



Australian Government
**Department of Agriculture
and Water Resources**
ABARES



Natural fibres

Weaving a path for the future



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**Australian Bureau of Agricultural
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Research by the
Australian Bureau of Agricultural and Resource Economics and Sciences

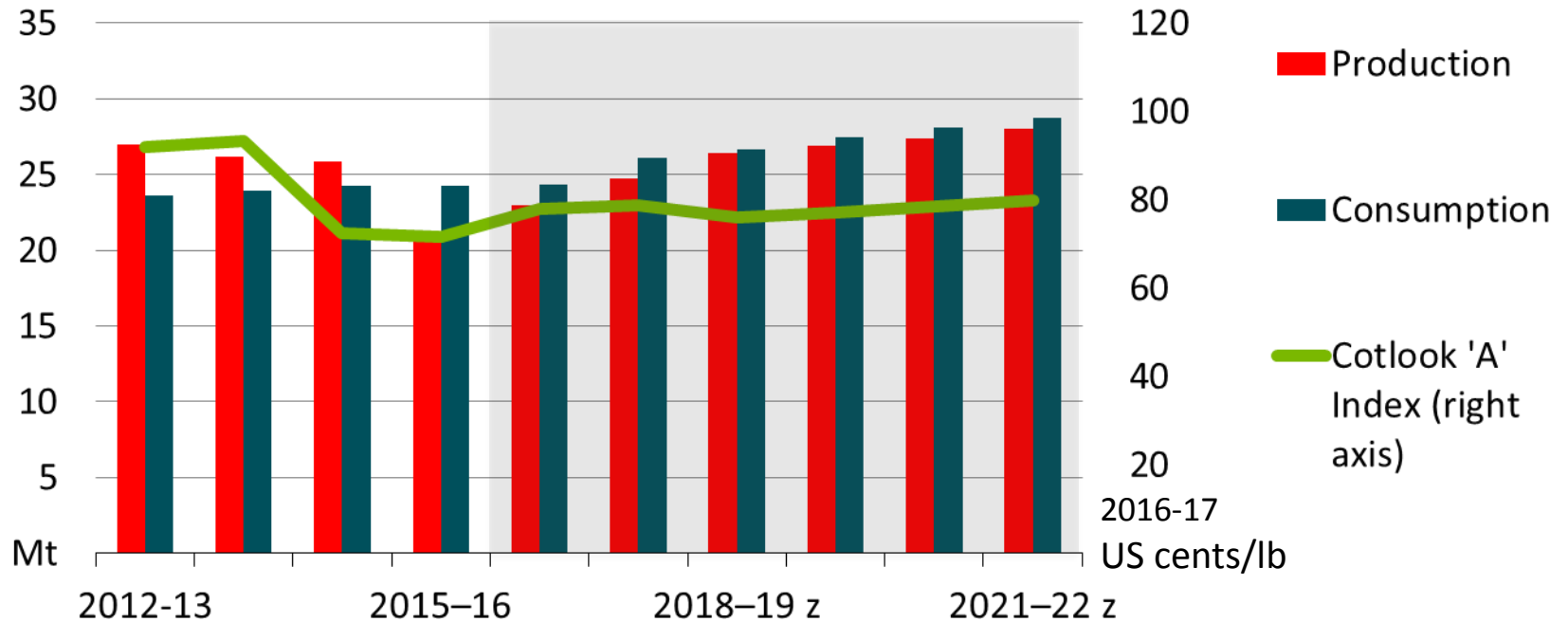
Supply

