

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 11 September 2020 (Week 11)

The AWEX EMI finished 32¢ higher (+3.7%) in Australian currency and 12¢ higher (+1.9%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 11.

19,638 bales were on offer nationally, compared with 27,155 bales last sale. 5.7% of the offering was passed in after 13.4% of the potential offering was withdrawn prior to sale. 18,527 bales were sold.

AWEX reports that the value of the wool sold was \$19.8 million (\$1,069 per bale), taking the season total to \$231.7 million (\$1,156 per bale). The number of bales sold at auction this season is now 6.3% greater than in 2019/20.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 11)									
Centre	Last Sale		Day-to-Day Changes (Week 11)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	10	858	+39	-7	No Sale	+32 (+3.7%)	890	+12	+16
Northern	10	919	+36	No Sale	No Sale	+36 (+3.9%)	955	+14	+18
Southern	10	819	+41	-12	No Sale	+29 (+3.5%)	848	+10	+14
Western	10	895	No Sale	+27	No Sale	+27 (+3.0%)	922	+7	+12

It was a market that differed between Tuesdays 39¢ lift in the EMI; and Wednesday's 7¢ fall when demand eased and one of Tuesday's leading buyers was less dominant.

All Merino average MPGs moved up by around 3%, apart from at the fine end where the rises were in the order of 2%, or less. Crossbred MPGs moved up by amounts that ranged by 4.4% to 14.4%. The Oddments market showed some strength with a 2.6% increase in average Merino Cardings Price Guide.

The US Exchange Rate finished 1.35¢ (-1.8%) lower than last week's two year high to close at 72.25¢ on Wednesday.

Buyers for China continued their dominance, while European interests had a presence on the major buyers' list.

Looking ahead, offerings for the coming three sales are expected to range from 27,314 bales to 33,558 bales and to be 2.1% less than in the same period last year. The forecast progressive difference to Week 14 is +0.4%.

In other countries, the South African Cape Wools Indicator was up by 1.1% since last week against a 0.6% depreciation of the Rand against the US Dollar and a 0.9% depreciation 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	205¢	312¢	397¢	488¢	569¢

Market Indicator	Changes From			
	Four Sales Ago Week 07	Start of the Season	Week 11 Last Year	Season Average to Week 11 Last Year
Eastern Market Indicator	-114 (-11.4%)	-235 (-20.9%)	-645 (-42.0%)	-570 (-36.7%)
Western Market Indicator	-134 (-12.7%)	-272 (-22.8%)	-703 (-43.3%)	-606 (-36.7%)

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 ¢	+5	+29	+30	+40	+30	+33	+27	+24	+30			
Change %	+0.3%	+2.1%	+2.4%	+3.4%	+2.8%	+3.3%	+2.9%	+2.7%	+3.4%			
Since Start of the Season												
Change ¢	-247	-230	-227	-217	-254	-258	-277	-309	-309			
Change %	-14.4%	-14.2%	-14.9%	-15.3%	-19.0%	-20.2%	-22.2%	-25.0%	-25.4%			
Since Same Week Last Year												
Change ¢	-523	-589	-624	-689	-763	-792	-821	-846	-844	-784		
Change %	-26.3%	-29.8%	-32.4%	-36.4%	-41.3%	-43.7%	-45.8%	-47.8%	-48.1%	-47.1%		

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 ¢		+25	+30	+46		+16
Change %		+4.7%	+7.5%	+14.4%		+2.6%
Since Start of the Season						
Change ¢		-277	-135	-101		-184
Change %		-33.1%	-23.8%	-21.7%		-22.2%
Since Same Week Last Year						
Change ¢			-531	-456		-344
Change %			-55.1%	-55.5%		-34.9%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 11 September 2020 (Week 11)

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.

