

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW Week Ending 10 July 2020 (Week 02)

The market closed on a very positive note before going into the three-week mid-year break.

The AWEX EMI finished 18¢ higher (+1.6%) in Australian currency and 14¢ higher (+1.8%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 02.

35,262 bales were on offer nationally, compared with 30,821 bales last sale. 6.2% of the offering was passed in after 4.6% of the potential offering was withdrawn prior to sale. 33,080 bales were sold, the largest number since the third week of March when 42,900 bales were offered.

The offering was 1.6% greater than in the first two sales in July last year.

AWEX reports that the value of the wool sold was \$42.2 million (\$1,276 per bale), taking the season total to \$79.2 million (\$1,270 per bale). The number of bales sold at auction this season is now 2.4% greater than in 2018/19.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 02)									
Centre	Last Sale		Day-to-Day Changes (Week 02)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	01	1116	-2	+20	No Sale	+18 (+1.6%)	1134	+14	+12
Northern	01	1159	0	+16	No Sale	+16 (+1.4%)	1175	+14	+11
Southern	01	1088	-2	+22	No Sale	+20 (+1.8%)	1108	+16	+13
Western	01	1185	No Sale	+17	No Sale	+17 (+1.4%)	1202	+14	+12

The market opened well at the fine end (and particularly in the North), but in a more subdued manner among the other micron ranges. The demand at the fine end continued on Wednesday with further gains in the North; and the South playing catch-up. The strength of the market also extended to the broader Merinos and across all selling centres.

Crossbreds were more subdued except at 26 microns, where strong demand drove the AWEX MPG up by 56¢ on Wednesday.

The US Exchange Rate was again steady, finishing 0.17¢ (0.2%) higher to close at 69.41¢ on Wednesday.

Buyers for China continued their dominance in the absence of significant support from other countries. However, it was very encouraging to see good support from a major exporter to Europe again this week.

In other countries, the South African Cape Wools Indicator was up by 0.9% since last week against a 0.9% appreciation of the Rand against the US Dollar and a 0.3% appreciation against the Euro.

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 50	Start of the Season	Week 02 Last Year	Season Average to Week 02 Last Year
Eastern Market Indicator	-37 (-3.2%)	+18 (+1.6%)	-620 (-35.3%)	-614 (-35.3%)
Western Market Indicator	-45 (-3.6%)	+17 (+1.4%)	-692 (-36.5%)	-688 (-36.6%)

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 ¢	+40	+56	+67	+22	-1	-6	+6	+23	+39			
Change %	+2.4%	+3.5%	+4.5%	+1.6%	-0.1%	-0.5%	+0.5%	+1.9%	+3.3%			
Since Start of the Season												
Change ¢	+20	+28	+33	+11	-1	-3	+3	+11	+19			
Change %	+1.2%	+1.7%	+2.2%	+0.8%	-0.1%	-0.2%	+0.2%	+0.9%	+1.6%			
Since Same Week Last Year												
Change ¢	-449	-506	-582	-699	-723	-766	-787	-791	-793			
Change %	-20.5%	-23.5%	-27.2%	-32.8%	-35.1%	-37.5%	-38.6%	-38.9%	-39.1%			

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 ¢		+50	+5	0	0	+29
Change %		+6.2%	+0.9%	0.0%	0.0%	+3.6%
Since Start of the Season						
Change ¢	0	+25	+2	0	0	+14
Change %	0.0%	+3.0%	+0.4%	0.0%	0.0%	+1.7%
Since Same Week Last Year						
Change ¢		-510	-480	-395	-320	-166
Change %		-37.1%	-45.8%	-45.9%	-54.4%	-16.5%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 10 July 2020 (Week 02)

The following tables show the details of this week's sale offering; the changes in Exchange Rates since the previous sale; and highlights from the May ABS export data.

