

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 13 September 2019 (Week 11).

In a week that left people wondering, the AWEX EMI finished 170¢ higher (+12.5%) in Australian currency and 125¢ higher (+13.4%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

The weekly changes in the EMI since the resumption of sales in August have now ranged from -122¢ two weeks ago to +170¢ this week. The EMI at 1535¢ is now 141¢ below its closing value in the first sale after the break.

The WMI moved up by 198¢ on Wednesday, but that included a catch-up component for the previous week, when market moved up on Thursday and Fremantle did not sell on that day

19,193 bales were on offer nationally, compared with 21,694 bales last sale. 5.2% of the offering was passed in after 20.7% of the initial offering was passed in prior to sale.

AWEX reports that the value of the wool sold was \$30.7 million (\$1,688 per bale), taking the season total to \$325.8 million (\$1,719 per bale).

The New Zealand Merino Company also offered 2,646 bales in Melbourne on Thursday, of which 13.2% were passed in.

Centre	Last Sale		Day-to-Day Changes (Week 11)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	10	1365	No Sale	+130	+40	+170 (+12.5%)	1535	+125	+115
Northern	10	1408	No Sale	+126	No Sale	+126 (+8.9%)	1534	+96	+88
Southern	10	1338	No Sale	+132	+66	+198 (+14.8%)	1536	+145	+133
Western	10	1383	No Sale	+198	+44	+242 (+17.5%)	1625	+175	+160

There was an general expectation among the trade that the market would move up this week.

There were large gains across all types and micron ranges, with the greatest gains among the Merinos occurring from 18.5 to 22 microns. There were similar percentage changes among the crossbreds; while the average AWEX Merino Cardings Price Guide moved up by 155¢ (+18.6%) to match the percentage changes of the best of the Merinos.

The US Exchange Rate moved up to finish 0.64¢ (0.9%) higher to close at 68.81¢ on Thursday.

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

In other countries, the South African Cape Wools Indicator up by 10.8% since last week.

Looking ahead, offerings for the coming three sales are expected to range from 28,510 bales to 33,980 bales and to be 12.1% less than in the same period last year. The forecast progressive difference to Week 14 is -20.8%.

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	200¢	209¢	258¢	304¢	328¢

Market Indicator	Changes From			
	Four Sales Ago Week 07	Start of the Season	Week 11 Last Year	Season Average to Week 11 Last Year
Eastern Market Indicator	+22 (+1.5%)	-204 (-11.7%)	-559 (-26.7%)	-498 (-24.3%)
Western Market Indicator	+27 (+1.7%)	-256 (-13.6%)	-631 (-28.0%)	-563 (-25.5%)

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 ¢	+111	+146	+115	+127	+193	+252	+279	+293	+280	+187		
Change %	+5.9%	+8.0%	+6.4%	+7.2%	+11.7%	+16.1%	+18.4%	+19.8%	+19.0%	+12.7%		
Since Start of the Season												
Change ¢	-171	-165	-204	-225	-203	-223	-238	-257	-270	-369		
Change %	-7.9%	-7.7%	-9.6%	-10.6%	-9.9%	-10.9%	-11.7%	-12.7%	-13.3%	-18.1%		
Since Same Week Last Year												
Change ¢	-1121	-997	-884	-788	-709	-623	-569	-530	-514	-583	-630	
Change %	-36.0%	-33.5%	-31.5%	-29.4%	-27.7%	-25.6%	-24.1%	-23.0%	-22.7%	-25.9%	-27.8%	

Micron	25.0	26.0	28.0	30.0	32.0	MC#
Since Last Sale						
Change ¢			+112	+115		+155
Change %			+13.2%	+16.3%		+18.6%
Since Start of the Season						
Change ¢			-82	-27		0
Change %			-7.8%	-3.2%		0.0%
Since Same Week Last Year						
Change ¢			-9	+80		-588
Change %			-0.9%	+10.8%		-37.3%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 13 September 2019 (Week 11)

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 July ABS export data.

