The National Council of Wool Selling Brokers of Australia Inc

NEWSLETTER

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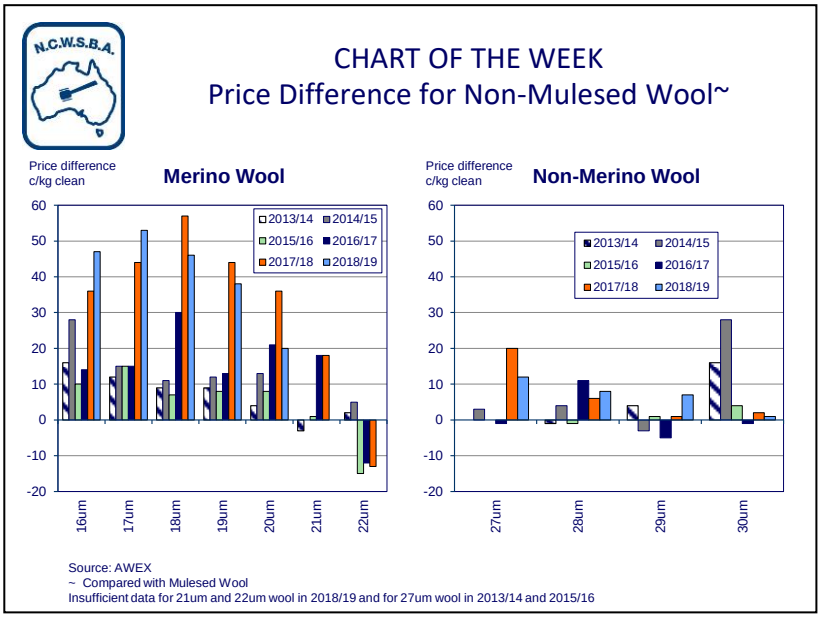
From the desk of Chris Wilcox, Executive Director

- Good premiums paid for non-mulesed wool in 2018/19
- Finalists for the NCWSBA 2019 Wool Broker Award announced
- NCWSBA Annual General Meeting and Forum, 22nd August 2019
- NCWSBA Wall Chart for 2018/19 – available from 16th August
- Upcoming industry events



AWEX this week provided data showing the average **price differences paid** in 2018/19 for wool with the various **mulesing status**, compared with previous seasons back to 2013/14. The data shows that the premiums paid for non-mulesed Merino wool at auction in 2018/19 remained at high levels despite the overall record price levels paid for wool in 2018/19. There were also premiums paid for non-mulesed Crossbred wool of 27 micron and broader.

The **Chart of the Week** shows the average price difference for between 16 micron to 22 micron (Merino wool) and 27 micron to 30 micron (Crossbred wool) from 2013/14 in 2018/19. As the chart shows, on average in 2018/19 there were premiums of 38 to 53 cents/kg for non-mulesed Merino wool of between 16 and 19 microns. For 20 micron wool, the average premium was 20 cents/kg in 2018/19. The sharp drop in the volumes of 21 and 22 micron wool offered at auction in 2018/19 due the drought meant that there was insufficient data to provide statistically significant average price differences for these micron categories. The highest average premium paid in 2018/19 was for 17 micron wool, which recorded a premium of 53 cents/kg on average over the season.



The reason for these solid premiums for wool from sheep that have not been mulesed is well-known. There is a growing demand for this wool from retailers and throughout the global industry, including from mills in China. It is a market-driven premium confirming the sentiment expressed by the industry, including most recently at the IWTO Congress in Venice in April.

The results show that a premium continues to be paid for Crossbred wool which is declared as non-mulesed, even though mulesing is not a management practice required for Crossbred sheep as they as less susceptible to fly-strike. In 2018/19, there was an average premium of up to 12 cents/kg for Crossbred wool declared as non-mulesed.

Note that these are average premiums which masks the extent of the premiums that may be paid for wool that meets specific wool attributes.

