

AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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AI AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC.

Week Ending 16 October 2020 (Week 16)

The AWEX EMI finished 95¢ higher (+9.3%) in Australian currency and 73¢ higher (+10.0%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 16. The EMI has now moved up by 259¢ since Week 10

27,680 bales were on offer nationally, compared with 28,346 bales last sale. Sellers responded with a Pass-In rate of 2.4% (the lowest of the season), after withdrawing 5.3% of the potential offering prior to sale. The value of 5.3% was the lowest since the second sale of the season. 27,023 bales were sold.

AWEX reports that the value of the wool sold was \$36.4 million (\$1,347 per bale), taking the season total to \$385.9 million (\$1,165 per bale). The number of bales sold at auction this season is now 4.3% greater than in 2019/20.

The New Zealand Merino Company also offered 1,562 bales in Melbourne on Wednesday, of which 2.6% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 16)									
Centre	Last Sale		Day-to-Day Changes (Week 16)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	15	1022	+44	+51	No Sale	+95 (+9.3%)	1117	+73	+62
Northern	15	1076	+52	+56	No Sale	+108 (+10.0%)	1184	+82	+70
Southern	15	987	+40	+48	No Sale	+88 (+8.9%)	1075	+68	+57
Western	15	1054	No Sale	+113	No Sale	+113 (+10.7%)	1167	+86	+72

It was another good week, with strong competition and gains across all micron ranges and types for both Merino and Crossbred wools. The changes among the Merinos AWEX MPGs moved as the Fibre Diameter increased up to 21 microns before dropping back at 22 microns. Increases among the Crossbreds were positive, but more variable.

It was a particularly good week for skirtings, with some types moving up by 100¢ or more.

The US Exchange Rate finished 0.46¢ (0.6%) higher to close at 71.70¢ on Wednesday.

Buyers for China continued their dominance, while European interests also had a presence on the major buyers' list.

Looking ahead, offerings for the coming three sales are expected to range from 31,334 bales to 34,093 bales and to be 2.3% more than in the same period last year. The forecast progressive difference to Week 19 is -3.0%.

In other countries, the South African Cape Wools Indicator was up by 8.6% since last week against a 0.6% appreciation of the Rand against the US Dollar and a 0.8% appreciation 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	324¢	446¢	547¢	646¢	767¢

Market Indicator	Four Sales Ago Week 12	Changes From		
		Start of the Season	Week 16 Last Year	Season Average to Week 16 Last Year
Eastern Market Indicator	+180 (+19.2%)	-8 (-0.7%)	-400 (-26.4%)	-552 (-35.6%)
Western Market Indicator	+183 (+18.6%)	-27 (-2.3%)	-454 (-28.0%)	-597 (-36.2%)

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 ¢	+144	+138	+139	+135	+137	+131	+137	+116	+114	+66		
Change %	+8.4%	+8.5%	+9.2%	+9.6%	+10.6%	+11.0%	+12.4%	+11.0%	+11.1%	+6.5%		
Since Start of the Season												
Change ¢	+142	+135	+121	+118	+89	+40	-3	-59	-78			
Change %	+8.3%	+8.3%	+7.9%	+8.3%	+6.6%	+3.1%	-0.2%	-4.8%	-6.4%			
Since Same Week Last Year												
Change ¢	-90	-136	-220	-307	-359	-439	-489	-535	-562	-611		
Change %	-4.6%	-7.2%	-11.8%	-16.6%	-20.1%	-25.0%	-28.2%	-31.3%	-33.0%	-36.0%		

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 ¢			+57	+34	+11	+37
Change %			+8.2%	+7.0%	+2.6%	+5.1%
Since Start of the Season						
Change ¢			-87	-49	-27	-59
Change %			-10.4%	-8.6%	-5.8%	-7.1%
Since Same Week Last Year						
Change ¢			-385	-517	-353	-240
Change %			-33.9%	-50.0%	-44.6%	-23.8%

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 16 October 2020 (Week 16)

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 August ABS export data.

