



MOSES & SON

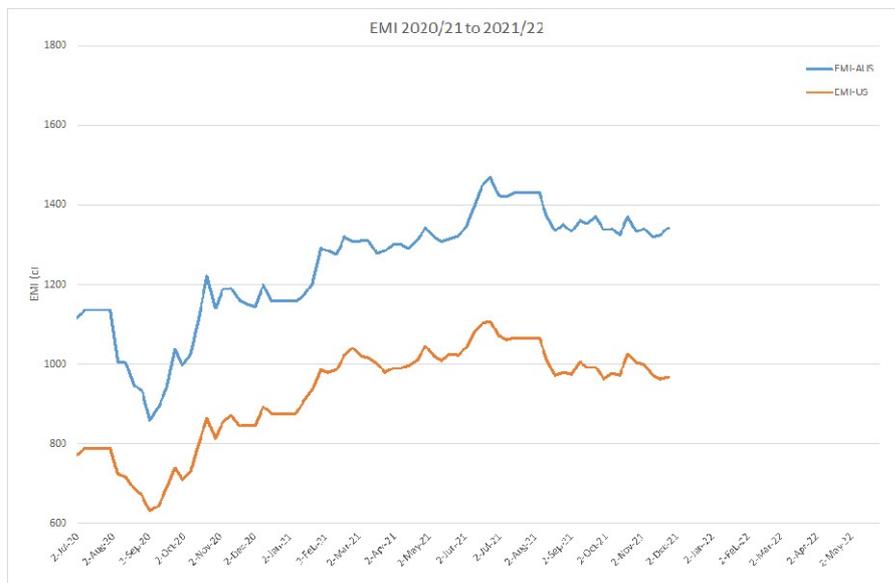
WOOLBROKERS MERCHANDISE LIVESTOCK

Week S21:

The AWEX EMI closed on 1341c - up 17c at auction sales in Australia this week.

The pre-sale market sentiment was cautious at best for the 37,725 bales on offer and Tuesday's sale resulted in the EMI falling 2c, with the 18-21 MPG's giving back 10-25c on last week's closing market. Wednesday opened with new buyer interest which pushed the EMI up 19c and hopefully set a new price direction for next week's sales. 92.5% of the offering was cleared to the trade with the large Local Export traders and Chinese

Indent exporters competing aggressively for the offering. Whilst China dominated the buying, European interests were still very active this week on the lots meeting their specifications, were Non Mulesed and were Integrity scheme certified. The AUD-USD Exchange rate was in favour of the market with the AUD falling to .7214c at the market close.



Merino Fleeces: Best style and specified wools were least affected by Tuesday's price falls as were the 16.5-17.5 μ which held their previous levels. Wednesday resulted in the MPG's pushing up 25-40c with the 16.5 to 17.5 MPG's the best performers for the week adding 30-41c, whilst the 19.5-21 μ MPG's increased by ~10c. Noticeable sectors of support appeared in the 18-19.5 μ merino fleece with 3.5-5% VM content which seemed to be 100c over the previous quotes and the 22 μ and coarser merino fleece which made the same or at times more than the 21 μ fleece quotes.

Merino Skirtings: Tuesday saw skirtings keenly chased by a number of Local Exporters, Chinese indents and European interests with generally good results experienced over both days.

Crossbred: The XB sector maintained last week's levels and whilst the MPG's indicated minimal movement, the competition was definitely more willing to purchase XB combing wools.

Merino Cardings: Increases averaged 14c for the week, ranging from 8c-21c across the three centres. Locks experienced small gains for the week while Lambs, Crutching and Stains were keenly sought and added 10-20c. Crossbred Oddments coarser than 28.5 μ remain sluggish while the finer oddments were better supported and slightly dearer.

