

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 14 June 2019 (Week 50)

The AWEX EMI finished at 1823¢, 41¢ lower (-2.2%) in Australian currency and 40¢ lower (-3.1%) in US currency at sales in Sydney, Melbourne and Fremantle this week.

28,140 bales were on offer nationally, compared with 21,739 bales last sale. 21.3% of the offering was passed in.

AWEX reports that the value of the wool sold was \$42.1 million (\$1,900 per bale), taking the season total to \$3.103 billion (\$2,153 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 50)									
Centre	Last Sale		Day-to-Day Changes (Week 50)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	49	1864	No Sale	-31	-10	-41 (-2.2%)	1823	-40	-42
Northern	49	1883	No Sale	-27	-14	-41 (-2.2%)	1842	-40	-42
Southern	49	1852	No Sale	-33	-9	-42 (-2.3%)	1810	-41	-43
Western	48	1992	No Sale	-59	+4	-55 (-2.8%)	1937	-50	-52

The market eased sharply on Wednesday; and by a lesser amount on Thursday, as the rhetoric in the US / China trade war continued, and there was no sign of an easing in the US / Iran tensions. The fall was accompanied by the large increase in the Pass-In Rate that invariably occurs when the market eases by this amount.

There were falls across all micron ranges and types, with the greatest easing at the fine Merino end which was slightly more affected than for those from 19.0 microns and broader. Crossbreds had a mixed, but downward week, as did the oddments.

The US Exchange Rate moved downwards all week, before finishing 0.62¢ (-0.9%) lower to close at 69.13¢ on Thursday.

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

In other countries, the Cape Wools Indicator was unchanged since the previous sale against a 0.6% appreciation of the Rand against the US Dollar and a 0.4% depreciation against the Euro. The ban on greasy wool exports to China is still in place.

Looking ahead, offerings for the coming three sales are expected to range from 19,745 bales in Week 51 to 34,867 bales in Week 01 of next season; and to be 11.2% less than in the same period last year. The forecast progressive difference to Week 52 is -10.1%.

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	36¢	77¢	91¢	No 17.0µ MPG	No 16.5µ MPG

Market Indicator	Changes From			
	Four Sales Ago Week 46	Start of the Season	Week 50 Last Year	Season Average to Week 50 Last Year
Eastern Market Indicator	-70 (-3.7%)	-165 (-8.3%)	-198 (-9.8%)	+224 (+13.0%)
Western Market Indicator	-58 (-2.9%)	-205 (-9.6%)	-251 (-11.5%)	+298 (+16.6%)

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 ¢			-73	-70	-73	-50	-59	-59	-59	-39		
Change %			-3.2%	-3.1%	-3.3%	-2.3%	-2.7%	-2.7%	-2.7%	-1.8%		
Since Start of the Season												
Change ¢	-769		-377	-225	-180	-153	-137	-135	-135	-115		
Change %	-25.6%		-14.4%	-9.2%	-7.7%	-6.7%	-6.1%	-6.0%	-6.0%	-5.2%		
Since Same Week Last Year												
Change ¢			-451	-279	-203	-162	-155	-161	-169	-154		
Change %			-16.8%	-11.2%	-8.6%	-7.1%	-6.8%	-7.1%	-7.4%	-6.8%		

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 ¢				-21	-25	0	-11
Change %				-1.9%	-2.7%	0.0%	-1.1%
Since Start of the Season							
Change ¢				+138	+233	+172	-474
Change %				+14.4%	+34.4%	+38.1%	-32.2%
Since Same Week Last Year							
Change ¢				+85	+215	+173	-481
Change %				+8.4%	+30.9%	+38.4%	-32.6%

Average Merino Cardings Price Guide

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AWIS WOOL MARKET REVIEW Week Ending 14 June 2019 (Week 50)

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.

