

Week
2

Weekly Wool Market Report

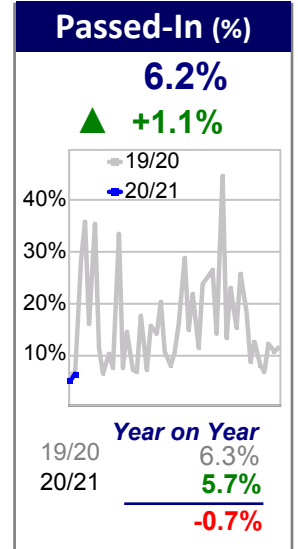
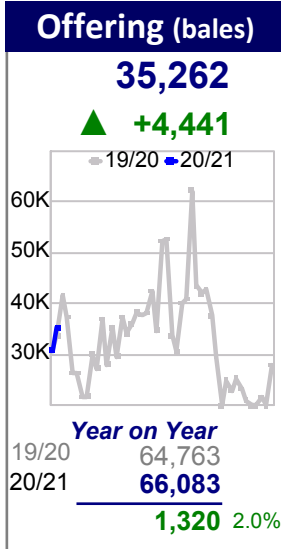
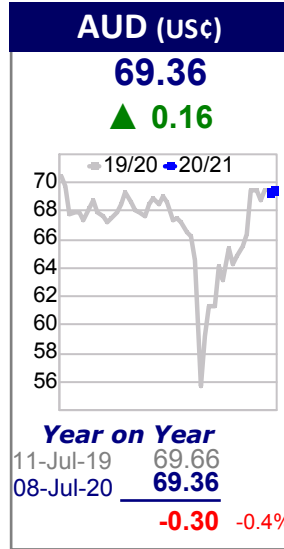
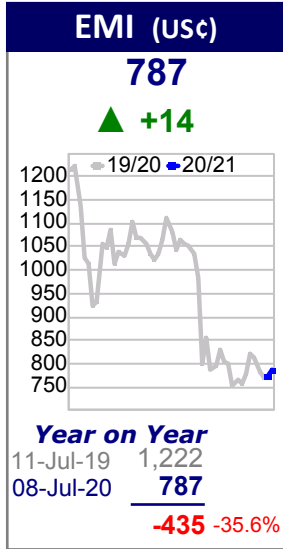
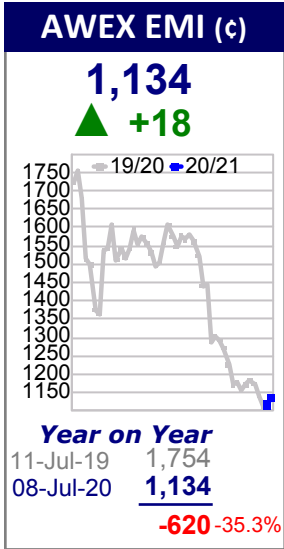
www.awex.com.au

Wednesday, 8 July, 2020

Compared to week 1, Thursday, 2 July, 2020



we know wool



	North Sydney	South Melbourne	West Fremantle
Ind.	1175▲+16	1108▲+20	1202▲+17
16.5	1738 +40	1733 n +40	
17	1638 +52	1658 +60	
17.5	1538 +41	1581 +92	
18	1428 +20	1434 +25	1433 n +11
18.5	1343 +4	1331 -15	1343 n +7
19	1279 -5	1274 -17	1278 +4
19.5	1248 +5	1248 +5	1258 +9
20	1229 +8	1253 +34	1254 +29
21	1228 n +28	1253 +59	1229 n +28
22			
23			
24			
25		1000 n	
26		866 +50	
28	574 n	564 0	
30		466 n 0	
32		268 n 0	
MC	801 n 0	832 n +6	890 n 0

