

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West Vic 3020
Australia
Tel: 03 9311 0103
Fax: 03 9311 0138

Email: awis@woolindustries.org
Web: www.woolindustries.org
ABN: 30 454 304 967
Reg No: A0041776E



AWIS WOOL MARKET REVIEW

Week Ending 3 December 2021 (Week 22)

The AWEX EMI finished 5¢ higher (+0.4%) in Australian currency and 2¢ lower (-0.2%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 22.

39,577 bales were on offer nationally, compared with 36,814 bales last sale. 9.9% of the offering was passed in after 4.9% of the potential offering was withdrawn prior to sale. 35,678 bales were sold.

AWEX reports that the value of the wool sold was \$58.2 million (\$1,631 per bale), taking the season total to \$995.9 million (\$1,611 per bale). The number of bales sold at auction this season is now 21.8% greater than in 2020/21.

| Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 22) | | | | | | | | | |
|---|-----------|-----------|------------------------------|-----------|----------|---------------------|-------------------|----------------------|--------|
| Centre | Last Sale | | Day-to-Day Changes (Week 22) | | | Sale-to-Sale Change | Closing Indicator | Sale-to-Sale Changes | |
| | Week | Indicator | Tuesday | Wednesday | Thursday | | | US ¢ | Euro ¢ |
| Eastern | 21 | 1341 | +2 | +3 | No Sale | +5 (+0.4%) | 1346 | -2 | -9 |
| Northern | 21 | 1421 | +2 | +3 | No Sale | +5 (+0.4%) | 1426 | -2 | -9 |
| Southern | 21 | 1288 | +2 | +3 | No Sale | +5 (+0.4%) | 1293 | -2 | -8 |
| Western | 21 | 1401 | +2 | +2 | No Sale | +4 (+0.3%) | 1405 | -3 | -9 |

It was a steady week, in which there were overall gains over the two days that led to rises of up to 1% in the AWEX Merino Micron Price Guides. Although there were overall gains in prices, this did not apply to the Crossbreeds, which fell by up to 1.5% over the two days.

The price movements in Australian currency were assisted by a further fall in the US Exchange Rate which finished 0.40¢ (-0.6%) lower to close at 71.69¢ on Wednesday. This took the US Exchange Rate to its lowest closing level for the season.

Buyers for China were dominant, with support from buyers for Europe and India.

Looking ahead, offerings for the last two sales before Christmas are expected to be 41,269 bales to 41,362 bales and to be 11.6% greater than in the last two sales leading up to Christmas last year. The forecast progressive difference to Week 25 is +15.2%.

In other countries, the South African Cape Wools Indicator was unchanged since last week against a 0.6% depreciation of the Rand against the US Dollar and a 1.7% 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 | 512¢ | 702¢ | 907¢ | 1088¢ | 1242¢ |

| Market Indicators | Week 22 | Changes From | | | |
|--------------------------|---------|------------------------|---------------------|-------------------|-------------------------------------|
| | | Four Sales Ago Week 18 | Start of the Season | Week 22 Last Year | Season Average to Week 22 Last Year |
| Eastern Market Indicator | 1346 | +6 (+0.4%) | -78 (-5.5%) | +196 (+17.0%) | +298 (+28.3%) |
| Western Market Indicator | 1405 | +3 (+0.2%) | -47 (-3.2%) | +205 (+17.1%) | +285 (+25.8%) |

| 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 ¢ | +13 | +24 | +9 | +17 | +2 | 0 | +2 | +9 | +12 | +17 | | |
| Change % | +0.5% | +1.0% | +0.4% | +0.8% | +0.1% | 0.0% | +0.1% | +0.7% | +0.9% | +1.3% | | |
| Since Start of the Season | | | | | | | | | | | | |
| Change ¢ | -170 | -118 | -107 | -107 | -120 | -113 | -105 | -76 | -21 | +59 | | |
| Change % | -6.2% | -4.7% | -4.6% | -5.0% | -6.2% | -6.4% | -6.6% | -5.3% | -1.6% | +4.7% | | |
| Since Week 22 Last Year | | | | | | | | | | | | |
| Change ¢ | +631 | +574 | +508 | +451 | +368 | +274 | +188 | +135 | +138 | +175 | | |
| Change % | +32.4% | +31.3% | +29.6% | +28.8% | +25.2% | +19.9% | +14.4% | +11.0% | +11.7% | +15.4% | | |

