

AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

Unit 9, 42 - 46 Vella Drive
Sunshine West Vic 3020
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 2 October 2020 (Week 14)

The AWEX EMI finished at 996¢, 40¢ lower (-3.9%) in Australian currency and 31¢ lower (-4.2%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 14. Although down, the EMI is 59¢ above the value of two weeks ago. 29,302 bales were on offer nationally, compared with 23,260 bales last sale. Sellers displayed a reluctance to sell when 18.4% of the offering was passed in after 7.3% of the potential offering was withdrawn prior to sale. 23,908 bales were sold.

AWEX reports that the value of the wool sold was \$29.9 million (\$1,251 per bale), taking the season total to \$316.8 million (\$1,151 per bale). The number of bales sold at auction this season is now 3.3% greater than in 2019/20.

The New Zealand Merino Company also offered 1,720 bales in Melbourne on Wednesday, of which 7.7% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 14)									
Centre	Last Sale		Day-to-Day Changes (Week 14)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	13	1036	-22	-18	No Sale	-40 (-3.9%)	996	-31	-29
Northern	13	1086	-15	-18	No Sale	-33 (-3.0%)	1053	-27	-25
Southern	13	1004	-25	-18	No Sale	-43 (-4.3%)	961	-33	-31
Western	13	1085	-42	-19	No Sale	-61 (-5.6%)	1024	-46	-42

The market registered falls across all wool types and micron ranges, with the least impact being at the fine end of the Merinos. The falls became progressively greater as Fibre Diameter increased among the Merinos, reversing the trend seen in the previous week. Falls among the Crossbreds were less than those for the Merinos.

The US Exchange Rate eased slightly to finish 0.27¢ (-0.4%) lower before closing at 71.08¢ 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 30,697 bales to 35,680 bales and to be 11.4% more than in the same period last year. The forecast progressive difference to Week 17 is +0.3%.

In other countries, the South African Cape Wools Indicator was up by 3.3% since last week against a 2.9% appreciation of the Rand against the US Dollar and a 2.0% 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	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 10	Start of the Season	Week 14 Last Year	Season Average to Week 14 Last Year
Eastern Market Indicator	+138 (+16.1%)	-129 (-11.5%)	-515 (-34.1%)	-569 (-36.6%)
Western Market Indicator	+129 (+14.4%)	-170 (-14.2%)	-586 (-36.4%)	-610 (-37.0%)

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	-44	-52	-30	-55	-67	-66	-65	-68			
Change %	-1.6%	-2.7%	-3.4%	-2.1%	-4.2%	-5.5%	-5.8%	-5.9%	-6.3%			
Since Start of the Season												
Change ¢	-45	-38	-48	-47	-86	-131	-172	-200	-213			
Change %	-2.6%	-2.3%	-3.1%	-3.3%	-6.4%	-10.2%	-13.8%	-16.2%	-17.5%			
Since Same Week Last Year												
Change ¢	-221	-303	-373	-473	-516	-577	-628	-658	-680			
Change %	-11.7%	-16.1%	-20.1%	-25.6%	-29.2%	-33.4%	-36.9%	-38.9%	-40.4%			

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 ¢		+10	-19	-7		-8
Change %		+1.5%	-3.9%	-1.7%		-1.1%
Since Start of the Season						
Change ¢		-159	-100	-68		-105
Change %		-19.0%	-17.6%	-14.6%		-12.7%
Since Same Week Last Year						
Change ¢		-490	-455	-343		-311
Change %		-41.9%	-49.3%	-46.3%		-30.1%

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 2 October 2020 (Week 14)

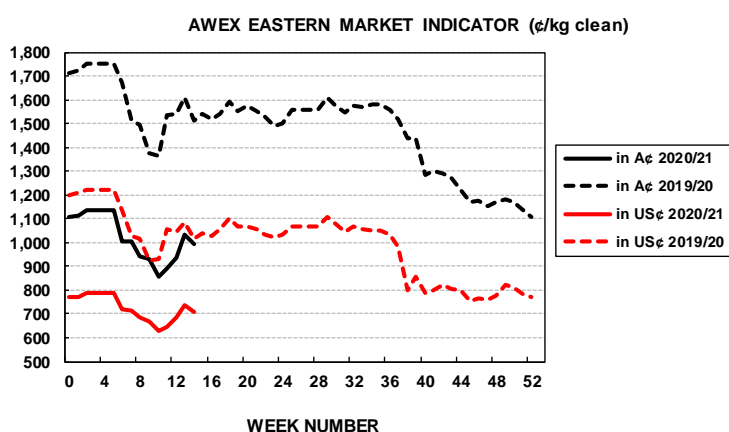
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the July ABS export data.

