

# Wool Weekly

# LANDMARK

Friday, 11 October 2019

## Wool Market Movements

- The price fluctuations continued in the Australian wool market this week, with gains across all Merino Micron Price Guides (MPGs). Buyer demand was concentrated on > 18.5 µm lots and pushed the value of these wools upwards of 30 cents for the week in the Eastern markets and 45 cents in the West. This week's offering was 28,149 bales, 8,872 fewer than last week. Flock numbers and wool cut reductions arising from the ongoing difficult seasonal conditions across much of the country have seen a significant reduction (-19.1%) in the number of bales offered this season compared to the same time last season. Next week's offering increases by 11,907 bales, with 40,056 bales currently offered for sale across all three selling centres.
- Price rises across all Merino and Crossbred MPGs occurred on both Sydney sale days. Consistent buyer demand across all types and descriptions drove the increases which met grower price expectations as more than 90 % of the offering was sold on each day. Merino skirtings gained 20 to 40 cents across all types and descriptions for the week and Crossbreds were 20 to 35 cents dearer. Most categories of oddments trended dearer. The Northern Regional Indicator gained 29 cents to 1,567 c/kg clean, however the Northern Merino Carding Indicator fell 14 cents to 991 c/kg clean. The Sydney pass-in rate was 5.9%.
- Both Melbourne sale days opened strongly. Wednesday saw demand ease for lower style wool, remain steady for < 18 µm lots and increase for 18.5 to 22.5 µm lots. Thursday's market remained strong with further gains across all MPGs. Strong demand was a feature of the Merino Skirtings sector this week, with Good and Best style lots keenly sought by buyers. Well prepared Crossbred lots were also in high demand this week rising up to 30 cents. The Southern Regional Indicator closed at 1,527 c/kg clean, up 34 cents. The Southern Merino Carding Indicator lost 19 cents to 1,021 c/kg clean. The Melbourne pass-in rate was 6.0%.
- This week's Fremantle sales were characterised by high pre-sale withdrawal rates, 50.5% on Wednesday and 14.2% on Thursday. Prices rose across all microns on both sale days as buyers sought to secure what they could of the remaining limited offering. Merino Skirtings performed strongly on Wednesday, again due to limited availability, and further strengthened on Thursday. The Western Oddments market was mixed. The Western Regional Indicator jumped 43 cents to 1,653 c/kg clean. The Western Merino Carding Indicator fell 27 cents to 1,027 c/kg clean. The Fremantle pass-in rate was 13.1%.

## AWEX WEEKLY WOOL PRICES

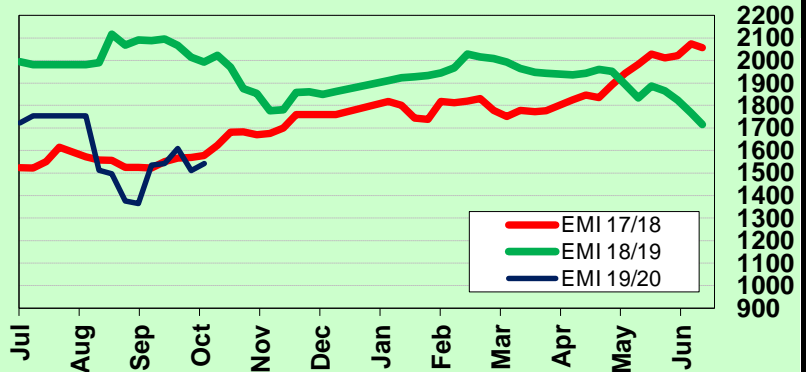
Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1567	+29	1527	+34	1653	+43

MICRON PRICE GUIDES						
16.5	1945	+30	1973n	-	-	-
17	1902	+30	1901	+3	-	-
17.5	1880	+30	1870	+17	-	-
18	1867	+27	1859	+7	1821n	+78
18.5	1825	+32	1819	+31	1804n	+75
19	1788	+49	1788	+61	1787	+74
19.5	1774	+58	1759	+66	1771	+68
20	1762	+63	1739	+50	1742	+55
21	1753n	+69	1731	+44	1730	+45
22	-	-	1738n	-	-	-
23	-	-	-	-	-	-
24	-	-	-	-	-	-
25	-	-	-	-	-	-
26	1170n	+20	1211n	+23	-	-
28	940n	+32	963	+27	-	-
30	-	-	719n	-19	-	-
32	-	-	476n	-	-	-
MC	991n	-14	1021n	-19	1027n	-27

