



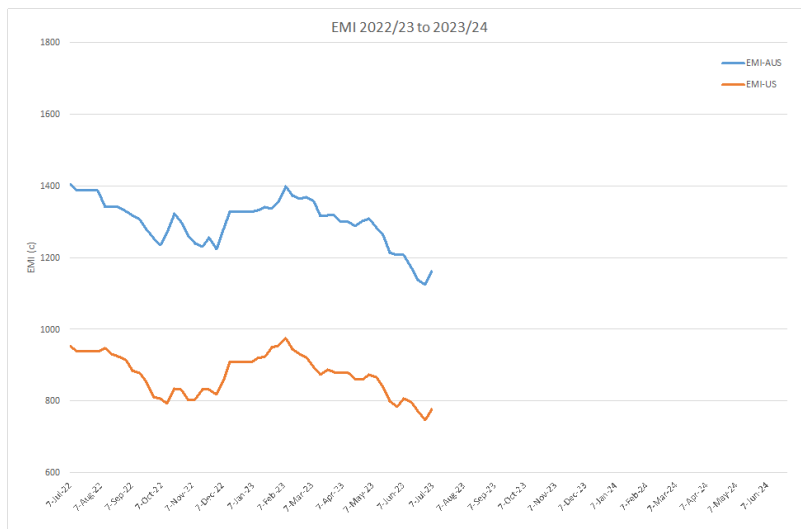
# MOSES & SON

**WOOLBROKERS MERCHANDISE LIVESTOCK**

## Week S01: 05/07/2023

The AWEX EMI closed the week on 1162c up 36c at auction sales in Australia this week.

10% of the national offering was withdrawn before the sale commenced which placed further unexpected pressure on Exporters with prompt commitments. Due to the lower than expected weekly offering the market opened immediately dearer across most types, which was reflected by the high clearance rate in the merino fleece and skirting categories. After 8 weeks of successive price losses (the longest run of weekly price losses since 2003) the exporter mood in the saleroom returned to a more positive experience which resulted in weekly rises in every National MPG, with the exception of the Melbourne Merino Carding indicator which fell 2c.



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MPG North	Percentile 10y	5/07/2023	28/06/2023	Variance	5 Year Average	5 year var	5 year % var
17	36.2%	1,858	1,793	65	2,257	-399	-17.7%
18	32.5%	1,597	1,545	52	2,034	-437	-21.5%
19	27.0%	1,462	1,412	50	1,793	-331	-18.5%
20	28.5%	1,359	1,316	43	1,645	-286	-17.4%
21	31.5%	1,309	1,247	62	1,591	-282	-17.7%
22	15.0%	1,200	1,200	0	1,552	-352	-22.7%
30	1.0%	285	285	0	520	-235	-45.2%
EMI	76.6%	1,162	1,126	36	1,338	-176	-13.1%

**Merino Fleece:** Each Merino MPG rose between 37c and 72c in the Northern Region and 18-77c in the Southern Region, with some, the centre MPG movement alignment only evident on 18.5, 19.5 and the 20 MPG's. The rest were worlds apart with no real pattern which reflects the short purchasing pressure on this market. This week was a vast contrast from the poor sentiment in the merino fleece sector experienced over the past month, and consequently growers that had the courage to offer got an unexpected financial reward. As mentioned above the forward sales made by exporters and the indent operators were based on historically large offerings up to 30% above what has been catalogued in S01 and S02, therefore exporters were immediately squeezed to meet their shipping commitments by buying at will in this week's sale. Normally wool needs to be paid for and at the dumps by the middle of each month, so one would assume that the prices should hold on until next Wednesday where S02 will be completed.

**Merino Skirtings** followed the fleece prices upwards with the low and medium VM types with low sweat and frib content gaining 20-25c on each day.

**Crossbreds** posted a 10-15c movement on the MPG however well prepared and specified lots were keenly sought after and at times during the sale were up to 40c dearer. On the flip side skirting lots containing heavy VM were particularly hard to sell and attracted the highest pass in rate over the week.



