



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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24th April 2020

2020/14

From the desk of Chris Wilcox, Executive Director

- Prices sag at Australian wool auctions
- Auctions resume in South Africa under restriction and online
- Raw wool demand declines, led by China
- IWTO 2020 Congress goes digital
- IWTO Market Information report Edition 15 now available
- Upcoming industry events



Lower raw wool trade due to weak demand

Global demand for raw wool was weak before much of the impact of the Covid-19 pandemic and travel, social and economic restrictions were imposed. This is illustrated by the trends in the volume of exports from the five major wool exporting countries. The total wool exports from the five major exporting countries was 10% lower this season to February compared with the previous season. Exports from Australia, Argentina and Uruguay were all lower this season. The largest decline was for Uruguay, down by 34%, while Argentina's and Australia's exports were down by 16% and 15% respectively. In contrast, export volumes from New Zealand and South Africa were both higher. South Africa's exports were up by 25% 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. New Zealand and South Africa's exports will fall in March onwards as a result of the ban on wool auctions and other transport restrictions.

Looking at imports by the major processing countries, many have seen a drop in the raw wool imports. Exports of raw wool to China dropped by 11% year-on-year for the eight months to February 2020. Exports to Italy, Germany and the Czech Republic have all seen significant declines this season to date, as have exports to 'other' countries (which includes Korea, Japan, Thailand, Malaysia, and Egypt). India and 'Other Europe' have both recorded modest increases in imports from the five major wool exporting countries.

Further details, including charts showing the latest statistics on exports from the five major wool exporting countries and imports by the major wool processing countries, is available in the full version of this week's edition of the NCWSBA Weekly Newsletter. Available to members.

INDUSTRY EVENTS

The **Australian Wool Production Forecasting Committee** meets next Wednesday, 29th April 2020.

Wool Week is scheduled for 27th and 28th August 2020. The NCWSBA Annual General Meeting is scheduled for Thursday, 27th August.

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

WOOL SALES WEEK BEGINNING 27th APR 2020 – week 44 (roster as at 22/4/2020)

<u>Sydney</u>	
Wed 29 th Apr	5,406 bales
<u>Melbourne</u>	
Tues, 28 th Apr; Wed 29 th Apr	14,021 bales
<u>Fremantle</u>	
Tues, 28 th Apr; Wed 29 th Apr	6,127 bales

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