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	6,720	7,903	12.5%	6.2%	6.7%	6,914	-9,229	-8.9%	-7.7%
South	11,384	16,074	19.4%	7.5%	7.7%	12,955	+5,178	+3.2%	+3.7%
West	5,156	5,325	24.2%	8.2%	7.3%	4,039	-5,114	-8.3%	-6.2%
Australia	23,260	29,302	18.4%	7.3%	7.3%	23,908	-9,165	-2.8%	-1.8%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 15	Week 16	Week 17	Differences
North	8,584	8,385	7,408	+11.5%
South	19,306	20,965	18,259	+21.3%
West	6,560	6,330	5,030	-12.3%
New Zealand	1,600	1,900	2,280	
Australia	34,450	35,680	30,697	100,827
Differences	+22.4%	+0.9%	+13.5%	+11.4%

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	71.35	-0.74	-0.12	+0.35	+0.24	Public	-0.27 (-0.4%)	71.08	69.24	73.60
Euro	61.04	-0.52	+0.10	+0.07	-0.11	Holiday	-0.46 (-0.8%)	60.58	60.58	61.81

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	July 2020	July to July 2020/21	July to July 2019/20	By Weight	By Value
China	87.9%	87.9%	75.8%	+8.5%	-22.8%
India	3.1%	3.1%	4.6%	-37.1%	-64.7%
Czech Republic	2.9%	2.9%	3.3%	-15.4%	-59.4%
Italy	1.9%	1.9%	7.9%	-77.4%	-84.5%
Korea	1.5%	1.5%	2.0%	-36.3%	-46.6%
Thailand	0.7%	0.7%	0.6%	+13.1%	-34.9%
Egypt	0.4%	0.4%	1.5%	-73.5%	-82.8%
Germany	0.4%	0.4%	0.5%	-19.0%	-58.0%
Change all Countries				-6.3%	-37.1%



AVERAGE EMI	
This Year	986
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

SEASON AVERAGES		
Region	This Year	Diff
North	1037	-445
South	954	-471
West	1040	-514