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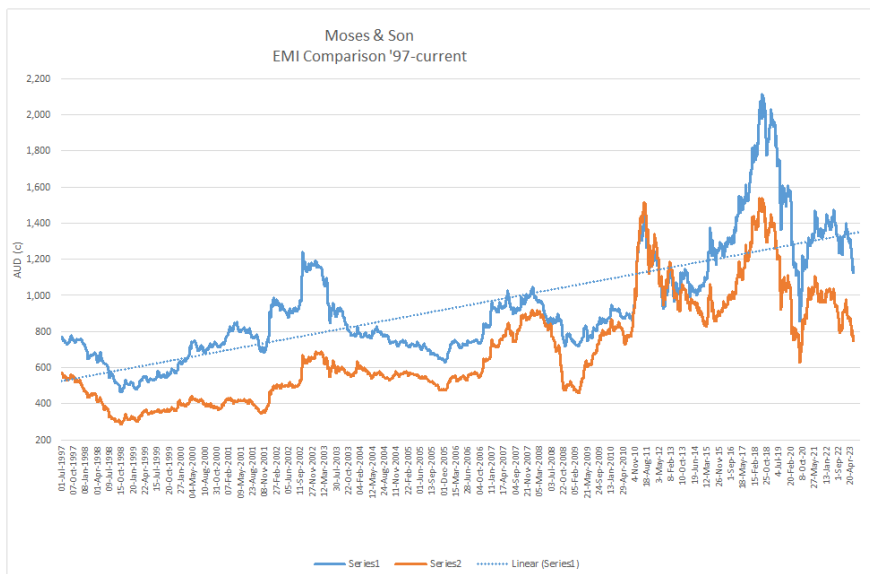
**WOOLBROKERS MERCHANDISE LIVESTOCK**

**Merino Cardings** saw a firm opening market on Tuesday with some small rises measured in Sydney on Tuesday (+4). Melbourne posted a slight fall in the MC -2c whilst the MC in Fremantle rose 40c to 50c on Tuesday before giving back 20-25c on Wednesday resulting in a 15c weekly rise in their MC.

**Commentary:** Next week's national offering has been estimated at 44,452 bales however I suspect that there will be some late inclusions from some brokers on the back of this week's Merino Fleece unexpected price rise. In

addition, S02 signals the final sale before the annual mid-year three-week recess. This is the last selling opportunity at auction until August and historically there is a devaluation in the market levels when sales return.

The early market intelligence received indicate that next week will be ok however the fundamental signals from China, India and Europe for the returning market remain very subdued with a continuation of the trend experienced over the past few months expected to return. It is felt that there is some repair to world economies needed before the confidence returns to the consumer to spend their hard-earned dollars or Euro's on apparel and knitwear. This could be well into 2024 before it is realised in the Australian auctions.  
~Marty Moses



Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	CUMNOCK	15.8	1	70	81	38	1541
AAA M WNS	YOUNG	16.3	0.8	71.7	76	31	1459
AAA M	LAKE COWAL	16.6	0.9	75.4	65	61	1453
AAA M	CUMNOCK	15.7	1	69.5	84	35	1448
AAA M	YOUNG	16.4	1.2	69.2	90	32	1379

Region	Centre	5/07/2023	28/06/2023	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,212	1,174	38	12,849	12,368	3.7%	15,400
Southern	Melbourne	1,128	1,094	34	16,400	14,945	8.9%	22,156
Western	Fremantle	1,320	1,271	49	6,910	3,523	5.6%	6,896
National	AWEX EMI	1,162	1,126	36	36,159	33,836	6.4%	44,452

Mulesing Declarations		
NM	5,381	14.9%
CM	717	2.0%
AA	14,316	39.6%
<b>Totals</b>	<b>20,414</b>	<b>56.4%</b>
<b>Total weekly offering</b>	<b>36,175</b>	