

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 22 November 2019 (Week 21).

The AWEX EMI finished at 1555¢, 19¢ lower (-1.2%) in Australian currency and 13¢ lower (-1.2%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 21.

35,719 bales were on offer nationally, compared with 36,110 bales last sale. 15.4% of the offering was passed in after 5.7% of the potential offering had been withdrawn prior to sale.

AWEX reports that the value of the wool sold was \$50.7 million (\$1,677 per bale), taking the season total to \$819.0 million (\$1,742 per bale). The number of bales sold at auction this season is now 19.3% less than in 2018/19.

The New Zealand Merino Company also offered 2,578 bales in Melbourne on Thursday, of which 25.5% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 21)									
Centre	Last Sale		Day-to-Day Changes (Week 21)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	20	1574	No Sale	-16	-3	-19 (-1.2%)	1555	-13	-19
Northern	20	1610	No Sale	-18	-1	-19 (-1.2%)	1591	-13	-19
Southern	20	1551	No Sale	-14	-5	-19 (-1.2%)	1532	-13	-18
Western	20	1677	No Sale	-26	+4	-22 (-1.3%)	1655	-15	-20

The market opened on the now familiar pattern of reversing the direction of the previous week's market. However, it appeared to find a level, at which it remained up to the close of selling on Thursday.

All AWEX Micron Price Guides (MPGs) finished down, with the crossbreds most affected; and the broader Merinos more affected than those at the fine end. Merino skirtings eased on Wednesday before firming on Thursday. Oddments followed in a similar pattern.

The US Exchange Rate finished 0.01¢ (0.0%) lower to close at 67.97¢ on Thursday.

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

In other countries, the South African Cape Wools Indicator was down by 3.0% since last week against a 0.9% appreciation of the Rand against the US Dollar and a 0.2% appreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 36,459 bales to 39,280 bales and to be 3.6% less than in the same period last year. The forecast progressive difference to Week 24 is -12.5%.

The size of the weekly offerings has been moving closer to the previous year's volumes in recent weeks. The number of bales offered in the last four weeks is up by 5.8%, compared with a figure of -19.3% from Weeks 01 to 17.

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 17	Start of the Season	Week 21 Last Year	Season Average to Week 21 Last Year
Eastern Market Indicator	+10 (+0.6%)	-184 (-10.6%)	-303 (-16.3%)	-424 (-21.4%)
Western Market Indicator	-17 (-1.0%)	-226 (-12.0%)	-361 (-17.9%)	-473 (-22.2%)

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 ¢	-14	-20	-19	-23	-24	-34	-31	-28	-23		
Change %	-0.7%	-1.0%	-1.0%	-1.2%	-1.3%	-1.9%	-1.7%	-1.6%	-1.3%		
Since Start of the Season											
Change ¢	-105	-158	-196	-233	-214	-252	-273	-294	-303		
Change %	-4.9%	-7.4%	-9.2%	-11.0%	-10.4%	-12.4%	-13.4%	-14.5%	-15.0%		
Since Same Week Last Year											
Change ¢	-458	-474	-474	-447	-411	-412	-421	-428	-431		
Change %	-18.2%	-19.3%	-19.7%	-19.2%	-18.3%	-18.8%	-19.3%	-19.8%	-20.0%		

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 ¢		-12	-22	-20	+1
Change %		-1.0%	-2.4%	-2.8%	+0.1%
Since Start of the Season					
Change ¢		-146	-153	-161	+89
Change %		-10.9%	-14.6%	-19.0%	+9.0%
Since Same Week Last Year					
Change ¢		-40	+39	-37	-96
Change %		-3.2%	+4.6%	-5.1%	-8.2%

MC Average Merino Cardings Price Guide

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For further information

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Week Ending 22 November 2019 (Week 21)

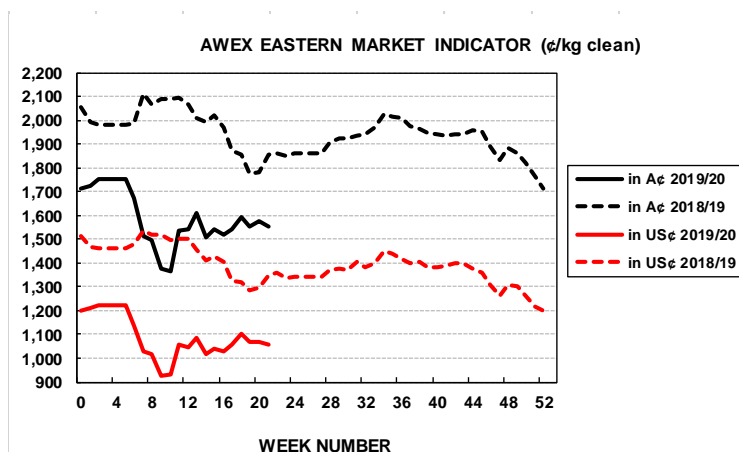
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the September ABS export data.

