

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 9 December 2022 (Week 23)

The AWEX EMI finished 54¢ higher (+4.4%) in Australian currency and 38¢ higher (+4.6%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 23.

38,936 bales of Australian wool were on offer nationally, compared with 37,347 bales last sale. 7.0% of the offering was passed in after 6.4% of the potential offering was withdrawn prior to sale. 36,212 bales were sold.

AWEX reports that the value of the Australian wool sold was \$53.8 million (\$1,488 per bale), taking the season total to \$1.039 billion (\$1,586 per bale). The number of bales sold at auction this season is now 0.3% greater than in 2021/22.

The New Zealand Merino Company also offered 1,680 bales in Melbourne on Thursday, of which 24.1% were passed in.

| Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 23) |           |           |                              |           |          |                     |                   |                      |        |
|---|-----------|-----------|------------------------------|-----------|----------|---------------------|-------------------|----------------------|--------|
| Centre  | Last Sale |           | Day-to-Day Changes (Week 23) |           |          | Sale-to-Sale Change | Closing Indicator | Sale-to-Sale Changes |        |
|   | Week      | Indicator | Tuesday                      | Wednesday | Thursday |                     |                   | US ¢                 | Euro ¢ |
| Eastern   | 22        | 1224      | +12                          | +32       | +10      | +54 (+4.4%)         | 1278              | +38                  | +25    |
| Northern  | 22        | 1310      | +7                           | +19       | No Sale  | +26 (+2.0%)         | 1336              | +20                  | +7     |
| Southern  | 22        | 1166      | +16                          | +40       | +17      | +73 (+6.3%)         | 1239              | +51                  | +38    |
| Western   | 22        | 1370      | +26                          | +23       | No Sale  | +49 (+3.6%)         | 1419              | +35                  | +21    |

The market continued the pattern of the last five weeks, which has seen some large week-to-week variation in prices, such as this week's increase of 54¢ in the EMI, together with good daily gains in the individual AWEX Micron Price Guides, that followed a 32¢ fall in the preceding week's EMI

The US Exchange Rate finished 0.18¢ (0.3%) higher to close at 67.16¢ on Thursday.

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

Looking ahead, the coming sale in Week 24 is both the last sale prior to the Christmas / New Year break; and is the largest forecast volume (49,803 bales) since the first sale after the mid-year break.

In other countries, South African sales are in recess this week and will resume on 11 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                    | 434¢          | 584¢          | 745¢          | 899¢          | 979¢          |

| Market Indicators        | Changes From |                           |                        |                      |  |
|--------------------------|--------------|---------------------------|------------------------|----------------------|--|
|                          | Week 23      | Four Sales Ago<br>Week 19 | Start of<br>the Season | Week 23<br>Last Year | Season Average to<br>Week 23 Last Year |
| Eastern Market Indicator | 1278         | +37 (+3.0%)               | -120 (-8.6%)           | -82 (-6.0%)          | -55 (-4.1%)                            |
| Western Market Indicator | 1419         | +38 (+2.8%)               | -61 (-4.1%)            | +2 (+0.1%)           | +31 (+2.2%)                            |

| 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 ¢   | +95    | +112   | +95    | +125   | +73   | +72   | +109  | +107  | +111  | +53   |      |      |
| Change %   | +4.3%  | +5.3%  | +4.9%  | +7.1%  | +4.5% | +4.7% | +7.5% | +7.7% | +8.5% | +4.3% |      |      |
| Since Start of the Season  |        |        |        |        |       |       |       |       |       |       |      |      |
| Change ¢   | -624   | -478   | -380   | -247   | -170  | -90   | +2    | +31   | +9    | -86   |      |      |
| Change %   | -21.3% | -17.8% | -15.6% | -11.6% | -9.1% | -5.3% | +0.1% | +2.1% | +0.6% | -6.3% |      |      |
| Since Week 23 Last Year  |        |        |        |        |       |       |       |       |       |       |      |      |
| Change ¢   | -293   | -230   | -209   | -170   | -154  | -63   | +52   | +114  | +91   | -38   |      |      |
| Change %   | -11.3% | -9.4%  | -9.3%  | -8.3%  | -8.3% | -3.8% | +3.4% | +8.3% | +6.9% | -2.9% |      |      |

