

Wool Weekly



Friday, 27 March 2020

WOOL MARKET MOVEMENTS

- A welcome rise in the EMI, up 4 cents to 1,442 c/kg clean, this week as the Australian wool market steadied. Wool auctions were moved into temporary locations and an additional sale scheduled for Week 42, normally the Easter recess, as the industry adapted to the COVID-19 operating environment. Buyers were keen to secure supply, particularly finer Merino fleece and skirtings. The national pass-in rate was 14.3%. Next week's sales will be on Tuesday and Wednesday with an increased offering of 45,810 bales.
- Price rises occurred in all MPGs on day 1 in Sydney with the 17.0 µm MPG up 30 cents on the back of strong buyer support. The fleece sector firmed on day 2, producing weekly price gains up to 40 cents for the ≤ 18.5 µm MPGs as stylish non-mulesed lots were keenly sought. Merino skirtings trended upwards on day 1 before finer lots (17-18 µm) firmed on day 2. The crossbred sector was unchanged, with mixed results for locks and crutchings maintained value. The Northern Regional Indicator gained 13 cents to 1,482 c/kg clean while the Northern Merino Carding Indicator lost 17 cents to 987 c/kg clean. The Sydney pass-in rate was 10.9%.
- Day 1 of the 3-day sale in Melbourne had mixed results with broader MPGs (>19.5 µm) losing up to 44 cents and finer MPGs lifting up to 11 cents. Day 2 produced price rises in most MPGs, except the 19.5 µm (unchanged) and the 18 and 22 µm MPGs (down 12 and 22 cents respectively). Prices consolidated on day 3, as buyers sought lots with best style and low CVH. Low yielding tender lots were discounted. Merino skirtings performed strongly on day 1 with best style low VM lots up 20 cents with a further strengthening on day 2. The crossbred sector rose on day 1 before easing on day 2. Cardings trended upwards on day 1 before becoming irregular on day 2. The Southern Regional Indicator closed 2 cents down at 1,416 c/kg clean while the Southern Merino Carding Indicator rose 20 cents to 1,021 c/kg clean. The Melbourne pass-in rate was 13.7%.
- Mixed results in the Fremantle fleece sector on Day 1 as the ≤ 18.5 µm MPGs gained ground (6 - 16 cents) and broader lines slipped (11 - 19 cents). The market softened on day 2 with price falls in all MPGs (5 to 14 cents) - 23% of fleece lots were withdrawn and 23% passed-in. Mixed results for Merino skirtings as buyers favoured finer microns (≤ 18.0 µm). Locks weakened on day 1 before regaining some ground on day 2 as locks, stains and crutchings all rose. The Western Regional Indicator lost 26 cents to 1,512 c/kg clean and the Western Merino Carding Indicator closed at 973 c/kg clean, down 34 cents. The Fremantle pass-in rate was 19.8%.

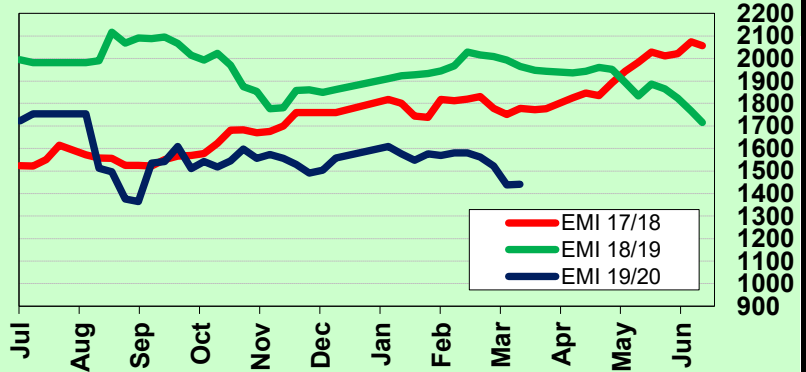
AWEX WEEKLY WOOL PRICES

| Regional Indicator | North | Wkly Chg | South | Wkly Chg | West | Wkly Chg |
|--------------------|-------|----------|-------|----------|------|----------|
| c/kg clean | 1482 | +13 | 1416 | -2 | 1512 | -26 |

