

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW Week Ending 1 February 2019 (Week 31)

The AWEX EMI finished 7¢ higher (+0.4%) in Australian currency and 36¢ higher (+2.6%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

The EMI was 72¢ higher in A\$ and 61¢ higher in US\$ than in the closing sale prior to the Christmas/New Year break, to maintain January's reputation as a month in which the market is likely to move up.

38,830 bales were on offer nationally, compared with 41,757 bales last sale. 7.2% of the offering was passed in.

AWEX reports that the value of the wool sold was \$73.6 million (\$2,043 per bale), taking the season total to \$1.889 billion (\$2,212 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 31)									
Centre	Last Sale		Day-to-Day Changes (Week 31)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	30	1927	No Sale	+8	-1	+7 (+0.4%)	1934	+36	+19
Northern	30	1970	No Sale	+6	+2	+8 (+0.4%)	1978	+37	+20
Southern	30	1901	No Sale	+9	-4	+5 (+0.3%)	1906	+33	+17
Western	30	2092	No Sale	+11	-9	+2 (+0.1%)	2094	+35	+17

It was a good market, with good demand (particularly for the better types) on both days. However, the final outcome in Australian currency was disguised by the upward movement in the US Exchange Rate.

There was little difference in movement across the Merino micron ranges, apart from at 16.5 microns and 22 microns. By contrast, there were significant increases among the crossbred types, with the greatest gains at 28 and 30 microns. This completed a very good month for the crossbreds.

It was a good week for Merino skirting, while oddments started well on Wednesday, but eased on Thursday.

The US Exchange Rate moved steadily up all week, to finish 1.58¢ (2.2%) higher and close at close at 72.68¢ on Thursday. This was the highest closing rate since mid-November, when it closed at 73.14¢.

Buyers for China were dominant, with support from buyers for Europe and India.

Looking ahead, offerings for the coming three sales are expected to range from 38,150 bales to 40,426 bales and to be 4.8% less than in the same period last year. The forecast progressive difference to Week 34 is -14.8%.

Differences in AWEX MPGs	18.5 and 22.0	18.0 and 22.0	17.5 and 22.0	17.0 and 22.0	16.5 and 22.0
North	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	123¢	220¢	279¢	285¢	325¢

Market Indicator	Changes From			
	Four Sales Ago Week 24	Start of the Season	Week 31 Last Year	Season Average to Week 31 Last Year
Eastern Market Indicator	+63 (+3.4%)	-65 (-3.3%)	+122 (+6.8%)	+343 (+21.2%)
Western Market Indicator	+96 (+4.8%)	-37 (-1.7%)	+245 (+13.2%)	+441 (+26.4%)

Sale-to-Sale Changes in Average AWEX Merino Micron Price Guides (MPGs)												
Micron	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	21.0	22.0	23.0	24.0
Since Last Sale												
Change ¢	+14	+5	-1	+7	+7	+2	+1	-1	-1	+10		
Change %	+0.5%	+0.2%	0.0%	+0.3%	+0.3%	+0.1%	+0.0%	0.0%	0.0%	+0.5%		
Since Start of the Season												
Change ¢	-443	-275	-114	-1	+12	+8	+15	0	-10	-27	+3	-230
Change %	-14.7%	-9.8%	-4.4%	0.0%	+0.5%	+0.4%	+0.7%	0.0%	-0.4%	-1.2%	+0.1%	-10.8%
Since Same Week Last Year												
Change ¢	-255	-168	-25	+116	+174	+216	+282	+348	+437	+481	+573	+391
Change %	-9.0%	-6.2%	-1.0%	+5.0%	+8.0%	+10.4%	+14.2%	+18.3%	+24.3%	+27.9%	+34.1%	+26.0%

Sale-to-Sale Changes in Other Average AWEX Price Guides						
Micron	25.0	26.0	28.0	30.0	32.0	MC#
Since Last Sale						
Change ¢	+22	+35	+88	+93	+23	-15
Change %	+1.5%	+2.7%	+9.4%	+12.4%	+4.7%	-1.3%
Since Start of the Season						
Change ¢	-324	-206	+69	+167	+63	-332
Change %	-17.7%	-13.3%	+7.2%	+24.7%	+14.0%	-22.6%
Since Same Week Last Year						
Change ¢	+314	+294	+303	+303	+134	-129
Change %	+26.4%	+28.2%	+41.8%	+56.0%	+35.3%	-10.2%

# Average Merino Cardings Price Guide

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## AWIS WOOL MARKET REVIEW Week Ending 1 February 2019 (Week 31)

The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the November ABS export data.

