



MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week S01: The AWEX EMI closed on 1,116c this week, up 6c at Auction sales in Australia. In the first sale for the new financial year, there was an increase in offering to 30,821 bales for the week in Sydney, Melbourne and Fremantle. With a pass in rate of just 5.1%, the low pass in rate was possibly due to the commitment of sellers to clear wool being held to the new financial year, as well as the increase in the acceptance of the low market level reached over the past 11 months.



Merino fleece experienced some increased support from a wide range of buyers, predominantly for Chinese delivery. Whilst the 16-17 μ fleece wools were supported at last week's levels, good rises were measured in the fleece wools coarser than 17 μ . The support for poor yielding drought affected merino fleece had all the traditional buyers active on both days, and whilst these poorer styled fleece lots sit outside the MPG baskets, their performance is not reflected in the AWEX Micron Price Guides.

Merino Skirtings followed the fleece with rises of 20-30c measured with the low VM lots in keen demand. **Merino Cardings** were the only sector to post negative national result with losses averaging 14c with losses spread across all carding types. **Crossbreds** posted rises of between 10-20c for the week with the largest increases experienced in the 26-28 MPG's.

MPG North	Percentile	2/07/2020	25/06/2020	Variance	5 Year Average	5 year var	5 year % var
17	46.7%	1,586	1,592	-6	2,109	-523	-24.8%
18	33.6%	1,408	1,401	7	1,981	-573	-28.9%
19	26.7%	1,284	1,276	8	1,827	-543	-29.7%
20	24.9%	1,221	1,212	9	1,731	-510	-29.5%
21	23.5%	1,200	1,197	3	1,693	-493	-29.1%
22	23.5%	1,180	1,170	10	1,657	-477	-28.8%
30	7.0%	490	450	40	683	-193	-28.3%
EMI	38.0%	1,116	1,110	6	1,562	-446	-28.5%

Region	Centre	2/07/2020	25/06/2020	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,159	1,160	-1	9,928	9,425	5.1%	11,600
Southern	Melbourne	1,088	1,078	10	13,791	13,065	5.3%	20,363
Western	Fremantle	1,185	1,176	9	7,102	6,774	4.6%	4,749
National	AWEX EMI	1,116	1,110	6	30,821	29,264	5.1%	26,712

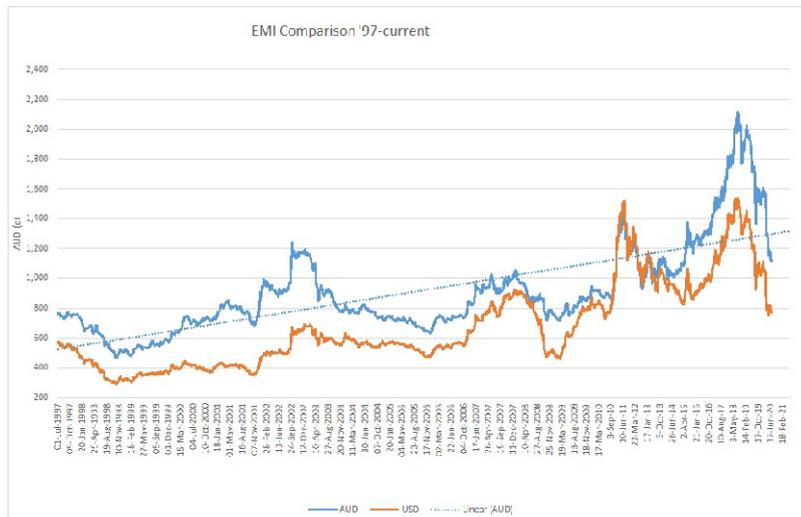


MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Forward market trading activity increased this week with an increase in 19 and 21 micron contracts trading close to the cash price into August through to November as sellers protect against the potential downside market risk of a northern hemisphere second wave of COVID infections and the potential impact on the wool pipeline.

Whilst it was encouraging to see some renewed interest in the wool market the general feeling is that this week's purchasing was more about securing quantity for Chinese Topmakers to operate over the three week recess.



The latest export statistics confirm that the percentage of wool purchased for china has risen to 91% of the offering (31st May). India purchased 1%, whilst Italy was back to less than 1.9%. Korea however moved into second place purchasing 2.5% of carbonised wool.

A reflection of wool production for the 19-20 season was reported by the Australian Wool Testing Authorities this week as down 7.4% (295Mkg) for bales sampled compared to the previous year.

Next week will be the last sale before the 3-week July recess and the offering has risen to 36,712 bales, the largest offering for three months. ~ Marty Moses

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M WNS	Stockinbingal	14.8	0.6	57	67	35	1205
AAA M WNS	Stockinbingal	15.9	0.7	60	85	32	1100
W PCS	Stockinbingal	15.1	1.7	57.4	69	34	1084
AAA M WNS	Stockinbingal	15.4	0.9	54.8	70	32	1035
AAA M	Stockinbingal	17.9	0.8	68.4	69	43	980