

2021 Wool Market Recap

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Domestic Wool

Territory Wool - Pounds Reported

Territory States	2019	2020	2021
Clean Wool	1,307,346	2,493,999	1,782,587*
Greasy Wool	983,055	1,261,526	481,411*
Total Pounds	2,290,401	3,755,525	2,263,998*

*SEVERAL TRADES GIVEN WERE UNABLE TO BE REPORTED DUE TO CURRENT REPORT FORMAT AND CONFIDENTIALITY.

Domestic Wool Trade

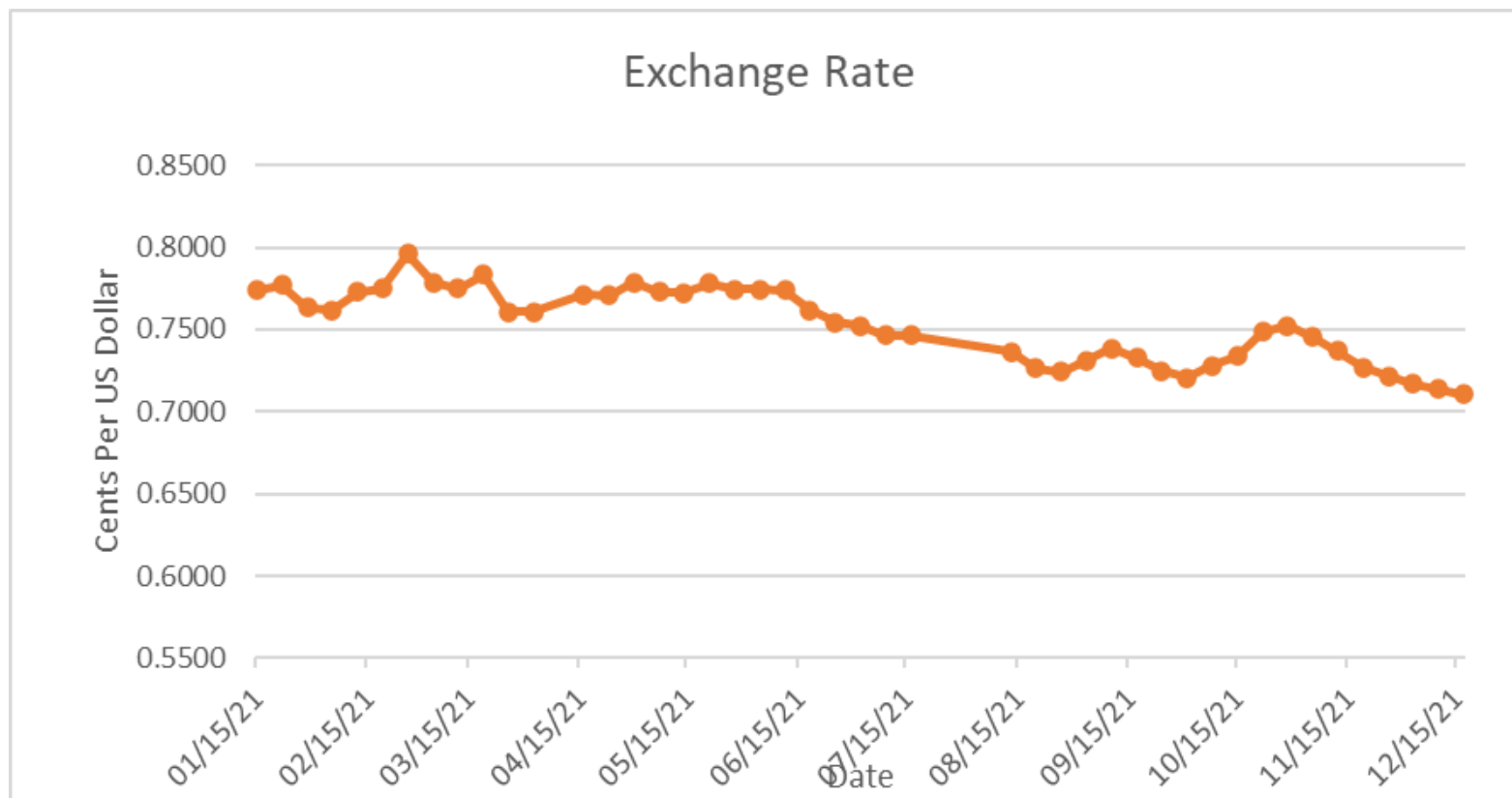
- Prices have been down since the start of COVID in 2020.
 - Finer wools, under 24 micron, held mostly steady.
 - Wools over 24 micron have been the hardest hit.
 - Wools with little to no defect brought around 80% of Australia early last year
- Sales in the latter part of the year were sparse.
- The U.S. Dollar has been stronger than the Australian dollar since May of 2013.

