

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 1 October 2021 (Week 13)

The AWEX EMI finished at 1337¢, 31¢ lower (-2.3%) in Australian currency and 29¢ lower (-2.9%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 13.

39,757 bales were on offer nationally, compared with 34,031 bales last sale. There was strong buyer resistance to the falls, in the market with 22.6% of the offering passed in after 4.5% of the potential offering was withdrawn prior to sale. 30,782 bales were sold.

AWEX reports that the value of the wool sold was \$53.5 million (\$1,736 per bale), taking the season total to \$500.9 million (\$1,581 per bale). The number of bales sold at auction this season is now 25.9% greater than in 2020/21.

The New Zealand Merino Company also offered 1,017 bales in Melbourne on Thursday, of which 14.5% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 13)									
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	1368	No Sale	-31	0	-31 (-2.3%)	1337	-29	-15
Northern	12	1454	No Sale	-29	-1	-30 (-2.1%)	1424	-28	-14
Southern	12	1311	No Sale	-33	+1	-32 (-2.4%)	1279	-28	-16
Western	12	1397	No Sale	-51	+14	-37 (-2.6%)	1360	-33	-19

The market followed the trend often seen in recent weeks of making most of any movement on the first day of selling; and then settling at the new level on the second day. In this case, there had been reports of possible unsteadiness in the market for reasons that did not appear to be wool related.

Overall falls of 1 to 2% were recorded in the average AWEX MPGs at the fine end, but then rose to falls of over 3% among the broader Merino types. Crossbreds were more affected, with average falls of 4.5% to 7.5%.

The US Exchange Rate moved downwards to finished 0.44¢ (-0.6%) lower and to close at 72.06¢ on Thursday.

In the usual pattern, buyers for China were dominant. However, there was also noticeable support from Europe.

Looking ahead, offerings for the coming three sales are expected to range from 39,658 bales to 42,270 bales and to be 45.4% more than in the same period last year. The forecast progressive difference to Week 16 is +35.9%.

In other countries, the South African Cape Wools Indicator was down by 1.0% since last week against a 0.2% appreciation of the Rand against the US Dollar and a 0.3% appreciation against the Euro.

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	642¢	857¢	1092¢	1237¢	1443¢

Market Indicators	Week 13	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	1337	+5 (+0.4%)	-87 (-6.1%)	+301 (+29.1%)	+380 (+38.5%)
Western Market Indicator	1360	+4 (+0.3%)	-92 (-6.3%)	+275 (+25.3%)	+354 (+34.0%)

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 ¢	-28	-48	-30	-31	-34	-36	-56	-48	-42	-34		
Change %	-1.0%	-1.9%	-1.3%	-1.5%	-1.8%	-2.1%	-3.7%	-3.5%	-3.3%	-2.7%		
Since Start of the Season												
Change ¢	-103	-99	-72	-89	-106	-121	-128	-129	-105	-46		
Change %	-3.7%	-3.9%	-3.1%	-4.2%	-5.4%	-6.9%	-8.0%	-8.9%	-7.9%	-3.7%		
Since Week 13 Last Year												
Change ¢	+945	+801	+728	+634	+531	+426	+331	+214	+158	+147		
Change %	+55.6%	+49.3%	+47.6%	+45.2%	+40.6%	+35.0%	+29.0%	+19.5%	+14.7%	+13.8%		

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 ¢		-57	-20	-20		-14
Change %		-7.4%	-4.5%	-5.6%		-1.5%
Since Start of the Season						
Change ¢		-95	-70	-71		-74
Change %		-11.7%	-14.1%	-17.4%		-7.7%
Since Week 13 Last Year						
Change ¢		+47	-61	-69		+162
Change %		+7.0%	-12.6%	-17.0%		+22.2%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 1 October 2021 (Week 13)

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.

