

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 8 November 2019 (Week 19).

The AWEX EMI finished at 1555¢, 39¢ lower (-2.4%) in Australian currency and 36¢ lower (-3.3%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 19.

34,057 bales were on offer nationally, compared with 35,300 bales last sale. 8.1% of the potential offering was withdrawn before sale and 17.5% of the offering was passed in. The number of bales sold at auction this season is now 22.1% less than in 2018/19.

AWEX reports that the value of the wool sold was \$48.8 million (\$1,738 per bale), taking the season total to \$708.6 million (\$1,744 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 19)									
Centre	Last Sale		Day-to-Day Changes (Week 19)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	18	1594	No Sale	-24	-15	-39 (-2.4%)	1555	-36	-24
Northern	18	1626	No Sale	-17	-26	-43 (-2.6%)	1583	-39	-26
Southern	18	1567	No Sale	-26	-7	-33 (-2.1%)	1534	-32	-20
Western	18	1687	No Sale	-35	+10	-25 (-1.5%)	1662	-27	-14

The market was not able to maintain the momentum of the two previous weeks, when it gave back 39¢ of the 77¢ gained over that period. Thursday was generally a better day with the southern market (although down) firming towards the end of selling and the WMI finishing up for the day.

Overall, there were falls across all types and micron ranges, with the least falls occurring among the fine Merinos.

The US Exchange Rate eased from last week's four month high to finish 0.59¢ (-0.9%) lower; and to close at 68.67¢ 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 down by 4.7% since last week against a 2.2% appreciation of the Rand against the US Dollar and a 3.0% appreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 35,926 bales to 38,497 bales and to be 9.9% more than in the same period last year. The forecast progressive difference to Week 22 is -12.8%.

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 15	Start of the Season	Week 19 Last Year	Season Average to Week 19 Last Year
Eastern Market Indicator	+12 (+0.8%)	-184 (-10.6%)	-221 (-12.4%)	-446 (-22.3%)
Western Market Indicator	+9 (+0.5%)	-219 (-11.6%)	-269 (-13.9%)	-495 (-23.0%)

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 ¢	-19	-9	-33	-53	-37	-50	-53	-52	-52			
Change %	-0.9%	-0.5%	-1.7%	-2.8%	-2.0%	-2.7%	-2.9%	-2.9%	-2.9%			
Since Start of the Season												
Change ¢	-140	-171	-212	-250	-218	-247	-264	-295	-304			
Change %	-6.5%	-8.0%	-10.0%	-11.8%	-10.6%	-12.1%	-13.0%	-14.5%	-15.0%			
Since Same Week Last Year												
Change ¢	-482	-468	-472	-396	-348	-307	-294	-318	-331			
Change %	-19.2%	-19.2%	-19.8%	-17.5%	-15.9%	-14.6%	-14.3%	-15.5%	-16.1%			

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 ¢			-31	-44	-33	-28
Change %			-2.5%	-4.6%	-4.4%	-2.6%
Since Start of the Season						
Change ¢			-139	-130	-137	+74
Change %			-10.3%	-12.4%	-16.2%	+7.5%
Since Same Week Last Year						
Change ¢			+74	+167	+58	+35
Change %			+6.5%	+22.3%	+8.9%	+3.4%

MC Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 8 November 2019 (Week 19)

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.

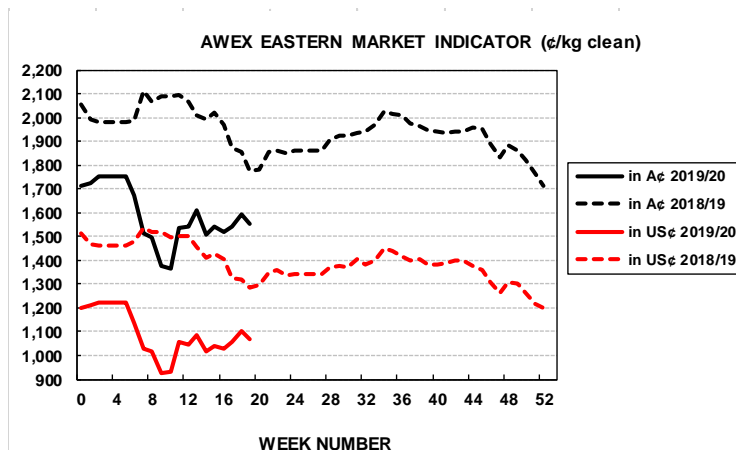
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	8,946	9,332	11.2%	6.5%	10.1%	8,284
South	17,958	16,761	17.1%	6.9%	5.4%	13,890
West	8,396	7,964	25.8%	12.4%	12.8%	5,910
Australia	35,300	34,057	17.5%	8.1%	8.4%	28,084

