



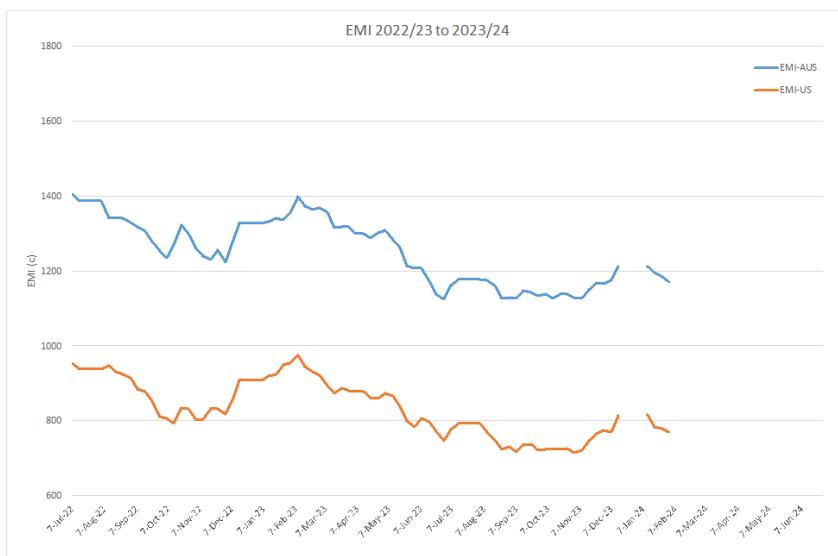
# MOSES & SON

**WOOLBROKERS MERCHANDISE LIVESTOCK**

## Week S31: 31/01/24

The AWEX EMI closed on 1171c, down 15c at auction sales in Australia this week. Despite the reduction in offering falling below 33,000 bales, the EMI could not alter its downward price trajectory. 90.1% of the 32,899 bale offering was cleared to the trade with the heaviest falls measured in the merino fleece and skirting sectors, whilst the crossbred and merino carding sectors remained relatively unaffected.

Pass in rates were lowest in Sydney with 7% and 2% withdrawn before sale, conversely Melbourne passed in 9.1% and withdrew 8.3% and Fremantle passing in 14.9% and withdrawing 5.6% noting that almost 17% of the Fremantle offering was reoffered from previous sales.



MPG North	Percentile 10y	31/01/2024	24/01/2024	Variance	5 Year Average	5 year var	5 year % var
17	35.5%	1,807	1,868	-61	2,257	-450	-19.9%
18	37.4%	1,632	1,616	16	2,034	-402	-19.8%
19	23.7%	1,411	1,436	-25	1,793	-382	-21.3%
20	21.3%	1,328	1,348	-20	1,645	-317	-19.3%
21	35.9%	1,317	1,322	-5	1,591	-274	-17.2%
22	20.0%	1,200	1,301	-101	1,552	-352	-22.7%
30	17.8%	332	332	0	520	-188	-36.1%
EMI	26.5%	1,171	1,186	-15	1,317	-146	-11.1%

**Merino Fleece** did not respond well to the low volume of bales offered this week with one commentator highlighting the level of extreme caution shown from the usual exporter participants refraining from buying in a small offering, in fear of applying unnecessary price pressure in this sector with Tuesdays EMI falling 12c. Whilst the merino fleece falls were generally substantial, there was new level of support noticed on Wednesday and the EMI posted a 3c loss. Once again, the M fleece sector was dominated by competition from China's largest topmakers who purchased 36% of the national offering and were willing to take stock at the lower price level. The two largest Australian Trading houses remained mildly interested picking and choosing carefully what they purchased.

**Merino Skirtings** mirrored the downward trend of the fleece. General falls of 20c were experienced across all microns and VM categories on Tuesday, however Wednesdays market experienced a distinct increase in the level of support from a wider range of buyers.

**Crossbreds** experienced a generally firm market on Tuesday supporting the relatively large quantities on offer. Noticeable price discounts were measured for poorly prepared fleece and skirting lines. The 28-32 MPG's were firm to 5c dearer whilst the 25-26 MPG's struggled to maintain reducing their price levels by 5-15c.