| MICRON PRICE GUIDES | | | | | | |
|---------------------|-------|-----|-------|-----|-------|-----|
| 16.5 | 1973n | +16 | 1963n | +8 | - | - |
| 17 | 1883 | +35 | 1868 | +20 | - | - |
| 17.5 | 1811 | +36 | 1803 | +13 | - | - |
| 18 | 1754 | +39 | 1763 | +6 | 1728n | +10 |
| 18.5 | 1700 | +40 | 1685 | +22 | 1688n | +1 |
| 19 | 1665 | +21 | 1671n | +9 | 1663 | -23 |
| 19.5 | 1646 | +12 | 1628 | -33 | 1641 | -33 |
| 20 | 1632 | +4 | 1623 | -24 | 1638 | -20 |
| 21 | 1609n | -23 | 1621 | -24 | 1608n | -26 |
| 22 | - | - | 1620n | -23 | - | - |
| 23 | - | - | - | - | - | - |
| 24 | - | - | - | - | - | - |
| 25 | - | - | - | - | - | - |
| 26 | - | - | 1081n | -14 | - | - |
| 28 | 871n | 0 | 868 | -2 | - | - |
| 30 | 690n | - | 680 | -8 | - | - |
| 32 | - | - | 409 | -12 | - | - |
| MC | 987n | -17 | 1021n | +20 | 973n | -34 |

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

Currently: 1442 c/kg clean



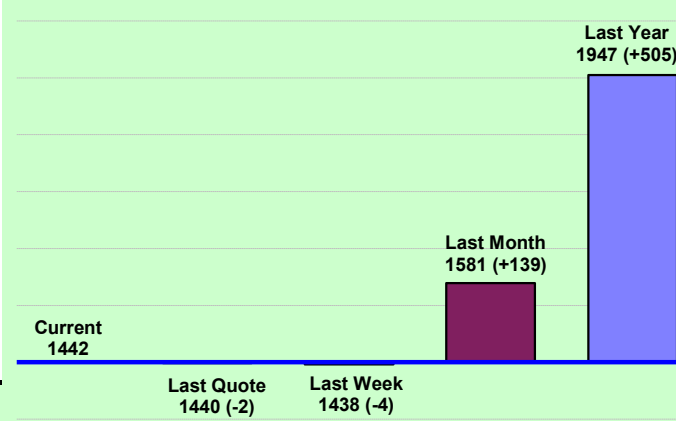
UPCOMING AUCTION VOLUMES

| | 31/03/2020 | 7/04/2020 | 14/04/2020 |
|--------------|---------------|---------------|------------|
| Northern | S40 | S41 | S42 |
| Sydney | 10,055 | 8,765 | TBA |
| Southern | M40 | M41 | M42 |
| Melbourne | 27,370 | 22,440 | TBA |
| Western | F40 | F41 | F42 |
| Fremantle | 8,385 | 9,330 | TBA |
| Total | 45,810 | 40,535 | TBA |

