

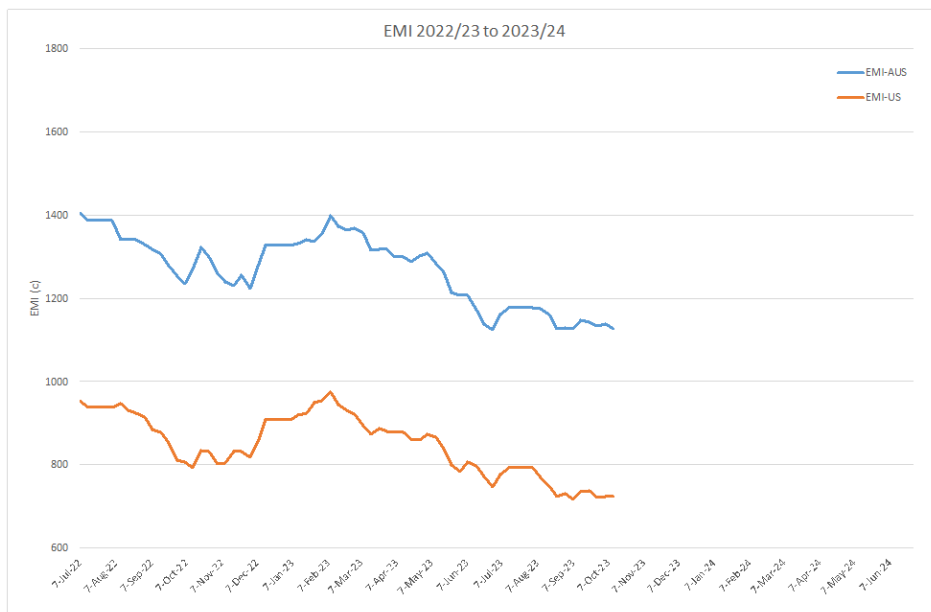


# MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

## Week S15: 11/10/2023

The AWEX EMI concluded at 1128 cents, down 10 cents after this week's auction sales in Australia. A total of 39,692 bales were offered across three selling centres, achieving a clearance rate of 90.8%. Throughout the selling week, the currency exchange rates experienced fluctuations in both directions. The week began at 0.637, remaining relatively stable until Wednesday, when it increased to 0.6420, peaking at 0.6440 cents (a 1.1% daily rise) before declining to 0.6317 cents on Friday.



Despite these currency fluctuations, the EMI in USD only decreased by 1 cent. Exporters primarily hedge their currency to mitigate purchasing commitment risks, yet the volatile nature of the USD makes forward-selling wool a challenge.

Exporters in China and India continue to employ low-risk strategies, minimizing stock accumulation. Their price-sensitive approach, combined with reduced European competition, contributes to price erosion in the superfine wool segment. Recent unrest in the Middle East has further dampened the slowly recovering confidence levels, particularly in Europe.

MPG North	Percentile 10y	11/10/2023	5/10/2023	Variance	5 Year Average	5 year var	5 year % var
17	30.5%	1,650	1,703	-53	2,257	-607	-26.9%
18	20.2%	1,495	1,494	1	2,034	-539	-26.5%
19	17.8%	1,388	1,388	0	1,793	-405	-22.6%
20	19.2%	1,311	1,311	0	1,645	-334	-20.3%
21	14.0%	1,235	1,225	10	1,591	-356	-22.4%
22	13.2%	1,175	1,175	0	1,552	-377	-24.3%
30	21.0%	360	350	10	520	-160	-30.8%
EMI	81.0%	1,128	1,138	-10	1,327	-199	-15.0%

**Merino Fleece** exhibited overall weakness. Despite movements in the Northern MPG this week, exporters reported higher demand for 17 $\mu$  fleece compared to their slightly coarser 18 $\mu$  counterparts. Although reports of poor demand in this range may seem perplexing, it be as simple as a bubble in the stockpile levels. Wool containing 2% VM in merino fleece adjusted prices downward compared to the previous week. The top purchasers included a mix of large trading houses, Chinese indent, and Chinese processors, with the top four buyers accounting for 45% of the fleece offering.

**Merino Skirtings** experienced little to no change in prices compared to the previous week. Demand for lots purchased for the knitwear sector remained firm, with longer/FNF skirts being acquired for blending with fleece.

