

Wool Weekly

LANDMARK

Friday, 8 February 2019

Wool Market Movements

- This week saw buyers keen to secure sufficient quantity of wool as the number of bales offered for sale is forecast to decline in coming weeks. This increased activity together with a willingness to pay premiums for fine wools with favourable measurements and continued week-on-week gains in the crossbred sector saw the EMI rise by 10 cents to 1,944 c/kg clean. This week saw 1,064 more bales offered for sale compared to last week, with a 93% clearance rate.
- Sydney hosted the first Australian Superfine auction for 2019. Best style lots with favourable strength, length and midbreaks attracted keen buyer interest and pushed each of the 18.5 µm and finer micron prices guides (MPGs) up by at least 17 cents for the week. Lots with lower style and less favourable additional measurements were discounted and finished at lower levels compared to last week. Broader Merino fleece lots gained between 8 and 17 cents. Merino skirtings were in favour as were the broader crossbred lots. Oddments had mixed results across the various categories. The Northern Indicator rose 17 cents to 1,995 c/kg clean but the Northern Merino Carding Indicator fell by 6 cents to 1,159 c/kg clean. The Sydney pass in rate was 6.3%
- The Melbourne sale began slowly, with early losses on day 1. However, buyers were keen to source < 18.5 µm lots with high yields, high strength and low midbreaks. The premiums paid for these wools lifted the overall tone of the sale. The mixed results across the range of MPGs was simply a reflection of the range in yield, strength and midbreaks of the lots on offer. The premiums paid for the limited selection of high performing lots tended to be outweighed by the discounts applied to other lots. The small selection of skirtings saw prices rise with gains also occurring in the broader crossbred types. The oddments market was weak. The Southern Indicator finished at 1,912 up 6 cents while the Southern Merino Carding Indicator fell 9 cents to 1,114 c/kg clean. The Melbourne pass in was 6.4%
- The first day of the Fremantle sale recorded prices similar to the previous week, with the market strengthening on the second day. All Merino MPGs increased by between 6 and 12 cents. The skirtings were mixed as were the oddments. The Western Indicator increased by 7 cents to 2,101 c/kg clean, while the Western Merino Carding Indicator remained at 1,125 c/kg clean unchanged from the previous sale. The pass in rate in Fremantle was 9.2%

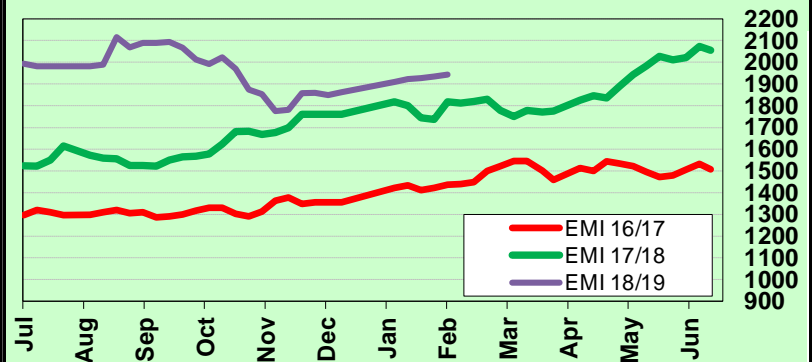
AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1995	+17	1912	+6	2101	+7

MICRON PRICE GUIDES						
16.5	2622	+42	2524n	-24	-	-
17	2578	+40	2488n	-20	-	-
17.5	2532	+38	2474	-28	-	-
18	2483	+46	2429	-14	2347n	+11
18.5	2393	+17	2340	-6	2303n	+6
19	2317	+13	2303	+16	2293	+11
19.5	2302	+8	2265	+6	2281	+12
20	2290	+17	2252	+1	2248	+12
21	2260n	+11	2261	+37	2234n	+12
22	-	-	2233n	+10	-	-
23	-	-	2232n	+10	-	-
24	-	-	1943n	+28	-	-
25	1505n	0	1523n	+20	-	-
26	1353n	+10	1330n	-3	-	-
28	1045n	+21	1053	+22	-	-
30	-	-	888	+40	-	-
32	-	-	511n	+2	-	-
MC	1159	-6	1114n	-9	1125n	0