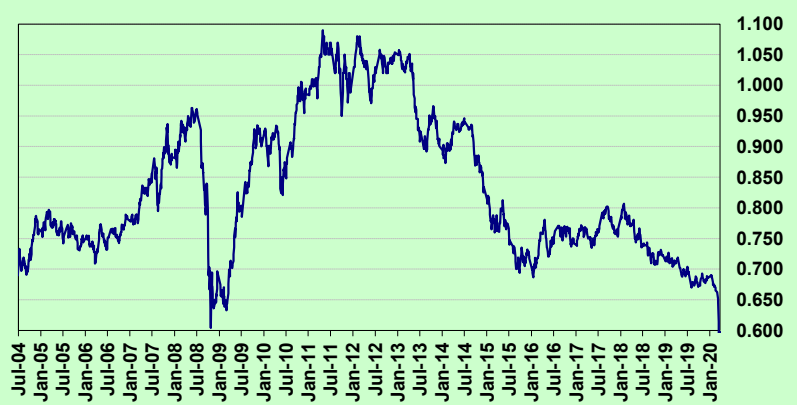
THIS WEEK'S SALES STATISTICS

| Centre | Bales Originally | Bales Offered | Bales Sold | Pass in Rate |
|--------------|------------------|---------------|---------------|--------------|
| Northern | n/a | 8,350 | 7,439 | 10.9% |
| Southern | n/a | 26,495 | 22,866 | 13.7% |
| Western | n/a | 8,089 | 6,485 | 19.8% |
| TOTAL | n/a | 42,934 | 36,790 | 14.3% |

AWEX Weekly Eastern Market Indicator Quote Comparisons



AUD vs USD from 06-Jul-04 to 26-Mar-20



| Micron | EMI | 16.5 | 17 | 17.5 | 18 | 18.5 | 19 | 19.5 | 20 | 21 | 22 | 23 | 25 | 28 | AUD |
|------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
| Current MPG's | 1442 | 1968 | 1876 | 1807 | 1759 | 1693 | 1668 | 1637 | 1628 | 1615 | 1620 | - | - | 870 | 0.592 |
| 10 year Average | 1299 | 1871 | 1777 | 1718 | 1657 | 1592 | 1528 | 1475 | 1430 | 1399 | 1358 | 1280 | 1144 | 727 | 0.857 |
| This time last year | 1947 | 2515 | 2480 | 2447 | 2398 | 2340 | 2306 | 2288 | 2284 | 2271 | 2253 | - | 1600 | 1178 | 0.710 |
| 10 year High | 2116 | 3187 | 3007 | 2831 | 2683 | 2569 | 2462 | 2414 | 2391 | 2371 | 2350 | 2308 | 2153 | 1323 | 1.090 |
| 10 year Low | 847 | 1265 | 1172 | 1150 | 1118 | 1072 | 1015 | 945 | 894 | 870 | 835 | 808 | 760 | 432 | 0.557 |
| % Reported above current | 28% | 37% | 37% | 37% | 37% | 36% | 32% | 30% | 24% | 22% | 18% | 0% | 0% | 18% | 100% |
| Diff b/w High & Current | 674 | 1219 | 1131 | 1024 | 924 | 876 | 794 | 777 | 764 | 756 | 730 | - | - | 454 | 0.498 |
| Diff b/w Ave & Current | 143 | 97 | 98 | 89 | 102 | 101 | 140 | 162 | 198 | 216 | 262 | - | - | 142 | -0.265 |

Percentile Bands

| | | | | | | | | | | | | | | | |
|------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|
| 95% | 1958 | 2980 | 2759 | 2574 | 2434 | 2352 | 2296 | 2274 | 2259 | 2239 | 2222 | 2153 | 1506 | 1022 | 1.050 |
| 90% | 1832 | 2618 | 2532 | 2468 | 2355 | 2240 | 2153 | 2076 | 2061 | 2053 | 2033 | 1697 | 1265 | 939 | 1.040 |
| 80% | 1555 | 2490 | 2363 | 2239 | 2128 | 2001 | 1863 | 1777 | 1716 | 1657 | 1517 | 1395 | 1177 | 853 | 1.010 |
| 75% | 1512 | 2319 | 2238 | 2163 | 2059 | 1886 | 1787 | 1713 | 1621 | 1532 | 1443 | 1360 | 1141 | 831 | 0.982 |
| 60% | 1291 | 1806 | 1662 | 1673 | 1602 | 1550 | 1513 | 1467 | 1404 | 1376 | 1334 | 1272 | 1025 | 759 | 0.909 |
| 50% | 1234 | 1578 | 1536 | 1547 | 1512 | 1470 | 1424 | 1386 | 1345 | 1316 | 1268 | 1214 | 948 | 689 | 0.844 |
| 40% | 1134 | 1520 | 1445 | 1451 | 1421 | 1391 | 1328 | 1294 | 1255 | 1238 | 1210 | 1163 | 916 | 667 | 0.774 |
| 25% | 1052 | 1419 | 1332 | 1308 | 1276 | 1251 | 1210 | 1180 | 1163 | 1153 | 1135 | 1105 | 884 | 628 | 0.746 |
| 10% | 940 | 1328 | 1259 | 1223 | 1183 | 1148 | 1109 | 1073 | 1012 | 987 | 946 | 915 | 716 | 484 | 0.705 |

