

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West
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 23 September 2022 (Week 12)

The AWEX EMI finished at 1279¢, 27¢ lower (-2.1%) in Australian currency and 25¢ lower (-2.8%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 12.

35,481 bales were on offer nationally, compared with 35,413 bales last sale. 13.4% of the offering was passed in after 3.4% of the potential offering was withdrawn prior to sale. 30,726 bales were sold.

AWEX reports that the value of the wool sold was \$49.3 million (\$1,605 per bale), taking the season total to \$524.1 million (\$1,603 per bale). The number of bales sold at auction this season is now 15.5% greater than in 2021/22.

The New Zealand Merino Company also offered 2,132 bales in Melbourne on Wednesday, of which 17.4% were passed in.

| Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 12) | | | | | | | | | |
|---|-----------|-----------|------------------------------|-----------|----------|---------------------|-------------------|----------------------|--------|
| Centre | Last Sale | | Day-to-Day Changes (Week 12) | | | Sale-to-Sale Change | Closing Indicator | Sale-to-Sale Changes | |
| | Week | Indicator | Tuesday | Wednesday | Thursday | | | US ¢ | Euro ¢ |
| Eastern | 11 | 1306 | -17 | -10 | No Sale | -27 (-2.1%) | 1279 | -25 | -23 |
| Northern | 11 | 1388 | -13 | -10 | No Sale | -23 (-1.7%) | 1365 | -23 | -20 |
| Southern | 11 | 1251 | -19 | -10 | No Sale | -29 (-2.3%) | 1222 | -26 | -24 |
| Western | 11 | 1447 | -14 | -20 | No Sale | -34 (-2.3%) | 1413 | -31 | -28 |

Prices came under further pressure across all micron ranges this week, with falls of around 2% among the Merinos; and 6% to 8% among the Crossbreds. The downward movement in Crossbred prices led to a rise in the Crossbred Pass-In Rate to 21.9% over the two selling days in response to the weaker demand.

The US Exchange Rate finished 0.57¢ (-0.8%) lower to close at 66.67¢ on Wednesday. Late advice is that the United States Federal Reserve has increased the US interest rate, putting further pressure on Australia/US exchange rate to move it to under 66%.

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

In other countries, the results of South African sales were not available at the time of writing.

Looking ahead, offerings for the coming three sales are expected to range from 31,994 bales to 40,635 bales and to be 4.3% less than in the same period last year. The forecast progressive difference to Week 15 is +7.1%.

| 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 | 468¢ | 632¢ | 849¢ | 1112¢ | 1297¢ |

| Market Indicators | Week 12 | Changes From | | | |
|--------------------------|---------|---------------------------|------------------------|----------------------|--|
| | | Four Sales Ago Week 08 | Start of the Season | Week 12 Last Year | Season Average to Week 12 Last Year |
| Eastern Market Indicator | 1279 | -63 (-4.7%) | -119 (-8.5%) | -89 (-6.5%) | -30 (-2.2%) |
| Western Market Indicator | 1413 | No Sale | -67 (-4.5%) | +16 (+1.1%) | +54 (+3.9%) |

| 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 ¢ | -72 | -44 | -45 | -57 | -41 | -32 | -24 | -20 | -30 | -63 | | |
| Change % | -2.7% | -1.8% | -2.1% | -3.0% | -2.4% | -2.0% | -1.6% | -1.4% | -2.2% | -4.9% | | |
| Since Start of the Season | | | | | | | | | | | | |
| Change ¢ | -348 | -337 | -337 | -259 | -180 | -111 | -76 | -74 | -96 | -128 | | |
| Change % | -11.9% | -12.5% | -13.9% | -12.2% | -9.6% | -6.6% | -4.9% | -5.1% | -6.8% | -9.4% | | |
| Since Week 12 Last Year | | | | | | | | | | | | |
| Change ¢ | -86 | -123 | -197 | -199 | -183 | -96 | -43 | +26 | +33 | -9 | | |
| Change % | -3.2% | -5.0% | -8.6% | -9.6% | -9.8% | -5.7% | -2.8% | +1.9% | +2.6% | -0.7% | | |

