

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 10 May 2019 (Week 45)

The AWEX EMI finished at 1952¢, 8¢ lower (-0.4%) in Australian currency and 14¢ lower (-1.0%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

32,801 bales were on offer nationally, compared with 43,053 bales last sale. 13.4% of the offering (including 20.6% of the Merino Fleece on Thursday) was passed in.

AWEX reports that the value of the wool sold was \$58.1 million (\$2,045 per bale), taking the season total to \$2.891 billion (\$2,166 per bale).

Centre	Last Sale		Day-to-Day Changes (Week 45)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	44	1960	No Sale	-3	-5	-8 (-0.4%)	1952	-14	-12
Northern	44	1997	No Sale	-1	-7	-8 (-0.4%)	1989	-14	-12
Southern	44	1939	No Sale	-6	-6	-12 (-0.6%)	1927	-17	-14
Western	44	2093	No Sale	-16	-15	-31 (-1.5%)	2062	-31	-26

The general thrust of the Merino market was downwards by around 1%, except at the Superfine end, where the falls were slightly less. Merino skirtings finished on a generally steady note, as did oddments. Fine and medium crossbreds moved up, to continue their good run.

The US Exchange Rate finished 0.44¢ (-0.6%) lower to close at 69.76¢ on Thursday. It was the first time this season that the closing EMI finished below 70¢. No doubt, it reflects some of the trade pressures between the United States and China.

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

Sales resumed in South Africa, where the ban on exports to China was lifted on Friday. The Cape Wool Indicator rose by 2.5% against a depreciation of 2.9% in the United States Exchange Rate.

Looking ahead, offerings for the coming three sales are expected to range from 30,336 bales to 33,361 bales and to be 0.2% more than in the same period last year. The forecast progressive difference to Week 48 is -11.7%.

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	57¢	112¢	126¢	129¢	163¢

Market Indicator	Changes From			
	Four Sales Ago Week 40	Start of the Season	Week 45 Last Year	Season Average to Week 45 Last Year
Eastern Market Indicator	+9 (+0.5%)	-36 (-1.8%)	+61 (+3.2%)	+272 (+16.1%)
Western Market Indicator	-33 (-1.6%)	-80 (-3.7%)	+44 (+2.2%)	+349 (+19.8%)

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 ¢	-18	-20	-19	-20	-29	-28	-34	-24	-27	-5		
Change %	-0.7%	-0.8%	-0.8%	-0.8%	-1.2%	-1.2%	-1.5%	-1.1%	-1.2%	-0.2%		
Since Start of the Season												
Change ¢	-549	-376	-207	-61	-20	-6	-1	-6	-11	+3		
Change %	-18.3%	-13.4%	-7.9%	-2.5%	-0.9%	-0.3%	0.0%	-0.3%	-0.5%	+0.1%		
Since Same Week Last Year												
Change ¢		-327	-182	-6	+69	+114	+152	+173	+188	+213		
Change %		-11.9%	-7.0%	-0.3%	+3.1%	+5.3%	+7.2%	+8.3%	+9.2%	+10.5%		

Micron	25.0	26.0	28.0	30.0	32.0	MC#	
Since Last Sale							
Change ¢			+12	+15	0	0	-6
Change %			+0.8%	+1.1%	0.0%	0.0%	-0.5%
Since Start of the Season							
Change ¢			-19	+362	+324	+213	-378
Change %			-1.2%	+37.7%	+47.9%	+47.2%	-25.7%
Since Same Week Last Year							
Change ¢			+188	+322	+296	+198	-319
Change %			+14.1%	+32.2%	+42.0%	+42.5%	-22.6%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 10 May 2019 (Week 45)

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 February ABS export data.

