

WOOL MARKET WEEKLY REPORT

Sale 04 : Fri 26th July 2024



WOOL GROWERS - can we please have your assistance in AWI research? - [wool.com/getinvolved](https://www.wool.com/getinvolved)

2024/25 Aust. wool offering		Weekly currency movements		Eastern Market Indicator (EMI)				
Bales offered	31,960	AUD:USD	0.6595	-2.09 %	AUD	1124 ac/kg	+17 ac/kg	+1.54 %
Clearance rate %	93.2 %	AUD:CNY	4.7974	-2.00 %	USD	741 usc/kg	-5 usc/kg	-0.59 %
Bales Sold	29,784	AUD:EUR	0.6077	-1.62 %	CNY	53.92 ¥/kg	-0.27 ¥/kg	-0.49 %
Bales sold season	113,368	RBA close rates 24th July 2024			EUR	6.83 €/kg	-0.01 €/kg	-0.11 %

AWI Market Commentary

The last week of Australian wool auctions prior to the winter three-week recess has yielded some strong price gains in Australian dollar terms for grower sellers. Quite often the last sale before a significant break produces some strong gains, which are more so based upon completion of outstanding orders and filling containers to the maximum.

In somewhat an opportune moment for sellers, this week's market also coincided with a significant drop in the value of the Australian dollar against all the major trading forex pairs. This aided the market holding and advancing whilst retaining a similarly sporadic demand scenario.

It is invariably a better financial outcome for exporters and other buyers to pay above sale price and ruling market rates. The cost of holding wool locally over a month longer far exceeds the additional cents per kg paid in the sale room to get orders shipped. So some individual sale lots received some extraordinary gains above market rates and well above the pre-sale broker valuations provided to growers - a pleasing outcome in a tough year.

The best gains were at the finest end of the Merino sector which spiked upwards of 65 to 80ac. Some individual lots exhibiting the best of style strength and low VM (vegetable matter) readings sold far in excess of 100ac above the average indicators. The largest European top maker exerted some buying intent within this segment which forced all other competitors to up their ante as far as willingness to pay the spot price goes.

The mid micron wools of 18 to 21micron all fetched a 20a to 30c gain for the week. With the WA Market in Fremantle only selling on the first day on Tuesday, that centre failed to get the advantage of the final day push and the prices received were still positive and were in the range of 5 to 20ac better than the previous closing quotes.

Crossbred wools did not miss out on the end of season push as most of the wools sold 10 to 20ac dearer. The broadest edge of broader than 30 micron was the exception by drifting slightly as that area continues to be affected by the lack of classing/preparation and type of wool, with the composite infusion difficult for buyers to place with any great confidence.

China's largest two top makers plus a strong indent dominated the Merino segment once again, but a smattering of European top making buying also assisted. The largest local exporter remained largely on the sideline, but the second largest trader and all other usual purchasers were active.

NO SALES NEXT 3 WEEKS. Sales will resume w/c 19th August 2024.

Scheduled Australian wool at auction offerings		
Sale week	2024/25 est.	2023/24 actual
Week 5	RECESS	RECESS
Week 6	RECESS	49,029 bales
Week 7	RECESS	46,367 bales

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Western Market Indicator (WMI)

AUD	1254 ac/kg	+7 ac/kg	+0.56 %
USD	827 usc/kg	-13 usc/kg	-1.54 %

12 month Market Indicators 24th July 2024

