



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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2017/29

From the desk of Chris Wilcox, Executive Director

- Australian wool market takes off
- New forecast of shorn wool production for 2017/18 – steady as she goes
- IMF issues a warning on China's economy
- NCWSBA Wall Chart for 2017 now available
- Upcoming events



Sample Article

IMF concerned about risks to China's economy

The International Monetary Fund (IMF) on Tuesday released its latest report on China's economy and it contains some warnings about the need for China to bring its debt levels under control. The IMF predicts that at the current rate, China's debt to GDP ratio will be close to 300% by 2022. The IMF argues that this is the number one risk to China's economic growth prospects and could lead to a sharp correction in China's economy. The IMF urges the Chinese Government to take action to reduce the growth in debt levels, particularly to so-called 'zombie' companies. The IMF also says that domestic consumers aren't spending enough even while the corporate sector borrows and spends. China's consumers are a population of savers, not spenders, in part as a buffer against the risk of falling ill and for their retirement. The IMF says that the Chinese Government spends much less than is required (at about half the average spent by advanced economies) on healthcare, education and pensions. Consumers in China, therefore, are reluctant to spend. China's national savings is 46% of annual GDP, compared with just 20% for the average advanced economy. The IMF says that "Increasing Government spending on health and pensions would increase...private consumption by reducing households' need to save." An increase in spending by households would help lift China's purchases of a variety of consumer goods, including wool clothing.

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INDUSTRY EVENTS

The **NCWSBA Annual General Meeting and Forum** will be held in Melbourne on 24th August 2017

Wool Week will be held at the Crowne Plaza Hotel, Melbourne on 24th to 25th August 2017.

The **2017 Nanjing Wool Market Conference** will be held in Tongxiang, China on 17th to 18th September 2017.

WOOL SALES WEEK BEGINNING 21st AUGUST 2017 – week 8 (roster as at 17/08/2017)

Sydney

Tues, 22nd Aug; Wed, 23rd Aug

13,223 bales

Melbourne

Tues, 22nd Aug; Wed, 23rd Aug

23,665 bales

Fremantle

No sale

Information in the Weekly Newsletter is intended to provide general information only and is not intended to constitute advice for a specific purpose.