



WEEKLY MARKET REPORT

Week Ending 1st November 2024



AWEX Northern Micron Indices Comparison

AWEX INDEX	This Week S18/24	This Week M18/24	Last Sale S17/24	Sydney Change	Last Year Sydney	Sydney Yearly Change
17	1657	1649	1674	-18	1707	-50
18	1483	1486	1520	-37	1512	-29
19	1383	1382	1388	-5	1392	-9
20	1308	1308	1318	-10	1298n	+10
21	1280n	1281	1280	0	-	-
26	595n	598	-	-	578n	+17
28	385n	395	380n	+5	370n	+15
MC	711n	671n	708n	+3	700	+11

Back to Where We Started From

A weaker dollar had some thinking this week's Australian wool market would result in a solid selling week for growers, but it was definitely one in favour of the buyers. The opening day suffered the largest falls, with 18.5 micron and finer back from 17 to 33 cents, and middle microns holding firm. Wednesday's results were less painful, back between 5 and 11 cents and spread over most of the merino indicators. Crossbreds on the other hand had a reasonable time of it, with the majority of their indicators finishing in positive territory. Exporters tell us that they are easy to trade currently, mainly due to their price levels. When we look at the EMI in US terms, the fall this week takes us back to around the same level as we were a couple of months ago when the momentum was just starting to build. The Chinese stimulus package is now well and truly in the rear vision mirror for wool purchases, with the much-awaited recovery in the European and Chinese domestic consumption markets remaining elusive, with Chinese buying reverting to largely purchasing to keep machinery running.

Wool buyers tell us that with the forward momentum now finished for the time being, we will see a market with not a lot of variation in price for the upcoming weeks. The large top makers will support the market at these levels to keep the value of their stock on an even keel, whilst the medium to small operators will be very judicious when they will trade. With the Chinese apparel market still well behind the levels of trade pre Covid, it is this tone that is determining what we see in the auction rooms in the way of pricing. And all this after the \$1 Trillion stimulus from the Chinese government for the property sector, where there are 60,000 vacant units, and property values have fallen up to 40%. It won't change the sentiment of Chinese consumers in the short term, but hopefully it will give more rays of positivity towards discretionary spending moving forward.

A new industry body that growers will hear more of in the future is AWTH or the Australian Wool Traceability Hub, designed as the traceability platform that supports Emergency Animal Disease (EAD) response activities and provides end to end commercial traceability from farm to first stage processor. This is targeted at diseases not found in Australia, such as Foot and Mouth Disease (FMD) and Small Pox, with the FMD virus being able to be carried in greasy wool. If detected, Australian trade would lose 97% of its export markets. The industry is working to have all wool offered having the PIC number linked to it, which is critical in ensuring quick containment and rapid recovery. Macwool has been recording PIC's for many years, and it is hoped that the rest of the industry can get up to 100% compliance in the short term.

Next week, Macwool and Carmichael Wool will offer almost 1,100 bales on Wednesday with an offering of around 38,000 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.

Southern Aurora Forward Prices

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

Micron	Date	Low
21	November 2024	1260

Main Buyers (this week)

1	Techwool Trading	6369	2	Endeavour Wool	4365	3	Tianyu Wool	3925
4	PJ Morris Wools	3826	5	Sequoia Materials	2588	6	Fox & Lillie	2559

Eastern Market Indicators (AUD cents/kg clean)
1125 cents ↓ 6 cents compared with 25/10/2024

Northern Market Indicators (AUD cents/kg clean)
1162 cents ↓ 13 cents compared with 25/10/2024

AUD/USD Currency Exchange
0.6642 ↓ 0.0134 cents compared with 25/10/2024.