

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 15 February 2019 (Week 33)

The AWEX EMI finished 24¢ higher (+1.2%) in Australian currency and 21¢ higher (+1.5%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

40,165 bales were on offer nationally, compared with 39,894 bales last sale. 5.3% of the offering was passed in.

AWEX reports that the value of the wool sold was \$83.3 million (\$2,190 per bale), taking the season total to \$2.049 billion (\$2,200 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 33)									
Centre	Last Sale		Day-to-Day Changes (Week 33)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	32	1944	No Sale	+9	+15	+24 (+1.2%)	1968	+21	+27
Northern	32	1995	No Sale	+8	+8	+16 (+0.8%)	2011	+16	+23
Southern	32	1912	No Sale	+9	+19	+28 (+1.5%)	1940	+24	+29
Western	32	2101	No Sale	+15	+14	+29 (+1.4%)	2130	+25	+31

It was another good week, when the market opened strongly (as was expected by the trade) and continued in the same way on Thursday. Wednesday's sale in Melbourne was a Tasmanian feature sale, that comprised 36.1% of the bales on offer in Melbourne that day. AWEX reported that "The Tasmanian selection of predominantly 16 to 19 microns was of a high standard for style and measurement with 44% of the offering testing 40 N/kt, and above."

The greatest gains among the Merinos were at the medium and broader end of the micron ranges. The 28 and 30 micron crossbred wools had another good week when their average AWEX MPGs were up by 4.1% and 4.5%, respectively. They have risen by 200¢ and 208¢, respectively since sales resumed in January.

It was also a good week for oddments, with the average AWEX Merino Cardings Price Guide up by 25¢ after two weeks of falls. It closed at 1158¢

The US Exchange Rate finished 0.20¢ (0.3%) higher to close at 71.19¢ on Thursday.

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 35,780 bales to 42,469 bales and to be 12.4% less than in the same period last year. The forecast progressive difference to Week 36 is -14.7%.

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	108¢	198¢	250¢	257¢	300¢

Market Indicator	Changes From			
	Four Sales Ago Week 29	Start of the Season	Week 33 Last Year	Season Average to Week 33 Last Year
Eastern Market Indicator	+34 (+1.8%)	-44 (-2.2%)	+126 (+6.9%)	+323 (+19.8%)
Western Market Indicator	+18 (+0.9%)	-41 (-1.9%)	+180 (+9.4%)	+417 (+24.7%)

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 ¢	+25	+21	+22	+20	+24	+24	+28	+35	+26	+30		
Change %	+1.0%	+0.8%	+0.9%	+0.8%	+1.0%	+1.0%	+1.2%	+1.5%	+1.2%	+1.4%		
Since Start of the Season												
Change ¢	-409	-244	-86	+35	+41	+45	+52	+45	+36	+13		
Change %	-13.6%	-8.7%	-3.3%	+1.4%	+1.8%	+2.0%	+2.3%	+2.0%	+1.6%	+0.6%		
Since Same Week Last Year												
Change ¢	-386	-192	-54	+105	+168	+218	+278	+337	+400	+398		
Change %	-12.9%	-7.0%	-2.1%	+4.4%	+7.6%	+10.3%	+13.7%	+17.2%	+21.3%	+21.5%		

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 ¢		+19	+43	+40	+8	+25
Change %		+1.4%	+4.1%	+4.5%	+1.6%	+2.2%
Since Start of the Season						
Change ¢		-183	+133	+247	+73	-312
Change %		-11.9%	+13.9%	+36.5%	+16.2%	-21.2%
Since Same Week Last Year						
Change ¢		+247	+297	+334	+117	-192
Change %		+22.2%	+37.4%	+56.6%	+28.7%	-14.2%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 15 February 2019 (Week 33)

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.