THIS YEAR'S EMI	
This Week	996
First Week	1116
Low (11/01)	858
High (12/01)	1134

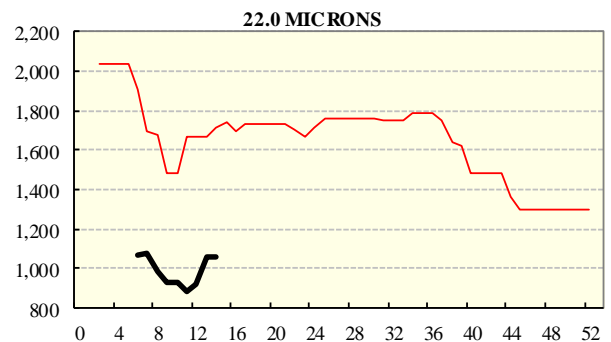
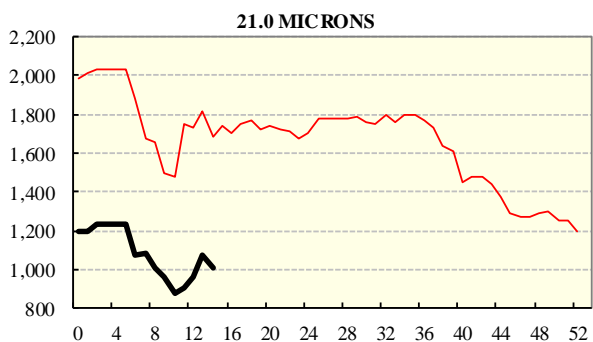
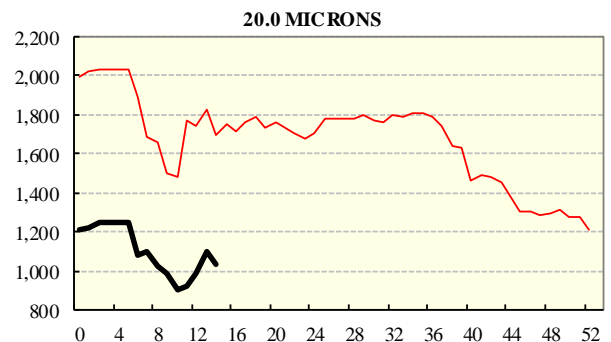
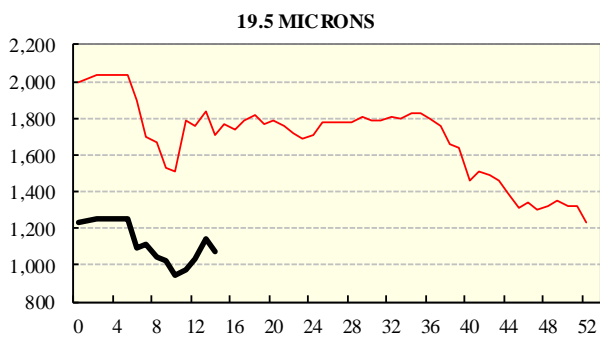
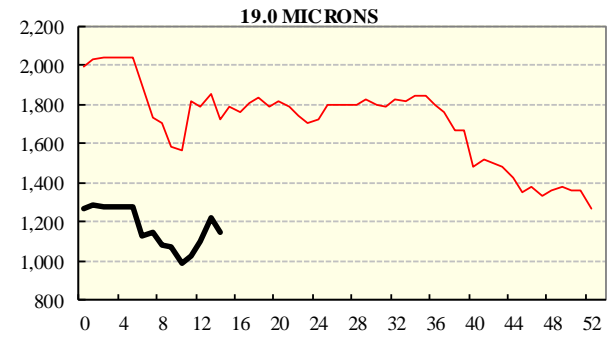
