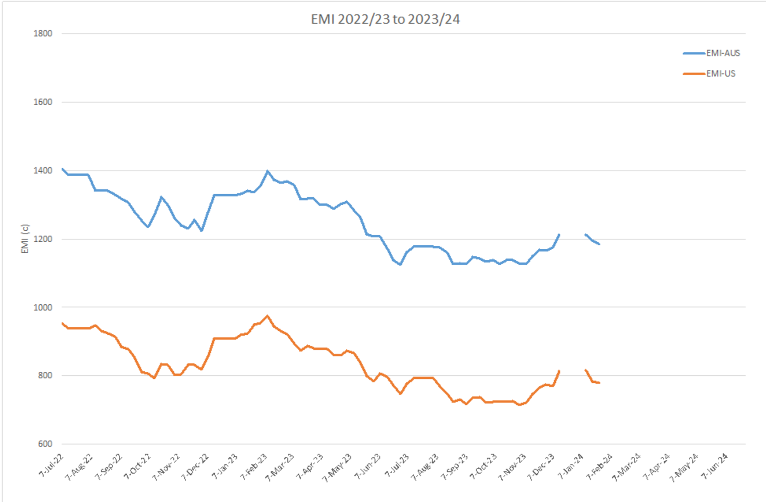
MOSES & SON

WOOLBROKERS MERCHANDISE LIVESTOCK

Week S30: 24/01/24



The AWEX EMI closed on 1186c, down 10c at auction sales in Australia this week. After a substantial reduction from last week's 50,000 bale offering this week saw offerings fall back to 37,757 bales in Sydney, Melbourne and Fremantle. Despite the weekly offering reduction, the clearance rate barely made 90% indicating some weaknesses in segments of the market.

This week's Australia Day public holiday (Friday 26th January) had a substantial impact in reducing the offering. The Merino fleece and skirting sectors felt the reduction in price whilst crossbred experienced better competition and carding wools felt little or no change from last week. The AUD spend most of this week above the opening, around .655 usc and peaked at .661 usc, this may have dampened the market slightly with the EMI in USD measuring a loss of 4c. For the second week in a row China's largest top makers dominated the buyer's lists with solid support evident from the Australian based export operators.

MPG North	Percentile 10y	24/01/2024	18/01/2024	Variance	5 Year Average	5 year var	5 year % var
17	38.4%	1,868	1,892	-24	2,257	-389	-17.2%
18	35.6%	1,616	1,642	-26	2,034	-418	-20.6%
19	26.9%	1,436	1,471	-35	1,793	-357	-19.9%
20	27.5%	1,348	1,362	-14	1,645	-297	-18.0%
21	37.7%	1,322	1,324	-2	1,591	-269	-16.9%
22	42.3%	1,301	1,307	-6	1,552	-251	-16.2%
30	17.8%	332	330	2	520	-188	-36.1%
EMI	28.5%	1,186	1,196	-10	1,318	-132	-10.0%

Merino Fleece saw the downward correction emerge after a solid opening in Sydney, where the first 45 minutes of selling was firm on last week. As the cheaper opening catalogue market data filtered through from Melbourne, Sydney's prices followed Melbourne quotes down. The end result for the EMI on Tuesday measured -8c. Wednesday saw some MPG's recover with the small Sydney offering a slightly dearer market for most MPG's whilst Melbourne's larger offering experienced an irregular market with the 17 MPG and finer continuing to fall away.

Merino Skirtings followed the fleece quotes down, with best style and specified lots least affected. Wednesday saw another 10-20c price reduction with the heaviest falls experienced in the lots containing heavy colour and cotted wool.

Crossbreds continued to show solid signs with widespread competition evident over both selling days adding 5-10c.

Merino Cardings saw Merino lambs, crutchings and stains remain firm throughout the week whilst merino locks felt some pressure this week. Merino carbonising lambs (short with medium to heavy VM) felt downward price pressure in Melbourne on both days.

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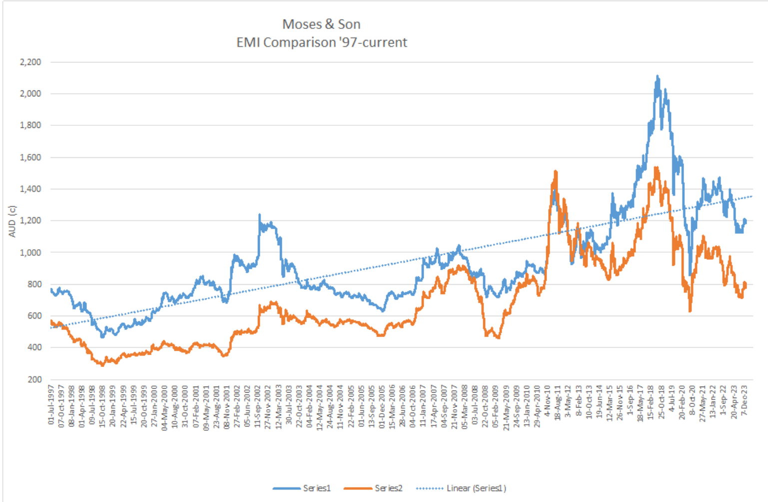
Commentary: The negative market sentiment over the past few weeks has been somewhat alarming given the emotive buying pattern in the closing sale of December, pushing the EMI up 35c to 1212c with the 17 MPG topping out at 1970c and 19 MPG at 1498c. In the three sales post Xmas the EMI has fallen 26c and the 17 MPG has retracted 102c whilst the 19 MPG retraced 62c. Conversely 28-32 MPG's have maintained or increased their levels by 8-12c. The Merino carding indicator has also consolidated its pre-christmas levels, currently hovering between 700c-715c



The Chinese New Year holiday and celebrations commences on the 10th February. The early indications of confidence levels for merino fleece types remain erratic and gradually weakening. Our saving grace is the large Chinese topmakers putting a quasi-floor in the merino combing wool market, indicating that the pipeline is searching for some marked improvement in the apparel sales data emerging from the Northern Hemisphere retailers. My feelings are that we have more pain to endure in the wool market until apparel retail activities improve.

Next week is another two-day selling roster with 36,535 bales currently rostered for sale in Sydney, Melbourne and Fremantle. Wishing you all a great time over the weekend and celebrating Australia Day tomorrow. ~Marty Moses

Region	Centre	24/01/2024	18/01/2024	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,239	1,251	-12	8,544	8,044	5.9%	8,855
Southern	Melbourne	1,151	1,160	-9	20,428	18,736	8.3%	18,986
Western	Fremantle	1,306	1,317	-11	8,785	7,352	16.3%	8,694
National	AWEX EMI	1,186	1,196	-10	37,757	34,132	9.6%	36,535

Moses & Son Top Price Report

Description	District	Micron	VMB	Yield	SL	SS	Price
AAAA M	Cumnock	16.9	1.0	75.2	1.5	37	1408
AAA M	Morundah	16.1	1.7	66.4	74	37	1360
AAA M	Morundah	16.6	1.7	69.3	72	48	1343
AAA M	Morundah	16.7	2.4	69.5	85	27	1320
AAA M	Morundah	17.1	2.0	72.3	83	39	1258

Mulesing Declarations		
NM	8,165	21.6%
CM	1,029	2.7%
AA	12,870	34.1%
Totals	22,064	58.4%
Total weekly offering		37,757

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