



# WEEKLY MARKET REPORT

Week Ending 14th October 2022  
AWEX Northern Micron Indices Comparison



AWEX INDEX	This Week S15/22	This Week M15/22	Last Sale S14/22	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2265	2192	2255	+10	2451	-186
18	1868	1760	1818	+50	2011	-143
19	1551	1554	1524	+27	1619	-68
20	1391	1412	1347n	+44	1302	+89
21	1313	1349			1227n	+86
26	638	651			-	-
28	345	350	328n	+17	415	-70
MC	872	842	864	+8	861n	+11

## FINALLY, A LIFT IN THE MARKET

After 12 weeks of a falling market stretching back to late June the wool market has finally posted some healthy gains. After the peak of 1474 in June the market fell to 1235 last series, a 239 cent fall (16%). No commodity market will ever fall nonstop nor will they keep rising without a ceiling in place at some stage. We have stated repeatedly that the Spring selling season can be notorious for the wool market to fall. Last November the market bottomed at 1319 from 1420 in July and in 2020 the low point was 858 in early September, so historically we are doing ok. All sectors improved, superfine fleece types <17 micron and 19.5s gained just 5 to 15 cents with all other microns adding 25 to 50 cents to their values. Skirtings rose consistently over the 2 days for gains of 35/40 cents. Cardings averaged rises of 15 to 25 cents with XBs up to 20 cents higher. The AWEX EMI rose by 36 cents to 1271 but recorded a fall of 13 cents to 794 in US\$ terms as the A\$ fell dramatically, by 5% (2.85 cents) to 62.50, its lowest point since April 2020. The market in US\$ terms is at a 2 year low, the gap in the EMI between the 2 currencies is 477 cents, the largest since April 2020 when there was a 504 cent difference. The pass-in rate fell dramatically to 5%.

Why the sudden change in sentiment?? Was it the dramatic fall in the A\$? Or did the market reach a low point that triggered a spate of business? Japan's decision to relax their Covid-19 restrictions and allow international travel to resume, or whispers that China also is looking to relax their Covid-19 practices and allow 100s of millions to move about with more freedom and hopefully avoid recession and boost consumer spending. Whatever the reason, or reasons the halt to the falling wool market was welcome and hopefully not just a one off. The situation with Ukraine will be critical to Europe's economic fortunes going into winter and of course how inflation and interest rates can be managed to avoid a global recession. The next few months will be critical to see how the market will fare in 2023.

Some ram sales to report on; Wyuna at Gilgandra cleared 85% with a top of \$4,250 to average \$1,485, Cassilis Park at Cassilis cleared all 100 rams topping at \$6,750 to average \$2,825. One Oak at Jerilderie topped at \$28,000 to average \$3,905 to clear 90% and Gassy Creek at Reids Flat sold all but 3 of the 180 rams offered to average \$3,520 with a top price of \$23,500. Hopefully, the market can continue in the same vein as this week.

### Southern Aurora Forward Prices

Micron	Date	Low
21	Nov 22	1280

### Main Buyers (this week)

1	Techwool Trading	4438	2	Endeavour Wool	4112	3	Tianyu Wool	3857
4	Australian Merino	2004	5	Fox & Lillie	1938	6	PJ Morris	1882

Eastern Market Indicators (AUD cents/kg clean)  
1271 cents ↑ 36 cents compared with 7/10/2022

Northern Market Indicators (AUD cents/kg clean)  
1353 cents ↑ 24 cents compared with 7/10/2022

AUD/USD Currency Exchange  
0.6250 ↓ 0.0286 compared with 7/10/2022