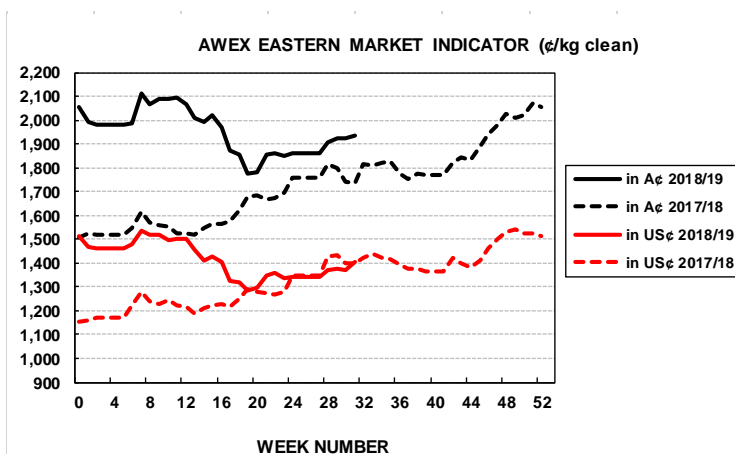
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	9,829	8,789	5.3%	1.2%	5.1%	8,320
South	22,127	20,853	5.5%	2.1%	7.5%	19,706
West	9,801	9,188	12.9%	4.4%	10.6%	8,001
<b>Australia</b>	<b>41,757</b>	<b>38,830</b>	<b>7.2%</b>	<b>2.5%</b>	<b>7.7%</b>	<b>36,027</b>

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
-61,995	-18.9%	-19.5%
-87,364	-14.9%	-16.3%
-29,167	-13.7%	-17.5%
<b>-178,526</b>	<b>-15.9%</b>	<b>-17.5%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 32	Week 33	Week 34	Differences
North	11,736	9,440	9,380	-2.3%
South	19,922	21,541	20,620	-5.4%
West	8,768	8,300	8,150	-6.2%
<b>New Zealand</b>			<b>1,800</b>	
<b>Australia</b>	<b>40,426</b>	<b>39,281</b>	<b>38,150</b>	<b>117,857</b>
<b>Differences</b>	<b>+2.1%</b>	<b>-7.6%</b>	<b>-8.4%</b>	<b>-4.8%</b>

Exchange Rates (Reserve Bank)	Last Sale	Day-to-Day Changes					Sale-to-Sale Change	Closing Value	Season Min & Max	
		Fri	Mon	Tues	Wed	Thur			Min	Max
United States	71.10	-0.15	Public	+0.72	+0.28	+0.73	+1.58 (+2.2%)	72.68	70.72	74.41
Euro	62.45	+0.22	Holiday	+0.03	+0.19	+0.29	+0.73 (+1.2%)	63.18	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to November	
	November 2018	July to November 2018/19	July to November 2017/18	By Weight	By Value
China	68.1%	74.0%	77.9%	-22.6%	+1.3%
India	9.0%	7.1%	5.8%	-0.9%	+25.8%
Italy	6.7%	6.4%	4.9%	+4.5%	+22.9%
Czech Republic	5.7%	3.8%	5.5%	-44.6%	-23.5%
Korea	2.9%	2.8%	1.3%	+78.5%	+139.9%
Malaysia	0.7%	0.8%	1.1%	-42.9%	-35.3%
Egypt	0.8%	1.0%	1.0%	-19.8%	-2.3%
Taiwan	0.6%	0.9%	0.6%	+16.7%	+97.1%
<b>Change all Countries</b>				<b>-20.7%</b>	<b>+8.2%</b>



AVERAGE EMI	
This Year	1956
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2002	+190
South	1927	+233
West	2108	+300

