

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 22 February 2019 (Week 34)

The AWEX EMI finished 59¢ higher (+3.0%) in Australian currency and 51¢ higher (+3.6%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

39,968 bales were on offer nationally, compared with 40,165 bales last sale. 6.3% of the offering was passed in, after rising from 3.6% on Tuesday/Wednesday to 9.8% on Thursday when the market eased.

AWEX reports that the value of the wool sold was \$78.5 million (\$2,097 per bale), taking the season total to \$2.128 billion (\$2,199 per bale).

The New Zealand Merino Company also offered 2,061 bales in Melbourne on Thursday, of which 2.4% were passed in.

Centre	Last Sale		Day-to-Day Changes (Week 34)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	33	1968	+42	+26	-9	+59 (+3.0%)	2027	+51	+37
Northern	33	2011	No Sale	+59	+4	+63 (+3.1%)	2074	+53	+40
Southern	33	1940	+69	+5	-16	+58 (+3.0%)	1998	+50	+37
Western	33	2130	No Sale	+72	-41	+31 (+1.5%)	2161	+32	+20

It was a very mixed week, in which the market moved up strongly on Tuesday (when only Melbourne sold) and Wednesday. There were rises across all wool types and micron ranges that took the EMI back over 2000¢ for the first time since the second sale in October. Much of the lift in demand was attributed to China's announcement that it had suspended imports of wool from South Africa following the identification of Foot-and-Mouth Disease in cattle in the north of the country.

The market momentum was not maintained on Thursday, but the week still finished with gains in all average AWEX Micron Price Guides. The greatest gains were again for crossbreds and from 19 microns up among the Merinos.

The US Exchange Rate finished 0.43¢ (0.6%) higher to close at 71.62¢ on Thursday, but fell to 70.93¢ on Friday due to reports of disruption to Australian coal exports to China late in the week.

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

Looking ahead, offerings for the coming three sales are expected to range from 36,460 bales to 49,738 bales and to be 5.5% less than in the same period last year. The forecast progressive difference to Week 37 is -13.7%.

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	100¢	165¢	197¢	226¢	263¢

Market Indicator	Changes From			
	Four Sales Ago Week 30	Start of the Season	Week 34 Last Year	Season Average to Week 34 Last Year
Eastern Market Indicator	+100 (+5.2%)	+39 (+2.0%)	+207 (+11.4%)	+313 (+19.0%)
Western Market Indicator	+69 (+3.3%)	+19 (+0.9%)	+266 (+14.0%)	+405 (+23.8%)

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 ¢	+29	+31	+20	+35	+47	+56	+57	+61	+60	+61		
Change %	+1.1%	+1.2%	+0.8%	+1.4%	+2.0%	+2.4%	+2.5%	+2.7%	+2.6%	+2.7%		
Since Start of the Season												
Change ¢	-380	-213	-66	+70	+88	+101	+109	+106	+96	+74	+88	
Change %	-12.6%	-7.6%	-2.5%	+2.9%	+3.8%	+4.4%	+4.8%	+4.7%	+4.3%	+3.3%	+3.9%	
Since Same Week Last Year												
Change ¢	-387	-184	-52	+125	+188	+247	+306	+351	+424	+438		
Change %	-12.8%	-6.6%	-2.0%	+5.2%	+8.4%	+11.6%	+14.8%	+17.5%	+22.2%	+23.4%		

Micron	25.0	26.0	28.0	30.0	32.0	MC#
Since Last Sale						
Change ¢		+56	+57	+55	+52	+33
Change %		+4.1%	+5.2%	+6.0%	+9.9%	+2.8%
Since Start of the Season						
Change ¢		-127	+190	+302	+125	-279
Change %		-8.2%	+19.8%	+44.6%	+27.7%	-19.0%
Since Same Week Last Year						
Change ¢		+291	+349	+387	+156	-136
Change %		+25.8%	+43.6%	+65.4%	+37.1%	-10.2%

Average Merino Cardings Price Guide

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 22 February 2019 (Week 34)

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.

