

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 14 December 2018 (Week 24)

The AWEX EMI finished 13¢ higher (+0.7%) in Australian currency and 9¢ higher (+0.7%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

They were the last sales prior to the three-week Christmas break.

46,003 bales were on offer nationally, compared with 37,410 bales last sale. 7.6% of the offering was passed in.

It was the largest offering since the 49,415 bales offered in the first sale after the mid-year break.

AWEX reports that the value of the wool sold was \$83.8 million (\$1,970 per bale), taking the season total to \$1.550 billion (\$2,262 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 24)									
Centre	Last Sale		Day-to-Day Changes (Week 24)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	23	1849	+3	+7	+3	+13 (+0.7%)	1862	+9	+7
Northern	23	1897	No Sale	+2	+7	+9 (+0.5%)	1906	+6	+4
Southern	23	1818	+6	+9	+1	+16 (+0.9%)	1834	+11	+8
Western	23	2009	No Sale	+10	+12	+22 (+1.1%)	2031	+16	+12

The market closed on a positive note with gains across all microns ranges and wool types, other than the fine Crossbreds and the Oddments (particularly on Wednesday, when the average Merino Cardings Price Guide fell by 33¢.). The greatest gains were spread fairly evenly across the Merinos, with the greatest gains from 17 to 20 microns.

The US Exchange Rate was unchanged, to close at 72.26¢ on Thursday.

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

Looking ahead, the market has finished on a good basis going into the Christmas break, despite the larger number of bales on offer. Although the EMI is 126¢ less than at the start of the season, it is 102¢ greater than at the end of Week 24 last year. It is a similar pattern with the individual Micron Price Guides.

Sales will resume in the week commencing 7 January (Week 28).

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	153¢	216¢	280¢	345¢	393¢

Market Indicator	Changes From			
	Four Sales Ago Week 20	Start of the Season	Week 24 Last Year	Season Average to Week 24 Last Year
Eastern Market Indicator	+81 (+4.5%)	-126 (-6.3%)	+102 (+5.8%)	+366 (+22.9%)
Western Market Indicator	+96 (+5.0%)	-111 (-5.2%)	+215 (+11.8%)	+463 (+28.1%)

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 ¢	+28	+37	+35	+34	+45	+40	+32	+38	+27	+15		
Change %	+1.1%	+1.5%	+1.4%	+1.4%	+2.0%	+1.8%	+1.5%	+1.8%	+1.3%	+0.7%		
Since Start of the Season												
Change ¢	-443	-282	-158	-54	-25	-36	-58	-71	-93	-95	-98	-314
Change %	-14.7%	-10.1%	-6.0%	-2.2%	-1.1%	-1.6%	-2.6%	-3.2%	-4.1%	-4.3%	-4.4%	-14.8%
Since Same Week Last Year												
Change ¢	-80	-13	+23	+83	+105	+168	+212	+308	+408	+502	+567	+369
Change %	-3.0%	-0.5%	+0.9%	+3.6%	+4.8%	+8.1%	+10.7%	+16.4%	+23.4%	+30.7%	+35.8%	+25.6%

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 ¢			-8	+6	+10	+4
Change %			-0.7%	+0.7%	+1.4%	+0.9%
Since Start of the Season						
Change ¢	-440	-327	-100	+26	+8	-340
Change %	-24.1%	-21.2%	-10.4%	+3.8%	+1.8%	-23.1%
Since Same Week Last Year						
Change ¢	+124	+96	+65	+108	+35	-355
Change %	+9.8%	+8.6%	+8.2%	+18.2%	+8.3%	-23.9%

Average Merino Cardings Price Guide

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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 October ABS export data.

