

# AUSTRALIAN WOOL INDUSTRIES SECRETARIAT INC

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## AWIS WOOL MARKET REVIEW

Week Ending 3 September 2021 (Week 09)

The AWEX EMI finished at 1332¢, 18¢ lower (-1.3%) in Australian currency and 2¢ lower (-0.2%) in US currency at sales in Sydney, Melbourne and Fremantle in Week 09.

34,184 bales were on offer nationally, compared with 28,243 bales last sale. 20.4% of the offering was passed in after 8.9% of the potential offering was withdrawn prior to sale. 27,206 bales were sold.

AWEX reports that the value of the wool sold was \$41.1 million (\$1,511 per bale), taking the season total to \$305.1 million (\$1,569 per bale). The number of bales sold at auction this season is now 20.2% greater than in 2020/21.

The New Zealand Merino Company also offered 935 bales in Melbourne on Wednesday, of which 29.6% were passed in.

Day-to-Day and Sale-to-Sale Changes in AWEX Regional Indicators (Week 09)

Centre	Last Sale		Day-to-Day Changes (Week 09)			Sale-to-Sale Change	Closing Indicator	Sale-to-Sale Changes	
	Week	Indicator	Tuesday	Wednesday	Thursday			US ¢	Euro ¢
Eastern	08	1350	-16	-2	No Sale	-18 (-1.3%)	1332	-2	-6
Northern	08	1433	-17	+1	No Sale	-16 (-1.1%)	1417	0	-4
Southern	08	1297	-15	-4	No Sale	-19 (-1.5%)	1278	-4	-7
Western	07	1351	-4	+9	No Sale	+5 (+0.4%)	1356	+14	+8

The US Exchange Rate moved up for the first time this season when it lifted by 0.80¢ (1.1%) to close at 73.25¢ on Wednesday; and turning the 2¢ fall in the EMI in US currency into an 18¢ fall in Australian currency. Sellers responded by passing in 19.8% of the offering on Tuesday and 21.0% on Wednesday. The Pass-In Rate has been 25.5% over the last four sales.

There were falls across all Merino micron ranges, of which the least were at the fine end, but progressively increased towards the broad end. The 16.5 AWEX Micron Price Guide (MPG) continues to be 1,000¢ greater than at the same time last year. In the usual pattern, buyers for China were dominant, with support from buyers for Europe and India.

Looking ahead, offerings for the coming three sales continue to be well ahead of last year. They are expected to range from 37,123 bales to 43,270 bales and to be 64.3% more than in the same period last year. The forecast progressive difference to Week 12 is +37.9%.

In other countries, the South African Cape Wools Indicator was down by 1.6% since last week against a 3.1% appreciation of the Rand against the US Dollar.

Differences in AWEX MPGs	18.5 and 22.0	18.0 and 22.0	17.5 and 22.0	17.0 and 22.0	16.5 and 22.0
North	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG	No 22.0µ MPG
South	635¢	807¢	1055¢	1219¢	1367¢

Market Indicators	Changes From				
	Week 09	Four Sales Ago Week 02	Start of the Season	Week 09 Last Year	Season Average to Week 09 Last Year
Eastern Market Indicator	1332	-96 (-6.7%)	-92 (-6.5%)	+403 (+43.4%)	+351 (+34.3%)
Western Market Indicator	1356	-106 (-7.3%)	-96 (-6.6%)	No Sale	No Sale

Sale-to-Sale Changes in Average AWEX Merino Micron Price Guides (MPGs)

Micron	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	21.0	22.0	23.0	24.0
Since Last Sale												
Change ¢	-5	-19	-15	-16	-51	-41	-39	-29	-26	-42		
Change %	-0.2%	-0.8%	-0.7%	-0.8%	-2.7%	-2.5%	-2.6%	-2.1%	-2.1%	-3.4%		
Since Start of the Season												
Change ¢	-160	-117	-103	-117	-131	-133	-111	-112	-96	-50		
Change %	-5.8%	-4.6%	-4.4%	-5.5%	-6.7%	-7.5%	-6.9%	-7.8%	-7.2%	-4.0%		
Since Week 09 Last Year												
Change ¢	+1006	+882	+821	+707	+642	+515	+398	+255	+167	+142		
Change %	+63.4%	+59.1%	+59.1%	+55.2%	+53.8%	+45.1%	+35.8%	+23.3%	+15.4%	+13.2%		

