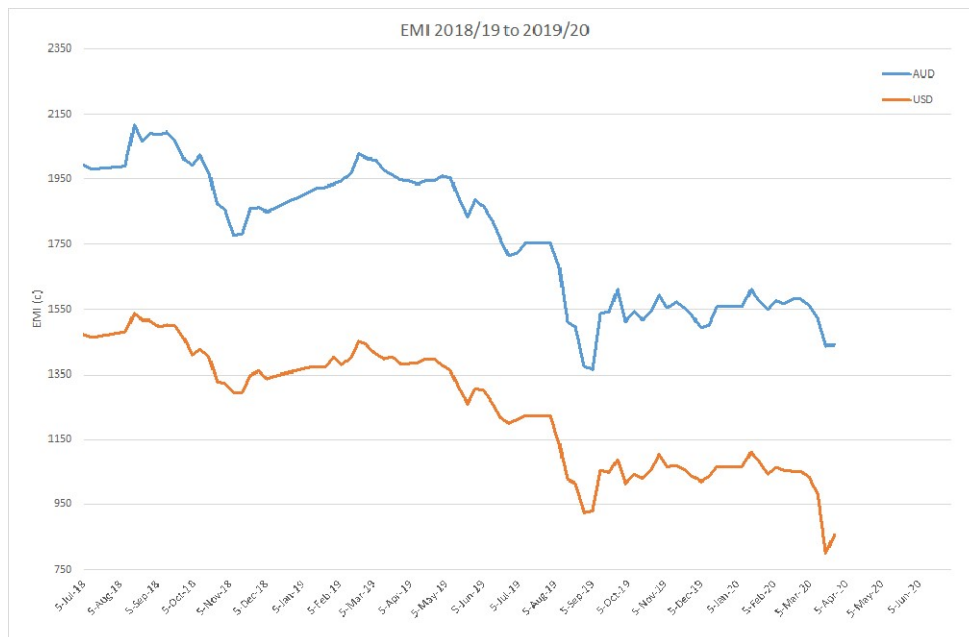




MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week S39: The AWEX EMI closed on 1442c up 4c at auction sales in Australia this week. The market found some renewed buyer support after its three week downward spiral. This was aided by the announcements of wool sale shut downs from other wool producing countries filtering in. Conversely the market saw some challenges in the currency exchange rate this week as the AUD increased from 55 USc to 59 USc which masked a rise in the EMI in US terms of 53c. Whilst the pass in rate was still a reduction from previous weeks to 14.3%, the presale withdrawn wool maintained a substantial 11%. China dominated the buying as the indent buyers for Top-makers re-entered the Australian market with a focus on the merino fleece



Merino Fleece posted MPG increases as high as 40c with the best performances on the 18-18.5µ. The lower style and low yielding fleece lots posted price increases roughly double that of the best style as the Chinese saw value in closing the previous week's discounts. Fleece lots coarser than 20 micron came under some price pressure however I believe this may have been currency related. **Merino Skirtings** rose in line with the fleece category with the best style and length keenly supported. **Crossbred** prices were barely maintained as the currency exchange masked the demand. **Merino Cardings** posted mixed results across the three selling centres. Sydney and Fremantle posting losses of 17c and 34c respectively, whilst the Melbourne cardings were 20c dearer. The Melbourne exception was mainly due to the selection of superior style cardings and low VM lots gaining high buyer interest. The average and low style oddments lost 40c for the week.

MPG North	Percentile	26/03/2020	19/03/2020	Variance	5 Year Average	5 year var	5 year % var
17	59.8%	1,883	1,848	35	1,998	-115	-5.7%
18	59.4%	1,754	1,715	39	1,885	-131	-7.0%
19	64.1%	1,665	1,644	21	1,739	-74	-4.3%
20	72.6%	1,632	1,628	4	1,644	-12	-0.7%
21	75.5%	1,609	1,632	-23	1,606	3	0.2%
22	77.0%	1,600	1,600	0	1,571	29	1.9%
30	70.5%	690	690	0	702	-12	-1.7%
EMI	73.8%	1,442	1,438	4	1,495	-53	-3.6%

It was not all plain sailing this week as the Australian Government agency announced the closure of Auction Houses in Australia effective Wednesday at midnight. Thankfully the lobbying from our Wool Industry bodies had done enough, at this time, to retain an exemption from this new restriction.

