



# The National Council of Wool Selling Brokers of Australia Inc

## NEWSLETTER

Gate 4  
29 Frederick Rd  
Tottenham Vic 3012

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

9<sup>th</sup> April 2020

2020/12

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

- Prices steady and start to recover in the Australian wool market
- Continuation of wool auctions in Australia and auction innovations
- Consumer confidence plummets
- Australian wool exports slump in February
- IWTO Market Information report Edition 15 now available
- Upcoming industry events



### Consumer confidence plunges in major wool consuming countries

There is obviously much concern around the world about the **impact on the economies** around the world of the COVID-19 lockdowns and restrictions, and the likely huge impact on retail sales, and what this may mean for raw wool demand. Because Government data is lagged, it is too early yet to know the extent of the damage in Europe and North America, as well as here in Australia. However, consumer confidence provides an advance indication of what may happen to economies and, in particular, to retail sales. Consumer confidence has slumped in all of the major wool consuming countries and regions. The drop has been particularly sharp in Japan and South Korea. Consumer confidence in China is much lower in February (the latest month available), but perhaps it hasn't fallen as much as you might expect. While consumer confidence has fallen in the US, it remains higher than before 2017. Confidence among consumers in the EU has dropped to the lowest since 2014. It masks what is happening in Italy, the epicentre of the COVID-19 epidemic in Europe, where consumer confidence is fast disappearing. No doubt we will see further declines this month, particularly elsewhere in Europe where COVID-19 has taken hold. These lower consumer confidence levels will translate into lower retail sales of items such as clothing.

**Further details, including a chart showing the trends in consumer confidence in the major wool consuming countries, is given in this week's edition of the NCWSBA *Weekly Newsletter*. Available to members.**

#### INDUSTRY EVENTS

The **Australian Wool Production Forecasting Committee** meets on 29<sup>th</sup> April 2020.

**Wool Week** is scheduled for 27<sup>th</sup> and 28<sup>th</sup> August 2020. The NCWSBA Annual General Meeting is scheduled for Thursday, 27<sup>th</sup> August.

The **Nanjing Wool Market Conference** will be held in Haining, Zhejiang on 18<sup>th</sup> to 20<sup>th</sup> September 2020.

#### WOOL SALES WEEK BEGINNING 13<sup>th</sup> APR 2020 – week 42 (roster as at 9/4/2020)

<u>Sydney</u>	
Wed 15 <sup>th</sup> Apr	6,256 bales
<u>Melbourne</u>	
Wed 15 <sup>th</sup> Apr	10,396 bales
<u>Fremantle</u>	
Wed 15 <sup>th</sup> Apr	4,871 bales

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