



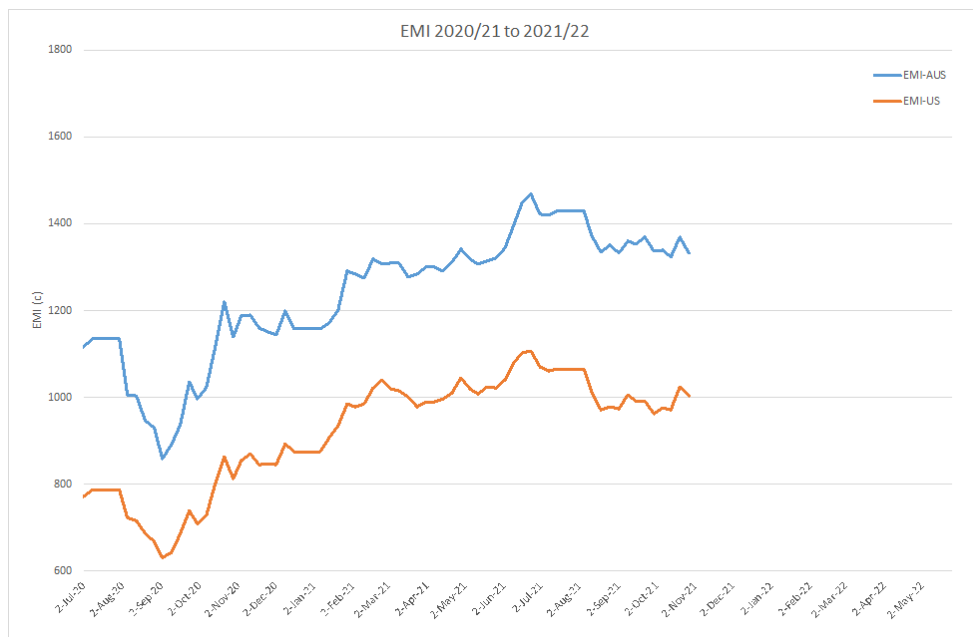
# MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

## Week S17:

The AWEX EMI closed on 1333c - down 36c at auction sales in Australia this week. The positive emotion of last week's 46c rise in the EMI quickly evaporated well before the 42,117 bales went under the hammer. Business from Chinese interests were very quiet as the market opened on Tuesday and the market quickly gave back about 50% of the merino MPG gains of last week which attracted a higher pass

in rate of 21% with 5.6% of the offering being withdrawn before sale. Currency exchange may have compounded the market's downward movements however the lack of enthusiasm from China was the key issue this week.



MPG North	Percentile 10y	27/10/2021	20/10/2021	Variance	5 Year Average	5 year var	5 year % var
17	80.8%	2,439	2,484	-45	2,239	200	8.9%
18	71.7%	2,058	2,099	-41	2,023	35	1.7%
19	63.4%	1,667	1,699	-32	1,806	-139	-7.7%
20	42.8%	1,334	1,374	-40	1,652	-318	-19.3%
21	43.2%	1,280	1,307	-27	1,598	-318	-19.9%
22	35.0%	1,220	1,270	-50	1,558	-338	-21.7%
30	0.3%	335	345	-10	571	-236	-41.3%
EMI	66.5%	1,333	1,369	-36	1,538	-205	-13.3%

**Merino Fleece** opened under degrading confidence, reversing the gains of last week. These wild weekly fluctuations affected the best style and specified lots suitable for Italy/European and fell in line with the lots more suited to China whilst maintaining their health premium. Lots 19µ and finer, declared NM and certified to a SustainaWool or RWS Integrity Scheme were at times trading up to 200c above the average market quotes. The final day of selling saw some price basis return to the market and support from exporters on combing wools was more widespread.

**Merino Skirtings** were more heavily affected by the turn in the market sentiment than expected. Some average style and specified lots failed to attract competition and were passed in. A point of note that a large number of skirtings lots were sold post sale.

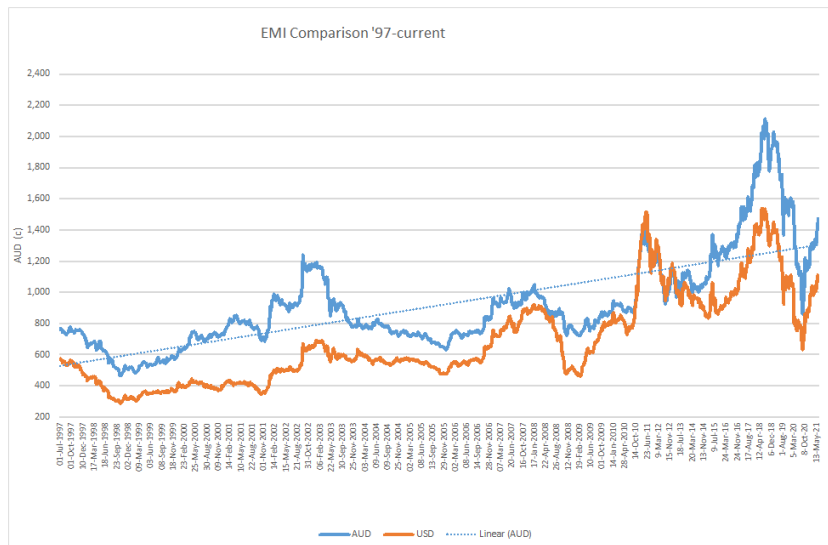


# MOSES & SON

**WOOLBROKERS MERCHANDISE LIVESTOCK**

**Crossbred** fleece lots 28 $\mu$  and coarser gave back last week's gains of 10-15c however heavier falls were experienced in the 26-27.5 $\mu$  fleece types. Lots with heavy VM were unable to attract a bid, whilst the coarse XB and composite lots at record low process were unable to provoke bidders to see their value and were passed in.

**Merino Cardings** opened 20c-30c cheaper across the board with Merino Lamb's wool trading with extreme volatility based on their preparation and visual bulk status. XB oddments remained irregular with the coarser micron categories trading at extremely low levels.



Region	Centre	27/10/2021	20/10/2021	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,420	1,456	-36	12,476	10,459	16.2%	8,771
Southern	Melbourne	1,275	1,311	-36	20,215	16,080	20.5%	24,829
Western	Fremantle	1,368	1,401	-33	8,169	5,763	29.5%	6,676
National	AWEX EMI	1,333	1,369	-36	42,117	33,259	21.0%	40,276

Forward prices traded out into early 2022 at 50-60c premiums to the cash for 19 MPG contracts. January delivery topped out at 17.25 and March delivery traded at 17.10c with the spot price closing at 16.63c. With the market expected to consolidate new levels next week, these prices should be maintained for the 1st quarter for next year.

Next week's national offering reduced slightly, due in part to the softer market. 40,276 bales are currently expected to be offered. Due to the Melbourne Cup holiday in Melbourne next week, sales will operate in Sydney, Melbourne and Fremantle next Wednesday and Thursday. The early market intelligence points towards better market support at closing levels with the exception of the fleece lots finer than 19.5 $\mu$  of average or poor style, high VMC heavy colour or cotted wool.

~ Marty Moses

### Moses & Son Top Price Report

Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	Tarcutta	15.6	2.7	64.4	65	43	1848
AAA M	Tarcutta	15.2	3.8	60.7	58	43	1610
AAA M	Ariah Park	17.8	0.5	68.6	79	46	1510
AAA M	Quandialla	17.0	1.0	65.9	63	47	1475
AAA M	Corobimilla	16.9	0.5	70.9	52	-	1460