

Wool Market Report

F10

Thursday, 5 September, 2019

National Commentary

The Australian wool market has shown signs of recovery after a month of severe losses. Exporters reported that they were making sales close to the current market, finally giving the market a solid level. Sellers have been reluctant to put their wool on the market, pushing the national quantity down to 21,694 bales. This reluctance was highlighted in the Fremantle region, where 29% of the offering was withdrawn prior to sale, reducing the offering to 3,036 bales. This made it the smallest Fremantle sale since AWEX records began (1995). The first day

of selling saw further losses, on the back of these falls the AWEX Eastern Market Indicator (EMI) fell by 32 cents. However, in the Fremantle region during the last hour of selling, there was a noticeable change in the room, as fierce competition started to push prices back in a positive direction. This positive buyer sentiment carried on into the Eastern centres on the second selling day, so much so that prices finally started to increase. The individual Micron Price Guides (MPGs) generally rose by 30 to 40 cents, pushing the EMI up by 22 cents. This meant the EMI lost only 10 cents for the series, closing at 1,365 cents. Worth noting, when viewed in USD

term, the EMI recorded an increase of 9 usc for the week. The carding market showed growth for the series, a limited supply came under strong buyer demand, pushing prices up by 10 to 30 cents, this was reflected in the three carding indicators which rose by an average of 15 cents. The crossbreds generally recorded positive movement, 26.0 to 28.0 rose by 5 to 10 cents. Next week's national offering is still relatively small, as sellers are still waiting for the market to recover. Currently, there is 27,923 bales rostered for sale in Sydney, Melbourne and Fremantle.

| | This Week | | Last 12 Months | | |
|----------------|-------------|------------|----------------|------|------|
| | | | High | Low | Avg |
| EMI | 1365 | -10 | 2094 | 1365 | 1868 |
| Wst Ind | 1383 | -33 | 2256 | 1383 | 2015 |
| 18 | 1577 | -26 | 2638 | 1577 | 2260 |
| 18.5 | 1553 | -29 | 2536 | 1553 | 2221 |
| 19 | 1510 | -39 | 2434 | 1510 | 2193 |
| 19.5 | 1477 | -30 | 2369 | 1477 | 2167 |
| 20 | 1451 | -26 | 2347 | 1451 | 2146 |
| 21 | 1438 | -35 | 2334 | 1438 | 2130 |
| MC | 855 | +12 | 1602 | 843 | 1151 |

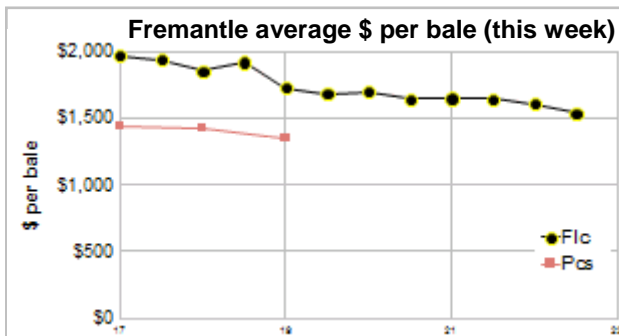
| | |
|------------|---------------|
| USD | 68.19¢ |
| ▲ | 0.90¢ |
| EUR | 61.83¢ |
| ▲ | 1.13¢ |

Main Buyers (This Week)

| | | | |
|---|---------------------|-----|-------|
| 1 | PJ MORRIS | 564 | 21.1% |
| 2 | TECHWOOL TRADING | 419 | 15.7% |
| 3 | TIANYU | 404 | 15.1% |
| 4 | FOX & LILLIE | 266 | 9.9% |
| 5 | LEMPRIERE AUST | 187 | 7.0% |
| 6 | ENDEAVOUR WOOL EXP. | 167 | 6.2% |
| 7 | WEST COAST WOOL | 158 | 5.9% |
| 8 | FREMANTLE WOOL | 145 | 5.4% |

Indicative Prices

| Mic. | Grsy ¢ | MM | Nkt | Vmb | Yield | AWEX-ID |
|--------------------------|--------|-----|-----|-----|-------|----------|
| Merino Fleeces | | | | | | |
| 16.2 | 1,053 | 85 | 27 | 1.1 | 64.9 | MF5S. |
| 17.2 | 1,188 | 79 | 38 | 0.5 | 72.5 | MF5E. |
| 17.6 | 1,068 | 76 | 41 | 0.3 | 67.1 | MF5E. |
| 18.1 | 1,056 | 87 | 41 | 1.1 | 64.9 | MF5S. |
| 18.7 | 1,114 | 92 | 34 | 0.3 | 71.5 | MF4E. |
| 19.0 | 1,040 | 92 | 44 | 1.2 | 67.4 | MF5S. |
| 19.7 | 1,080 | 72 | 46 | 1.1 | 70.1 | MF5S. |
| 20.0 | 1,021 | 69 | 42 | 0.8 | 69.8 | MF5E. |
| 20.5 | 956 | 101 | 42 | 0.2 | 66.4 | MF5E. |
| 20.8 | 937 | 111 | 33 | 0.4 | 65.2 | MF5E. |
| 21.4 | 949 | 82 | 32 | 0.7 | 66.2 | MF5E. |
| Merino Skirtings | | | | | | |
| 17.7 | 791 | 79 | 36 | 3.5 | 57.0 | MP5S. |
| 19.0 | 732 | 83 | 38 | 1.8 | 53.8 | MP5S. |
| 18.8 | 669 | | | 5.0 | 54.2 | MB5S.70 |
| Merino Lambs | | | | | | |
| 18.1 | 870 | | | 0.4 | 68.3 | MLF5E.40 |
| Merino Crutchings | | | | | | |
| 19.8 | 509 | | | 2.6 | 57.1 | MC5S. |



| | Flc | Pcs |
|-----------|---------|---------|
| 17 | \$1,974 | \$1,440 |
| 18 | \$1,858 | \$1,425 |
| 19 | \$1,729 | \$1,350 |
| 20 | \$1,700 | |
| 21 | \$1,649 | |
| 22 | \$1,613 | |