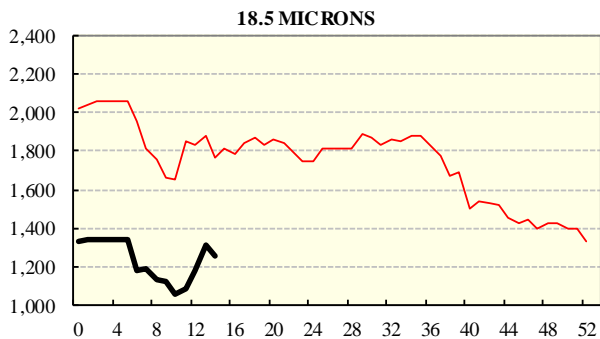
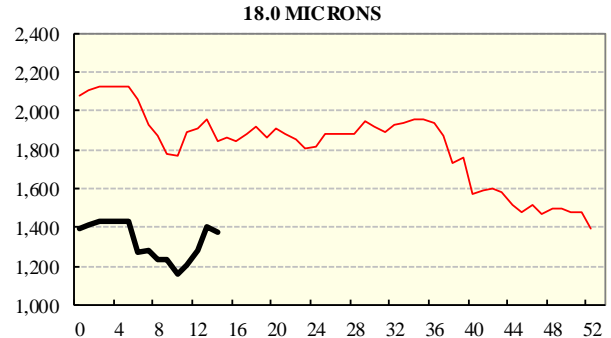
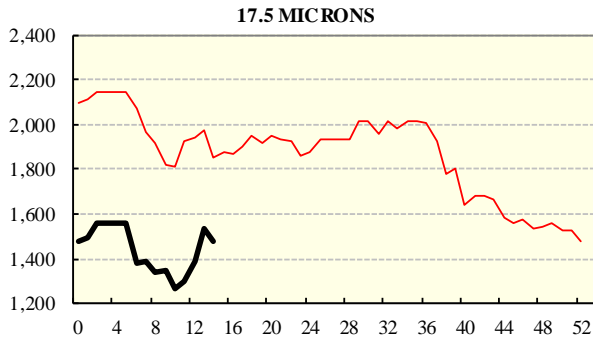
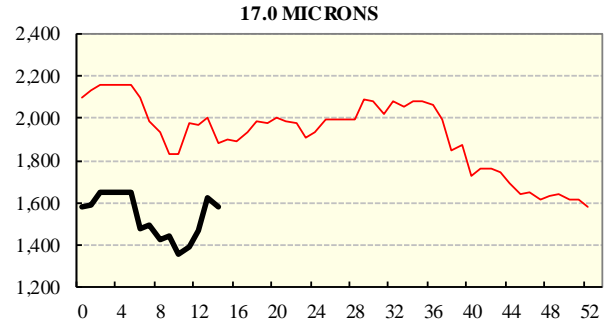
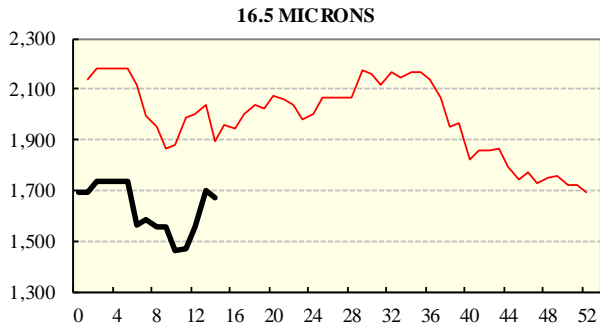
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1053	-114
South	961	-137
West	1024	-170

