

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 13 March 2020 (Week 37)

The AWEX EMI finished at 1521¢, 41¢ lower (-2.6%) in Australian currency and 52¢ lower (-5.0%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 37.

43,579 bales were on offer nationally, compared with 62,166 bales last sale. 25.5% of the offering was passed in after 6.2% of the potential offering was withdrawn prior to sale.

AWEX reports that the value of the wool sold was \$49.9 million (\$1,537 per bale), taking the season total to \$1.517 billion (\$1,706 per bale). The number of bales sold at auction this season is now 18.5% less than in 2018/21.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 37)

Centre	Last Sale		Day-to-Day Changes (Week 37)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	36	1562	No Sale	-39	-2	-41 (-2.6%)	1521	-52	-59
Northern	36	1605	No Sale	-41	-7	-48 (-3.0%)	1557	-58	-64
Southern	36	1536	No Sale	-39	+1	-38 (-2.5%)	1498	-50	-57
Western	36	1662	No Sale	-27	-19	-46 (-2.8%)	1616	-57	-64

The market opened on a downward movement on Wednesday and continued to a lesser extent on Thursday. While it is difficult to know the exact influence of various factors on the market, history indicates that losses of global economic confidence, such as those associated with the falls in this week's share market, do impact on wool prices.

Sellers again showed strong resistance to the falls when they passed-in 27.4% on Wednesday and 23.6% on Thursday.

Falls among the AWEX MPGs were greatest at the fine end; but generally improved as the Fibre Diameter increased. Crossbreds did better, with smaller falls. Merino skirtings were reported as down sharply on Wednesday, but more mixed on Thursday. Carding types were down on both days.

The US Exchange Rate continued its downward movement, as it usually does when global economic confidence falls. It finished 1.63¢ (-2.5%) lower to close at 64.57¢ on Thursday.

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

In other countries, the South African Cape Wools Indicator was down by 0.7% since last week against a 6.9% depreciation of the Rand against the US Dollar and a 7.8% depreciation against the Euro.

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	46¢	134¢	194¢	240¢	292¢

Market Indicator	Changes From			
	Four Sales Ago Week 32	Start of the Season	Week 37 Last Year	Season Average to Week 37 Last Year
Eastern Market Indicator	-56 (-3.6%)	-218 (-12.5%)	-458 (-23.1%)	-408 (-20.8%)
Western Market Indicator	-93 (-5.4%)	-265 (-14.1%)	-511 (-24.0%)	-457 (-21.6%)

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 ¢	-70	-74	-76	-69	-53	-37	-38	-43	-41			
Change %	-3.3%	-3.6%	-3.8%	-3.6%	-2.9%	-2.1%	-2.1%	-2.4%	-2.3%			
Since Start of the Season												
Change ¢	-93	-153	-199	-248	-273	-274	-273	-286	-295	-280		
Change %	-4.3%	-7.1%	-9.4%	-11.7%	-13.3%	-13.5%	-13.4%	-14.1%	-14.6%	-13.8%		
Since Same Week Last Year												
Change ¢	-475	-512	-542	-555	-576	-559	-547	-552	-550	-523		
Change %	-18.7%	-20.5%	-21.9%	-22.9%	-24.5%	-24.1%	-23.7%	-24.1%	-24.1%	-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 ¢		-18	-5	+3	+3	-34
Change %		-1.6%	-0.6%	+0.5%	+0.7%	-3.1%
Since Start of the Season						
Change ¢		-213	-167	-186	-178	+86
Change %		-15.8%	-16.0%	-21.9%	-30.2%	+8.7%
Since Same Week Last Year						
Change ¢		-279	-265	-255	-188	-129
Change %		-19.8%	-23.2%	-27.8%	-31.4%	-10.7%

MC Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 13 March 2020 (Week 37)

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 January ABS export data.