- Pasture growth → flock rebuilding ↑
- Water availability ↑

Demand

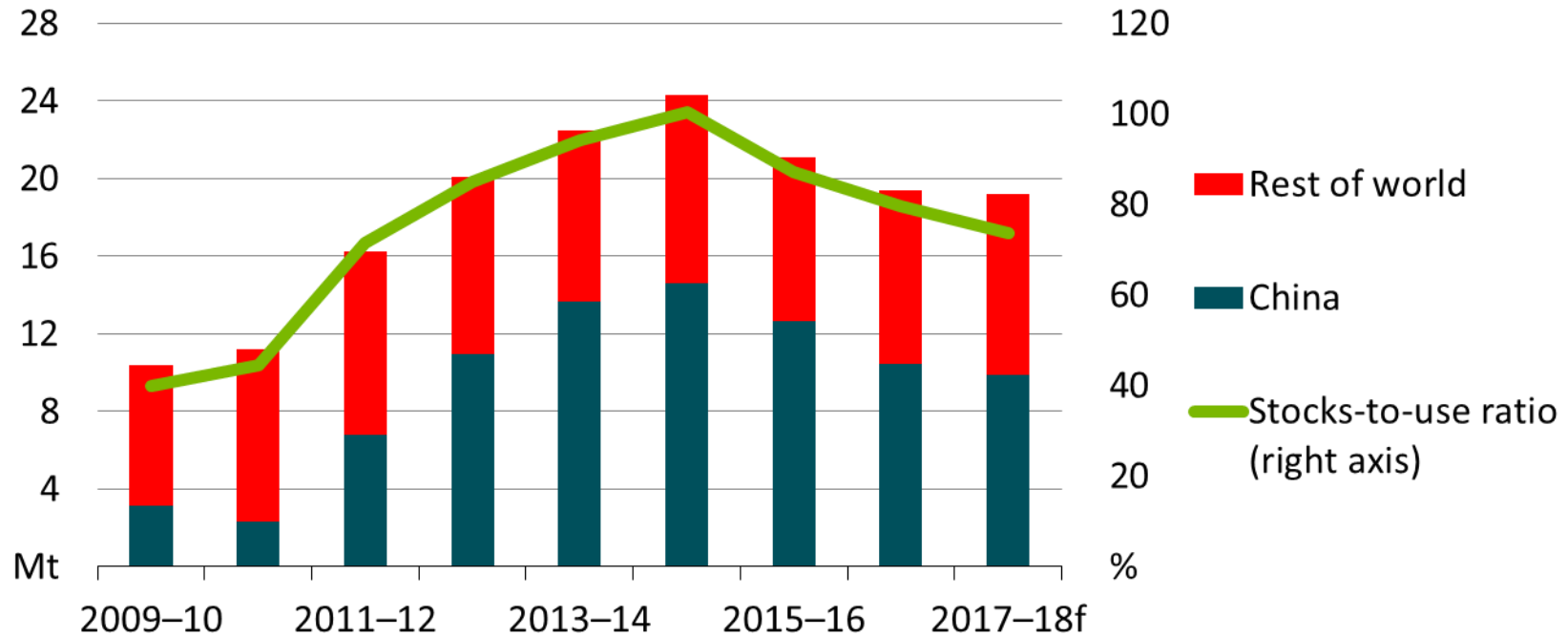
- World economic growth ↑
- China key export market and consuming market ↑
- Exchange rate to remain low ↑
- Synthetic fibre price rising ↑

World cotton indicators



f ABARES forecast z ABARES projection

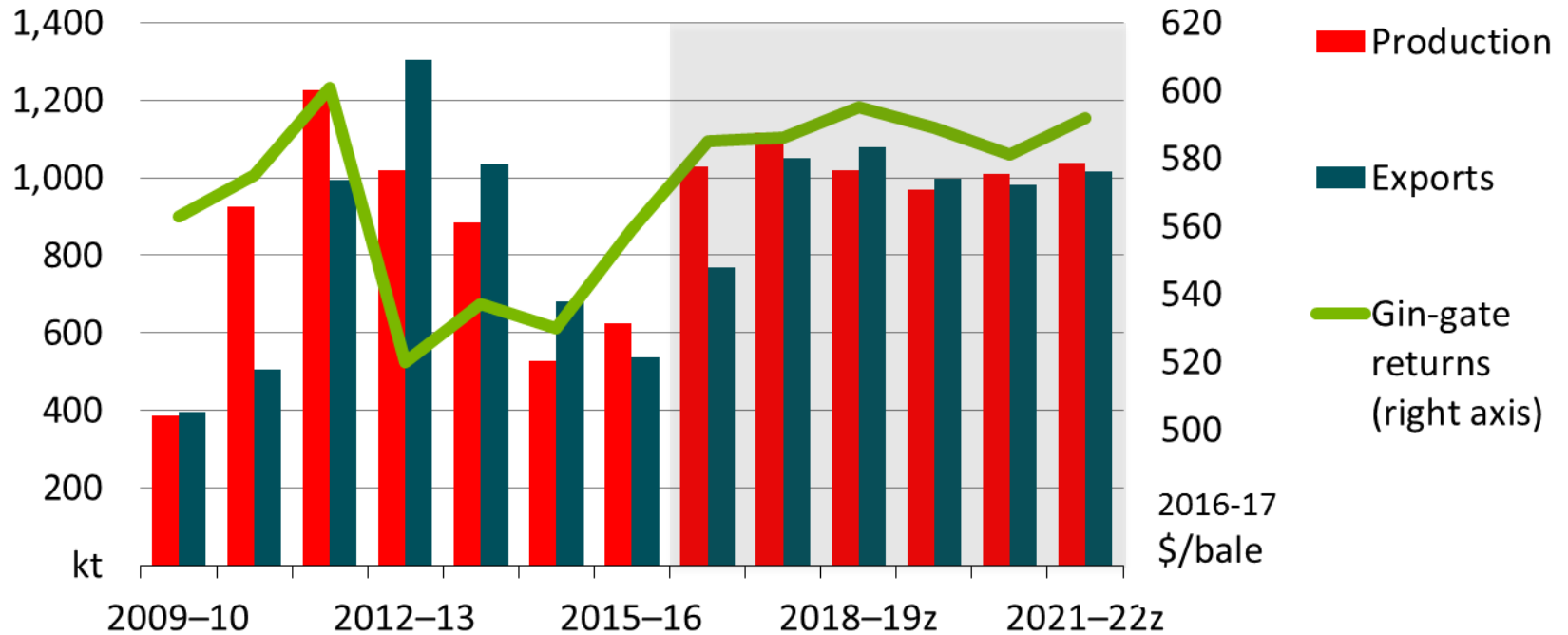
World cotton stocks and stocks-to-use ratio



