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AWIS WOOL MARKET REVIEW

Week Ending 20 August 2021 (Week 07)

The AWEX EMI continued downwards on Tuesday, but steadied on Wednesday when it moved up by 3¢ at sales in Sydney, Melbourne and Fremantle in Week 07. The closing EMI on Wednesday was 1335¢, 37¢ lower (-2.7%) in Australian currency and 41¢ lower (-4.1%) in US currency.

32,238 bales were on offer nationally, compared with 49,181 bales last sale. Growers responded to the further downward movement in the market when 28.4% of the offering was passed in after 15.2% was withdrawn prior to sale. 23,085 bales were sold.

AWEX reports that the value of the wool sold was \$33.4 million (\$1,447 per bale), taking the season total to \$226.7 million (\$1,583 per bale). The number of bales sold at auction this season is now 19.3% greater than in 2020/21.

The New Zealand Merino Company also offered 2,187 bales in Melbourne on Wednesday in their first sale of the season. 1,533 bales were sold after a Pass-In rate of 29.9%.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 07)									
Centre	Last Sale		Day-to-Day Changes (Week 07)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	06	1372	-40	+3	No Sale	-37 (-2.7%)	1335	-41	-34
Northern	06	1463	-34	-1	No Sale	-35 (-2.4%)	1428	-40	-33
Southern	06	1314	-43	+6	No Sale	-37 (-2.8%)	1277	-41	-33
Western	06	1406	-55	No Sale	No Sale	-55 (-3.9%)	1351	-55	-45

In looking at the impact on the market more closely, there was a resumption of the pattern seen for most of last season when the best performances were at the fine end of the Merinos. Also, comment from the trade on Thursday was that there has been an increase in Inquiry that is expected to lead to a stronger market in the coming week.

The US Exchange Rate to move down when finished 1.06¢ (-1.4%) lower to close at 72.59¢ on Wednesday.

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

Looking ahead, offerings for the coming three sales are expected to range from 32,337 bales to 40,395 bales and to be 42.6% more than in the same period last year. The forecast progressive difference to Week 10 is +35.0%.

In other countries, the South African Cape Wools Indicator was up by 0.9% since the first Sale against a 0.7% depreciation of the Rand against the US Dollar and a 0.9% depreciation 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	624¢	752¢	991¢	1139¢	No 16.5µ MPG

Market Indicators	Week 07	Changes From			
		Four Sales Ago Week 53	Start of the Season	Week 07 Last Year	Season Average to Week 07 Last Year
Eastern Market Indicator	1335	-88 (-6.2%)	-89 (-6.3%)	+331 (+33.0%)	+324 (+30.4%)
Western Market Indicator	1351	-89 (-6.2%)	-101 (-7.0%)	+295 (+27.9%)	+290 (+25.8%)

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 ¢	-11	-22	-31	-33	-20	-48	-55	-44	-55	-36		
Change %	-0.4%	-0.9%	-1.4%	-1.6%	-1.1%	-2.8%	-3.5%	-3.2%	-4.2%	-2.9%		
Since Start of the Season												
Change ¢	-155	-152	-122	-139	-111	-105	-91	-91	-85	-41		
Change %	-5.6%	-6.0%	-5.2%	-6.5%	-5.7%	-6.0%	-5.7%	-6.3%	-6.4%	-3.3%		
Since Week 07 Last Year												
Change ¢	+1006	+882	+821	+707	+642	+515	+398	+255	+167	+142		
Change %	+63.4%	+59.1%	+59.1%	+55.2%	+53.8%	+45.1%	+35.8%	+23.3%	+15.4%	+13.2%		

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 ¢		-8	-18	-14		-33
Change %		-1.0%	-3.6%	-3.5%		-3.5%
Since Start of the Season						
Change ¢		-46	-16	-23	+3	-65
Change %		-5.7%	-3.2%	-5.7%	+1.1%	-6.7%
Since Week 07 Last Year						
Change ¢		-14	-45	-70	-2	+244
Change %		-1.8%	-8.6%	-15.4%	-0.7%	+37.1%

MC Average Merino Cardings Price Guide

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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 June ABS export data.