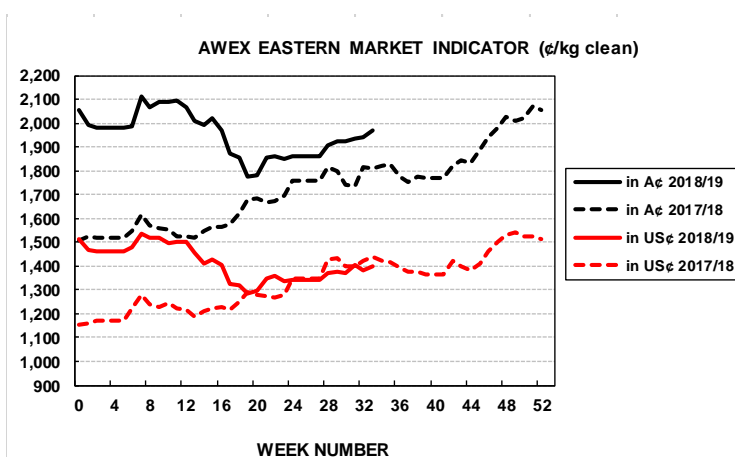
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	11,262	7,563	6.8%	0.4%	6.3%	7,047
South	19,396	23,016	4.7%	1.9%	7.6%	21,923
West	9,236	9,586	5.5%	2.1%	10.0%	9,060
Australia	39,894	40,165	5.3%	1.7%	7.9%	38,030

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-64,519	-18.5%	-19.1%
-87,977	-14.0%	-15.5%
-28,072	-12.2%	-16.1%
-180,568	-14.9%	-16.6%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 34	Week 35	Week 36	Differences
North	9,516	10,000	8,050	-14.0%
South	24,453	17,480	20,485	-13.3%
West	8,500	8,300	8,250	-8.1%
New Zealand	2,100			
Australia	42,469	35,780	36,785	115,034
Differences	+1.9%	-19.0%	-19.2%	-12.4%

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	70.99	-0.23	+0.17	-0.21	+0.62	-0.15	+0.20 (+0.3%)	71.19	70.72	74.41
Euro	62.48	-0.09	+0.27	+0.05	+0.22	+0.18	+0.63 (+1.0%)	63.11	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%
Change all Countries				-20.7%	+8.2%