Consumers



Australian cotton production, exports and gin-gate returns



Wool



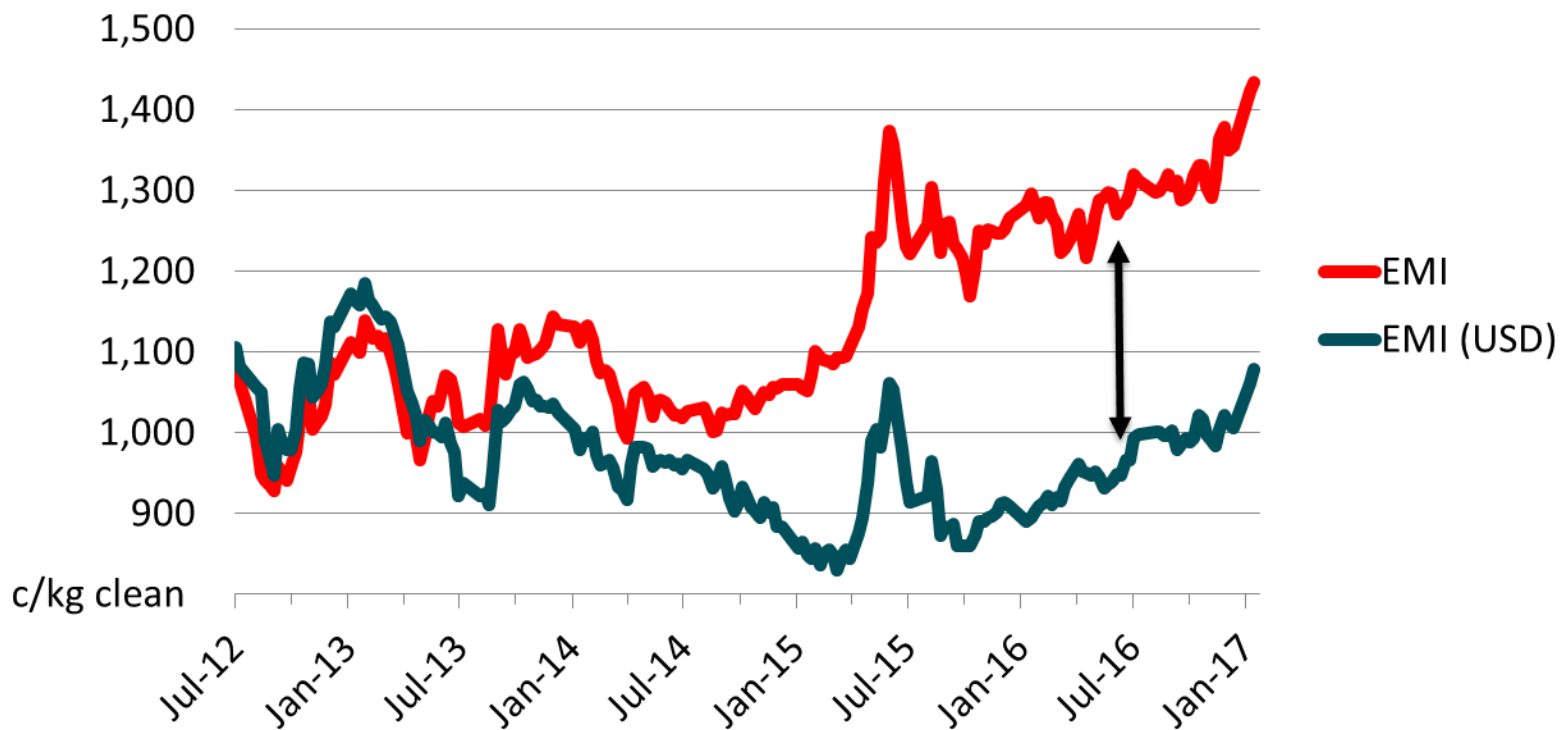
Qualitywool.com



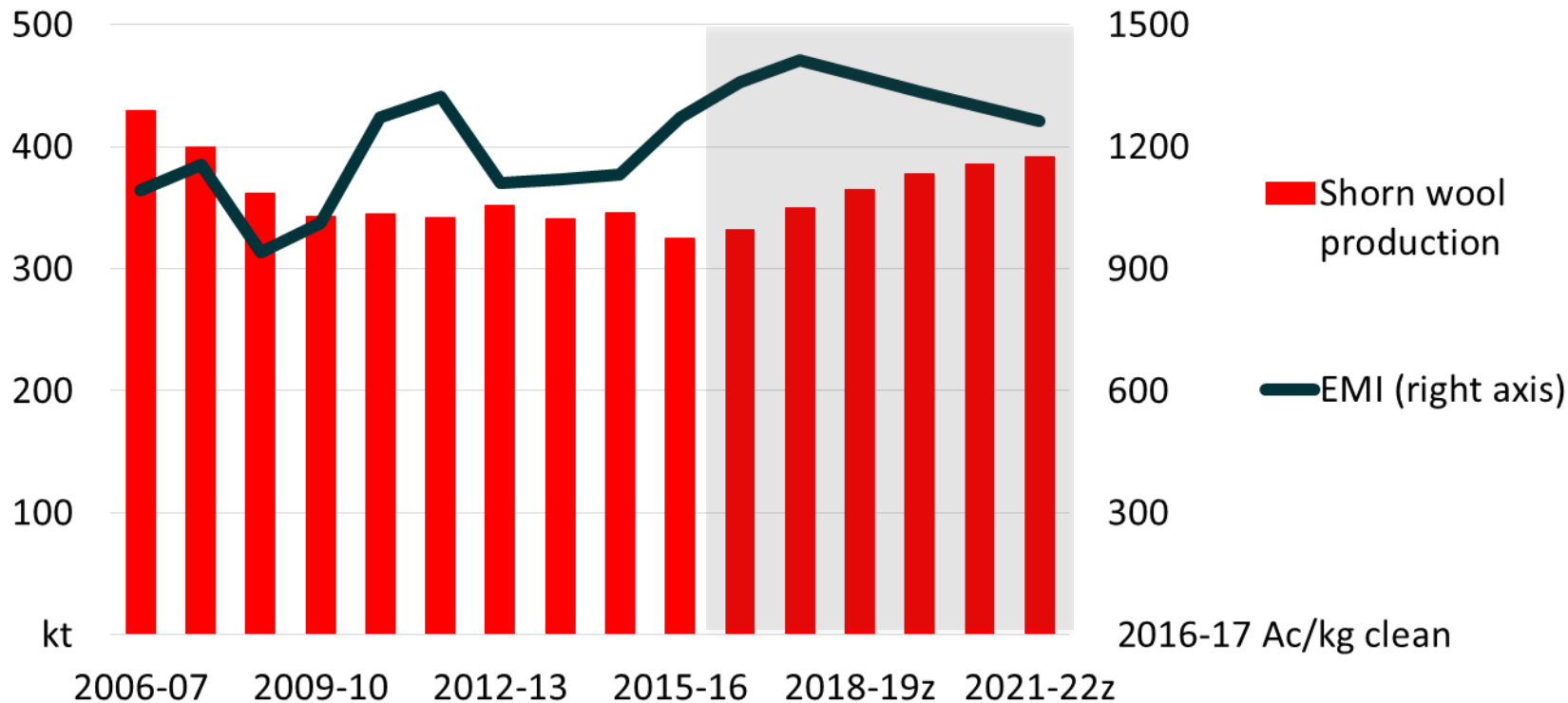


