

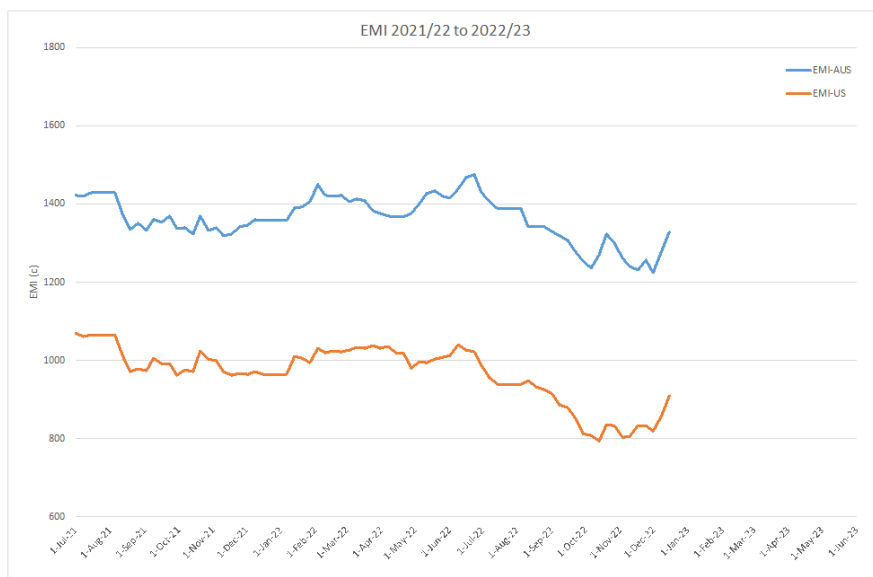


# MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

## Week S24:

The AWEX EMI closed on 1327c - up 49c at auction sales in Australia. 47,914 bales went on offer this week, which was up 7,300 bales on last week with a pleasing 93.5% clearance rate. It was a strong finish to the sale roster for 2022 with a 103c (8.5%) upward swing in the EMI in the final fortnight, in USD terms the AUD increased by 10.8%. As described last week, the positive change in buyer sentiment came from the return of Chinese interest into the wool market after news of the Chinese Government relaxing their COVID



Lockdowns – which have been severely crippling their countries economic and social performance. In response to this news, the wool market opened where it left off last week, with a continuing buy at all cost strategy evident on each day of the series.

**Merino Fleece** experienced 60-90c price increases across the entire Micron range with the exception of the 16.5 MPG which posted a nominal 20c rise. The best style lots with superior specifications remained in demand until the last lot was offered. With Melbourne offering in isolation on Thursday the market levelled off with the poor for style and specification lots giving back up to 1/3rd of the previous sale day gains.

**Merino Skirtings** matched their fleece counterpart's performance on the first two days of selling and as Melbourne pushed through their catalogue on Thursday, the Skirts were barely maintained as a glimmer of buyer fatigue set in.

**Crossbred combing** wool prices did not experience the euphoria of the merino sector, delivering a more subdued result this week with 20c added to the 27MPG and finer lots. A major European processor re-entered the bidding on Tuesday, dominating the Crossbred purchasing list. Wednesday's market saw that company take a back seat as the local trading exporters stepped up their purchasing in the sale room. 28 and 30 MPG's added just 2 and 9c respectively for the week.

**Merino Cardings** were also more subdued than the merino combing sector, adding 4c in the North, 17c in Southern market and 11c in Fremantle. Crossbred oddments remain extremely poor in price and despite new interest entering the market, the competitive tension remains almost non-existent.

