.02	5.63	2.76	6.22	9.37	5.70	2.98	160.67
	2015/16	6.99	12.79	21.38	27.97	25.55	16.95	8.68	3.63	2.41	5.90	8.96	5.13	2.82	149.14
	2016/17	7.24	11.92	20.03	28.36	27.73	19.52	10.05	4.16	2.53	5.89	8.04	4.45	2.54	152.46
YTD - YOY%	2016/17	3.6%	-6.8%	-6.3%	1.4%	8.5%	15.2%	15.7%	14.8%	5.3%	-0.1%	-10.3%	-13.3%	-9.8%	2.2%

Note: The micron categories refer to a range of -0.4 and +0.5um around each number. For example, 18um is between 17.6 and 18.5 micron

Table 4: AWTA test data volumes by state (based on Wool Statistical Area) for the financial year to November (tonnes greasy)

Year	NSW	Vic	WA	SA	Tas	Qld	Australia
2013/14	60,504	35,225	31,642	23,125	5,156	6,206	161,858
2014/15	60,966	35,317	30,120	24,728	5,285	4,258	160,674
2015/16	56,240	31,630	29,465	23,993	4,469	3,345	149,142
2016/17	57,918	29,472	32,062	24,735	4,376	3,897	152,460
% change y-o-y	3.0%	-6.8%	8.8%	3.1%	-2.1%	16.5%	2.2%

The notable features of the AWTA data on wool test volumes for 2016/17 to November:

- After a 12% year-on-year decline in October due to weather delays to shearing and deliveries to store, wool test volumes jumped by 22% in November compared with November 2015.
- All states recorded substantial increases in wool test volumes in November, with the largest year-on-year increase of 137% for Queensland (although this was off a small volume in November 2015). NSW recorded a 34% increase, WA was up by 24% and SA was 12% higher. Victoria and Tasmania recorded smaller lifts of 7.5% and 6.8% respectively.
- Volumes of wool tested for 2016/17 to November were 2.2% higher than for July to November 2015/16;
- On a Wool Statistical Area basis, wool test volumes in Queensland increased substantially above year earlier levels in July to November, breaking the run of year-on-year declines. Volumes in Western Australia, South Australia and New South Wales were also higher for the five-month period, while wool test volumes in Victoria and Tasmania were below year earlier levels.
- For the year to date, there was a reduction in 17 micron and 18 micron wool tested as well as a decline in the 26-28 micron, 29-30 micron and greater than 30.5 micron wool.
- Other micron bands recorded an increase in wool test volumes, including for 16.5 micron and finer wool. The most significant increases were for 21 micron, 22 micron and 23 micron wool. This may be the result of improved seasonal conditions in some regions in Australia, combined with a shift away from fine and superfine wool.
- For the season to date, the average micron was unchanged at 20.7 micron, while the yield, vegetable matter content, staple strength and staple length have all increased to some extent.

Figure 1: Comparison of monthly AWTA key test data volumes

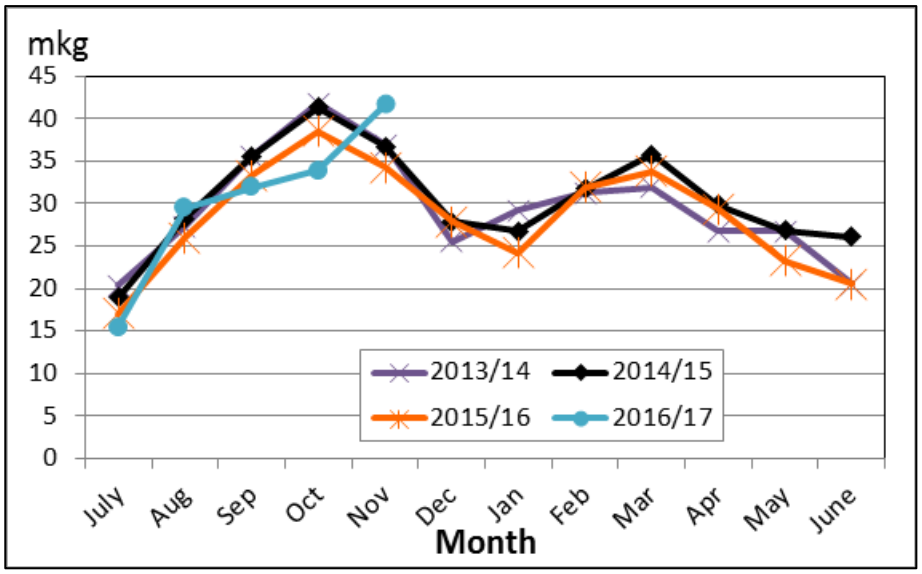


Figure 2: Volume of wool tested in the season to November (AWTA key test data)

