

AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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AI AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC.

Week Ending 26 June 2020 (Week 52)

The AWEX EMI finished at 1110¢, 29¢ lower (-2.5%) in Australian currency and 13¢ lower (-1.7%) in US currency in the last sales of the season in Sydney, Melbourne and Fremantle in Week 52.

It has been a very tumultuous season as the global impact of Covid-19 has affected all sectors from grower to processor and retailer. The impact continues to be seen, with further downward movements in this week's market.

28,029 bales were on offer nationally, compared with 15,800 bales last sale. 11.5% of the offering was passed in after 6.8% of the potential offering was withdrawn prior to sale, leaving 24,804 bales as sold. It was the lowest Withdrawn Rate since mid-March.

AWEX reports that the value of the wool sold was \$31.7 million (\$1,278 per bale), taking the season total to \$1.948 billion (\$1,616 per bale). The number of bales sold at auction this season is now 18.8% less than in 2018/19. 12.4% fewer bales were offered over the season.

The closing EMI of 1110¢ was down by 605¢ (-35.3%) from Week 52 last season, while the total Sale Proceeds of \$1.948 billion were \$1.227 billion (-38.6%) less than in the previous season.

Looking at the changes since the start of the season, the falls were least at the fine end, where the AWEX average 16.5 MPG is down by 21.8%. The falls progressively increased to -40.9% at 21 microns.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 52)									
Centre	Last Sale		Day-to-Day Changes (Week 52)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	51	1139	-22	-7	No Sale	-29 (-2.5%)	1110	-13	-14
Northern	51	1185	-21	-4	No Sale	-25 (-2.1%)	1160	-11	-11
Southern	51	1110	-22	-10	No Sale	-32 (-2.9%)	1078	-16	-17
Western	50	1247	-63	-8	No Sale	-71 (-5.7%)	1176	-42	-39

Much of the market movement occurred on Tuesday, before the market steadied on Wednesday. The big fall in the West on Tuesday was due to there being no sale in Fremantle last week when there was a 32¢ fall in the EMI.

The US Exchange Rate finished 0.61¢ (0.9%) higher to stay close to 70¢ at 69.43¢ on Wednesday.

Buyers for China continued their dominance in the absence of significant support from other countries.

Looking ahead, the expected offerings in Weeks 01 and 02 (prior to the mid-year break) are expected to be 31,072 bales (+0.3%) and 29,767 bales (-12.7%) respectively.

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	Four Sales Ago Week 48	Changes From		
		Start of the Season	Week 52 Last Year	Season Average to Week 52 Last Year
Eastern Market Indicator	-60 (-5.1%)	-629 (-36.2%)	-605 (-35.3%)	-491 (-25.3%)
Western Market Indicator	-63 (-5.1%)	-705 (-37.5%)	-656 (-35.8%)	-534 (-25.6%)

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 ¢	-16	-19	-23	-36	-22	-25	-34	-14	-26			
Change %	-0.9%	-1.2%	-1.5%	-2.5%	-1.6%	-1.9%	-2.7%	-1.1%	-2.1%			
Since Start of the Season												
Change ¢	-472	-562	-651	-720	-722	-767	-793	-814	-827			
Change %	-21.8%	-26.2%	-30.6%	-34.0%	-35.2%	-37.7%	-39.1%	-40.1%	-40.9%			
Since Same Week Last Year												
Change ¢		-516	-620	-682	-688	-728	-757	-776	-790			
Change %		-24.6%	-29.6%	-32.8%	-34.1%	-36.4%	-38.0%	-39.0%	-39.8%			

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 ¢			-6	-38	-24	-38
Change %			-0.7%	-6.4%	-4.8%	-12.8%
Since Start of the Season						
Change ¢			-541	-488	-377	-329
Change %			-40.3%	-46.7%	-44.5%	-55.9%
Since Same Week Last Year						
Change ¢				-499	-360	-110
Change %				-47.3%	-43.3%	-11.4%

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 26 June 2020 (Week 52)