The statistics from AWEX includes data on the price premiums for wool that is mulesed with pain relief (PR) and wool from properties what have ceased mulesing (CM), as well as price discounts for wool that does not have a National Wool Declaration (NWD). As in previous seasons, there are only small premiums of 2-3 cents for Merino wool that is from sheep which have been **mulesed with some form of analgesic (PR).** There are also variable, but higher, premiums for wool declared from properties that have **ceased mulesing**. Finally, wool that is sold at auction that **does not have an NWD** attracted an average discount of between 2 and 18 cents compared with mulesed wool. It is well worth growers completing an NWD even if their sheep have been mulesed.

The three **Finalists for the 2019 NCWSBA Wool Broker Award** have been decided. We had an excellent response to the call for applications this year and the independent Selection Panel had its work cut out whittling the list down to the three Finalists. Samantha Wan (Elders, Victoria), Russell Macgugan (AWN, Victoria) and Matthew Chambers (Landmark, Western Australia) will vie for the 2019 Award. The three Finalists have a variety of roles within the Australian wool broking industry and have worked in the industry for between six and nine years.

The Award, in its eighth successful year, recognises excellence in service to woolgrowers, auctioneering and/or innovation by an outstanding wool broker employee who is working for a NCWSBA member and has been in the wool broking industry for 10 years or less. The Award this year is sponsored by AWTA Ltd and Sheep Central. The Winner of the 2019 Award is granted an all-expenses paid trip to attend the 2020 Congress of the International Wool Textile Organisation in Tongxiang, China in May 2020. Arrangements will also be made for the 2020 Award winner to visit the wool textile industry in China. The Winner will be announced at the AWIS Wool Week dinner in the evening of Thursday, 22nd August. For the first time, the other Finalists will be presented with a suit length of wool fabric from the leading wool weaving company Reda in Italy in recognition of their achievement in being Finalists for this prestigious Award.

The three Finalists will each make a presentation in support of their applications at the **2019 Annual General Meeting and Forum of the National Council of Wool Selling Brokers of Australia**. The AGM and Forum will be held on Thursday, 22nd August at the RACV Club, Melbourne. In addition to the business of the AGM and the presentations by the three Finalists, we will have Candice Cordy (the Winner of the 2018 NCWSBA Broker Award) give a presentation on her experience attending the IWTO Congress in Venice earlier this year and the visits she did to various mills in northern Italy.

In addition, Dr John Steinfort of Agvet Innovations Pty Ltd will give a presentation on the new Sheep Freeze Branding technique. There will also be presentations by Peter Walsh and Ian Ashman (respectively, Chief Financial Officer, AWTA and General Manager, Raw Wool, AWTA), Mark Grave (CEO, AWEX) and Nigel Gosse (General Manager, Operations, AWI). In the afternoon, the NCWSBA Board will hold its meeting. Staff of NCWSBA members are invited to attend as observers.

The 2019 Wall Chart from the National Council of Wool Selling Brokers will be available from 16th August. Free to NCWSBA members, it is an A2 printed Wall Chart with graphs showing auction volumes and prices, market indicators, and Australian wool production and exports from 2018/19 and as far back as the 1979/80 season. ***Send me an email at chris.wilcox@ncwsba.org and tell me how many you would like for your office and the delivery address.*** The Wall Charts will also be available at the NCWSBA AGM on 22nd August.

OTHER INDUSTRY EVENTS

The **Nanjing Wool Market Conference** will be held in Qufu, Shandong on 20th to 23rd September 2019.

The **2019 IWTO Round Table** will be in held in Queenstown, New Zealand on 2nd to 3rd December 2019.

The **2020 IWTO Annual Congress** will be held in Tongxiang, China on 18th to 20th May 2020.

THE AUSTRALIAN WOOL MARKET IS IN RECESS.

SALES RESUME IN THE WEEK BEGINNING 5TH AUGUST 2019.

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