

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 24 January 2020 (Week 30).

The AWEX EMI finished at 1576¢, 33¢ lower (-2.1%) in Australian currency and 29¢ lower (-2.6%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 30. The closing EMI of 1576¢ was 20¢ greater than the closing value in the last sale before the Christmas break.

52,666 bales were on offer nationally, compared with 52,261 bales last sale. 15.9% of the offering was passed in after 11.9% of the potential offering was withdrawn prior to sale.

AWEX reports that the value of the wool sold was \$75.1 million (\$1,696 per bale), taking the season total to \$1.191 billion (\$1,719 per bale). The number of bales sold at auction this season is now 15.5% less than in 2018/19.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 30)									
Centre	Last Sale		Day-to-Day Changes (Week 30)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	29	1609	-14	-24	+5	-33 (-2.1%)	1576	-29	-21
Northern	29	1678	No Sale	-61	0	-61 (-3.6%)	1617	-49	-37
Southern	29	1566	-23	-1	+7	-17 (-1.1%)	1549	-18	-10
Western	29	1687	No Sale	-11	+9	-2 (-0.1%)	1685	-8	-1

The market started the week on a downward note, but finished in an upward direction on Thursday. The finer Merinos were the least affected; and, overall, Merinos did better than the crossbreds, which were again in plentiful supply.

The 61¢ fall in the NMI on Wednesday was a result of the different selling patterns in the North and the South over the last two sales. The closing changes in the NMI and the SMI over the two sales were +18¢ in the North and +16¢ in the South

The US Exchange Rate finished 0.40¢ (-0.6%) lower to close at 68.67¢ 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 1.1% since last week against a 0.3% appreciation of the Rand against the US Dollar and a 0.9% appreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 38,586 bales to 44,330 bales and to be 4.0% more than in the same period last year. The forecast progressive difference to Week 33 is -8.7%.

The size of the weekly offerings continues to move closer to the previous year's volumes. The number of bales offered in the last four sales is down by 2.6%, compared with a figure of -12.3% from Week 01 to Week 23.

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 23	Start of the Season	Week 30 Last Year	Season Average to Week 30 Last Year
Eastern Market Indicator	+84 (+5.6%)	-163 (-9.4%)	-351 (-18.2%)	-405 (-20.7%)
Western Market Indicator	+81 (+5.0%)	-196 (-10.4%)	-407 (-19.5%)	-455 (-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 ¢	-13	-12	-3	-32	-19	-24	-21	-26	-24			
Change %	-0.6%	-0.6%	-0.1%	-1.6%	-1.0%	-1.3%	-1.2%	-1.4%	-1.3%			
Since Start of the Season												
Change ¢	0	-66	-116	-197	-184	-235	-243	-253	-262			
Change %	0.0%	-3.1%	-5.5%	-9.3%	-9.0%	-11.5%	-12.0%	-12.5%	-13.0%			
Since Same Week Last Year												
Change ¢	-387	-440	-487	-513	-465	-487	-486	-479	-472			
Change %	-15.2%	-17.5%	-19.5%	-21.1%	-19.9%	-21.3%	-21.4%	-21.3%	-21.1%			

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 ¢		-60	-29	-21		+33
Change %		-5.1%	-3.3%	-3.0%		+3.0%
Since Start of the Season						
Change ¢		-230	-208	-175	-150	+157
Change %		-17.1%	-19.9%	-20.6%	-25.5%	+15.9%
Since Same Week Last Year						
Change ¢		-189	-103	-78	-52	-9
Change %		-14.5%	-11.0%	-10.4%	-10.6%	-0.8%

MC Average Merino Cardings Price Guide

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For further information

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AWIS WOOL MARKET REVIEW Week Ending 24 January 2020 (Week 30)