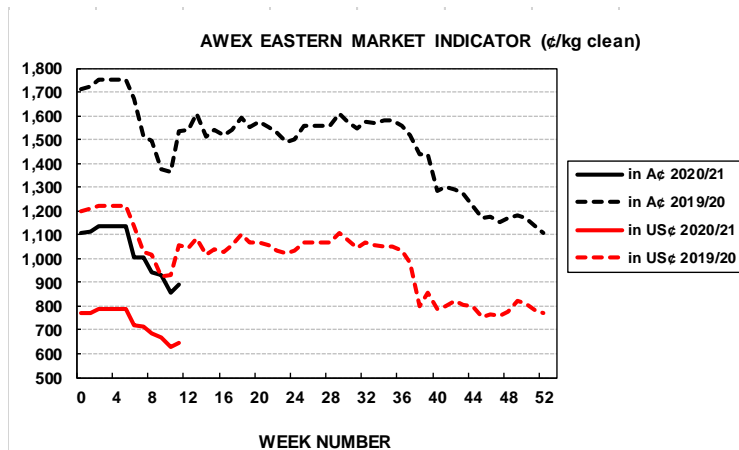
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	7,085	4,759	3.1%	12.2%	5.5%	4,610
South	12,889	10,970	7.1%	12.2%	9.8%	10,192
West	7,181	3,909	4.7%	18.0%	15.8%	3,725
<b>Australia</b>	<b>27,155</b>	<b>19,638</b>	<b>5.7%</b>	<b>13.4%</b>	<b>10.0%</b>	<b>18,527</b>

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
-6,951	-8.8%	-9.1%
+9,542	+8.3%	+7.5%
+524	+1.3%	+2.2%
<b>+3,115</b>	<b>+1.3%</b>	<b>+0.9%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 12	Week 13	Week 14	Differences
North	8,675	7,265	7,328	-8.0%
South	19,525	13,849	14,800	+6.4%
West	5,358	6,200	6,100	-13.8%
<b>New Zealand</b>	<b>3,950</b>			
<b>Australia</b>	<b>33,558</b>	<b>27,314</b>	<b>28,228</b>	<b>89,100</b>
<b>Differences</b>	<b>+11.4%</b>	<b>-0.2%</b>	<b>-15.9%</b>	<b>-2.1%</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	73.60	-0.90	+0.09	+0.10	-0.64	Public	-1.35 (-1.8%)	72.25	69.24	73.60
Euro	61.81	-0.47	+0.20	+0.18	-0.39	Holiday	-0.48 (-0.8%)	61.33	60.72	61.81

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to July	
	July 2020	July to July 2020/21	July to July 2019/20	By Weight	By Value
China	87.9%	87.9%	75.8%	+8.5%	-22.8%
India	3.1%	3.1%	4.6%	-37.1%	-64.7%
Czech Republic	2.9%	2.9%	3.3%	-15.4%	-59.4%
Italy	1.9%	1.9%	7.9%	-77.4%	-84.5%
Korea	1.5%	1.5%	2.0%	-36.3%	-46.6%
Thailand	0.7%	0.7%	0.6%	+13.1%	-34.9%
Egypt	0.4%	0.4%	1.5%	-73.5%	-82.8%
Germany	0.4%	0.4%	0.5%	-19.0%	-58.0%
<b>Change all Countries</b>				<b>-6.3%</b>	<b>-37.1%</b>



AVERAGE EMI	
This Year	985
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

SEASON AVERAGES		
Region	This Year	Diff
North	1034	-448
South	954	-472
West	1043	-510

