



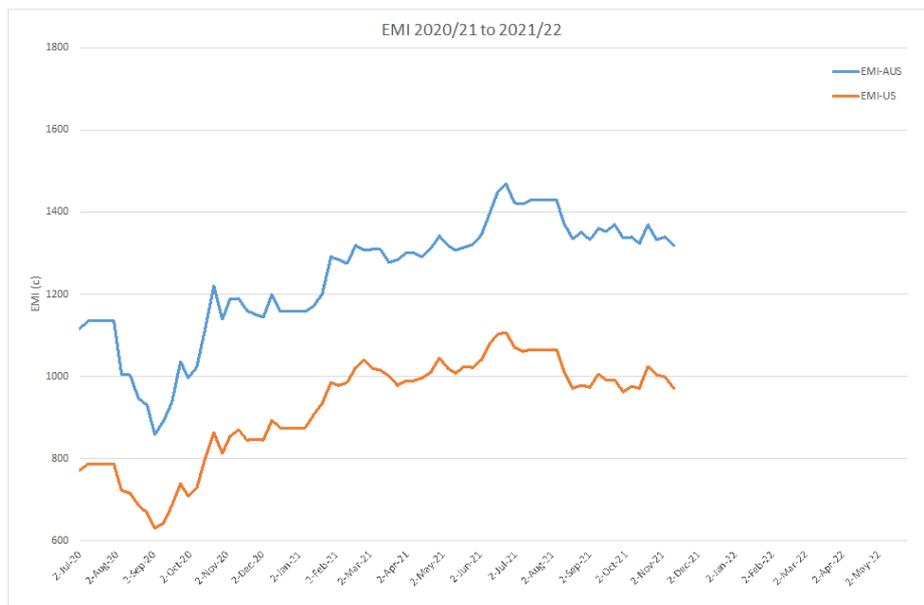
# MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

## Week S19:

The AWEX closed on 1319c - down 21c at Auction Sales in Australia this week.

37,630 bales went on offer on Tuesday and Wednesday with progressive price falls experienced for the sale series. All MPG's and wool categories fell in price with the exception of the 26 MPG and the Merino Carding indicators in the eastern selling centres. Sellers exercised their right to reserve resulting in a relatively low national clearance rate of 85.8%. Currency exchange (AUD/ESD) lost modest ground which elevated the EMI in USC of 27c for the week to close on 972c.



**Merino Fleece** categories were split into two distinct groups for price performance, with the 16.5-18.5 $\mu$  fleece lots falling between 47c-85c whilst the fleece lots 19 $\mu$  and coarser fell between 23-30c. Since news of the Chinese Government department uniform orders, it has been the broader MPG's receiving the most support from the Chinese indent and trading exporters. Buyers for Italy and India remained noticeably active on the best style lots especially when they were declared NM and in a certified Integrity Scheme, however with demand from China focussing more on the broader wools currently it seemed the average style fine and superfine wool lots normally snapped up by China were somewhat neglected this week.

**Merino Skirtings** showed more price resilience this week, with Sydney and Melbourne skirtings lots holding up much better than their fleece counterparts. This was indicated by much better clearance rates for the weekly skirting offering when compared to the Merino and XB fleece categories.

**Crossbreds:** this week there was noticeably more interest on the 27 $\mu$  and finer MPG's whilst 28-32 $\mu$  lost more ground off an extremely low price base. Many types that sellers have previously found it hard to attract a bid of any value regained some price composure this week.

**Merino Cardings** recorded modest price rises early on in the week with the finest locks, crutchings and stains the exception. Prices consolidated in the eastern selling centres on Wednesday. Crossbred Oddments like the crossbred combing wools were slightly better supported on the 27 and finer types whilst the coarser types struggled of a historically low price base.

