



WEEKLY MARKET REPORT

Week Ending 14th July 2023



AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S02/23	This Week M02/23	Last Sale S01/23	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1858	1897	1858	0	2639	-781
18	1617	1629	1597	+20	2058	441
19	1486	1491	1462	+24	1683	-197
20	1378n	1426	1359	+19	1442	-64
21	-	1281	-	-	1384	-
26	-	568	-	-	-	-
28	320n	325	310	+10	390	-70
MC	752n	705	752	0	913	-161

A Solid End Before the Recess

Last week's improvement was followed up with continued spirited bidding across all sectors of the market. Tuesdays opening saw almost all micron indicators rise between 20 and 40 cents in the North, whilst Wednesday had the market come back slightly after our dollar strengthened, to have the EMI stronger by 17 cents for the week.

Tianyu had led the charge last week, but it was the local traders that were responsible for the continuation of the positive market this week. Good quantities of business had been written by exporters, mainly into China after their government had announced a uniform order for their Fire Fighters. Buyers tell us that when one uniform order is announced there are normally others that follow, and this seemed evident with the 19-21 micron indicators showing good gains, particularly in the South.

The size of the offering at 43,697 bales was again at the smaller end of what we have encountered over the previous years. The total of the first two selling weeks was just under 80,000 bales, a staggering 24,414 bales or 23.3% less than last year. The eight weeks of negative movements looks to have put growers off selling into the market, which was one of the catalysts for the market to improve as it did. Let's hope that when we return early August that the size of the offering doesn't overwhelm the momentum that has been built up in the last fortnight.

As written last week, this may not be the start of longer term recovery, but the recovery from these levels will certainly be driven by improved conditions in China. The central government in China is very keen to see an economic recovery and may even lower rates again to achieve that. Mill orders globally are ticking over quite well, and some retail figures and trends are promising, like women's tailored textiles coming back into fashion and the men's suiting sales in China being better than forecast. We think in the medium term these things will instil a sense of positivity that the pressure consumers around the world have been coping with may have reached its peak. We could see that transpire into positive market sentiment as the season rolls by.

This will be our last report until sales recommence the week starting on the 7th of August. If you are needing any market information during the break, please get in touch with us.

Southern Aurora Forward Prices

Micron	Date	Low
21	August 23	1310/20

Main Buyers (this week)

1	Techwool Trading	7574	2	Endeavour Wool	5504	3	Tianyu	4354
4	Australia Merino	2529	5	United Wool	2245	6	Fox and Lillie	1877

Eastern Market Indicators (AUD cents/kg clean)
1179 cents ↑ 17 cents compared with 07/07/2023

Northern Market Indicators (AUD cents/kg clean)
1223 cents ↑ 11 cents compared with 07/07/2023

AUD/USD Currency Exchange
0.6732 ↑ 0.0047 compared with 07/07/2023