

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 7 June 2019 (Week 49)

The AWEX EMI finished at 1864¢, 23¢ lower (-1.2%) in Australian currency and 8¢ lower (-0.6%) in US currency at sales in Sydney and Melbourne this week. There was no sale in Fremantle.

21,739 bales were on offer nationally, compared with 28,273 bales last sale. 15.6% of the offering was passed in.

AWEX reports that the value of the wool sold was \$35.2 million (\$1,918 per bale), taking the season total to \$3.061 billion (\$2,153 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 49)									
Centre	Last Sale		Day-to-Day Changes (Week 49)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	48	1887	No Sale	-7	-16	-23 (-1.2%)	1864	-8	-17
Northern	48	1909	No Sale	-9	-17	-26 (-1.4%)	1883	-10	-19
Southern	48	1874	No Sale	-7	-15	-22 (-1.2%)	1852	-6	-16
Western	48	1992	No Sale	No Sale	No Sale				

The market got away to a steady start on Wednesday, when the EMI was up in US currency, which had appreciated since last sale. This momentum was not maintained on Thursday when the EMI eased in both currencies.. The week closed with downward movements for virtually all types and micron ranges. The Merino average MPGs were down by between 1% and 1.6%.

The US Exchange Rate finished 0.46¢ (0.7%) higher to close at 69.75¢ on Thursday. This is contrary to what would normally be expected when the Reserve Bank of Australia (RBA) lowers the official interest rate, as they did when it was lowered by 0.25% on Tuesday

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

In other countries, the South African Cape Wools Indicator was unchanged since last week against a 0.6% appreciation of the Rand against the US Dollar and a 0.4% depreciation against the Euro. The Chinese ban on greasy wool imports is still not resolved.

Looking ahead, offerings for the coming three sales are expected to range from 19,610 bales to 32,680 bales and to be 1.9% more than in the same period last year. The forecast progressive difference to Week 52 is -11.8%.

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	69¢	97¢	115¢	No 17.0µ MPG	No 16.5µ MPG

Market Indicator	Changes From			
	Four Sales Ago Week 45	Start of the Season	Week 49 Last Year	Season Average to Week 49 Last Year
Eastern Market Indicator	-88 (-4.5%)	-124 (-6.2%)	-147 (-7.3%)	+234 (+13.6%)
Western Market Indicator	No Sale	No Sale	No Sale	No Sale

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 ¢			-29	-36	-26	-27	-24	-23	-31	-25		
Change %			-1.2%	-1.6%	-1.2%	-1.2%	-1.1%	-1.0%	-1.4%	-1.1%		
Since Start of the Season												
Change ¢			-304	-155	-107	-103	-78	-76	-76	-76		
Change %			-11.6%	-6.3%	-4.6%	-4.5%	-3.5%	-3.4%	-3.4%	-3.4%		
Since Same Week Last Year												
Change ¢			-397	-226	-132	-101	-79	-83	-85	-86		
Change %			-14.7%	-9.0%	-5.6%	-4.4%	-3.5%	-3.7%	-3.8%	-3.8%		

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 ¢				-6	+4	0	-34	
Change %				-0.5%	+0.4%	0.0%	-3.3%	
Since Start of the Season								
Change ¢				-75	+159	+258	+172	-463
Change %				-4.9%	+16.6%	+38.1%	+38.1%	-31.5%
Since Same Week Last Year								
Change ¢				-21	+105	+236	+178	-467
Change %				-1.4%	+10.4%	+33.8%	+40.0%	-31.7%

Average Merino Cardings Price Guide

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Week Ending 7 June 2019 (Week 49)

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.

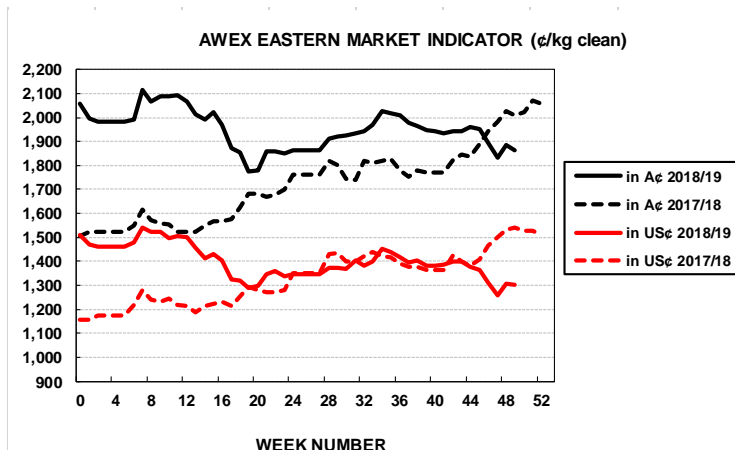
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	7,864	9,495	14.0%	4.9%	7.8%	8,162
South	16,418	12,244	16.8%	7.4%	7.2%	10,190
West	3,991					
Australia	28,273	21,739	15.6%	6.3%	7.5%	18,352

