

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 15 October 2021 (Week 15)

The AWEX EMI finished at 1323¢, 16¢ lower (-1.2%) in Australian currency and 4¢ lower (-0.4%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 15.

40,069 bales were on offer nationally, compared with 35,844 bales last sale. 13.7% of the offering was passed in after 4.4% of the potential offering was withdrawn prior to sale. 34,565 bales were sold.

AWEX reports that the value of the wool sold was \$55.4 million (\$1,603 per bale), taking the season total to \$610.7 million (\$1,606 per bale). The number of bales sold at auction this season is now 26.8% greater than in 2020/21.

The New Zealand Merino Company also offered 748 bales in Melbourne on Wednesday, of which 15.9% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 15)									
Centre	Last Sale		Day-to-Day Changes (Week 15)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	14	1339	-16	0	No Sale	-16 (-1.2%)	1323	-4	-3
Northern	14	1424	-13	-3	No Sale	-16 (-1.1%)	1408	-4	-2
Southern	14	1282	-17	+2	No Sale	-15 (-1.2%)	1267	-3	-3
Western	14	1370	-23	+2	No Sale	-21 (-1.5%)	1349	-7	-6

With regard to the energy issues in China, we understand that there were announcements in China during the week that they are to be addressed by increasing the utilisation of domestic Chinese coal.

The market eased on Tuesday, but steadied on Wednesday, when it found a new level, as it has done a number of times in recent weeks. There were falls across all micron ranges that were least from 16.5 to 17.5 microns.

The US Exchange Rate finished 0.59¢ (0.8%) higher to close at 73.40¢ on Wednesday, its highest level for five weeks.

In the usual pattern, buyers for China were dominant with support from buyers for India and Europe.

Looking ahead, offerings for the coming three sales are expected to range from 38,025 bales to 43,110 bales and to be 26.1% more than in the same period last year. The forecast progressive difference to Week 18 is +31.4%.

In other countries, the South African Cape Wools Indicator was down by 0.1% since last week against a 1.6% appreciation of the Rand against the US Dollar and a 1.6% 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	648¢	875¢	1135¢	1281¢	1476¢

Market Indicators	Week 15	Changes From			
		Four Sales Ago Week 11	Start of the Season	Week 15 Last Year	Season Average to Week 15 Last Year
Eastern Market Indicator	1323	-29 (-2.1%)	-101 (-7.1%)	+301 (+29.5%)	+371 (+37.5%)
Western Market Indicator	1349	-43 (-3.1%)	-103 (-7.1%)	+295 (+28.0%)	+348 (+33.4%)

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 ¢	-3	-3	-4	-27	-21	-34	-27	-22	-8	-20		
Change %	-0.1%	-0.1%	-0.2%	-1.3%	-1.1%	-2.1%	-1.8%	-1.7%	-0.6%	-1.7%		
Since Start of the Season												
Change ¢	-86	-64	-47	-87	-114	-147	-152	-139	-104	-64		
Change %	-3.1%	-2.5%	-2.0%	-4.1%	-5.9%	-8.3%	-9.5%	-9.6%	-7.8%	-5.1%		
Since Week 15 Last Year												
Change ¢	+947	+845	+775	+636	+540	+427	+341	+244	+206	+172		
Change %	+55.3%	+52.3%	+51.4%	+45.3%	+41.8%	+35.9%	+30.8%	+23.0%	+20.1%	+16.9%		

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 ¢		-34	-9	-2	+5	-17
Change %		-4.8%	-2.1%	-0.6%	+2.2%	-1.9%
Since Start of the Season						
Change ¢		-140	-80	-68	-37	-103
Change %		-17.3%	-16.2%	-16.7%	-14.0%	-10.7%
Since Week 15 Last Year						
Change ¢		-23	-69	-89	-20	+132
Change %		-3.3%	-14.3%	-20.8%	-8.1%	+18.1%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 15 October 2021 (Week 15)

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 August ABS export data.