| 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 ¢ | | +3 | -4 | -5 | | +1 |
| Change % | | +0.4% | -1.0% | -1.5% | | +0.1% |
| Since Start of the Season | | | | | | |
| Change ¢ | | -75 | -91 | -73 | -25 | -80 |
| Change % | | -9.2% | -18.4% | -17.9% | -9.4% | -8.3% |
| Since Week 22 Last Year | | | | | | |
| Change ¢ | | -40 | -85 | -34 | -26 | +137 |
| Change % | | -5.2% | -17.4% | -9.2% | -9.8% | +18.3% |

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 3 December 2021 (Week 22)

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 September ABS export data.

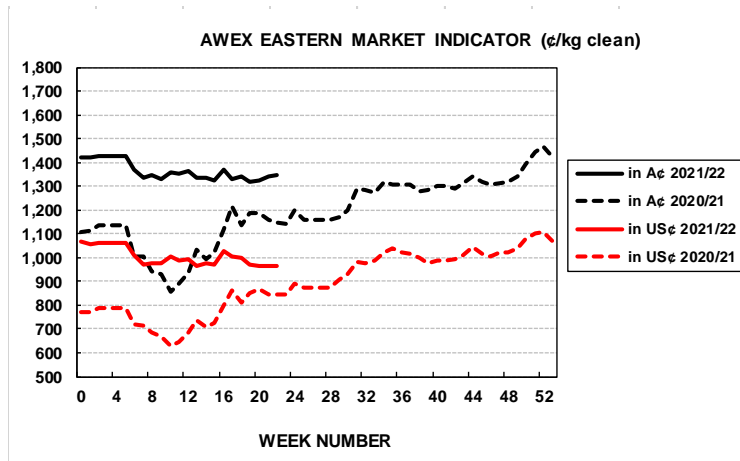
| Details of this Week's Offering and the Comparison with the Previous Sale's Offering | | | | | | |
|--|-----------|-----------|-----------|-----------------------|-------------|------------|
| Centre | Last Sale | This Sale | | | | |
| | Offering | Offering | Passed-In | Withdrawn Before Sale | Re- Offered | Bales Sold |
| North | 9,507 | 9,451 | 6.4% | 3.1% | 8.8% | 8,844 |
| South | 20,478 | 22,285 | 12.7% | 4.7% | 9.4% | 19,462 |
| West | 6,829 | 7,841 | 6.0% | 7.5% | 7.3% | 7,372 |
| Australia | 36,814 | 39,577 | 9.9% | 4.9% | 8.8% | 35,678 |

| Progressive Changes from Last Year | | |
|------------------------------------|---------------|----------------------------|
| All Bales | | 1 st Time Bales |
| Bales | % | % |
| +57,780 | +34.6% | +32.3% |
| +76,721 | +25.4% | +25.0% |
| +8,625 | +7.6% | +7.9% |
| +142,726 | +24.5% | +23.9% |

| Next Sale Offerings and Year-on-Year Differences | | | | |
|--|---------|---------|---------|-------------|
| Centre | Week 23 | Week 24 | Week 25 | Differences |
| North | 10,778 | 10,580 | No Sale | -26.0% |
| South | 23,271 | 22,689 | No Sale | -29.9% |
| West | 7,313 | 8,000 | No Sale | -36.9% |
| New Zealand | 1,200 | | | |
| Australia | 41,362 | 41,269 | | 82,631 |
| Differences | +14.9% | +9.1% | | -30.4% |

| 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 | 72.09 | -0.67 | -0.02 | +0.04 | +0.25 | No | -0.40 (-0.6%) | 71.69 | 71.69 | 75.26 |
| Euro | 64.12 | -0.47 | -0.32 | -0.10 | +0.03 | Sale | -0.86 (-1.3%) | 63.26 | 61.70 | 64.86 |

