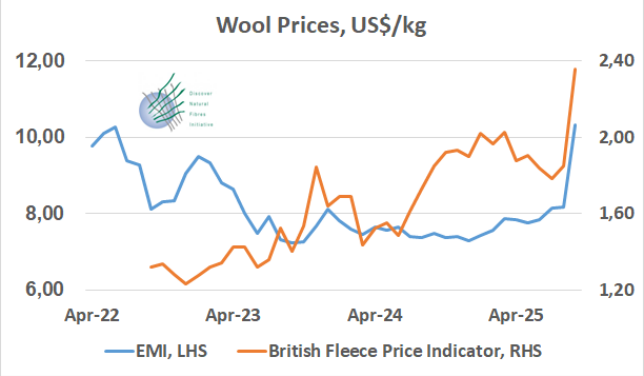
October 27, 2025
For Immediate Release

World Natural Fibre Update
October 2025

Wool & Jute Prices Surge
Jute Market Distorted by Government Actions
USA Tariffs Disrupt Trade
US Government Shutdown Affects Natural Fibres

Largest Increase in Wool Prices in Six Years

Australia's benchmark for Merino wool, the Eastern Market Indicator (EMI), broke through the A$14/kg barrier for the first time since June 2022 at the end of September 2025. The weekly increase was the largest in six years and extended the rally to 10 straight weeks, equaling the longest unbeaten run since 1987. Market predictions are being made of further increases as demand builds for the limited supply of raw wool. Crossbreds from breeds other than Merino (higher-micron wools used mostly in knitwear, outerwear and home furnishings) also enjoyed a strong week, closing 40 to 53 US cents higher across both days to reach five-year highs. (https://www.sheepcentral.com/australian-wool-prices-surge-to-3-5-year-peaks/)



British Wool reported the most intense level of competition in the last decade, with the main grades of crossbred wool trading up to 20% higher. Similar price increases have been seen in New Zealand, with global demand for quality crossbred wools outstripping supplies. (https://www.britishwool.org.uk/reports-sharpest-price-increase-in-a-decade/)

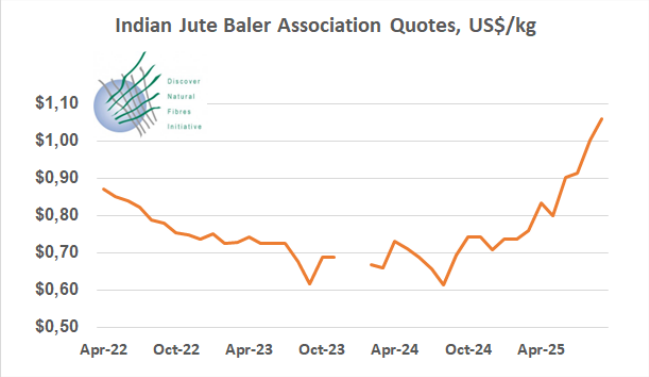
The EMI leaped 26%% in September to $10.33 per kg, 38% higher than a year ago and 43% higher than two years ago.

The British Fleece Wool Price Indicator surged an amazing 28% in September to $2.36 per kg, clean. The Indicator is 28% higher than one year ago and 68% higher than two years ago. (https://www.britishwool.org.uk/price-indicator)

Jute Balers Quote Record High

Prices quoted by the Jute Balers Association of India, converted to USD, surged 10% between the end of July and the end of August, and prices rose an additional 6% in September to reach a record of $1.06 per kg. The quotes are up more than 50% compared to September 2024. Prices are also rising in Bangladesh, and quotes for exports of raw jute rose by an additional 6 to 7 US cents per kg during September. (https://www.wgc.de/en/)

According to sources in Bangladesh, the absence of carryover stock from the previous crop year has led to heightened activity in the local raw jute market. Solvent jute yarn and twine spinning mills, raw jute traders, and stockists have been aggressively purchasing raw jute to build adequate stocks, anticipating potential price hikes or supply shortage. (Source: WGC)



