



# MOSES & SON

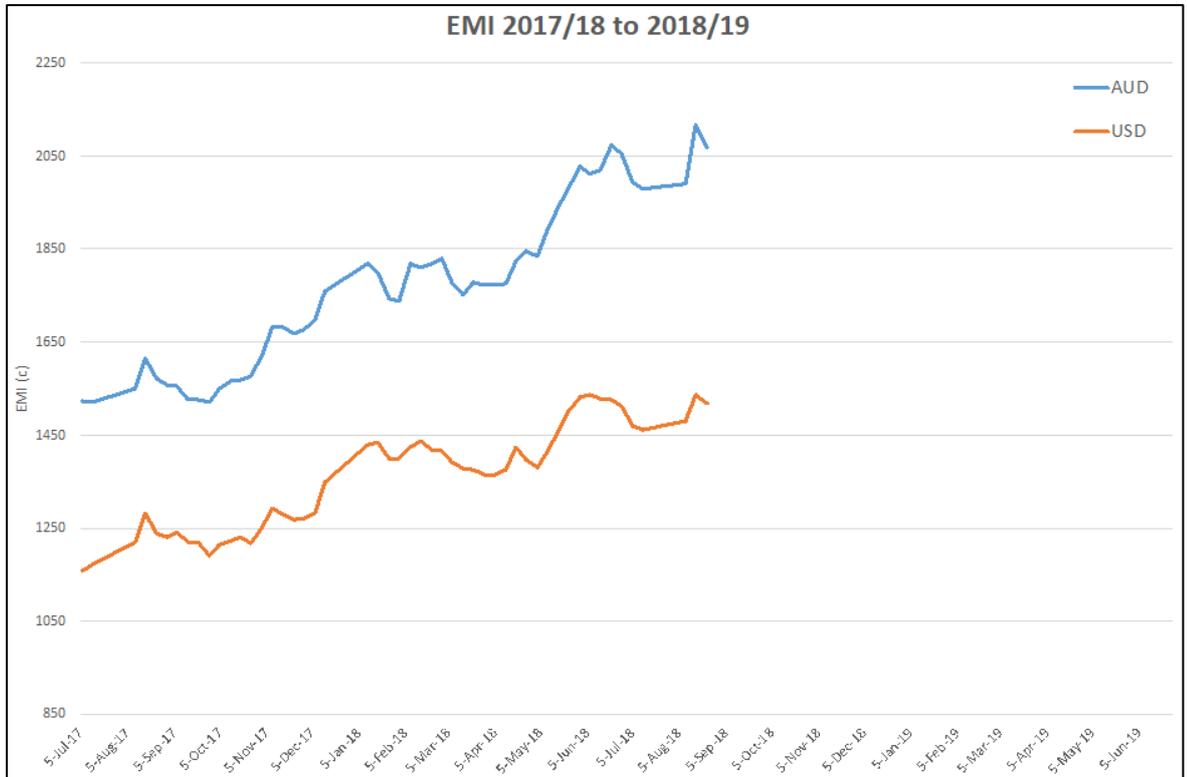
WOOLBROKERS MERCHANDISE LIVESTOCK

## Week 08: 22/08/2018

The AWEX EMI gave back half of its previous week's gains closing on 2068c - a loss of 48c.

The market opened in Sydney and Melbourne on Tuesday and the weaker trend was in play instantly with one of the first fleece catalogues passing in 35% of their offering. Buyers were grappling with a higher currency exchange and repenting for their over-zealous

purchasing emotions from last week, however in the closing hours on Thursday, the market showed more positive signals and closed the price gap set the day before. 10.8% of the 29,691 bale offering was passed in as the price dropped which was a little more than what was expected by the sellers. It has certainly become a challenge to predict what the price of wool is going to be from one week to the next.



MPG North	Percentile	22/08/2018	16/08/2018	Variance	5 Year Average	5 year var	5 year % var
17	99.8%	2,917	3,007	-90	2,051	866	42.2%
18	99.8%	2,617	2,682	-65	1,902	715	37.6%
19	99.8%	2,393	2,465	-72	1,750	643	36.7%
20	99.4%	2,303	2,376	-73	1,653	650	39.3%
21	99.4%	2,280	2,341	-61	1,615	665	41.2%
22	99.6%	2,259	2,184	75	1,577	682	43.2%
30	87.0%	709	709	0	676	33	4.8%
EMI	99.7%	2,068	2,116	-48	1,325	743	56.1%

**Merino Fleece** generally lost 60-90c with the finer, the high and medium VM lots being hit the hardest.

**Skirtings** lost 40-70c without any measurable favour to style or VM.

**Merino Cardings** remained largely unaffected with Sydney posting an 11c rise in their MCI whilst Melbourne losing 24c.

