

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW Week Ending 18 December 2020 (Week 25)

The AWEX EMI eased on both days in response to the highest Exchange Rate since June 2018 and the largest offering of the season. It finished at 1157¢, 41¢ lower (-3.4%) in Australian currency and 17¢ lower (-1.9%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 25.

44,835 bales were on offer nationally, compared with 37,836 bales last sale. 18.4% of the offering was passed in after 7.5% of the potential offering was withdrawn prior to sale. 36,582 bales were sold.

AWEX reports that the value of the wool sold was \$48.7 million (\$1,331 per bale), taking the season total to \$778.7 million (\$1,269 per bale). The number of bales sold at auction this season is now 1.6% greater than in 2019/20.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 25)									
Centre	Last Sale		Day-to-Day Changes (Week 25)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	24	1198	-27	-14	No Sale	-41 (-3.4%)	1157	-17	-16
Northern	24	1257	-28	-11	No Sale	-39 (-3.1%)	1218	-14	-14
Southern	24	1161	-26	-16	No Sale	-42 (-3.6%)	1119	-18	-16
Western	24	1244	-28	-18	No Sale	-46 (-3.7%)	1198	-20	-18

Prices fell across all wool types and micron ranges, apart from the Merino Cardings which rose by 1.6%. The largest falls were among the Merinos from 18.5 to 21.0 microns; and among the crossbreds, which experienced the greatest falls.

As mentioned above, the US Exchange Rate closed at its highest level since June 2018 when it rose by 1.22¢ (1.6%) to close at 75.64¢ on Wednesday.

In a volatile first half of the season, the EMI closed at 1110¢ in Week 01; after which it ranged from 858¢ to 1219¢, a difference of 361¢. The average EMI was 1070¢.

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.

Sales are now in recess for three weeks, and will resume on Tuesday 12 January, while sales in South African will resume a day later 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	320¢	416¢	579¢	711¢	864¢

Market Indicator	Changes From			
	Four Sales Ago Week 21	Start of the Season	Week 25 Last Year	Season Average to Week 25 Last Year
Eastern Market Indicator	-2 (-0.2%)	+32 (+2.8%)	-401 (-25.7%)	-478 (-30.9%)
Western Market Indicator	-14 (-1.2%)	+4 (+0.3%)	-473 (-28.3%)	-530 (-32.1%)

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 ¢	-23	-43	-36	-57	-56	-59	-55	-50	-58	-10		
Change %	-1.1%	-2.3%	-2.0%	-3.5%	-3.7%	-4.1%	-4.0%	-3.9%	-4.7%	-0.9%		
Since Start of the Season												
Change ¢	+297	+248	+204	+154	+126	+104	+70	+10	-43			
Change %	+17.3%	+15.3%	+13.4%	+10.8%	+9.4%	+8.1%	+5.6%	+0.8%	-3.5%			
Since Same Week Last Year												
Change ¢	-56	-129	-207	-311	-348	-414	-465	-535	-600	-609		
Change %	-2.7%	-6.5%	-10.7%	-16.5%	-19.2%	-23.0%	-26.1%	-30.1%	-33.8%	-34.5%		

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	-37	-25	-25	+12
Change %		-4.1%	-7.4%	-6.4%	-8.9%	+1.6%
Since Start of the Season						
Change ¢		-119	-102	-100	-12	-54
Change %		-14.2%	-18.0%	-21.5%	-4.5%	-6.5%
Since Same Week Last Year						
Change ¢		-453	-449	-346	-227	-297
Change %		-38.7%	-49.1%	-48.6%	-47.0%	-27.8%

MC - Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 18 December 2020 (Week 25)

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.

