



Offering—Aust. only		Currency movements			Eastern Market Indicator (EMI)			
Bales offered	34,915	AUD:USD	0.7295	-0.19 %	AUD	1159 ac/kg	-30 ac/kg	-2.52 %
Passed-In %	19.5 %	AUD:CNY	4.7764	-0.75 %	USD	845 usc/kg	-24 usc/kg	-2.71 %
Bales Sold	28,100	AUD:EUR	0.6146	-0.50 %	CNY	55.36 ¥/kg	-1.86 ¥/kg	-3.26 %
Season Sold	475,081	RBA close rates 18th Nov 2020			EUR	7.12 €/kg	-0.22 €/kg	-3.01 %

AWI Market commentary	12 months EMI weekly close 18th Nov 2020
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Prices shifted downwards on all types and descriptions at the Australian wool sales this week. Most prompt export orders had seemingly been covered and auction buyers appeared to be in a holding pattern waiting on clearer price signals for new business or the market to lower to reach bid levels being offered by overseas manufacturers agents and traders. The subsequent slight degradation in price was largely expected by trade participants pre-sale.

The Eastern Market Indicator (EMI) weakened by 30ac or 2.5% to close at 1159ac clean/kg. The USD EMI was similarly lower by 2.7% or 24usc and closed at 845usc with little effect placed on USD prices due to the stable foreign exchange (forex) rates during the course of this weeks selling.

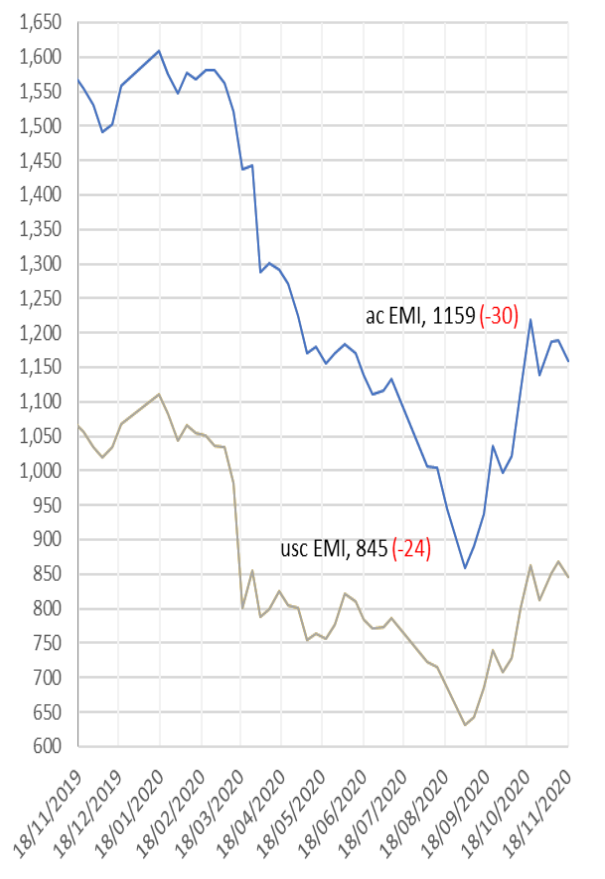
The relatively large quantity rostered to sell of over 40,000 bales failed to materialize once more and just over 36,000 bales eventually made their way in front of buyers. This 10% reduction in volume, plus the passed in rate of 20% ultimately assisted the market to stabilize at the end of the week, but by then most buyers had prioritised a conservative purchasing mode to buy to price advantage rather than accumulation of inventory.

The most notable change to buying this week was the stronger activity at auction by a large Chinese top maker. Strong support was evident from traders and other first stage manufacturers but the final day had them all taking a back seat to that operator as they were dominant in their purchasing intent.

Super fine (18.5 micron and finer) Merino fleece and skirting types were the most well sought of the selection but still fell away 10 to 20ac. The broader Merino wools of 19 to 23 micron were more susceptible to the waning buyer interest and reductions of 35 to 45ac were recorded. Almost all crossbred wools were up to 50ac cheaper for the week. Cardings sold under somewhat more stable conditions with general losses of 15 to 25ac.

The quality of the offering is generally improving but a high percentage of sale lots are suffering from high pobM (position of break in the middle) readings which leads to higher calculated cvh (co-efficient of variation hauteur) tests. These wools when sold in abundance can be hard to place in standard orders even though all other attributes are acceptable.

There are 41,500 bales currently rostered for sale next week.



Riemann wool forwards			
December 2020	19.0 micron	1365/1370ac	15t

Scheduled Australian Wool Auction Sales		
Sale week	2020/21 est.	2019/20 actual
Week 22	41,527 bales	37,827 bales
Week 23	35,975 bales	37,191 bales
Week 24	39,055 bales	42,542 bales

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