

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 24 August 2018 (Week 08)

The market gave up some of previous week's spectacular gains when the AWEX EMI finished at 2068¢, 48¢ lower (-2.3%) in Australian currency and 18¢ lower (-1.2%) in US currency at sales in Sydney and Melbourne this week.

However, the EMI is still 78¢ higher in \$A and 40¢ higher in \$US than it was two weeks ago

29,691 bales were on offer nationally, compared with 36,302 bales last sale. 10.8% of the offering was passed in.

AWEX reports that the value of the wool sold was \$63.5 million (\$2,396 per bale), taking the season total to \$415.4 million, 14% higher than at the same time last year.

Centre	Last Sale		Day-to-Day Changes (Week 08)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	07	2116	-41	-7	No Sale	-48 (-2.3%)	2068	-18	-37
Northern	07	2163	-41	-5	No Sale	-46 (-2.1%)	2117	-17	-35
Southern	07	2087	-42	-8	No Sale	-50 (-2.4%)	2037	-20	-38
Western	07	2279	No Sale	No Sale	No Sale				

The downward movements in the market were reasonably even across the Merino micron ranges, ranging from -3.5% at 20 microns to -2.5% at 18.0 and 24 microns. Trade reports indicate that the greatest pressure again came on the lesser types. Merino skirtings and oddments finished on a firm note in the North, but easier in the South. The AWEX Merino Cardings Price Guide was down by 6¢ to 1537¢.

The falls were more varied across the crossbred wools, ranging from -4.4% at 32 microns to -0.1% at 25 microns.

The US Exchange Rate continued its downward movement when it finished 0.81¢ (1.1%) higher to close at 73.56¢ on Wednesday.

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

In other countries, the South African Cape Wools Indicator was up by 12.4% since last week against a 13.5% depreciation of the Rand against the US Dollar and a 9.3% depreciation against the Euro.

Looking ahead, the expected offerings over the coming three sales range from 34,000 to 37,300 bales, 17.8% 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	252¢	358¢	501¢	658¢	834¢
South	209¢	324¢	484¢	650¢	805¢

Market Indicator	Changes From			
	Four Sales Ago Week 01	Start of the Season	Week 08 Last Year	Season Average to Week 08 Last Year
Eastern Market Indicator	+74 (+3.7%)	+80 (+4.0%)	+496 (+31.6%)	+474 (+30.5%)
Western Market Indicator	No Sale	No Sale	No Sale	No Sale

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 ¢	-108	-91	-76	-68	-70	-73	-64	-84	-79	-79		-54
Change %	-3.4%	-3.0%	-2.7%	-2.5%	-2.7%	-3.0%	-2.6%	-3.5%	-3.4%	-3.4%		-2.5%
Since Start of the Season												
Change ¢	+75	+118	+143	+162	+156	+111	+93	+47	+33	+32		-46
Change %	+2.5%	+4.2%	+5.5%	+6.6%	+6.7%	+4.9%	+4.1%	+2.1%	+1.5%	+1.4%		-2.2%
Since Same Week Last Year												
Change ¢	+753	+638	+526	+434	+445	+534	+602	+641	+649	+730		
Change %	+32.3%	+28.0%	+23.6%	+20.0%	+21.8%	+28.7%	+34.4%	+38.6%	+39.9%	+47.6%		

Micron	25.0	26.0	28.0	30.0	32.0	MC#
Since Last Sale						
Change ¢	-1	-17	-14	-25	-23	-6
Change %	-0.1%	-1.1%	-1.5%	-3.5%	-4.4%	-0.4%
Since the Start of the Season						
Change ¢	+481	+329	+230	+147	+56	+306
Change %	+40.5%	+29.7%	+30.0%	+26.3%	+14.6%	+26.3%
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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AWIS WOOL MARKET REVIEW Week Ending 24 August 2018 (Week 08)

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 June ABS export data.

