

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 3 May 2019 (Week 44)

The AWEX EMI finished 17¢ higher (+0.9%) in Australian currency and 23¢ lower (-1.6%) in US currency when sales resumed in Sydney, Melbourne and Fremantle this week after the Easter break.

43,053 bales were on offer nationally, compared with 40,774 bales last sale. 6.4% of the offering was passed in.

AWEX reports that the value of the wool sold was \$82.9 million (\$2,058 per bale), taking the season total to \$2.832 billion (\$2,172 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 44)									
Centre	Last Sale		Day-to-Day Changes (Week 44)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	42	1943	No Sale	+12	+5	+17 (+0.9%)	1960	-23	-9
Northern	42	1979	No Sale	+11	+7	+18 (+0.9%)	1997	-23	-9
Southern	42	1921	No Sale	+17	+1	+18 (+0.9%)	1939	-22	-8
Western	42	2065	No Sale	+20	+8	+28 (+1.4%)	2093	-18	-3

Movements in prices were strongly influenced by the 2.5% change in the US Exchange Rate since the last day of selling prior to Easter. The closing US Exchange Rate was at an 11 week high on that day, while Thursday's closing rate was the lowest so far this season. The net result was that the closing EMI in A\$ was the highest since it reached 1963¢ in Week 38.

Changes in the Merino average AWEX MPGs were generally around +0.8%, except at 16.5 microns where it was +0.3%. Once again, the greatest percentage changes occurred among the crossbred types - this time from 26 to 30 microns, where the rises ranged from +2.5% to +4.1%. The 30 micron MPG reached 1000¢ for the first time in Melbourne on Wednesday (1003¢) and Thursday (1005¢).

The US Exchange Rate finished 1.80¢ (-2.5%) lower than on the last day of selling prior to Easter, to close at 70.20¢ on Thursday.

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

There was no sale in South Africa, where the ban on exports to China is still in place. Advice from South Africa is that a submission will be made to the OIE seeking a declaration of FMD-Free Status for areas outside the FMD Containment Zone. Looking ahead, offerings for the coming three sales are expected to range from 30,719 bales to 34,445 bales and to be 5.4% less than in the same period last year. The forecast progressive difference to Week 47 is -11.9%.

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	85¢	135¢	145¢	150¢	180¢

Market Indicator	Changes From			
	Four Sales Ago Week 39	Start of the Season	Week 44 Last Year	Season Average to Week 44 Last Year
Eastern Market Indicator	+13 (+0.7%)	-28 (-1.4%)	+124 (+6.8%)	+277 (+16.5%)
Western Market Indicator	-6 (-0.3%)	-49 (-2.3%)	+141 (+7.2%)	+357 (+20.4%)

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 ¢	+8	+21	+23	+20	+22	+21	+24	+16	+14	+20		
Change %	+0.3%	+0.9%	+1.0%	+0.8%	+1.0%	+0.9%	+1.1%	+0.7%	+0.6%	+0.9%		
Since Start of the Season												
Change ¢	-531	-356	-188	-41	+9	+22	+33	+18	+16	+8		
Change %	-17.7%	-12.7%	-7.2%	-1.7%	+0.4%	+1.0%	+1.5%	+0.8%	+0.7%	+0.4%		
Since Same Week Last Year												
Change ¢	-525	-290	-103	+54	+166	+217	+266	+280	+290	+291		
Change %	-17.5%	-10.6%	-4.1%	+2.3%	+7.6%	+10.4%	+13.1%	+14.1%	+14.7%	+14.9%		

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 ¢		+37	+51	+29	0	+15
Change %		+2.5%	+4.1%	+3.0%	0.0%	+1.4%
Since Start of the Season						
Change ¢		-31	+347	+324	+213	-372
Change %		-2.0%	+36.2%	+47.9%	+47.2%	-25.3%
Since Same Week Last Year						
Change ¢		+179	+312	+294	+195	-286
Change %		+13.4%	+31.4%	+41.6%	+41.6%	-20.7%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 3 May 2019 (Week 44)

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.