| 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 ¢  |      | +5     | +23    | +12    |       | -12   |
| Change %  |      | +0.8%  | +7.1%  | +4.1%  |       | -1.4% |
| Since Start of the Season                               |      |        |        |        |       |       |
| Change ¢  |      | -286   | -92    | -56    | -22   | +15   |
| Change %  |      | -31.4% | -13.0% | -13.9% | -6.8% | +6.6% |
| Since Week 23 Last Year                                 |      |        |        |        |       |       |
| Change ¢  |      | -146   | -72    | -56    | +2    | -29   |
| Change %  |      | -19.2% | -17.2% | -15.6% | +0.8% | -3.2% |

MC Average Merino Cardings Price Guide

# AWIS WOOL MARKET REVIEW

Week Ending 9 December 2022 (Week 23)

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.

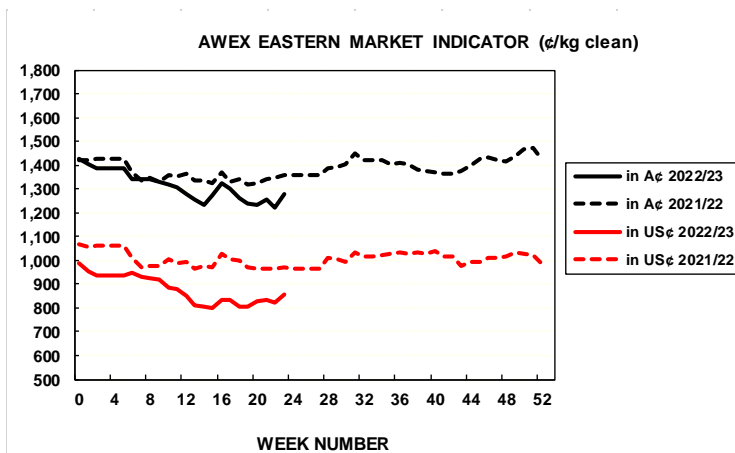
| Details of this Week's Offering and the Comparison with the Previous Sale's Offering |           |           |           |                       |             |            |
|--|-----------|-----------|-----------|-----------------------|-------------|------------|
| Centre   | Last Sale | This Sale |           |                       |             |            |
|  | Offering  | Offering  | Passed-In | Withdrawn Before Sale | Re- Offered | Bales Sold |
| North  | 10,439    | 10,889    | 6.5%      | 5.3%                  | 6.2%        | 10,185     |
| South  | 18,890    | 21,155    | 7.1%      | 7.0%                  | 6.7%        | 19,653     |
| West   | 8,018     | 6,892     | 7.5%      | 5.9%                  | 14.0%       | 6,374      |
| Australia  | 37,347    | 38,936    | 7.0%      | 6.4%                  | 7.9%        | 36,212     |

| Progressive Changes from Last Year |       |                            |
|------------------------------------|-------|----------------------------|
| All Bales                          |       | 1 <sup>st</sup> Time Bales |
| Bales                              | %     | %                          |
| -1,952                             | -0.8% | 0.0%                       |
| -13,997                            | -3.5% | -4.8%                      |
| +6,691                             | +5.2% | +4.9%                      |
| -9,258                             | -1.2% | -1.7%                      |