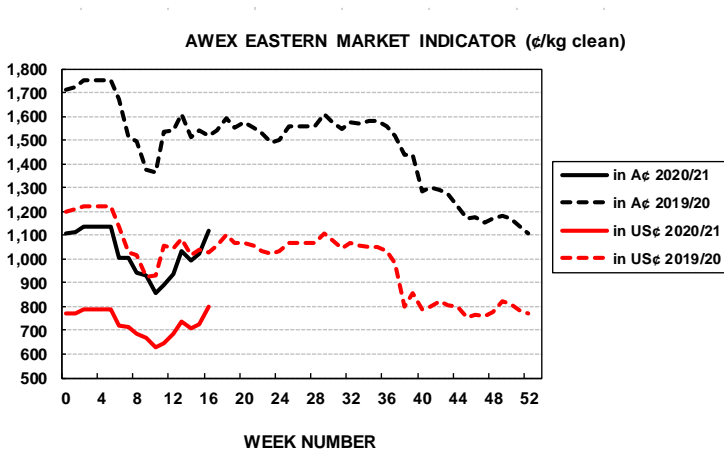
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	7,365	8,101	1.7%	3.4%	4.9%	7,967
South	15,508	14,351	2.1%	6.2%	8.9%	14,049
West	5,473	5,228	4.2%	5.4%	17.2%	5,007
Australia	28,346	27,680	2.4%	5.3%	9.3%	27,023

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
-10,659	-8.8%	-7.5%
+2,266	+1.2%	+2.1%
-8,246	-10.9%	-8.6%
-16,639	-4.3%	-2.9%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 17	Week 18	Week 19	Differences
North	7,660	8,219	7,810	+1.9%
South	17,832	18,198	16,984	+5.6%
West	8,601	6,730	6,540	-4.8%
New Zealand	1,750	1,750	1,400	
Australia	34,093	33,147	31,334	98,574
Differences	+26.1%	-6.1%	-8.0%	+2.3%

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	71.24	+0.55	+0.50	-0.44	-0.15	Public	+0.46 (+0.6%)	71.70	69.24	73.60
Euro	60.71	+0.25	+0.20	-0.26	+0.15	Holiday	+0.34 (+0.6%)	61.05	60.58	61.81

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to August	
	August 2020	July to August 2020/21	July to August 2019/20	By Weight	By Value
China	81.4%	85.2%	74.1%	+23.5%	-13.9%
Czech Republic	7.4%	4.7%	3.6%	+38.5%	-35.0%
India	3.7%	3.4%	5.7%	-36.8%	-63.9%
Korea	2.5%	1.9%	2.5%	-18.7%	-34.9%
Italy	1.6%	1.8%	8.0%	-75.6%	-82.9%
Thailand	0.5%	0.6%	0.8%	-11.5%	-50.8%
Egypt	0.8%	0.6%	1.7%	-61.8%	-74.3%
Germany	0.8%	0.6%	0.5%	+31.8%	+14.3%
Change all Countries				+7.4%	-29.3%



AVERAGE EMI	
This Year	999
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

THIS YEAR'S EMI	
This Week	1117
First Week	1116
Low (11/01)	858
High (12/01)	1134

BALES OFFERED	
This Year	372,600
Last Year	389,239
Difference	-16,639
% Diff	-4.3%
FIRST OFFERED BALES	
Difference	-2.9%
% of Offering	90.1%

