

Week  
**22**

# Weekly Wool Market Report

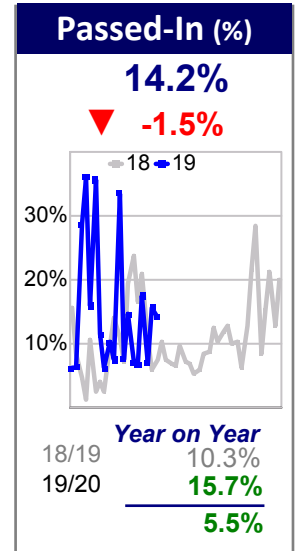
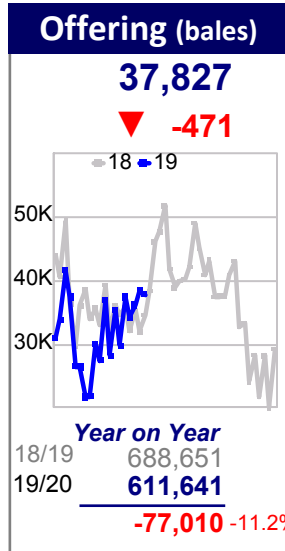
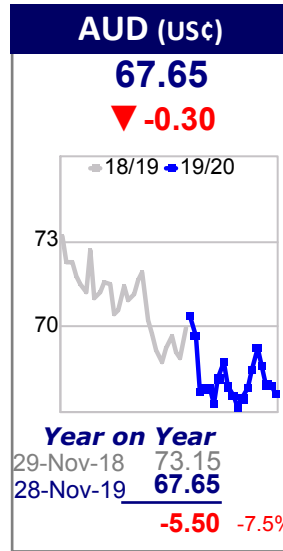
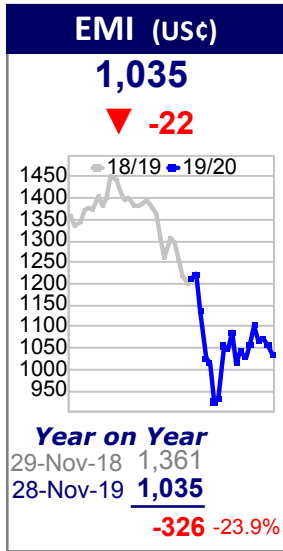
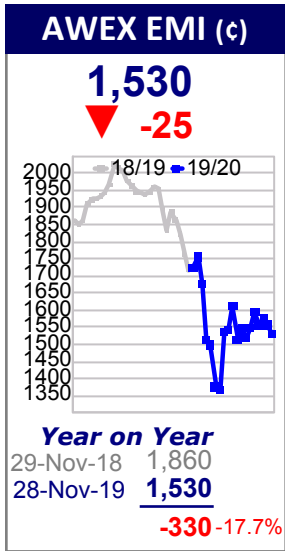
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Thursday, 28 November, 2019