| Next Sale Offerings and Year-on-Year Differences |         |         |         |             |
|--|---------|---------|---------|-------------|
| Centre   | Week 24 | Week 25 | Week 26 | Differences |
| North  | 14,488  | No Sale | No Sale | +27.5%      |
| South  | 26,543  | No Sale | No Sale | +18.1%      |
| West   | 8,772   | No Sale | No Sale | +24.4%      |
| New Zealand                                      |         |         |         |             |
| Australia  | 49,803  |         |         | 49,803      |
| Differences                                      | +21.8%  |         |         | +21.8%      |

| 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                 | 66.98     | +1.15              | +0.28 | -1.10 | -0.39 | No   | +0.18 (+0.3%)       | 67.16         | 62.71            | 70.75 |
| Euro                          | 64.68     | +0.08              | -0.10 | -0.51 | -0.19 | Sale | -0.73 (-1.1%)       | 63.95         | 63.95            | 69.45 |

| Country              | % Share of Australia's Wool Exports by Weight of Wool Shipped |                           |                           | Year-on-Year % Change |          |
|----------------------|---|---------------------------|---------------------------|-----------------------|----------|
|                      | September 2022  | July to September 2022/23 | July to September 2021/22 | By Weight             | By Value |
| China                | 82.8%   | 83.0%                     | 84.6%                     | +6.8%                 | +3.7%    |
| India                | 5.5%  | 6.7%                      | 3.8%                      | +94.0%                | +111.7%  |
| Italy                | 5.1%  | 4.4%                      | 3.7%                      | +30.0%                | +58.0%   |
| Czech Republic       | 1.6%  | 1.8%                      | 3.4%                      | -43.3%                | -43.9%   |
| Korea                | 1.4%  | 1.2%                      | 1.6%                      | -17.1%                | -16.0%   |
| Thailand             | 0.7%  | 0.6%                      | 0.4%                      | +58.4%                | +71.6%   |
| Egypt                | 0.6%  | 0.6%                      | 1.0%                      | +18.1%                | +49.8%   |
| Germany              | 0.8%  | 0.4%                      | 0.2%                      | +96.6%                | +70.5%   |
| Change all Countries |   |                           |                           | +9.0%                 | +9.9%    |



| AVERAGE EMI |      |
|-------------|------|
| This Year   | 1297 |
| Last Year   | 1385 |
| 2020/21     | 1199 |
| 2019/20     | 1448 |
| 2018/19     | 1939 |

| SEASON AVERAGES |           |      |
|-----------------|-----------|------|
| Region          | This Year | Diff |
| North           | 1379      | -95  |
| South           | 1242      | -83  |
| West            | 1423      | -8   |

| THIS YEAR'S EMI |      |
|-----------------|------|
| This Week       | 1278 |
| First Week      | 1407 |
| Low (14/01)     | 1224 |
| High (9/01)     | 1407 |

