

WOOL MARKET

WEEKLY REPORT

Sale 20: Thurs 14th 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 | 32,069 | AUD:USD | 0.6537 | -1.28 % | AUD | 1142 ac/kg | +10 ac/kg | +0.88 % |
| Clearance rate % | 94.3 % | AUD:CNY | 4.7220 | -0.60 % | USD | 747 usc/kg | -3 usc/kg | -0.41 % |
| Bales Sold | 30,229 | AUD:EUR | 0.6156 | -0.18 % | CNY | 53.93 ¥/kg | +0.16 ¥/kg | +0.28 % |
| Bales sold season | 514,739 | RBA close rates 13th Nov 2024 | | EUR | 7.03 €/kg | +0.5 €/kg | +0.70 % | |

AWI Market Commentary

Positive sentiment was evident again in the sale rooms at this week's Australian wool auctions, despite business conditions remaining lethargic. Some good enquiry had turned into some new contracts at the end of last week, but follow on opportunities could not be realized throughout much of the current week. The trade saw the bales sold for the season push through the half a million bale mark this week, a figure that had been met three weeks earlier last season in sale week 17.

The foreign exchange (forex) rates went to the advantage of local AUD based auction sellers. The stronger US dollar (USD) in particular assisted the general price levels to initially improve at the start of the auction sales, then enabled values to hold towards the close when most prompt orders had been met. By the AUD moving 1.3% lower, the prices measured by the EMI underperformed that forex induced benefit. A 0.9% gain eventuated by the close of selling for the series.

The most striking outcome on price analysis this week was the regularity and consistency of the gains right through the Merino offering. Almost all quoted microns, across all three selling centres moved upward within the 10 to 15ac/clean kg range, ignoring the anomaly of the quotes of 17.5 and 18 micron out of Sydney which were quoted as being 45 to 50ac dearer. Sale room operators reported it was mainly currency driven advances.

Crossbred wool types continue their 12 month long slow and steady price climb out of the doldrums. An additional 5ac/clean kg was placed onto their established values. Cardings remain firmly planted to similar quotes, despite some talk of more interest and enquiry being shown on buying the shorter and carbonizing types from overseas users.

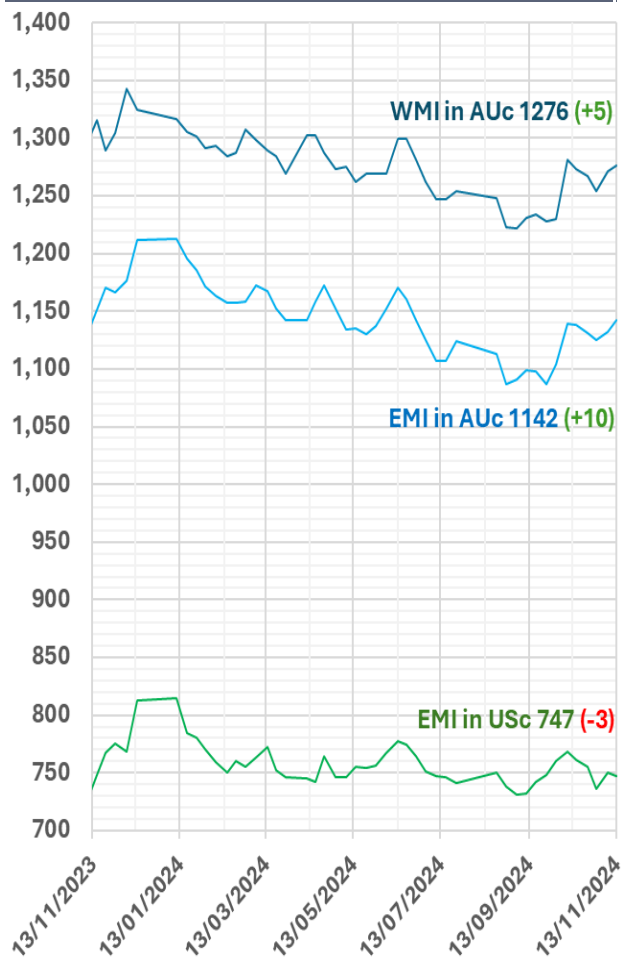
Locally based traders and exporters were again dominant on buying lists, but their purchasing intensity was definitely more subdued on the final days operations. Interesting to note though was that last day of selling saw prices generally drift but towards the close, activity to finish off specific orders strengthened and saw prices revert to the positive. Top makers out of China were more active, but very price sensitive to avoid getting caught up in trader actions. All three centres offer 37,000 bales next week. Fremantle selling Tuesday only, others Tuesday/Wednesday.

| Scheduled Australian wool at auction offerings | | |
|--|------------------|----------------|
| Sale week | 2024/25 est. | 2023/24 actual |
| Week 21 | 36,816 bales | 41,518 bales |
| Week 22 | 36,309 bales | 46,908 bales |
| Week 23 | Est 37,000 bales | 42,419 bales |

Western Market Indicator (WMI)

| | | | |
|-----|------------|-----------|---------|
| AUD | 1276 ac/kg | +5 ac/kg | +0.39 % |
| USD | 834 usc/kg | -8 usc/kg | -0.90 % |

12 month Market Indicators 13th Nov '24



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