

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 9 November 2018 (Week 19)

The AWEX EMI finished at 1776¢, 78¢ lower (-4.2%) in Australian currency and 30¢ lower (-2.3%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

32,189 bales were on offer nationally, compared with 35,124 bales last sale. 20.9% of the offering was passed in.

The offering was the smallest three centre offering of the season; and 10,657 less than the 42,846 bales offered in Week 19 last year (when the EMI was 1681¢).

AWEX reports that the value of the wool sold was \$48.9 million (\$1,921 per bale), taking the season total to \$1.212 billion (\$2,343 per bale).

The New Zealand Merino Company also offered 660 bales in Melbourne on Wednesday, of which 35.8% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 19)									
Centre	Last Sale		Day-to-Day Changes (Week 19)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	18	1854	No Sale	-59	-19	-78 (-4.2%)	1776	-30	-34
Northern	18	1891	No Sale	-55	-27	-82 (-4.3%)	1809	-32	-36
Southern	18	1830	No Sale	-61	-15	-76 (-4.2%)	1754	-29	-33
Western	18	2005	No Sale	-72	-2	-74 (-3.7%)	1931	-25	-31

The market slipped again on Wednesday, before settling to some extent on Thursday. It was disappointing after the steadier performance in the previous week. All Diameters and Types were affected. Falls among the Merinos varied over the two days, but without displaying any consistent pattern. Falls among the crossbreds were also varied.

Oddments continued to come under strong pressure with the average AWEX Merino Cardings Price Guide moving down by another 62¢ (-5.7%).

The US Exchange Rate finished 1.44¢ (2.0%) higher to close at 72.74¢ on Thursday. This did not help the market in a difficult week.

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

Looking ahead, offerings for the coming three sales are expected to range from 35,400 bales to 39,900 bales and to be 22.8% less than in the same period last year. The forecast progressive difference to Week 22 is -16.7%.

The National Wool Production Forecasting Committee will meet on Wednesday and issue their updated forecast on Friday.

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	94¢	107¢	245¢	287¢	337¢

Market Indicator	Changes From			
	Four Sales Ago Week 15	Start of the Season	Week 19 Last Year	Season Average to Week 19 Last Year
Eastern Market Indicator	-247 (-12.2%)	-212 (-10.7%)	+95 (+5.7%)	+434 (+27.7%)
Western Market Indicator	-239 (-11.0%)	-211 (-9.9%)	+209 (+12.1%)	+534 (+33.1%)

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 ¢	-113	-103	-64	-97	-84	-122	-114	-86	-76	-69	-71	
Change %	-4.3%	-4.0%	-2.6%	-4.1%	-3.7%	-5.5%	-5.2%	-4.0%	-3.6%	-3.2%	-3.3%	
Since Start of the Season												
Change ¢	-502	-357	-224	-178	-146	-186	-199	-202	-192	-153	-173	
Change %	-16.7%	-12.8%	-8.6%	-7.3%	-6.3%	-8.1%	-8.8%	-9.0%	-8.6%	-6.9%	-7.7%	
Since Same Week Last Year												
Change ¢	-12	-28	-29	-38	+74	+98	+170	+291	+407	+518		
Change %	-0.5%	-1.1%	-1.2%	-1.7%	+3.5%	+4.9%	+9.0%	+16.5%	+24.8%	+33.2%		

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 ¢			-30	-28	0	-62
Change %			-3.9%	-4.1%	0.0%	-5.7%
Since Start of the Season						
Change ¢	-464	-413	-211	-24	+29	-444
Change %	-25.4%	-26.7%	-22.0%	-3.5%	+6.4%	-30.2%
Since Same Week Last Year						
Change ¢	+130	+33	-74	+37	0	-323
Change %	+10.5%	+3.0%	-9.0%	+6.0%	0.0%	-23.9%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 9 November 2018 (Week 19)

The following tables show the details of this week's offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the August ABS export data.

