



MOSES & SON

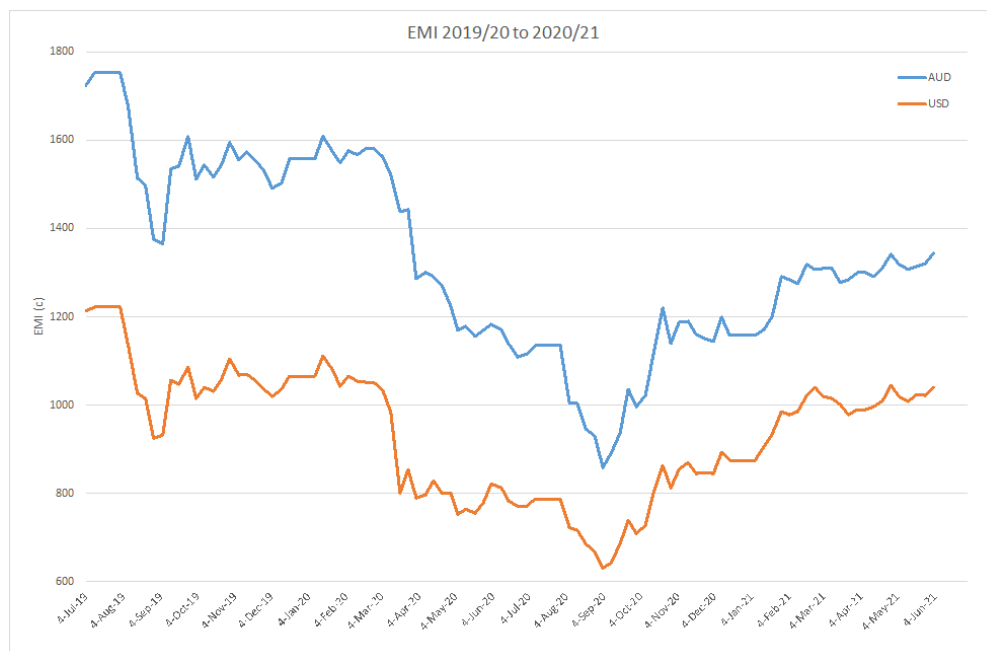
WOOLBROKERS MERCHANDISE LIVESTOCK

Week S49:

The AWEX EMI closed on 1343c - up 23c at auction sales in Australia this week. This was the highest point of the EMI this season, with the last time the EMI was at a higher point being in March 2020.

The substantially smaller 38,590 offering was met with fierce competition across most MPG's with the Northern Market indicator rising by 28c to 1430c, whilst the South increased by 20c to 1288c and the Western Market indicator added 25c to 1385c. 92.6% of the offering

was cleared to the trade with the highest pass in rates measured in the XB combing categories and oddments.



Merino Fleece opened positively for the 16-19.5 μ MPG's and continued its positivity throughout the sale series adding 20-60c for the week. All types and specifications were keenly sought after with the largest increases measured in the 18.5 μ and finer which added 36-60c. The 20-21 MPG's held within 5c of last week's levels, holding their ground. Sydney sales sold 98.9% of their fleece offering for the week which must be some kind of record (yet to be confirmed).

Merino Skirtings followed their fleece counterparts with elevated competition on the Low VM lots with good specifications. Conversely, the coarser lots with higher VM were marginally cheaper for the week.

Crossbred combing lots were generally 4-15c dearer for the week with the exception of the 32 MPG which lost 1c for the week.

Merino Carding increased an average of 11c across the three centres with a 12c rise (925c) in the Northern region, 3c rise (901c) in the South and 18c rise (908c) in the West. The heavy VM types were the exception to the price increases as the quantities of these types increase week by week.

Crossbred Oddments and lots contaminated with dark and medullated fibres showed no change for the week, remaining as very low base that barely covers the cost of selling.