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-30,437	-17.4%	-21.6%
-63,373	-20.7%	-25.0%
-3,833	-3.7%	-12.9%
-97,643	-16.7%	-21.9%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 20	Week 21	Week 22	Differences
North	10,399	8,200	8,550	+4.2%
South	20,753	19,976	19,960	+17.5%
West	7,345	7,750	7,650	-0.6%
New Zealand		2,750		
Australia	38,497	35,926	36,160	110,583
Differences	+9.0%	+16.8%	+4.8%	+9.9%

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	69.26	-0.21	+0.16	-0.17	-0.07	-0.30	-0.59 (-0.9%)	68.67	67.17	70.36
Euro	62.03	-0.18	+0.11	+0.10	+0.24	-0.21	+0.06 (+0.1%)	62.09	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	September 2019	July to September 2019/20	July to September 2018/19	July to September	
				By Weight	By Value
China	74.4%	74.2%	74.6%	-26.0%	-42.6%
Italy	7.3%	7.7%	6.4%	-9.8%	-28.3%
India	5.5%	5.6%	6.4%	-34.6%	-44.9%
Czech Republic	2.7%	3.3%	3.5%	-29.5%	-47.2%
Korea	2.2%	2.4%	3.1%	-43.7%	-52.7%
Egypt	2.5%	1.9%	1.0%	+41.6%	+13.6%
Thailand	0.9%	0.8%	1.3%	-52.6%	-63.6%
Germany	0.6%	0.5%	0.3%	+47.3%	+22.7%
Change all Countries				-25.7%	-41.4%



AVERAGE EMI	
This Year	1553
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1578	-403
South	1536	-376
West	1653	-436

THIS YEAR'S EMI	
This Week	1555
First Week	1723
Low (10/01)	1365
High (11/01)	1754