THIS YEAR'S EMI	
This Week	890
First Week	1116
Low (11/01)	858
High (12/01)	1134

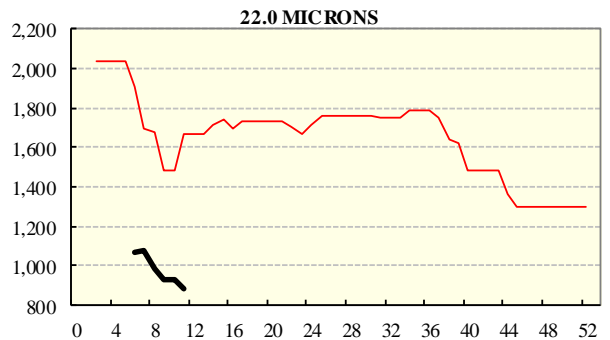
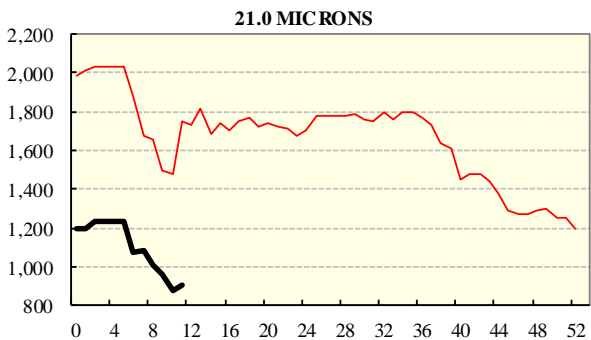
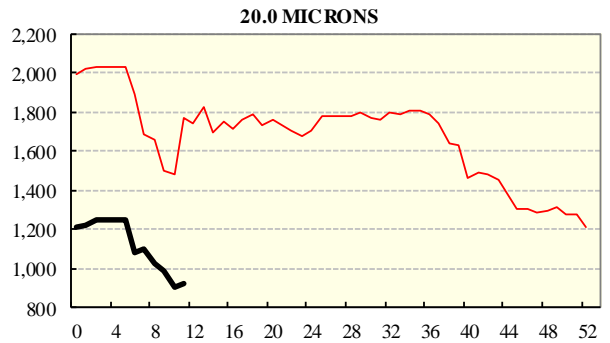
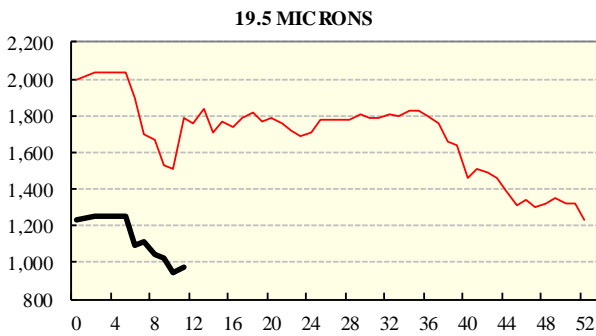
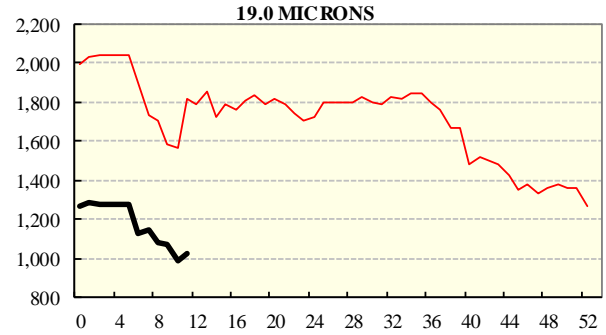
