

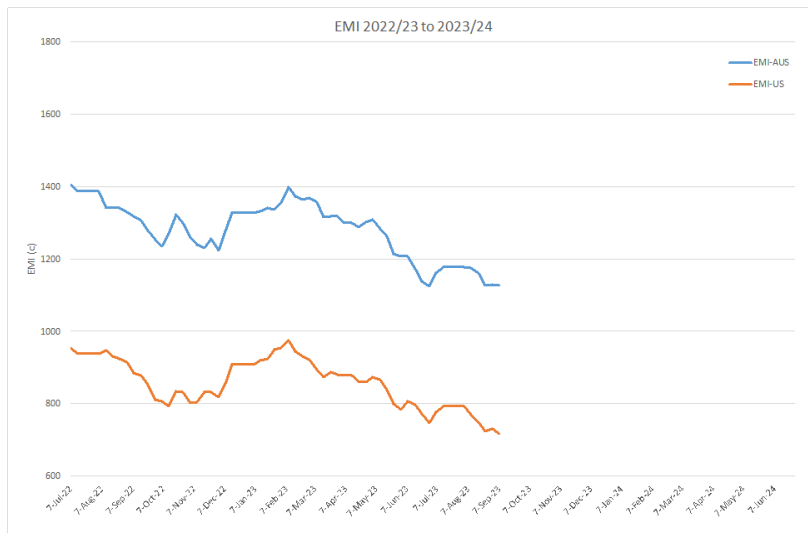


MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week S10: 06/09/2023

The AWEX EMI closed on 1127c down 4c at auction sales in Australia this week. Unlike last week where the market opened strongly and fell away, this week's opening day revealed a weaker trend, followed by a positive sentiment. The catalyst I believe was the appreciating USD overnight which brought the AUD prices into a more achievable range resulting in a stronger closing day. From the 42,465 bales offered, 92.3% was cleared to the trade with just 5.3% of the offering withdrawn before the sale commenced. Crossbreds and oddments posted the highest pass in rate which seemed to be lots that fell outside the standard specifications for types destined for China, India and Europe. The EMI is now exactly 200c (or 15.1%) below the closing sale of the 2023 calendar year (30/06/23) where it posted an EMI of 1327.



MPG North	Percentile 10y	6/09/2023	30/08/2023	Variance	5 Year Average	5 year var	5 year % var
17	30.8%	1,718	1,762	-44	2,257	-539	-23.9%
18	23.9%	1,525	1,533	-8	2,034	-509	-25.0%
19	21.7%	1,404	1,405	-1	1,793	-389	-21.7%
20	18.4%	1,305	1,302	3	1,645	-340	-20.7%
21	14.3%	1,225	1,225	0	1,591	-366	-23.0%
22	13.2%	1,175	1,175	0	1,552	-377	-24.3%
30	15.5%	327	305	22	520	-193	-37.1%
EMI	80.5%	1,127	1,131	-4	1,330	-203	-15.3%

Merino Fleece closed the week with 16.5 to 18.5 MPG's posting losses of 7c-44c for the week. Whilst Tuesdays M Fleece felt the full pain of the lack of business written with our downstream customers, the sentiment changed as the AUD fell from .6460 to .6370 and the offer price in USD was more palatable to the traders and indent operators. Whilst the falls for the week looked negligible there were some producers instructing their selling agents to liquidate their wool clips at the market level on the day.

Merino Skirtings with low or medium VM opened slightly stronger than the previous week's closing quotes, whilst the heavy VM and un-scourable (coloured) lots giving back 10-30c on the opening day. Wednesday's market held fully firm with a 10c increase in the 18 micron skirts.

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	Grenfell	17.4	1.4	74.7	83	41	1190
AAA M	Bethungra	17.8	2.1	73.3	83	41	1128
AAA M	Ungarie	18.3	0.8	76.3	69	56	1121
AAA M	Temora	15.9	0.9	68.2	68	30	1120
AAAA M	Grenfell	18.2	1.2	75.9	109	39	1097

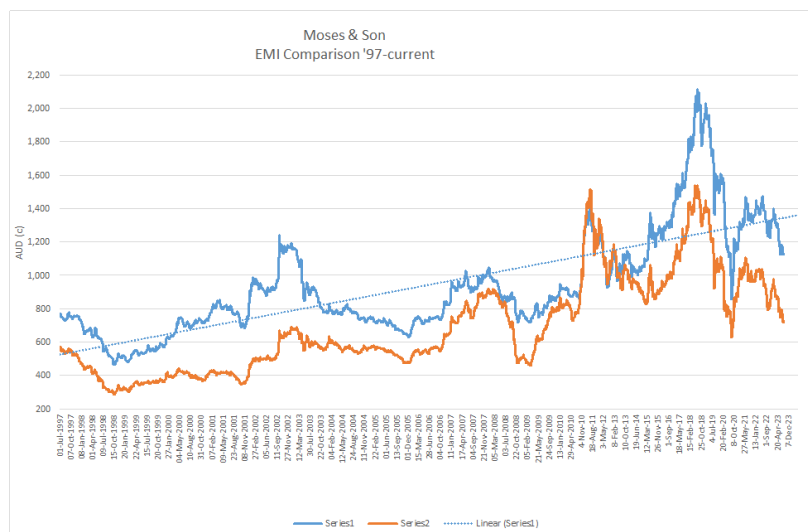


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Crossbred combing lots added up to 20c to last week's levels on the opening day and continued to increase although at a much lower rate of rise on Wednesday. Competition came from a slightly wider group of operators however was dominated by the consistent Chinese operator in this category.

Merino Cardings continued to fall on Tuesday, with falls posted up to 12c, like the merino combing sector the confidence returned overnight with all centres posting sales at increased rates on Thursday.



Crossbred oddments remain irregular with several no bids and token bids offered to lots that have been valueless for over 12 months now. We have not heard a lot of dialogue about forward contract prices for a while, possibly due to the suppressed market conditions. Over the past few weeks, we have seen some business written for 19 μ and 21 μ contracts at or slightly above the cash for October delivery, whilst prior to that there was a tranche of contracts written out for delivery for July through to December 2024.

Something to consider for producers who are holding their clips for higher market levels is a strategy known as reverse hedging. That is sell the physical wool and replace it with a contract. Once the contract is purchased you retain the exposure to the market but get the use of the cash in your enterprise. There are many options of how to manage these strategies- so if you have wool unsold consider contacting your WTO for some insight into your options.

The early market sentiment for next week is expected to be similar levels to this week's closing market, but all eyes will be on the AUD exchange rate against the USD. Whilst the AUD rate fell last week against the USD it remains strong against many other currencies. Next week's offering is expected to reach 42,500 bales.

~Marty Moses

Region	Centre	6/09/2023	30/08/2023	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,164	1,172	-8	12,057	11,075	8.1%	11,161
Southern	Melbourne	1,102	1,104	-2	22,214	20,385	8.2%	24,898
Western	Fremantle	1,285	1,270	15	5,580	5,405	3.1%	6,437
National	AWEX EMI	1,127	1,131	-4	42,465	39,188	7.7%	42,496

Mulesing Declarations		
NM	9,029	21.3%
CM	617	1.5%
AA	15,169	35.7%
Totals	24,815	58.4%
Total weekly offering	42,465	