



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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2020/33

From the desk of Chris Wilcox, Executive Director

- Australian wool market loses ground
- More wool sold in Australia this season to date than last season
- AWTA wool tests up in September but down for 1st quarter
- Strong rise in bales offered with a National Wool Declaration
- NSW Parliamentary inquiry rejects mulesing ban
- Upcoming industry events



Auction wool sales up on 2018/19, but wool tests down

While demand (or lack of it) has been the focus for the industry in recent months, there have been significant developments on the supply side in Australia. According to the data from AWEX's Weekly Market report, there has been 326,126 bales offered for sale at auctions so far this season, with 279,981 bales sold. Over 10% of the wool offered this season to date is re-offered wool. These season-to-date figures compare with the statistics from last season to week 14: 334,705 bales offered and 270,255 bales sold. Of the bales offered, 11.4% were re-offers last season to week 14. In other words, there has been a 2.6% decline in the number of bales offered this season BUT there have been 9,726 bales (3.6%) more sold this season than last season. The pass-in rate this season-to-date is 13.9%, compared with a pass-in rate of 19.3% last season to week 14. This lower pass-in rate and higher total number of bales sold this season has been despite the average EMI this season of 986 c/kg being 37% lower than last season's average to week 14 of 1555 c/kg.

The change in auction offerings for this season to date is quite a bit smaller than the decline in the weight of wool tested. AWTA reports that to the end of September, the weight of wool tested was 7.8% lower than for the same period in the 2019/20 season. This decline comes even though the weight of wool tested in September was 7.8% higher than the weight tested in September 2019. The only state to record a drop in the weight of wool tested in September was Queensland, with a sharp 29% fall compared with September 2018. In contrast, Tasmania recorded a 35% increase in wool tested in September (on a Wool Statistical Area basis). There are signs of recovery for New South Wales (NSW) following the long-drawn-out drought in that state, with a 15% lift in wool tested in September.

Further details, including a chart showing the volume of wool tested in each state for the 2020/21 season to September compared with the previous five seasons, are contained in the full edition of this week's *Weekly Newsletter*. Available to NCWSBA members.

INDUSTRY EVENTS

AWTA will hold its Annual General Meeting on Friday, 16th October 2020.

The **2020 IWTO Round Table** will be held by Webex on 30th November to 2nd December.

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

WOOL SALES WEEK BEGINNING 5th OCT 2020 – week 15 (roster as at 30/9/2020)

<u>Sydney</u>	Tues, 6 th Oct; Wed 7 th Oct	8,584 bales
<u>Melbourne</u>	Tues, 6 th Oct; Wed 7 th Oct	19,306 bales
<u>Fremantle</u>	Tues, 6 th Oct; Wed 7 th Oct	6,560 bales

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