



WOOL MARKET

WEEKLY REPORT

Sale 08 : Thurs 22nd Aug 2024



September conferences - Natural Fibre Connect (16th to 20th) Nanjing Wool Market (23rd to 25th)

2024/25 Aust. wool offering		Weekly currency movements			Eastern Market Indicator (EMI)			
Bales offered	42,440	AUD:USD	0.6742	+ 2.23 %	AUD	1113 ac/kg	- 11 ac/kg	- 0.98 %
Clearance rate %	90.9 %	AUD:CNY	4.8087	+ 0.24 %	USD	750 usc/kg	+ 9 usc/kg	+ 1.23 %
Bales Sold	38,578	AUD:EUR	0.6064	- 0.21 %	CNY	53.52 ¥/kg	- 0.40 ¥/kg	- 0.75 %
Bales sold season	151,946	RBA close rates 21st Aug 2024			EUR	6.75 €/kg	- 0.08 €/kg	- 1.19 %

AWI Market Commentary

A flat market greeted sellers following the three-week recess of the Australian wool auctions. Exporters reported pre-sale that some new business opportunities had been converted throughout the sales break, the higher but Australian dollar (AUD) versus the US dollar (USD) (0.6491 to 0.6684) had stymied the consistent volume of fresh contracts required to hold and then turn the market trend positively in AUD.

Despite the largish volume on offer and the AUD further strengthening against the USD, price levels in USD were all stronger, indicative of the slightly better sales opportunities and the revamped buyers bank accounts.

The results ultimately produced levels 10ac or around 1% lower than what was received in the final sale before the break. Whilst somewhat disappointing, the strength of the competition was encouraging, as was the dearer (WMI +5ac) market that occurred in Fremantle on the final day of selling for the week.

Some more positive sale room highlights for the week came from the rather abundant volumes (in comparison to normal weekly offerings) of NM certified sale lots. These wools were receiving premiums of somewhere between 15ac and 40ac dependent on quality and micron and even greater prices were received if the NM lot was accompanied by a RWS or equivalent wool standards certification

China's largest two top makers bought nearly 30% of the Merino fleece on offer. Interesting to note for the week was that the four largest buyers in each type sector took nearly or over half of all bales offered. Next week sees a similar volume of 42,000 bales to be auctioned.

Australian Wool Production Forecasting Committee Aug2024

- The AWPFC's second forecast of shorn wool production for the 2024/25 season is 285 Mkg greasy, a **10.1%** decrease on the 2023/24 forecast.
- The number of sheep shorn is forecast at 64.2 million, down **10.3%**.
- Average cut per head is expected to be comparable with 2023/24 at 4.45 kg greasy.
- Committee Chairman, Stephen Hill said that "the deterioration in seasonal conditions in western Victoria, South Australia, Western Australia, Tasmania and southwest New South Wales prompted the downward revision."

Scheduled Australian wool at auction offerings

Sale week	2024/25 est.	2023/24 actual
Week 9	42,349 bales	44,690 bales
Week 10	38,145 bales	39,851 bales
Week 11	Est 37,800 bales	39,323 bales

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Western Market Indicator (WMI)

AUD	1248 ac/kg	- 6 ac/kg	- 0.48 %
USD	841 usc/kg	+ 14 usc/kg	+ 1.54 %

12 month Market Indicators 21st Aug 2024

