

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 15 May 2020 (Week 46).

The AWEX EMI finished 9¢ higher (+0.8%) in Australian currency and 8¢ higher (+1.1%) in US currency in a better week at sales in Sydney, Melbourne and Fremantle in Week 46. It was the first week in which the EMI had moved up since the second week in April.

23,371 bales were on offer nationally, compared with 25,338 bales last sale. 8.8% of the offering was passed in after 12.0% of the potential offering was withdrawn prior to sale. 21,315 bales were sold.

AWEX reports that the value of the wool sold was \$27.7 million (\$1,300 per bale), taking the season total to \$1.807 billion (\$1,654 per bale). The number of bales sold at auction this season is now 19.3% less than in the previous season.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 46)									
Centre	Last Sale		Day-to-Day Changes (Week 46)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	45	1170	+11	-2	No Sale	+9 (+0.8%)	1179	+8	+7
Northern	45	1214	+16	No Sale	No Sale	+16 (+1.3%)	1230	+13	+12
Southern	45	1142	+8	-3	No Sale	+5 (+0.4%)	1147	+6	+5
Western	45	1246	No Sale	-9	No Sale	-9 (-0.7%)	1237	-3	-3

The market got away to an encouraging start on Tuesday, when Sydney and Melbourne sold, but eased slightly on Wednesday when Melbourne and Fremantle sold. Merinos had a better week than the Crossbreds.

Calculation of changes in the average weekly MPGs becomes difficult when price movements are as variable as was seen this week; and when the South sells on both days; and the North and the West each sell on one day.

The US Exchange Rate finished 0.24¢ (0.4%) higher to close at 64.73¢ on Wednesday.

Buyers for China were again dominant.

In other countries, South African sales are in recess this week and will resume on 20 May. This meant there was 5,000 to 6,000 less bales on offer globally than might have been the case.

New Zealand sales are expected to resume in the coming week.

Looking ahead, offerings for the coming three sales are expected to range from 18,399 bales to 22,519 bales and to be 15.5% less than in the same period last year. The forecast progressive difference to Week 49 is -11.9%.

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 42	Start of the Season	Week 46 Last Year	Season Average to Week 46 Last Year
Eastern Market Indicator	-113 (-8.7%)	-560 (-32.2%)	-714 (-37.7%)	-465 (-23.7%)
Western Market Indicator	-133 (-9.7%)	-644 (-34.2%)	-758 (-38.0%)	-517 (-24.5%)

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 ¢	+30	+4	+16	+40	+19	+32	+23	0	-15			
Change %	+1.7%	+0.2%	+1.0%	+2.7%	+1.3%	+2.4%	+1.7%	0.0%	-1.2%			
Since Start of the Season												
Change ¢	-390	-496	-555	-598	-610	-656	-691	-723	-752			
Change %	-18.0%	-23.1%	-26.1%	-28.2%	-29.7%	-32.2%	-34.0%	-35.7%	-37.2%			
Since Same Week Last Year												
Change ¢	-612	-712	-778	-813	-808	-831	-848	-878	-911			
Change %	-25.7%	-30.2%	-33.1%	-34.9%	-35.9%	-37.6%	-38.8%	-40.2%	-41.8%			

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 ¢			-20	-26	-1	+2
Change %			-3.3%	-5.4%	-0.4%	+0.2%
Since Start of the Season						
Change ¢			-461	-393	-319	-174
Change %			-44.1%	-46.3%	-54.2%	-17.6%
Since Same Week Last Year						
Change ¢			-594	-522	-361	-235
Change %			-50.4%	-53.4%	-57.2%	-22.4%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 15 May 2020 (Week 46)

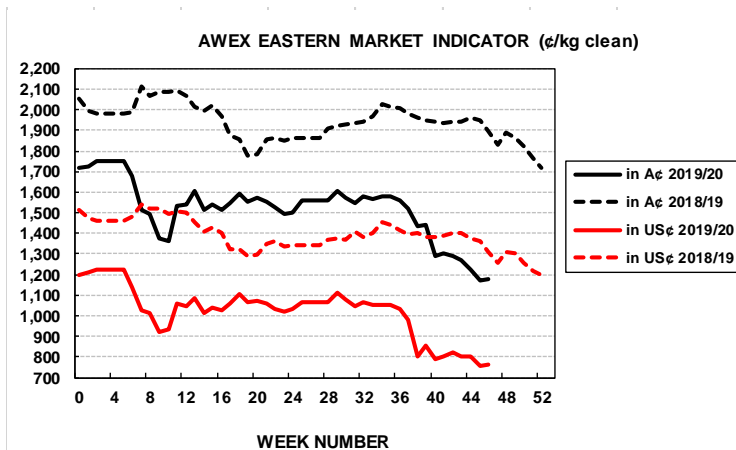
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the March ABS export data.