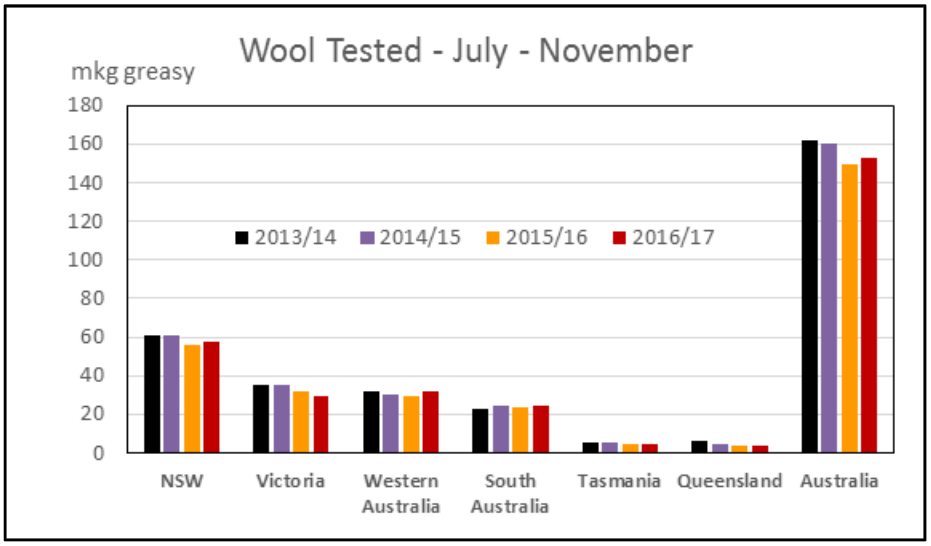
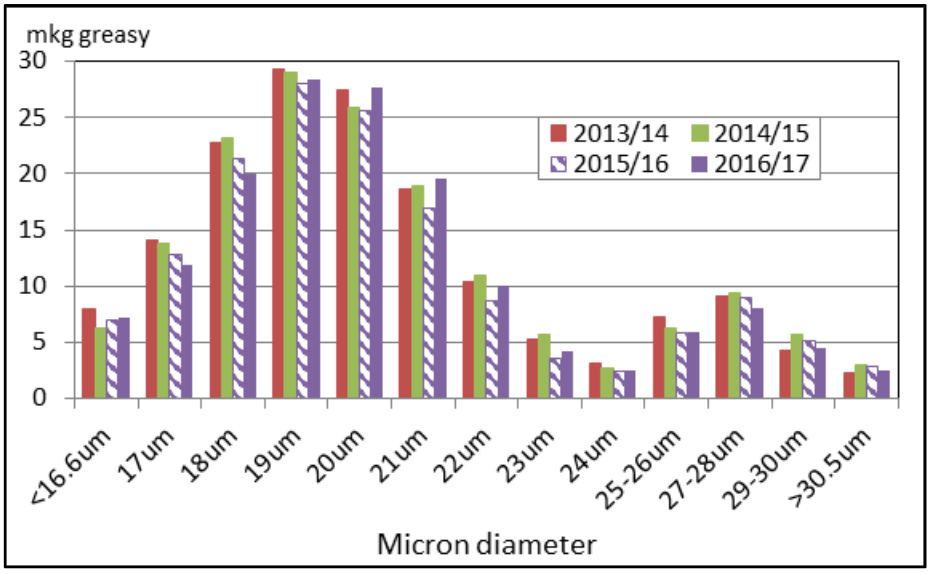


Figure 3: Australian diameter profile – season to November (AWTA key test data)



AWEX auction statistics and matched brand analysis

The AWEX auction statistics for the 2016/17 to November show similar trends to the AWTA wool test volumes, but with a larger increase than that for AWTA test data. Table 5 summarises the AWEX data.

- First hand bales offered (excluding reoffers) for Australia were 5.4% higher in the 2016/17 season to November compared with 2015/16.
- The most significant increases were seen in Western Australia and South Australia, while Queensland also recorded a significant increase of 8%. First hand bales offered in Tasmania were down by 9.4% and Victoria also recorded a drop.
- Table 5 also shows the share of first hand wool offered at auction in 2016/17 to November by breed.

Table 5: AWEX Auction and Matched Brand Statistics 2015/16

2016/17 to week 21	NSW	VIC	WA	SA	TAS	QLD	AUST
First hand bales offered (% change)	2.9%	-1.4%	12.6%	12.7%	-9.4%	8.0%	5.4%
Merino first hand offered (% share)	79.5%	74.9%	94.5%	87.9%	72.0%	96.9%	83.7%
Crossbred first hand offered (% share)	20.5%	25.1%	5.5%	12.1%	28.0%	3.1%	16.3%

Australian Bureau of Statistics (ABS) data

The Australian Bureau of Statistics provides data on wool receivals, sheep numbers and sheep and lamb turnoff.

Table 6 provides data on wool receivals for Australia and by state of receival (note this is not by state of production) for the July to September period in the past 5 years. According to this data, wool receivals for Australia increased by 1.8% in 2016/17 to September, with Western Australia recording a very large increase, offset by declines in New South Wales, South Australia, Tasmania and Queensland. As it is only for the first three months of the 2016/17 season, this data may have been affected by rain delays and other anomalies.