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	9,781	9,666	12.6%	3.0%	8.7%	8,444	-28,259	-14.7%	-18.6%
South	19,985	17,535	12.7%	6.3%	7.8%	15,304	-59,833	-17.6%	-21.5%
West	6,344	8,518	23.9%	7.6%	13.3%	6,482	-3,817	-3.3%	-11.4%
Australia	36,110	35,719	15.4%	5.7%	9.4%	30,230	-91,909	-14.2%	-18.8%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 22	Week 23	Week 24	Differences
North	10,597	8,575	10,220	-4.2%
South	21,380	20,134	20,270	-0.1%
West	7,303	7,750	7,450	-11.4%
New Zealand		1,100		
Australia	39,280	36,459	37,940	113,679
Differences	+13.8%	-2.5%	-17.5%	-3.6%

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	67.98	-0.03	+0.16	-0.13	+0.19	-0.20	-0.01 (0.0%)	67.97	67.17	70.36
Euro	61.79	-0.16	-0.05	-0.20	+0.18	-0.19	-0.42 (-0.7%)	61.37	60.42	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	September 2019	July to September 2019/20	July to September 2018/19	July to September By Weight	July to September By Value
China	74.4%	74.2%	74.6%	-26.0%	-42.6%
Italy	7.3%	7.7%	6.4%	-9.8%	-28.3%
India	5.5%	5.6%	6.4%	-34.6%	-44.9%
Czech Republic	2.7%	3.3%	3.5%	-29.5%	-47.2%
Korea	2.2%	2.4%	3.1%	-43.7%	-52.7%
Egypt	2.5%	1.9%	1.0%	+41.6%	+13.6%
Thailand	0.9%	0.8%	1.3%	-52.6%	-63.6%
Germany	0.6%	0.5%	0.3%	+47.3%	+22.7%
Change all Countries				-25.7%	-41.4%



AVERAGE EMI	
This Year	1555
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

THIS YEAR'S EMI	
This Week	1555
First Week	1723
Low (10/01)	1365
High (11/01)	1754

BALES OFFERED	
This Year	557,472
Last Year	649,381
Difference	-91,909
% Diff	-14.2%
FIRST OFFERED BALES	
Difference	-18.8%
% of Offering	89.6%