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 <sup>st</sup> Time Bales
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold	Bales	%	%
North	5,526	6,078	4.8%	10.9%	8.2%	5,788	-47,095	-11.9%	-16.0%
South	15,466	12,593	11.4%	10.1%	14.2%	11,163	-102,667	-12.9%	-16.8%
West	4,346	4,700	7.1%	18.1%	16.6%	4,364	-26,892	-8.6%	-14.0%
<b>Australia</b>	<b>25,338</b>	<b>23,371</b>	<b>8.8%</b>	<b>12.0%</b>	<b>13.1%</b>	<b>21,315</b>	<b>-176,654</b>	<b>-11.7%</b>	<b>-16.0%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 47	Week 48	Week 49	Differences
North	6,672	5,413	6,284	-24.3%
South	10,404	12,006	12,115	-16.8%
West	4,614	5,100	No Sale	+15.9%
New Zealand				
<b>Australia</b>	<b>21,690</b>	<b>22,519</b>	<b>18,399</b>	<b>62,608</b>
<b>Differences</b>	<b>-10.1%</b>	<b>-20.4%</b>	<b>-15.4%</b>	<b>-15.5%</b>

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	64.49	+0.81	+0.13	-0.66	-0.04	Public	+0.24 (+0.4%)	64.73	55.71	70.36
Euro	59.50	+0.73	+0.12	-0.43	-0.26	Holiday	+0.16 (+0.3%)	59.66	51.12	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to March	
	March 2020	July to March 2019/20	July to March 2018/19	By Weight	By Value
China	78.9%	76.7%	76.0%	-15.5%	-32.0%
India	7.4%	6.5%	6.1%	-9.5%	-26.3%
Italy	3.0%	4.9%	5.3%	-22.8%	-38.7%
Czech Republic	5.2%	4.1%	4.0%	-12.6%	-29.2%
Korea	1.5%	2.0%	2.5%	-33.6%	-43.9%
Egypt	0.8%	1.2%	1.0%	+1.3%	-20.7%
Thailand	0.6%	0.9%	0.9%	-21.5%	-43.9%
Bulgaria	0.5%	0.6%	0.4%	+24.9%	+25.4%
<b>Change all Countries</b>				<b>-15.9%</b>	<b>-32.4%</b>



AVERAGE EMI	
This Year	1493
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1525	-457
South	1472	-441
West	1589	-500

THIS YEAR'S EMI	
This Week	1179
First Week	1723
Low (10/01)	1170
High (11/01)	1754