THIS YEAR'S EMI	
This Week	1934
First Week	1994
Low (0/01)	1776
High (0/01)	2116

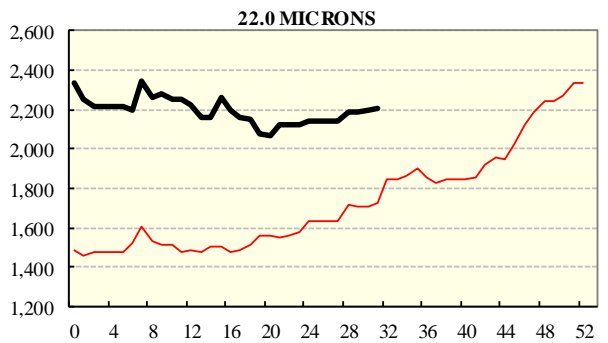
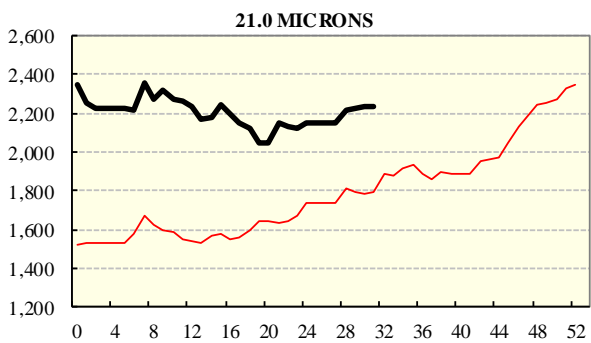
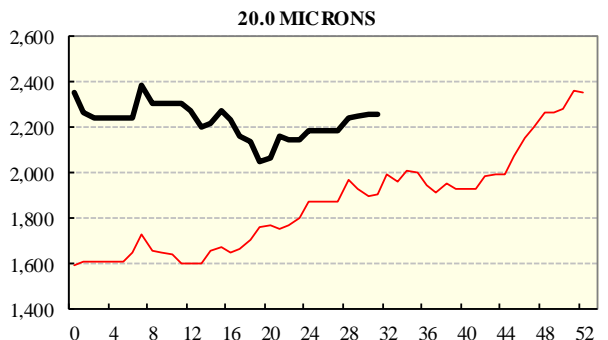
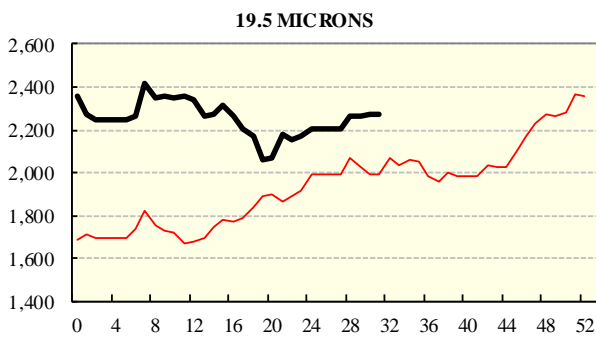
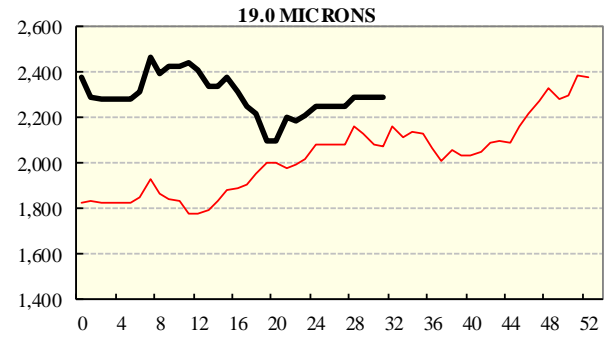
