

WOOL MARKET WEEKLY REPORT

Sale 22: Thurs 28th Nov 2024



WEAR WOOL, NOT WASTE see film at www.woolmark.com/wear-wool.

2024/25 Aust. wool offering		Weekly currency movements			Eastern Market Indicator (EMI)			
Bales offered	33,366	AUD:USD	0.6476	-0.80 %	AUD	1144 ac/kg	+7 ac/kg	+0.62 %
Clearance rate %	94.5 %	AUD:CNY	4.6998	-0.58 %	USD	741 usc/kg	-1 usc/kg	-0.19 %
Bales Sold	31,530	AUD:EUR	0.6180	+0.28 %	CNY	53.77 ¥/kg	+0.02 ¥/kg	+0.03 %
Bales sold season	579,249	RBA close rates 27th Nov 2024			EUR	7.07 €/kg	+0.06 €/kg	+0.89 %

AWI Market Commentary

Prices for almost all Merino types and descriptions gained value at this week's Australian wool auctions. Whilst buyers were aided by a cheaper Australian dollar (AUD) foreign exchange (forex) rate against the US dollar (USD), some smatterings of new Chinese business, export traders forward commitments requiring filling and some stronger European buying all combined to initially solidify the market. Following this early consolidation, prices then gained momentum to impose some handy additions to the established quotations.

The most sought of all Merino types offered was the European spec super fine and ultra fine types finer than 18 micron. These wools advanced a general 40 to 70ac/clean kg, but in some cases buyers were paying well over 100ac clean/kg more than the previous sale for some individual farm sale lots. The broader than 18micron Merino segment was by no means neglected and 15 to 20ac was extracted from buyer's pockets.

Being a designated super fine sales week, it was highly encouraging to general industry confidence to see the improved worth of these premium wools destined for the luxury apparel sector. Perhaps the highlight of the week was the two sale lots in Sydney that realized 20,500ac and 20,000 greasy cents per kg. Both lots were from the same farm in the New England area of NSW and tested sub 13micron and sold under a standards certification banner.

China's largest wool top maker returned to the top of the Merino fleece buyers lists this week, but only just. Cumulatively though, across all type sectors, the major traders remain dominant. These entities continue to exert buying pressure into the sale rooms as quantities on offer remain comparatively very low. This is highlighted by the sold volumes by bales for the 2024/25 season standing at 18.8% less than last season at the same time. AWEX reported the EMI closed this week at the highest point of this selling season. Sellers were keen to offload as well, with a passed in rate of less than 6% for the week.

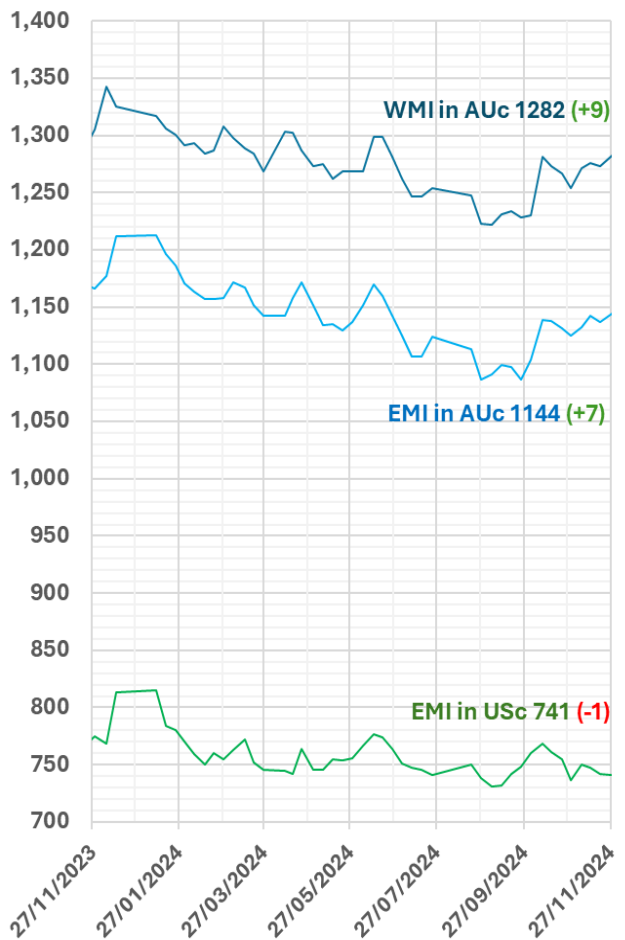
Away from the Merino sector, crossbred wools and the carding and oddment sections of the market all sold firm tending buyer's favour. Interesting to note was the activity of two crossbred buying orders from China, with two companies strongly ramping up purchasing on the final day selling. Around 37,700 Australian grown bales are on offer next week. All three selling centres will operate to the usual Tuesday and Wednesday roster.

Scheduled Australian wool at auction offerings		
Sale week	2024/25 est.	2023/24 actual
Week 23	37,630 bales	42,419 bales
Week 24	35,719 bales	48,908 bales
Week 25	Est 35,000 bales	RECESS

Western Market Indicator (WMI)

AUD	1282 ac/kg	+9 ac/kg	+0.71 %
USD	830 usc/kg	-1 usc/kg	-0.10 %

12 month Market Indicators 27th Nov '24



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