

Wool Weekly

LANDMARK

Friday, 10 May 2019

Wool Market Movements

- Drought affected lots with low yields and poorer style continue to impact on the Australian wool market. Lots with good or inferior style dominated the selection which saw the EMI lose 8 cents this week, ending the recent upward trend. Crossbred lots continued to be the star performers and were the only ones to record gains this week, with better prepared lots recording the highest gains. The EMI ended at 1,952 c/kg clean with the crossbred lots lessening the week's loss. The national pass-in rate was 12.9%. Auction quantities continue to decline with 33,361 lots are currently on offer.
- This week's Sydney offering was dominated by good style lots, which tended to soften the market. Small losses of up to 5 cents occurred in the Merino MPGs for good style wools with low strength and high midbreaks on Wednesday with further losses of up to 15 cents occurring on Thursday. Best style lots with favourable additional measurements either remained firm or recorded smaller losses. Merino skirtings eased on Wednesday but were tended to firm as the sale progressed. Oddments were mixed. The Northern Regional Indicator lost 8 cents to 1,989 c/kg clean while the Northern Merino Carding Indicator fell by 1 cent to 1,093 c/kg clean. The Sydney pass-in rate was 8.8%.
- Low yielding lots with low strength and high midbreaks dominated the Melbourne selection on Wednesday. As a result, the $\leq 20.0 \mu\text{m}$ MPGs fell by up to 20 cents. Further reductions occurred across all MPGs on Thursday. Well prepared Merino skirtings with $<5\%$ VM were keenly sought by buyers and maintained their value, while lots with higher VM levels lost ground. Finer crossbred lots gained 12 to 15 cents this week, while oddments were mixed. The Southern Regional Indicator fell 12 cents to 1,927 c/kg clean while the Southern Merino Carding Indicator gained 7 cents to 1,089 c/kg clean. The Melbourne pass-in rate was 12.9%.
- The small Fremantle offering recorded losses across all Merino MPGs as more than a fifth of the lots were of inferior style. The market lost further ground on Thursday as the proportion of inferior style lots rose to over 30%. While the better style lots enjoyed strong buyer support this was not enough to halt the downward trend. Merino skirtings lost up to 40 cents on Wednesday however finer lots ($\leq 18.0 \mu\text{m}$) did regain some ground on Thursday. Oddment lots were mixed. The Western Regional Indicator dropped 31 cents to 2,062 c/kg clean and the Western Merino Carding Indicator closed 25 cents lower at 1,094 c/kg clean. The Fremantle pass-in rate was 18.1%.

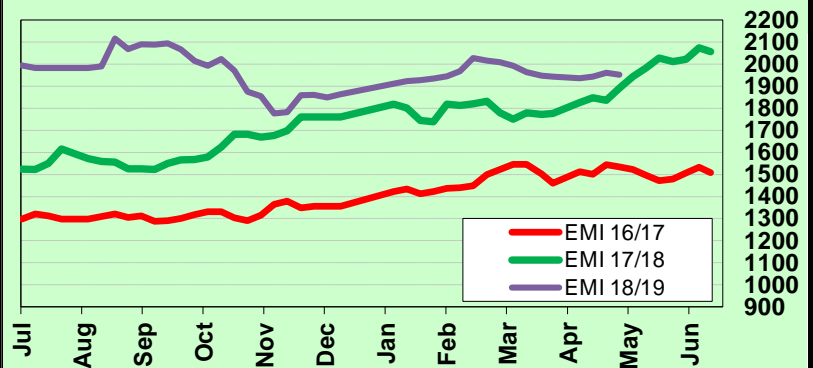
AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1989	-8	1927	-12	2062	-31

MICRON PRICE GUIDES						
16.5	2517	-15	2398n	-22	-	-
17	2480	-13	2364	-26	-	-
17.5	2448	-15	2361	-24	-	-
18	2413	-12	2347	-28	2300n	-33
18.5	2354	-16	2292	-33	2279n	-36
19	2288	-16	2279	-27	2264	-40
19.5	2273n	-20	2250	-41	2251	-42
20	2259n	-19	2247	-24	2234	-30
21	-	-	2246	-14	2209n	-40
22	-	-	2235n	-5	-	-
23	-	-	-	-	-	-
24	-	-	-	-	-	-
25	-	-	-	-	-	-
26	-	-	1523	+12	-	-
28	-	-	1323	+15	-	-
30	-	-	1005n	0	-	-
32	-	-	659n	0	-	-
MC	1093	-1	1089n	+7	1094n	-25

