

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW Week Ending 11 December 2020 (Week 24)

The AWEX EMI finished 54¢ higher (+4.7%) in Australian currency and 48¢ higher (+5.7%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 24. It was the second last sale before the Christmas break.

37,836 bales were on offer nationally, compared with 35,986 bales last sale. 5.0% of the offering was passed in after 4.8% of the potential offering was withdrawn prior to sale. 35,947 bales were sold.

AWEX reports that the value of the wool sold was \$50.3 million (\$1,399 per bale), taking the season total to \$730.0 million (\$1,260 per bale). The number of bales sold at auction this season is now 0.9% greater than in 2019/20.

The New Zealand Merino Company also offered 569 bales in Melbourne on Wednesday, of which 6.7% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 24)									
Centre	Last Sale		Day-to-Day Changes (Week 24)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	23	1144	+26	+28	No Sale	+54 (+4.7%)	1198	+48	+36
Northern	23	1208	+24	+25	No Sale	+49 (+4.1%)	1257	+44	+33
Southern	23	1104	+27	+30	No Sale	+57 (+5.2%)	1161	+50	+38
Western	23	1198	+25	+21	No Sale	+46 (+3.8%)	1244	+42	+31

It was a good market, with the EMI at its highest level since the third week of October. There were rises across all types and micron ranges and the market closed in an upward direction on Wednesday. Individual average AWEX Micron Price Guides (MPGs) moved up by 4 to 5%, except at 22 microns and 26 microns. The greatest gains were seen at the fine end. This was most apparent on Tuesday when the 16.5 and 17.0 MPGs moved up by 109¢ and 80¢ respectively.

The gains were achieved despite a further increase in the US Exchange Rate which finished 0.67¢ (0.9%) higher at 74.42¢ on Wednesday. This level has not been reached August 2018.

Buyers for China continued their dominance, while European interests also had a presence on the major buyers' list. The continuing dominance of buyers for China is best seen in the Export Data for October when 89% of Australia's exports for the month of October and 88% for the July to October period went to China.

Looking ahead, 49,126 bales are currently scheduled to be offered in the coming sale. This is 41.3% more than in the same week last year when the market was in a downward trend.

In other countries, South African sales are now in recess and will resume on 13 January.

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	370¢	474¢	615¢	754¢	885¢

Market Indicator	Changes From			
	Four Sales Ago Week 20	Start of the Season	Week 24 Last Year	Season Average to Week 24 Last Year
Eastern Market Indicator	+9 (+0.8%)	+73 (+6.5%)	-305 (-20.3%)	-483 (-31.2%)
Western Market Indicator	+3 (+0.2%)	+50 (+4.2%)	-370 (-22.9%)	-533 (-32.3%)

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 ¢	+104	+96	+71	+67	+64	+63	+62	+52	+59	+21		
Change %	+5.4%	+5.3%	+4.2%	+4.3%	+4.4%	+4.6%	+4.7%	+4.2%	+5.0%	+1.8%		
Since Start of the Season												
Change ¢	+320	+291	+240	+211	+182	+163	+125	+60	+15			
Change %	+18.6%	+18.0%	+15.7%	+14.9%	+13.6%	+12.7%	+10.0%	+4.9%	+1.2%			
Since Same Week Last Year												
Change ¢	+33	-27	-107	-184	-228	-282	-336	-413	-472	-545		
Change %	+1.6%	-1.4%	-5.7%	-10.1%	-13.0%	-16.3%	-19.7%	-24.2%	-27.7%	-31.9%		

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 ¢		+19	+20	+18	+37	+18
Change %		+2.6%	+4.1%	+4.8%	+15.2%	+2.4%
Since Start of the Season						
Change ¢		-88	-65	-75	+13	-66
Change %		-10.5%	-11.5%	-16.1%	+4.9%	-8.0%
Since Same Week Last Year						
Change ¢		-385	-345	-263	-172	-298
Change %		-33.9%	-40.7%	-40.2%	-38.0%	-28.1%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 11 December 2020 (Week 24)

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 October ABS export data.