Compared to week 21, Thursday, 21 November, 2019



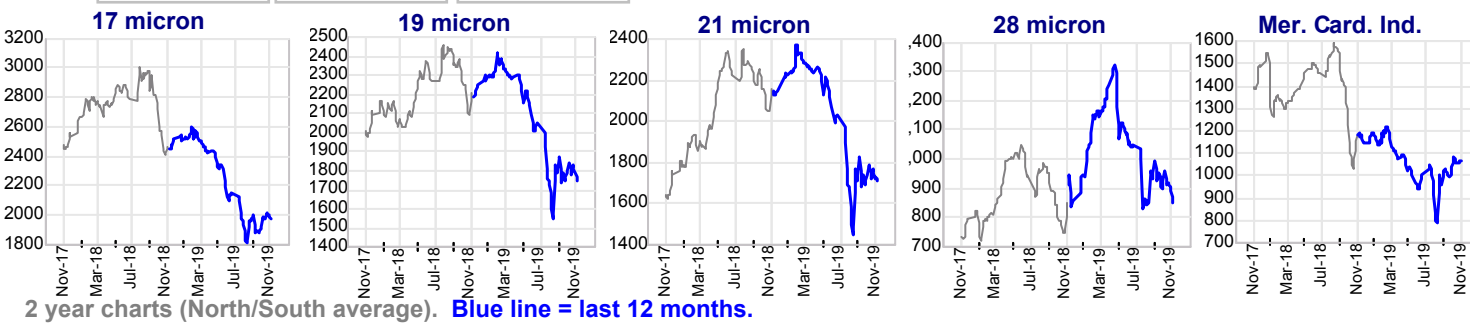
we know wool



	North Sydney	South Melbourne	West Fremantle
<b>Ind.</b>	<b>1561 ▼ -30</b>	<b>1511 ▼ -21</b>	<b>1640 ▼ -15</b>
<b>16.5</b>	<b>2038 -25</b>	<b>2046 n -7</b>	
<b>17</b>	<b>1980 -28</b>	<b>1968 +5</b>	
<b>17.5</b>	<b>1923 -17</b>	<b>1928 +4</b>	
<b>18</b>	<b>1863 -22</b>	<b>1849 -34</b>	<b>1807 n -42</b>
<b>18.5</b>	<b>1809 -33</b>	<b>1795 -49</b>	<b>1784 n -44</b>
<b>19</b>	<b>1744 -37</b>	<b>1743 -45</b>	<b>1738 -49</b>
<b>19.5</b>	<b>1723 -31</b>	<b>1726 -37</b>	<b>1714 -41</b>
<b>20</b>	<b>1713 -25</b>	<b>1700 -34</b>	<b>1712 -19</b>
<b>21</b>	<b>1716 n -13</b>	<b>1700 -23</b>	<b>1710 n +1</b>
<b>22</b>		<b>1700 n</b>	
<b>23</b>			
<b>24</b>			
<b>25</b>			
<b>26</b>	<b>1168 n -32</b>	<b>1161 -35</b>	
<b>28</b>	<b>855 n -44</b>	<b>845 -39</b>	
<b>30</b>		<b>694 -10</b>	
<b>32</b>		<b>460 n -10</b>	
<b>MC</b>	<b>1054 +2</b>	<b>1079 n 0</b>	<b>1092 n -5</b>