Table 6: ABS Wool Receivals data (July to September)

mkg	NSW	VIC	WA	SA	TAS	QLD	AUS
2012/13	31.45	20.33	14.92	13.85	2.73	2.26	85.53
2013/14	31.70	19.75	18.28	13.81	2.51	2.49	88.54
2014/15	30.56	22.50	14.78	13.58	2.59	1.66	85.67
2015/16	28.10	19.24	16.00	15.97	2.24	1.56	83.11
2016/17	26.10	19.71	20.24	15.18	2.04	1.36	84.64
% change	-7.1%	2.4%	26.5%	-4.9%	-8.7%	-12.7%	1.8%

Tables 7 and 8 summarises the ABS' flock data for the period 2009/10 to 2014/15 (closing flock numbers as at 30th June). The number of sheep at the start of the 2015/16 (i.e. as at 30th

June 2015) was 70.9 million head, down by 2% on the level of a year before. The preliminary data for the start of the 2016/17 season (i.e. as at 30th June 2016) will be released in January.

Table 7: ABS national flock numbers 2009/10 to 2014/15

ABS data	2009/10	2010/11	2011/12	2012/13	2013/14	% Δ	2014/15	% Δ
Closing Flock (million head at 30th June)*:	68.1	73.1	74.7	75.5	72.6	-4%	70.9	-2%
Breeding ewes (million head at 30th June)*:	42.3	41.8	44.9	40.3	40.7	1%	39.4	-3%
Lambs marked:	31.9	33.3	35.4	31.0	31.7	2%	32.0	1%
Ewes mated:	na	37.4	39.6	34.9	35.0	0%	32.7	-6%
Marking %	na	89%	89%	89%	91%	1%	98%	7%

* Used by AWPFC as sheep number at 1st July, opening day of following season.

Table 8: ABS flock number by state - 2009/10 to 2014/15

Closing Flock - ABS data (million head at 30th June)	2009/10	2010/11	2011/12	2012/13	2013/14	% Δ	2014/15	% Δ
New South Wales	24.4	26.8	27.6	27.8	26.8	-4%	26.7	0%
Victoria	14.4	15.2	15.9	16.1	15.4	-5%	14.6	-5%
Western Australia	14.7	14.0	14.4	15.5	14.4	-7%	14.0	-3%
South Australia	9.0	11.0	10.9	10.8	11.0	2%	11.2	2%
Queensland	3.6	3.7	3.5	2.9	2.3	-19%	2.2	-6%
Tasmania	2.0	2.3	2.4	2.4	2.8	16%	2.2	-21%

Australian sheep and lamb turn-off statistics for the 2016/17 season to September, sourced from the ABS, are shown in table 9. This turnoff data covers sheep slaughter, lamb slaughter and live exports and is compared the equivalent period in 2015/16 and the five-year average 2012/13 to 2016/17.

The ABS data for the 2016/17 season to November shows a 24% year on year decline in the number of sheep slaughtered compared with 2015/16, as well as an 8% fall in the number of lambs slaughtered. When compared with the longer term (five-year) average for the financial year, the number of adult sheep slaughtered and the number of lambs slaughtered were both below the five-year average for the first three months of the 2016/17 season. There was an 8% year-on-year rise in live exports in 2016/17 to date and the number exported in 2016/17 was 5% above the five-year average.

The **total sheep and lamb turn-off** in 2016/17 to September was 11% below the level for the same period in 2015/16 and 7% below the five-year average.

Table 9: ABS Sheep turn off data for 2015/16

Parameter	Financial year			5-yr FY	
	July 2015 to Sept 2015	July 2016 to Sept 2016	% Δ	Avg	%Δ
Sheep slaughter ('000 hd)	1,954	1,487	-24%	1,804	-18%
Sheep weights (kg/hd cwt)	24.6	24.7	1%	24.0	3%
Mutton production (tonnes cwt)	48,054	36,792	-23%	43,289	-15%
Lamb slaughter ('000 hd)	5,574	5,122	-8%	5,355	-4%
Lamb weights (kg/hd cwt)	21.7	21.8	0%	21.7	0%
Lamb production (tonnes cwt)	121,166	111,536	-8%	116,418	-4%
Live exports ('000 hd)	510	549	8%	521	5%
Total Turn-off ('000 hd)	8,038	7,158	-11%	7,680	-7%

Bureau of Meteorology (BoM) seasonal rainfall seasonal outlook

There has been extensive rainfall in all states and sheep producing with the exception of Western Australia since April (figure 4).

Figure 4: Australian rainfall deciles Southern Wet Season (April 2016 to July 2016)