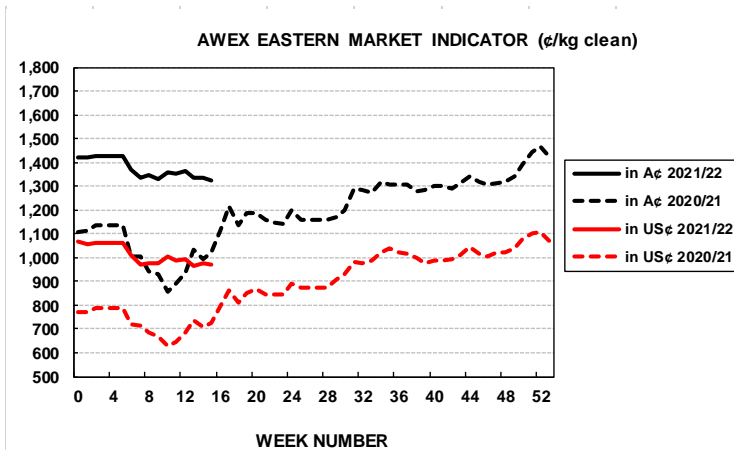
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	12,013	10,871	12.9%	5.0%	12.7%	9,468
South	18,514	22,108	12.4%	4.0%	11.8%	19,358
West	5,317	7,090	19.1%	4.6%	21.0%	5,739
Australia	35,844	40,069	13.7%	4.4%	13.7%	34,565

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
+48,830	+47.7%	+44.9%
+51,289	+28.4%	+28.8%
+13,694	+22.2%	+22.2%
<b>+113,413</b>	<b>+32.9%</b>	<b>+32.6%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 16	Week 17	Week 18	Differences
North	10,694	11,300	12,050	+22.9%
South	21,022	21,887	23,420	+43.1%
West	6,309	7,550	7,640	-5.0%
New Zealand	2,200	1,800	1,800	
Australia	38,025	40,737	43,110	121,872
Differences	+37.4%	+23.2%	+20.0%	+26.1%

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	72.81	+0.17	+0.21	+0.30	-0.09	No	+0.59 (+0.8%)	73.40	72.06	74.60
Euro	63.01	+0.18	+0.05	+0.35	-0.06	Sale	+0.52 (+0.8%)	63.53	61.70	63.53

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to August	
	August 2021	July to August 2021/22	July to August 2020/21	By Weight	By Value
China	84.0%	85.1%	85.8%	+89.6%	+186.1%
India	4.5%	4.3%	3.3%	+148.6%	+203.6%
Italy	5.1%	3.2%	1.8%	+236.6%	+385.7%
Czech Republic	2.3%	3.1%	4.2%	+38.5%	+23.0%
Korea	1.5%	1.5%	1.9%	+49.9%	+58.0%
Egypt	0.6%	0.5%	0.4%	+164.6%	+256.7%
United Arab Emirates	0.4%	0.5%	0.1%	+1,071.1%	+727.8%
Thailand	0.3%	0.4%	1.0%	+28.9%	+115.1%
<b>Change all Countries</b>				<b>+91.0%</b>	<b>+181.6%</b>



AVERAGE EMI	
This Year	1360
Last Year	1199
2019/20	1448
2018/19	1939
2017/18	1739

SEASON AVERAGES		
Region	This Year	Diff
North	1447	+182
South	1303	+147
West	1389	+153

THIS YEAR'S EMI	
This Week	1323
First Week	1420
Low (10/01)	1323
High (11/01)	1428

