



CRC

for

Premium

Quality

Wool

Wool Supply Forecasting

Produced for the CRC for Premium Quality Wool undergraduate program by;
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Why do we want to know?

- **key element in determining price**
 - growers, buyers, processors, speculators, private treaty merchants
- **service organisations**
 - training institutions, Dept. Ag.
- **government policy**
 - effect on foreign exchange
 - funding allocations
- **processors**
 - forward buying & selling

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AWPFC Committee Inputs

- **ABARE**
 - National Wool Production Survey
 - Pasture Growth Index
- **Australian Bureau of Statistics (ABS)**
 - sheep numbers
 - on-farm stock survey (discontinued)
- **AWTA**
 - volume of testing & test results

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Sources of Wool

- Known

- C** Harvested in a previous season

- stored by brokers & dealers

- D** Wool International stockpile

- Estimated or forecast

- A** Shorn & crutched

- sheep & lambs in season

- B** Harvested in a previous season

- stored on farms

- E** Skins

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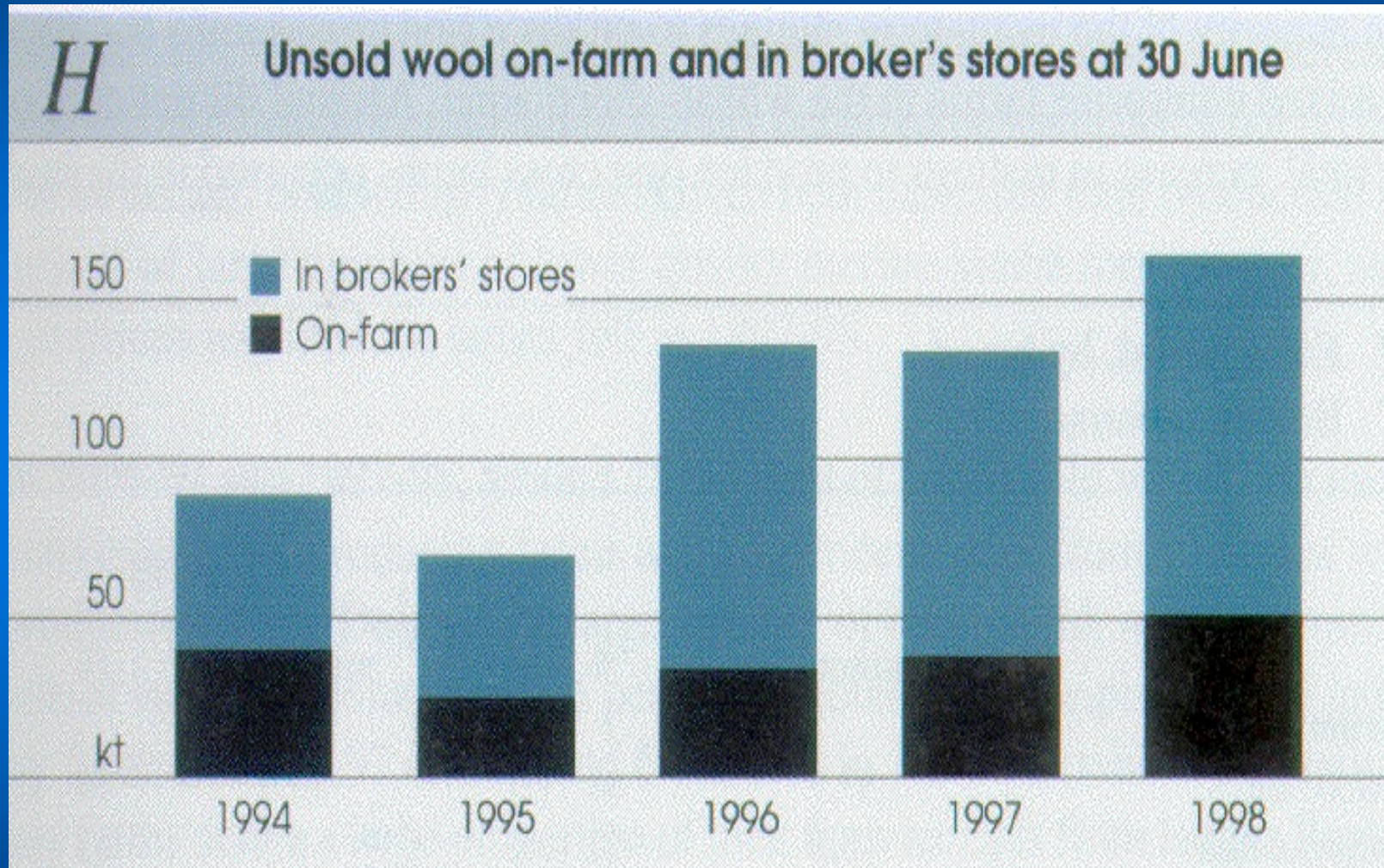
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Unsold wool (C & B)