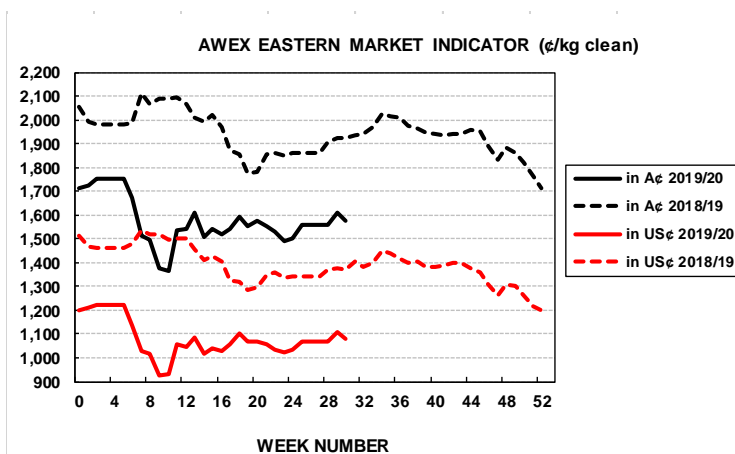
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the November ABS export data.

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	11,086	14,105	15.1%	10.1%	8.2%	11,973	-28,032	-10.9%	-14.5%
South	27,393	26,847	15.2%	11.9%	6.9%	22,760	-60,168	-12.6%	-15.8%
West	13,782	11,714	18.6%	13.8%	7.1%	9,540	-5,448	-3.1%	-9.0%
Australia	52,261	52,666	15.9%	11.9%	7.3%	44,273	-93,648	-10.3%	-14.2%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 31	Week 32	Week 33	Differences
North	9,700	9,916	10,580	+9.4%
South	21,538	19,770	24,850	+4.6%
West	9,467	8,900	8,900	-2.7%
New Zealand				
Australia	40,705	38,586	44,330	123,621
Differences	+4.8%	-3.3%	+10.4%	+4.0%

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	69.07	-0.12	-0.11	-0.19	-0.26	+0.28	-0.40 (-0.6%)	68.67	67.17	70.36
Euro	61.94	0.00	+0.09	-0.18	-0.14	+0.24	+0.01 (+0.0%)	61.95	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to November	
	November 2019	July to November 2019/20	July to November 2018/19	By Weight	By Value
China	80.5%	77.0%	74.0%	-12.3%	-32.8%
Italy	3.8%	6.0%	6.4%	-20.9%	-37.6%
India	6.6%	5.8%	7.1%	-30.8%	-45.2%
Czech Republic	2.8%	3.1%	3.8%	-30.4%	-47.7%
Korea	1.7%	2.0%	2.8%	-40.0%	-50.7%
Egypt	0.4%	1.4%	1.0%	+19.9%	-6.5%
Thailand	0.8%	0.9%	1.2%	-32.6%	-51.6%
Taiwan	0.9%	0.6%	0.8%	-32.1%	-52.9%
Change all Countries				-15.8%	-35.1%



AVERAGE EMI	
This Year	1552
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1582	-400
South	1533	-380
West	1653	-435

THIS YEAR'S EMI	
This Week	1576
First Week	1723
Low (10/01)	1365
High (11/01)	1754

