

AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
nshine 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 14 August 2020 (Week 07)

The AWEX EMI remained steady after the previous week's when it finished at 1004¢, 2¢ lower (-0.2%) in Australian currency and 7¢ lower (-1.0%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 07.

30,275 bales were on offer nationally, compared with 42,764 bales last sale. 8.2% of the offering was passed in after 11.3% of the potential offering was withdrawn prior to sale. 27,790 bales were sold.

AWEX reports that the value of the wool sold was \$32.5 million (\$1,169 per bale), taking the season total to \$144.9 million (\$1,207 per bale). The number of bales sold at auction this season is now 5.8% greater than in 2019/20.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 07)									
Centre	Last Sale		Day-to-Day Changes (Week 07)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	06	1006	-4	+2	No Sale	-2 (-0.2%)	1004	-7	-2
Northern	06	1044	-5	+7	No Sale	+2 (+0.2%)	1046	-5	0
Southern	06	981	-2	-2	No Sale	-4 (-0.4%)	977	-9	-4
Western	06	1055	No Sale	+1	No Sale	+1 (+0.1%)	1056	-6	-1

It was good to see the market, and close, on a steady basis this week. Hopefully it will continue.

All average AWEX Merino Price Guides (MPGs) moved up during the week, with the greatest rises at 19.0 and 19.5 microns. Crossbreds also moved up, but the rises were more mixed. Merino skirtings were also more mixed, while oddments were in poor demand on Tuesday before settling on Wednesday

The US Exchange Rate finished 0.63¢ (-0.9%) lower, but still maintained its strength when it closed at 71.18¢ on Wednesday.

As mentioned for some weeks, China continued their dominance following and it was good to see two European companies on the major buyers list.

Looking ahead, offerings for the coming three sales are expected to range from 22,445 bales to 36,506 bales and to be 25.7% more than in the same period last year. The forecast progressive difference to Week 10 is 7.4%.

In other countries, South Africa recommenced sales for the new season. The Cape Wools Indicator was down by 5.7% since the previous sale against a 2.2% depreciation of the Rand against the US Dollar and a 6.1% 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	124¢	202¢	305¢	411¢	503¢

Market Indicator	Changes From			
	Four Sales Ago Week 52	Start of the Season	Week 07 Last Year	Season Average to Week 07 Last Year
Eastern Market Indicator	-106 (-9.5%)	-121 (-10.8%)	-509 (-33.6%)	-602 (-36.1%)
Western Market Indicator	-120 (-10.2%)	-138 (-11.6%)	-542 (-33.9%)	-656 (-36.9%)

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 ¢	+18	+15	+8	+9	+14	+20	+16	+12	+11	+2		
Change %	+1.1%	+1.0%	+0.6%	+0.7%	+1.2%	+1.8%	+1.5%	+1.1%	+1.0%	+0.2%		
Since Start of the Season												
Change ¢	-130	-128	-139	-140	-147	-137	-136	-138	-134			
Change %	-7.6%	-7.9%	-9.1%	-9.9%	-11.0%	-10.7%	-10.9%	-11.2%	-11.0%			
Since Same Week Last Year												
Change ¢	-411	-490	-580	-648	-619	-587	-583	-590	-595	-620		
Change %	-20.6%	-24.7%	-29.5%	-33.6%	-34.2%	-33.9%	-34.4%	-35.0%	-35.4%	-36.6%		

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 ¢		+4	+4	+23		-72
Change %		+0.5%	+0.8%	+5.3%		-9.9%
Since Start of the Season						
Change ¢		-59	-43	-12	+2	-170
Change %		-7.0%	-7.6%	-2.6%	+0.7%	-20.6%
Since Same Week Last Year						
Change ¢		-369	-309	-196		-362
Change %		-32.1%	-37.1%	-30.2%		-35.5%

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 14 August 2020 (Week 07)

