

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 14 February 2020 (Week 33)

The AWEX EMI finished at 1568¢, 9¢ lower (-0.6%) in Australian currency and 12¢ lower (-1.1%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 33.

40,176 bales were on offer nationally, compared with 30,562 bales last sale. 22.0% of the offering was passed in after 8.1% of the potential offering was withdrawn prior to sale. This week's sale included the annual special offering of Tasmanian wool.

AWEX reports that the value of the wool sold was \$54.0 million (\$1,724 per bale), taking the season total to \$1.325 billion (\$1,710 per bale). The number of bales sold at auction this season is now 16.9% less than in 2018/19.

Centre	Last Sale		Day-to-Day Changes (Week 33)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	32	1577	+2	-9	-2	-9 (-0.6%)	1568	-12	-1
Northern	32	1612	No Sale	-3	-5	-8 (-0.5%)	1604	-12	+1
Southern	32	1555	+3	-12	0	-9 (-0.6%)	1546	-12	0
Western	32	1709	No Sale	-23	-19	-42 (-2.5%)	1667	-35	-20

The market eased slightly under the pressure of the continuing uncertainty associated with the outbreak of coronavirus (now known as COVID-19) and the largest offering of the current three weeks sale period. Sellers continued to show a reluctance to sell if not satisfied with prices when 8.1% of the offering was withdrawn prior to sale and 22.0% was passed-in.

Although the overall movement in the Merino Micron Price Guides was down, AWEX reports that there was strong demand for the best Spinners types from Tasmania. Crossbred prices moved up again this week, while Oddments eased.

The US Exchange Rate finished 0.41¢ (-0.6%) lower to close at 67.19¢ on Thursday.

Buyers for China were dominant, with support from buyers for Europe (particularly among the Tasmanian wools) and India. Looking ahead, offerings for the coming three sales are expected to range from 35,190 bales to 42,950 bales and to be 13.3% less than in the same period last year. The forecast progressive difference to Week 36 is -10.8%.

In other countries, the South African Cape Wools Indicator was up by 0.4% since last week against a 0.8% depreciation of the Rand against the US Dollar and a 0.2% appreciation 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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG

Market Indicator	Changes From			
	Four Sales Ago Week 29	Start of the Season	Week 33 Last Year	Season Average to Week 33 Last Year
Eastern Market Indicator	-41 (-2.5%)	-171 (-9.8%)	-400 (-20.3%)	-403 (-20.6%)
Western Market Indicator	-20 (-1.2%)	-214 (-11.4%)	-463 (-21.7%)	-451 (-21.4%)

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 ¢	-21	-23	-26	+5	-9	-8	-10	-11	-31			
Change %	-1.0%	-1.1%	-1.3%	+0.3%	-0.5%	-0.4%	-0.6%	-0.6%	-1.7%			
Since Start of the Season												
Change ¢	-16	-88	-141	-179	-196	-219	-229	-241	-262			
Change %	-0.7%	-4.1%	-6.6%	-8.5%	-9.6%	-10.8%	-11.3%	-11.9%	-13.0%			
Since Same Week Last Year												
Change ¢	-451	-498	-539	-538	-513	-510	-510	-511	-517			
Change %	-17.4%	-19.5%	-21.3%	-21.7%	-21.7%	-21.9%	-22.1%	-22.2%	-22.7%			

Micron	25.0	26.0	28.0	30.0	32.0	MC
Since Last Sale						
Change ¢		+43	+45	+15	0	-23
Change %		+3.9%	+5.5%	+2.3%	0.0%	-2.0%
Since Start of the Season						
Change ¢		-203	-180	-187	-174	+138
Change %		-15.1%	-17.2%	-22.1%	-29.5%	+14.0%
Since Same Week Last Year						
Change ¢		-220	-227	-263	-109	-33
Change %		-16.2%	-20.8%	-28.5%	-20.8%	-2.8%

MC Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 14 February 2020 (Week 33)