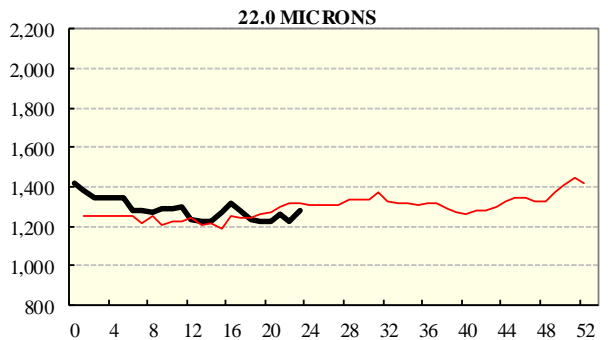
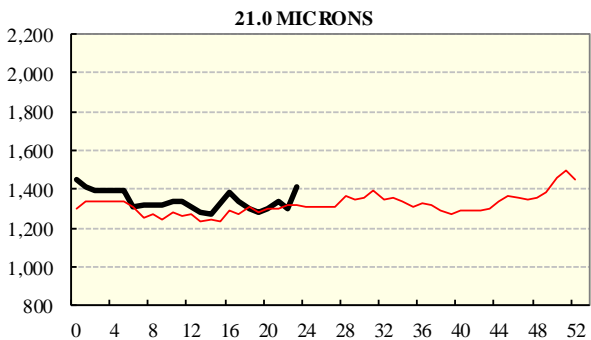
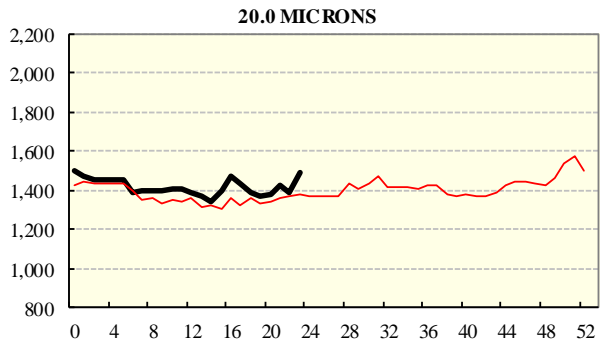
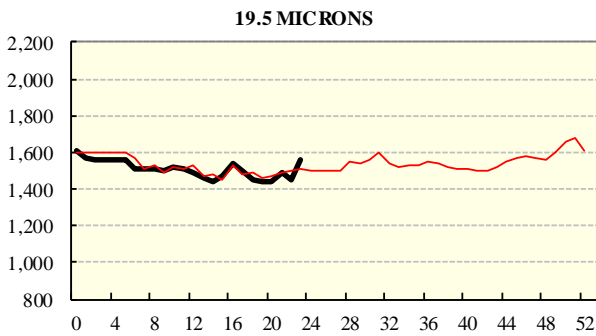
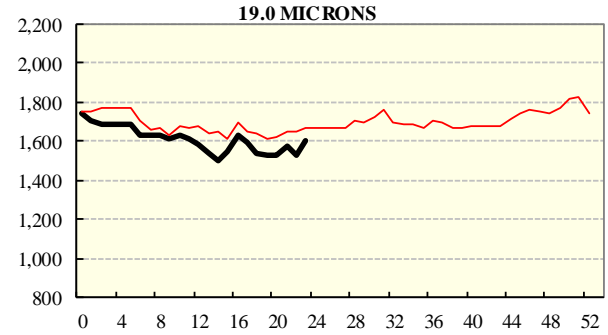
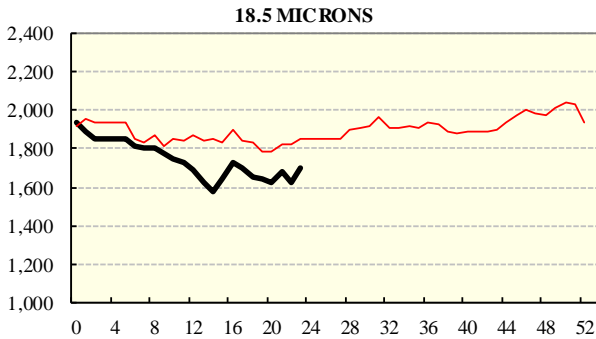
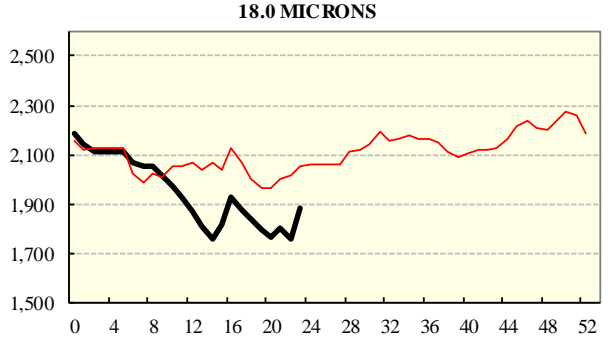
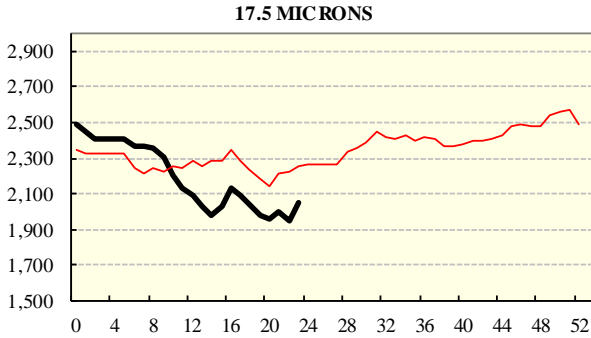