**Crossbreds** lost 15-25c to round out the week.

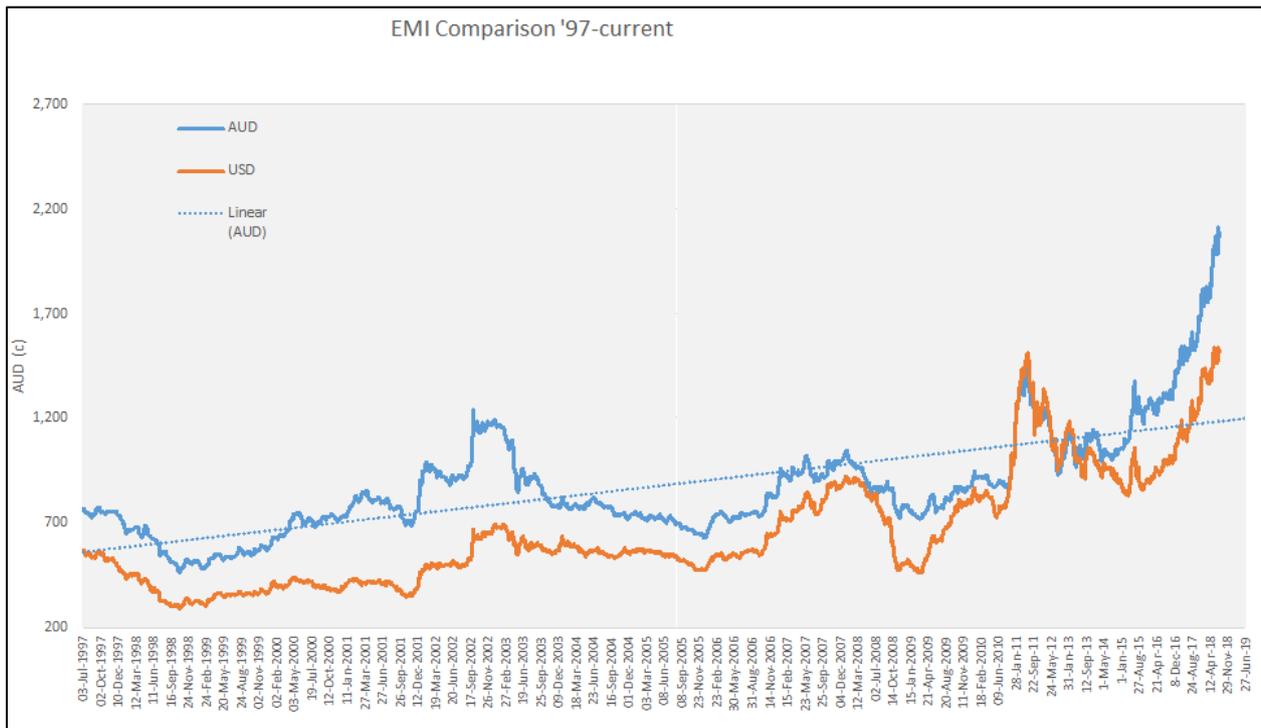
**Forward Price Report from Michael Avery (Southern Aurora Wool):** Forward volumes suffered this week as the market participants tried to digest the volatility of the opening three weeks of the new season. The largest single day rise for more than a decade, set last week, had the logical effect of pushing buyers away as downstream processors were unable to comprehend the new levels. The depth of the retraction is difficult to ascertain but significant volatility is likely to be with us for an extended period. Opportunities will be there for growers to hedge as exporters look to



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minimise their exposure in these uncertain times. Levels indicated by buyers where they see business may be contracted show an initial base forming around 2100 to 2150 for 19.0 micron and 2000 to 2050 for 21.0 as we move into the New Year. Although a significant discount to the spot market it is still above the 95th percentile for prices (over the last ten years) indicating we have moved into a much improved price dynamic. Whether this can be sustained is the challenge.



Region	Centre	22/08/2018	16/08/2018	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	2,117	2,163	-46	10,348	9,532	7.9%	10,541
Southern	Melbourne	2,037	2,087	-50	19,343	16,967	12.3%	16,019
Western	Fremantle	0	2,279	-2,279	0	0	0.0%	8,400
National	AWEX EMI	2,068	2,116	-48	29,691	26,499	10.8%	34,960

Next week, Fremantle returns to the fold adding to the 34,960 bales rostered for sale. This should continue to be met with interest to meet the demand we have seen for Australian Wool over the past 18 months. It is certainly a great time to be in sheep and wool.  
 ~ Marty Moses

Moses & Son Top price report							
Desc	District	Micron	Yield	VM	SL	SS	Price
AAA M W	Harden	16.2	69.8	2.0	88	37	2120
AAA M	Harden	16.3	65.8	2.6	70	34	1915
AAA M	Mangoplah	17.8	71.9	0.6	62	51	1759
AAAA M	Chisholm	18.4	68.8	1.2	82	38	1753
AAA M	Harden	18.5	70.1	0.9	85	25	1705