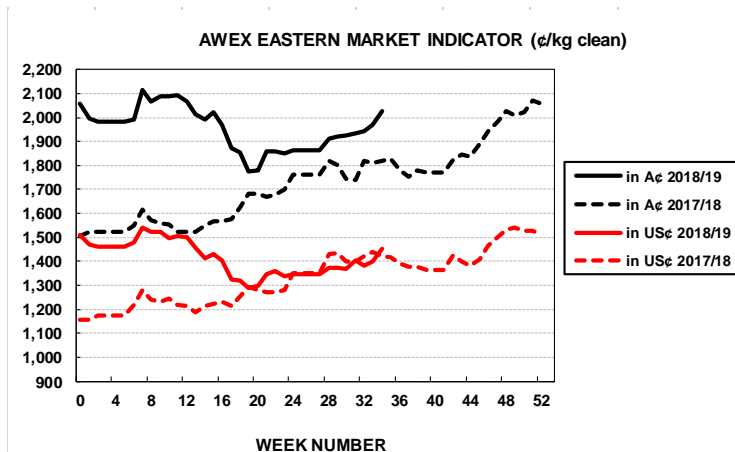
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	7,563	9,054	3.3%	3.5%	6.2%	8,752
South	23,016	22,114	5.2%	3.4%	6.3%	20,970
West	9,586	8,800	12.4%	3.0%	11.8%	7,713
Australia	40,165	39,968	6.3%	3.3%	7.5%	37,435

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-65,380	-18.2%	-18.8%
-88,455	-13.6%	-15.0%
-28,434	-11.9%	-15.9%
-182,269	-14.6%	-16.3%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 35	Week 36	Week 37	Differences
North	12,473	9,020	9,800	-3.7%
South	25,546	20,875	18,060	-10.6%
West	11,719	8,918	8,600	+5.5%
New Zealand				
Australia	49,738	38,813	36,460	125,011
Differences	+12.7%	-14.8%	-14.5%	-5.5%

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	71.19	-0.26	+0.57	-0.37	+0.50	-0.01	+0.43 (+0.6%)	71.62	70.72	74.41
Euro	63.11	-0.27	+0.37	-0.25	+0.18	-0.04	-0.01 (0.0%)	63.10	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to December	
	December 2018	July to December 2018/19	July to December 2017/18	By Weight	By Value
China	77.8%	74.7%	78.0%	-24.0%	-4.3%
India	5.1%	6.7%	5.3%	+0.1%	+24.3%
Italy	5.0%	6.1%	5.0%	+0.7%	+17.6%
Czech Republic	3.7%	3.8%	6.0%	-49.8%	-31.1%
Korea	2.6%	2.7%	1.3%	+72.4%	+125.5%
Malaysia	0.8%	0.8%	1.0%	-42.7%	-35.5%
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	1958
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2005	+193
South	1929	+236
West	2110	+303