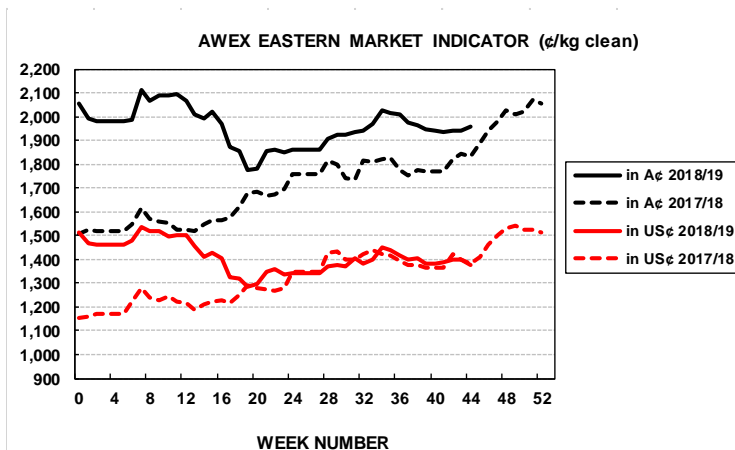
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	9,663	10,443	3.1%	11.0%	7.7%	10,120
South	21,165	21,790	5.5%	2.8%	7.0%	20,592
West	9,946	10,820	11.5%	10.2%	13.5%	9,578
Australia	40,774	43,053	6.4%	6.8%	8.8%	40,290

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-78,725	-17.1%	-18.1%
-99,626	-11.6%	-13.1%
-24,533	-7.6%	-11.4%
-202,884	-12.3%	-14.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 45	Week 46	Week 47	Differences
North	8,159	8,730	7,840	-17.1%
South	19,248	17,815	15,279	-7.3%
West	6,057	7,900	7,600	+20.0%
New Zealand				
Australia	33,464	34,445	30,719	98,628
Differences	-11.6%	-5.4%	+2.2%	-5.4%

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	72.00	-1.75	+0.31	-0.17	+0.15	-0.34	-1.80 (-2.5%)	70.20	70.20	74.41
Euro	63.65	-0.59	+0.18	-0.27	-0.09	-0.23	-1.00 (-1.6%)	62.65	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

THIS YEAR'S EMI	
This Week	1960
First Week	1994
Low (0/01)	1776
High (0/01)	2116

BALES OFFERED	
This Year	1,441,422
Last Year	1,644,306
Difference	-202,884
% Diff	-12.3%
FIRST OFFERED BALES	
Difference	-14.1%
% of Offering	93.6%