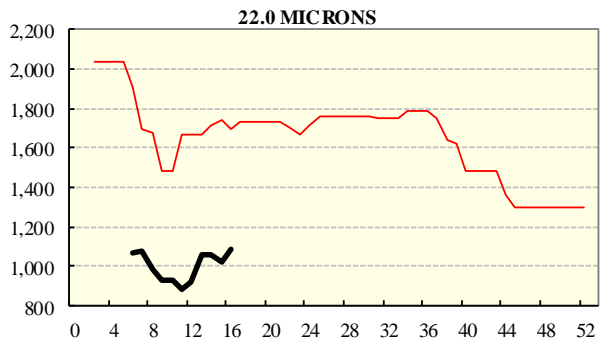
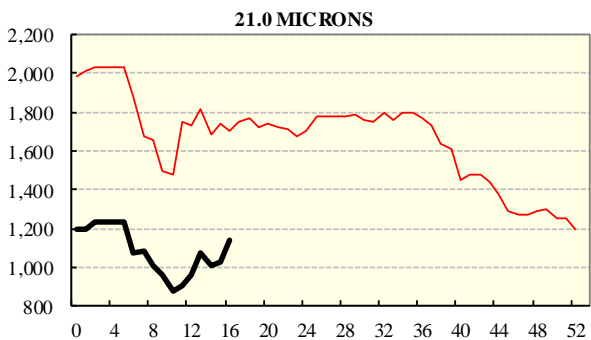
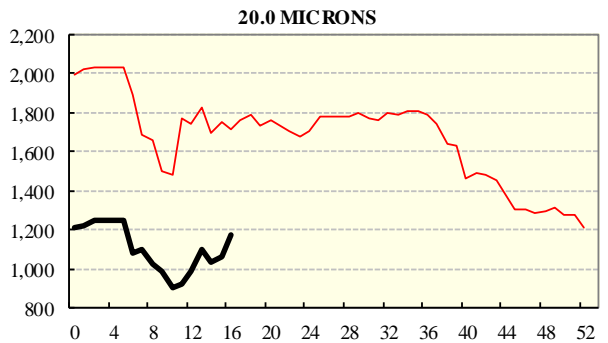
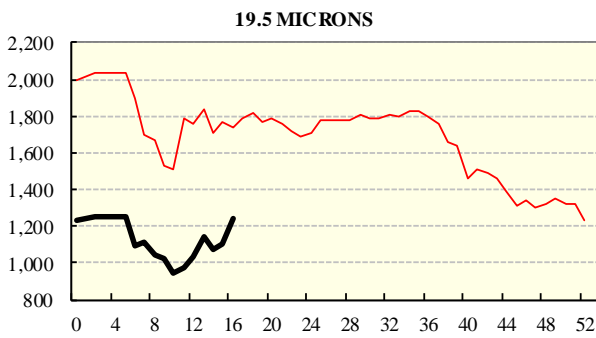
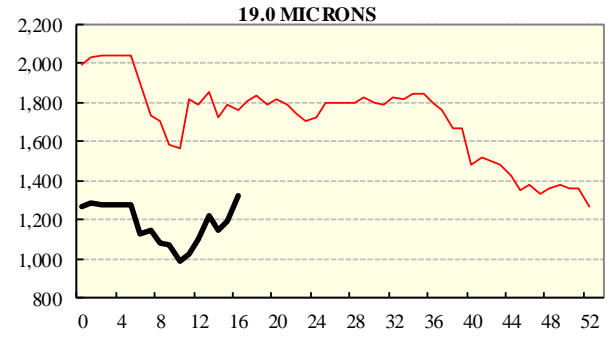
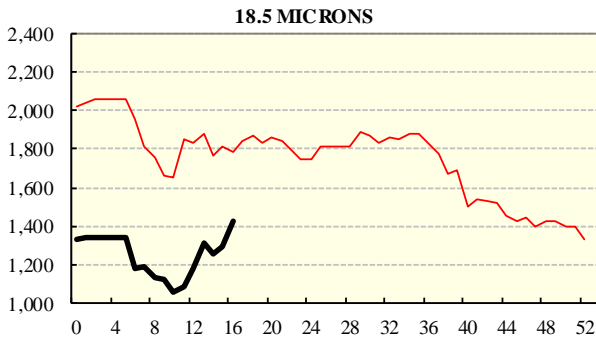
