



The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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2020/21

From the desk of Chris Wilcox, Executive Director

- Prices in Australian wool market fall again despite low offerings
- China's exports of wool products slump
- China's imports of raw wool drop sharply
- NCWSBA donates to the Michael Manion Wool Industry Foundation
- Upcoming scheduled industry events



China's raw wool demand drops as its wool product exports slump

The latest data on China's trade in wool and wool products provides a rather gloomy picture of the trade situation for China's wool textile industry, reflecting the extremely difficult demand situation given the COVID-19 pandemic.

China's exports of wool products (top, yarn, fabric and clothing) accounts for around half of the raw wool that China imports each year. Regrettably, China's exports of wool products have slumped in the first four months of 2020. The decline has been most intense in exports of wool clothing and wool fabric. China's exports of woven wool clothing were down by 35% in the January-April period, while exports of wool knitwear dropped by 30%. China's exports of wool fabric fell by 35% in the January -April period this year, while exports of wool yarn were down by 15%. China's exports of wool top have done best, only falling by 6% in the first four months.

With the decline in exports of wool products, mills in China have cut back their purchases of raw wool. China's imports of raw wool slumped by 23% in the first four months of 2020. There has been a large drop in imports from all sources with the exception of South Africa (the lift for South Africa reflects the bounce-back from last year's ban on imports from South Africa due to Foot and Mouth Disease).

Further details including two charts showing the trends in China's exports of wool products and imports of raw wool, are provided 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** has been postponed for this year. The Conference will be held in September 2021

WOOL SALES WEEK BEGINNING 22 JUNE 2020 – week 52 (roster as at 18/6/2020)

Sydney

Tues, 23rd June; Wed, 24th June 7,160 bales

Melbourne

Tues, 23rd June; Wed, 24th June 15,900 bales

Fremantle

Tues, 23rd June; Wed, 24th June 7,180 bales

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