



WEEKLY MARKET REPORT

Week Ending 24th May 2024



AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S47/23	This Week M47/23	Last Sale S46/23	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1685	1682	1692	-7	2058n	-373
18	1506	1504	1505	+1	1787	-281
19	1408	1393	1406	+2	1515	-107
20	-	1338	1351	-	1395n	-
21	-	1286	1306n	-	-	-
26	-	518	-	-	-	-
28	355n	355	355n	0	310n	+45
MC	714n	721	714n	0	739n	-25

Offerings Continue to Reduce

The overall price level of the Australian wool market didn't see much change this week, with the EMI coming back just five cents, and only one cent in US terms. The micron indicators had mixed results throughout the week in merino fleece and skirtings, as well as the cardings and crossbreds. The opening day was the hardest day for growers, with all merino indicators falling but all crossbred indicators seeing small increases. On Wednesday, only the Northern and Southern rooms had a sale, with the tradition drop in volume in the West starting to kick in. Whether by that coincidence or not, the market had small rises in the merino indicator finer than 19.5 micron, as did most crossbred indicators. This stable pattern that sales have been part of since the New Year don't look like changing any time soon.

The direct buying for the five largest top makers dominated the merino market with exporters finding buying conditions for their firm price trading the most difficult in a long time. Sluggish demand from processors on the next tier down is making business with prompt shipment and delivery key, at all parts of the pipeline. The economic conditions that China as well as Europe finds itself in with unemployment starting to grow, could be the start of some challenging times heading forward over the next six months or so, and these medium and smaller top makers will be feeling the squeeze of keeping machinery running and staff employed over this period of subdued business for them. This can also be said for the rest of the supply chain all the way to retail. How they manage their risk aversion strategies will be important to their strength once we get through the lack of appetite that consumers have for discretionary spending.

And once better times do present, it could be a more formal style rather than casual that people will come back to. It will be likely less formal than before, being upmarket with more freedom of expression. This market will have innovation in patternmaking and fabric engineering, as well as traceability from the grower with innovative wool growing and farm practices.

A smaller offering of just over 33,000 bales is expected next week after 35,500 in this offering. Quantities look to remain subdued until the end of the financial year. Macwool and Carmichael wool will offer almost 1,100 bales on Wednesday.

We are calling on growers to donate wool, either oddments or a bale or two lower lines to be auctioned at one of our three special wool sales during the year. Your bale of oddments that might be worth \$400-\$500 could double that at the charity auction for such a cause, which is where Endeavour Wool Exports' contribution will come from. Please visit www.macquariehomestay.com.au to view this amazing facility. After the successful auction result at the Sydney Royal Easter Show, our next charity offering will be S03/24 during the week of the 15th of July. From one fleece to any number of bales donated we will, with your help, get to the \$65,000 that has been pledged to the second stage of building at the Macquarie homestay site.0

Charity Sale Dates	
S03/24 – Week of 15 th Jul 2024	S24/24 – Week of 9 th Dec 2024

Southern Aurora Forward Prices

Micron	Date	Low
21	July 2024	1280

Main Buyers (this week)

1	Tianyu Wool	4623	2	Endeavour Wool	4121	3	Techwool Trading	3844
4	Fox & Lille	3169	5	PJ Morris Wools	2776	6	Sequoia Materials	2308

Eastern Market Indicators (AUD cents/kg clean)
1130 cents ↓ 5 cents compared with 17/06/2024

Northern Market Indicators (AUD cents/kg clean)
1171 cents ↓ 6 cents compared with 17/06/2024

AUD/USD Currency Exchange

0.6667 ↑ 0.0022 cents compared with 17/06/2024