



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@newsba.org
Twitter: @woolbrokersaus
Instagram: newsba



9th October 2020

2020/34

From the desk of Chris Wilcox, Executive Director

- Solid increase in Australian wool prices
- Trends in wool prices in other countries
- Schneider Wool Connect Virtual Conference
- Strong lift in Australian wool exports in August
- Upcoming industry events



Wool prices in all producing countries hit hard by COVID pandemic

As I have reported over the past few months, Australian wool prices have fallen back in the past six months, despite the increase in the past 4 weeks. Have these price declines also been seen in some of the other major wool producing countries?

In South Africa, which produces mainly Merino wool of 21 microns and finer, prices have followed a similar trend to that seen for Australia. The South African 21 micron wool indicator has fallen back in the past few months, in line with the trends in Australian 21 micron wool prices. For example, since March, the South African 21 micron wool has declined by 37%. By comparison, the Australian 21 micron price guide has fallen by 39%.

Prices for broad Crossbred wool (32 microns and broader) in New Zealand and the United Kingdom had remained flat at low levels for three years before the start of 2020. At the same time, Merino wool and medium wool prices saw a significant lift in 2018 and 2019, particularly for Merino wool. For NZ and UK growers, they thought it couldn't get much worse. Unfortunately, the impact of the COVID-19 pandemic has seen prices tumble yet again. Of the two countries, prices in the UK have fallen back the most. Since March, the British Wool Marketing Board Market Indicator has fallen by a further 33% in A\$ terms (and is down by 26% in pound sterling). The Indicator in September was the lowest for 20 years or more, at just 132 Ac/kg or 74 pence/kg. In New Zealand, the strong wool indicator has fallen by 20% since March, a smaller decline than seen for UK wool. It has hovered at around 176-179 Ac/kg since May.

Further details, including a chart showing the trends of selected prices in Australia, South Africa, New Zealand and the United Kingdom in A\$, are provided in the full version 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 12th OCT 2020 – week 16 (roster as at 7/10/2020)

Sydney

Tues, 13th Oct; Wed 14th Oct 7,971 bales

Melbourne

Tues, 13th Oct; Wed 14th Oct 16,828 bales

Fremantle

Wed 14th Oct 5,669 bales

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