

Week
23

Weekly Wool Market Report

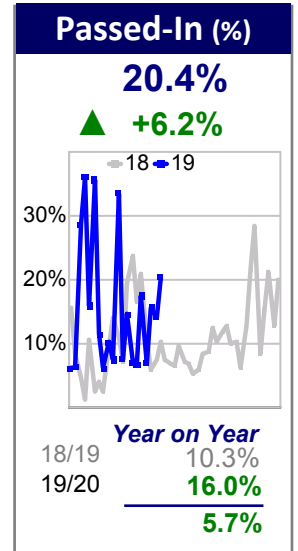
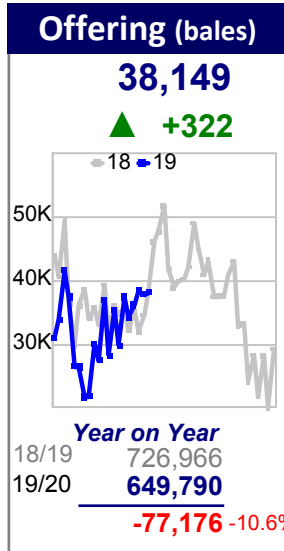
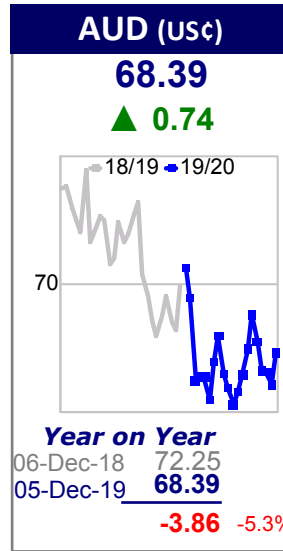
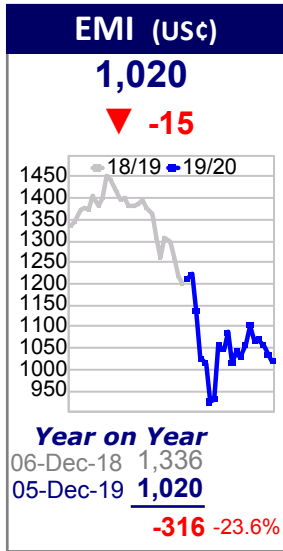
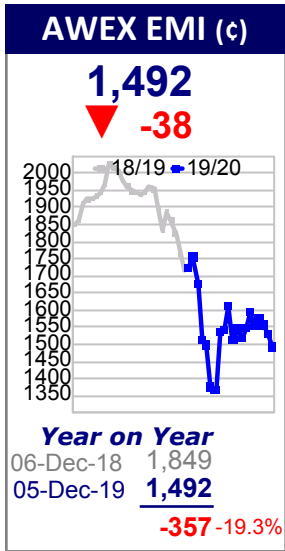
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Thursday, 5 December, 2019