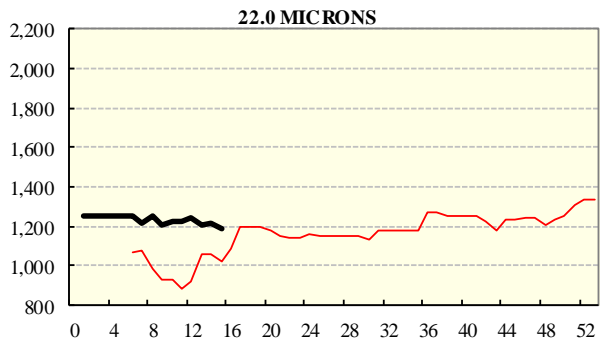
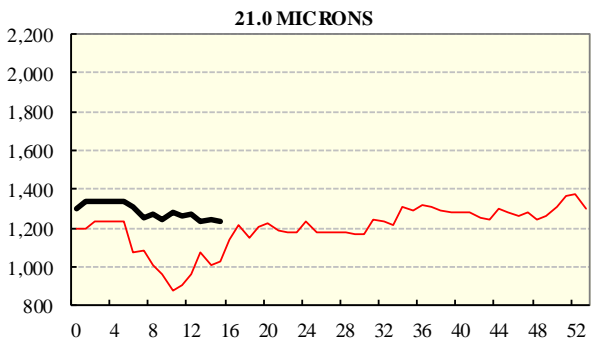
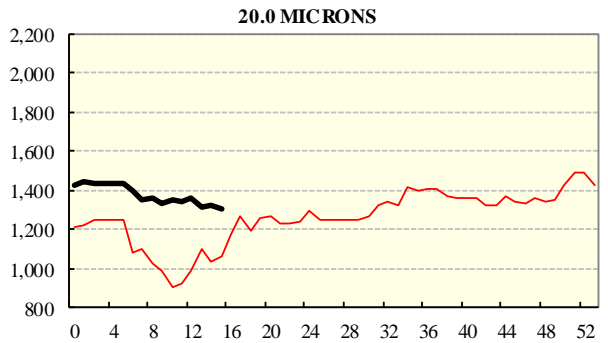
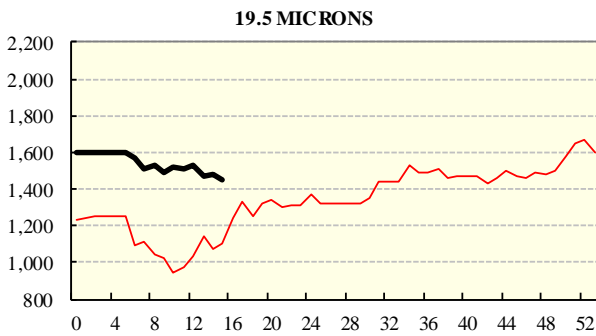
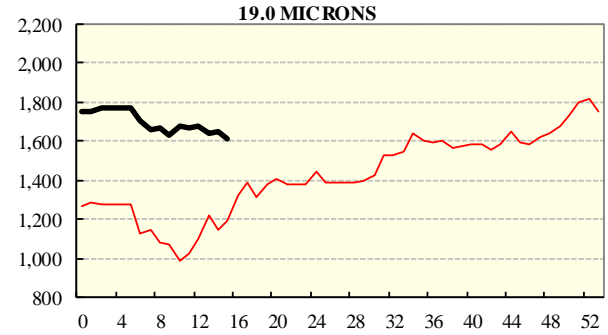
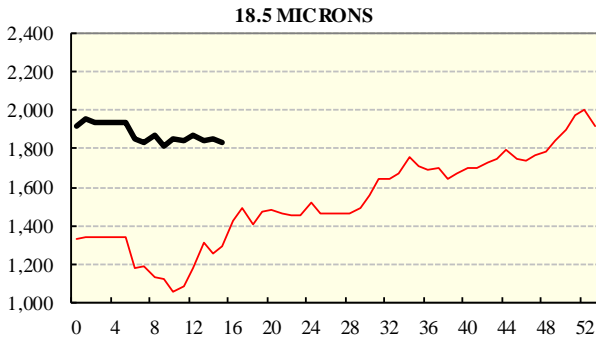
