

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 28 June 2019 (Week 52)

The 2018/19 season closed in a downward direction when the AWEX EMI finished at 1715¢, 51¢ lower (-2.9%) in Australian currency and 19¢ lower (-1.6%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

29,167 bales were on offer nationally, compared with 19,072 bales last sale. 20.3% of the offering was passed in (including 32.0% in Fremantle).

AWEX reports that the value of the wool sold was \$41.9 million (\$1,802 per bale), taking the season total to \$3.175 billion (\$2,145 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 52)									
Centre	Last Sale		Day-to-Day Changes (Week 52)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	51	1766	No Sale	-26	-25	-51 (-2.9%)	1715	-19	-25
Northern	51	1789	No Sale	-30	-28	-58 (-3.2%)	1731	-24	-29
Southern	51	1751	No Sale	-24	-22	-46 (-2.6%)	1705	-15	-22
Western	50	1937	No Sale	-60	-45	-105 (-5.4%)	1832	-55	-57

The market again came under the pressure of the increasing global economic uncertainty that has contributed to the recent falls in the market. There were falls across all types and micron ranges on both days. The greater fall in the WMI included a "catch-up" component after there being no sale in Fremantle last week.

Hopefully, the news of some possible greater global co-operation coming out of the G20 Meeting in Japan will be a positive.

The falls among Merino MPGs averaged around 4% up to 19.0 microns and around 3.5% for broader micron ranges. Crossbreds were very mixed, with no clear pattern other than a general downwards movement.

The US Exchange Rate finished 0.97¢ (1.4%) higher to close at 69.92¢ on Thursday.

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

In other countries, the South African Cape Wools Indicator was unchanged since last week against a 0.6% appreciation of the Rand against the US Dollar and a 0.4% depreciation against the Euro.

Looking ahead, offerings for the coming two sales of the new season are expected to be 34,504 bales and 35,380 bales and to be 17.2% less than in the same period last year.

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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG

Market Indicator	Changes From			
	Four Sales Ago Week 48	Start of the Season	Week 52 Last Year	Season Average to Week 52 Last Year
Eastern Market Indicator	-172 (-9.1%)	-273 (-13.7%)	-341 (-16.6%)	+200 (+11.5%)
Western Market Indicator	-160 (-8.0%)	-310 (-14.5%)	-411 (-18.3%)	+281 (+15.6%)

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 ¢		-97	-92	-84	-82	-84	-71	-74	-72			
Change %		-4.4%	-4.2%	-3.9%	-3.9%	-4.0%	-3.4%	-3.6%	-3.5%			
Since Start of the Season												
Change ¢		-700	-515	-362	-310	-285	-265	-263	-256			
Change %		-25.0%	-19.7%	-14.8%	-13.3%	-12.5%	-11.7%	-11.7%	-11.4%			
Since Same Week Last Year												
Change ¢		-772	-596	-440	-386	-380	-366	-363	-358			
Change %		-26.9%	-22.1%	-17.5%	-16.1%	-16.0%	-15.5%	-15.4%	-15.3%			

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	-50		-16
Change %			-2.9%	-5.7%		-1.6%
Since Start of the Season						
Change ¢			+97	+154		-507
Change %			+10.1%	+22.7%		-34.5%
Since Same Week Last Year						
Change ¢			+27	+131		-527
Change %			+2.6%	+18.7%		-35.4%

Average Merino Cardings Price Guide

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Week Ending 28 June 2019 (Week 52)

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 April ABS export data.

