

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 25 October 2019 (Week 17).

The AWEX EMI finished 28¢ higher (+1.8%) in Australian currency and 28¢ higher (+2.7%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

27,047 bales were on offer nationally, compared with 35,351 bales last sale. 7.1% of the offering was passed in.

AWEX reports that the value of the wool sold was \$43.8 million (\$1,743 per bale), taking the season total to \$600.1 million (\$1,737 per bale). The number of bales sold at auction this season is now 26.0% less than in 2018/19.

The New Zealand Merino Company also offered 2,683 bales in Melbourne on Thursday, of which 11.3% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 17)									
Centre	Last Sale		Day-to-Day Changes (Week 17)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	16	1517	No Sale	+14	+14	+28 (+1.8%)	1545	+28	+20
Northern	16	1545	No Sale	+15	No Sale	+15 (+1.0%)	1560	+20	+13
Southern	16	1500	No Sale	+13	+14	+27 (+1.8%)	1527	+27	+19
Western	16	1621	No Sale	+30	+21	+51 (+3.1%)	1672	+44	+34

The market recovered last week's fall, with the EMI now at virtually the same level that it was at two weeks ago (1543¢) and also what it was at five weeks ago (1542¢). The more settled news out of the Middle East may have helped.

There were rises across all Merino and Crossbred micron ranges and fleece and skirting types. The rises among the Merinos were similar across the micron ranges. Oddments were a bit mixed, but generally moved up.

The US Exchange Rate rose steadily during the week to finish 0.58¢ (0.9%) higher; and to close at 68.43¢ 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 up by 0.5% since last week against a 1.9% appreciation of the Rand against the US Dollar and a 1.3% depreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 32,398 bales to 39,446 bales and to be 4.6% more than in the same period last year. The forecast progressive difference to Week 20 is -15.3%.

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	103¢	139¢	163¢	190¢	271¢

Market Indicator	Four Sales Ago Week 13	Changes From		
		Start of the Season	Week 17 Last Year	Season Average to Week 17 Last Year
Eastern Market Indicator	-25 (-1.6%)	-222 (-12.8%)	-453 (-23.0%)	-486 (-23.9%)
Western Market Indicator	-22 (-1.3%)	-260 (-13.8%)	-473 (-22.6%)	-539 (-24.6%)

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 ¢	+52	+40	+34	+34	+54	+50	+55	+51	+49	+37		
Change %	+2.7%	+2.1%	+1.8%	+1.8%	+3.0%	+2.8%	+3.2%	+3.0%	+2.9%	+2.2%		
Since Start of the Season												
Change ¢	-163	-213	-226	-238	-210	-228	-241	-267	-272	-300		
Change %	-7.5%	-9.9%	-10.6%	-11.2%	-10.2%	-11.2%	-11.9%	-13.2%	-13.4%	-14.7%		
Since Same Week Last Year												
Change ¢	-635	-643	-576	-511	-451	-436	-413	-401	-401	-426	-450	
Change %	-24.1%	-25.0%	-23.2%	-21.4%	-19.7%	-19.4%	-18.8%	-18.5%	-18.6%	-19.7%	-20.9%	

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 ¢			+32	+15	+20	+10
Change %			+2.8%	+1.4%	+2.5%	+2.1%
Since Start of the Season						
Change ¢			-176	+5	-36	-110
Change %			-13.1%	+0.5%	-4.2%	-18.7%
Since Same Week Last Year						
Change ¢				+264	+126	+9
Change %				+33.6%	+18.4%	+1.9%

MC Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 25 October 2019 (Week 17)

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 August ABS export data.