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kt

1994

1995

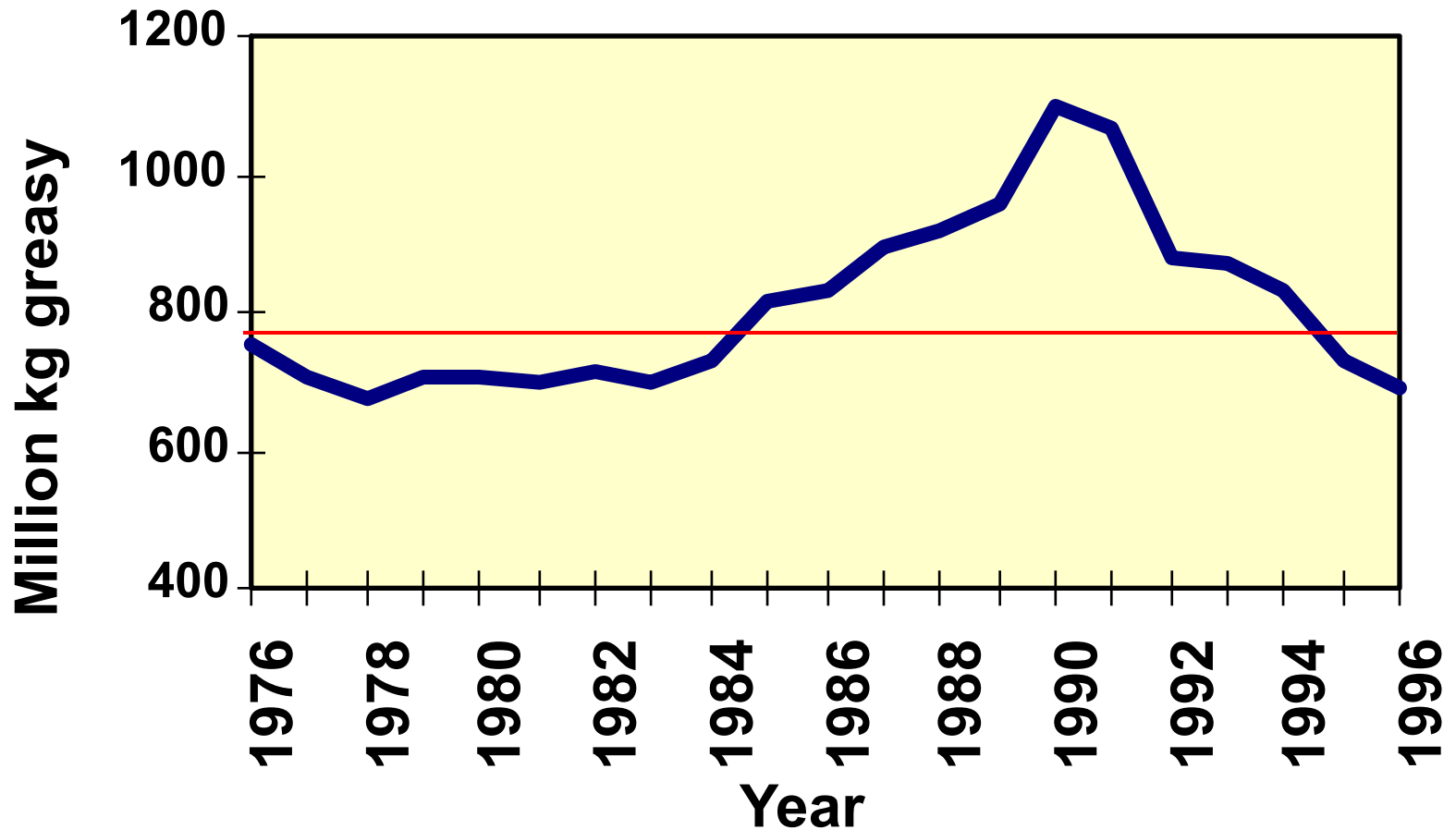
1996

1997

1998



Australian Total Greasy Wool Production (actual) (A + E)



