

Wool Weekly

LANDMARK

Friday, 1 February 2019

Wool Market Movements

- This week's national offering was 2,927 bales fewer than last week and the pass in rate fell by 2.4% to 7.2%. Variation in style, vegetable matter and midbreaks influenced buyer support this week and produced the mixed results among the Merino micron price guides (MPGs). Crossbred wools experienced the greatest price rises this week and pushed the EMI up 7 cents to 1,934 c/kg clean. The EMI has now risen for the fifth consecutive sale, gaining a total of 85 cents since week 23.
- Strong demand for fine wool (<18.5 µm) characterised this week's Sydney sale, particularly for higher yielding Merino fleece lots with favourable additional measurements. Slight discounts were applied to low yielding, poorer strength and higher midbreaks. While a small selection of broader Merino fleece lots attracted strong demand on Wednesday, these types ended the week up to 9 cents lower than last week. Merino skirtings and crossbred lots gained on the previous week's levels while most categories of oddments lost ground. The Northern Indicator closed at 1,978 c/kg clean up 8 cents, while the Northern Merino Carding Indicator lost 21 cents to 1,165 c/kg clean. The Northern pass in rate was 5.3%.
- Best style wools with favourable additional measurements underpinned gains in most MPGs on the first day of the Melbourne sale. Even poorer style less well measured lots remained unchanged from the previous week. While the second sale day began with early losses, the market did strengthen during the day. Skirtings ended the week at similar levels to the previous sale and crossbred lots were the star performers gaining up to 107 cents. The oddment market lacked buyer support this week. The Southern Indicator gained 5 cents to 1,906 c/kg clean but the Southern Merino Carding Indicator lost 28 cents to 1,123 c/kg clean. The Southern pass in rate was 5.5%.
- Gains of between 9 and 31 cents were made across all MPGs on the first day of the Fremantle sale. Buyers were keen to secure lots 19.5 µm and finer. However, the market weakened on the second day with losses across all MPGs. Despite this, all MPGs finished this week at higher levels than the previous sale. The skirtings market was irregular and the oddment lots at similar levels to the last sale. The Western Indicator lifted 2 cents to 2,094 c/kg clean and the Western Merino Carding Indicator gained 2 cents to 1,125 c/kg clean. The Western pass in rate was 12.9%.

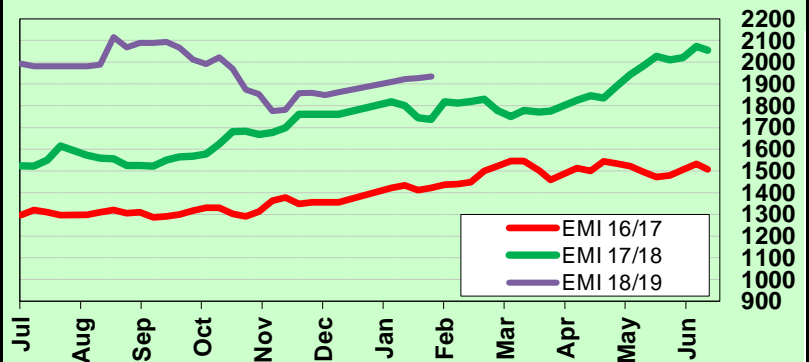
AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1978	+8	1906	+5	2094	+2

MICRON PRICE GUIDES						
16.5	2580	-1	2548n	+30	-	-
17	2538	0	2508	+11	-	-
17.5	2494	+4	2502	-6	-	-
18	2437	+5	2443	+9	2336n	+18
18.5	2376	+8	2346	-12	2297n	+24
19	2304	-9	2287	+4	2282	+11
19.5	2294	-4	2259	-10	2269	+16
20	2273	-4	2251	+5	2236	-3
21	2249	+4	2224	-11	2222n	+3
22	-	-	2223n	+10	-	-
23	-	-	2222n	-	-	-
24	-	-	1915n	-	-	-
25	1505n	0	1503n	+45	-	-
26	1343n	+45	1333	+26	-	-
28	1024n	+90	1031	+86	-	-
30	839n	-	848	+107	-	-
32	-	-	509n	+23	-	-
MC	1165	-21	1123n	-28	1125n	+2