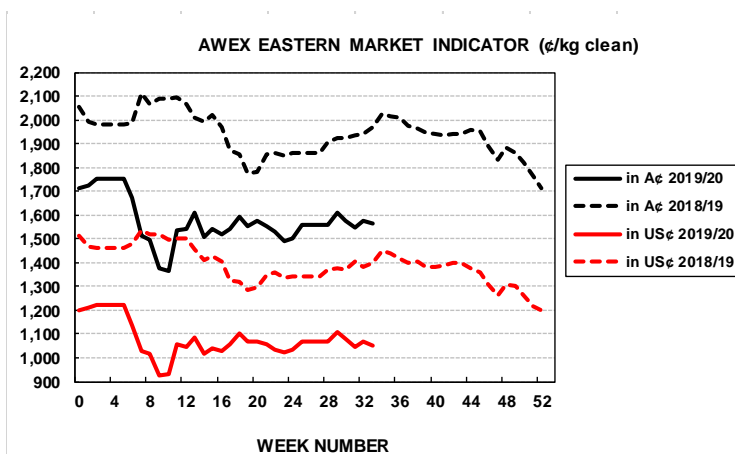
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the December ABS export data.

Details of this Week's Offering and the Comparison with the Previous Sale's Offering							Progressive Changes from Last Year		
Centre	Last Sale	This Sale					All Bales		1 st Time Bales
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold	Bales	%	%
North	9,129	7,922	16.4%	5.0%	13.5%	6,626	-29,657	-10.4%	-14.0%
South	14,027	21,474	20.1%	10.2%	10.4%	17,150	-70,767	-13.1%	-16.0%
West	7,406	10,780	30.0%	5.8%	15.1%	7,550	-7,675	-3.8%	-9.4%
Australia	30,562	40,176	22.0%	8.1%	12.3%	31,326	-108,099	-10.5%	-14.2%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 34	Week 35	Week 36	Differences
North	8,508	9,420	8,230	-18.5%
South	22,369	20,085	18,410	-17.1%
West	12,073	8,600	8,550	+2.5%
New Zealand	2,060			
Australia	42,950	38,105	35,190	116,245
Differences	+7.5%	-22.2%	-22.0%	-13.3%

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	67.60	-0.42	-0.19	+0.10	+0.19	-0.09	-0.41 (-0.6%)	67.19	67.17	70.36
Euro	61.48	-0.30	-0.04	+0.36	+0.15	+0.17	+0.34 (+0.6%)	61.82	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	December 2019	July to December 2019/20	July to December 2018/19	By Weight	By Value
China	76.1%	76.8%	74.7%	-12.9%	-32.4%
India	7.6%	6.2%	6.7%	-22.2%	-37.0%
Italy	5.1%	5.8%	6.1%	-19.3%	-37.0%
Czech Republic	3.0%	3.1%	3.8%	-30.2%	-48.6%
Korea	2.5%	2.1%	3.0%	-35.6%	-46.8%
Egypt	1.1%	1.3%	0.9%	+21.9%	-5.2%
Thailand	1.0%	0.9%	1.1%	-25.4%	-47.5%
Taiwan	0.8%	0.6%	0.8%	-28.2%	-49.8%
Change all Countries				-15.4%	-34.1%



AVERAGE EMI	
This Year	1553
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1583	-398
South	1534	-379
West	1657	-431

THIS YEAR'S EMI	
This Week	1568
First Week	1723
Low (10/01)	1365
High (11/01)	1754

