

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 11 October 2019 (Week 15).

The AWEX EMI finished 32¢ higher (+2.1%) in Australian currency and 26¢ higher (+2.6%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

28,149 bales were on offer nationally, compared with 33,548 bales last sale. 7.7% of the offering was passed in.

AWEX reports that the value of the wool sold was \$45.8 million (\$1,763 per bale), taking the season total to \$503.8 million (\$1,735 per bale). The progressive number of bales sold at auction this season is 29.6% less than in 2018/19.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 15)									
Centre	Last Sale		Day-to-Day Changes (Week 15)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	14	1511	No Sale	+18	+14	+32 (+2.1%)	1543	+26	+22
Northern	14	1538	No Sale	+18	+11	+29 (+1.9%)	1567	+24	+19
Southern	14	1493	No Sale	+18	+16	+34 (+2.3%)	1527	+27	+23
Western	14	1610	No Sale	+37	+6	+43 (+2.7%)	1653	+34	+28

The market continued its up and down movements. But, it was better news for the wool industry, as the EMI recovered 32¢ of the 98¢ that it lost in the previous week; and there was a more positive feeling among exporters. All Merino average AWEX Micron Price Guides moved up, with the greatest gains at 18.5 to 21 microns.

Crossbreds moved up at 26 and 28 microns, but eased after that on a very small quantity of wool. Oddments were generally down, with the average AWEX Merino Cardings Price Guide down by 20¢ (-1.9%).

The US Exchange Rate finished 0.29¢ (0.4%) higher to close at 67.46¢ on Thursday.

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

In other countries, the South African Cape Wools Indicator was down by 1.3% since last week against a 1.2% appreciation of the Rand against the US Dollar and a 6.4% depreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 34,066 bales to 40,056 bales and to be 8.1% more than in the same period last year. The forecast progressive difference to Week 18 is -15.3%.

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	81¢	121¢	132¢	163¢	235¢

Market Indicator	Changes From			
	Four Sales Ago Week 11	Start of the Season	Week 15 Last Year	Season Average to Week 15 Last Year
Eastern Market Indicator	+146 (+10.7%)	-228 (-13.1%)	-481 (-24.1%)	-490 (-24.0%)
Western Market Indicator	+227 (+16.4%)	-271 (-14.4%)	-522 (-24.5%)	-548 (-24.9%)

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 ¢	+67	+17	+23	+17	+46	+62	+64	+56	+53	+24		
Change %	+3.5%	+0.9%	+1.2%	+0.9%	+2.6%	+3.6%	+3.8%	+3.3%	+3.1%	+1.4%		
Since Start of the Season												
Change ¢	-204	-242	-253	-254	-236	-249	-262	-280	-285	-296		
Change %	-9.4%	-11.3%	-11.9%	-12.0%	-11.5%	-12.2%	-12.9%	-13.8%	-14.1%	-14.6%		
Since Same Week Last Year												
Change ¢	-957	-914	-815	-715	-640	-587	-550	-521	-503	-519		
Change %	-32.8%	-32.5%	-30.3%	-27.7%	-26.1%	-24.7%	-23.7%	-23.0%	-22.4%	-23.0%		

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 ¢		+22	+30	-19		-20
Change %		+1.9%	+3.3%	-2.6%		-1.9%
Since Start of the Season						
Change ¢		-153	-93	-126	-113	+26
Change %		-11.4%	-8.9%	-14.9%	-19.2%	+2.6%
Since Same Week Last Year						
Change ¢		-186	+69	-18	-27	-384
Change %		-13.5%	+7.8%	-2.4%	-5.4%	-27.5%

6 Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 11 October 2019 (Week 15)

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 August ABS export data.

