

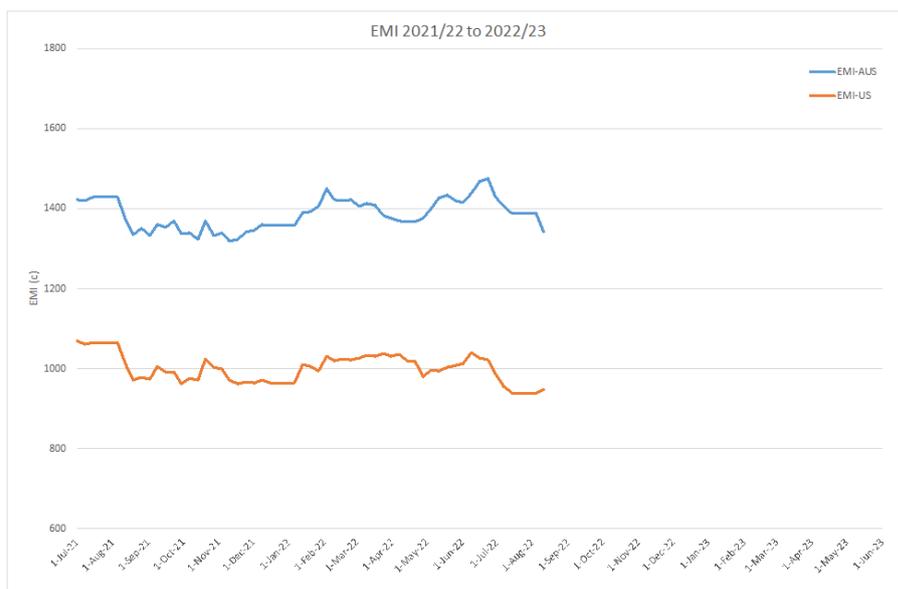


MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week S06:

The AWEX EMI closed the week on 1342c - down 45c at auction sales in Australia this week. After a three week recess, the market returned facing a number of growing pressures. The opening sale day saw a new but lower basis formed with the EMI falling 37c. It was clear that price was still eroding as a 7c loss was recorded on Wednesday. The Southern region continued to sell on Thursday with continued slowing of the fall in the EMI closing down 1c. The recipes for disaster



that can follow a mid-year recess were in full play again this year, with the added force of a negative Currency Exchange adding to the growing lack of confidence in the health of the world's major economies and the uncertainty of exotic disease risk and continuing unrest in Ukraine.

Merino Fleece saw a reduction of price from 16-72c with the better style and specified FNF fleece lots least affected and the medium and broad merino fleece taking the largest c/kg and % price reduction. As is normal in a large offering market, the exporters pushed the best quality lots and were more cautious on any lots that displayed discount qualifiers. Chinese processors and indent buyers set the tone early in the week whilst the large trading exporters were cautious early and increased activity as the week progressed.

Merino Skirtings seemed to track the opening fleece trend as the new price basis was formed on Tuesday. As in the fleece, best style and specified skirtings with low VM were more keenly sought.

Crossbred started with small losses of 7-12c with the best style and classed fleece lots holding assisting the competition in competing orders. A small recovery was seen in the XB MPG's on Wednesday and this strengthening continued into Melbourne's offering on Thursday.

Merino Cardings came under price pressure with the Northern MC eroding by 47c whilst the Southern MC fell 64c.

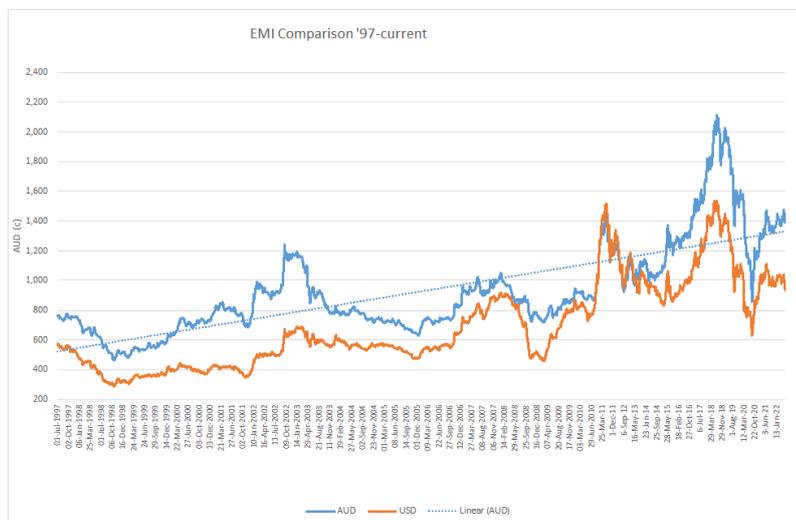
MPG North	Percentile 10y	11/08/2022	14/07/2022	Variance	5 Year Average	5 year var	5 year % var
17	84.2%	2,594	2,639	-45	2,328	266	11.4%
18	62.7%	2,028	2,058	-30	2,061	-33	-1.6%
19	50.3%	1,617	1,683	-66	1,802	-185	-10.3%
20	45.0%	1,384	1,442	-58	1,641	-257	-15.7%
21	41.0%	1,312	1,384	-72	1,590	-278	-17.5%
22	39.8%	1,275	1,350	-75	1,553	-278	-17.9%
30	0.0%	310	310	0	521	-211	-40.5%
EMI	55.5%	1,342	1,388	-46	1,538	-196	-12.7%



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There were a number of challenges faced by the market this week. The major one being the large offering after the recess placed undue pressure. This is in the control of the buyers and sellers however for whatever reason we cannot agree to implement a solution. A low 77.6% of the 55,363 bales cleared to the trade whilst 7% of the offering was withdrawn before the sale commenced. The things out of our control were also substantial as the AUD reached 70.73c up over 3c since the market closed on the 14th July. Ironically the EMI expressed in USD rose 12c to close on 949USc. Additionally there is some apprehension in our major export markets due to heightened risk of a FMD outbreak in Bali. Escalating concern of Chinese threats of increasing military activity in Taiwan has signalled a potential interruption to the major shipping lane in the straight between the two countries. In the event this escalates to a war, it will affect over 50% of the world's container ships and 88% of the world's largest ships by tonnage.



Next week's national offering remains large as the backlog of wool created by the recess continues to flow onto the market. Currently, there is expected to be 49,338 bales on offer.

~ Marty Moses

Region	Centre	11/08/2022	14/07/2022	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,418	1,464	-46	19,593	15,659	20.1%	16,215
Southern	Melbourne	1,292	1,337	-45	26,692	21,444	19.7%	27,078
Western	Fremantle	1,449	1,473	-24	9,078	6,007	33.8%	6,045
National	AWEX EMI	1,342	1,388	-46	55,363	43,110	22.1%	49,338

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAAA M	Barmedman	16.5	0.8	67.6	78	35	1890
AAA M	Tarcutta	15.9	1.5	71.5	67	51	1770
AAA M WNS	Stockinbingal	16.5	1.1	66.1	88	24	1747
AAA M WNS	Stockinbingal	17.0	1.0	65.6	94	34	1630
AAA M WNS	Stockinbingal	17.1	1.4	67.4	96	35	1599

Mulesing Declarations		
NM	7,283	13.2%
CM	1,402	2.5%
AA	13,527	24.4%
Totals	22,212	40.1%
Total weekly offering	55,363	