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AWIS WOOL MARKET REVIEW

Week Ending 27 March 2020 (Week 39)

The AWEX EMI finished 4¢ higher (+0.3%) in Australian currency and 54¢ higher (+6.7%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 39. The big differences between the changes in the two currencies was due to the 3.60¢ (+6.5%) lift in the US Exchange Rate from 55.71¢ in the previous week to close at 59.31¢.

42,934 bales were on offer nationally, compared with 41,986 bales last sale. Sellers continued to display a reluctance to sell at the current market levels - 14.3% of the offering was passed in after 11.0% of the potential offering was withdrawn prior to sale.

AWEX reports that the value of the wool sold was \$55.3 million (\$1,503 per bale), taking the season total to \$1.619 billion (\$1,700 per bale). The number of bales sold at auction this season is now 17.7% less than in 2018/19.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 39)									
Centre	Last Sale		Day-to-Day Changes (Week 39)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	38	1438	-5	+7	+2	+4 (+0.3%)	1442	+54	+49
Northern	38	1469	No Sale	+9	+4	+13 (+0.9%)	1482	+61	+55
Southern	38	1418	-7	+5	0	-2 (-0.1%)	1416	+50	+45
Western	38	1538	No Sale	-27	+1	-26 (-1.7%)	1512	+40	+36

It was a better week in the market this week, but not enough to make up for the falls of the previous week. The AWEX MPGs from 16.5 to 18.0 micron all moved up, while those from 19.5 to 22.0 microns moved down by similar percentages. Crossbred MPGs also moved down, as did the AWEX Merino Cardings Index.

As mentioned above, the US Exchange Rate finished 3.60¢ (6.5%) higher to close at 59.31¢ on Thursday.

Buyers for China were even more dominant than usual, with the Indian and Italian industries under pressure due to COVID-19.

Looking ahead, offerings are currently expected to be 45,810 bales and 40,432 bales respectively in Weeks 40 and 41. Week 42 (the week after Easter) is normally a non-sale week. However, its status as a non-sale week, or whether it should be a sale week will be determined at a meeting of the National Auction Selling Committee (NASC) on Tuesday evening.

In other countries, sales have been shut down for at least three weeks in South Africa and for at least four weeks in New Zealand because of COVID-19.

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	65¢	143¢	183¢	248¢	343¢

Market Indicator	Changes From			
	Four Sales Ago Week 34	Start of the Season	Week 39 Last Year	Season Average to Week 39 Last Year
Eastern Market Indicator	-139 (-8.8%)	-297 (-17.1%)	-505 (-25.9%)	-415 (-21.2%)
Western Market Indicator	-198 (-11.6%)	-369 (-19.6%)	-587 (-28.0%)	-465 (-22.0%)

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 ¢	+12	+28	+24	+23	+21	+2	-18	-13	-24	-23		
Change %	+0.6%	+1.5%	+1.3%	+1.3%	+1.3%	+0.1%	-1.1%	-0.8%	-1.5%	-1.4%		
Since Start of the Season												
Change ¢	-195	-268	-321	-358	-361	-371	-392	-397	-410	-414		
Change %	-9.0%	-12.5%	-15.1%	-16.9%	-17.6%	-18.2%	-19.3%	-19.6%	-20.3%	-20.4%		
Since Same Week Last Year												
Change ¢	-547	-604	-640	-639	-640	-638	-653	-651	-658	-633		
Change %	-21.7%	-24.4%	-26.2%	-26.6%	-27.5%	-27.7%	-28.5%	-28.5%	-29.0%	-28.1%		

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 ¢			-14	-1	+14	-12
Change %			-1.3%	-0.1%	+2.1%	-2.9%
Since Start of the Season						
Change ¢			-263	-175	-163	-180
Change %			-19.6%	-16.7%	-19.2%	-30.6%
Since Same Week Last Year						
Change ¢			-348	-311	-256	-224
Change %			-24.4%	-26.3%	-27.2%	-35.4%