AWEX Comment

This week was the last auction buying opportunity for buyers for nearly a month, as next week is the beginning of the annual mid-year three-week recess. Any wool required for export orders during that time, needed to be purchased this week, pushing demand higher, as exporters fought hard over the wool on offer. Nationally there was 35,262 bales available, when compared to the previous season there has been 1,320 more bales offered, an increase of 2%. The increased demand helped to push prices higher across most merino fleece types. The individual Merino Price Guides (MPGs) across all three centres generally rose by 5 to 92 cents, the 17.5 micron MPG in the south recording the largest increase for the series. The only MPGs to fall for the series, were the 18.5 to 19.0 in the North and South which recorded 5 to 17 cent falls. The rises in the MPGs helped to push the AWEX Eastern Market Indicator (EMI) up by 18 cents for the series, the EMI closed the week at 1,134 cents, this was an 1.5% rise. When viewed in USD terms the increase was slightly higher, the EMI rose by 14 US cents to 787 US cents, a rise 1.8%. Most sellers were again keen to accept the prices on offer, the national passed in rate was only 6.2%. The EMI has now risen for two consecutive weeks, recording positive movements for the first two weeks of the 2020/21 selling season, gaining 24 cents over this time. The crossbred sector recorded very little change, most crossbred MPGs were unchanged from the previous week, only the 26.0 micron MPG in the South recorded movement, a 50 cent increase in this MPG equated to a 6% rise. As mentioned earlier, the annual mid-year three-week recess begins next week. Sales resume in the week beginning Monday the 3rd of August.

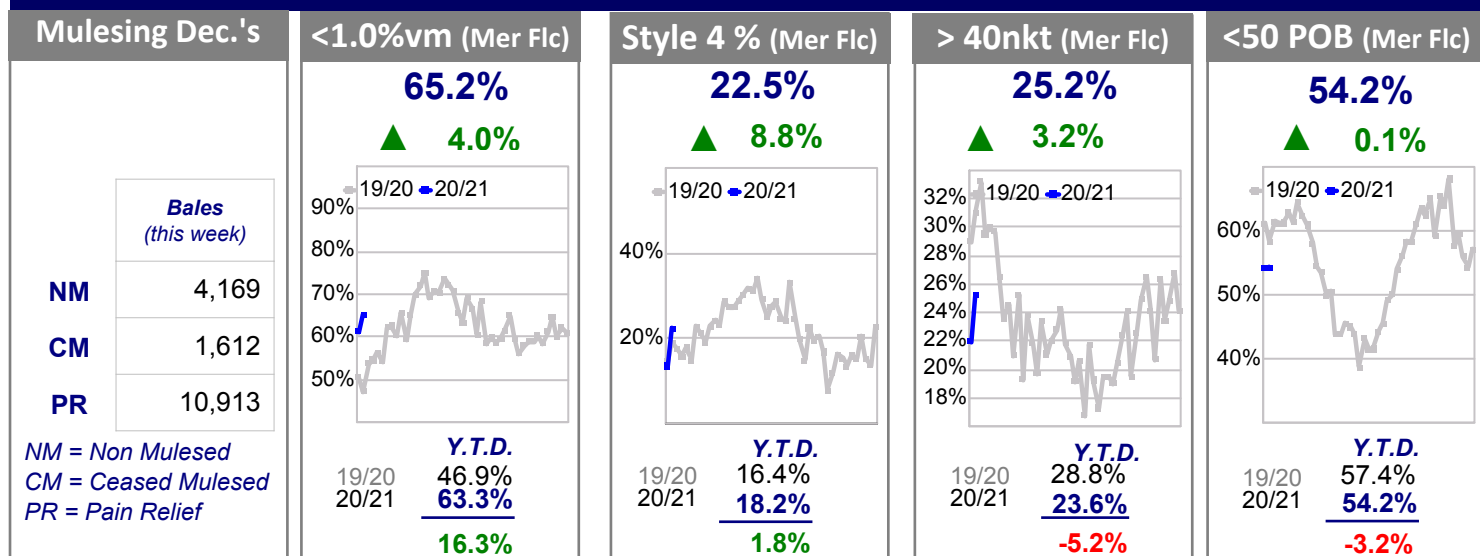


2 year charts (North/South average). Blue line = last 12 months.