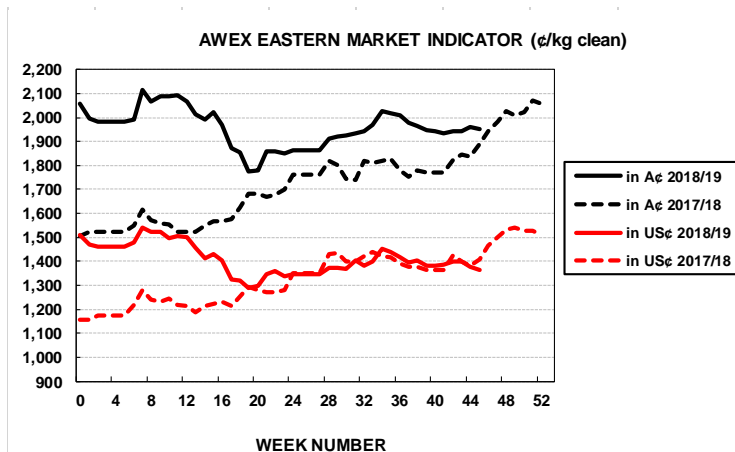
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	10,443	8,005	8.8%	1.0%	3.2%	7,303
South	21,790	18,367	13.8%	1.9%	6.2%	15,836
West	10,820	6,429	18.1%	3.2%	11.2%	5,267
Australia	43,053	32,801	13.4%	2.0%	6.5%	28,406

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-79,877	-17.0%	-17.9%
-103,291	-11.7%	-13.2%
-24,757	-7.5%	-11.3%
-207,925	-12.4%	-14.2%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 46	Week 47	Week 48	Differences
North	8,556	7,630	8,160	-21.9%
South	18,726	15,456	18,250	+4.3%
West	6,079	7,250	6,950	+31.3%
New Zealand				
Australia	33,361	30,336	33,360	97,057
Differences	-8.3%	+0.9%	+9.6%	+0.2%

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	70.20	-0.22	-0.09	+0.45	-0.11	-0.47	-0.44 (-0.6%)	69.76	69.76	74.41
Euro	62.65	-0.01	-0.19	+0.26	-0.03	-0.38	-0.35 (-0.6%)	62.30	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to February	
	February 2019	July to February 2018/19	July to February 2017/20	By Weight	By Value
China	78.3%	75.4%	79.1%	-20.2%	-3.5%
India	4.4%	6.1%	5.2%	-2.4%	+17.5%
Italy	4.0%	5.7%	4.4%	+8.5%	+23.6%
Czech Republic	5.3%	4.1%	5.4%	-36.5%	-20.7%
Korea	2.3%	2.6%	1.2%	+78.2%	+117.9%
Malaysia	0.5%	0.8%	1.1%	-40.5%	-32.8%
Egypt	0.8%	1.0%	1.0%	-19.8%	-2.3%
Taiwan	0.6%	0.9%	0.6%	+16.7%	+97.1%
Change all Countries				-20.7%	+8.2%



AVERAGE EMI	
This Year	1960
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2006	+194
South	1931	+238
West	2109	+301