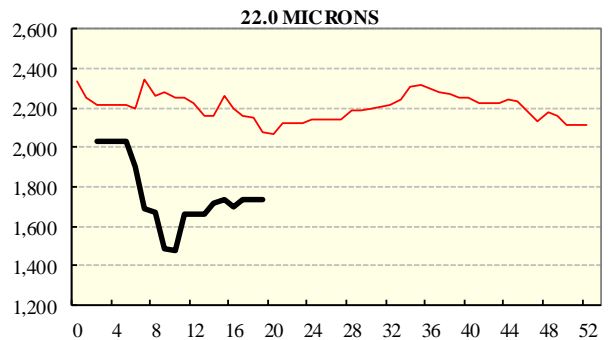
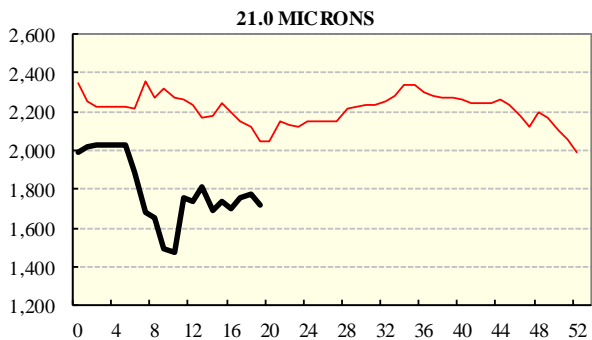
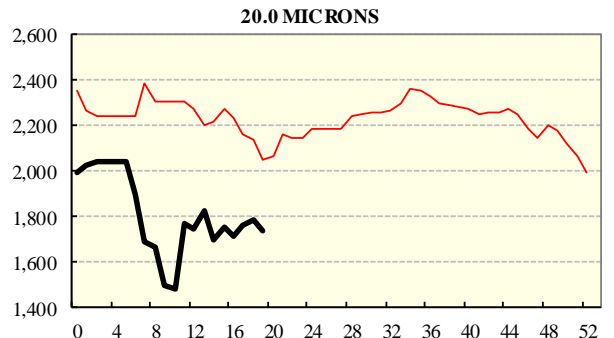
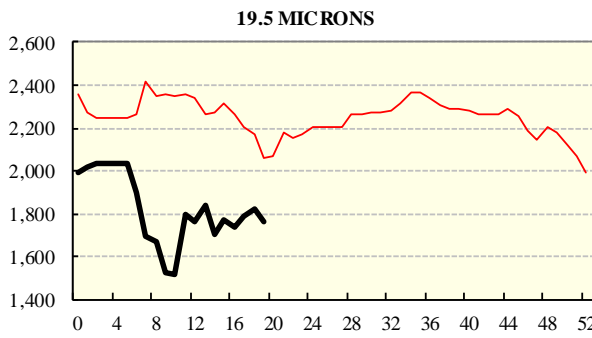
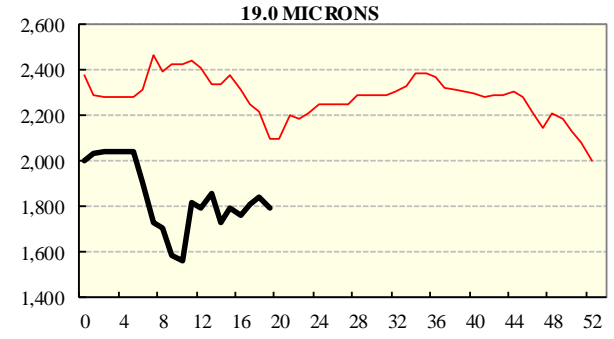
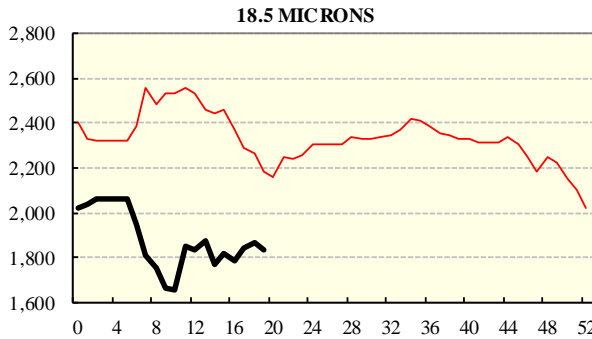