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Global Supply Outlook

- **Supply = Production + stock change**
- **Production**
 - **1998/9 1,376 mkg clean (40 year low)**
 - shift to more profitable enterprises
 - USSR decline
 - **1999/00 1,351 mkg clean**
 - decline in grower profitability & confidence
 - **2004/5 ~2% above 1998/9 levels**
 - stock overhang ending 2002/3
 - improving world economy

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Supply Information Sources

- **Australia**
 - Australian Wool Production Forecasting Committee (AWPFC) Reports
 - Woolmark Company (1999), Wool Fact File, Woolmark Business Intelligence
- **Global**
 - Woolmark Company (1999), World Wool Supply to 2005, Woolmark Business Intelligence

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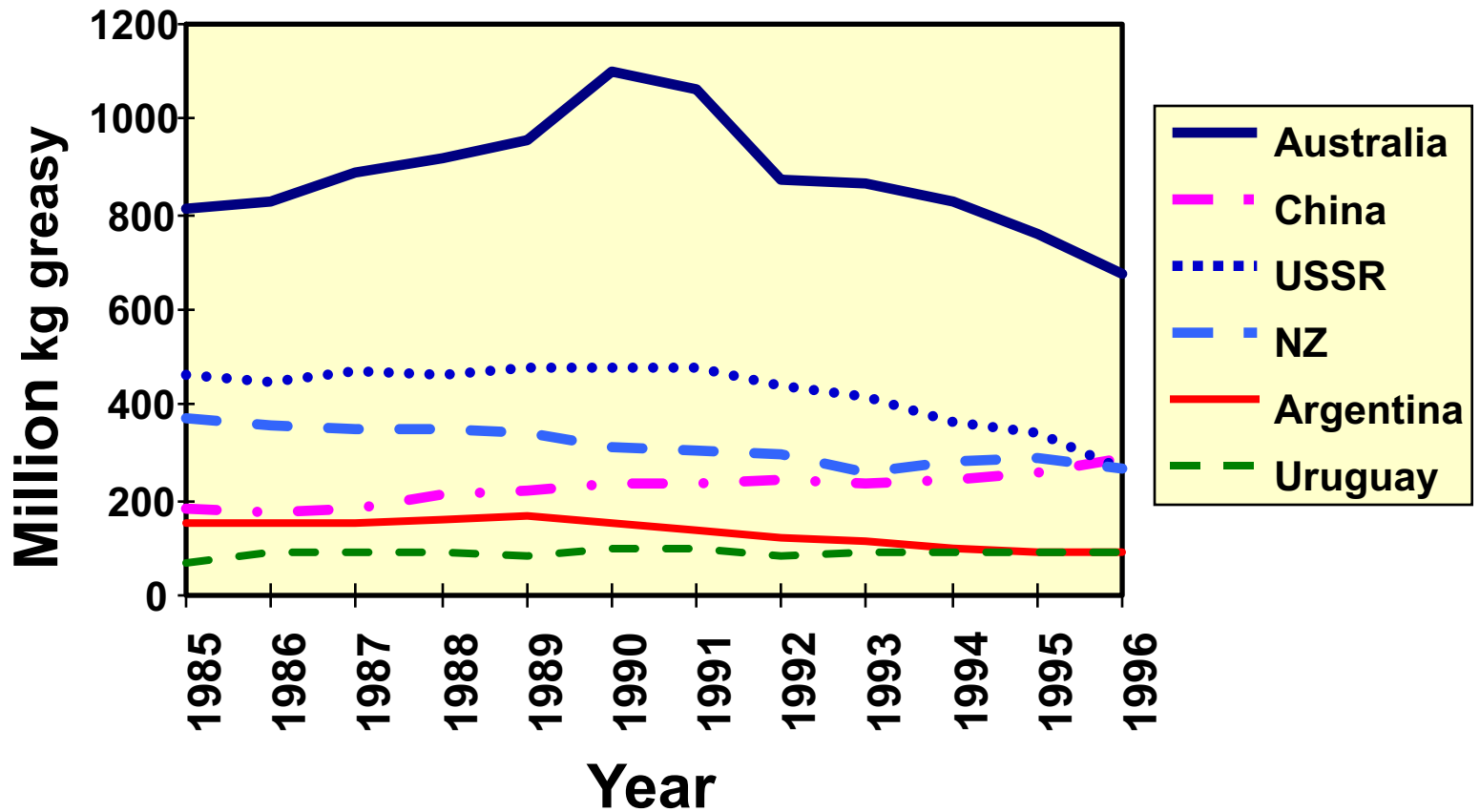
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International

