

AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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AI AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC.

Week Ending 3 July 2020 (Week 01)

The AWEX EMI steadied in another larger sale, when it finished 6¢ higher (+0.5%) in Australian currency and 2¢ higher (+0.3%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 01.

30,821 bales were on offer nationally, compared with 28,029 bales last sale. 5.1% of the offering was passed in after 4.8% of the potential offering was withdrawn prior to sale, leaving 29,264 bales as sold. The Withdrawn Rate was the lowest since mid-January and the Passed-In Rate was the lowest since 2018/19

AWEX reports that the value of the wool sold was \$37.0 million (\$1,264 per bale). The number of bales sold at auction this week was slightly greater (+0.9%) than in Week 01 in 2019/20.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 01)									
Centre	Last Sale		Day-to-Day Changes (Week 01)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	52	1110	No Sale	+4	+2	+6 (+0.5%)	1116	+2	+5
Northern	52	1160	No Sale	0	-1	-1 (-0.1%)	1159	-3	0
Southern	52	1078	No Sale	+6	+4	+10 (+0.9%)	1088	+5	+8
Western	52	1176	No Sale	+7	+2	+9 (+0.8%)	1185	+4	+6

The market steadied as it moves towards the mid-season break. The EMI and the WMI both moved up slightly on Wednesday and Thursday. Most average AWEX Micron Price Guides moved up for both Merino and Crossbred types, with the greatest rises from 17.5 to 19.0 microns.

The US Exchange Rate was steady when it finished 0.19¢ (-0.3%) lower to close at 69.24¢ on Thursday. It has been over 69¢ in five of the last six weeks.

Buyers for China continued their dominance in the absence of significant support from other countries. ABS export data for May was released during the week. It showed that 92% of Australia's wool exports went to China in May, on top of the 93% in April

In other countries, the South African Cape Wools Indicator was up by 1.3% since last week against a 0.5% appreciation of the Rand against the US Dollar and a 1.1% appreciation against the Euro.

Looking ahead, next week's sale is the last before the mid-year three week break. It is currently forecast to be 36,712 bales, 7.7% more than in Week 02 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 49	Start of the Season	Week 01 Last Year	Season Average to Week 01 Last Year
Eastern Market Indicator	-67 (-5.7%)	0 (0.0%)	-607 (-35.2%)	-607 (-35.2%)
Western Market Indicator	No Sale	0 (0.0%)	-682 (-36.5%)	-682 (-36.5%)

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 ¢	+5	+10	+16	+12	+10	+13	+8	+8	+2			
Change %	+0.3%	+0.6%	+1.1%	+0.9%	+0.8%	+1.0%	+0.6%	+0.7%	+0.2%			
Since Start of the Season												
Change ¢	0	0	0	0	0	0	0	0	0			
Change %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Since Same Week Last Year												
Change ¢	-445	-541	-620	-694	-701	-747	-776	-798	-817			
Change %	-20.8%	-25.4%	-29.3%	-33.0%	-34.3%	-36.8%	-38.4%	-39.5%	-40.5%			

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	+7	-5	+8	-41
Change %		+1.2%	+1.3%	-1.1%	+3.1%	-4.8%
Since Start of the Season						
Change ¢		0	0	0	0	0
Change %		0.0%	0.0%	0.0%	0.0%	0.0%
Since Same Week Last Year						
Change ¢		-502	-476	-369	-321	-155
Change %		-38.2%	-45.8%	-44.2%	-54.5%	-16.0%

MC Average Merino Cardings Price Guide

AWIS WOOL MARKET REVIEW

Week Ending 3 July 2020 (Week 01)

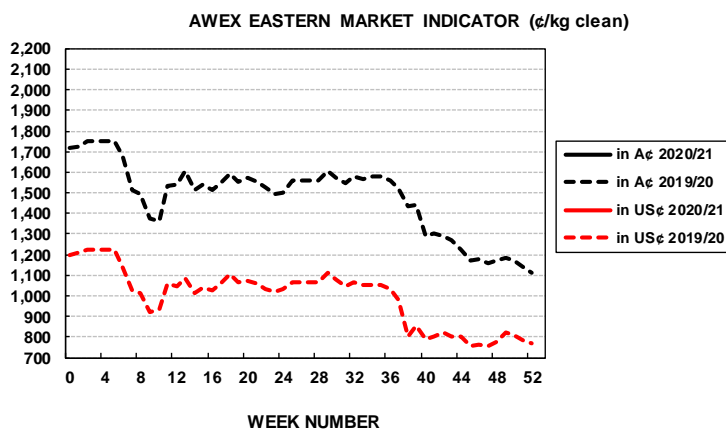
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the May ABS export data.