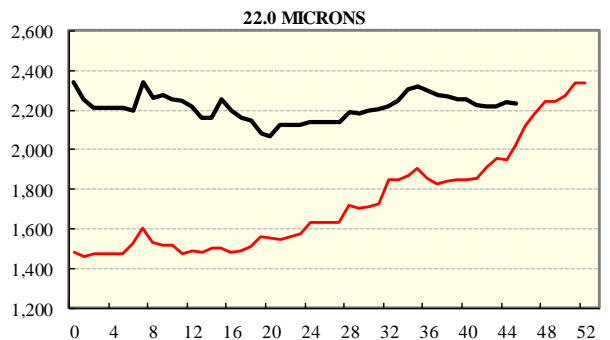
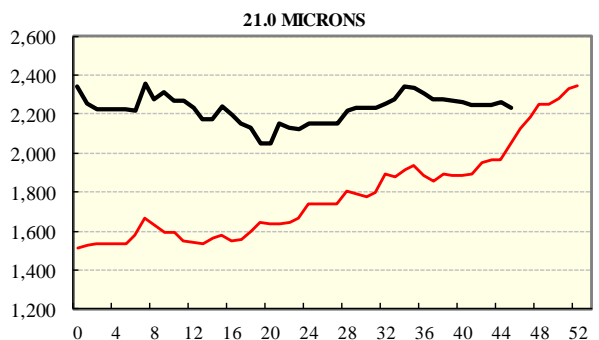
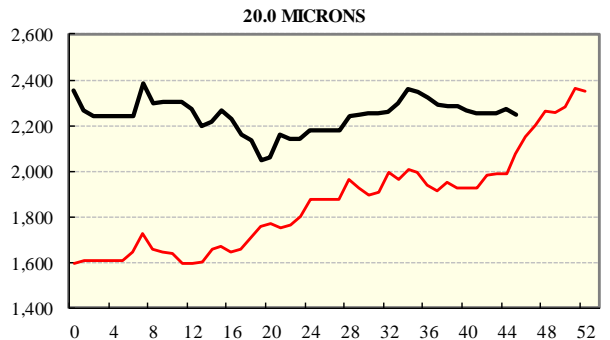
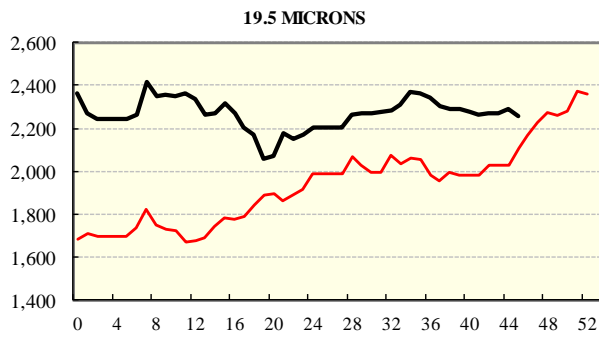
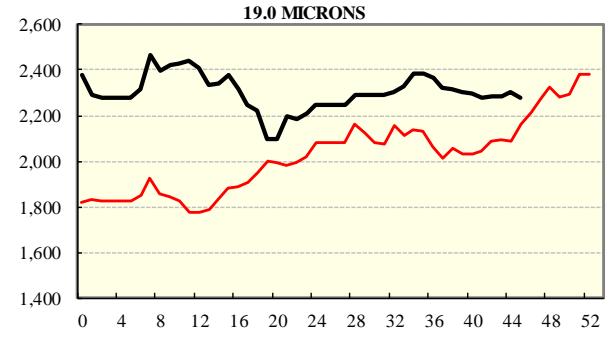
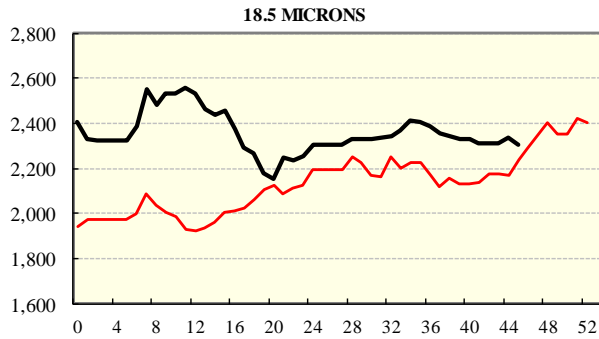
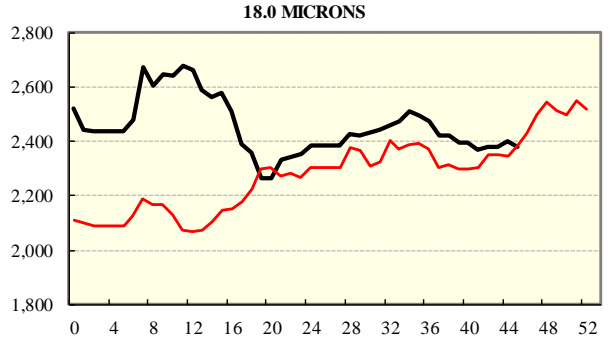