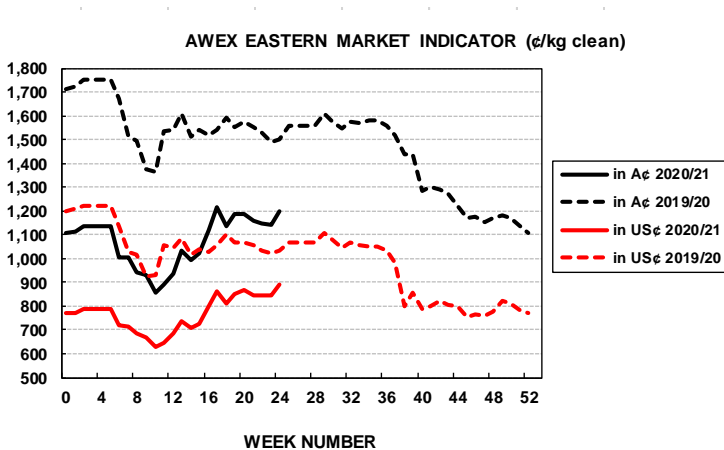
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	8,920	9,256	3.7%	6.2%	6.7%	8,918
South	20,379	21,029	5.6%	5.1%	10.2%	19,851
West	6,687	7,551	4.9%	2.1%	11.3%	7,178
<b>Australia</b>	<b>35,986</b>	<b>37,836</b>	<b>5.0%</b>	<b>4.8%</b>	<b>9.5%</b>	<b>35,947</b>

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
-8,773	-4.5%	-3.6%
-1,397	-0.4%	+0.1%
-8,346	-6.1%	-4.0%
<b>-18,516</b>	<b>-2.7%</b>	<b>-1.8%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 25	Week 26	Week 27	Differences
North	10,848	No Sale	No Sale	+16.2%
South	27,961	No Sale	No Sale	+51.0%
West	10,317	No Sale	No Sale	+49.1%
<b>New Zealand</b>				
<b>Australia</b>	<b>49,126</b>			<b>49,126</b>
<b>Differences</b>	<b>+41.3%</b>			<b>+41.3%</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	73.75	+0.53	+0.02	-0.04	+0.16	Public	+0.67 (+0.9%)	74.42	69.24	74.42
Euro	61.08	+0.10	+0.06	+0.06	+0.06	Holiday	+0.28 (+0.5%)	61.36	59.77	61.81

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to October	
	October 2020	July to October 2020/21	July to October 2019/20	By Weight	By Value
China	89.2%	87.5%	75.8%	+18.0%	-15.9%
Czech Republic	2.5%	3.6%	3.2%	+14.8%	-46.0%
India	3.3%	3.0%	5.5%	-44.8%	-66.8%
Korea	2.0%	1.8%	2.1%	-11.3%	-31.8%
Italy	1.2%	1.6%	7.0%	-76.1%	-82.2%
Thailand	0.2%	0.5%	1.0%	-50.5%	-65.7%
Germany	0.3%	0.4%	0.5%	-18.5%	-31.4%
Egyptny	0.1%	0.4%	1.7%	-78.3%	-84.7%
<b>Change all Countries</b>				<b>+2.2%</b>	<b>-30.7%</b>



AVERAGE EMI	
This Year	1065
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

THIS YEAR'S EMI	
This Week	1198
First Week	1116
Low (11/01)	858
High (13/01)	1219

BALES OFFERED	
This Year	656,493
Last Year	675,009
Difference	-18,516
% Diff	-2.7%
FIRST OFFERED BALES	
Difference	-1.8%
% of Offering	90.8%

