

AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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AWIS WOOL MARKET REVIEW

Week Ending 3 February 2023 (Week 31)

The AWEX EMI finished 18¢ higher (+1.3%) in Australian currency and 8¢ higher (+0.8%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 31.

38,516 bales were on offer nationally, compared with 44,306 bales last sale. 6.6% of the offering was passed in after 3.8% of the potential offering was withdrawn prior to sale. 35,986 bales were sold.

AWEX reports that the value of the wool sold was \$55.8 million (\$1,551 per bale), taking the season total to \$1.355 billion (\$1,569 per bale). The number of bales sold at auction this season is now 1.7% greater than in 2021/22.

| Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 31) | | | | | | | | | |
|---|-----------|-----------|------------------------------|-----------|----------|---------------------|-------------------|----------------------|--------|
| Centre | Last Sale | | Day-to-Day Changes (Week 31) | | | Sale-to-Sale Change | Closing Indicator | Sale-to-Sale Changes | |
| | Week | Indicator | Tuesday | Wednesday | Thursday | | | US ¢ | Euro ¢ |
| Eastern | 30 | 1338 | +7 | +11 | No Sale | +18 (+1.3%) | 1356 | +8 | +10 |
| Northern | 30 | 1411 | +8 | +14 | No Sale | +22 (+1.6%) | 1433 | +11 | +13 |
| Southern | 30 | 1289 | +6 | +9 | No Sale | +15 (+1.2%) | 1304 | +7 | +8 |
| Western | 30 | 1475 | +16 | +19 | No Sale | +35 (+2.4%) | 1510 | +19 | +21 |

The market has a history of moving upwards more often than downwards in January. This occurred again this year, with the EMI 29¢ (52¢ US) above its closing value prior to Christmas; and the WMI up by 24¢. AWEX reported rises across all micron ranges on both days.

The US Exchange Rate finished 0.34¢ (-0.5%) lower to close at 70.68¢ on Wednesday. The previous week's closing value of 71.02¢ had been a season high.

Buyers for China were dominant, with support from buyers for India.

Looking ahead, offerings for the coming three sales are expected to range from 47,414 bales to 51,166 bales and to be 3.5% more than in the same period last year. The forecast progressive difference to Week 34 is +0.7%.

In other countries, the South African Cape Wools Indicator was up by 2.2% since last week against a change of -0.94% in the US exchange rate and -0.85% 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 | No 22.0µ MPG | No 22.0µ MPG | No 22.0µ MPG | No 22.0µ MPG | No 22.0µ MPG |

| Market Indicators | Week 31 | Changes From | | | |
|--------------------------|---------|------------------------|---------------------|-------------------|-------------------------------------|
| | | Four Sales Ago Week 24 | Start of the Season | Week 31 Last Year | Season Average to Week 31 Last Year |
| Eastern Market Indicator | 1341 | +117 (+9.6%) | -57 (-4.1%) | -51 (-3.7%) | -55 (-4.1%) |
| Western Market Indicator | 1487 | +117 (+8.5%) | +7 (+0.5%) | +51 (+3.6%) | +34 (+2.4%) |

| 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 ¢ | +58 | +29 | +5 | +10 | +28 | +31 | +26 | +37 | +37 | | | |
| Change % | +2.5% | +1.3% | +0.2% | +0.5% | +1.6% | +1.9% | +1.6% | +2.4% | +2.6% | | | |
| Since Start of the Season | | | | | | | | | | | | |
| Change ¢ | -509 | -344 | -261 | -115 | -42 | +9 | +47 | +93 | +70 | | | |
| Change % | -17.3% | -12.8% | -10.7% | -5.4% | -2.2% | +0.5% | +3.0% | +6.4% | +5.0% | | | |
| Since Week 31 Last Year | | | | | | | | | | | | |
| Change ¢ | -386 | -301 | -278 | -180 | -135 | -55 | +11 | +86 | +78 | | | |
| Change % | -13.7% | -11.4% | -11.4% | -8.2% | -6.9% | -3.1% | +0.7% | +5.9% | +5.6% | | | |