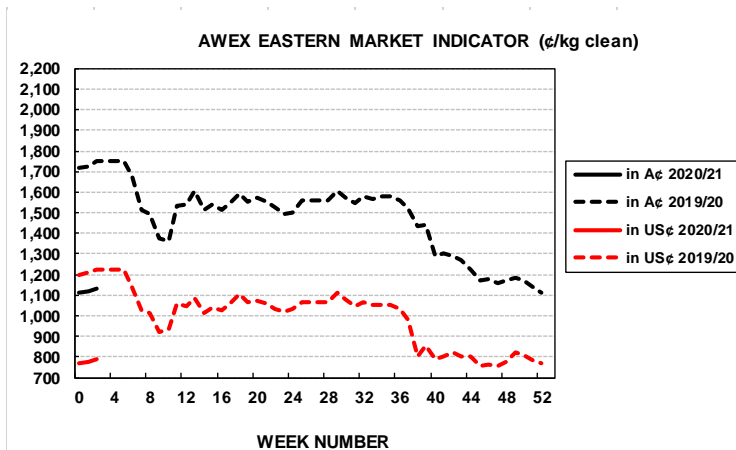
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	9,928	11,273	5.6%	4.8%	8.6%	10,645
South	13,791	19,682	6.2%	4.8%	9.7%	18,465
West	7,102	4,307	7.8%	2.8%	20.1%	3,970
<b>Australia</b>	<b>30,821</b>	<b>35,262</b>	<b>6.2%</b>	<b>4.6%</b>	<b>10.6%</b>	<b>33,080</b>

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
-3,057	-12.6%	-12.7%
+5,442	+19.4%	+18.9%
-1,371	-10.7%	-7.9%
<b>+1,014</b>	<b>+1.6%</b>	<b>+1.8%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 03	Week 04	Week 05	Differences
North	No Sale	No Sale	No Sale	
South	No Sale	No Sale	No Sale	
West	No Sale	No Sale	No Sale	
New Zealand				
Australia Differences				<b>0</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	69.24	+0.06	+0.42	-0.14	-0.17	Public	+0.17 (+0.2%)	69.41	69.24	69.41
Euro	61.46	+0.22	+0.06	-0.21	+0.03	Holiday	+0.10 (+0.2%)	61.56	61.46	61.56

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to May	
	May 2020	July to May 2019/20	July to May 2018/19	By Weight	By Value
China	91.7%	79.7%	77.7%	-15.4%	-33.9%
India	1.0%	5.4%	5.8%	-22.6%	-36.8%
Italy	1.9%	4.3%	4.8%	-26.5%	-41.2%
Czech Republic	0.1%	3.4%	3.6%	-21.8%	-34.7%
Korea	2.5%	1.9%	2.5%	-35.1%	-45.4%
Egypt	0.3%	1.1%	0.9%	-2.3%	-23.4%
Thailand	0.6%	0.9%	0.9%	-24.3%	-45.6%
Taiwania		0.5%	0.6%	-31.4%	-53.5%
<b>Change all Countries</b>				<b>-17.5%</b>	<b>-35.1%</b>



AVERAGE EMI	
This Year	1125
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

SEASON AVERAGES		
Region	This Year	Diff
North	1167	-315
South	1098	-328
West	1194	-360

THIS YEAR'S EMI	
This Week	1134
First Week	1116
Low (10/01)	1116
High (12/01)	1134