| 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 ¢ | | -56 | -22 | -31 | | 0 |
| Change % | | -8.0% | -6.0% | -9.6% | | 0.0% |
| Since Start of the Season | | | | | | |
| Change ¢ | | -63 | -57 | -32 | | -43 |
| Change % | | -8.9% | -14.1% | -9.8% | | -4.7% |
| Since Week 12 Last Year | | | | | | |
| Change ¢ | | -131 | -99 | -63 | | -34 |
| Change % | | -16.9% | -22.2% | -17.7% | | -3.8% |

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 23 September 2022 (Week 12)

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.

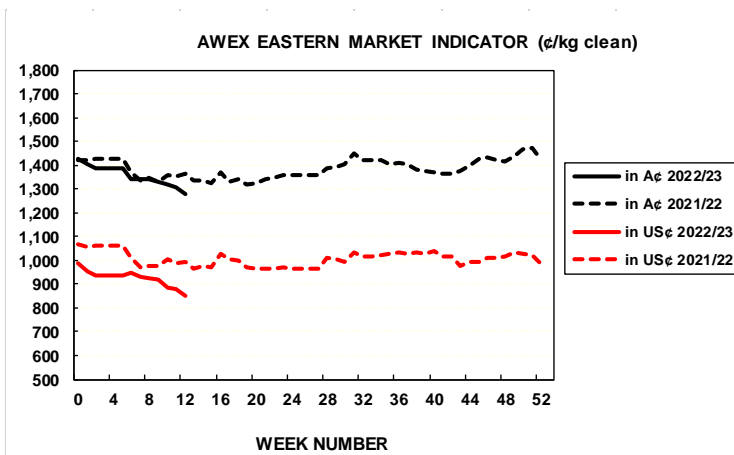
| Details of this Week's Offering and the Comparison with the Previous Sale's Offering | | | | | | |
|--|-----------|-----------|-----------|-----------------------|------------|------------|
| Centre | Last Sale | This Sale | | | | |
| | Offering | Offering | Passed-In | Withdrawn Before Sale | Re-Offered | Bales Sold |
| North | 10,847 | 11,559 | 11.1% | 2.9% | 10.6% | 10,276 |
| South | 17,588 | 17,384 | 14.5% | 3.7% | 7.5% | 14,866 |
| West | 6,978 | 6,538 | 14.6% | 3.5% | 10.3% | 5,584 |
| Australia | 35,413 | 35,481 | 13.4% | 3.4% | 9.0% | 30,726 |

| Progressive Changes from Last Year | | |
|------------------------------------|---------------|----------------------------|
| All Bales | | 1 st Time Bales |
| Bales | % | % |
| +14,007 | +12.0% | +12.2% |
| +17,131 | +10.0% | +7.5% |
| +6,331 | +11.4% | +12.1% |
| +37,469 | +10.9% | +9.8% |

| Next Sale Offerings and Year-on-Year Differences | | | | |
|--|---------------|---------------|---------------|----------------|
| Centre | Week 13 | Week 14 | Week 15 | Differences |
| North | 8,903 | 10,940 | 9,185 | -15.8% |
| South | 16,166 | 22,195 | 21,353 | -2.2% |
| West | 6,925 | 7,500 | 7,500 | +9.0% |
| New Zealand | | 2,500 | 1,800 | |
| Australia | 31,994 | 40,635 | 38,038 | 110,667 |
| Differences | -19.5% | +13.4% | -5.1% | -4.3% |

| 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 | 67.24 | -0.22 | -0.08 | +0.26 | -0.53 | No | -0.57 (-0.8%) | 66.67 | 66.67 | 70.75 |
| Euro | 67.35 | -0.22 | -0.06 | +0.02 | -0.09 | Sale | -0.35 (-0.5%) | 67.00 | 66.20 | 69.45 |

