

## Wool Market Report

# M07

Thursday, 15 August, 2019

### National Commentary

The Australian wool market has had another tumultuous series, suffering further large losses after those experienced in the previous week. The suspension of wool auctions in South Africa reduced the overall global supply but this did little to bolster demand here in Australia. Major auction players were again absent and those buyers that were active continually reduced their buying basis, as they accumulated wool. The market opened with the prices generally 100 cents below those achieved at the previous sale. The lack of buyer

confidence meant that prices deteriorated as the series progressed. By the end of the first day prices had generally fallen by 110 to 140 cents, the AWEX Eastern Market Indicator (EMI) fell by 112 cents on the back of the losses, a reduction of 6.7%. In percentage terms this was the largest fall since 2008. The weakness continued on day two with the market unable to find a solid level, as buyers continued to lower their basis as the sale progressed. The EMI lost a further 51 cents, losing a total of 163 cents for the series, closing the week at 1513 cents. The EMI fell by 9.7% for the series, again the largest weekly fall since 2003. The last

time the EMI was at this level was June 2017. The highlight of the week, in an otherwise gloomy market was the good support for Non-Mulesed types. A small number of buyers competed strongly for these types, pushing them as much as 200 cents (clean) higher than similar types. The market downturn was met with very firm seller resistance, 16.7% of wool was withdrawn prior to sale, followed by a passed in rate of 35.8%, the highest figure since 2003. The Western region has a one-week recess next week, with only Sydney and Melbourne in operation the national offering reduces to 33,696 bales.

	This Week		Last 12 Months		
			High	Low	Avg
EMI	1513	-163	2116	1513	1912
Sth Ind	1498	-161	2087	1498	1886
17	1963	-107	3006	1963	2510
17.5	1962	-84	2830	1962	2432
18	1923	-117	2659	1923	2370
18.5	1858	-126	2556	1858	2300
19	1753	-167	2459	1753	2251
19.5	1713	-196	2429	1713	2220
20	1698	-211	2387	1698	2200
21	1694	-204	2367	1694	2190
22	1693	-211	2350	1693	2191
28	830	-164	1323	751	1019
30	659	-134	1005	659	826
32	536		659	450	543
MC	1020	-28	1592	921	1183

USD	67.84¢
▲	0.10¢
EUR	60.84¢
▲	0.42¢

### Main Buyers (This Week)

1	AUST. MERINO EXP.	1,597	13.6%
2	UNITED WOOL CO.	1,351	11.5%
3	FOX & LILLIE	1,309	11.1%
4	TIANYU	1,219	10.4%
5	NEW ENGLAND WOOL	638	5.4%
6	TECHWOOL TRADING	623	5.3%
7	MODIANO	569	4.8%
8	G SCHNEIDER	531	4.5%

### Quote of Note

Mic	Grsy	Clean	Yld	MM	NKT	VM	District	AWEXID
15.6	1500	2013	74.5	82	28	0.7	HAMILTON	ASF4S.
16.4	1425	1949	73.1	86	32	0.2	TELANGATUK E	MF4E.
16.7	1078	1964	54.9	74	49	0.8	COOMANDOOK	MF5S.
17.4	1605	2220	72.3	80	44	0.7	BOTHWELL	MF4S.
17.6	1567	2210	70.9	75	41	0.6	WILLAURA	MF4E.
18.0	1605	2190	73.3	100	42	0.5	BOTHWELL	MF4E.
18.3	1598	2159	74	98	43	0.4	WILLAURA	MF4E.
18.7	1499	2028	73.9	84	38	0.7	GRETNA	MF4S.
19.0	1300	1929	67.4	88	41	0.4	SPRINGHURST	MF5E.
19.4	1190	1669	71.3	0	0	0.1	STOCKYARD HILL	MF4E.
20.1	1020	1703	59.9	80	46	2.5	MELROSE	MF5S.
20.5	1077	1701	63.3	76	46	0.7	COWELL	MF5S.
21.0	1010	1603	63	53	64	0.8	CLARE	MF5S.
21.5	1164	1682	69.2	105	28	0.9	CLARE	MF5S.
15.9	941	1392	67.6	0	0	0.7	TALLANGATTA	MP5E.
17.4	1169	1821	64.2	82	38	1.9	GRETNA	MP4S.
18.2	1030	1601	58.1	95	27	4	WILLAURA	MP5S.
18.7	837	1613	51.9	73	31	3.4	ROSEWORTHY	MP5S.
25.2	945	1255	75.3	0	0	0.5	GRETNA	XF4E.
26.2	840	1089	77.1	0	0	0.6	CLUNES	XF4E.
27.5	700	903	77.5	0	0	0.4	GRETNA	XF4E.

AWN Forward Offers				
MPG	Aug-19	Oct-19	Dec-19	Feb-20
19	1720	1670	1600	1600
21	1650	1600	1580	1580
28	750	720	720	720

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