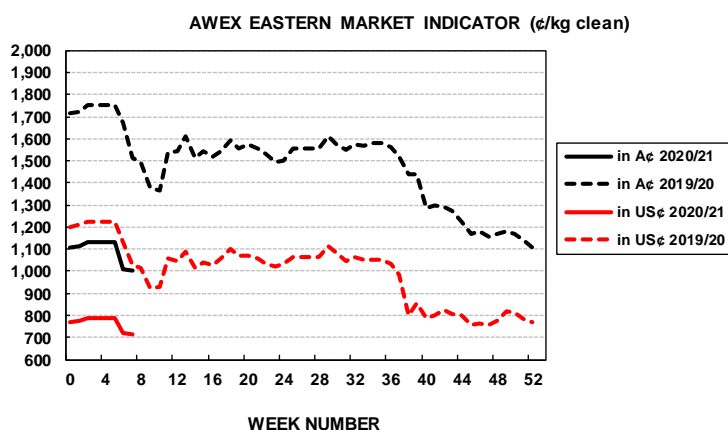
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the June ABS export data.

Details of this Week's Offering and the Comparison with the Previous Sale's Offering							Progressive Changes from Last Year		
Centre	Last Sale	This Sale					All Bales		1 st Time Bales
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold	Bales	%	%
North	14,505	8,707	10.6%	8.5%	7.6%	7,784	-5,956	-11.8%	-12.5%
South	20,072	16,092	7.4%	13.2%	7.5%	14,901	+5,046	+7.8%	+5.7%
West	8,187	5,476	6.8%	9.7%	7.0%	5,105	-1,996	-7.4%	-4.1%
Australia	42,764	30,275	8.2%	11.3%	7.4%	27,790	-2,906	-2.0%	-2.7%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 08	Week 09	Week 10	Differences
North	8,299	7,554	7,826	+1.1%
South	21,097	14,891	21,700	+43.8%
West	5,856	No Sale	7,000	-29.5%
New Zealand	1,976		3,000	
Australia	33,413	22,445	36,506	92,364
Differences	+26.1%	-11.2%	+68.3%	+25.7%

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	71.81	+0.26	-0.42	+0.12	-0.59	Public	-0.63 (-0.9%)	71.18	69.24	71.81
Euro	60.84	+0.01	-0.10	+0.34	-0.37	Holiday	-0.12 (-0.2%)	60.72	60.72	61.56

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	June 2020	July to June 2019/20	July to June 2018/19	By Weight	By Value
China	92.1%	80.7%	77.9%	-13.2%	-33.3%
India	2.1%	5.2%	5.8%	-24.9%	-38.9%
Italy	1.0%	4.0%	4.6%	-26.7%	-41.5%
Czech Republic	0.5%	3.2%	3.6%	-26.3%	-38.3%
Korea	1.2%	1.9%	2.4%	-35.6%	-46.5%
Egypt	0.3%	1.0%	0.9%	-7.4%	-27.5%
Thailand	0.5%	0.8%	0.9%	-25.9%	-47.0%
Taiwan	0.1%	0.5%	0.6%	-33.2%	-54.8%
Change all Countries				-16.2%	-35.1%



AVERAGE EMI	
This Year	1065
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

SEASON AVERAGES		
Region	This Year	Diff
North	1106	-376
South	1039	-387
West	1125	-429

THIS YEAR'S EMI	
This Week	1004
First Week	1116
Low (11/01)	1004
High (12/01)	1134

