

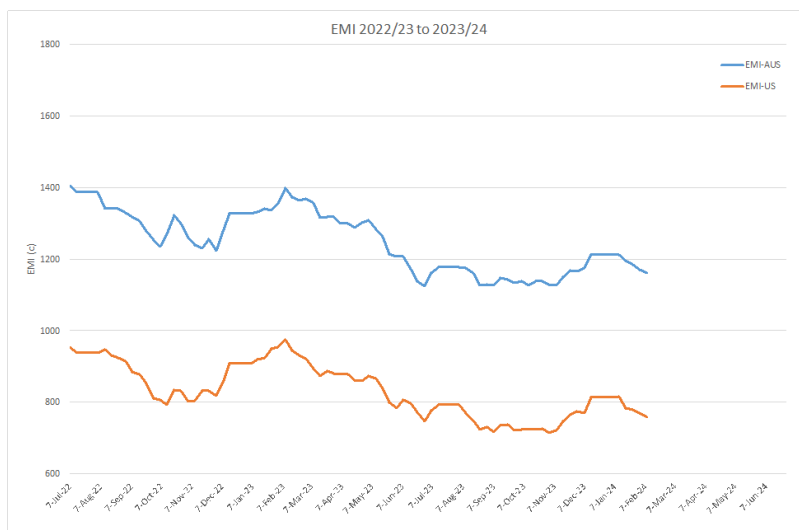


# MOSES & SON

**WOOLBROKERS MERCHANDISE LIVESTOCK**

## Week S33: 15/02/24

The AWEX EMI closed on 1157c, down 6c at auction sales in Australia this week. After a 6.2% reduction in this weeks estimate, the national offering of 40,472 bales produced further price pressure on the EMI as the merino combing wool category struggled to find a trading base early in the week. As the week progressed the merino combing types continued to fall, whilst the crossbreds and carding wool categories maintained their previous week's levels, albeit, from a historically low price base. 90.5% of the offering was cleared to the trade with good activity from the large Australian trading houses competing with the Chinese Topmakers and Indents operators.



**Merino Fleece** felt the full force of the ongoing buying apathy after the market held within 15c for the first 25 minutes. This was followed by further falls focussed on the merino superfine sector which ended in price reductions of 40 to 60c in the superfine end. Wednesdays sale produced a better result with most of the MPG's halting the price reduction and by the close of market, Sydney was showing a firmer sentiment which saw some recovery of the previous day's losses. Reports of new pockets of business from China on Wednesday night saw the buyer support continue in Melbourne which increased prices up to 12c in the merino MPG's. Prices in the medium MPG's are now very compressed whilst the price support was evident in Melbourne's offered Tasmanian sources of merino offerings with their styles and specifications attracting Italian buyers.

MPG North	Percentile 10y	15/02/2024	7/02/2024	Variance	5 Year Average	5 year var	5 year % var
17	33.4%	1,762	1,804	-42	2,257	-495	-21.9%
18	30.0%	1,558	1,598	-40	2,034	-476	-23.4%
19	22.0%	1,405	1,414	-9	1,793	-388	-21.6%
20	26.5%	1,342	1,328	14	1,645	-303	-18.4%
21	37.0%	1,319	1,328	-9	1,591	-272	-17.1%
22	20.0%	1,200	1,200	0	1,552	-352	-22.7%
30	17.0%	330	325	5	520	-190	-36.5%
EMI	25.6%	1,157	1,163	-6	1,317	-160	-12.1%

**Merino Skirtings** followed their fleece counterparts, with falls of 20-30c measured on the finer micron categories, whilst the broader held relatively firm on Tuesday, and Wednesday's skirting offering found early support, remaining unchanged for the day.

**Crossbreds** did not follow the fate of the merino sector holding firm in the 28-30 mpg's. Exporters report slightly better inquiry for the 30-34µ fleece wools and a steady but not overly strong forwards sale inquiry on 26-27µ fleece. Despite that, the price has barely shifted in this sector.