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

Currently: 1944 c/kg clean



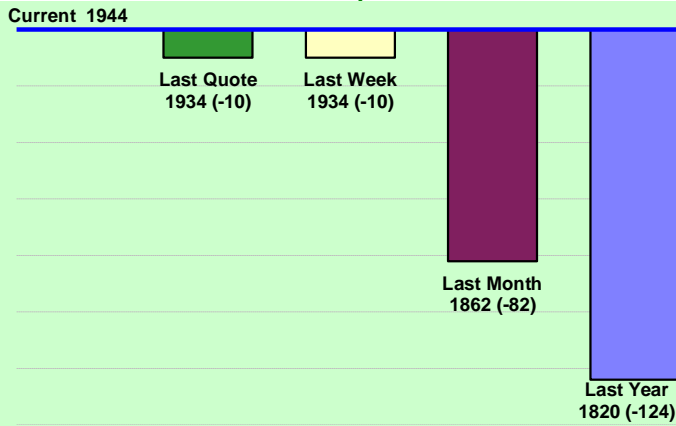
Upcoming Auction Volumes

	12/02/2019	19/02/2019	26/02/2019
Northern	S33	S34	S35
Sydney	7,483	9,380	10,041
Southern	M33	M34	M35
Melbourne	23,356	20,620	16,934
Western	F33	F34	F35
Fremantle	8,681	8,150	8,300
Total	39,520	38,150	35,275

THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	10,130	11,262	10,555	6.3%
Southern	18,775	19,396	18,149	6.4%
Western	8,100	9,236	8,388	9.2%
TOTAL	37,005	39,894	37,092	7.0%

AWEX Weekly Eastern Market Indicator Quote Comparisons



AUD vs USD from 06-Jul-04 to 07-Feb-19



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1944	2573	2533	2503	2456	2367	2310	2284	2271	2261	2233	2232	1514	1049	0.710
10 year Average	1215	1797	1695	1631	1568	1502	1434	1375	1324	1292	1262	1222	976	677	0.861
This time last year	1818	2965	2788	2617	2395	2265	2155	2063	1993	1892	1724	1679	1265	788	0.783
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%	8%	7%	3%	3%	2%	2%	2%	2%	2%	2%	4%	0%	93%
Diff b/w High & Current	172	614	474	328	227	202	152	130	111	94	117	76	314	1	0.380
Diff b/w Ave & Current	729	776	838	872	888	865	876	909	947	968	971	1010	538	372	-0.151

Percentile Bands

95%	1895	2982	2760	2577	2401	2315	2247	2204	2171	2158	2157	2052	1433	939	1.050
90%	1763	2604	2487	2419	2303	2162	2056	1983	1911	1785	1705	1526	1233	874	1.040
80%	1422	2368	2272	2192	2075	1907	1752	1652	1545	1468	1420	1368	1148	811	1.010
75%	1331	2194	2152	2032	1899	1790	1620	1505	1457	1410	1382	1348	1115	785	0.985
60%	1237	1622	1579	1551	1517	1474	1427	1391	1347	1318	1283	1238	1001	690	0.913
50%	1148	1548	1486	1459	1432	1397	1337	1300	1262	1245	1220	1187	931	669	0.871
40%	1088	1485	1390	1348	1318	1291	1258	1224	1193	1180	1162	1135	900	647	0.788
25%	1016	1397	1297	1262	1218	1188	1166	1137	1118	1103	1085	1056	857	586	0.758
10%	867	1315	1240	1191	1154	1104	1042	968	917	893	863	834	687	462	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	2205	2200	2170	2100	940
Mar-2019		2430	2350	2300	2280	2230	2200	2205	2200	2170	2100	940
Apr-2019		2420	2340	2290	2270	2220	2190	2175	2170	2140	2070	940
May-2019		2400	2320	2270	2250	2200	2170	2155	2150	2120	2050	940
Jun-2019		2390	2310	2260	2240	2190	2160	2145	2140	2110	2040	940
Jul-2019		2370	2290	2240	2220	2170	2140	2135	2130	2100	2030	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.