

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 5 November 2021 (Week 18)

The AWEX EMI finished 7¢ higher (+0.5%) in Australian currency and 5¢ lower (-0.5%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 18.

38,359 bales were on offer nationally, compared with 40,860 bales last sale. 9.5% of the offering was passed in after 5.7% of the potential offering was withdrawn prior to sale. 34,698 bales were sold.

AWEX reports that the value of the wool sold was \$54.9 million (\$1,582 per bale), taking the season total to \$772.8 million (\$1,613 per bale). The number of bales sold at auction this season is now 24.6% greater than in 2020/21.

The New Zealand Merino Company also offered 1,154 bales in Melbourne on Thursday, of which 34.1% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 18)									
Centre	Last Sale		Day-to-Day Changes (Week 18)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	17	1333	No Sale	+14	-7	+7 (+0.5%)	1340	-5	-4
Northern	17	1420	No Sale	+9	-13	-4 (-0.3%)	1416	-14	-11
Southern	17	1275	No Sale	+18	-4	+14 (+1.1%)	1289	0	+1
Western	17	1368	No Sale	+36	-2	+34 (+2.5%)	1402	+14	+14

It was another week in which the market moved in different directions on the two days of selling. In this case, the market moved up on the first day of selling on Wednesday. The upward movement was expected by the trade following news of the Chinese Government placing further orders for army uniforms. This is reflected in the volumes sold and in the upward price movements in crossbred wools during the week.

The demand for wool suitable for Chinese army uniforms led to the unusual situation where the greatest price movements were among the Crossbred wools, where increases in the average Micron Price Guides ranged from +7.9% to +16.1%.

The US Exchange Rate finished 0.78¢ (-1.0%) lower to close at 74.48¢ on Thursday.

Buyers for China were dominant, with their purchases of wool for army uniforms.

Looking ahead, offerings for the coming three sales are expected to range from 40,742 bales to 44,355 bales and to be 20.5% more than in the same period last year. The forecast progressive difference to Week 21 is +27.6%.

In other countries, the South African Cape Wools Indicator was up by 3.3% since last week against a 3.1% depreciation of the Rand against the US Dollar and a 2.9% 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	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG

Market Indicators	Week 18	Changes From			
		Four Sales Ago Week 14	Start of the Season	Week 18 Last Year	Season Average to Week 18 Last Year
Eastern Market Indicator	1340	+1 (+0.1%)	-84 (-5.9%)	+202 (+17.8%)	+334 (+32.6%)
Western Market Indicator	1402	+32 (+2.3%)	-50 (-3.4%)	+221 (+18.7%)	+316 (+29.5%)

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 ¢	-30	-39	-45	-66	-11	-8	+7	+43	+35			
Change %	-1.1%	-1.6%	-2.0%	-3.2%	-0.6%	-0.5%	+0.5%	+3.3%	+2.8%			
Since Start of the Season												
Change ¢	-155	-127	-94	-121	-118	-120	-112	-81	-30			
Change %	-5.6%	-5.0%	-4.0%	-5.7%	-6.1%	-6.8%	-7.0%	-5.6%	-2.2%			
Since Week 18 Last Year												
Change ¢	+724	+657	+612	+495	+423	+329	+233	+166	+154			
Change %	+38.8%	+37.7%	+37.7%	+32.8%	+30.1%	+25.0%	+18.6%	+13.9%	+13.4%			

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 ¢		+56	+32	+40	+35	+17
Change %		+8.4%	+7.9%	+12.2%	+16.1%	+2.0%
Since Start of the Season						
Change ¢		-88	-60	-38	-12	-107
Change %		-10.9%	-12.1%	-9.3%	-4.5%	-11.1%
Since Week 18 Last Year						
Change ¢		-89	-161	-109		+59
Change %		-11.0%	-27.0%	-22.8%		+7.4%

MC Average Merino Cardings Price Guide

## AWIS WOOL MARKET REVIEW

Week Ending 5 November 2021 (Week 18)

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.

