



MOSES & SON

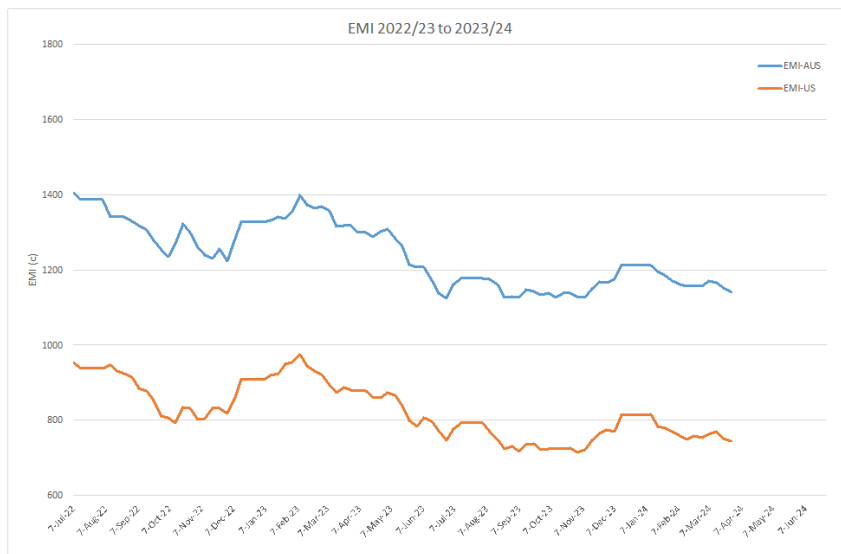
WOOLBROKERS MERCHANDISE LIVESTOCK

Week S41: 11/04/2024

The AWEX EMI closed on 1142c, firm on last fortnights level at auction sales in Australia this week after the 1-week easter recess. 50,148 were offered, down 7% from the early estimate of 54,000. The larger offering was approached with some caution on the opening day due to the stronger AUD, compared to the exchange rate at the pre easter sale.

A mild recovery was experienced in the merino fleece section on Wednesday, however skirtings and crossbreds continued to trend weaker throughout the week. The merino fleece sector measured a late recovery on Thursday when Melbourne offered in isolation.

The price recovery was a direct result of the AUD/USD Exchange rate falling 1.5% from .664usc to .652usc. With the EMI in USD closing -1c on 744c. The national clearance of 92.6% was a good result given the low base and the price convolution throughout the week.



Moses & Son Top Price Report							
Description	District	Micron	VMB	Yield	SL	SS	Price
AAA M	Wagga Wagga	16.7	0.8	73.2	89	43	1262
M W PCS	Cootamundra	15.8	0.8	72.2	70	37	1193
AAA M WNS	Young	17.3	0.9	71.0	74	45	1180
AAA M WNS	Young	16.6	0.9	69.9	66	51	1178
AAA M	Wagga Wagga	17.9	1.2	73.9	103	38	1117

Merino fleece as mentioned above opened with caution as exporters remained very selective in their purchasing especially the trading companies. Thankfully the Chinese Topmakers stepped in to support the fleece purchases, shooting up on the buying list rankings. The heaviest falls were experienced in the 16–17-micron categories, with the heaviest discounts noticed most on merino weaner lots described as AAA M WNR or AAA M LMS regardless of their specifications. Whilst this is not the first time this has emerged in the market the number of merino weaner lots seem prevalent at this time of the year so maybe the mills are experiencing a bit of weaner indigestion for these types at the moment. Wednesday saw the buyer list stay the same however the price levels improved across the 18-20µ FNF lots. The large indent buyers for China dominated with the Chinese Topmakers and Australian Export Trading houses all taking advantage of the falling AUD, giving solid support for the remaining sale week.

Merino Skirtings opened in line with the fleece, with higher offerings of un-scourable colour and cotted wool being delivered due to the season. Skirtings experienced reduced price levels across the three centres each day however a reduction in the falls was experienced in Melbourne on Thursday.

Crossbreds followed the merino's downward price trend with Tuesday's crossbred MPG's falling between 5 - 10c. Wednesday saw a slight recovery on the better style and well classed lots which recouped most of the losses. Like their merino counterparts' discounts are growing for poorly prepared or unclassed lots containing unscourable colour and cotted wool. Crossbred combing wools were barely maintained on Thursday when Melbourne offered in isolation.