## AWEX Comment

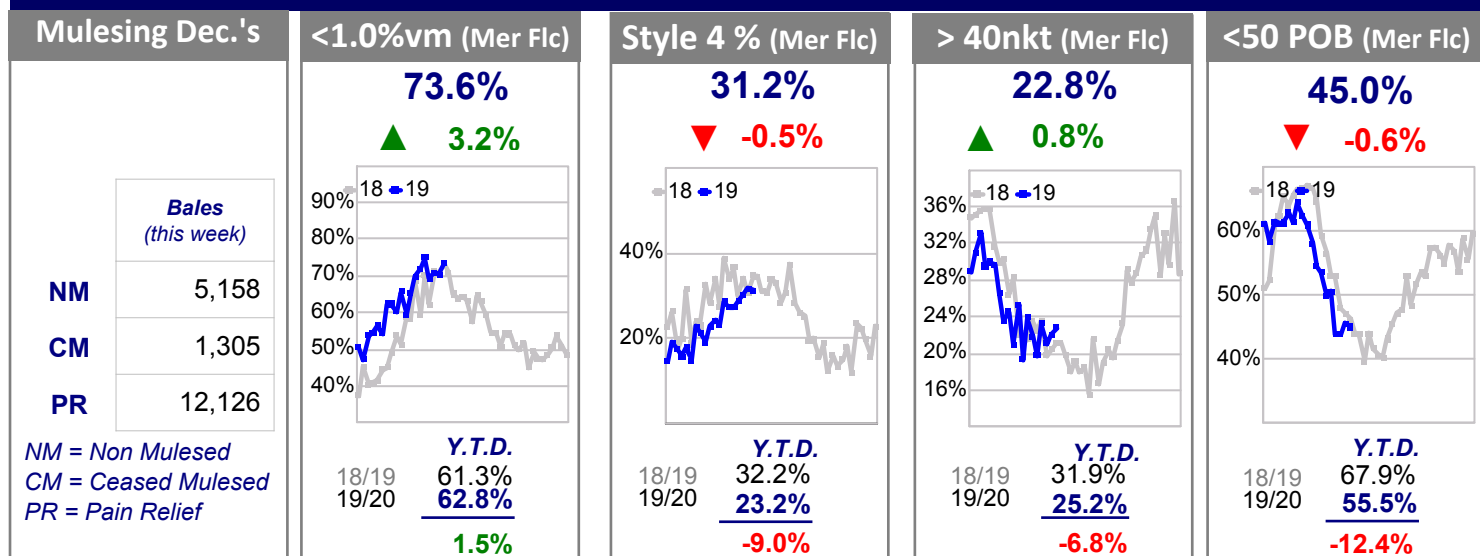
The Australian wool market has continued to track downward, recording losses for the second consecutive week. The national offering decreased slightly to 37,804 bales, the national offering is still well down on the previous season. Compared to the corresponding sale of the 2018/19 season there have been 77,033 fewer bales put through the auction system, a reduction of 11.2%. From the opening lot in the Eastern state's markets, it was immediately apparent that the market was continuing to retract. By the end of the first selling day, the individual Micron Price Guides (MPGs) across the country fell by 1 to 29 cents. The only MPG to not lose ground was the 21 micron MPG in Sydney which recorded no change. On the back of these losses the AWEX Eastern Market Indicator (EMI) fell by 16 cents for the day. The second day the market continued to fall. The MPGs for 18.0 micron and coarser in Sydney and Melbourne dropped by a further 10 to 29 cents, pushing the EMI down by another 9 cents. The EMI lost a total of 25 cents for the series, closing the week at 1,530 cents. The Western region indicator recorded a 4 cent increases for the day, mainly due to 5 to 15 cent increases in wool 20.5 micron and coarser. These increases helped the Fremantle 21 MPG to become the only quote broader than 18.0 micron to record positive movement. The lower prices being achieved this year, combined with the higher passed in rates has meant the national turnover is well down on the corresponding sale of the previous season. After 22 weeks \$895 million (AUD) of wool has been sold this season, compared to \$1.4 billion (AUD) at the same time last season. The national quantity increases to 41,274 bales for the following week, with selling in Sydney, Melbourne and Fremantle.