MC Average Merino Cardings Price Guide

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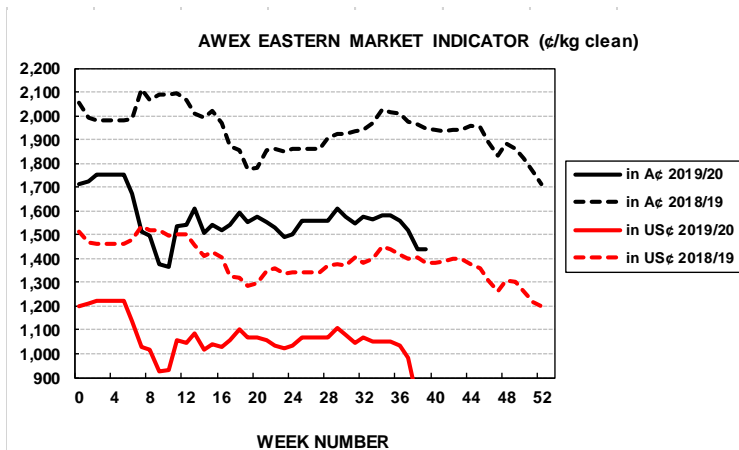
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the January ABS export data.

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	8,792	8,350	10.9%	6.7%	11.0%	7,439	-38,200	-11.1%	-15.1%
South	25,128	26,495	13.7%	7.4%	12.3%	22,866	-85,041	-12.5%	-16.0%
West	8,066	8,089	19.8%	24.1%	17.9%	6,485	-10,540	-4.1%	-10.1%
Australia	41,986	42,934	14.3%	11.0%	13.1%	36,790	-133,781	-10.4%	-14.6%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 40	Week 41	Week 42	Differences
North	10,055	8,395	No Sale	-29.0%
South	27,370	23,507	No Sale	-17.4%
West	8,385	8,530	No Sale	-39.9%
New Zealand				
Australia	45,810	40,432		86,242
Differences	+22.3%	+7.7%		-25.5%

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	55.71	+2.82	-0.91	+1.50	+0.95	-0.76	+3.60 (+6.5%)	59.31	55.71	70.36
Euro	51.12	+3.25	-0.71	+1.14	+0.76	-1.19	+3.25 (+6.4%)	54.37	51.12	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to January	
	January 2020	July to January 2019/20	July to January 2018/21	By Weight	By Value
China	79.3%	77.1%	74.9%	-11.4%	-30.5%
India	5.9%	6.1%	6.4%	-17.7%	-33.8%
Italy	3.2%	5.5%	6.1%	-22.3%	-39.1%
Czech Republic	3.6%	3.2%	3.9%	-30.1%	-49.2%
Korea	2.2%	2.1%	2.7%	-32.4%	-44.4%
Egypt	0.6%	1.2%	0.9%	+13.2%	-11.4%
Thailand	0.4%	0.9%	1.0%	-26.1%	-48.6%
Bulgaria	0.9%	0.7%	0.4%	+30.4%	+35.2%
Change all Countries				-13.9%	-32.6%



AVERAGE EMI	
This Year	1547
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1578	-404
South	1526	-386
West	1649	-439

THIS YEAR'S EMI	
This Week	1442
First Week	1723
Low (10/01)	1365
High (11/01)	1754