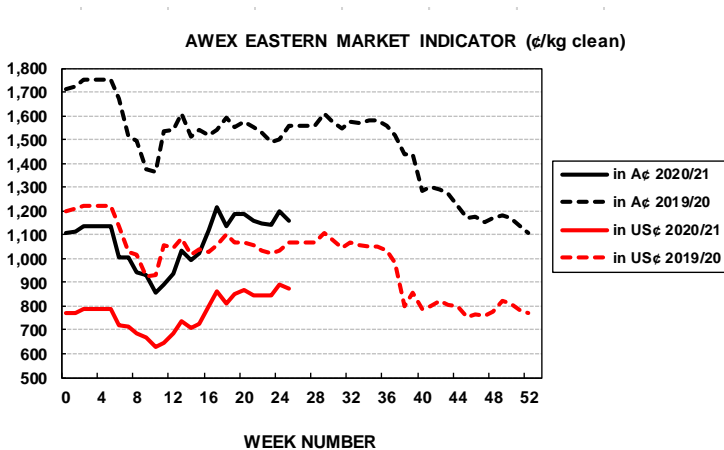
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	9,256	10,674	11.8%	5.7%	9.7%	9,419
South	21,029	24,132	18.6%	8.7%	8.4%	19,650
West	7,551	10,029	25.1%	6.5%	10.7%	7,513
<b>Australia</b>	<b>37,836</b>	<b>44,835</b>	<b>18.4%</b>	<b>7.5%</b>	<b>9.3%</b>	<b>36,582</b>

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
-7,438	-3.7%	-2.8%
+4,218	+1.2%	+1.8%
-5,237	-3.6%	-1.2%
<b>-8,457</b>	<b>-1.2%</b>	<b>-0.1%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 26	Week 27	Week 28	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	74.42	+1.19	-0.21	-0.28	+0.52	Public	+1.22 (+1.6%)	75.64	69.24	75.64
Euro	61.36	+0.84	-0.06	-0.30	+0.34	Holiday	+0.82 (+1.3%)	62.18	59.77	62.18

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	1070
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

THIS YEAR'S EMI	
This Week	1157
First Week	1116
Low (11/01)	858
High (13/01)	1219

BALES OFFERED	
This Year	701,328
Last Year	709,785
Difference	-8,457
% Diff	-1.2%
FIRST OFFERED BALES	
Difference	-0.1%
% of Offering	90.8%

