

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West Vic 3020
Australia
Tel: 03 9311 0103
Fax: 03 9311 0138



Email: awis@woolindustries.org
Web: www.woolindustries.org
ABN: 30 454 304 967
Reg No: A0041776E

AWIS WOOL MARKET REVIEW Week Ending 21 September 2018 (Week 12)

The AWEX EMI finished at 2067¢, 27¢ lower (-1.3%) in Australian currency and 7¢ lower (-0.5%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

35,211 bales were on offer nationally, compared with 34,064 bales last sale. 9.7% of the offering was passed in. The high Pass-In rate included 28.9% in the West on Wednesday when the WMI fell by 32¢.

AWEX reports that the value of the wool sold was \$79.6 million (\$2,505 per bale), taking the season total to \$759.3 million (\$2,373 per bale).

The New Zealand Merino Company also offered 419 bales in Melbourne on Wednesday, of which 16.5% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 12)									
Centre	Last Sale		Day-to-Day Changes (Week 12)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	11	2094	No Sale	-13	-14	-27 (-1.3%)	2067	-7	-5
Northern	11	2162	No Sale	-18	-4	-22 (-1.0%)	2140	-3	-1
Southern	11	2051	No Sale	-9	-20	-29 (-1.4%)	2022	-9	-7
Western	11	2256	No Sale	-32	-2	-34 (-1.5%)	2222	-11	-8

The movements in the market were quite mixed with the changes varying from -9¢ in the South to -32¢ in the West (where all wools moved down) on Wednesday; and from -2¢ in the West to -20¢ in the South (where the fine wools were most affected) on Thursday.

The changes in the average AWEX Merino Price Guides mostly ranged from -1% (plus or minus a couple of points), apart from at 17.0 microns where the fall was -0.3%. Merino skirtings weakened on both days, oddments were generally easier and crossbreds were mixed.

The US Exchange Rate finished 0.60¢ (0.8%) higher to close at 72.60¢ on Thursday. It was the first upward movement in the closing US Exchange Rate since sales resumed in August

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 34,600 bales to 37,900 bales and to be 6.6% less than in the same period last year.

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	318¢	411¢	549¢	671¢	825¢

Market Indicator	Changes From			
	Four Sales Ago Week 08	Start of the Season	Week 12 Last Year	Season Average to Week 12 Last Year
Eastern Market Indicator	-22 (-1.0%)	+106 (+5.3%)	+542 (+35.5%)	+500 (+32.2%)
Western Market Indicator	-23 (-1.0%)	+114 (+5.3%)	+686 (+43.7%)	+613 (+38.3%)

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 ¢	-32	-35	-9	-19	-24	-29	-24	-30	-35	-28	-28	-13
Change %	-1.0%	-1.2%	-0.3%	-0.7%	-0.9%	-1.2%	-1.0%	-1.3%	-1.5%	-1.2%	-1.2%	-0.6%
Since Start of the Season												
Change ¢	+74	+143	+187	+220	+206	+125	+78	+18	-10	-12	-10	-97
Change %	+2.5%	+5.1%	+7.2%	+9.0%	+8.8%	+5.5%	+3.5%	+0.8%	-0.4%	-0.5%	-0.4%	-4.6%
Since Same Week Last Year												
Change ¢	+818	+737	+637	+592	+608	+632	+660	+675	+690	+732	+800	
Change %	+36.1%	+33.4%	+29.5%	+28.6%	+31.6%	+35.6%	+39.4%	+42.3%	+44.7%	+49.2%	+55.6%	

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 ¢			-41	-20	+1	+11
Change %			-2.7%	-2.1%	+0.1%	+2.2%
Since the Start of the Season						
Change ¢	+481	+329	+230	+147	+56	+103
Change %	+40.5%	+29.7%	+30.0%	+26.3%	+14.6%	+7.0%
Since Same Week Last Year						
Change ¢	+528	+380	+245	+141		+275
Change %	+46.3%	+36.0%	+32.6%	+25.0%		+23.1%

Average Merino Cardings Price Guide

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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 July ABS export data.