**Merino Cardings** were relatively unaffected by the poor performance of their fleece and skirting counterparts. Whilst the MC has been described as "fully firm", Sydney, Melbourne and Fremantle posted 7c and 18c rise respectively.

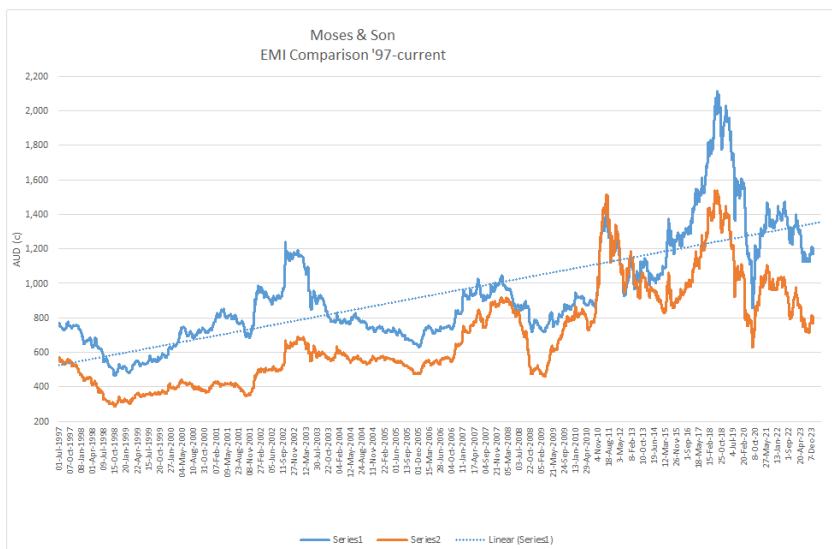


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## Market Commentary

It seems the level of caution amongst the exporters and early-stage processors is still extremely high. Australia's largest exporter has described the past weeks as being the quietest period for Chinese inquiry that has been experienced. This week's small offering had the trading exporters on high alert, demonstrated by the lack of confidence to participate, whilst operating in one of the smallest sales in February. The key drivers contributing to the world's poor economic conditions world-wide which is impacting on global retail sales; persistent high interest rate combined with sluggish GDP figures; the failing Chinese property markets; commodity price hikes; Geopolitical tensions and Weather shocks the inflationary pressures for the majority of the world's economies.



## AWTA Key Test Data for January 2024

The monthly comparisons of total bales tested for January 2024 compared with the same period last season is down - 3.4%. The progressive comparison of total bales tested for July 2023 to January 2024 compared with the same period last season +3.0%

AWTA Ltd has tested 192.7 mkg this season compared with 187.5 mkg for the equivalent period last season.

Next week's sale signals a temporary end to the run of smaller sales. 44,268 bales scheduled to be offered on Tuesday and Wednesday nationally. The early predictions are a steady market for 18.5µ and coarser merino fleece & skirting with crossbreds and cardings remaining positive. The jury is out for the direction of the 18µ and finer which took a heavy price reduction this week.

Mulesing Declarations		
NM	7,211	21.9%
CM	1,175	3.6%
AA	10,098	30.7%
<b>Totals</b>	<b>18,484</b>	<b>56.2%</b>
<b>Total weekly offering</b>		<b>32,899</b>

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
SUP AAAA	Millthorpe	17.1	0.7	77.1	98	39	1347
AAAA M	Young	17.0	1.5	17.0	76	42	1242
AAAA M	Young	18.2	0.9	18.2	86	47	1201
AAA M	Yerong Creek	17.0	0.6	17.0	87	22	1172
AAA M	West Wyalong	17.6	3.5	17.6	66	59	1149

Region	Centre	31/01/2024	24/01/2024	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,220	1,239	-19	8,431	7,843	7.0%	11,971
Southern	Melbourne	1,138	1,151	-13	16,454	14,964	9.1%	22,793
Western	Fremantle	1,301	1,306	-5	8,014	6,823	14.9%	9,504
National	AWEX EMI	1,171	1,186	-15	32,899	29,630	9.9%	44,268