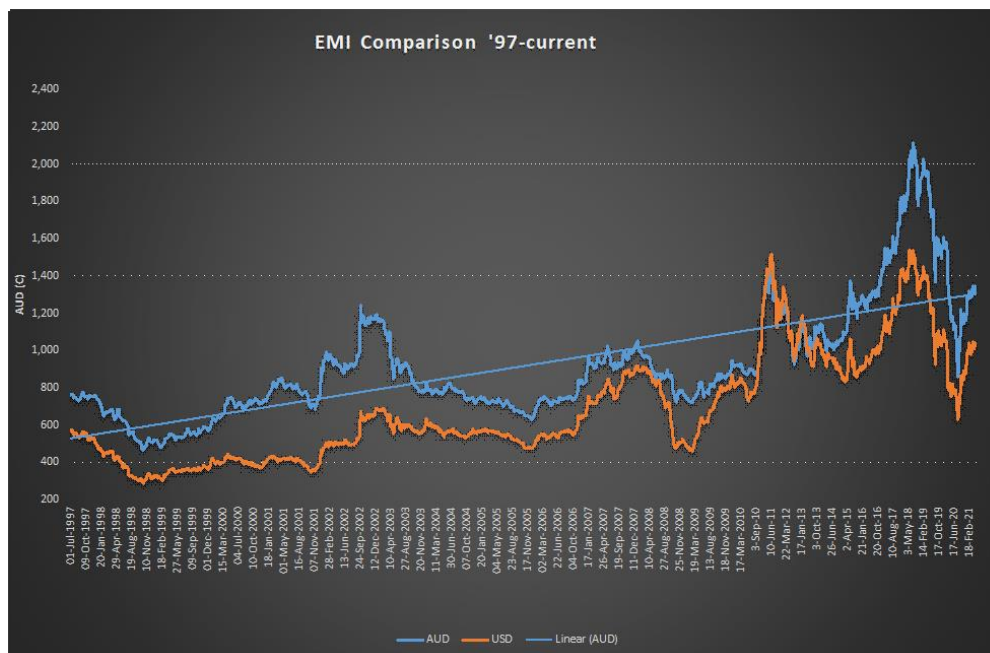
MPG North	Percentile 10y	2/06/2021	27/05/2021	Variance	5 Year Average	5 year var	5 year % var
17	83.5%	2,388	2,330	58	2,075	313	15.1%
18	74.4%	2,001	1,965	36	1,923	78	4.1%
19	68.1%	1,682	1,640	42	1,757	-75	-4.3%
20	46.1%	1,349	1,350	-1	1,650	-301	-18.2%
21	37.2%	1,264	1,269	-5	1,608	-344	-21.4%
22	36.0%	1,230	1,230	0	1,573	-343	-21.8%
30	0.5%	355	350	5	637	-282	-44.3%
EMI	68.8%	1,343	1,320	23	1,562	-219	-14.0%



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The market fundamentals remain primarily in the hands of the Chinese top makers and the Chinese domestic demand for fine merino wool for Knitwear. In the past month, there have been signals of improved conditions emerging from the European spinners, who are purchasing tops and yarn from China as their markets come on line slowly. This has elevated demand in the market for fine and superfine Merino Wool, keeping price pressure on this market segment and dragging the rest of the market along with it.



Whilst demand is still suppressed, we can expect a slow recovery over the next 18 months to 2 years for the medium and coarser merino categories. Crossbreds are still in the doldrums as demand is poor and the world's supplies of held coarse wool fibres continues to grow. We may be looking at a slower recovery in the crossbred market. This has pushed the price basis for 17 MPG to 1124c over the 21 MPG (+89%).

Region	Centre	2/06/2021	27/05/2021	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,430	1,402	28	10,864	10,522	3.1%	13,267
Southern	Melbourne	1,288	1,268	20	20,736	18,951	8.6%	25,407
Western	Fremantle	1,385	1,360	25	6,990	6,251	10.6%	NO SALE
National	AWEX EMI	1,343	1,320	23	38,590	35,724	7.4%	38,674

Next week's sale is scheduled for 38,674 bales to be offered in Sydney and Melbourne with no sale scheduled for Fremantle. The market looks to be set for another solid result especially on the finer merino offering. I also recognise the positive impact the volume being below 40,000 bales will have. ~ Marty Moses

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M LMS	Mangoplah	15.7	1.8	63.9	63	34	1711
AAA M	Harden	16.9	1.7	69.9	76	35	1661
AAA M LMS	Nangus	16.0	1.8	61.1	72	29	1648
AAA M WNR	Young	16.2	1.8	62.9	72	33	1618
AAA M WNR	Young	16.7	1.6	65.4	81	32	1613