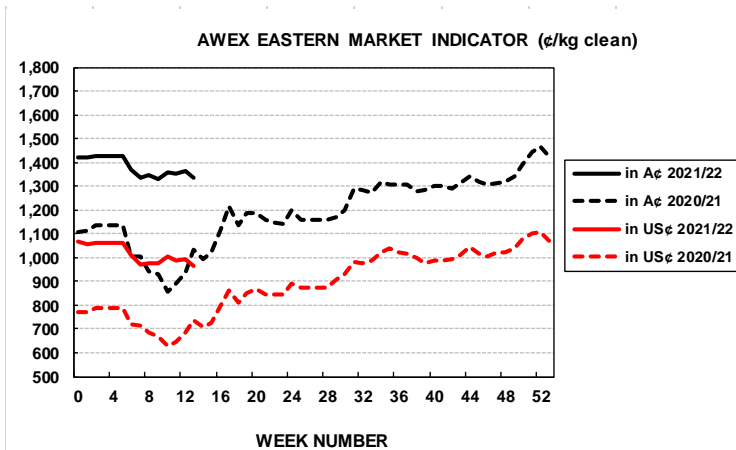
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	11,112	11,604	20.1%	4.9%	9.3%	9,271
South	18,304	20,447	20.2%	5.0%	8.0%	16,312
West	4,615	7,706	32.5%	2.6%	10.0%	5,199
Australia	34,031	39,757	22.6%	4.5%	8.8%	30,782

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
+41,214	+47.3%	+45.4%
+42,249	+28.4%	+30.1%
+11,685	+22.7%	+25.9%
<b>+95,148</b>	<b>+33.1%</b>	<b>+34.2%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 14	Week 15	Week 16	Differences
North	12,119	10,440	11,760	<b>+46.9%</b>
South	23,249	20,968	22,310	<b>+44.8%</b>
West	6,751	8,250	8,200	<b>+48.5%</b>
New Zealand	1,500	1,500	1,500	
Australia	<b>42,119</b>	<b>39,658</b>	<b>42,270</b>	<b>124,047</b>
Differences	<b>+43.7%</b>	<b>+39.9%</b>	<b>+52.7%</b>	<b>+45.4%</b>

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	72.50	+0.47	-0.13	+0.26	-0.56	No	-0.44 (-0.6%)	72.06	72.06	74.60
Euro	61.84	+0.33	-0.03	+0.34	-0.39	Sale	+0.31 (+0.5%)	62.15	61.70	63.27

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to July	
	July 2021	July to July 2021/22	July to July 2020/21	By Weight	By Value
China	86.6%	86.6%	88.0%	+81.5%	+135.3%
India	4.1%	4.1%	3.2%	+136.9%	+186.3%
Czech Republic	3.5%	3.5%	3.0%	+113.5%	+74.4%
Italy	1.7%	1.7%	1.9%	+61.7%	+109.1%
Korea	1.5%	1.5%	1.5%	+81.0%	+65.8%
Thailand	0.5%	0.5%	0.8%	+30.2%	+95.1%
United Arab Emirates	0.5%	0.5%	0.1%	+635.0%	+453.5%
Egypt	0.5%	0.5%	0.4%	+97.8%	+136.9%
<b>Change all Countries</b>				<b>+83.6%</b>	<b>+132.3%</b>



AVERAGE EMI	
This Year	1366
Last Year	1199
2019/20	1448
2018/19	1939
2017/18	1739

SEASON AVERAGES		
Region	This Year	Diff
North	1454	+189
South	1309	+152
West	1395	+159

THIS YEAR'S EMI	
This Week	1337
First Week	1420
Low (9/01)	1332
High (11/01)	1428