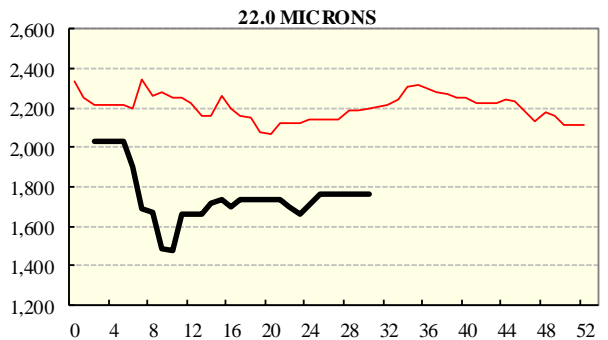
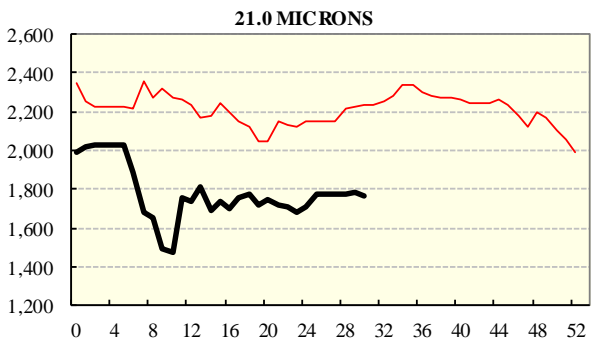
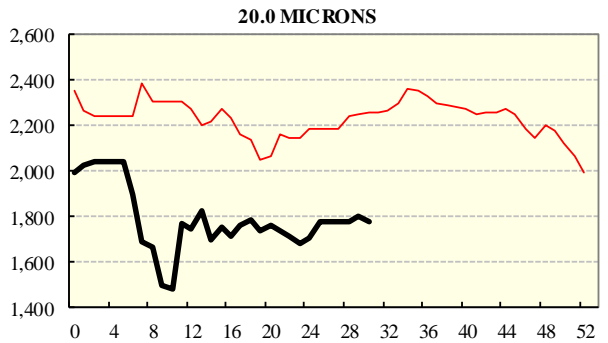
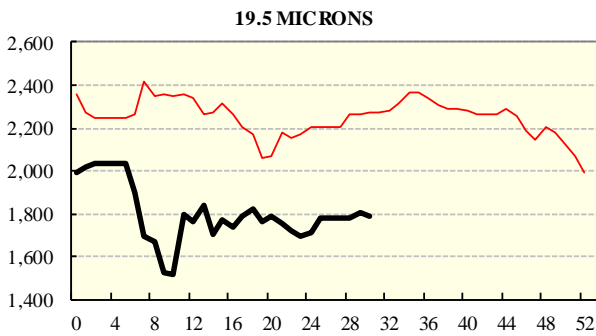
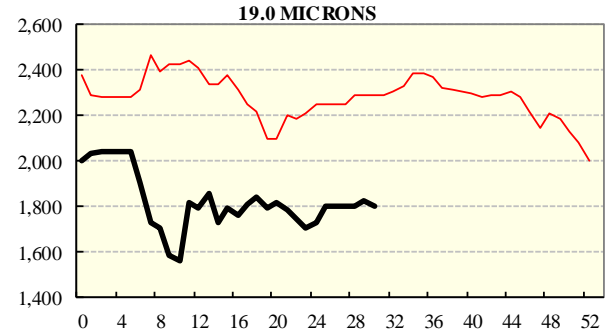
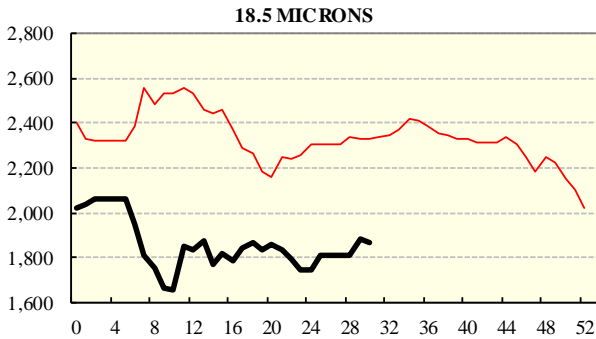