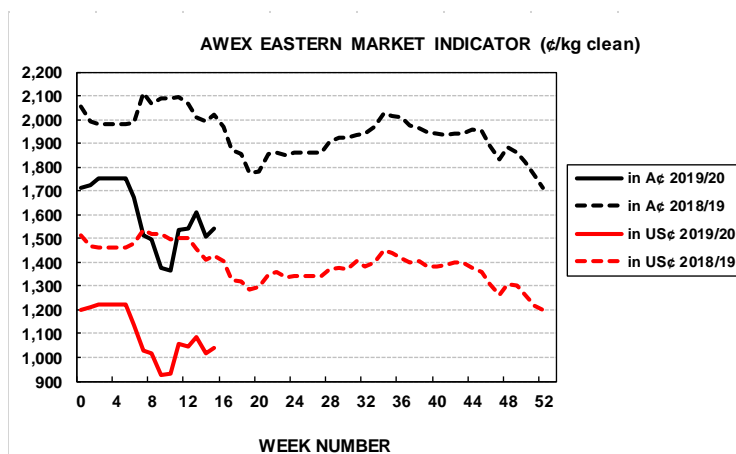
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	9,512	6,753	5.9%	17.8%	4.7%	6,352
South	16,737	15,151	6.3%	10.4%	6.1%	14,202
West	7,299	6,245	13.2%	21.7%	11.4%	5,423
Australia	33,548	28,149	7.7%	14.9%	6.9%	25,977

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-29,507	-21.0%	-25.4%
-55,896	-24.2%	-29.2%
-7,227	-9.6%	-19.4%
-92,630	-20.7%	-26.4%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 16	Week 17	Week 18	Differences
North	11,113	7,980	9,630	+11.8%
South	21,108	18,386	21,555	+5.1%
West	7,835	7,700	7,700	+11.9%
New Zealand		3,250	2,750	
Australia	40,056	34,066	38,885	113,007
Differences	+11.0%	+2.1%	+10.7%	+8.1%

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	67.17	+0.38	Public	-0.07	-0.12	+0.10	+0.29 (+0.4%)	67.46	67.17	70.36
Euro	61.30	+0.28	Holiday	-0.11	-0.02	-0.04	+0.11 (+0.2%)	61.41	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to August	
	August 2019	July to August 2019/20	July to August 2018/19	By Weight	By Value
China	72.3%	74.7%	73.2%	-13.3%	-25.8%
Italy	7.1%	7.6%	6.3%	+2.3%	-12.8%
India	8.2%	5.7%	6.9%	-29.6%	-36.6%
Czech Republic	4.0%	3.5%	3.7%	-20.1%	-35.3%
Korea	2.9%	2.4%	3.7%	-44.1%	-52.6%
Egypt	1.8%	1.6%	0.9%	+44.6%	+23.7%
Thailand	1.0%	0.7%	1.3%	-50.2%	-58.2%
Bulgaria	0.2%	0.6%	0.1%	+734.3%	+1,038.2%
Change all Countries				-15.1%	-27.1%



AVERAGE EMI	
This Year	1554
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES			
Region	This Year	Diff	
North	1578	-403	
South	1538	-375	
West	1650	-438	

