

Hamburg Institute of International Economics (HWWA) (Ed.)

Article — Digitized Version

Raw material markets: Temporary rise in wool prices

Intereconomics

Suggested Citation: Hamburg Institute of International Economics (HWWA) (Ed.) (1969) : Raw material markets: Temporary rise in wool prices, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 04, Iss. 8, pp. 264-, <https://doi.org/10.1007/BF02930193>

This Version is available at:

<https://hdl.handle.net/10419/138247>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

currency reserves. They are therefore not forced to an immediate adjustment of their imports, if the increase of their export proceeds should retard. They must count on this, since the industrial countries' need for raw materials will not increase in the present pace.

1969: World Trade will Increase by 10 p.c.

On the other hand, the prospects for the development of the import demand for industrial products remain considerably better. True, a damping influence will come also here from

the USA, but the demand of most of the West European economies will continue to increase rapidly in view of the tension in business activity. Overall, a strong increase of world trade by about 10 p.c. seems to be possible in 1969 (1968: +11 p.c.). The foreign trade imbalances of the USA and Great Britain will, in tendency, in fact decrease lightly, but will only lose little of their international brisance. The return to a balance in foreign trade and payments will also hardly be achieved in France during the course of this year.

The total wool supply will, however, nearly reach in 1968/69 with 3,745 mn lbs the same volume as in 1967/68, because stocks had fallen from 323 mn lbs to 304 mn lbs at the beginning of the season 1968/69. In the years 1964/65 to 1965/66 e.g. stocks had been (in each case at the beginning of the season) at most half of this, and the total supply had been by 10 p.c. smaller, so that it was in a relatively favourable relation to wool demand.

The vigorous consumption growth of 1968 will not repeat itself in 1969. The increase in wool consumption to be reckoned with will only be meagre. For, in the West European countries, the economic expansion will in the further course of the year continue strongly, but in the USA the slowdown of the business upswing will probably become more marked. It is still premature to estimate wool production in the coming season 1969/70. But presumably it will once more grow somewhat. There are no indications as yet that the export countries will reduce their productions in order to minimise the large unsold stocks. Under these circumstances, wool prices should—during the next months—, if anything, fall somewhat again.

Raw Material Markets

Temporary Rise in Wool Prices

In the international wool markets, prices have somewhat risen since April, 1969, after they had, during the six months before, under slight fluctuations fallen considerably. At present, prices for Merino combed material in London lie with 126 d/lb by about 3 p.c., and those for 56' crossbreds in Bradford with 79 d/lb, by about 15 p.c. above the level registered one year ago. The latest price rise must probably been traced back above all to increased buyings provoked by the currency unrests.

In 1968, wool consumption, in connection with the cyclical re-

vival in the Western world, had risen by about 6 p.c. to roughly 3,420 mn lbs, so that wool prices had recovered by autumn 1968, although the total wool supply (production and stocks) surpassed the higher demand (consumption and increase in consumer stocks) considerably. World production of wool in 1967/68 amounted to approx. 3,423 mn lbs (cleaned) and 1968/1969 will reach about 3,447 mn lbs. The decline of fleece results in the Argentine, Uruguay and in some other Western countries will be over-compensated by the production growth in Australia and New Zealand.

Compiled by the Department for Business Trends Research of the Hamburg Institute for International Economics

PUBLISHER: The Hamburg Institute for International Economics (Hamburgisches Welt-Wirtschafts-Archiv), Director: Prof. Dr. Heinz-Dietrich Ortlieb, and The German Overseas Institute (Deutsches Obersee-Institut), President: Prof. Dr. Dr. h. c. Andreas Predöhl

EDITORIAL BOARD:

Chief Editor: Dr. Dietrich Kobschull

Assistant Chief Editor: Dr. Wolfgang Reisener

Editor: Hubert Höping. **Sub-editors:** Otto Gustav Mayer, Carsten Moser

Editorial Production: Regina Kobschull, Helga Lange

Address: Eppendorfer Landstrasse 106, 2 Hamburg 20, Phone: (0411) 47 11 74 05/06

PRODUCTION AND DISTRIBUTION:

Verlag Weltarchiv GmbH, Hamburg

Advertisements: Representative Dr. Hans Klemen

Advertising Price List: No. 12 of January 1, 1968

Rates of Subscription: Single issue: DM 4.20 (US\$ 1); Annual rate: DM 48.— (US\$ 12) (Students: DM 24.— (US\$ 6))

Publication Dates: monthly

Printing: Otto Schwitzke, Hamburg

Address: Eppendorfer Landstrasse 106, 2 Hamburg 20, Phone: (0411) 46 10 19 and 46 10 10

Copyright by Verlag Weltarchiv GmbH