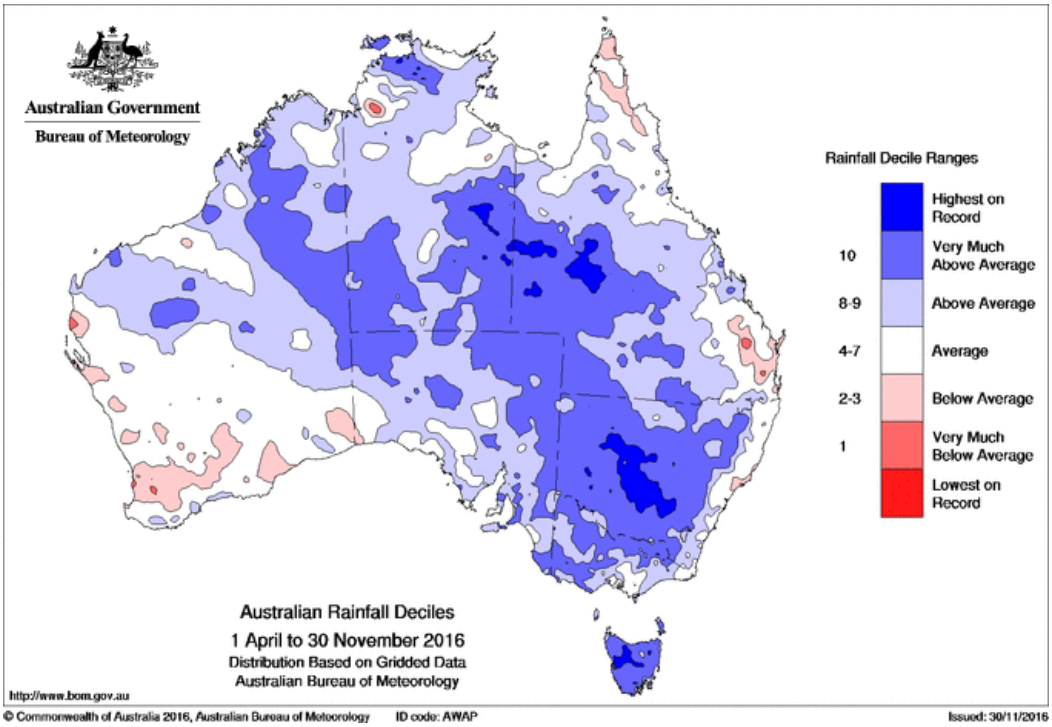
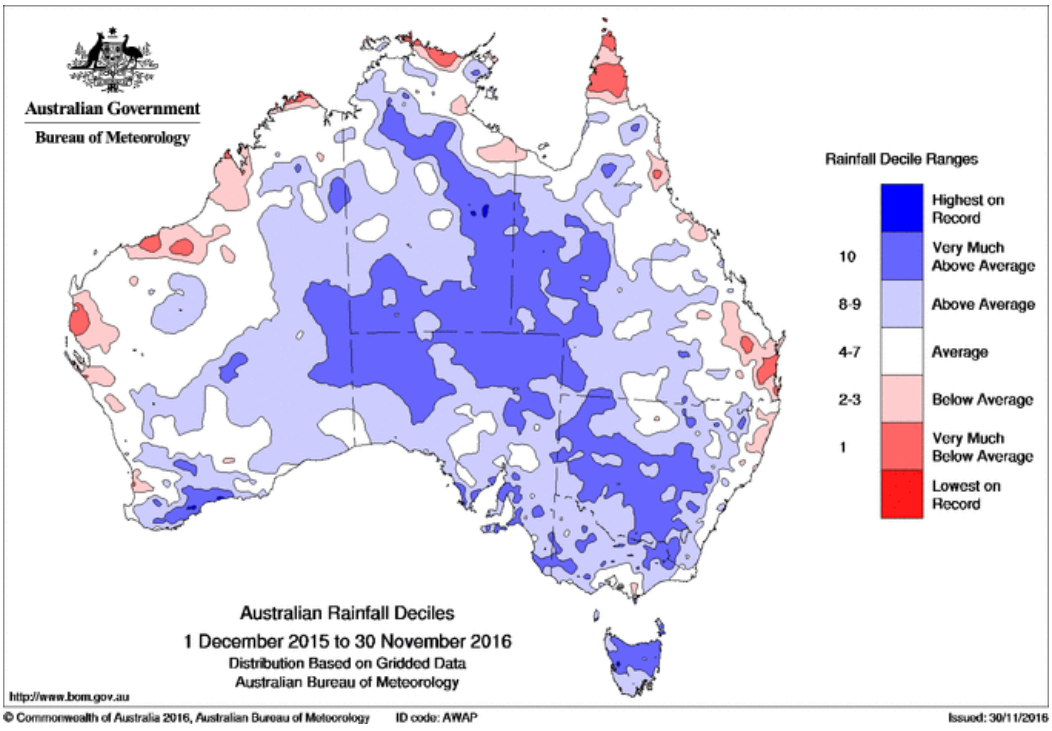


Figure 5 shows the rainfall deciles for the past 12 months (December 2015 to November 2016). As can be seen, rainfall is above average or well above average in almost all of the sheep growing areas, including in much of the wool producing regions of Western Australia.

Figure 5: Australian yearly rainfall deciles (December 2015 to November 2016)



This rainfall has resulted in excellent seasonal conditions after the extended dry period seen in Victoria, Tasmania, south-east South Australia, parts of New South Wales and, in particular, Queensland.

The Bureau of Meteorology's outlook for the December 2016 to February 2017 period is for a hotter and drier summer for much of the eastern states. The Bureau says that rainfall in January to March is likely to be below average in parts of eastern Australia but above average in northwest and central WA. Warmer days and nights are likely across eastern and northern Australia, with cooler days and nights more likely in Tasmania and southwest WA.