Sale-to-Sale Changes in Other Average AWEX Price Guides

Micron	25.0	26.0	28.0	30.0	32.0	MC
Since Last Sale						
Change ¢		+6	-2	-2	+12	-15
Change %		+0.8%	-0.4%	-0.5%	+4.4%	-1.7%
Since Start of the Season						
Change ¢		-37	-17	-24	+18	-84
Change %		-4.6%	-3.4%	-5.9%	+6.8%	-8.7%
Since Week 09 Last Year						
Change ¢		-14	-45	-70	-2	+244
Change %		-1.8%	-8.6%	-15.4%	-0.7%	+37.1%

MC Average Merino Cardings Price Guide

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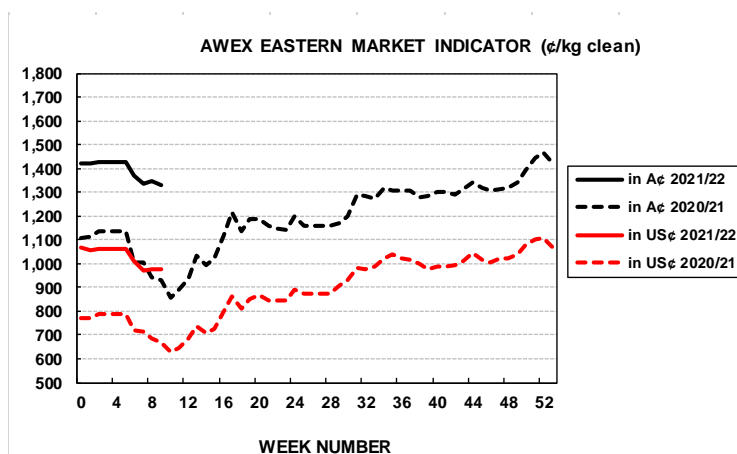
The following tables show the details of this week's sale offering; the expected offerings over the next three sales; the changes in Exchange Rates since the previous sale; and highlights from the June ABS export data.

Details of this Week's Offering and the Comparison with the Previous Sale's Offering							Progressive Changes from Last Year		
Centre	Last Sale	This Sale					All Bales		1 <sup>st</sup> Time Bales
	Offering	Offering	Passed-In	Withdrawn Before Sale	Re- Offered	Bales Sold	Bales	%	%
North	12,250	10,928	18.5%	5.5%	18.4%	8,911	+25,643	+42.6%	+41.6%
South	15,993	15,495	16.8%	10.4%	12.5%	12,893	+17,343	+17.3%	+19.3%
West		7,761	30.4%	10.6%	26.6%	5,402	+10,119	+32.9%	+32.3%
<b>Australia</b>	<b>28,243</b>	<b>34,184</b>	<b>20.4%</b>	<b>8.9%</b>	<b>17.6%</b>	<b>27,206</b>	<b>+53,105</b>	<b>+27.8%</b>	<b>+28.5%</b>

Next Sale Offerings and Year-on-Year Differences				
Centre	Week 10	Week 11	Week 12	Differences
North	11,050	10,912	12,290	+69.4%
South	20,673	21,351	23,630	+75.9%
West	5,400	7,300	7,350	+29.7%
<b>New Zealand</b>	<b>1,500</b>	<b>2,500</b>	<b>2,500</b>	
<b>Australia</b>	<b>37,123</b>	<b>39,563</b>	<b>43,270</b>	<b>119,956</b>
<b>Differences</b>	<b>+36.7%</b>	<b>+101.5%</b>	<b>+65.1%</b>	<b>+64.3%</b>

