

# WOOL MARKET WEEKLY REPORT

Sale 38: Thu 21st Mar 2024



Discounted registrations for 100 woolgrowers for IWTO Congress April 2024 - Adelaide. [www.iwto.org](http://www.iwto.org)

Aust. wool offering		Currency movements			Eastern Market Indicator (EMI)			
Bales offered	44,033	AUD:USD	0.6526	- 1.36 %	AUD	1152 ac/kg	- 15 ac/kg	- 1.29 %
Clearance rate %	91.3 %	AUD:CNY	4.6982	- 1.27 %	USD	752 usc/kg	- 20 usc/kg	- 2.63 %
Bales Sold	40,207	AUD:EUR	0.6005	- 0.68 %	CNY	54.12 ¥/kg	- 1.41 ¥/kg	- 2.53 %
Bales sold season	1,208,794	RBA close rates 20th Mar 2024			EUR	6.92 €/kg	- 0.14 €/kg	- 1.95 %

## AWI Market Commentary

Price falls across the board even with the sharply lower Australian dollar value against the US dollar and Chinese Yuan. This forex change theoretically halved the potential percentage falls that could have effected local returns to grower sellers. Crossbred and Merino fleece and skirtings from both those sectors were all affected, but cardings were resilient and managed to gain a few cents.

The USD EMI represented the sharply tougher trading conditions at the start of the week by immediately falling 2.6% whilst the AUD EMI reduced by 1.3%. The closing day of selling though was far more positive and saw both indicators stable to slightly higher as the market rebounded slightly. This was borne out by the strongest prices of the day being achieved at the last to finish selling centre in Fremantle, Western Australia.

The auction room buying this week featured some very specific buying strategies. Price levels appeared to still be very much in control despite the downturn. Operations - initially and mainly by the largest traders - pointed to the market being staged down to where sales could become available. There were no indications of a destabilised market where free-falling prices would come into play. The reversal on the second day of auctions were largely due to strong buying orders from a single Chinese indent back into the market.

Not unsurprising but still notable, at the completion of the first half of the 2023/24 season, Chinese import of Australian wool by percentage of volume has grown even further. By the end of the Australian Bureau of Statistics (ABS) reporting period in December 2023, export data showed that 85.5% of all Australian wool flowed through to offload in China. Last year's completed season 2022/23, China's import was 82.6% by volume.

At the halfway point of the 2023/24 season, 96.7% of all wool export by weight has been in the raw greasy wool state. A further 2.2% was exported as carbonized wool and 1.1% was in the scoured wool form.

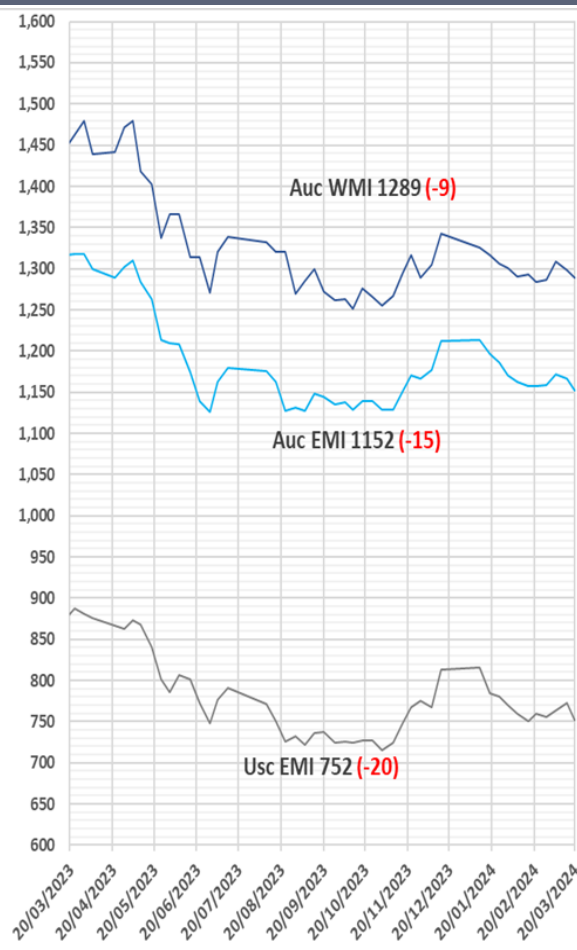
Next week has just under 50,000 bales on offer over 2 days Tuesday and Wednesday prior to the 1-week recess in sales for the Easter break.

Scheduled Australian wool at auction offerings		
Sale week	2023/24 est.	2022/23 actual
Week 39	49,814 bales	44,145 bales
Week 40	RECESS	46,250 bales
Week 41	44,500 bales est	RECESS

## Western Market Indicator (WMI)

AUD	1289 ac/kg	- 9 ac/kg	- 0.69 %
USD	841 usc/kg	- 18usc/kg	- 2.04 %

## 12 month Market Indicators 20th Mar 2024



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