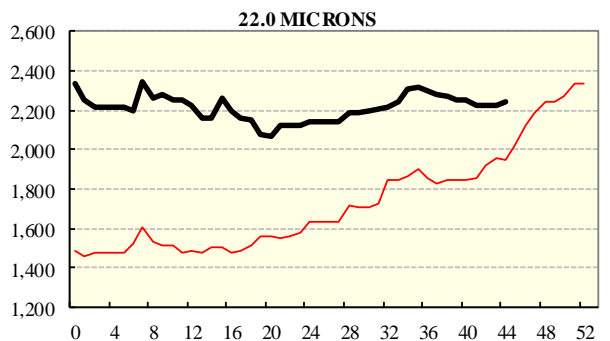
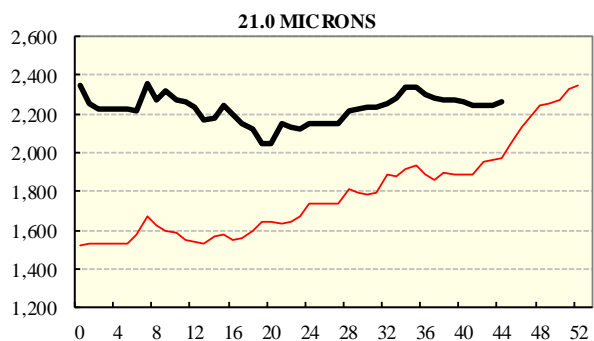
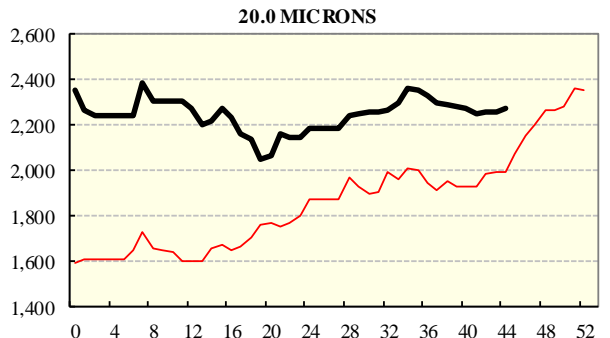
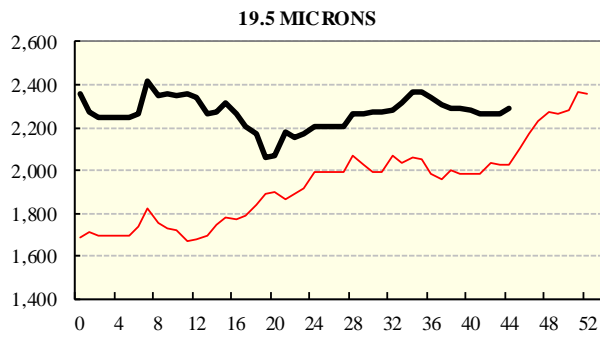
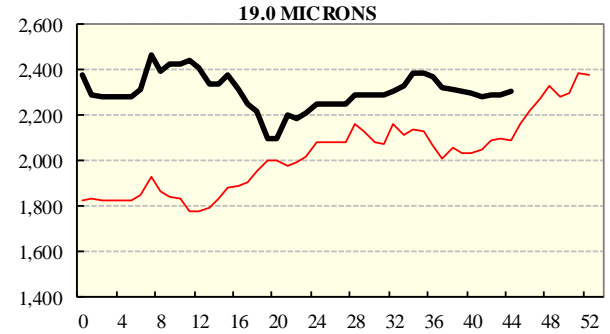
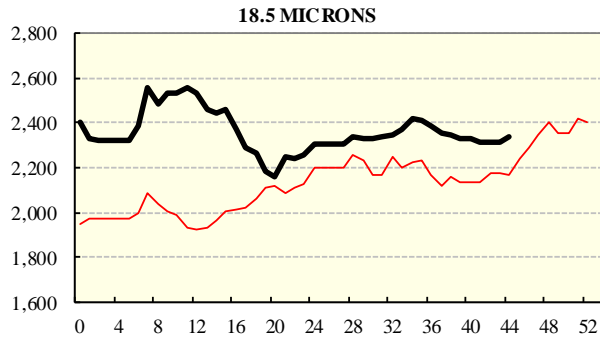