India Bans Jute Imports

India imposed a ban on the import of select jute products and ropes from Bangladesh through all land routes on September 29, 2025, in a fresh sign of escalating trade tensions between the two neighbors. The banned products include bleached and unbleached woven fabrics of jute or other textile bast fibres; twine, cordage and rope of jute; and jute sacks and bags. (https://www.msn.com/en-in/news/India/india-bangladesh-trade-row-new-delhi-bans-jute-and-rope-imports-via-land-shipments-to-be-routed-only-through-nhava-sheva-port/)

On June 27, the Government of India restricted imports of a range of jute products and woven fabrics from Bangladesh via land ports, allowing them only through a port near Mumbai on the opposite side of the South Asian Subcontinent. Similar steps were taken in April and May, covering ready-made garments, processed foods, flax tow, jute yarn, and other bast fibre products.

On May 17, India imposed port restrictions on certain goods from Bangladesh, while on April 9, it withdrew the transshipment facility that allowed Dhaka to ship goods to destinations, including the Middle East and Europe, except for Nepal and Bhutan.

The latest trade measures come against the backdrop of remarks made in China by Bangladesh's interim government head Muhammad Yunus, which drew strong reactions from political leaders in India across party lines. Relations have also soured over Dhaka's failure to curb attacks on minorities, particularly Hindus.

Bangladesh is a key competitor to India in the textile sector. Bilateral trade between the two countries was valued at $12.9 billion in 2023-24. In 2024-25 so far, India's exports to Bangladesh have stood at $11.46 billion, while imports have totaled $2 billion.

Bangladesh Requires Permission to Export Jute

Due to reduced jute production this year compared to the growing demand from domestic mills,

both the Bangladesh Jute Spinners Association (BJSA) and the Bangladesh Jute Mills Association (BJMA) urged the Bangladesh Government to impose a ban on raw jute exports. Their aim is to ensure a smooth supply of raw jute for local industries and to promote the export of finished jute products. Under the new policy, exporters must apply to the Ministry for export permission, and shipments will only be permitted for the quantities approved by the authorities. (Source: WGC)

By banning exports with immediate effect and forcing the abrogation of export contracts already agreed, this decision upsets established trade patterns and encourages the use of alternative fibers, including polypropylene, for which there are no trade disruptions.

Exporters handling raw jute are facing considerable challenges due to the sudden imposition of the export ban. They have requested the government to allow shipment of consignments for which payments and Letters of Credit (LCs) have already been received from their international buyers. The government is currently reviewing the data and considering this matter before making a final decision.

USA Tariff Changes Challenged in Court

Toward the end of August 2025, a federal court ruled against the Trump administration's use of the International Emergency Economic Powers Act (IEEPA) to impose reciprocal tariffs on nearly all foreign countries.

The decision stated that while IEEPA gives the President wide discretion to respond to a national emergency, "it seems unlikely that Congress intended, in enacting IEEPA, to depart from its past practice and grant the President unlimited authority to impose tariffs."

The Trump administration has appealed the decision, and the Supreme Court has agreed to hear the case on November 5. The tariffs remain in effect until the case is decided, probably not for several more months.

USA Tariff Policies Remain Unsettled

The table below lists tariffs in effect as of October 6, 2025, for countries important to trade in natural fibres and manufacturers. The table doesn't include preexisting tariffs or tariffs on specific products like automobiles or steel.
(https://www.tradecomplianceresourcehub.com/2025/10/06/trump-2-0-tariff-tracker/)

New tariff rates announced by President Trump that began on August 7, range between 10% and 50%. For countries with which the USA has a trade surplus, a universal tariff of 10% prevails, and for about 40 countries with which the USA has a trade deficit, a 15% tariff rate applies. Some countries with significant natural fibre production, including Bolivia, Brazil, Ecuador, India, Indonesia, and Nigeria, face tariffs of between 15% and 50%.

