

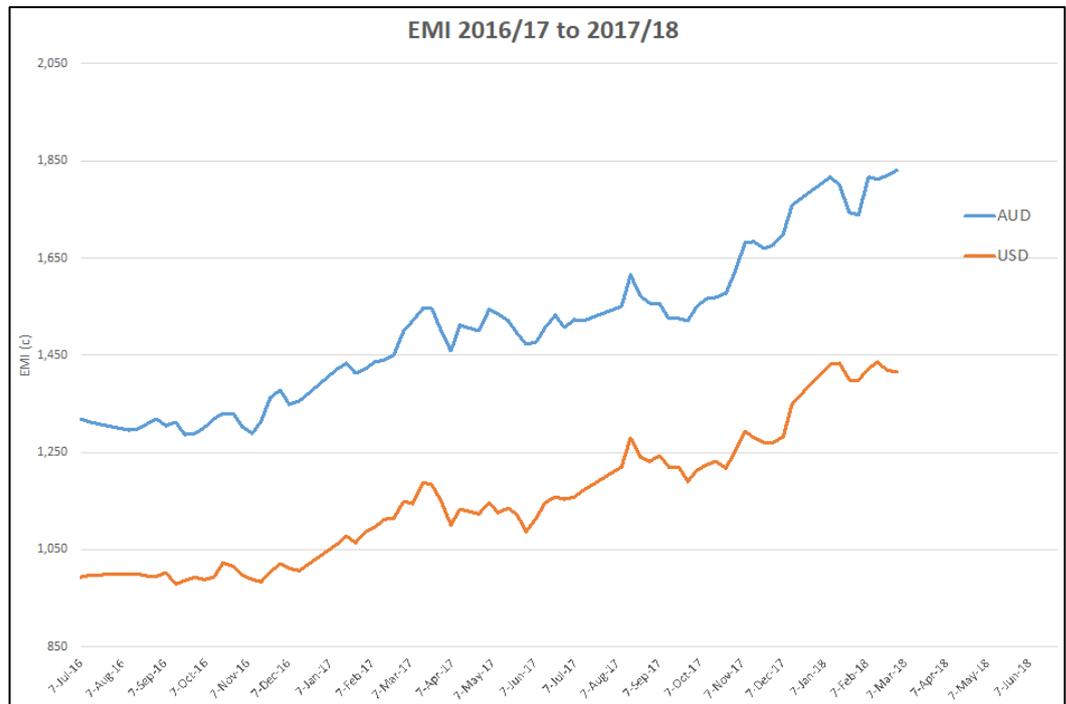


# MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

## Week 35: 01/03/2018

The AWEX EMI pushed to new (end of week) heights closing on 1830c - up 10c for the week at auction sales in Australia. The 93.4% of the 44,150 bale offering was cleared as exporters started the selling week on a positive note pushing the EMI to 1834c on Wednesday before giving back some ground on Thursday. A number of the MPG's also reached new record levels being the 16.5, 19, 21 and 22 MPG's.



**Merino Fleece** types with low Mid-Point breaks were keenly sought after, often achieving premiums of 80c over their high mid-point counterparts, which are continually increasing weekly in volume. 16.5-18 MPG's posted rises of 20-50c whilst the price of 18.5-20 MPG's fell between 9-17c in the northern region only.

**Merino Skirtings** had a mixed result for the week with the best style, low VM and best specifications increasing on last week's levels whilst the high VM low style and poor measurements lost ground on last week's prices. Results for

**Crossbred Wool** were also mixed, with the 25-28 increasing by 10-25c whilst the 29 and coarser types gave up 10-15c for the week.