Australian Wool Exchange Limited

PO Box 651 North Ryde BC 2113 www.awex.com.au t. (+61 2) 9428 6100
Unit 12A, 2 Eden Park Drive Macquarie Park NSW 2113 abn. 35 061 495 565 t. (+61 2) 9428 6120

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 6,538	6,353	0	2.8%	10.7%	5.7%	North	MFLC 12,889	12,574	2.4%	7.3%	4.5%
	MSKT 1,955	1,815	0	7.2%	4.3%	4.9%		MSKT 3,752	3,501	6.7%	3.8%	3.5%
	XBFS 1,254	1,139	0	9.2%	7.7%	2.9%		XBFS 2,172	1,954	10.0%	7.7%	3.6%
	ODDS 1,526	1,338	0	12.3%	5.8%	2.0%		ODDS 2,388	2,041	14.5%	5.3%	2.7%
	11,273	10,645	0	5.6%	8.6%	4.8%		21,201	20,070	5.3%	6.5%	4.0%
South	MFLC 10,904	10,585	0	2.9%	8.5%	4.7%	South	MFLC 18,062	17,580	2.7%	9.5%	5.6%
	MSKT 2,817	2,715	0	3.6%	8.6%	3.4%		MSKT 4,676	4,532	3.1%	7.7%	3.8%
	XBFS 3,754	3,293	0	12.3%	13.1%	7.9%		XBFS 6,990	6,225	10.9%	13.9%	4.6%
	ODDS 2,207	1,872	0	15.2%	12.7%	2.2%		ODDS 3,745	3,193	14.7%	12.1%	2.1%
	19,682	18,465	0	6.2%	9.9%	4.8%		33,473	31,530	5.8%	10.5%	4.8%
West	MFLC 2,888	2,738	0	5.2%	21.5%	3.5%	West	MFLC 8,089	7,823	3.3%	15.1%	6.6%
	MSKT 487	465	0	4.5%	13.3%	0.0%		MSKT 1,400	1,352	3.4%	10.9%	3.4%
	XBFS 236	202	0	14.4%	27.1%	1.7%		XBFS 456	320	29.8%	39.5%	1.1%
	ODDS 696	565	0	18.8%	19.3%	2.1%		ODDS 1,464	1,249	14.7%	15.0%	1.8%
	4,307	3,970	0	7.8%	20.5%	2.8%		11,409	10,744	5.8%	15.6%	5.4%
TOTAL	35,262	33,080	0	6.2%	10.8%	4.6%	TOTAL	66,083	62,344	5.7%	10.1%	4.7%

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	Lot	Kg /	Style
	%	¢/kg	size	bale		
North	MFLC 18.57	1.3	842	5.9	183.7	5.2
	MSKT 17.87	4.3	634	3.9	178.2	5.2
	XBFS 26.83	1.5	370	4.7	173.6	5.2
	ODDS 19.67	2.6	480	4.2	178.4	5.1
	19.48	2.0	708	5.0	180.9	5.2
South	MFLC 19.20	0.9	853	6.1	184.8	4.8
	MSKT 18.38	4.2	640	4.4	179.5	5.0
	XBFS 27.78	1.0	339	5.5	171.9	4.8
	ODDS 21.09	2.5	388	4.1	175.7	4.8
	20.84	1.6	679	5.4	180.6	4.8
West	MFLC 19.29	1.3	787	6.9	180.7	5.2
	MSKT 18.32	5.3	582	4.0	173.2	5.2
	XBFS 25.72	1.5	354	4.3	160.8	5.4
	ODDS 19.01	2.3	526	4.6	173.7	5.1
	19.46	1.9	702	5.8	177.6	5.2
TOTAL	20.24	1.7	691	5.3	180.3	5.0

Averages are weighted by greasy kg. Offered wool only.

Main Buyers (This Week)

Buyer	Bales	Group %
Merino Fleece		
LEMPRIERE AUST	3,068	15.6%
TECHWOOL TRADING	2,584	13.1%
ENDEAVOUR WOOL EXP.	1,885	9.6%
PJ MORRIS	1,873	9.5%
Crossbred Fleece/Pieces/Bellies		
MODIANO	649	14.0%
PELICAN AUSTRALIA	646	13.9%
TECHWOOL TRADING	375	8.1%
AUST. MERINO EXP.	369	8.0%
Merino Skirtings		
ENDEAVOUR WOOL EXP.	885	17.7%
UNITED WOOL CO.	850	17.0%
TECHWOOL TRADING	842	16.9%
TIANYU	632	12.7%
Oddments		
MICHELL P/L	857	22.7%
UNITED WOOL CO.	515	13.6%
TECHWOOL TRADING	462	12.2%
ENDEAVOUR WOOL EXP.	431	11.4%