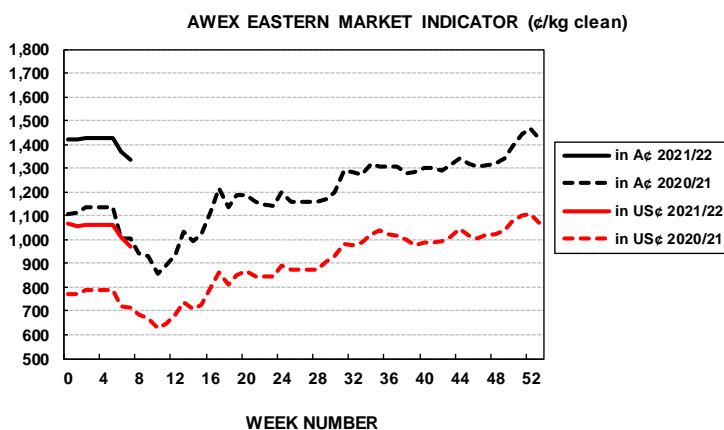
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re-Offered	Bales Sold
North	17,047	11,386	29.9%	11.8%	6.6%	7,982
South	23,685	16,764	20.3%	19.1%	3.4%	13,354
West	8,449	4,088	57.2%	6.8%	21.1%	1,749
Australia	49,181	32,238	28.4%	15.2%	6.8%	23,085

Progressive Changes from Last Year		
All Bales		1 st Time Bales
Bales	%	%
+18,237	+41.1%	+41.5%
+16,278	+23.4%	+27.3%
+8,045	+32.1%	+27.9%
+42,560	+30.6%	+32.1%

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 08	Week 09	Week 10	Differences
North	13,537	12,370	11,680	+64.4%
South	18,800	20,485	22,415	+42.5%
West	No Sale	7,154	6,300	-51.0%
New Zealand		2,000		
Australia	32,337	40,009	40,395	112,741
Differences	+3.0%	+95.3%	+48.8%	+42.6%

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	73.65	-0.28	-0.01	-0.25	-0.52	No	-1.06 (-1.4%)	72.59	72.59	74.60
Euro	62.72	-0.21	-0.27	-0.12	-0.15	Sale	-0.75 (-1.2%)	61.97	61.97	63.27

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to June	
	June 2021	July to June 2020/21	July to June 2019/20	By Weight	By Value
China	85.7%	86.5%	80.6%	+27.9%	+10.8%
Czech Republic	5.4%	4.1%	3.2%	+52.4%	-7.2%
India	4.4%	3.7%	5.2%	-14.2%	-36.4%
Italy	0.8%	1.8%	4.0%	-46.7%	-54.9%
Korea	1.1%	1.5%	1.9%	-2.1%	-16.0%
Thailand	0.5%	0.4%	0.8%	-40.4%	-40.2%
United Arab Emirates	0.5%	0.4%	0.2%	+110.7%	+28.2%
Germany	0.6%	0.3%	0.4%	+5.8%	-16.9%
Change all Countries				+19.2%	-0.9%



AVERAGE EMI	
This Year	1389
Last Year	1199
2019/20	1448
2018/19	1939
2017/18	1739

SEASON AVERAGES		
Region	This Year	Diff
North	1481	+216
South	1331	+174
West	1415	+180

THIS YEAR'S EMI	
This Week	1335
First Week	1420
Low (12/01)	1335
High (11/01)	1428