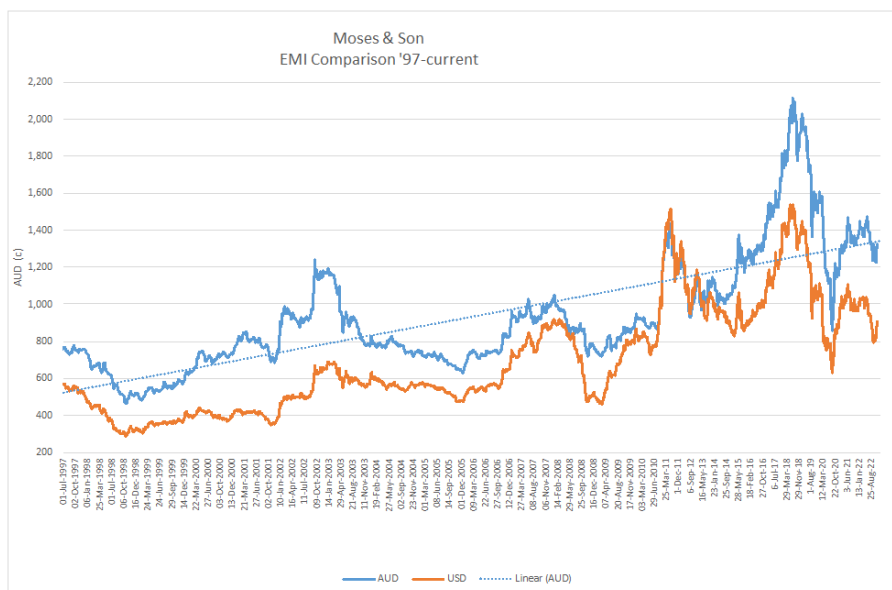
MPG North	Percentile 10y	15/12/2022	8/12/2022	Variance	5 Year Average	5 year var	5 year % var
17	60.8%	2,227	2,167	60	2,276	-49	-2.1%
18	56.3%	1,927	1,835	92	2,037	-110	-5.4%
19	57.6%	1,671	1,584	87	1,791	-120	-6.7%
20	66.1%	1,532	1,446	86	1,638	-106	-6.5%
21	64.7%	1,457	1,300	157	1,583	-126	-8.0%
22	31.8%	1,250	1,250	0	1,544	-294	-19.0%
30	2.5%	304	295	9	520	-216	-41.5%
EMI	54.6%	1,327	1,278	49	1,538	-211	-13.7%



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Whilst the news from China has lit the flame in the wool markets engine, it will be interesting to see how this sentiment follows through into 2023. Whilst the Chinese Government has relaxed their lock down laws, it appears the risk of another Covid outbreak has the health officials concerned. Recorded cases of COVID being recorded may be the result in the roll back of testing, rather than a reduction in the spread of COVID. If you can believe everything you read, recent reports suggest that Covid is ripping through the population right now, forcing businesses to close and straining a medical system that's not equipped to handle a surge in Covid patients. Visits to fever clinics this week spiked 16x from the previous week. One Chinese advisor has predicted that up to 60% of the population in China could be affected with the elderly most susceptible as 1/3 of the over 60's have not had their third vaccine. Due to Beijing's Covid clampdown, many people haven't been infected at all. And the government has refused to import effective mRNA vaccines from Western countries, instead relying on domestic jabs. The release of the Wool Production Forecast supports the earlier projection of 340 Mkg for the 2022- 2023 season, a 5% increase from last season's production.



The market now heads into the annual three-week Christmas recess. Sales will resume in Week 28 which is the week beginning Monday the 9th of January.

A huge thanks to our clients and suppliers who have supported us throughout 2022. On behalf of the Moses & Son team I would like to wish you a safe and speedy harvest along with a healthy and happy Christmas and New Year. Cheers, Marty Moses

Region	Centre	15/12/2022	8/12/2022	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,396	1,336	60	14,059	13,135	6.6%	RECESS
Southern	Melbourne	1,281	1,239	42	25,264	23,694	6.2%	RECESS
Western	Fremantle	1,486	1,419	67	8,591	7,991	7.0%	RECESS
National	AWEX EMI	1,327	1,278	49	47,914	44,820	6.5%	RECESS

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAAA M	Galong	17.9	0.3	75.5	90	44	1560
AAA M	Galong	17.5	0.5	74.2	85	36	1520
AAA M	Galong	18.2	0.3	75.4	88	42	1505
AAA M	West Wyalong	17.7	0.6	70.7	81	55	1474
AAA M LMS	Lake Cowal	17.2	0.4	72.4	67	51	1460