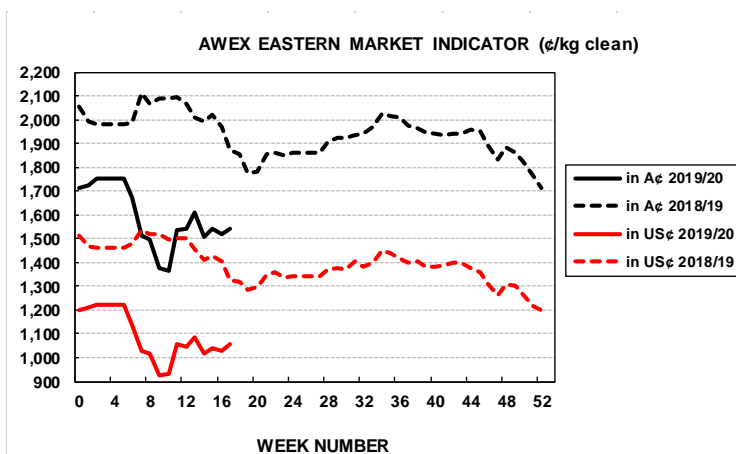
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	10,143	4,972	7.9%	7.3%	7.8%	4,577
South	17,620	15,468	6.2%	6.3%	8.0%	14,512
West	7,588	6,607	8.5%	14.3%	10.4%	6,047
Australia	35,351	27,047	7.1%	8.6%	8.6%	25,136

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-31,072	-19.8%	-24.1%
-61,753	-22.9%	-27.9%
-6,862	-7.7%	-17.3%
-99,687	-19.3%	-24.9%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 18	Week 19	Week 20	Differences
North	9,577	8,670	7,825	-3.7%
South	21,461	16,128	20,035	+4.2%
West	8,408	7,600	7,700	+16.9%
New Zealand	2,600			
Australia	39,446	32,398	35,560	107,404
Differences	+12.3%	+0.6%	+0.6%	+4.6%

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	67.85	+0.46	+0.29	+0.16	-0.33	0.00	+0.58 (+0.9%)	68.43	67.17	70.36
Euro	61.26	+0.16	+0.06	+0.17	-0.12	-0.08	+0.19 (+0.3%)	61.45	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to August	
	August 2019	July to August 2019/20	July to August 2018/19	By Weight	By Value
China	72.3%	74.7%	73.2%	-13.3%	-25.8%
Italy	7.1%	7.6%	6.3%	+2.3%	-12.8%
India	8.2%	5.7%	6.9%	-29.6%	-36.6%
Czech Republic	4.0%	3.5%	3.7%	-20.1%	-35.3%
Korea	2.9%	2.4%	3.7%	-44.1%	-52.6%
Egypt	1.8%	1.6%	0.9%	+44.6%	+23.7%
Thailand	1.0%	0.7%	1.3%	-50.2%	-58.2%
Bulgaria	0.2%	0.6%	0.1%	+734.3%	+1,038.2%
Change all Countries				-15.1%	-27.1%



AVERAGE EMI	
This Year	1550
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1575	-407
South	1534	-378
West	1650	-439

THIS YEAR'S EMI	
This Week	1545
First Week	1723
Low (10/01)	1365
High (11/01)	1754