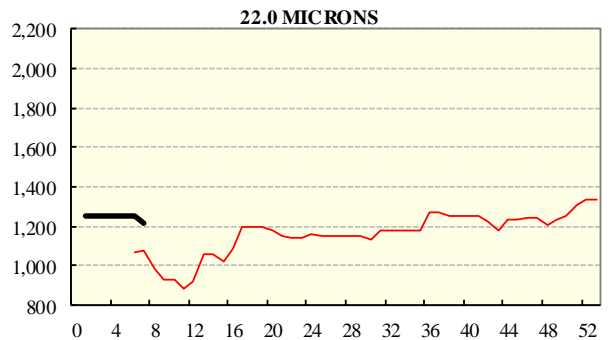
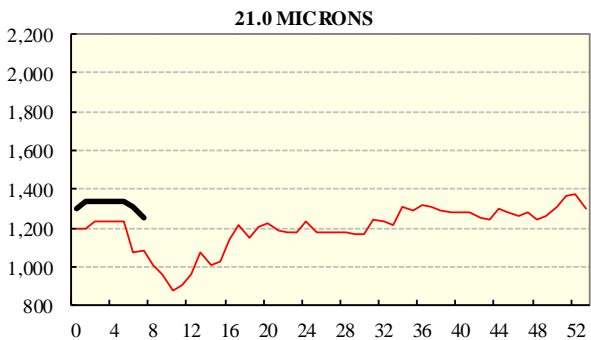
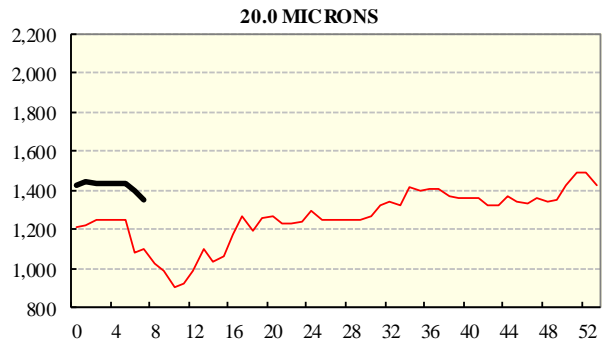
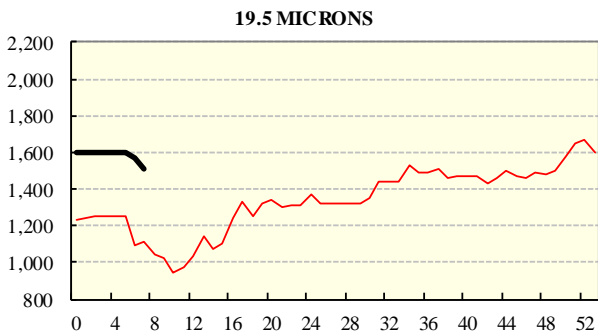
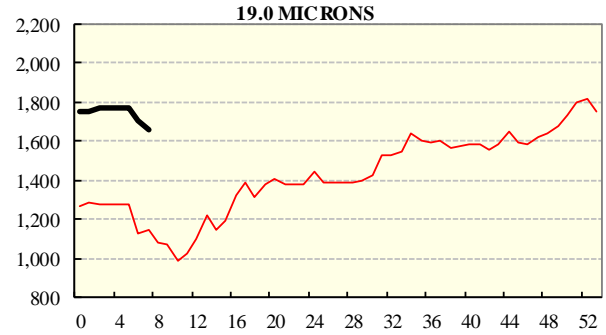
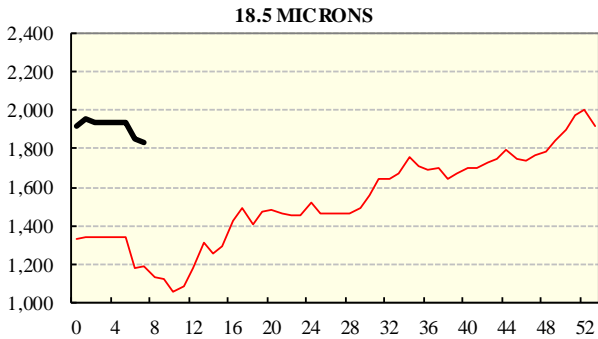
