

Wool Weekly

LANDMARK

Friday, 28 June 2019

Wool Market Movements

- The final sales of the 2018/19 Wool Selling Season continued the downward trend that began at the beginning of June. The EMI lost a further 51 cents to 1,715 c/kg clean. The national offering of 29,167 bales and the looming 3-week sale recess were not enough to ignite demand and reverse the recent trend of low buyer confidence. The EMI has finished the season 341 cents lower than at the end of 2017/18 (down 16.6%) with the national offering 11.9% lower than last season. The impact of the drought on this seasons offering saw less than 50% of Merino fleece lots carrying < 1% VM, a 14% reduction in lots with style 4 or better and a 6.8% reduction on lots with > 40 N/ktex. The first sale of the 2019/20 season will see all three centres selling with 34,504 bales currently rostered for sale.
- Another week of falling prices in Sydney saw reductions of between 80 and 101 cents across the Merino Micron Price Guides (MPGs). Good, average and inferior style lots again dominated the selection with discounts compounding for lots with low staple strength (<30 N/ktex). Merino skirtings eased by up to 70 cents for the week with oddment lots also losing ground. The Northern Regional Indicator closed at 1,731 c/kg clean down 58 cents. The Northern Merino Carding Indicator fell 24 cents to 931 c/kg clean. The Sydney pass-in rate was 17.0%.
- High pass in rates on both Melbourne sale days, 19.5% and 15.2% on Wednesday and Thursday respectively, signified grower reluctance to sell in the continually falling market. Drought affected wools continued to dominate the selection and these lots comprised the bulk of those passed in. While buyers did actively seek out and compete for lots with favourable additional measurements and best style, the limited supply of these wools could not alleviate falls across all MPGs. Merino skirtings and oddments also trended downward, particularly those with higher VM levels. The Southern Market Indicator dropped 46 cents to 1,705 c/kg clean and the Southern Merino Carding Indicator fell 32 cents to 921 c/kg clean. The Melbourne pass-in rate was 16.6%.
- After a one-week recess, significant price reductions between 118 and 128 cents occurred across all MPGs in Fremantle. High pass-in rates together with a proportion of lots withdrawn prior to sale, resulted in nearly 46% of the Merino fleece lots offered failing to sell on Thursday. High VM Merino skirting lots fell in value with all categories of oddments easing. The Western Regional Indicator lost 105 cents to 1,832 c/kg clean. The Western Merino Carding Indicator managed to hold its ground losing just 9 cents to 1,006 c/kg clean. The Fremantle pass-in rate was 32%.

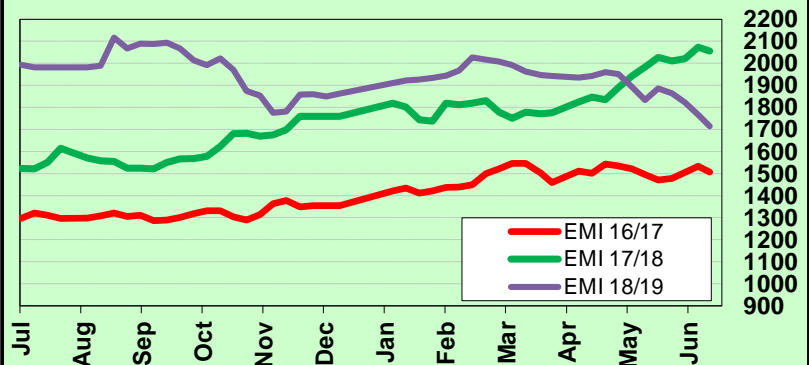
AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1731	-58	1705	-46	1832	-105

MICRON PRICE GUIDES						
16.5	-	-	-	-	-	-
17	2120	-97	-	-	-	-
17.5	2110	-100	2083	-84	-	-
18	2090	-97	2068	-70	1998n	-118
18.5	2038	-101	2026	-76	1989n	-119
19	2002	-88	2016	-83	1976	-128
19.5	1993	-80	2011	-66	1978	-125
20	1984n	-87	2008	-65	1979	-123
21	-	-	-	-	1971n	-120
22	-	-	-	-	-	-
23	-	-	-	-	-	-
24	-	-	-	-	-	-
25	-	-	-	-	-	-
26	-	-	-	-	-	-
28	-	-	1060	-31	-	-
30	-	-	835n	-50	-	-
32	-	-	-	-	-	-
MC	961	-24	921n	-32	1006n	-9

