



**Claire Adams**  
Agricultural Analyst

### Key Watchpoints – August

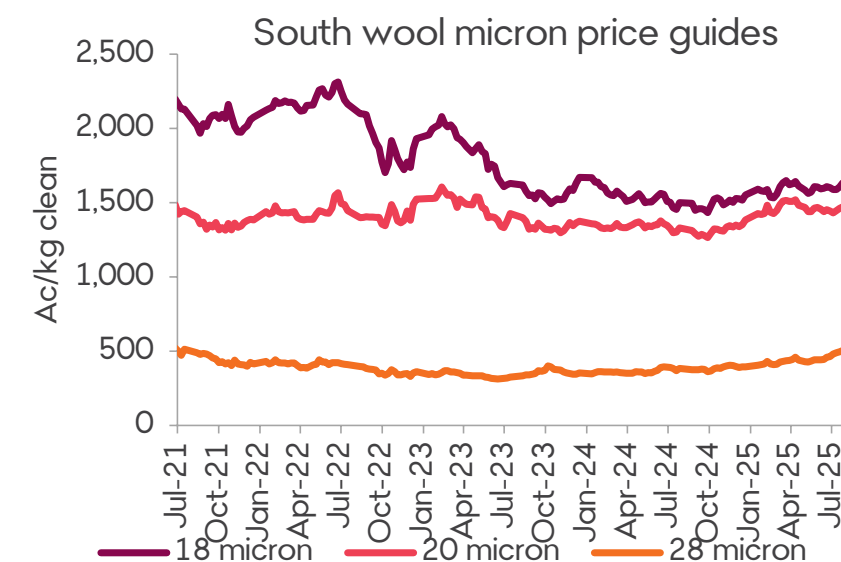
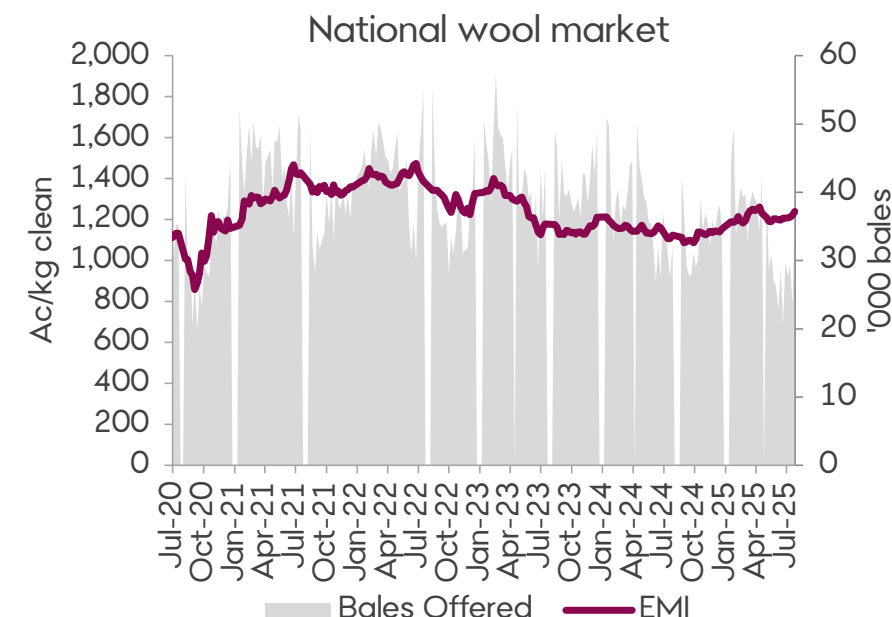
- For the start of season 2025/26 the AWEX EMI has increased for the first four successive weeks.
- Supply is already declining compared to last season, with cumulative bales offered down -1.9 per cent after the first four weeks.
- Price gains have come despite the AUD strengthening, reaching 65.7 USc in the final week of sales before the recess.

### Wool prices find support to start the new season

The Australian wool market started the 2025/26 season with price rises in the first four consecutive selling weeks, with the AWEX EMI rising 32 cents since the end of last season, moving into the three-week recess at 1,239 c/kg. This is 115 cents higher compared to the same time last year and the highest it has been since week 41 of season 2024/25. This was when the market dropped 30 cents following the initial announcement of the Trump Administration's tariff plans.

Over the first four weeks of the season, the EMI in USc has also increased 30 US cents to sit at 814 USc/kg, a high not seen since January of 2024. During the 2024/25 season, currency movements played a significant role in movements of the AWEX EMI. However, the first four weeks of the 2025/26 season have showed a slight disconnect between the AUD/USD exchange rate and the EMI. The first week of the season saw the exchange rate increase 0.8 US cents before a small drop and two increases in the weeks following which did little to slow down the rising EMI.