Figure 6: Chance of exceeding median rainfall (December to February)

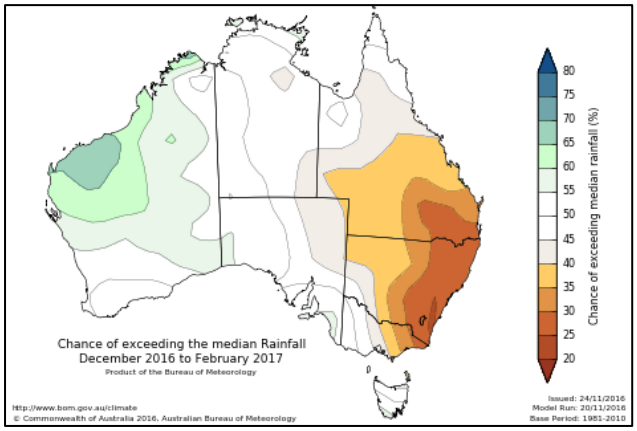
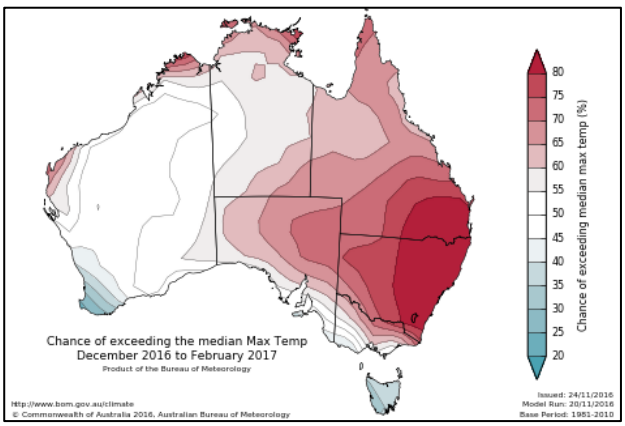


Figure 7: Chance of exceeding median maximum temperature (Dec to Feb)



In its update on 6th December, the Bureau noted that the El Niño–Southern Oscillation (ENSO) in the tropical Pacific Ocean remains **neutral** (neither El Niño nor La Niña). It said that although some very weak La Niña-like patterns continue (such as cooler than normal ocean temperatures and reduced cloudiness in the central and eastern Pacific), La Niña thresholds have not been met. Climate models and current observations suggest these patterns will not persist. The likelihood of La Niña developing in the coming months is now low, and hence the Bureau's ENSO Outlook has shifted from La Niña WATCH to **inactive**.

It also noted that the climate of Australia has been strongly influenced during the second half of 2016 by both a strong negative IOD in the tropical Indian Ocean (that ended in November) and the weak La Niña-like pattern in the tropical Pacific (which has eased). This combination of climate drivers contributed to Australia observing its wettest May to September on record in 2016.

State Committee inputs

The following provides a summary of seasonal conditions and wool production in 2016/17 in each state as reported by state committees in December 2016. The Committees noted that there has been widespread and extensive rainfall throughout eastern and southern Australia since May which resulted in a very wet Spring. This has resulted in an abundance of pasture growth and fodder availability.

Many areas in the western half of New South Wales, in Queensland and most of South Australia are experiencing exceptional seasonal conditions for sheep. While it has become drier in Western Australia in recent months, seasonal conditions and fodder availability remain excellent in that state.

Victoria, Tasmania and the Tablelands of New South Wales all experienced quite tough winters after an extended period of extremely dry conditions up until May 2016. As a result, sheep performance is only starting to improve in the recent weeks as temperatures have increased.

The state and national committees noted that the results of the recent MLA/AWI survey of wool and sheep producers indicate that an increased proportion of producers intend increasing their ewe flocks in 2016/17 in response to the excellent seasonal conditions and the current markets for wool and lambs. This is backed by anecdotal evidence from most state committees.

New South Wales

For 2016/17 to date, the western half of NSW is doing well with higher fleece weights but the eastern half (southern, central and northern tablelands) is finding it tougher after a hard winter. As a result, there has been lower fleece weights across all tablelands but this will improve from now on. The large increase in wool test volumes in November was due to a combination of catch-up after the wet September to October, as well as wool being diverted from private buying to auction and advance offerings by growers keen to get wool to market quickly rather than waiting until after the Christmas recess. Overall, the wet Spring has resulted in excellent feed so all sheep growing areas will be able to withstand the potential dry, hot summer.

Shorn wool production in 2016/17 is now expected to increase by 1.3% to 124.5 mkg. Average wool cut per head is predicted to increase by 1.1% while sheep shorn numbers are

expected to be slightly above the levels seen in 2015/16 despite lower opening sheep numbers. The revised forecast for 2016/17 assumes that the volume of wool in the next seven months will be on par with the December-June period in 2015/16

Victoria

The season is panning out as was expected in August, although there was more rain than expected in September-October. Seasonal conditions are excellent now, as are feed quality and livestock condition, in virtually all parts of the state. Feed stocks have been rebuilt and water supplies replenished. However, sheep shorn in Spring were affected by the very dry conditions up until May. As a result, average wool cuts in from spring-shorn sheep have been relatively poor. There are signs that fleece growth is clearly improving in recent weeks, so wool cuts will improve in the second half of the season. The decline in the volumes of wool tested to November is also in part due to delayed shearing in some regions.