Average US tariffs on Chinese exports currently stand at 30%, covering all goods. This represents a 10 percentage-point increase since January 20, 2025. A 125% tariff rate that was scheduled to go into effect on August 12 has been delayed for 90 days while negotiations continue. However, President Trump posted on October 10 that a tariff of 100% would be imposed on imports from China effective November 1. No one knows if he was serious in making the announcement.

Goods imported from India face a 50% tariff due to India's purchase of Russian oil.

Tariffs on imports from the European Union, Japan and South Korea are 15%, but increases to 35% are possible if investment commitments are not met.

An agreement has been reached with Mexico to delay enforcement of higher tariffs while negotiations continue. Tariffs on goods from Canada not covered by the US-Mexico-Canada trade agreement are 35%.

China's average tariffs on US exports are 32.6%, also covering all goods. This is having a significant impact on exports of cotton from the United States. China is usually the largest cotton importer in the world.

US Tariffs Rates with countries important to natural fibre production and trade
As of 8 October 2025
Tariffs announced, implemented or paused since February 1, 2025.

Country	Reciprocal tariff rate announced April 2, 2025	Status of reciprocal tariff	Current tariff rate
Australia	10%	Active as of April 5, 2025	10%
Bangladesh	37%	Lowered to 20%	20%
Brazil	10%	Effective August 6	50%
China	34%, increased to 84% then 125%, then decreased to 10%	In effect; set to increase to 30% on November 10, 2025	30%+
European Union	20%	Lowered to 15%	15%
India	26%	Lowered to 25%; increased to 50% on August 27, 2025	50%
Indonesia	32%	Lowered to 19%	19%
Japan	24%	Lowered to 15%	15%
Mexico	25% for most goods; 10% for energy and potash; 0% for USMCA-compliant goods	Set to increase to 30% in October 2025	25%
Pakistan	29%	Lowered to 19%	19%
Russia		Trade Prohibited	
South Korea	25%	Lowered to 15%	15%
Sri Lanka		Effective August 7	20%
Thailand	36%	Lowered to 19%	19%
Vietnam	46%	Lowered to 20%	20%
https://www.avalara.com/us/en/learn/guides/us-tariffs-by-country.html			
https://www.tradecomplianceresourcehub.com/2025/10/06/trump-2-0-tariff-tracker/			

De minimis Exemption Ended

The end of a policy that allowed low-cost packages to enter the U.S. duty-free has thrown e-commerce in the USA into chaos. Individual packages worth less than $800 are no longer protected under a rule known as the de minimis exemption. The exemption ended on Aug. 29 for all imports, although it had already been eliminated for Chinese imports back in May.

U.S. consumers may not be able to order certain goods now that postal services from countries like Australia, Germany and Japan have announced that they’re temporarily suspending shipments to the U.S., with an exception for goods that are under $100 and considered “gifts.”

Consumers who have been able to place orders are getting hit with tariffs after their packages have already shipped. After the exemption ended for China earlier this year, the number of de minimis shipments coming to the U.S. plummeted from 4 million per day to 1 million.

The estimated average cost of these tariffs to American households is $2,400 this year, with clothing and textiles expected to be significantly affected. The average effective tariff rate across all US imports is estimated to be around 18.3%, the highest since 1935.

USDA Activities Stopped

The United States is the fourth largest cotton producer and second largest exporter, and much of the intellectual architecture of the world cotton industry has been developed in the United States. The United States is also a producer of hemp and flax, and the US is the largest consumer market in the world.