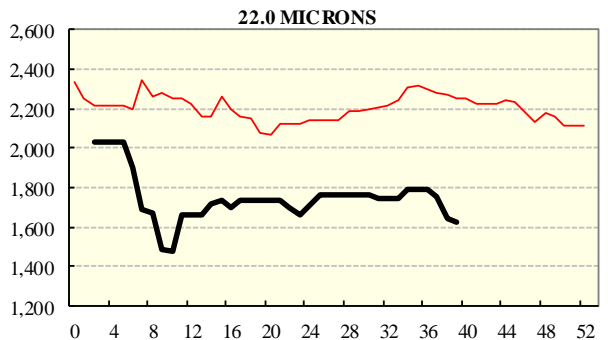
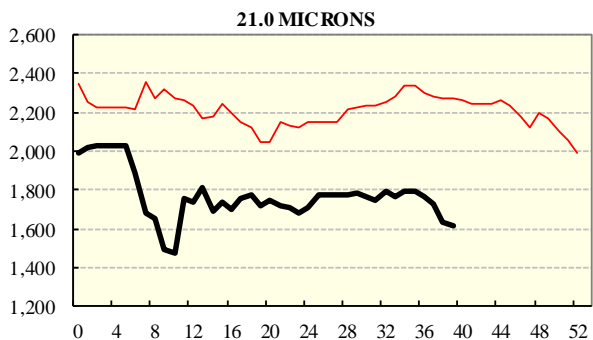
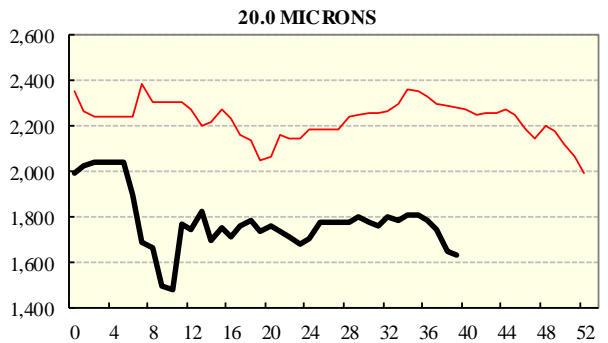
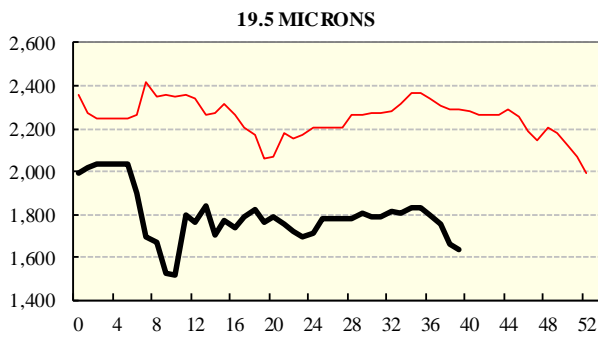
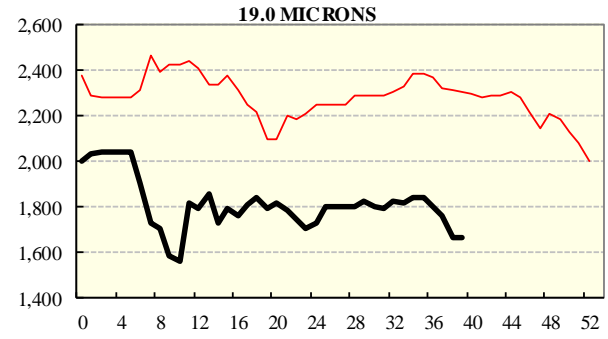
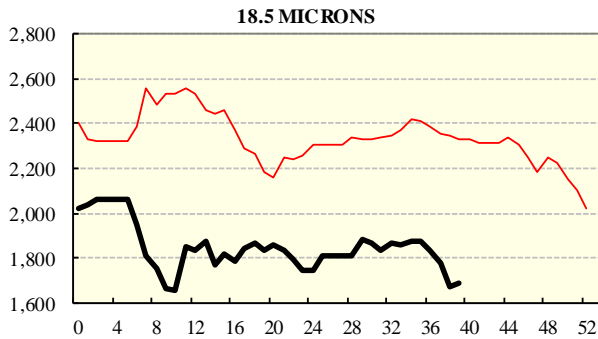
