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 stabilise
- Current prices remain relatively high in historical percentiles
- ABARES' latest forecasts for wool prices in 2019/20
- Usage of wool classers' stencil in accordance with AWEX rules
- Upcoming industry events

Lower levels but most wool prices still above 70th percentile

When the price distributions were last reviewed on 8th February, the EMI was at 1944 Ac/kg and 1380 USc/kg, which was at the 98th percentile in A$ and the 96th percentile in US$. As at 20th September, the EMI had fallen to 1542 Ac/kg (the 93rd percentile) and 1047 USc/kg (the 85th percentile). While wool prices from 30 micron down have all fallen since February, the largest declines have been for Merino wool which are 20% to 25% lower in A$ terms and 23% to 29% lower in US$ terms. [The A$ is more than 3 UScents lower than in February.]

The changes in the EMI masks some significant differences for each micron category. The 18 micron price guide (MPG) has fallen back the most in percentile terms. It is now sitting at around the 80th percentile in A$ and the 70th percentile in US$. The 19 MPG has also slipped back, although not as much as the 18 MPG. In A$ terms, it is now at around the 85th percentile. Broader Merino wool has fared better, with current A$ prices sitting at around the 95th percentile for both the 21 MPG and the 23 MPG. Crossbred wool is also doing well, with the 28 MPG currently sitting at the 97th percentile. To round it off, Merino Cardings have fallen back to around the 73rd percentile. The micron price guides are lower in percentile terms in US$ across the board. In addition to the 18 MPG at the 70th percentile, the 19 MPG, the 21 MPG, the 23 MPG and the 28 MPG are at the 75th, 85th, 86th and 93rd percentiles. The Merino Carding Indicator is the lowest, at the 43rd percentile.

Further detail including charts showing the cumulative price distribution and the frequencies (in number of weeks) for the EMI and a number of Micron Price Guides in A$ and US$ since 1984 are provided in the full edition of the *Weekly Newsletter*. Available to NCWSBA members.

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 in held in Queenstown, New Zealand on 2nd to 3rd December 2019.

The **NCWBA Centenary Auction and Cocktail Reception** will be held in Melbourne on Thursday, 20th February 2020.

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

WOOL SALES WEEK BEGINNING 23rd SEPT 2019 – week 13 (roster as at 19/9/2019)

Sydney
Wed, 25th Sept; Thurs, 26th Sept 7,559 bales

Melbourne
Wed, 25th Sept; Thurs, 26th Sept 14,904 bales

Fremantle
Wed, 25th Sept; Thurs, 26th Sept 6,827 bales