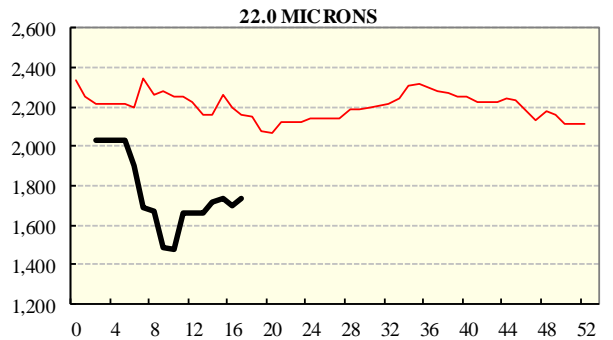
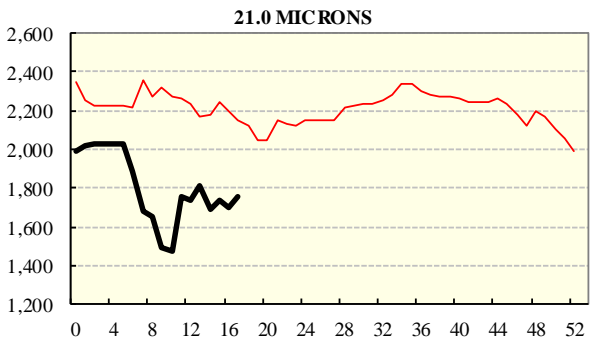
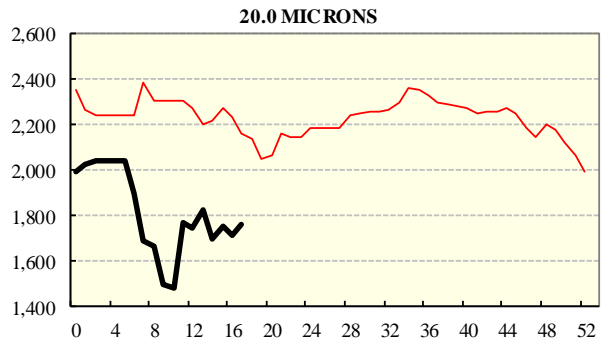
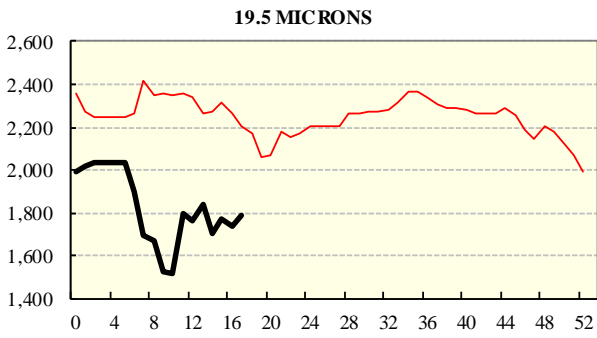
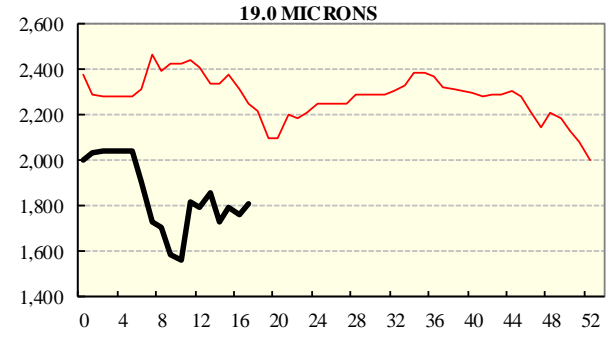
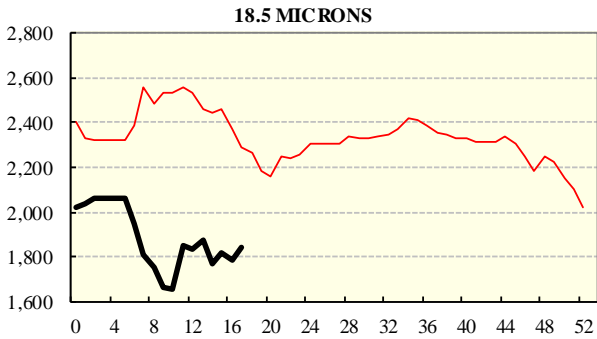
