

Wool Market Report

M06

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	-78	2116	1676	1923
Sth Ind	1659	-78	2087	1659	1896
17	2070	-63	3006	2070	2531
17.5	2046	-79	2830	2046	2447
18	2040	-76	2659	2040	2382
18.5	1984	-72	2556	1984	2311
19	1920	-134	2459	1920	2263
19.5	1909	-137	2429	1909	2232
20	1909	-137	2387	1909	2212
21	1898	-139	2367	1898	2202
22	1904	-130	2350	1904	2203
28	994	-59	1323	751	1020
30	793	-68	1005	670	826
32	536	-52	659	450	543
MC	1048	+58	1592	921	1193

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

Main Buyers (This Week)

1	FOX & LILLIE	3,439	21.9%
2	TECHWOOL TRADING	1,705	10.8%
3	AUST. MERINO EXP.	1,303	8.3%
4	ENDEAVOUR WOOL EXP.	1,115	7.1%
5	UNITED WOOL CO.	1,095	7.0%
6	TIANYU	928	5.9%
7	MODIANO	663	4.2%
8	NATSUN	652	4.1%

Quote of Note

Mic	Grsy	Clean	Yld	MM	NKT	VM	District	AWEXID
15.5	1372	1971	69.6	56	0	0.8	PENNESHAW	MF5S.
16.1	1665	2202	75.6	74	42	0.5	PENSHURST	MF4E.
16.5	1680	2176	77.2	83	43	0.3	RUNNYMEDE	ASF4E.
17.1	1260	2042	61.7	99	37	0.6	TEESDALE	MF5S.
17.4	1340	1988	67.4	97	28	0.8	LAKE BOLAC	MF4E.
17.9	1591	2127	74.8	77	43	1.2	GRETNA	MF4S.
18.4	1550	2089	74.2	78	46	0.7	GRETNA	MF4S.
19.0	1460	2019	72.3	92	38	1.3	AVOCA	MF4S.
19.5	1500	1995	75.2	66	56	0.1	FRESHWATER	MF4E.
20.0	1210	1891	64	110	27	0.5	FREELING	MF5E.
20.4	1220	1865	65.4	65	58	1.1	BOOLEROO CTR	MF5S.
21.1	1321	1923	68.7	92	50	1.1	BOARDERTOWN	MF5B.
21.3	1242	1905	65.2	74	35	1.1	WOODSIDE	MF5S.
22.0	1125	1894	59.4	67	59	1.6	BOARDERTOWN	MF5S.
15.3	1167	1929	60.5	67	32	2.8	LAKE BOLAC	MP5S.
16.8	1160	1865	62.2	78	23	1.7	CAVENDISH	MP5S.
17.3	1055	1779	62.1	71	40	2.1	RIVERSIDE	MP5S.
19.0	1003	1810	55.4	93	24	1.9	FREELING	MP5S.
24.3	1090	1690	64.5	103	29	1.1	TEESDALE	XF5S.
25.9	980	1344	72.9	0	0	0.9	BALLAN	XF4S.
26.8	860	1156	74.4	0	0	0.4	NORONG	XF4E.

AWN Forward Offers				
MPG	Aug-19	Oct-19	Dec-19	Feb-20
19	1920	1870	1800	1800
21	1890	1830	1780	1780
28	950	940	920	920

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