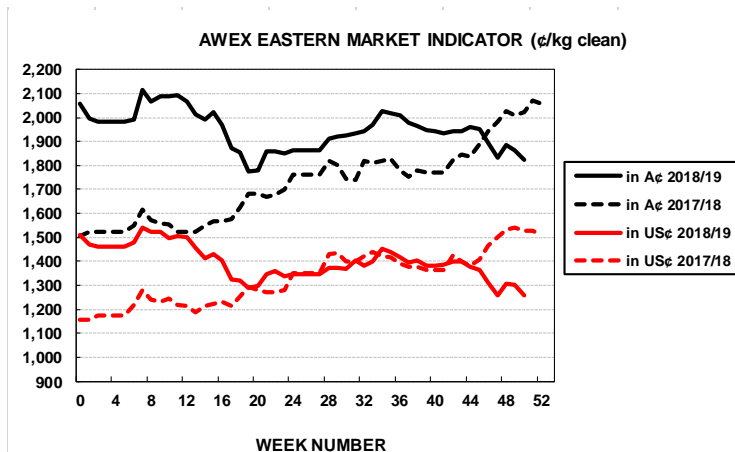
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	9,495	7,923	13.7%	5.6%	7.1%	6,841
South	12,244	14,256	17.5%	6.6%	12.1%	11,757
West		5,961	40.2%	8.9%	25.0%	3,562
Australia	21,739	28,140	21.3%	6.8%	13.4%	22,160

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-92,905	-17.8%	-19.1%
-107,894	-11.2%	-13.1%
-23,558	-6.7%	-11.3%
-224,357	-12.2%	-14.5%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 51	Week 52	Week 01	Differences
North	8,327	8,435	10,800	-24.3%
South	11,418	15,645	16,017	-7.2%
West	No Sale	7,055	8,050	+9.9%
New Zealand				
Australia	19,745	31,135	34,867	85,747
Differences	-5.5%	-2.0%	-20.5%	-11.2%

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	69.75	-0.05	Public	-0.17	-0.05	-0.35	-0.62 (-0.9%)	69.13	68.76	74.41
Euro	62.09	-0.21	Holiday	-0.45	-0.15	-0.10	-0.91 (-1.5%)	61.18	61.17	64.24

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to April	
	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	1948
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	1992	+180
South	1921	+228
West	2095	+287