THIS YEAR'S EMI	
This Week	2027
First Week	1994
Low (0/01)	1776
High (0/01)	2116

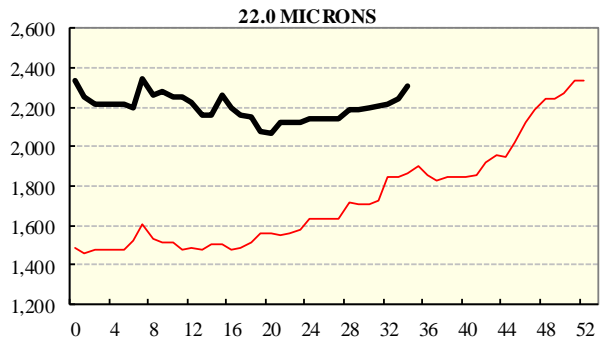
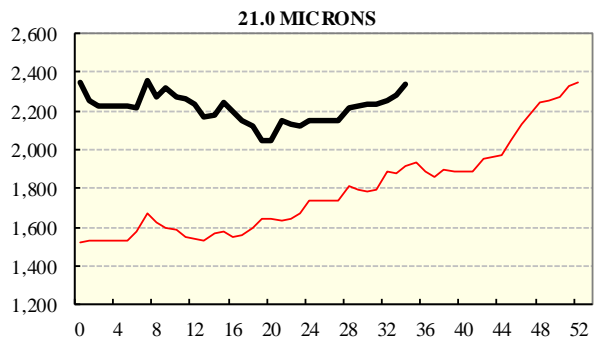
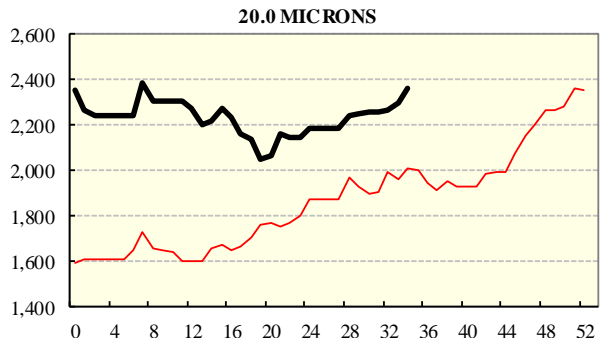
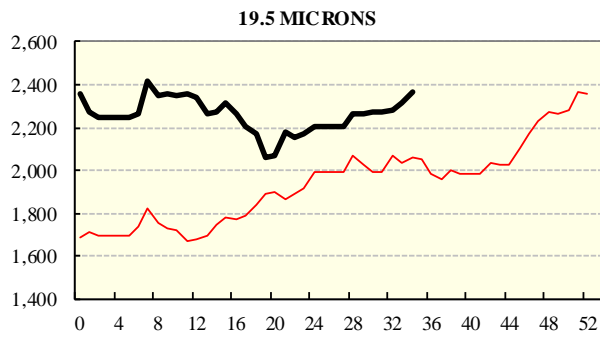
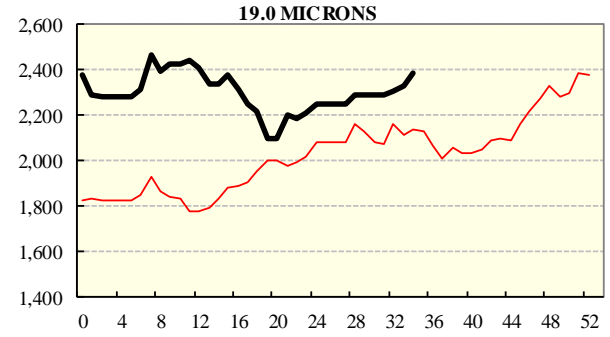