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	+301

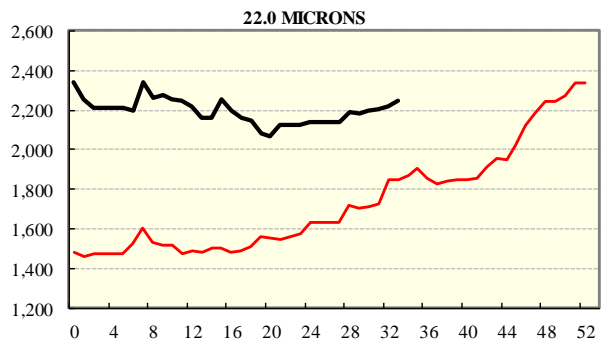
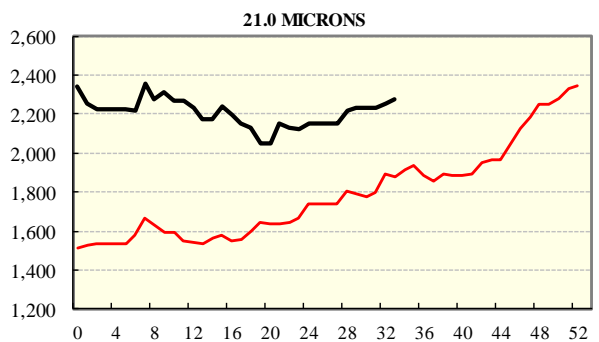
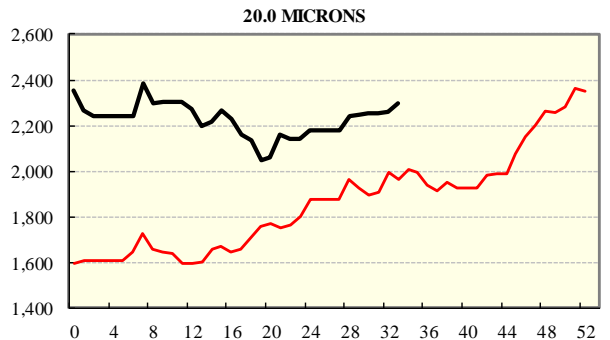
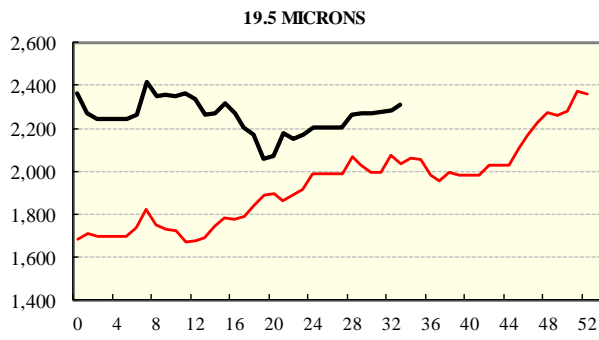
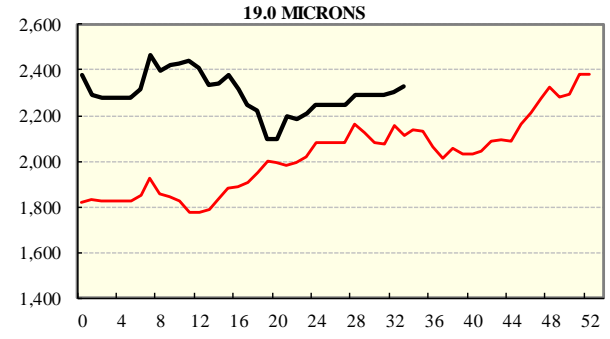
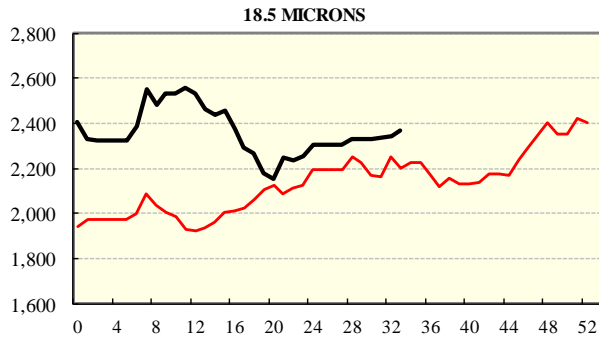