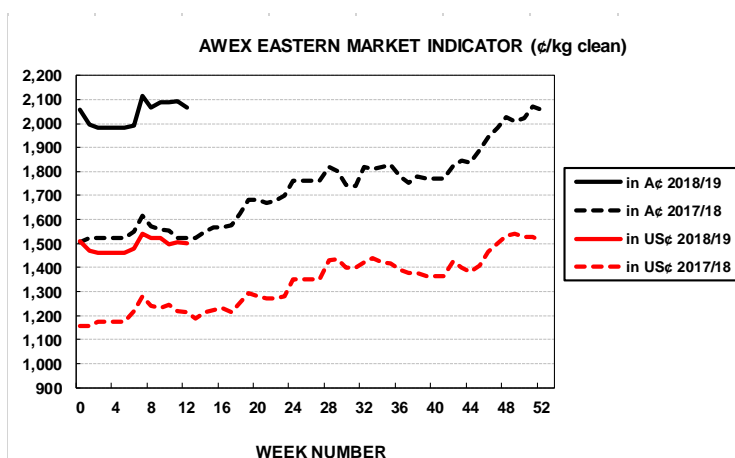
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	10,255	8,290	7.2%	0.8%	1.9%	7,692
South	18,060	21,058	8.7%	1.1%	3.8%	19,231
West	5,749	5,863	17.2%	0.5%	2.9%	4,856
Australia	34,064	35,211	9.7%	0.9%	3.2%	31,779

Actual and % Changes in the Progressive Offerings from Last Year	
-20,034	-15.3%
-20,641	-10.4%
-12,765	-18.9%
-53,440	-13.5%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 13	Week 14	Week 15	Differences
North	10,451	9,730	9,730	-8.7%
South	17,671	21,315	17,941	-7.3%
West	6,722	6,850	6,950	-1.1%
New Zealand		650		
Australia	34,844	37,895	34,621	-6.6%
Differences	-11.1%	-0.8%	-7.7%	

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	72.00	0.00	-0.38	+0.45	+0.41	+0.12	+0.60 (+0.8%)	72.60	71.71	74.41
Euro	61.58	0.00	-0.04	+0.06	+0.42	+0.12	+0.56 (+0.9%)	62.14	61.70	64.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to July	
	July 2018	July to July 2018/19	July to July 2017/18	By Weight	By Value
China	73.6%	73.6%	70.3%	-18.7%	+14.4%
India	8.4%	8.4%	9.4%	-30.7%	-12.3%
Italy	7.1%	7.1%	6.7%	-17.1%	-1.1%
Czech Republic	5.2%	5.9%	5.0%	+19.9%	+20.2%
Malaysia	2.1%	1.6%	1.0%	+72.4%	+116.9%
Korea	1.3%	1.4%	1.7%	-4.9%	-8.0%
Taiwan	0.2%	0.6%	0.7%	-2.6%	-13.7%
Egypt	0.7%	1.0%	1.0%	+5.3%	+38.7%
Change all Countries				+10.6%	+20.9%



AVERAGE EMI	
This Year	2054
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2105	+293
South	2022	+329
West	2214	+406