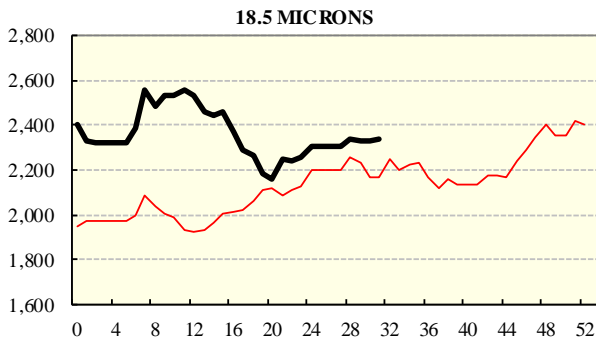
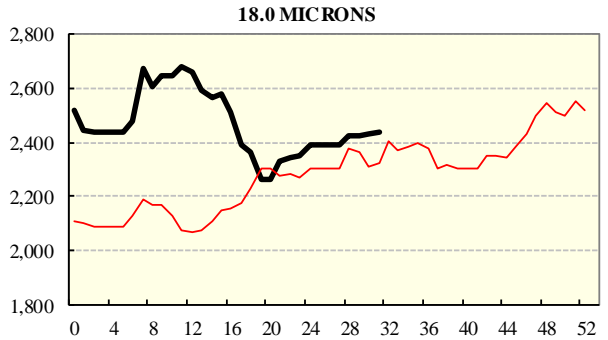
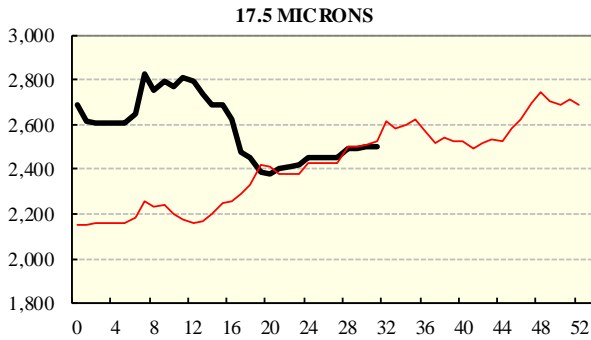
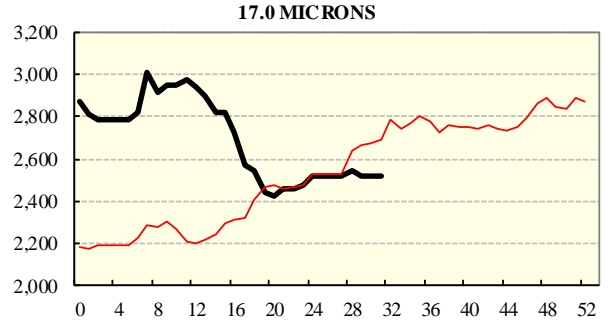
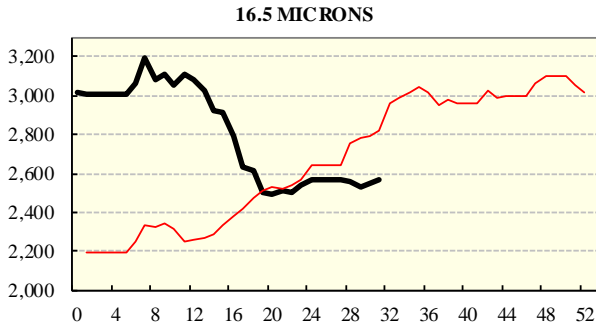
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1978	-42
South	1906	-62
West	2094	-48