| 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 ¢ | +4 | +14 | +8 | +10 | +2 | +16 |
| Change % | +0.5% | +2.4% | +2.4% | +3.5% | +0.9% | +1.8% |
| Since Start of the Season | | | | | | |
| Change ¢ | -123 | -108 | -60 | -27 | -4 | -8 |
| Change % | -13.5% | -15.3% | -14.9% | -8.3% | -1.8% | -0.9% |
| Since Week 31 Last Year | | | | | | |
| Change ¢ | -136 | -169 | -96 | -78 | -50 | -69 |
| Change % | -14.7% | -22.1% | -21.9% | -20.7% | -18.3% | -7.1% |

MC Average Merino Cardings Price Guide

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For further information

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AWIS WOOL MARKET REVIEW

Week Ending 3 February 2023 (Week 31)

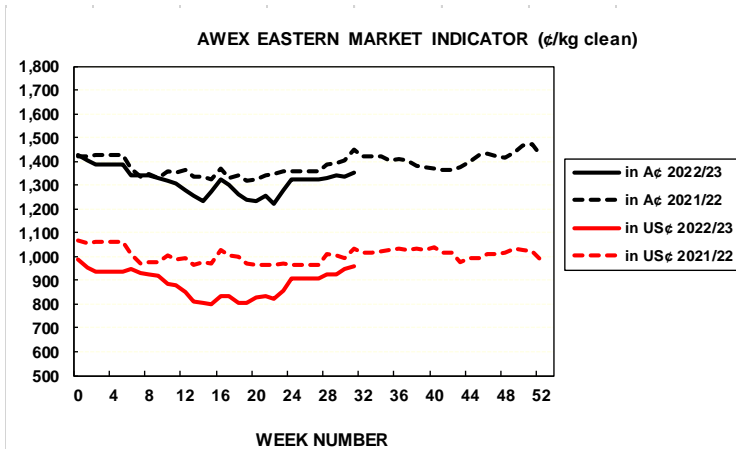
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the November ABS export data.

| 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 st Time Bales |
| | Offering | Offering | Passed-In | Withdrawn Before Sale | Re- Offered | Bales Sold | Bales | % | % |
| North | 11,395 | 12,134 | 5.6% | 6.0% | 5.7% | 11,456 | +7,575 | +2.6% | +3.7% |
| South | 21,868 | 19,160 | 8.0% | 2.7% | 8.0% | 17,620 | -6,992 | -1.4% | -2.0% |
| West | 11,043 | 7,222 | 4.3% | 3.1% | 5.3% | 6,910 | +2,566 | +1.4% | +0.8% |
| Australia | 44,306 | 38,516 | 6.6% | 3.8% | 6.7% | 35,986 | +3,149 | +0.3% | +0.2% |

| Next Sale Offerings and Year-on-Year Differences | | | | |
|--|---------|---------|---------|-------------|
| Centre | Week 32 | Week 33 | Week 34 | Differences |
| North | 14,378 | 11,275 | 10,775 | -1.8% |
| South | 24,870 | 26,889 | 28,415 | +8.8% |
| West | 11,918 | 9,250 | 9,190 | -2.9% |
| New Zealand | | | 3,800 | |
| Australia | 51,166 | 47,414 | 48,380 | 146,960 |
| Differences | +7.2% | -3.2% | +6.7% | +3.5% |

| 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 | 71.02 | +0.05 | -0.15 | -0.55 | +0.31 | No | -0.34 (-0.5%) | 70.68 | 62.71 | 71.02 |
| Euro | 65.16 | +0.24 | -0.19 | -0.33 | +0.16 | Sale | -0.12 (-0.2%) | 65.04 | 63.95 | 69.45 |

