



Offering—Aust. only		Currency movements			Eastern Market Indicator (EMI)			
Bales offered	30,272	AUD:USD	0.7118	-0.88 %	AUD	1004 ac/kg	-2 ac/kg	-0.20 %
Passed-In %	8.2 %	AUD:CNY	4.9459	-1.03 %	USD	715 usc/kg	-7 usc/kg	-1.07 %
Bales Sold	27,787	AUD:EUR	0.6072	+0.12 %	CNY	49.66 ¥/kg	-0.62 ¥/kg	-1.23 %
Season Sold	120,042	RBA close rates 12th Aug 2020			EUR	6.10 €/kg	= €/kg	= %

AWI Market commentary

A better wool market greeted grower sellers this week, with a more appropriate volume of wool put up for sale relative to current demand. As a result, this week, 92% clearance rates were achieved. The past few months have seen a 30,000 bale or less national auction offering appearing to meet demand.

The EMI (eastern Australian market indicator) presented a market in retraction by dropping 2ac to 1004ac clean kg but in reality over 80% of the wool on offer increased in value. The indicator was heavily influenced by major falls in the cardings and oddments sectors as carbonized types are struggling to find a suitable level of trade post first stage manufacture.

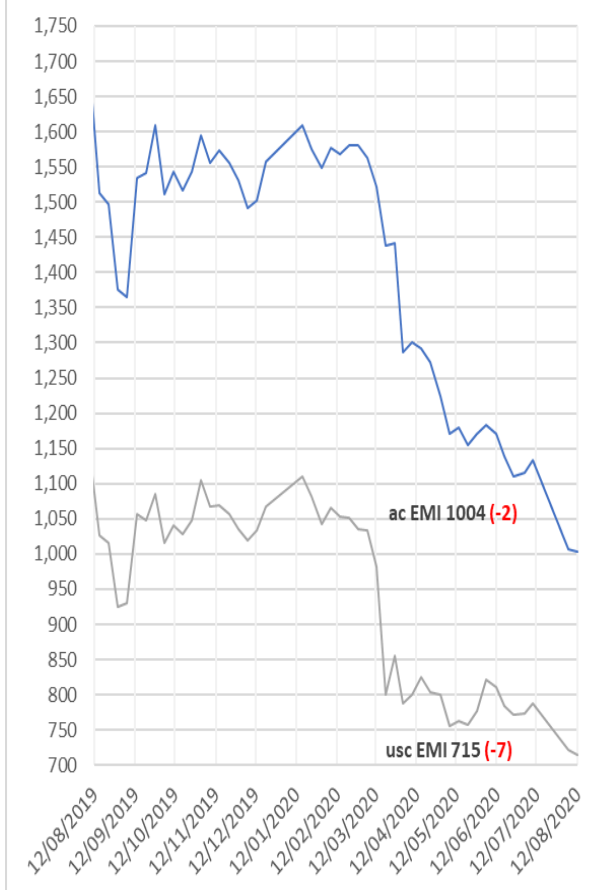
The auction competition switched to traders dominating the Merino segment this week. Prices on offer attracted their stronger buying interest. Merino fleece wools sold 10 to 20ac above the levels of last week and comeback and crossbred wools were generally 5ac dearer.

Off shore top makers appeared to be slightly caught off guard on the first day as the current price levels were matched and pushed slightly upward by local exporters. This was rectified on the second day with the major Chinese buyers lifting their purchasing rates which helped consolidate and improve price levels across all Merino fleece types and descriptions.

Chinese top making interest may have moved some quantity to the merino skirting area of the offering with more of their activity witnessed on those types. European interest continued ascendancy at the top of the crossbred sector once again. Over one third of the offering went into their inventory.

Prices of Crossbreds and Merino skirtings are at the lowest levels they have been for at least 5 years so buying these wools may prove astute in the long term or even if mills just need to be run, a cheaper input is also a safer bet as machinery fodder.

12 months weekly EMI close as at 12th August 2020



Riemann wool forwards			
September 2020	19 micron	1135 ac cln dry	10,000 kgs
September 2020	21 micron	1070 ac cln dry	5,000 kgs
October 2020	19 micron	1135 ac cln dry	5,000 kgs
November 2020	19 micron	1135 ac cln dry	5,000 kgs
November 2020	21 micron	1070 ac cln dry	20,000 kgs
November 2020	28 micron	520 ac cln dry	5,000 kgs
November 2020	30 micron	430 ac cln dry	5,000 kgs

Scheduled Australian Wool Auction Sales		
Sale week	2020/21 est	2019/20
Week 8	35,826 bales	26,492 bales
Week 9	22,445 bales	25,295 bales
Week 10	36,506 bales	21,694 bales

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