## AWEX EMI 2017/18 & 2018/19 Seasons vs Current

Currently: 1543 c/kg clean



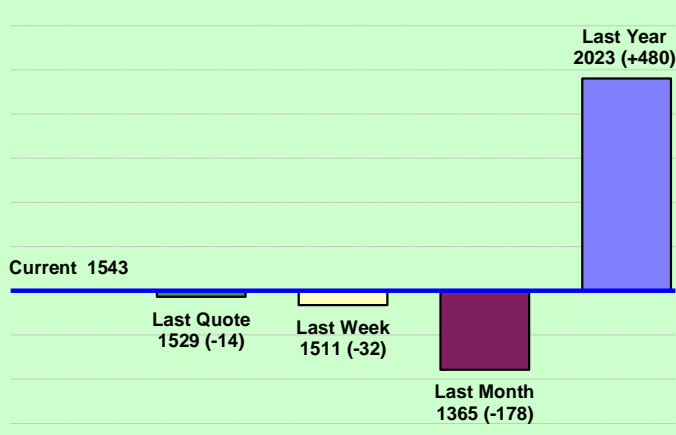
760

	15/10/2019	22/10/2019	29/10/2019
Northern	S16	S17	S18
Sydney	11,113	7,980	9,630
Southern	M16	M17	M18
Melbourne	21,108	17,756	21,555
Western	F16	F17	F18
Fremantle	7,835	7,350	7,700
<b>Total</b>	<b>40,056</b>	<b>33,086</b>	<b>38,885</b>

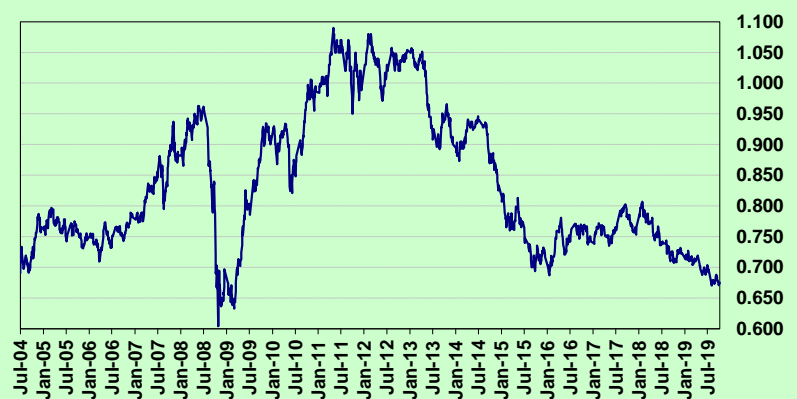
## THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	7,650	6,753	6,352	5.9%
Southern	15,724	15,151	14,238	6.0%
Western	6,800	6,245	5,425	13.1%
<b>TOTAL</b>	<b>30,174</b>	<b>28,149</b>	<b>26,015</b>	<b>7.6%</b>

