

Wool Weekly



Thursday, 25 January 2018

Wool Market Movements

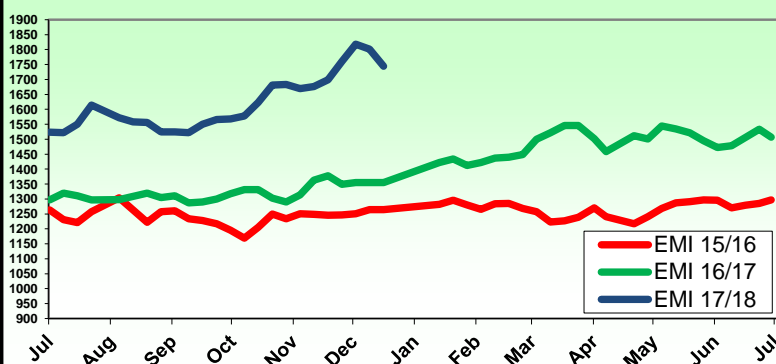
- It was a two-day sale in all Australian wool selling centres this week with the Australia Day holiday on Friday. The buying intensity dropped away and prices for Merino and Crossbred wools fell sharply, with the exception of ultrafine wool. Oddments in particular saw very large falls over the week as buyer interest vanished. The EMI fell by 57 cents to 1744 c/kg at the close. Even so, it is still 334 cents above the level of 12 months ago. The AUD lifted by 0.6 USc to 80.3 USc and the EMI fell by 34 UScents to 1400 USc/kg. There were 42,525 bales on offer and the pass-in rate jumped to 14.3% as prices fell.
- Sydney hosted a two-day sale with 10,470 bales on offer. Buyers were hesitant on Tuesday, with prices for Merino wool 18 micron and broader and for all Crossbred wool falling, down by 15 to 35 cents. Ultrafine lots were better supported. Oddments were shunned and prices fell by 50 cents or more. Buyers continued to support the ultrafine wools on Wednesday, while medium Merino wools were steady to slightly lower. 19-20 micron wools fell by 10-15 cents. All Oddments fell sharply, with Locks falling by 200 cents.
- The two-day sale in Melbourne of 24,533 bales saw good buyer support for Merino lots with low mid-break, particularly the ultrafine wools, and Crossbred wools that were well prepared. But poorly specc'ed Merino lots and less well prepared Crossbred wools found little support. It was a mixed day on Tuesday, where 18-19 micron wools and Crossbred wools fell sharply but other microns steady to higher. Wednesday saw some large falls in prices for both Merino and Crossbred lots. Locks, Skirtings and Crutchings fell heavily on both sale days, with falls of 120-220 cents on Wednesday.
- Fremantle's two-day sale of 7,522 bales started on a relatively solid footing on Tuesday, given the declines on the east coast. Merino wool of 19 micron and finer lost some ground, but broader microns lifted or were steady. Locks, Stains and Crutchings fell sharply, however, down 60 to 90 cents. Wednesday's sale saw heavy falls as buyer interest waned. Fine microns were hardest hit, down 60 to 70 cents, while 19-20 micron wools fell by up to 50 cents. Broader Merino wools fell slightly or were firm. The biggest casualty were Oddments, with buyers vacating the market and prices in virtual free-fall.

AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1845	-56	1677	-62	1821	-39
MICRON PRICE GUIDES						
16.5	2801	+14	2781n	+4	-	-
17	2684	+12	2663	+6	-	-
17.5	2522	+8	2489	-4	-	-
18	2345	-29	2275	-83	2229n	-70
18.5	2220	-29	2181	-69	2113	-76
19	2101	-36	2085	-65	2060	-32
19.5	2006	-38	2001	-28	1969	-39
20	1900	-42	1893	-38	1888	-23
21	1785	-1	1765	-13	1788	-14
22	1723n	+14	1697	-2	1714n	0
23	-	-	1643n	-18	-	-
24	-	-	-	-	-	-
25	1183n	-58	1189n	-36	-	-
26	1046	-82	1065	-70	-	-
28	735	-73	738	-75	-	-
30	550	-44	560	-31	-	-
32	371n	-10	376n	-22	-	-
MC	1334n	-179	1271n	-230	1319n	-184

AWEX EMI 2015/16 & 2016/17 Season vs Current

Currently: 1744 c/kg clean



Upcoming Auction Volumes

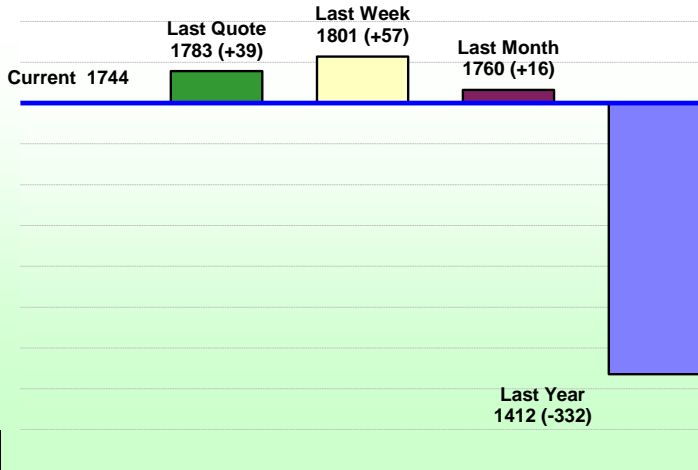
	29/01/2018	5/02/2018	12/02/2018
Northern	S31	S32	S33
Sydney	12,249	11,450	10,430
Southern	M31	M32	M33
Melbourne	21,457	20,985	22,419
Western	F31	F32	F33
Fremantle	8,538	7,850	8,450
Total	42,244	40,285	41,299