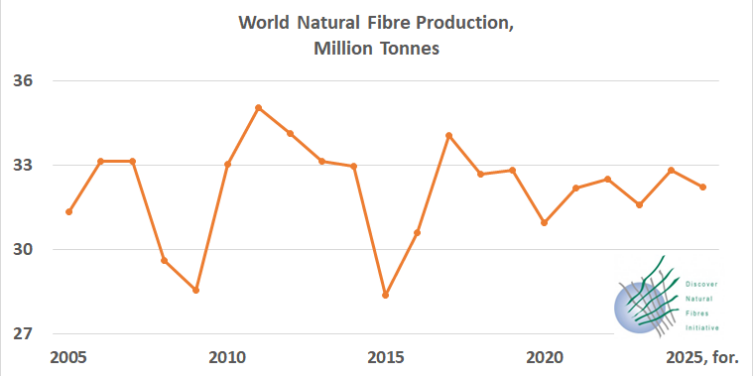
With the shutdown of the US government effective October 1, most USDA activities are stopped or curtailed. Until the government resumes operations, loans and direct payments to farmers under the safety net programs have been stopped. Technical assistance to farmers and payments to implement conservation programs are stopped. Export credits and trade monitoring activities are stopped. The provision of statistics and market information is stopped (A monthly report on world and US crop supply, use, stocks and prices that was scheduled for release on October 9 was not issued.)

Crucially, USDA cotton classing activities are continuing, allowing the marketing of US cotton to continue.

Natural Fibre Production and Prices

The estimate of 2025 world natural fibre production is 32.2 million tonnes in October, about 600,000 tonnes less than production in 2024.

The estimate of world cotton production issued by USDA in September was 25.6 million tonnes. The estimate by DNFI of world production of jute is 2.5 million tonnes. Wool and coir production are estimated at around one million tonnes each, and all other natural fibres combined are estimated at two million tonnes.



World production of natural fibres in total has not increased in two decades. Production has ranged between 28 million tonnes and 35 million tonnes, with no statistically significant trend.

World Fibre Production							
October 2025	2021	2022	2023	Pct of total fibres in 2023	Pct of natural fibres in 2023	2024, pre.	2025, for.
			Metric Tonnes				
Abaca	83.700	76.900	58.800	0,05%	0,2%	56.000	52.000
Coir, without pith	1.099.000	1.084.000	1.112.500	0,98%	3,5%	1.113.000	1.113.000
Cotton Lint	24.931.417	25.321.141	24.506.858	21,68%	77,6%	25.956.891	25.621.598
Fibral Fibres (banana, pineapple, palm)	-	-	2.400	0,00%	0,0%	3.800	6.000
Other Fibre Crops, raw, n.e.c.	624.129	606.700	650.529	0,58%	2,1%	690.000	720.000
Flax Fibre, long fibres only until 2010	328.000	346.000	302.000	0,27%	1,0%	349.307	375.000
True Hemp, raw or retted	334.260	304.774	314.631	0,28%	1,0%	342.000	372.000
Jute, Kenaf & Allied Fibres	3.265.200	3.278.200	3.104.600	2,75%	9,8%	2.818.000	2.500.000
Kapok fibre	76.693	78.184	77.000	0,07%	0,2%	77.000	77.000
Ramie, raw or retted	10.123	9.452	9.437	0,01%	0,0%	9.000	9.000
Sisal, Henequen and similar hard fibers	297.300	277.600	294.800	0,26%	0,9%	275.000	290.000
Silk, raw	86.311	91.319	93.986	0,08%	0,3%	96.000	98.000
Wool, clean	1.036.000	1.050.616	1.046.426	0,93%	3,3%	1.017.461	981.810
Other animal fibres, dehaired	23.000	24.000	23.000	0,02%	0,1%	23.000	23.000
Total Natural Fibers	32.195.133	32.500.000	31.600.000	27,95%	100,0%	32.800.000	32.200.000
Cellulosic	7.155.000	7.195.000	7.576.000	6,7%			
Synthetics:	73.079.000	72.444.000	73.888.000	65,4%			
Polyester	60.369.000	59.769.000	60.845.000	53,8%			
Polyamide (includes Nylon)	6.035.000	6.065.000	6.368.000	5,6%			
Acrylic	1.345.000	1.325.000	1.259.000	1,1%			
Polyproylene	3.885.000	3.850.000	3.966.000	3,5%			
Other Synthetic	1.445.000	1.435.000	1.450.000	1,3%			
Synthetic Filament	53.029.000	52.684.000	53.787.000	47,6%			
Synthetic Staple	20.050.000	19.760.000	20.101.000	17,8%			
Total Manmade Fibers	80.234.000	79.639.000	81.464.000	72,1%			