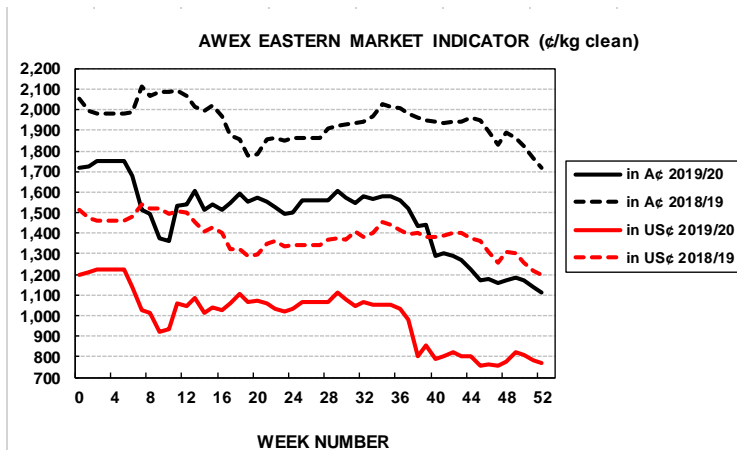
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the April ABS export data.

Details of this Week's Offering and the Comparison with the Previous Sale's Offering							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	6,693	7,176	10.1%	3.7%	8.2%	6,448	-57,788	-13.0%	-16.7%
South	9,107	14,618	12.0%	7.3%	12.7%	12,868	-119,883	-13.6%	-17.4%
West		6,235	12.0%	9.0%	18.8%	5,488	-28,577	-8.6%	-13.2%
Australia	15,800	28,029	11.5%	6.8%	12.9%	24,804	-206,248	-12.4%	-16.4%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 01	Week 02	Week 03	Differences
North	9,677	8,182	No Sale	-26.4%
South	14,291	14,485	No Sale	+2.7%
West	7,104	7,100	No Sale	+11.1%
New Zealand				
Australia	31,072	29,767		60,839
Differences	+0.3%	-12.7%		-6.5%

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	68.82	-0.21	-0.01	+0.37	+0.46	Public	+0.61 (+0.9%)	69.43	55.71	70.36
Euro	61.05	+0.13	+0.09	-0.01	+0.10	Holiday	+0.31 (+0.5%)	61.36	51.12	62.48

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to April	
	April 2020	July to April 2019/20	July to April 2018/19	By Weight	By Value
China	93.0%	78.7%	77.0%	-14.5%	-32.0%
India	0.8%	5.8%	5.9%	-17.4%	-32.5%
Italy	1.4%	4.5%	5.0%	-25.1%	-39.3%
Czech Republic	0.4%	3.7%	3.6%	-14.9%	-30.5%
Korea	1.2%	1.9%	2.5%	-36.4%	-45.9%
Egypt	0.8%	1.1%	0.9%	+1.0%	-20.1%
Thailand	0.9%	0.9%	1.0%	-22.0%	-43.8%
Taiwania	0.2%	0.6%	0.6%	-22.7%	-48.2%
Change all Countries				-16.1%	-33.1%



AVERAGE EMI	
This Year	1448
Last Year	1939
2017/18	1739
2016/17	1408
2015/16	1254

SEASON AVERAGES		
Region	This Year	Diff
North	1482	-500
South	1426	-487
West	1554	-535

THIS YEAR'S EMI	
This Week	1110
First Week	1723
Low (13/01)	1110
High (11/01)	1754