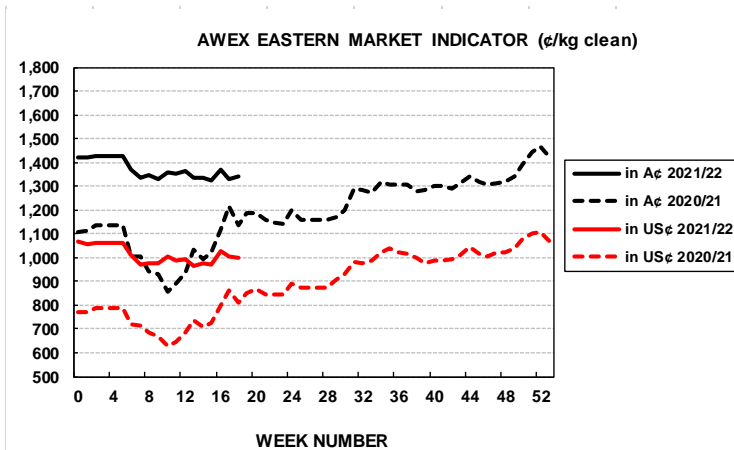
Details of this Week's Offering and the Comparison with the Previous Sale's Offering						
Centre	Last Sale	This Sale				
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold
North	12,476	10,632	8.5%	3.5%	10.0%	9,729
South	20,215	22,331	9.2%	4.4%	5.0%	20,275
West	8,169	5,396	13.0%	14.4%	8.5%	4,694
Australia	40,860	38,359	9.5%	5.7%	6.9%	34,698

Progressive Changes from Last Year		
All Bales		1 <sup>st</sup> Time Bales
Bales	%	%
+53,909	+41.4%	+38.8%
+65,694	+29.0%	+29.4%
+10,295	+12.2%	+12.0%
<b>+129,498</b>	<b>+29.3%</b>	<b>+29.0%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 19	Week 20	Week 21	Differences
North	11,090	12,125	10,610	+26.4%
South	22,891	24,630	22,495	+27.5%
West	6,761	7,600	7,730	-3.4%
New Zealand		1,700	1,500	
Australia	40,742	44,355	40,835	125,932
Differences	+26.9%	+18.2%	+17.0%	+20.5%

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	75.26	+0.20	-0.41	-0.08	-0.62	No	-0.78 (-1.0%)	74.48	72.06	75.26
Euro	64.86	-0.17	+0.28	-0.36	-0.43	Sale	-0.60 (-0.9%)	64.26	61.70	64.86

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change	
	September 2021	July to September 2021/22	July to September 2020/21	By Weight	By Value
China	82.2%	84.3%	86.8%	+60.5%	+113.2%
Italy	5.2%	3.8%	1.8%	+251.6%	+386.7%
India	2.2%	3.8%	2.9%	+115.8%	+168.4%
Czech Republic	4.5%	3.5%	4.1%	+40.6%	+37.8%
Korea	1.8%	1.6%	1.7%	+57.4%	+65.9%
Egypt	0.6%	0.5%	0.5%	+87.7%	+130.5%
United Arab Emirates	0.7%	0.5%	0.0%	+755.6%	+532.2%
Thailand	0.3%	0.4%	0.6%	+13.3%	+74.2%
<b>Change all Countries</b>				<b>+65.3%</b>	<b>+119.2%</b>



AVERAGE EMI	
This Year	1357
Last Year	1199
2019/20	1448
2018/19	1939
2017/18	1739

SEASON AVERAGES		
Region	This Year	Diff
North	1444	+179
South	1301	+144
West	1389	+153

THIS YEAR'S EMI	
This Week	1340
First Week	1420
Low (10/01)	1323
High (11/01)	1428

