

Wool Market Report

M21

Wednesday, 18 November, 2020

National Commentary

The Australian wool market has fallen this week, with nearly every sector of the market recording losses. The total national offering reduced to 36,332 bales after 7.1% of the selection was withdrawn prior to sale. Compared to the corresponding sale of the previous season, there has been 10,593 fewer bales put through the auction system, a 1.8% reduction. The bulk of the losses were felt on the first day of selling. The individual merino Micron Price Guides (MPGs) across the country reduced by between 11 and 52 cents. These losses combined with falls in the other sectors, resulted in a 28 cent drop in

the AWEX Eastern Market Indicator (EMI). The second selling day the market steadied, with minimal further price reductions combined with price rises in some MPGs. The losses were between 5 and 8 cents, whilst the increases ranged between 2 and 26 cents. Mainly due to further losses in the skirting and crossbred sectors, the EMI fell again for the day, dropping another 2 cents. The EMI lost 30 cents for the series, closing the week at 1,159 cents, this equated to a 2.5% fall. Due to minimal currency movement this week, the fall in the EMI in US dollar terms was very similar (2.7%). Unlike the fleece, the merino skirtings reduced over both days, generally closing the week at

price levels 50 to 60 cents below those achieved in the previous sale. The crossbred sector recorded the largest losses (in percentage terms) for the series. In the South the 28 micron MPG dropped 52 cents (an 8% fall), 30 micron lost 44 cents (9%) and 32 micron fell by 20 cents (7%). The oddments followed a similar path to the fleece, losses on the first day, followed by minimal positive movement on the second. Next week national offering rises, there is currently 41,527 bales available to the trade in Melbourne, Fremantle and Sydney (which is a designated Superfine sale).

| | This Week | | Last 12 Months | | |
|---------|-----------|-----|----------------|------|------|
| | | | High | Low | Avg |
| EMI | 1159 | -30 | 1609 | 858 | 1252 |
| Sth Ind | 1125 | -24 | 1566 | 819 | 1224 |
| 17 | 1824 | -14 | 2082 | 1340 | 1745 |
| 17.5 | 1731 | -10 | 2033 | 1248 | 1668 |
| 18 | 1578 | +8 | 1963 | 1153 | 1581 |
| 18.5 | 1460 | -1 | 1904 | 1058 | 1507 |
| 19 | 1376 | -15 | 1848 | 998 | 1449 |
| 19.5 | 1292 | -41 | 1818 | 945 | 1412 |
| 20 | 1228 | -31 | 1803 | 900 | 1384 |
| 21 | 1174 | -51 | 1793 | 869 | 1366 |
| 22 | 1149 | -25 | 1789 | 881 | 1348 |
| 28 | 561 | -52 | 913 | 408 | 663 |
| 30 | 420 | -44 | 729 | 319 | 528 |
| 32 | 280 | -20 | 483 | 190 | 332 |
| MC | 768 | -13 | 1157 | 581 | 880 |

| | |
|-----|--------|
| USD | 72.86¢ |
| ▼ | -0.21¢ |
| EUR | 61.43¢ |
| ▼ | -0.35¢ |

Main Buyers (This Week)

| | | | |
|---|---------------------|-------|-------|
| 1 | UNITED WOOL CO. | 2,857 | 17.3% |
| 2 | TIANYU | 2,319 | 14.0% |
| 3 | TECHWOOL TRADING | 1,801 | 10.9% |
| 4 | PELICAN AUSTRALIA | 1,339 | 8.1% |
| 5 | ENDEAVOUR WOOL EXP. | 1,125 | 6.8% |
| 6 | LEMPRIERE AUST | 941 | 5.7% |
| 7 | AUST. MERINO EXP. | 893 | 5.4% |
| 8 | FOX & LILLIE | 674 | 4.1% |

Quote of Note

| Mic | Grsy | Clean | Yld | MM | NKT | VM | District | AWEXID |
|------|------|-------|------|-----|-----|-----|---------------|--------|
| 14.4 | 1980 | 2765 | 71.6 | 76 | 29 | 0.3 | LEXTON | MF4E. |
| 15.2 | 1635 | 2336 | 70 | 79 | 29 | 0.9 | CAMPBELL TOWN | MWF5S. |
| 15.9 | 1700 | 2216 | 76.7 | 85 | 35 | 0.2 | CAMPBELL TOWN | MF4E. |
| 16.5 | 1397 | 1938 | 72.1 | 85 | 32 | 0.2 | CAMPBELL TOWN | MF4E. |
| 17.1 | 1228 | 1752 | 70.1 | 109 | 25 | 0.4 | NARACOORTE | MF4E. |
| 17.4 | 1330 | 1771 | 75.1 | 94 | 47 | 0.2 | FRAMLINGHAM | MF4E. |
| 18 | 1191 | 1640 | 72.6 | 73 | 40 | 0.1 | COROWA | MF4E. |
| 18.5 | 1076 | 1488 | 72.3 | 82 | 39 | 0.2 | MOUNT DUNEED | MF4E. |
| 19 | 928 | 1389 | 66.8 | 87 | 53 | 0.3 | PENNESHAW | MF4E. |
| 19.6 | 979 | 1305 | 75 | 98 | 42 | 0.1 | WOODBURY | MF4E. |
| 19.9 | 925 | 1245 | 74.3 | 105 | 39 | 0.4 | WILLAURA | MF4E. |
| 20.5 | 755 | 1195 | 63.2 | 70 | 48 | 0.5 | CRYSTAL BROOK | MF4E. |
| 21.1 | 745 | 1186 | 62.8 | 96 | 28 | 0.7 | GLADSTONE | MF5S. |
| 22.5 | 726 | 1169 | 62.1 | 100 | 37 | 1.2 | BROKEN HILL | MF5B. |
| 15.6 | 1234 | 2106 | 58.6 | 82 | 33 | 1.6 | CAMPBELL TOWN | MP5S. |
| 17.5 | 1134 | 1604 | 70.7 | 86 | 26 | 1.3 | FRAMLINGHAM | MP4S. |
| 18.1 | 874 | 1392 | 62.8 | 68 | 37 | 0.5 | COROWA | MP5S. |
| 19.3 | 807 | 1223 | 66 | 78 | 40 | 0.3 | MOORILIM | MP5E. |
| 25.2 | 640 | 871 | 73.5 | 0 | 0 | 0.1 | HAMILTON | XF4E. |
| 26.6 | 558 | 768 | 72.7 | 0 | 0 | 0.1 | CAVENDISH | XF4E. |
| 28.2 | 425 | 550 | 77.3 | 0 | 0 | 0.1 | YARRAM | XF4E. |

AWN Forward Offers

| MPG | Dec-20 | Feb-21 | Apr-21 | Jun-21 |
|-----|--------|--------|--------|--------|
| 19 | 1300 | 1220 | 1195 | 1190 |
| 21 | 1120 | 1020 | 1035 | 1030 |
| 28 | 520 | 500 | 480 | 480 |

Please contact your Wool Specialist for a firm quote, and other micron inquiries.