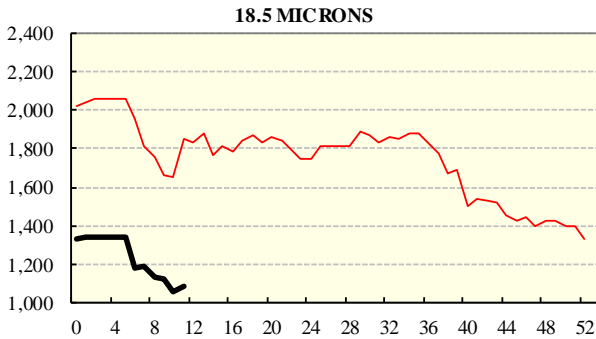
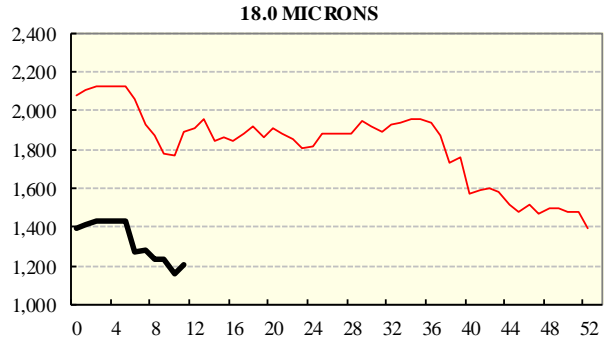
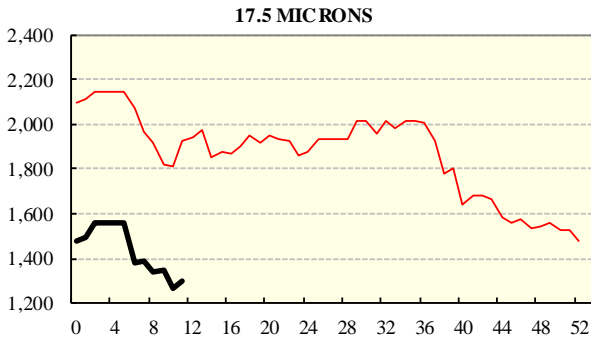
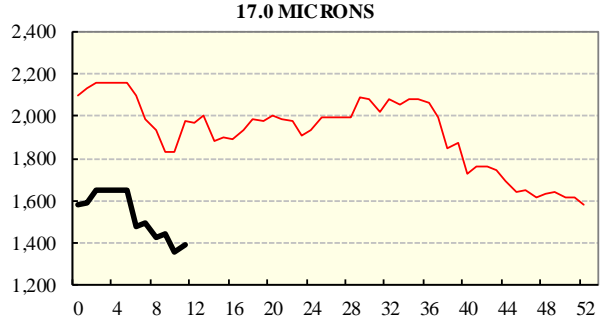
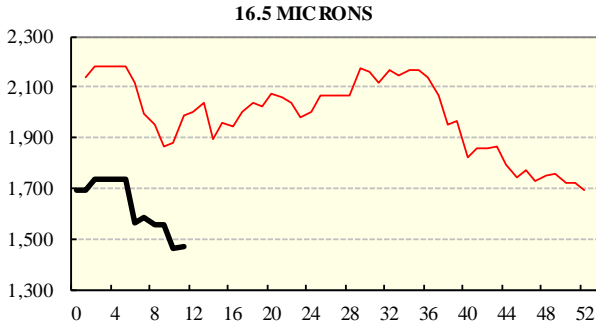
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	955	-212
South	848	-250
West	922	-272