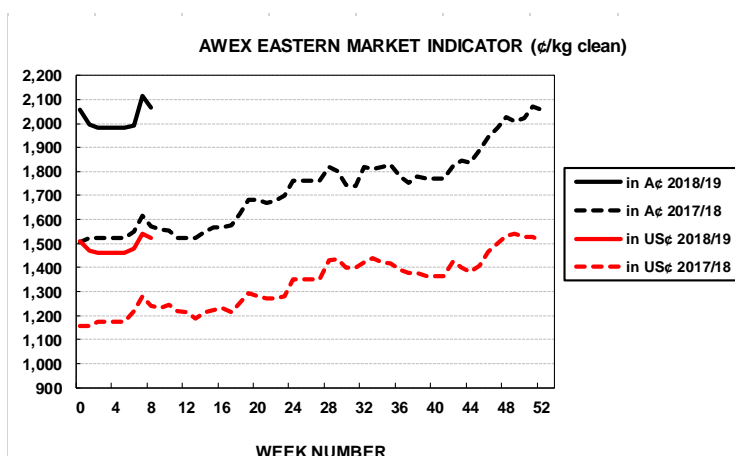
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	12,871	10,348	7.9%	1.6%	5.9%	9,532
South	18,971	19,343	12.3%	0.7%	5.6%	16,967
West	4,460					
Australia	36,302	29,691	10.8%	1.0%	5.7%	26,499

Actual and % Changes in the Progressive Offerings from Last Year	
-8,465	-10.6%
-10,778	-9.5%
-7,612	-22.8%
-26,855	-11.8%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 09	Week 10	Week 11	Differences
North	10,541	10,200	9,850	-23.2%
South	16,019	20,320	17,053	-14.8%
West	8,400	6,760	7,085	-16.6%
New Zealand				
Australia	34,960	37,280	33,988	-17.8%
Differences	-23.7%	-8.2%	-20.5%	

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	72.75	-0.05	+0.36	+0.54	-0.04	Public	+0.81 (+1.1%)	73.56	72.75	74.41
Euro	63.85	+0.03	+0.07	-0.11	-0.28	Holiday	-0.29 (-0.5%)	63.56	63.09	64.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to June	
	June 2018	July to June 2017/18	July to June 2016/19	By Weight	By Value
China	79.3%	79.1%	79.3%	+3.9%	+21.5%
India	9.5%	5.9%	6.1%	+1.2%	+17.9%
Italy	0.7%	4.0%	4.0%	-2.6%	+24.8%
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	2030
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2069	+257
South	2005	+312
West	2180	+373

