

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW Week Ending 28 September 2018 (Week 13)

It was a very mixed week in which the AWEX EMI eased sharply to finish at 2013¢, 54¢ lower (-2.6%) in Australian currency and 45¢ lower (-3.0%) in US currency at sales in Sydney, Melbourne and Fremantle.

The unusual selling pattern between the three centres was due to Friday being a Public Holiday in Melbourne for the AFL Grand Final.

32,985 bales were on offer nationally, compared with 35,211 bales last sale. Sellers reacted to the fall in the market by passing in 14.1% of the offering. The Pass-In Rate was 47.4% in Fremantle on Wednesday when the WMI fell by 74¢.

Despite the fall in the market, those who sold wool did very well, with the value of the wool sold at \$69.3 million (\$2,445 per bale). It took the season total to \$828.6 (\$2,330 per bale).

The average value per bale was \$1,827 in Week 13 last year.

Centre	Last Sale		Day-to-Day Changes (Week 13)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	12	2067	-17	-27	-10	-54 (-2.6%)	2013	-45	-40
Northern	12	2140	No Sale	-41	-25	-66 (-3.1%)	2074	-54	-48
Southern	12	2022	-29	-18	No Sale	-47 (-2.3%)	1975	-39	-35
Western	12	2222	No Sale	-74	-7	-81 (-3.6%)	2141	-64	-58

It was a very mixed market, as can be seen from the wide fluctuations in the closing average Indicator values between days and between Regions in the above Table. Trade reports indicate that there were significant differences again between the demand for the better types and demand for the lesser types.

Price movements among the average closing AWEX Micron Price Guides were least at the fine end, where there was keen demand from Europe.

The US Exchange Rate finished 0.27¢ (-0.4%) lower to close at 72.33¢ on Thursday, after moving up slightly last week.

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

Looking ahead, offerings for the coming three sales are expected to range from 35,400 bales in Week 15 to 42,500 bales in Week 14 and to be 4.2% less than in the same period last year.

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 09	Start of the Season	Week 13 Last Year	Season Average to Week 13 Last Year
Eastern Market Indicator	-77 (-3.7%)	+25 (+1.3%)	+491 (+32.3%)	+503 (+32.5%)
Western Market Indicator	-114 (-5.1%)	-1 (0.0%)	+571 (+36.4%)	+612 (+38.4%)

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 ¢	-58	-40	-65	-73	-72	-74	-76	-73	-62	-62		
Change %	-1.9%	-1.4%	-2.3%	-2.7%	-2.8%	-3.1%	-3.3%	-3.2%	-2.8%	-2.8%		
Since Start of the Season												
Change ¢	+16	+103	+122	+147	+134	+51	+2	-55	-72	-74		
Change %	+0.5%	+3.7%	+4.7%	+6.0%	+5.8%	+2.2%	+0.1%	-2.4%	-3.2%	-3.3%		
Since Same Week Last Year												
Change ¢	+749	+682	+567	+513	+528	+544	+568	+596	+639	+679		
Change %	+32.9%	+30.7%	+26.2%	+24.7%	+27.3%	+30.4%	+33.5%	+37.2%	+41.7%	+45.9%		

Micron	25.0	26.0	28.0	30.0	32.0	MC#
Since Last Sale						
Change ¢			-32			-127
Change %			-2.2%			-8.2%
Since the Start of the Season						
Change ¢	+481	+329	+230	+147	+56	+103
Change %	+40.5%	+29.7%	+30.0%	+26.3%	+14.6%	+7.0%
Since Same Week Last Year						
Change ¢	+528	+380	+245	+141		+275
Change %	+46.3%	+36.0%	+32.6%	+25.0%		+23.1%

Average Merino Cardings Price Guide

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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.