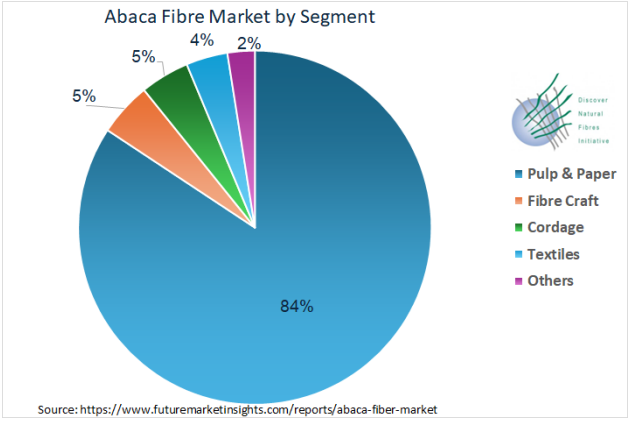
Table by Dr. Terry Townsend for DNFI.org

Abaca:

The DNFI estimate of world abaca production in 2025 is 52,000 tonnes, down 4,000 tonnes from the estimate for 2024 and down nearly 7,000 tonnes from 2023, the most current data published by the Markets and Trade Division of FAO. (https://www.fao.org/markets-and-trade/do-not-touch/all-widgets/jute--kenaf--sisal-abaca--coir-and-allied-fibres-statistical-bulletin-2024/en).

The Philippines accounts for four-fifths of world abaca production, and commercial fibres baled during January through August 2025 were 8% less than in the same months of 2024. (The Philippine Fiber Industry Development Authority: https://philfida.da.gov.ph/fiber-statistics-2025/)

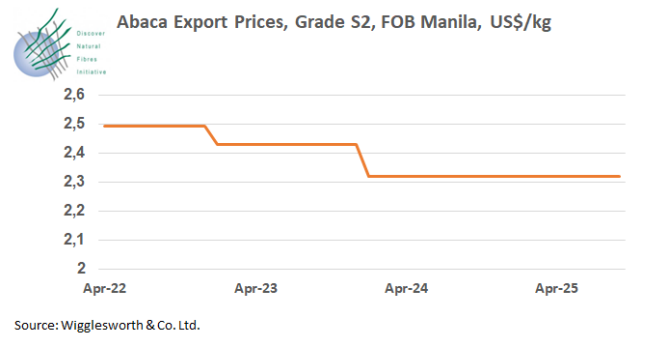
Many factors are affecting abaca production in the Philippines, such as typhoons, diseases and poor farming methods. PhilFIDA, the government agency charged with promoting fibre production, is supporting the industry by providing good quality planting materials and fibre extraction machines to farmers to improve yields and fibre quality. PhilFIDA also provides training in Good Agriculture Practices. (Summarized from an email provided by Engr. IRMA R. RODIS, Officer-In-Charge/Regional Director, PhilFIDA Regional Office XI & XII)

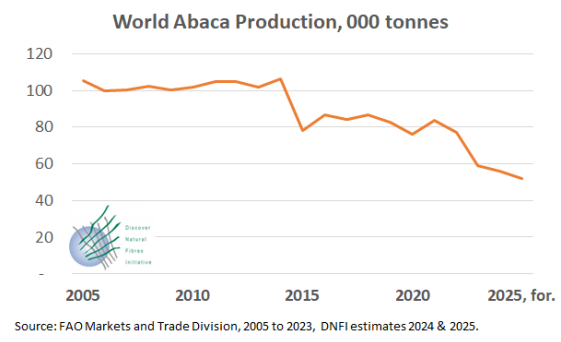


A report issued in August 2025 by FMI (https://www.futuremarketinsights.com/reports/abaca-fiber-market) estimates that the market for abaca fibre products was valued at US$620 million in 2020 and has grown to US$830 million in 2025.