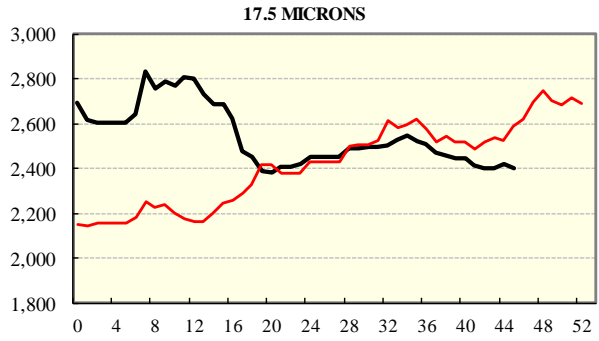
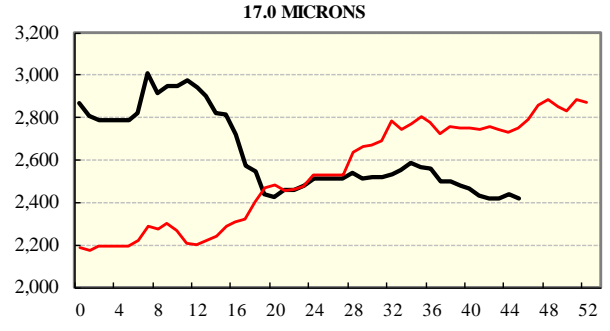
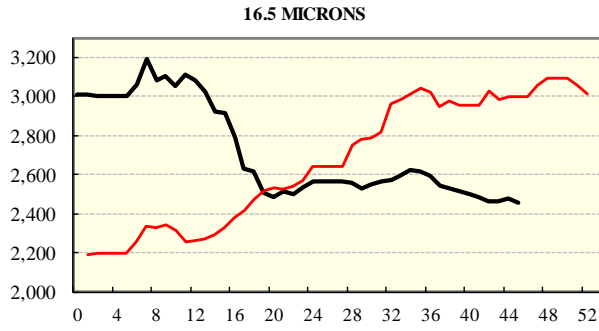
THIS YEAR'S EMI	
This Week	1952
First Week	1994
Low (0/01)	1776
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1989	-31
South	1927	-41
West	2062	-80