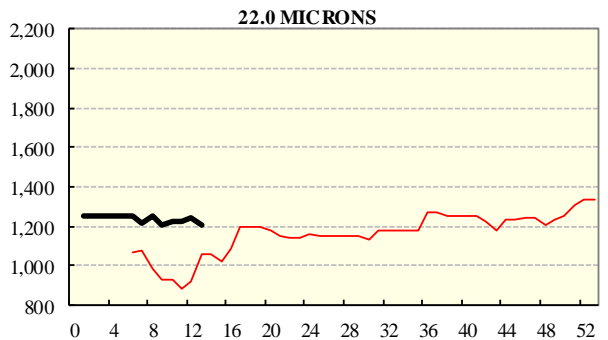
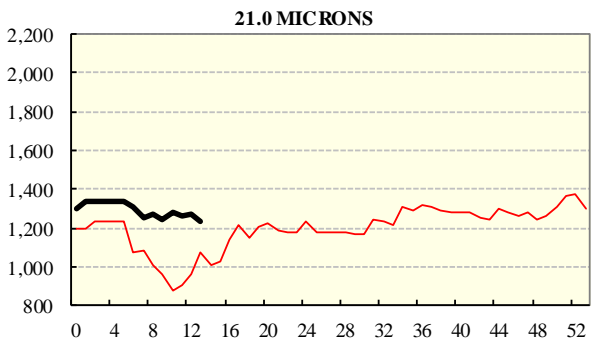
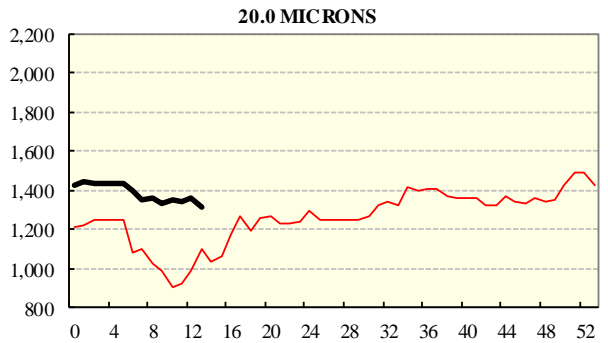
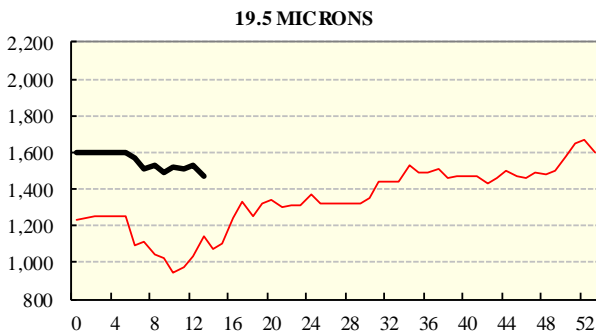
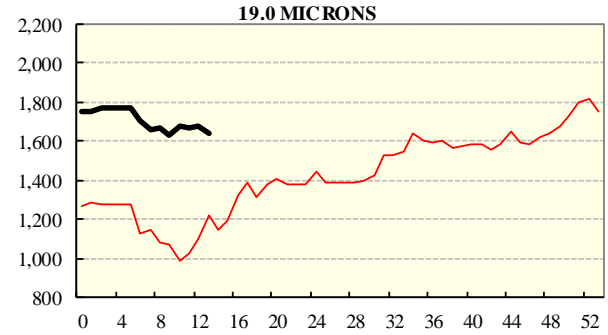
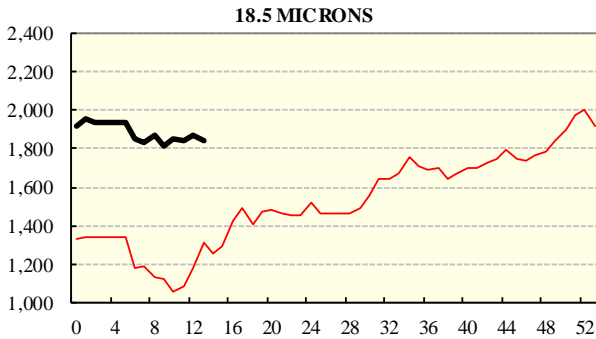
