

Wool Weekly

LANDMARK

Friday, 11 January 2019

Wool Market Movements

- The first sales of 2019 saw buyers determined to secure lots to fill orders following the three-week sale recess. Despite the large offering of 47,593 bales, intense buyer competition saw premiums paid for stylish lots with high strength and low midbreaks. The EMI rose by 48c to finish at 1,910 c/kg clean. The national pass-in rate was 7%. Sales continue next week with 53,908 bales currently rostered for sale.
- The Sydney market opened the New Year with strong buyer demand across the entire micron range. Despite the market easing slightly on the second day, gains were made across all micron price guides except for 16.5 µm fleece types which were unchanged from the last sale of 2018. The 19 µm and broader types attracted strong competition, posting gains of up to 64 cents for the week. Best style wools were keenly sought and achieved premiums, while lots with low strength and high midbreaks were slightly discounted. Crossbred fleece types ended the week up by between 31 and 54 cents. The Northern Indicator gained 42 cents to end the first sale of 2019 at 1,948 c/kg clean while the Northern Merino Carding Indicator rose by 33 cents to 1,179 c/kg clean. This week's Sydney pass-in rate was 3.8%.
- The first two days of the Melbourne sale saw keen competition for lots with high yield and favourable additional measurements. While the market softened on the third sale day, favoured lots attracted price premiums, particularly among the relatively small offering of superfine types. The limited volumes of mid-micron lots, 20 - 21 µm, resulted in price gains of up to 84 cents. Solid demand for well-prepared crossbred lots produced gains of up to 67 cents despite the large quantities on offer. The Southern Indicator closed at 1,887 c/kg clean up 53 cents from the pre-Christmas levels. The Southern Carding market performed strongly with the indicator gaining 40 cents to 1,178 c/kg clean. Just under 6% of the lots on offer in Melbourne this week were passed in.
- Strong gains were evident on the first day of the Fremantle sale with increases of more than 60 cents for lots >19.5 µm compared to the levels prior to the 3-week sale recess. However, growers were unwilling to sell with more than 17% of the Merino fleece lots passed in. In line with Eastern markets, buyer demand was subdued on the second sale day with falls across all micron price guides. Nevertheless, the Western Indicator rose by 52 cents for the week to 2,083 c/kg clean and the Western Carding Indicator gained 31 cents to 1,136 c/kg clean.

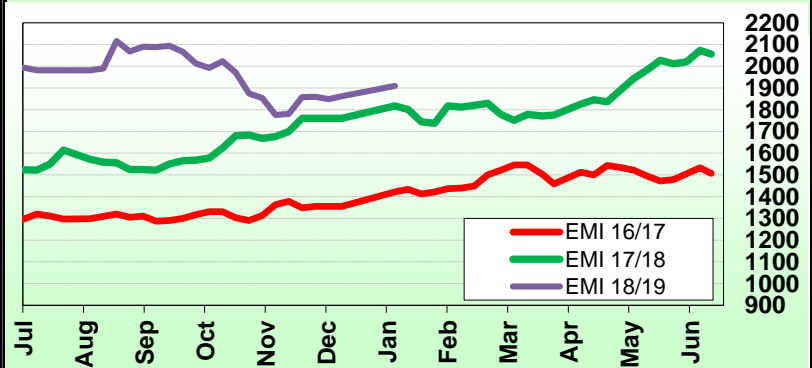
AWEX WEEKLY WOOL PRICES

Regional Indicator	North	Wkly Chg	South	Wkly Chg	West	Wkly Chg
c/kg clean	1948	+42	1887	+53	2083	+52

MICRON PRICE GUIDES						
16.5	2580n	0	2543n	-5	-	-
17	2557n	+25	2524	+24	-	-
17.5	2489n	+17	2496	+61	-	-
18	2435	+33	2415	+44	2337n	+9
18.5	2357	+29	2356	+48	2288n	+14
19	2296	+49	2291	+43	2279	+33
19.5	2262	+59	2274	+72	2253	+55
20	2240	+64	2254	+66	2230	+51
21	2200	+55	2240	+84	2205n	+60
22	-	-	2204n	+49	-	-
23	-	-	2154n	+33	-	-
24	-	-	-	-	-	-
25	-	-	1455n	+67	-	-
26	1259n	+54	1288	+59	-	-
28	886n	+31	898	+35	-	-
30	-	-	706	+13	-	-
32	-	-	488n	+34	-	-
MC	1179	+33	1178n	+40	1136n	+31