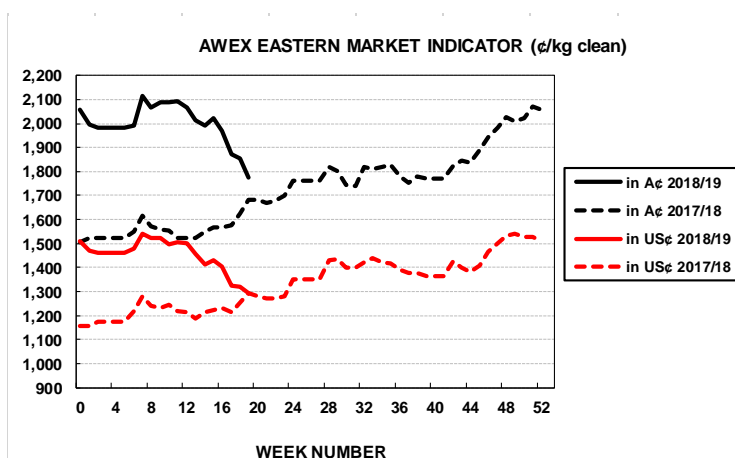
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	9,018	8,625	17.5%	3.6%	8.2%	7,116
South	19,167	17,172	18.0%	9.7%	9.5%	14,086
West	6,939	6,392	33.5%	10.8%	11.6%	4,253
Australia	35,124	32,189	20.9%	8.4%	9.5%	25,455

Actual and % Changes in the Progressive Offerings from Last Year	
-37,110	-17.5%
-45,470	-12.9%
-23,285	-18.5%
-105,865	-15.4%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 20	Week 21	Week 22	Differences
North	10,161	9,650	9,880	-26.4%
South	21,419	17,996	20,460	-21.9%
West	8,303	7,800	7,900	-20.0%
New Zealand		<i>800</i>		
Australia	39,883	35,446	38,240	113,569
Differences	-21.3%	-25.2%	-22.1%	-22.8%

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	71.30	+1.13	-0.54	+0.24	+0.51	+0.10	+1.44 (+2.0%)	72.74	70.72	74.41
Euro	62.85	+0.63	-0.34	+0.13	+0.13	+0.27	+0.82 (+1.3%)	63.67	61.17	64.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to August	
	August 2018	July to August 2018/19	July to August 2017/18	By Weight	By Value
China	78.5%	75.5%	74.7%	-19.8%	+11.1%
India	5.4%	7.2%	7.2%	-21.4%	-2.5%
Italy	4.5%	6.1%	5.2%	-7.6%	+10.3%
Czech Republic	3.8%	3.9%	5.9%	-47.8%	-16.2%
Korea	2.6%	2.1%	1.4%	+17.4%	+45.4%
Malaysia	0.9%	1.1%	1.6%	-47.4%	-39.4%
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	1999
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2048	+236
South	1969	+275
West	2148	+340