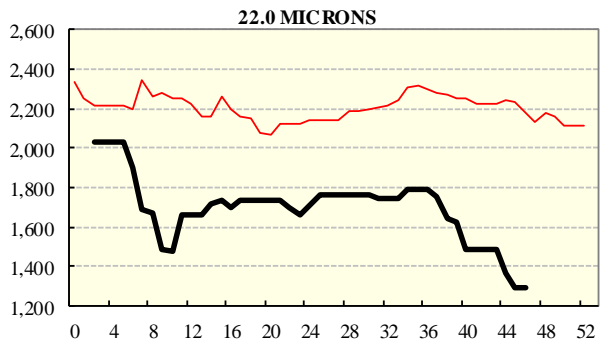
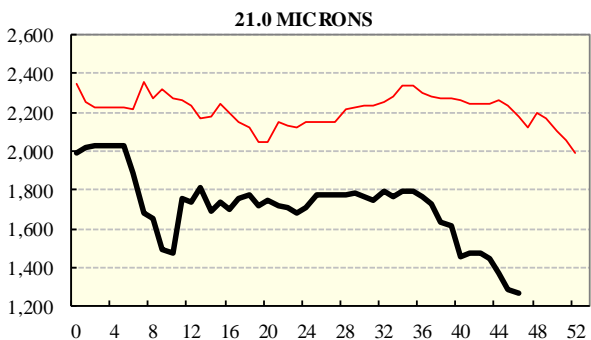
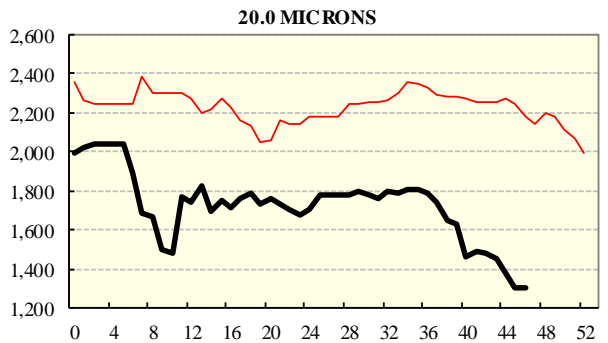
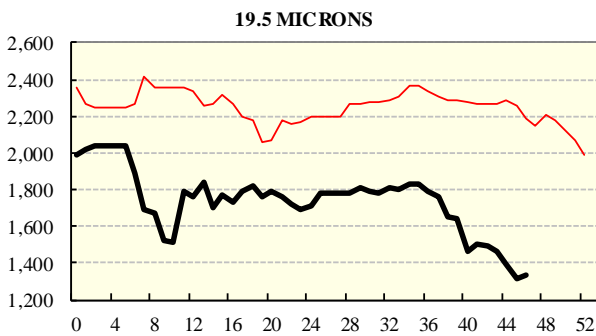
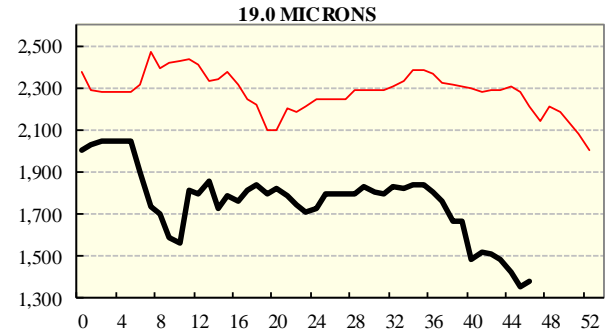
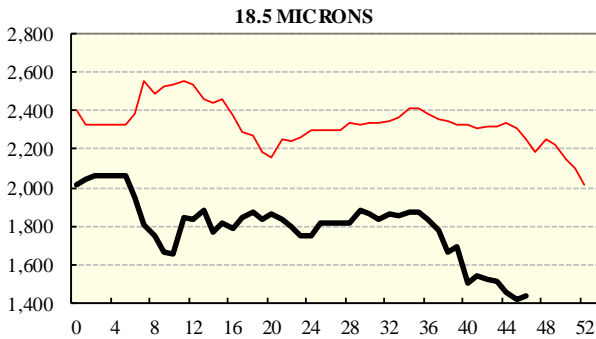
