



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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2019/33

From the desk of Chris Wilcox, Executive Director

- Australian wool prices in record one-week leap
- US imports of wool clothing surges in June and July
- US consumer confidence and clothing retail sales at highs
- Mixed results for Australian wool exports in July
- Upcoming industry events



US imports more wool clothing in June and July as retailers anticipate new import duties

The US imposed an additional 15% import duty on wool clothing imported from China, effective from 1st September, adding significantly to the cost of wool clothing imported into the US from China in the lead-in to the Autumn/Winter season. The latest data on the US imports of wool clothing both in total and from China suggests that US importers and retailers anticipated the additional import duties by importing more wool clothing in June and July. US imports of apparel of all fibres lifted by 9% in both quantity and value in July. By fibre, the year-on-year increase was largest for wool clothing, which leapt by 33% in quantity and by 14% in value for the month. This large increase came following a 27% increase in quantity in June, while the value of imports of wool clothing was 6% higher. Synthetic fibre clothing increased by 14% by quantity and by 2% in value. US imports of cotton clothing was up 2% and 9% in quantity and value respectively.

The monthly increase in July pushed the quantity of US imports of wool clothing up by 13% for the seven months of 2019 to July. The value of wool clothing imports was 12% higher. Imports from China (the largest supplier) lifted by 17% in volume and by 22% in value. The largest % increase was seen for Vietnam, which recorded increases of 27% (volume) and 39% (value). Vietnam was the second largest supplier by volume to the US. Italy was the second largest supplier by value, but it only recorded relatively small increases for 2019 to July. It will be interesting to see whether the increases in imports of wool clothing in June and July, particularly from China, continue in August. It is likely that these gains in imports will be reversed in September and for the remaining months of 2019 given the additional 15% import duty that the US has imposed on wool clothing imports from China.

Further details, including a chart showing US clothing imports for 2019 to date by fibre and, for wool clothing, by source country, is contained in the full version of the *Weekly Newsletter*. Available to members of NCWSBA.

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 16TH SEPT 2019 – week 12 (roster as at 5/9/2019)

Sydney

Wed, 18th Sept; Thurs, 19th Sept 8,885 bales

Melbourne

Wed, 18th Sept; Thurs, 19th Sept 15,802 bales

Fremantle

Wed, 18th Sept; Thurs, 19th Sept 6,420 bales

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