Merino Cardings in the eastern states measured another increase in the MC with Sydney adding 10c and Melbourne just 2c for the week. Fremantle saw the complete opposite trend with Tuesday's MC falling by 18c and another 6c on Wednesday.



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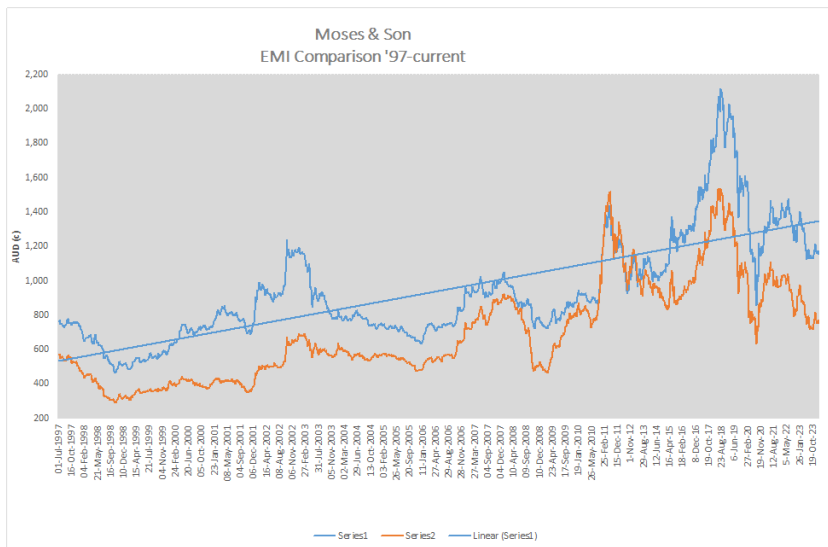
As Australian wool producers ponder the diminishing returns from their sheep and wool enterprises we look to the economic recovery of our major customers. Starting in Northern America, the US Federal Reserve Bank continue to baulk under pressure to commence their commitment to 3 interest rate cuts in 2024. Overnight the European Central Bank announce that it will follow the US Fed's lead, considering a rate cut in June if the US acts by then.

Unfortunately, this week's media reports indicate the Fed may push the first rate cut back to September due to the most recent CPI (inflation) figures not indicating favourable results needed to support the interest rate cut.

China remains subdued with the GDP projected to slow to 4.5% and the nervous wait to see how effective the Chinese government's 2024 Monetary and Fiscal policies are performing. I still maintain that we may have to wait 8-12 months for the economic strategies to take effect allowing consumers to regain confidence in their discretionary spending patterns.

Next week's sale coincides with the IWTO 93rd Conference, which is taking place in Adelaide. There are over three hundred delegates gathering from 23 countries for a series of presentations, industry product releases, industry forums and industry working groups over 4 days.

Next week's estimate has 46,411 bales being offered on Tuesday and Wednesday in all three centres. ~Marty Moses



Mulesing Declarations		
NM	9,470	18.9%
CM	1,323	2.6%
AA	18,645	37.2%
Totals	29,438	58.7%
Total weekly offering		50,148

MPG North	Percentile 10y	11/04/2024	27/03/2024	Variance	5 Year Average	5 year var	5 year % var
17	29.2%	1,697	1,707	-10	2,257	-560	-24.8%
18	21.3%	1,510	1,505	5	2,034	-524	-25.8%
19	19.0%	1,392	1,392	0	1,793	-401	-22.4%
20	22.0%	1,330	1,331	-1	1,645	-315	-19.1%
21	32.3%	1,306	1,284	22	1,591	-285	-17.9%
22	38.8%	1,290	1,282	8	1,552	-262	-16.9%
30	17.0%	330	330	0	520	-190	-36.5%
EMI	22.5%	1,142	1,142	0	1,311	-169	-12.9%

Region	Centre	11/04/2024	27/03/2024	Variance	Bales Offered	Bales Sold	Pass-in%	Next Sale Offering
Northern	Sydney	1,177	1,182	-5	13,905	13,074	6.0%	9,917
Southern	Melbourne	1,119	1,115	4	26,899	25,277	6.0%	26,043
Western	Fremantle	1,269	1,284	-15	9,344	8,106	13.2%	10,451
National	AWEX EMI	1,142	1,142	0	50,148	46,457	7.4%	46,411