

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 27 September 2019 (Week 13).

The AWEX EMI finished 67¢ higher (+4.3%) in Australian currency and 39¢ higher (+3.7%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

27,374 bales were on offer nationally, compared with 30,135 bales last sale. 7.6% of the offering was passed in; after 7.4% was passed in before sale. Seller resistance saw the Western Pass-In Rate rise to 28.6% on Thursday when the WMI fell by 29¢.

AWEX reports that the value of the wool sold was \$47.0 million (\$1,858 per bale), taking the season total to \$420.2 million (\$1,720 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 13)									
Centre	Last Sale		Day-to-Day Changes (Week 13)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	12	1542	No Sale	+61	+6	+67 (+4.3%)	1609	+39	+44
Northern	12	1570	No Sale	+60	+5	+65 (+4.1%)	1635	+38	+42
Southern	12	1524	No Sale	+61	+8	+69 (+4.5%)	1593	+41	+45
Western	12	1643	No Sale	+88	-29	+59 (+3.6%)	1702	+33	+39

The market again displayed considerable volatility, when the EMI moved up by 61¢ on Wednesday before settling with a further 6¢ rise on Thursday, while the WMI moved up by 88¢ on Wednesday, but fell by 29¢ on Thursday.

Skirtings experienced good rises on both days (as occurred last week); while Oddments continued their up and down ride when the average AWEX Merino Cardings Price Guide was up by 65¢ after last week's fall of 26¢. Crossbreds had good rises on Wednesday, but were settled on Thursday.

The US Exchange Rate continued in the 67 to 68¢ range, when it finished 0.38¢ (-0.6%) lower to close at 67.52¢ on Thursday.

Buyers for China were dominant, with support from buyers for India and Europe.

In other countries, the South African Cape Wools Indicator was up by 5.3% since previous sale against a 2.7% depreciation of the Rand against the US Dollar and a 2.2% appreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 29,969 bales to 40,999 bales and to be 2.5% less than in the same period last year. The forecast progressive difference to Week 16 is -17.9%.

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 09	Start of the Season	Week 13 Last Year	Season Average to Week 13 Last Year
Eastern Market Indicator	+234 (+17.0%)	-130 (-7.5%)	-404 (-20.1%)	-491 (-24.0%)
Western Market Indicator	+286 (+20.2%)	-179 (-9.5%)	-439 (-20.5%)	-551 (-25.0%)

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 ¢	+35	+31	+32	+51	+48	+64	+78	+83	+80			
Change %	+1.7%	+1.6%	+1.6%	+2.7%	+2.6%	+3.6%	+4.4%	+4.8%	+4.6%			
Since Start of the Season												
Change ¢	-126	-143	-152	-157	-172	-183	-191	-204	-209			
Change %	-5.8%	-6.7%	-7.1%	-7.4%	-8.4%	-9.0%	-9.4%	-10.1%	-10.3%			
Since Same Week Last Year												
Change ¢	-986	-900	-758	-628	-582	-480	-422	-374	-356			
Change %	-32.6%	-31.0%	-27.7%	-24.3%	-23.6%	-20.6%	-18.7%	-17.0%	-16.4%			

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 ¢		+44	+39	+23		+65
Change %		+3.7%	+4.1%	+2.9%		+6.7%
Since Start of the Season						
Change ¢		-107	-53	-31		+42
Change %		-8.0%	-5.1%	-3.7%		+4.3%
Since Same Week Last Year						
Change ¢		-200				-400
Change %		-13.9%				-28.0%

# Average Merino Cardings Price Guide

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## AWIS WOOL MARKET REVIEW Week Ending 27 September 2019 (Week 13)

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 July ABS export data.

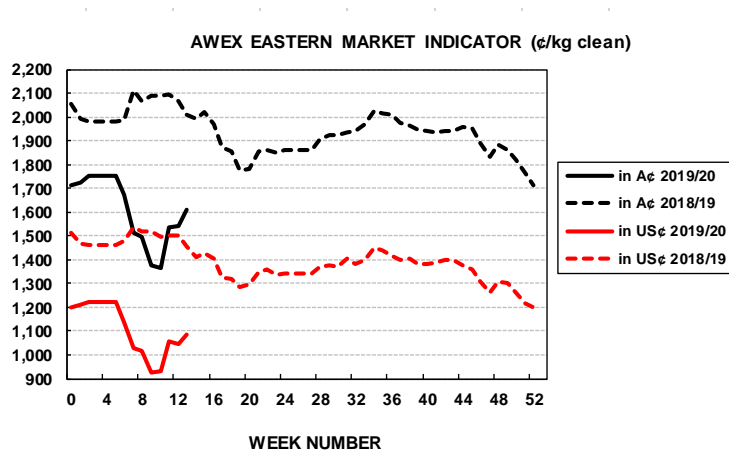
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	8,668	7,100	3.0%	6.8%	13.2%	6,889
South	15,027	13,525	4.0%	7.2%	6.4%	12,980
West	6,440	6,749	19.7%	8.4%	9.7%	5,422
<b>Australia</b>	<b>30,135</b>	<b>27,374</b>	<b>7.6%</b>	<b>7.4%</b>	<b>9.0%</b>	<b>25,291</b>