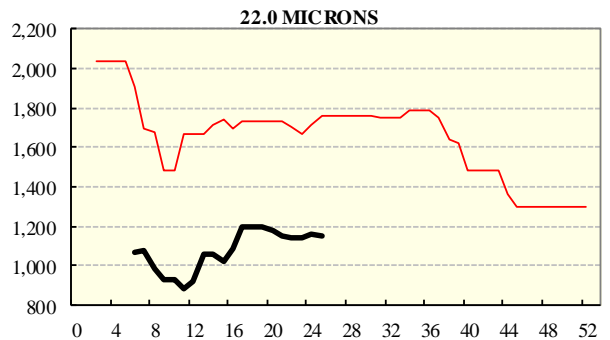
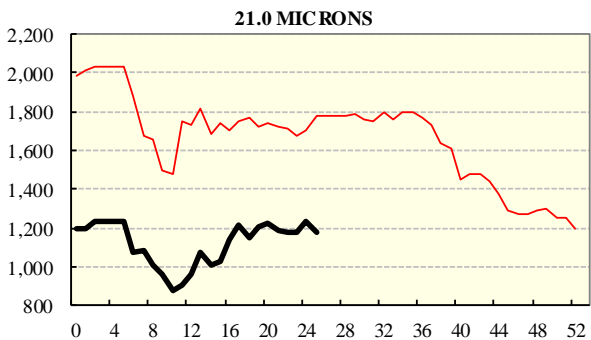
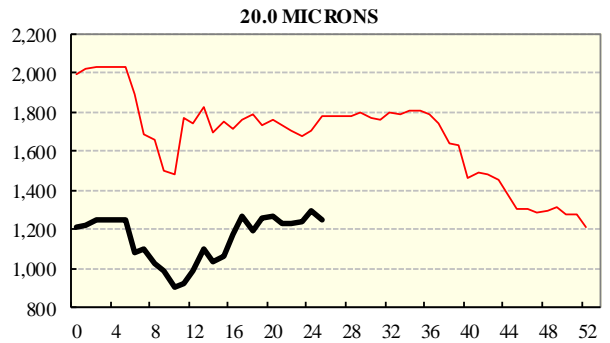
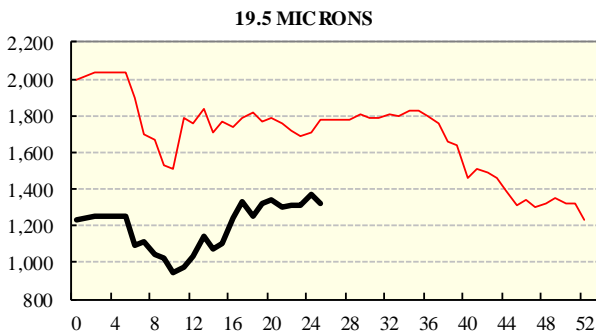
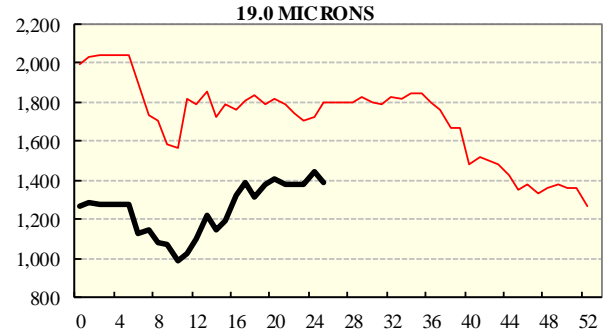
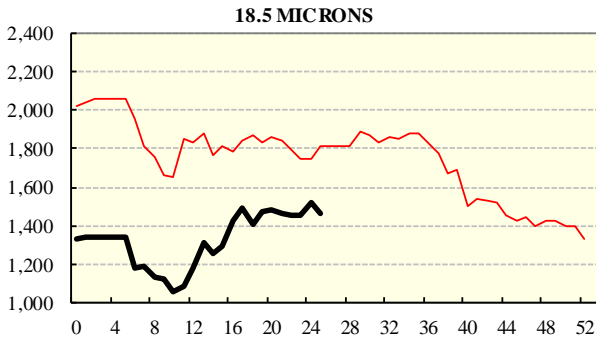