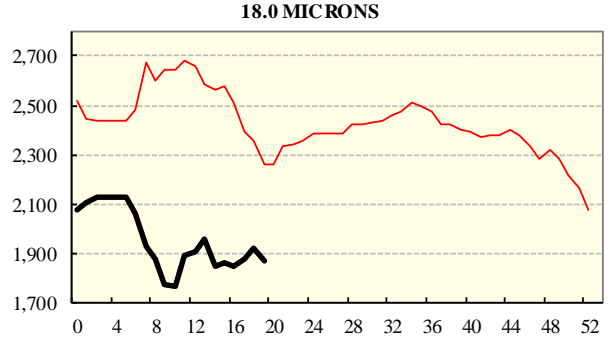
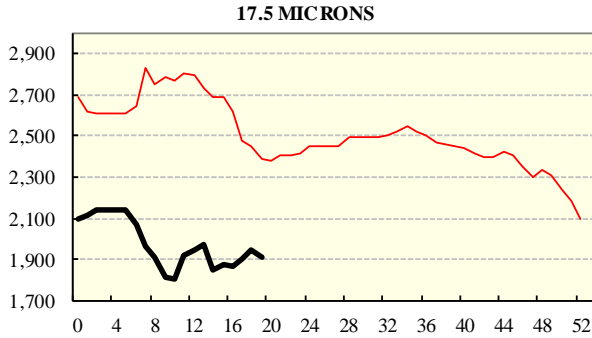
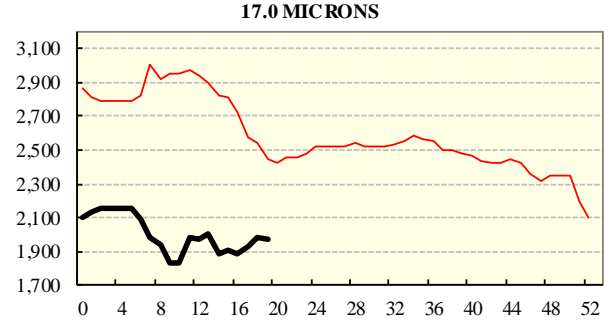
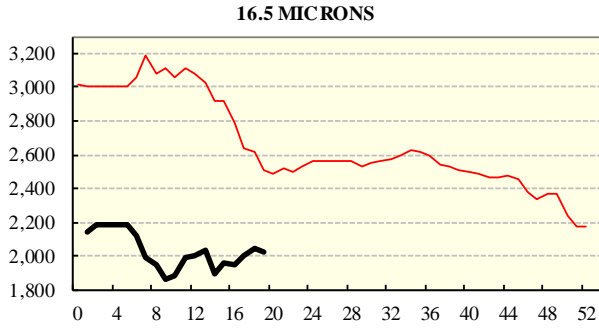
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1583	-176
South	1534	-191
West	1662	-219