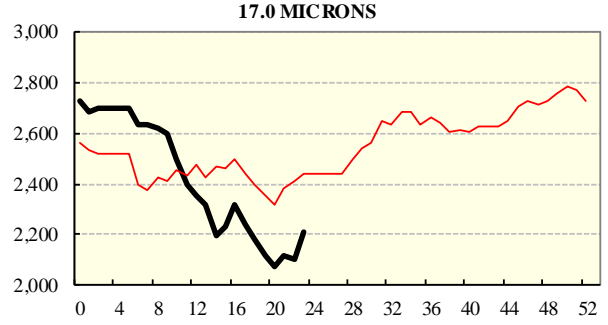
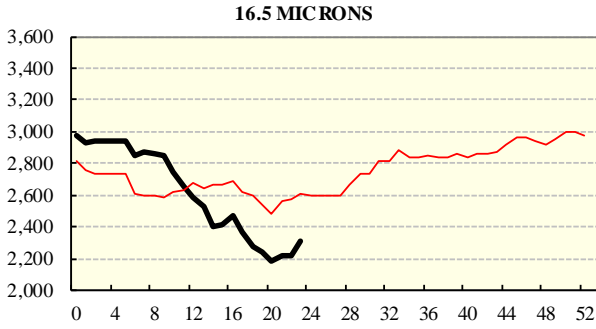
| COMPARED WITH WKS 1/2 |           |      |
|-----------------------|-----------|------|
| Region                | This Week | Diff |
| North                 | 1336      | -138 |
| South                 | 1239      | -108 |
| West                  | 1419      | -61  |

