

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 26 February 2021 (Week 35)

The AWEX EMI finished at 1306¢, 12¢ lower (-0.9%) in Australian currency and 19¢ higher (+1.9%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 35.

50,138 bales were on offer nationally, compared with 44,376 bales last sale. 18.4% of the offering was passed in after 4.8% of the potential offering was withdrawn prior to sale. 40,908 bales were sold.

AWEX reports that the value of the wool sold was \$61.2 million (\$1,496 per bale), taking the season total to \$1.208 billion (\$1,338 per bale). There is no comparative data for the number of bales sold as there was no sale in Week 35 last year.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 33)									
Centre	Last Sale		Day-to-Day Changes (Week 33)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	34	1318	-8	0	-4	-12 (-0.9%)	1306	+19	+6
Northern	34	1392	-7	-5	No Sale	-12 (-0.9%)	1380	+21	+6
Southern	34	1271	-8	+2	-6	-12 (-0.9%)	1259	+17	+5
Western	34	1372	-8	-4	No Sale	-12 (-0.9%)	1360	+20	+6

Changes in prices were strongly influenced by the 2.16¢ (2.8%) upward movement in the US Exchange Rate. It closed at 79.70¢ on Thursday, which was enough to cause falls in A\$ in most average AWEX Micron Price Guides, apart from the Crossbreds. The greatest falls among the Merinos were from 16.5 to 19.5 microns.

The downward impact on prices in A\$ that came with the big lift in the Exchange Rate was reflected in higher Pass-In rates, particularly in Fremantle where 32.4% of the offering was passed-in despite the WMI being at its second highest level for the season.

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

In other countries, the South African Cape Wools Indicator was up by 1.0% since last week against a 1.4% appreciation of the Rand against the US Dollar and a 0.6% appreciation against the Euro.

Looking ahead, offerings for the coming three sales are expected to range from 40,565 bales to 50,535 bales and to be 8.2% less than in the same period last year. The downward movement of 8.2% is associated with a catch-up in Weeks 36 to 38 last year after there was no sale in Week 35. The forecast progressive difference to Week 38 is +5.1%.

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	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 31	Start of the Season	Week 35 Last Year	Season Average to Week 35 Last Year
Eastern Market Indicator	+15 (+1.2%)	+181 (+16.1%)	No Sale	No Sale
Western Market Indicator	+68 (+5.3%)	+166 (+13.9%)	No Sale	No Sale

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 ¢	-50	-46	-41	-45	-45	-40	-46	-19	-22			
Change %	-2.2%	-2.1%	-2.0%	-2.4%	-2.6%	-2.4%	-3.0%	-1.3%	-1.7%			
Since Start of the Season												
Change ¢	+523	+487	+442	+414	+369	+321	+241	+160	+72			
Change %	+30.5%	+30.1%	+28.9%	+29.2%	+27.5%	+25.1%	+19.3%	+13.0%	+5.9%			
Since Same Week Last Year												
Change ¢	No Sale											
Change %	No Sale											

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 ¢		+6	+35	+23	+4	-21
Change %		+0.8%	+6.5%	+5.4%	+1.5%	-2.4%
Since Start of the Season						
Change ¢		-59	+7	-17	+10	+23
Change %		-7.0%	+1.2%	-3.6%	+3.7%	+2.8%
Since Same Week Last Year						
Change ¢		No Sale				
Change %		No Sale				

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 26 February 2021 (Week 35)

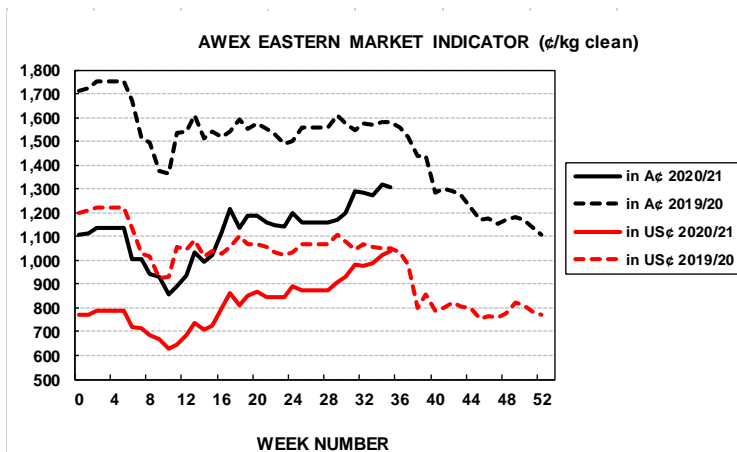
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the December ABS export data.