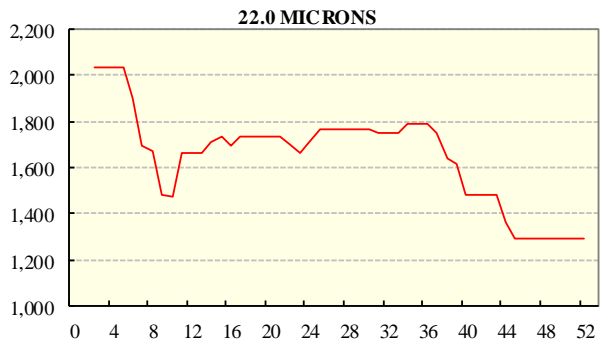
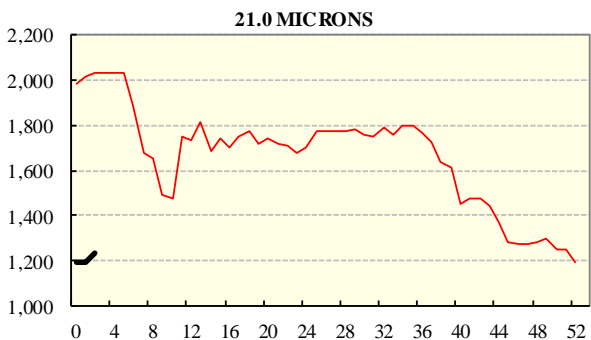
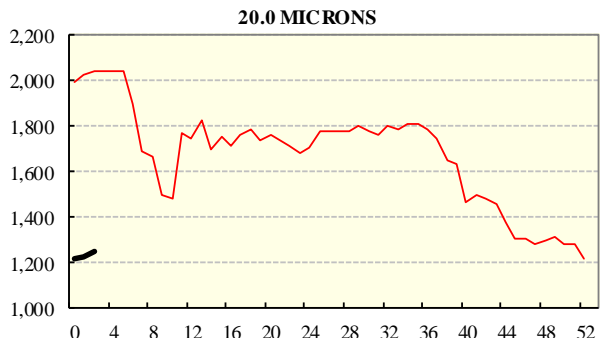
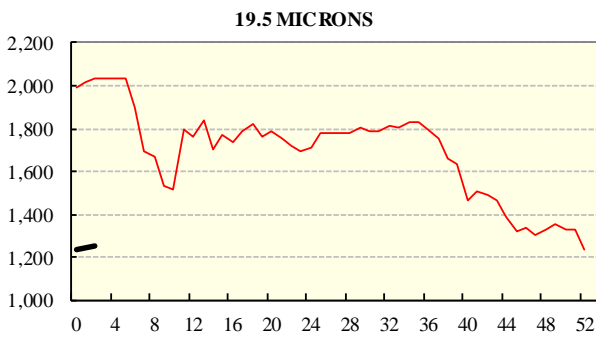
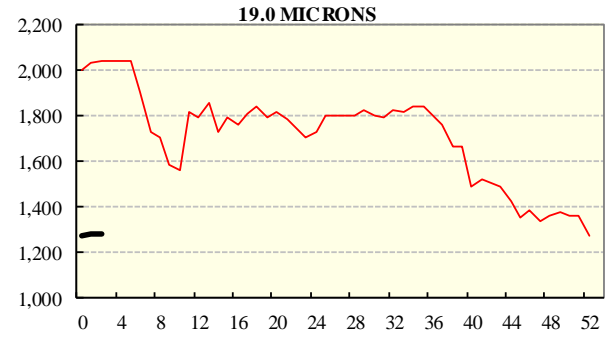
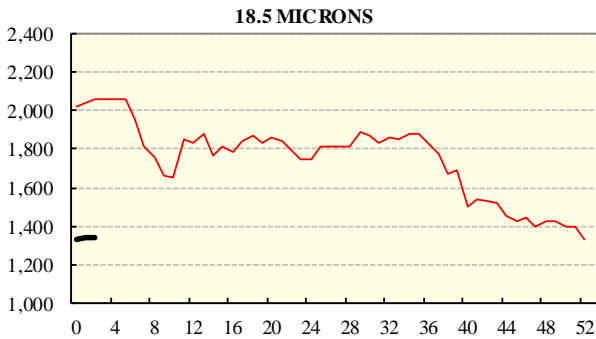