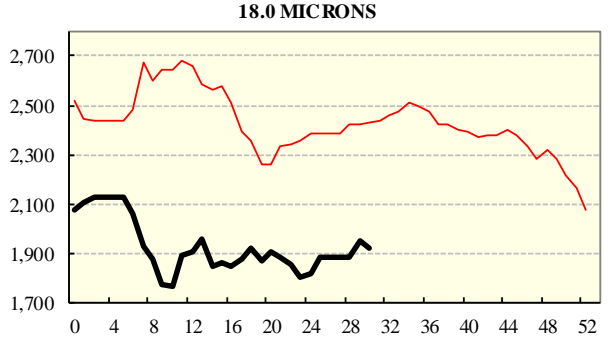
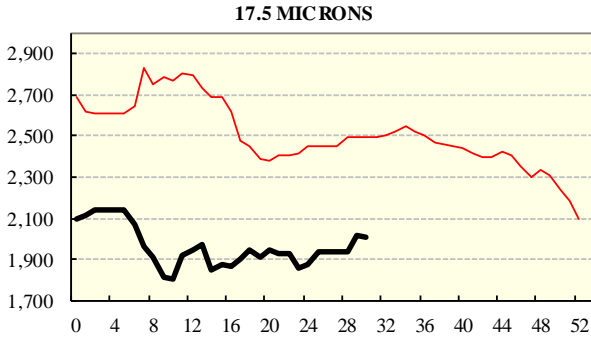
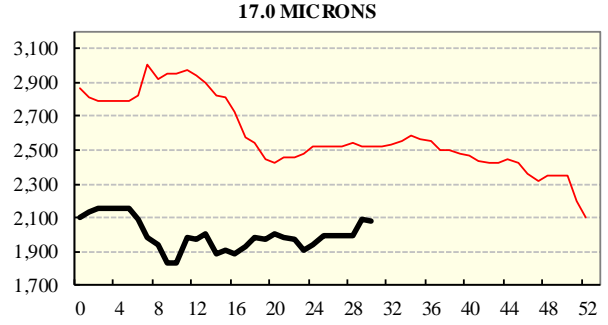
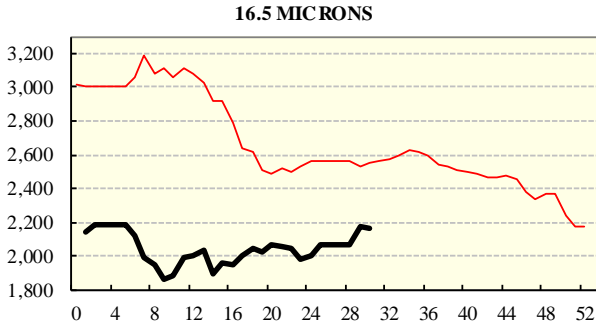
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1617	-142
South	1549	-176
West	1685	-196

