

WOOL MARKET

WEEKLY REPORT

Sale 46 : Fri 17th May 2024



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2023/24 Aust. wool offering		Weekly currency movements			Eastern Market Indicator (EMI)			
Bales offered	35,436	AUD:USD	0.6648	+ 1.05 %	AUD	1135 ac/kg	+ 1 ac/kg	+ 0.09 %
Clearance rate %	93.7 %	AUD:CNY	4.8019	+ 1.02 %	USD	755 usc/kg	+ 9 usc/kg	+ 1.14 %
Bales Sold	33,189	AUD:EUR	0.6139	+ 0.13 %	CNY	54.50 ¥/kg	+ 0.60 ¥/kg	+ 1.11 %
Bales sold season	1,481,853	RBA close rates 15th May 2024			EUR	6.96 €/kg	+ 0.01 €/kg	+ 0.22 %

AWI Market Commentary

Australian wool auctions produced results this week that haven't been seen for some time. A stronger, small, rise in prices locally coincided with an Australian dollar strengthening by over 1% against our major trading currencies. This saw all overseas buyers using US dollars or Chinese yuan having to pay that higher price to secure any sort of inventory this week, which they seemingly absorbed.

The market opened solidly this week, but it was evident that some sort of pressure was being applied to certain market areas. The Melbourne and Fremantle markets initially sold to a firm unchanged scenario, but Sydney was an outlier by selling 5 to 15ac higher for almost the entire Merino offering.

Cardings in all centres though faltered somewhat and drifted 10ac lower throughout the first day. Crossbreds at the finer end added a few cents but the broader end had prices 10ac lower by the end of that first day of selling.

The second and final day of auctions though saw all selling centres producing dearer sale results across a high majority of wool types offered. Gains of between 5 to 10ac/clean kg had been registered throughout the Merino, crossbred and carding sectors. Competition was the strongest at the close of selling as buyers pushed harder to buy in relatively smallish offerings available. The bulk Merino types aligned well in Melbourne and Fremantle by the end of the selling week, but Sydney remained a general 10ac higher.

Australian based exporter traders stepped up their purchasing rates, mainly on the combing wools, but of all microns and Merino and crossbred alike. In sale room direct buying Chinese interests continue to support the market strongly, as did a strong offshore Chinese sourced indent.

The strength of our largest buyer though continually out-bid those interests, despite the conversion cost of US dollars going against the local AUD and CIF pricing. Some buying from a European based manufacture was seen within the crossbred segment, as well as a slight increase of interest in price on super fine Merino, particularly in Sydney which saw lots sell 30ac higher.

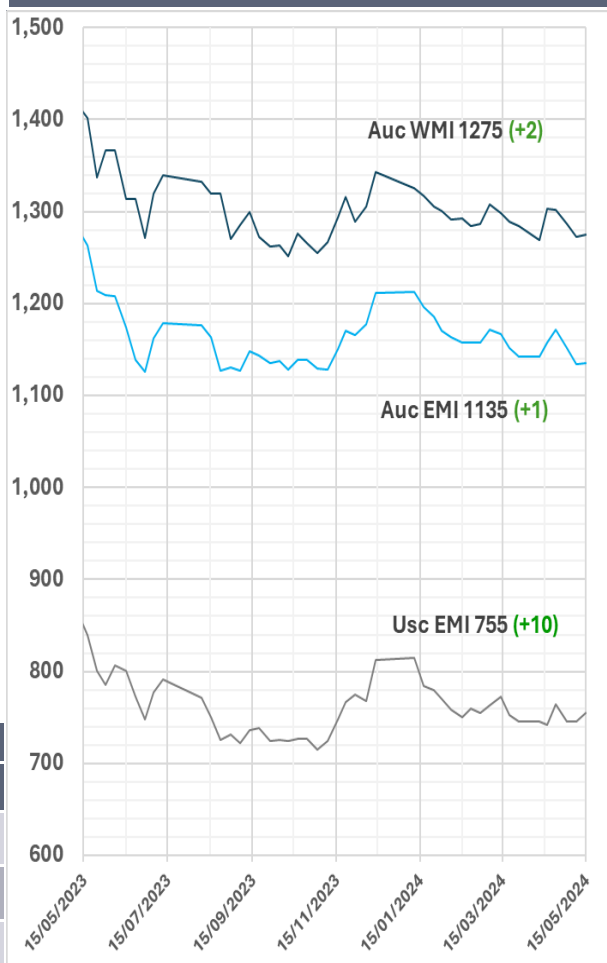
Next week has around 39,000 bales rostered to sell Tues/Wed.

Scheduled Australian wool at auction offerings		
Sale week	2023/24 est.	2022/23 actual
Week 47	39,319 bales	39,039 bales
Week 48	36,590 bales	40,106 bales
Week 49	28,500 bales est	33,435 bales

Western Market Indicator (WMI)

AUD	1275 ac/kg	+ 2 ac/kg	+ 0.16 %
USD	848 usc/kg	+ 10 usc/kg	+ 1.21 %

12 month Market Indicators 15th May 2024



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