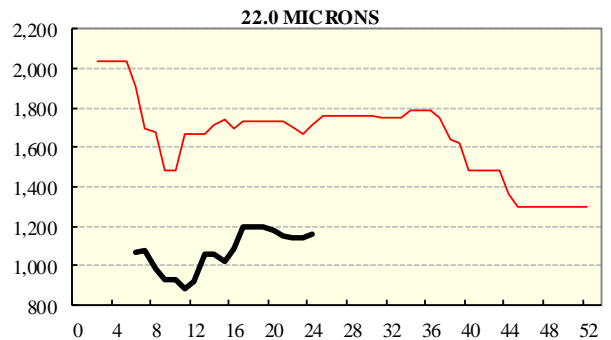
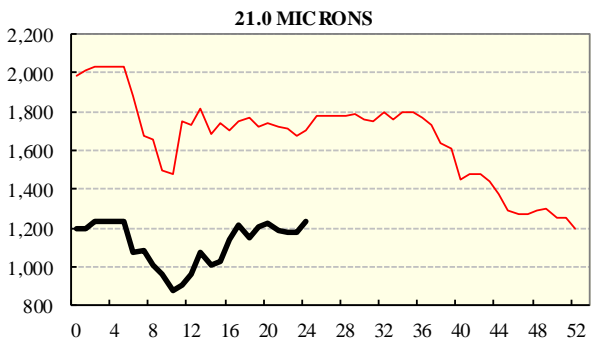
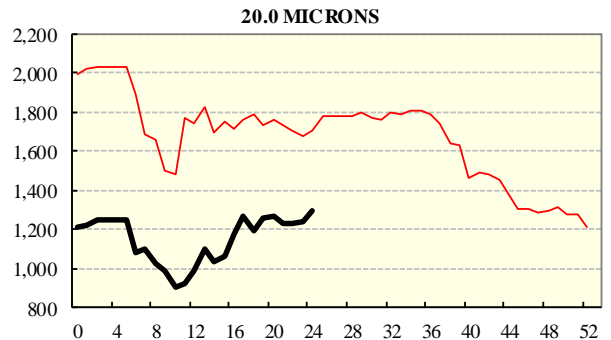
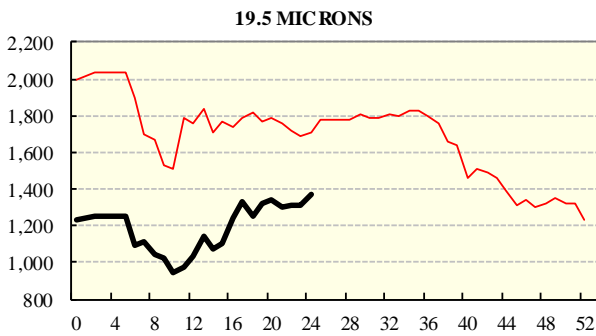
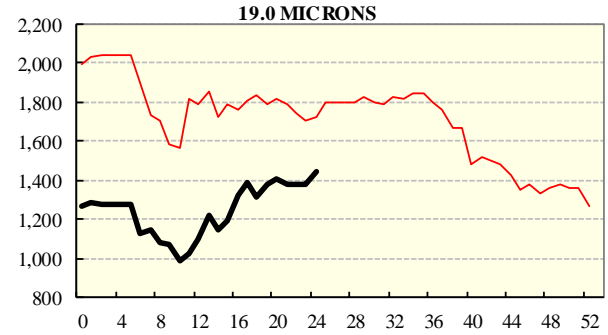
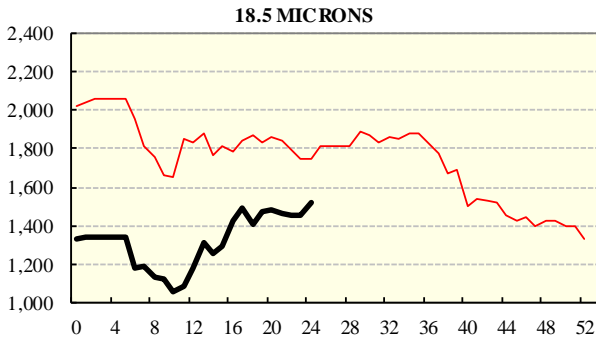