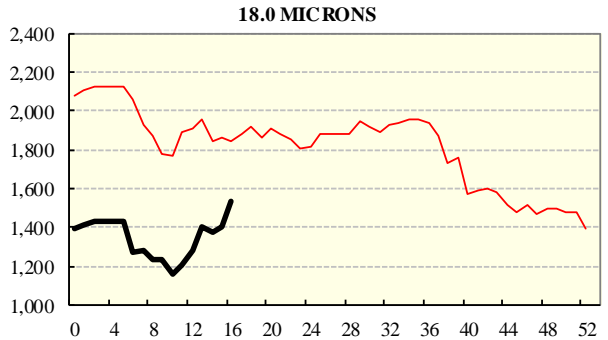
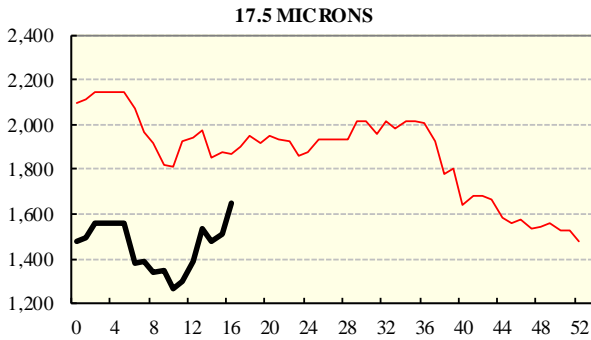
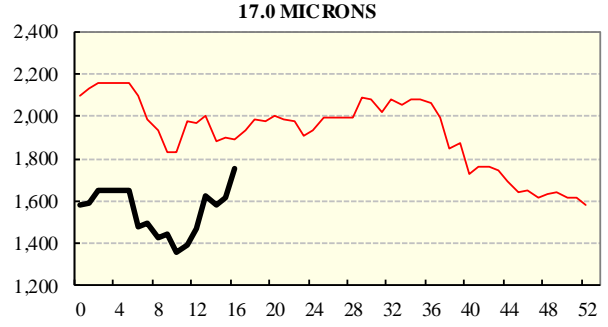
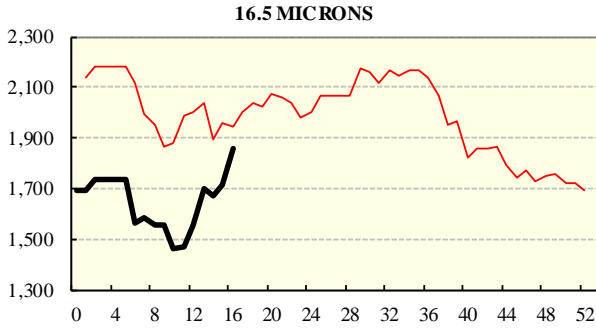
SEASON AVERAGES		
Region	This Year	Diff
North	1051	-431
South	966	-459
West	1052	-502

