



WEEKLY MARKET REPORT

Week Ending 5th May 2023

AWEX Northern Micron Indices Comparison



AWEX INDEX	This Week S44/22	This Week M44/22	Last Sale S43/22	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	2220	2230	2222	-2	2631	-411
18	1867	1890	1863	+4	2109	-242
19	1651	1644	1620	+31	1723	-72
20	1521	1538	1478	+43	1426	+95
21	-	1488	1431n	-	1331n	+129
26	-	555	-	-	-	-
28	337n	335	-	-	397n	-60
MC	821n	826	831n	-8	946n	-125

A WEEK OF SUBTLE IMPROVEMENT

The market this week continues to move into positive territory, with the three regional indicators all rising. There were, however, variations in the indicators that rose between the centres, with Sydney seeing the largest gains in the middle microns, whilst in Melbourne and Fremantle the gains were largest in the finer end. This saw the indicators across the country far closer together in price than last week when there was up to 70 cents clean different between the same micron indicators. The Western Australian wools were the beneficiaries of those increases, more than likely because of the amount of fleece wools under 1%.

Buyers are finding it increasingly difficult to average those fleece orders at 1%, with seasonal conditions nationwide leaving VM averages higher than normal. The Western Australian wools traditionally can help average back wools from the East, but with all areas seeing the average closer to 1.5% VM than 1%, wools under that figure are gaining the strongest buyer attention. So much so that short comings such as tensile strength and colour are being overlooked and with so much wool having more than 2.5 VM, the gap is starting to widen pricewise. Skirtings were again well sort after, particularly 4% and less. Crossbreds managed to hold their ground with a slightly stronger dollar, but cardings continued to fall, as they have since the new year.

Exporters have seen fluctuations in buying sentiment over the last couple of months from the Chinese particularly. A spike in price one week can lead to plentiful business being written around market level, which can flow into the following week, such as the one we have just experienced. Buyers report that business is tough to do at these new levels but concede that we have come from a position late last year where the pipeline was almost empty, to one that is now much more back to normal supply wise. All economies are under the same pressures of post Covid inflation, high interest rates and cost of living pressures, and the wool market has sold more wool than the same time last year, and testing data shows that we are slightly in front quantity wise. Local traders have shown growing confidence to acquire stock, which we are seeing in the sale rooms in weeks like this, hopefully it will lead to a healthier trading environment into the next couple of months.

The Campaign for Wool is a multiple-industry initiative that was convened by His Majesty King Charles III, when he was Prince of Wales in January 2010. They have released an article that talks about the diversity of wool and outlines the ways that it will be used in virtually every part of the Coronation on May 6. You can read it online by following the link: www.campaignforwool.org/wool-savile-row-celebrates-the-coronation-of-king-charles-iii

Southern Aurora Forward Prices

Micron	Date	Low
21	July 23	1450

Main Buyers (this week)

1	Techwool Trading	6202	2	Tianyu Wool	3666	3	Endeavour Wool	3598
4	United Wool	2204	5	Pelican Australia	1970	6	Fox & Lillie	1181

Eastern Market Indicators (AUD cents/kg clean)

1310 cents ↑ 8 cents compared with 28/04/2023

Northern Market Indicators (AUD cents/kg clean)

1371 cents ↑ 11 cents compared with 28/04/2023

AUD/USD Currency Exchange

0.6669 ↑ 0.006 compared with 28/04/2023