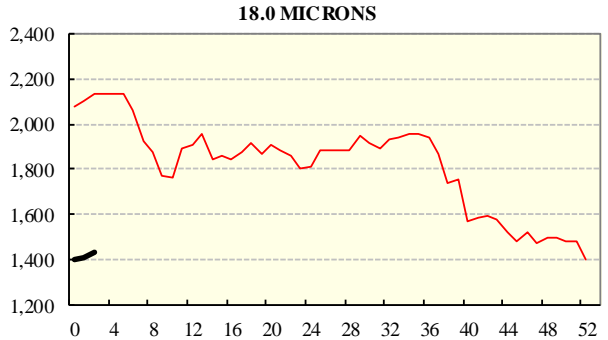
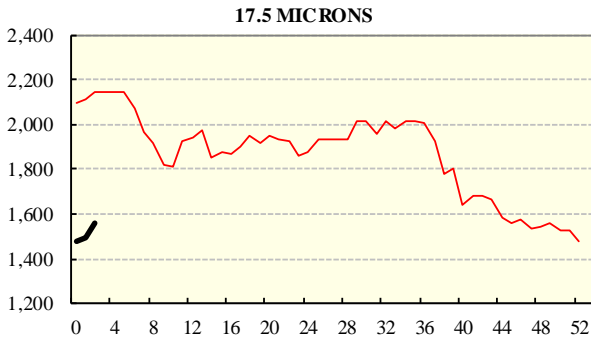
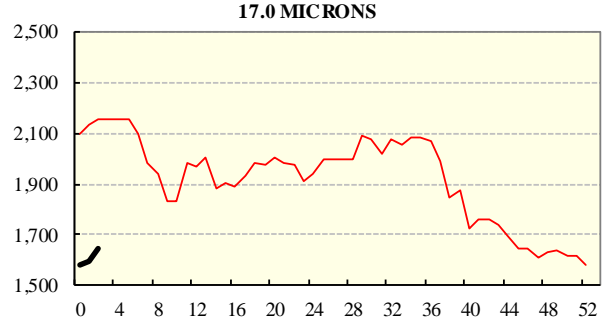
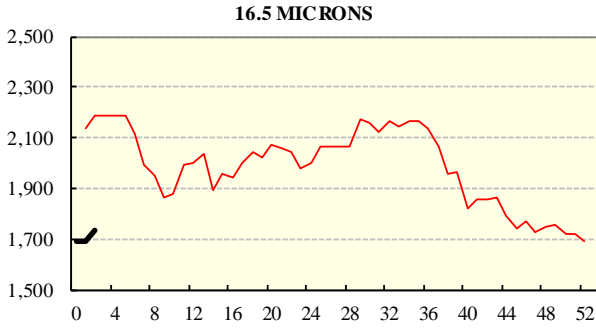
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1175	+8
South	1108	+10
West	1202	+8