AWEX EMI 2016/17 & 2017/18 Season vs Current

Currently: 1934 c/kg clean



Upcoming Auction Volumes

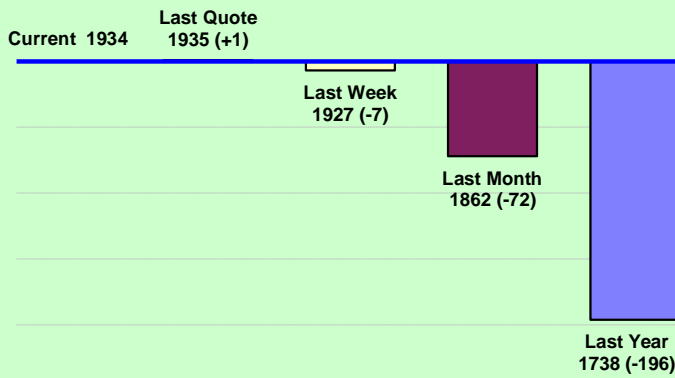
	5/02/2019	12/02/2019	19/02/2019
Northern	S32	S33	S34
Sydney	11,736	9,290	9,380
Southern	M32	M33	M34
Melbourne	19,922	20,902	20,620
Western	F32	F33	F34
Fremantle	8,768	8,050	8,150
Total	40,426	38,242	38,150

THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	9,770	8,789	8,320	5.3%
Southern	18,900	20,853	19,706	5.5%
Western	7,950	9,188	8,001	12.9%
TOTAL	36,620	38,830	36,027	7.2%

Average Nth-Sth MPG's as reported on 31 Jan 2019

AWEX Weekly Eastern Market Indicator Quote Comparisons



AUD vs USD from 06-Jul-04 to 31-Jan-19



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1934	2564	2523	2498	2440	2361	2296	2277	2262	2237	2223	2222	1504	1028	0.727
10 year Average	1214	1796	1693	1630	1566	1500	1432	1373	1322	1291	1260	1220	975	677	0.862
This time last year	1738	2819	2691	2523	2324	2197	2088	1997	1907	1794	1724	1679	1190	725	0.805
10 year High	2116	3187	3007	2831	2683	2569	2462	2414	2382	2354	2350	2308	1828	1050	1.090
10 year Low	721	1259	1152	1092	1021	955	887	802	734	712	702	692	551	424	0.633
% Reported above current	4%	12%	9%	8%	4%	3%	3%	3%	2%	3%	2%	2%	4%	0%	87%
Diff b/w High & Current	182	623	484	333	243	208	167	137	120	118	127	86	324	23	0.363
Diff b/w Ave & Current	720	768	830	868	874	861	863	903	940	946	963	1002	529	351	-0.135

Percentile Bands

95%	1877	2982	2760	2577	2398	2301	2237	2200	2169	2153	2154	2023	1415	937	1.050
90%	1758	2604	2486	2417	2300	2153	2042	1975	1907	1780	1664	1524	1230	872	1.040
80%	1421	2353	2264	2190	2074	1897	1749	1648	1542	1463	1419	1365	1147	810	1.010
75%	1325	2182	2141	2029	1891	1788	1612	1502	1455	1408	1381	1348	1114	783	0.985
60%	1237	1620	1573	1550	1515	1472	1426	1390	1346	1317	1282	1237	1001	690	0.913
50%	1147	1548	1485	1459	1430	1396	1336	1300	1262	1244	1220	1186	931	669	0.872
40%	1088	1483	1388	1347	1317	1289	1258	1223	1192	1180	1161	1135	900	647	0.788
25%	1015	1397	1297	1262	1217	1188	1166	1137	1118	1103	1085	1055	857	586	0.758
10%	867	1315	1240	1191	1154	1104	1041	967	917	893	862	833	687	461	0.720

Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28
Feb-2019		2430	2350	2300	2280	2230	2200	2175	2170	2140	2070	940
Mar-2019		2410	2330	2280	2260	2210	2180	2155	2150	2120	2050	940
Apr-2019		2400	2320	2270	2250	2200	2170	2145	2140	2110	2040	940
May-2019		2370	2290	2240	2220	2170	2140	2135	2130	2100	2030	940
Jun-2019		2360	2280	2230	2210	2160	2130	2125	2120	2090	2020	940
Jul-2019		2350	2270	2220	2200	2150	2120	2115	2110	2080	2010	900
Aug-2019		2290	2210	2160	2140	2090	2060	2055	2050	2020	1950	890
Sep-2019		2270	2190	2140	2120	2070	2040	2035	2030	2000	1930	880
Oct-2019		2250	2170	2120	2100	2050	2020	2015	2010	1980	1910	870
Nov-2019		2230	2150	2100	2080	2030	2000	1995	1990	1960	1890	860
Dec-2019		2210	2130	2080	2060	2010	1980	1975	1970	1940	1870	850
Jan-2020		2190	2110	2060	2040	1990	1960	1955	1950	1920	1850	840
Feb-2020		2170	2090	2040	2020	1970	1940	1935	1930	1900	1830	830
Mar-2020		2200	2120	2070	2050	2000	1970	1915	1910	1880	1810	820
Apr-2020		2130	2050	2000	1980	1930	1900	1895	1890	1860	1790	810

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.