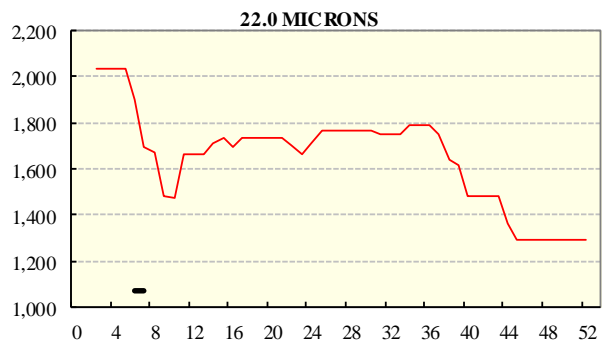
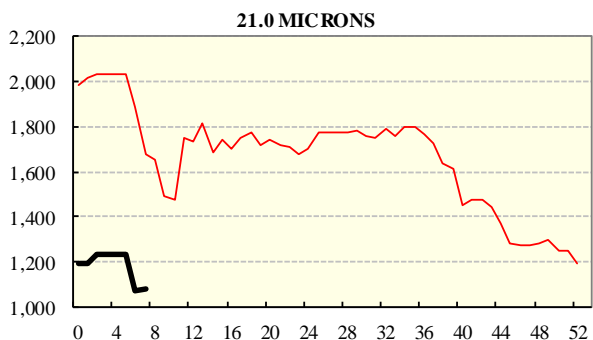
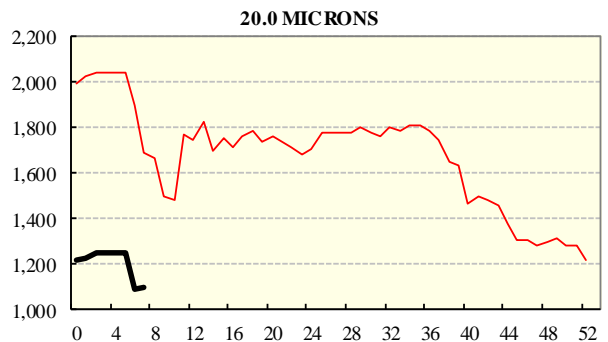
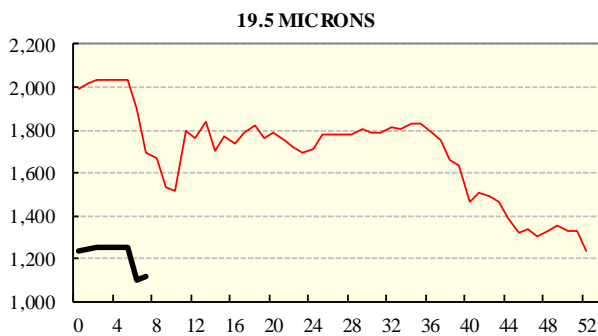
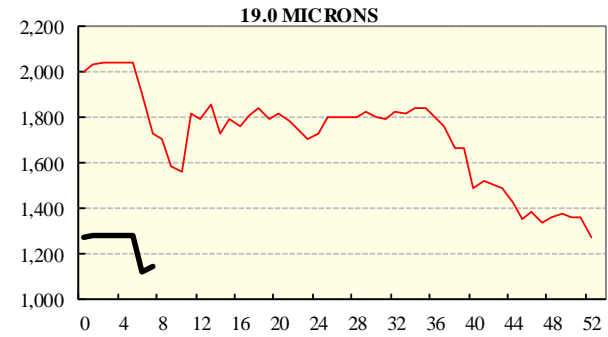
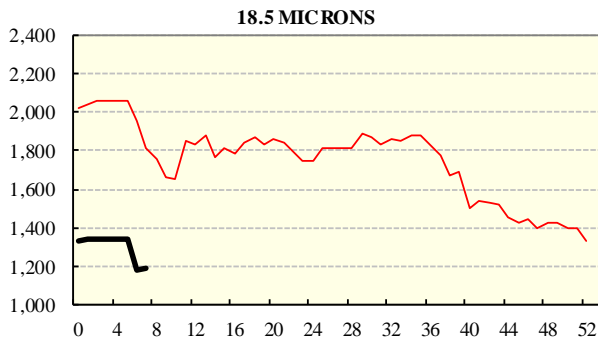