Greasy Wool Production for Top 6 Countries



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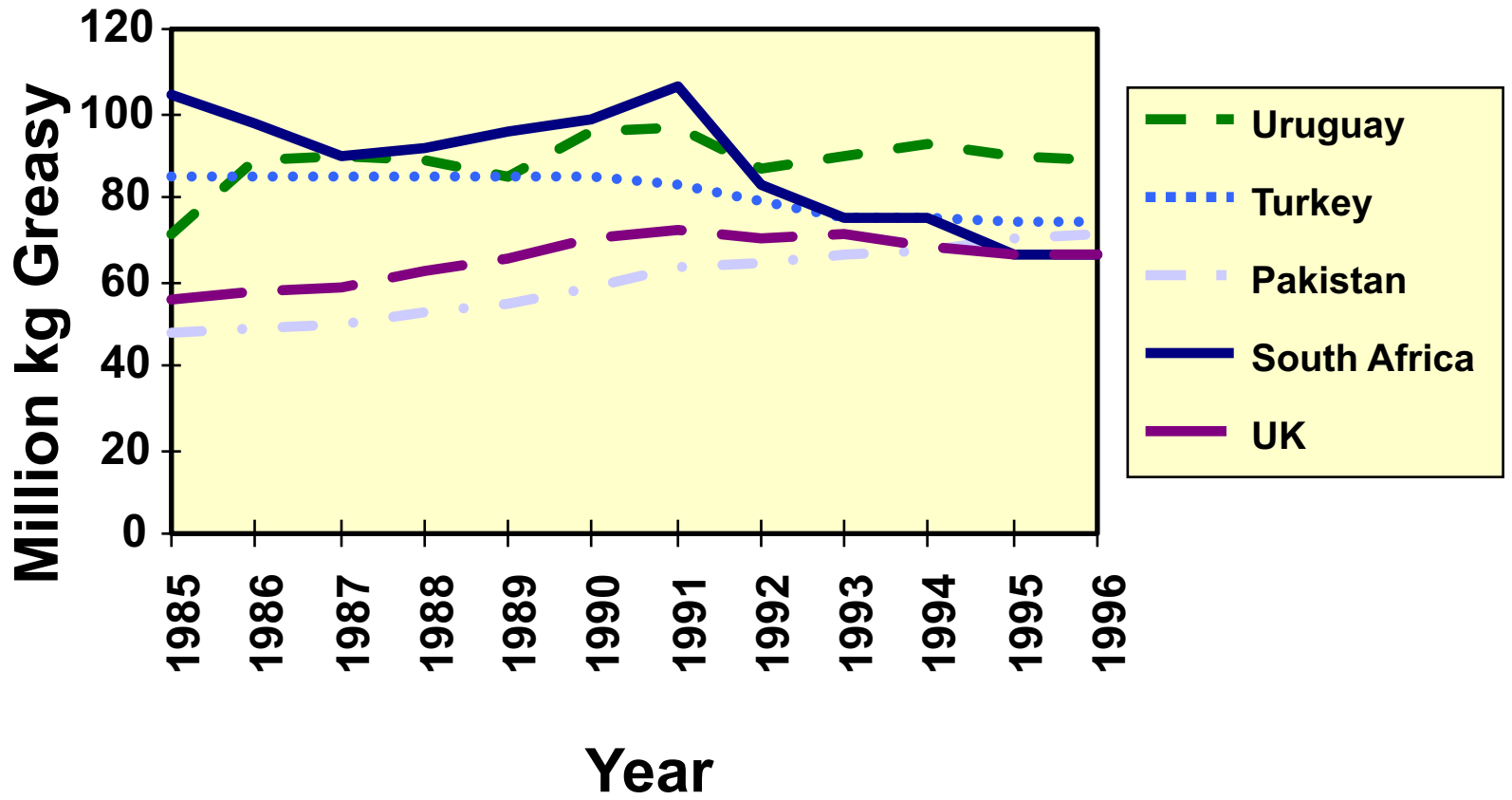
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International