THIS YEAR'S EMI	
This Week	1543
First Week	1723
Low (0/01)	1365
High (0/01)	1754

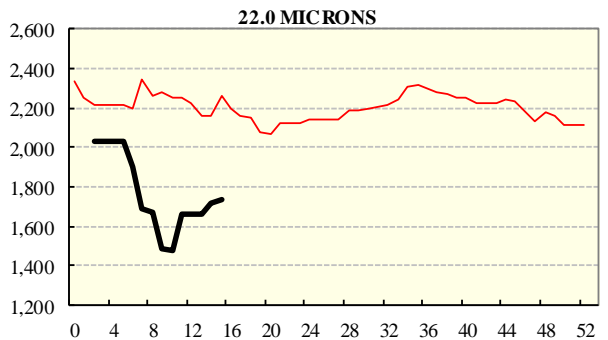
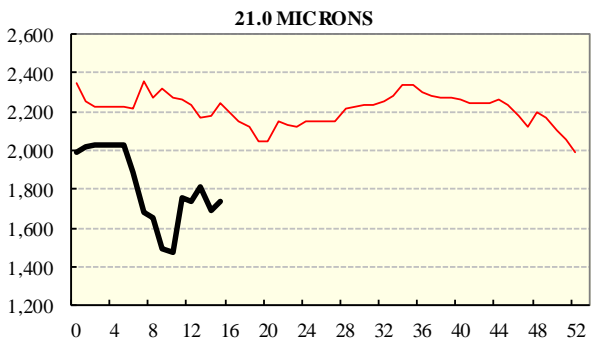
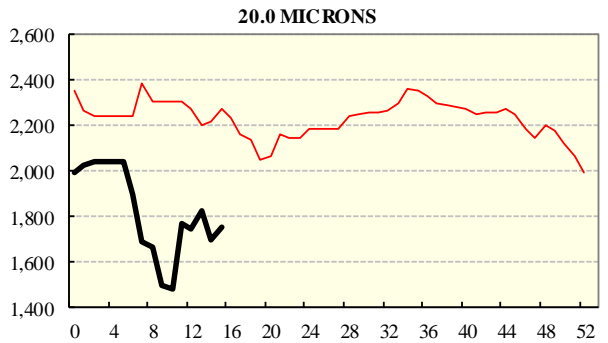
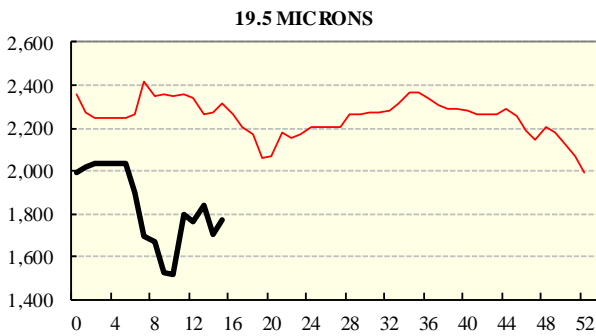
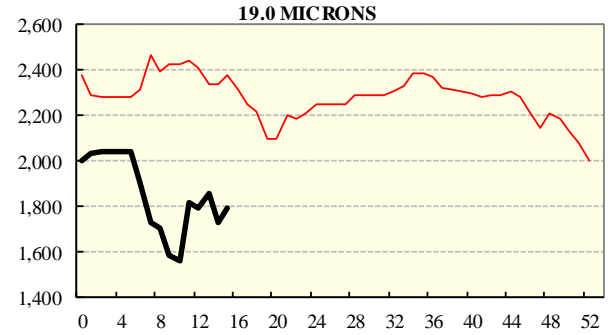