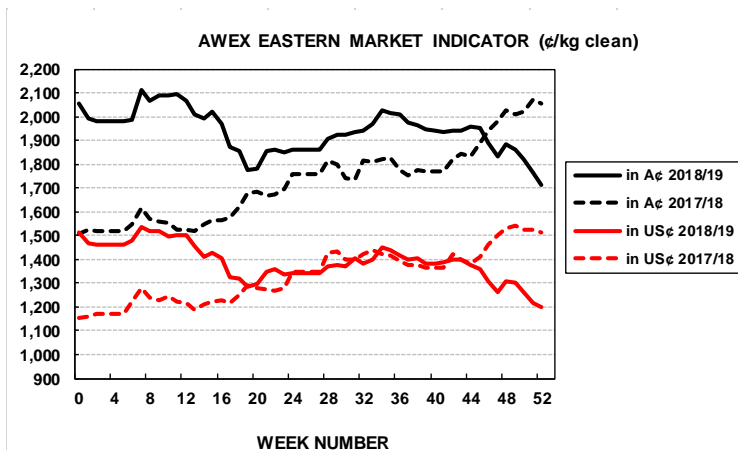
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	8,098	7,859	16.9%	5.5%	8.5%	6,530
South	10,974	14,995	17.2%	4.5%	12.7%	12,423
West		6,313	32.0%	14.1%	18.9%	4,293
Australia	19,072	29,167	20.3%	7.0%	12.9%	23,246

Progressive Changes from Last Year		
All Bales	1st Time Bales	
Bales	%	%
-97,622	-18.0%	-19.4%
-109,132	-11.0%	-13.2%
-22,052	-6.2%	-10.9%
-228,806	-12.1%	-14.6%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 01	Week 02	Week 03	Differences
North	13,608	10,164	No Sale	-21.3%
South	12,127	18,316	No Sale	-26.2%
West	8,769	6,900	No Sale	+20.7%
New Zealand				
Australia	34,504	35,380		69,884
Differences	-21.4%	-12.7%		-17.2%

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	68.95	+0.38	+0.21	+0.04	+0.12	+0.22	+0.97 (+1.4%)	69.92	68.76	74.41
Euro	61.20	+0.19	-0.27	-0.05	+0.27	+0.23	+0.37 (+0.6%)	61.57	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	April 2019	July to April 2018/19	July to April 2017/20	By Weight	By Value
China	84.6%	77.3%	78.8%	-13.7%	+1.1%
India	4.6%	5.9%	5.4%	-3.9%	+12.9%
Italy	2.7%	5.0%	4.4%	+0.1%	+10.5%
Czech Republic	1.2%	3.6%	5.2%	-38.8%	-26.7%
Korea	2.2%	2.5%	1.5%	+44.6%	+61.2%
Malaysia	0.3%	0.6%	1.0%	-42.3%	-35.1%
Egypt	0.8%	1.0%	1.0%	-19.8%	-2.3%
Taiwan	0.6%	0.9%	0.6%	+16.7%	+97.1%
Change all Countries				-20.7%	+8.2%



AVERAGE EMI	
This Year	1939
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

THIS YEAR'S EMI	
This Week	1715
First Week	1994
Low (0/01)	1715
High (0/01)	2116

BALES OFFERED	
This Year	1,657,891
Last Year	1,886,697
Difference	-228,806
% Diff	-12.1%
FIRST OFFERED BALES	
Difference	-14.6%
% of Offering	93%

