



MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week 10: 05/09/2019

The AWEX EMI closed the week on 1365c, down 10c at auction sales in Australian this week. Despite the 10c AUD fall the market finally found some price support points, and in fact the MEI rose 9c in US terms for the week.

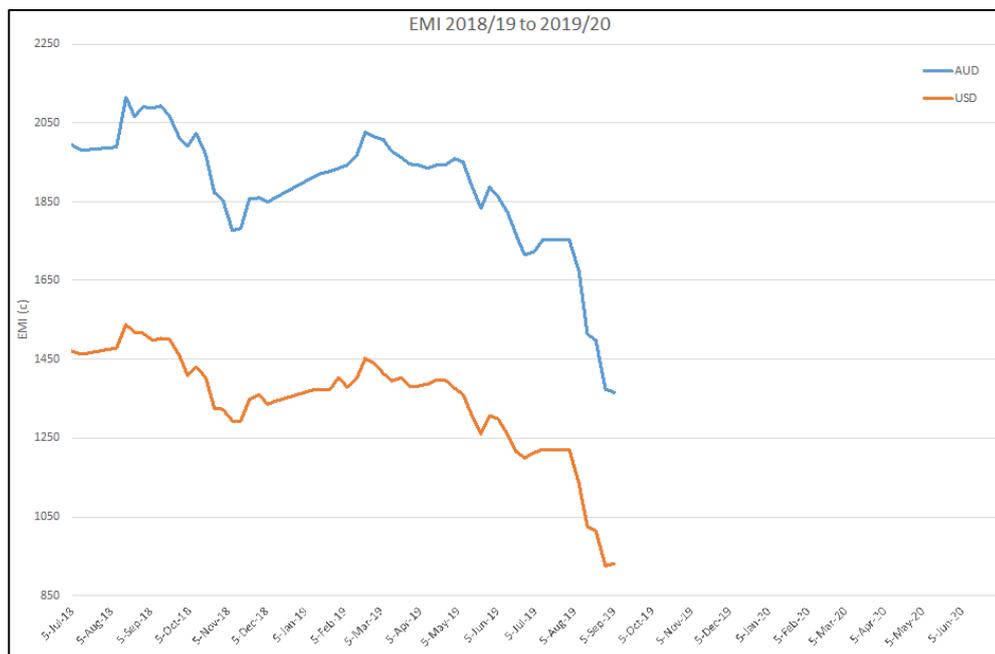
Merino fleece started the week cheaper however in place of the downward spiralling price pattern, the opening day saw new levels formed and substantiated reasonably quickly by a number of

exporters. The best style and measured lots commanded good attention with declared non mulesed lots at times being 350-400c above the market quotes for their mulesed equivalents. The last hour of Thursday's market saw the price add 30-40c to recoup some of Wednesday's losses and allowed the MPG's to close within 5 and 15c of their previous week's levels.

Merino Skirtings hit their lower limit earlier in the week and closed the first day's selling in positive territory, then continued to strengthen as the sale progressed.

Crossbreds commanded good support for the duration of the week and whilst quantities remain low, should continue along this path.

Cardings were in limited supply and posted rises of between 10-30c across the Australian sale centres.



MPG North	Percentile	5/09/2019	29/08/2019	Variance	5 Year Average	5 year var	5 year % var
17	69.3%	1,842	1,845	-3	1,998	-156	-7.8%
18	69.6%	1,783	1,795	-12	1,885	-102	-5.4%
19	70.0%	1,578	1,593	-15	1,739	-161	-9.3%
20	74.3%	1,497	1,515	-18	1,644	-147	-8.9%
21	77.5%	1,487	1,499	-12	1,606	-119	-7.4%
22	79.7%	1,460	1,460	0	1,571	-111	-7.0%
30	82.8%	720	703	17	702	18	2.6%
EMI	81.5%	1,365	1,375	-10	1,325	40	3.0%