BALES OFFERED	
This Year	485,643
Last Year	583,286
Difference	-97,643
% Diff	-16.7%
FIRST OFFERED BALES	
Difference	-21.9%
% of Offering	89.3%

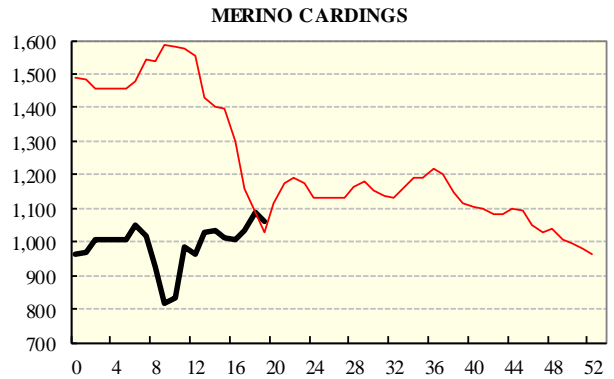
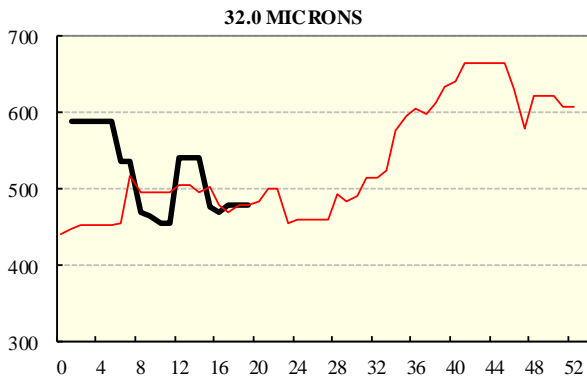
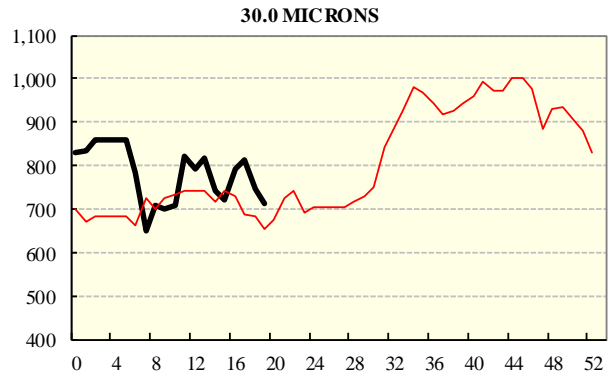
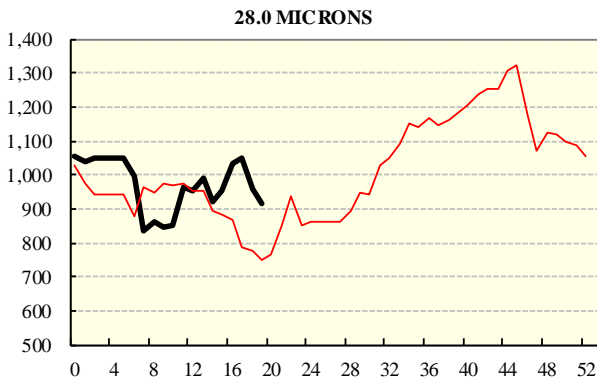
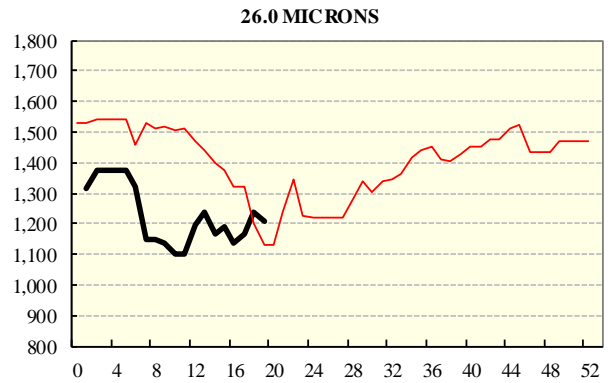
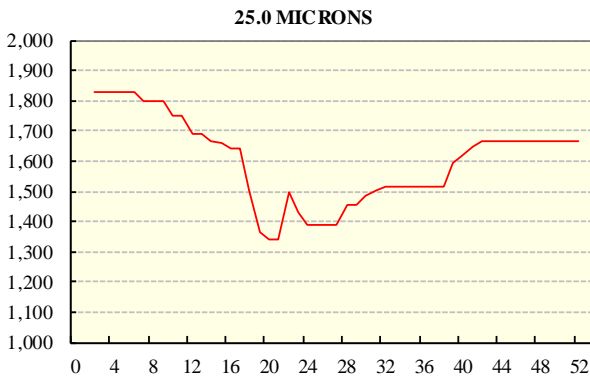
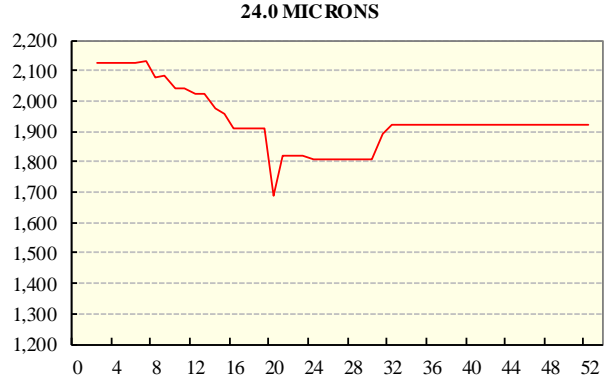
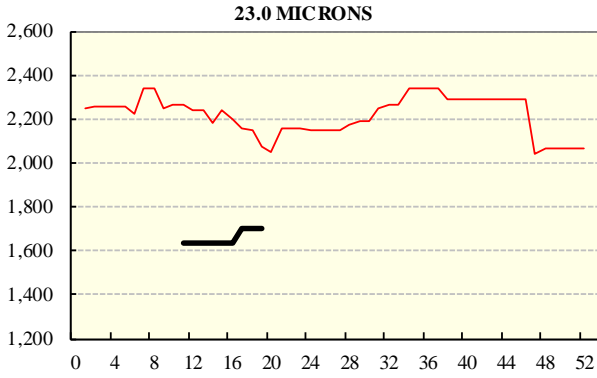
REGION BALES		
This Sale:		Diff
North	9,332	
South	16,761	
West	7,964	
Progressive Totals:		Diff
North	144,406	-17.4%
South	242,624	-20.7%
West	98,613	-3.7%

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)