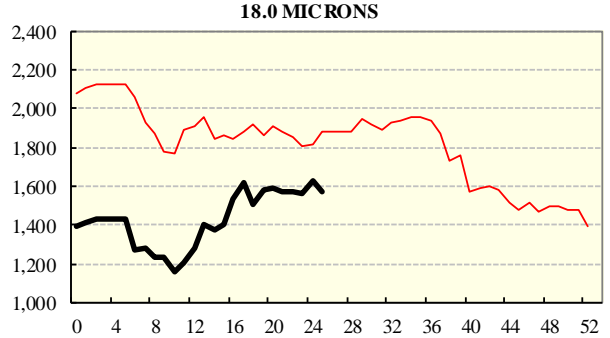
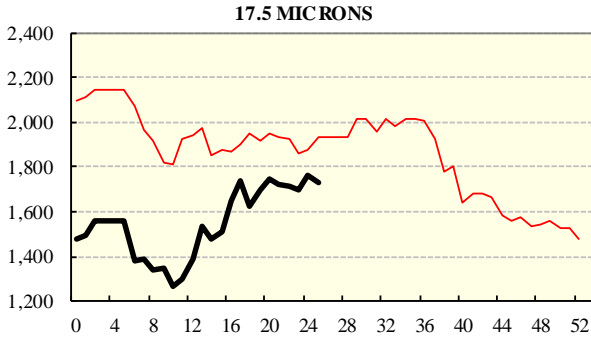
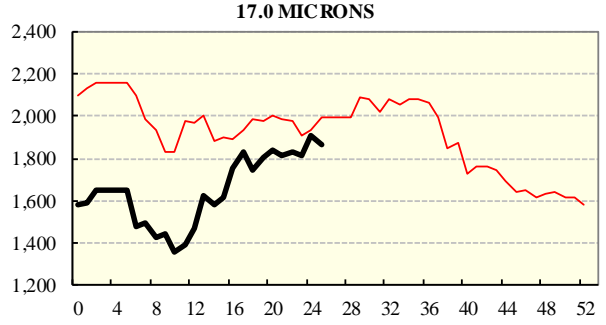
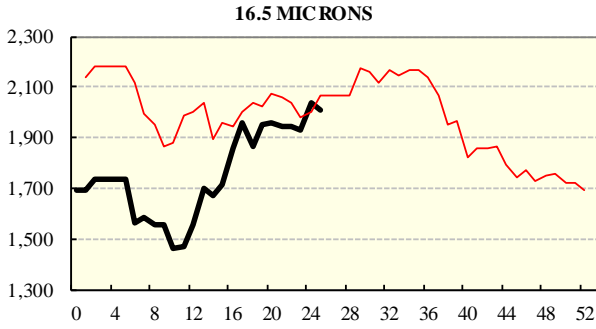
SEASON AVERAGES		
Region	This Year	Diff
North	1124	-357
South	1035	-391
West	1120	-433

