



# WEEKLY MARKET REPORT

Week Ending 18th November 2022  
AWEX Northern Micron Indices Comparison



AWEX INDEX	This Week S20/22	This Week M20/22	Last Sale S19/22	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2145n	2000	2200	-55	2370	-225
18	1802	1722	1838	-36	1980	-178
19	1539	1533	1534	+5	1633	-94
20	1365	1380	1370n	-5	1365	-
21	1280	1324n	-	-	1298n	-18
26	-	605	608	-	-	-
28	330	347	345	-15	407n	-77
MC	876n	867	885	-9	862n	14

## MARKET AT SEASONAL LOW

The market suffered more losses albeit small, but enough (9 cents) to hit a new seasonal low of 1232 cents. Finer fleece microns drove the market lower as 18s and finer lost 30 to 55 cents while the coarser types finished either side of fully firm (plus 10 to minus 10). Skirtings continued to cheapen as the lower style, high VM lots, <18.5 micron fell by 30 to 40 cents with the broader lots holding their values from the previous series. Cardings also slipped in value as LKS/CRT gave back another 20 cents to have the MCI retreating by another 9 cents to 876 cents. XBs also suffered small losses with 5 to 15 cent falls across the board. As mentioned earlier, the AWEX EMI fell by 9 cents to 1232. In US\$ terms the market had a good sale as the indicator jumped by 27 cents to 833, this due to the strengthening A\$ that peaked at 68 cents early in the week then settled at 67.65 cents: a 4% increase for the week buoyed by positive economic data and lower unemployment figures. Once again, the pass in rate fell slightly down to 12.5%.

This week's 2 days of losses make it 8 days straight of falls for the market, giving back all the gains from a month ago. The market only took 4 days to advance from these levels to 1325 a month ago but has taken twice as long to lose all that ground back to these prices. At 1232, the market is at its lowest point since January 2021 with 17 microns at a 2 year low (2145) this compares poorly to the mid-June quote of 2750: a massive fall of 600 cents. The market probably got off lightly given the strength of the A\$ compared to our trading partners' currencies as the magnitude of the falls was nowhere near what some exporters had forecast presale. Indian and European buyers continue to buy in volume considering the low volumes on offer for this time of the year. Chinese demand was there, but not as widespread as other interests off shore, and even more sporadic as the sale went on. Traders dominated the merino fleece sector with early stage processors keener in the skirting and XB sectors. What could be of immediate concern is the looming industrial trouble in 17 Australian ports with tugboat strikes and a lockout of port workers. If this happens the loading and unloading of container ships could grind to a halt, causing significant delays for imports and exports (including wool). If this eventuates this could impact the wool market negatively and immediately - time will tell.

### Southern Aurora Forward Prices

Micron	Date	Low
21	Dec 22	1250

### Main Buyers (this week)

1	Endeavour Wool	4221	2	Techwool Trading	4047	3	Tianyu Wool	2451
4	PJ Morris Wools	1787	5	Modiano Australia	1661	6	Australian Merino	1613

Eastern Market Indicators (AUD cents/kg clean)  
1232 cents ↓ 9 cents compared with 11/11/2022

Northern Market Indicators (AUD cents/kg clean)  
1315 cents ↓ 18 cents compared with 11/11/2022

AUD/USD Currency Exchange  
0.6764 ↑ 0.0268 compared with 11/11/2022