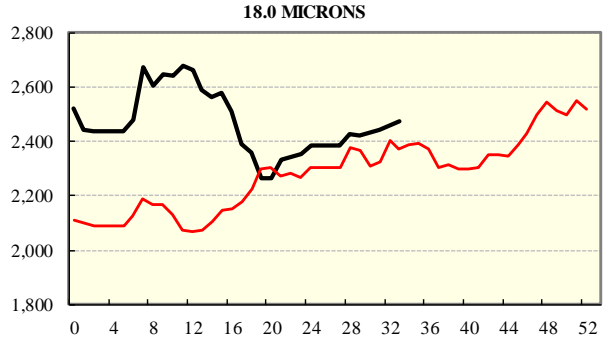
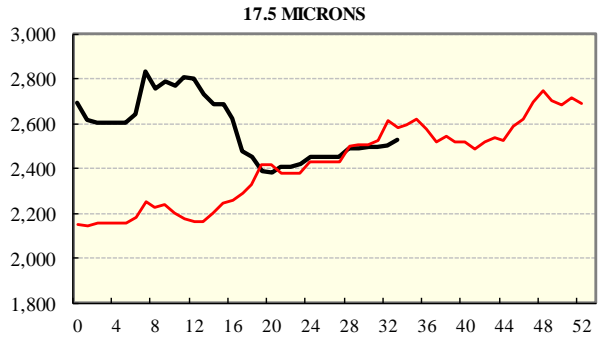
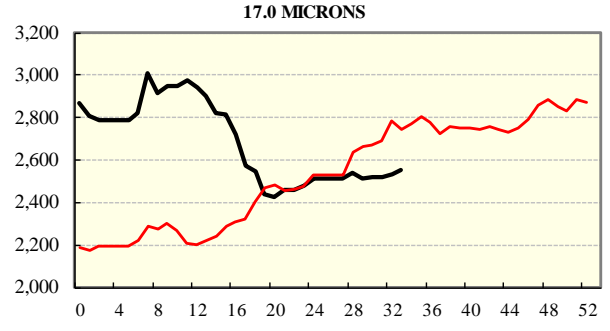
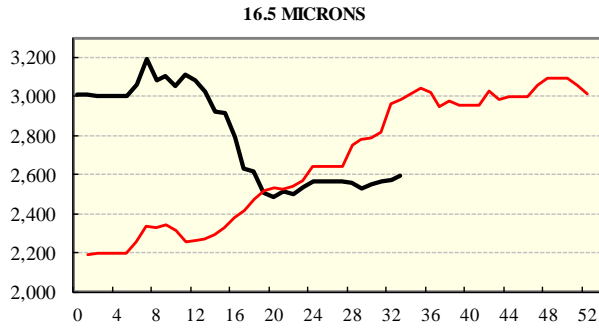
THIS YEAR'S EMI	
This Week	1968
First Week	1994
Low (0/01)	1776
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2011	-9
South	1940	-28
West	2130	-12