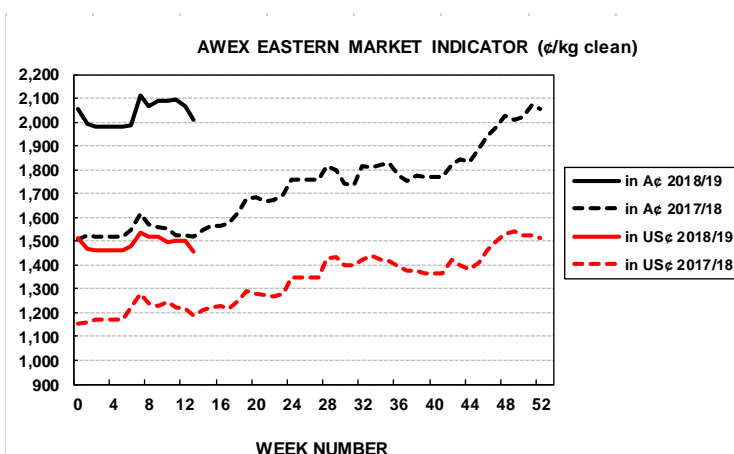
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	8,290	10,263	11.1%	1.8%	2.0%	9,127
South	21,058	16,685	9.1%	1.9%	2.4%	15,164
West	5,863	6,037	32.9%	8.0%	2.1%	4,051
Australia	35,211	32,985	14.1%	3.1%	2.2%	28,342

Actual and % Changes in the Progressive Offerings from Last Year	
-21,545	-15.1%
-24,609	-11.3%
-13,485	-18.1%
-59,639	-13.7%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 14	Week 15	Week 16	Differences
North	10,488	9,730	9,540	-12.0%
South	24,268	18,166	21,500	-0.8%
West	7,790	7,500	7,500	-2.0%
New Zealand	610			
Australia	42,546	35,396	38,540	-4.2%
Differences	+11.3%	-5.7%	-15.8%	

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	72.60	+0.36	-0.34	-0.18	+0.20	-0.31	-0.27 (-0.4%)	72.33	71.71	74.41
Euro	62.14	-0.23	-0.02	-0.23	+0.10	+0.04	-0.34 (-0.5%)	61.80	61.70	64.08

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to July	
	July 2018	July to July 2018/19	July to July 2017/18	By Weight	By Value
China	73.6%	73.6%	70.3%	-18.7%	+14.4%
India	8.4%	8.4%	9.4%	-30.7%	-12.3%
Italy	7.1%	7.1%	6.7%	-17.1%	-1.1%
Czech Republic	5.2%	5.9%	5.0%	+19.9%	+20.2%
Malaysia	2.1%	1.6%	1.0%	+72.4%	+116.9%
Korea	1.3%	1.4%	1.7%	-4.9%	-8.0%
Taiwan	0.2%	0.6%	0.7%	-2.6%	-13.7%
Egypt	0.7%	1.0%	1.0%	+5.3%	+38.7%
Change all Countries				+10.6%	+20.9%



AVERAGE EMI	
This Year	2050
Last Year	1739
2016/17	1408
2015/16	1254
2014/15	1102

SEASON AVERAGES		
Region	This Year	Diff
North	2102	+290
South	2018	+324
West	2205	+398