BALES OFFERED	
This Year	947,190
Last Year	1,125,716
Difference	-178,526
% Diff	-15.9%
FIRST OFFERED BALES	
Difference	-17.5%
% of Offering	94.2%

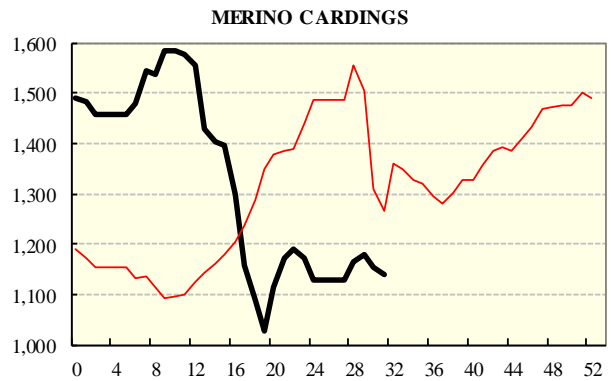
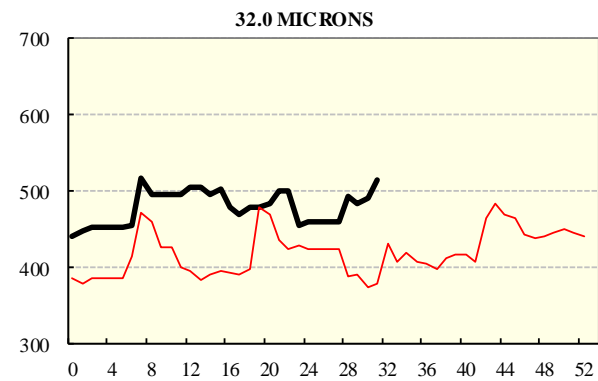
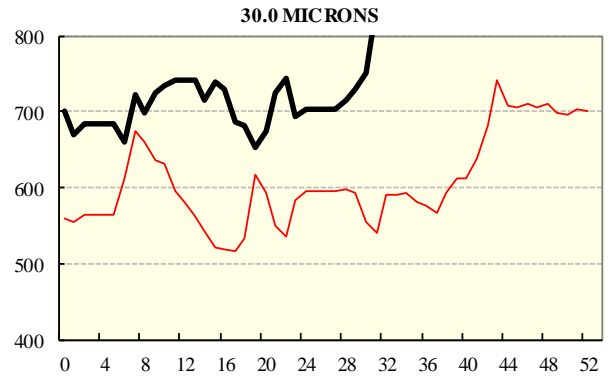
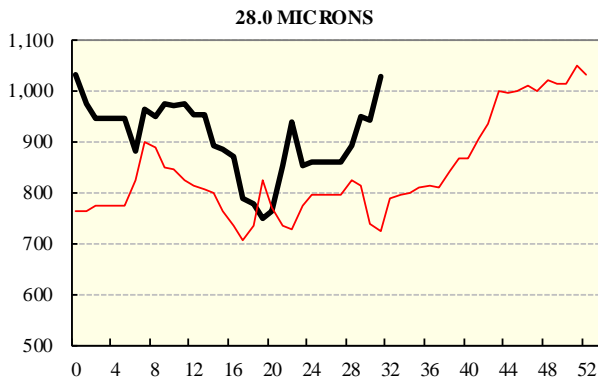
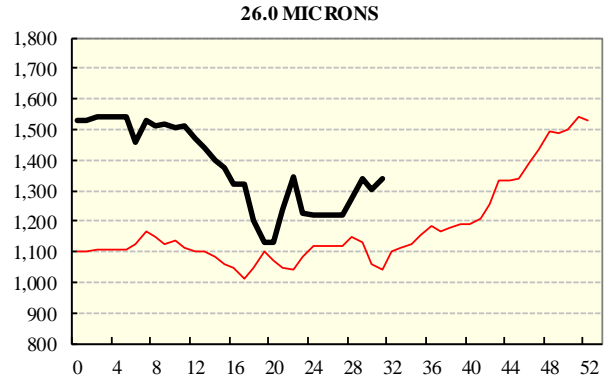
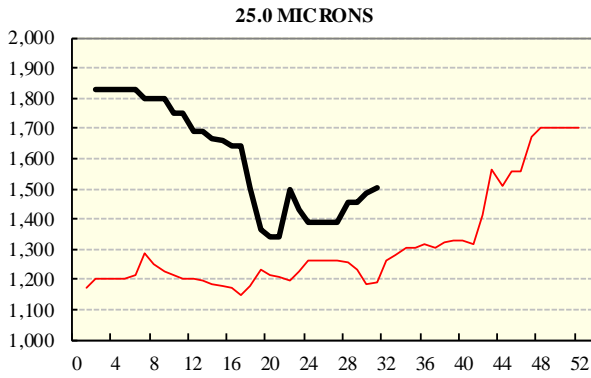
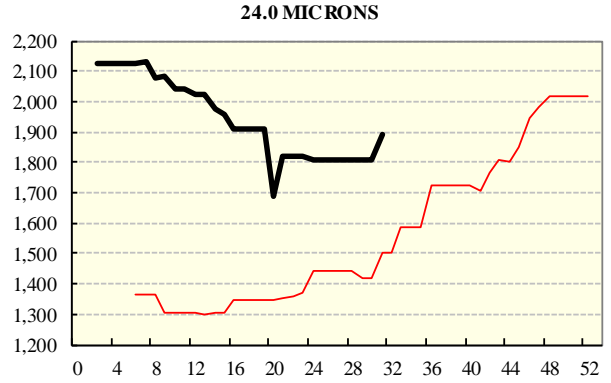
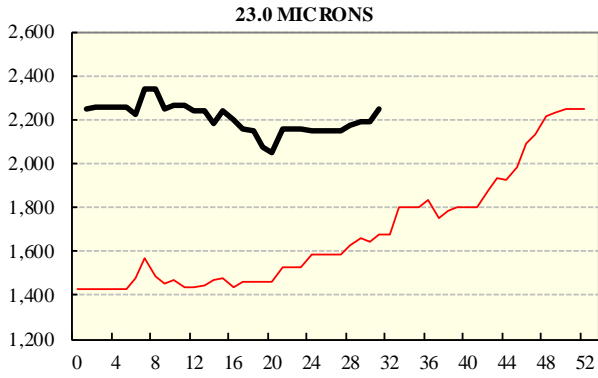
REGION BALES		
This Sale:		Diff
North	8,789	
South	20,853	
West	9,188	
Progressive Totals:		Diff
North	265,293	-18.9%
South	498,061	-14.9%
West	183,836	-13.7%

## AVERAGE AWEX MICRON PRICE GUIDES

2018/19( black graph line) and 2017/18 (red graph line)



**AVERAGE AWEX MICRON PRICE GUIDES**  
2018/19( black graph line) and 2017/18 (red graph line)



### EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)