| BALES OFFERED       |         |
|---------------------|---------|
| This Year           | 754,205 |
| Last Year           | 763,463 |
| Difference          | -9,258  |
| % Diff              | -1.2%   |
| FIRST OFFERED BALES |         |
| Difference          | -1.7%   |
| % of Offering       | 90.5%   |

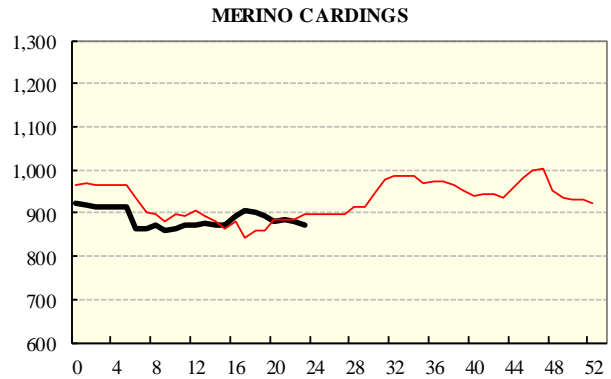
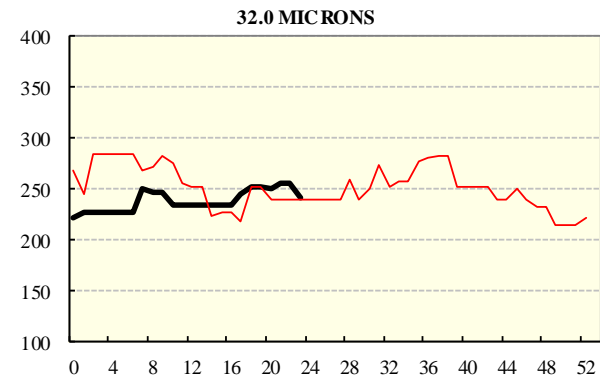
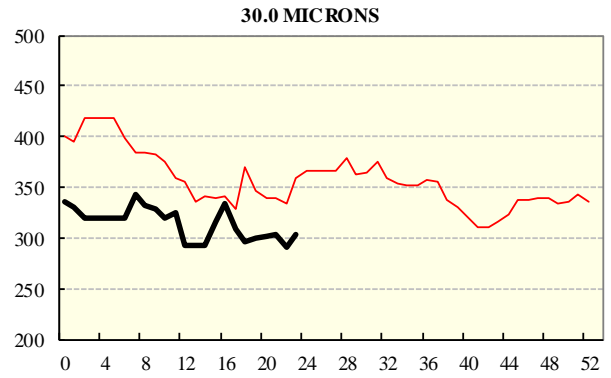
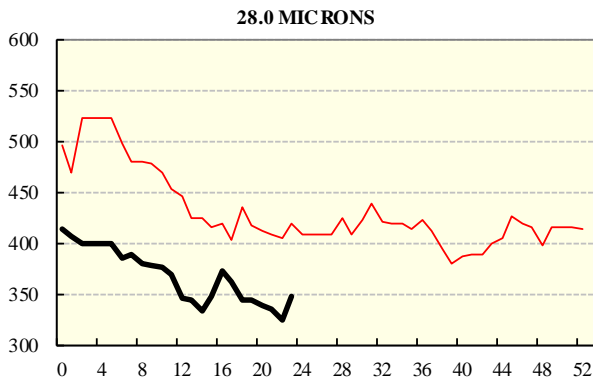
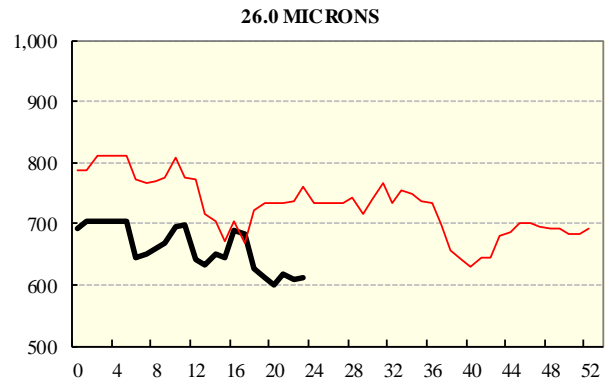