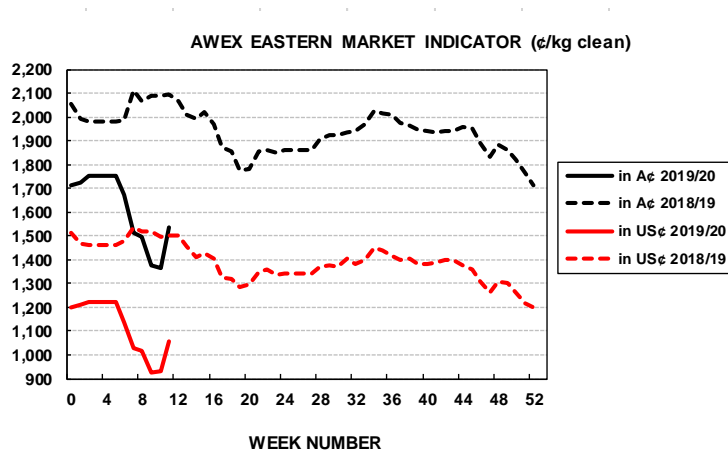
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	7,039	5,191	8.0%	18.1%	8.9%	4,777
South	11,619	9,672	3.5%	23.0%	8.9%	9,331
West	3,036	4,330	5.7%	18.3%	23.9%	4,084
Australia	21,694	19,193	5.2%	20.7%	12.3%	18,192

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-24,057	-23.3%	-26.5%
-41,600	-26.7%	-31.4%
-7,594	-15.5%	-25.0%
-73,251	-23.8%	-28.8%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 12	Week 13	Week 14	Differences
North	8,885	7,420	8,795	-12.7%
South	15,802	14,640	18,735	-16.5%
West	6,420	6,450	6,450	+2.3%
New Zealand				
Australia	31,107	28,510	33,980	93,597
Differences	-11.7%	-13.6%	-11.3%	-12.1%

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	68.17	+0.06	+0.37	-0.03	+0.18	+0.06	+0.64 (+0.9%)	68.81	67.22	70.36
Euro	61.82	-0.04	+0.44	-0.13	+0.13	+0.26	+0.66 (+1.1%)	62.48	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	July 2019	July to July 2019/20	July to July 2018/19	By Weight	By Value
China	75.8%	75.8%	71.1%	+9.2%	-6.4%
India	4.6%	4.6%	8.2%	-42.3%	-50.1%
Italy	1.5%	4.6%	4.0%	+0.5%	+11.3%
Czech Republic	4.0%	3.6%	5.3%	-41.3%	-33.2%
Korea	2.1%	2.4%	1.4%	+52.8%	+70.1%
Malaysia	0.9%	0.8%	1.3%	-45.9%	-36.7%
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	1555
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1579	-403
South	1539	-373
West	1649	-439