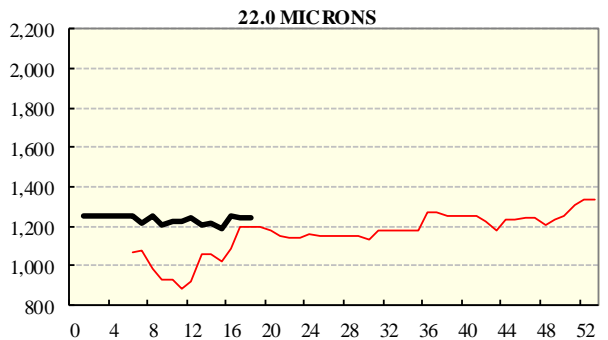
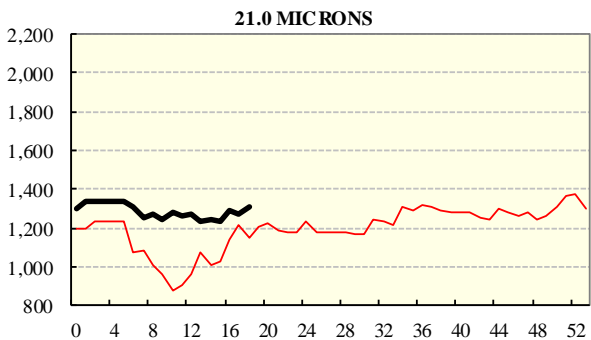
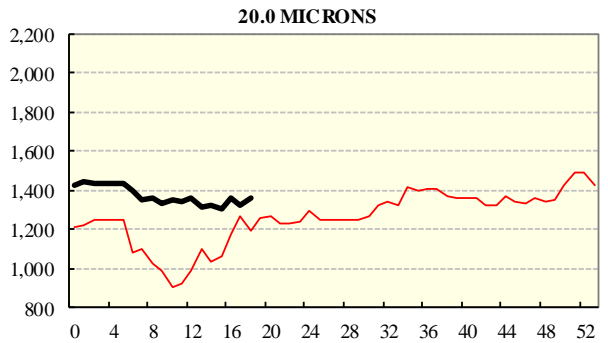
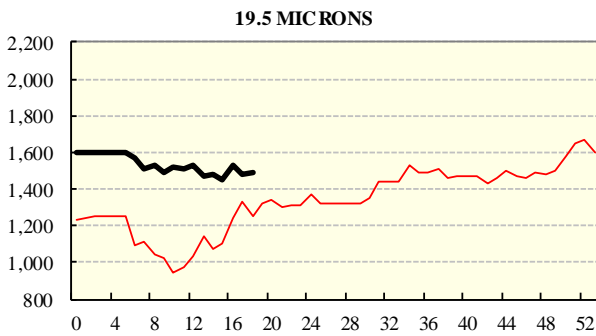
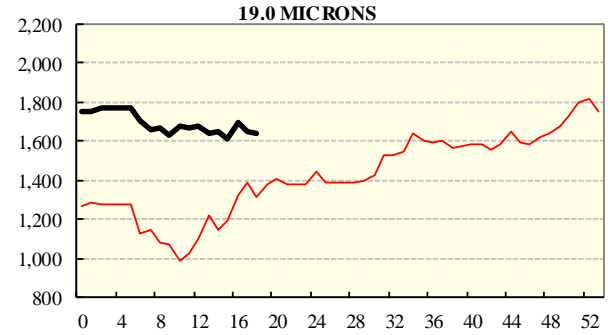
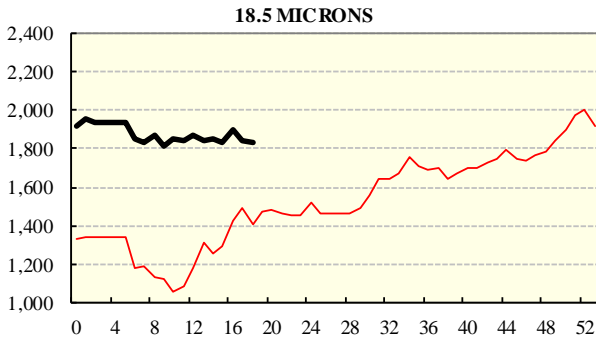