| Country | % Share of Australia's Wool Exports by Weight of Wool Shipped | | | Year-on-Year % Change July to October | |
|-----------------------------|---|-------------------------|-------------------------|---------------------------------------|----------------|
| | October 2021 | July to October 2021/22 | July to October 2020/21 | By Weight | By Value |
| China | 78.8% | 83.1% | 87.5% | +45.1% | +94.4% |
| Italy | 6.8% | 4.5% | 1.6% | +333.4% | +511.4% |
| Czech Republic | 5.3% | 3.9% | 4.0% | +62.3% | +90.1% |
| India | 3.4% | 3.7% | 3.0% | +88.2% | +136.1% |
| Korea | 1.6% | 1.6% | 1.8% | +35.3% | +46.2% |
| Egypt | 0.9% | 0.6% | 0.0% | +173.8% | +271.9% |
| Thailand | 0.7% | 0.5% | 0.5% | +59.0% | +149.8% |
| Uruguay | 0.7% | 0.4% | 0.1% | +329.3% | +669.3% |
| Change all Countries | | | | +52.9% | +105.7% |



| AVERAGE EMI | |
|-------------|------|
| This Year | 1352 |
| Last Year | 1199 |
| 2019/20 | 1448 |
| 2018/19 | 1939 |
| 2017/18 | 1739 |

| SEASON AVERAGES | | |
|-----------------|-----------|------|
| Region | This Year | Diff |
| North | 1437 | +172 |
| South | 1296 | +140 |
| West | 1390 | +155 |

| THIS YEAR'S EMI | |
|-----------------|------|
| This Week | 1346 |
| First Week | 1420 |
| Low (12/01) | 1319 |
| High (11/01) | 1428 |