Exchange Rates (Reserve Bank)	Last Sale	Day-to-Day Changes					Sale-to-Sale Change	Closing Value	Season Min & Max	
		Fri	Mon	Tues	Wed	Thur			Min	Max
United States	72.45	+0.02	+0.50	+0.38	-0.10	No	+0.80 (+1.1%)	73.25	72.45	74.60
Euro	61.70	-0.09	+0.23	+0.17	+0.07	Sale	+0.38 (+0.6%)	62.08	61.70	63.27

Country	% Share of Australia's Wool Exports by Weight of Wool Shipped			Year-on-Year % Change July to June	
	June 2021	July to June 2020/21	July to June 2019/20	By Weight	By Value
China	85.7%	86.5%	80.6%	+27.9%	+10.8%
Czech Republic	5.4%	4.1%	3.2%	+52.4%	-7.2%
India	4.4%	3.7%	5.2%	-14.2%	-36.4%
Italy	0.8%	1.8%	4.0%	-46.7%	-54.9%
Korea	1.1%	1.5%	1.9%	-2.1%	-16.0%
Thailand	0.5%	0.4%	0.8%	-40.4%	-40.2%
United Arab Emirates	0.5%	0.4%	0.2%	+110.7%	+28.2%
Germany	0.6%	0.3%	0.4%	+5.8%	-16.9%
<b>Change all Countries</b>				<b>+19.2%</b>	<b>-0.9%</b>



AVERAGE EMI	
This Year	1373
Last Year	1199
2019/20	1448
2018/19	1939
2017/18	1739

SEASON AVERAGES		
Region	This Year	Diff
North	1462	+197
South	1316	+160
West	1403	+168

THIS YEAR'S EMI	
This Week	1332
First Week	1420
Low (9/01)	1332
High (11/01)	1428

