

# AUSTRALIANWOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 12 February 2021 (Week 33)

The AWEX EMI finished at 1275¢, 10¢ lower (-0.8%) in Australian currency and 8¢ higher (+0.8%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 33. The EMI has risen by 128¢ since the pre-Christmas sale.

The Melbourne sale included 4,234 bales of good quality Tasmanian wool, most of which were sold on Wednesday.

49,810 bales were on offer nationally, compared with 45,126 bales last sale. 12.6% of the offering was passed in after 5.7% of the potential offering was withdrawn prior to sale, leaving 43,531 bales as sold. The number of bales sold at auction this season is now 6.0% greater than in 2019/20. This figure has risen by 1.6% since the last sale before Christmas.

AWEX reports that the value of the wool sold was \$70.4 million (\$1,617 per bale), taking the season total to \$1.087 billion (\$1,307 per bale).

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 33)									
Centre	Last Sale		Day-to-Day Changes (Week 33)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	32	1285	-11	-1	+2	-10 (-0.8%)	1275	+8	+2
Northern	32	1362	-7	-3	No Sale	-10 (-0.7%)	1352	+9	+2
Southern	32	1237	-14	0	+3	-11 (-0.9%)	1226	+6	0
Western	32	1313	-8	+9	No Sale	+1 (+0.1%)	1314	+16	+8

It was a further solid market in another large sale (by current standards), with the EMI down in \$A, but slightly up in US\$. Fine wool resumed the gains seen prior to last week.

AWEX reported that the Tasmanian offering included “many bales of Non-Mulesed and of superior Length and Strength wool which attracted good competition and good premiums.”

The US Exchange Rate finished 1.22¢ (1.6%) higher after two weeks below 77¢. It closed at 77.35¢ on Thursday.

Buyers for China continued their dominance, while European interests also had a presence on the major buyers’ list. Data from the Australian Bureau of Statistics shows 88% of Australia’s exports for the July to December period went to China.

In other countries, the South African Cape Wools Indicator was down by 2.0% since last week against a 1.7% appreciation of the Rand against the US Dollar and a 1.0% appreciation against the Euro.

Offerings for the coming three sales are expected to range from 37,822 bales to 48,814 bales and to be 25.5% more than in the same period last year as growers release unsold wool stocks. The forecast progressive difference to Week 36 is 3.9%.

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	481¢	624¢	819¢	960¢	1106¢

Market Indicator	Changes From			
	Four Sales Ago Week 29	Start of the Season	Week 33 Last Year	Season Average to Week 33 Last Year
Eastern Market Indicator	+103 (+8.8%)	+150 (+13.3%)	-293 (-18.7%)	-451 (-29.0%)
Western Market Indicator	+92 (+7.5%)	+120 (+10.1%)	-353 (-21.2%)	-507 (-30.6%)

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 ¢	+2	+37	+45	+28	+24	+18	+4	-12	-19	+2		
Change %	+0.1%	+1.8%	+2.3%	+1.6%	+1.5%	+1.2%	+0.3%	-0.9%	-1.5%	+0.2%		
Since Start of the Season												
Change ¢	+573	+531	+469	+387	+331	+269	+194	+93	0			
Change %	+33.4%	+32.8%	+30.7%	+27.3%	+24.7%	+21.0%	+15.5%	+7.5%	0.0%			
Since Same Week Last Year												
Change ¢	+142	+95	+9	-131	-185	-269	-359	-460	-543			
Change %	+6.6%	+4.6%	+0.5%	-6.8%	-10.0%	-14.8%	-19.9%	-25.7%	-30.8%			

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 ¢		-65	-32	-31	-10	-16
Change %		-8.2%	-5.8%	-7.3%	-3.6%	-1.8%
Since Start of the Season						
Change ¢		-106	-46	-72	+2	+64
Change %		-12.6%	-8.1%	-15.5%	+0.7%	+7.7%
Since Same Week Last Year						
Change ¢		-409	-344	-267	-145	-234
Change %		-35.8%	-39.8%	-40.4%	-34.9%	-20.8%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 12 February 2021 (Week 33)

