

Wool Market Report

F15

Thursday, 10 October, 2019

National Commentary

The Australian wool market has continued to perform erratically this week, this time moving in a positive direction. Many veteran wool traders have commented that the current market conditions are unprecedented, with the large market fluctuations making trading a very difficult exercise, even for the most seasoned of operators. Highlighting this market volatility, has been the movement in the AWEX Eastern Market Indicator (EMI) over the previous 10 weeks. When viewed in both positive and negative directions, the EMI has moved a total of 763 cents over this period. The national offering reduced

to 28,149 bales. Compared to the corresponding sale of the previous season, the total number of bales offered has fallen by 85,494 bales, a reduction of 19.1%. As the sales commenced in the Eastern centres, it was immediately apparent that this week's market direction would be upward. Main buyer focus was on wool 18.5 micron and coarser and these wools enjoyed the largest price increases. The individual Micron Price Guides (MPGs) in Sydney and Melbourne for 18.5 micron and coarser rose by 28 to 47 cents on the first selling day. On the back of these rises the EMI rose by 18 cents to 1,529 cents. As the news of the rises made its way West, many sellers

decided against offering their wool, resulting in 34% of the total offering and over 37% of the fleece being withdrawn prior to sale. This significant reduction in the available quantity, put extra pressure on what remained, pushing the MPGs in Fremantle up by 39 to 55 cents. The second selling day the market consolidated, adding small increases to those of the previous day. The MPGs across all three centres rose by 4 to 34 cents. The EMI added another 14 cents, closing the week at 1,543 cents. Next week's national increases. Currently, there is 40,056 bales rostered for sale.

	This Week		Last 12 Months		
			High	Low	Avg
EMI	1543	+32	2027	1365	1813
Wst Ind	1653	+43	2177	1383	1951
18	1821	+78	2485	1577	2171
18.5	1804	+75	2417	1553	2142
19	1787	+74	2383	1510	2123
19.5	1771	+68	2351	1477	2103
20	1742	+55	2347	1451	2086
21	1730	+45	2334	1438	2072
MC	1027	-27	1400	843	1092

USD	67.48¢
▲	0.30¢
EUR	61.40¢
▲	0.09¢

Main Buyers (This Week)

1	PJ MORRIS	1,351	24.9%
2	TECHWOOL TRADING	1,207	22.2%
3	FOX & LILLIE	381	7.0%
4	MELIWA PTY LTD	361	6.7%
5	SWAN WOOL PROCESSORS	313	5.8%
6	ENDEAVOUR WOOL EXP.	306	5.6%
7	WEST COAST WOOL	270	5.0%
8	FREMANTLE WOOL	203	3.7%

Indicative Prices

Mic.	Grsy ¢	MM	Nkt	Vmb	Yield	AWEX-ID
Merino Fleece						
17.1	1,251	90	33	0.4	67.3	MF5E.
17.5	1,245	89	27	1.3	68.2	MF5S.F1
18.0	1,266	90	37	0.7	70.4	MF4E.
18.5	1,239	88	43	0.6	69.1	MF5E.
19.1	1,256	67	46	0.3	70.9	MF5E.
19.7	1,237	102	30	0.3	70.8	MF5E.
19.8	1,247	108	35	0.6	71.0	MF5E.
20.3	1,223	105	28	0.7	70.5	MNF5E. (MXL)
20.9	1,174	84	33	0.8	67.3	MF5S.
Merino Skirtings						
16.8	987	89	26	3.2	57.1	MP5S.
18.3	985	85	34	1.5	59.5	MP5S.H1
19.1	882	74	26	2.6	54.1	MP5S.
Merino Lambs						
17.2	1,090	41		0.3	72.7	MLF4E.
17.0	1,056			0.5	71.0	MLF5S.40 (PFL/MXL)
Crossbred Lambs						
22.8	640			0.5	69.2	XLF5S.40H1

