



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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28th September 2018

2018/34

From the desk of Chris Wilcox, Executive Director

- Australian wool prices fall sharply
- Wool price relativity with competing fibres
- Wool exports from NZ and Uruguay up sharply
- Broad-based lift in raw wool demand across major processing countries
- Large jump in sheep slaughter predicted by MLA in new forecasts for 2018
- Upcoming industry events



Merino wool prices at records against cotton, just off records against synthetics

While Merino wool prices have risen throughout 2018, prices for competing fibres have been more variable, with prices for cotton and viscose falling but polyester and acrylic prices on the rise. This has changed the price relativity for wool prices against these other fibres. There has been a steady lift in the ratio for 21 micron wool against cotton to a record level of 8.16. For 18 micron wool, the price ratio against cotton has risen to 9.68, just shy of the record of 9.78 set on November last year. For cross-bred wool of 28 micron wool, the ratio is at 3.47, well below the levels seen in 2015.

For synthetic fibres, the price ratio for 21 micron wool has slipped back in the past two months from the record level of 8.01 as synthetic fibre prices have lifted on the back of higher oil prices. The price ratio for 18 micron wool has fallen well back since the peak in January, but remains historically high. Crossbred wool is also lower in recent months.

Further details, including a chart showing the trends in wool's prices relativity with synthetic fibres and with cotton are contained within the NCWSBA Weekly Newsletter for the week ending 28th September 2018, available to NCWSBA members.

INDUSTRY EVENTS

The **AWTA Annual General Meeting** will be held in Melbourne on Friday, 19th October 2018.

The **IWTO 2018 Roundtable** will be held in Buenos Aires on 3rd to 4th December 2018.

The **IWTO 2019 Congress** will be held in Venice on 9th to 11th April 2019.

WOOL SALES WEEK BEGINNING 1st COT 2018 – week 14 (roster as at 27/9/2018)

Sydney

Wed, 3rd Oct; Thurs, 4th Oct 10,488 bales

Melbourne

Wed, 3rd Oct; Thurs, 4th Oct 24,268 bales

Fremantle

Wed, 3rd Oct; Thurs, 4th Oct 7,790 bales

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