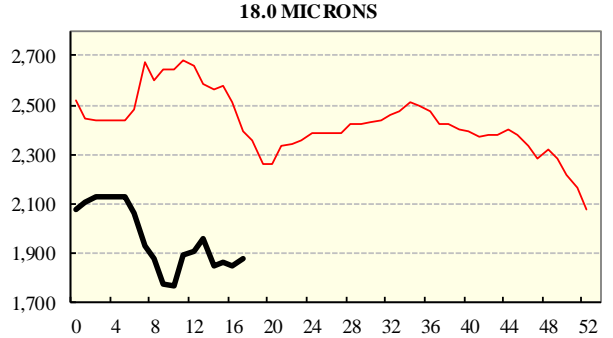
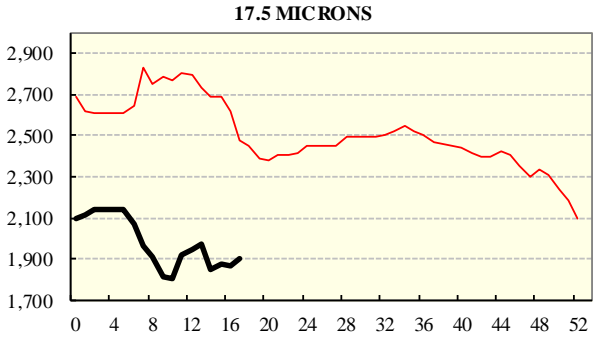
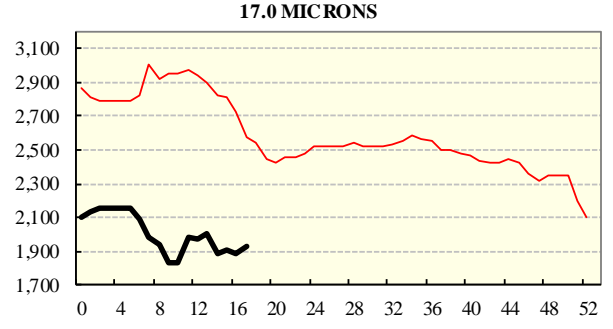
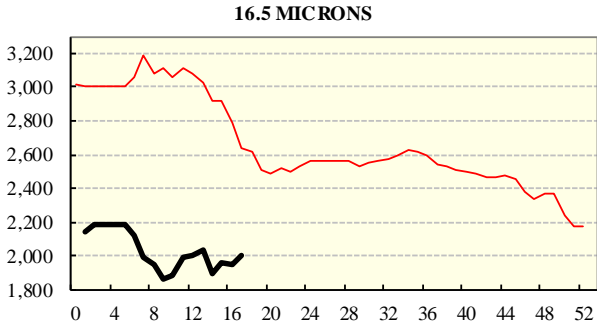
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1560	-199
South	1527	-198
West	1672	-209

