



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

Gate 4
29 Frederick Rd
Tottenham Vic 3012

Phone: +61(0)419344259
E-mail: info@ncwsba.org
Twitter: @woolbrokersaus
Instagram ncwsba

5th July 2019

2019/25

From the desk of Chris Wilcox, Executive Director

- Australian wool prices rebound after recent declines
- 2018/19 in review: Volume of wool tested; auction statistics and data from the National Wool Declaration
- NCWSBA AGM and Forum – Thursday, 22nd August 2019
- Upcoming industry events



Wool tests, auction offerings and sales down in 2018/19

After slumping by almost 26% in June, the total weight of wool tested by AWTA for the full 2018/19 season fell by 11.7%. The impact of the drought is seen clearly in the results, notably in New South Wales (NSW) where the drought has hit the hardest. NSW saw wool test volumes fall by over 19% in 2018/19 to the lowest for many, many years. Most other states recorded significant drops. Victoria, the second largest state, recorded a fall of 8.1% but only back to levels seen in 2015/16. The amount of wool tested in Western Australia was at a long-term low, but South Australia and Queensland both saw wool volumes only fall back to the levels seen 3-5 years ago. One state, Tasmania, recorded an increase in the weight of wool tested. This was helped by more normal seasonal conditions in that state over 2018/19 than much of the mainland.

The fall in the amount of wool tested carried over to the volume of wool offered and sold at auction in 2018/19. According to data from AWEX, there were just 1.658 million bales offered for sale across Australia in 2018/19, which was 12.1% lower than in 2017/18. The number of bales sold fell by even more, down by 16.6%. This proportionately higher fall in wool sold compared with wool offered was the result of a sharp jump in the passed-in %, which lifted from 5.6% in 2017/18 to 10.5% in 2018/19. This jump in the passed-in % came even though the average price paid in 2018/19 was 14% higher at 1909 c/kg clean and the price per bale was 11% higher at \$2,139 per bale. The total value of wool sold at auction in 2018/19 slid by 7% as a result of the sharply lower volume of wool sold at auction, with the higher price insufficient to offset the large drop in the volume of wool sold. For the record, the total value of wool sold at auction in 2018/19 was \$3.174 billion, down from \$3.424 billion in 2017/18.

Full details including a chart showing the aggregate weight of wool tested by AWTA for each state and for Australia in 2018/19 compared with the previous six seasons is included in this week's edition of the NCWSBA Weekly Newsletter. Available to members.

OTHER INDUSTRY EVENTS

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

The **2019 IWTO Round Table** will be held in Queenstown, New Zealand on 2nd to 3rd December 2019.

The **2020 IWTO Annual Congress** will be held in Tongxiang, China on 18th to 20th May 2020.

WOOL SALES WEEK BEGINNING 8TH JULY 2019 – week 2 (roster as at 27/6/2019)

Sydney

Wed, 10th July; Thurs, 11th July 11,944 bales

Melbourne

Wed, 10th July; Thurs, 11th July 17,681 bales

Fremantle

Wed, 10th July 5,206 bales

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