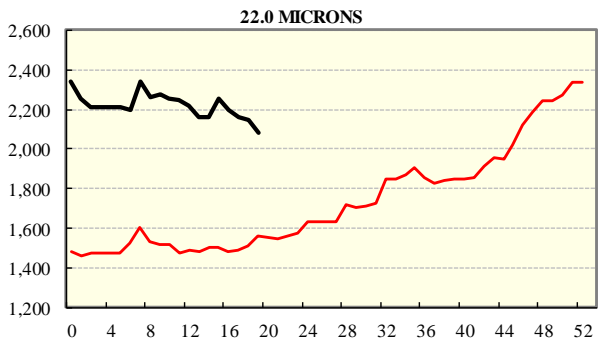
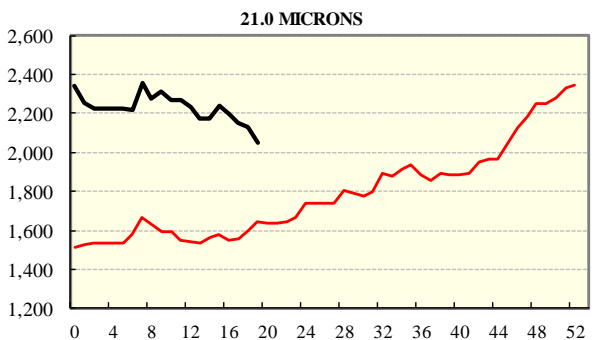
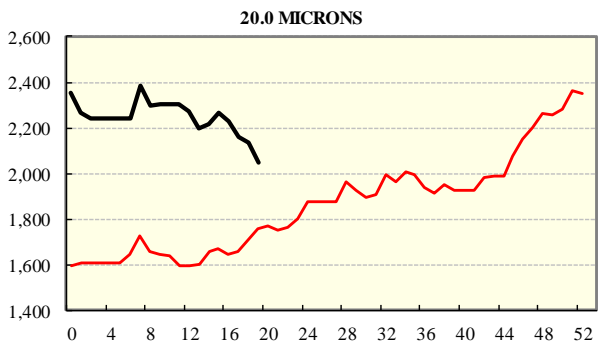
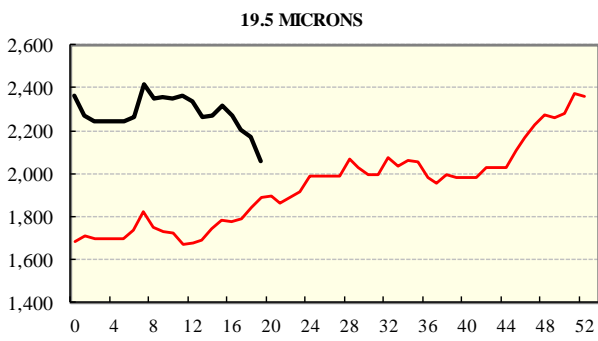
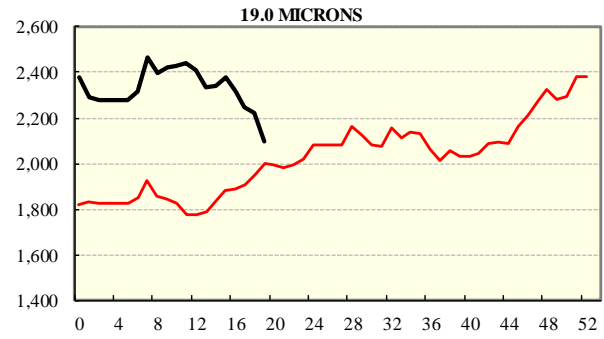
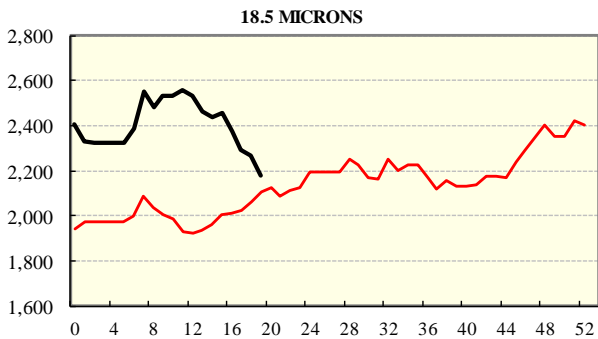
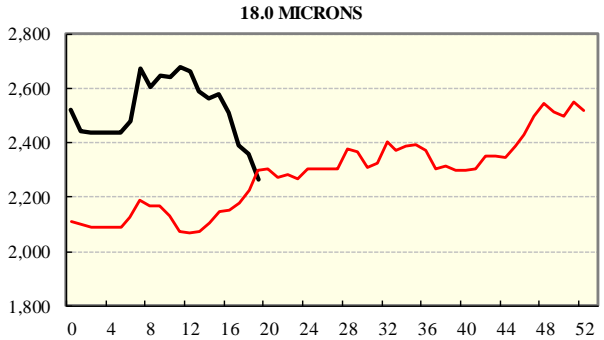