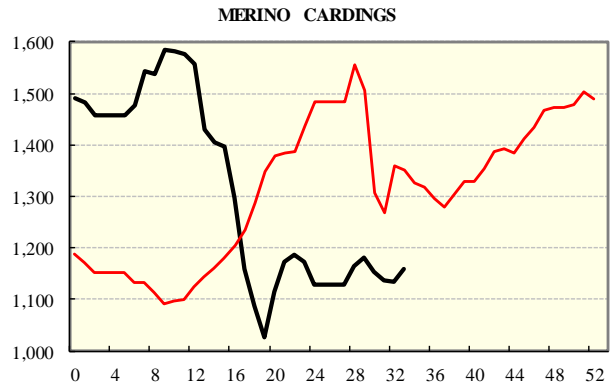
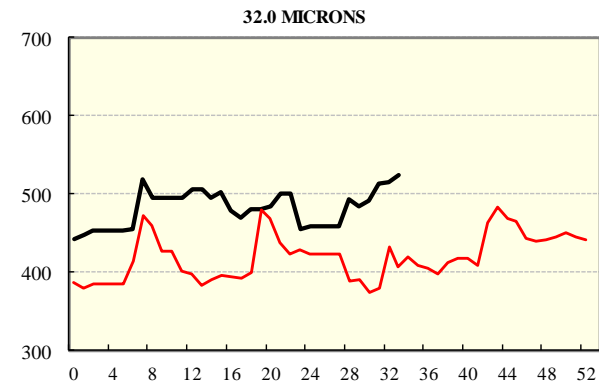
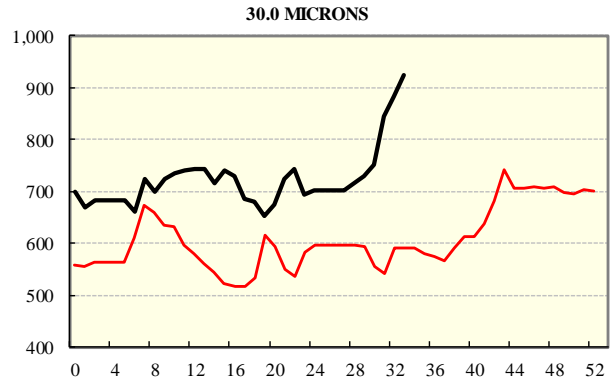
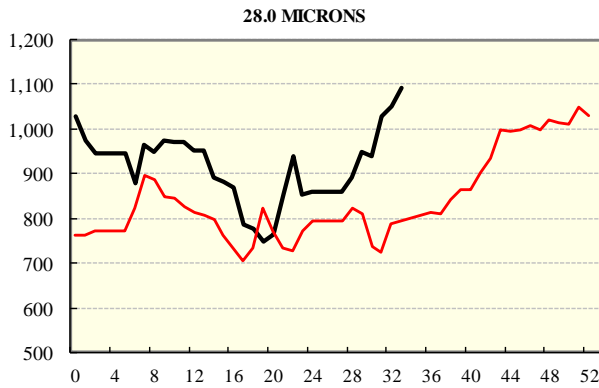
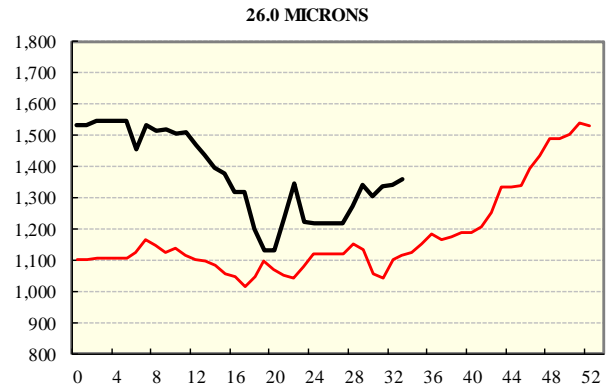
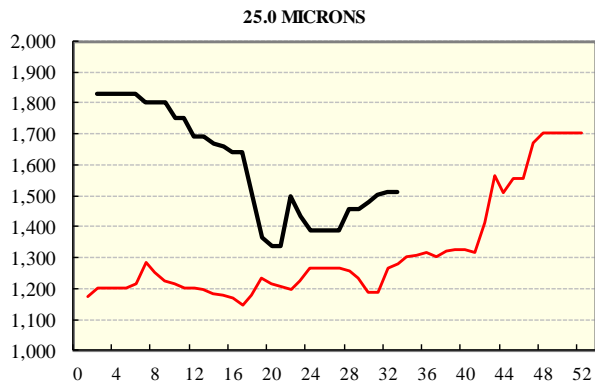
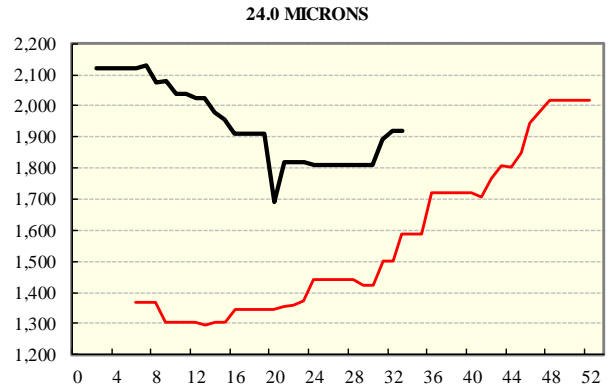
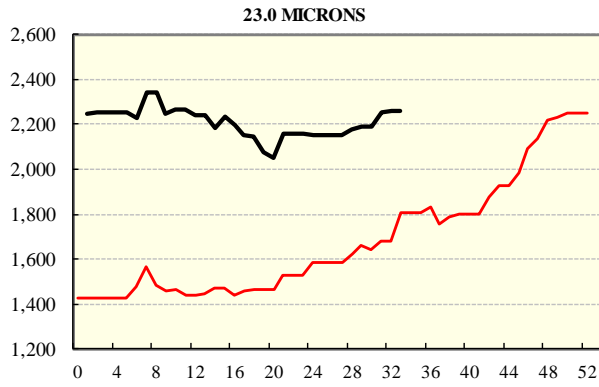
BALES OFFERED	
This Year	1,027,249
Last Year	1,207,817
Difference	-180,568
% Diff	-14.9%
FIRST OFFERED BALES	
Difference	-16.6%
% of Offering	94%

REGION BALES		
This Sale:		Diff
North	7,563	
South	23,016	
West	9,586	
Progressive Totals:		Diff
North	284,118	-18.5%
South	540,473	-14.0%
West	202,658	-12.2%

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)



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

(In Australian, United States and European Currencies)