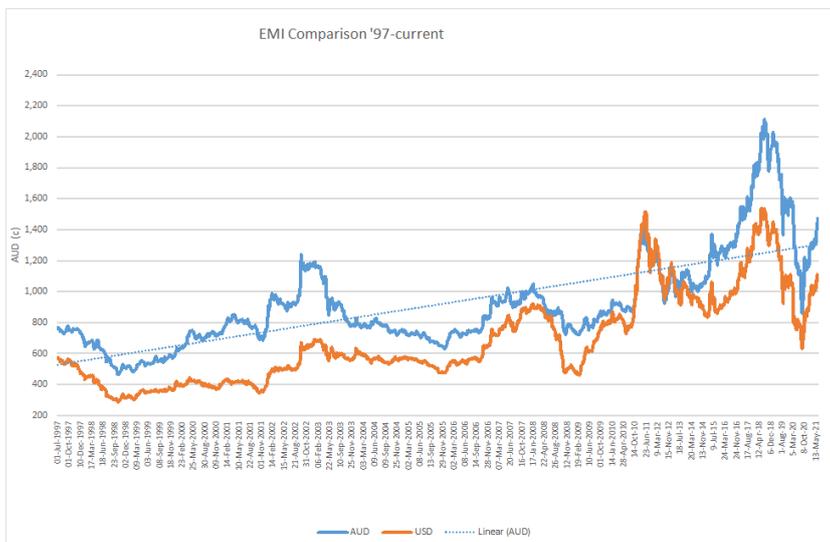
MPG North	Percentile 10y	10/11/2021	4/11/2021	Variance	5 Year Average	5 year var	5 year % var
17	76.4%	2,338	2,419	-81	2,238	100	4.5%
18	67.4%	1,950	1,997	-47	2,022	-72	-3.5%
19	59.3%	1,613	1,640	-27	1,805	-192	-10.6%
20	42.9%	1,334	1,364	-30	1,652	-318	-19.3%
21	44.4%	1,287	1,312	-25	1,598	-311	-19.5%
22	45.0%	1,260	1,260	0	1,559	-299	-19.2%
30	0.3%	330	335	-5	570	-240	-42.1%
EMI	64.5%	1,319	1,340	-21	1,538	-219	-14.2%



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After a negative week in the wool market, it seems that there is a glimmer of light at the end of the tunnel as the drop in price attracted vigorous sales into china after the sale series closed. This new buyer interest reportedly gobbling up most trading exporters stock and have buoyed hopes of a better market for next week. It seems the driver could be that China have realised that the ongoing shipping delays for goods departing Australia will put some pressure on getting enough wool on the water before the Xmas recess. In addition, the Chinese uniform orders attracted bidding on types that have been more difficult to sell in previous weeks. It is also felt that the superfine and finer micron categories may continue to weaken, even though the European and Indian interest is the best it has been for several years. Keeping in mind that China have increased their volume of wool purchased over the pandemic period whilst other countries virtually stopped. This may mean that the trend of increased purchases outside of China continues to grow slowly.



Region	Centre	10/11/2021	4/11/2021	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,394	1,416	-22	10,373	9,115	12.1%	11,488
Southern	Melbourne	1,269	1,289	-20	20,922	18,065	13.7%	25,153
Western	Fremantle	1,378	1,402	-24	6,335	5,088	19.7%	8,113
National	AWEX EMI	1,319	1,340	-21	37,630	32,268	14.2%	44,754

Last but not least, China's power restrictions attributed to a coal shortage and stricter environmental targets had impacted by a reduction in the number of days factories can operate. In some cases, Chinese factory workers are down to 3 days per week, which in turn reduces their wages and their ability to spend, which reflects the slowing of the Chinese domestic market.

Next week the national offering will push up to 44,754 bales being offered in Sydney, Melbourne and Fremantle, and as earlier mentioned, a modest price rise in the market is expected. ~ **Marty Moses**

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	Tarcutta	15.4	1.6	65.9	64	47	1987
AAA M	Tallimba	16.3	1.2	63.6	67	31	1584
AAA M	Tallimba	16.7	1.1	63.2	68	43	1530
AAA M	Tallimba	16.8	1.3	64.9	65	37	1518
AAA M	Tallimba	16.6	0.7	64.4	59	44	1516