

AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S18/23	This Week M18/23	Last Sale S17/23	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1707	1702	1711	-4	2233	-526
18	1512	1520	1528	-16	1878	-366
19	1392	1382	1423	-31	1544	-152
20	1298n	1298	1324n	-26	1392n	-94
21	-	1275	-	-	-	-
26	578n	599	-	-	600n	-22
28	370n	373	370	0	345n	25
MC	700n	678n	701	-1	885n	-185

Stability better than volatility for the moment.

Well next best thing after a rising market is a stable one, and the market has really stabilised around these levels over the last month or so. The sub 18 micron category is probably the most disappointing as these types have slipped a bit and many of the normal Italian favourites are China bound as the Italians grapple with expensive yarn and cloth in stock.

You could throw a blanket (a woollen one!) over the movements on the middle micron categories, not just for the last month, but at the broader edge like 22 micron, almost a year. This week last year 22 microns were quoted at 1282 a mere 22 cents clean above this week.

The changes in the market this week were cosmetic with a few up and down changes to level things up after last week's improvements. Probably the best thing that can happen now whilst the world digests the post - covid blues is some stability to build a base from. Like red meat where stocks have built up in cold storages overseas, the same thing has happened with cloth and garments. Sometimes only time can sort these issues out and of course fashion being trans seasonal it can take time for this to happen.

The very top of the market (most of which doesn't see the auction room) is sailing along okay. The Italian processors who purchase these wools privately have been out here recently and they largely get what they pay for, i.e. a third party verified, certified, quality product, ranging from 15 micron down to 10 micron. It's the next tier down that is feeling the brunt of the lack of competition with year on year falls of 500-750 cents. For an average 17 micron flock the YoY per head cut has fallen from \$57 to \$44 whilst an average 21- micron flock has only slipped from \$52 to \$50.

With all this in mind, it is hard to see the next spike around the corner, there really isn't a reason for a large rise at the moment. The size of the offerings and the currency will play their part, over the coming month to six weeks whilst we wait for the back log to move on, just like the red meat market.

Next week's offering will be a little larger with 47,202 bales rostered and a similar pattern expected to this week. Mac Wool and Carmichael & Co offering on Tuesday.

Southern Aurora Forward Prices

Micron	Date	Low
21	November 23	1300

Main Buyers (this week)

1	Techwool Trading	7447	2	Endeavour Wool	4014	3	PJ Morris Wools	3918
4	Tianyu Wool	3519	5	Pelican Australia	2958	6	Australian Merino	2916

Eastern Market Indicators (AUD cents/kg clean)

1129 cents ↓ 10 cents compared with 27/10/2023

Northern Market Indicators (AUD cents/kg clean)

1169 cents ↓ 14 cents compared with 27/10/2023

AUD/USD Currency Exchange

0.6331 ↓ 0.0054 cents compared with 27/10/2023