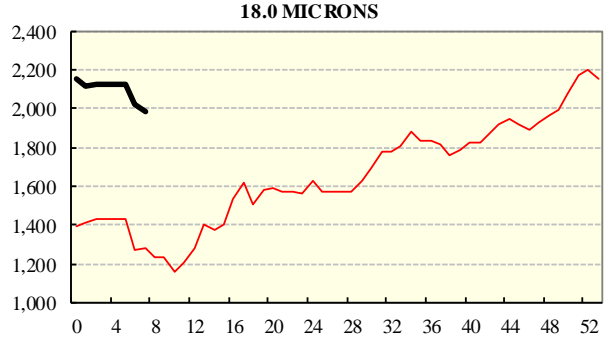
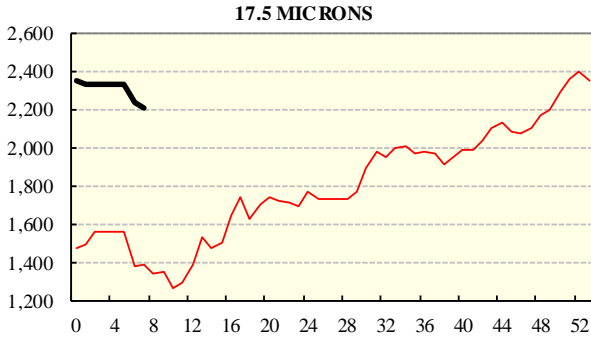
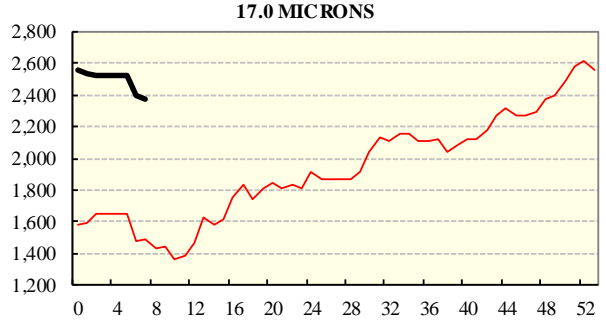
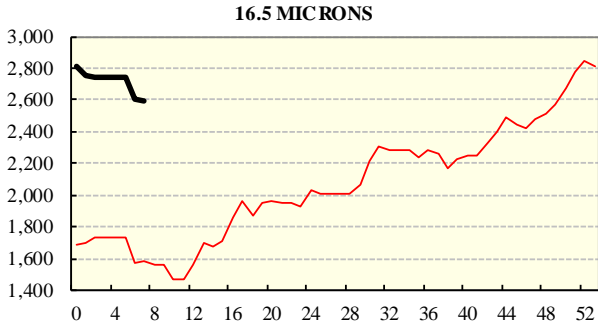
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1428	-88
South	1277	-89
West	1351	-101