| Country | % Share of Australia's Wool Exports by Weight of Wool Shipped | | | Year-on-Year % Change | |
|----------------------|---|--------------------------|--------------------------|-----------------------|----------|
| | November 2022 | July to November 2022/23 | July to November 2021/22 | By Weight | By Value |
| China | 80.2% | 82.3% | 81.3% | +3.3% | +0.1% |
| India | 7.3% | 6.5% | 4.3% | +52.9% | +56.7% |
| Italy | 3.2% | 4.3% | 5.0% | -12.0% | +1.6% |
| Czech Republic | 3.9% | 2.4% | 4.3% | -44.0% | -45.4% |
| Korea | 2.1% | 1.4% | 1.5% | -4.3% | -8.6% |
| Egypt | 1.0% | 0.7% | 0.7% | +14.2% | +28.1% |
| Thailand | 0.2% | 0.6% | 0.6% | +0.8% | +1.2% |
| Germany | 0.5% | 0.4% | 0.3% | +11.3% | +1.8% |
| Change all Countries | | | | +2.0% | +0.7% |



| AVERAGE EMI | |
|-------------|------|
| This Year | 1305 |
| Last Year | 1385 |
| 2020/21 | 1199 |
| 2019/20 | 1448 |
| 2018/19 | 1939 |

| THIS YEAR'S EMI | |
|-----------------|------|
| This Week | 1356 |
| First Week | 1407 |
| Low (14/01) | 1224 |
| High (9/01) | 1407 |

| BALES OFFERED | |
|---------------------|---------|
| This Year | 982,753 |
| Last Year | 979,604 |
| Difference | +3,149 |
| % Diff | +0.3% |
| FIRST OFFERED BALES | |
| Difference | +0.2% |
| % of Offering | 90.9% |