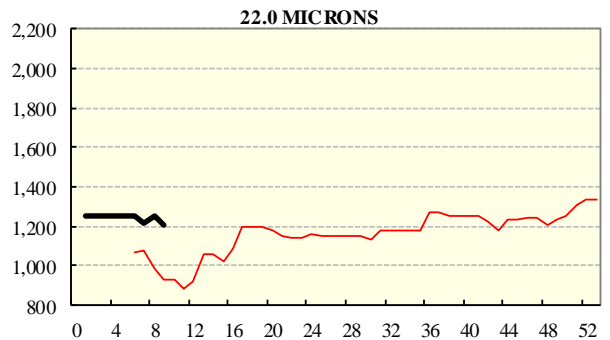
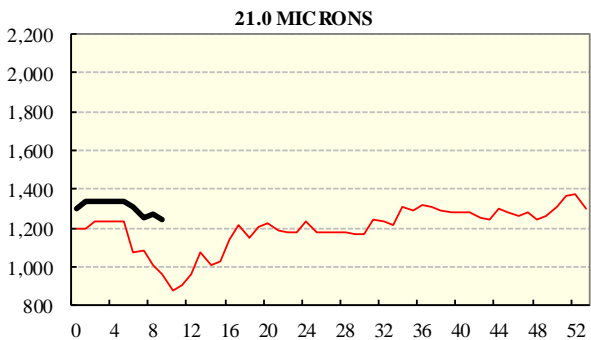
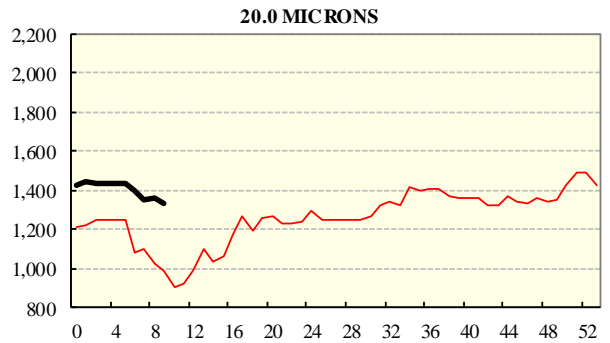
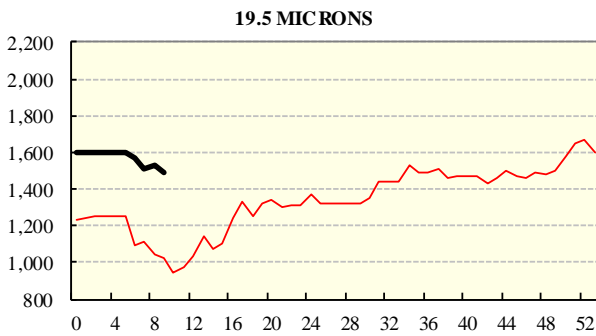
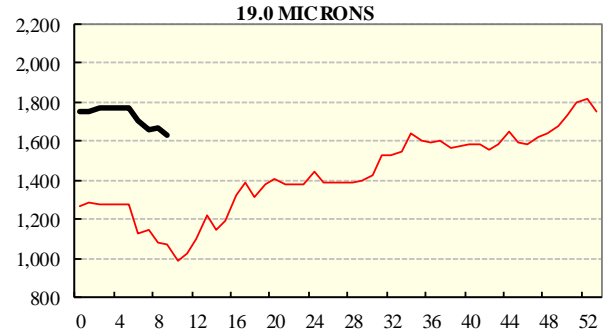
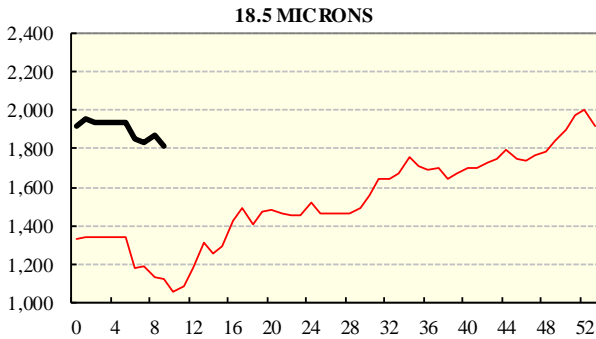