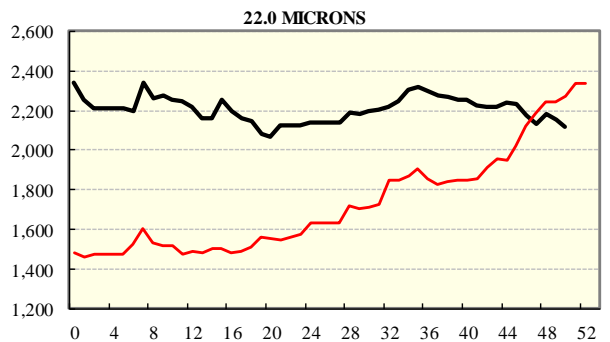
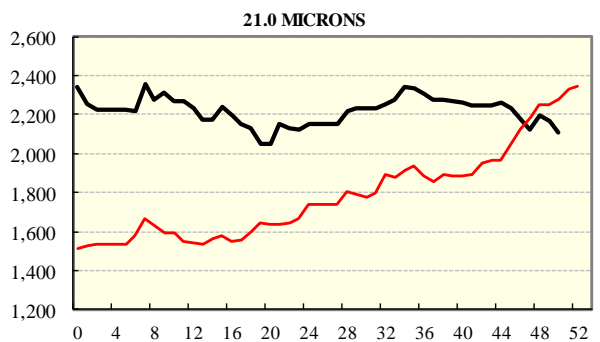
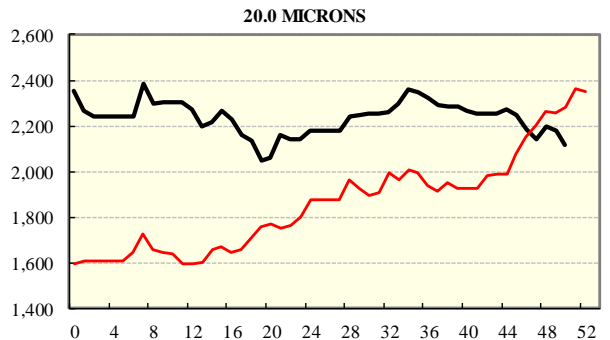
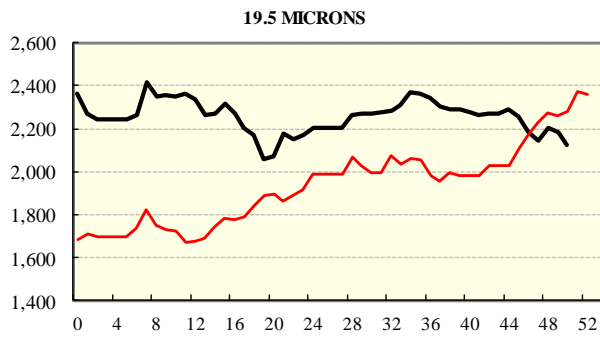
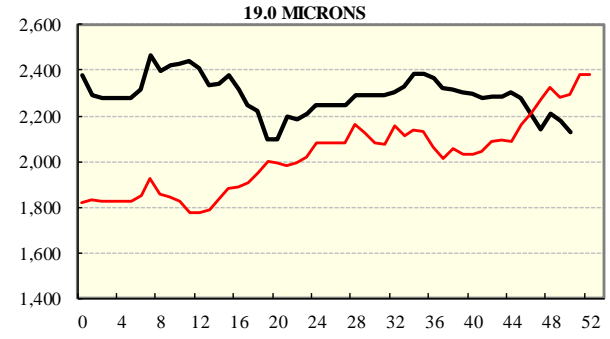
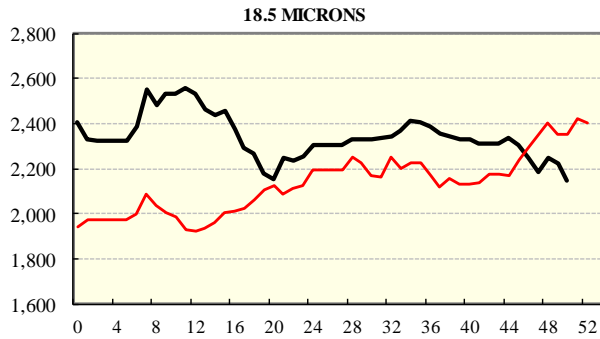