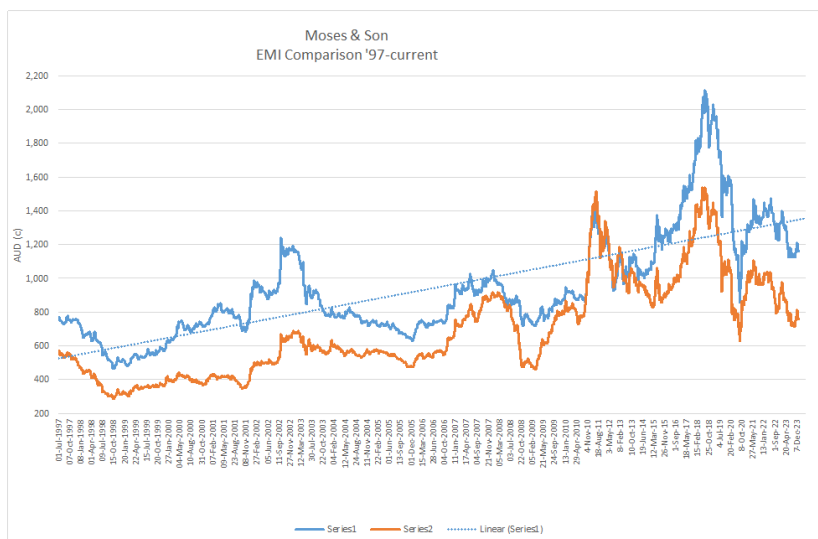


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**Merino Cardings** remained firm in the Northern markets whilst the components were erratic on each day and in each centre. For years I have used the MC as the canary in the gold mine principle and so far this season the MC has proven to be a relatively accurate predictor of market sentiment.

**Commentary:** We are mid-way through the Chinese New Year celebrations and after a shaky start Thursday, 1c rise in the EMI was the first rise in 12 trading sessions over 6 weeks. GDP growth in our wool consuming countries is predicted to be relatively pedestrian for another year, and the pressure of ongoing unrest in the Middle East and the Russia/Ukraine do not auger well for a reduction in the price of the worlds resources.



Unfortunately, the crystal ball remains cloudy for a change in the market sentiment. One hopes that China, who are continually shortening the pipeline timeframes from purchase to retail, will increase their domestic consumption of wool soon. The new wave of fashion has emerged titles “[Mob Wife](#)” which has been tipped to replacing the Barbie fashion wave which unfortunately promoted more synthetic than natural fibre promotion. One hopes that the popularity of the “[Mob Wife](#)” fashion, which boasts ladies formal suiting and faux fur, will increase sales of our merino and crossbred wool.

Next week’s offering is once again estimated at 44,049 bales nationally. Due to an increase in the volume of NZ stored wool being offered, Melbourne has been pushed to selling on Thursday in isolation.

Mulesing Declarations		
NM	9,079	22.4%
CM	1,147	2.8%
AA	13,855	34.2%
<b>Totals</b>	<b>24,081</b>	<b>59.5%</b>
<b>Total weekly offering</b>		<b>40,472</b>

Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M WNS	Temora	16.0	0.7	68.3	76	15	1287
AAA M	Bethungra	16.9	1.2	70.0	110	31	1229
AAA M	Yerong Creek	17.0	0.6	69.7	103	43	1203
AAA M	Yerong Creek	16.8	0.5	69.1	104	25	1199
AAA M	Bethungra	16.5	1.3	67.1	101	22	1196

Region	Centre	15/02/2024	7/02/2024	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,202	1,212	-10	8,191	7,725	5.7%	25,088
Southern	Melbourne	1,127	1,131	-4	23,209	20,910	9.9%	9,854
Western	Fremantle	1,293	1,291	2	9,072	7,982	12.0%	9,107
National	AWEX EMI	1,157	1,163	-6	40,472	36,617	9.5%	44,049