The Wool Industry has a COVID-19 group that convenes each morning to review and assess the new developments and assess any changes implemented and enhance the selling arrangements to satisfy the COVID-19 best practice protocols. Some of these changes have been the relocation of sale rooms in Melbourne and soon Sydney sale rooms will be



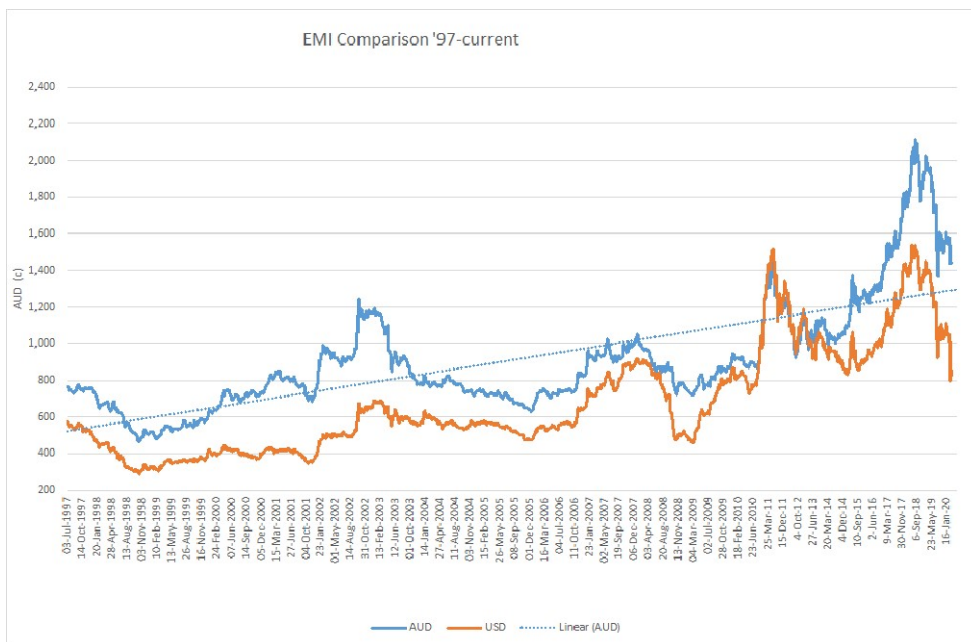
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relocated. Sale days have been limited to 2 days only to reduce the exposure for buyer and selling staff, and the selling tranches have been reduced to allow for an increased cleaning regime for the sale room and common areas. A number of remote bidding platforms are being trialed in case we all end up in lock down.

In this difficult time there are some glimmers of hope. We know that China Combing, Topmaking and Carbonising processors have low quantities of greasy stocks. There is some evidence that they may be keen to replenish stocks, given the low dollar conversion and a full

contingent of staff. Conversely, spinners and weavers-cloth makers and retailers have excess stock levels. Given retail around the world is in meltdown some of this stock may end up in a fire sale. There are many areas in China returning to normal operation however there are many regions in Europe, Asia, Indonesia and the America's that are in complete turmoil. This is an unprecedented time in our industry, as well as unprecedented challenges for the Australia economy and World economies. Thankfully we can still trade our Agricultural products however reality is that there is no real certainty for the future.



Region	Centre	26/03/2020	19/03/2020	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,482	1,469	13	8,350	7,439	10.9%	10,055
Southern	Melbourne	1,416	1,418	-2	26,495	22,866	13.7%	27,370
Western	Fremantle	1,512	1,538	-26	8,089	6,485	19.8%	8,385
National	AWEX EMI	1,442	1,438	4	42,934	36,790	14.3%	45,810

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M LMS	Leeton	16.7	1.2	59.0	80	43	1120
AAA M	Young	20.0	0.3	59.1	88	26	940
AAA M	Coolamon	19.0	0.9	59.3	105	22	930
AAA M	Coolamon	20.6	0.6	58.4	99	23	930
AAAA M	Young	19.1	0.6	56.0	98	45	908

45,810 bales go on offer in Sydney, Melbourne and Fremantle and I remain hopeful that the market is currently in a holding pattern. I urge all of our clients to adhere to the directives of the Government Health Departments by minimising your risks and continue to stay safe. We will try and keep our clients abreast of the latest news as we continue to conduct our full range of business services for our valued clients. – **Marty Moses**