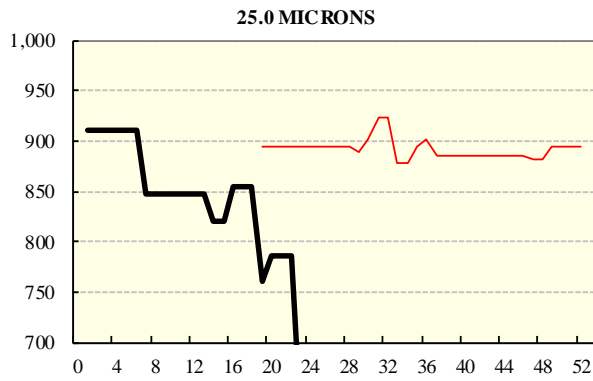
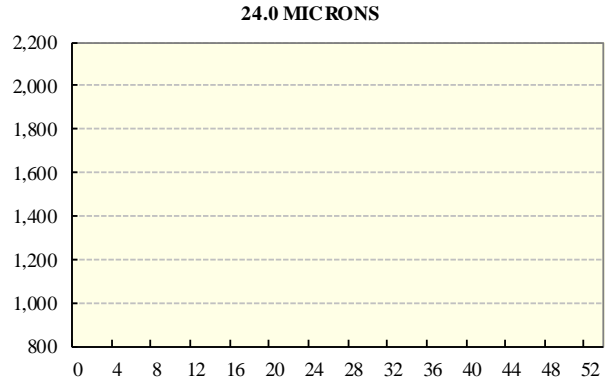
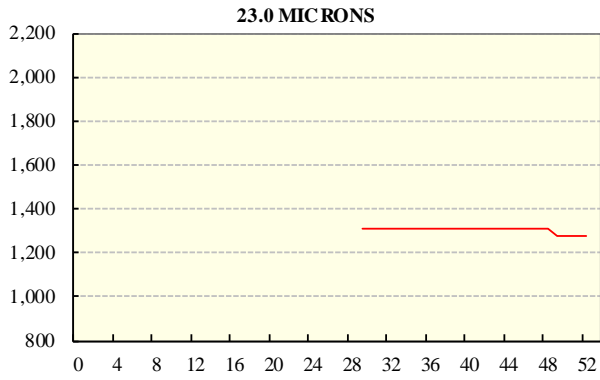
| REGION BALES        |         |       |
|---------------------|---------|-------|
| This Sale:          |         |       |
| North               | 10,889  |       |
| South               | 21,155  |       |
| West                | 6,892   |       |
| Progressive Totals: |         | Diff  |
| North               | 233,096 | -0.8% |
| South               | 385,139 | -3.5% |
| West                | 135,970 | +5.2% |