BALES OFFERED	
This Year	316,574
Last Year	325,739
Difference	-9,165
% Diff	-2.8%
FIRST OFFERED BALES	
Difference	-1.8%
% of Offering	89.6%

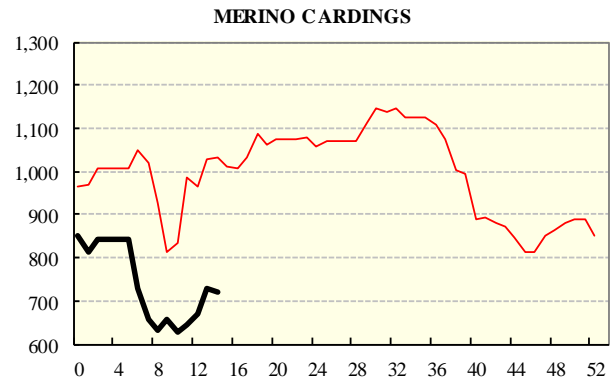
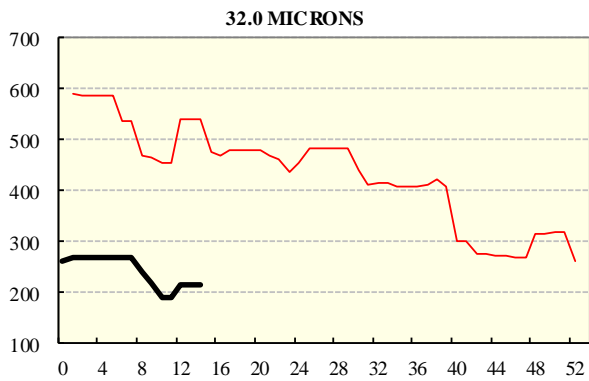
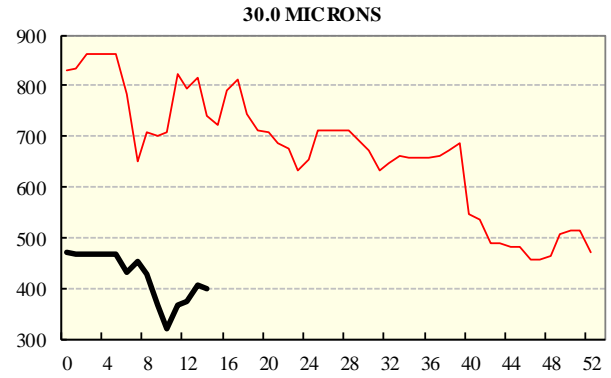
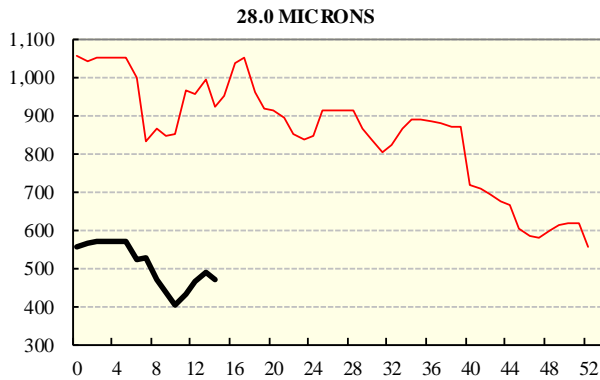
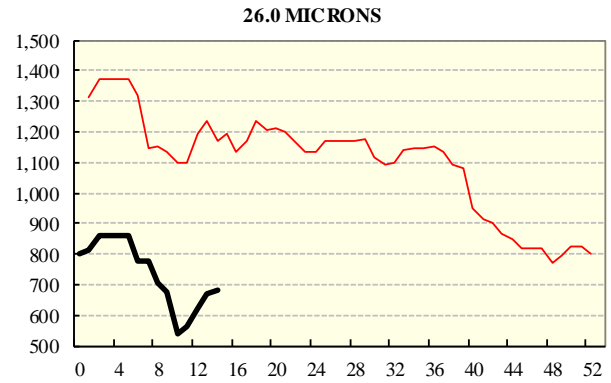
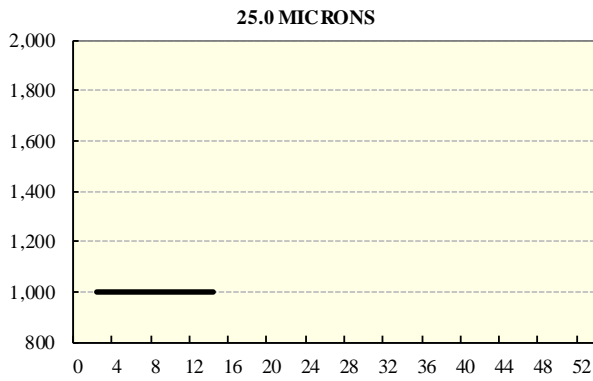
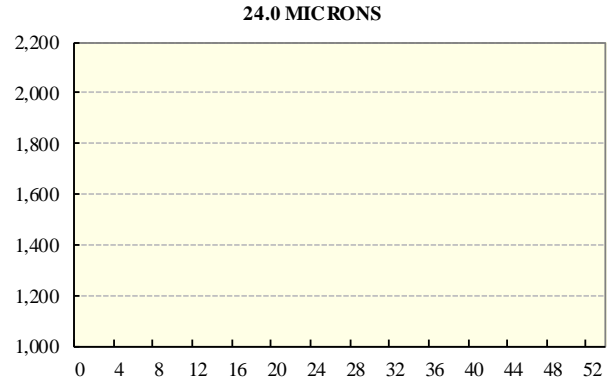
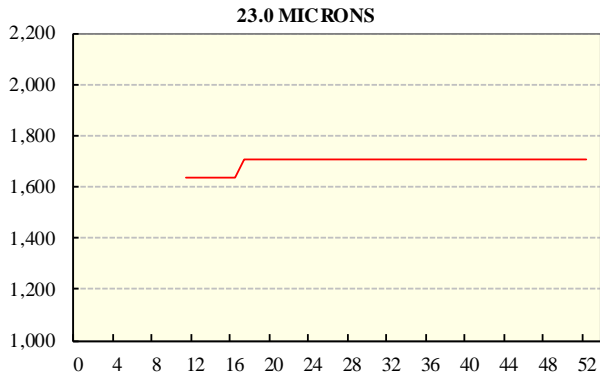
REGION BALES		
This Sale:		
North	7,903	
South	16,074	
West	5,325	
Progressive Totals:		
North	95,031	-8.9%
South	164,844	+3.2%
West	56,699	-8.3%

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)