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# Offering Analysis



Totals (This Week)							Totals (This Season)					
	Offered	Sold	Sold Prior	PI/NB	Re-off	W'Drwn		Offered	Sold	PI/NB	Re-off	W'Drwn
<b>North</b>	MFLC 5,422	4,703	0	13.3%	7.5%	5.0%	<b>North</b>	MFLC 98,633	83,434	15.4%	10.0%	11.4%
	MSKT 1,426	1,345	0	5.7%	5.4%	3.1%		MSKT 29,485	26,697	9.5%	6.0%	8.0%
	XBFS 2,410	2,049	0	15.0%	5.9%	2.2%		XBFS 29,371	26,026	11.4%	7.3%	2.1%
	ODDS 979	841	0	14.1%	8.1%	1.3%		ODDS 16,626	14,848	10.7%	6.9%	5.2%
	<b>10,237</b>	<b>8,938</b>	<b>0</b>	<b>12.7%</b>	<b>6.9%</b>	<b>3.8%</b>		<b>174,115</b>	<b>151,005</b>	<b>13.3%</b>	<b>8.6%</b>	<b>8.8%</b>
<b>South</b>	MFLC 10,293	8,592	0	16.5%	8.5%	9.2%	<b>South</b>	MFLC 170,638	142,478	16.5%	10.8%	13.1%
	MSKT 2,284	2,110	0	7.6%	3.1%	5.6%		MSKT 40,938	37,652	8.0%	5.2%	8.6%
	XBFS 5,024	4,405	0	12.3%	5.3%	2.4%		XBFS 54,854	48,316	11.9%	7.2%	3.3%
	ODDS 2,714	2,524	0	7.0%	6.5%	8.1%		ODDS 33,799	30,261	10.5%	7.6%	5.5%
	<b>20,315</b>	<b>17,631</b>	<b>0</b>	<b>13.2%</b>	<b>6.8%</b>	<b>7.0%</b>		<b>300,229</b>	<b>258,707</b>	<b>13.8%</b>	<b>9.0%</b>	<b>10.0%</b>
<b>West</b>	MFLC 4,264	3,196	0	25.0%	13.9%	6.6%	<b>South NZ</b>	NZ-ALL 16,547	12,092	26.9%	13.1%	6.9%
	MSKT 919	837	0	8.9%	6.9%	2.0%		<b>16,547</b>	<b>12,092</b>	<b>26.9%</b>	<b>13.1%</b>	<b>6.9%</b>
	XBFS 238	174	0	26.9%	6.3%	6.3%	<b>West</b>	MFLC 82,583	60,937	26.2%	18.1%	16.9%
	ODDS 1,854	1,688	0	9.0%	8.0%	2.2%		MSKT 15,343	13,110	14.6%	12.3%	11.8%
	<b>7,275</b>	<b>5,895</b>	<b>0</b>	<b>19.0%</b>	<b>11.3%</b>	<b>4.9%</b>		XBFS 3,566	2,871	19.5%	9.7%	3.8%
<b>TOTAL</b>	<b>37,827</b>	<b>32,464</b>	<b>0</b>	<b>14.2%</b>	<b>7.7%</b>	<b>5.8%</b>		ODDS 19,258	16,643	13.6%	9.2%	4.9%

PI% & RO% are % of offering. WD% is % of total catalogue.  
Sold Prior is considered Withdrawn

MFLC = Merino Fleece.

MSKT = Merino Pieces & Bellies.

XBFS = Non-Merino (Crossbred) Fleece, Pieces & Bellies.

ODDS = Lambs, Locks & Crutchings (all breeds).

PI% & RO% are % of offering. WD% is % of total catalogue.

Averages (This Week)						
	Mic.	VM %	Grsy ¢/kg	Lot size	Kg/ bale	Style
<b>North</b>	MFLC 18.33	1.1	1161	5.2	181.7	5.0
	MSKT 17.50	4.1	903	3.3	176.9	5.1
	XBFS 27.63	1.0	574	5.7	169.7	5.1
	ODDS 20.37	2.5	603	3.3	173.3	5.0
	<b>20.50</b>	<b>1.7</b>	<b>941</b>	<b>4.7</b>	<b>177.4</b>	<b>5.0</b>
<b>South</b>	MFLC 19.13	0.9	1162	5.8	181.8	4.7
	MSKT 18.41	4.0	859	4.1	176.5	5.0
	XBFS 27.43	0.7	599	5.6	172.0	4.6
	ODDS 20.65	2.3	644	4.2	175.1	4.8
	<b>21.23</b>	<b>1.4</b>	<b>925</b>	<b>5.3</b>	<b>177.9</b>	<b>4.7</b>
<b>West</b>	MFLC 18.69	0.8	1176	6.7	177.8	4.9
	MSKT 18.05	3.8	823	4.7	172.2	5.1
	XBFS 25.66	0.9	638	4.6	165.9	5.0
	ODDS 19.34	1.8	733	5.1	173.6	5.0
	<b>18.98</b>	<b>1.4</b>	<b>1005</b>	<b>5.8</b>	<b>175.7</b>	<b>5.0</b>
<b>TOTAL</b>	<b>20.61</b>	<b>1.4</b>	<b>945</b>	<b>5.2</b>	<b>177.3</b>	<b>4.8</b>

Averages are weighted by greasy kg. Offered wool only.