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 <sup>st</sup> Time Bales
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold	Bales	%	%
North	11,037	13,221	15.1%	4.0%	9.3%	11,227	+19,416	+7.4%	+8.6%
South	23,588	26,073	14.3%	4.7%	6.6%	22,355	+51,704	+10.6%	+11.6%
West	9,751	10,844	32.4%	5.9%	8.9%	7,326	-2,125	-1.0%	-45.0%
<b>Australia</b>	<b>44,376</b>	<b>50,138</b>	<b>18.4%</b>	<b>4.8%</b>	<b>7.8%</b>	<b>40,908</b>	<b>+68,995</b>	<b>+7.2%</b>	<b>+8.9%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 36	Week 37	Week 38	Differences
North	12,715	11,725	11,040	-0.6%
South	27,852	23,860	20,695	-6.7%
West	9,968	8,950	8,830	-19.3%
<b>New Zealand</b>				
<b>Australia</b>	<b>50,535</b>	<b>44,535</b>	<b>40,565</b>	<b>135,635</b>
<b>Differences</b>	<b>-18.7%</b>	<b>+2.2%</b>	<b>-3.4%</b>	<b>-8.2%</b>

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	77.54	+0.16	+1.06	+0.47	-0.10	+0.57	+2.16 (+2.8%)	79.70	69.24	79.70
Euro	64.42	-0.17	+0.73	+0.11	+0.04	+0.32	+1.03 (+1.6%)	65.45	59.77	65.45

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to December	
	December 2020	July to December 2020/21	July to December 2019/20	By Weight	By Value
China	87.5%	87.6%	76.8%	+22.8%	-8.7%
Czech Republic	2.1%	3.6%	3.1%	+24.4%	-31.2%
India	4.5%	3.3%	6.2%	-43.0%	-61.4%
Italy	2.6%	1.8%	5.9%	-67.0%	-74.2%
Korea	1.3%	1.6%	2.1%	-14.1%	-32.9%
Thailand	0.6%	0.5%	0.9%	-48.2%	-57.6%
Egypt	0.3%	0.3%	1.3%	-76.4%	-84.9%
Germany	0.1%	0.3%	0.4%	-22.5%	-34.9%
<b>Change all Countries</b>				<b>+7.6%</b>	<b>-22.9%</b>



AVERAGE EMI	
This Year	1117
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

SEASON AVERAGES		
Region	This Year	Diff
North	1175	-306
South	1079	-346
West	1165	-389

THIS YEAR'S EMI	
This Week	1306
First Week	1116
Low (11/01)	858
High (14/01)	1318