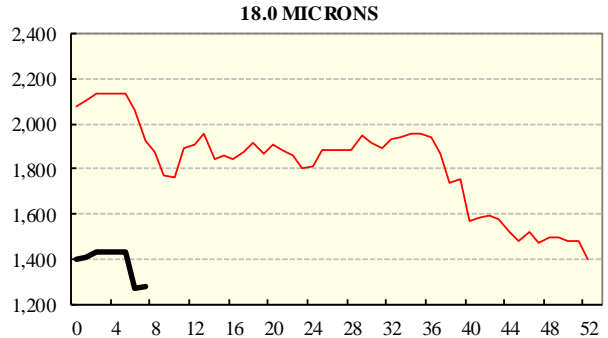
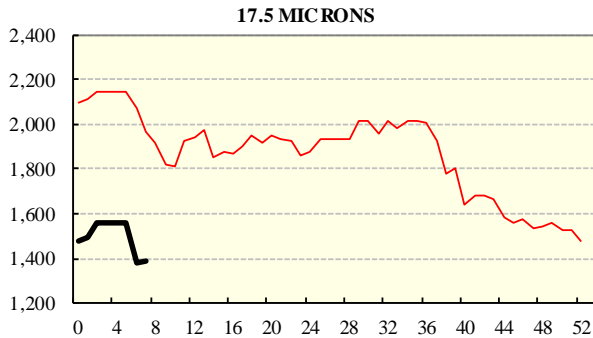
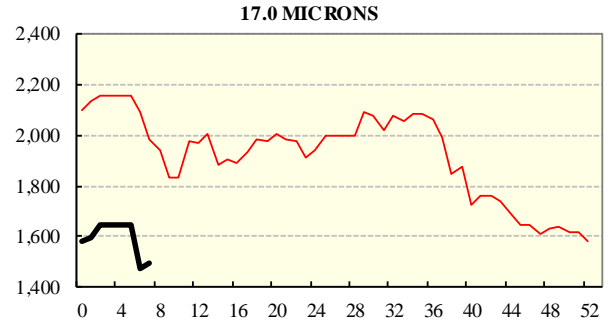
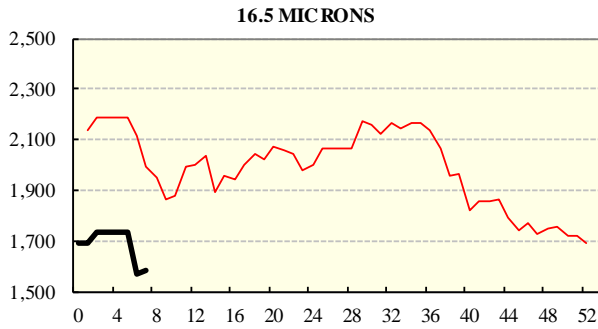
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1046	-121
South	977	-121
West	1056	-138