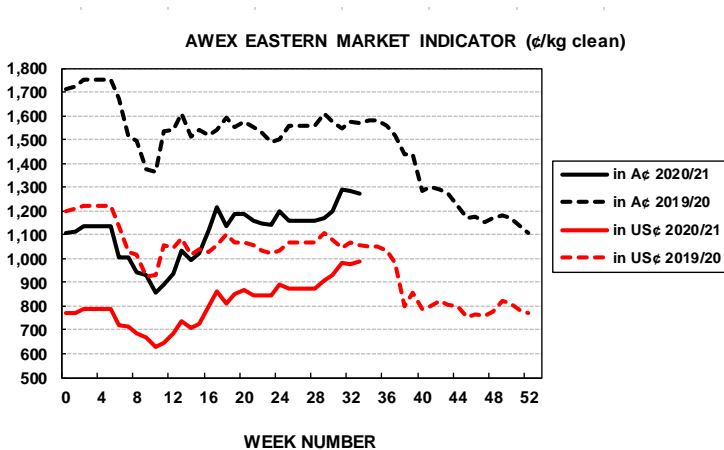
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the December ABS export data.

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 <sup>st</sup> Time Bales
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold	Bales	%	%
North	12,916	13,507	12.1%	3.1%	8.3%	11,871	+2,951	+1.2%	+2.1%
South	22,607	27,620	13.0%	6.1%	6.9%	24,016	+21,026	+4.5%	+5.1%
West	9,603	8,683	12.0%	8.2%	8.9%	7,644	-10,478	-5.4%	-46.6%
<b>Australia</b>	<b>45,126</b>	<b>49,810</b>	<b>12.6%</b>	<b>5.7%</b>	<b>7.6%</b>	<b>43,531</b>	<b>+13,499</b>	<b>+1.5%</b>	<b>+2.8%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 34	Week 35	Week 36	Differences
North	11,431	10,299	9,300	-19.8%
South	27,397	21,990	20,677	-0.5%
West	9,986	8,070	7,845	-34.1%
<b>New Zealand</b>	<b>1,740</b>			
<b>Australia</b>	<b>48,814</b>	<b>40,359</b>	<b>37,822</b>	<b>126,995</b>
<b>Differences</b>	<b>+25.1%</b>		<b>-39.2%</b>	<b>+25.5%</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	76.13	-0.20	+0.80	+0.54	+0.13	-0.05	+1.22 (+1.6%)	77.35	69.24	77.71
Euro	63.22	+0.28	+0.26	+0.22	-0.17	0.00	+0.59 (+0.9%)	63.81	59.77	64.06

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to December	
	December 2020	July to December 2020/21	July to December 2019/20	By Weight	By Value
China	87.5%	87.6%	76.8%	+22.8%	-8.7%
Czech Republic	2.1%	3.6%	3.1%	+24.4%	-31.2%
India	4.5%	3.3%	6.2%	-43.0%	-61.4%
Italy	2.6%	1.8%	5.9%	-67.0%	-74.2%
Korea	1.3%	1.6%	2.1%	-14.1%	-32.9%
Thailand	0.6%	0.5%	0.9%	-48.2%	-57.6%
Egyptny	0.3%	0.3%	1.3%	-76.4%	-84.9%
Germany	0.1%	0.3%	0.4%	-22.5%	-34.9%
<b>Change all Countries</b>				<b>+7.6%</b>	<b>-22.9%</b>



AVERAGE EMI	
This Year	1102
Last Year	1448
2018/19	1939
2017/18	1739
2016/17	1408

THIS YEAR'S EMI	
This Week	1275
First Week	1116
Low (11/01)	858
High (13/01)	1291

BALES OFFERED	
This Year	932,649
Last Year	919,150
Difference	+13,499
% Diff	+1.5%
FIRST OFFERED BALES	
Difference	+2.8%
% of Offering	91.2%