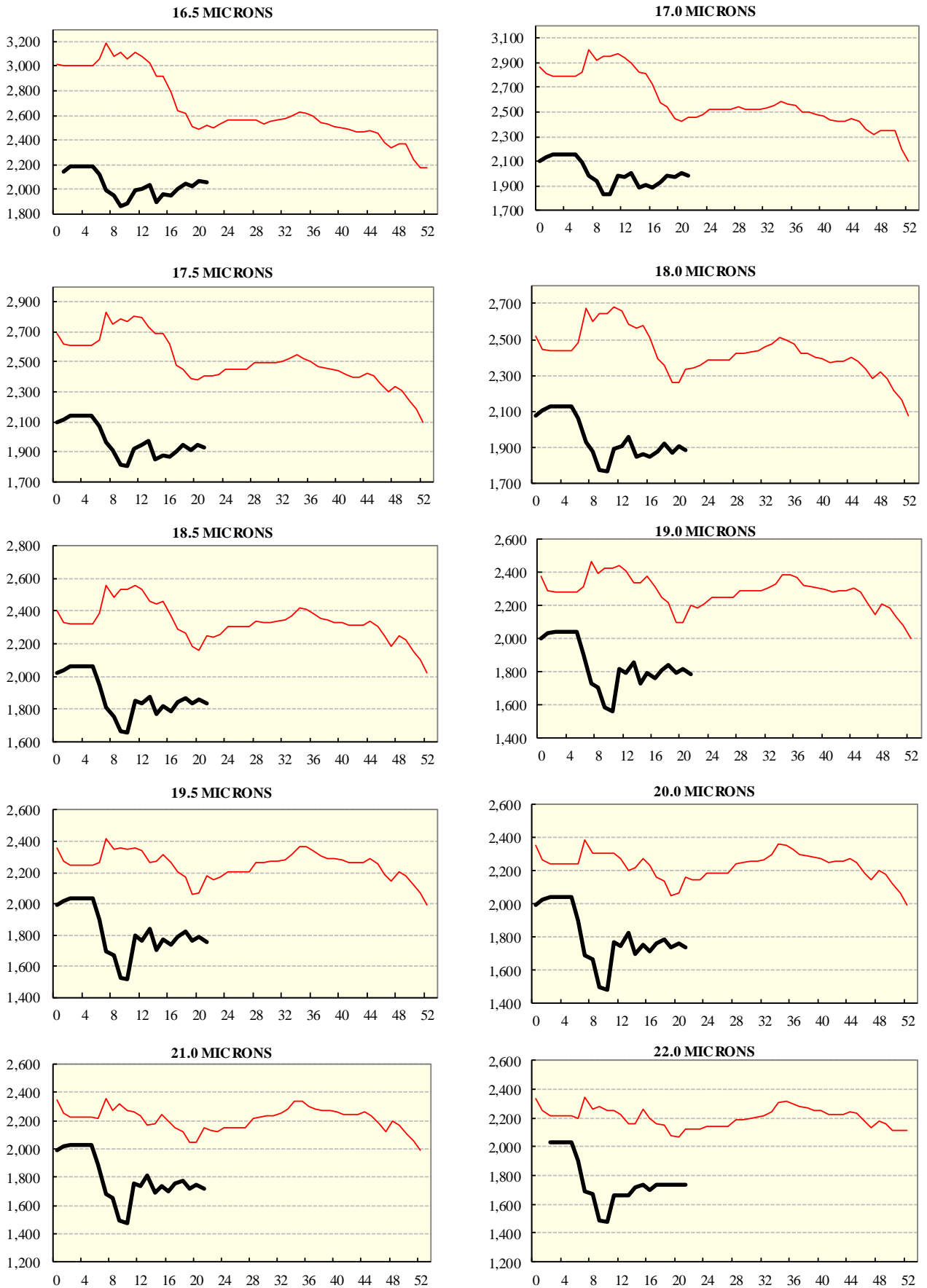
SEASON AVERAGES		
Region	This Year	Diff
North	1581	-401
South	1537	-376
West	1654	-434

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1591	-168
South	1532	-193
West	1655	-226

REGION BALES		
This Sale:		
North	9,666	
South	17,535	
West	8,518	
Progressive Totals:		
North	163,853	-14.7%
South	280,144	-17.6%
West	113,475	-3.3%

