



The National Council of Wool Selling Brokers of Australia Inc

Gate 4
29 Frederick Rd
Tottenham Vic 3012

NEWSLETTER

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



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From the desk of Chris Wilcox, Executive Director

- Large drop in prices as Australian wool auctions resume
- Australian wool exports up in June, but long-term low in 2019/20
- AWTA wool tests down in July
- NCWSBA Wall Chart available from 21st August
- Upcoming industry events



Australian wool export volumes at long term low in 2019/20

The latest data on Australian wool exports from the Australian Bureau of Statistics were a bit of a pleasant surprise. It shows that the volume of wool exported from Australia in June actually increased in June compared with June 2019. The increase was only small (+3%) and the export volume in June 2019 was the lowest June monthly total for many years, but, still, any increase in the current environment is very welcome. The reason that the volume of wool exports increased in June was due entirely to a 19% increase in exports to China. As a result, China accounted for 91% of Australia's exports by volume in June. Exports to all of the other major destinations recorded significant declines for the month. There were some interesting exceptions to this general decline among the smaller destinations. For example, the volume of exports to Uruguay were 45% higher than in June 2019, while exports to New Zealand were 292% higher. Both were only small volumes, however. While the total volume of wool exports lifted marginally in June, the value of wool exports fell by 34%.

For the full 2019/20 season, export volumes were down by 20%, to 252.5 mkg, the lowest total for a season since at least the start of the 1980s and probably the lowest for almost a century. The value of exports was down by more than a third compared with 2018/19 at \$2.525 billion. This is no surprise given the drop in volumes and the 35% drop in wool prices at auction.

There were significant drops in exports to almost all destinations for the season to date. There was one bright spot, with increased exports to Bulgaria in both volume and value. For the full season, China accounted for 79% of Australia's wool exports by volume and 77% by value.

Full details, including a table showing the changes in the value and volume of wool exports in total and by major destination for June and for the full season, is provided in the full edition of the NCWSBA 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** will be held on for Thursday, 27th August by Zoom (<https://zoom.us/j/93454906061>).

WOOL SALES WEEK BEGINNING 10TH AUGUST 2020 – week 7 (roster as at 6/8/2020)

<u>Sydney</u>	Tues, 11 th Aug; Wed, 12 th Aug	9,270 bales
<u>Melbourne</u>	Tues, 11 th Aug; Wed, 12 th Aug	18,647 bales
<u>Fremantle</u>	Wed, 12 th Aug	5,496 bales

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