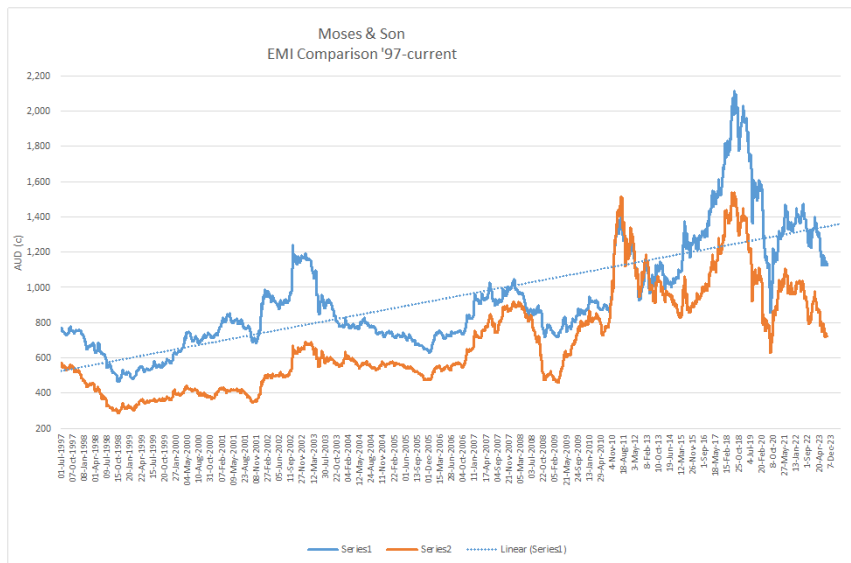
**Crossbreds Fleece** closed the week with a slight decrease in prices. As mentioned last week, purchases for mid-month shipping deadlines concluded, potentially contributing to last week's slight uptick in the XB fleece market. While prices moderated this week, competition continued to be dominated by large Australian trading houses and Chinese trading companies, with the top four buyers collectively purchasing around 60% of the national XB offering.



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**M Cardings** generally saw lower prices across all centres, with M locks, average M crutching's, and merino Stains barely maintaining last week's prices. High-yielding merino crutchings' that fit into the "open top" category continued to attract buyer interest, at times fetching double the price of average bulk and lower-yielding crutching's. XB Oddments displayed little to no improvement from their low-price basis.



With 44,552 bales set to be offered nationally next week, both the Merino and XB combing wool market are expected to remain steady, given the current lower AUD exchange rates maintain the current level.

**Important:**

AWI have announced their AGM set for the 17<sup>th</sup> of November, with three retiring directors from the board there is a golden opportunity for Wool Levy Payers to install new directors that will implement some much-needed change, rather than fall into line with the "same old brigade".

For those levy payers not knowing which way to vote, I would like to recommend to my clients the following team:

**(2) Vote "FOR" To limit the board size to SEVEN (7) Directors**

Vote FOR	Vote Against
Edward Storey	Neil Jackson
Emma Weston	Steven McGuire
George Millington	

Appoint Proxy Holder Don MacDonald (100%) email [don@macwool.com.au](mailto:don@macwool.com.au)

At the same time, we have new members standing for positions on Wool Producers Australia Board. My recommendation is to vote for Skye Ward and Angus Hobson

Mulesing Declarations		
NM	9,268	23.3%
CM	826	2.1%
AA	13,185	33.2%
<b>Totals</b>	<b>23,279</b>	<b>58.6%</b>
<b>Total weekly offering</b>	<b>39,692</b>	

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	Wyalong	17.9	0.5	76.5	102	47	1150
AAA M	Wyalong	17.5	1.8	73.8	107	44	1122
AAA M	Beckom	16.5	1.2	66.7	75	33	1120
AAA M	Beckom	16.9	1.9	67.1	79	36	1092
AAA M	Beckom	17.1	1.1	68.8	89	43	1090

Region	Centre	5/10/2023	5/10/2023	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,162	1,174	-12	11,221	10,722	4.4%	11,154
Southern	Melbourne	1,106	1,114	-8	19,614	17,757	9.5%	24,150
Western	Fremantle	1,251	1,263	-12	7,171	6,352	11.4%	9,248
National	AWEX EMI	1,128	1,138	-10	39,692	36,040	9.2%	44,552