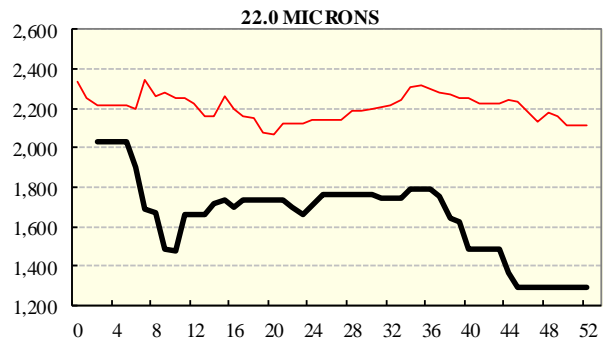
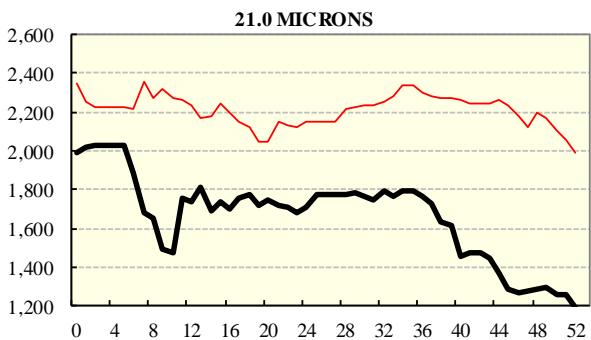
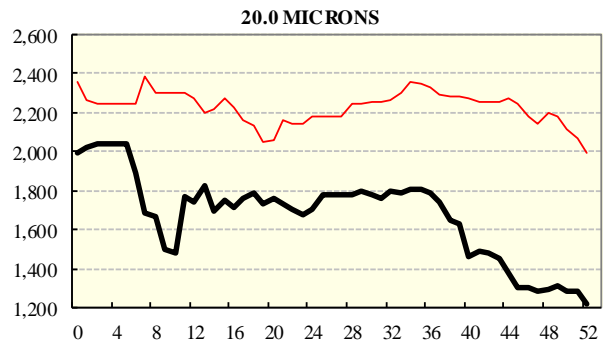
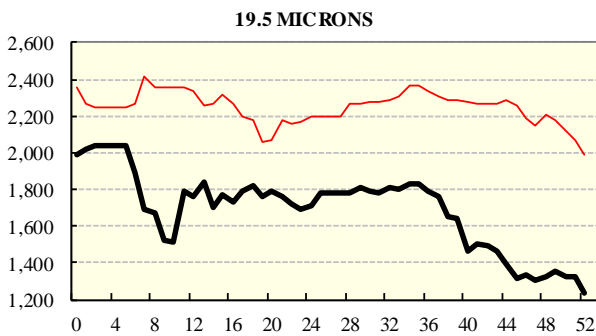
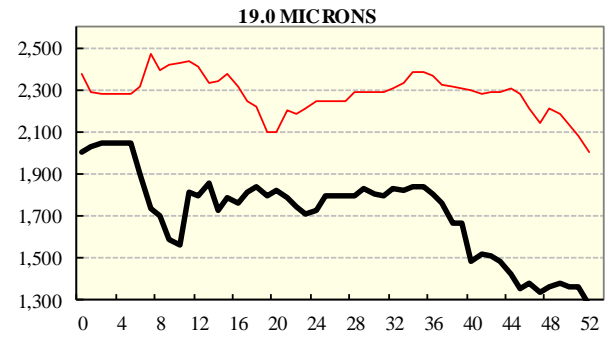
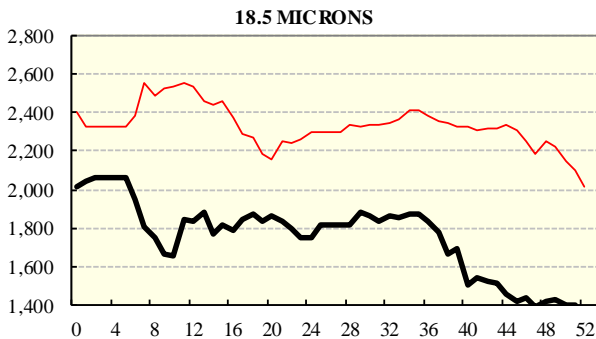
