WOOL MARKET
WEEKLY REPORT

Sale 45 : Thu 9th May 2024

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2023/24 Aust. wool offering	
Bales offered	38,476
Clearance rate %	90.6 %
Bales Sold	**34,854**
Bales sold season	1,448,664

Weekly currency movements		
AUD:USD	**0.6579**	**+ 1.61 %**
AUD:CNY	4.7533	+ 1.38 %
AUD:EUR	0.6125	+ 0.79 %
RBA close rates 8th May 2024		

Eastern Market Indicator (EMI)			
AUD	**1134 ac/kg**	**- 18 ac/kg**	**- 1.71 %**
USD	746 usc/kg	= usc/kg	= %
CNY	53.90 ¥/kg	- 0.11 ¥/kg	- 0.20 %
EUR	6.95 €/kg	- 0.05 €/kg	- 0.78 %

Western Market Indicator (WMI)			
AUD	**1273 ac/kg**	**- 14 ac/kg**	**- 1.09 %**
USD	838 usc/kg	+ 5 usc/kg	+ 0.50 %

AWI Market Commentary

This weeks' Australian wool auctions produced local returns that were undermined by a stronger Australian in our foreign exchange rates rather than a lack of participation by the usual buyers. The general 20ac clean/kg falls resulted in slightly higher passed in rates as some seller resistance emerged. By and large though, the wool growing fraternity chose to continue the season long trend of offering with a strong intent to sell.

Chinese interests continue to support the market similarly as evidenced by the largely unchanged Eastern indicators (EMI) in both US dollars and Chinese yuan. Interesting to note the small improvement (+5usc) in the US dollar Western Australian market indicator (WMI) as this is largely (98%) a dominant Merino wool producing state and selling centre.

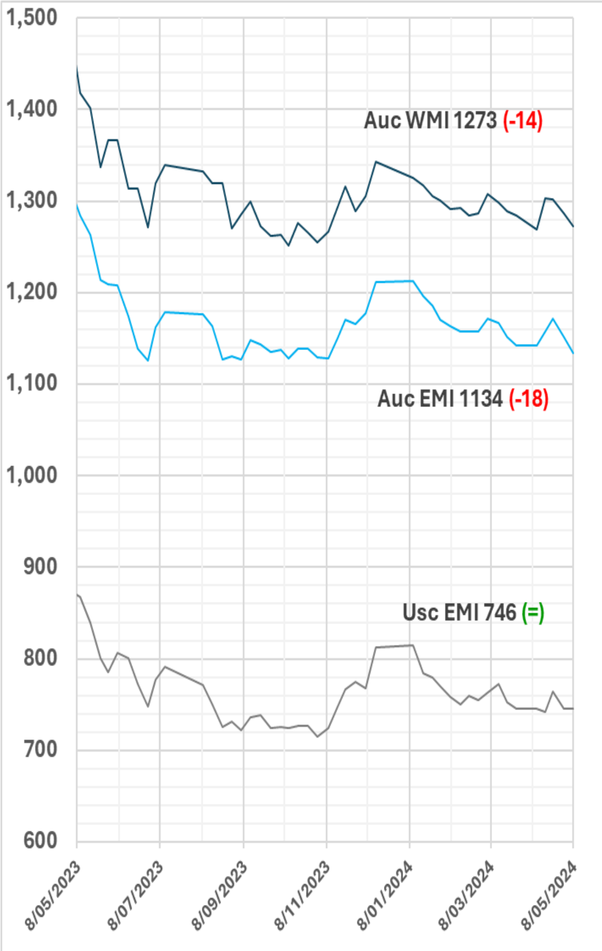
Upon opening of auction sales for the week, buyers were extremely cautious but once the almost immediate falls adjusted by currency came into play, the willingness to buy became evident. The top three Chinese top makers sale room representatives clashed heavily with the second largest local trader within the Merino sector. The largest trading operator was not as keen as usual, but still kept in contact with the market.

What has become noticeable is the lack of regular buying and competition for our super fine Merino sector of finer than 18 micron. Prices were again very lethargic in that area. The lack of interest from Europe and India is the obvious missing ingredient at present for healthier sale results for super fine wool, but the production is also getting to be a larger percentage of the clip. So far this season, wool finer than 18.5micron is 34.2% of the entire wool tested during 2023/24.

The fine and medium wool Merino sectors (19 to 22micron) were again the most sought of wools and in local terms fell away 15ac. The broader than 20.5 micron wools were the least affected for price of wool types, but part of this is certainly supply driven as the 20.5 to 23.5micron Merino wool sector now accounts for just 11.8% of all Australian production so far this season.

Next week has around 39,000 bales rostered to sell Tues/Wed.

12 month Market Indicators 8th May 2024



Scheduled Australian wool at auction offerings		
Sale week	**2023/24 est.**	**2022/23 actual**
Week 46	**39,420 bales**	42,489 bales
Week 47	**37,224 bales**	39,039 bales
Week 48	**37,000 bales est**	40,106 bales