BALES OFFERED	
This Year	139,122
Last Year	142,028
Difference	-2,906
% Diff	-2.0%
FIRST OFFERED BALES	
Difference	-2.7%
% of Offering	91.1%

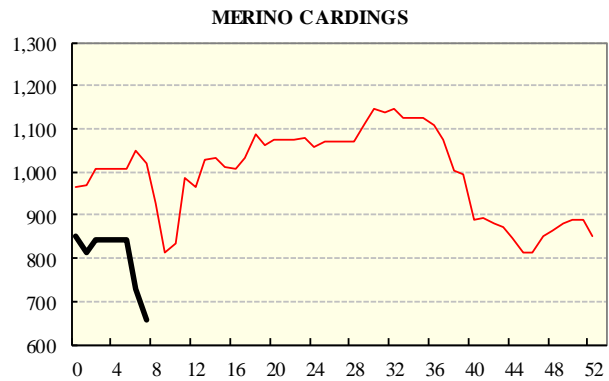
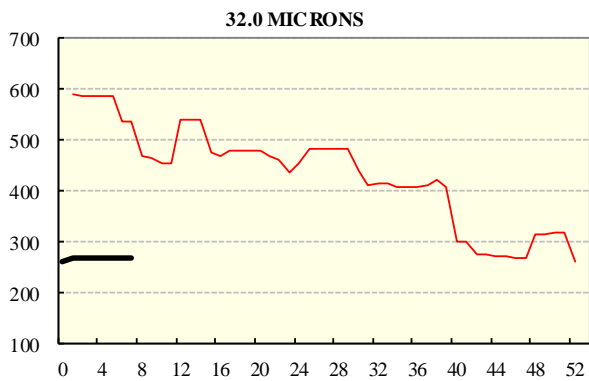
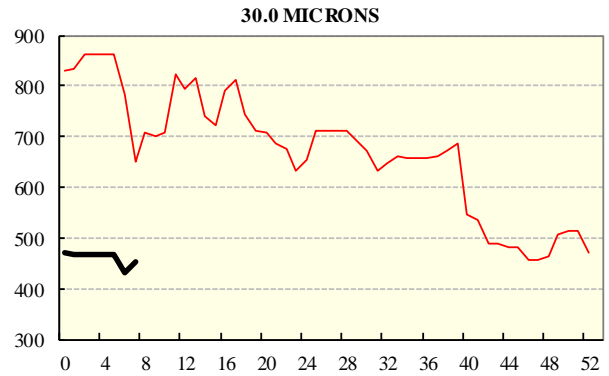
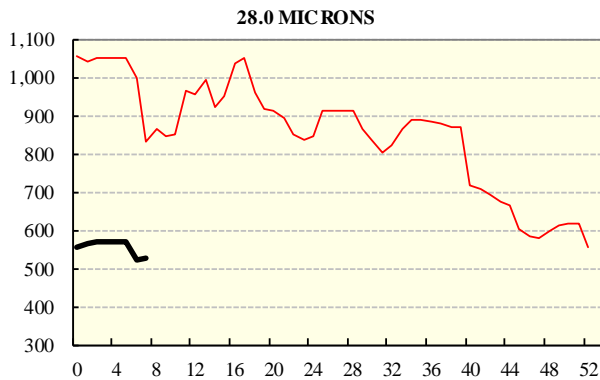
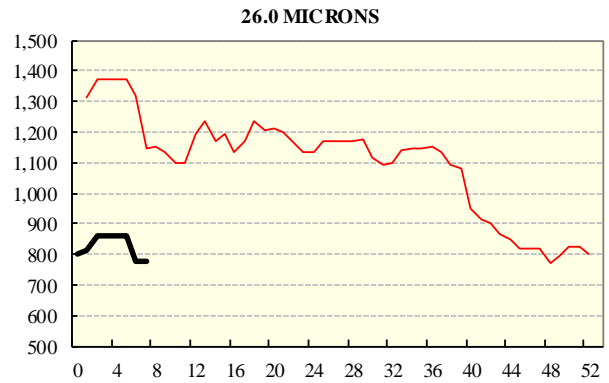
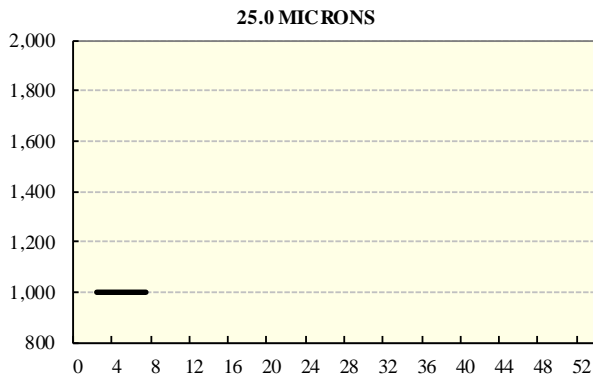
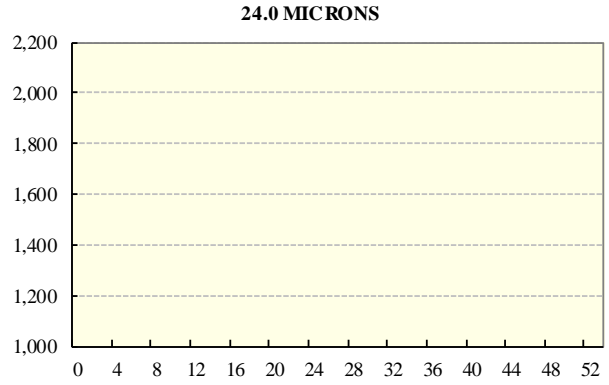
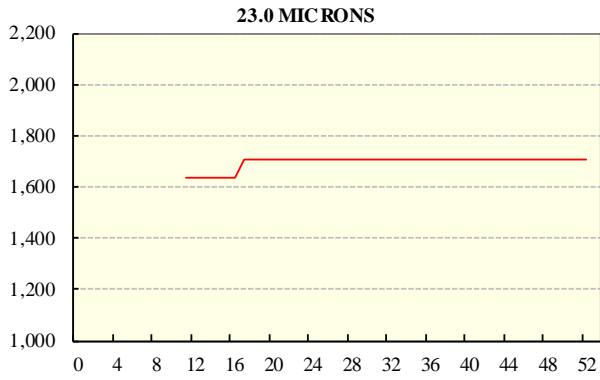
REGION BALES		
This Sale:		
North	8,707	
South	16,092	
West	5,476	
Progressive Totals:		
North	44,413	-11.8%
South	69,637	+7.8%
West	25,072	-7.4%

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)

