

Wool Market Report

M34

Thursday, 21 February, 2019

National Commentary

The Australian wool market has recorded substantial increases in Week 34. Chinese Customs have suspended all greasy imports from South Africa, due to an outbreak of Foot and Mouth disease earlier in the year. As a result, the South African Wool Industry postponed the wool auction scheduled for 20th of February. This postponement led to an overall reduction of global auction wool supply. Melbourne sold in isolation on the first day of selling, the limited offering came under intense buyer pressure from the outset. Mainly pushed by Chinese interests, prices

quickly increased by 80 to 90 cents. When sales resumed on the second day in Sydney and Fremantle, similar price rises were experienced. The price rises pushed the MPGs for 21.0 in all three centres to all-time highs. The North and South MPGs also posted new records for 20.0 micron. Worth noting however, although the market recorded strong positive movement for the week, there was a distinct softening experienced on the final day of selling. This was reflected in the EMI losing 9 cents on Thursday. The falling market was more evident in the Western region. Selling last, the Western indicator fell by 41 cents. The AWEX Eastern

market indicator (EMI) added 59 cents for the series, closing the week at 2,027 cents. The EMI has now risen for eight consecutive sales, adding a total of 178 for this period. The crossbred sector continues to track sharply upward. Prices generally improved by 20 to 50 cents. These increases have pushed the MPGs for 28.0 and 30.0 micron further into record territory. Due to the spike in prices, many sellers holding wool in brokers store, have decided to offer next week, pushing the national offering well beyond original estimates. There are now 49,738 bales on offer, over 8,500 bales more than expected.

	This Week		Last 12 Months		
			High	Low	Avg
EMI	2027	+59	2116	1751	1932
Sth Ind	1998	+58	2087	1704	1899
17	2549	+29	3006	2387	2705
17.5	2520	+7	2830	2345	2578
18	2488	+27	2659	2207	2438
18.5	2423	+52	2556	2143	2328
19	2384	+58	2459	2026	2252
19.5	2366	+63	2429	1961	2209
20	2362	+69	2387	1918	2177
21	2344	+63	2367	1863	2154
22	2323	+60	2350	1808	2141
23	2307		2308	1756	2103
28	1145	+42	1145	751	930
30	983	+55	983	563	712
32	571	+52	571	400	467
MC	1168	+32	1592	1045	1346

USD	71.60¢
▲	0.41¢
EUR	63.12¢
▶	0.00¢

Main Buyers (This Week)

1	SEATECH	2,723	11.8%
2	TECHWOOL TRADING	2,419	10.5%
3	FOX & LILLIE	1,832	8.0%
4	UNITED WOOL CO.	1,803	7.8%
5	TIANYU	1,463	6.4%
6	AUST. MERINO EXP.	1,374	6.0%
7	KATHAYTEX (NSW)	1,113	4.8%
8	MODIANO	972	4.2%

Quote of Note

Mic	Grsy	Clean	Yld	MM	NKT	VM	District	AWEXID
14.9	1830	2740	67	73	33	0.5	BAIRNSDALE	MF5E.
15.7	2030	2754	74	87	39	0.5	BENAMBRA	MF4E.
16.1	1840	2603	71	71	37	1.1	WILLAURA	MF4S.
16.5	1776	2544	70	74	34	0.5	BYADUK	MF5S.
17.0	1890	2520	75	104	36	0.4	BENAMBRA	MF4E.
17.4	1817	2486	73	96	36	0.5	BENAMBRA	MF4E.
18.0	2070	2588	80	91	46	0.1	SALE	MF4E.
18.4	1729	2463	70	85	41	0.9	KINGSCOTE	MF4S.
19.1	1599	2412	66	82	36	1.6	KINGSCOTE	MF5S.
19.6	1456	2419	60	70	53	2.9	NORONG	MF5B.
20.1	1624	2354	69	101	29	1.3	GLENAROUA	MF5S.
20.7	1477	2337	63	95	24	2.9	COCKBURN	MF5B.
21.2	1826	2381	77	96	36	0.4	CAVENDISH	MF4E.
21.7	1540	2258	68	70	53	0.4	NARACOORTE	MF5E.
14.6	1392	2568	54	70	26	1.5	NICHOLSON	MP5S.
15.3	1780	2500	71	72	40	0.8	RUNNYMEDE	MP4S.
16.2	1370	2391	57	79	37	1.9	CROXTON E	MP4B.
17.6	1550	2263	69	73	22	0.8	PIMPINIO	MP4S.
25.5	1139	1545	74	0	0	0.5	DUNKELD	XF4E.
26.8	965	1287	75	0	0	1.4	GLENORCHY	XF4S.
27.6	870	1160	75	0	0	0.6	MAJORCA	XF4S.

AWN Forward Offers

MPG	Apr-19	Jun-19	Aug-19	Oct-19
18	2365	2345	2285	2220
19	2255	2195	2175	2140
20	2205	2185	2125	2070
21	2185	2165	2105	2050

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

