



# WEEKLY MARKET REPORT

Week Ending 16th December 2022  
AWEX Northern Micron Indices Comparison



AWEX INDEX	This Week S24/22	This Week M24/22	Last Sale S23/22	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2227	2247	2167	+60	2438	-211
18	1927	1931	1835	+92	2044	-117
19	1671	1667	1584	+87	1680	-9
20	1532	1524	1446n	+86	1380	+152
21	1457n	1455n	-	-	1319n	+138
26	-	645n	-	-	728n	-
28	337n	362	335n	+2	400n	-63
MC	879n	869	875n	+4	888n	-9

## THAT'S THE WAY TO END THE YEAR!! MERRY XMAS

Despite the big offering for the final sale of the year (48,000 bales) as growers put wool into the market following last series' rises, the market handled it with ease. The largest offering since the resumption of sales in August was met with even better competition than last week. The opening 2 days of sales saw the AWEX EMI climb to 1331, a level not seen since the end of August. With the extra volume of wool on offer, Melbourne was forced to sell in isolation on Thursday and the market by then had run out of steam as the EMI lost 4 cents to 1327, but still a weekly gain of 49 cents. This follows on from the 54 cent jump last series to total a 103 cent gain (8.4%) for December. This makes it the best performing December since the old AWC began its market reporting service way back in 1979.

The market roared into action from the opening lot till the last lot sold in Sydney on Wednesday. Gains were pretty much uniform across all merino fleece microns bar 16.5 and finer (+ 20) with all others 60 to 100 cents higher. Skirtings received good gains as well, not quite to the extent of the fleece types, but still rose by 40 to 60 cents. In a rare occurrence both the fleece and skirtings had a passed-in rate of 1.9%. Cardings just nudged their way forward as LKS/CRT added about 10 to 20 cents. Crossbreds also had a quieter sale edging in seller's favour by up to 10 cents. The national pass-in rate fell slightly to 6.5%. in US\$ terms the market improved by 52 cents to 909. The strength of the market is even more impressive when looking at the FRX as it rose by 1.5 cents to 68.5 cents over the course of the sale as the need to secure wool overruled any external factors.

A great end to the year as the sluggish July to December period was shaken off with a bang to finish the year. The Chinese government's announcement of the impending lifting of the harsh Covid-19 restrictions and lockdowns has certainly helped the market as the foot traffic rush on retailers in the big cities is inevitable and stocks of all goods will be in hot demand. Also in our favour is the slowing global inflation rates and with that the end in sight for rising interest rates. As has been the case for some years now the opening 6 months of the year has yielded better results than the 2<sup>nd</sup> half of the year. The market peaked at 1474 in Sale 51 at the end of June and bottomed out 2 weeks ago at 1224, a 250 cent swing. As is always the case, the biggest fluctuations came in the finer microns: the price difference between 21 micron was 185 cents, 19s was 260 cents and 17 micron had a 600 cent gap between its high and low point. The volume of wool offered for the season to date is just 2,600 bales ahead of last season, 0.3%.

Wool sales will start the 2<sup>nd</sup> week of January, we should be selling on Tuesday 10<sup>th</sup>. Merry Xmas to all.

### Southern Aurora Forward Prices

Micron	Date	Low
21	Jan 23	1300

### Main Buyers (this week)

1	Techwool Trading	6918	2	Endeavour Wool	5800	3	Fox & Lillie	4818
4	Tianyu Wool	3379	5	Pelican Australia	2990	6	PJ Morris Wools	2148

Eastern Market Indicators (AUD cents/kg clean)  
1327 cents ↑ 49 cents compared with 09/12/2022

Northern Market Indicators (AUD cents/kg clean)  
1396 cents ↑ 60 cents compared with 09/12/2022

AUD/USD Currency Exchange  
0.6848 ↑ 0.0145 compared with 09/12/2022