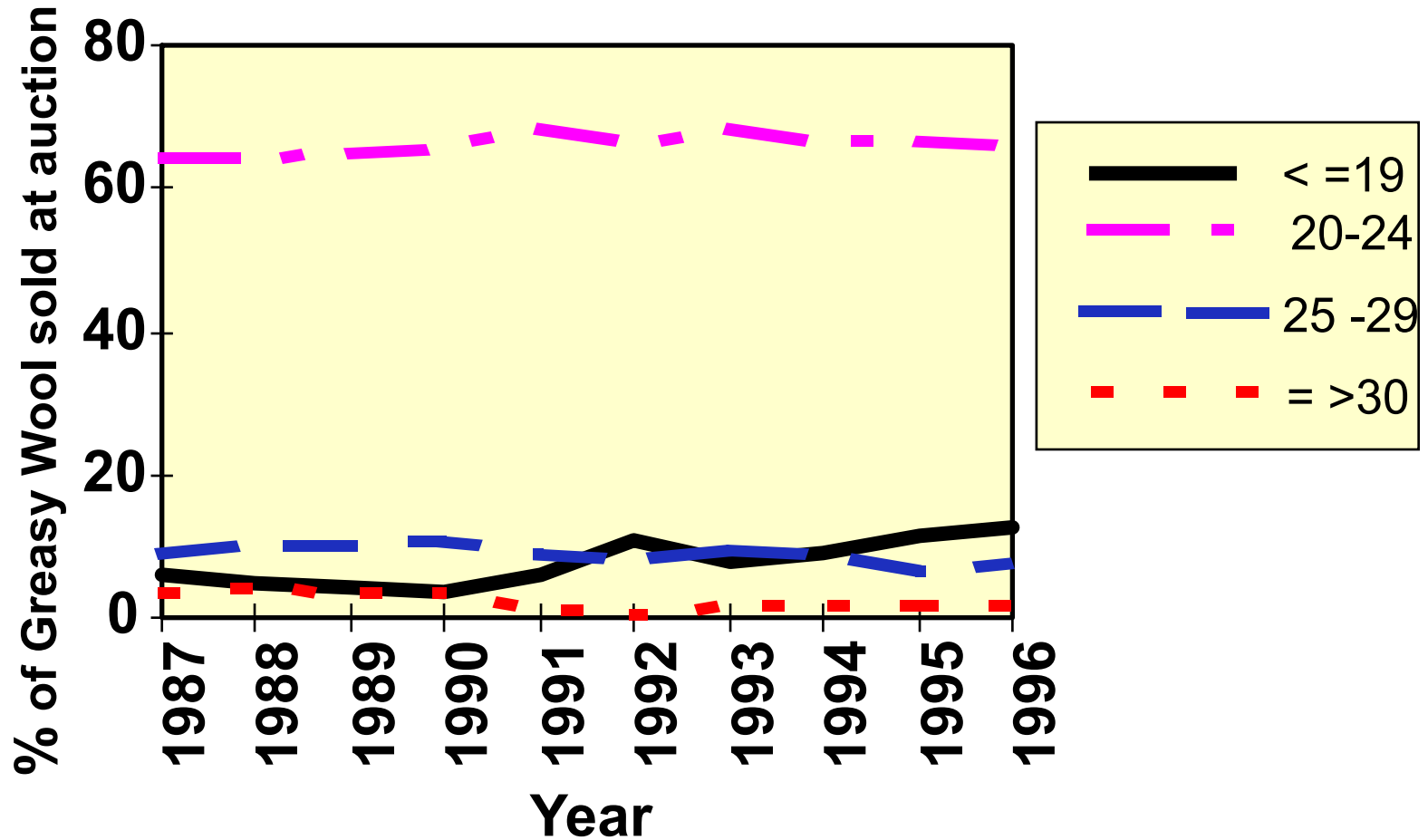
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Greasy Wool Production by Countries - 6 to 10