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
-26,842	-22.1%	-26.4%
-50,791	-26.2%	-31.0%
-6,305	-10.4%	-21.3%
<b>-83,938</b>	<b>-22.3%</b>	<b>-28.0%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 14	Week 15	Week 16	Differences
North	10,464	8,150	8,175	-1.8%
South	21,758	14,619	17,610	-5.7%
West	8,777	7,200	7,100	+5.0%
New Zealand	3,400			
<b>Australia</b>	<b>40,999</b>	<b>29,969</b>	<b>32,885</b>	<b>103,853</b>
<b>Differences</b>	<b>+7.0%</b>	<b>-6.6%</b>	<b>-8.9%</b>	<b>-2.5%</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	67.90	+0.12	-0.24	+0.03	+0.01	-0.30	-0.38 (-0.6%)	67.52	67.22	70.36
Euro	61.50	+0.02	-0.04	+0.23	-0.04	-0.04	+0.13 (+0.2%)	61.63	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	July 2019	July to July 2019/20	July to July 2018/19	By Weight	By Value
China	75.8%	75.8%	71.1%	+9.2%	-6.4%
India	4.6%	4.6%	8.2%	-42.3%	-50.1%
Italy	1.5%	4.6%	4.0%	+0.5%	+11.3%
Czech Republic	4.0%	3.6%	5.3%	-41.3%	-33.2%
Korea	2.1%	2.4%	1.4%	+52.8%	+70.1%
Malaysia	0.9%	0.8%	1.3%	-45.9%	-36.7%
Egypt	0.8%	1.0%	1.0%	-19.8%	-2.3%
Taiwan	0.6%	0.9%	0.6%	+16.7%	+97.1%
<b>Change all Countries</b>				<b>-20.7%</b>	<b>+8.2%</b>



AVERAGE EMI	
This Year	1559
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1583	-398
South	1543	-369
West	1654	-434

THIS YEAR'S EMI	
This Week	1609
First Week	1723
Low (0/01)	1365
High (0/01)	1754

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1635	-124
South	1593	-132
West	1702	-179

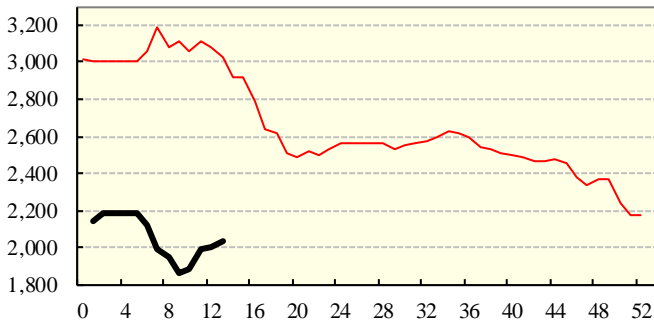
BALES OFFERED	
This Year	292,191
Last Year	376,129
Difference	-83,938
% Diff	-22.3%
FIRST OFFERED BALES	
Difference	-28.0%
% of Offering	88.9%

REGION BALES		
This Sale:		
North	7,100	
South	13,525	
West	6,749	
Progressive Totals:		Diff
North	94,748	-22.1%
South	142,929	-26.2%
West	54,514	-10.4%

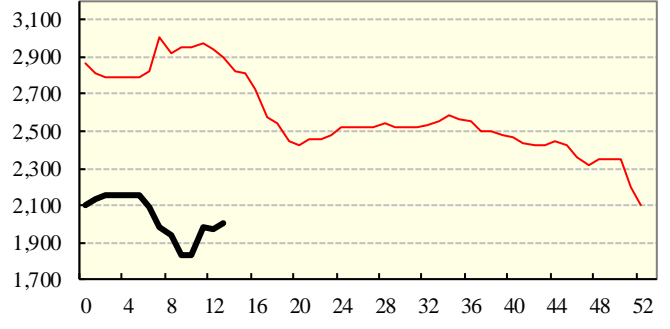
# AVERAGE AWEX MICRON PRICE GUIDES

ahc ( black graph line) and 2018/19 ( red graph line)