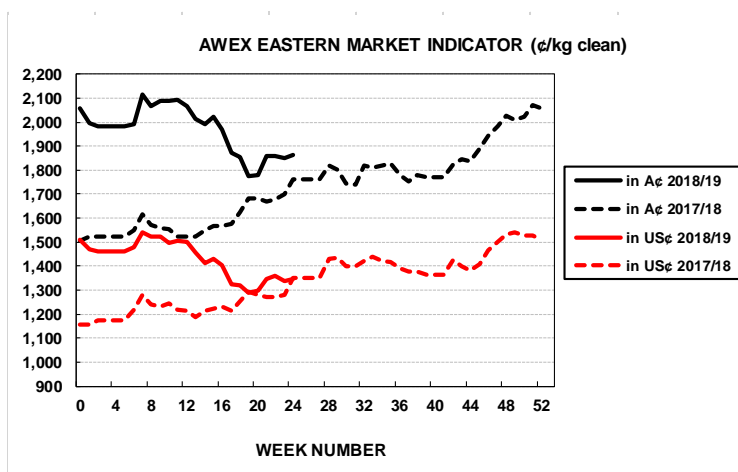
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	9,680	12,212	7.3%	5.0%	4.2%	11,317
South	19,002	25,162	7.6%	4.3%	6.0%	23,250
West	8,728	8,629	7.7%	2.3%	8.6%	7,962
Australia	37,410	46,003	7.6%	4.1%	6.0%	42,529

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-53,721	-19.4%	-19.7%
-83,422	-17.2%	-18.1%
-31,289	-18.0%	-21.0%
-168,432	-18.0%	-19.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 25	Week 26	Week 27	Differences
North	No Sale	No Sale	No Sale	
South	No Sale	No Sale	No Sale	
West	No Sale	No Sale	No Sale	
New Zealand				
Australia Differences				

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	72.26	+0.07	-0.12	-0.16	+0.10	+0.11	0.00 (0.0%)	72.26	70.72	74.41
Euro	63.68	-0.09	-0.41	+0.19	+0.33	-0.12	-0.10 (-0.2%)	63.58	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to October	
	October 2018	July to October 2018/19	July to October 2017/18	By Weight	By Value
China	78.2%	75.6%	77.1%	-17.6%	+12.5%
India	6.9%	6.6%	6.3%	-12.4%	+11.5%
Italy	6.0%	6.3%	5.3%	-0.5%	+21.9%
Czech Republic	2.4%	3.2%	5.0%	-48.4%	-21.1%
Korea	1.8%	2.8%	1.3%	+75.4%	+138.4%
Malaysia	0.9%	0.8%	1.3%	-45.9%	-36.7%
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	1962
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2010	+198
South	1932	+239
West	2111	+303