That currency changes are not the driving factor in price movements now indicates a base level of demand that is creating a price floor. The opening week of the season had the lowest offerings since our records began in 1995. The following weeks continued the trend of low offerings before there was a 60 per cent jump in bales offered for the final week before the recess. This was something of a test for the strength of demand that the market appears to have passed.

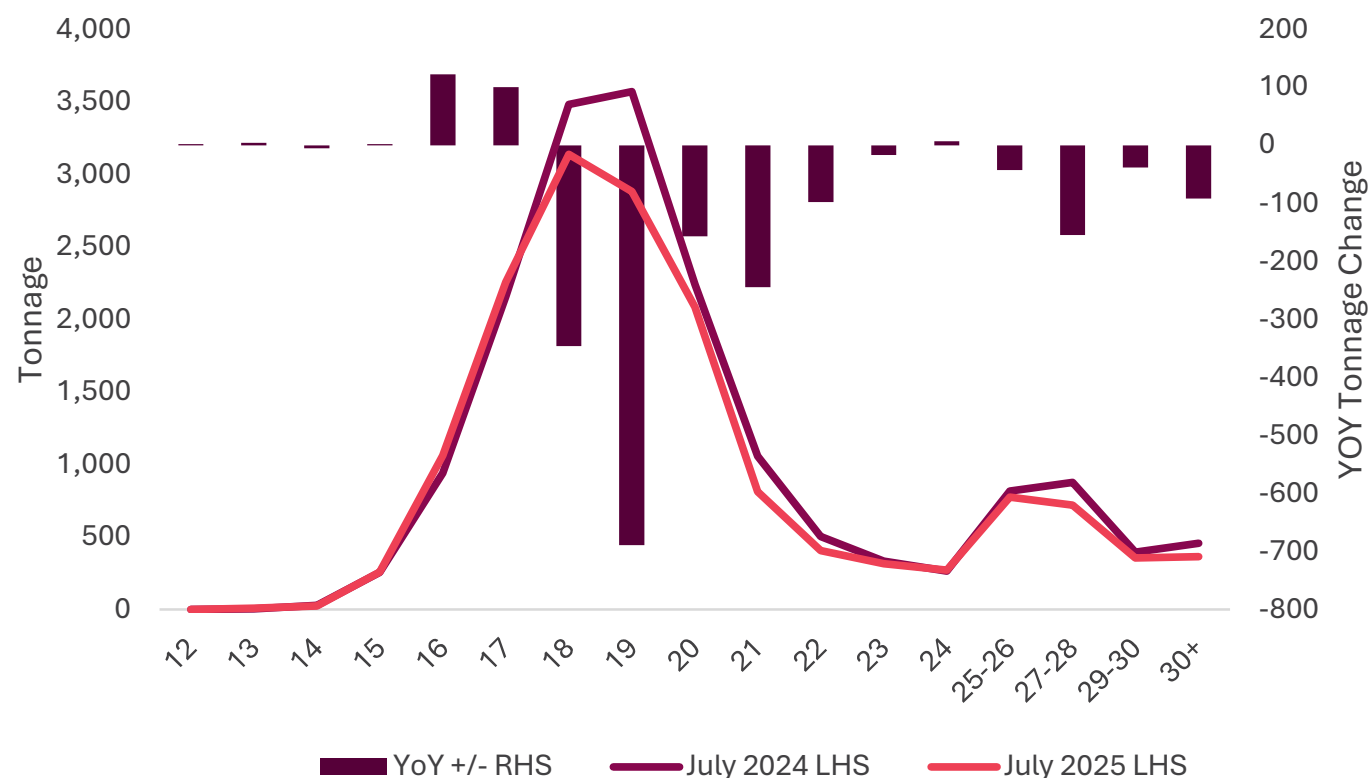


## Australian wool supply easing but prices strengthening

Australian wool test volumes are trending lower for the first month of the 2025/26 season compared to the 2024/25 season. As seen on the graphs below, the biggest drop in volume has come in the 18- to 22-micron range. All microns coarser than 18-micron are down on supply compared to the month of July last year, while there has been an increase in supply in the finest microns despite the overall reduction in volume. While there is often a seasonal element to the volumes available, a decrease in the medium microns is likely due to destocking resulting from the dry conditions and the move away from sheep in Western Australia. While the cumulative total for the first four selling weeks of the season is only 1.9 per cent down on last season, this is an early indicator of the season total being lower year-on-year.

