WEEKLY MARKET REPORT

Week Ending 12th July 2024

AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S02/24	This Week M02/24	Last Sale S01/24	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1605n	1612	1630	-25	1858	-253
18	1460	1465	1466	-6	1617	-157
19	1366	1361	1376	-10	1486	-120
20	1302n	1298	1322	-20	1378n	-76
21	-	1276		-	-	-
26	-	564		-	-	-
28	380n	385	380	0	320n	60
MC	704n	690n	728	-24	752n	-48

If it's not one thing it's another!

Each week we try to report as honestly as possible with the raw details plus opinions gathered from many sources. Just about all information we receive now cements our view of the past six months, that there is still some rough road to travel over yet. Currency certainly played its part this week as a stronger A$ didn't work in our favour.

The sale started the week on a softer tone as only wool with favourable length and strength figures gave resistance, whilst less favourable types were affected across the board. It was once again the finer end to bear the brunt and with 35% of the clip now finer than 18.5 micron that constitutes a fair amount of wool.

I don't think anyone a year or two back could have imagined the disruption which has been caused by the pandemic and the length of time it would take to normalise. Stocks and supply chains globally are still out of sorts and no more so than Europe, particularly as the Suez is out of bounds due to fear of hijacking by rebel pirates. Shipping costs have escalated with a 20-foot container now costing around $7-8,000 and taking up to 80 days to reach its destination. Nearly all shipping trans-ships through Singapore which has now become a bottle neck. Conversely, freight rates to China have plummeted to about $300 per 20-foot container. I was told the Govt and port duties cost more than the sea freight component. So just when we need competition from other markets to change the balance of Chinese domination, it's now harder. European topmakers trying to compete with Chinese tops and yarn into second stage processing hubs like Turkey and Portugal find difficulty getting anywhere near Chinese prices.

On the brighter side, we are hearing reports that hangover stocks of cloth and garments have just about cleared the pipeline and as the year heads towards the Northern Hemisphere Winter things will start to improve. Let's hope so!

Next week is a reasonably small offering of just over 30,500 bales in just Sydney and Melbourne centres with MacWool/Carmichael offering around 1,800 bales on Wednesday and the talk is little change.

Our second Macquarie Home Stay charity sale will be on Wednesday with over 50 bales generously donated. If you would like to pledge a bale or two for this great cause, please let us know. You can visit www.macquariehomestay.com.au to view this amazing facility. From one fleece to any number of bales donated we will, with your help, get to the $65,000 that has been pledged to the second stage of building at the Macquarie Homestay site.

Charity Sale Dates	
S03/24 – Week of 15th Jul 2024	S24/24 – Week of 9th Dec 2024

Southern Aurora Forward Prices

Micron	Date	Low
21	August 2024	1335

Main Buyers (this week)

1	Endeavour Wool	3529	**2**	PJ Morris Wools	3063	**3**	Tianyu Wool	2908
4	Techwool Trading	2816	**5**	Fox & Lille	2572	**6**	United Wool	1855

Eastern Market Indicators (AUD cents/kg clean)
1107 cents ↓ 18 cents compared with 05/07/2024

Northern Market Indicators (AUD cents/kg clean)
1141 cents ↓ 16 cents compared with 05/07/2024

AUD/USD Currency Exchange
0.6744 ↑ 0.0067 cents compared with 05/07/2024.