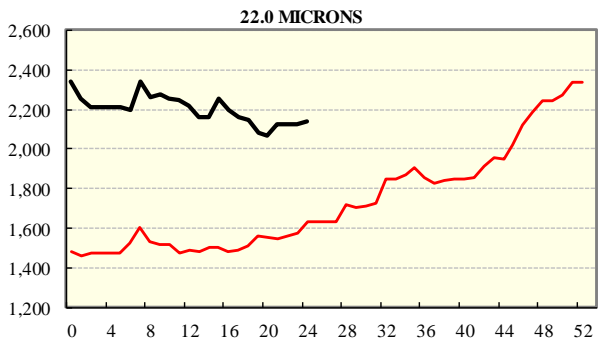
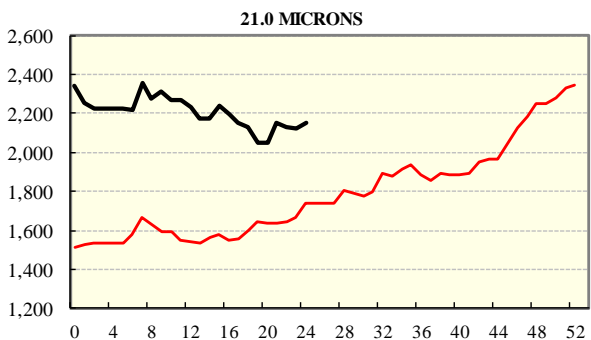
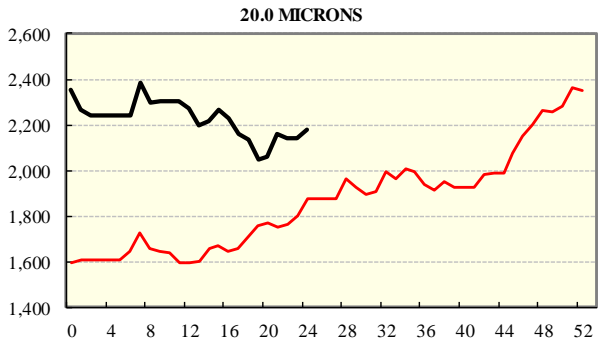
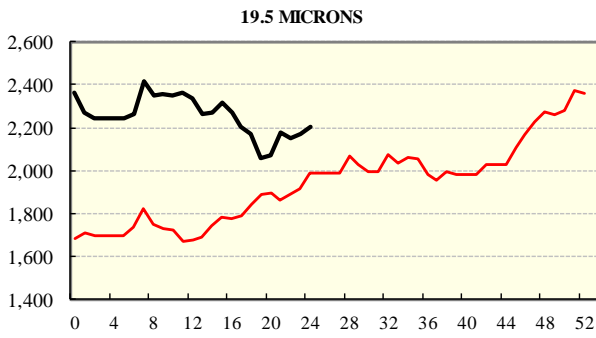
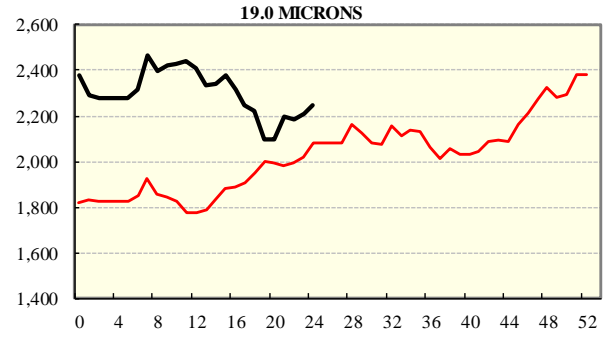
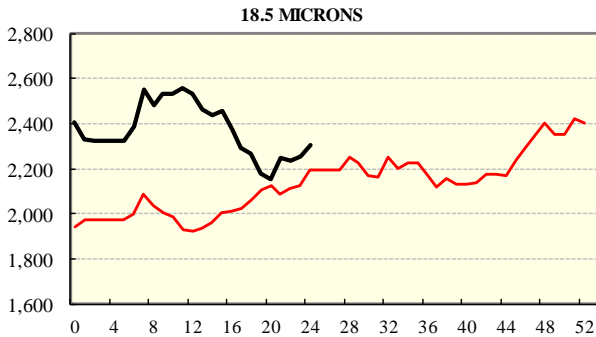
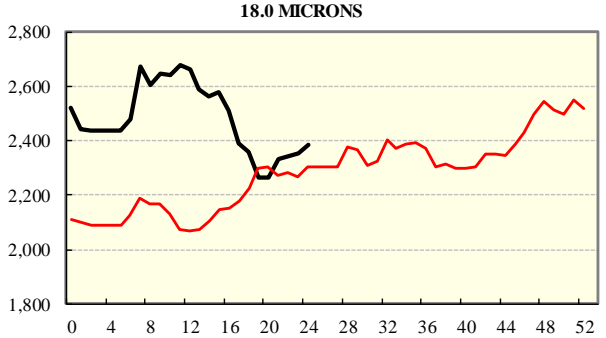