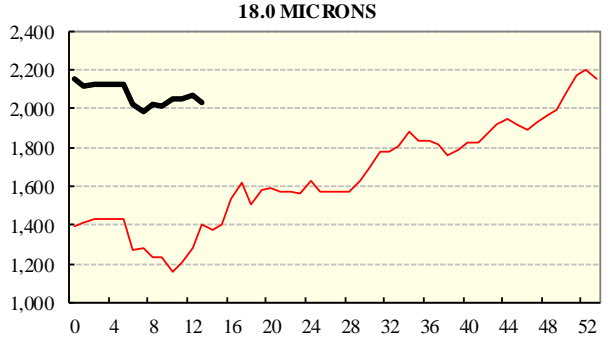
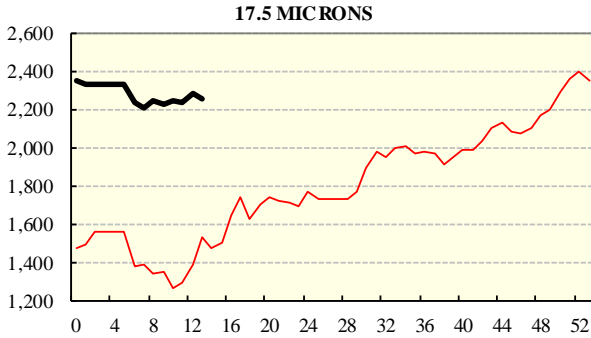
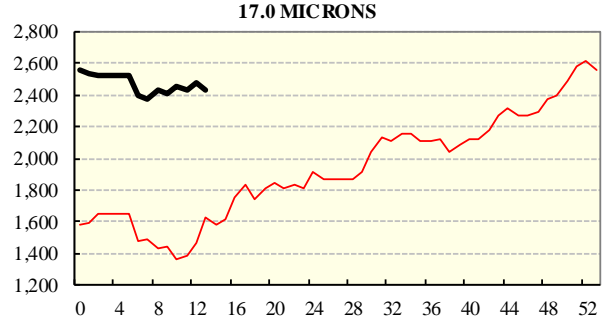
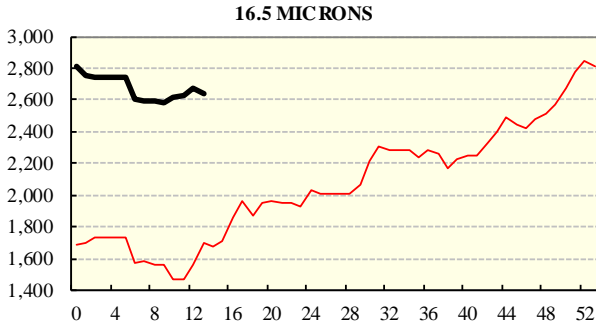
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1424	-92
South	1279	-87
West	1360	-92