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-89,863	-17.6%	-18.8%
-109,198	-11.5%	-13.3%
-25,407	-7.3%	-11.6%
-224,468	-12.4%	-14.5%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 50	Week 51	Week 52	Differences
North	8,242	7,040	8,735	-24.1%
South	15,136	12,570	17,045	+11.4%
West	6,611	No Sale	6,900	+51.5%
New Zealand				
Australia	29,989	19,610	32,680	82,279
Differences	+7.0%	-6.2%	+2.8%	+1.9%

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	69.29	-0.13	+0.32	+0.34	+0.18	-0.25	+0.46 (+0.7%)	69.75	68.76	74.41
Euro	62.22	-0.08	+0.03	-0.13	+0.10	-0.05	-0.13 (-0.2%)	62.09	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to April	
	April 2019	July to April 2018/19	July to April 2017/20	By Weight	By Value
China	84.6%	77.3%	78.8%	-13.7%	+1.1%
India	4.6%	5.9%	5.4%	-3.9%	+12.9%
Italy	2.7%	5.0%	4.4%	+0.1%	+10.5%
Czech Republic	1.2%	3.6%	5.2%	-38.8%	-26.7%
Korea	2.2%	2.5%	1.5%	+44.6%	+61.2%
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	1951
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	1996	+184
South	1924	+230
West	2099	+291