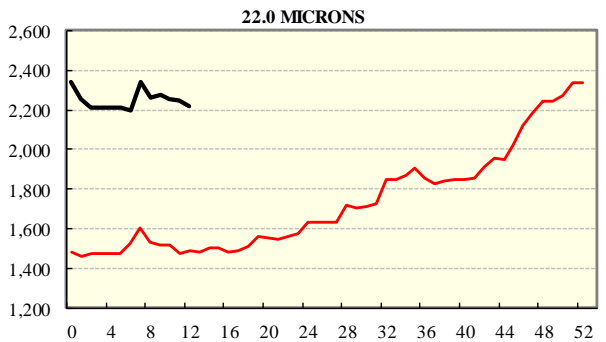
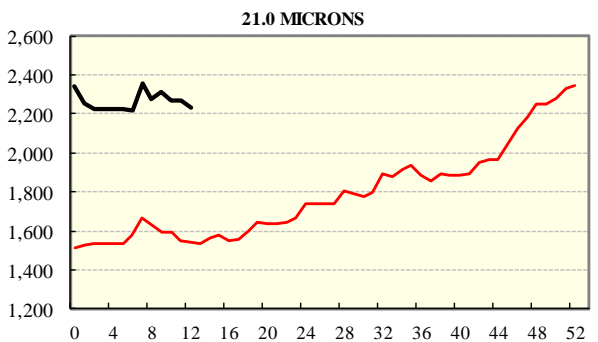
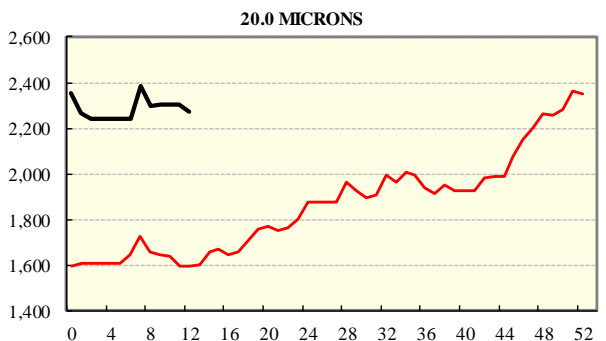
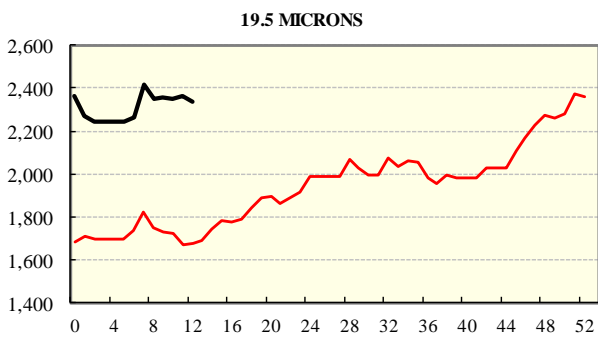
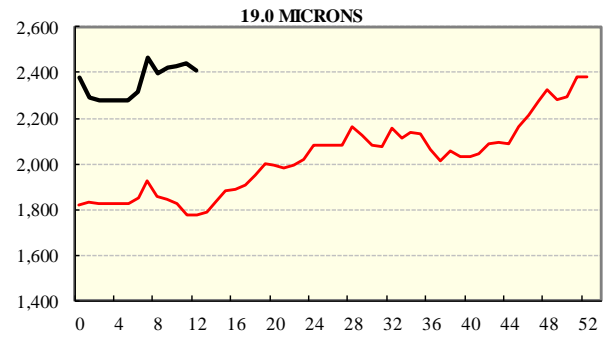
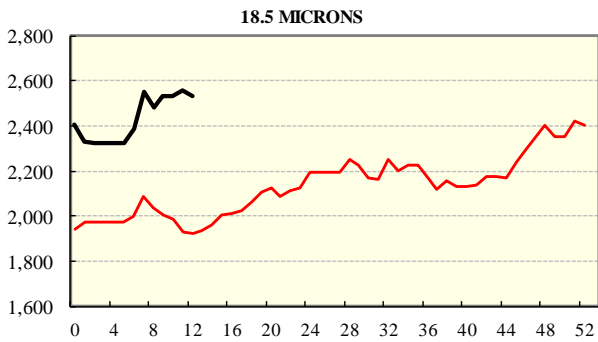
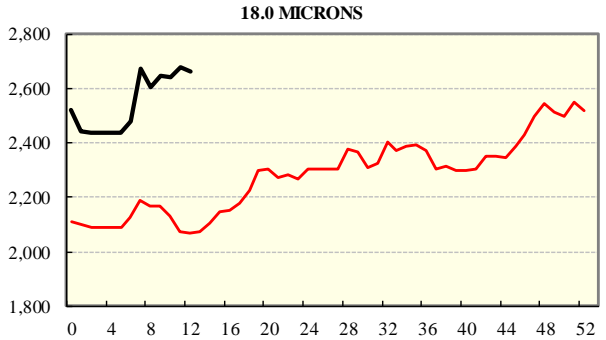