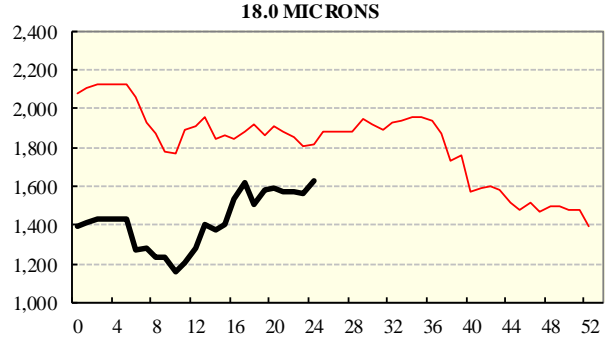
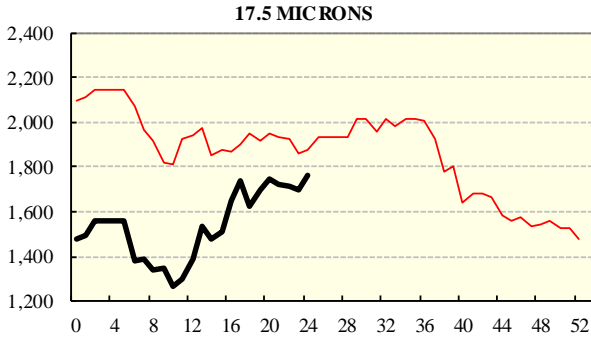
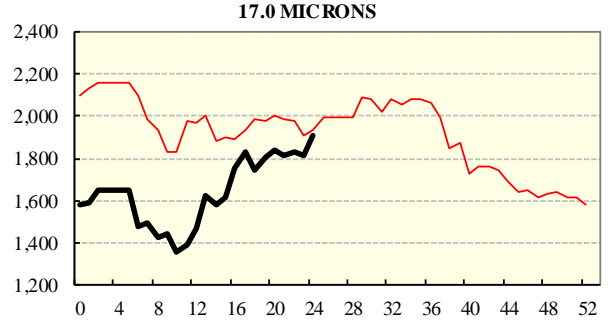
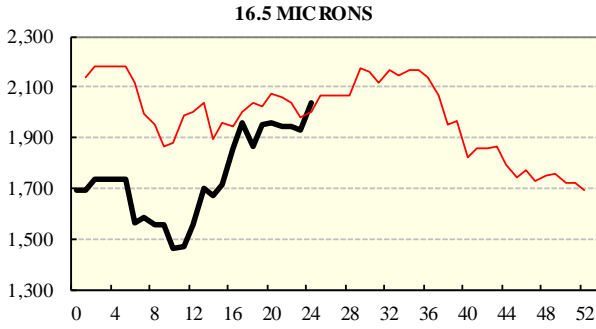
SEASON AVERAGES		
Region	This Year	Diff
North	1120	-362
South	1031	-395
West	1117	-437

