



WEEKLY MARKET REPORT

Week Ending 4th October 2024



AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S14/24	This Week M14/24	Last Sale S13/24	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1633	1630	1617	+16	1703	-70
18	1483	1479	1442	+41	1494	-11
19	1364	1362	1328	+36	1388	-24
20	1280	1295	1262n	+18	1311n	-31
21	1242n	1261	-	-	-	-
26	-	575	-	-	611n	-
28	375n	367	-	-	408n	-33
MC	698n	675	696n	+2	709n	-11

A Change of Sentiment

After last sales tough results, this week's Australian wool market saw growers welcome the 10 to 40 cent rises that came on the back of the confidence injection delivered by the Chinese stimulus package announced last week. From the opening, buyer competition was quite spirited if at times almost combative on the offering of just over 31,000 bales. Merino fleece received the largest gains, with skirtings and crossbreds having minimal movements, and cardings continuing to perform positively. The second day of selling continued the momentum of strengthening with only Sydney and Melbourne offering on that day, and only the third time since the start of the financial year that there have been two consecutive rises occur. It is also the third week in a row that the EMI in US terms has risen, which even with our dollar lifting, shows that positive sentiment is filtering through.

The Chinese stimulus has seen some huge gains on their share and property markets, with investors' enthusiasm ignited and market confidence bolstered, all hoping for that sentiment to flow down through the general Chinese population. The value of the investment is eye watering, over 1 trillion US dollars and could be the largest in their history. Whilst not directly targeted at the everyday consumer, the confidence that could be generated by this move could well be long and sustained, particularly considering that the government has signalled that more action will be taken if required. The early stage processors are already running with that momentum, booking up wool at levels far greater price wise now compared to a month ago. The European enquiry has also lifted in the last few weeks, with buyers reporting sales starting to flow, and the saleroom having more competition on selected types. Some in the trade think that this may lead to a rally, others are not so sure and express that small, sustained rises are far easier to pass on than large weekly gains. The offering size of under 40,000 bales has also been critical in the level of business that exporters have been able to conduct, with the AWEX seasonal comparisons showing a little over 20% less wool being offered compared to the same time last year more than likely assisting in the stabilised nature of the market over the last month or so.

We are all finding ourselves time poor on occasions and would like to keep up to date with training and updates in the sheep industry. AWI runs many workshops that, if you can't attend, are available as a webinar either on YouTube or from their website with a diverse range of subjects delivered. Just type in AWI Extension NSW into your search engine to find the range of information.

Next week Macwool and Carmichael wool will offer almost 700 bales on the Wednesday with around 34,000 up for sale.

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	November 2024	1260

Main Buyers (this week)

1	Techwool Trading	5257	2	Tianyu Wool	4498	3	Endeavour Wool	4042
4	Australian Merino	2079	5	Meliwa	1719	6	Fox & Lillie	830

Eastern Market Indicators (AUD cents/kg clean)
1104 cents ↑ 17 cents compared with 27/09/2024

Northern Market Indicators (AUD cents/kg clean)
1142 cents ↑ 17 cents compared with 27/09/2024

AUD/USD Currency Exchange
0.6908 ↑ 0.0020 cents compared with 27/09/2024.