BALES OFFERED	
This Year	237,797
Last Year	234,682
Difference	+3,115
% Diff	+1.3%
FIRST OFFERED BALES	
Difference	+0.9%
% of Offering	89%

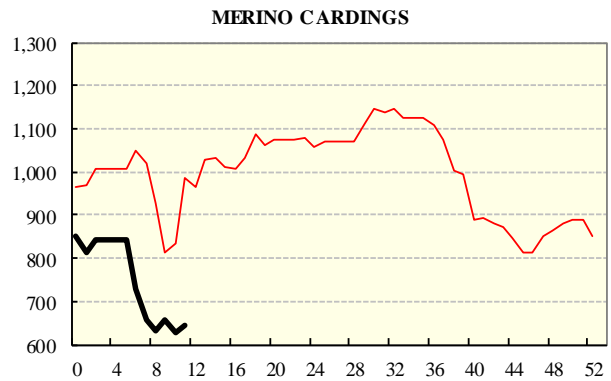
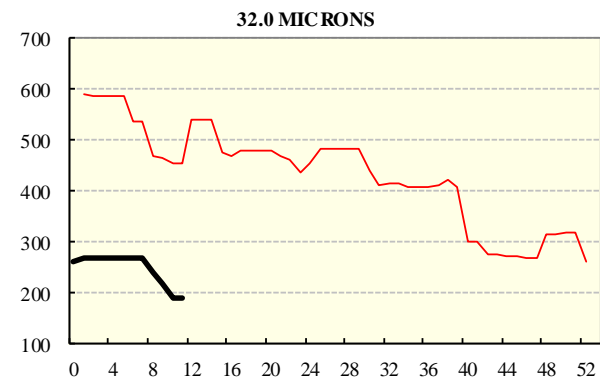
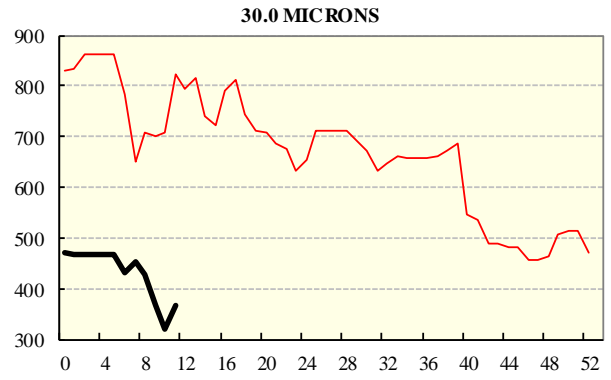
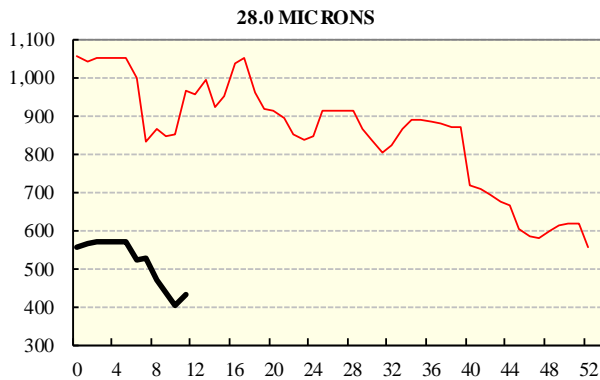
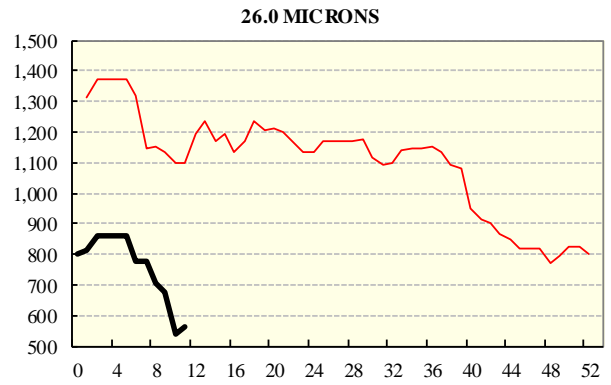
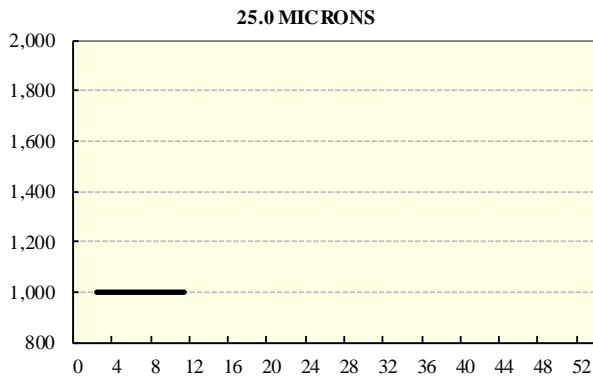
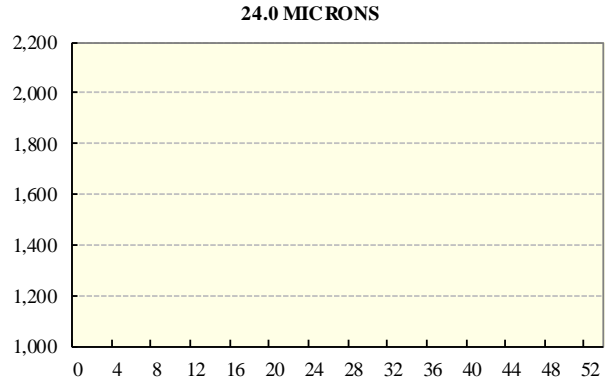
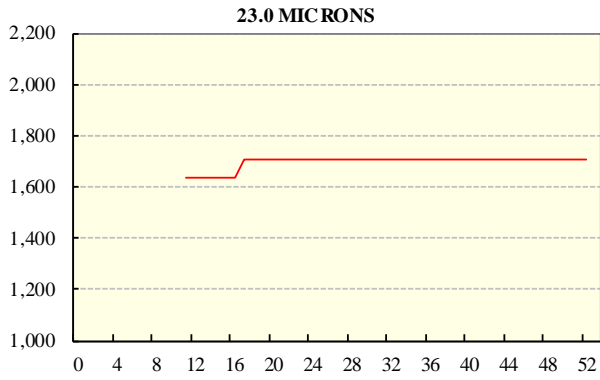
REGION BALES		
This Sale:		
North	4,759	
South	10,970	
West	3,909	
Progressive Totals:		Diff
North	72,029	-8.8%
South	123,919	+8.3%
West	41,849	+1.3%

## 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)