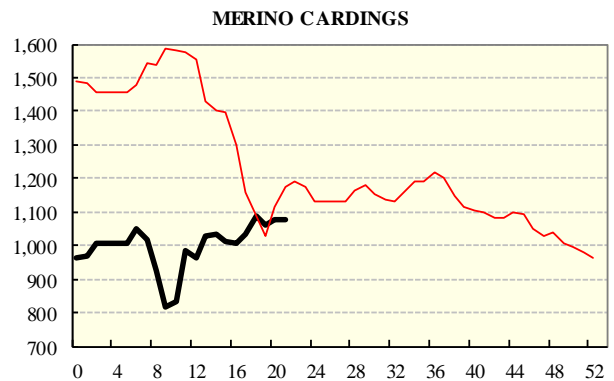
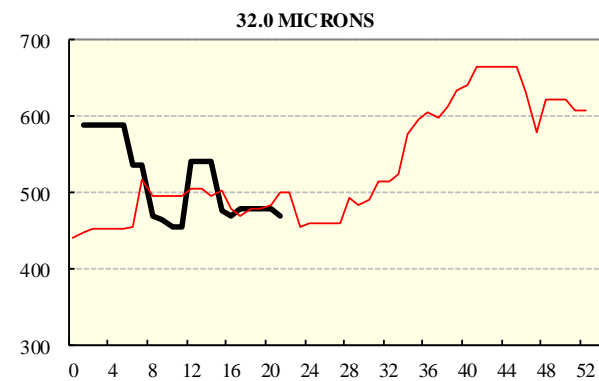
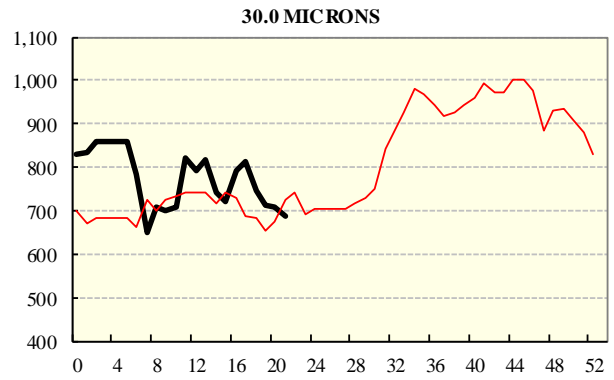
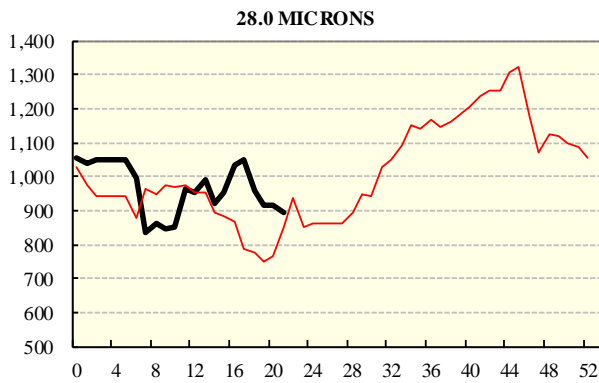
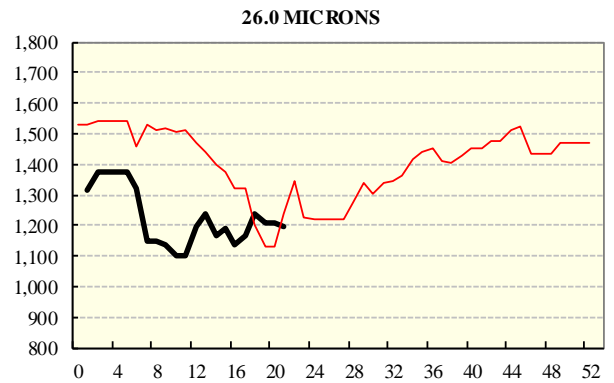
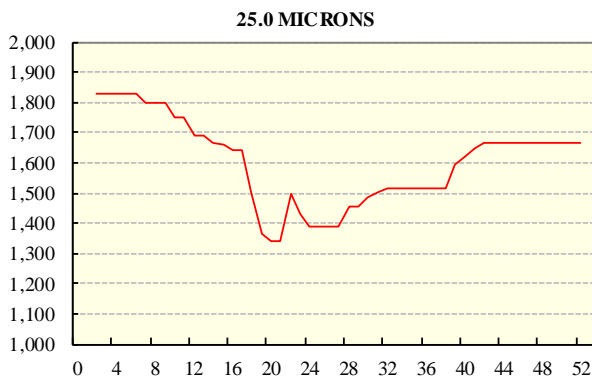
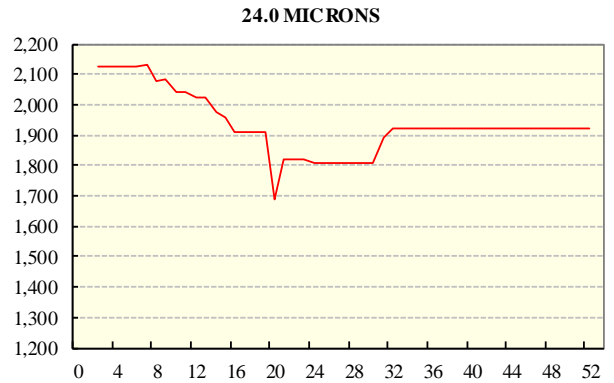
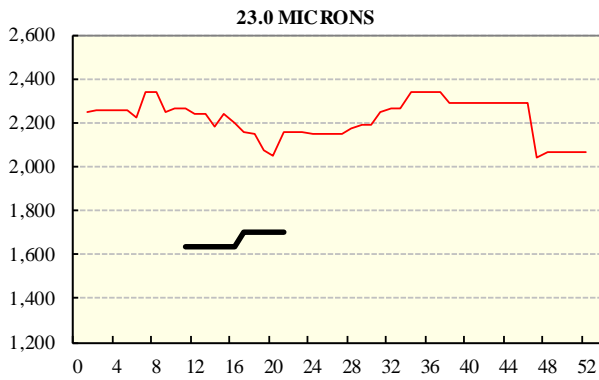
AVERAGE AWEX MICRON PRICE GUIDES

2019/20 (black graph line) and 2018/19 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES

2019/20 (black graph line) and 2018/19 (red graph line)



EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)
(In Australian, United States and European Currencies)