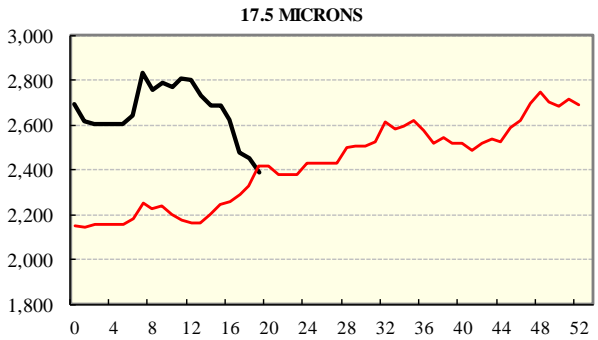
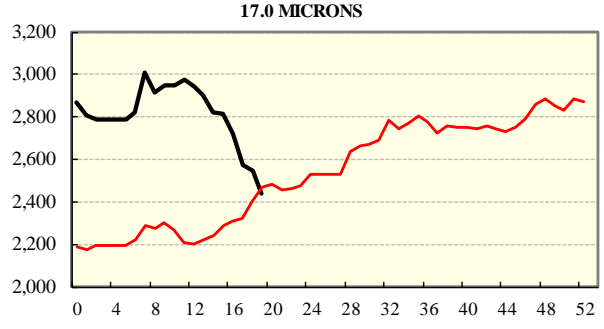
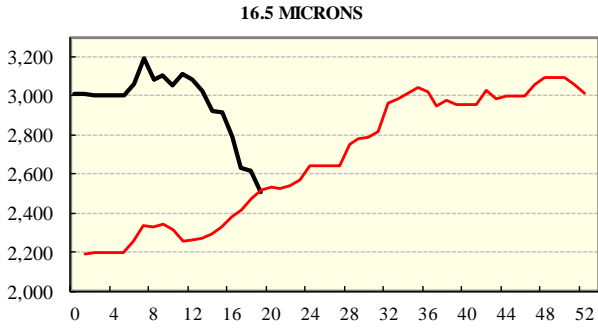
THIS YEAR'S EMI	
This Week	1776
First Week	1994
Low (0/01)	1776
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1809	-211
South	1754	-214
West	1931	-211