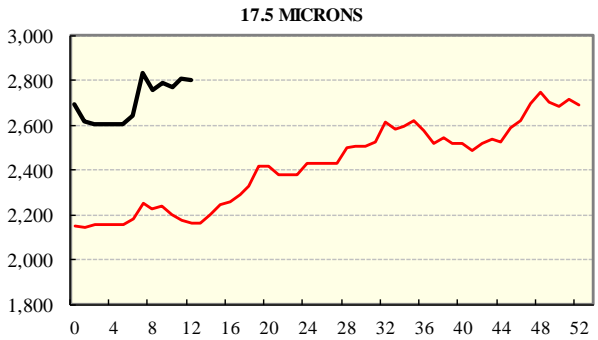
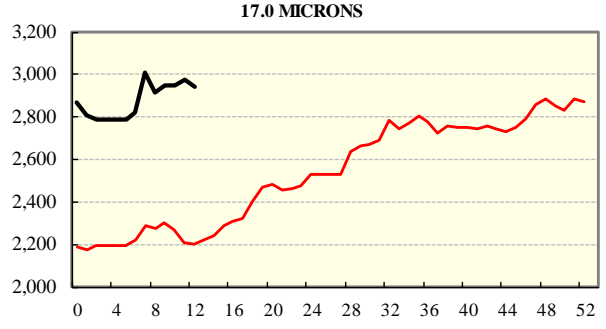
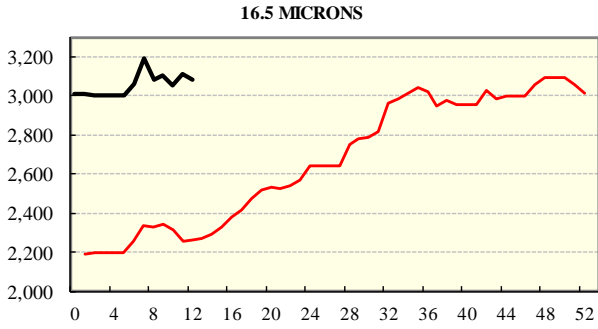
THIS YEAR'S EMI	
This Week	2067
First Week	1994
Low (0/01)	1981
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2140	+120
South	2022	+54
West	2222	+80