BALES OFFERED	
This Year	416,286
Last Year	515,973
Difference	-99,687
% Diff	-19.3%
FIRST OFFERED BALES	
Difference	-24.9%
% of Offering	89%

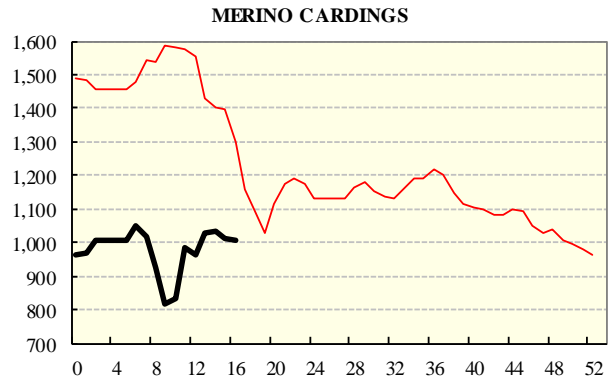
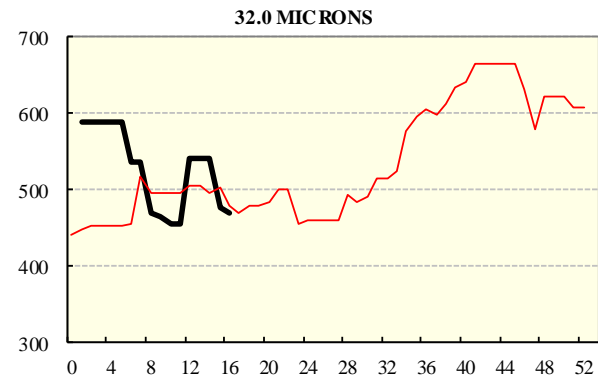
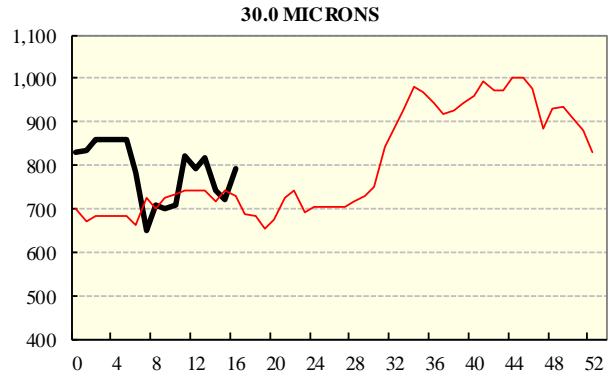
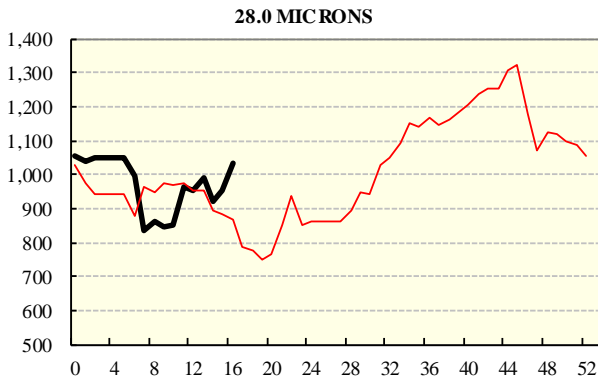
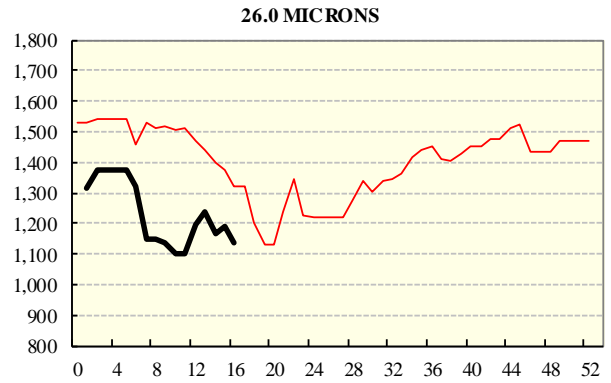
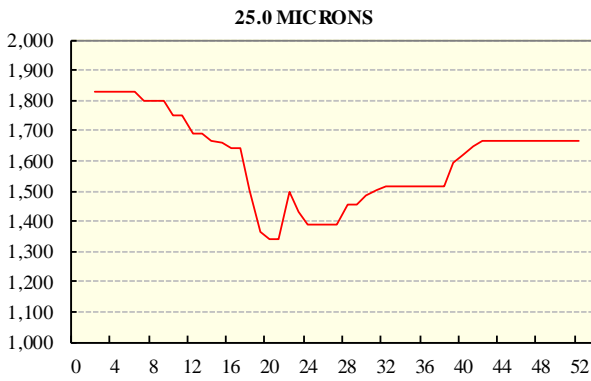
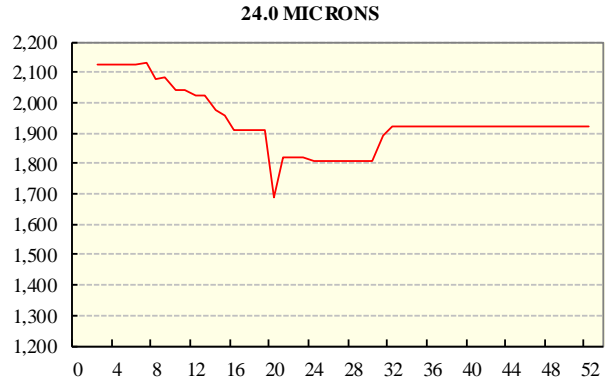
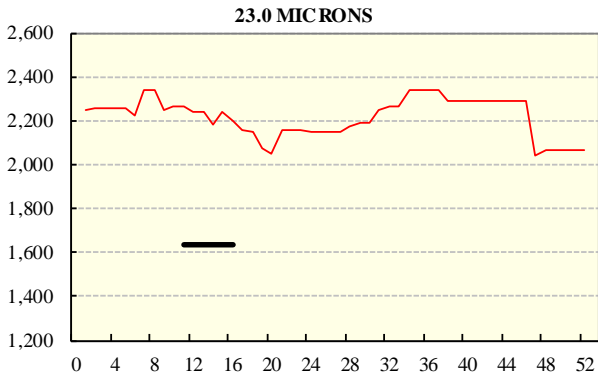
REGION BALES		
This Sale:		Diff
North	4,972	
South	15,468	
West	6,607	
Progressive Totals:		Diff
North	126,128	-19.8%
South	207,905	-22.9%
West	82,253	-7.7%

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)