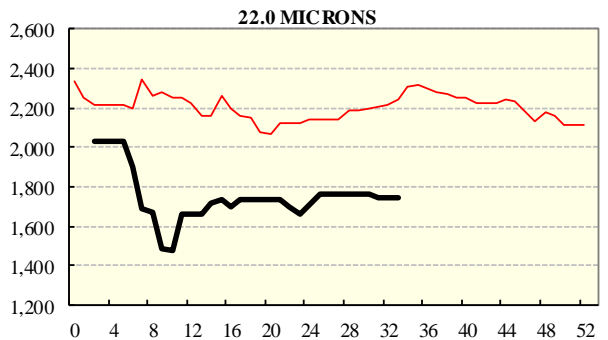
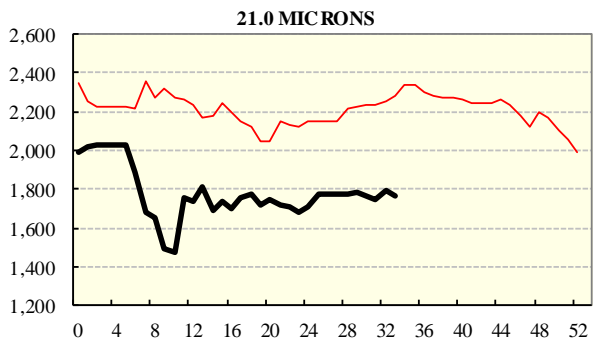
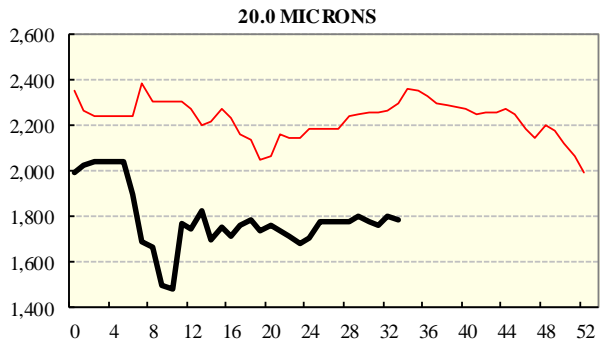
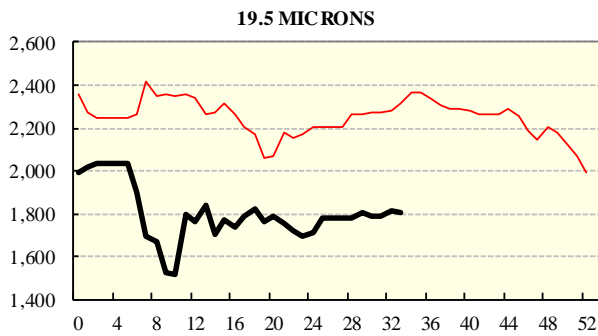
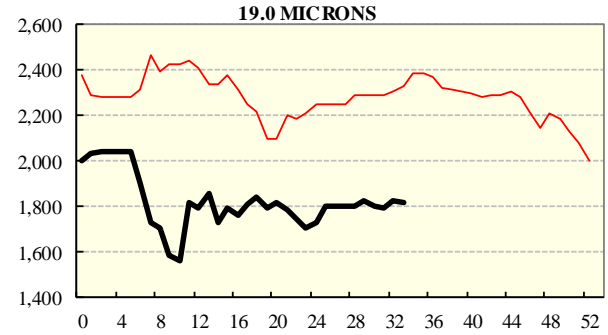
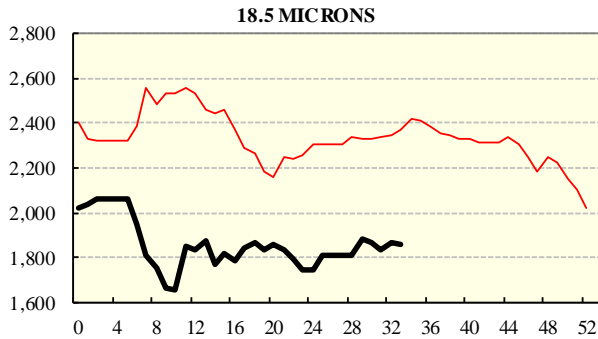