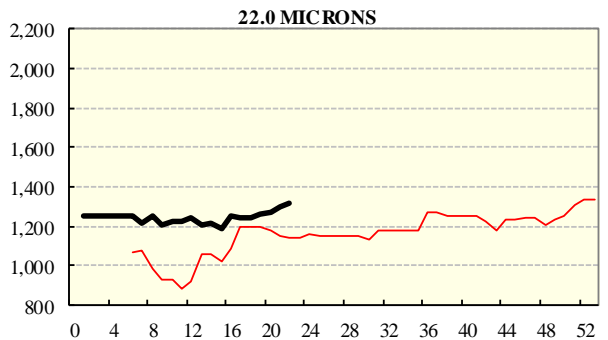
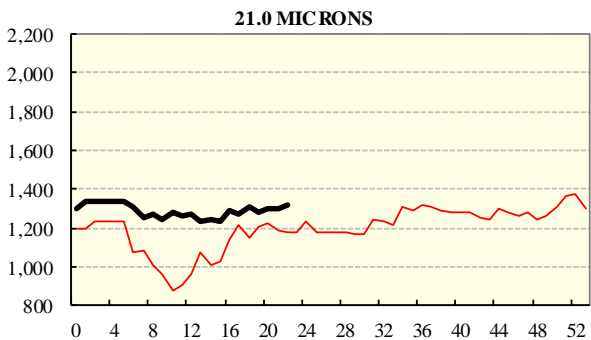
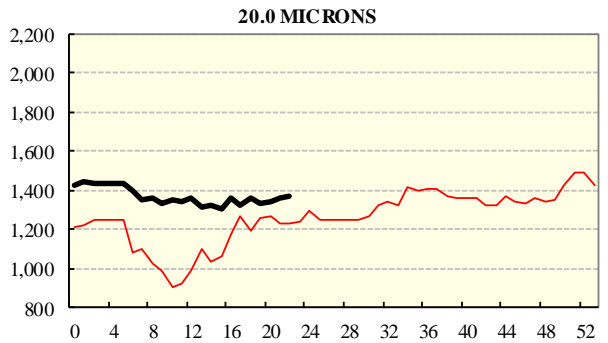
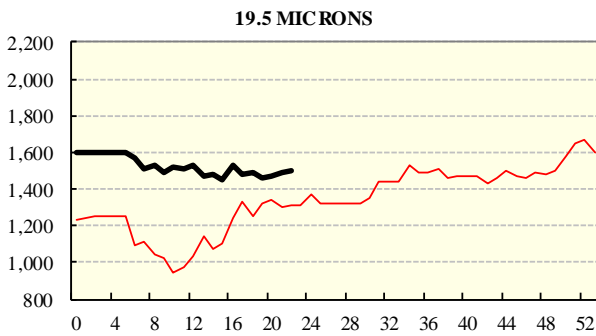
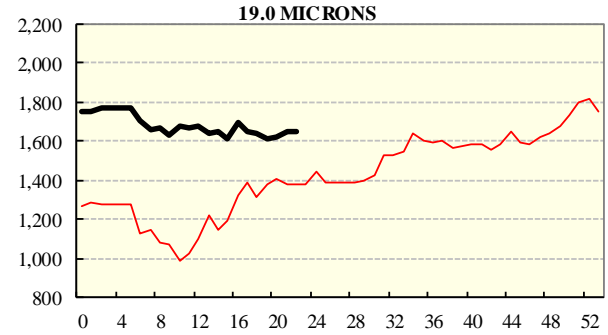
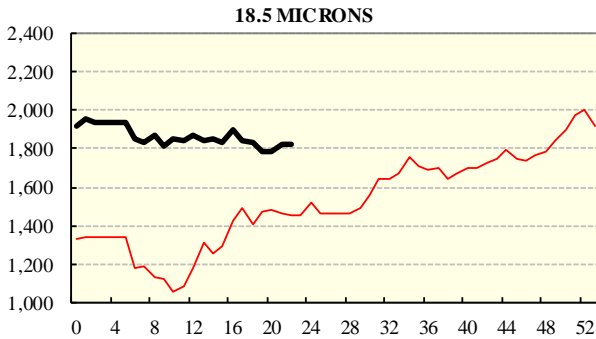
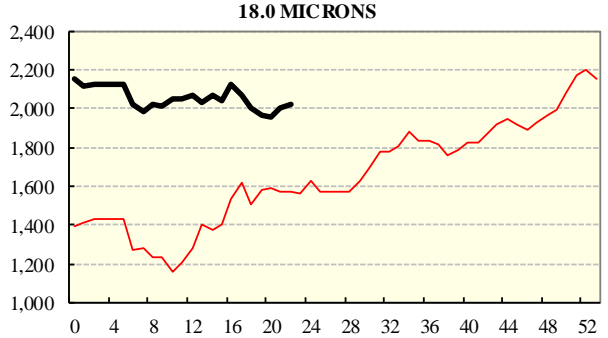