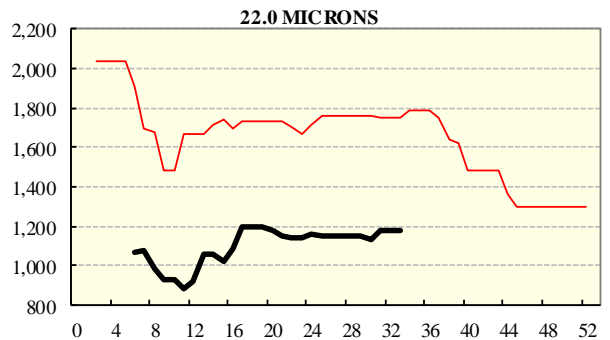
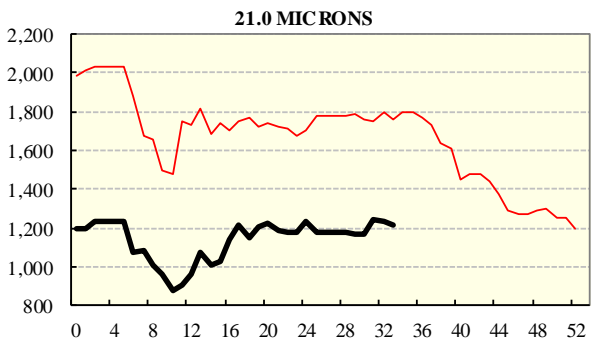
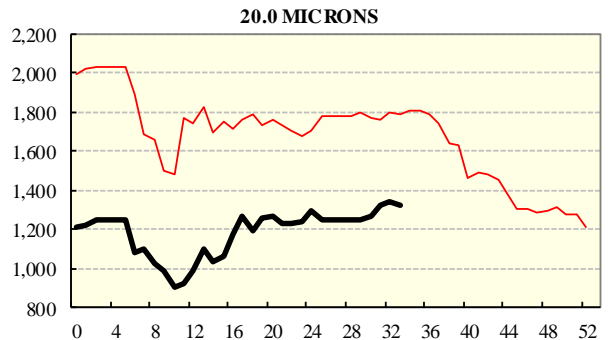
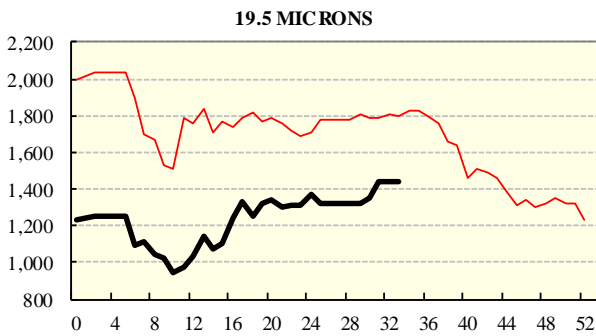
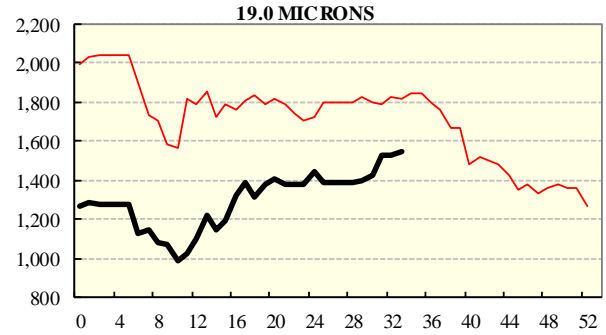
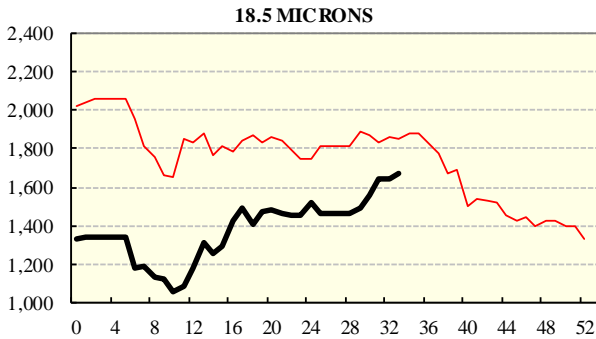