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	7,176	9,928	5.1%	3.2%	4.1%	9,425	-2,440	-19.7%	-19.1%
South	14,618	13,791	5.3%	4.7%	11.5%	13,065	+2,826	+25.8%	+21.9%
West	6,235	7,102	4.6%	7.0%	12.5%	6,774	-556	-7.3%	-11.8%
Australia	28,029	30,821	5.1%	4.8%	9.3%	29,264	-170	-0.5%	-3.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 02	Week 03	Week 04	Differences
North	11,600	No Sale	No Sale	-2.4%
South	20,363	No Sale	No Sale	+19.3%
West	4,749	No Sale	No Sale	-7.3%
New Zealand				
Australia	36,712			36,712
Differences	+7.7%			+7.7%

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	69.43	-0.55	-0.09	-0.16	+0.32	+0.29	-0.19 (-0.3%)	69.24	69.24	69.24
Euro	61.36	+0.02	-0.24	-0.03	+0.32	+0.03	+0.10 (+0.2%)	61.46	61.46	61.46

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to May	
	May 2020	July to May 2019/20	July to May 2018/19	By Weight	By Value
China	91.7%	79.7%	77.7%	-15.4%	-33.9%
India	1.0%	5.4%	5.8%	-22.6%	-36.8%
Italy	1.9%	4.3%	4.8%	-26.5%	-41.2%
Czech Republic	0.1%	3.4%	3.6%	-21.8%	-34.7%
Korea	2.5%	1.9%	2.5%	-35.1%	-45.4%
Egypt	0.3%	1.1%	0.9%	-2.3%	-23.4%
Thailand	0.6%	0.9%	0.9%	-24.3%	-45.6%
Taiwania		0.5%	0.6%	-31.4%	-53.5%
Change all Countries				-17.5%	-35.1%



AVERAGE EMI	
This Year	1116
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

SEASON AVERAGES		
Region	This Year	Diff
North	1159	-323
South	1088	-338
West	1185	-369

THIS YEAR'S EMI	
This Week	1116
First Week	1116
Low (10/01)	1116
High (10/01)	1116