After the sell-off of sheep in Autumn this year when dry seasonal conditions were at their worst, there are indications that producers are restocking with sheep slaughter down by 36%, lamb slaughter and live exports down by 9% and 13%. Sheep shorn numbers are predicted to be 2.4% lower than in 2015/16 (due to a 4% drop in opening sheep numbers) while average wool cut per head is expected to increase by 2.5% in 2016/17. Overall, **shorn wool production is predicted to remain flat at 66.1 mkg** in 2016/17.

Western Australia

Seasonal conditions are excellent across Western Australia, although they have dried off somewhat in the past 3 months. However, Autumn 2016 was excellent and this carried on to the start of the 2016/17 season. Some regions are reporting the best conditions in 30 to 40 years. This has resulted in higher wool cuts than previously expected, which is one reason for the increase in wool test volumes up to November. As well, there has been some earlier shearing and delivery to market as producers seek to capitalise on the very good wool prices available. Finally, with the current low grain prices, producers are sending wool for auction and storing grain. This combination is likely to result in a lull in wool receivals in January before a relatively short pick-up in February-April from Autumn shearing. There are signs that producers are holding on to older ewes and are keen to retain more lambs, which should see flock numbers rise slowly. After a large increase in July-November, wool volumes are likely to be flat in the next seven months.

As expected in August, sheep shorn numbers are forecast to fall by 1.7% (and opening numbers down by 4%). However, average wool cut per head is now expected to increase by 5.5%. As a result, **shorn wool production in 2016/17 is now forecast to lift by 3.7% to 67.6 mkg greasy**.

South Australia

South Australia is experiencing excellent seasonal conditions throughout much of the state, including the south-east which had been very dry or in drought up until May. There is now an abundance of feed, with lots of hay plus feed barley available at low prices. Seasonal conditions are reported to be the best-ever in parts of state, such as the Eyre Peninsula. While much of the pastoral areas are experiencing very good to excellent conditions, east of the Flinders Ranges/north of Burra is a bit dry. Despite this, with the Bureau of Meteorology expecting a normal Summer, conditions for sheep could not be better. There are signs that

producers in some regions (such as the west coast) are returning to sheep after an extended period of focusing on other enterprises. As well, wether lambs are being retained, given the abundance of feed, and ewes lambs are being kept for breeding.

Wool cuts from the Spring shearings in the south-east have been disappointing due to the poor Spring/Summer 2015/16 and Autumn 2016. This will improve in Autumn 2017 given the greatly improved seasonal conditions in the past five months. Fleece weights from other regions are very good. Overall, average wool cut per head expected to be 2.2% higher for the full season (compared with the 1% increase predicted in August). The number of sheep shorn is expected to increase by 1.5% and **shorn wool production in South Australia is forecast to increase by 3.7% to 56.8 mkg.**

Tasmania

Winter was cold and wet and despite extensive rains (including floods) since May, pasture growth is only now starting. Even so, seasonal conditions are excellent across the state and this is expected to continue through summer given the benign outlook from the Bureau of Meteorology. As a result, there is a lot of carryover feed across the state. After sheep numbers were cut back to core breeding stock in 2014/15 and 2015/16, producers are now looking to restock and are intending to retain sheep and lambs. However, whether producers actually do retain sheep and lambs or not is still in question given the very good prices available for sheep and lambs for slaughter. As well, there is still a move away from Merinos to Crossbreds, although recent price increases for superfine wool may be helpful to arrest this.

The current excellent seasonal conditions are likely to result in an improvement in wool production in 2017/18, but not this season (as long as seasonal conditions in Autumn 2017 are average or better). Autumn shearing may see a small increase in average wool cuts per head but this may not be enough to offset the decline in production in the first five months of the season. Sheep shorn numbers are likely to down slightly in 2016/17. As a result, **shorn wool production in 2016/17 is predicted to be down by 0.9%, at 9.0 mkg greasy.**

Queensland

Seasonal conditions in Queensland have been far better than expected in August with above average rains in late August and throughout September and average rain in October. It has dried off in November and follow up rain is needed to help the Mitchell grass grow for feed. The Bureau of Meteorology's outlook for a hot dry summer is a concern. Nevertheless, the current seasonal conditions are a vast improvement on the past 3-4 years. As a result, a large number of sheep have come back into the south-west of the state from being agisted in NSW. This should boost sheep shorn numbers compared with the opening numbers. There is also a very strong intention amongst producers to get back into Merino sheep. Some areas are seeing sheep coming back in for the first time in 5 years or more. While some have bought ewes, it is expensive so flock rebuild will be by breeding, with a number of producers planning to double-join this season. As a result, the number of sheep shorn is predicted to increase by 3.6% in 2016/17 despite a significant drop in the opening number of sheep at the start of the season.