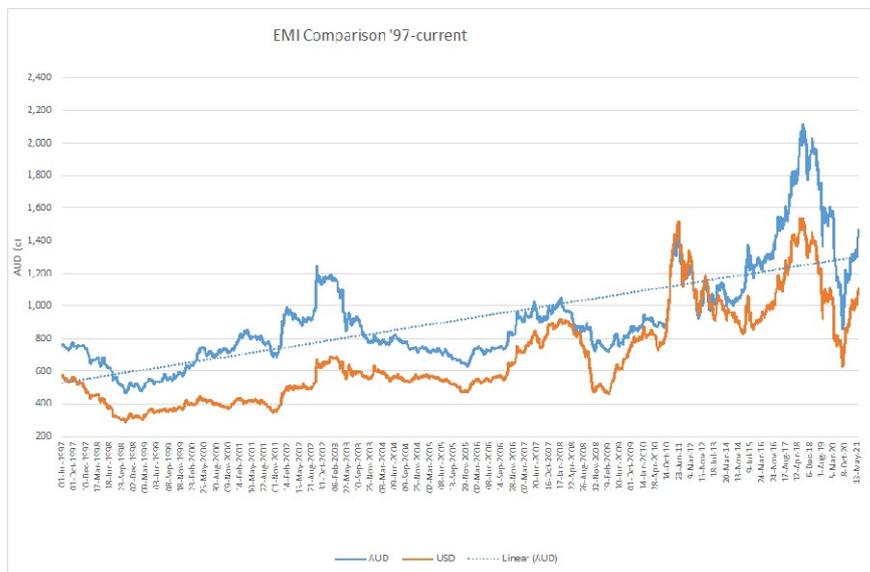
MPG North	Percentile 10y	24/11/2021	18/11/2021	Variance	5 Year Average	5 year var	5 year % var
17	78.9%	2,399	2,370	29	2,237	162	7.3%
18	69.0%	2,003	1,980	23	2,021	-18	-0.9%
19	62.9%	1,662	1,633	29	1,804	-142	-7.9%
20	50.6%	1,366	1,365	1	1,652	-286	-17.3%
21	47.9%	1,308	1,298	10	1,599	-291	-18.2%
22	49.1%	1,290	1,280	10	1,560	-270	-17.3%
30	0.3%	325	325	0	569	-244	-42.9%
EMI	67.2%	1,341	1,324	17	1,538	-197	-12.8%



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Welcome to the era of the 3 ½ hour market trend currently being experienced in the wool market. It has been a while since we have seen 2 selling days with the same general market trend, so examining the factors that create this phenomena is critical. I don't believe it is lack of demand but more so, the problem seems to be the recycling of the exporter credit facilities. Some exporters are struggling with the slowdown in shipping logistics, which in turn impinge their credit cycles. Whilst China remains substantially slower in shipping logistics post COVID 19, Europe and India shipping logistics are far worse. With the increase of Australian Wool into these markets, the problem is not going away any time soon. "Range trading" seems to be the best way to describe where the market sits at the moment, with finance being the key limiting factor. Year on year, the volume of wool bales offered and traded is up about 25% but the value of this increase is up 58% or \$352m. The solutions are (obviously) more credit needed for exporters or more efficient shipping. I would suggest both are a work in progress.



Next week the national offering increases; 41,499 bales are currently expected to be offered in Melbourne, Fremantle and Sydney. The early market intelligence indicates that there is likely to be little or no change for next week. ~ Marty Moses

Region	Centre	24/11/2021	18/11/2021	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,421	1,407	14	9,507	8,943	5.9%	9,685
Southern	Melbourne	1,288	1,268	20	20,478	18,859	7.9%	23,899
Western	Fremantle	1,401	1,393	8	6,829	6,401	6.3%	7,915
National	AWEX EMI	1,341	1,324	17	37,725	34,887	7.5%	41,499

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	Lockhart	16.6	0.2	62.8	67	44	1585
AAA M WNS	Temora	16.7	0.8	68.2	59	46	1570
AAA M	Lockhart	17.4	0.2	65.1	77	36	1479
AAA M	Lockhart	17.4	0.3	66.3	79	35	1470
AAAA M	Temora	17.9	0.5	70.0	97	43	1395