THIS YEAR'S EMI	
This Week	2068
First Week	1994
Low (0/01)	1981
High (0/01)	2116

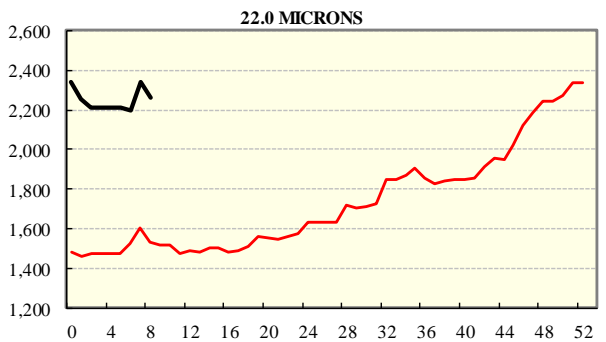
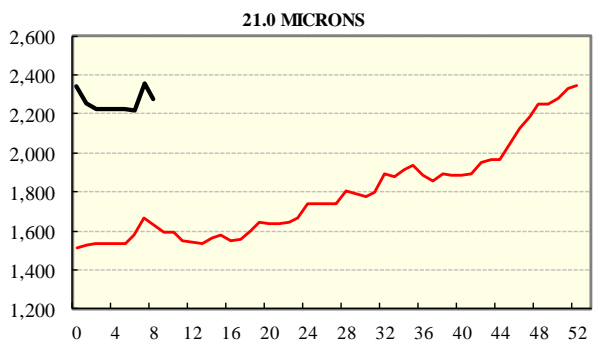
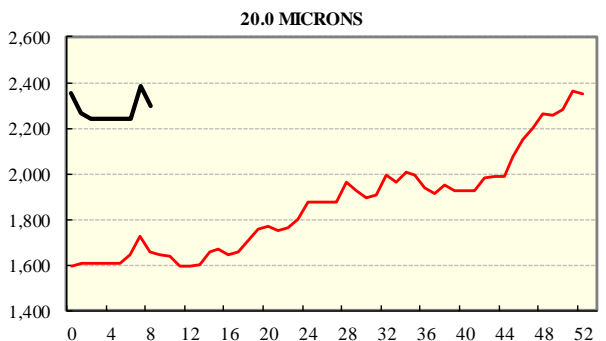
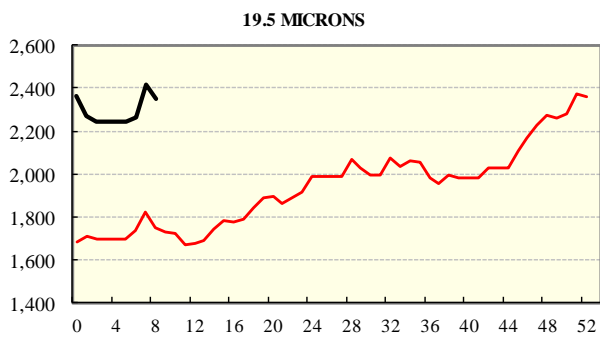
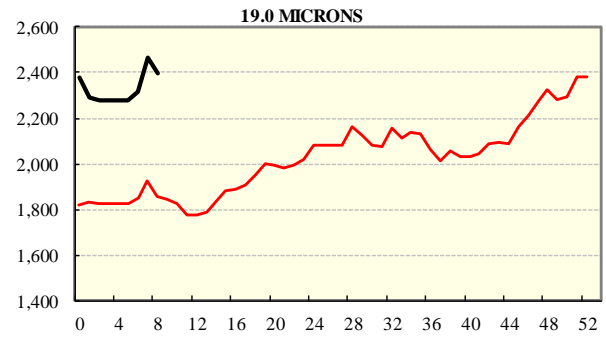