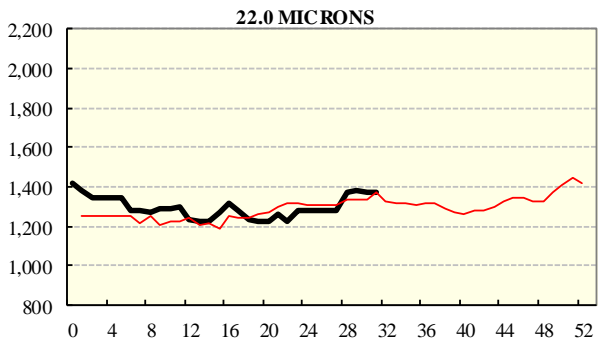
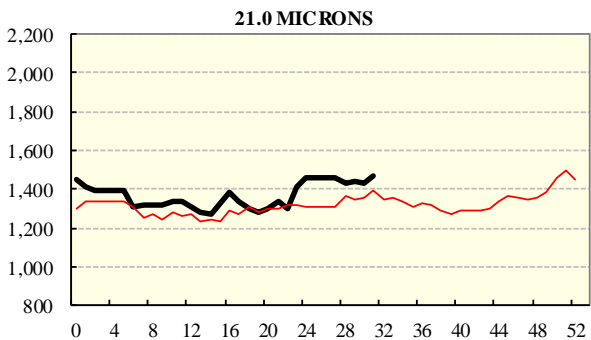
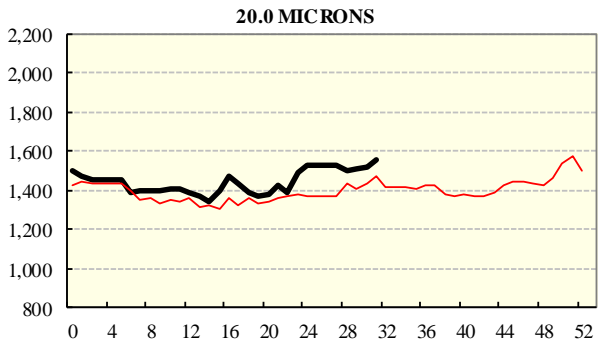
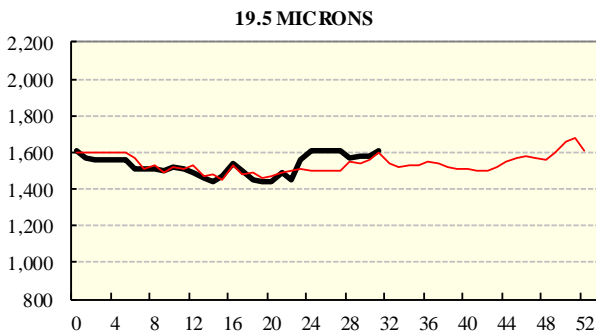
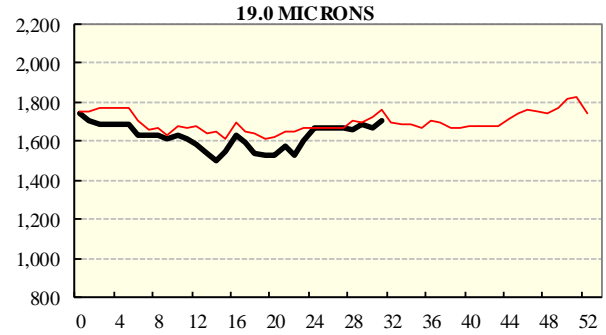
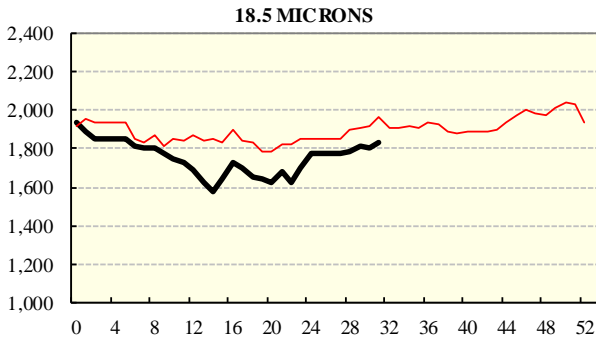
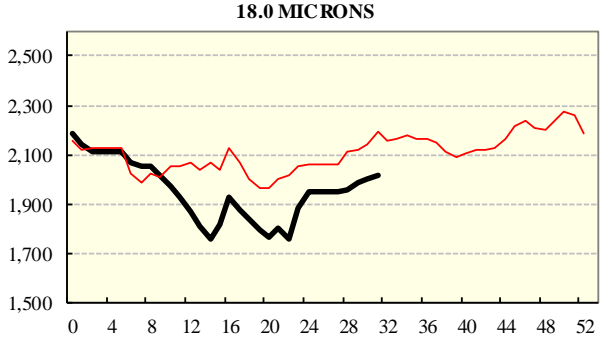