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1184	+17
South	1075	-23
West	1167	-27

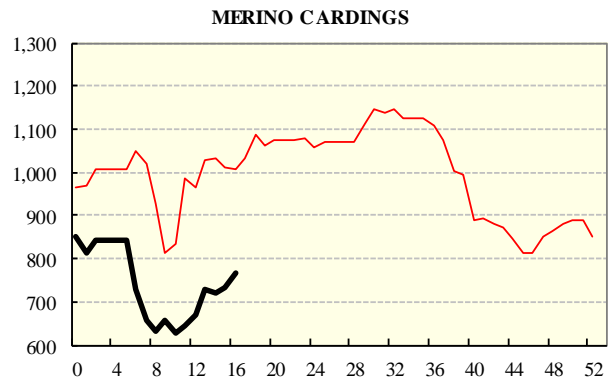
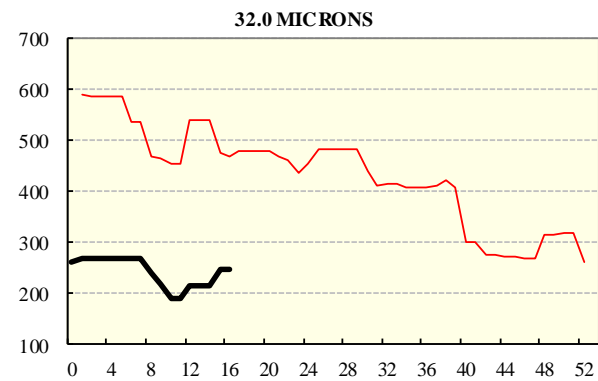
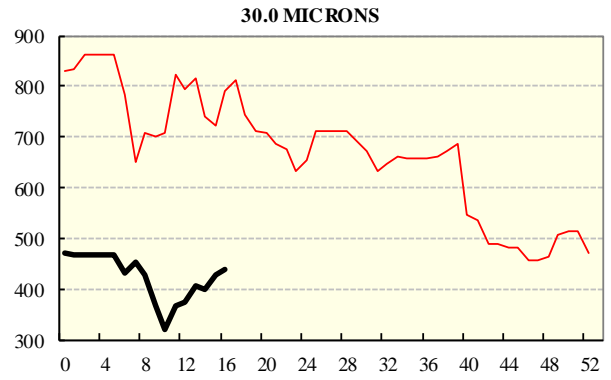
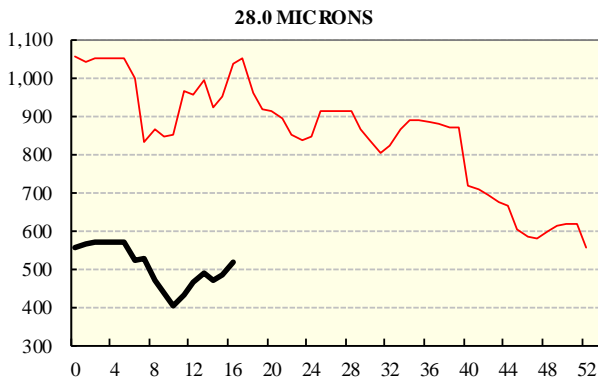
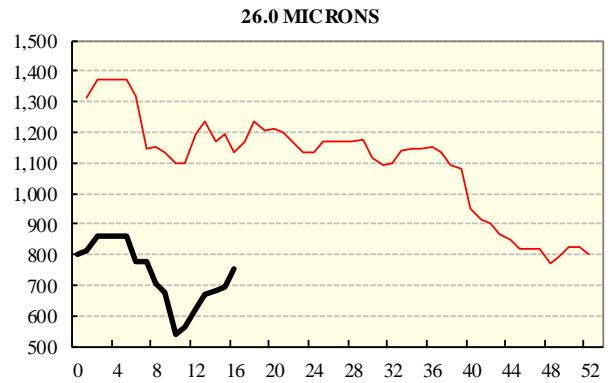
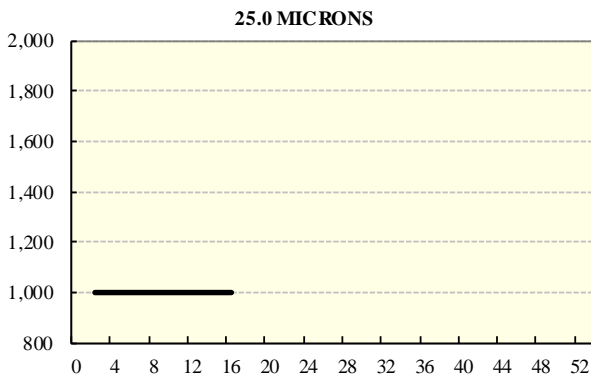
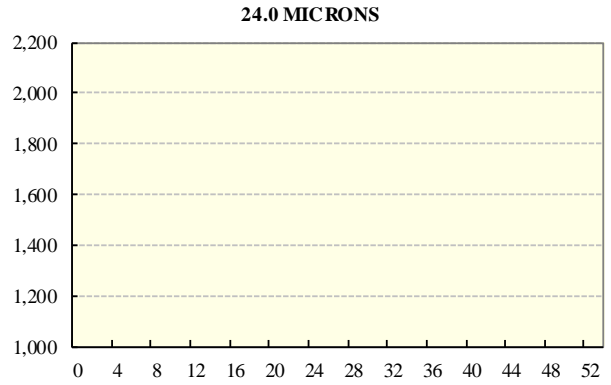
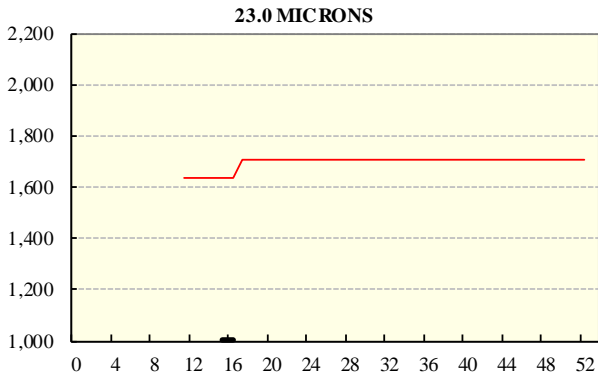
REGION BALES		
This Sale:		
North	8,101	
South	14,351	
West	5,228	
Progressive Totals:		Diff
North	110,497	-8.8%
South	194,703	+1.2%
West	67,400	-10.9%

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)

