

WEEKLY MARKET REPORT

Week Ending 29th October, 2021

AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S17/21	This Week M17/21	Last Sale S16/21	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2439	2437n	2484	-45	1846	+593
18	2058	2084	2099	-41	1622	+436
19	1667	1659	1699	-32	1419	+248
20	1334	1318	1374	-40	1292	+42
21	1280n	1274	1307	-27	1243n	+37
26	661n	672n	702	-41	883n	-222
28	402n	403	415	-13	663n	-261
MC	829n	852	869	-40	811n	+18

THE YO-YO MOVEMENTS CONTINUE!!

The frustrating up and down movements of the wool market continued this week as most of last series' gains were given back this sale. The few whispers on the showfloor that maybe a new level had been found above 1350 were quickly dispelled as the opening day's collapse eroded any bit of confidence that was around. The market did steady in Sydney in the final session but the large losses kept coming in Melbourne with <19 micron falling by another 10 to 55 cents. The AWEX EMI lost 36 cents for the sale to sit at 1333 and a 22 cent fall in US\$ terms has that indicator at 1003 cents. Merino fleece losses were across the board from 25 to 60 cents. Skirtings gave back 25 to 40 cents for <2.5% VM with the burrier types retracting by 50 to 60 cents. Cardings took a beating as the 3 MCIs averaged a 39 cent fall as all types in this sector fell by 10 to 50 cents. Crossbreds weren't immune from the market pullback to fall by another 25 to 45 cents. The pass-in rate skyrocketed by 15% to reach 21% as growers were caught by surprise with the magnitude of the falls.

Once prompt demand orders were filled and no more large volumes of new enquiry were forthcoming the market was going to be under pressure to hold the new levels it had climbed to last week. The seemingly positive tone completely gone by early this week. Most buyers reverted to a risk averse operation and were only active to complete forward orders or the very few new bids that were placed. It was a case (as we have seen on many occasions) of too much of a rise in too short of a timespan last week with the inevitable pullback this sale a sure bet. Many of the issues that can influence the wool market are still in play. Financial pressure, logistical delays, FRX cross-rates (A\$ too high) and more lockdowns around Beijing (11 provinces) are all leading to subdued/sporadic demand and are all having an effect on the market. The market looks to be stuck between 1320 to 1380 for the foreseeable future until we can get some sustained demand to lift the EMI towards 1400 and keep it there but there's no indication of when this might happen. Plenty happening with AWI with the Woolpoll levy vote to close next Friday, 5th November at 5.00pm. To date the percent of growers that have voted is much higher than in 2018 and 2015. If you are registered to vote please do so by next week's deadline. Board elections will be held on Friday, 19th November and Don Macdonald is standing for a 2nd term reelection. He would be grateful for your support and vote to serve on the board of AWI for all our clients and all woolgrowers for the next 3 years. All growers should have received their voting papers by now via email or post (sent on 12th October). If you haven't received them yet, please contact the office and we may be able to help.

A few ram sales to report on: Hazeldean at Cooma sold all but 1 ram from 250 offered to average \$4,410 and a top of \$11,000 and Thalabah at Crookwell cleared 100% with a top of \$8,000 to average \$3,115.

Southern Aurora Fwd Prices

Micron	Date	Low
21	Jan. 22	1260

Main Buyers (this week)

1	Techwool Trading	4682	2	Endeavour Wool	3236	3	PJ Morris Wools	2794
4	Fox & Lillie	2062	5	Australian Merino	1904	6	Tianyu Wool	1639

Eastern Market Indicators (AUD cents/kg clean)
1333 cents ↓ 36 cents compared with 22/10/2021

Northern Market Indicators (AUD cents/kg clean)
1420 cents ↓ 36 cents compared with 22/10/2021

AUD/USD Currency Exchange
0.7521 ↑ 0.0035 compared with 22/10/2021