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1257	+90
South	1161	+63
West	1244	+50

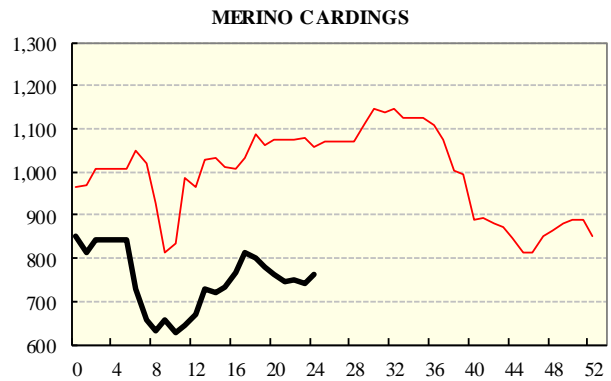
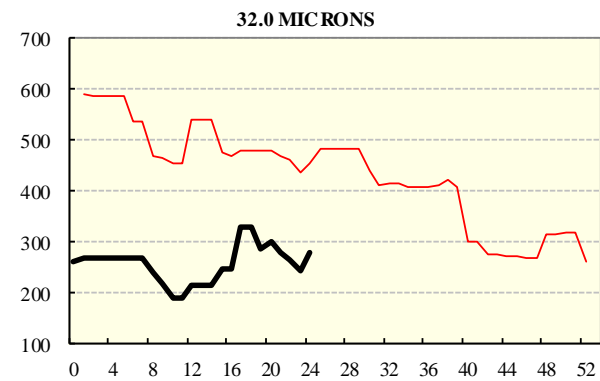
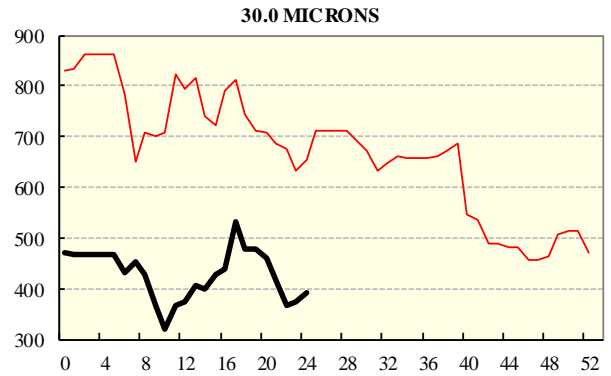
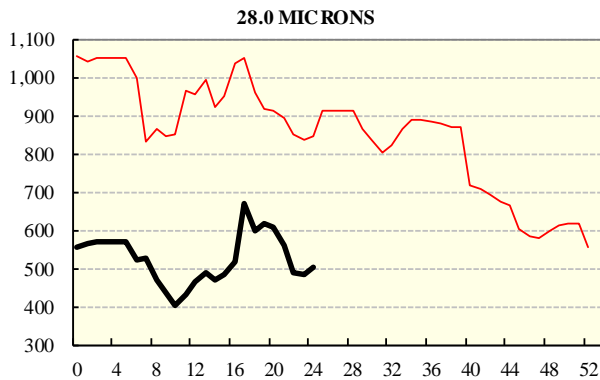
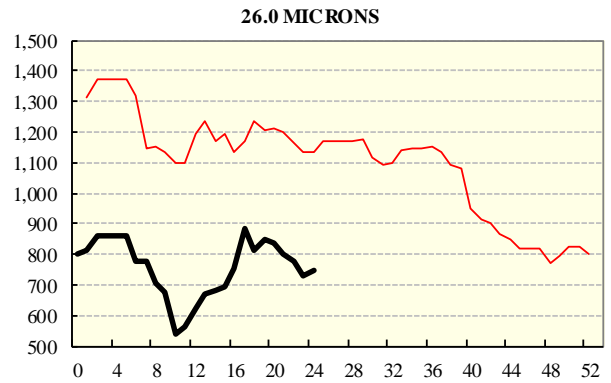
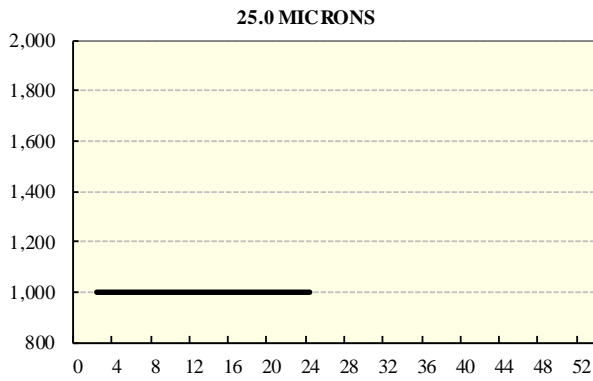
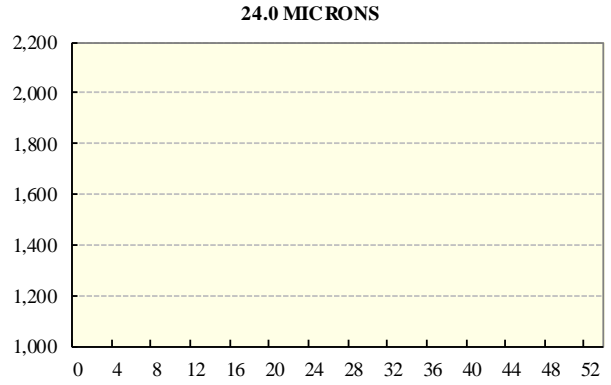
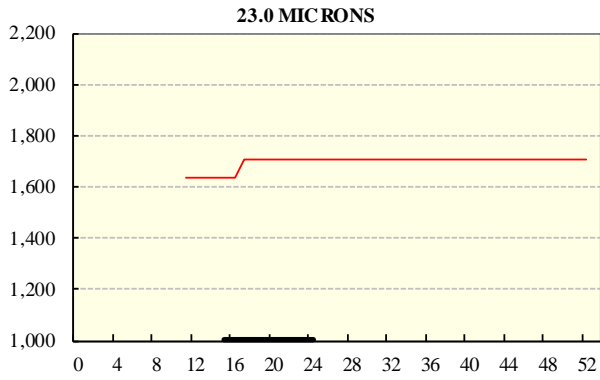
REGION BALES		
This Sale:		
North	9,256	
South	21,029	
West	7,551	
Progressive Totals:		Diff
North	185,169	-4.5%
South	342,886	-0.4%
West	128,438	-6.1%

## **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)