AWEX EMI 2016/17 & 2017/18 Season vs Current

Currently: 1910 c/kg clean



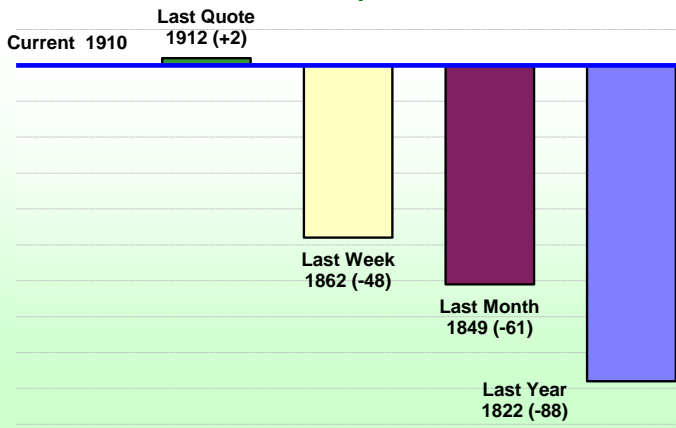
Upcoming Auction Volumes

	15/01/2019	22/01/2019	29/01/2019
Northern	S29	S30	S31
Sydney	14,349	10,505	9,770
Southern	M29	M30	M31
Melbourne	28,604	23,080	18,900
Western	F29	F30	F31
Fremantle	10,955	8,150	7,950
Total	53,908	41,735	36,620

THIS WEEK'S SALES STATISTICS

Centre	Bales Originally	Bales Offered	Bales Sold	Pass in Rate
Northern	11,165	9,922	9,546	3.8%
Southern	21,568	26,260	24,752	5.7%
Western	8,150	11,411	9,963	12.7%
TOTAL	40,883	47,593	44,261	7.0%

AWEX Weekly Eastern Market Indicator Quote Comparisons



AUD vs USD from 06-Jul-04 to 10-Jan-19



Micron	EMI	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	25	28	AUD
Current MPG's	1910	2562	2541	2493	2425	2357	2294	2268	2247	2220	2204	2154	1455	892	0.718
10 year Average	1209	1791	1688	1624	1560	1494	1427	1367	1316	1284	1254	1216	972	675	0.863
This time last year	1818	2755	2638	2501	2376	2256	2163	2072	1969	1804	1722	1626	1266	822	0.787
10 year High	2116	3187	3007	2831	2683	2569	2462	2414	2382	2354	2350	2308	1828	1050	1.090
10 year Low	721	1259	1152	1092	1021	955	887	802	734	712	702	692	551	424	0.633
% Reported above current	4%	12%	8%	8%	4%	3%	3%	3%	3%	3%	3%	3%	4%	8%	91%
Diff b/w High & Current	206	626	466	339	258	212	169	146	135	134	146	154	373	158	0.372
Diff b/w Ave & Current	701	771	853	868	865	862	867	901	931	936	950	938	483	217	-0.145

Percentile Bands

95%	1859	2983	2760	2579	2386	2270	2193	2169	2147	2132	2122	1951	1372	929	1.050
90%	1698	2605	2483	2400	2282	2141	2018	1910	1797	1665	1574	1517	1226	865	1.040
80%	1411	2336	2250	2177	2069	1886	1729	1628	1523	1451	1414	1364	1145	809	1.010
75%	1320	2155	2070	2018	1865	1731	1604	1497	1448	1405	1378	1347	1111	781	0.985
60%	1234	1608	1571	1547	1512	1470	1424	1386	1345	1316	1279	1235	997	689	0.914
50%	1142	1546	1483	1456	1425	1393	1330	1297	1258	1240	1219	1186	931	668	0.875
40%	1087	1482	1387	1343	1313	1287	1256	1220	1190	1178	1158	1135	900	646	0.788
25%	1015	1397	1295	1262	1216	1188	1162	1136	1114	1102	1084	1054	854	585	0.759
10%	867	1315	1240	1191	1154	1104	1041	967	917	893	861	833	686	461	0.721

Indicative Basis Contract Prices

Date	MPG	17	17.5	18	18.5	19	19.5	20	21	22	23	28
Jan-2019		2450	2370	2320	2270	2220	2190	2135	2130	2100	2030	860
Feb-2019		2430	2350	2300	2250	2200	2170	2125	2120	2090	2020	855
Mar-2019		2410	2330	2280	2230	2180	2150	2115	2110	2080	2010	880
Apr-2019		2405	2325	2275	2225	2175	2145	2115	2110	2080	2010	880
May-2019		2390	2310	2260	2210	2160	2130	2105	2100	2070	2000	880
Jun-2019		2385	2305	2255	2205	2155	2125	2095	2090	2060	1990	850
Jul-2019		2350	2270	2220	2170	2120	2090	2055	2050	2020	1950	845
Aug-2019		2330	2250	2200	2150	2100	2070	2035	2030	2000	1930	840
Sep-2019		2320	2240	2190	2140	2090	2060	2015	2010	1980	1910	835
Oct-2019		2290	2210	2160	2110	2060	2030	1995	1990	1960	1890	830
Nov-2019		2280	2200	2150	2100	2050	2020	1975	1970	1940	1870	825
Dec-2019		2260	2180	2130	2080	2030	2000	1955	1950	1920	1850	820
Jan-2020		2240	2160	2110	2060	2010	1980	1935	1930	1900	1830	815
Feb-2020		2220	2140	2090	2040	1990	1960	1915	1910	1880	1810	810
Mar-2020		2200	2120	2070	2020	1970	1940	1895	1890	1860	1790	805

All prices on this sheet are listed in c/kg clean. Basis Contract prices are **indicative only**. The levels are published to use purely as a guide. For more information regarding forward contracts or to submit a GTC or Target order, contact your local Landmark wool manager, or call Landmark Risk Management on 1800 629 396.

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