BALES OFFERED	
This Year	66,083
Last Year	65,069
Difference	+1,014
% Diff	+1.6%
FIRST OFFERED BALES	
Difference	+1.8%
% of Offering	90%

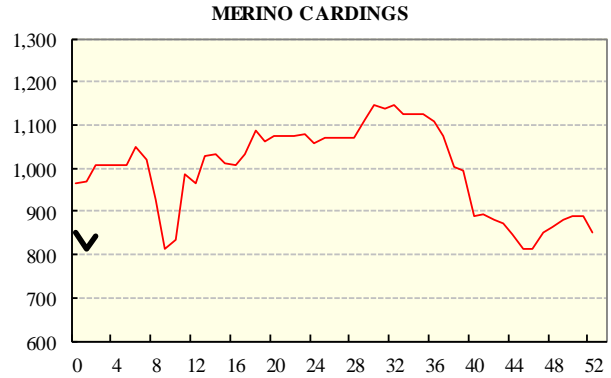
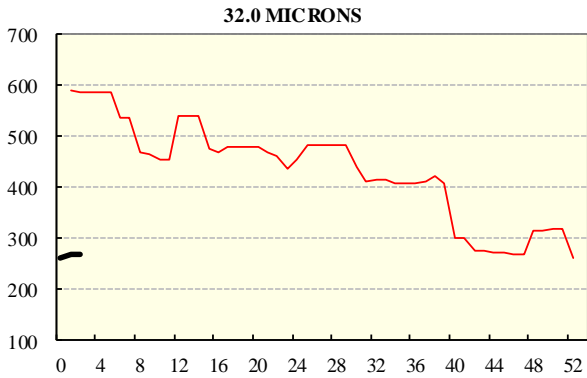
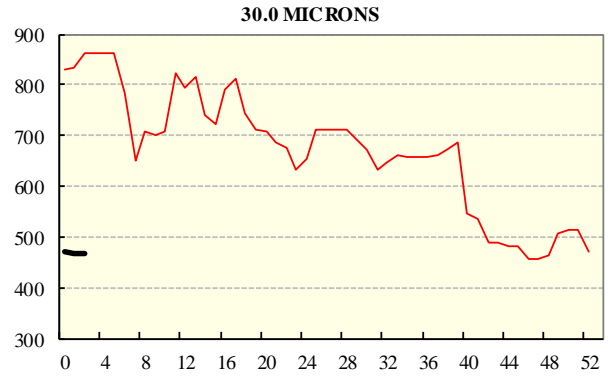
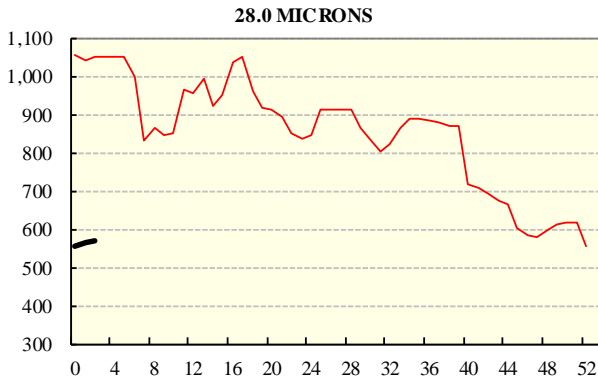
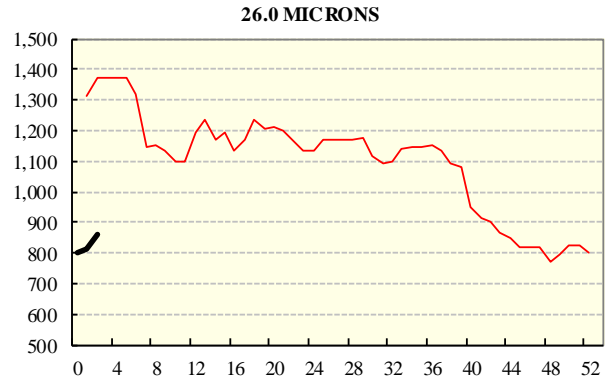
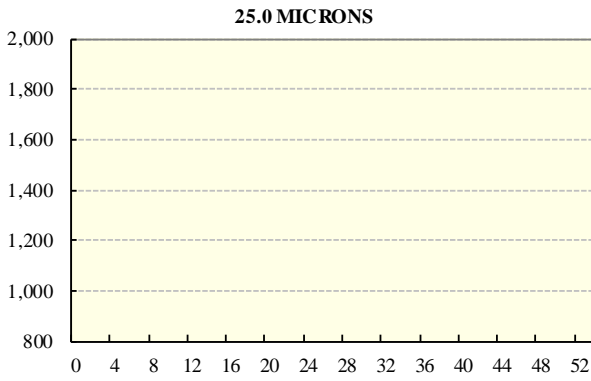
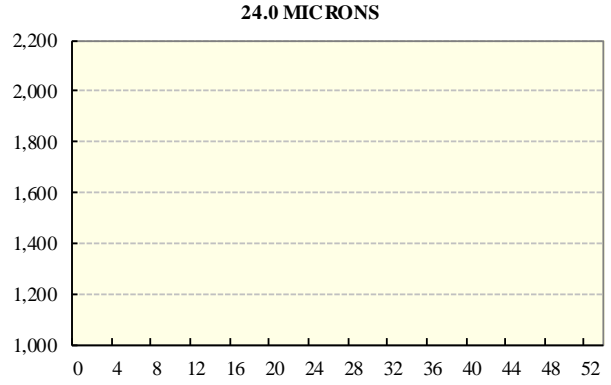
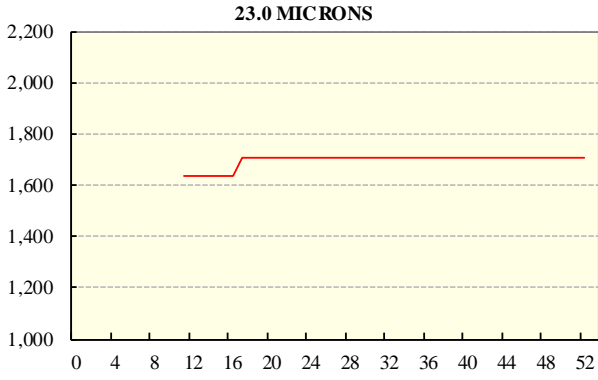
REGION BALES		
This Sale:		
North	11,273	
South	19,682	
West	4,307	
Progressive Totals:		Diff
North	21,201	-12.6%
South	33,473	+19.4%
West	11,409	-10.7%