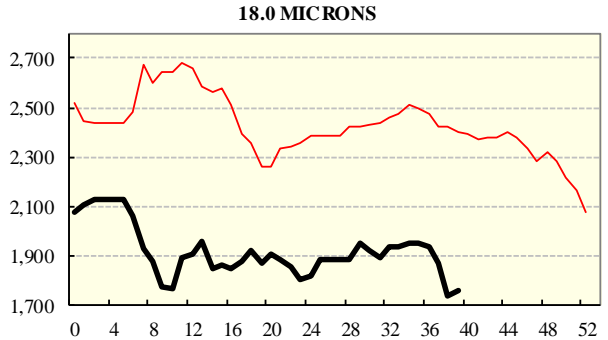
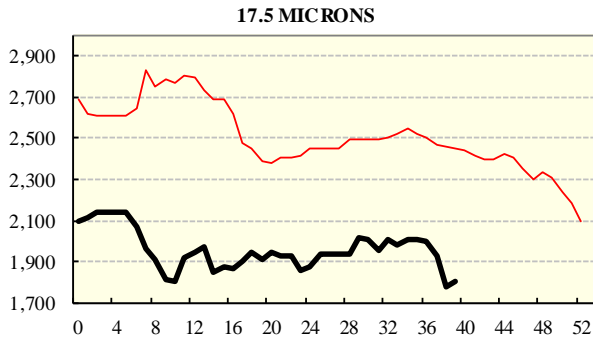
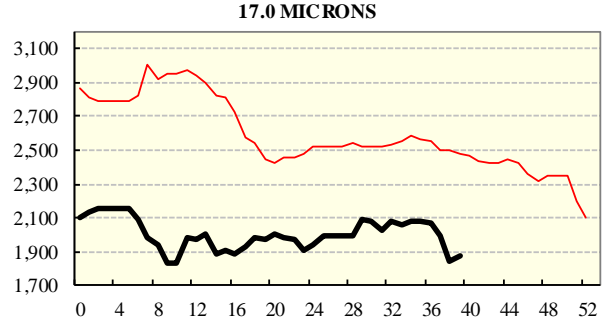
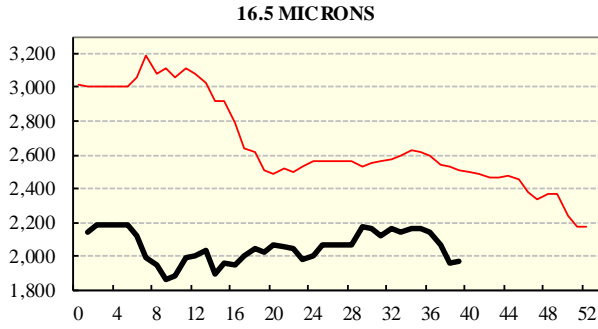
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1482	-277
South	1416	-309
West	1512	-369