Compared to week 22, Thursday, 28 November, 2019



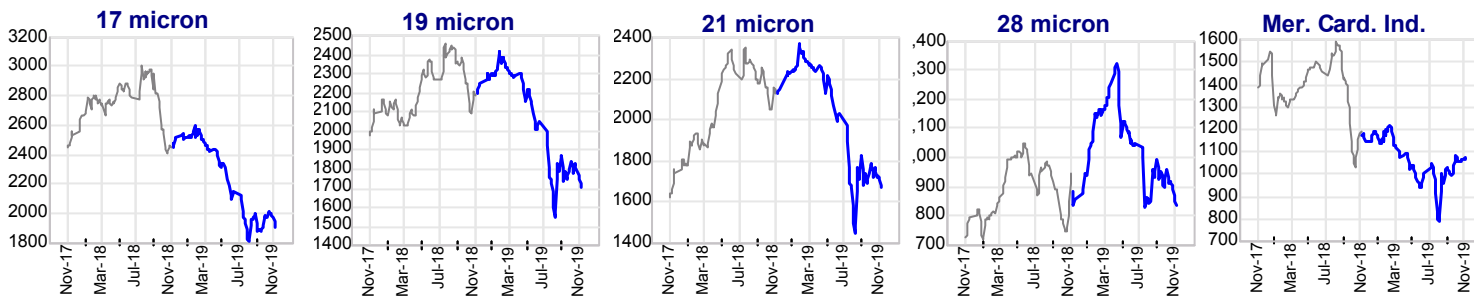
we know wool



	North Sydney	South Melbourne	West Fremantle
Ind.	1524 ▼-37	1471 ▼-40	1604 ▼-36
Fine			
16.5	1987 n -51	1978 n -68	
17	1908 -72	1914 -54	
17.5	1853 -70	1861 -67	
18	1808 -55	1798 -51	1754 n -53
18.5	1747 -62	1758 -37	1738 n -46
19	1706 -38	1712 -31	1698 -40
19.5	1689 -34	1694 -32	1688 -26
20	1683 -30	1674 -26	1681 -31
21	1681 n -35	1671 -29	1683 n -27
22		1664 n -36	
23			
24			
Medium			
25			
26	1135 n -33	1133 n -28	
28	833 n -22	835 -10	
30		648 n -46	
32		435 n -25	
MC	1061 n +7	1077 n -2	1094 n +2

AWEX Comment

The Australian wool market has continued to deteriorate, recording losses for the third consecutive week. Better style wools with favourable additional measurement results, were least affected by the falling market, generally selling at levels 20 to 30 cents below those achieved in the previous week. Lesser style wools, wools with poor additional measurements and those carrying higher levels of vegetable matter, did not fare as well, as buyers continually discounted their price levels on these wools. By the end of the series these types had generally fallen by 50 to 80 cents. The drop in these lesser types was the driving force behind the reduction in the individual Micron Price Guides (MPGs), which fell by 26 to 72 cents across all three centres. On the back of these losses the AWEX Eastern Market Indicator (EMI) lost 38 cents for the series, closing the week at 1,492 cents. The EMI has now fallen for seven consecutive selling days, losing a total of 105 cents over this period. When compared to the corresponding sale of the previous season the EMI has dropped 357 cents, a fall of 19.3%. Sellers across the country were reluctant to accept the reduced-price levels, the national passed in rate was 20.4%, this was 6.2% up on the previous series. The large number of passed in lots adds to the continually growing stockpile of wool being held in brokers stores. The oddment sector was the only shining light in an otherwise dim market, managing to record minimal positive movements. This was reflected in the three regional carding indicators that rose by an average of just over 2 cents. With only two selling weeks left before the annual three-week Christmas recess, quantities traditionally increase for the final two sales. This year is no different, the national quantity increases to 48,451 bales, with Sydney, Melbourne and Fremantle all in operation.



