



# The National Council of Wool Selling Brokers of Australia Inc

## NEWSLETTER

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2019/13

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

- Merino wool prices slide further
- Australian shorn wool production forecast to fall again in 2019/20
- Wool tests in March down, but by less than previous months
- IWTO releases edition 14 of the IWTO Market Information Report
- Upcoming industry events



### Australian shorn wool production forecast in 2019/20 to fall to lowest since 1924/25

The Australian Wool Production Forecasting Committee (AWPFC) met on Monday and reviewed its forecast of **Australian shorn wool production for 2018/19**. It also decided in its **first forecast for 2019/20**. The Committee, based on feedback from the state committees, revised its forecast for 2018/19 down further to 298 mkg greasy. This is a 12.7% decline on shorn wool production in 2017/18. It is lower than the 305 mkg greasy that the Committee forecast in November. Seasonal conditions have remained poor across much of south-eastern Australia since November, with many areas in drought. There has been some relieving rain in the past week or so, but this will not prevent a decline in both fleece weights and the number of sheep shorn this season. Some states are expecting significant falls in the amount of wool tested over the next three months to the season end.

The Committee's first forecast for the **forthcoming 2019/20 season** is that shorn wool production will decline again as a result of the drought, causing wool cuts to remain low in Spring. As well, there will be a significant fall in the number of sheep shorn. The Committee predicts that shorn wool production will be down by 4.5% to 285 mkg greasy. This is the lowest level for shorn wool production since 1923/24.

The declines come despite the long run of high prices for Merino wool prices and is the direct result of the drought. In some regions, the drought is reported to be the worst in living memory. It will take some years for Australian wool production and sheep numbers to recover once the drought breaks. The Media Release with the new AWPFC forecasts is included in the email with this week's *Newsletter*.

**Full details including a chart showing Australian shorn wool production since 1900 are included in the NCWSBA's *Weekly Newsletter* for the week ending 5<sup>th</sup> April 2019. Available to NCWSBA Members.**

#### INDUSTRY EVENTS

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

**Wool Week** is on 22<sup>nd</sup>-23<sup>rd</sup> August 2019 in Melbourne at the RACV Club. The **NCWSBA Annual General Meeting and Forum** will be held on 22<sup>nd</sup> August.

The **Nanjing Wool Market Conference** will be held in Qufu, Shandong on 20<sup>th</sup> to 23<sup>rd</sup> September 2019

#### WOOL SALES WEEK BEGINNING 8<sup>th</sup> APR 2019 – week 41 (roster as at 4/3/2019)

##### Sydney

Wed, 10<sup>th</sup> Apr, Thurs 11<sup>th</sup> Apr 6,836 bales

##### Melbourne

Wed, 10<sup>th</sup> Apr, Thurs 11<sup>th</sup> Apr 20,978 bales

##### Fremantle

Wed, 10<sup>th</sup> Apr, Thurs 11<sup>th</sup> Apr 10,898 bales

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