BALES OFFERED	
This Year	382,420
Last Year	287,272
Difference	+95,148
% Diff	+33.1%
FIRST OFFERED BALES	
Difference	+34.2%
% of Offering	90%

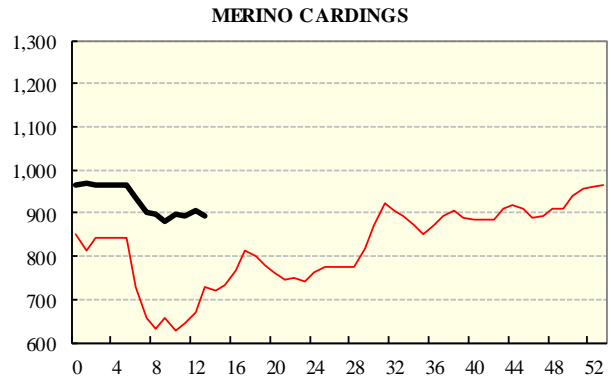
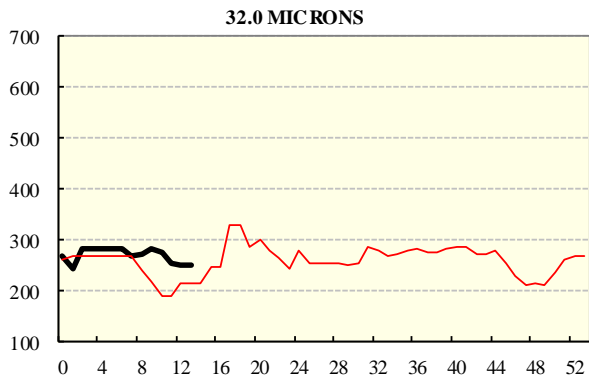
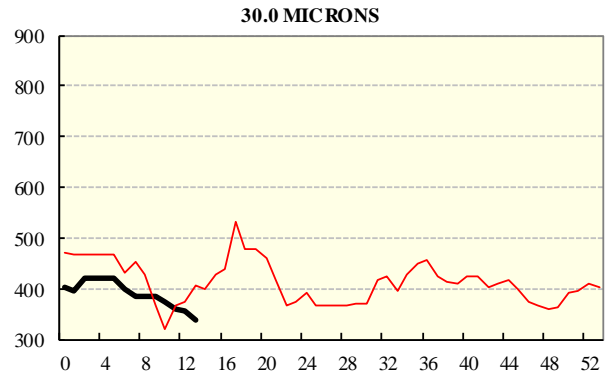
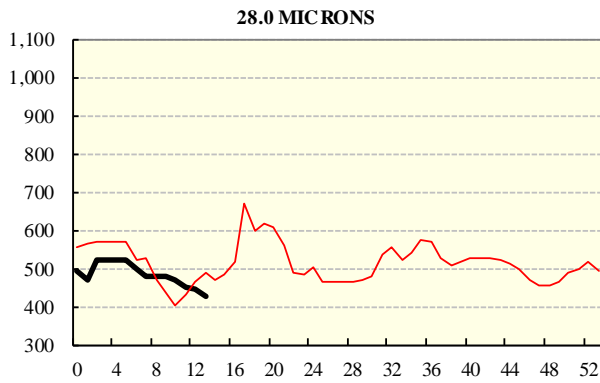
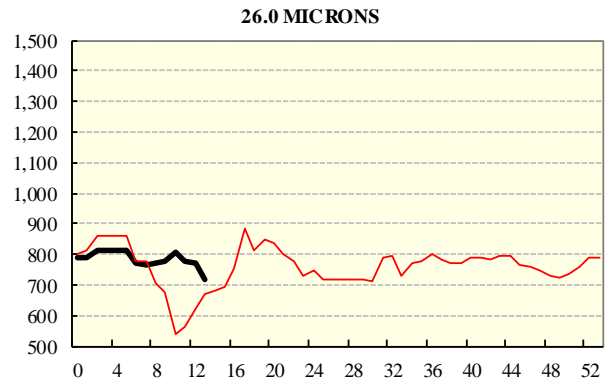
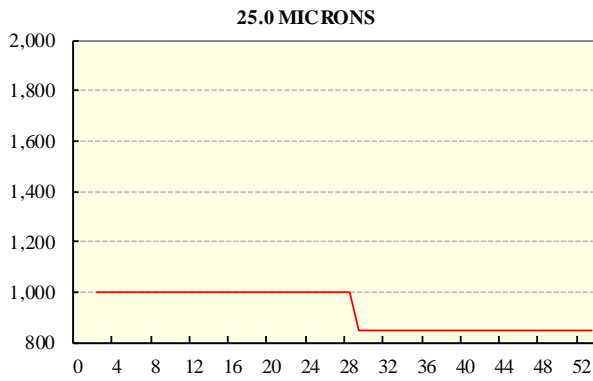
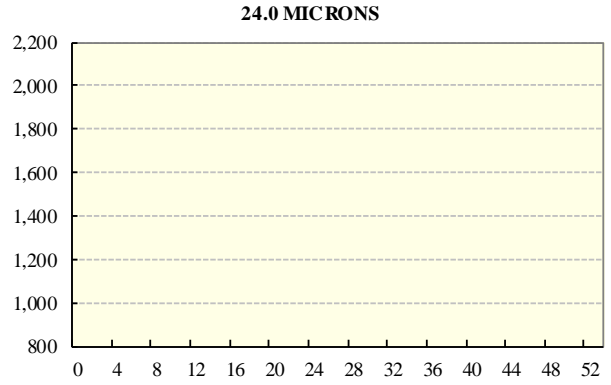
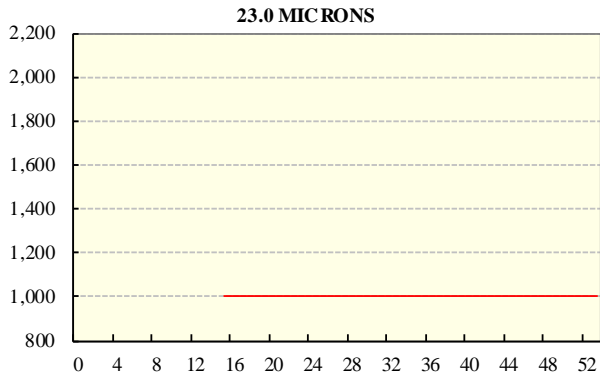
REGION BALES		
This Sale:		
North	11,604	
South	20,447	
West	7,706	
Progressive Totals:		Diff
North	128,342	+47.3%
South	191,019	+28.4%
West	63,059	+22.7%

## AVERAGE AWEX MICRON PRICE GUIDES

2021/22 ( black graph line) and 2020/21 (red graph line)



## AVERAGE AWEX MICRON PRICE GUIDES 2021/22 ( black graph line) and 2020/21 (red graph line)



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

(In Australian, United States and European Currencies)