Main Buyers (This Week)		
Buyer	Bales	Group %
<b>Merino Fleece</b>		
FOX & LILLIE	2,195	13.3%
TECHWOOL TRADING	1,986	12.0%
KATHAYTEX	1,595	9.7%
TIANYU	1,350	8.2%
<b>Crossbred Fleece/Pieces/Bellies</b>		
AUST. MERINO EXP.	1,228	18.5%
PELICAN AUSTRALIA	1,030	15.5%
TECHWOOL TRADING	660	10.0%
UNITED WOOL CO.	637	9.6%
<b>Oddments</b>		
FREMANTLE WOOL	760	15.0%
MICHELL P/L	652	12.9%
TECHWOOL TRADING	501	9.9%
ENDEAVOUR WOOL EXP.	462	9.1%
<b>Merino Skirtings</b>		
TECHWOOL TRADING	829	19.3%
AUST. MERINO EXP.	706	16.4%
TIANYU	649	15.1%
ENDEAVOUR WOOL EXP.	414	9.6%

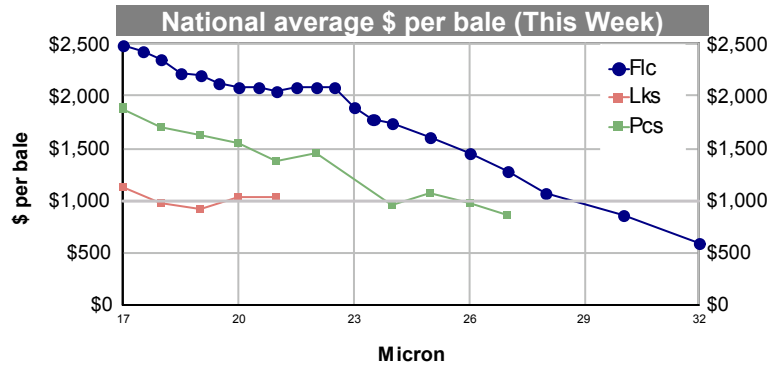
## Foreign Exchange

EUR	0.6148 0.0013	GBP	0.5233 -0.0022	INR	48.274 -0.470	JPY	74.050 0.350	NZD	1.0529 0.0076	USD	0.6765 -0.0030	ZAR	9.985 -0.050
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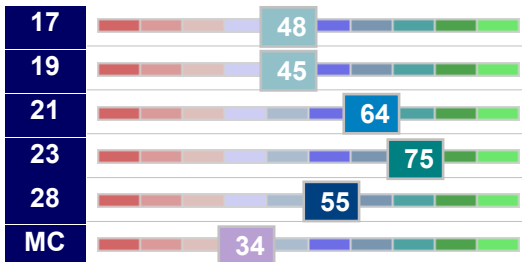
## Woolgrower Returns

	Indicative \$ per head				
	17	19	21	23	28
\$/ Bale @ 185 kg	\$2342	\$2074	\$2023		\$1005
\$/Head cut @ 7 kg	\$89	\$78	\$77		\$38
6 kg	\$76	\$67	<b>\$66</b>		\$33
5 kg	\$63	<b>\$56</b>	\$55		<b>\$27</b>
4 kg	<b>\$51</b>	\$45	\$44		\$22

Returns are gross and do not allow for shearing, testing, & selling costs. Assumed yield is 67% Schlumberger Dry.