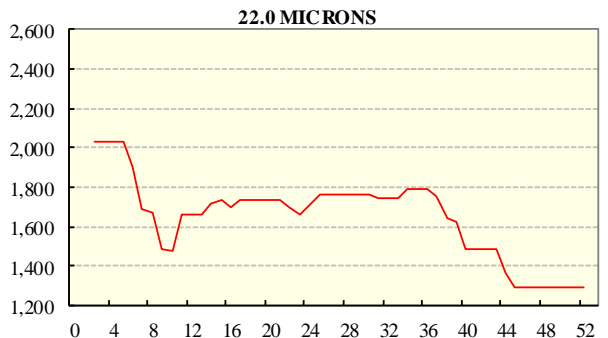
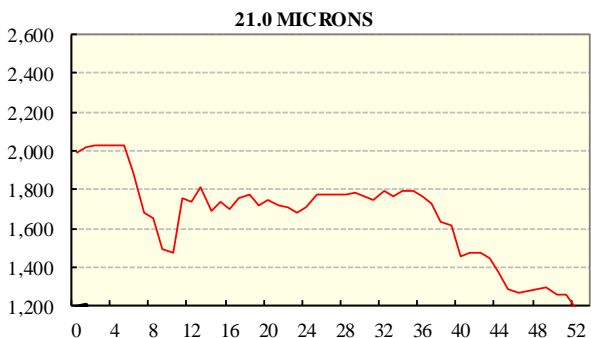
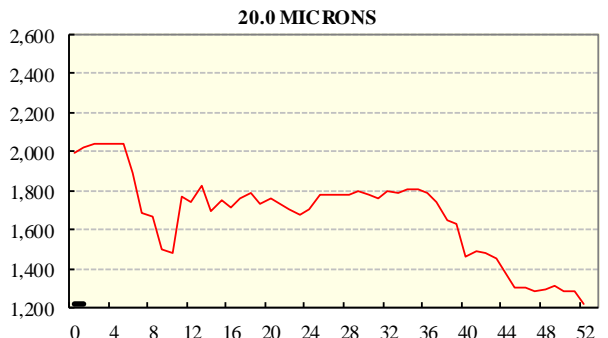
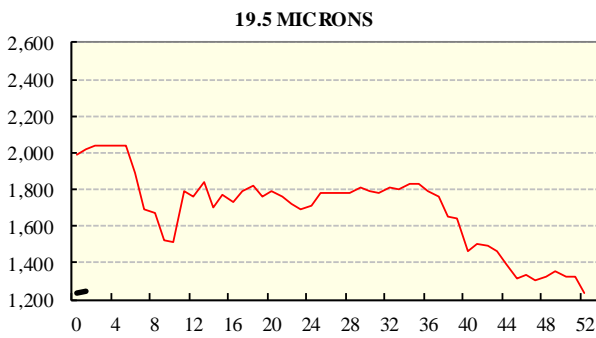
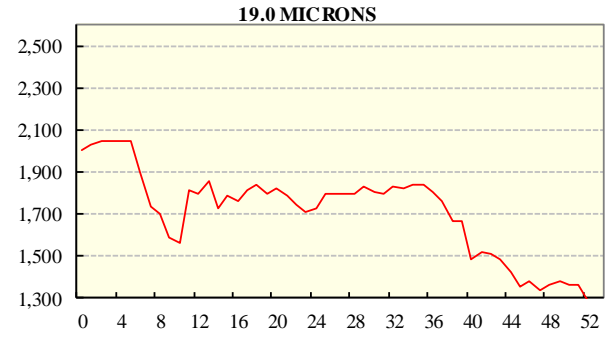
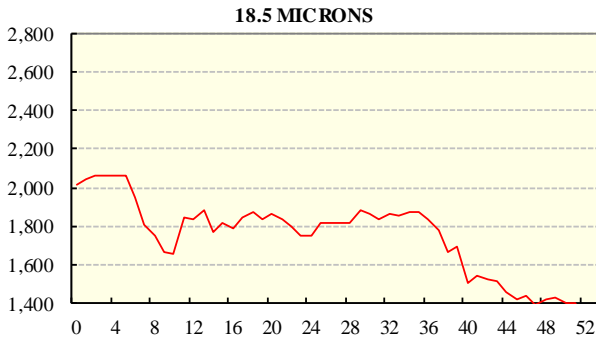
