

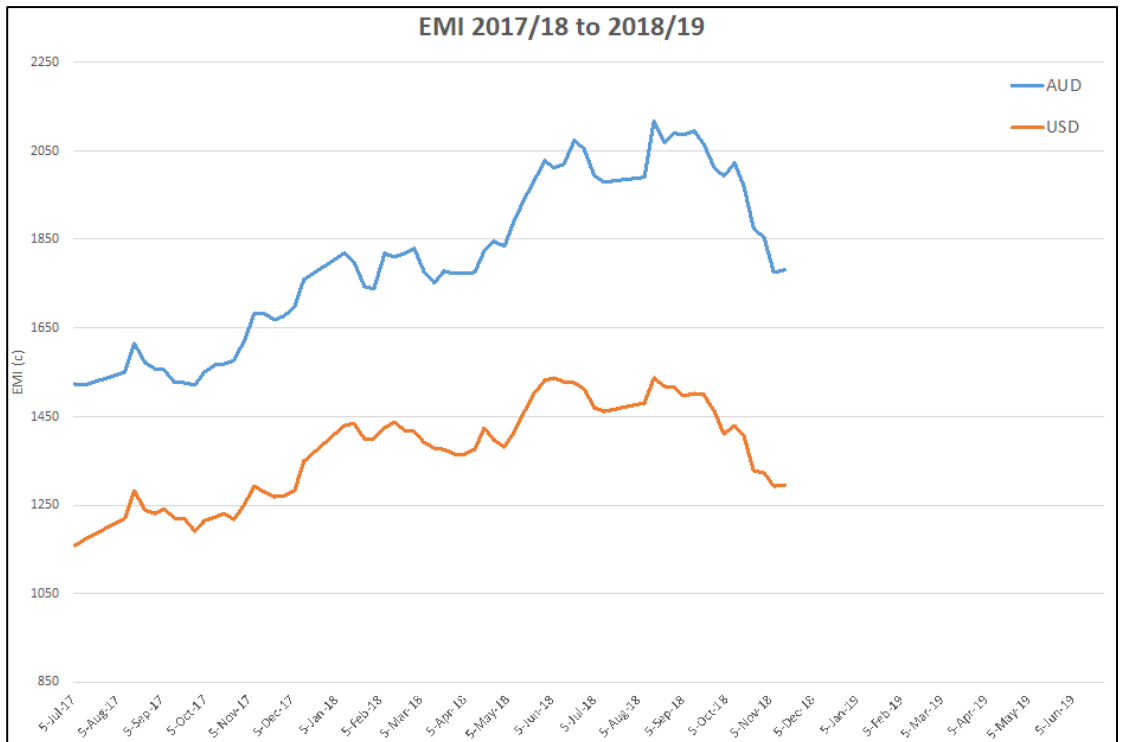


MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week 20: 15/11/2018

The AWEX EMI closed on 1781c - up 5c at auction sales in Australia this week. After 5 weeks of freefall, the wool market discovered a price support and whilst the EMI was a result of mainly the Carding indicators solid bounce, there were some positive signs emerging in the merino Fleece MPG's and a more pronounced lift in the Crossbred sector.



Merino Fleece

categories seemed to perform differently across the three centres as the quality of selection was just as varied. Northern MPG's in the 16.5µ to 18.5µ came under further pressure as the massive disparity between North and South began to slowly align. The 19-21MPG's posted small rises whilst the coarser MPG's were less responsive.

Merino Skirtings fell on the first day of selling however were rejuvenated by the fleece's performance and closed the week similar to last week.

Crossbred prices generally increased by 5 to 25 cents, with the largest gains felt on the better prepared lines.

Cardings bounced after two months of continual large losses, posting rises of 50 to 120c. These rises helped to push the three carding indicators up by an average of 89c. Hopefully cardings will continue to be the lead indicator for the rest of the market as we coast into Christmas.

MPG North	Percentile	15/11/2018	8/11/2018	Variance	5 Year Average	5 year var	5 year % var
17	88.4%	2,445	2,495	-50	2,039	406	19.9%
18	90.8%	2,278	2,318	-40	1,903	375	19.7%
19	93.5%	2,104	2,109	-5	1,747	357	20.4%
20	95.1%	2,057	2,050	7	1,644	413	25.1%
21	95.4%	2,048	2,043	5	1,605	443	27.6%
22	95.3%	2,020	2,010	10	1,574	446	28.4%
30	77.5%	663	636	27	679	-16	-2.3%
EMI	95.4%	1,781	1,776	5	1,325	456	34.4%