THIS YEAR'S EMI	
This Week	1535
First Week	1723
Low (0/01)	1365
High (0/01)	1754

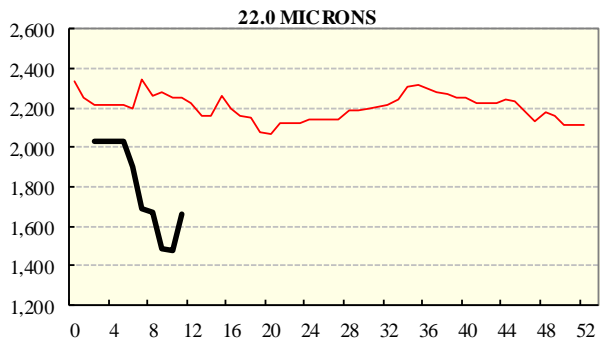
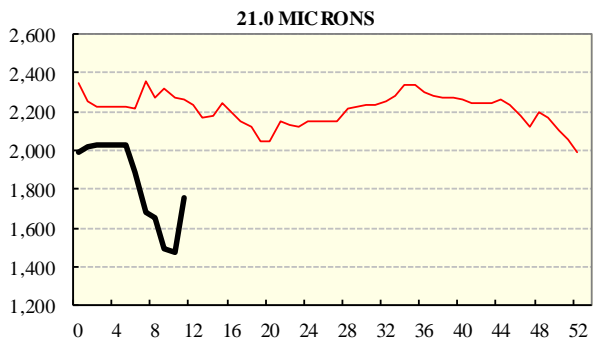
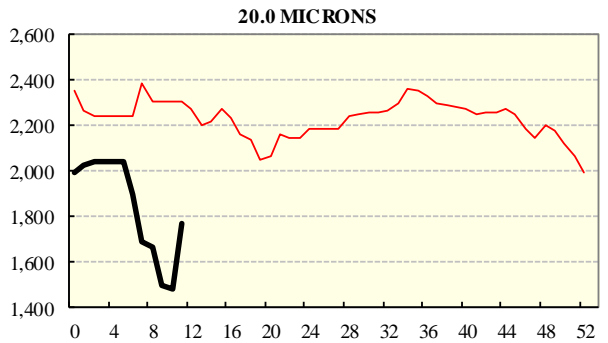
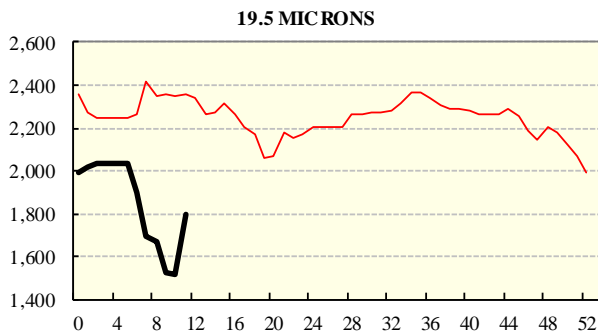
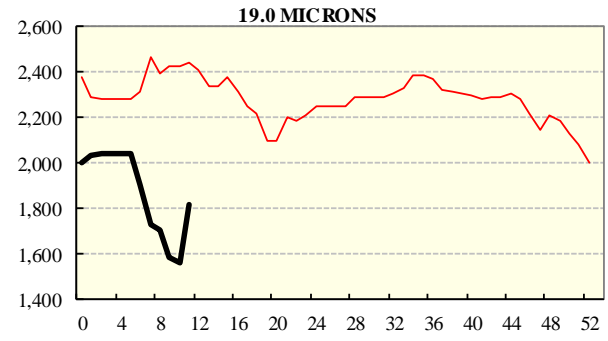
