The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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From the desk of Chris Wilcox, Executive Director

- Australian EMI lower in A$ but higher in US$ and Renminbi
- Australian wool export volumes up in December, values down
- Solid premiums for non-mulesed wool continue, discounts for wool without an NWD
- Upcoming industry events

Australian wool export volumes lift in first half of 2020/21 due to sharp jump in exports to China

The latest data from Australian Bureau of Statistics on Australia's wool exports shows that the volume of exports lifted sharply in December, by 38% year-on-year. But the value of wool exports fell, by 29%. The lift in the volume of exports was due almost entirely to a 61% jump in the volume of wool exports to China. Exports to almost all of the other top 10 destinations recorded significant declines for the month. In value terms, exports to China lifted by 28% year-on-year for the month, while the value of exports to all of the other major destinations as well as the smaller destinations fell significantly. China accounted for 87% of Australia's wool exports by volume in December, and for 86% of the value of exports.

For the first six months of the 2020/21 season, the export volumes were 8% higher than for the same six months in 2019/20, at 124.2 mkg. The value of exports was down by 23% compared with July-December 2019 at $947 million. This is the result of the lower wool prices at auction this season to date. Export volumes to China were 23% higher in the first half of the season, although the value of exports were down by 9%. China accounted for 87% of the Australian wool exports by volume, up from 74% for the first six month of the 2019/20 season. The volume of exports to the Czech Republic (the second largest export destination by volume this season) also increased, up 24%, although the value of exports to the Czech Republic were down by 31%.

There were some significant drops in exports to all other destinations for the season to date. As expected, the percentage change in the value of exports were greater than then percentage change in the volume of exports.

Further details, including a table showing the changes in the value and volume of wool exports in total and by the top 10 export destinations for December and for the first half of the season, are provided in this week's edition of the NCWSBA *Weekly Newsletter*. Available to NCWSBA members.

INDUSTRY EVENTS

The state and national committees of the **Australian Wool Production Forecasting Committee** will meet in mid-April 2021.

The **2021 IWTO Congress** will be held as a virtual event on 19th to 21st May 2021 by WebEx.

WOOL SALES WEEK BEGINNING 15th FEB 2021 – week 34 (roster as at 11/2/2021)

<u>Sydney</u>
Tues 16th Feb, Wed 17th Feb — 11,594 bales

<u>Melbourne</u>
Tues 16th Feb, Wed 17th Feb, Thurs 18th Feb — 27,397 bales

<u>Fremantle</u>
Tues 16th Feb, Wed 17th Feb — 9,986 bales

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