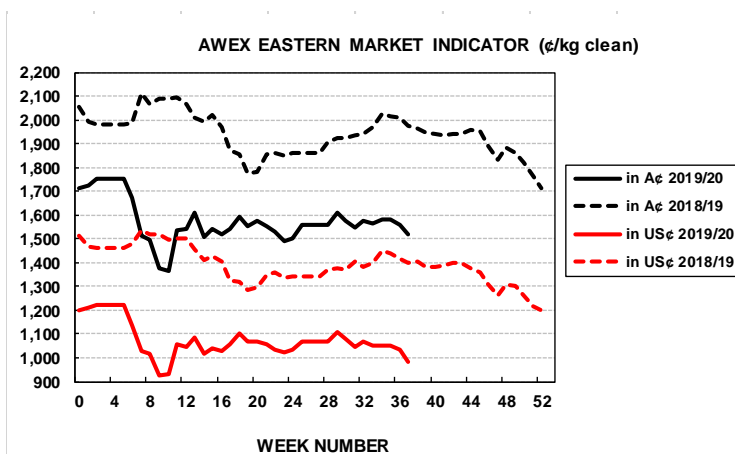
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	18,043	8,864	20.4%	3.3%	7.4%	7,057
South	29,315	23,204	25.2%	6.1%	8.4%	17,345
West	14,808	11,511	29.9%	8.6%	12.5%	8,064
Australia	62,166	43,579	25.5%	6.2%	9.3%	32,466

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-35,684	-11.0%	-14.6%
-94,656	-14.9%	-18.0%
-7,827	-3.2%	-8.8%
-138,167	-11.5%	-15.3%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 38	Week 39	Week 40	Differences
North	9,131	8,281	7,516	-14.7%
South	29,345	24,050	19,574	+16.5%
West	11,777	9,400	7,550	+10.1%
Australia	50,253	41,731	34,640	126,624
Differences	+16.5%	+11.6%	-7.5%	+7.3%

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	66.20	-0.18	-0.63	+0.27	-0.61	-0.48	-1.63 (-2.5%)	64.57	64.57	70.36
Euro	59.43	-0.65	-1.43	+0.37	-0.34	-0.22	-2.27 (-3.8%)	57.16	57.16	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to January	
	January 2020	July to January 2019/20	July to January 2018/21	By Weight	By Value
China	79.3%	77.1%	74.9%	-11.4%	-30.5%
India	5.9%	6.1%	6.4%	-17.7%	-33.8%
Italy	3.2%	5.5%	6.1%	-22.3%	-39.1%
Czech Republic	3.6%	3.2%	3.9%	-30.1%	-49.2%
Korea	2.2%	2.1%	2.7%	-32.4%	-44.4%
Egypt	0.6%	1.2%	0.9%	+13.2%	-11.4%
Thailand	0.4%	0.9%	1.0%	-26.1%	-48.6%
Bulgaria	0.9%	0.7%	0.4%	+30.4%	+35.2%
Change all Countries				-13.9%	-32.6%



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

SEASON AVERAGES		
Region	This Year	Diff
North	1584	-397
South	1533	-379
West	1658	-431

THIS YEAR'S EMI	
This Week	1521
First Week	1723
Low (10/01)	1365
High (11/01)	1754