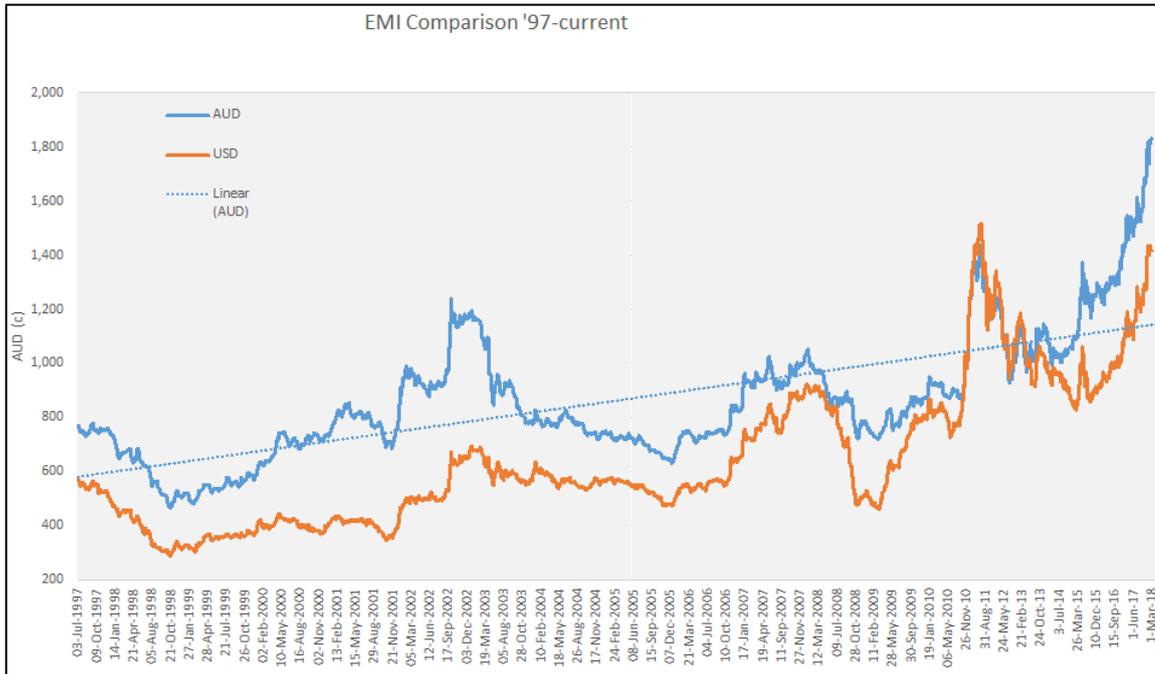
**Cardings** opened the week with good support however they were unable to maintain the early result across all the selling centres, giving up 9c in the northern region, gaining 7c in the Southern region and posting losses of 22c in the Western selling centre. 46,490 bales will be offered to the market, and with the expected return of the Chinese from their New year Holiday period one would hope their might be some consolidation in the market.

MPG North	Percentile	1/03/2018	22/02/2018	Variance	5 Year Average	5 year var	5 year % var
17	100.0%	2,826	2,793	33	1,717	1,109	64.6%
18	99.8%	2,407	2,389	18	1,636	771	47.2%
19	99.1%	2,136	2,153	-17	1,510	626	41.4%
20	99.8%	2,001	2,017	-16	1,410	591	41.9%
21	100.0%	1,928	1,927	1	1,370	558	40.8%
22	100.0%	1,903	1,886	17	1,337	566	42.4%
30	50.0%	583	593	-10	659	-76	-11.6%
EMI	100.0%	1,830	1,820	10	1,266	564	44.6%



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**Michael Avery reports** a hesitant week for both the auction and forwards this week. The lack of direction was evident in the forwards all week. Buyers were reluctant to take on risk and the modest trades were restricted to the prompt month. Interest post Easter and into

the new season waned as off shore buyers showed little confirmation of acceptance of these levels. Supply concerns suggest that the market has limited downside but history shows that the key driver is demand. The level of demand destruction due to increasing prices is difficult to ascertain. Even a correction of 10% would still see the market maintain the upward channel that merino qualities have enjoyed for the last 4 years.

With similar quantities on the market next week the market direction will again be influenced by the expectation and assessment of new demand and the extent of financial pressure exerted on exporters to fund working inventory at these price levels.

~ Marty Moses

Region	Centre	1/03/2018	22/02/2018	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,900	1,902	-2	13,055	12,613	3.4%	9,128
Southern	Melbourne	1,785	1,769	16	20,846	19,347	7.2%	29,297
Western	Fremantle	1,905	1,895	10	10,249	9,267	9.6%	8,065
National	AWEX EMI	1,830	1,820	10	44,150	41,227	6.6%	46,490

## Other reminders:

- MerinoLink Merino Lifetime Productivity Project: Friday, 16<sup>th</sup> March 2018. "The Vale", Temora. RSVP: 14<sup>th</sup> March 2018. [merinolinklimited@gmail.com](mailto:merinolinklimited@gmail.com) – 0428 212 801