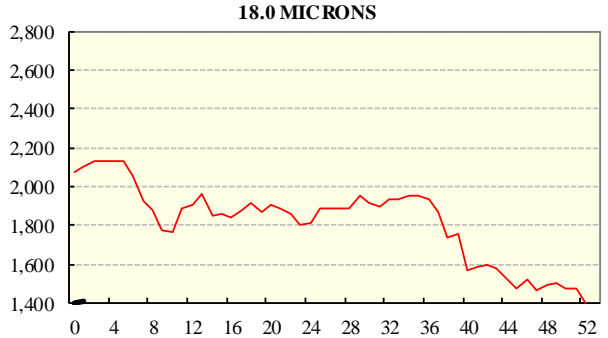
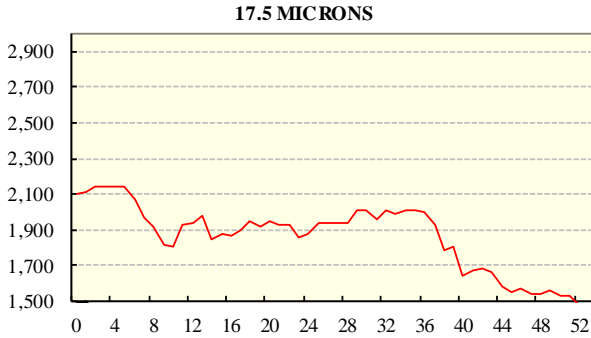
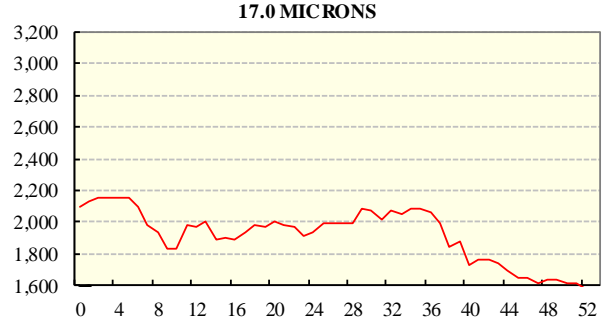
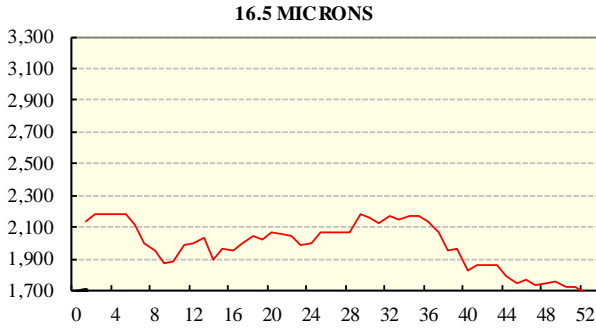
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1159	
South	1088	
West	1185	