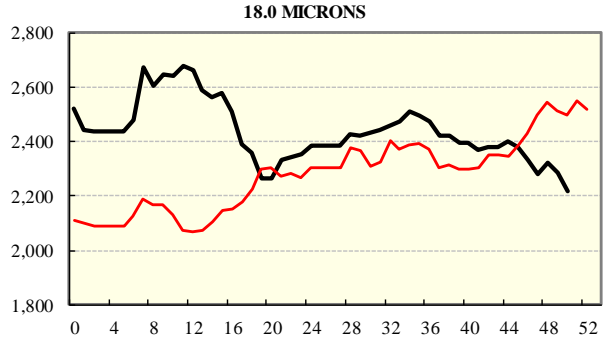
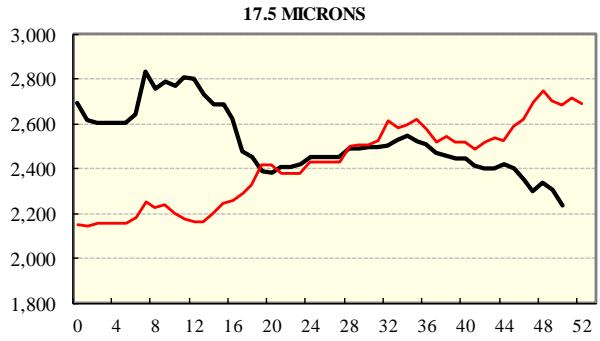
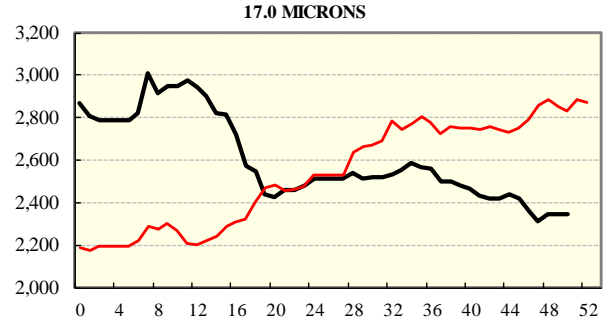
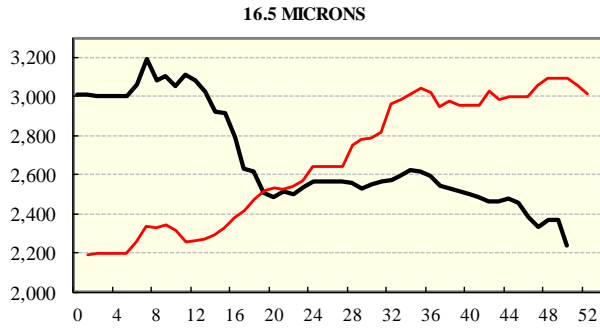
THIS YEAR'S EMI	
This Week	1823
First Week	1994
Low (0/01)	1776
High (0/01)	2116

