# MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

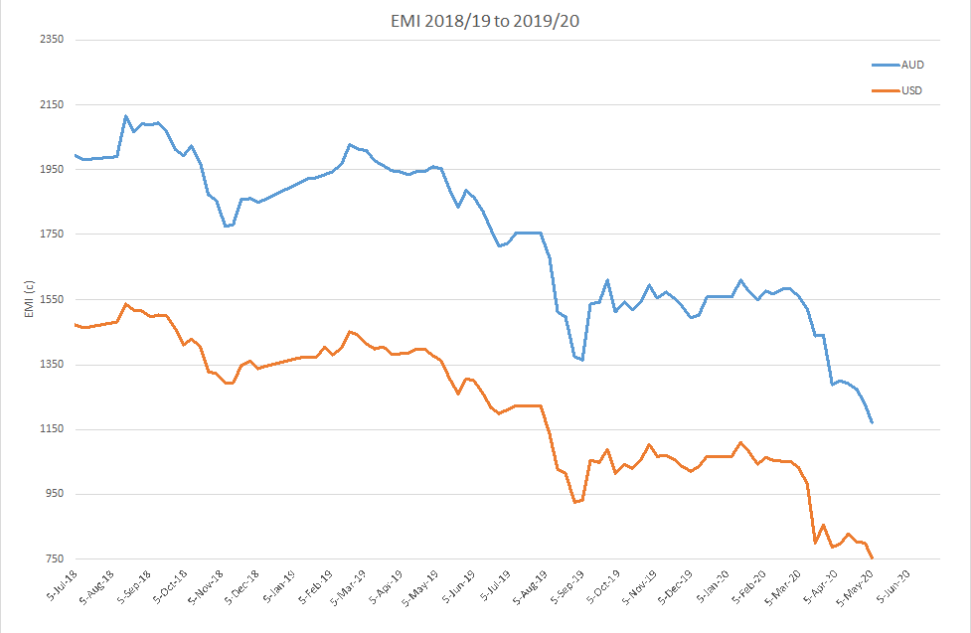
**Week S45:**

The AWEX EMI closed on 1170c down 55c at auction sales in Australia this week. 18.5% of the 25,338 bale offering was passed in with the sliding market making the transfer of ownership extremely difficult. With the market in free fall, the EMI is at its lowest point since October 2015 and in US terms the EMI at 753c is the lowest since June 10th 2010. Unfortunately there is no news of the current trend changing anytime soon. The week opened in Melbourne on Tuesday on a weaker trend which has spanned 5 successive weekly falls from April 7.

**Merino Fleece** saw the usual keen support for the limited quantities of Best Style Best Specified non mulesed lots however the price slide was both progressive and mildly aggressive washing off 20c to 65c in the Northern Markets and off 35c to 86c in the Southern markets.

**Merino Skirtings** followed the fleece down with price losses of 30c to 50c across all lots.

**Crossbreds** closed down 40c to 50c in Sydney whilst Melbourne saw falls if up to 70c on the final day.




**Merino Cardings** were also 34c cheaper across the three centres. Locks were the hardest hit with the crutchings and stains experiencing falls of a lesser magnitude. The crossbred oddments have been difficult to sell for a while especially the 26µ and coarser Lambs, Stains, Dags and Crutchings.

| MPG North | Percentile | 6/05/2020 | 29/04/2020 | Variance | 5 Year Average | 5 year var | 5 year % var |
|---|---|---|---|---|---|---|---|
| 17 | 49.9% | 1,657 | 1,697 | -40 | 1,998 | -341 | -17.1% |
| 18 | 40.9% | 1,488 | 1,518 | -30 | 1,885 | -397 | -21.1% |
| 19 | 36.7% | 1,353 | 1,414 | -61 | 1,739 | -386 | -22.2% |
| 20 | 38.8% | 1,303 | 1,362 | -59 | 1,644 | -341 | -20.7% |
| 21 | 38.6% | 1,278 | 1,325 | -47 | 1,606 | -328 | -20.4% |
| 22 | 41.8% | 1,260 | 1,320 | -60 | 1,571 | -311 | -19.8% |
| 30 | 4.7% | 450 | 490 | -40 | 702 | -252 | -35.9% |