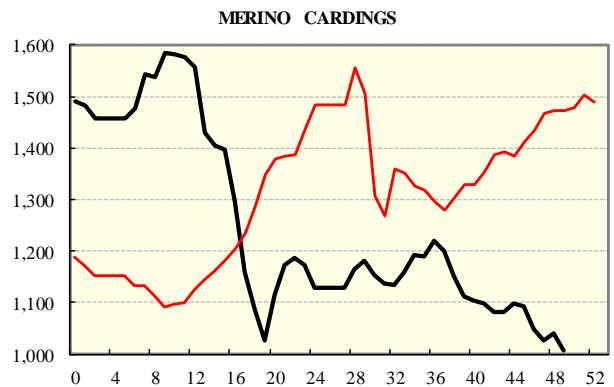
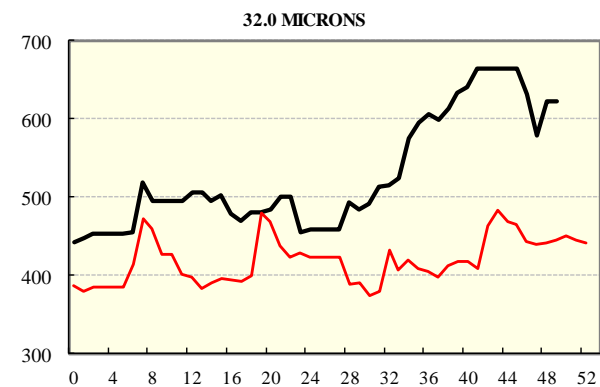
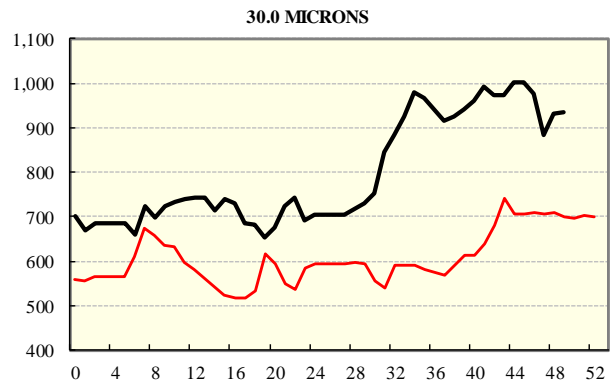
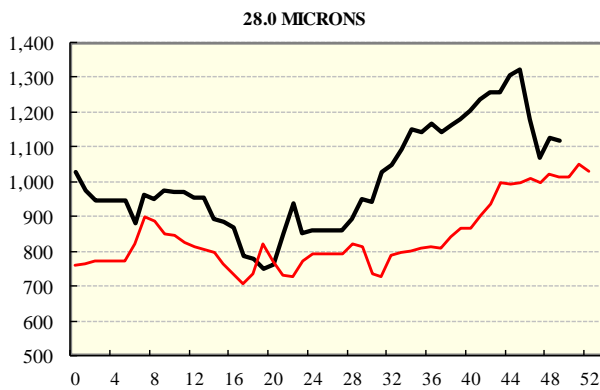
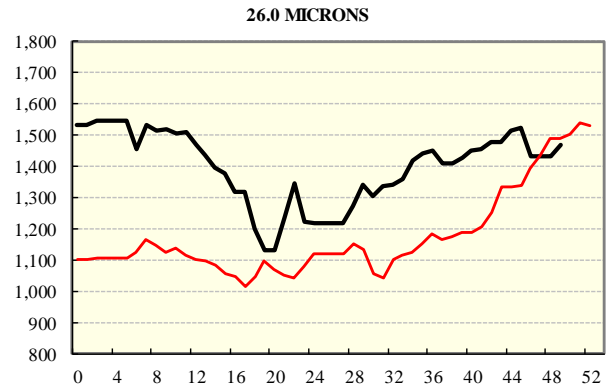
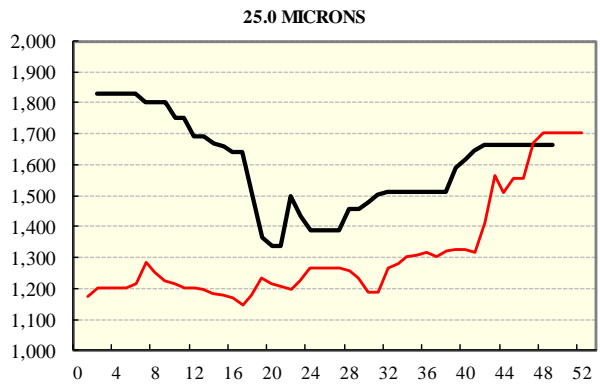
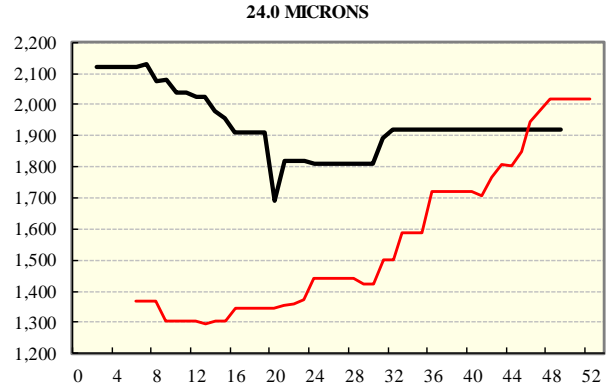
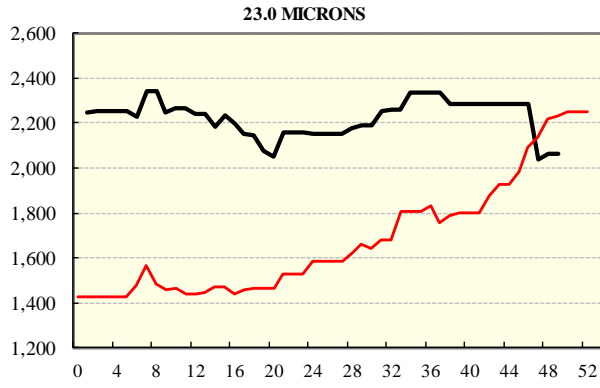
THIS YEAR'S EMI	
This Week	1864
First Week	1994
Low (0/01)	1776
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1883	-137
South	1852	-116
West	1992	