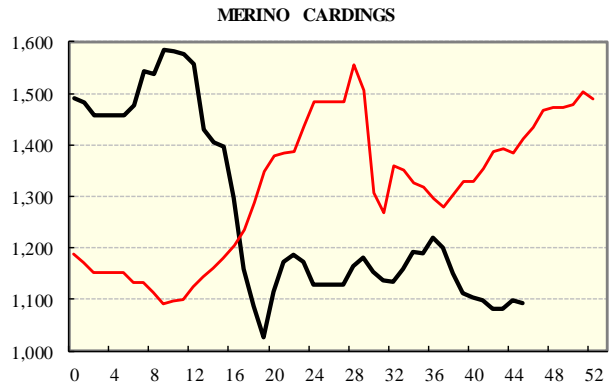
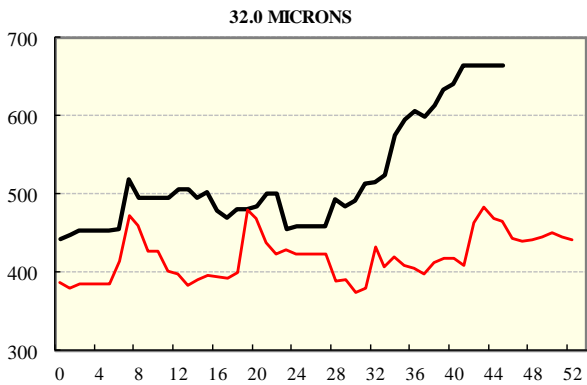
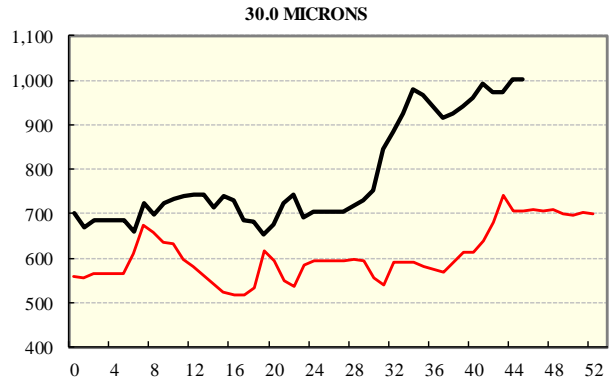
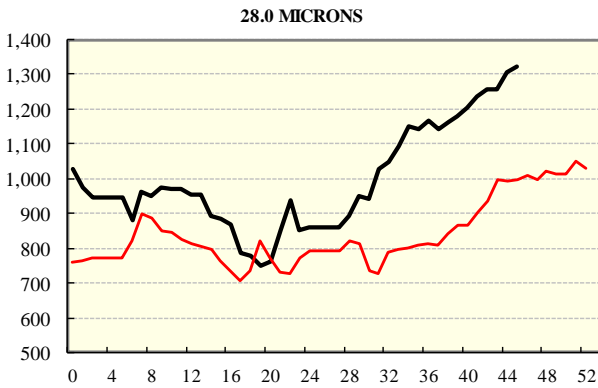
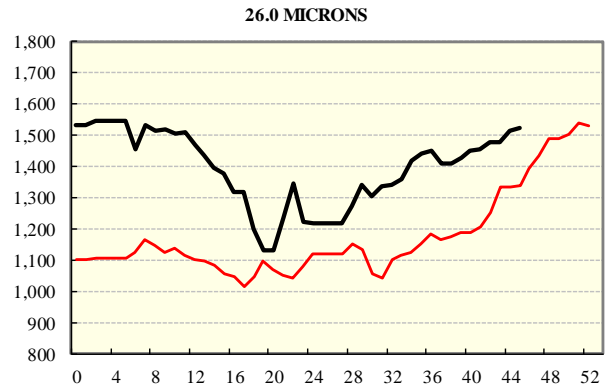
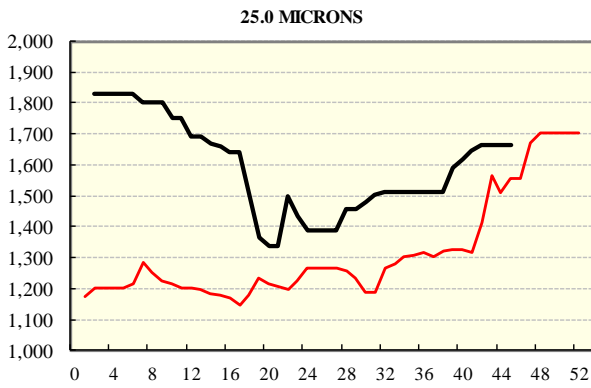
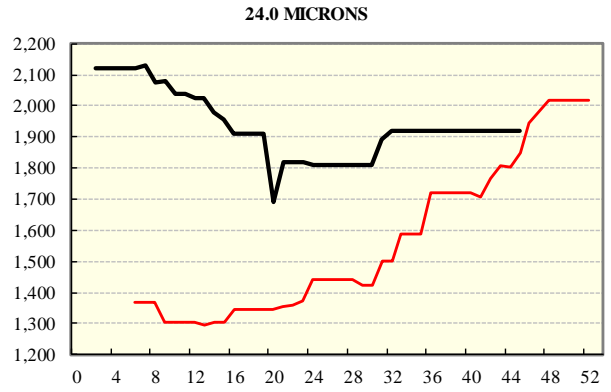
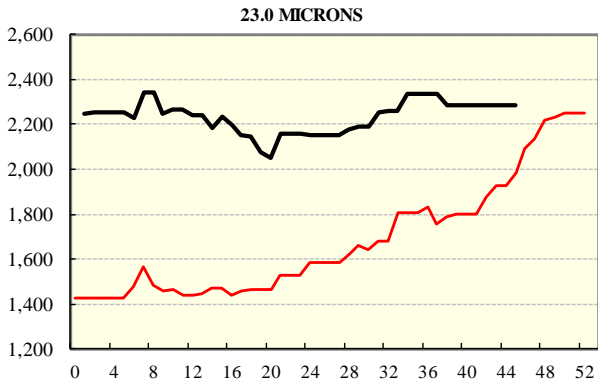
BALES OFFERED	
This Year	1,474,223
Last Year	1,682,148
Difference	-207,925
% Diff	-12.4%
FIRST OFFERED BALES	
Difference	-14.2%
% of Offering	93.6%

REGION BALES		
This Sale:		Diff
North	8,005	
South	18,367	
West	6,429	
Progressive Totals:		Diff
North	388,941	-17.0%
South	779,648	-11.7%
West	305,634	-7.5%

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)