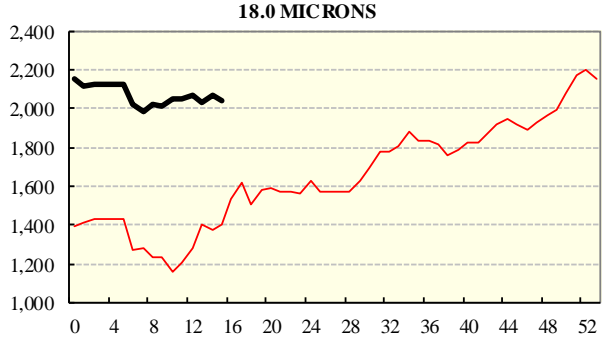
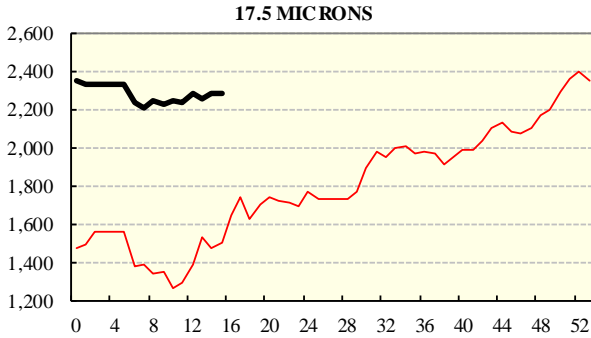
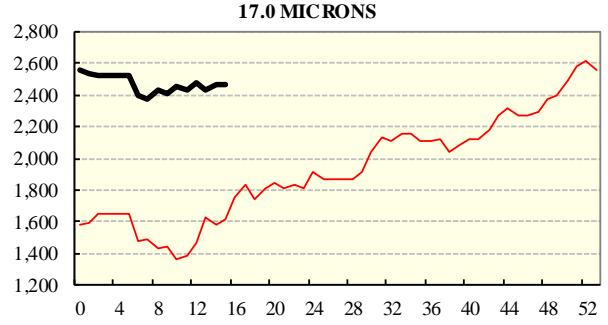
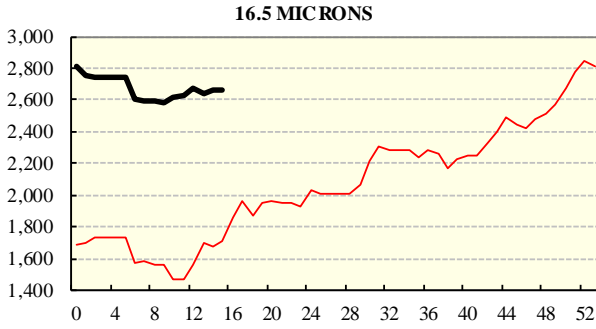
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1408	-108
South	1267	-99
West	1349	-103