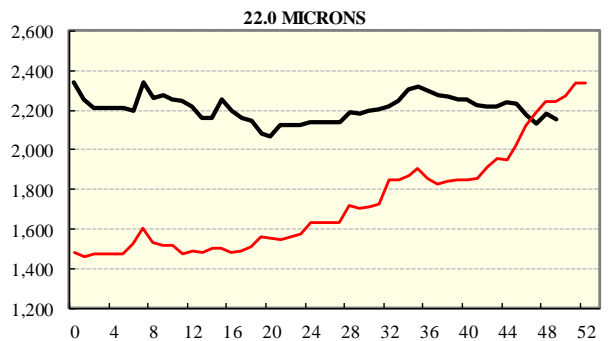
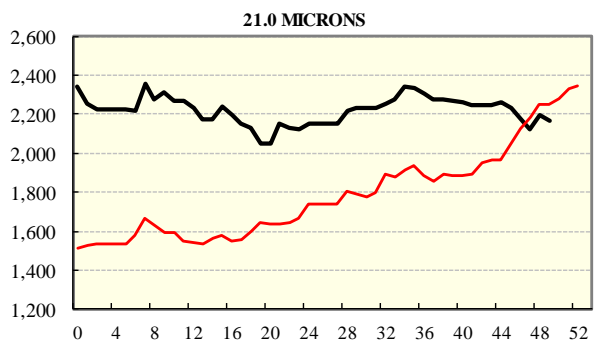
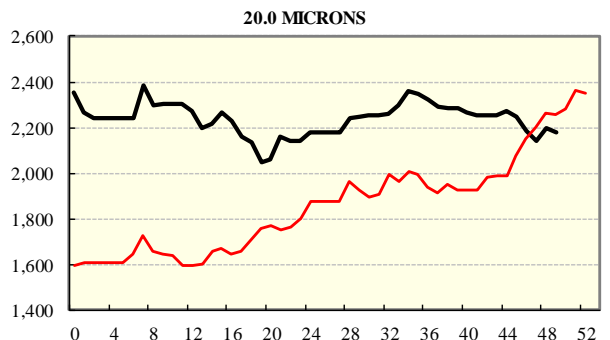
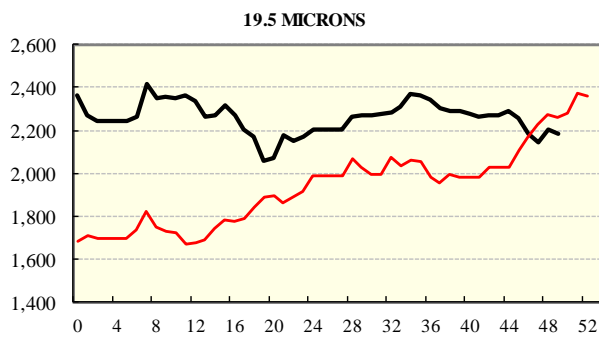
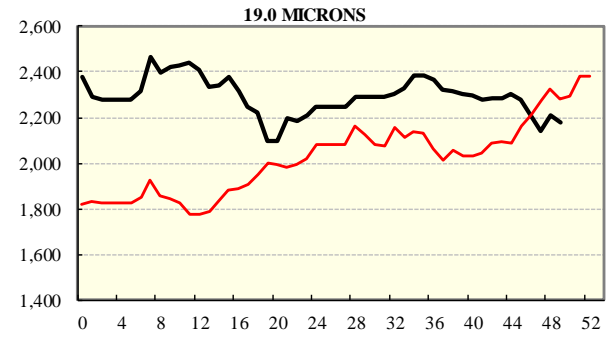
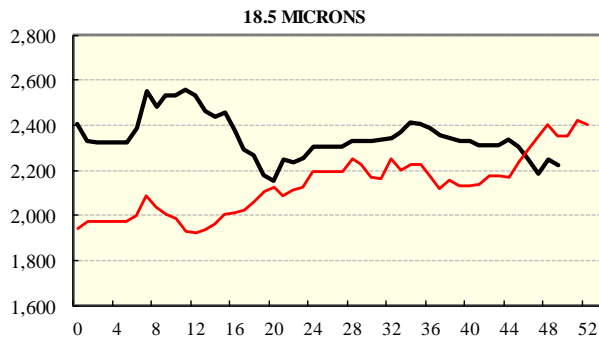
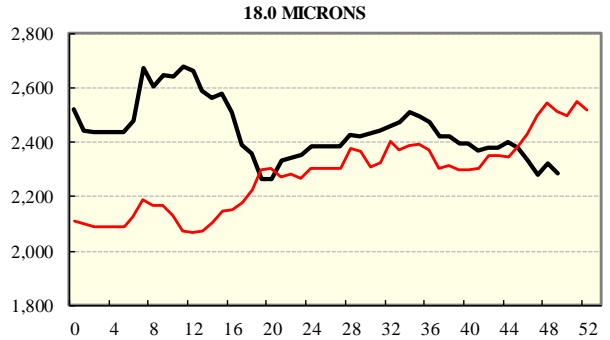