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

Currently: 1715 c/kg clean



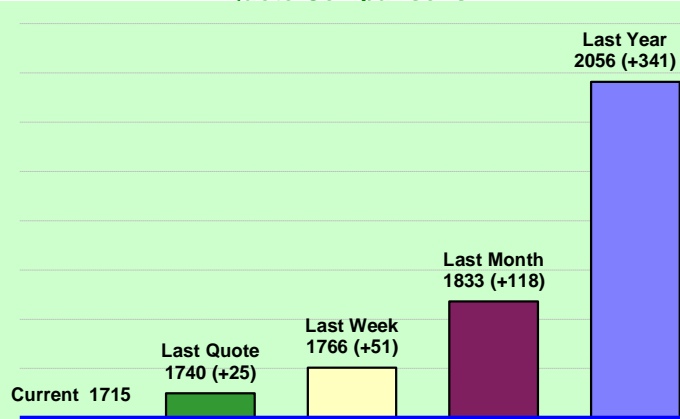
Upcoming Auction Volumes

	2/07/2019	9/07/2019	16/07/2019
Northern	S01	S02	S03
Sydney	13,608	10,064	RECESS
Southern	M01	M02	M03
Melbourne	12,127	18,601	RECESS
Western	F01	F02	F03
Fremantle	8,769	6,900	RECESS
Total	34,504	35,565	RECESS

THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	8,735	7,859	6,526	17.0%
Southern	17,045	14,995	12,513	16.6%
Western	6,900	6,313	4,293	32.0%
TOTAL	32,680	29,167	23,332	20.0%

AWEX Weekly Eastern Market Indicator Quote Comparisons



AUD vs USD from 06-Jul-04 to 27-Jun-19



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1715	-	2120	2097	2079	2032	2009	2002	1996	-	-	-	-	1060	0.699
10 year Average	1242	1820	1721	1660	1598	1532	1466	1408	1358	1327	1294	1234	981	696	0.856
This time last year	2056	3019	2870	2693	2519	2395	2369	2357	2349	2342	2332	-	-	1029	0.736
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	14%	0%	28%	27%	23%	18%	14%	13%	11%	0%	0%	0%	0%	3%	95%
Diff b/w High & Current	401	-	887	735	604	537	453	412	395	-	-	-	-	263	0.391
Diff b/w Ave & Current	473	-	399	436	481	500	543	594	638	-	-	-	-	364	-0.156

Percentile Bands

95%	1956	2978	2758	2573	2432	2350	2295	2273	2257	2238	2219	2125	1501	1005	1.050
90%	1827	2606	2516	2461	2352	2237	2151	2073	2052	2047	1944	1628	1248	920	1.040
80%	1508	2456	2331	2232	2121	1989	1839	1710	1600	1503	1443	1375	1161	827	1.005
75%	1375	2280	2213	2158	2048	1858	1686	1564	1491	1439	1393	1353	1119	801	0.978
60%	1248	1677	1610	1566	1530	1486	1448	1403	1362	1327	1295	1244	1003	709	0.907
50%	1173	1557	1499	1481	1453	1414	1366	1332	1274	1261	1230	1190	931	672	0.855
40%	1094	1498	1403	1363	1334	1301	1270	1238	1209	1196	1171	1137	900	650	0.781
25%	1019	1400	1306	1268	1223	1194	1171	1143	1127	1113	1088	1058	857	592	0.752
10%	872	1316	1241	1193	1156	1108	1045	970	919	896	866	834	687	462	0.713

Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28
Jul-2019		1985	1980	1950	1940	1920	1910	1905	1900	1870	1800	960
Aug-2019		1955	1950	1920	1910	1890	1880	1875	1870	1840	1770	950
Sep-2019		1935	1930	1900	1890	1870	1860	1855	1850	1820	1750	940
Oct-2019		1930	1925	1895	1885	1865	1855	1835	1830	1800	1730	930
Nov-2019		1925	1920	1890	1880	1860	1850	1825	1820	1790	1720	920
Dec-2019		1895	1890	1860	1850	1830	1820	1815	1810	1780	1710	910
Jan-2020		1885	1880	1850	1840	1820	1810	1805	1800	1770	1700	890
Feb-2020		1865	1860	1830	1820	1800	1790	1795	1790	1760	1690	870
Mar-2020		1855	1850	1820	1810	1790	2007	1785	1780	1750	1680	850
Apr-2020		1845	1840	1810	1800	1780	1997	1775	1770	1740	1670	830
May-2020		1825	1820	1790	1780	1760	1977	1755	1750	1720	1650	810
Jun-2020		1805	1800	1770	1760	1740	1957	1735	1730	1700	1630	790
Jul-2020		1785	1780	1750	1740	1720	1937	1715	1710	1680	1610	770
Aug-2020		1765	1760	1730	1720	1700	1917	1695	1690	1660	1590	750
Sep-2020		1745	1740	1710	1700	1680	1918	1675	1670	1640	1570	730

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.