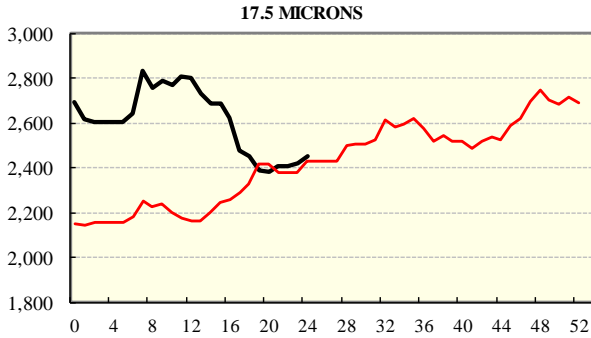
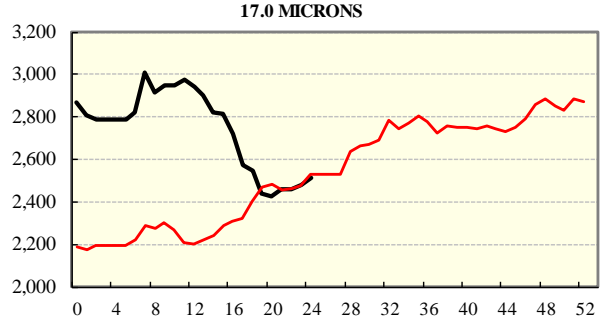
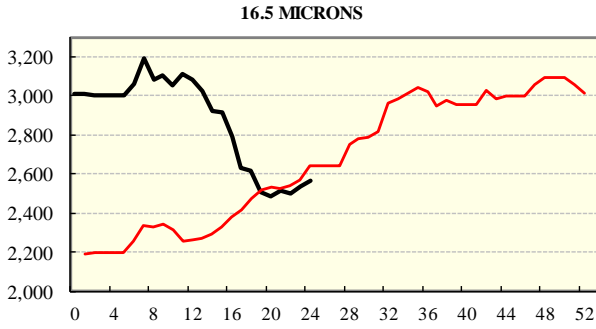
THIS YEAR'S EMI	
This Week	1862
First Week	1994
Low (0/01)	1776
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1906	-114
South	1834	-134
West	2031	-111