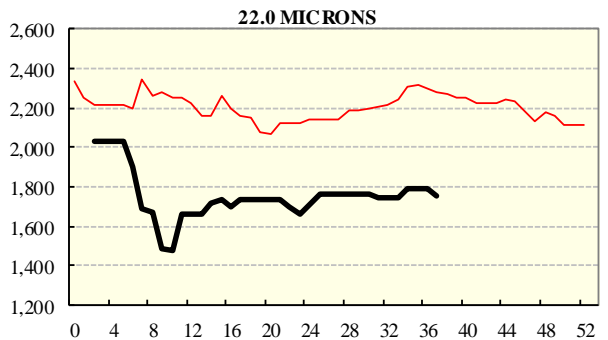
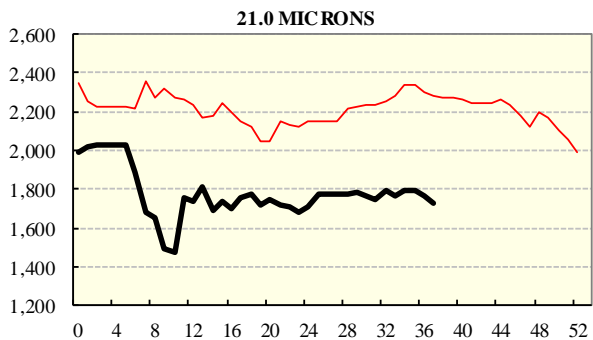
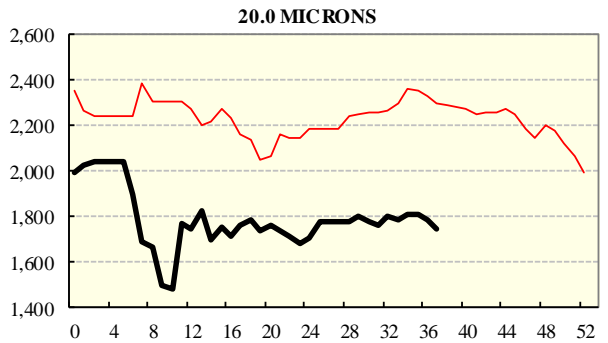
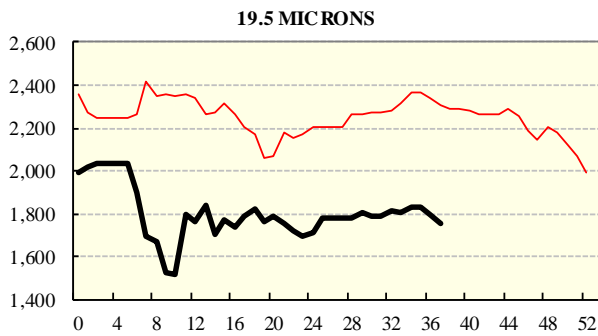
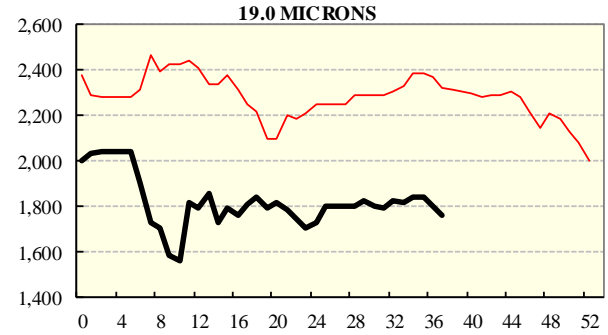
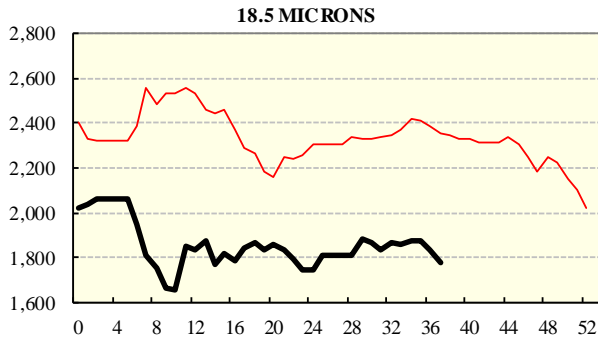