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

Currently: 1952 c/kg clean



Upcoming Auction Volumes

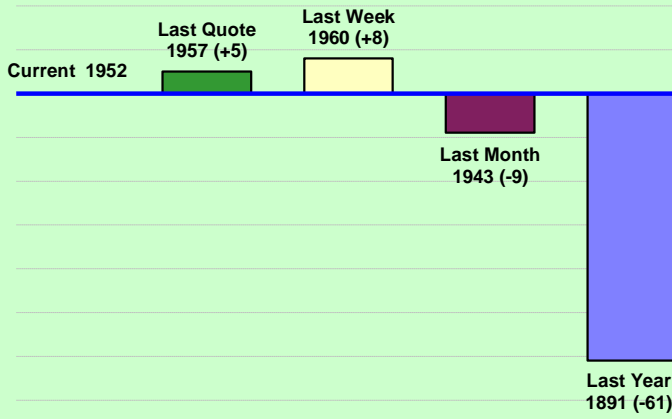
	14/05/2019	21/05/2019	28/05/2019
Northern	S46	S47	S48
Sydney	8,556	7,840	8,160
Southern	M46	M47	M48
Melbourne	18,726	15,279	18,250
Western	6079	F47	F48
Fremantle	6,079	7,600	6,950
Total	33,361	30,719	33,360

THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	8,810	8,005	7,303	8.8%
Southern	18,781	18,367	16,006	12.9%
Western	7,950	6,429	5,267	18.1%
TOTAL	35,541	32,801	28,576	12.9%

Average Nth-Sth MPG's as reported on 9 May 2019

AWEX Weekly Eastern Market Indicator Quote Comparisons



AUD vs USD from 06-Jul-04 to 09-May-19



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1952	2458	2422	2405	2380	2323	2284	2262	2253	2246	2235	-	-	1323	0.697
10 year Average	1234	1816	1715	1652	1589	1523	1457	1398	1348	1317	1287	1231	981	690	0.858
This time last year	1891	3005	2749	2587	2386	2240	2159	2103	2073	2046	2018	1986	1558	999	0.748
10 year High	2116	3187	3007	2831	2683	2569	2462	2414	2391	2371	2350	2308	1828	1323	1.090
10 year Low	721	1259	1152	1092	1021	955	887	802	734	712	702	692	551	424	0.633
% Reported above current	5%	20%	16%	13%	8%	7%	6%	6%	5%	4%	4%	0%	0%	0%	96%
Diff b/w High & Current	164	730	585	427	303	246	179	152	138	125	115	-	-	0	0.393
Diff b/w Ave & Current	718	642	707	752	791	800	827	863	905	929	948	-	-	633	-0.160

Percentile Bands

95%	1957	2978	2758	2573	2433	2351	2296	2274	2259	2238	2219	2126	1501	974	1.050
90%	1816	2606	2516	2465	2353	2225	2126	2053	1985	1925	1858	1589	1248	896	1.040
80%	1479	2458	2323	2224	2105	1959	1796	1678	1582	1489	1437	1373	1161	821	1.008
75%	1359	2270	2201	2136	1999	1842	1656	1529	1480	1434	1388	1352	1119	796	0.980
60%	1243	1656	1607	1563	1526	1481	1440	1398	1355	1324	1292	1241	1003	704	0.909
50%	1167	1555	1496	1472	1447	1409	1350	1318	1271	1255	1228	1189	931	671	0.861
40%	1092	1496	1398	1355	1327	1296	1264	1234	1207	1188	1168	1137	900	649	0.783
25%	1018	1399	1303	1267	1221	1193	1168	1141	1126	1112	1087	1058	857	589	0.754
10%	872	1316	1241	1192	1155	1107	1044	968	918	894	865	834	687	462	0.715

Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28
May-2019		2305	2300	2270	2260	2240	2230	2205	2200	2170	2100	1120
Jun-2019		2295	2290	2260	2250	2230	2220	2205	2200	2170	2100	1110
Jul-2019		2265	2260	2230	2220	2200	2190	2155	2150	2120	2050	1100
Aug-2019		2225	2220	2190	2180	2160	2130	2105	2100	2070	2000	1100
Sep-2019		2185	2180	2150	2140	2120	2110	2085	2080	2050	1980	1100
Oct-2019		2165	2160	2130	2120	2100	2090	2055	2050	2020	1950	1040
Nov-2019		2135	2130	2100	2090	2070	2060	2025	2020	1990	1920	1040
Dec-2019		2095	2090	2060	2050	2030	2020	2005	2000	1970	1900	1040
Jan-2020		2065	2060	2030	2020	2000	1990	1995	1990	1960	1890	980
Feb-2020		2055	2050	2020	2010	1990	2007	1985	1980	1950	1880	960
Mar-2020		2045	2040	2010	2000	1980	1997	1975	1970	1940	1870	940
Apr-2020		2025	2020	1990	1980	1960	1977	1955	1950	1920	1850	920
May-2020		2005	2000	1970	1960	1940	1957	1935	1930	1900	1830	900
Jun-2020		1985	1980	1950	1940	1920	1937	1915	1910	1880	1810	880
Jul-2020		1965	1960	1930	1920	1900	1917	1895	1890	1860	1790	860

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.