



# 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](mailto:info@ncwsba.org)  
Twitter: @woolbrokersaus  
Instagram: ncwsba



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2020/29

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

- A mixed bag for Australian wool prices, some positives
- Wool prices falling more sharply than prices for other fibres
- NCWSBA Annual General Meeting
- New President and Vice President of NCWSBA
- Upcoming industry events



### Wool prices down more than prices for other textiles

Textile fibre prices have been hit the hardest of the various commodities by the COVID-19 pandemic, probably because of the severe impact of COVID-19 restrictions on clothing retail sales around the world, and the impact on consumer spending generally. Wool prices have fallen sharply in the past few months, particularly in A\$ terms. In A\$ terms, the EMI is down by 57% since the start of 2020 and down by 16% since the start of the 2020/21 season. In US\$ terms, the EMI is 37% lower than at the start of 2020 and 13% lower since the start of the 2020/21 season.

Prices for other textile fibres have fallen since the start of 2020 but have performed better than wool. Acrylic fibre prices are 17% lower since the start of 2020 but are 4% higher since the start of 2020/21. Prices for polyester staple fibre are 21% down in the start of 2020 and 3% lower than at the start of 2020/21. Cotton prices are 9% lower than at the start of 2020 but are 3% higher than at the end of June. Cashmere prices are down 23% since the start of 2020 and are flat compared with the start of the 2020/21 season. From a longer-term perspective, Merino wool prices have performed a little better over the past three years than most of the other textile fibres, although they (like synthetic fibre prices and cashmere price) are well below the levels in January 2015. The exception is for cotton prices, which are currently higher than in January 2015). New Zealand and British broad wool prices have been low throughout the past three years and have fallen even more this year. Between January and August, the NZ broad wool price was down by 29% while the British Wool Marketing Board market indicator down by 40%. The prices for this broad wool have improved a little since the start of the 2020/21 season.

**Further details, including charts showing the trends in prices for various fibres since the start of 2017, are contained in this week's edition of the NCWSBA *Weekly Newsletter*. Available to NCWSBA members.**

#### INDUSTRY EVENTS

**Wool Week** has been cancelled for this year.

**AWTA** will hold its Annual General Meeting on Friday, 16<sup>th</sup> October 2020.

The **2021 IWTO Congress** is scheduled to be held in Kyoto, Japan in May 2021.

#### WOOL SALES WEEK BEGINNING 31<sup>st</sup> AUGUST 2020 – week 10 (roster as at 26/8/2020)

<u>Sydney</u>	Tues, 1 <sup>st</sup> Sep; Wed, 2 <sup>nd</sup> Sep	7,374 bales
<u>Melbourne</u>	Tues, 1 <sup>st</sup> Sep; Wed, 2 <sup>nd</sup> Sep	17,224 bales
<u>Fremantle</u>	Tues, 1 <sup>st</sup> Sep; Wed, 2 <sup>nd</sup> Sep	8,360 bales

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