Australia Data

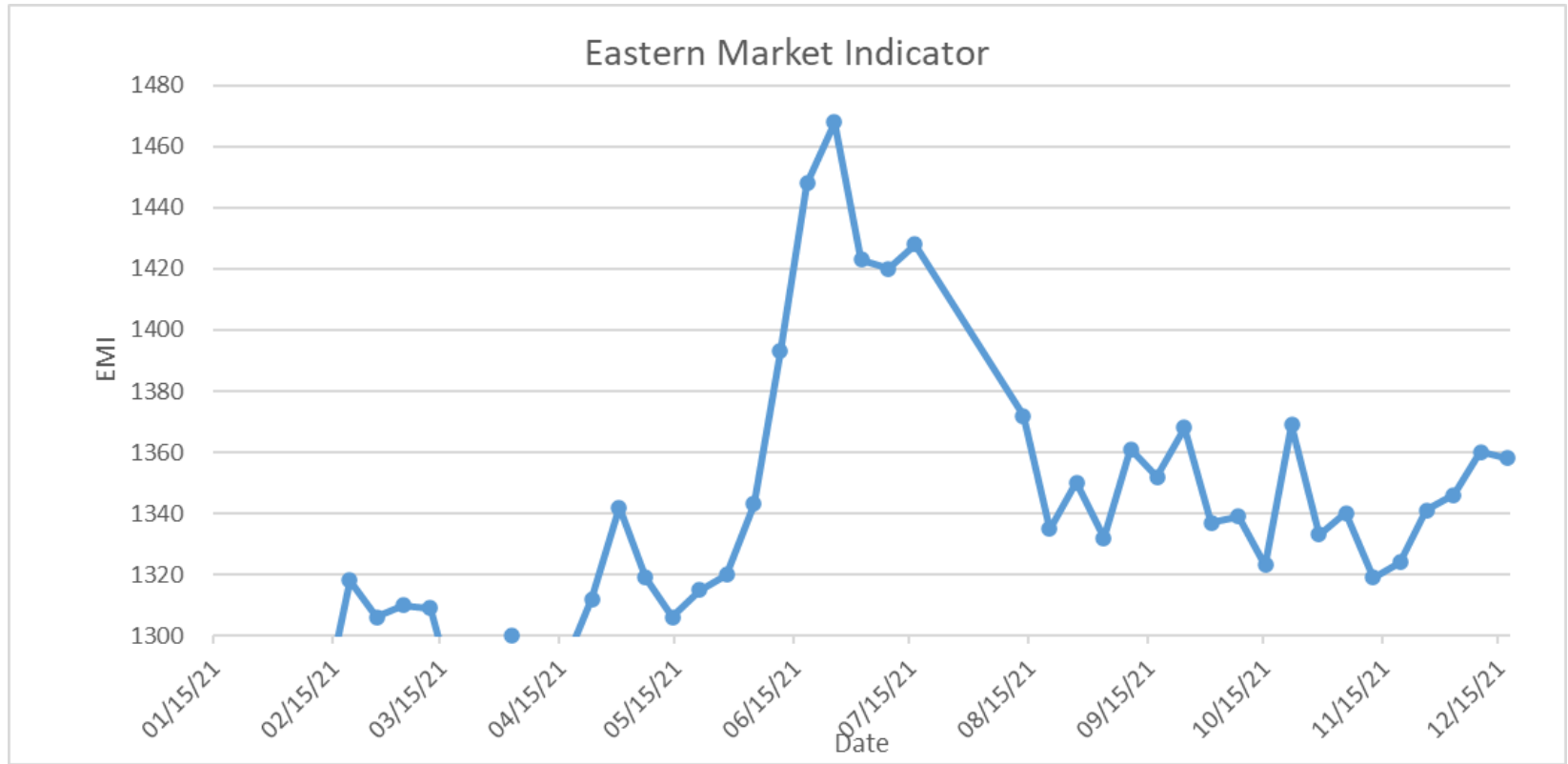
Australia Data

- EMI this past year started 1172 in January and topped out at 1468 in late June and declined to a low of 1319 in the November. The EMI has fluctuated in the 1300's since August, with the last week of 2021 ending at 1358.
 - EMI was much more erratic than the steady decline of exchange rate, which has not been typical over the last several years.
 - The erratic market movement over the past several years has made it more difficult for warehouses to do much forward contracting.

Australia Data



Australia Data



Global Outlook

Global Outlook

New technologies and marketing strategies are putting more wool garments on the shelves and increasing demand for finer wools.

Active buyers in new countries are picking up some of the slack from shifting markets elsewhere.

Australia and New Zealand's production continues to decrease each year due to crossing with meat breeds and capitalizing on an increasing export market.

Wool Reporting

What's New in Market News?

- Sheep & Goat Commodity Review Panel created in March 2021
 - Meet monthly to discuss auction/video markets, LMR, feedlot inventories, and the wool market.