BALES OFFERED	
This Year	458,333
Last Year	344,920
Difference	+113,413
% Diff	+32.9%
FIRST OFFERED BALES	
Difference	+32.6%
% of Offering	89.8%

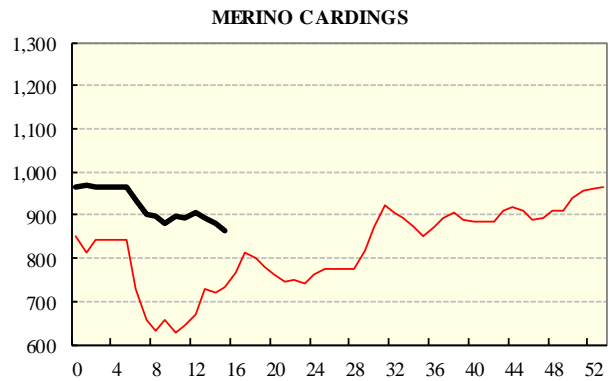
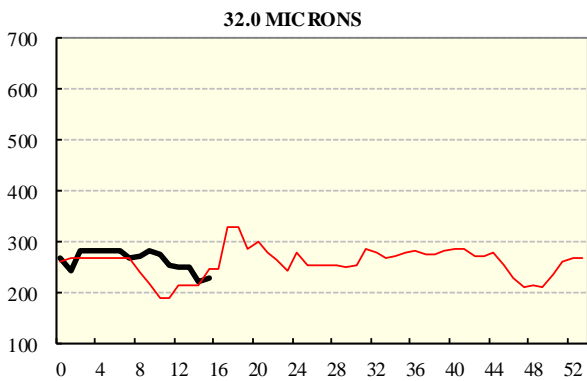
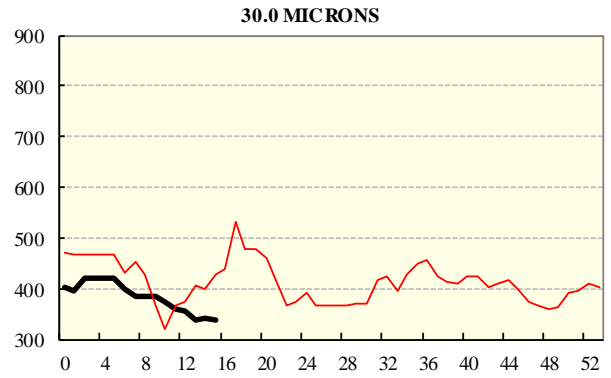
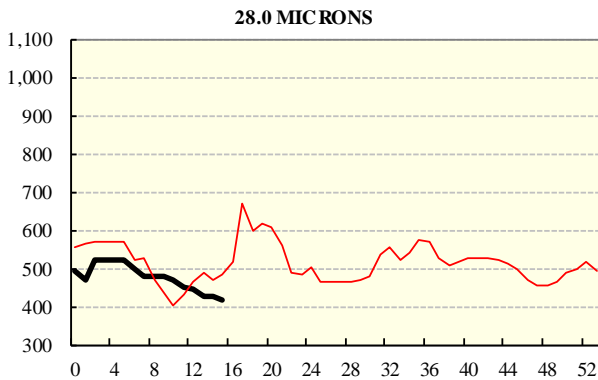
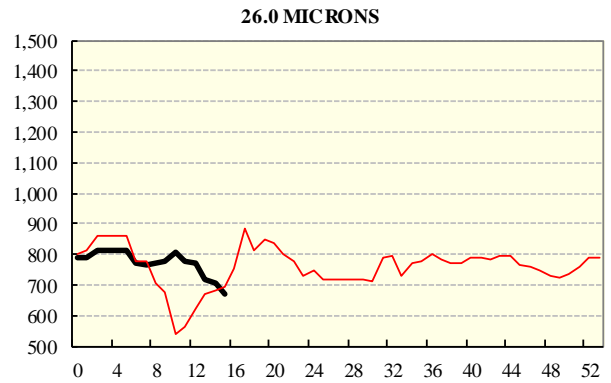
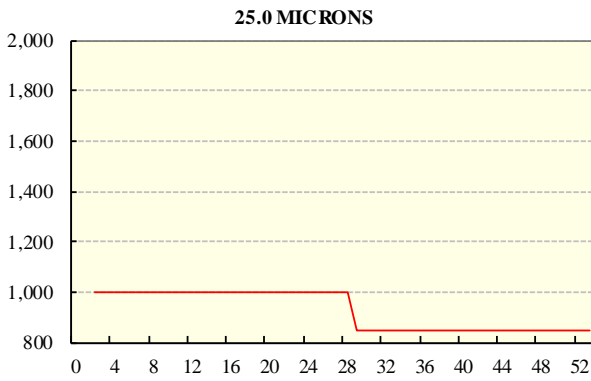
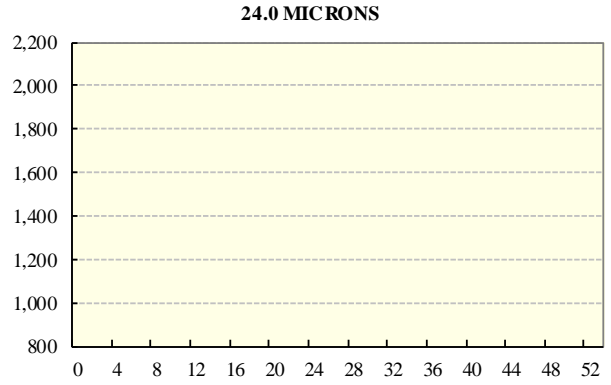
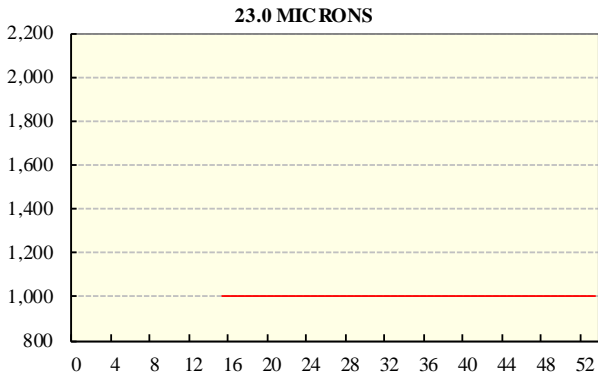
REGION BALES		
This Sale:		Diff
North	10,871	
South	22,108	
West	7,090	
Progressive Totals:		Diff
North	151,226	+47.7%
South	231,641	+28.4%
West	75,466	+22.2%

## 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)