## **AVERAGE AWEX MICRON PRICE GUIDES**

2020/21 ( black graph line) and 2019/20 (red graph line)

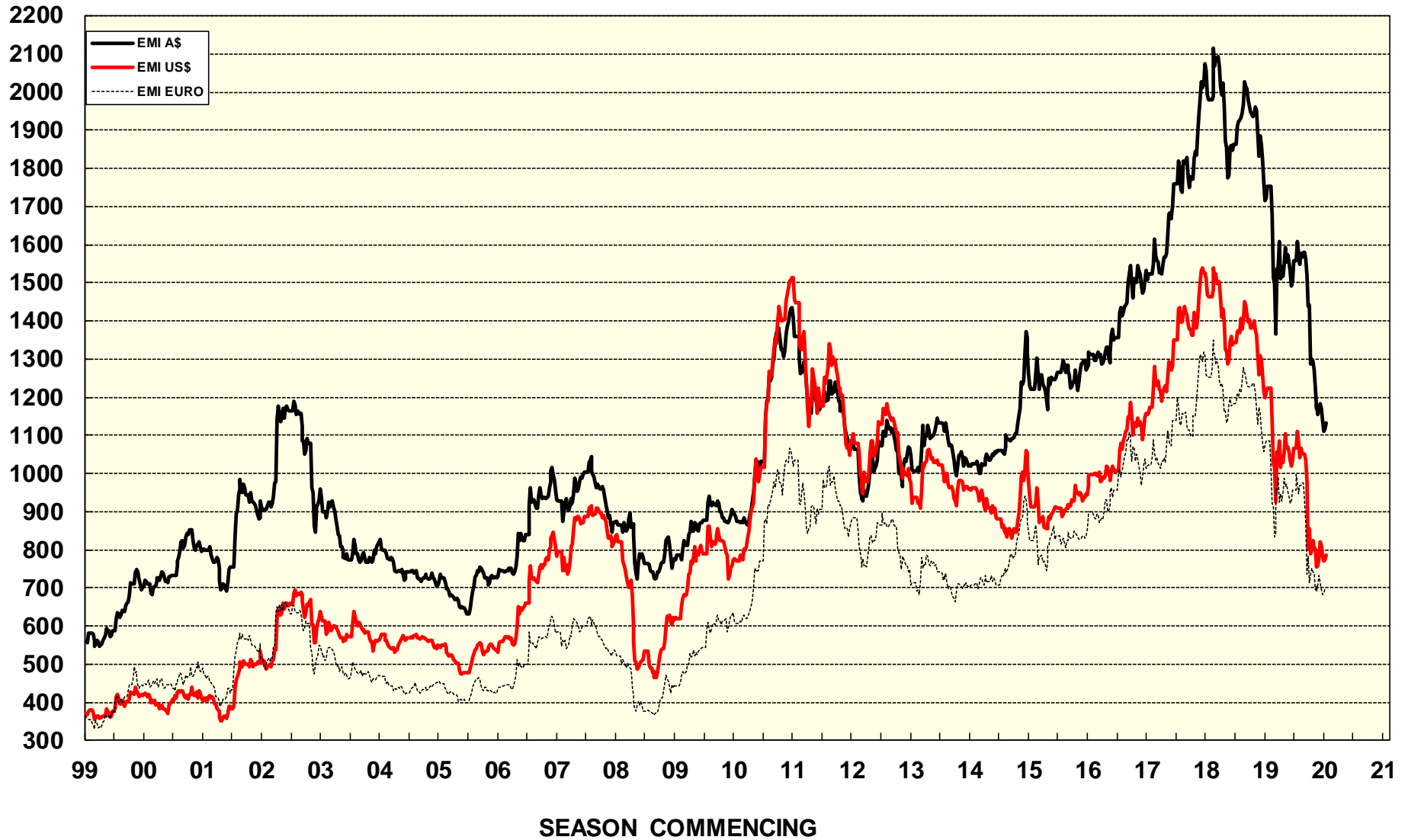


**AVERAGE AWEX MICRON PRICE GUIDES**  
**2020/21 ( black graph line) and 2019/20 (red graph line)**



### EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)



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