| Country | % Share of Australia's Wool Exports by Weight of Wool Shipped | | | Year-on-Year % Change July to July | |
|-----------------------------|---|----------------------|----------------------|------------------------------------|--------------|
| | July 2022 | July to July 2022/23 | July to July 2021/22 | By Weight | By Value |
| China | 83.5% | 83.5% | 86.0% | -2.4% | -5.9% |
| India | 8.2% | 8.2% | 4.2% | +94.2% | +131.6% |
| Italy | 3.5% | 3.5% | 1.8% | +97.1% | +145.2% |
| Czech Republic | 1.8% | 1.8% | 3.7% | -51.6% | -34.5% |
| Korea | 0.7% | 0.7% | 1.5% | -53.6% | -57.1% |
| Thailand | 0.6% | 0.6% | 0.6% | +10.6% | +40.2% |
| Egyptand | 0.4% | 0.4% | 0.5% | -12.9% | +17.7% |
| Germany | 0.3% | 0.3% | 0.1% | +356.2% | +308.3% |
| Change all Countries | | | | +0.5% | +1.9% |



| AVERAGE EMI | |
|-------------|------|
| This Year | 1339 |
| Last Year | 1385 |
| 2020/21 | 1199 |
| 2019/20 | 1448 |
| 2018/19 | 1939 |

| SEASON AVERAGES | | |
|-----------------|-----------|------|
| Region | This Year | Diff |
| North | 1419 | -55 |
| South | 1287 | -38 |
| West | 1453 | +23 |

| THIS YEAR'S EMI | |
|-----------------|------|
| This Week | 1279 |
| First Week | 1407 |
| Low (9/01) | 1279 |
| High (9/01) | 1407 |