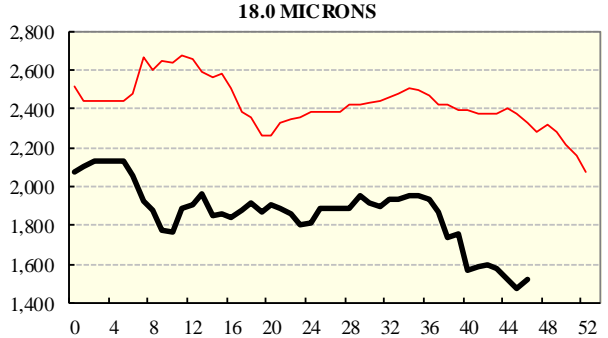
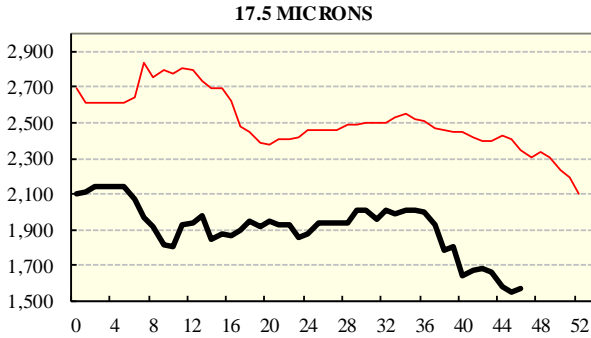
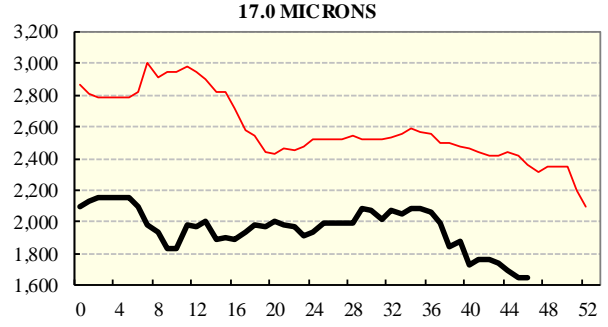
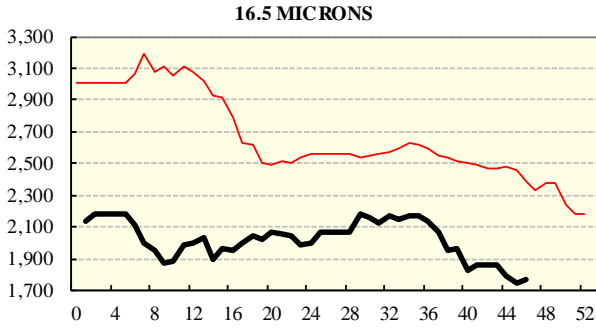
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1230	-529
South	1147	-578
West	1237	-644