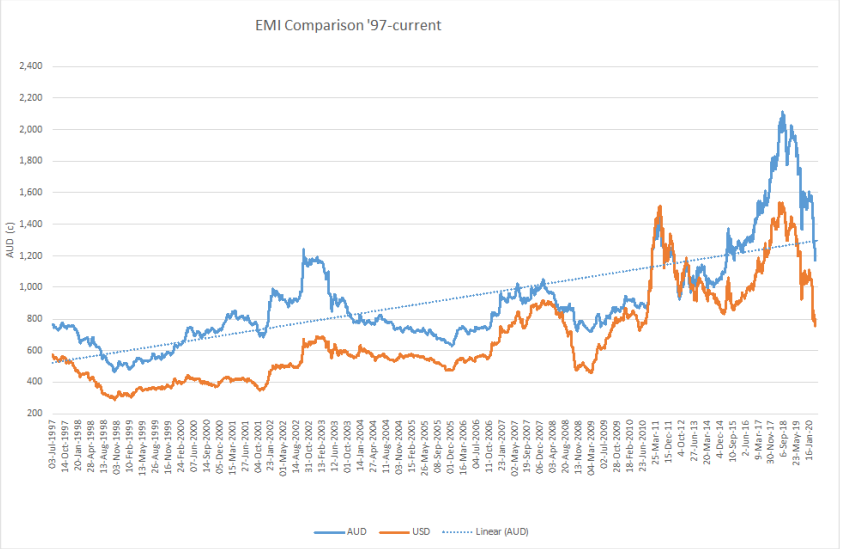
The EMI is now at its lowest point since 2015. The EMI when viewed in USD terms, dropped 48 cents, falling to 753 USc, this is the lowest the EMI has been in USD terms in nearly 10 years. Whilst the Australian Wool clip has continued selling through the COVID Price Crash, a positive point to note is the resilience of the Australian wool industry as a whole. Since shutdowns and restrictions were first enforced in Australia in Week 38, sales across the country have continued under adverse conditions, with all industry stakeholders working together to ensure that wool auctions continue. During this time, over 250 million dollars' worth of wool has been

transferred from Australian growers to overseas exporters, no doubt essential for the Australian Wool producers and equally important for the balance of trade and ultimately the Australian Economy.

| Region | Centre | 6/05/2020 | 29/04/2020 | Variance | Bales Offered | Bales Sold | Pass-in% | Next Sale Offering |
|---|---|---|---|---|---|---|---|---|
| Northern | Sydney | 1,214 | 1,259 | -45 | 5,526 | 4,522 | 18.2% | 6,209 |
| Southern | Melbourne | 1,142 | 1,204 | -62 | 15,466 | 12,611 | 18.5% | 13,994 |
| Western | Fremantle | 1,246 | 1,310 | -64 | 4,346 | 3,528 | 18.8% | 5,457 |
| National | AWEX EMI | 1,170 | 1,225 | -55 | 25,338 | 20,661 | 18.5% | 25,660 |

Next week the offering 25,660 bales are rostered for sale and the Market Intel is for more price degradation as the Top Makers reporting little or no business being done with Middle pipeline processors all the way through to Retailers. Consumer confidence is at a historic low as the world grapples with the emerging health and economic challenges caused by COVID-19.

Challenging times ahead. **– Marty Moses**




| Moses & Son Top Price Report | | | | | | | |
|---|---|---|---|---|---|---|---|
| Description | District | Micron | VMB | Yield | SL | SS | Price |
| AAA M | Morundah | 17.9 | 0.8 | 70.6 | 66 | 31 | 1044 |
| M PCS | Bethungra | 14.7 | 1.3 | 47.8 | 68 | 31 | 891 |
| AAA M | Cootamundra | 17.1 | 0.6 | 55.8 | 92 | 34 | 868 |
| AAA M | Bethungra | 15.4 | 1.9 | 47.5 | 69 | 38 | 868 |
| AAA M | Bethungra | 14.8 | 0.9 | 47.0 | 63 | 30 | 820 |