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from my desk at the farm

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URUGUAY FINE WOOL PRODUCTION

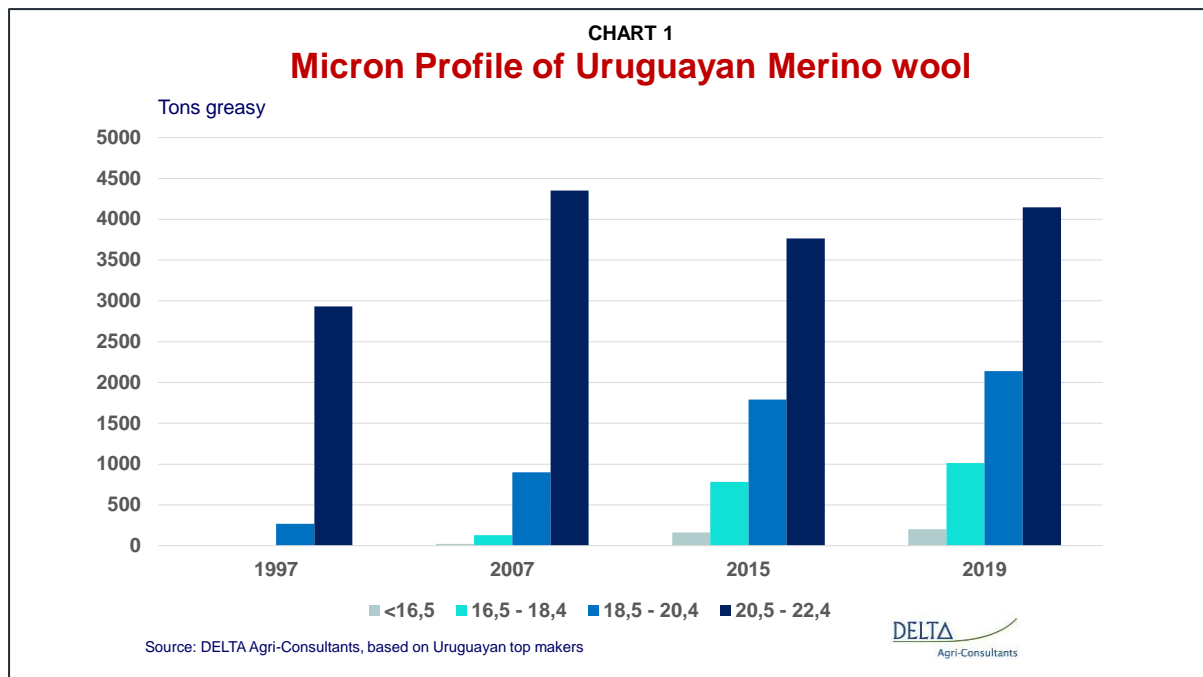
Merino wool production in Uruguay has evolved very differently from other wool-producing countries. In 2000, a project was launched at the country level, aiming to develop the superfine merino wool (<18.5 microns) production.

This project had the technical and operational support of various institutions related to the wool sector, such as wool exporting companies, woolgrowers and the local government.

Uruguay has increased the volume of fine wool (22.5 microns and finer) in recent years as a result of the increased demand for this type of wool worldwide, with a substantial improvement in its prices.

In addition to the significant reduction in fiber diameter, other objectives were also achieved, as better color, length, and the strength of superfine wool.

According to estimates made out by different sources, it was established that at the end of the last century, in Uruguay approximately some more than 3.2 million kilos of wool greasy basis 20.4 microns and finer were produced, while in the last 20 years it was 7.5 million kilos, that is an increasing of 134%.



On the other hand, it is important to point out that before the year 2000, in Uruguay only 4% of the wool produced was 22.5 microns and finer, and in the year 2020, it becomes 32%.

Analyzing the composition of the fine wool profile in four ranges, 20.5 to 22.4 microns, 18.5 to 20.4, 16.5 to 18.4 microns and finer than 16.5 microns, we also observed an important increase in the volume that the finer ranges have had over the years.

Considering the total wool produced in Uruguay of 22.5 microns and finer, 55% corresponds to the range of 20.5 to 22.4%, 29% in wool of 18.5 to 20.4 microns. , 13% between 16.5 and 18.4 microns, and almost 3% are wools finer than 16.5 microns.

URUGUAYAN WOOL EXPORTS

Uruguay exported during the first semester of the year 2022, more than 4 million kilos of greasy wool.

Once again, **Estancias Puppo S.A.**, leads foreign sales of this type of wool in terms of value, being responsible for 58% of total income to Uruguay, from exports of greasy wool.

The main destinations of the greasy wool exported by Uruguay were China (69.1% of the total), followed by Bulgaria, Italy, India, Spain and the United Kingdom. See table 1.

Table 1

URUGUAY: RAW WOOL EXPORTS

FIRST SEMESTER 2022

IMPORTING COUNTRY	TOTAL USD FOB	% FOB
CHINA	12.110.781	69,1%
BULGARIA	3.497.554	20,0%
ITALY	1.290.899	7,3%
INDIA	541.165	3,1%
SPAIN	52.595	0,3%
UK	33.279	0,2%
TOTAL	17.526.273	100,0%

Source: DNA

Based on the information provided by the National Customs Office, of the total greasy wool exported by Uruguay, 51% is fine and very fine wool, while 33% corresponded to medium wool and only 16% to coarse wool.

With regard to exports of scoured wool, they totaled 2.2 million kilos, actual weight, with Egypt being the main destination in terms of value, followed by India and China.

In wool tops, 5.8 million kilos of actual weight were exported, and in terms of US dollars, Germany and Italy were the main buyers.