## MPG Percentile rankings (South - 5 years)



Percentiles rank the current MPG over 5 years. A percentile of 35% means the MPG has been lower 31% of the time (or higher 64% of the time)

## Exports

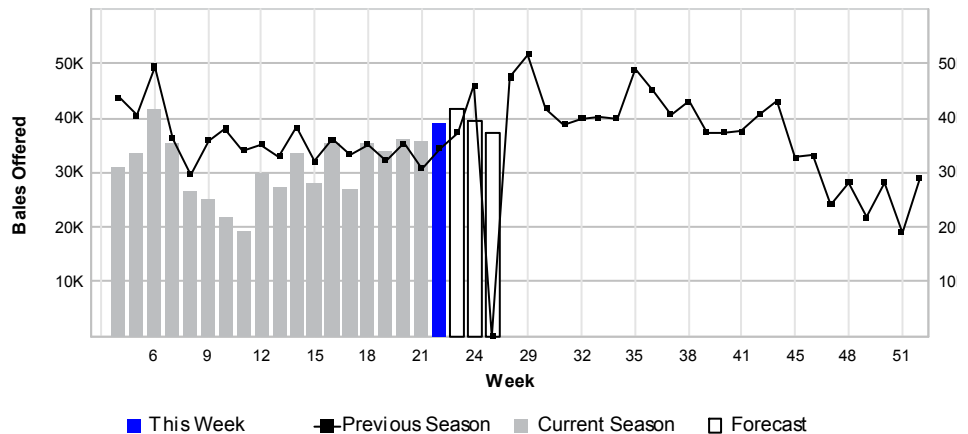
	2018/19	2019/20
China, P.R.	225.3Mkg 75%	34.5Mkg 71%
India	17.3Mkg 6%	2.7Mkg 5%
Italy	14.6Mkg 5%	3.9Mkg 8%
Korea, Rep.	12.7Mkg 4%	2.0Mkg 4%

Current season is for July to September, prev. season is 12 mths. Contact AWEX for the full version of Monthly Wool Exports

## Future Sales

### Season on season total offered (Australian Stored)

	Bales	Days
Week 23	<b>41,274</b>	
S23/19	10,163	W-Th
M23/19	23,158	W-Th
F23/19	7,953	W-Th
Week 24	<b>39,513</b>	
Week 25	<b>37,278</b>	
Week 26	<b>RECESS</b>	



## Seasonal comparison (Aust sourced wool only)

	Offered (Bales)			Change
	18	19	Change	
NORTH	200,879	174,115	-26,764	-13.3%
SOUTH	357,652	300,229	-57,423	-16.1%
WEST	125,339	120,750	-4,589	-3.7%
<b>Total</b>	<b>683,870</b>	<b>595,094</b>	<b>-88,776</b>	<b>-13.0%</b>

	Offered (Kg clean)			Change
	18	19	Change	
NORTH	22.5M	19.2M	-3.3M	-14.6%
SOUTH	40.7M	33.8M	-6.9M	-17.1%
WEST	13.9M	13.3M	-0.5M	-3.9%
<b>Total</b>	<b>77.1M</b>	<b>66.3M</b>	<b>-10.8M</b>	<b>-14.0%</b>

	First Hand Offered (Bales)			Change
	18	19	Change	
NORTH	191,734	159,191	-32,543	-17.0%
SOUTH	339,961	273,121	-66,840	-19.7%
WEST	114,840	101,791	-13,049	-11.4%
<b>Total</b>	<b>646,535</b>	<b>534,103</b>	<b>-112,432</b>	<b>-17.4%</b>

	First Hand Offered (Kg clean)			Change
	18	19	Change	
NORTH	21.5M	17.6M	-3.9M	-18.4%
SOUTH	38.7M	30.7M	-8.0M	-20.7%
WEST	12.7M	11.2M	-1.5M	-11.8%
<b>Total</b>	<b>72.9M</b>	<b>59.5M</b>	<b>-13.4M</b>	<b>-18.4%</b>