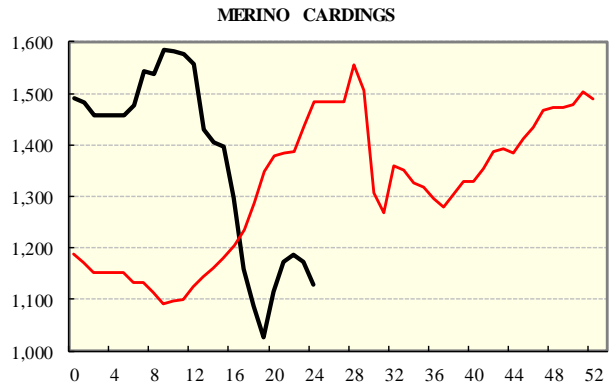
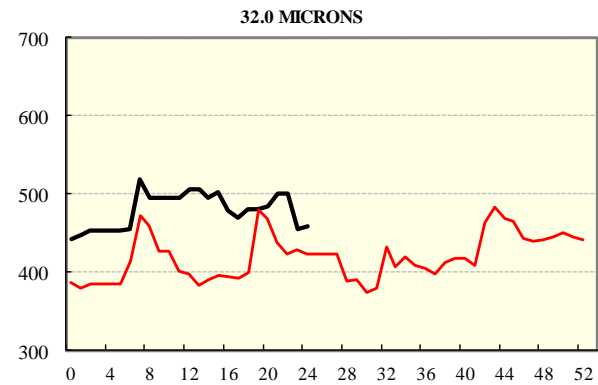
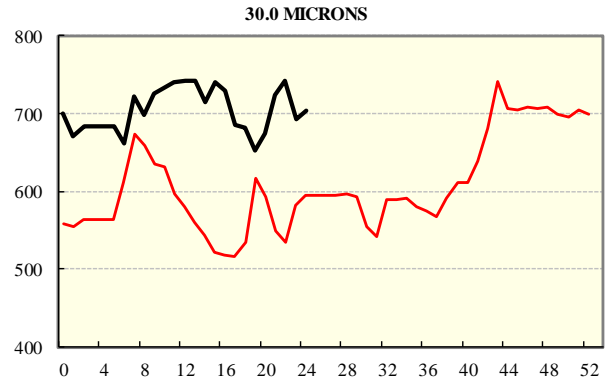
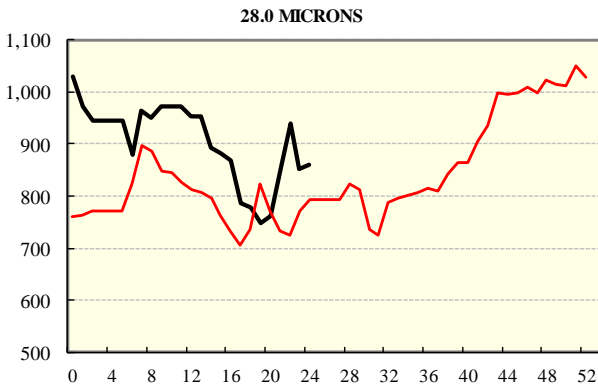
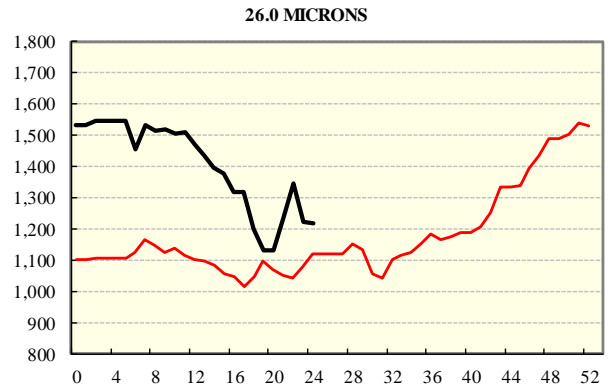
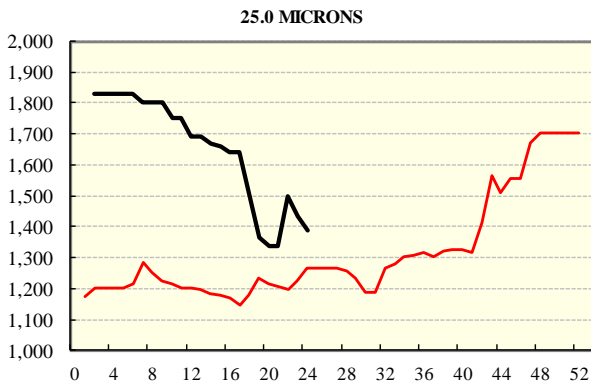
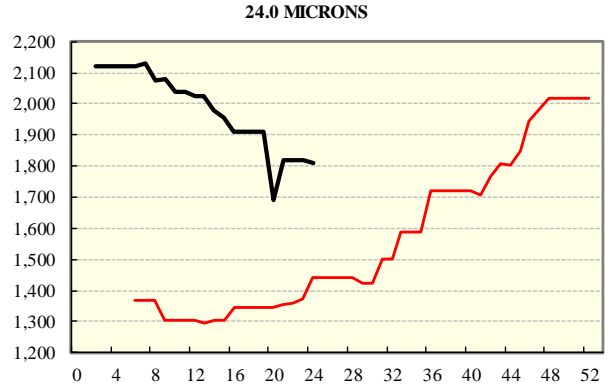
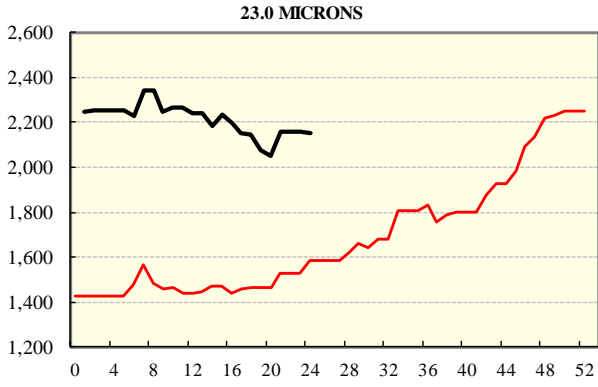
BALES OFFERED	
This Year	767,307
Last Year	935,739
Difference	-168,432
% Diff	-18.0%
FIRST OFFERED BALES	
Difference	-19.1%
% of Offering	94.4%

REGION BALES		
This Sale:		
North	12,212	
South	25,162	
West	8,629	
Progressive Totals:		Diff
North	222,783	-19.4%
South	401,832	-17.2%
West	142,692	-18.0%

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)