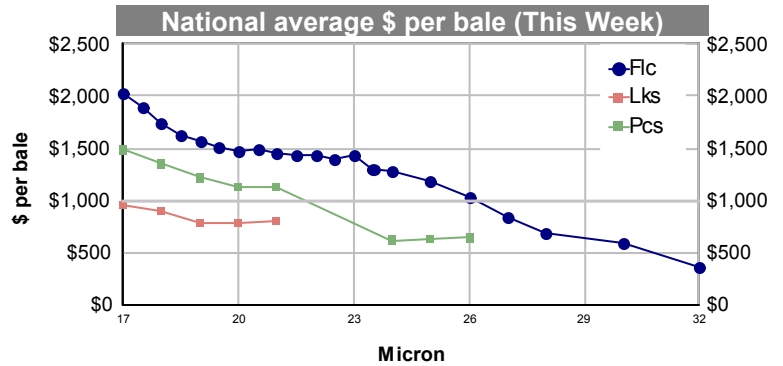
Foreign Exchange

EUR	0.6152 0.0008	GBP	0.5528 -0.0012	INR	51.906 -0.339	JPY	74.670 0.310	NZD	1.0601 0.0059	USD	0.6936 0.0016	ZAR	11.891 0.104
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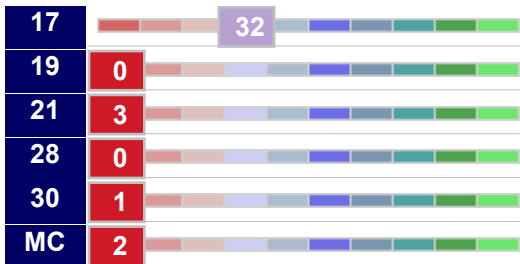
Woolgrower Returns

	Indicative \$ per head				
	17	19	21	23	28
\$/ Bale @ 185 kg	\$1973	\$1516	\$1491		\$671
\$/Head cut @ 7 kg	\$75	\$57	\$56		\$25
6 kg	\$64	\$49	\$48		\$22
5 kg	\$53	\$41	\$40		\$18
4 kg	\$43	\$33	\$32		\$15

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 2% means the MPG has been lower 1% of the time (or higher 97% of the time)

Exports

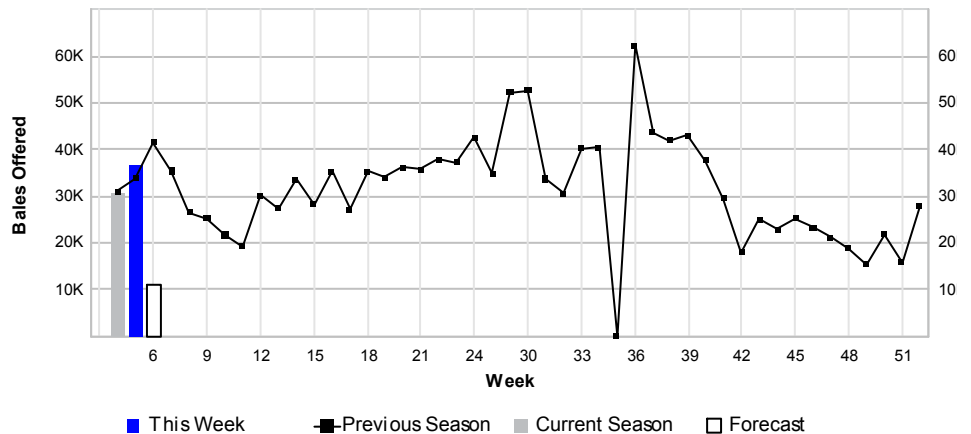
	2018/19	2019/20
China, P.R.	225.3Mkg 75%	166.2Mkg 77%
India	17.3Mkg 6%	12.1Mkg 6%
Italy	14.6Mkg 5%	10.1Mkg 5%
Korea, Rep.	12.7Mkg 4%	7.0Mkg 3%

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

Future Sales

Season on season total offered (Australian Stored)

Week 3 **RECESS**



Seasonal comparison (Aust sourced wool only)

	Offered (Bales)			Change
	19	20		
NORTH	24,260	21,201	-3,059	-12.6%
SOUTH	27,723	33,473	5,750	20.7%
WEST	12,780	11,409	-1,371	-10.7%
Total	64,763	66,083	1,320	2.0%