Average cuts per head have been reasonable in Spring, but will be much better over the remainder of the 2016/17 season. For the full 2016/17 season, average wool cut per head is expected to increase by 11.4%. **Shorn wool production in Queensland in 2016/17 is now predicted to increase by 15.5% to 8.01 mkg greasy.**

Appendix

Table 1: Comparison of the final estimate for 2015/16 and the third forecast for 2016/17 against the 2014/15 final estimate

2014/15	NSW	VIC	WA	SA	TAS	QLD	National
Opening Sheep Number (million)	26.75	15.37	14.41	10.97	2.78	2.34	72.62
Sheep Numbers Shorn (million)	27.96	17.29	15.13	11.08	2.92	2.55	76.93
Average Cut Per Head (kg)	4.65	4.20	4.44	5.10	3.70	3.58	4.50
Shorn Wool Production (mkg greasy)	130.00	72.62	67.18	56.51	10.79	9.13	346

2015/16 Final Estimate	NSW	VIC	WA	SA	TAS	QLD	National
Opening Sheep Number (million)	26.70	14.57	14.01	11.23	2.20	2.20	70.91
Sheep Numbers Shorn (million)	27.00	16.40	14.55	10.85	2.59	1.98	73.37
Average Cut Per Head (kg)	4.55	4.03	4.48	5.05	3.50	3.50	4.43
Shorn Wool Production (mkg greasy)	122.85	66.08	65.18	54.78	9.07	6.94	325

Change (%)	NSW	VIC	WA	SA	TAS	QLD	National
Opening Sheep Number	-0.2%	-5.2%	-2.8%	2.4%	-20.7%	-6.1%	-2.4%
Sheep Numbers Shorn	-3.4%	-5.2%	-3.8%	-2.1%	-11.1%	-22.2%	-4.6%
Average Cut Per Head	-2.2%	-4.0%	0.9%	-1.0%	-5.4%	-2.2%	-1.6%
Shorn Wool Production	-5.5%	-9.0%	-3.0%	-3.1%	-15.9%	-24.0%	-6.2%

2016/17 Third forecast	NSW	VIC	WA	SA	TAS	QLD	National
Opening Sheep Number (million)	26.25	13.99	13.31	11.13	2.20	1.86	68.74
Sheep Numbers Shorn (million)	27.05	16.00	14.30	11.01	2.57	2.06	72.99
Average Cut Per Head (kg)	4.60	4.13	4.73	5.16	3.50	3.90	4.55
Shorn Wool Production (mkg greasy)	124.45	66.08	67.61	56.81	8.99	8.01	332

Change (%)	NSW	VIC	WA	SA	TAS	QLD	National
Opening Sheep Number	-1.7%	-4.0%	-5.0%	-0.9%	0.0%	-15.4%	-3.1%
Sheep Numbers Shorn	0.2%	-2.4%	-1.7%	1.5%	-0.9%	3.6%	-0.5%
Average Cut Per Head	1.1%	2.5%	5.5%	2.2%	0.0%	11.4%	2.7%
Shorn Wool Production	1.3%	0.0%	3.7%	3.7%	-0.9%	15.5%	2.2%

Note: Totals may not add due to rounding

Historical Australian Production Figures

The tables below provide historical sheep numbers, wool production, fleece weight and micron share statistics since 1991/92 for background information.

Table 2: Australian wool production statistics since 1991/92

Year	Opening Sheep Number (million)	Sheep Numbers Shorn (million)	Average Cut Per Head (kg)	Shorn Wool Production (mkg greasy)
1991-92	163.1	180.9	4.43	801
1992-93	148.1	178.8	4.56	815
1993-94	138.0	172.8	4.49	775
1994-95	132.5	156.2	4.37	682
1995-96	120.8	145.6	4.50	655
1996-97	121.0	152.0	4.35	661
1997-98	120.1	150.0	4.22	633
1998-99	117.4	153.6	4.33	665
1999-00	115.4	144.2	4.30	619
2000-01	118.5	139.5	4.31	602
2001-02	110.8	118.6	4.68	555
2002-03	106.1	116.6	4.28	499
2003-04	99.2	104.7	4.53	475
2004-05	101.2	106.0	4.49	475
2005-06	101.1	106.5	4.33	461
2006-07	91.0	101.4	4.24	430
2007-08	85.7	90.2	4.43	400
2008-09	76.9	79.3	4.52	362
2009-10	72.7	76.2	4.50	343
2010-11	70.8	76.2	4.53	345
2011-12	73.1	76.4	4.48	342
2012-13	74.7	78.8	4.47	352
2013-14	75.5	78.0	4.37	341
2014-15	72.6	76.9	4.50	346
2015-16e	70.9	73.4	4.43	325
2016-17f	68.7	73.0	4.55	332

Table 3: Australian micron profile of AWTA wool test volume statistics since 1991/92 (% share and average micron)

