



WEEKLY MARKET REPORT

Week Ending 15th October, 2021

AWEX Northern Micron Indices Comparison

| AWEX INDEX | This Week S15/21 | This Week M15/21 | Last Sale S14/21 | Sydney Change | Last Year Sydney | Sydney Yearly Change |
|------------|------------------|------------------|------------------|---------------|------------------|----------------------|
| 17 | 2451 | 2473 | 2445 | +6 | 1626 | +825 |
| 18 | 2011 | 2067 | 2036 | -25 | 1402 | +609 |
| 19 | 1619 | 1640 | 1643 | -24 | 1195 | +424 |
| 20 | 1302 | 1315 | 1322 | +20 | 1069 | +233 |
| 21 | 1227n | 1232 | 1239 | -12 | 1030n | +197 |
| 26 | - | 686n | - | - | 693n | - |
| 28 | 415 | 415 | 418 | -3 | 484n | -69 |
| MC | 861n | 889n | 879 | -18 | 732n | +129 |

OUCH!! LOWEST POINT SINCE MAY

A disappointing result for the wool market with losses across all sectors pushing the market to its lowest point since May. After last series' stability, the market faded this sale to have the AWEX EMI fall by 16 cents to 1323. With the FRX continuing to strengthen through the 73 cent barrier to 73.40 cents the market in US\$ terms only slipped by 3 cents to 972. Most of the negativity was on the opening day with merino fleece and XBs making a modest recovery in the final session. The better super-fine types <17 micron actually added 5 to 10 cents (and much more for the superior lots) as European processors kept up their aggressive purchasing tactics. All other microns lost 10 to 25 cents. The pattern of price movement was similar in the skirtings with low VM lots (<3%) fully firm for the sale with burrier types 25 to 40 cents cheaper. Cardings continued on their falling run as the indicator gave back another 18 cents to 861 adding up to a 41 cent decrease for the past 3 sales. LKS and STN were the main culprits for losses with falls of 10 to 60 cents. XBs had another tough sale as losses were just in buyer's favour in Sydney to 35 cent falls in Melbourne for 26 microns. Despite the cheaper market growers looked to be more accepting of these price levels as the pass-in rate move marginally higher to 14%. This may be a sign that some growers have waited long enough for the next non-eventuating price rise and have decided to sell their wool to eliminate any risk in what could be a turbulent 6 to 12 months.

Sluggish Chinese demand led to a wait and see approach for most participants with just the bigger trading exporters, top-makers and indent buyers trying to keep up with European buyers which is a rarity. Usually, it's China leading the charge and everyone else following. There are still many factors that are influencing the wool market and could affect the market for some time, whether negatively or positively it is hard to answer at the moment. As we said last week ram sales have wrapped up in this area - a few to report on are: Gassy Creek at Reids Flat who had a top price of \$21,000 to clear 97% and average \$3,740. Merrignee at Boorowa averaged \$3,030 for 86 rams sold with a top of \$6,000. In Victoria, Glendemar sold all 140 rams offered to average \$4,315 with a top of \$15,000 while Charinga and Banavie sold 95% of rams offered to average \$3,825 with a top price of \$30,000 and Bungulla at Manilla sold all 108 rams on offer to average \$2,890 with a top of \$8,500.

Just a reminder that voting is open for Woolpoll 2021 and will close on 5th, November. Voting is also opened for the election of AWI board members with the AGM to be held as a virtual meeting on November 19th with 3 director positions to be decided on (refer to page 91 of this week's "The Land"). Show-floor talk has suddenly turned positive with a better market predicted for next week's sale even with the A\$ climbing above 74 cents this morning.

Southern Aurora Fwd Prices

| Micron | Date | Low |
|--------|---------|------|
| 21 | Dec. 21 | 1245 |

Main Buyers (this week)

| | | | | | | | | |
|---|------------------|------|---|-------------------|------|---|-----------------|------|
| 1 | Techwool Trading | 5240 | 2 | Tianyu Wool | 3445 | 3 | Endeavour Wool | 3257 |
| 4 | Fox & Lillie | 2799 | 5 | Australian Merino | 2033 | 6 | PJ Morris Wools | 1473 |

Eastern Market Indicators (AUD cents/kg clean)
1323 cents ↓ 16 cents compared with 08/10/2021

Northern Market Indicators (AUD cents/kg clean)
1408 cents ↓ 16 cents compared with 08/10/2021

AUD/USD Currency Exchange
0.7337 ↑ 0.0059 compared with 08/10/2021