BALES OFFERED	
This Year	30,821
Last Year	30,991
Difference	-170
% Diff	-0.5%
FIRST OFFERED BALES	
Difference	-3.1%
% of Offering	90.7%

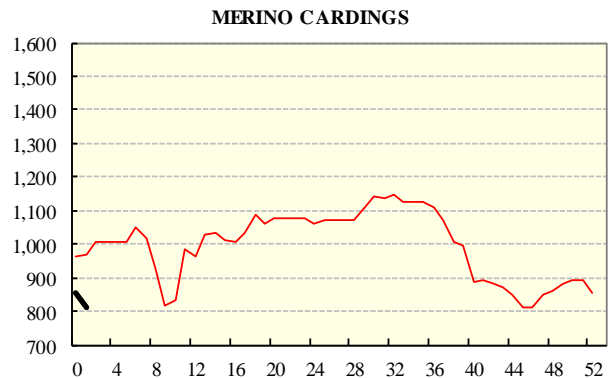
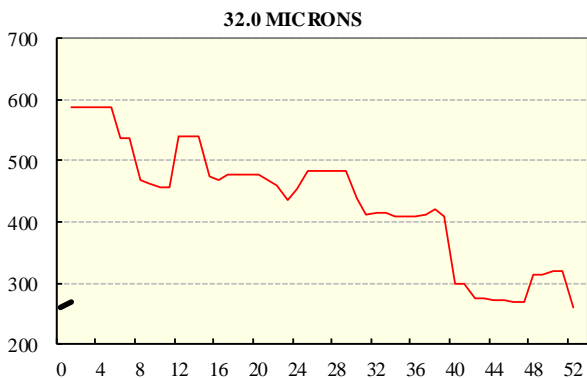
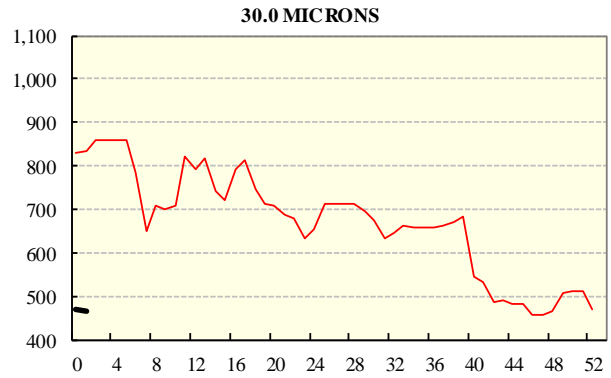
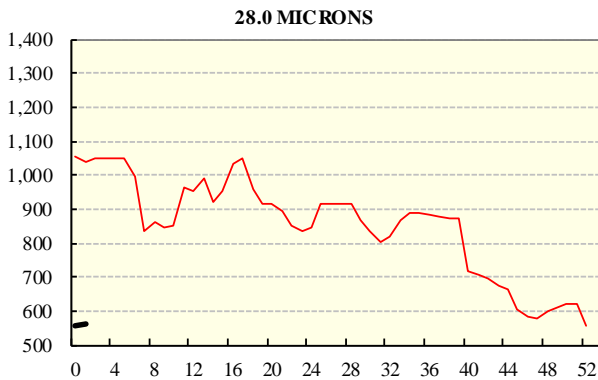
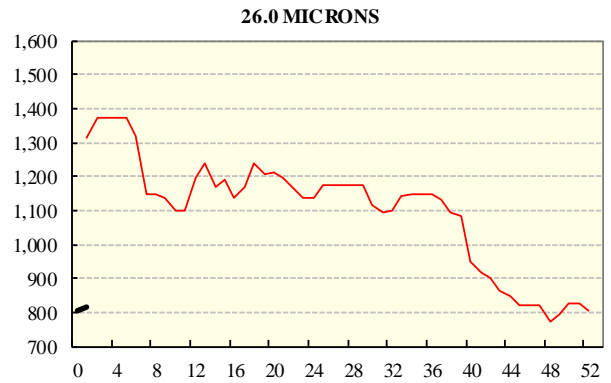
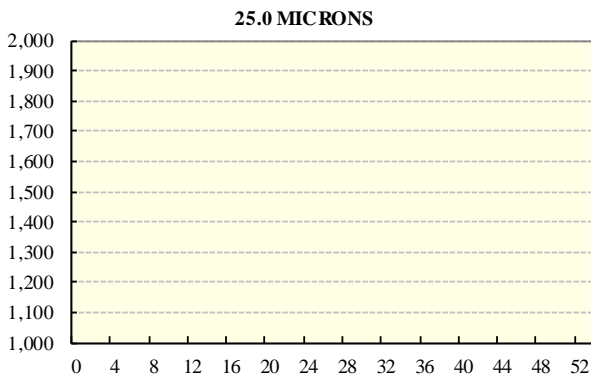
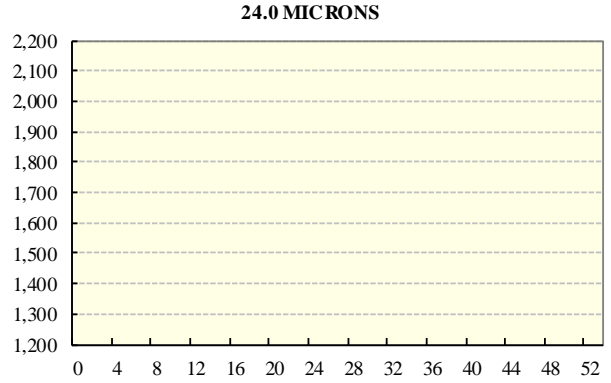
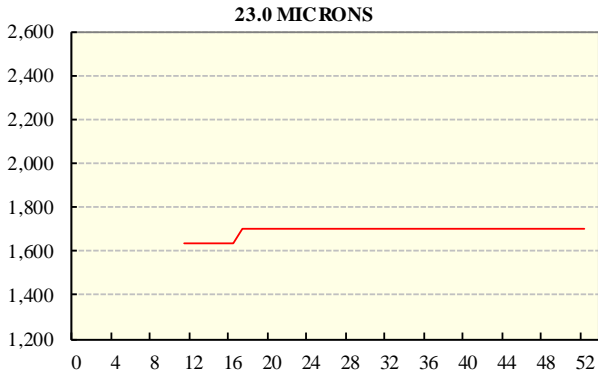
REGION BALES		
This Sale:		
North	9,928	
South	13,791	
West	7,102	
Progressive Totals:		Diff
North	9,928	-19.7%
South	13,791	+25.8%
West	7,102	-7.3%