Auction Reporting

Wool Reporting

Sheep&Goat Dashboards

Contact Visits

MARS & My Market News

- In 2019, our market reports began transitioning to our new reporting system, MARS.
 - *All* reports can be found on: MyMarketNews.ams.usda.gov
- The National Wool Review will transition in 2022
 - Opportunity to make changes to the existing report

Agricultural Marketing Service

National Wool Review

Domestic wool trading on a clean basis was very active this past week. There were 782,587 pounds of confirmed trades reported this week. Most of the finer wools traded within 80 percent or better of Australian pricing, while those medium to courser wools were trending more toward 75 to 80 percent. Prices reflect trades FOB warehouse in original bag or square pack, bellies out, some graded, and 76 mm or longer. No allowance made for coring, freight or handling fees at the warehouse level to reflect net grower prices (*) indicates new prices this week. (NA) represents microns not normally available in this region. Wools shorter than 75 mm typically discounted .10-.20 clean. Classed and skirted wools usually trade at a .10-.20 premium to original bag prices.

Micron	US Grades	Fleece States	Territory States	Texas and New Mexico
18	80s	None	5.42*	None
19	70-80s	None	4.60*	None
20	64-70s	None	4.04*	None
21	64s	None	3.85*	None
22	62s	3.36*	3.38*	None
23	60-62s	None	3.34*	None
24	60s	2.88*	3.16*	None
25	58s	None	None	None
26	56-58s	None	2.09*	None
27	54-56s	None	None	None
28	54s	None	None	NA
29	50-54s	None	None	NA
30-34	44-50s	None	None	NA

Domestic wool trading on a greasy basis was also very active with 179,411 of confirmed trades reported this week. All trades reported on a weighted average.

Fleece States Ewe Wool: 60-70mm 22 micron 1.40; 60-70mm 23 micron 1.29. Lamb Wool: 55-70mm 20 micron 1.78; 45-55mm 23 micron 0.66.

Territory States Ewe Wool: 60-70mm 19 micron 2.36; 60-70mm 20 micron 1.68; 55-65mm 21 micron 1.30; 60-70mm 22 micron 1.57; 60-65mm 23 micron 1.28; 60-65mm 24 micron 1.15. Yearling Wool: 60-70mm 19 micron 2.37; 55-70mm 20 micron 2.07; 55-70mm 21 micron 1.77; 55-70mm 22 micron 1.68. Lamb Wool: 45-55mm 18 micron 2.65.

Domestic wool tags are delivered to buyer and reported on a greasy basis:

Number 1 tags	Number 2 tags	Number 3 tags
.20-.30	.10-.20	.01-.05

Current Report

In Australia this week, the Eastern Market Indicator was down 23 at 1319 cents per Kg clean from the sale a week ago. A total of 48,245 bales were offered with sales of 84.7 percent. The Australian exchange rate was stronger by .0062 at .7727 percent of the U.S. dollar. Australian wool prices are quoted US Dollar per pound, delivered, Charleston, South Carolina. The current freight rate is .15 cents per pound clean. Schlumberger Dry formula is used for yield determination.

The 75-85 percent of Australia price range can be used as an estimated value of clean domestic prices FOB the warehouse and gross producer. These are estimated domestic values and may vary depending on current market conditions, yield, strength, length, colored fiber content, poly contamination, and other quality factors.

Micron	US Grade	Clean Del Price in U.S. Dollars	Change from Previous Sale	75-85 Percent of Australia
18	80s	6.87	- .17	5.15-5.84
19	70-80s	5.75	- .20	4.31-4.89
20	64-70s	4.88	- .10	3.66-4.15
21	64s	4.64	- .06	3.48-3.94
22	62s	4.47	- .04	3.35-3.80
23	60-62s	----	-----	-----
24	60s	----	-----	-----
25	58s	----	-----	-----
26	56-58s	2.82	- .13	2.12-2.40
28	54s	1.90	- .08	1.43-1.62
30	50s	1.55	- .06	1.16-1.31
32	46-48s	1.04	- .09	0.78-0.88
	Merino Clippings	3.33	- .07	2.49-2.83

Eastern Market Indicator was down 23 at 1319 cents per kg clean. Australian exchange rate was stronger by .0062 at .7727 percent of the U.S. dollar.

Confidentiality

- Must have three separate trades (in the same micron and region) to report a weighted average price.
- Confidentiality is a fundamental rule of Livestock, Poultry, and Grain Market News and an uncompromisable aspect of voluntary market reporting.

Proposed Changes

- Goal: Publish price information more consistently while meeting confidentiality.

Include all reported trades from all regions in an additional national weighted average price for each micron.

Publish domestic data on a biweekly schedule to include two full weeks of data. (AU data still updated weekly)

Thank you!