



# WEEKLY MARKET REPORT

Week Ending 16<sup>th</sup> September 2022  
AWEX Northern Micron Indices Comparison



AWEX INDEX	This Week S11/22	This Week M11/22	Last Sale S10/22	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2428	2363n	2495	-113	2403	+25
18	1946	1906	1973	-36	2022	-76
19	1613	1606	1622	0	1664	-51
20	1409	1402	1406	+3	1347	+62
21	1332n	1338	1321	-	1269	+63
26	-	698n	-	-	760	-
28	363n	373	375n	0	448	-85
MC	961	849	862n	+3	881	80

## MANY FACTORS WEIGHING ON MARKET

Like the previous series, the market suffered more losses this sale with a 13 cent fall to leave the AWEX EMI teetering just above the 1300 cent mark at 1306. This a 16 month low with plenty of bad figures around suggesting the market is in a bit of a slump as many outside issues are bearing down on it. The global, high inflation rates that don't want to fall are pressuring governments to raise interest rates quicker and higher than they would like, pushing economies into potential recession as consumers put the brakes on their spending habits - especially those battling to meet the mortgage repayments that keep climbing every month. Rising energy costs for industry and households driven by the ongoing Russia-Ukraine conflict are also a poor outcome moving forward. Closer to home for the wool market, is the poor domestic consumption figures coming out of China which is also weighing heavily on demand. These poor figures come from the continuing zero Covid-19 policy in China that directly affects discretionary spending on products like wool.

Once again, it was the sub 18 micron fleece types that suffered the largest fall and sent the market into negative territory. 17.5 and finer lost 60 to 70 cents (up to 135 cents in Melbourne) while 18 to 19.5s fell by 10 to 25 cents with coarser microns dearer by up to 10 cents. Skirtings had a mixed sale as the better types were 10 cents to the good with off types in buyers' favour. Cardings had a sale quoted as fully firm with no real change in the XB market. In US\$ terms the market gave back 6 cents to 880 as the FRX had a stable week with 12% passed in (up by 1%). As mentioned earlier, figures from the last few sales are painting a sad picture. Finer fleece types (<17.5) in Melbourne have collapsed by 270 to 305 cents (10 to 11.5%) with Sydney not as bad (170 to 135). The market has fallen for the 3<sup>rd</sup> week running and for 9 consecutive sales not one week of a dearer market, the longest run without a rise for 19 years. The XB market reached an unwanted milestone with 28s at an average of 368 cents (Sydney/Melbourne), the lowest point for 22 years.

Recent ram sales results include: Gullengamble at Wellington topped at \$4,600 to average \$2,120; Darriwell at Trundle cleared 99% of their offering to average \$2,925 and a top of \$6,800. Yarrowonga's best ram made \$26,000 with a sale average of \$4,975 at Harden for all 260 rams sold; \$9,500 was the top price at Merryville selling 87% to average \$2,545; Towonga at Peak Hill cleared 88% to average \$1,930 with a top of \$5,400 and Weealla at Gilgandra sold all but 7 rams from the 130 offered to average \$1,760 and a top price of \$6,250.

### Southern Aurora Forward Prices

Micron	Date	Low
21	Oct 22	1295

### Main Buyers (this week)

1	Techwool Trading	4571	2	Endeavour Wool	3727	3	Fox & Lillie	2836
4	Tianyu Wool	2772	5	PJ Morris Wool	2192	6	Sequoia Materials	1092

Eastern Market Indicators (AUD cents/kg clean)  
1306 cents ↓ 13 cents compared with 09/09/2022

Northern Market Indicators (AUD cents/kg clean)  
1388 cents ↓ 14 cents compared with 09/09/2022

AUD/USD Currency Exchange  
0.6737 ↑ 0.0021 compared with 09/09/2022