BALES OFFERED	
This Year	1,330,725
Last Year	1,507,379
Difference	-176,654
% Diff	-11.7%
FIRST OFFERED BALES	
Difference	-16.0%
% of Offering	89%

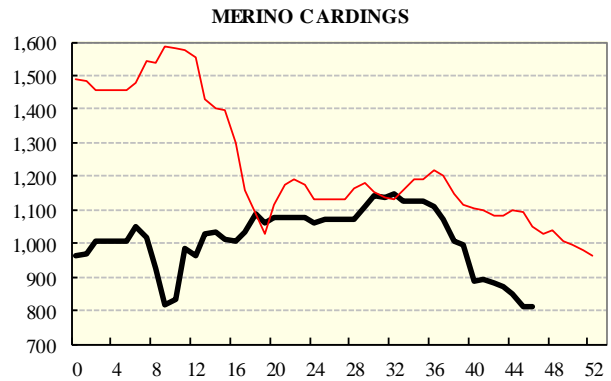
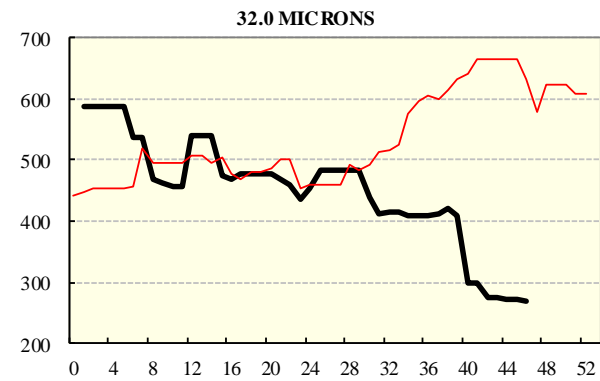
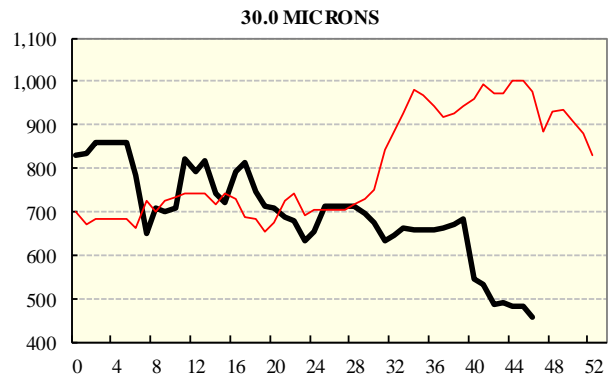
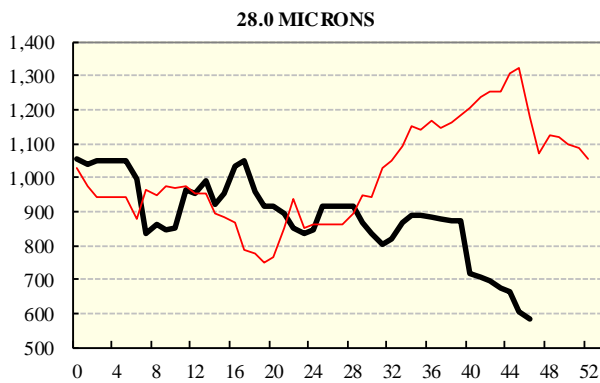
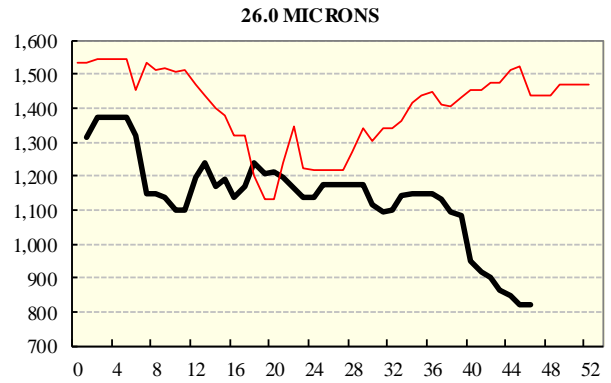
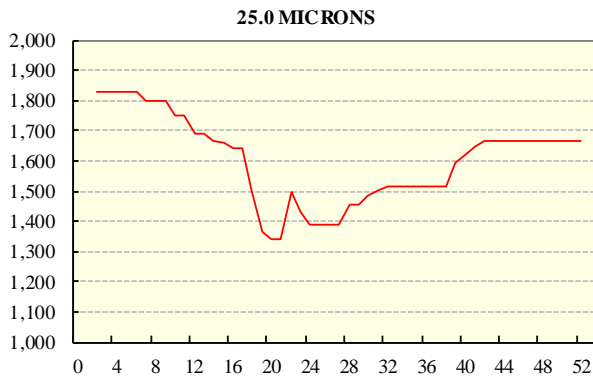
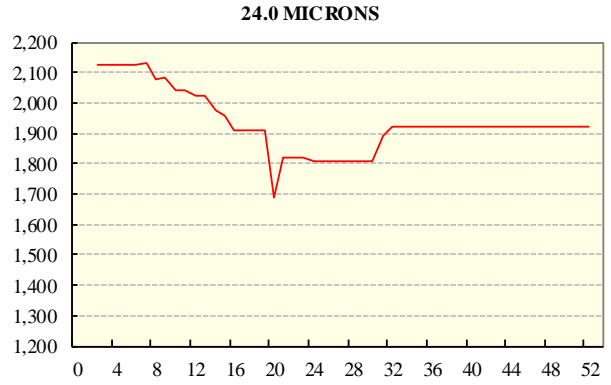
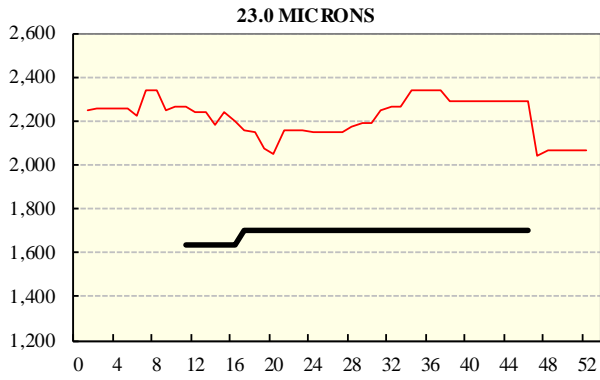
REGION BALES		
This Sale:		
North	6,078	
South	12,593	
West	4,700	
Progressive Totals:		Diff
North	350,280	-11.9%
South	695,283	-12.9%
West	285,162	-8.6%

## 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)