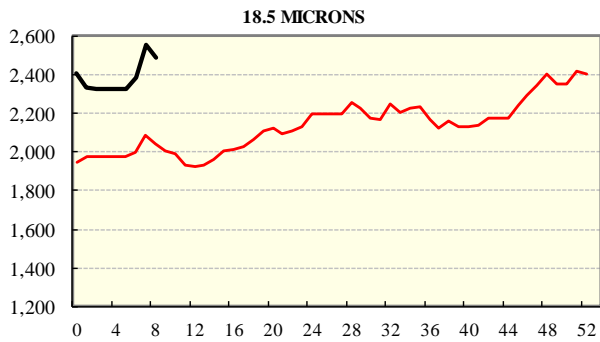
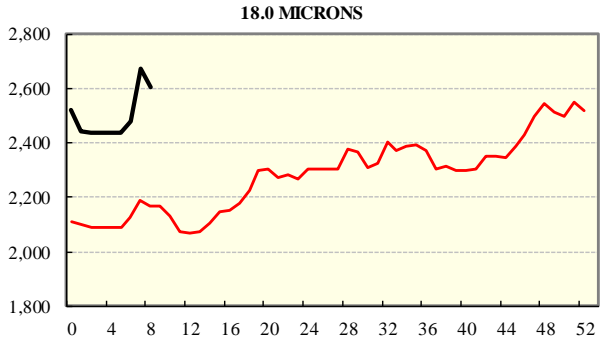
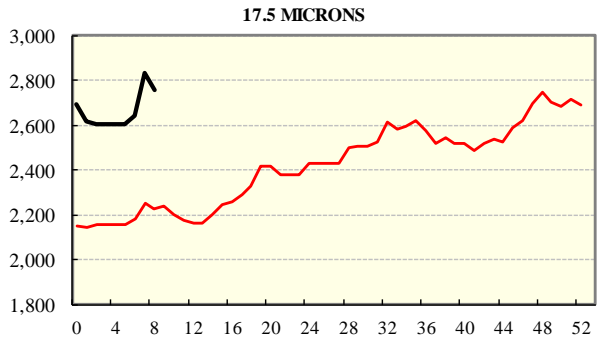
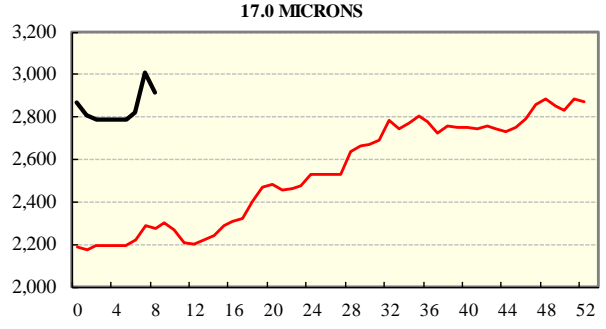
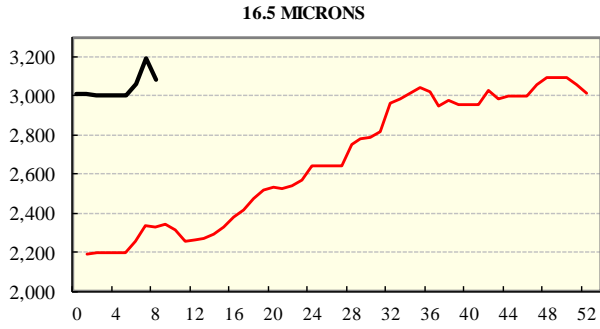
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2117	+97
South	2037	+69
West	2279	

