



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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2020/23

From the desk of Chris Wilcox, Executive Director

- Wool market records moderate lift
- Wool price premiums over other fibre prices fall from heights
- 2019/20 season in review: wool test volumes
- Australian wool exports dive in May
- Wool Week called off, NCWSBA AGM to be Zoomed
- Upcoming scheduled industry events



Wool price premiums against cotton and synthetics plummets

Wool prices fell by more in the past year than have prices for the other major apparel textile fibres. One result of this larger decline is that the wool price ratio against both cotton and synthetics has fallen back sharply in the past 3 months. Based on the Eastern Market Indicator (EMI). The drop is particularly marked compared with cotton prices, with the current ratio below the average level seen in ten years between 2010 and 2019. The ratio is at the lowest level since June 2014. It is, however, well above the average levels recorded in the two decades before 2010.

The decline in wool's price ratio compared with the major synthetic fibres used in apparel (acrylic and polyester staple fibre) hasn't been as marked. As well, with synthetic fibre prices dropping by more in June than did wool prices, the ratio lifted a little in June and is above the average for the decade 2010-2019, as well as being above the average levels seen in the previous two decades. This decline in the price ratio means that wool's competitiveness has improved, which may help support wool prices through increased demand from mills.

Further details, including a chart showing trends in the ratio of the Eastern Market Indicator against cotton and synthetic fibres, are provided in this week's edition of the *Weekly Newsletter*. Available to NCWSBA members.

INDUSTRY EVENTS

The **AWPFC** meets on 12th August by videoconference.

Wool Week has been cancelled for this year.

The **NCWSBA Annual General Meeting** is scheduled for Thursday, 27th August and will be held by Zoom.

The **Nanjing Wool Market Conference** has been cancelled for this year. The Conference will be held in September 2021.

WOOL SALES WEEK BEGINNING 6 JULY 2020 – week 2 (roster as at 2/7/2020)

Sydney

Wed, 1st July; Thurs, 2nd July 9,677 bales

Melbourne

Wed, 1st July; Thurs, 2nd July 14,291 bales

Fremantle

Wed, 1st July; Thurs, 2nd July 7,104 bales

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