## Turnover (AUD)

This week	<b>\$ 54.03 m</b>
This season	<b>\$ 895.47 m</b>

**Quotes (¢/kg clean)**

	Style	Length	Strength	VMB	North		South		West	
					28 - Nov	21 - Nov	28 - Nov	21 - Nov	28 - Nov	21 - Nov
<b>17.0</b>	MF4	90	35	1			1,929	1,952		
	MF4	80	35	1	1,970	2,005	1,960	1,960		
	MF5	90	35	1	1,888		1,945		1,937	1,934
	MF5	80	35	1	1,950	1,980	1,915	1,910		
	MP5	70	35	2	1,818	1,787				
<b>18.0</b>	MF4	90	35	1	1,860	1,880	1,825	1,870	1,795	1,835
	MF4	80	35	1	1,850	1,870	1,805	1,865	1,790	1,830
	MF5	90	35	1		1,847		1,869		
	MF5	80	35	1	1,800	1,830	1,775	1,820	1,780	1,825
	MP5	70	35	2	1,720	1,730			1,666	
<b>19.0</b>	MF4	90	35	1	1,750	1,790	1,770	1,800	1,745	1,795
	MF4	80	35	1	1,745	1,785	1,750	1,795	1,740	1,790
	MF5	90	35	1	1,735	1,770	1,730	1,780	1,730	1,780
	MF5	80	35	1	1,730	1,765	1,705	1,770	1,730	1,775
	MP5	70	35	2				1,633		
<b>20.0</b>	MF4	90	35	1	1,720	1,745	1,688	1,740	1,710	1,730
	MF4	80	35	1	1,715	1,740		1,735	1,710	1,725
	MF5	90	35	1	1,705	1,730	1,695	1,730	1,705	1,725
	MF5	80	35	1	1,700	1,725	1,690	1,725	1,705	1,725
	MZ5			2	980	985	970	960	930	920
<b>21.0</b>	MF4	90	35	1	1,730	1,740	1,715	1,740	1,715	1,715
	MF4	80	35	1	1,725	1,735	1,710	1,735	1,715	1,710
	MF5	90	35	1	1,705	1,720	1,690	1,710	1,705	1,705
	MF5	80	35	1	1,700	1,715	1,685	1,705	1,700	1,700
	MZ5			2			965	955		
<b>22.0</b>	MF4	90	35	1	2,042	2,042	1,710	1,738	2,245	2,245
	MF5	100	35	1	1,709	1,743	1,700	1,730	1,742	1,742
	MF4	100	35	1	2,270	2,270	1,715	1,740	2,250	2,250
<b>23.0</b>	MF4	90	35	1	2,290	2,290	1,700	1,723	1,669	1,669
	MF5	100	40	1	2,165	2,165	1,698	1,719	1,542	1,542
	MF5	100	35	1	1,598	1,598	1,696	1,723	2,289	2,289
	MF5	90	35	1	2,280	2,280	1,695	1,720	2,245	2,245
<b>24.0</b>	MF5	100	35	1	2,090	2,090	1,468	1,525		
	MF5	90	35	1	1,536	1,536	1,465	1,510		
	MF4	100	35	1	2,191	2,191	1,480	1,550		
<b>25.0</b>	XF5	100	35	1	1,255	1,319	1,290	1,335		
<b>26.0</b>	XF5	110	35	1	1,170	1,200	1,170	1,205	1,144	
<b>28.0</b>	XF5	120	35	1	870	910	850	895		
	XF5	110	35	1	850	898	845	880		
<b>30.0</b>	XF5	120	35	1	670	715	700	725		
	XF5	110	35	1	655	693	693	695	611	

MF = Merino Fleece (Schlum. dry yield)  
 XF = Crossbred Fleece (Schlum. dry yield)  
 MP = Merino Pieces (Schlum. dry yield)  
 MZ = Merino Locks (Scoured 17% yield)  
 MC = Merino Crutchings (Scoured 17% yield)