

WOOL MARKET WEEKLY REPORT

Sale 48: Thurs 30th May 2024



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2023/24 Aust. wool offering		Weekly currency movements			Eastern Market Indicator (EMI)			
Bales offered	31,383	AUD:USD	0.6647	-0.40 %	AUD	1137 ac/kg	+7 ac/kg	+0.62 %
Clearance rate %	94.7 %	AUD:CNY	4.8183	-0.27 %	USD	756 usc/kg	+2 usc/kg	+0.21 %
Bales Sold	29,726	AUD:EUR	0.6129	-0.31 %	CNY	54.78 ¥/kg	+0.19 ¥/kg	+0.35 %
Bales sold season	1,544,889	RBA close rates 29th May '24			EUR	6.97€/kg	+0.02 €/kg	+0.31 %

AWI Market Commentary

Some signs of positive change to sentiment were seen at this week's Australian wool auctions. All types on offer came under increased buying pressure with the major local traders heading back to dominance on the auction purchasing lists. All buying sectors were involved, with the atmosphere in sale rooms more buoyant than seen for the last month or so.

Slightly better foreign exchange (forex) rates definitely assisted the improved price returns for growers, but also playing on manufacturers decision making would be the lower volumes being offered. The next three weeks will see the average sale week down to less than 30,000 bales per week, with the Western Australian wool selling centre at Fremantle not offering next week (week49) and also sitting out Week 51 due to volumes not being sufficient enough to hold a commercial sale.

Additionally, the Merino wool types being offered are very diverse, with quite a few clips in the 18.5 to 21 micron range containing heavier (2.5% to 5%+) vegetable matter (VM) levels. This allows top makers and traders the ability to buy or trade away from the mainstream types to look for value. These heavier VM clips are finding good support at the moment, as the type of VM within the fleeces are considered relatively easily combed.

This is not only lessening the percentage of the weekly supply of 0.1% to 2% VM of sale lots, but placing upward price pressure on these lower vm clips. The standard and most common type contracts emanating from China are still requiring VM levels to average 1%vm for fleece types. The main volume customers from India are also requiring similarly specified 1% VM levels to be hit for completed orders.

Within the Merino fleece sector, the general price gains were to the order of 10 to 20ac clean/kg. Of note though was the emergence of premiums being added onto the better specified and more stylish superfine (less than 19micron) sale lots traditionally suited to the European market. The few lots offered this week were selling around 140ac clean/kg above the normal run of the mill types.

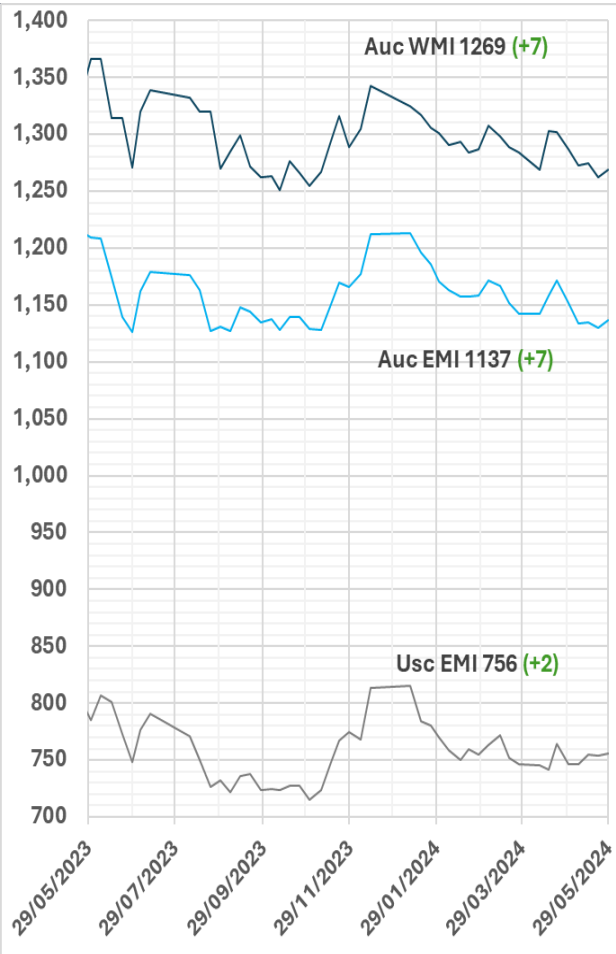
Next week has around 27,500 bales rostered to sell Tues/Wed but only in the two eastern selling centres at Sydney and Melbourne. Fremantle no sale.

Scheduled Australian wool at auction offerings		
Sale week	2023/24 est.	2022/23 actual
Week 49	27,499 bales	33,435 bales
Week 50	35,480 bales	39,762 bales
Week 51	27,000 bales est	28,484 bales

Western Market Indicator (WMI)

AUD	1269 ac/kg	+7 ac/kg	+0.55 %
USD	844 usc/kg	+2 usc/kg	+0.15 %

12 month Market Indicators 29th May 2024



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