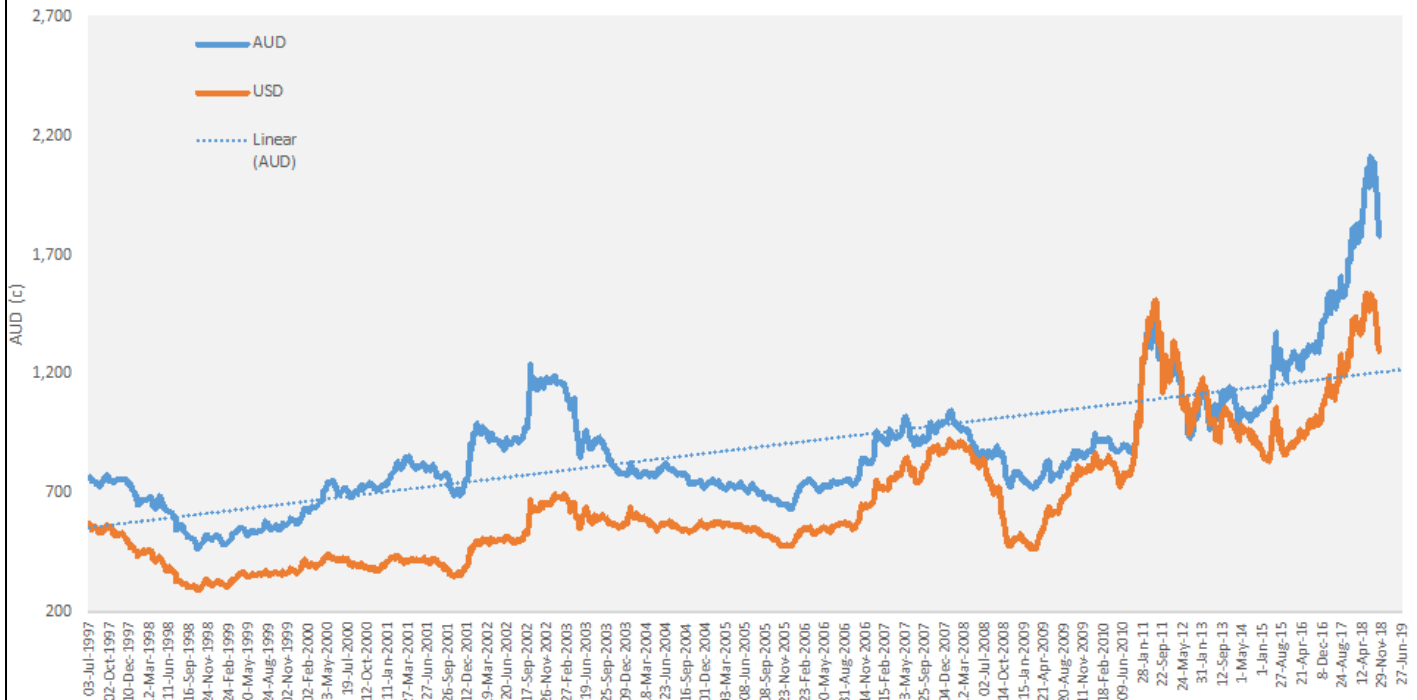
Despite the market firming, 10% of the 35,326 bale offering were passed in. Next week 35,334 bales will be offered, which will exacerbate the already -16.4% YOY bale offerings, with some projections mooted the production first hand bale numbers offered to be down 20% YOY by the Christmas recess in 4 weeks.



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EMI Comparison '97-current



Region	Centre	15/11/2018	8/11/2018	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,819	1,809	10	9,417	8,756	7.0%	8,320
Southern	Melbourne	1,758	1,754	4	18,956	17,095	9.8%	17,761
Western	Fremantle	1,935	1,931	4	6,953	5,636	18.9%	9,253
National	AWEX EMI	1,781	1,776	5	35,326	31,487	10.9%	35,334

While some wool lament the losses posted from the peak MPG's a few months ago, this thought process only seems to muddy the decision making when it comes to marketing the clip that we are right now - in fact, most analysis are still proving that current prices for Merino Fleece and Skirtings still remain the best on record for many producers. In saying that, any producers who passed wool in over the past few months are sometimes caught with wool that may be out of reach if they continue to pursue the previous reserves. There is no easy low risk solution for this scenario. ~ Marty Moses

Moses & Son Top price report

Desc	District	Micron	VM	Yield	SL	SS	Price
AAA M	Tarcutta	17.9	1.7	71.2	94	39	1630
AAA M	Tarcutta	15.7	2.1	68.4	70	45	1621
AAA M	Tarcutta	17.7	1.4	69.1	87	42	1612
AAA M	Tarcutta	16.8	1.2	67.6	101	37	1589
AAA M	Tarcutta	16.9	1.7	68.5	101	38	1579