THIS WEEK'S SALES STATISTICS

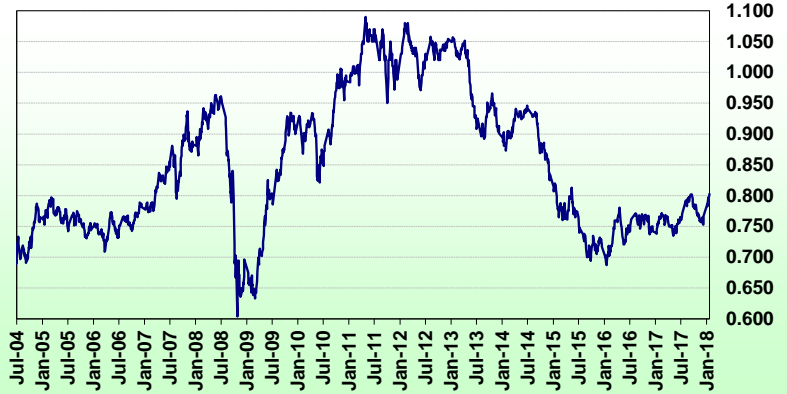
Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	9,860	10,470	9,049	13.6%
Southern	21,225	24,533	21,154	13.8%
Western	9,376	7,522	6,227	17.2%
TOTAL	40,461	42,525	36,430	14.3%

Average Nth-Sth MPG's as reported on 24 Jan 2018

AWEX Weekly Eastern Market Indicator



AUD vs USD from 06-Jul-04 to 24-Jan-18



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1744	2791	2674	2506	2310	2201	2093	2004	1897	1775	1710	1643	1186	737	0.803
10 year Average	1020	1644	1477	1482	1357	1296	1228	1166	1110	1069	1039	1011	826	587	0.847
This time last year	1412	2022	1988	1967	1891	1817	1728	1635	1539	1432	1373	1364	1030	661	0.754
10 year High	1822	2791	2674	2513	2383	2264	2163	2072	1971	1809	1722	1676	1280	976	1.090
10 year Low	632	1259	1073	1087	881	833	777	736	686	659	654	646	549	339	0.604
% Reported above current	1%	0%	0%	0%	1%	1%	1%	1%	1%	0%	0%	0%	5%	17%	50%
Diff b/w High & Current	78	0	0	7	73	63	70	69	75	34	12	33	94	240	0.287
Diff b/w Ave & Current	724	1147	1196	1023	953	904	865	837	786	706	671	632	360	150	-0.044

Percentile Bands

95%	1511	2547	2357	2254	2125	1990	1841	1712	1600	1506	1450	1428	1579	839	1.049
90%	1349	2319	2187	2167	1968	1821	1641	1518	1468	1424	1387	1357	1374	803	1.030
80%	1244	1865	1611	1612	1529	1485	1446	1400	1359	1326	1295	1265	1270	706	0.960
75%	1204	1717	1547	1560	1478	1441	1393	1360	1317	1287	1253	1217	1228	677	0.935
60%	1051	1555	1425	1452	1348	1291	1233	1187	1165	1152	1137	1113	1073	627	0.880
50%	995	1512	1369	1368	1272	1233	1177	1137	1093	1052	1009	968	1020	544	0.806
40%	924	1470	1304	1314	1214	1171	1111	1057	1003	964	930	894	949	484	0.776
25%	803	1405	1245	1248	1136	1072	1007	946	873	820	788	771	815	468	0.756
10%	729	1331	1171	1183	1029	996	928	864	802	748	717	697	746	448	0.722

Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28
Feb-2018		2400	2340	2200	2100	1950	1880	1770	1700	1600	1500	715
Mar-2018		2380	2300	2180	2080	1940	1860	1760	1690	1580	1480	715
Apr-2018		2360	2280	2160	2060	1930	1820	1740	1680	1550	1450	715
May-2018		2340	2260	2140	2040	1920	1800	1700	1660	1530	1440	715
Jun-2018		2320	2250	2130	2030	1910	1790	1690	1650	1490	1430	715
Jul-2018		2310	2240	2120	2020	1900	1780	1680	1645	1480	1400	715
Aug-2018		2300	2230	2110	2010	1890	1760	1660	1640	1460	1320	700
Sep-2018		2280	2200	2100	2000	1880	1730	1640	1620	1400	1300	700
Oct-2018		2240	2160	2080	1980	1770	1700	1630	1600	1400	1300	700
Nov-2018		2200	2100	1950	1850	1680	1620	1600	1500	1400	1300	680
Dec-2018		2150	2050	1950	1850	1660	1600	1600	1500	1400	1280	680
Jan-2019		2150	2050	1950	1850	1660	1600	1600	1500	1400	1260	680
Feb-2019		2150	2050	1950	1850	1660	1600	1600	1500	1400	1240	680
Mar-2019		2150	2050	1950	1850	1660	1600	1600	1500	1380	1220	680
Apr-2019		2150	2050	1950	1750	1660	1600	1560	1470	1260	1180	680

All prices on this sheet are listed in c/kg clean. Basis Contract prices are indicative only. The levels are published to use purely as a guide. For more information regarding forward contracts or to submit a GTC or Target order, contact your local Landmark wool manager, or call Landmark Risk Management on 1800 629 396.

Please use above figures as a guide to submit your GTC or Target orders. Call 1800 629 396.