2017
OUTLOOK

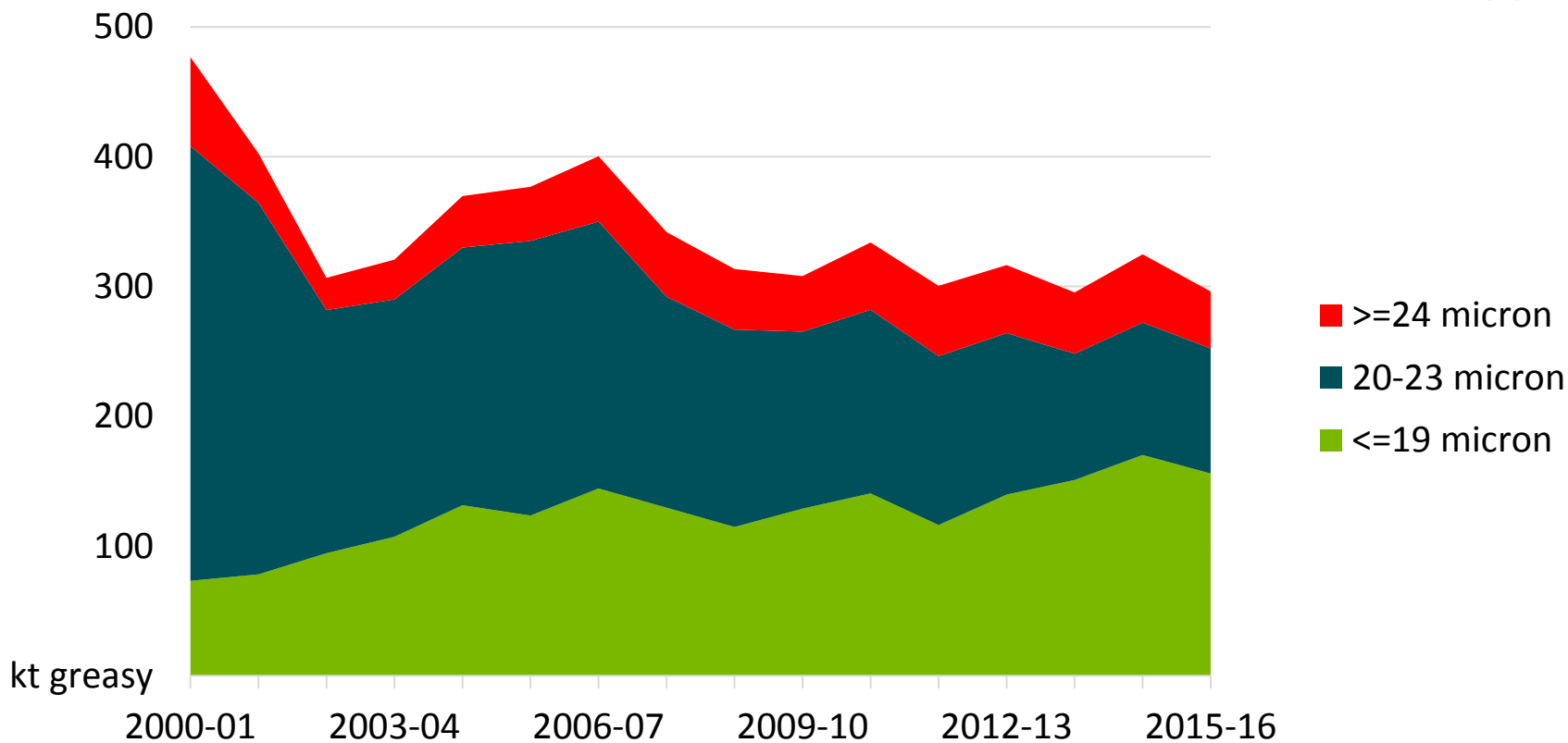
Eastern Market Indicator



Shorn wool production and price



Greasy wool exports by micron



Main messages

- Discerning and educated consumers
- Accountability for how wool and cotton are produced
- Innovation for sustainability



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