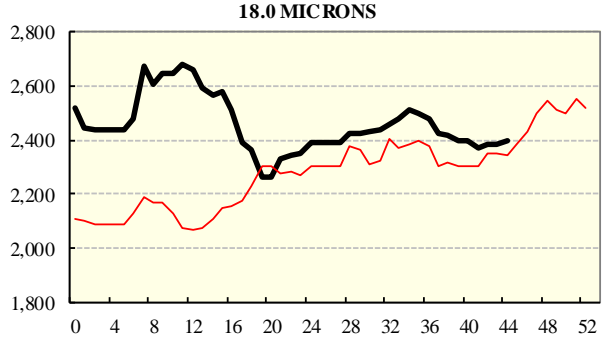
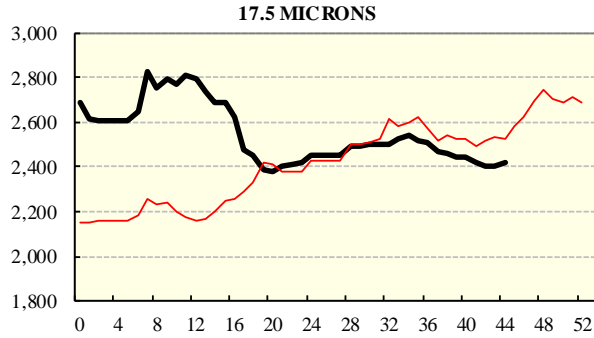
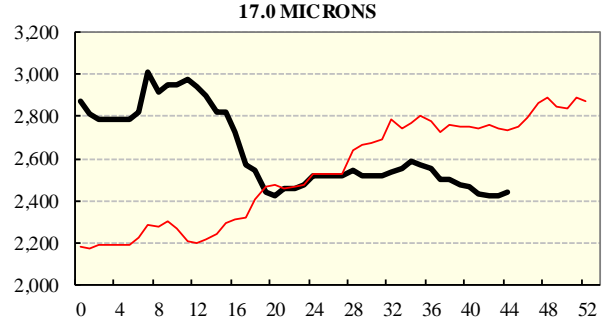
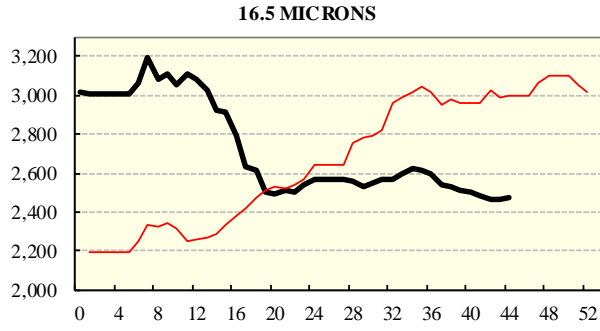
SEASON AVERAGES		
Region	This Year	Diff
North	2006	+194
South	1931	+238
West	2110	+303