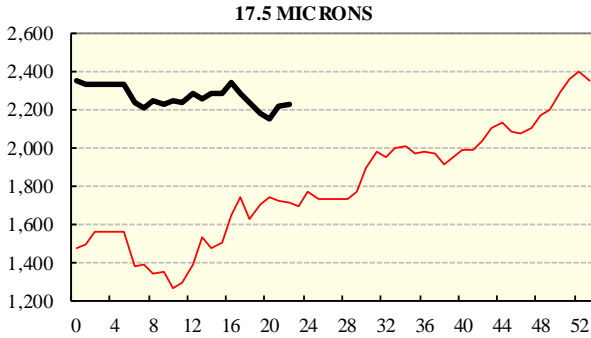
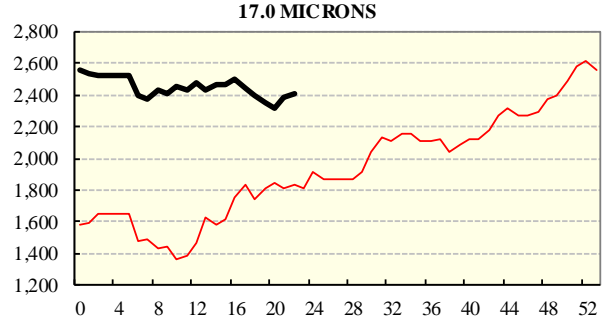
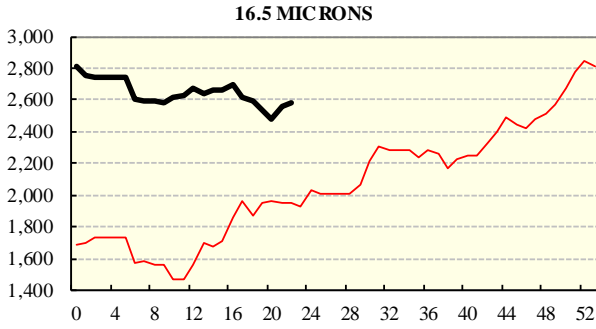
| COMPARED WITH WKS 1/2 | | |
|-----------------------|-----------|------|
| Region | This Week | Diff |
| North | 1426 | -90 |
| South | 1293 | -73 |
| West | 1405 | -47 |