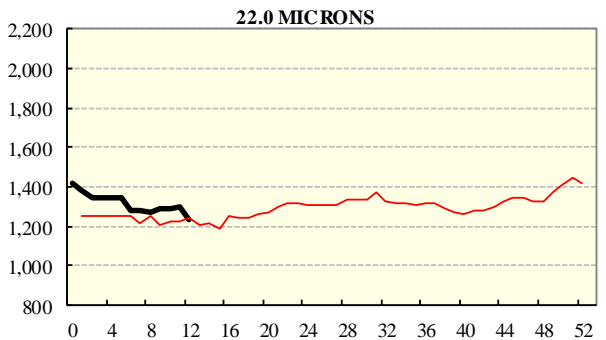
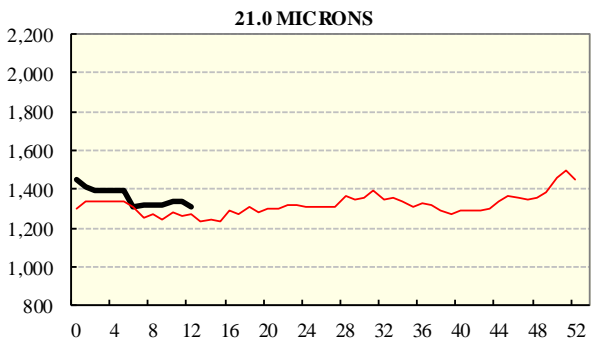
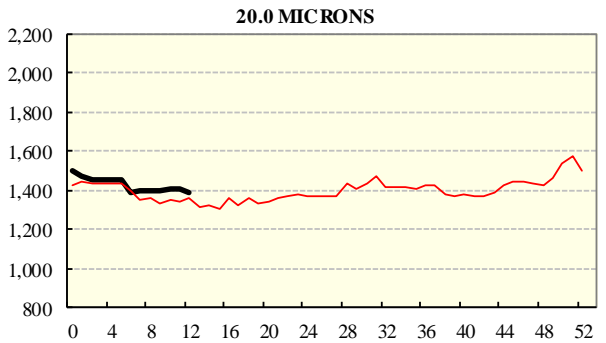
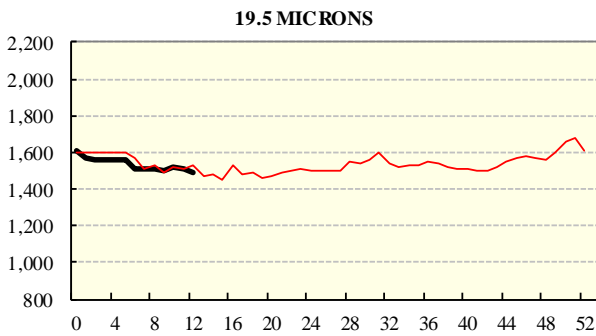
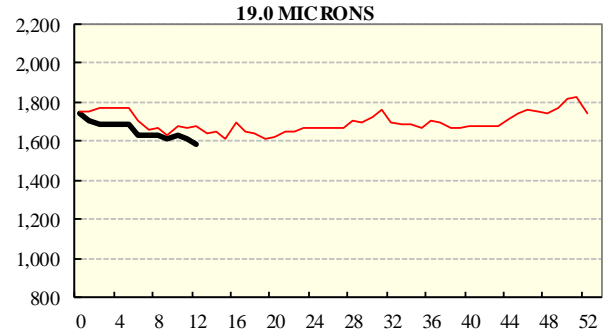
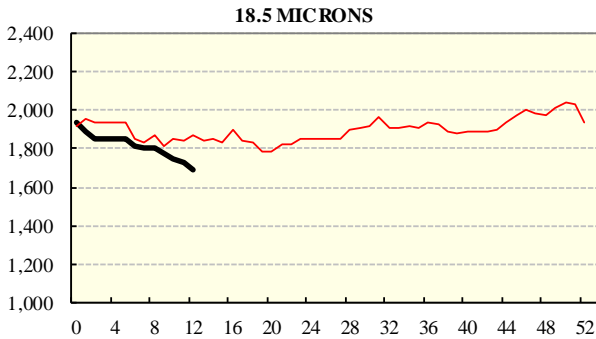
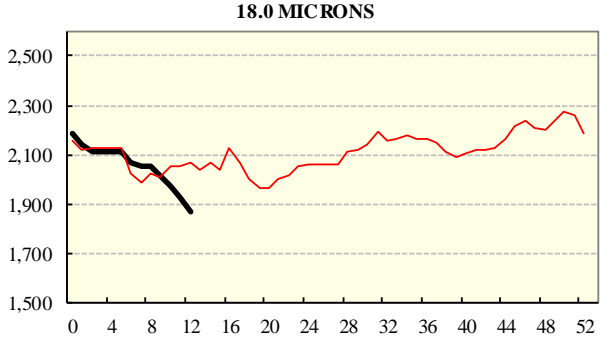