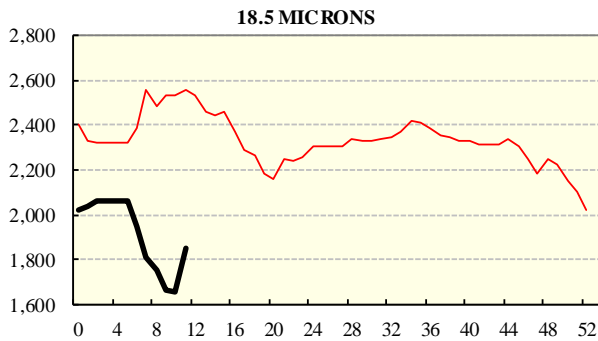
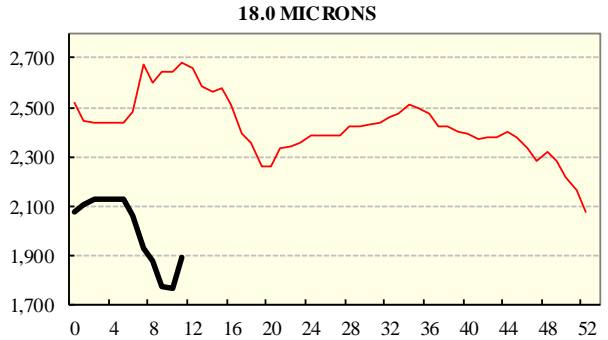
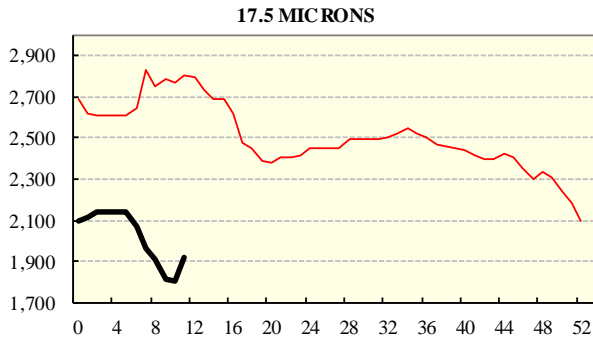
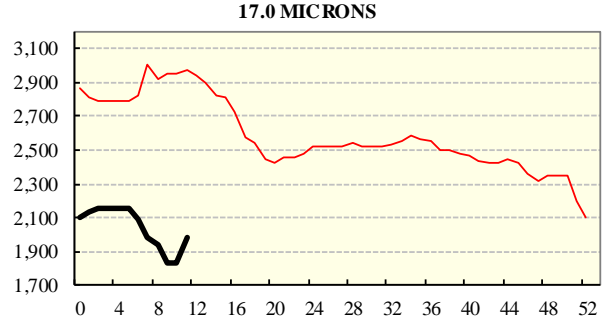
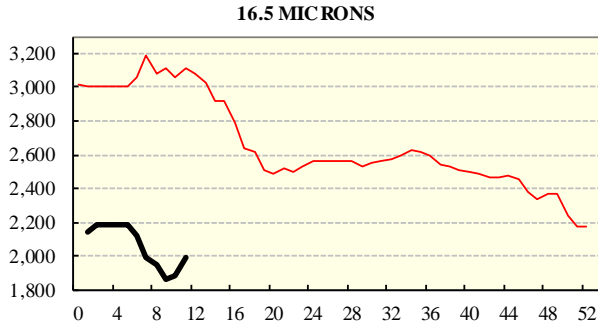
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1534	-225
South	1536	-189
West	1625	-256

