

MICRON INDICES COMPARISON

Source AWEX Wooltrak

AWEX INDICATOR	This Week 16/08/19	Last Week 09/08/19	Change	Last Year 17/08/18	Yearly Change
17	1963	2070	-107	3006	-1043
18	1923	2040	-117	2659	-736
19	1753	1920	-167	2459	-706
20	1698	1909	-211	2387	-689
21	1694	1898	-204	2367	-673
22	1693	1904	-211	2350	-657
23	NQ	NQ	0	2308	0
24	NQ	NQ	0	2153	0
25	NQ	1316	0	1554	0
26	NQ	NQ	0	NQ	0
28	830	994	-164	984	-154
30	659	793	-134	736	-77
32	NQ	536	0	513	0
MC	1020	1048	-28	1558	-538

The wool market fell sharply again this week. Having endured a shocking week last week, everyone hoped things might improve as sales unfolded this week. This was not the case and prices fell heavily from the opening lot. The EMI lost 163 cents to close at 1513 cents, a fall of nearly 10%. In the merino fleece section, most indicators lost anywhere from 100 to 140 cents on the opening day and followed that with falls of 50 to 80 cents yesterday. The broader types were more affected than those at the finer end despite the lack of quantity, especially in the 22 and 23 micron categories. Suspension of wool sales in South Africa, massive quantities of wool withdrawn prior to sale and a national pass-in rate of 36% limited the amount of wool available to the trade and this had little effect in stabilising prices. A few well-prepared fine lots with outstanding measurements which sold into Italian orders received prices that were in line with last week and this provided one of the few highlights of the week. Skirtings prices were sharply lower on the opening day before staging a mini recovery late in the day. Selling last we benefited from this and thought that it may have been a positive sign going into yesterdays market. This was not the case and prices fell sharply yesterday in line with the fleece. Crossbreds had held up well last week but were sold down by as much as 160 cents this week in a market that lacked any strength at all. Cardings had a reasonable day on Wednesday but softened yesterday.

Next week, 33,000 bales are on offer nationally. The issues that are affecting buyer confidence have in no way improved over the last week. In a market falling at such pace, no one makes any commitments and the market continues to fall until one player decides that the market is good value and takes a position. We hope that we are closer to that position this coming week.

FORWARD PRICES (Supplied by Riemann's) 16/08/2019

	18.0	19	19.5	21	28	30
AUCTION	1923	1753	1713	1694	830	659
Aug-19	NQ	NQ	NQ	NQ	NQ	NQ
Oct-19	NQ	1765	NQ	1750	NQ	NQ
Dec-19	NQ	1600	NQ	1580	NQ	NQ
Feb-20	NQ	NQ	NQ	NQ	NQ	NQ
Apr-20	NQ	NQ	NQ	NQ	NQ	NQ
Jun-20	NQ	NQ	NQ	NQ	NQ	NQ

MAJOR AUCTION BUYERS (Bales)

1	Tianyu	3,770	2	Aust Merino Exp	3,044	3	PJ Morris	1,811
4	Fox & Lillie	1,735	5	New England Wool	1,693	6	Techwool Trading	1,521
7	United Wool	1,473	8	G. Schneider	1,336	9	Michell P/L	1,112

Market Indicators compared with 09/08/19

EASTERN 1513¢/kg ▼163
SOUTHERN 1498¢/kg ▼161

Three Week Forecast

Week 08	19/08/19	32,551
Week 09	26/08/19	33,358
Week 10	02/09/19	37,465