



# The National Council of Wool Selling Brokers of Australia Inc

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## NEWSLETTER

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2019/46

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

- The Australian wool market steadies
- Australian wool exports continue to slide
- Raw wool trade between major wool exporting countries and major wool processing countries well down this season
- Seasonal outlook
- Upcoming industry events



### Raw wool trade from major exporting countries falls

The latest data on Australia's wool exports from the Australian Bureau of Statistics show that wool exports fell in October, continuing the negative trend seen for much of the past six months. The volume (i.e. weight) of Australia's exports fell by 10% in October and was down 35% by value. For the first four months of the 2019/20 season, Australia's wool exports were 21% lower in volume terms and a massive 40% lower by value.

Australia is not alone in seeing a significant drop in wool exports this season, with a decline in the volume of wool exported by three of the other four major wool exporting countries. The largest decline is for Uruguay, down by 32%, while Argentina's exports were also down substantially. New Zealand's wool exports are a more moderate 8% lower. The exception to the decline in export volumes is South Africa, where wool exports were up by 43% compared with this time last year. This is almost entirely due to the resumption of trade between South Africa and China following the ban following the Foot and Mouth Disease Outbreak.

All of the major processing countries saw a sharp decline in demand for raw wool in the July to October period. Exports of raw wool to China dropped by 16% year-on-year for the four months to October 2019. Only 85 mkg of wool was exported to China from the five major export countries, which is by far the lowest since at least 2009 (when my databases begin). There was an 11% decline in exports to India, a 16% fall for Italy, a 32% decline in exports to Germany and 12% drop for the Czech Republic. All of these countries recorded the lowest level of wool exports from the five major exporting countries at least since 2009.

**Further details, including charts showing wool exports from the five major exporting countries and wool imports by the major processing countries are provided in the *Weekly Newsletter*. Available to members of NCWSBA.**

#### INDUSTRY EVENTS

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

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

#### WOOL SALES WEEK BEGINNING 16<sup>th</sup> DEC 2019 – week 25 (roster as at 12/12/2019)

<u>Sydney</u>	Tues, 17 <sup>th</sup> Dec; Wed, 18 <sup>th</sup> Dec	10,400 bales
<u>Melbourne</u>	Tues, 17 <sup>th</sup> Dec; Wed, 18 <sup>th</sup> Dec	20,468 bales
<u>Fremantle</u>	Tues, 17 <sup>th</sup> Dec; Wed, 18 <sup>th</sup> Dec	8,562 bales

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