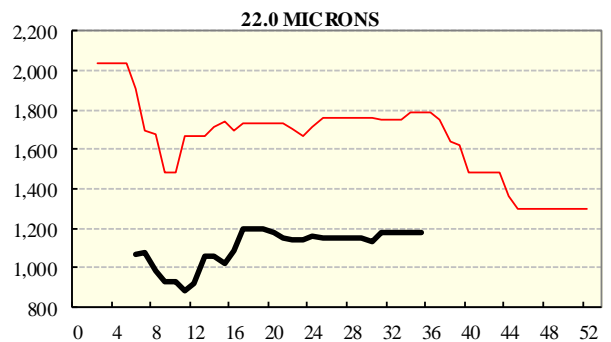
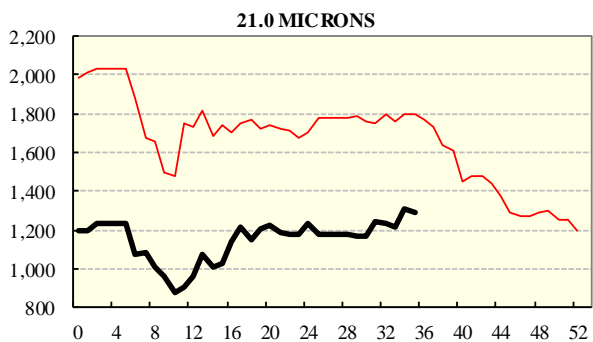
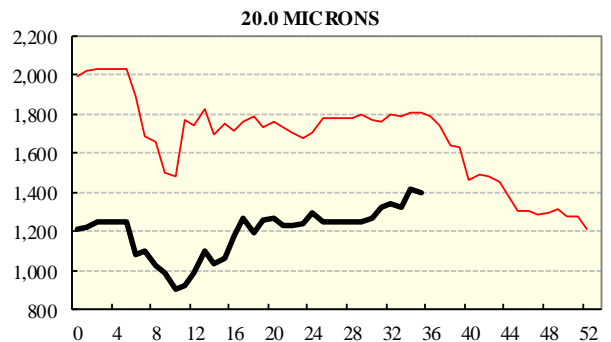
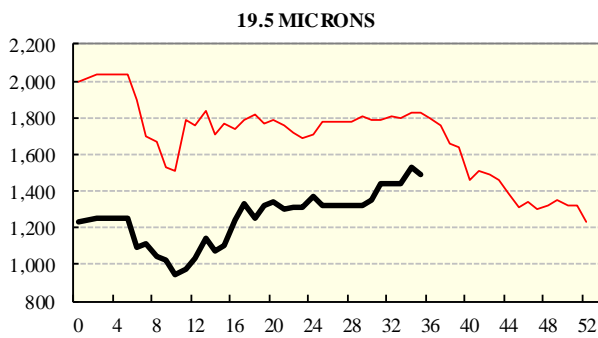
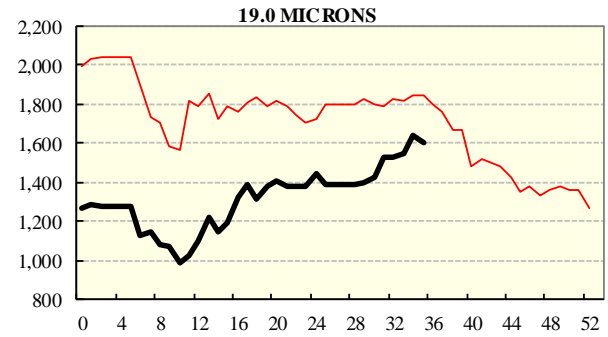
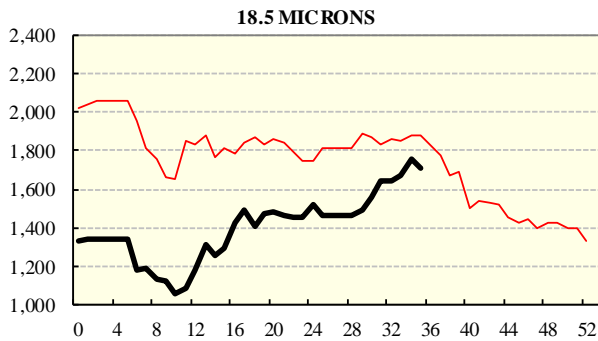