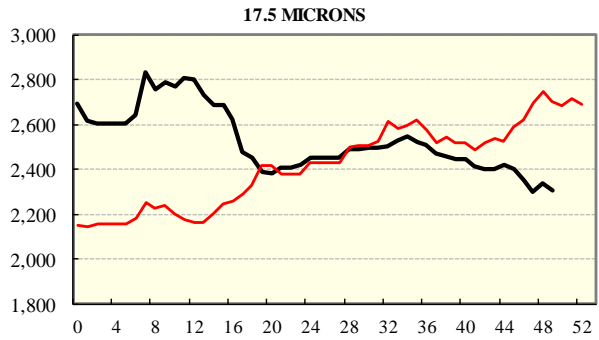
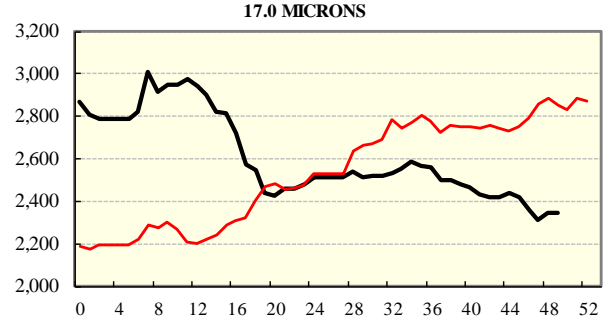
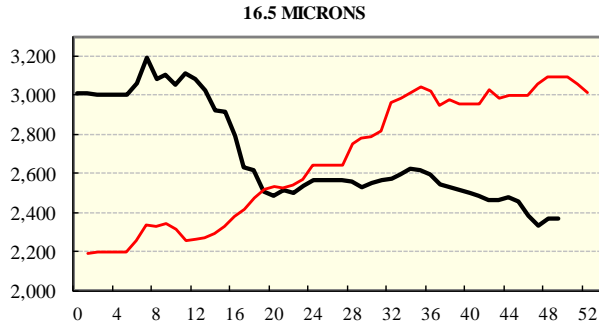
BALES OFFERED	
This Year	1,581,512
Last Year	1,805,980
Difference	-224,468
% Diff	-12.4%
FIRST OFFERED BALES	
Difference	-14.5%
% of Offering	93.3%