THIS YEAR'S EMI	
This Week	2013
First Week	1994
Low (0/01)	1981
High (0/01)	2116

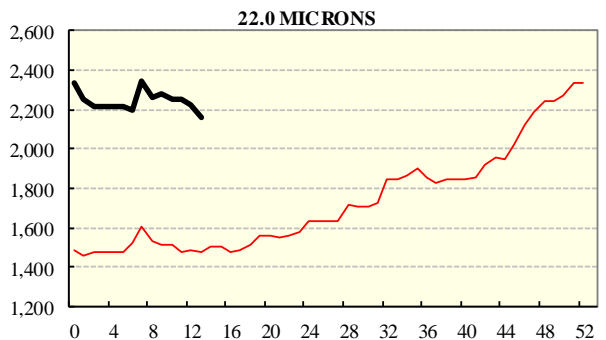
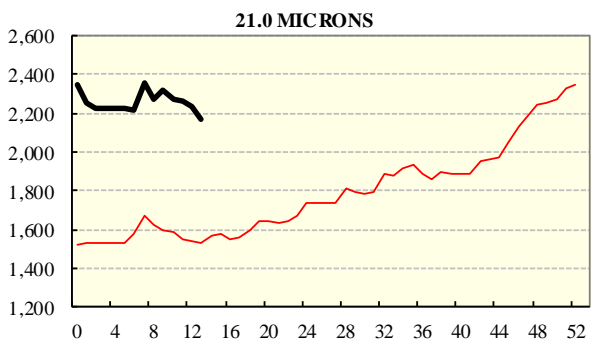
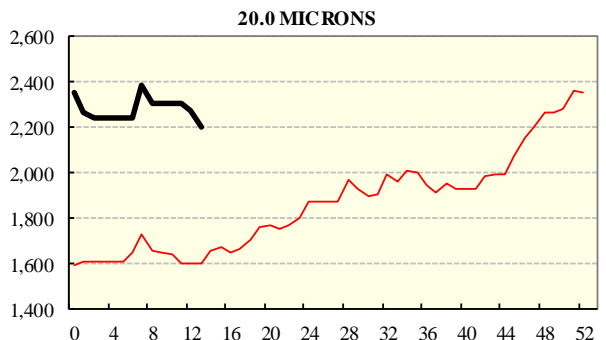
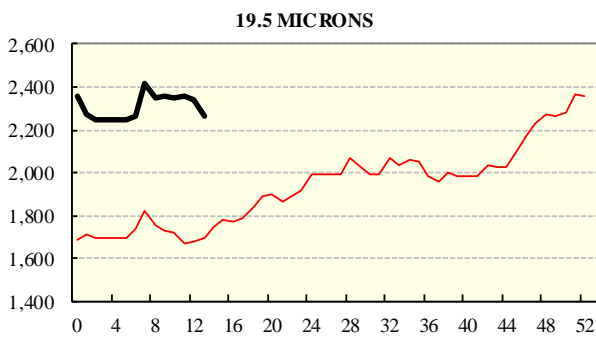
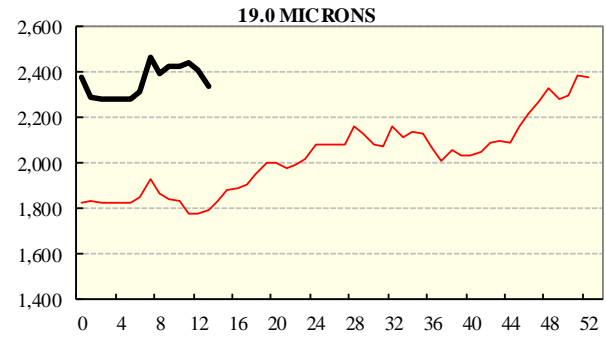