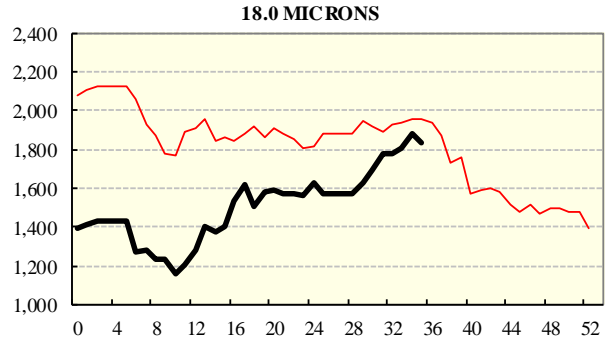
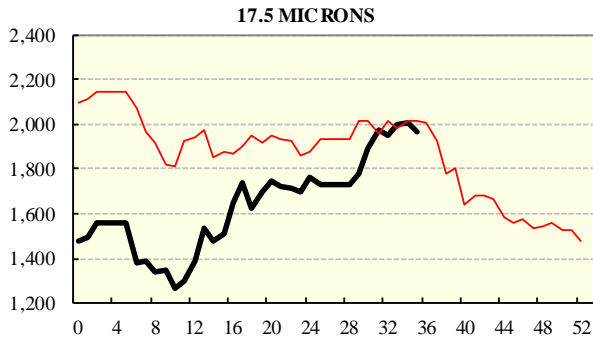
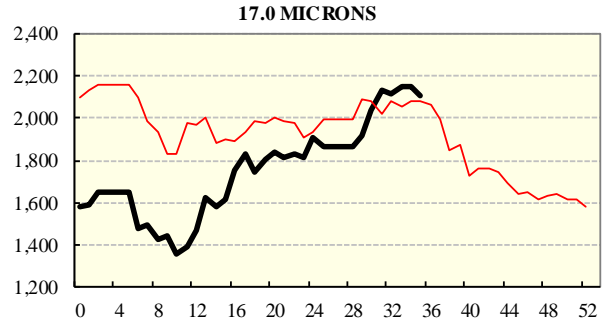
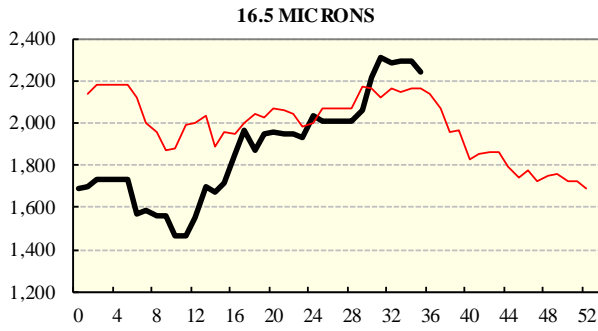
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1380	+213
South	1259	+161
West	1360	+166