	Offered (Kg clean)			Change
	19	20		
NORTH	2.6M	2.3M	-0.4M	-13.8%
SOUTH	3.1M	3.8M	712K	23.2%
WEST	1.4M	1.2M	-0.1M	-11.0%
Total	7.1M	7.3M	200K	2.8%

	First Hand Offered (Bales)			Change
	19	20		
NORTH	22,728	19,821	-2,907	-12.8%
SOUTH	24,983	29,961	4,978	19.9%
WEST	10,488	9,633	-855	-8.2%
Total	58,199	59,415	1,216	2.1%

	First Hand Offered (Kg clean)			Change
	19	20		
NORTH	2.5M	2.1M	-0.3M	-14.0%
SOUTH	2.8M	3.4M	629K	22.7%
WEST	1.1M	1.0M	-0.1M	-8.1%
Total	6.3M	6.5M	193K	3.0%

Turnover (AUD)

This week	\$ 59.21 m
This season	\$ 113.16 m

Quotes (¢/kg clean)

	Style	Length	Strength	VMB	North		South		West	
					8 - Jul	2 - Jul	8 - Jul	2 - Jul	8 - Jul	2 - Jul
17.0	MF4	90	35	1			1,636	1,554		
	MF4	80	35	1	1,635	1,585	1,655	1,595		
	MF5	90	35	1	1,661					
	MF5	80	35	1	1,625	1,575	1,650	1,575		
	MP5	70	35	2	1,555			1,379		
18.0	MF4	90	35	1	1,425	1,405	1,430	1,400	1,425	1,415
	MF4	80	35	1	1,420	1,400	1,415	1,395	1,425	1,415
	MF5	90	35	1	1,422	1,395	1,442	1,394		1,435
	MF5	80	35	1	1,415	1,395	1,400	1,380	1,415	1,400
	MP5	70	35	2	1,300	1,280	1,226			
19.0	MF4	90	35	1	1,285	1,290	1,275	1,295	1,275	1,270
	MF4	80	35	1	1,280	1,285	1,270	1,295	1,275	1,270
	MF5	90	35	1	1,270	1,280	1,270	1,290	1,275	1,270
	MF5	80	35	1	1,270	1,275	1,270	1,285	1,270	1,265
	MP5	70	35	2					1,117	1,176
20.0	MF4	90	35	1	1,235	1,230	1,260	1,225	1,255	1,225
	MF4	80	35	1	1,230	1,225	1,255	1,220	1,250	1,225
	MF5	90	35	1	1,220	1,215	1,250	1,215	1,255	1,225
	MF5	80	35	1	1,215	1,210	1,245	1,210	1,250	1,225
	MZ5			2	745	745	755	760	775	775
21.0	MF4	90	35	1	1,240	1,210	1,260	1,205	1,235	1,205
	MF4	80	35	1	1,235	1,205	1,255	1,200	1,230	1,200
	MF5	90	35	1	1,220	1,190	1,250	1,190	1,225	1,200
	MF5	80	35	1	1,215	1,185	1,245	1,185	1,225	1,195
	MZ5			2	694		710	700		
22.0	MF4	90	35	1	1,545	1,545	1,245	1,215	1,788	1,788
	MF5	100	35	1	1,246	1,530	1,240	1,205	1,781	1,781
	MF4	100	35	1	1,550	1,550	1,250	1,220	2,250	2,250
23.0	MF4	90	35	1	2,220	2,220	1,240	1,160	1,669	1,669
	MF5	100	40	1	2,100	2,100	1,240	1,160	1,542	1,542
	MF5	100	35	1	1,510	1,510	1,230	1,145	1,395	1,395
	MF5	90	35	1	2,220	2,220	1,225	1,140	2,245	2,245
24.0	MF5	100	35	1	2,030	2,030	1,015	975		
	MF5	90	35	1	1,480	1,480	1,015	975		
	MF4	100	35	1	2,130	2,130	1,030	990		
25.0	XF5	100	35	1	978	947	990	935		
26.0	XF5	110	35	1	830	815	875	825		
28.0	XF5	120	35	1	590	570	575	585		
	XF5	110	35	1	568	548	558	555		
30.0	XF5	120	35	1	480	500	480	480		
	XF5	110	35	1	460	480	458	458		

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)