



WEEKLY MARKET REPORT

Week Ending 30th August 2024



AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S09/24	This Week M09/24	Last Sale S08/24	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1616	1619	1639	-23	1762n	-146
18	1434	1448	1466	-32	1533	-99
19	1327	1334	1372	-45	1405	-78
20	1276n	1291	1312	-36	1302n	-26
21	-	1253	1278n	-	-	-
26	-	565	-	-	-	-
28	370n	375	375n	-5	340n	30
MC	689n	654n	689n	-0	722n	-33

Current Trend Hard to Take

After the soft start to sales last week the Australian wool market again continued the weaker trend, with all micron indicators falling. Merino fleece and skirtings were back between 12 and 45 cents, with crossbreds and cardings losing around 10 cents. Buyers have for many years told of the difficulties that the months of August and September present to them in terms of trading, and this seems to have been exacerbated this week, having the EMI drop below 1100 cents, the first time since October 2020. The current exchange rates for both the American dollar and Chinese Yuan against a stronger Australian dollar have made the sluggish demand scenario even more challenging. This brought about an increase in seller resistance, with the passed in rate moving up to almost 12%.

With demand not being driven by enterprises further down the wool pipeline, it seems that the larger Chinese top makers are continuing to keep their machinery running, even though wool tops sales are quiet. Four week forecasts for auction volume showing reduced quantities could be responsible for this approach, or perhaps a positive approach to traditional order volumes heading into the northern hemisphere winter might be driving that mindset. Whatever the reasoning is, the largest percentage of the Australian clip now makes its way to China, with 86.4% of volume and 84.1% of value being shipped. The modernisation of the processing facilities over the last twenty or some years must be having an impact, and with India and Italy at 5.1% and 2.6% respectively, there is not a lot left for some diversity.

On Wednesday and Thursday Dubbo showground was home to the National Merino Sheep Show, with studs from around the country on display. The two day event had a number of events that were incorporated into the schedule, with the hogget ewe competition and school wether challenge drawing a crowd. The ewe competition had winners from the different local show run events from around the state come together and be judged, with their bloodlines and districts being noted. The school wether challenge is aimed at educating our high school children from year 7 to 10 about the industry, whilst having a hands on experience with 6 wethers which are run in their ag blocks at the school for around five months. The schools are from all over the state, starting up at the North Coast, the New England, North West Slopes and Plains, Central West, the Hunter Valley and Southern Highlands, with around 700 kids being part of the event. Over the two days the students participate in sheep classing demonstrations, given a yard dog display, shown the finer points of wool judging, and shown career pathways within the sheep and wool industries. The wethers are shorn at the showground, fleeces weighed and micron tested, and then they are judged and assessed for their carcase traits, and finally head to Fletchers International for slaughter. I imagine that a few tears are shed at that point, with the wethers ending up as quiet as dogs on a lead.

Next week's offering is back to under 34,000 bales and Macwool and Carmichael wool will offer around 900 bales on Wednesday.

Our last sale for the Charity will be held in early December and I think we can confidently assume our target will be met to see a two-bedroom apartment completed at the amazing facility connected to health care in Dubbo. You can visit www.macquariehomestay.com.au to view this excellent site, and if you would like to donate a bale or two in the final charity sale, please let us know.

Final Charity Sale
S24/24 – Week of 9 th Dec 2024

Southern Aurora Forward Prices

Micron	Date	Low
21	August 2024	1335

Main Buyers (this week)

1	Endeavour Wool	4938	2	Tianyu Wool	4794	3	Techwool Trading	4585
4	Fox & Lillie	2190	5	Pelican Australia	2163	6	Sequoia Materials	1669

Eastern Market Indicators (AUD cents/kg clean)

1087 cents ↓ 26 cents compared with 23/08/2024

Northern Market Indicators (AUD cents/kg clean)

1118 cents ↓ 26 cents compared with 23/08/2024

AUD/USD Currency Exchange

0.6798 ↑ 0.0049 cents compared with 23/08/2024.