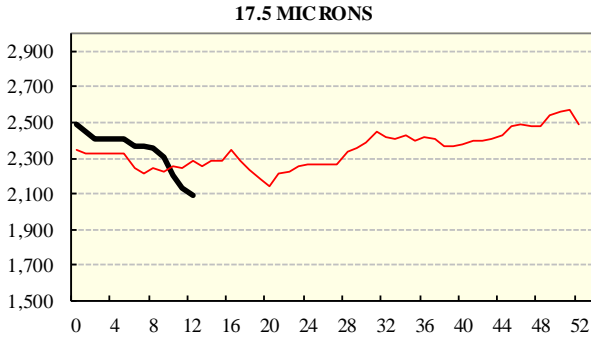
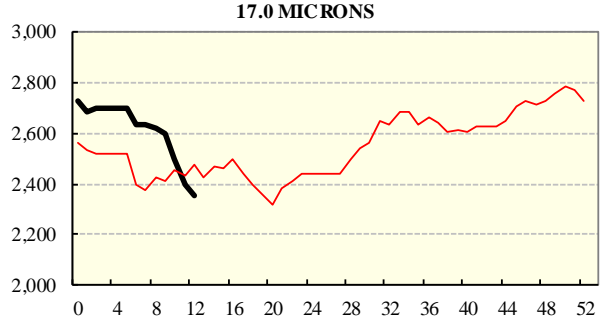
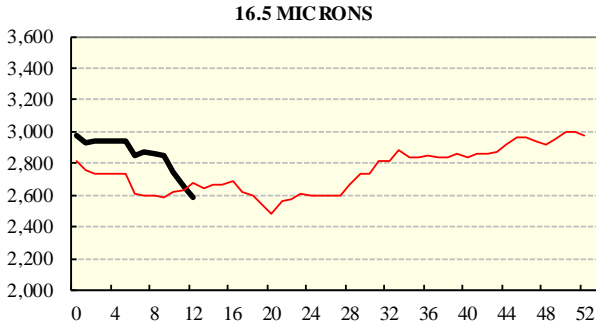
| COMPARED WITH WKS 1/2 | | |
|-----------------------|-----------|------|
| Region | This Week | Diff |
| North | 1365 | -109 |
| South | 1222 | -125 |
| West | 1413 | -67 |