| BALES OFFERED | |
|---------------------|----------|
| This Year | 725,357 |
| Last Year | 582,631 |
| Difference | +142,726 |
| % Diff | +24.5% |
| FIRST OFFERED BALES | |
| Difference | +23.9% |
| % of Offering | 90.4% |

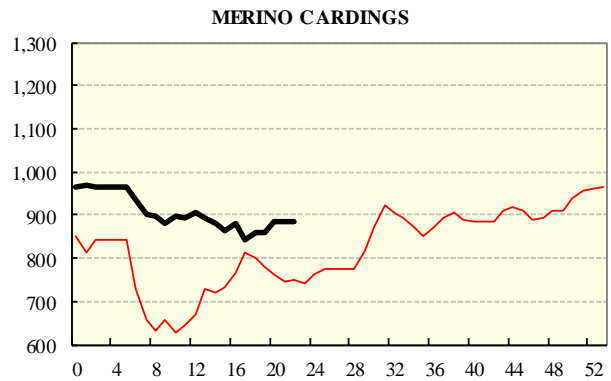
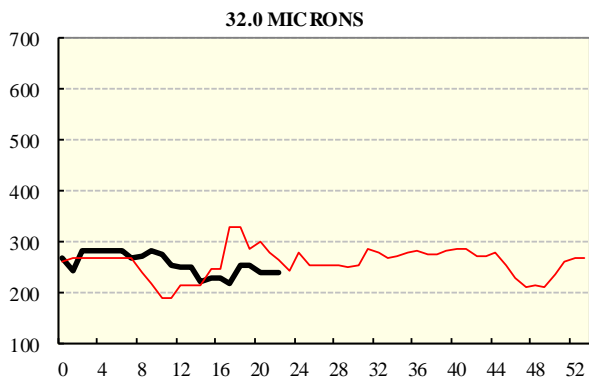
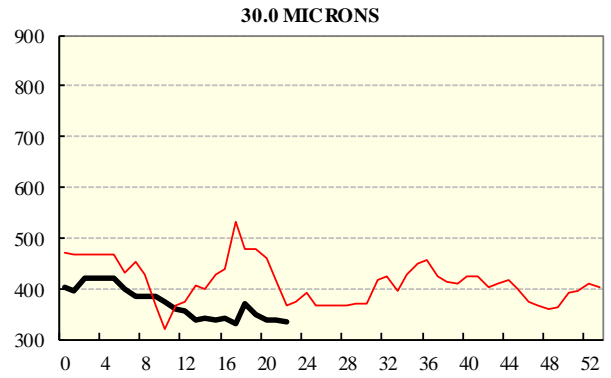
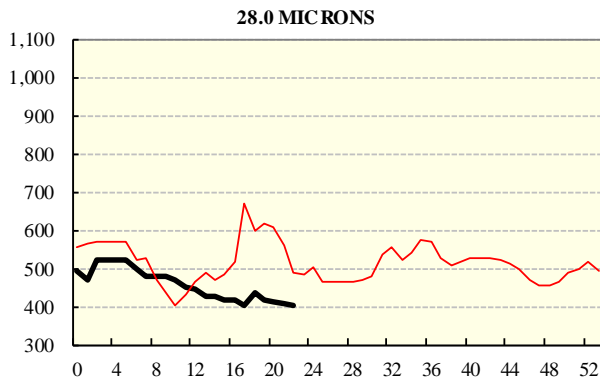
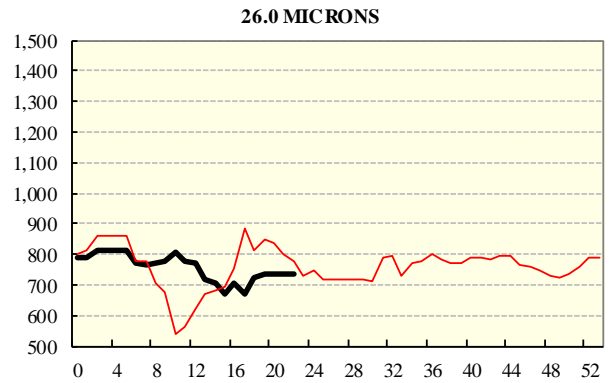
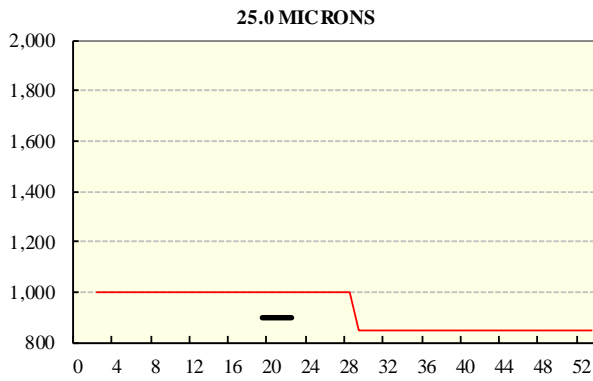
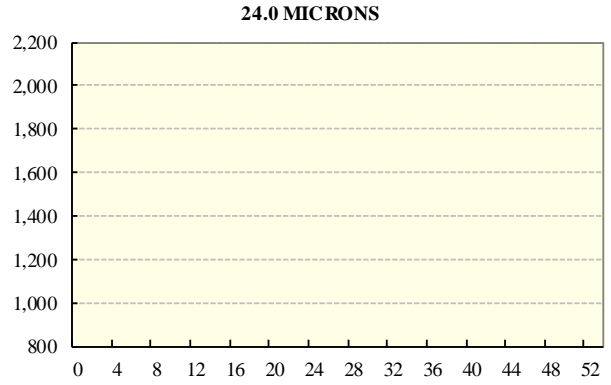
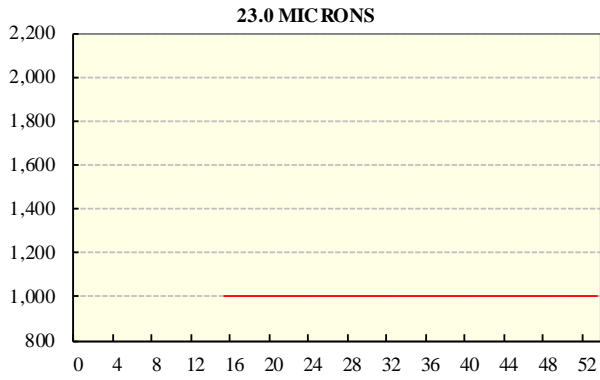
| REGION BALES | | |
|---------------------|---------|--------|
| This Sale: | | |
| North | 9,451 | |
| South | 22,285 | |
| West | 7,841 | |
| Progressive Totals: | | Diff |
| North | 224,773 | +34.6% |
| South | 378,199 | +25.4% |
| West | 122,385 | +7.6% |

AVERAGE AWEX MICRON PRICE GUIDES

2021/22 (black graph line) and 2020/21 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
2021/22 (black graph line) and 2020/21 (red graph line)



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

(In Australian, United States and European Currencies)