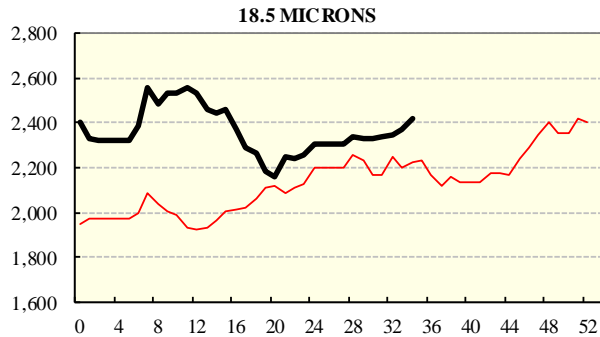
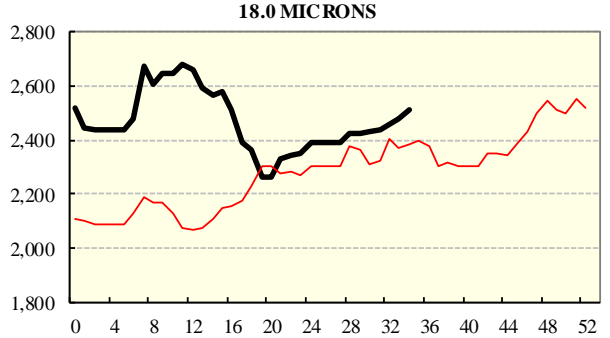
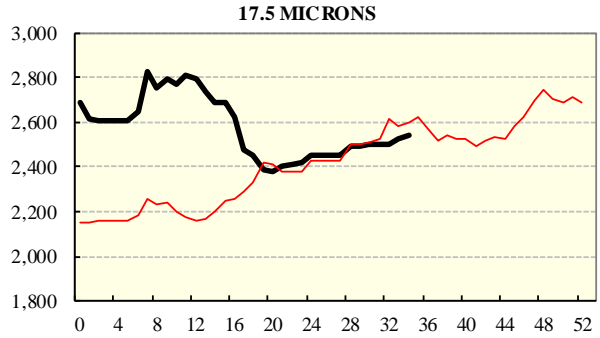
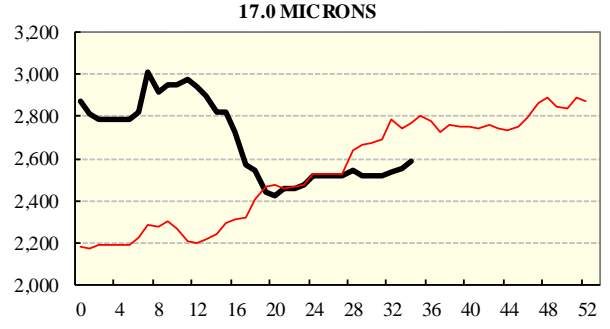
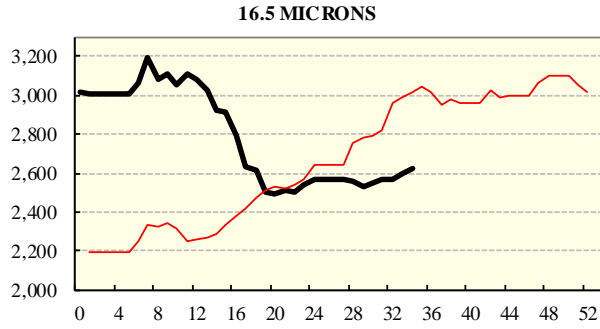
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2074	+54
South	1998	+30
West	2161	+19