BALES OFFERED	
This Year	234,682
Last Year	307,933
Difference	-73,251
% Diff	-23.8%
FIRST OFFERED BALES	
Difference	-28.8%
% of Offering	89.3%

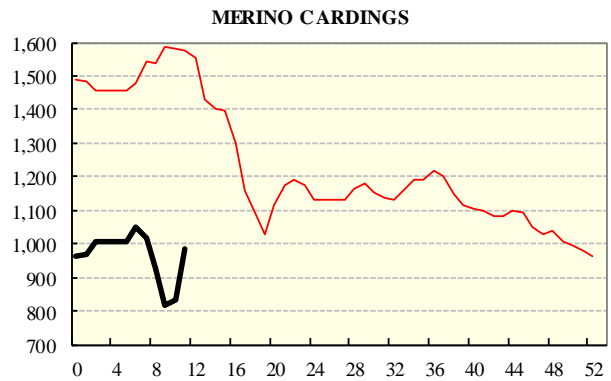
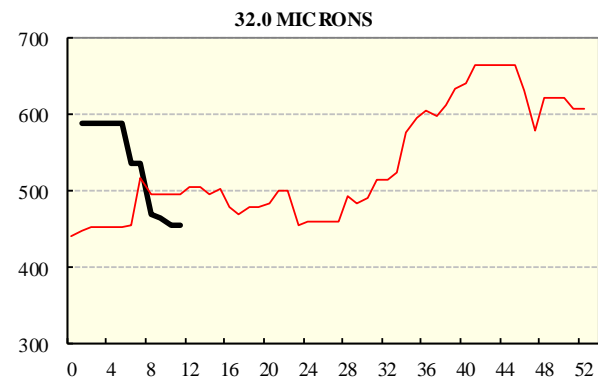
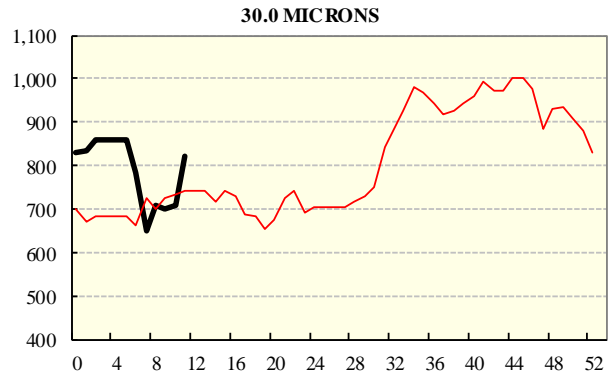
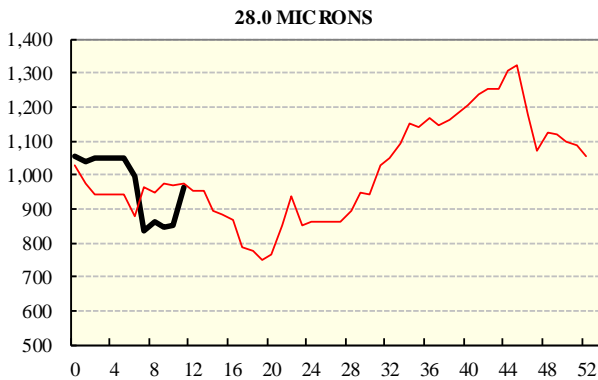
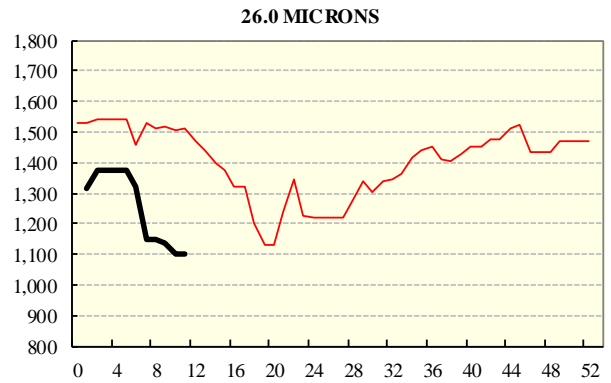
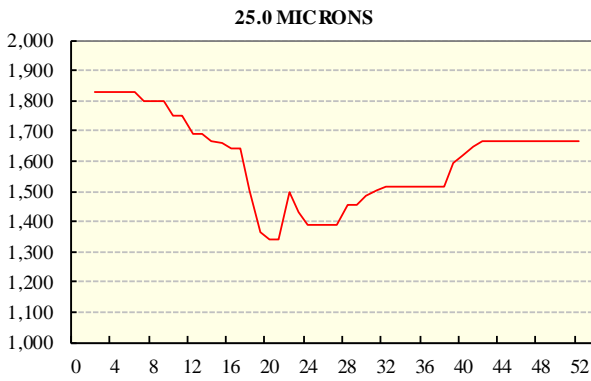
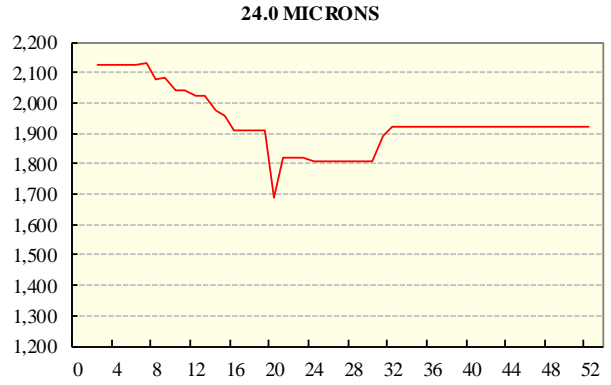
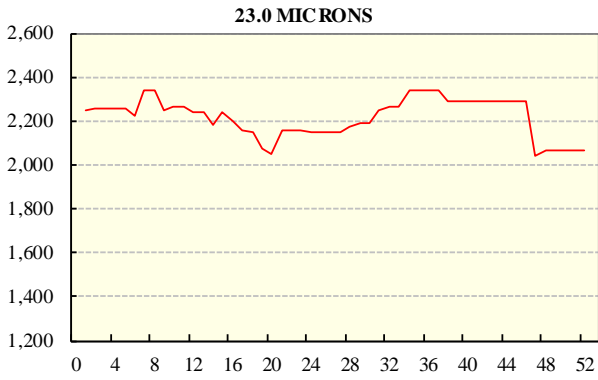
REGION BALES		
This Sale:		
North	5,191	
South	9,672	
West	4,330	
Progressive Totals:		Diff
North	78,980	-23.3%
South	114,377	-26.7%
West	41,325	-15.5%

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)