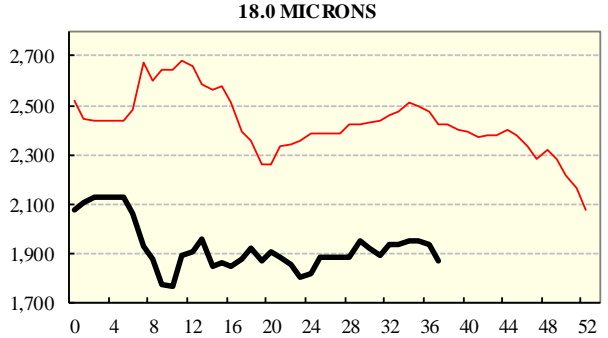
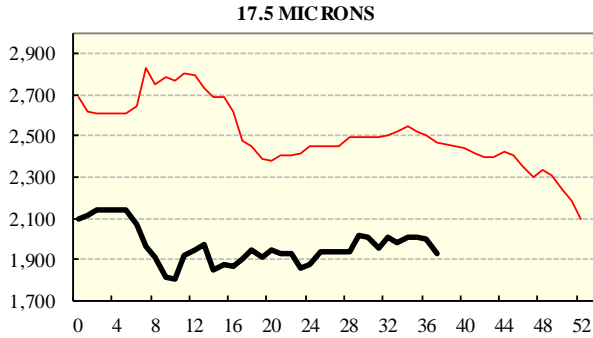
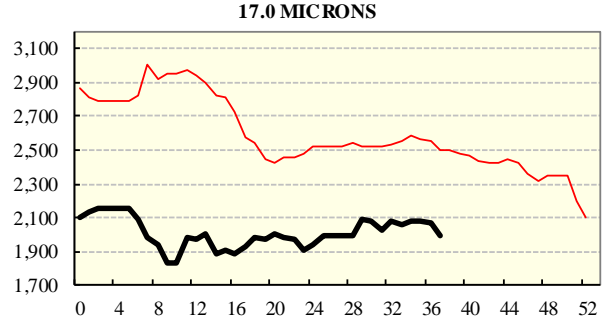
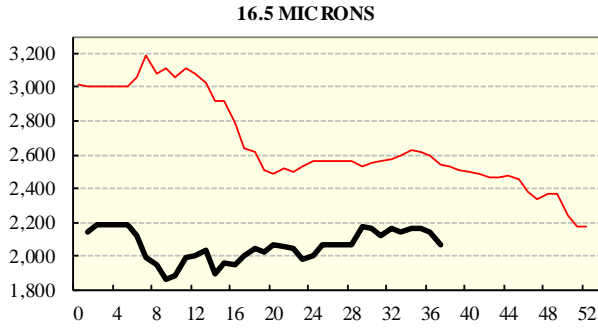
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1557	-202
South	1498	-227
West	1616	-265