BALES OFFERED	
This Year	814,712
Last Year	908,360
Difference	-93,648
% Diff	-10.3%
FIRST OFFERED BALES	
Difference	-14.2%
% of Offering	90.2%

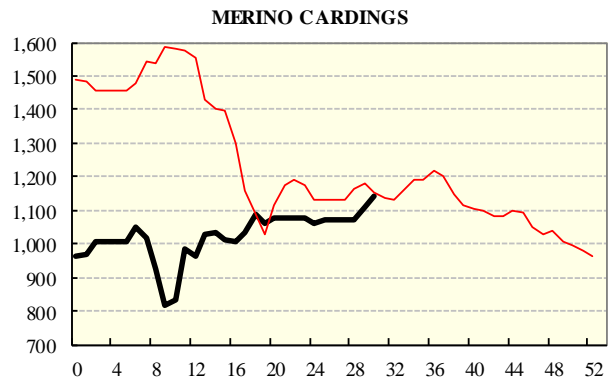
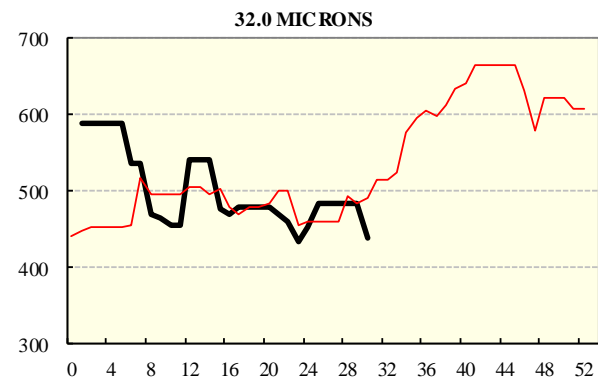
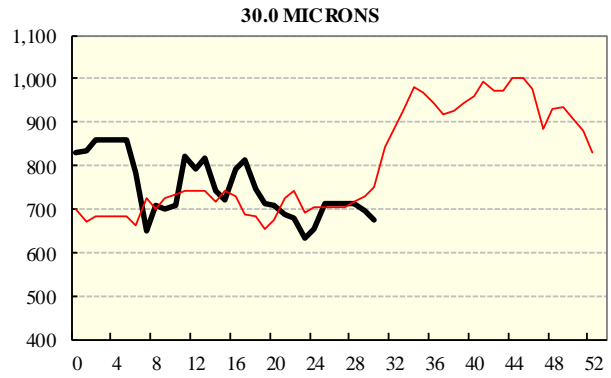
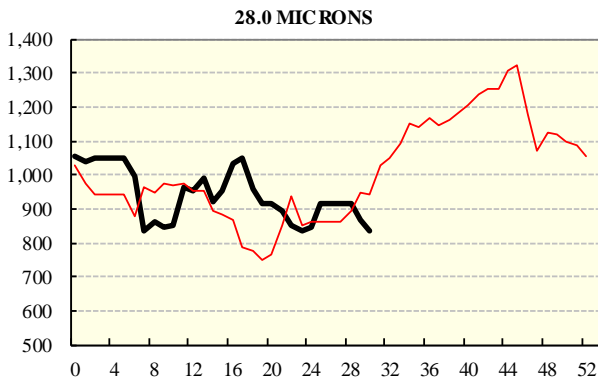
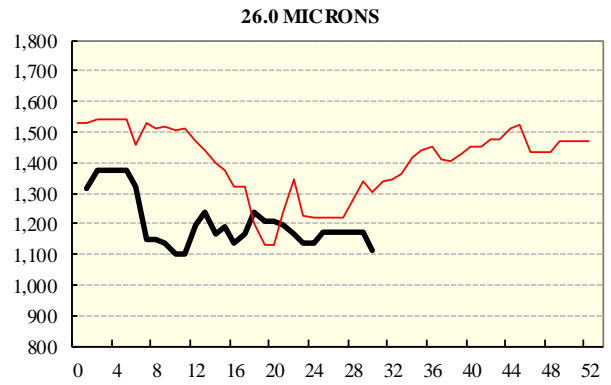
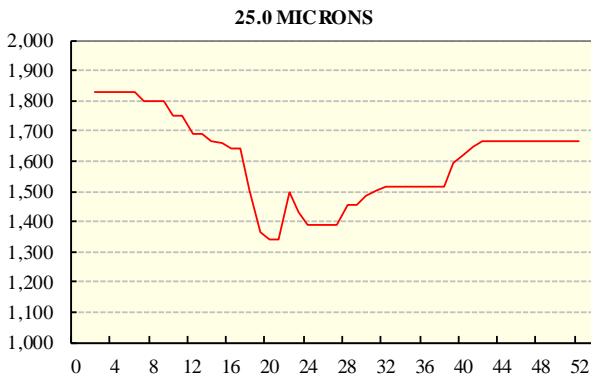
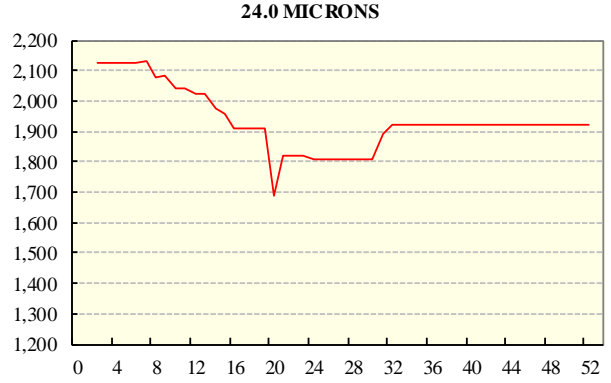
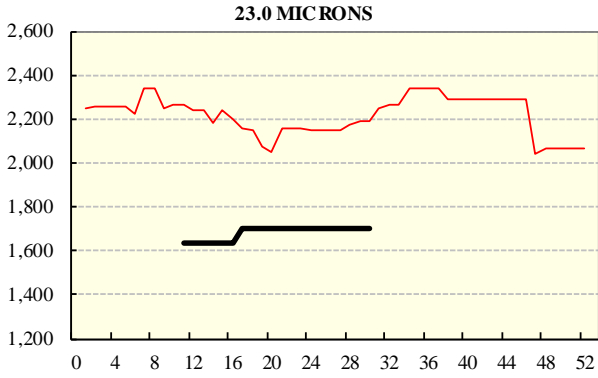
REGION BALES		
This Sale:		
North	14,105	
South	26,847	
West	11,714	
Progressive Totals:		Diff
North	228,472	-10.9%
South	417,040	-12.6%
West	169,200	-3.1%

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)

