



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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2017/34

From the desk of Chris Wilcox, Executive Director

- Australian wool market steady despite falls for fine Merino
- Chinese currency rises against the US\$
- Highlights of the Nanjing Wool Market Conference
- Upcoming events



Sample Article

Chinese currency rises against the US\$

In the past, the US\$ has been a relatively good guide for movements in the EMI against **the Chinese currency, the renminbi**, largely because the renminbi is partially pegged to the US\$. However, recent currency movements suggest that we may have to rethink that. Since the start of 2017, the renminbi has appreciated by 4.9% to 6.59 yuan/US\$ (units of the renminbi are known as yuan). This is less than the 7.3% appreciation seen for the \$A against the US\$ since January. At the same time, the Euro has lifted by 13.1% against the US\$ this year. As a result of this appreciation of the renminbi, the EMI in renminbi terms has increased by 7.7% this year, compared with a 12.8% increase in the EMI in US\$ terms and the 6% increase for the EMI in A\$. In other words, the appreciation of the renminbi against the US\$ this year has moderated the lift in the cost of wool from Australia for the Chinese mills compared with what might have happened had the renminbi remained stable against the US\$. As an aside, the European mills have been helped even more by the appreciation of the Euro against the US\$ (and against the A\$) – the EMI is a mere 0.7% higher in Euro than at the start of 2017.

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INDUSTRY EVENTS

The **AWTA Annual General Meeting** will be held in Melbourne on Friday, 20th October 2017.

The **AWI Annual General Meeting** will be held in Sydney on Friday, 17th November 2017.

IWTO Roundtable in Cape Town, South Africa, 6th to 9th December 2017.

WOOL SALES WEEK BEGINNING 25th SEPT 2017 – week 13 (roster as at 21/09/2017)

Sydney

Wed, 27th Sep; Thurs, 28th Sep 12,077 bales

Melbourne

Tues, 26th Sep; Wed, 27th Sep 22,108 bales

Fremantle

Wed, 27th Sep; Thurs, 28th Sep 7,298 bales

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