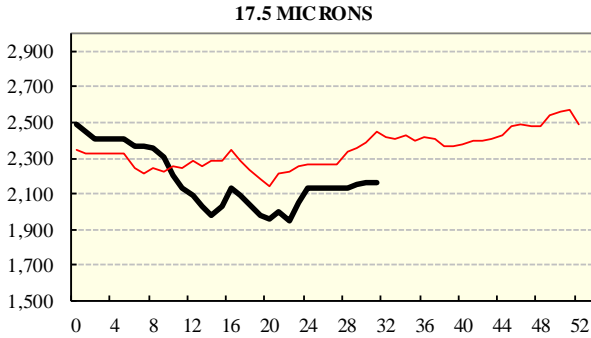
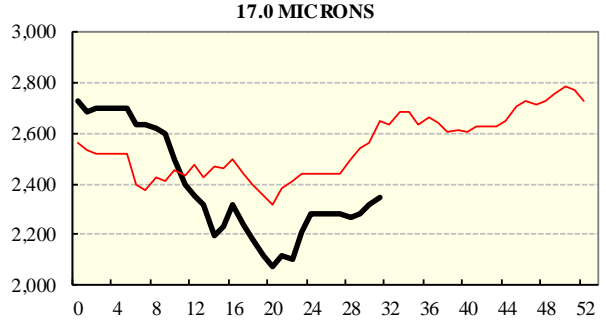
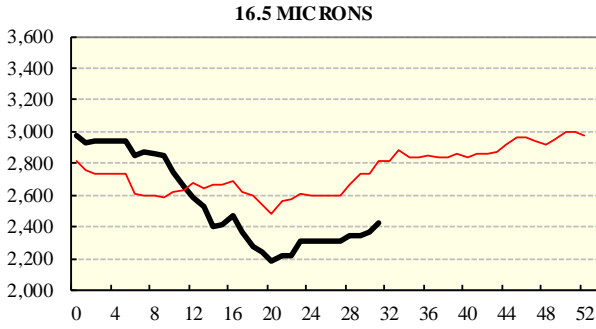
| SEASON AVERAGES | | |
|-----------------|-----------|------|
| Region | This Year | Diff |
| North | 1385 | -89 |
| South | 1252 | -73 |
| West | 1436 | +5 |