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1218	+51
South	1119	+21
West	1198	+4

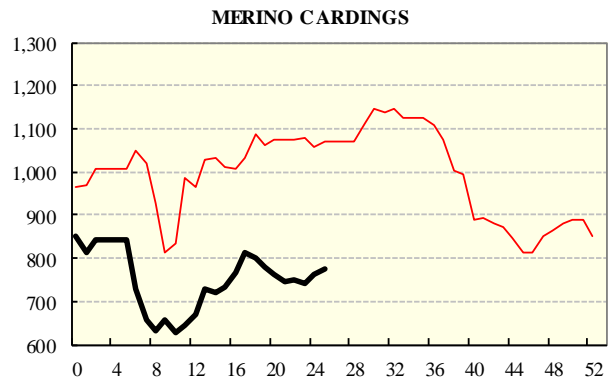
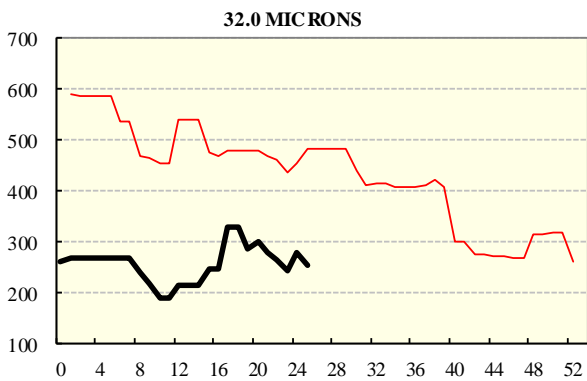
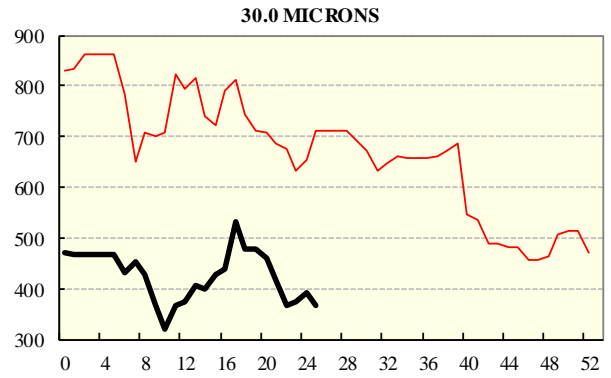
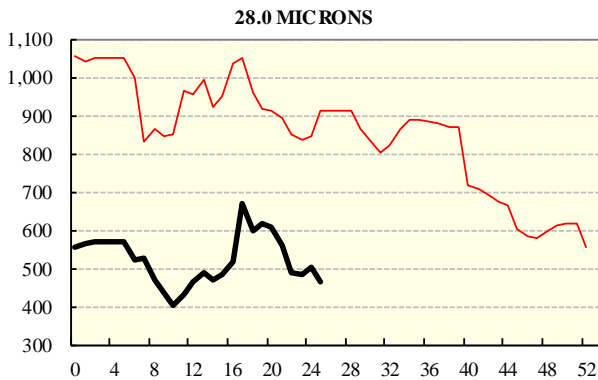
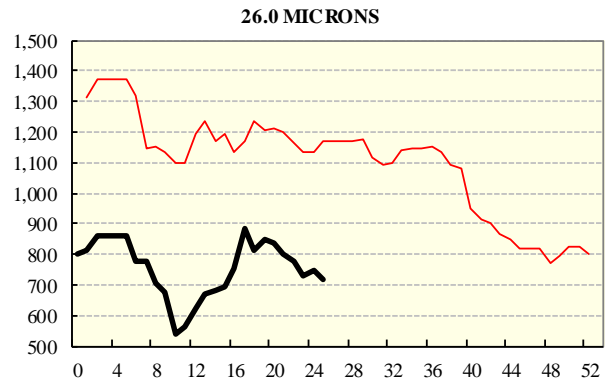
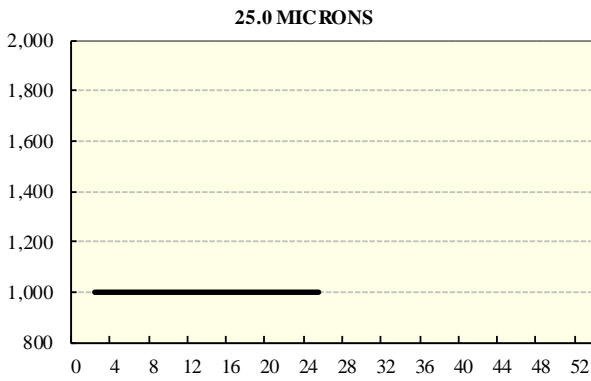
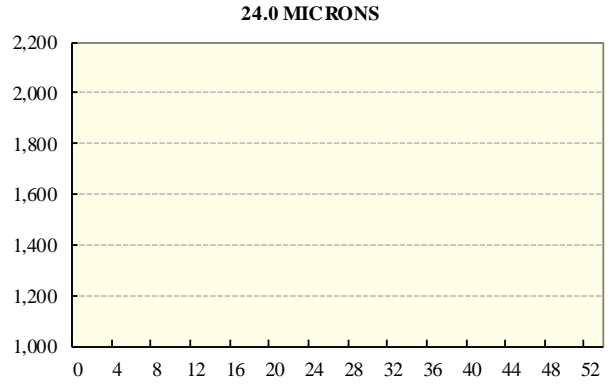
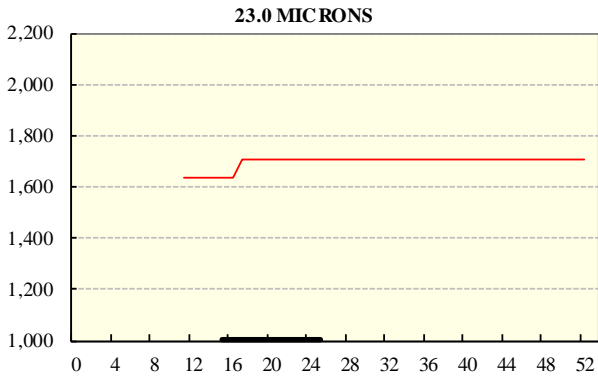
REGION BALES		
This Sale:		
North	10,674	
South	24,132	
West	10,029	
Progressive Totals:		Diff
North	195,843	-3.7%
South	367,018	+1.2%
West	138,467	-3.6%

## 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)