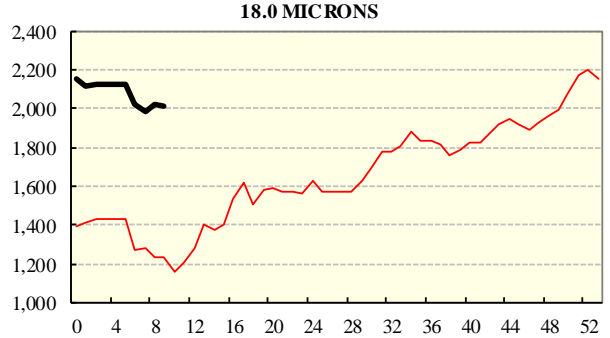
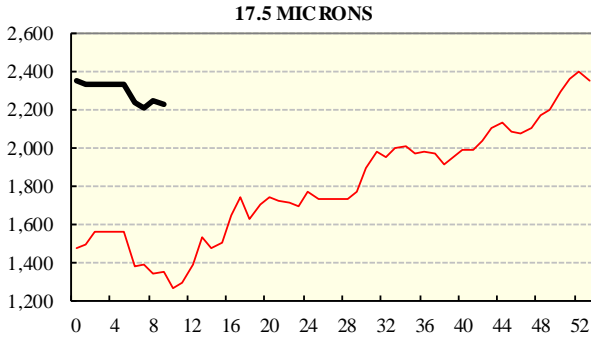
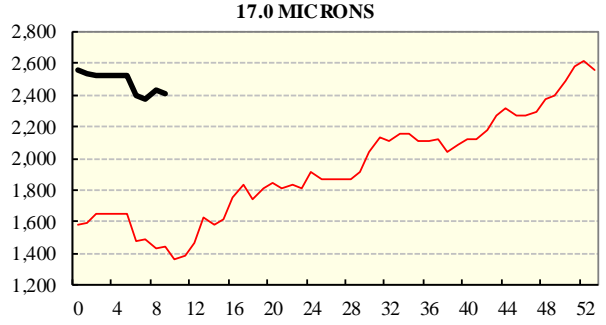
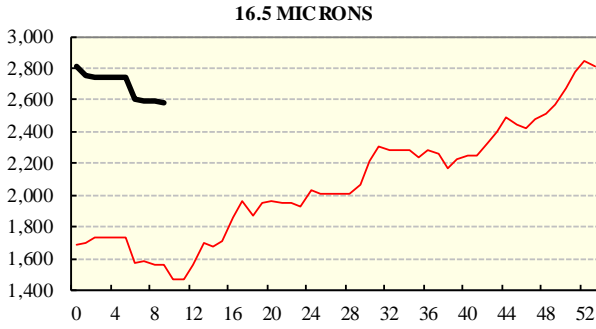
COMPARED WITH WKS 1/2		
Region	This Week	Diff
North	1417	-99
South	1278	-88
West	1356	-96