## AVERAGE AWEX MICRON PRICE GUIDES

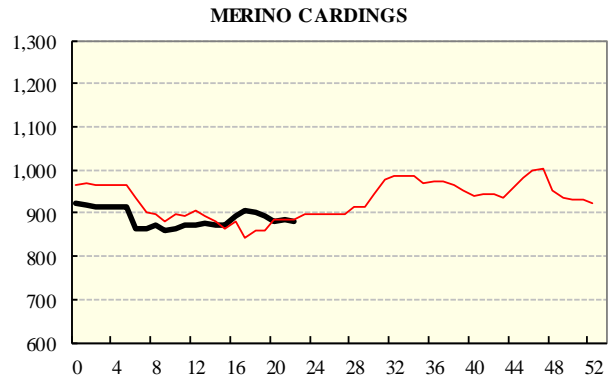
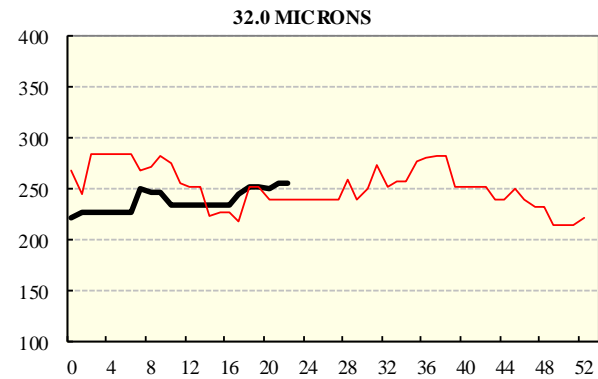
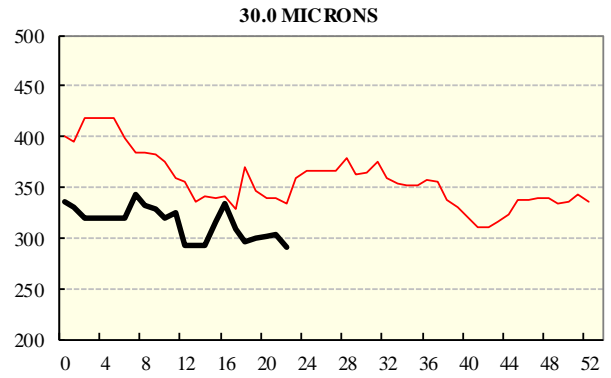
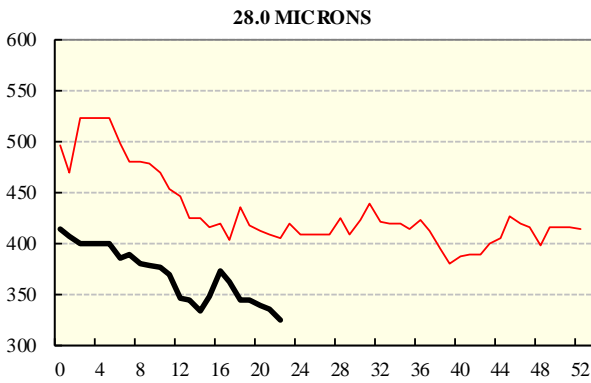
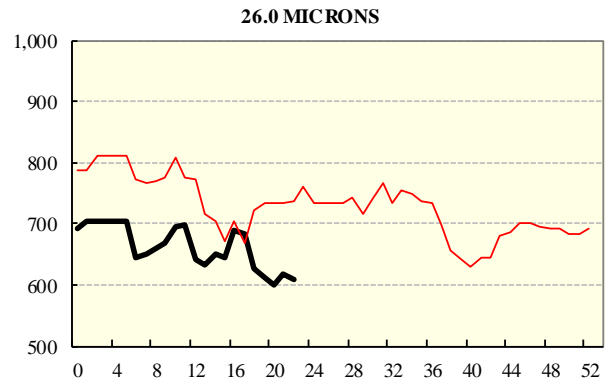
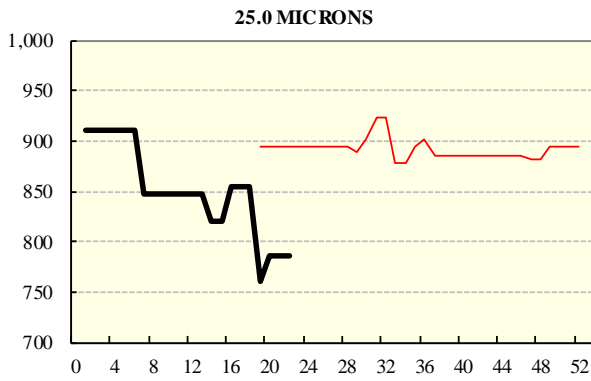
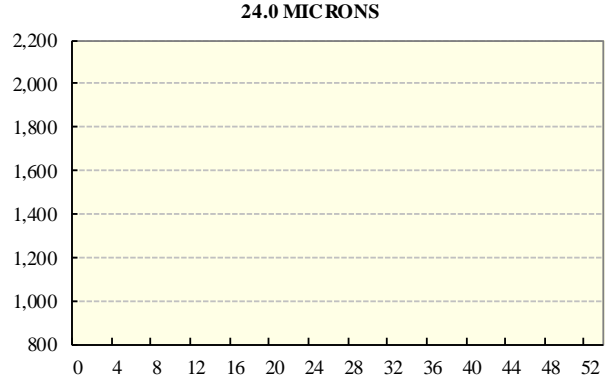
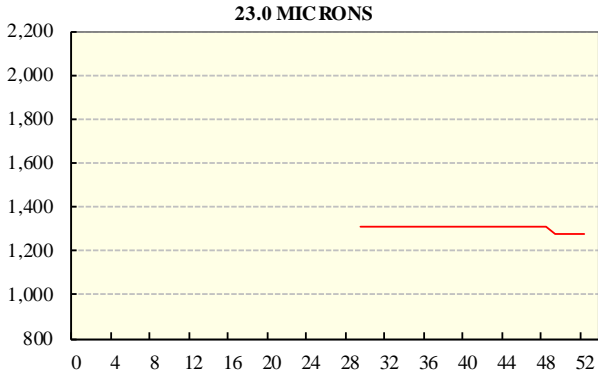
2022/23 ( black graph line) and 2021/22 (red graph line)



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



**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)