BALES OFFERED	
This Year	1,148,833
Last Year	1,282,614
Difference	-133,781
% Diff	-10.4%
FIRST OFFERED BALES	
Difference	-14.6%
% of Offering	89.5%

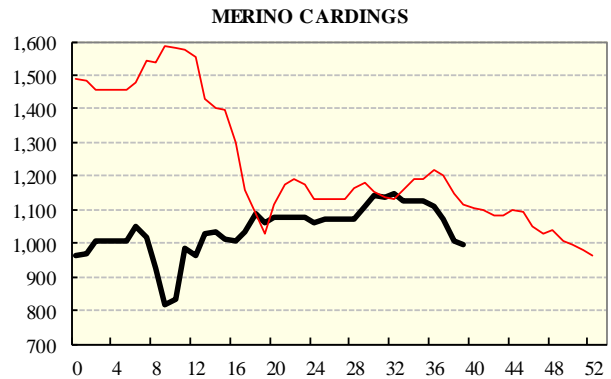
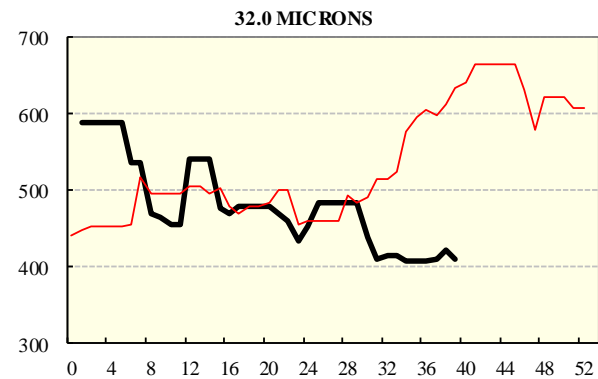
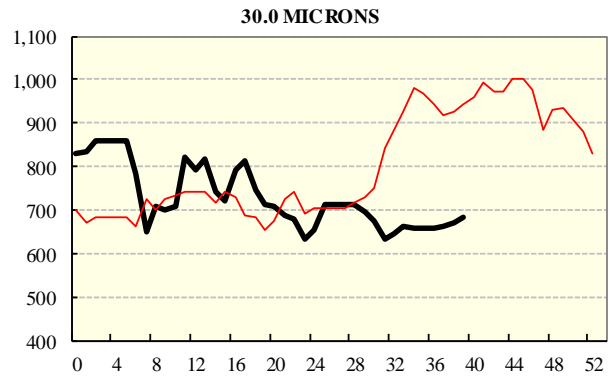
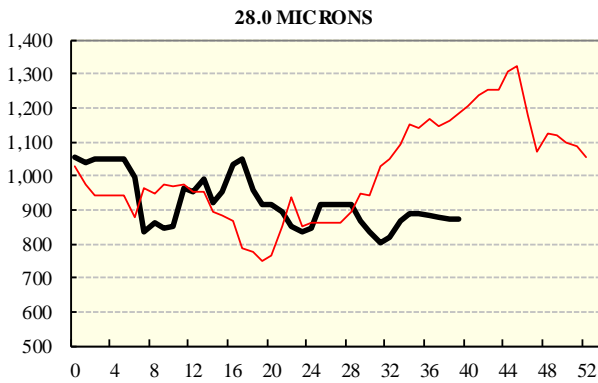
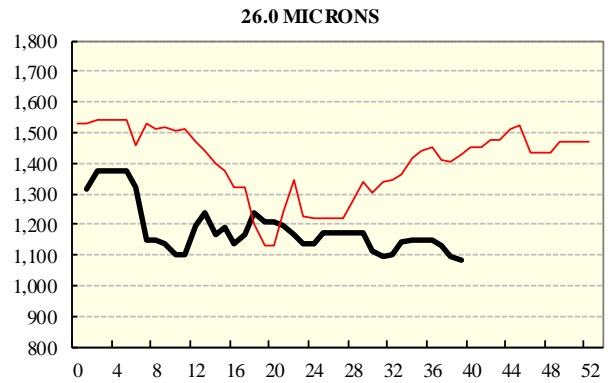
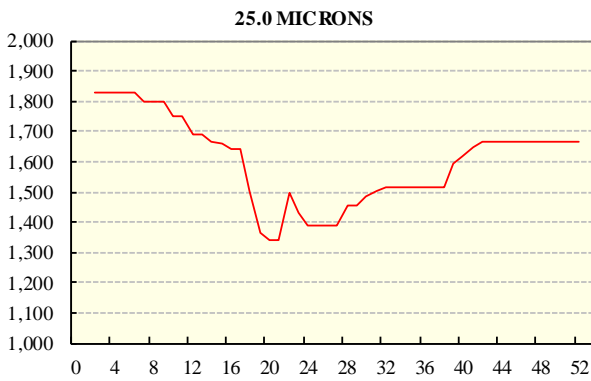
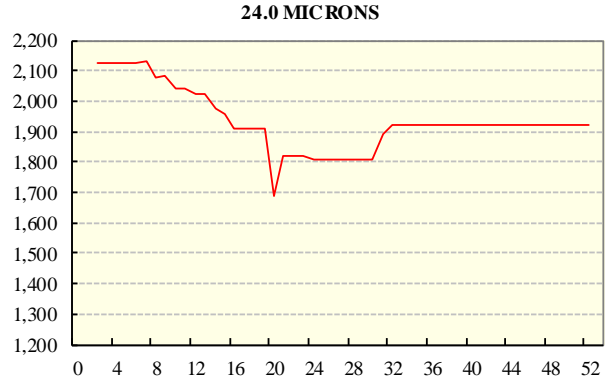
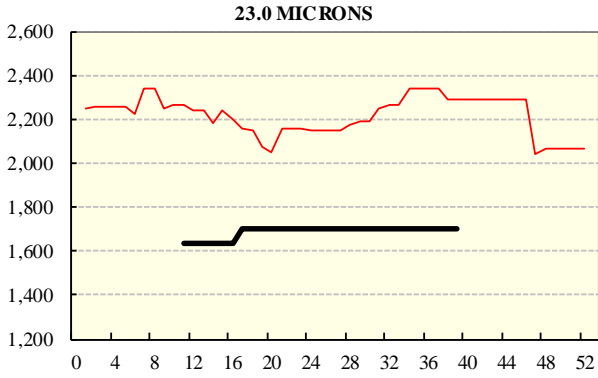
REGION BALES		
This Sale:		
North	8,350	
South	26,495	
West	8,089	
Progressive Totals:		Diff
North	306,303	-11.1%
South	592,831	-12.5%
West	249,699	-4.1%

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)