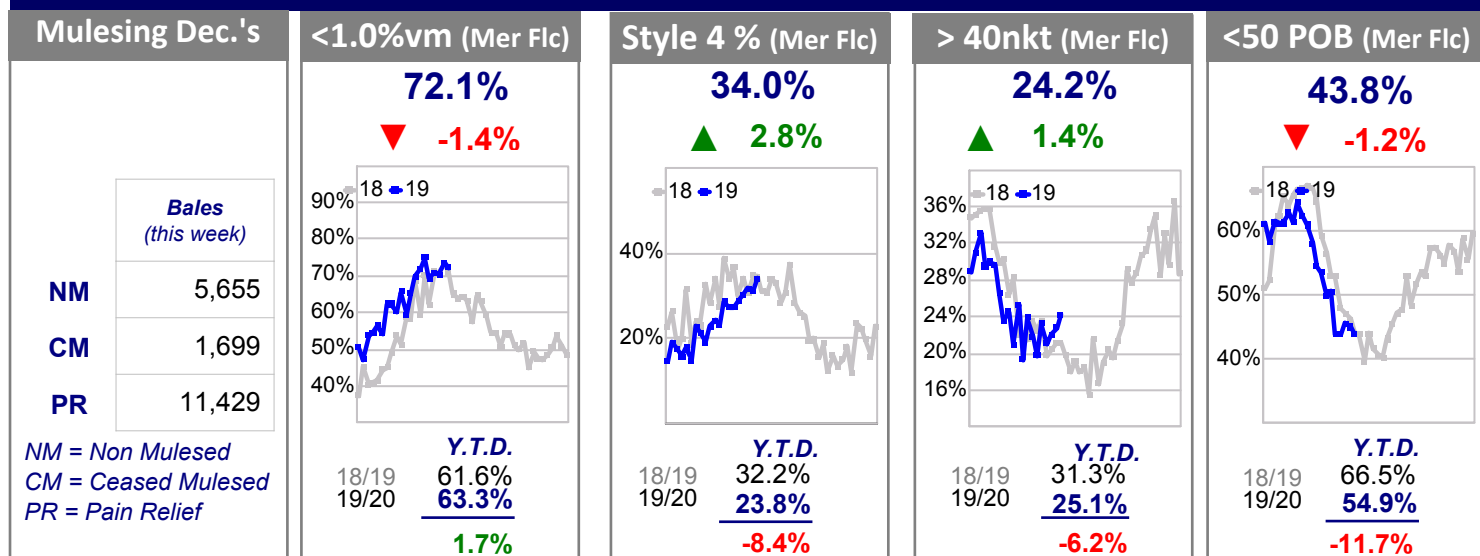
2 year charts (North/South average). Blue line = last 12 months.

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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
North	MFLC 5,384	4,527	0	15.9%	8.0%	4.1%	North	MFLC 104,017	87,961	15.4%	9.9%	11.1%
	MSKT 1,631	1,492	0	8.5%	5.6%	2.2%		MSKT 31,116	28,189	9.4%	6.0%	7.7%
	XBFS 2,003	1,717	0	14.3%	6.6%	0.8%		XBFS 31,374	27,743	11.6%	7.3%	2.0%
	ODDS 1,057	955	0	9.6%	5.2%	2.2%		ODDS 17,683	15,803	10.6%	6.8%	5.0%
	10,075	8,691	0	13.7%	7.0%	3.0%		184,190	159,696	13.3%	8.5%	8.5%
South	MFLC 9,925	7,643	0	23.0%	11.7%	10.8%	South	MFLC 180,563	150,121	16.9%	10.9%	12.9%
	MSKT 2,485	2,155	0	13.3%	5.3%	4.5%		MSKT 43,423	39,807	8.3%	5.2%	8.4%
	XBFS 4,633	3,671	0	20.8%	7.0%	2.8%		XBFS 59,487	51,987	12.6%	7.2%	3.3%
	ODDS 2,692	2,307	0	14.3%	5.5%	3.8%		ODDS 36,491	32,568	10.8%	7.4%	5.3%
	19,735	15,776	0	20.1%	8.9%	7.4%		319,964	274,483	14.2%	9.0%	9.8%
South NZ	NZ-ALL 958	579	0	39.6%	21.8%	6.0%	South NZ	NZ-ALL 17,505	12,671	27.6%	13.6%	6.8%
	958	579	0	39.6%	21.8%	6.0%		17,505	12,671	27.6%	13.6%	6.8%
West	MFLC 4,427	2,916	0	34.1%	14.2%	14.4%	West	MFLC 87,010	63,853	26.6%	17.9%	16.8%
	MSKT 903	761	0	15.7%	7.0%	12.0%		MSKT 16,246	13,871	14.6%	12.0%	11.8%
	XBFS 348	220	0	36.8%	8.0%	3.1%		XBFS 3,914	3,091	21.0%	9.5%	3.7%
	ODDS 1,703	1,441	0	15.4%	9.5%	8.1%		ODDS 20,961	18,084	13.7%	9.2%	5.1%
	7,381	5,338	0	27.7%	11.9%	12.2%		128,131	98,899	22.8%	15.5%	14.1%
TOTAL	38,149	30,384	0	20.4%	9.3%	7.2%	TOTAL	649,790	545,749	16.0%	10.3%	10.3%