Micron Distribution - Australia



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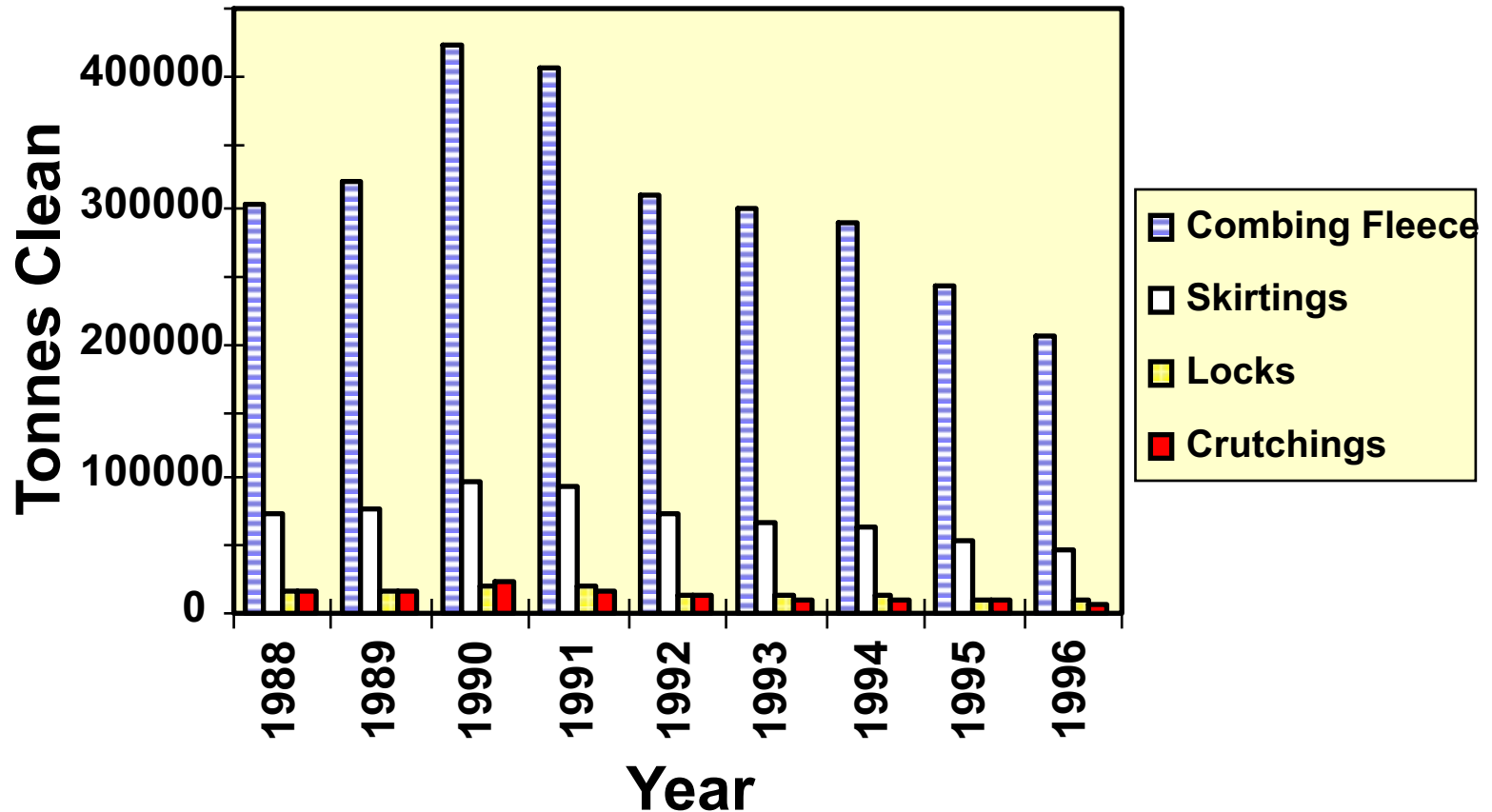
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Quantities by Wool Category Australia



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