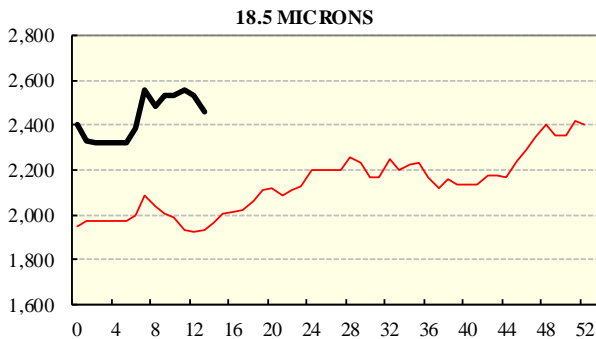
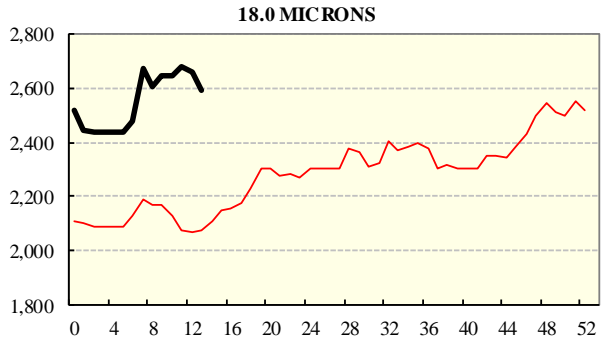
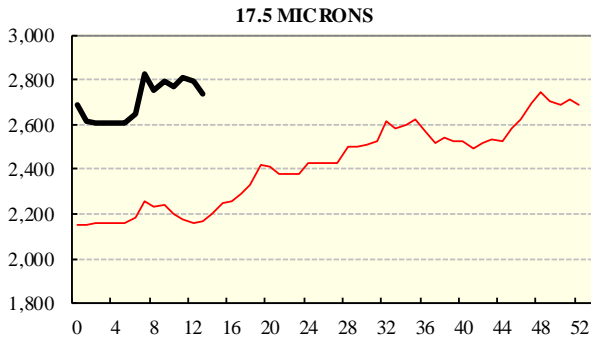
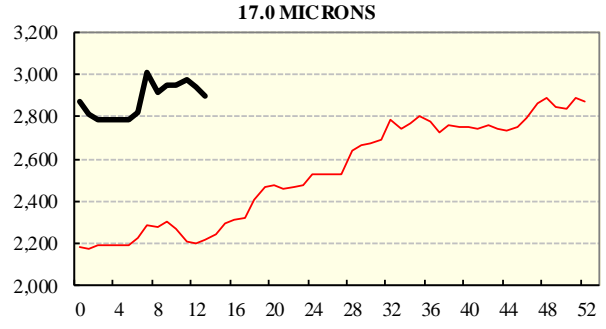
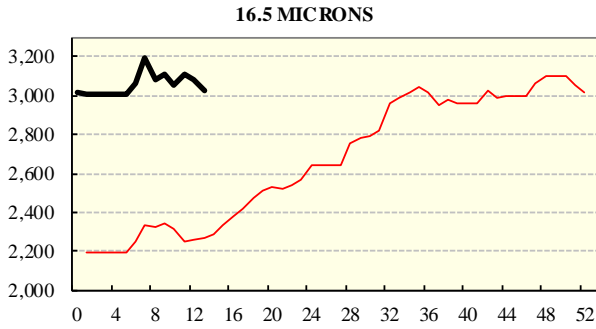
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	2074	+54
South	1975	+7
West	2141	-1