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1997	-23
South	1939	-29
West	2093	-49

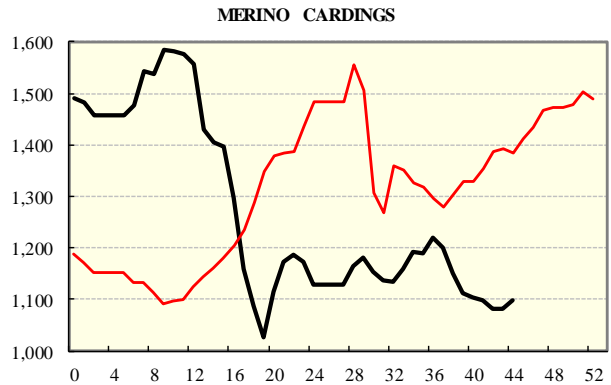
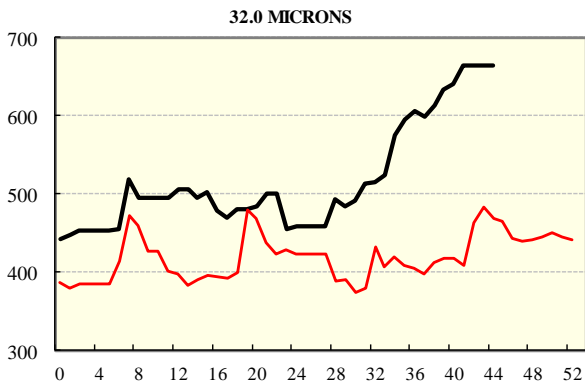
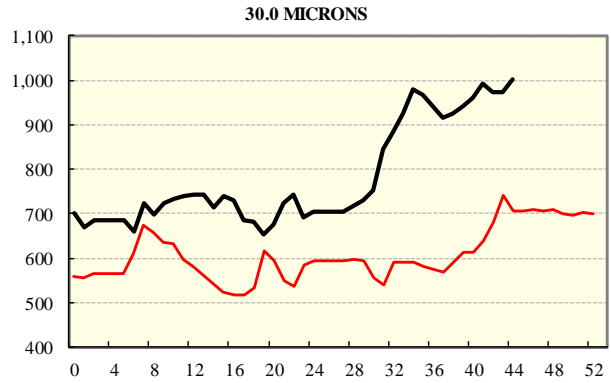
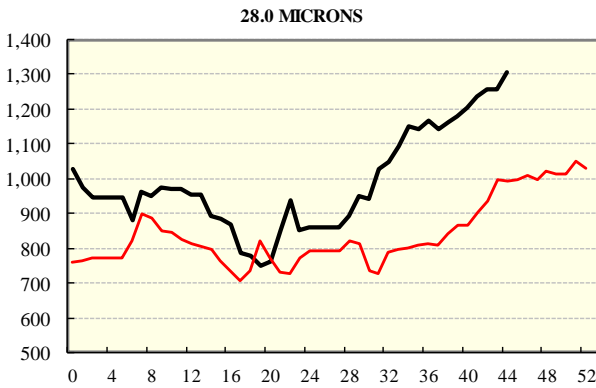
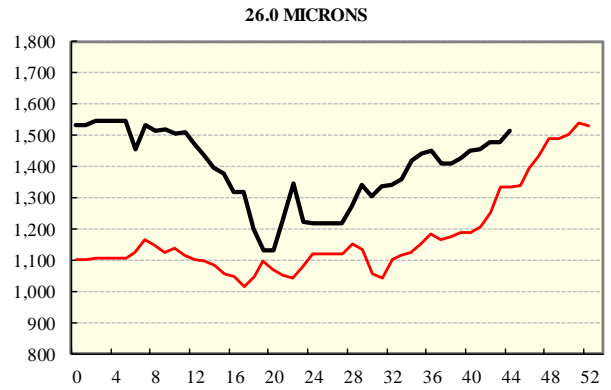
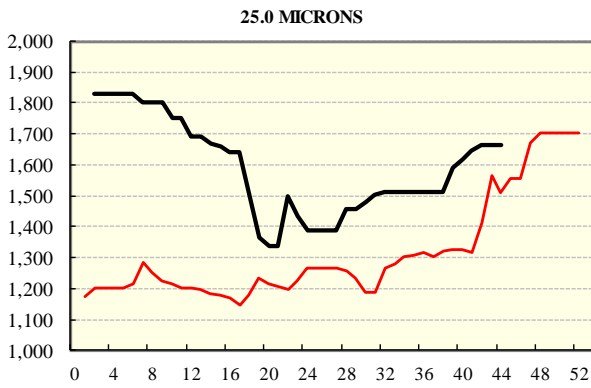
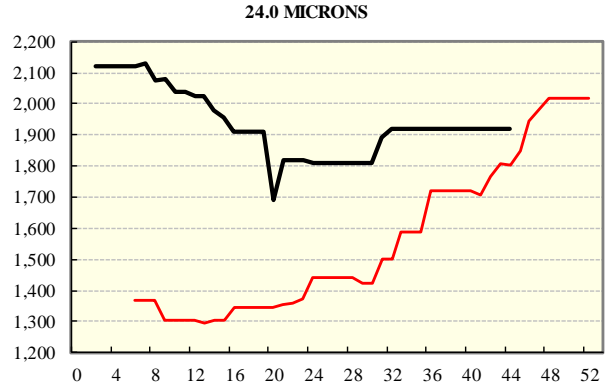
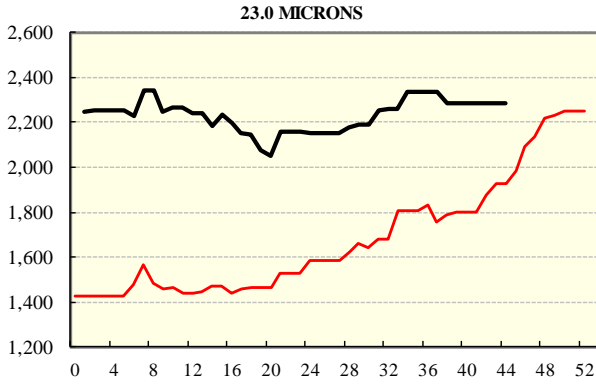
REGION BALES		
This Sale:		
North	10,443	
South	21,790	
West	10,820	
Progressive Totals:		
North	380,936	-17.1%
South	761,281	-11.6%
West	299,205	-7.6%

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)