BALES OFFERED	
This Year	1,027,163
Last Year	958,168
Difference	+68,995
% Diff	+7.2%
FIRST OFFERED BALES	
Difference	+8.9%
% of Offering	91.4%

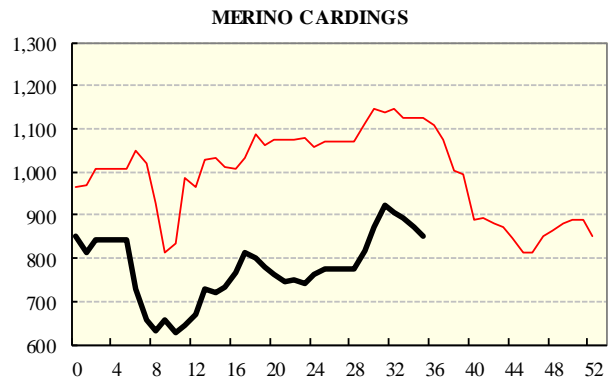
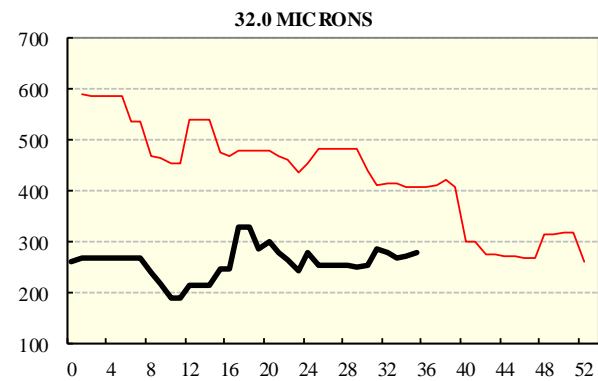
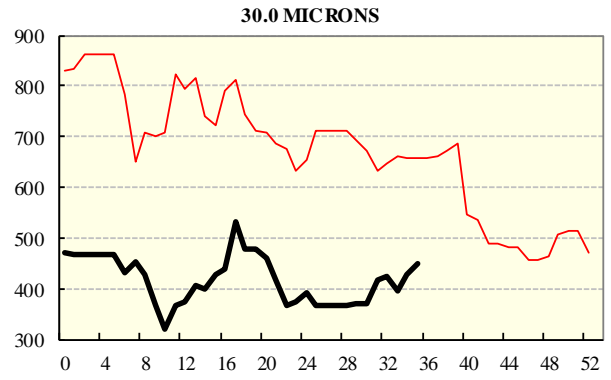
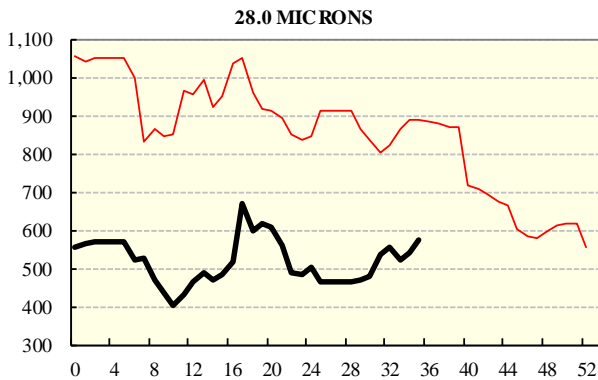
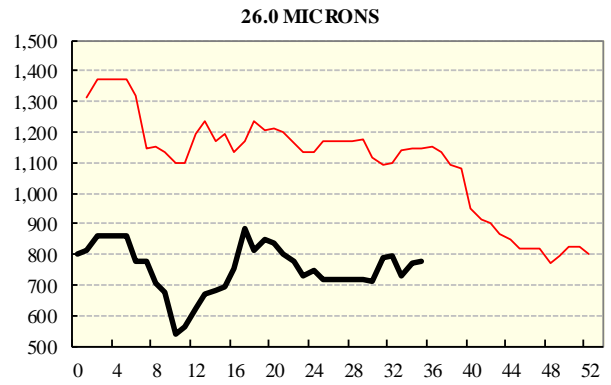
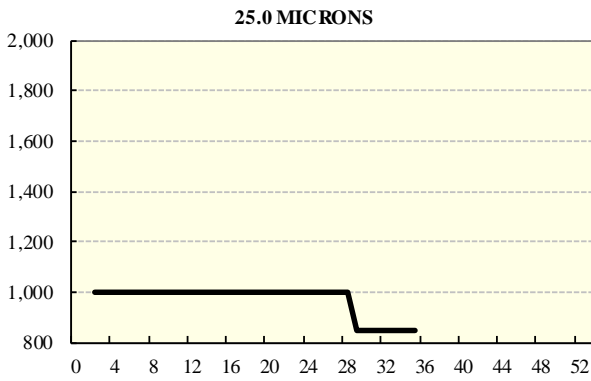
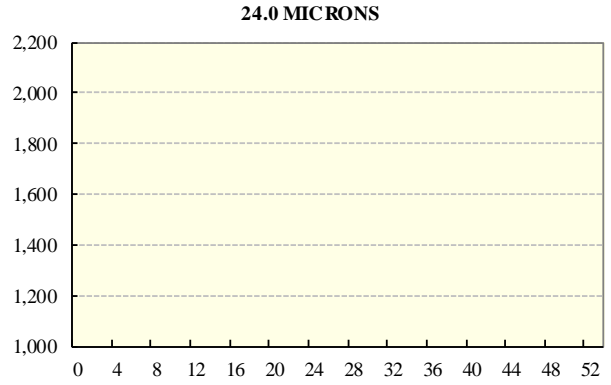
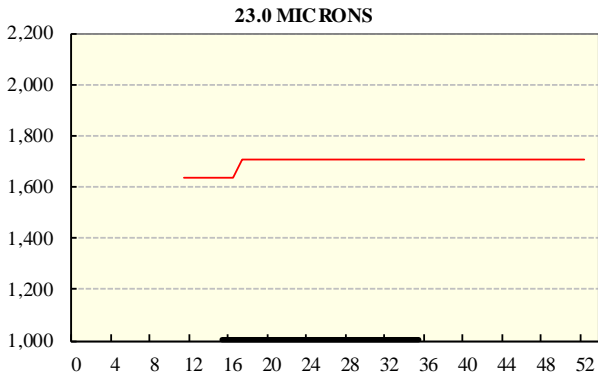
REGION BALES		
This Sale:		
North	13,221	
South	26,073	
West	10,844	
Progressive Totals:		Diff
North	281,670	+7.4%
South	540,393	+10.6%
West	205,100	-1.0%

## 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)

