

AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S23/23	This Week M23/23	Last Sale S22/23	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1825	1855	1802	+23	2167	-342
18	1627	1632	1592	+35	1835	-208
19	1456	1456	1454	+2	1584	-128
20	1368n	1364	1354n	+14	1446n	-78
21	-	1345	-	-	-	-
26	-	530	495n	-	-	-
28	350n	345	350n	0	335n	+15
MC	689n	679	694n	-5	875n	-186

Demand and Exchange Rate Work Together

The Australian wool market this week brought about some very favourable results for growers offering in the second-last sale for the year. After last week's weaker finish, the merino fleece and skirtings increased by an average of 25 cents with the finer crossbred performing a little better but losing ground in the broader types. Cardings had a mixed result nationally. The Australian dollar was responsible for the majority of the rises, falling over a cent since the end of selling last week, however the gains made at the finer than 18.5 micron fleece range were more than the exchange rate's influence.

The strong, diverse competition that has been evident in the finer end over the last couple of weeks was on show again, albeit at a dearer level. Increases of between 50 and 100 cents for specialist fleece types were seen, pushed by the few Chinese mills that had been exerting pressure on the market for the last couple of months. For decades these types had been the exclusive domain of European buyers. A tough economic outlook is currently playing out throughout Europe so maybe it's not all that surprising that China is taking the larger slice of those clips.

When talking to exporters over the last few weeks about the market in general, nobody has been surprised that the finer end has shown gains for the last month. They have been viewed as good buying for an extended period of time, particularly 17 microns that is 1000 cents cheaper than 18 months ago. Hopefully the increasing price levels that we are seeing rise in 10 and 20 cent increases weekly will continue to play out, as end users can confidently work with small gains regularly rather than big jumps. Demand hopefully will recover next year as well, making recent buying decisions look like good business.

The offering this week numbered just over 45,000 bales with over 50,000 planned to be put in front of the buyers for the last time this year. Macwool and Carmichael Wool will be offering almost 800 bales on the last day of selling.

Southern Aurora Forward Prices

Micron	Date	Low
21	February 24	1340

Main Buyers (this week)

1	Techwool Trading	7405	2	Endeavour Wool	4735	3	Tianyu Wool	4553
4	PJ Morris Wools	3859	5	Pelican Australia	3215	6	Fox & Lillie	1059

Eastern Market Indicators (AUD cents/kg clean)
1177 cents ↑ 11 cents compared with 01/12/2023

Northern Market Indicators (AUD cents/kg clean)
1221 cents ↑ 11 cents compared with 01/12/2023

AUD/USD Currency Exchange
0.6546 ↓ 0.0105 cents compared with 01/12/2023