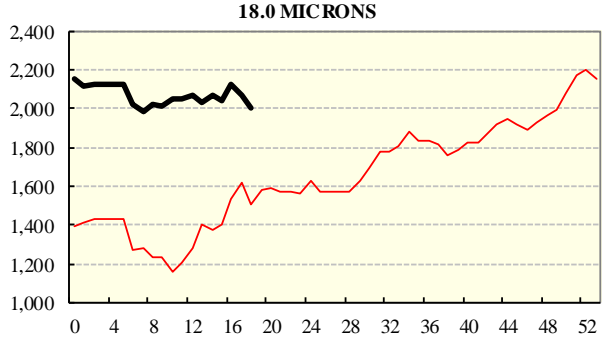
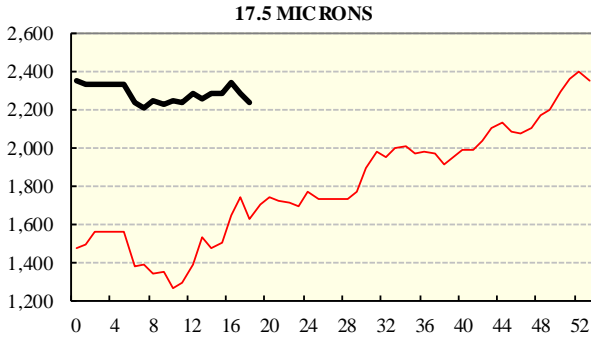
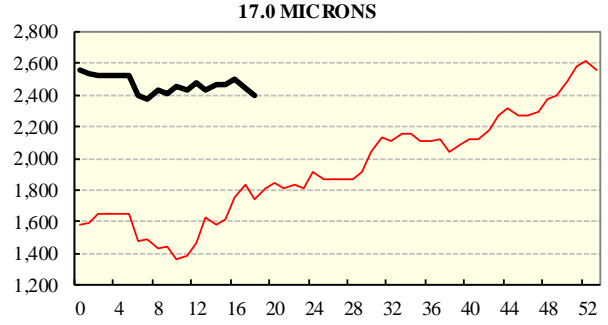
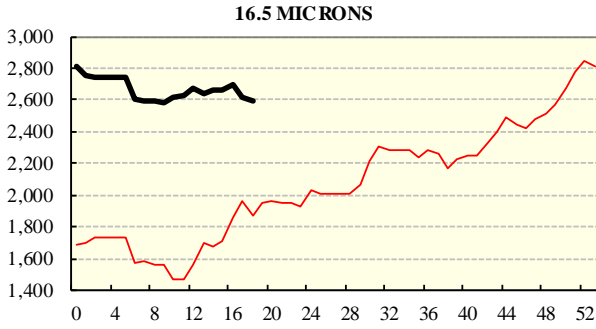
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1416	-100
South	1289	-77
West	1402	-50