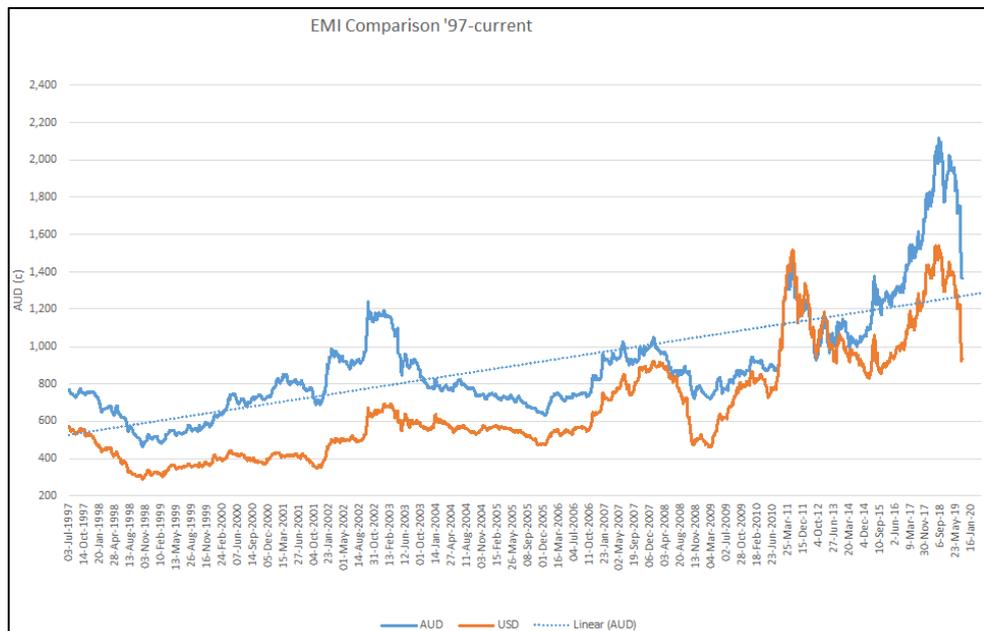
Collectively the EMI has fallen 389c or 22% over the past 5 weeks. The question regarding where too from here for wool prices now are: is the 20.4% reduction on offerings for the season taking effect; OR is it the tripling of the YOY pass in rate from 7% to 21%; or was it South African resumption of the sale suspension requested by the SA wool buyers to manage the Foot and Mouth outbreak issues experienced in their country. Here was also some positive news out of China relating to mild increased GDP growth. On the flip side, no positive Brexit news and little or no news on the China - US trade tariff talks.



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Over 100,000 clean kg's were traded in the Riemann Forward Wool Contracts this week with the majority contracts in the 19 MPG between 1520-1550c (within 2% of the spot price) between October and Nov 19, with a number of trades at similar levels taken in October and November 2020. The 21 MPG contracts traded lesser quantity but at prices between 1455c and 1500c (on or in some cases above the spot price) in October through to November 2019. 28 micron also transacted on limited quantity, also above the spot price.



Region	Centre	5/09/2019	29/08/2019	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,408	1,405	3	7,039	5,990	14.9%	6,289
Southern	Melbourne	1,338	1,356	-18	11,619	10,529	9.4%	16,237
Western	Fremantle	1,383	1,416	-33	3,036	2,675	11.9%	5,397
National	AWEX EMI	1,365	1,375	-10	21,694	19,194	11.5%	27,923

Next week's offering of 27,923 bales will hit the three Australian selling centres, the vastly lower quantities a reflection of the market confidence and the escalation of the devastating drought conditions on the eastern board. There is no doubt there are some huge challenges ahead of the wool industry which will require strong leadership and amazing resilience from our leaders and all parties. I anticipate the market will enter a period of wild price fluctuations based on supply and the perceived demand. Growers should consult with their WTO on how this may be managed best. ~ Marty Moses

Don't miss next week's activities:
 10th September – Ram Sale
 11th September – Freeze Branding

Moses & Son Top price report							
Desc	District	Micron	VMB	Yield	SL	SS	Price
AAAA M	Temora	18.2	0.5	68.2	96	43	1389
AAA M	West Wyalong	17.8	1.2	67.5	65	39	1189
AAA M	Temora	16.2	0.6	64.6	64	30	1049
AAA M LMS	Temora	16.2	1.2	59.2	83	27	990
AAA M LMS	Temora	17.1	1.0	60.9	-	-	972