BALES OFFERED	
This Year	1,067,217
Last Year	1,249,486
Difference	-182,269
% Diff	-14.6%
FIRST OFFERED BALES	
Difference	-16.3%
% of Offering	93.9%

REGION BALES		
This Sale:		Diff
North	9,054	
South	22,114	
West	8,800	
Progressive Totals:		Diff
North	293,172	-18.2%
South	562,587	-13.6%
West	211,458	-11.9%

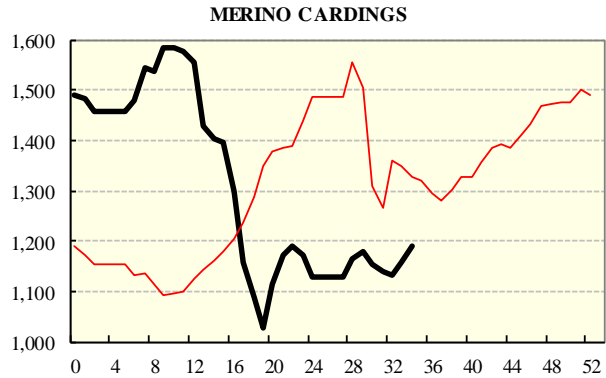
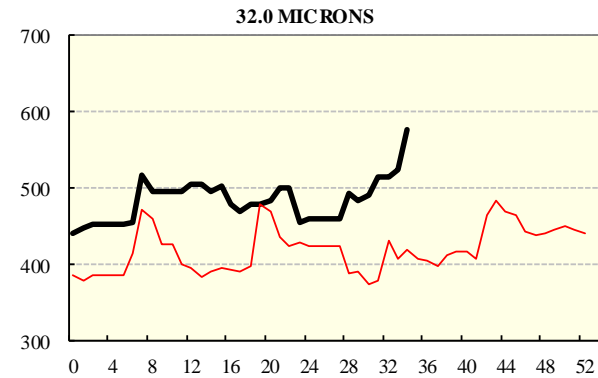
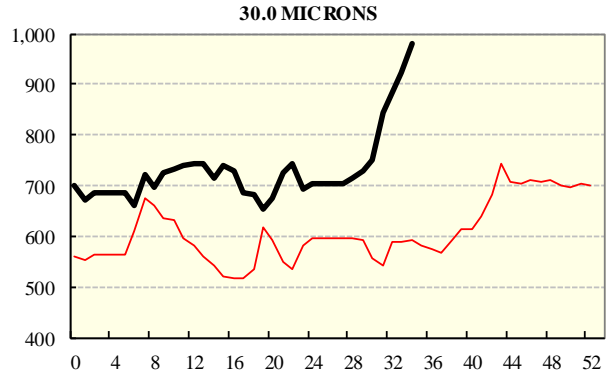
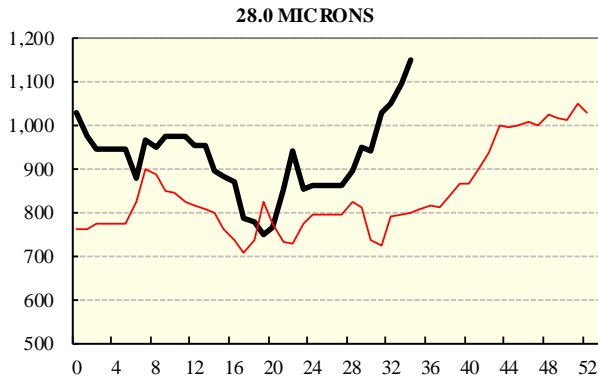
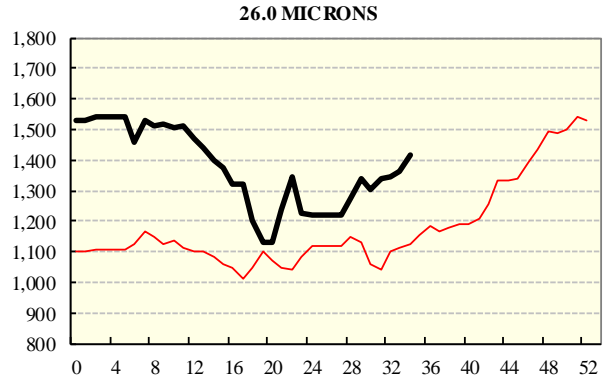
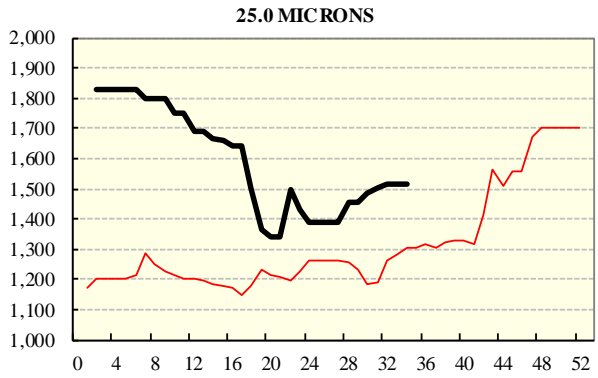
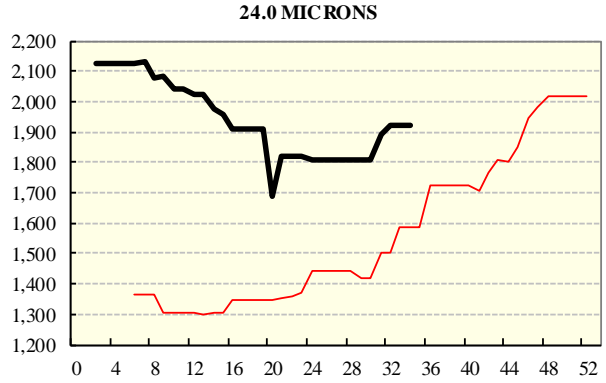
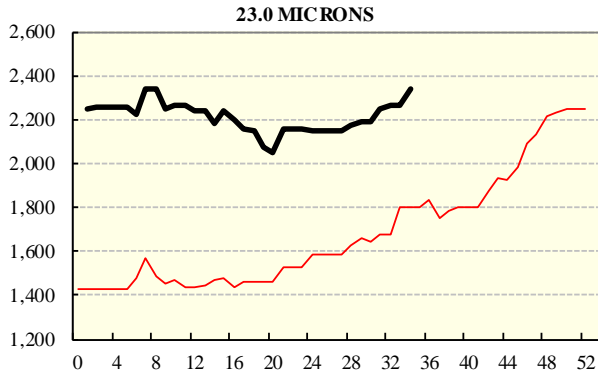
AVERAGE AWEX MICRON PRICE GUIDES

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)



Ctrl

y

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

(In Australian, United States and European Currencies)