BALES OFFERED	
This Year	571,095
Last Year	441,597
Difference	+129,498
% Diff	+29.3%
FIRST OFFERED BALES	
Difference	+29.0%
% of Offering	90.1%

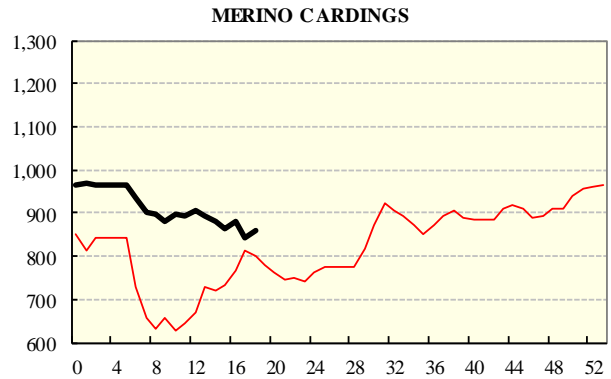
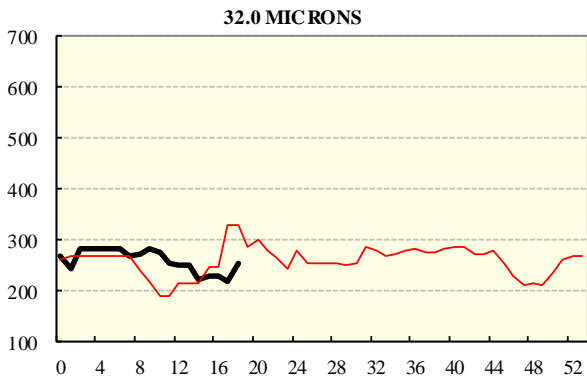
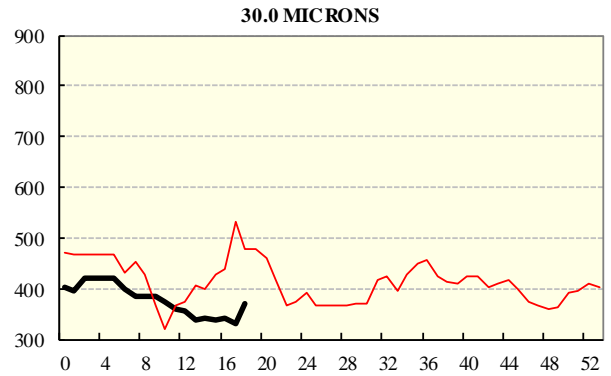
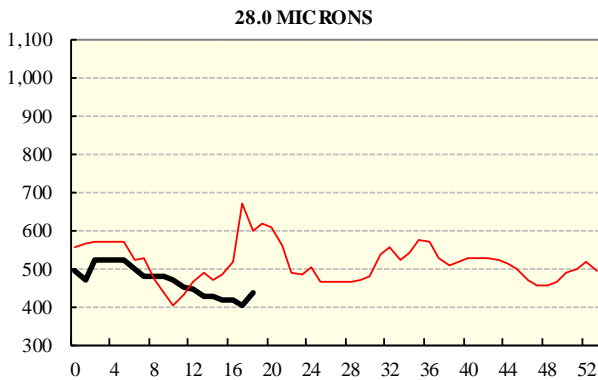
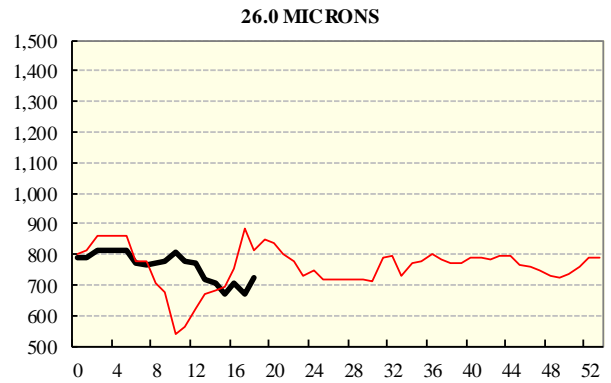
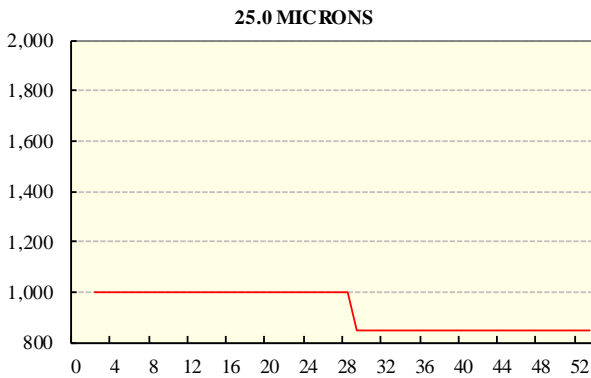
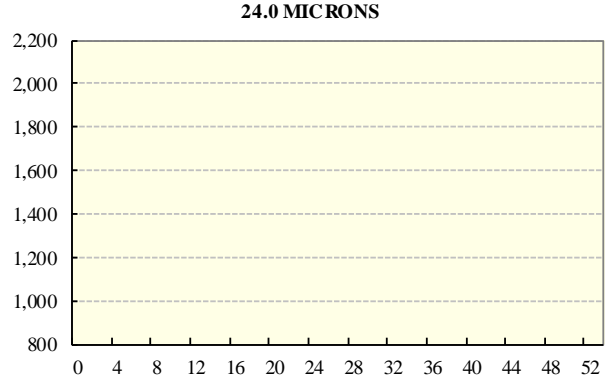
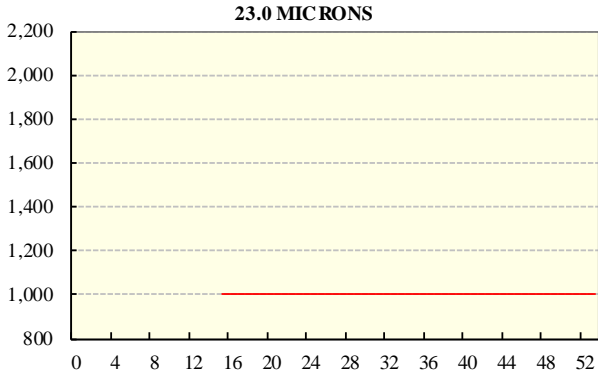
REGION BALES		
This Sale:		Diff
North	10,632	
South	22,331	
West	5,396	
Progressive Totals:		Diff
North	184,016	+41.4%
South	292,384	+29.0%
West	94,695	+12.2%

## 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)