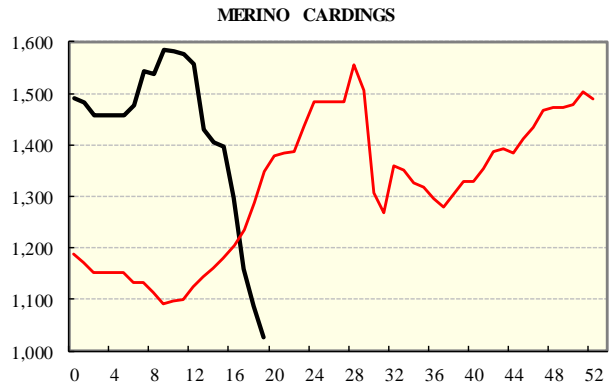
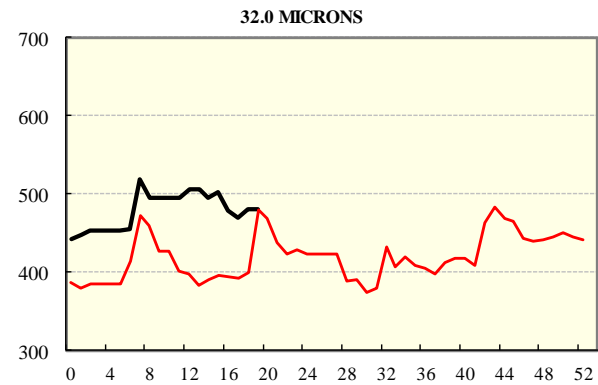
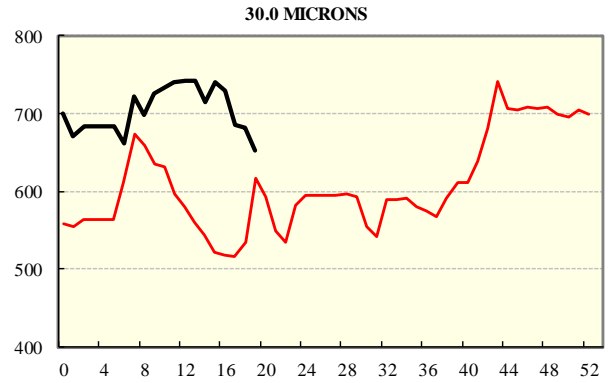
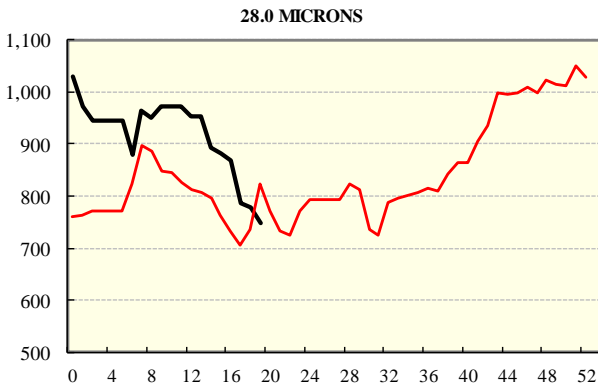
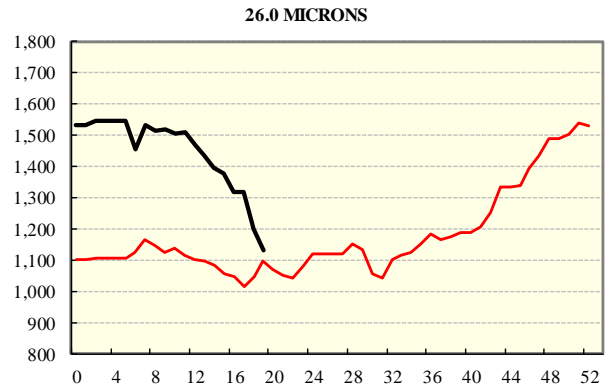
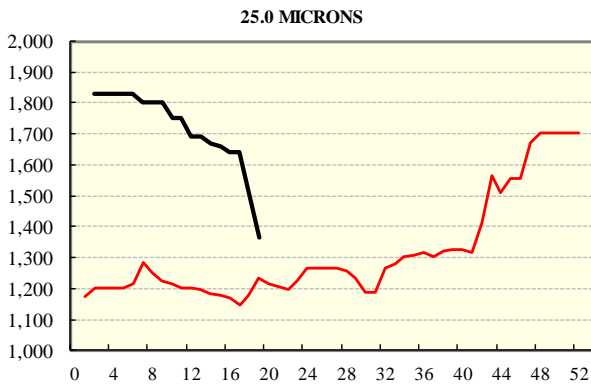
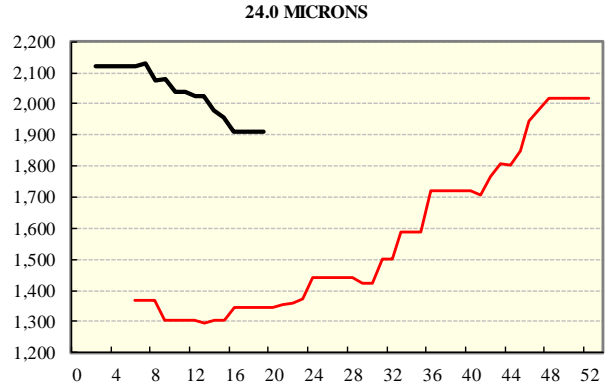
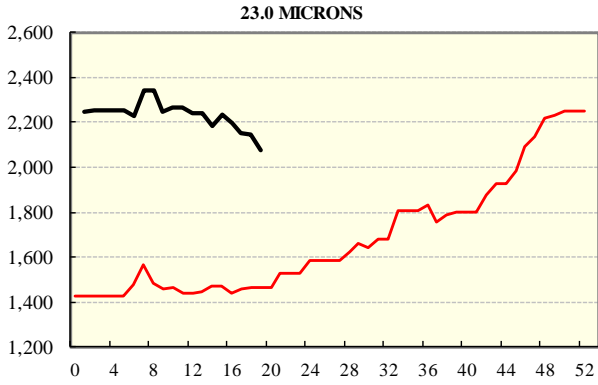
BALES OFFERED	
This Year	583,286
Last Year	689,151
Difference	-105,865
% Diff	-15.4%
FIRST OFFERED BALES	
Difference	-15.4%
% of Offering	95.2%

REGION BALES		
This Sale:		
North	8,625	
South	17,172	
West	6,392	
Progressive Totals:		Diff
North	174,843	-17.5%
South	305,997	-12.9%
West	102,446	-18.5%

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)