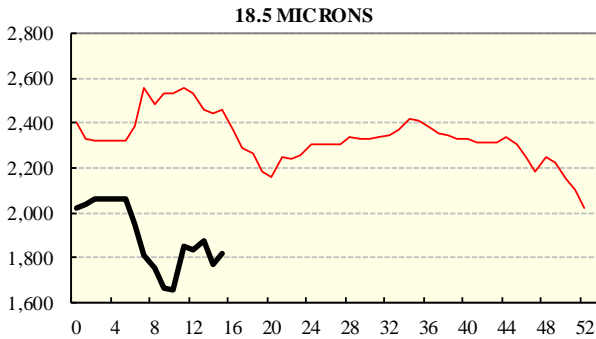
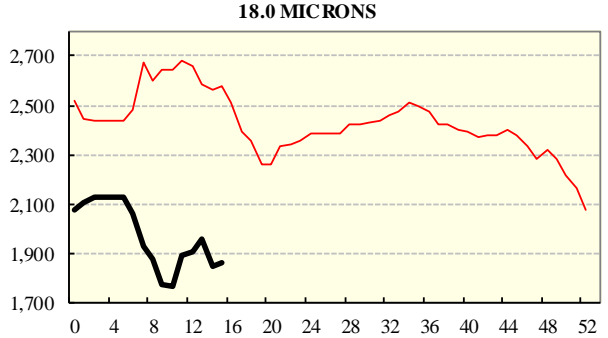
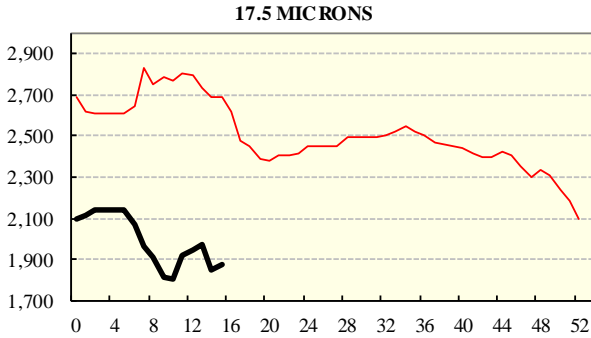
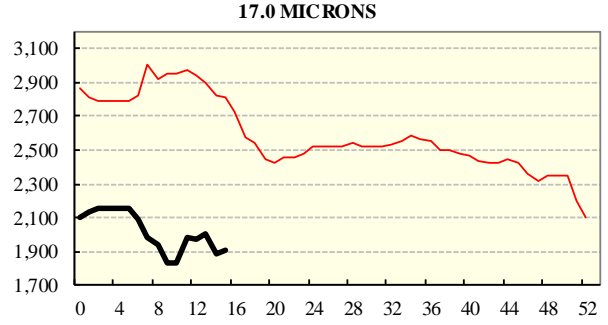
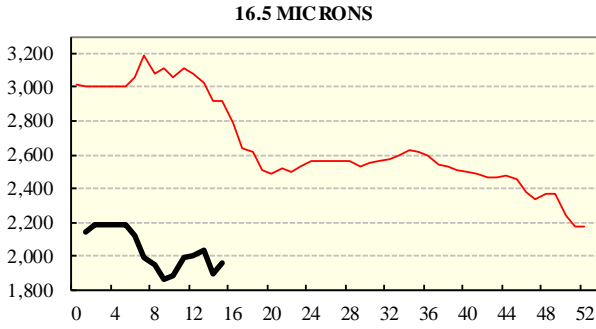
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1567	-192
South	1527	-198
West	1653	-228