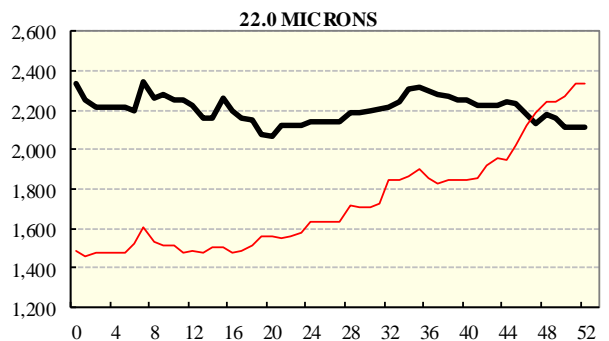
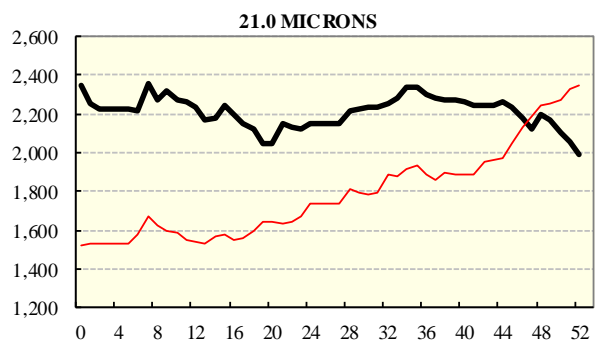
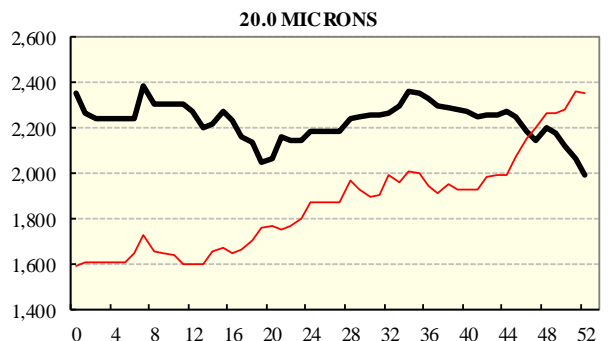
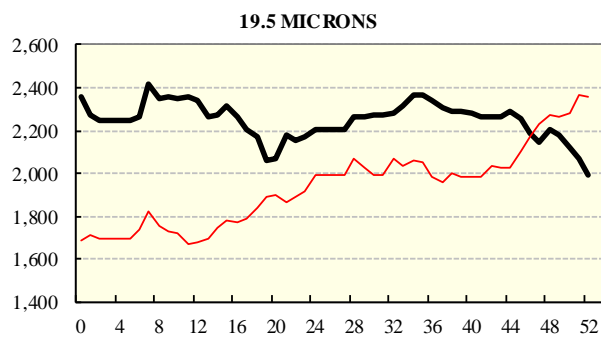
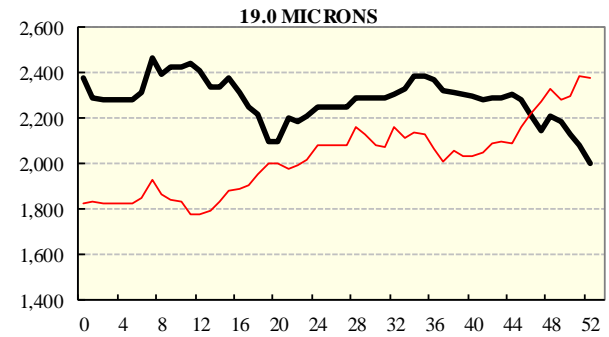
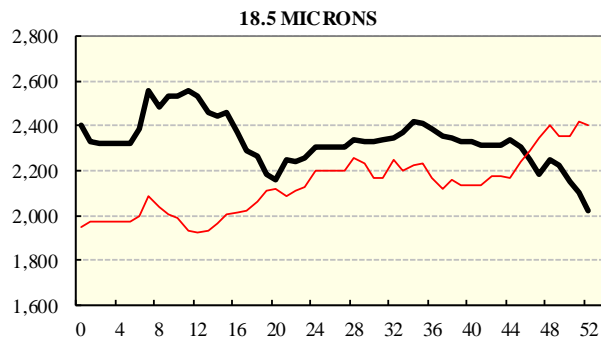
