

MICRON INDICES COMPARISON

Source AWEX Wooltrak

AWEX INDICATOR	This Week 23/08/19	Last Week 16/08/19	Change	Last Year 24/08/18	Yearly Change
17	1923	1963	-40	2915	-992
18	1860	1923	-63	2589	-729
19	1734	1753	-19	2386	-652
20	1681	1698	-17	2291	-610
21	1675	1694	-19	2269	-594
22	1675	1693	-18	2265	-590
23	NQ	NQ	0	NQ	0
24	NQ	NQ	0	2099	0
25	NQ	NQ	0	1814	0
26	1148	NQ	0	1538	-390
28	855	830	+25	970	-115
30	701	659	+42	711	-10
32	469	NQ	0	490	-21
MC	930	1020	-90	1534	-604

The wool market fell again this week, but in comparison to the last fortnight it was a slightly better result. The EMI fell 16 cents to close at 1497 cents, with falls in the merino sector offset by increases in the crossbred types. Only 26,000 bales were offered this week, which certainly helped a market lacking direction. In the merino fleece section, the better style lots with superior additional measurements sold on an unchanged basis on the opening day. However, the lower yielding off type lines were discounted pushing the fleece indicators down. There is a very widespread, in price, between the best lots and the lower types making valuing very difficult. For example, the best style 21 micron fleece lines are selling for around 1695 cents clean while some of the inferior lines are selling around 1550 cents. Prices eased more generally on the second day, especially for the finer types. By the close yesterday, fleece indicators finer than 18 microns were 40 to 60 cents lower, while the broader end lost around 20 cents for the week. Merino skirtings were cheaper in line with the fleece. The crossbred sector had a positive week adding 20 to 40 cents for most types, to provide the only highlight for the week. Merino cardings were sold down heavily late last week, and prices eased sharply over both selling days this week. The carding indicator lost nearly 100 cents with locks, stains and crutchings sold off. Low yielding stains were particularly hard hit as buyers avoided any lot which may lead to a claim at delivery.

Next week, 33,000 bales are on offer nationally. The selloff over the last three weeks has been extreme and everyone is hoping that the market finds a level in which new business can be written. Renewed interest in the forward markets was an encouraging sign, albeit at low levels. A stable market next week would be the first stepping stone to an improvement in the market.

FORWARD PRICES (Supplied by Riemann's) 23/08/2019

	18.0	19	19.5	21	28	30
AUCTION	1860	1734	1692	1675	855	701
Aug-19	NQ	1670	NQ	1630	830	NQ
Oct-19	NQ	1660	NQ	1620	800	NQ
Dec-19	NQ	1650	NQ	1610	800	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	2,577	2	Fox & Lillie	2,526	3	Aust Merino Exp	2,515
4	Techwool Trading	2,293	5	Endeavour Wool	1,985	6	PJ Morris	1,307
7	G. Schneider	1,235	8	New England Wool	1,122	9	United Wool	990

Market Indicators compared with 16/08/19

EASTERN 1497¢/kg ▼16
SOUTHERN 1477¢/kg ▼21

Three Week Forecast

Week 09	26/08/19	33,046
Week 10	02/09/19	32,551
Week 11	09/09/19	33,766