BALES OFFERED	
This Year	1,063,913
Last Year	1,202,080
Difference	-138,167
% Diff	-11.5%
FIRST OFFERED BALES	
Difference	-15.3%
% of Offering	89.9%

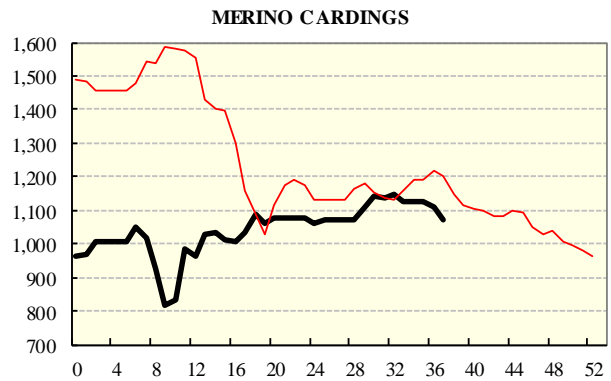
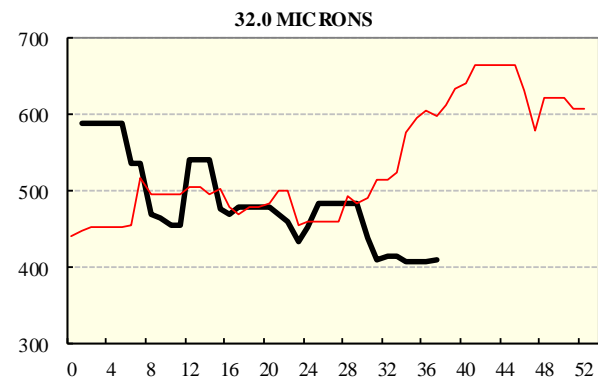
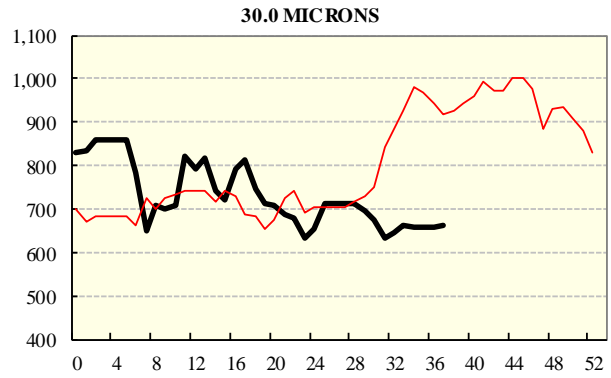
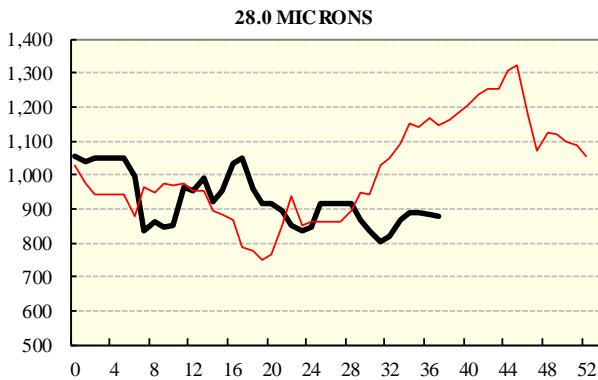
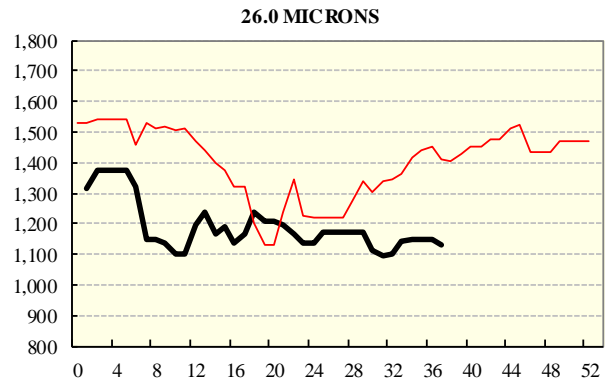
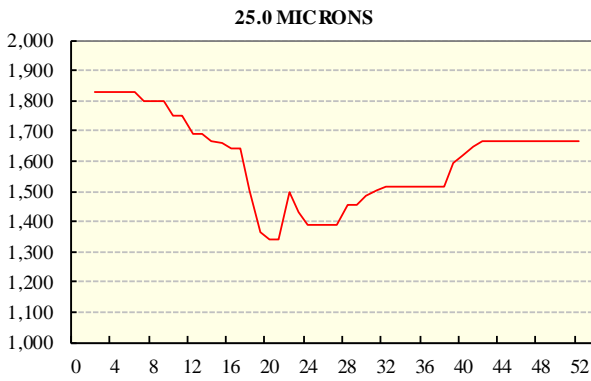
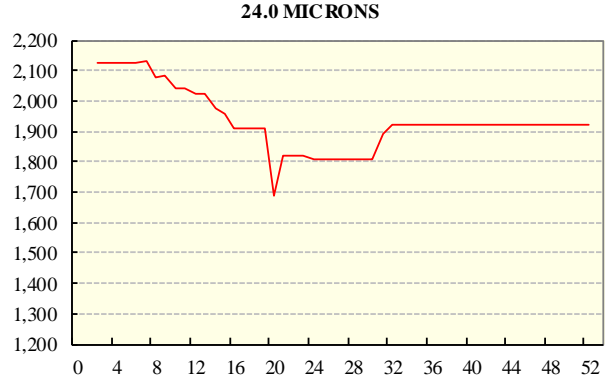
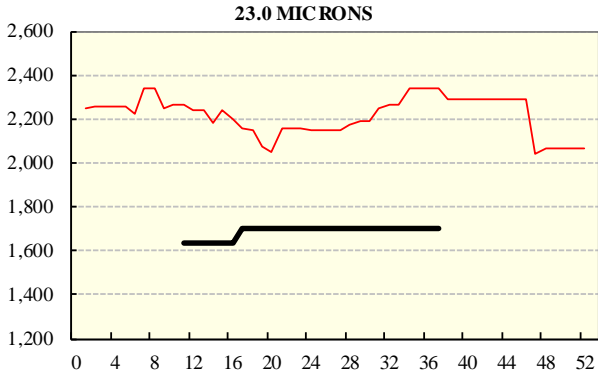
REGION BALES		
This Sale:		
North	8,864	
South	23,204	
West	11,511	
Progressive Totals:		Diff
North	289,161	-11.0%
South	541,208	-14.9%
West	233,544	-3.2%

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)