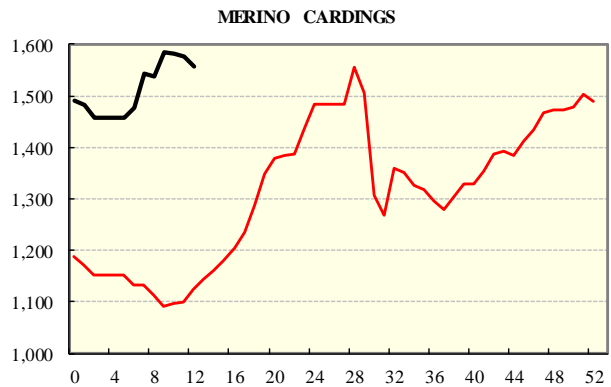
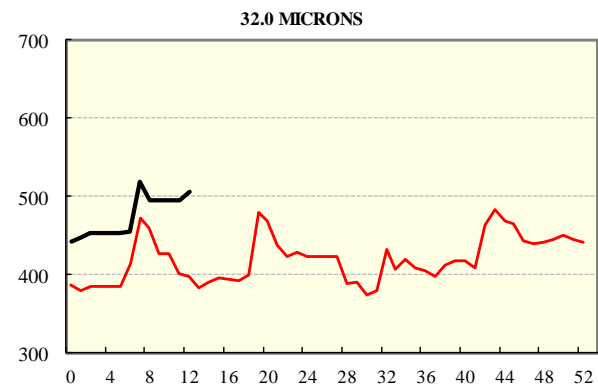
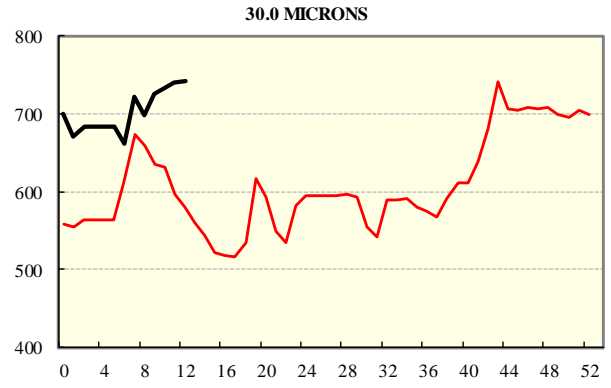
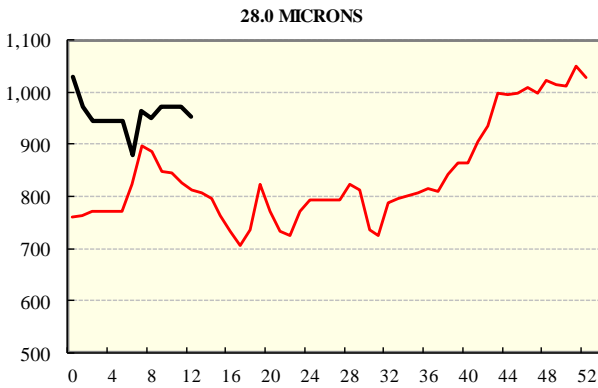
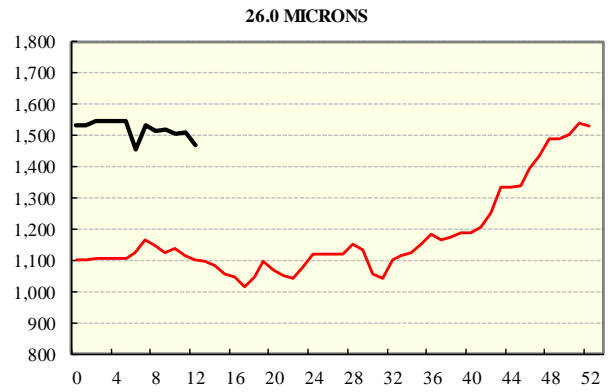
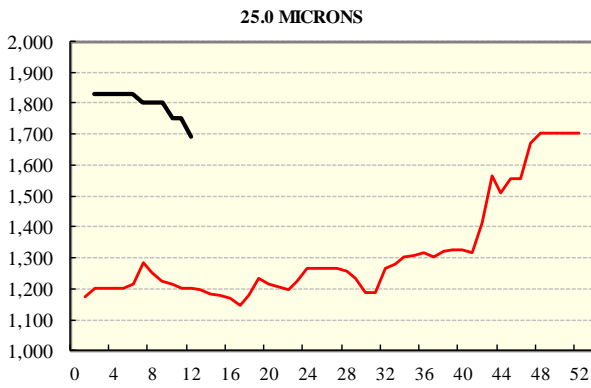
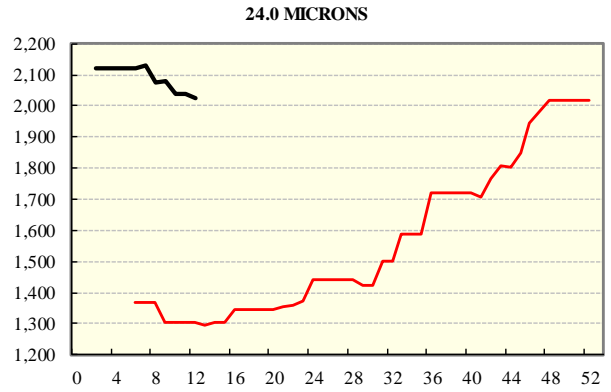
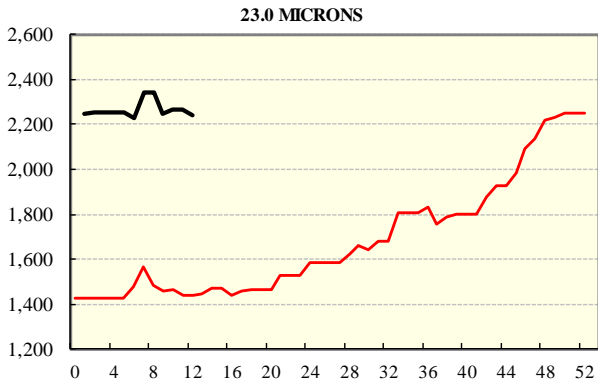
BALES OFFERED	
This Year	343,144
Last Year	396,584
Difference	-53,440
% Diff	-13.5%
FIRST OFFERED BALES	
Difference	-12.8%
% of Offering	95.7%

REGION BALES		
This Sale:		
North	8,290	
South	21,058	
West	5,863	
Progressive Totals:		Diff
North	111,327	-15.3%
South	177,035	-10.4%
West	54,782	-18.9%

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)