BALES OFFERED	
This Year	181,682
Last Year	139,122
Difference	+42,560
% Diff	+30.6%
FIRST OFFERED BALES	
Difference	+32.1%
% of Offering	92.2%

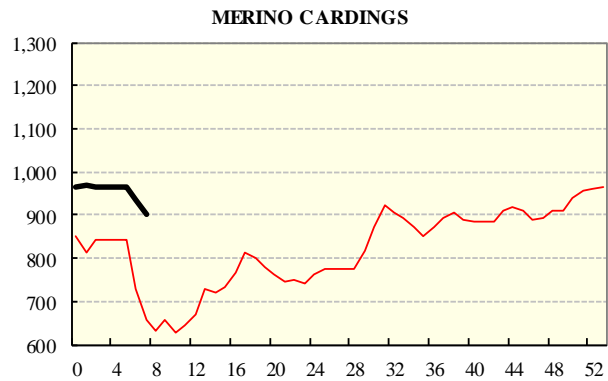
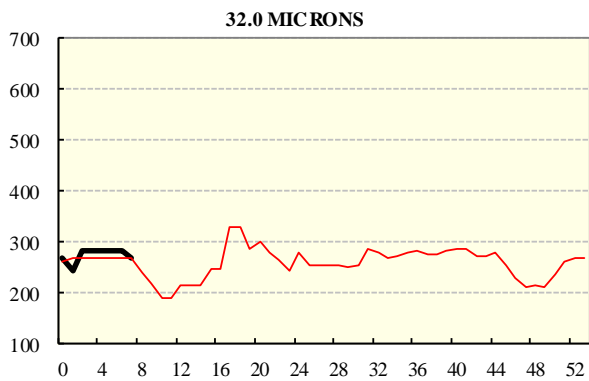
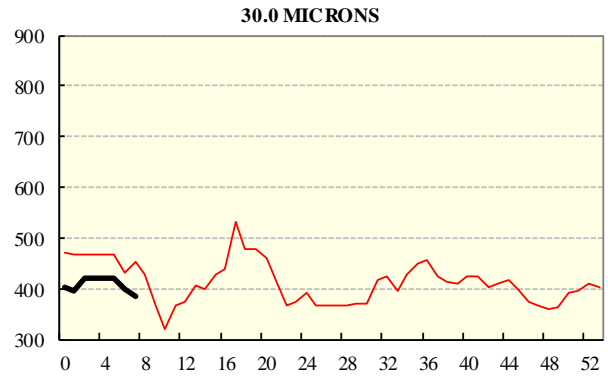
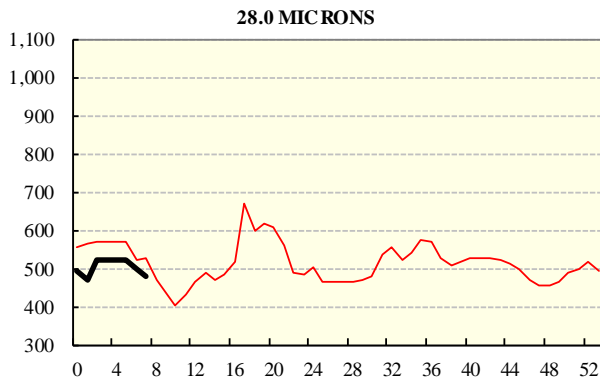
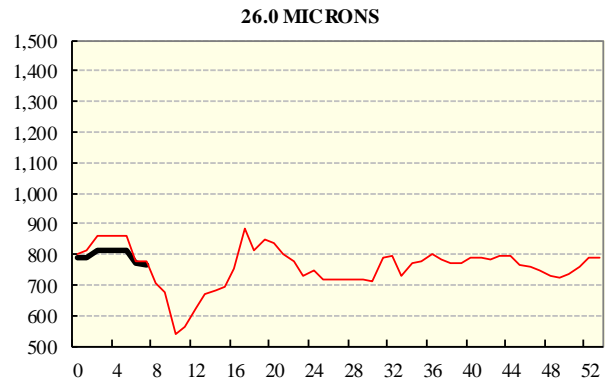
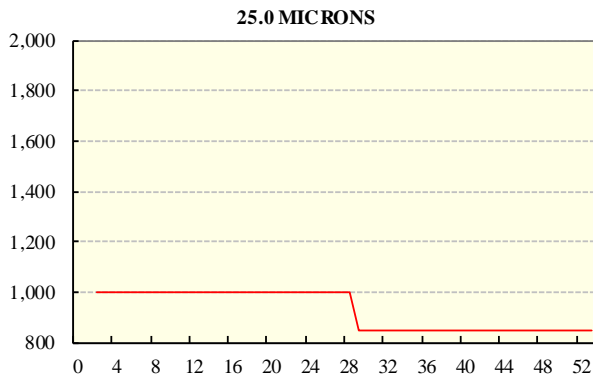
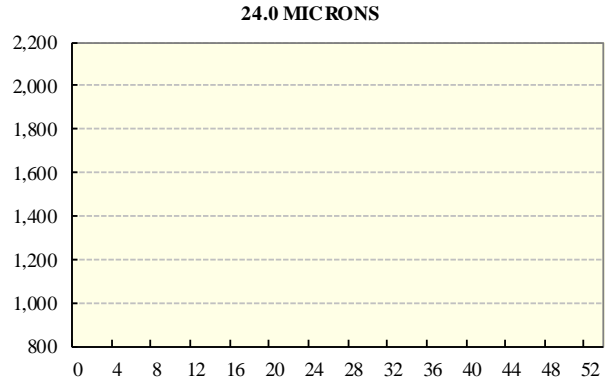
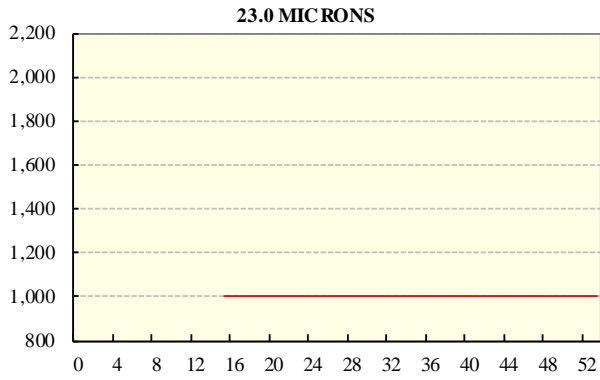
REGION BALES		
This Sale:		
Region	Bales	Diff
North	11,386	
South	16,764	
West	4,088	
Progressive Totals:		
North	62,650	+41.1%
South	85,915	+23.4%
West	33,117	+32.1%

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)

