

Weekly Wool Comments - 13.08.21

PUBLISHED FRI, 13 AUGUST 2021

By Zoë Macfarlan

This week saw selling centres return to auction after a three-week recess with the first week back seeing significant price decreases. The AWEX Eastern Market Indicator (EMI) closed out at 1,380c/kg on Tuesday, a 48c drop from prior to the recess.

The decrease continued, down 3c on Wednesday and a further 5c on Thursday to close out selling week 6 at 1,372c/kg greasy, or 1,010c/kg in US dollar terms. The first selling week has seen an abundance of supply with 49,181 bales offered, larger than the industry typically sees at this time of year, although significantly less than anticipated prior to the national recess. This is likely due to the significant price increase, with average prices for wool trading around 300c/kg above what was seen this time last year. Producers are looking to cash in on wool they held onto when the market was at low levels in Spring 2020.

The AuctionsPlus online offer board experienced further falls in demand this week as a total of 36 bales were sold for the period. A range of XB fleece wools were in highest demand with 27 bales of 29µ micron wool selling, accounting for 75% of sales. 29µ micron wool sold to a top of 255c/kg greasy or 336c/kg clean. The top priced lot online this week was for 1 bale of 17.6µ micron Merino fleece wool which sold for 1,640c/kg greasy or 2,373c/kg clean. This "THE PLAINS" branded lot was offered by AWN, has 0.4% vegetable matter and is 87mm in length.