BALES OFFERED	
This Year	199,832
Last Year	226,687
Difference	-26,855
% Diff	-11.8%
FIRST OFFERED BALES	
Difference	-11.2%
% of Offering	95.4%

REGION BALES		
This Sale:		
North	10,348	
South	19,343	
West		
Progressive Totals:		Diff
North	71,281	-10.6%
South	102,806	-9.5%
West	25,745	-22.8%

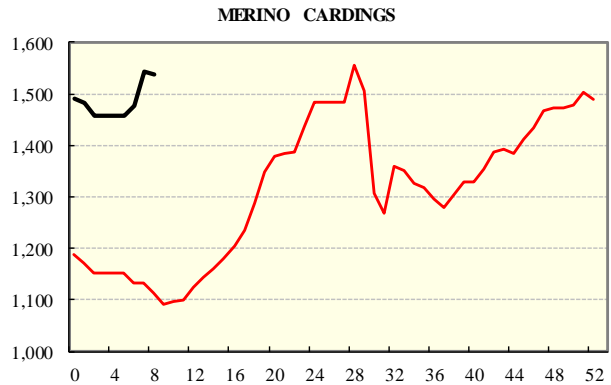
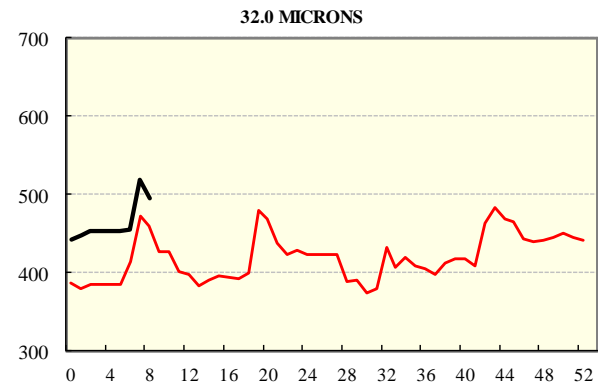
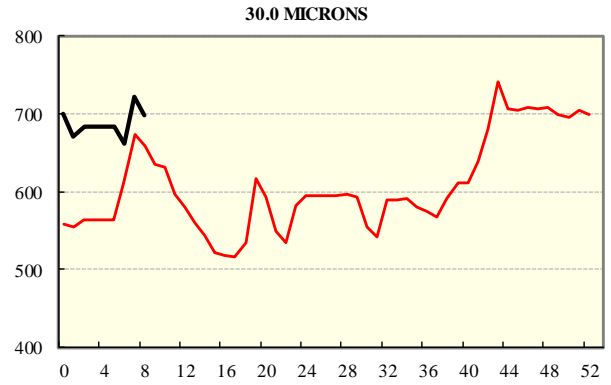
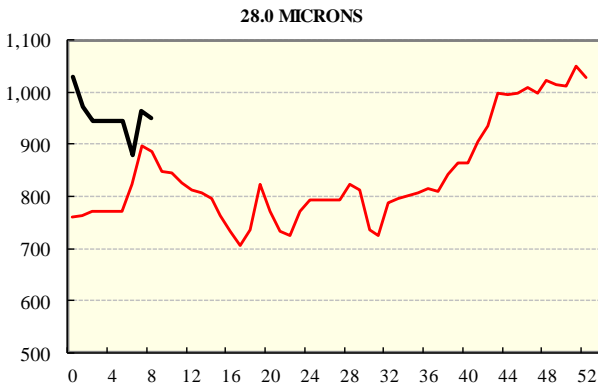
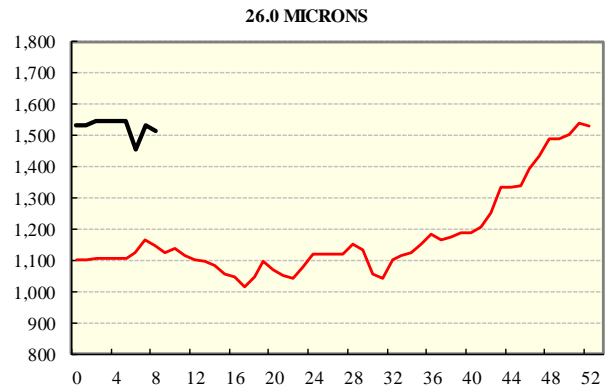
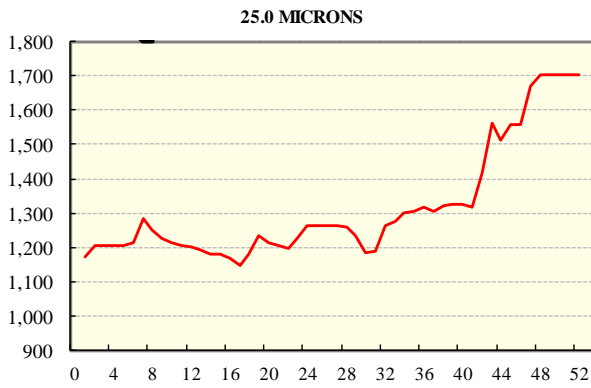
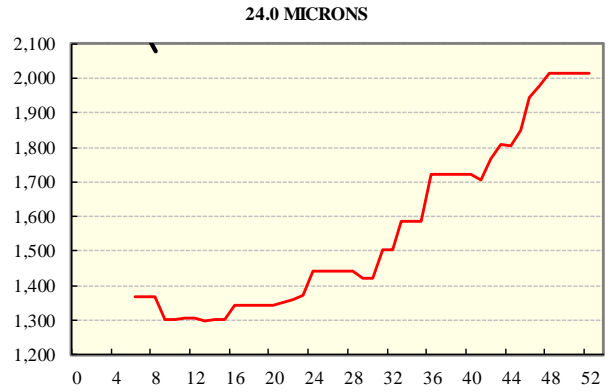
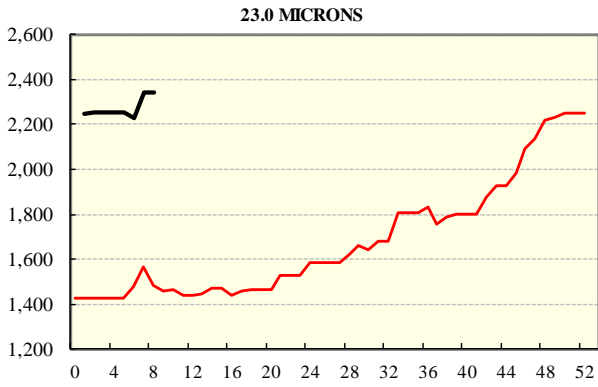
AVERAGE AWEX MICRON PRICE GUIDES

MIN(black graph line) and 2017/18 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES

MIN(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)