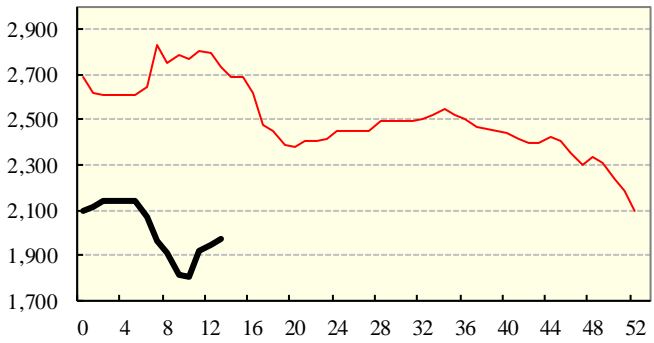
**16.5 MICRONS**



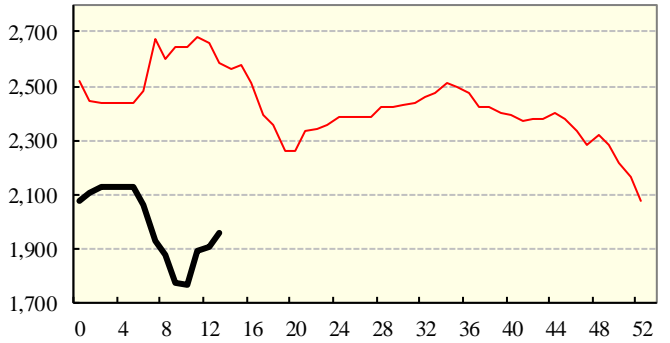
**17.0 MICRONS**



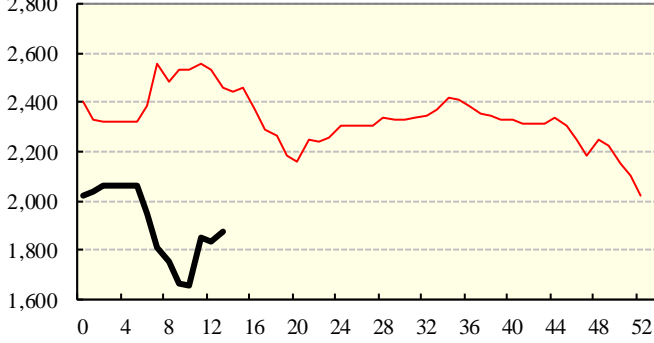
**17.5 MICRONS**



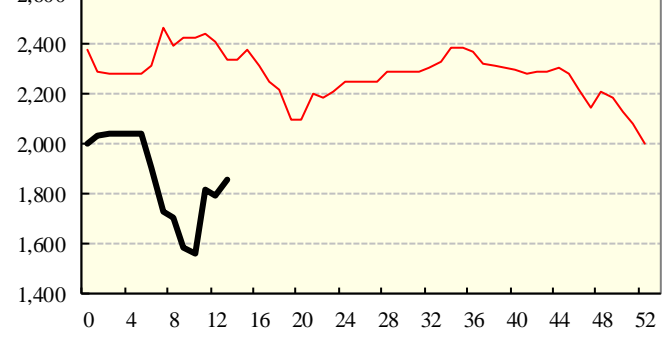
**18.0 MICRONS**



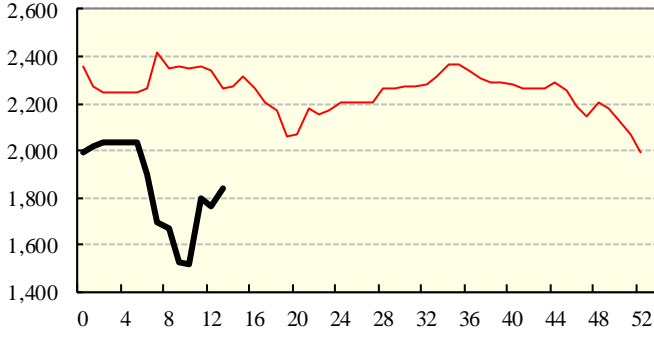
**18.5 MICRONS**



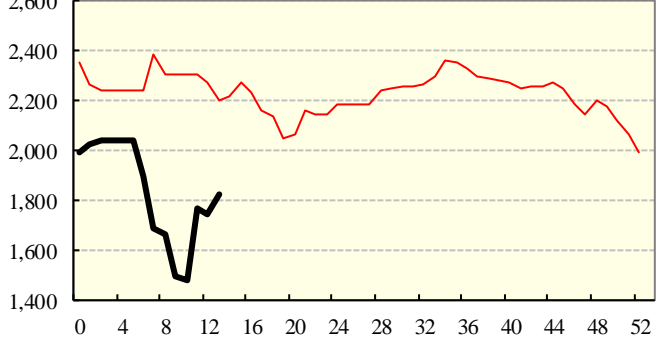
