



WEEKLY MARKET REPORT

Week Ending 10th March 2023
AWEX Northern Micron Indices Comparison



AWEX INDEX	This Week S36/22	This Week M36/22	Last Sale S35/22	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2358	2402	2350	+8	2665n	-307
18	2033	1997	2013	+20	2156	-123
19	1698	1694	1722	-24	1708	-10
20	1535n	1532	1552	-17	1428	+107
21	-	1448	-	-	1328n	-
26	530n	615n	-	-	-	-
28	357n	360	348	+9	424n	-67
MC	900n	914n	928	-28	974n	-74

CURRENCY LENDS A HAND

It was another big week for quantity as nearly 48,000 bales were offered with 13% passed in, around the yearly average. Expectations were for a solid market without any huge changes and that's what we got. The weakening A\$ certainly helped and without that it might have been a tough week.

As for quantities the year to date offering is not that far above this time last year at only 1.7% or 20,000 bales, it was last year that there was the big jump showing an increase of 147,000 bales. Interestingly both 20 and 21 micron wool is well above this time last year whereas the finer end is still catching up giving a fair indication for those wanting to punt the market where to wait and where waiting may not yield so well.

Buyers showed strong support for lower VM types below 1.5% and good L & S figures which countered the downward pressure from higher VM and off types. Our catalogue contained a couple of choice New England clips in the 14 to 17 micron range with strong competition from principally Italian buyers. The two clips between them had 15 lines over 2000 cents (two of them skirtings!) and two lines over 3000 cents. The top price of 3500 cents for 14.7 micron was the top price paid for the week which was purchased by Techwool for combing and spinning in India after which will end up as yarn in Italy. The M BKN of the same clip sold for 2569 cents and was purchased by G. Schneider also for Italy.

On the other side of the coin there are quite a lot of very well grown, western division clips now carrying a lot of trefoil burr, many over 6%. These types are seeing restricted competition to those mills that can process the higher vegetable matter. The discount for this kind of VM currently sits around 200 cents clean whilst slightly lower types around 4-5 % saw 150 cents clean. Low VM skirtings also sold well whilst the higher VM lots have stalled, and our guess is whilst at a reasonable level seem unlikely to appreciate substantially in the short to medium term. The long haul back for crossbred wool continues with slight gains seen this week of 5-10 cents.

Two of us here had a big day yesterday on carbon farming courtesy of Rabobank. There is a degree of inevitability about carbon and agriculture and it was a highly informative session. In short agriculture in Australia is responsible for 14% of Australia's green house gas emissions and ruminant animals make up the majority of those emissions through methane expulsion. To say this is a big issue for our industry is an understatement. The good news is there is so much research and capital being invested globally that we should feel confident that solutions either genetic or supplements will prevail as this will be the one biggest levers to pull to reduce CHG to meet targets.

Next week just over 49,000 bales will be offered to make it the sixth consecutive week to see above 47,000 bales.

Southern Aurora Forward Prices

Micron	Date	Low
21	June 23	1450

Main Buyers (this week)

1	Techwool Trading	6928	2	Tianyu Wool	4766	3	Endeavour Wool	4321
4	Fox & Lillie	3050	5	Australian Merino	2690	6	Pelican Australia	2466

Eastern Market Indicators (AUD cents/kg clean)
1358 cents ↓ 10 cents compared with 03/03/2023

Northern Market Indicators (AUD cents/kg clean)
1437 cents ↓ 10 cents compared with 03/03/2023

AUD/USD Currency Exchange
0.6589 ↓ 0.0156 compared with 03/03/2023