

MICRON INDICES COMPARISON

Source AWEX Wooltrak

AWEX INDICATOR	This Week 06/09/19	Last Week 30/08/19	Change	Last Year 07/09/18	Yearly Change
17	1823	1819	+4	2903	-1080
18	1747	1754	-7	2616	-869
19	1582	1611	-29	2414	-832
20	1481	1504	-23	2296	-815
21	1477	1503	-26	2259	-782
22	1478	1486	-8	2259	-781
23	NQ	NQ	0	2237	0
24	NQ	NQ	0	2061	0
25	NQ	NQ	0	1766	0
26	NQ	1133	0	1521	0
28	849	846	+3	974	-125
30	703	698	+5	739	-36
32	456	464	-8	490	-34
MC	821	795	+26	1583	-762

The wool market finally found a support level and stabilised this week. The EMI lost a further 10 cents, most of which could be attributed to a weak opening hour on Wednesday. The national offering was reduced to 21,694 bales (originally listed as a 29,000-bale sale) as growers elected to withdraw wool prior to sale. In Western Australia more than 29% of the offering was withdrawn, reducing the sale to 3036 bales, the smallest weekly offering since 1995. In the merino fleece section, prices were up to 40 cents lower in the opening hour. However, the tone of the sale room was noticeably different after the lunch break and competition was more widespread. Selling last, we benefited from the increased activity and had a much wider spread of buyers than in previous weeks. While the indicators were quoted lower for the day, the market had changed direction. Prices increased for the first time on Thursday and although most indicators finished in negative territory for the week, the market had certainly found a level. The savage discounting of some of the inferior types dissipated and the stronger competition saw a much greater percentage of wool cleared to the trade. Merino skirtings were mixed. The better free types were reasonably well supported while off types and heavy VM types struggled. Crossbreds had another solid week on the back of a very limited offering, although buyers were more selective in their purchases. Cardings improved in line with rest of the market after a torrid month. Prices were generally 10 to 30 cents dearer, but again some of the lower lines struggled for competition.

Next week, the national offering remains small at 28,000 bales. Growers have elected not to offer wool and adopt a wait and see approach until this market shows a clearer direction. In addition, receivals have been impacted by the seasonal conditions driving the available wool for sale down as well. AWTA test data for August shows a decline of 22% nationally compared to wool volumes tested for the same month last year. The small volume on offer, coupled with increased optimism following this week's better market should see a strong result next week.

FORWARD PRICES (Supplied by Riemann's) 06/09/2019

	18.0	19	19.5	21	28	30
AUCTION	1747	1582	1518	1477	849	703
Oct-19	NQ	1550	NQ	1500	780	830
Dec-19	NQ	1550	NQ	1480	780	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
Aug-20	NQ	NQ	NQ	NQ	NQ	NQ

MAJOR AUCTION BUYERS (Bales)

1	Techwool Trading	2,787	2	Endeavour Wool	2,132	3	Fox & Lillie	2,063
4	Tianyu Wool	1,778	5	P.J. Morris	1,339	6	Aust Merino Exp	1,091
7	G. Schneider	1,077	8	United Wool Co.	932	9	New England Wool	863

Market Indicators compared with 30/08/19

EASTERN 1365¢/kg ▼10
SOUTHERN 1338¢/kg ▼18

Three Week Forecast

Week 11	09/09/19	28,598
Week 12	16/09/19	32,312
Week 13	23/09/19	28,654