



WEEKLY MARKET REPORT

Week Ending 1st October, 2021

AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S13/21	This Week M13/21	Last Sale S12/21	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2407	2447n	2442	-35	1611	+796
18	2006	2067	2043	-37	1407	+599
19	1638	1638	1679	-41	1208	+430
20	1312	1317	1362	-50	1104	+208
21	1232n	1217	1282n	-50	1075n	+157
26	-	731n	-	-	668n	-
28	427n	423	442n	-15	489n	-62
MC	893n	896n	902n	-9	723n	+170

MARKET STILL IN YO-YO MODE!!

Market intel was for a solid to slightly dearer market this week but the opening session's sharp fall caught everyone off guard. The market's pattern of a "yo-yo" movement kept going with a downward shift dominating all types. The market did steady on the final day but the damage was done by then. The AWEX EMI gave back 31 cents to 1331 and an almost identical number in US\$ terms - a 29 cent retreat to 963. The fall in the A\$ to 72 cents (-.50 cents) did not assist in any way. The broader microns took the brunt of the falls as 18.5 and coarser lost 40 to 55 cents while finer types fell by 30 to 40 cents. Skirtings weren't immune from the saleroom negativity with low VM (<4%) falling by 20 to 30 cents while burrier lots lost 40 to 60 cents. Cardings gave back some of last week's gains as LKS/STN came off by 10 to 30 cents with CRT unchanged. Crossbreds continue to lose ground as falls ranged from 15 to 60 cents for 26 micron (Melbourne). These falls were in the range of 6 to 8%. The pass-in rate rose to 22% as growers resisted the lower prices.

Up until this sale the gains had been outdoing the falls. The market had been edging higher with the 3 previous peaks at 1355, 1360 then 1370 last sale. This week's fall is the largest since mid August and leaves the market just above the low points since sales resumed. European orders weren't as dominant as in previous weeks with China's biggest top-maker and Australia's leading trading exporter making statements this sale. There are a number of concerns in China over different things happening that could be detrimental to the market rising. Logistic delays with shipping are still ongoing and financial constraints are always seemingly bubbling under the surface. Added to this is the cheaper, poorer quality non Australian coal that China is using to generate power which has vastly reduced supply in most provinces (67%) and has resulted in "power rationing" becoming more frequent and of a bigger magnitude. This has led to blackouts for lots of industries including woolen mills which has resulted in interruptions of production, yet another (but different) reason the market fell!!!

The astounding results at ram sales continue as growers are prepared to spend up big to secure top genetics. At Yass, Bogo Merinos averaged \$4,220 for all 200 rams sold with a top of \$12,000. At Boorawa the top price was \$11,000 for a 93% clearance to average \$2,890 while in the Riverina, Willandra topped at \$10,000 to average \$3,735 clearing 90%. The Yanco sold all 100 rams to average \$2,600 with a top of \$8,000. Pooginook cleared all 300 rams offered topping at \$8,500 to average \$3,365 and One Oak Polls topped at \$28,000 for 110 rams sold to average \$3,885. Dunbogan at Elong sold 93% for a top of \$5,250 to average \$2,390. Mumblebone at Wellington sold all but 4 of the 300 rams penned to average \$4,575 with a top of \$20,000. Langdene at Dunedoo averaged \$3,945 for 136 rams sold and topped at \$18,500. The dearer market in Fremantle on Thursday gives us hope that this may well be the bottom of the market, we hope!!

Southern Aurora Fwd Prices

Micron	Date	Low
21	Dec. 21	1240

Main Buyers (this week)

1	Techwool Trading	5137	2	Tianyu Wool	3061	3	Fox & Lillie	3010
4	Endeavour Wool	2894	5	Australian Merino	1946	6	PJ Morris Wools	1127

Eastern Market Indicators (AUD cents/kg clean)
1337 cents ↓ 31 cents compared with 24/09/2021

Northern Market Indicators (AUD cents/kg clean)
1424 cents ↓ 30 cents compared with 24/09/2021

AUD/USD Currency Exchange
0.7204 ↓ 0.0046 compared with 24/09/2021