### AWEX Weekly Eastern Market Indicator Quote Comparisons



### AUD vs USD from 06-Jul-04 to 10-Oct-19



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
<b>Current MPG's</b>	<b>1543</b>	<b>1959</b>	<b>1902</b>	<b>1875</b>	<b>1863</b>	<b>1822</b>	<b>1788</b>	<b>1767</b>	<b>1751</b>	<b>1742</b>	<b>1738</b>	-	-	<b>952</b>	<b>0.675</b>
<b>10 year Average</b>	1276	1849	1753	1694	1632	1568	1502	1447	1400	1369	1332	1265	1133	1003	0.865
<b>This time last year</b>	2023	2916	2816	2690	2578	2476	2385	2330	2278	2253	2262	2206	1659	883	0.707
<b>10 year High</b>	2116	3187	3007	2831	2683	2569	2462	2414	2391	2371	2350	2308	2153	1323	1.090
<b>10 year Low</b>	766	1265	1172	1137	1077	1019	945	856	793	776	764	753	727	432	0.670
<b>% Reported above current</b>	19%	34%	33%	32%	31%	29%	23%	19%	17%	15%	13%	0%	0%	9%	99%
<b>Diff b/w High &amp; Current</b>	573	1228	1105	956	820	747	674	647	641	629	612	-	-	372	0.415
<b>Diff b/w Ave &amp; Current</b>	267	110	149	181	231	254	286	319	350	373	406	-	-	-52	-0.191

#### Percentile Bands

<b>95%</b>	<b>1959</b>	<b>2982</b>	<b>2760</b>	<b>2576</b>	<b>2437</b>	<b>2353</b>	<b>2298</b>	<b>2275</b>	<b>2260</b>	<b>2240</b>	<b>2222</b>	<b>2146</b>	1504	<b>1024</b>	<b>1.050</b>
<b>90%</b>	<b>1833</b>	<b>2609</b>	<b>2521</b>	<b>2472</b>	<b>2358</b>	<b>2242</b>	<b>2156</b>	<b>2081</b>	<b>2068</b>	<b>2060</b>	<b>2033</b>	1679	1258	939	<b>1.040</b>
<b>80%</b>	1529	<b>2463</b>	<b>2345</b>	<b>2241</b>	<b>2132</b>	<b>2010</b>	<b>1867</b>	1750	1634	1545	1472	1387	1174	839	<b>1.010</b>
<b>75%</b>	1434	<b>2311</b>	<b>2228</b>	<b>2167</b>	<b>2069</b>	<b>1887</b>	1758	1660	1555	1477	1420	1357	1127	815	<b>0.985</b>
<b>60%</b>	1270	1838	1684	1604	1557	1514	1480	1436	1382	1347	1311	1265	1011	736	<b>0.912</b>
<b>50%</b>	1212	1579	1538	1521	1487	1450	1400	1364	1327	1298	1254	1205	943	678	<b>0.870</b>
<b>40%</b>	1114	1518	1442	1399	1362	1334	1300	1273	1237	1224	1199	1155	911	660	<b>0.784</b>
<b>25%</b>	1039	1406	1328	1283	1260	1234	1200	1170	1147	1136	1123	1082	881	620	<b>0.754</b>
<b>10%</b>	916	1331	1250	1206	1172	1136	1083	1018	972	949	925	892	705	471	<b>0.716</b>

#### Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28
Oct-2019		1815	1810	1780	1770	1750	1740	1725	1720	1690	1620	920
Nov-2019		1815	1810	1780	1770	1750	1740	1725	1720	1690	1620	920
Dec-2019		1785	1780	1750	1740	1720	1710	1705	1700	1670	1600	900
Jan-2020		1765	1760	1730	1720	1700	1690	1685	1680	1650	1580	880
Feb-2020		1755	1750	1720	1710	1690	1680	1665	1660	1630	1560	860
Mar-2020		1735	1730	1700	1690	1670	1660	1645	1640	1610	1540	840
Apr-2020		1715	1710	1680	1670	1650	1640	1625	1620	1590	1520	820
May-2020		1695	1690	1660	1650	1630	1620	1605	1600	1570	1500	800
Jun-2020		1675	1670	1640	1630	1610	1600	1585	1580	1550	1480	780
Jul-2020		1655	1650	1620	1610	1590	1580	1565	1560	1530	1460	760
Aug-2020		1635	1630	1600	1590	1570	1560	1545	1540	1510	1440	740
Sep-2020		1615	1610	1580	1570	1550	1540	1525	1520	1490	1420	720
Oct-2020		1595	1590	1560	1550	1530	1520	1505	1500	1470	1400	700
Nov-2020		1575	1570	1540	1530	1510	1500	1485	1480	1450	1380	680
Dec-2020		1555	1550	1520	1510	1490	1480	1465	1460	1430	1360	660

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.