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1842	-178
South	1810	-158
West	1937	-205

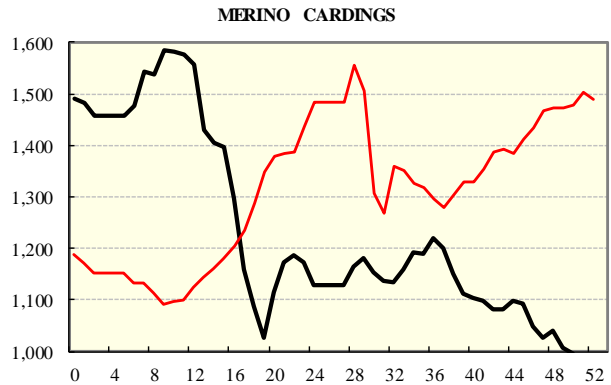
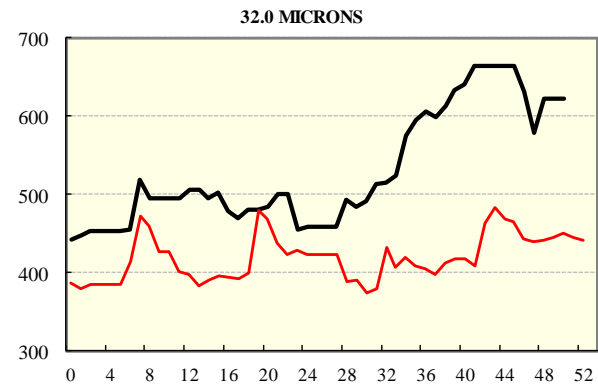
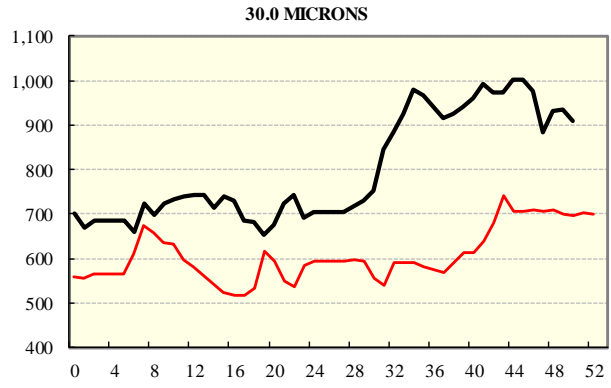
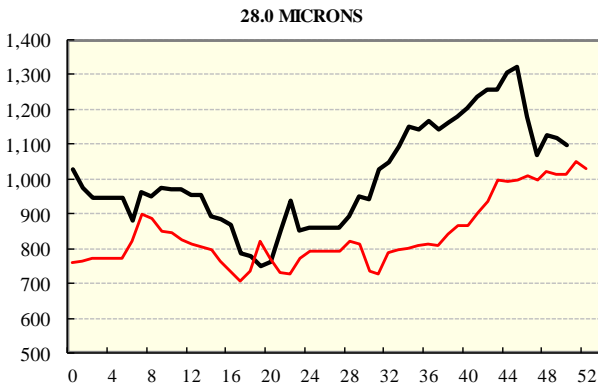
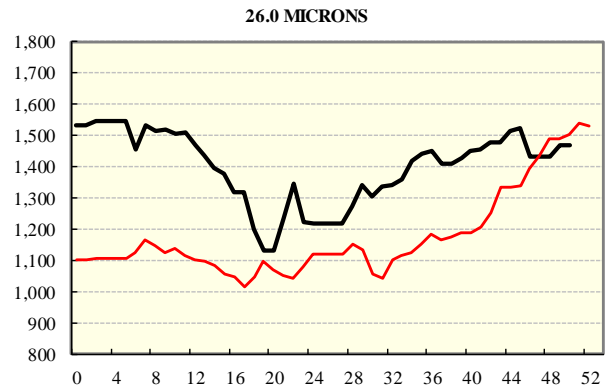
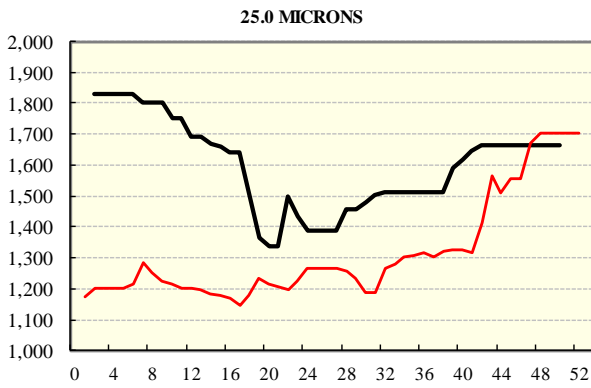
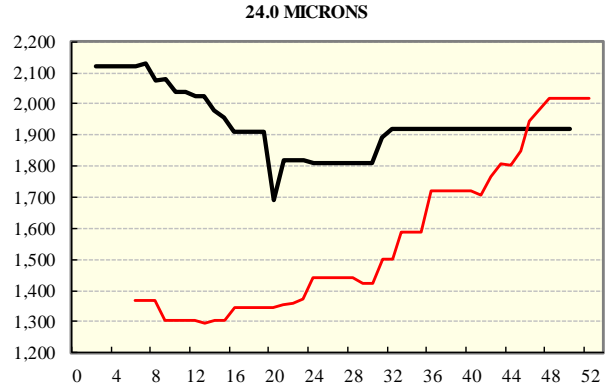
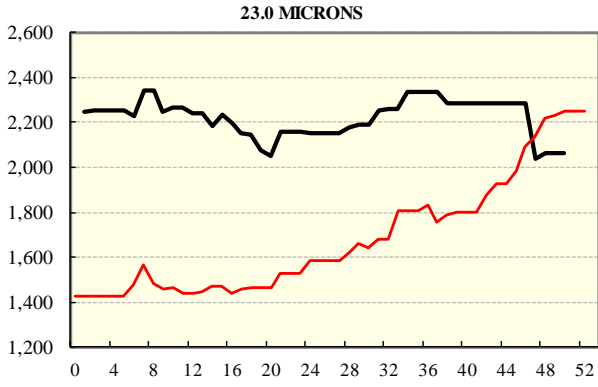
BALES OFFERED	
This Year	1,609,652
Last Year	1,834,009
Difference	-224,357
% Diff	-12.2%
FIRST OFFERED BALES	
Difference	-14.5%
% of Offering	93.2%

REGION BALES		
This Sale:		Diff
North	7,923	
South	14,256	
West	5,961	
Progressive Totals:		Diff
North	429,557	-17.8%
South	853,701	-11.2%
West	326,394	-6.7%

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)