**19.0 MICRONS**



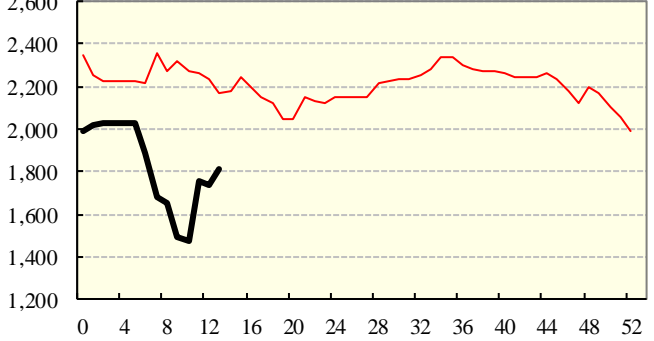
**19.5 MICRONS**



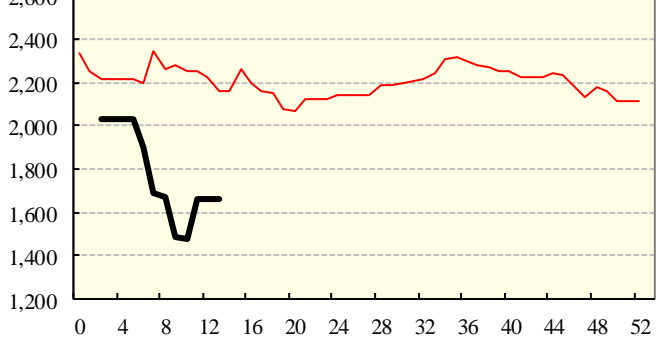
**20.0 MICRONS**



**21.0 MICRONS**

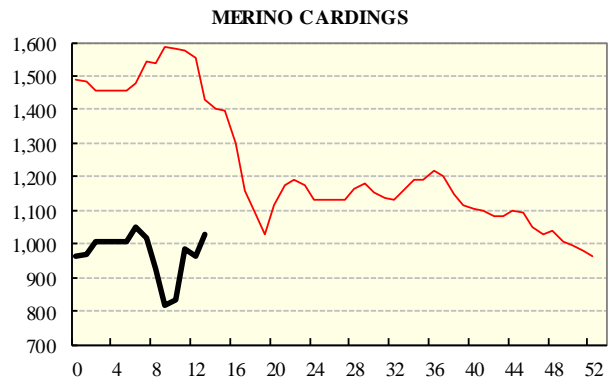
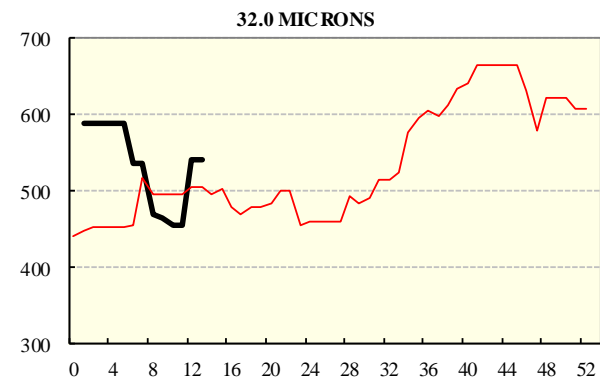
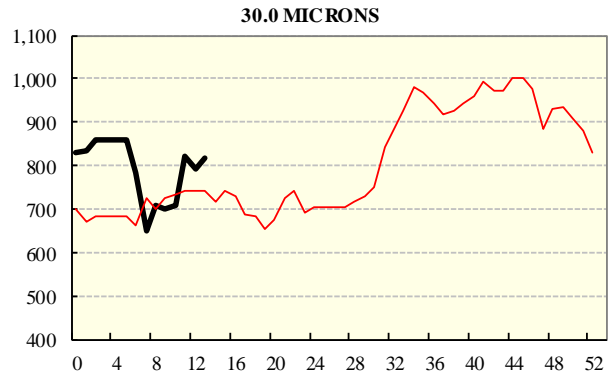