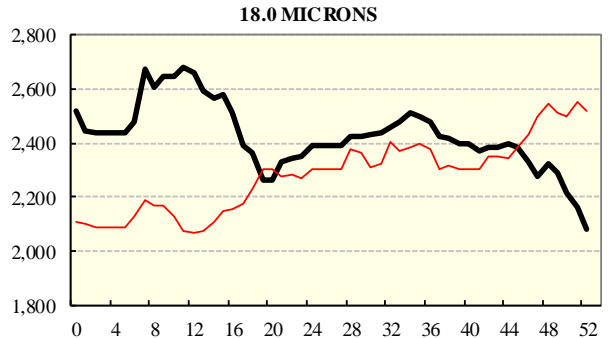
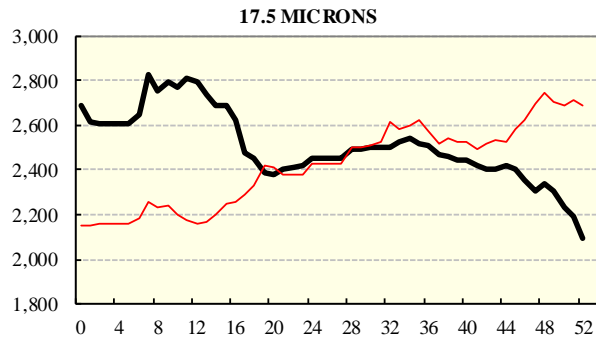
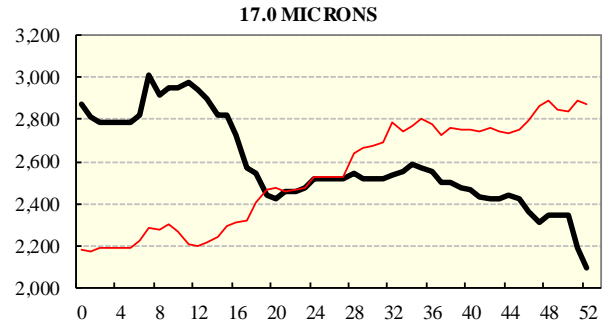
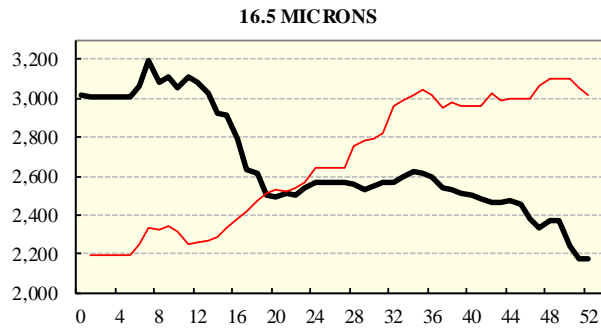
SEASON AVERAGES		
Region	This Year	Diff
North	1982	+170
South	1912	+219
West	2088	+281

