The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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From the desk of Chris Wilcox, Executive Director

- Prices in Australian wool market slide
- Second wave of infections would worsen world economic outlook
- Large decline in exports from the major wool exporters
- All major wool processing countries hit by the slump in exports
- Upcoming scheduled industry events

All major processing countries cut raw wool demand

All major processing countries recorded large year-on-year declines in the volume of wool exported to them by the major wool producing and exporting countries in April. Exports to China, the largest destination, saw the smallest decline, down by 31%. Exports to Italy were down by 70%, exports to Germany were 67% lower, exports to 'other' European countries were down by 79% and exports to the Czech Republic slumped by 87%. Exports to India fell by 85% while exports to 'other' countries (which includes Egypt, Malaysia, Japan, Korea, Taiwan and Thailand) fell by 58%. Over the three months February-April, exports to China were down by 29% and exports to India were down by 11%. The declines in the last three months appear to have reversed the recovery in demand that seemed to have started for both China and India. Exports to Western Europe were down by 27% (Italy down 31%, Germany down 41%, Czech Republic down by 23% and 'other' Europe down by 19%).

All of the major wool major wool producing and exporting countries reported large drops in exports The monthly declines in April seen for three of the other major wool exporting countries were far greater than the decline for Australia. The volume of exports in April from New Zealand, Argentina and Uruguay plummeted by 82%, 75% and 80% respectively. This compares with the still significant but more moderate 16% decline in exports from Australia in April. The declines in exports from these three countries in March were also larger than the decline for Australia. Over the three months February-April, wool exports from Australia were 19% lower than for the same three months in 2019, while exports from Uruguay were 37% lower, exports from New Zealand were down by 38% and exports from Argentina were 55% lower. Capewools SA has not released export data for March and April, but it is likely that the shut-down in that country will have resulted in minimal exports.

Further details, including a chart showing the trends in exports to the major wool processing countries and the % change in wool exports from each of the major wool exporting countries, are contained in the full edition of this week's *Weekly Newsletter*. Available to NCWSBA members.

INDUSTRY EVENTS

Wool Week is scheduled for 27th and 28th August 2020, although this is to be confirmed.

The **NCWSBA Annual General Meeting** is scheduled for Thursday, 27th August (to be confirmed)

The **Nanjing Wool Market Conference** is scheduled to be held in Haining, Zhejiang on 18th to 20th September 2020 (to be confirmed).

WOOL SALES WEEK BEGINNING 15 JUNE 2020 – week 51
(roster as at 11/6/2020)

Sydney
Tues, 16th June; Wed, 17th June 6,681 bales

Melbourne
Tues, 16th June; Wed, 17th June 10,138 bales

Fremantle
NO SALE

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