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

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

MFLC = Merino Fleece.
MSKT = Merino Pieces & Bellies.
XBFS = Non-Merino (Crossbred) Fleece, Pieces & Bellies.
ODDS = Lambs, Locks & Crutchings (all breeds).

Averages (This Week)						
	Mic.	VM %	Grsy ¢/kg	Lot size	Kg/ bale	Style
North	MFLC 18.34	1.0	1138	5.4	181.1	4.9
	MSKT 17.75	3.9	856	3.6	176.4	5.1
	XBFS 27.74	1.1	530	5.5	172.9	5.1
	ODDS 20.71	2.7	565	3.3	173.8	4.9
	20.31	1.7	917	4.7	177.9	5.0
South	MFLC 19.09	0.8	1158	5.9	181.9	4.6
	MSKT 18.30	3.9	875	4.5	178.3	4.9
	XBFS 27.49	0.6	557	6.0	171.8	4.6
	ODDS 20.60	2.0	604	4.7	174.5	4.7
	NZ-ALL 19.71	1.2	1199	4.6	166.2	4.3
	21.04	1.3	924	5.4	177.5	4.6
West	MFLC 18.97	0.9	1139	6.8	179.5	4.9
	MSKT 18.37	4.5	788	4.7	174.0	5.2
	XBFS 26.41	0.8	546	4.4	164.1	5.0
	ODDS 20.01	1.6	689	5.0	174.0	5.0
	19.44	1.5	970	5.8	176.9	5.0
TOTAL	20.54	1.4	931	5.3	177.5	4.8

Averages are weighted by greasy kg. Offered wool only.

Main Buyers (This Week)		
	Bales	Group %
Merino Fleece		
TECHWOOL TRADING	1,980	12.9%
PJ MORRIS	1,785	11.6%
FOX & LILLIE	1,749	11.4%
ENDEAVOUR WOOL EXP.	1,416	9.2%
Crossbred Fleece/Pieces/Bellies		
PELICAN AUSTRALIA	944	16.3%
TECHWOOL TRADING	839	14.5%
AUST. MERINO EXP.	663	11.4%
ENDEAVOUR WOOL EXP.	463	8.0%
Oddments		
MICHELL P/L	923	19.6%
VIC. WOOL PROCESSORS	795	16.9%
TECHWOOL TRADING	399	8.5%
AUST. MERINO EXP.	382	8.1%
Merino Skirtings		
TECHWOOL TRADING	955	21.4%
AUST. MERINO EXP.	856	19.1%
TIANYU	455	10.2%
UNITED WOOL CO.	408	9.1%