BALES OFFERED	
This Year	376,129
Last Year	435,768
Difference	-59,639
% Diff	-13.7%
FIRST OFFERED BALES	
Difference	-12.7%
% of Offering	95.9%

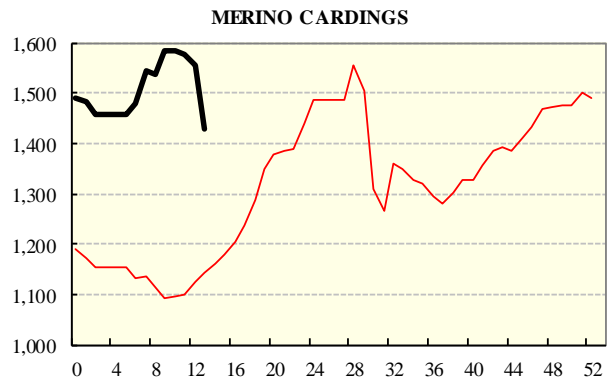
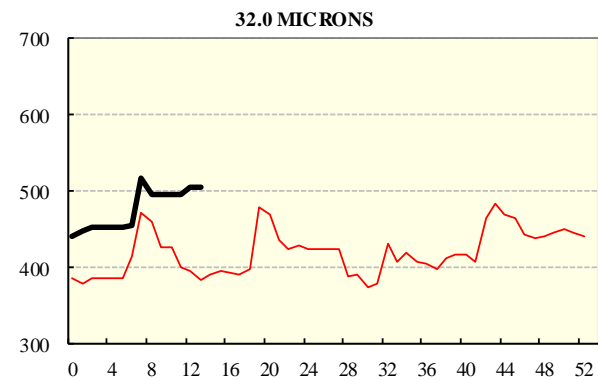
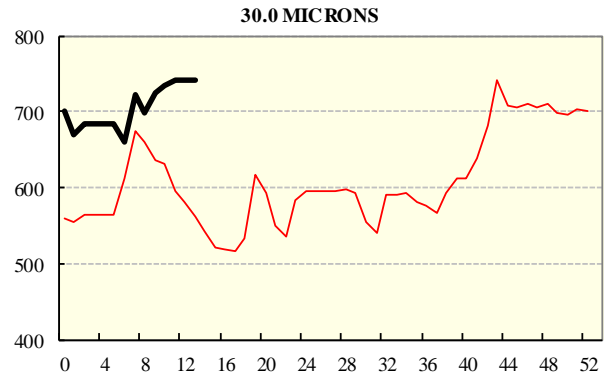
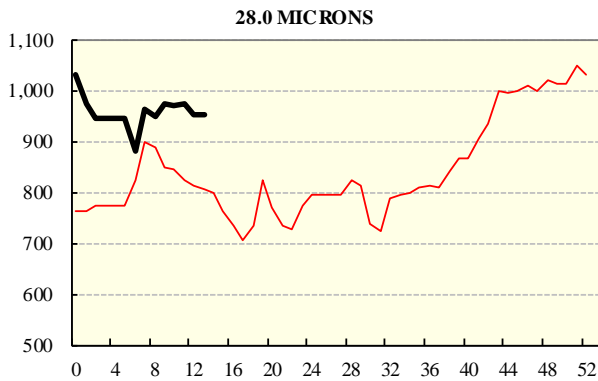
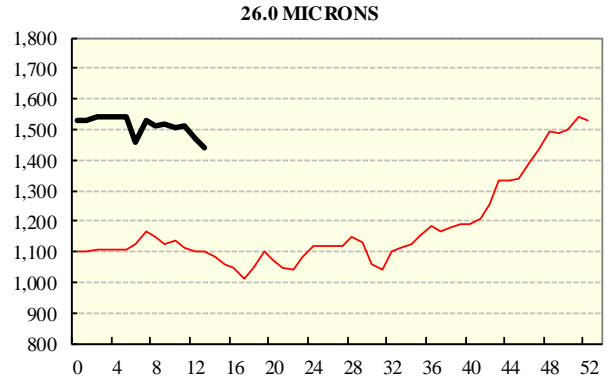
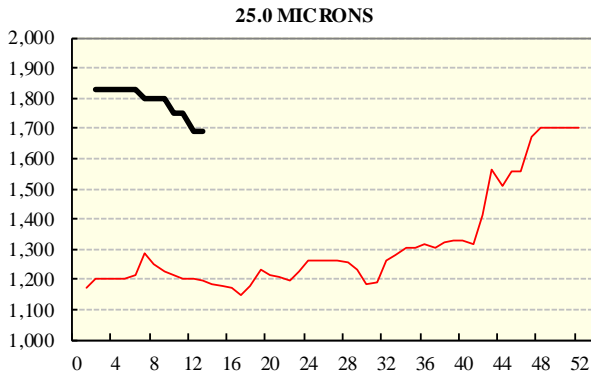
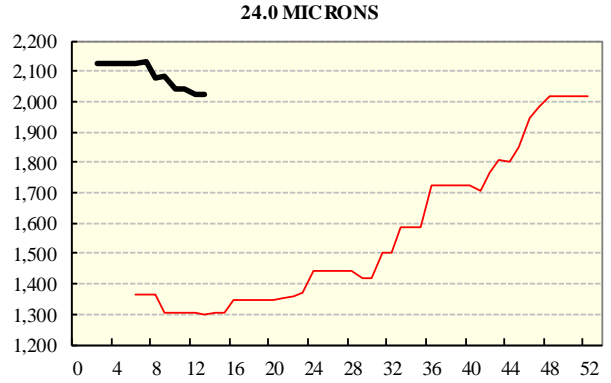
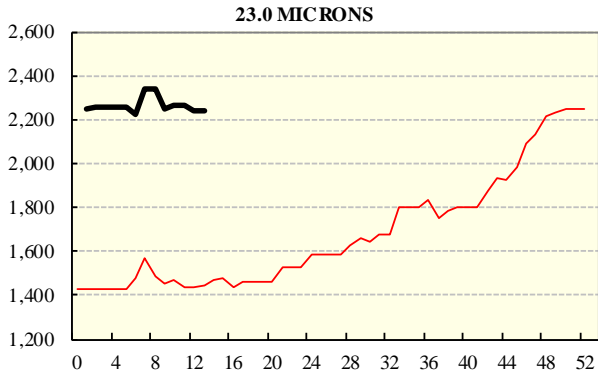
REGION BALES		
This Sale:		
North	10,263	
South	16,685	
West	6,037	
Progressive Totals:		
North	121,590	-15.1%
South	193,720	-11.3%
West	60,819	-18.1%

AVERAGE AWEX MICRON PRICE GUIDES

2018/19(black graph line) and 2017/18 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES 2018/19 (black graph line) and 2017/18 (red graph line)



EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)

