



# The National Council of Wool Selling Brokers of Australia Inc

## NEWSLETTER

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### From the desk of Chris Wilcox, Executive Director

- Australian wool prices weaken
- Consumer confidence at highs in US, softening in Europe
- Australian wool exports in August – volumes down, values up
- AWTA Annual General Meeting and financial results for 2017/18
- Wool Week in London – focus on Wool Care and environmental sustainability
- Upcoming industry events



### Consumer confidence keeps rising in US, but softens in Europe

We are heading into the Autumn/Winter season in the Northern Hemisphere. This period, between October and January, is the most important for the volume of wool clothing sold annually in the major retail markets of China, the US, Japan, Italy, the United Kingdom, Germany, France and Korea. A key indicator of how retail sales may go is consumer confidence in these countries. If consumers are confident, they are far more likely to spend, and spend on higher priced products, including wool garments. So, how is consumer confidence in these countries as we start the Autumn/Winter season?

Consumer confidence in the US continues to rise, surging in September to the highest level since September 2000. The US economy has been on a strong lift in economic growth. The corporate tax breaks introduced by the Trump administration has fired up an already growing economy, boosting consumer confidence. In contrast to this strong result for the US, consumer confidence in Europe and Asia has slid in recent months. It is interesting to see the drop in consumer confidence in China. The September data is not yet available for China, and I would not be at all surprised to see another lower number from what I have been hearing. I understand that consumers are concerned about the impact of the fall in the stock market and the trade tensions between China and the US.

**Further details, including a chart showing the trends in consumer confidence in the US, Europe, China, Japan and Korea, is provided in the full edition of the *Weekly Newsletter*. Available to members of NCWSBA.**

#### INDUSTRY EVENTS

The **Australian Wool Production Forecasting Committee** meets on 14<sup>th</sup> November 2018.

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

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

#### WOOL SALES WEEK BEGINNING 22<sup>nd</sup> OCT 2018 – week 17 (roster as at 18/10/2018)

|                  |  |              |
|------------------|--|--------------|
| <u>Sydney</u>    | Wed, 24 <sup>th</sup> Oct; Thurs, 25 <sup>th</sup> Oct | 8,842 bales  |
| <u>Melbourne</u> | Wed, 24 <sup>th</sup> Oct; Thurs, 25 <sup>th</sup> Oct | 22,627 bales |
| <u>Fremantle</u> | Wed, 24 <sup>th</sup> Oct; Thurs, 25 <sup>th</sup> Oct | 7,233 bales  |

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