



Offering—Aust. only		Currency movements			Eastern Market Indicator (EMI)			
Bales offered	37,836	AUD:USD	0.7442	+ 0.91 %	AUD	1198 ac/kg	+ 54 ac/kg	+ 4.72 %
Passed-In %	5.0 %	AUD:CNY	4.8572	+ 0.50 %	USD	892 usc/kg	+ 48 usc/kg	+ 5.67 %
Bales Sold	35,947	AUD:EUR	0.6136	+ 0.46 %	CNY	58.19 ¥/kg	+ 2.90 ¥/kg	+ 5.25 %
Season Sold	575,477	RBA close rates 9th Dec 2020			EUR	7.35 €/kg	+ 0.36 €/kg	+ 5.20 %

AWI Market commentary	12 months EMI weekly close 9th Dec 2020
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The positivity at the close of selling last week transferred immediately to the opening of the Australian wool auctions this week. Price levels improved consistently throughout the week's selling and by the close, general gains of over 50ac had been recorded on Merino combing wools and over 20ac on carding and crossbred sliver wools.

The Eastern Market Indicator (EMI) appreciated by 4.7% this week to close at 1198ac clean/kg, a 54ac gain. In USD the gains were more impressive as the stronger AUD v USD foreign exchange (forex) rate (+0.9%) contributed to a higher percentage gain of 5.7% or 48usc to 892usc clean/kg. This week's closing USD EMI is at the highest point since early March 2020.

In the Merino fleece and skirtings sector, the 18 to 22 micron types all improved by 50 to 75ac for the week, with equivalent gains occurring each day. The superfine types finer than 18 micron were the most volatile sector, with gains of 150ac or more by week's end. Cardings and crossbreds gained 25ac.

All buyers showed interest with purchasing by top makers and traders evenly spread. Indent buyers were less involved, volume-wise, but remained active despite being often outbid. As indents usually are volume-based, this lack of normal buying percentage is perhaps indicative of some semblance of price sensitivity having been reached at least temporarily. In the meantime, traders may have satisfied factories needs with price surety rather than indenting the next day.

Heading into the final sale of the first half of the season, auction sales in Australia have seen an increase, albeit small, in the volume of wool sold to the trade. At the end of week 24 last year 570,935 bales had been sold, which was 4,542 bales less than the current season. On top of this, the most recent AWTA key test data shows a decrease in wool tested of 10.3% since the season start when compared to the same period last year.

Almost 50,0000 bales has been rostered for sale next week. Next week's sales are the last before the three-week Christmas recess.



Riemann wool forwards			
January 2021	19.0 micron	1390/1430ac	24,500 kgs
February 2021	18.0 micron	1605ac	3,000 kgs
February 2021	19.0 micron	1405/1430ac	12,000 kgs
March 2021	21.0 micron	1205ac	5,000 kgs
May 2021	19.0 micron	1400/1420ac	2,000 kgs

Scheduled Australian Wool Auction Sales		
Sale week	2020/21 est.	2019/20 actual
Week 25	49,432 bales	34,776 bales
Week 26	RECESS	RECESS
Week 27	RECESS	RECESS

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