Indicative Basis Contract Prices

| Date | MPG | 17 | 17.5 | 18 | 18.5 | 19 | 19.5 | 20 | 21 | 22 | 23 | 28 |
|----------|-----|------|------|------|------|------|------|------|------|------|------|-----|
| Apr-2020 | | 1685 | 1680 | 1650 | 1630 | 1620 | 1610 | 1595 | 1590 | 1560 | 1490 | 800 |
| May-2020 | | 1675 | 1670 | 1640 | 1620 | 1610 | 1600 | 1585 | 1580 | 1550 | 1480 | 800 |
| Jun-2020 | | 1665 | 1660 | 1630 | 1610 | 1600 | 1590 | 1575 | 1570 | 1540 | 1470 | 800 |
| Jul-2020 | | 1615 | 1610 | 1580 | 1570 | 1550 | 1540 | 1525 | 1520 | 1490 | 1420 | 800 |
| Aug-2020 | | 1585 | 1580 | 1550 | 1540 | 1520 | 1510 | 1475 | 1470 | 1440 | 1370 | 770 |
| Sep-2020 | | 1615 | 1610 | 1580 | 1570 | 1550 | 1540 | 1475 | 1470 | 1440 | 1370 | 760 |
| Oct-2020 | | 1615 | 1610 | 1580 | 1570 | 1550 | 1540 | 1475 | 1470 | 1440 | 1370 | 750 |
| Nov-2020 | | 1585 | 1580 | 1550 | 1540 | 1520 | 1510 | 1475 | 1470 | 1440 | 1370 | 740 |
| Dec-2020 | | 1535 | 1530 | 1500 | 1490 | 1470 | 1460 | 1445 | 1440 | 1410 | 1340 | 730 |
| Jan-2021 | | 1515 | 1510 | 1480 | 1470 | 1450 | 1440 | 1425 | 1420 | 1390 | 1320 | 720 |
| Feb-2021 | | 1495 | 1490 | 1460 | 1450 | 1430 | 1420 | 1405 | 1400 | 1370 | 1300 | 710 |
| Mar-2021 | | 1475 | 1470 | 1440 | 1430 | 1410 | 1400 | 1385 | 1380 | 1350 | 1280 | 700 |
| Apr-2021 | | 1455 | 1450 | 1420 | 1410 | 1390 | 1380 | 1365 | 1360 | 1330 | 1260 | 690 |
| May-2021 | | 1435 | 1430 | 1400 | 1390 | 1370 | 1360 | 1345 | 1340 | 1310 | 1240 | 680 |
| Jun-2021 | | 1415 | 1410 | 1380 | 1370 | 1350 | 1340 | 1325 | 1320 | 1290 | 1220 | 670 |

Mulesing Status P/D's

| µm | Non Mulsed | Pain Relief |
|----|------------|-------------|
| 18 | +42 | +2 |
| 19 | +40 | 0 |
| 20 | +30 | 0 |
| 21 | 0 | 0 |
| 23 | 0 | 0 |
| 25 | +12 | 0 |

All prices on this sheet are listed in c/kg clean. MPG's are average North/South AWEX quoted figures. Mulesing P/D's quoted by AWEX. Basis Contract prices are published purely as a guide.

Please use above figures as a guide to submit your GTC or Target orders. Call 1800 629 396.