BALES OFFERED	
This Year	244,109
Last Year	191,004
Difference	+53,105
% Diff	+27.8%
FIRST OFFERED BALES	
Difference	+28.5%
% of Offering	89.7%

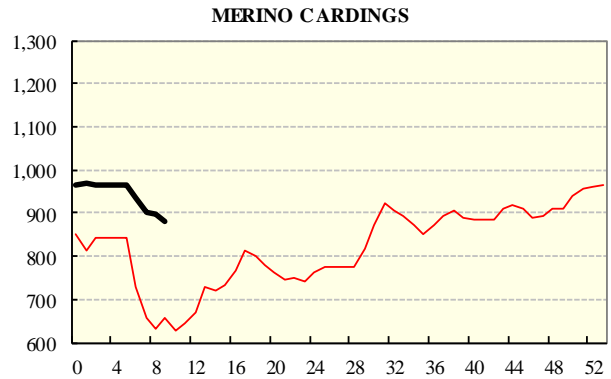
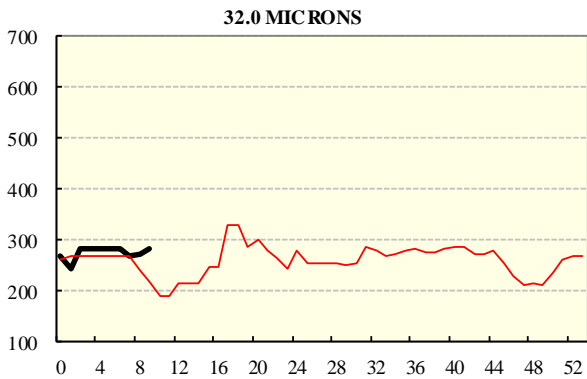
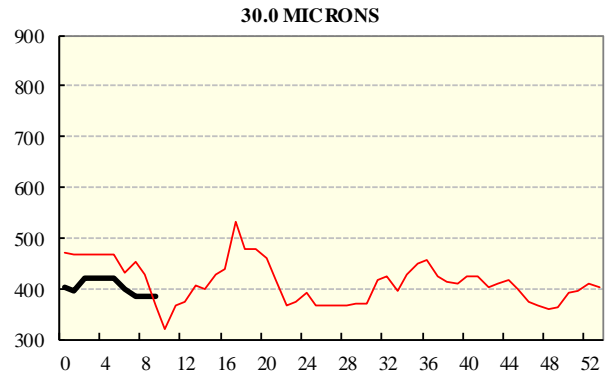
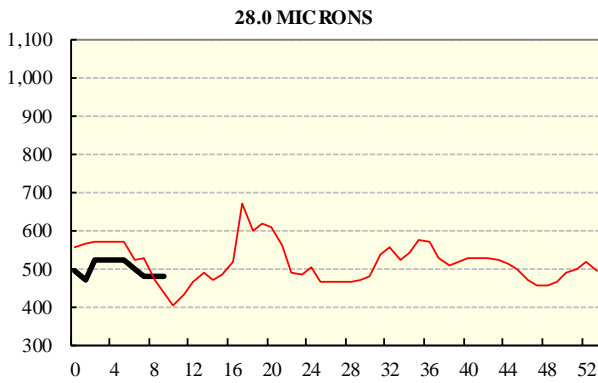
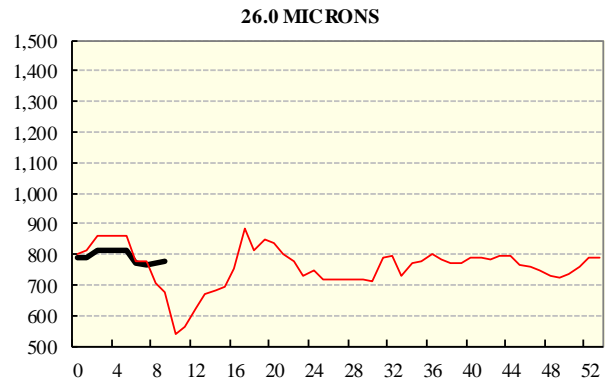
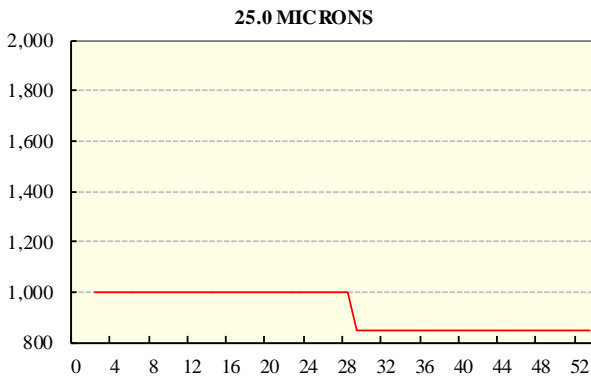
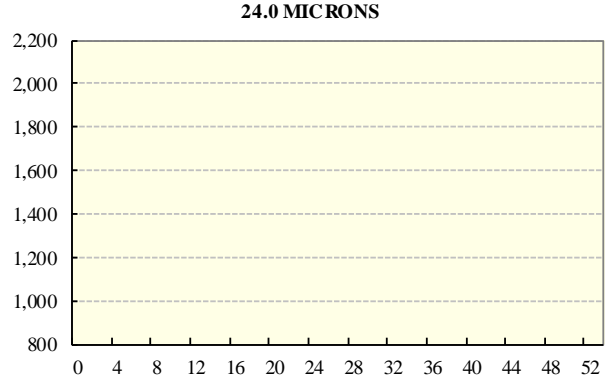
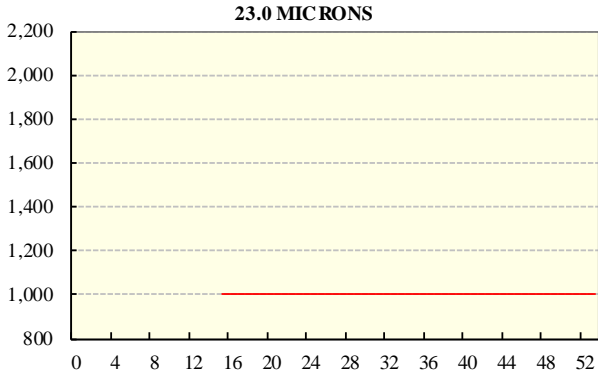
REGION BALES		
This Sale:		
North	10,928	
South	15,495	
West	7,761	
Progressive Totals:		Diff
North	85,828	+42.6%
South	117,403	+17.3%
West	40,878	+32.9%

## AVERAGE AWEX MICRON PRICE GUIDES

2021/22 ( black graph line) and 2020/21 (red graph line)



**AVERAGE AWEX MICRON PRICE GUIDES**  
2021/22 ( black graph line) and 2020/21 (red graph line)



### EASTERN MARKET INDICATOR (EMI) SINCE 1999/00 (¢/kg clean)

(In Australian, United States and European Currencies)