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1731	-289
South	1705	-263
West	1832	-310

REGION BALES		
This Sale:		
North	7,859	
South	14,995	
West	6,313	
Progressive Totals:		
North	445,514	-18.0%
South	879,670	-11.0%
West	332,707	-6.2%

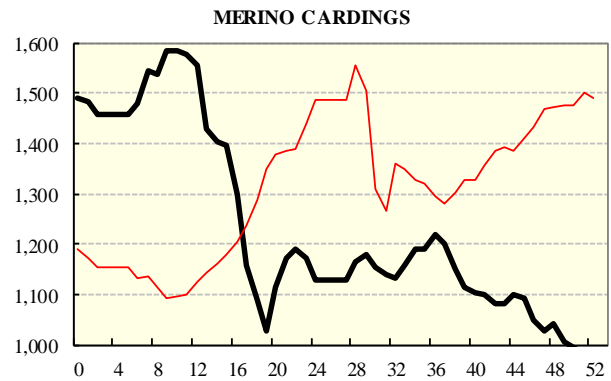
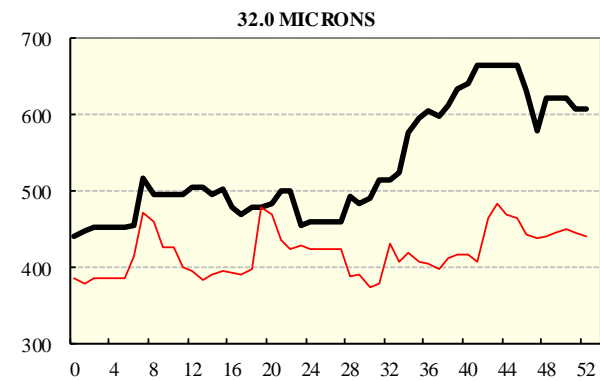
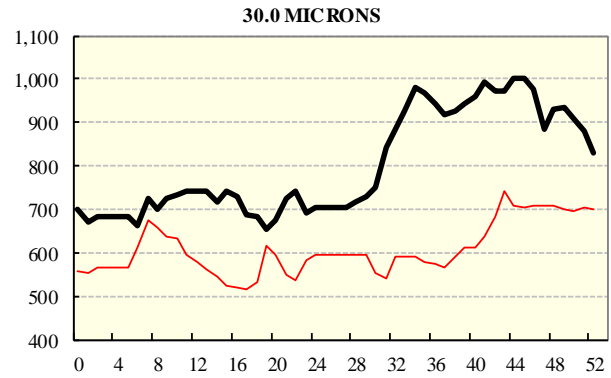
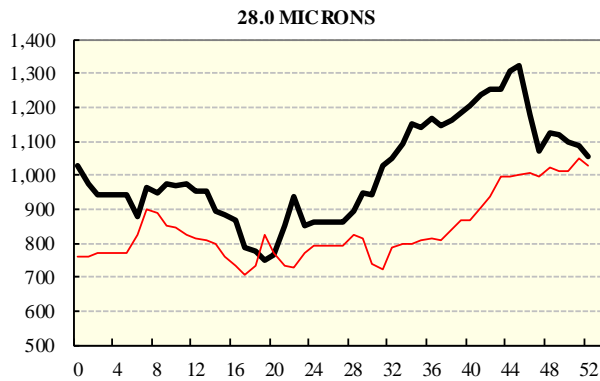
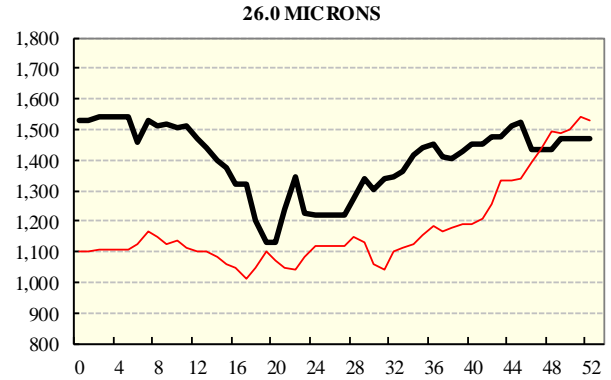
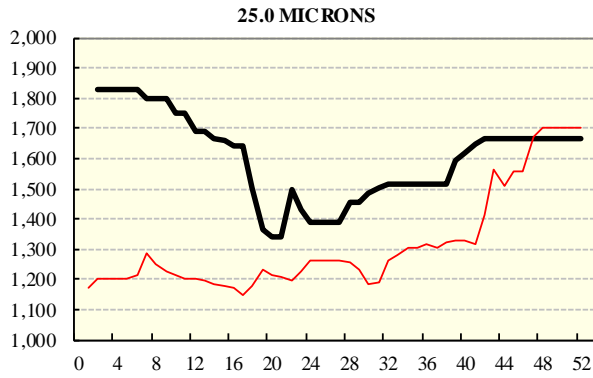
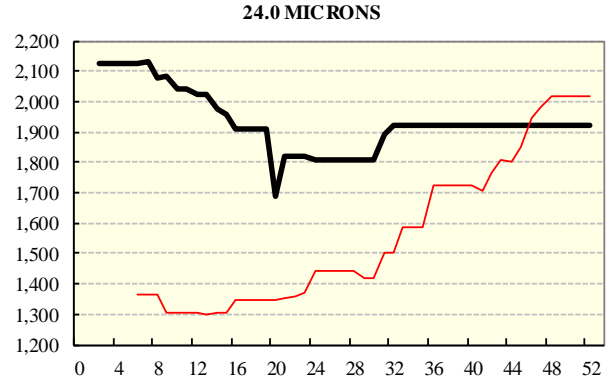
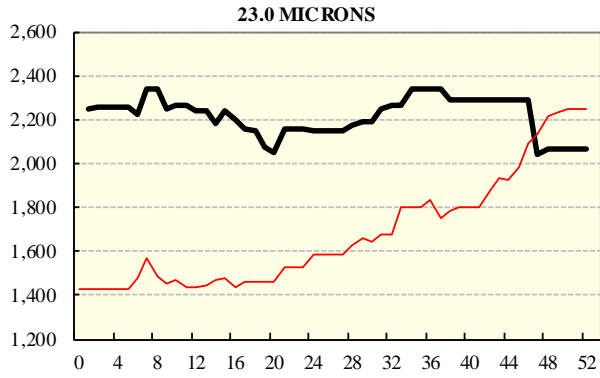
AVERAGE AWEX MICRON PRICE GUIDES

2018/19 (black graph line) and 2017/18 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES

2018/19 (black graph line) and 2017/18 (red graph line)



EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)
(In Australian, United States and European Currencies)