AVERAGE AWEX MICRON PRICE GUIDES

2020/21 (black graph line) and 2019/20 (red graph line)

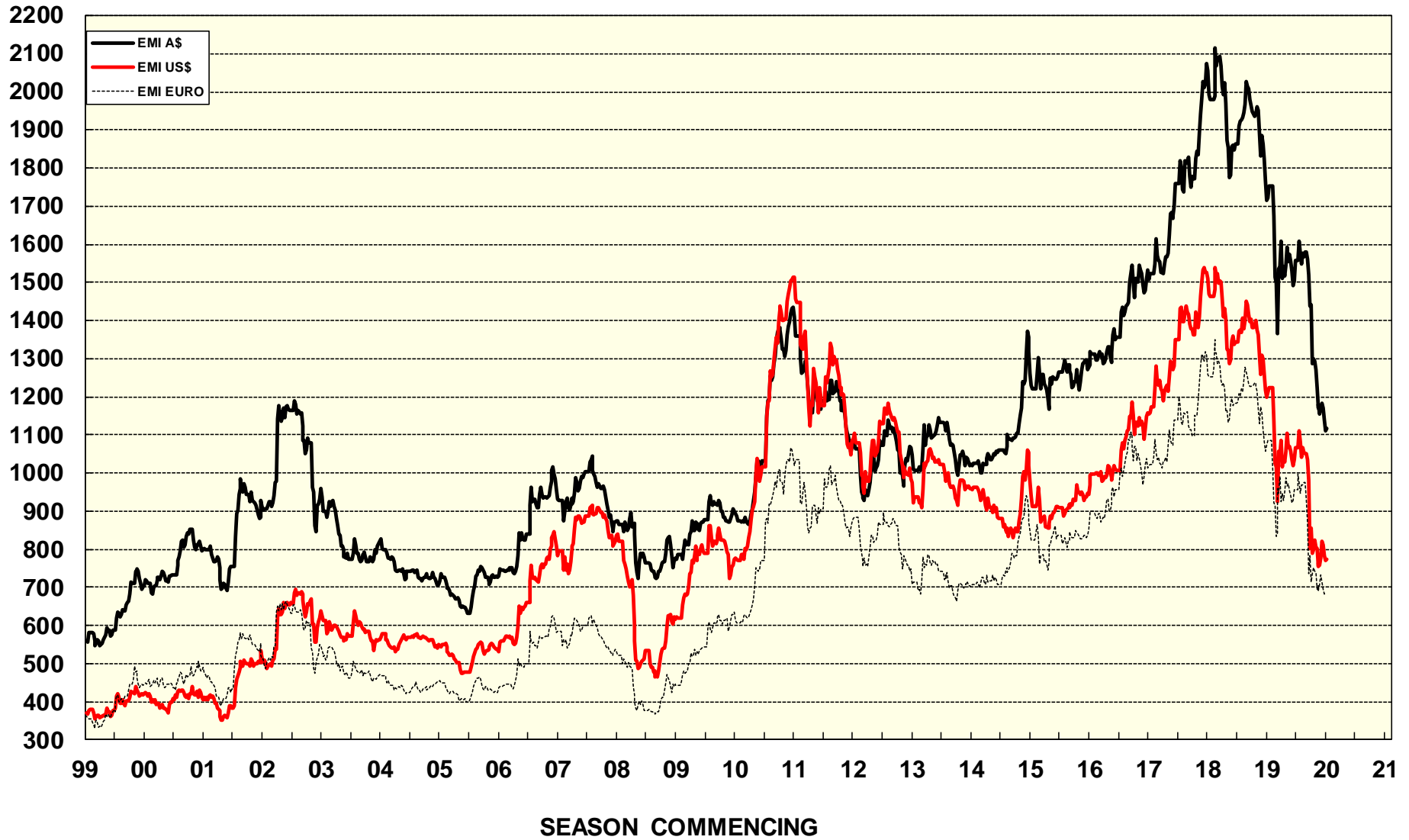


AVERAGE AWEX MICRON PRICE GUIDES
2020/21 (black graph line) and 2019/20 (red graph line)



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

(In Australian, United States and European Currencies)



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