BALES OFFERED	
This Year	353,888
Last Year	446,518
Difference	-92,630
% Diff	-20.7%
FIRST OFFERED BALES	
Difference	-26.4%
% of Offering	89%

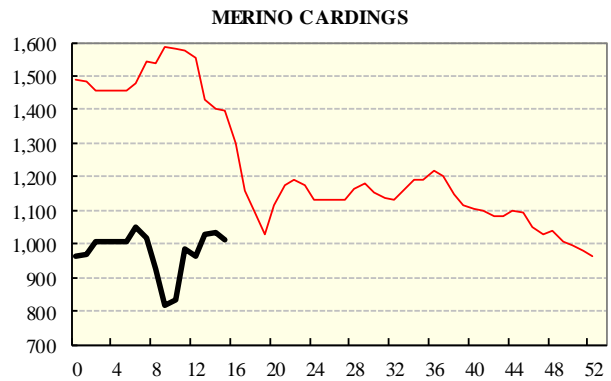
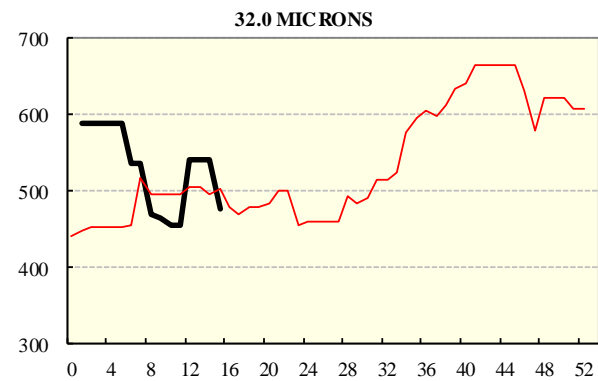
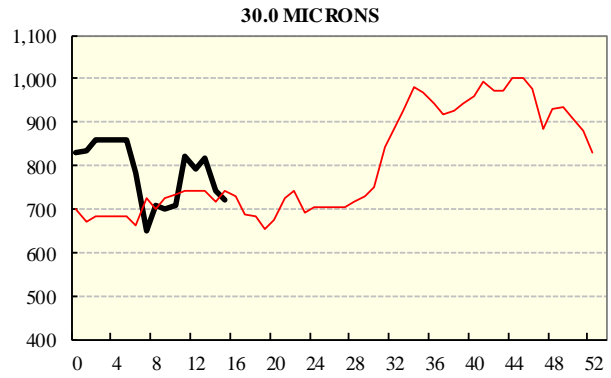
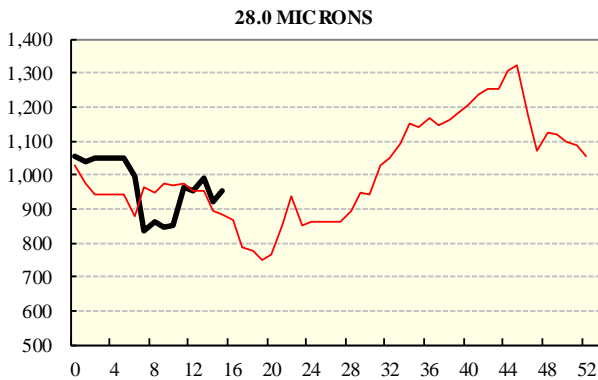
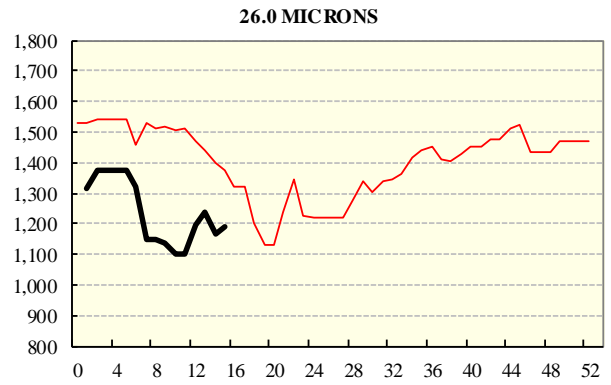
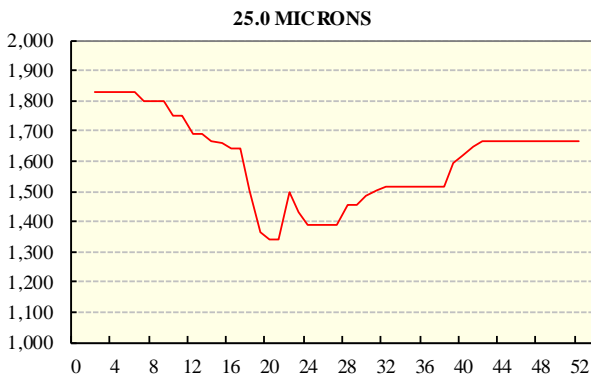
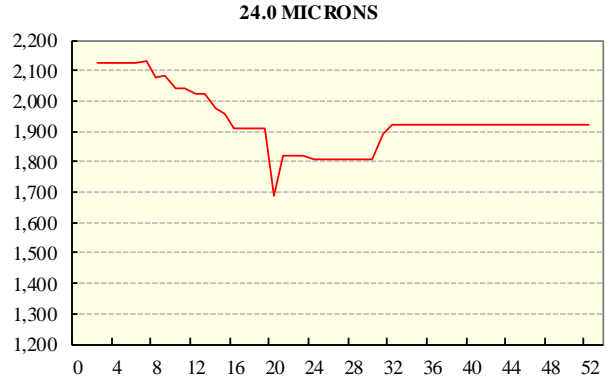
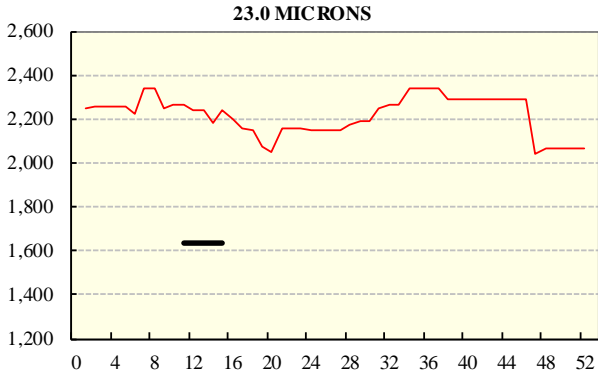
REGION BALES		
This Sale:		
North	6,753	
South	15,151	
West	6,245	
Progressive Totals:		Diff
North	111,013	-21.0%
South	174,817	-24.2%
West	68,058	-9.6%

AVERAGE AWEX MICRON PRICE GUIDES

2019/20 (black graph line) and 2018/19 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
2019/20 (black graph line) and 2018/19 (red graph line)



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

(In Australian, United States and European Currencies)