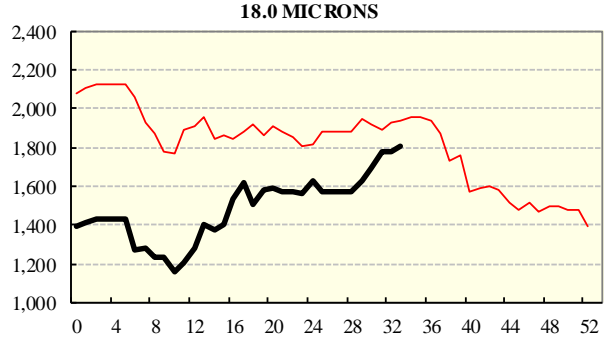
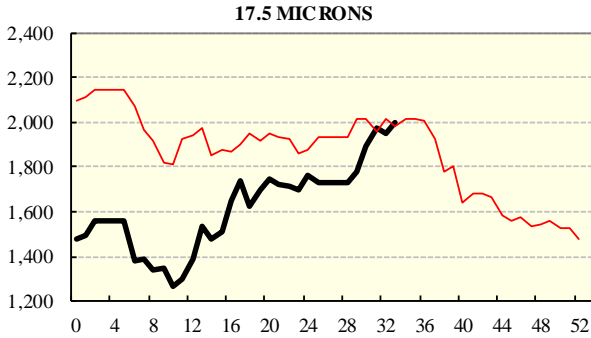
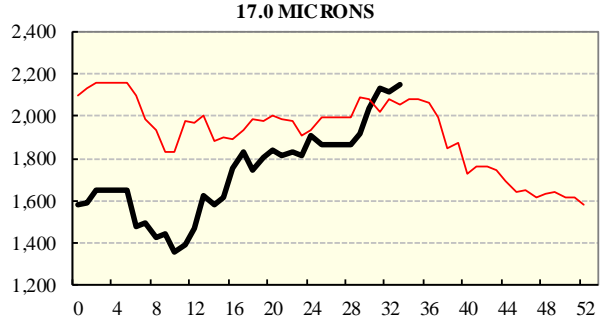
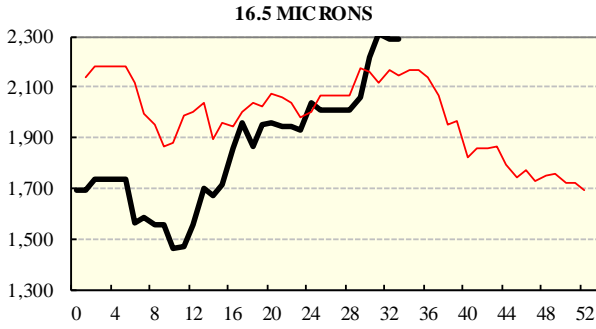
SEASON AVERAGES		
Region	This Year	Diff
North	1160	-322
South	1066	-360
West	1150	-404

COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1352	+185
South	1226	+128
West	1314	+120

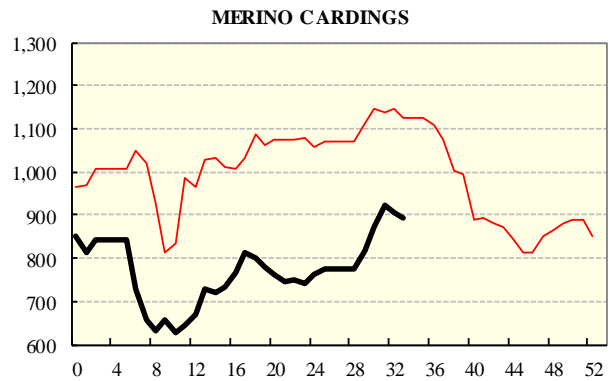
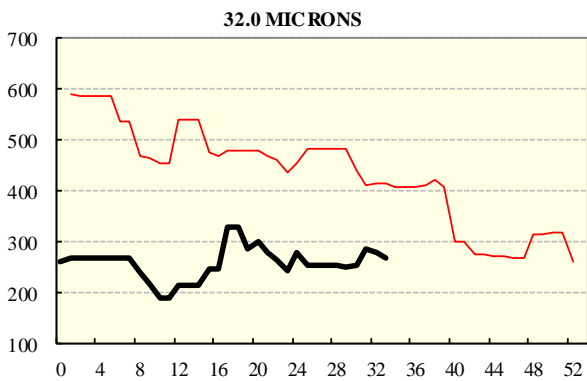
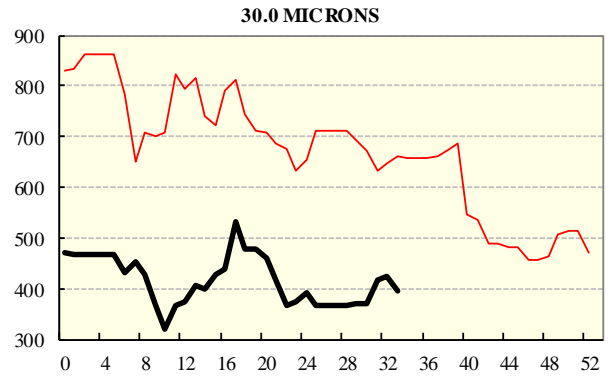
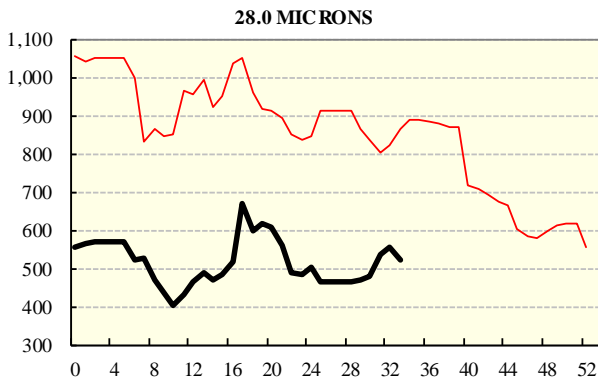
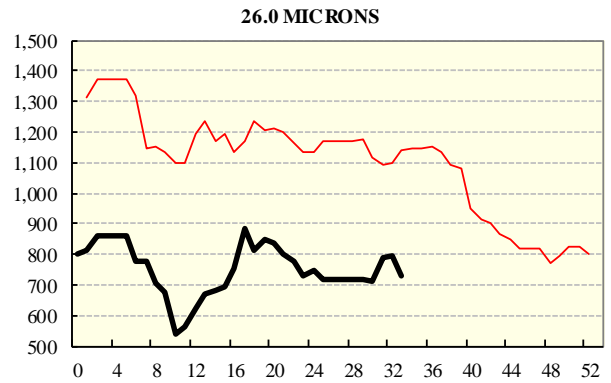
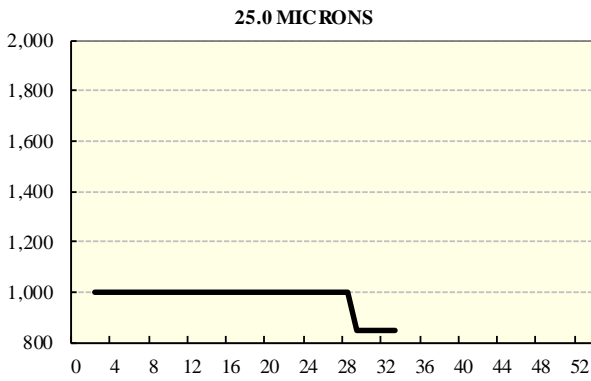
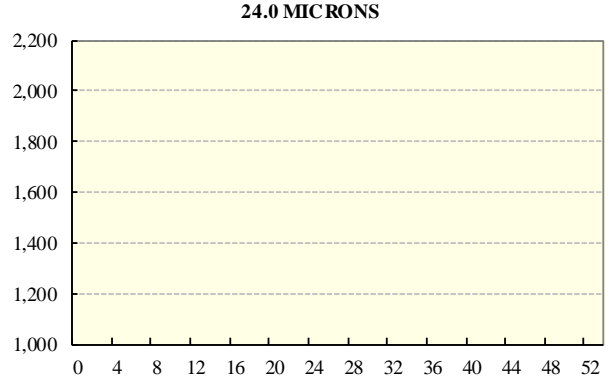
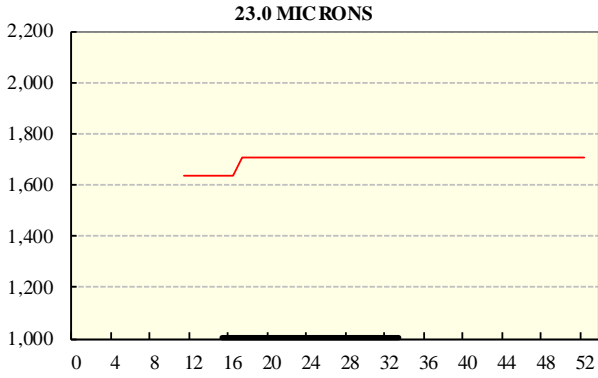
REGION BALES		
This Sale:		
North	13,507	
South	27,620	
West	8,683	
Progressive Totals:		Diff
North	257,412	+1.2%
South	490,732	+4.5%
West	184,505	-5.4%

## 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)