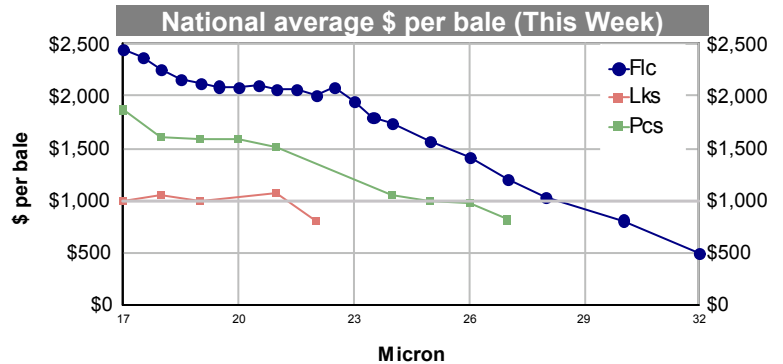
Foreign Exchange

EUR	0.6170 0.0022	GBP	0.5214 -0.0019	INR	48.930 0.656	JPY	74.450 0.400	NZD	1.0459 0.0070	USD	0.6839 0.0074	ZAR	9.979 -0.006
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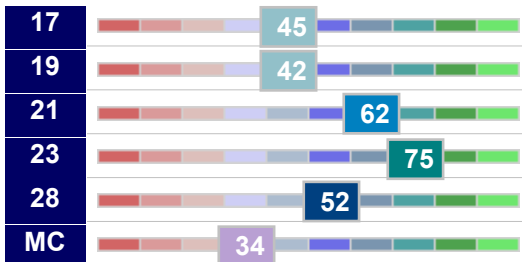
Woolgrower Returns

	Indicative \$ per head				
	17	19	21	23	28
\$/ Bale @ 185 kg	\$2278	\$2037	\$1988		\$994
\$/Head cut @ 7 kg	\$86	\$77	\$75		\$38
6 kg	\$74	\$66	\$64		\$32
5 kg	\$62	\$55	\$54		\$27
4 kg	\$49	\$44	\$43		\$21

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 34% means the MPG has been lower 34% of the time (or higher 65% of the time)

Exports

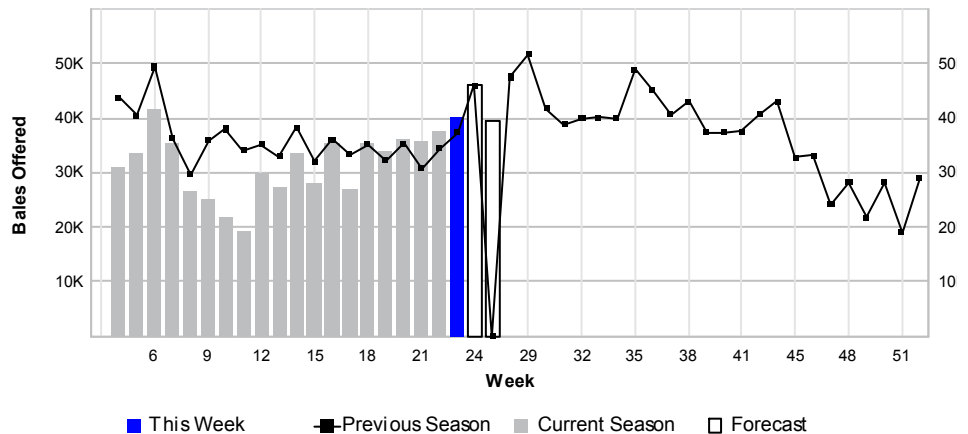
	2018/19	2019/20
China, P.R.	225.3Mkg 75%	34.5Mkg 71%
India	17.3Mkg 6%	2.7Mkg 5%
Italy	14.6Mkg 5%	3.9Mkg 8%
Korea, Rep.	12.7Mkg 4%	2.0Mkg 4%

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 24	48,451	
S24/19	10,792	W-Th
M24/19	27,734	T-W-Th
F24/19	9,925	W-Th
Week 25	39,454	
Week 26	RECESS	
Week 27	RECESS	



Seasonal comparison (Aust sourced wool only)

	Offered (Bales)			Change
	18	19	Change	
NORTH	210,559	184,190	-26,369	-12.5%
SOUTH	376,654	319,964	-56,690	-15.1%
WEST	134,067	128,131	-5,936	-4.4%
Total	721,280	632,285	-88,995	-12.3%

	Offered (Kg clean)			Change
	18	19	Change	
NORTH	23.6M	20.3M	-3.3M	-13.9%
SOUTH	42.9M	36.0M	-6.9M	-16.1%
WEST	14.9M	14.2M	-0.7M	-4.7%
Total	81.4M	70.5M	-10.9M	-13.3%

