

Wool Market Report

F06

Thursday, 8 August, 2019

National Commentary

The Australian wool market has suffered large corrections in Week 6. Concerns over global trade tensions, resulted in many major buyers being very cautious in their purchases, this tentative buying approach made it difficult for the market to find a firm level, meaning prices were continually discounted as the series progressed. This was the first buying and selling opportunity since early July, the national quantity rose to 43,063 bales. With three sales now completed in the 2019/20 selling season, the total national offering has fallen by 27,533 bales when compared

to the previous season, a reduction of 20.6%. From the opening lot in the Eastern markets, it was immediately apparent that buyers were not prepared to buy at the levels achieved before the recess. Prices opened 50 to 60 cents lower but by the end of the series the individual Micron Price Guides (MPGs) had generally fallen by 80 to 180 cents, the Western Region selling last, recorded the largest falls. The drop in the individual MPGs pushed the AWEX Eastern Market Indicator (EMI) down by 78 cents, which closed the week at 1,676 cents. The highest passed in rate in over 10 years of 28.6%, prevented the market from falling

further than it did. After starting the new season solidly, where the EMI gained 39 cents, this week's drop in the EMI has pushed the market into negative territory for the 2019/20 season. The EMI has fallen 234 cents for the calendar year and is 440 cents below the high it achieved in August last year, an overall reduction of 20.7%. The oddments were the only sector to record positive movement for the series, a limited supply attracted very strong competition, pushing prices up by 50 to 70 cents. This was reflected in the regional carding indicators, which rose by an average of 51 cents.

	This Week	Last 12 Months		
		High	Low	Avg
EMI	1676	2116	1676	1923
Wst Ind	1760 -134	2279	1760	2069
18	1877 -179	2638	1877	2323
18.5	1868 -176	2536	1868	2281
19	1864 -179	2472	1864	2251
19.5	1863 -178	2423	1863	2223
20	1860 -180	2388	1860	2200
21	1858 -180	2357	1858	2183
MC	1056 +66	1602	981	1195

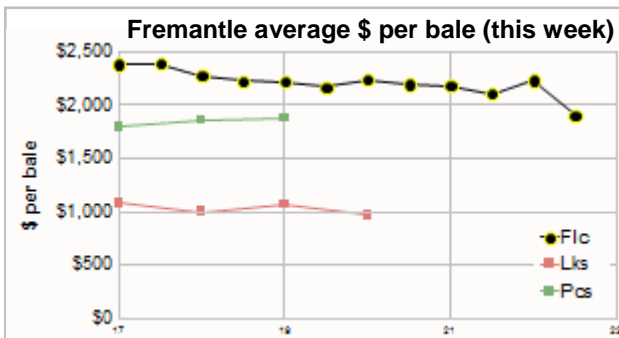
USD	67.74¢
▼	-1.92¢
EUR	60.42¢
▼	-1.42¢

Main Buyers (This Week)

1	TIANYU	620	18.1%
2	PJ MORRIS	478	14.0%
3	TECHWOOL TRADING	414	12.1%
4	FREMANTLE WOOL	400	11.7%
5	MODIANO	229	6.7%
6	SWAN WOOL PROCESSORS	225	6.6%
7	FOX & LILLIE	172	5.0%
8	VIC. WOOL PROCESSORS	150	4.4%

Indicative Prices

Mic.	Grsy ¢	MM	Nkt	Vmb	Yield	AWEX-ID
Merino Fleeces						
16.7	1,300	78	37	0.4	68.9	MF5E. (BOLD)
17.1	1,328	80	41	1.8	67.8	MF5S.
17.7	1,355	84	39	0.5	69.4	MF4E. (PFS)
17.9	1,282	82	25	0.6	68.9	MF5E. (BOLD)
18.3	1,243	82	37	0.2	65.6	MF5E. (BOLD)
19.0	1,250	92	44	1.2	67.4	MF5S.
19.5	1,274	80	48	0.2	68.6	MF4E. (PFS)
20.0	1,320	69	42	0.8	69.8	MF5E.
20.6	1,265	85	41	0.5	68.3	MF5E.
21.2	1,255	95	35	0.7	66.6	MF5E.
Merino Skirtings						
17.4	1,040	76	32	1.3	59.2	MWP5S.
18.5	1,029	73	30	1.5	57.4	MP4S.
18.9	1,007	82	30	1.8	55.7	MP5S.
20.1	968	68	31	2.5	54.6	MB5S.
Merino Lambs						
18.6	1,050			0.3	67.9	MLF5E.30
17.8	1,091			0.6	68.3	MLF5E.30 (MXL)



	Fic	Pcs	Lks
17	\$2,384	\$1,793	\$1,077
18	\$2,276	\$1,852	\$998
19	\$2,219	\$1,871	\$1,064
20	\$2,236		\$963
21	\$2,184		
22	\$2,234		