| COMPARED WITH WKS 1/2 | | |
|-----------------------|-----------|------|
| Region | This Week | Diff |
| North | 1433 | -41 |
| South | 1304 | -43 |
| West | 1510 | +30 |

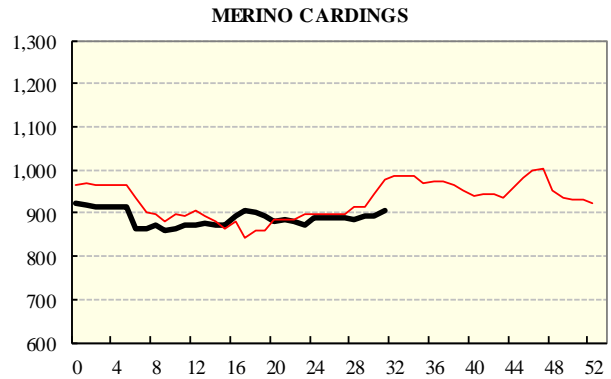
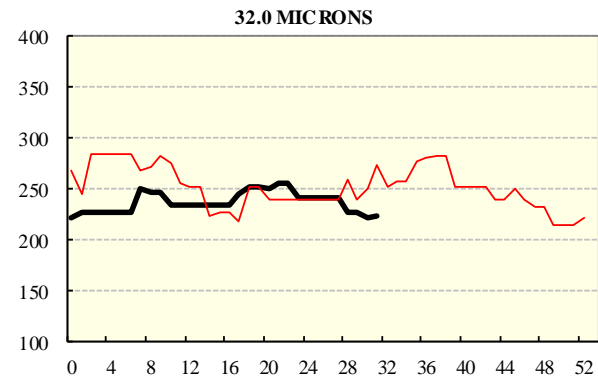
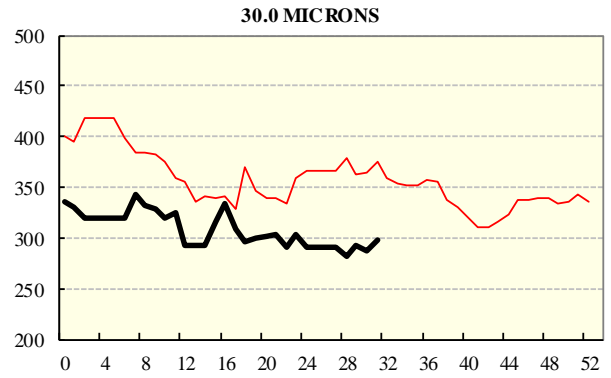
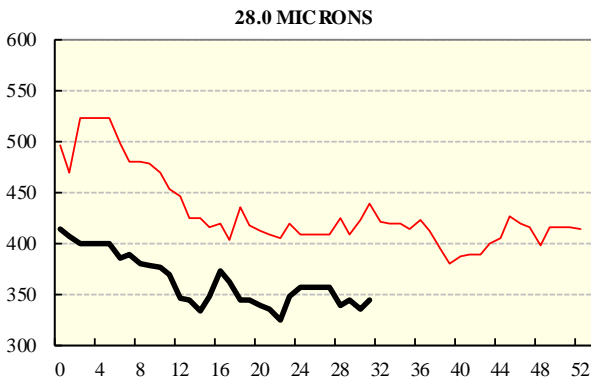
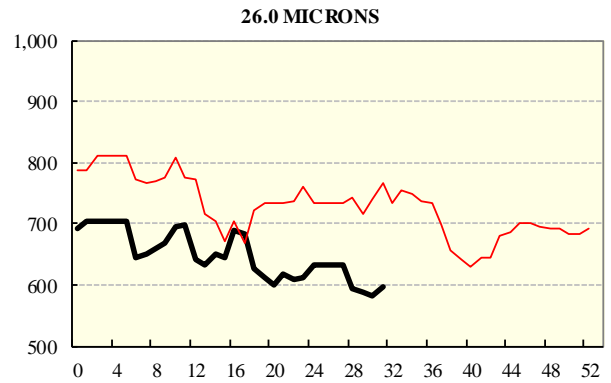
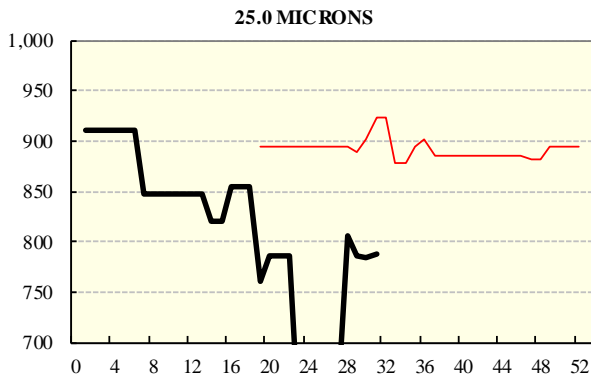
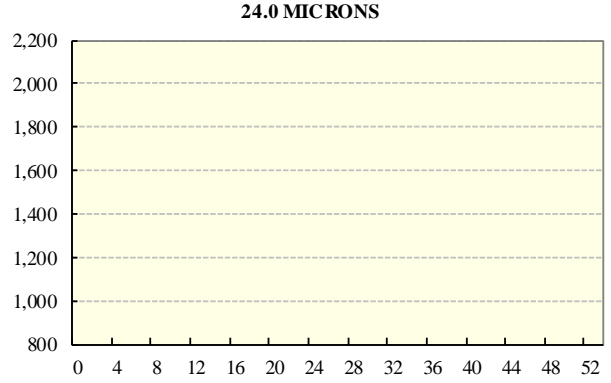
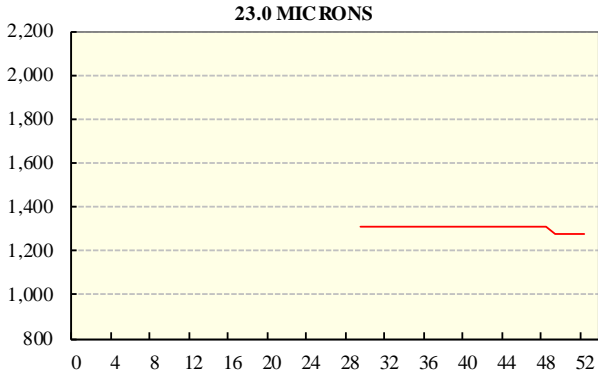
| REGION BALES | | |
|---------------------|---------|-------|
| This Sale: | | |
| North | 12,134 | |
| South | 19,160 | |
| West | 7,222 | |
| Progressive Totals: | | Diff |
| North | 296,693 | +2.6% |
| South | 505,560 | -1.4% |
| West | 180,500 | +1.4% |

AVERAGE AWEX MICRON PRICE GUIDES

2022/23 (black graph line) and 2021/22 (red graph line)



AVERAGE AWEX MICRON PRICE GUIDES
2022/23 (black graph line) and 2021/22 (red graph line)



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

(In Australian, United States and European Currencies)