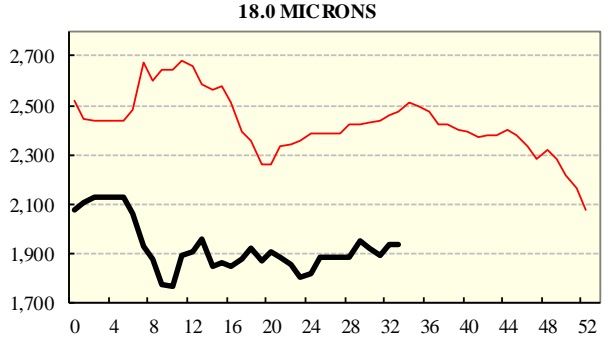
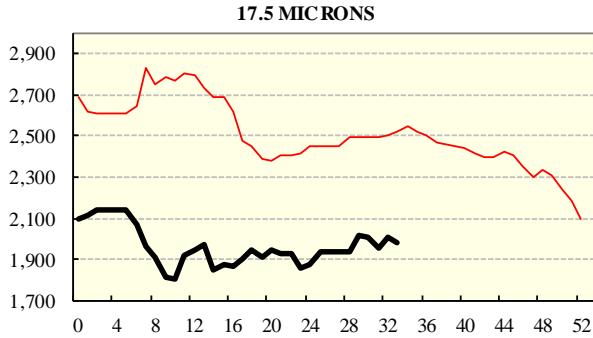
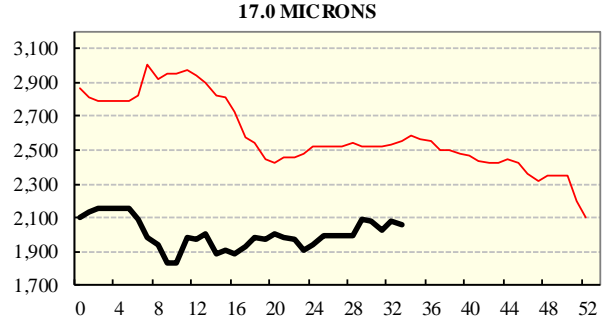
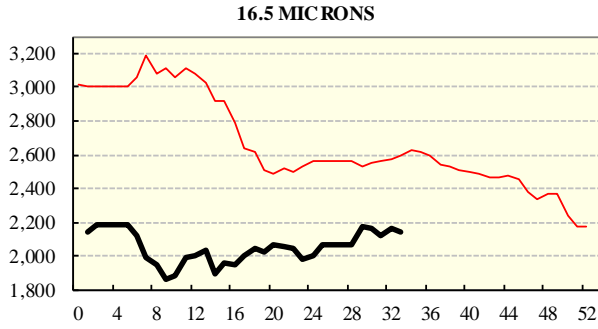
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1604	-155
South	1546	-179
West	1667	-214