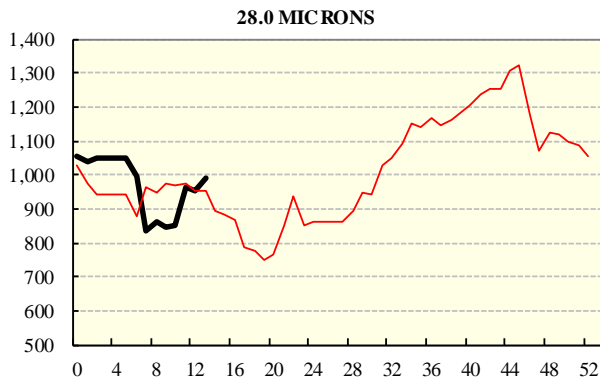
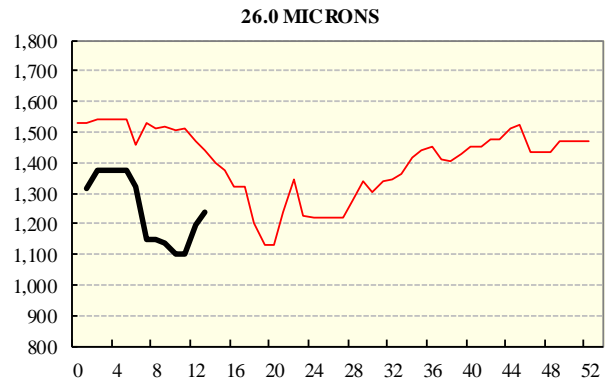
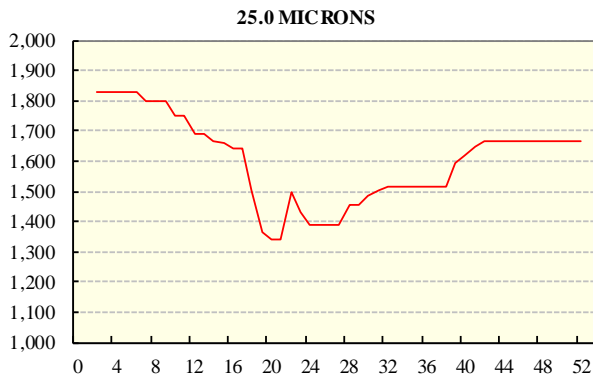
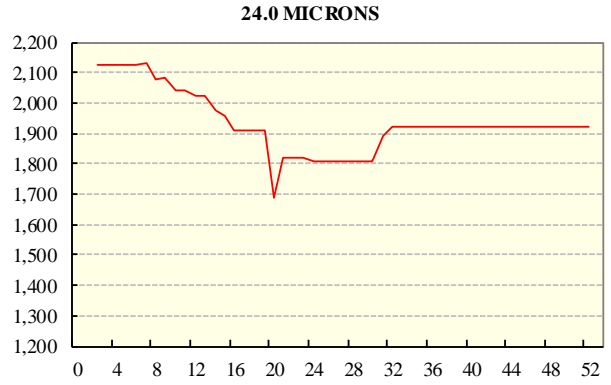
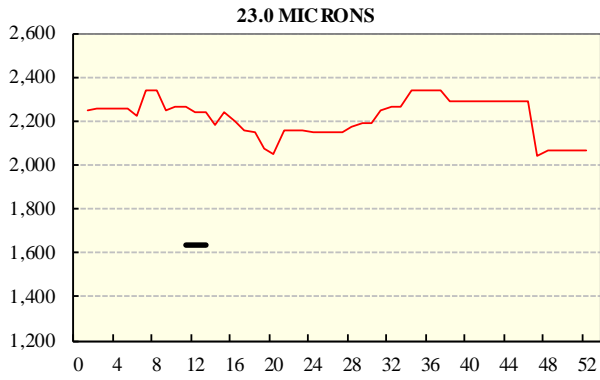


**22.0 MICRONS**



## AVERAGE AWEX MICRON PRICE GUIDES

ahc ( 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)