| BALES OFFERED | |
|---------------------|---------|
| This Year | 380,132 |
| Last Year | 342,663 |
| Difference | +37,469 |
| % Diff | +10.9% |
| FIRST OFFERED BALES | |
| Difference | +9.8% |
| % of Offering | 90% |

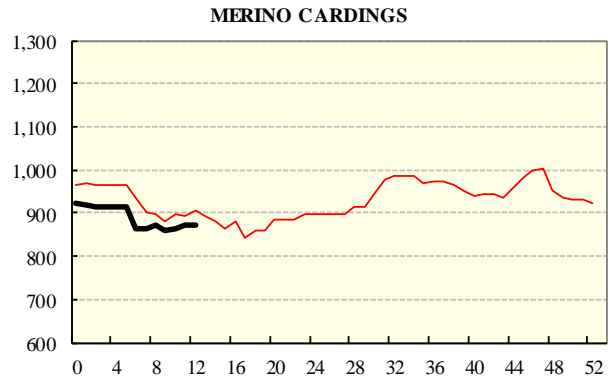
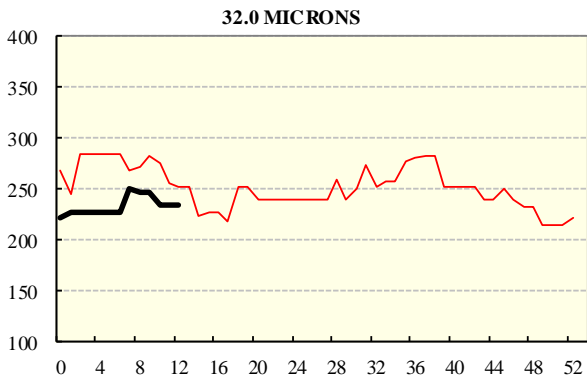
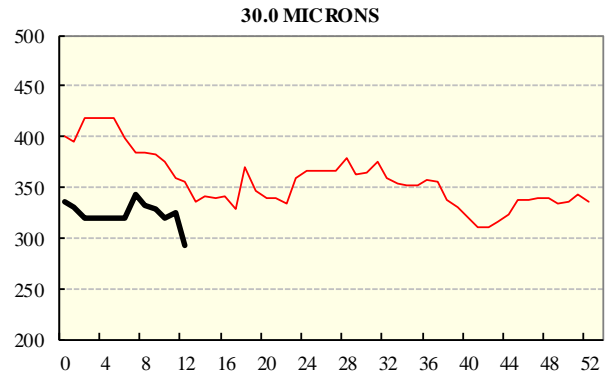
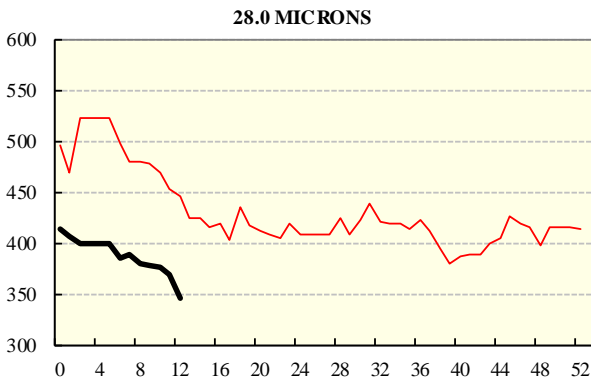
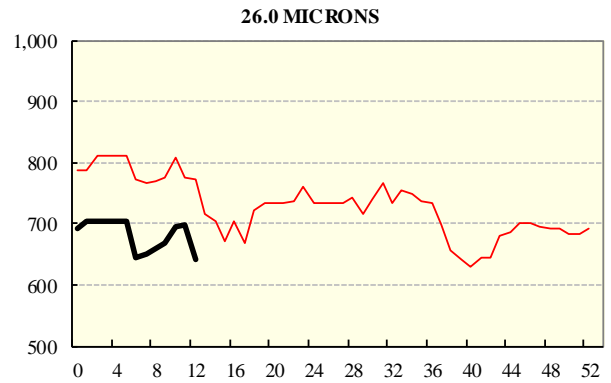
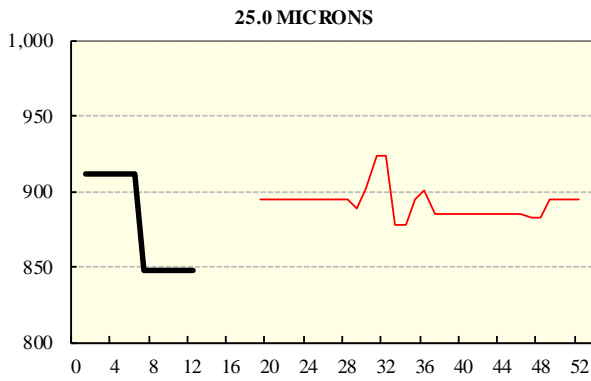
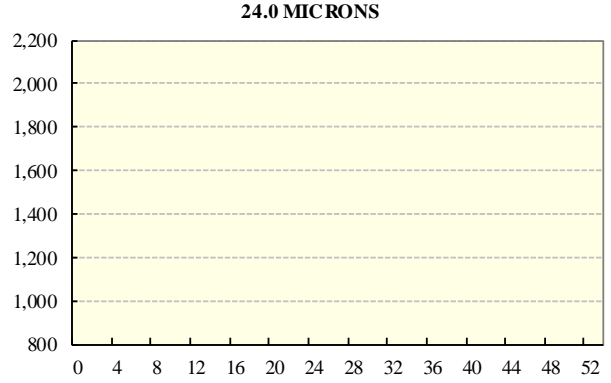
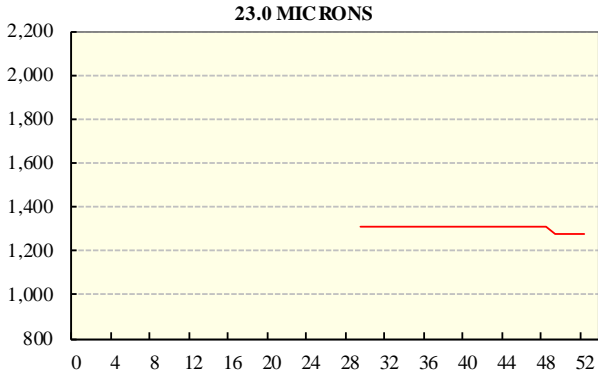
| REGION BALES | | |
|---------------------|---------|--------|
| This Sale: | | |
| North | 11,559 | |
| South | 17,384 | |
| West | 6,538 | |
| Progressive Totals: | | Diff |
| North | 130,745 | +12.0% |
| South | 187,703 | +10.0% |
| West | 61,684 | +11.4% |

AVERAGE AWEX MICRON PRICE GUIDES

2022/23 (black graph line) and 2021/22 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
2022/23 (black graph line) and 2021/22 (red graph line)



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

(In Australian, United States and European Currencies)