BALES OFFERED	
This Year	919,150
Last Year	1,027,249
Difference	-108,099
% Diff	-10.5%
FIRST OFFERED BALES	
Difference	-14.2%
% of Offering	90.1%

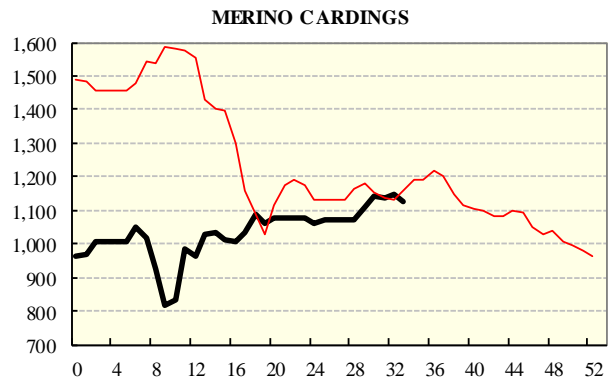
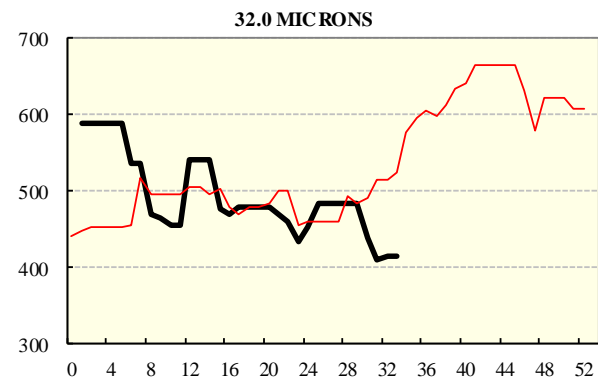
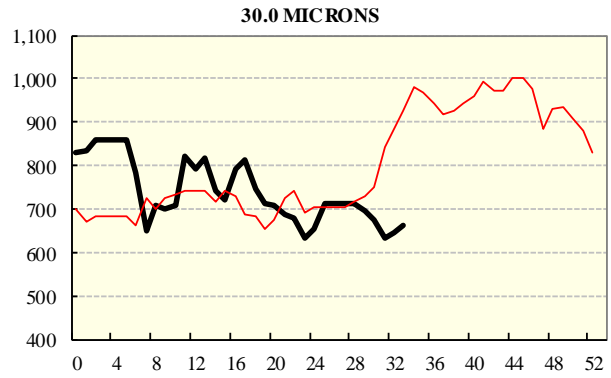
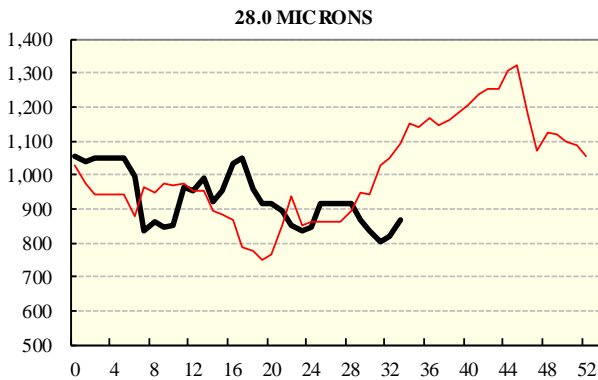
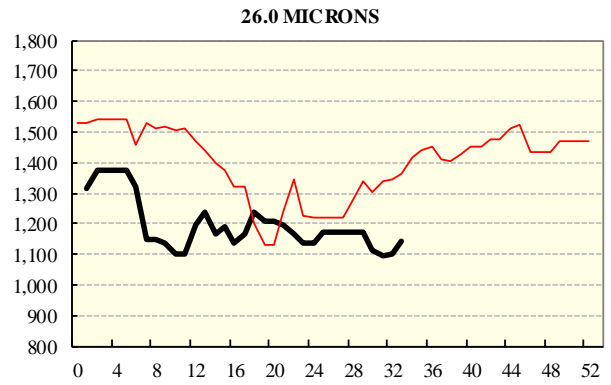
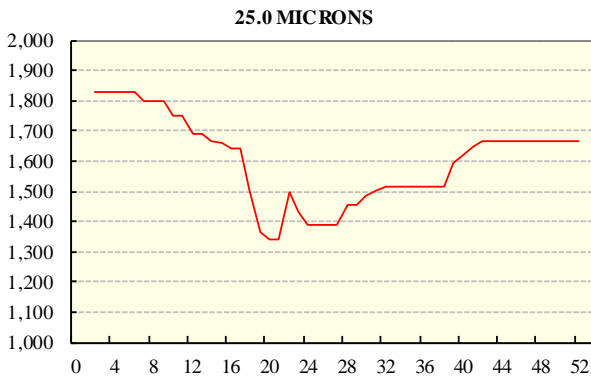
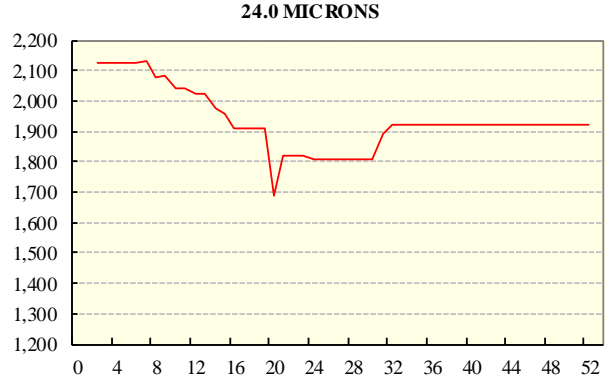
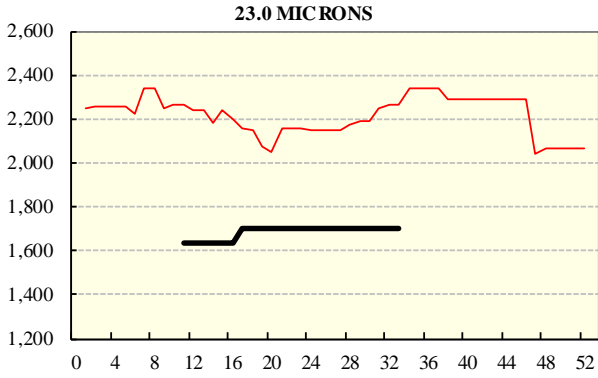
REGION BALES		
This Sale:		
Region	This Week	Diff
North	7,922	
South	21,474	
West	10,780	
Progressive Totals:		Diff
North	254,461	-10.4%
South	469,706	-13.1%
West	194,983	-3.8%

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)