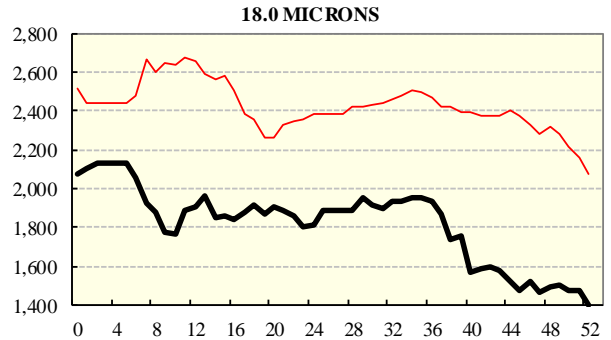
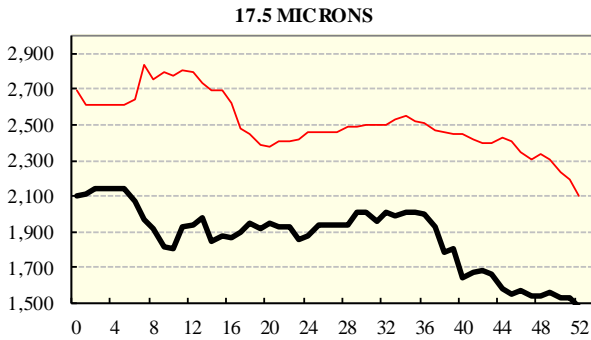
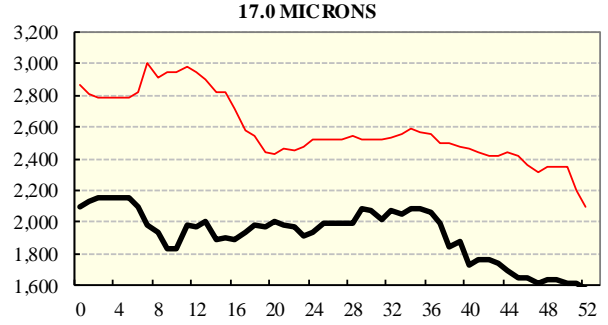
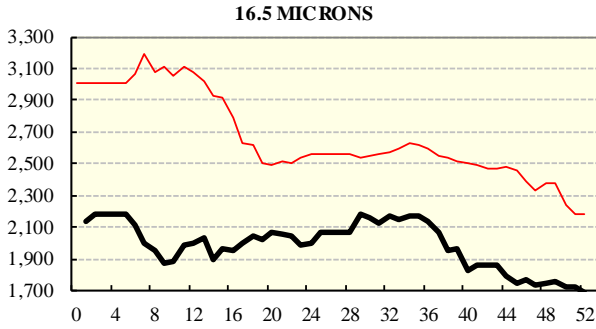
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1160	-599
South	1078	-647
West	1176	-705

