

Wool Market Report

M09

Thursday, 29 August, 2019

National Commentary

The Australian wool market has continued its sharp decline again this week. 26,420 bales were offered, this was down from the originally rostered figure of 33,046 bales, after 18% was withdrawn prior to sale. Of what was left available to the trade, 34.9% failed to reach seller reserve. Due to the rapid downturn, exporters have been finding it very difficult to trade. Buyer confidence has been severely dented by the falling market. This series as buyers accumulated wool, they continually reduced their basis. This resulted in the market being unable to find a solid level and prices were

consistently reduced as the week progressed. The continual fall in prices pushed the Micron Price Guides (MPGs) generally down between 100 and 170 cents, 18.5 micron and finer were least affected as buyers looked to secure finer wools. The AWEX Eastern Market Indicator (EMI) lost 122 cents for the week, closing at 1,375 cents. Over the previous four sales the EMI has fallen by a total of 379 cents, a fall of 21.6%. Compared to the corresponding sale of the previous season the EMI has now fallen 715 cents or 34.2%. The crossbred sector was the best performing sector again this week, although it was unable to record gains, instead it posted general losses of

between 5 and 25 cents. The small movement in the crossbreds again prevented the EMI from retreating further than it did. The cardings have also suffered large corrections, Sydney and Melbourne experienced losses of 90 to 140 cents, Fremantle coming back from a one-week break lost over 200 cents. All three Merino Carding Indicators have now lost close to half their value in 12 months. Due to the current uncertainty in the market, more sellers are adopting a "wait and see" approach, next week's national offering is currently 29,061 bales, with all three centres in operation.

	This Week		Last 12 Months		
			High	Low	Avg
EMI	1375	-122	2094	1375	1884
Sth Ind	1356	-121	2055	1356	1858
17	1819	-104	2944	1819	2458
17.5	1815	-89	2776	1815	2392
18	1754	-106	2652	1754	2334
18.5	1688	-99	2546	1688	2266
19	1611	-123	2438	1611	2218
19.5	1534	-158	2373	1534	2186
20	1504	-177	2362	1504	2167
21	1503	-172	2344	1503	2157
22	1486	-189	2330	1486	2157
28	846	-9	1323	751	1013
30	698	-3	1005	659	825
32	464	-5	659	450	543
MC	795	-135	1592	795	1154

USD	67.29¢
▼	-0.54¢
EUR	60.70¢
▼	-0.43¢

Main Buyers (This Week)

1	FOX & LILLIE	1,160	13.5%
2	TECHWOOL TRADING	1,149	13.4%
3	ENDEAVOUR WOOL EXP.	857	10.0%
4	TIANYU	739	8.6%
5	G SCHNEIDER	612	7.1%
6	AUST. MERINO EXP.	545	6.4%
7	UNITED WOOL CO.	417	4.9%
8	NATSUN	385	4.5%

Quote of Note

Mic	Grsy	Clean	Yld	MM	NKT	VM	District	AWEXID
13.5	1825	2708	67.4	78	37	0.1	BAIRNSDALE	ASF5E.
15.7	1550	2183	71	87	40	0.3	BAIRNSDALE	ASF5E.
15.8	1362	1902	71.6	80	43	0.7	PIMPINIO	MF4S.
16.7	1220	1810	67.4	87	30	1.1	GLENLOGIE	MF4S.
17.4	1151	1673	68.8	85	32	1	EVANDALE	MF5S.
18.2	1100	1812	60.7	83	31	1.1	GLADSTONE	MF5S.
18.5	1197	1712	69.9	91	37	0.9	LONGFORD	MF5S.
18.7	1160	1706	68	91	44	0.6	LARA	MF5E.
19.1	935	1445	64.7	77	21	0.3	CLARE	MF5E.
19.7	1050	1556	67.5	93	31	0.7	QUANTONG	MF5E.
20.2	1026	1470	69.8	92	37	0.8	LONGFORD	MF5E.
20.3	945	1494	64.6	92	37	0.9	CLARE	MF5S.
20.9	780	1347	57.9	91	40	1.7	QUANTONG	MF5E.
21.5	1000	1481	67.5	79	62	0.2	TUNGAMAH	MF5E.
16	811	1480	54.8	67	31	6.2	PENNESHAW	MP5S.
17.8	550	1253	43.9	76	25	5.9	EUDUNDA	MP5B.
18.4	864	1487	58.1	84	32	2	TUNGAMAH	MP5S.
18.9	710	1392	51	84	33	4.5	BOARDERTOWN	MP5S.
25.5	821	1156	71	0	0	1.2	BRIMIN	XF4S.
26.4	772	1052	73.4	0	0	0.7	KELSO	XF4E.
27.2	642	954	67.3	0	0	1.2	HORSHAM	XF4B.

AWN Forward Offers

MPG	Aug-19	Oct-19	Dec-19	Feb-20
19	1550	1500	1450	1400
21	1450	1400	1380	1320
28	770	740	690	690

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