Year	<16.5	17	18	19	20	21	22	23	24	25/26	27/28	29/30	>30.5	Average Fibre Diameter (um)
1991/92	0.1%	0.7%	3.2%	7.9%	15.2%	21.5%	20.0%	13.4%	7.1%	5.5%	2.9%	1.6%	1.0%	22.0
1992/93	0.0%	0.3%	1.9%	5.4%	12.0%	19.9%	20.6%	15.6%	10.0%	7.9%	3.0%	1.9%	1.6%	22.4
1993/94	0.1%	0.5%	2.4%	5.9%	12.1%	18.8%	20.8%	15.7%	10.0%	7.4%	2.8%	1.9%	1.7%	22.4
1994/95	0.1%	0.6%	3.5%	8.6%	15.2%	20.9%	19.9%	13.0%	7.0%	4.7%	2.8%	2.0%	1.7%	22.0
1995/96	0.0%	0.6%	3.3%	8.2%	15.3%	20.8%	18.5%	13.2%	8.1%	6.0%	2.7%	1.8%	1.6%	22.1
1996/97	0.2%	0.8%	3.9%	9.7%	15.3%	20.1%	18.3%	13.1%	7.4%	5.3%	2.3%	1.9%	1.8%	22.0
1997/98	0.2%	1.2%	4.5%	9.8%	14.8%	19.4%	18.3%	12.8%	7.7%	5.4%	2.6%	1.8%	1.5%	21.9
1998/99	0.2%	1.1%	4.2%	8.8%	14.6%	19.6%	18.6%	14.0%	7.6%	5.1%	2.7%	2.0%	1.5%	22.0
1999/00	0.1%	1.0%	4.2%	9.3%	14.4%	19.1%	18.2%	13.6%	7.7%	5.2%	2.9%	2.4%	1.9%	22.1
2000/01	0.2%	1.3%	5.2%	11.1%	15.7%	18.5%	16.4%	11.4%	6.8%	5.1%	3.6%	2.8%	1.9%	22.0
2001/02	0.3%	2.0%	7.2%	14.4%	19.9%	18.9%	12.9%	7.7%	4.1%	3.7%	3.8%	3.1%	1.9%	21.6
2002/03	1.0%	3.9%	9.8%	15.7%	18.9%	17.6%	12.0%	6.6%	2.9%	3.4%	3.7%	2.9%	1.7%	21.2
2003/04	0.7%	3.6%	9.9%	15.8%	18.3%	16.6%	11.9%	7.5%	3.6%	3.5%	3.8%	2.9%	1.8%	21.3
2004/05	1.2%	4.2%	10.5%	16.5%	18.7%	15.9%	10.7%	6.2%	3.2%	3.6%	4.1%	3.1%	2.0%	21.2
2005/06	1.4%	4.7%	9.7%	15.1%	18.7%	17.1%	11.5%	5.9%	2.9%	3.9%	4.5%	2.9%	1.6%	21.2
2006/07	2.0%	5.9%	11.8%	15.9%	16.9%	14.0%	9.9%	6.2%	3.4%	4.3%	4.4%	3.2%	2.1%	21.2
2007/08	1.9%	5.3%	10.9%	16.8%	18.4%	14.3%	9.2%	5.5%	3.0%	4.1%	4.8%	3.6%	2.2%	21.2
2008/09	2.0%	5.7%	11.4%	16.6%	18.5%	15.0%	9.1%	4.4%	2.3%	3.8%	5.1%	3.8%	2.2%	21.2
2009/10	2.3%	6.2%	12.6%	17.1%	17.5%	13.2%	8.4%	4.6%	2.5%	4.1%	5.4%	3.9%	2.3%	21.2
2010/11	1.5%	4.8%	11.0%	16.8%	18.0%	13.5%	8.4%	5.4%	3.0%	3.9%	5.5%	5.0%	3.1%	21.5
2011/12	1.8%	5.6%	12.0%	17.1%	16.6%	12.3%	8.3%	5.3%	2.9%	4.2%	5.8%	4.7%	3.3%	21.5
2012/13	2.5%	7.0%	13.3%	17.5%	16.8%	12.0%	7.3%	4.1%	2.3%	4.6%	6.2%	4.0%	2.5%	21.2
2013/14	3.8%	8.4%	14.6%	17.8%	16.0%	10.9%	6.2%	3.4%	2.2%	5.2%	6.4%	3.1%	2.1%	20.9
2014/15	3.2%	7.9%	14.8%	18.5%	15.8%	10.5%	6.5%	3.5%	1.9%	4.4%	6.5%	3.9%	2.6%	21.0
2015/16	3.9%	8.5%	14.6%	17.8%	16.2%	10.8%	6.0%	2.9%	1.9%	4.6%	6.5%	3.6%	2.7%	21.0

Notes: Totals may not add due to rounding.

Explanation of revised AWPFC data series

At the December 2005 meeting, the National Committee made the decision to collate and review the key variables (shorn wool production, cut per head, number of sheep shorn) used in the committee from the available industry sources and to create a consistent historical data series at both a state and national level. This was required as some differences existed between industry accepted figures and the AWPFC data series and to ensure a consistent methodology over time. This process resulted in changes to the parameters 'average cut per head' and the 'number of sheep shorn' for some seasons at both a state and national level.

Modus operandi for the Australian Wool Production Forecasting Committee

The Australian Wool Production Forecasting Committee draws together a range of objective data and qualitative information to produce consensus-based, authoritative forecasts four times a year for Australian wool production.

The Committee has a two-level structure, with a National Committee considering information and advice from state sub-committees. It is funded by Australian Wool Innovation Limited, which also provides an independent representative in the role of the Chairman of the National Committee.

The National and state sub-committees comprise wool producers, wool brokers, exporters, processors, private treaty merchants, AWEX, AWTA, ABARES, ABS, MLA, state departments of Agriculture and AWI.

The Committee releases its forecasts in the forms of a press release and a report providing the detailed forecasts, historical data and commentary on the key drivers of the forecasts.