REGION BALES		
This Sale:		Diff
North	9,495	
South	12,244	
West		
Progressive Totals:		Diff
North	421,634	-17.6%
South	839,445	-11.5%
West	320,433	-7.3%

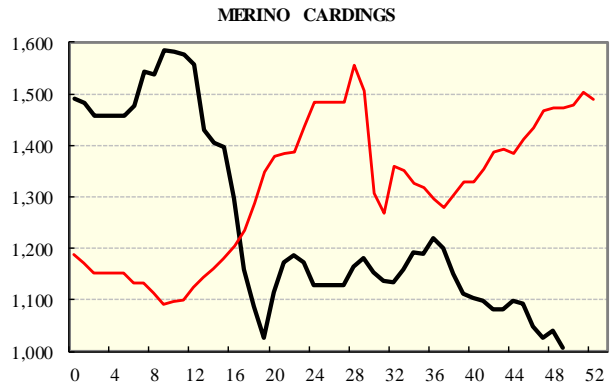
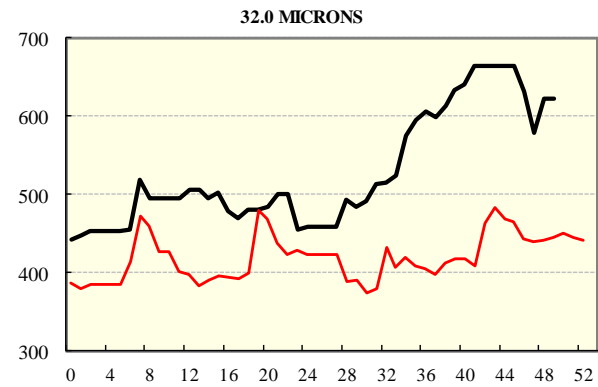
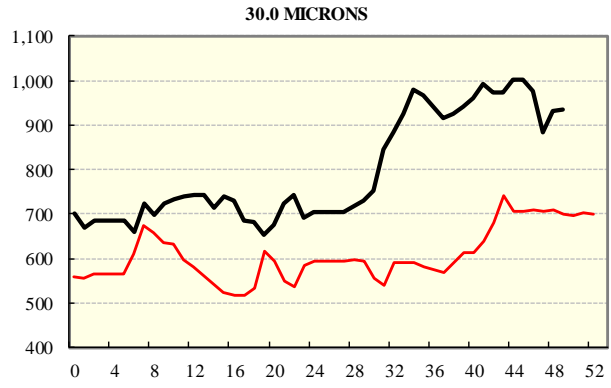
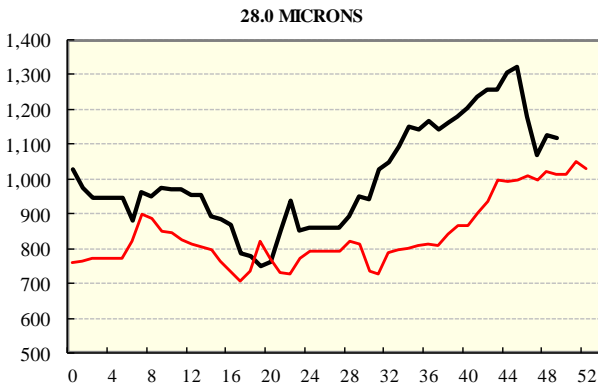
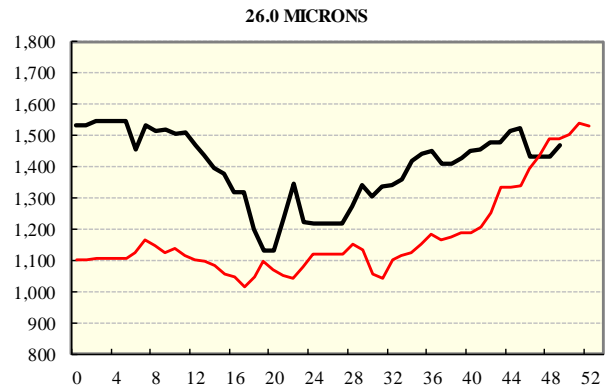
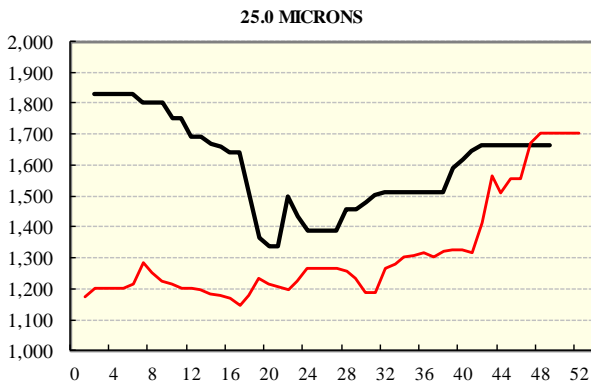
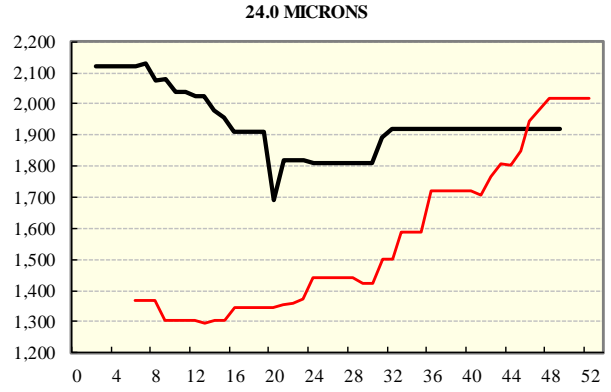
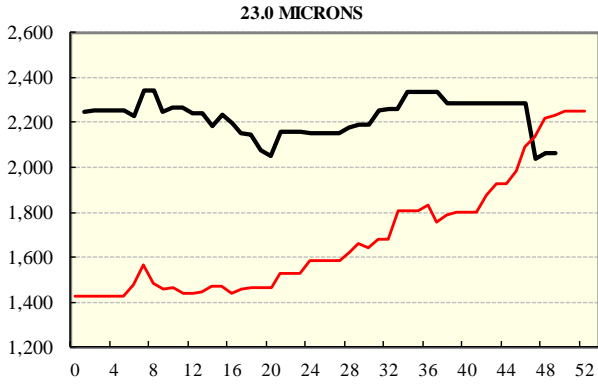
AVERAGE AWEX MICRON PRICE GUIDES
2018/19 (black graph line) and 2017/18 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES **2018/19 (black graph line) and 2017/18 (red graph line)**



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)