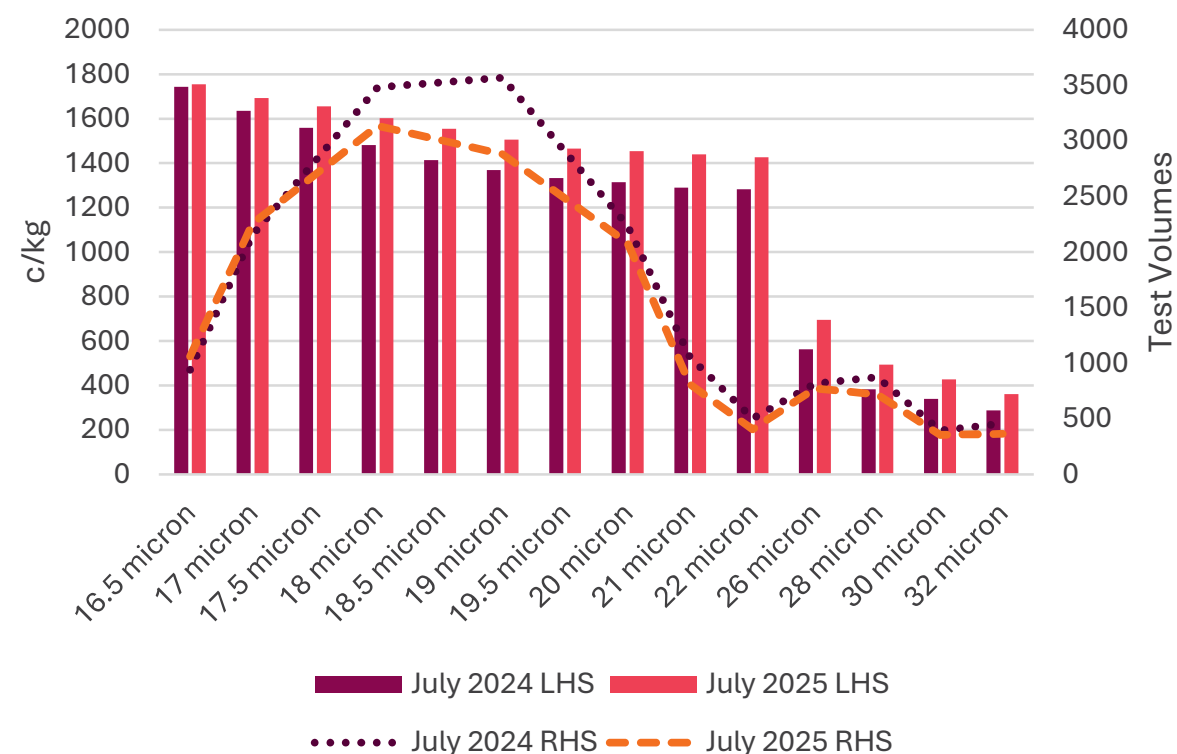
While the Australian dollar has strengthened against the US dollar, it has had less of a driving influence on prices. So far there have been price increases across all microns from, 1.3 per cent to 31.2 per cent year-on-year from the Melbourne selling centre. While the finer microns appear to have more modest gains in the data, the reports from the selling rooms are that the finer microns, in particular 17 and 18.5 MPG, have been able to demand premiums of 30 to 40 cents with <1 per cent vegetable matter. The continuing provision of quality clips, particularly in the finer microns, should ensure upwards pressure on prices as the season moves ahead.

July micron volume



Source: AWTA

Average price and test volumes per micron  
July 2024 vs July 2025



Source: AWTA, AWEX

This report has been created by Bendigo Bank Agribusiness Insights. It is intended to provide general information on a particular subject or subjects and is not an exhaustive treatment of such subject(s). The information herein is believed to be reliable and includes information obtained from official or other sources considered reliable. Bendigo and Adelaide Bank makes no representation as to or accepts any responsibility for the accuracy or completeness of information contained in this report. Any opinions, estimates and projections in this report do not necessarily reflect the opinions of Bendigo and Adelaide Bank and are subject to change without notice. Bendigo and Adelaide Bank has no obligation to update, modify or amend this report or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth therein, changes or subsequently becomes inaccurate. Information contained in this report does not take into account your personal circumstances and should not be relied upon without consulting your legal, financial, tax or other appropriate professional.

Bendigo Bank Agribusiness is a division of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879