BALES OFFERED	
This Year	1,451,643
Last Year	1,657,891
Difference	-206,248
% Diff	-12.4%
FIRST OFFERED BALES	
Difference	-16.4%
% of Offering	88.9%

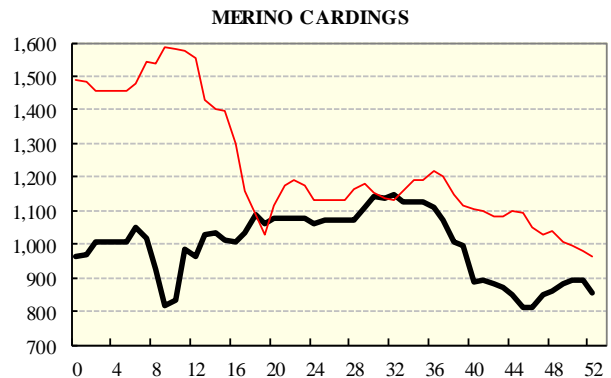
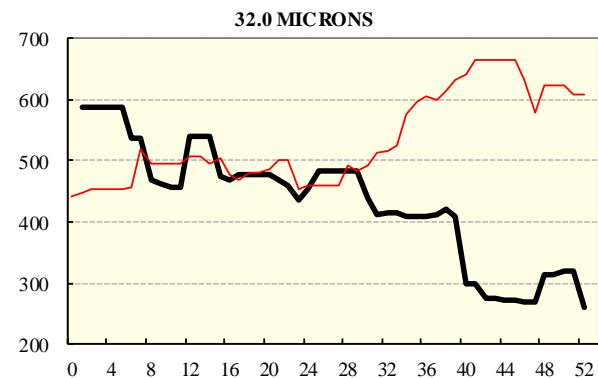
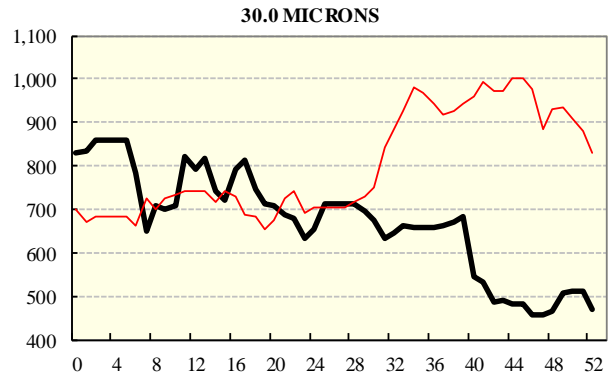
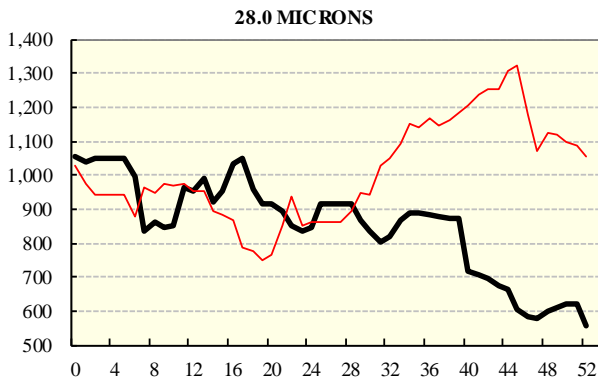
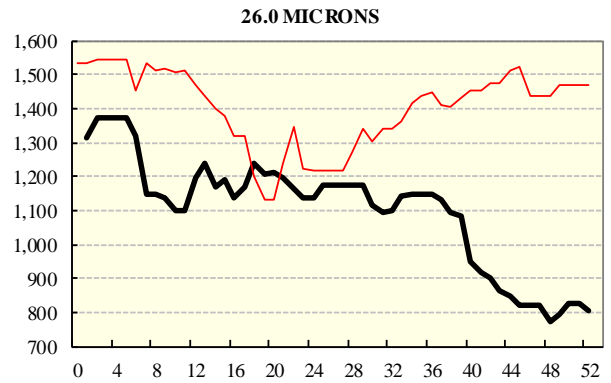
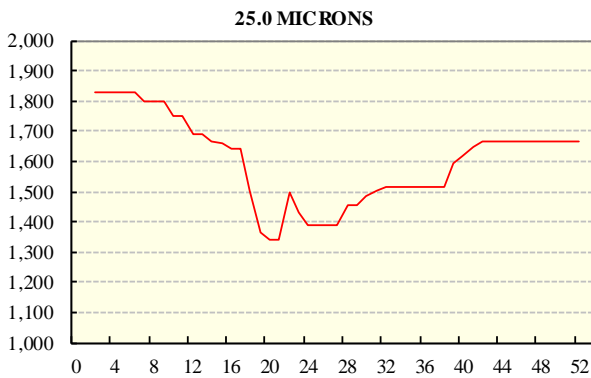
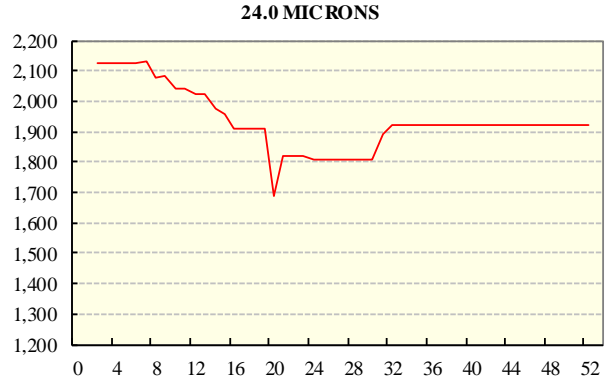
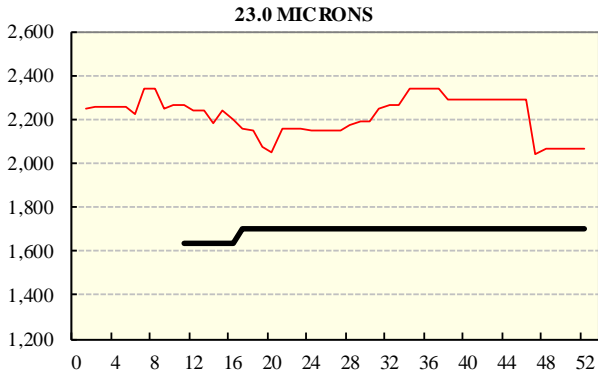
REGION BALES		
This Sale:		
North	7,176	
South	14,618	
West	6,235	
Progressive Totals:		Diff
North	387,726	-13.0%
South	759,787	-13.6%
West	304,130	-8.6%

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)