	First Hand Offered (Bales)			Change
	18	19	Change	
NORTH	200,918	168,558	-32,360	-16.1%
SOUTH	357,411	291,096	-66,315	-18.6%
WEST	122,666	108,292	-14,374	-11.7%
Total	680,995	567,946	-113,049	-16.6%

	First Hand Offered (Kg clean)			Change
	18	19	Change	
NORTH	22.5M	18.6M	-3.9M	-17.5%
SOUTH	40.8M	32.8M	-8.0M	-19.6%
WEST	13.6M	11.9M	-1.6M	-12.1%
Total	76.9M	63.3M	-13.6M	-17.7%

Turnover (AUD)

This week	\$ 50.00 m
This season	\$ 945.47 m

Quotes (¢/kg clean)

	Style	Length	Strength	VMB	North		South		West	
					5 - Dec	28 - Nov	5 - Dec	28 - Nov	5 - Dec	28 - Nov
17.0	MF4	90	35	1	1,940			1,929		
	MF4	80	35	1	1,900	1,970	1,900	1,960	1,814	
	MF5	90	35	1		1,888		1,945		1,937
	MF5	80	35	1	1,880	1,950	1,855	1,915		
	MP5	70	35	2	1,776	1,818				
18.0	MF4	90	35	1	1,800	1,860	1,765	1,825	1,740	1,795
	MF4	80	35	1	1,790	1,850	1,725	1,805	1,735	1,790
	MF5	80	35	1	1,750	1,800	1,710	1,775	1,725	1,780
	MP5	70	35	2	1,650	1,720				1,666
19.0	MF4	90	35	1	1,720	1,750	1,730	1,770	1,705	1,745
	MF4	80	35	1	1,710	1,745	1,720	1,750	1,700	1,740
	MF5	90	35	1	1,690	1,735	1,700	1,730	1,690	1,730
	MF5	80	35	1	1,680	1,730	1,690	1,705	1,690	1,730
20.0	MF4	90	35	1	1,690	1,720	1,690	1,688	1,680	1,710
	MF4	80	35	1	1,685	1,715	1,675		1,680	1,710
	MF5	90	35	1	1,675	1,705	1,660	1,695	1,675	1,705
	MF5	80	35	1	1,670	1,700	1,650	1,690	1,675	1,705
	MZ5			2	975	980	965	970	935	930
21.0	MF4	90	35	1	1,695	1,730	1,690	1,715	1,690	1,715
	MF4	80	35	1	1,690	1,725	1,685	1,710	1,690	1,715
	MF5	90	35	1	1,670	1,705	1,660	1,690	1,675	1,705
	MF5	80	35	1	1,665	1,700	1,650	1,685	1,670	1,700
	MC5			2					946	
	MZ5			2			940	965		
22.0	MF4	90	35	1	2,042	2,042	1,668	1,710	2,245	2,245
	MF5	100	35	1	1,709	1,709	1,665	1,700	1,742	1,742
	MZ5			2			906			
	MF4	100	35	1	2,270	2,270	1,670	1,715	2,250	2,250
23.0	MF4	90	35	1	2,290	2,290	1,680	1,700	1,669	1,669
	MF5	100	40	1	2,165	2,165	1,670	1,698	1,542	1,542
	MF5	100	35	1	1,598	1,598	1,650	1,696	2,289	2,289
	MF5	90	35	1	2,280	2,280	1,640	1,695	2,245	2,245
24.0	MF5	100	35	1	2,090	2,090	1,448	1,468		
	MF5	90	35	1	1,536	1,536	1,445	1,465		
	MF4	100	35	1	2,191	2,191	1,460	1,480		
25.0	XF5	100	35	1	1,255	1,255	1,220	1,290		
26.0	XF5	110	35	1	1,140	1,170	1,135	1,170		1,144
28.0	XF5	120	35	1	845	870	850	850		
	XF5	110	35	1	828	850	830	845		
30.0	XF5	120	35	1	650	670	675	700		
	XF5	110	35	1	630	655	640	693		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)