Abaca's superior strength, long fibre length, and resistance to saltwater damage, makes it well suited for high-grade paper production for use in currencies, filter papers and other specialty paper products. The ability of abaca to blend with other cellulose fibres makes it highly functional in paper manufacturing. As of 2025, pulp and paper accounts for 84% of the value of abaca products, according to FMI, with fibre craft and cordage being the next largest uses.

Export prices for abaca, grade S2, Free on Board (FOB) Manila, have been stepping lower since 2022. The quote for grade S2 has been stable at $2.32 per kg since early 2024 and remained at that level in September 2025. (Wigglesworth & Co. Ltd.)

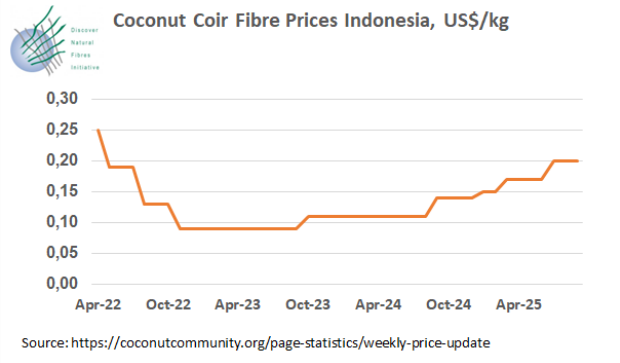


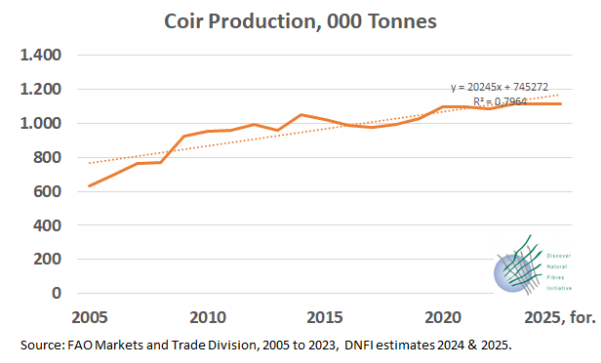


Coir:

World coir production reached 1.1 million tonnes in 2023 (most recent year of data provided by the Markets and Trade Division of FAO). (https://www.fao.org/markets-and-trade/do-not-touch/all-widgets/jute--kenaf--sisal-abaca--coir-and-allied-fibres-statistical-bulletin-2024/en).

Coir production is trending upward. However, export prices have more than doubled in the past two years, suggesting that a current shortage exists. In addition, Sri Lanka, a major producer, reports a coconut shortage because of disease and aging trees. Consequently, the DNFI estimate of coir production in 2024 and 2025 is held unchanged from the level in 2023.





Export prices of coir, fob Indonesia, rose from $0.09 per kg by the end of 2023 to $0.17 per kilogram in March 2025 and $0.20 per kg from July through September. (https://coconutcommunity.org/page-statistics/weekly-price-update)

Cotton:

In its September estimate for 2025/26 (August-July), USDA pegged world cotton production at 25.6 million tonnes, a decline of about 300,000 tonnes from 2024/25. (https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-economist/commodity-markets/wasde-report)

Production in China is estimated by USDA at 7 million tonnes in 2025, the highest since 2013, indicating that the sanctions imposed by the United States on imports of cotton produced in Xinjiang, China are not leading to reduced production. (Xinjiang accounts for nearly all cotton production in China.) Production in India is estimated at 5.2 million tonnes, down from the record level of production of 6.7 million tonnes in 2013. Brazil is the third largest producer at a record 4 million tonnes in 2025, and the United States is the fourth largest at 2.9 million tonnes. Production in the USA is trending down from a record of 5.2 million tonnes in 2005. Australia is the fifth largest cotton producer at nearly 1 million tonnes in 2025. The five largest producers will account for more than three-fourths of world production in 2025.

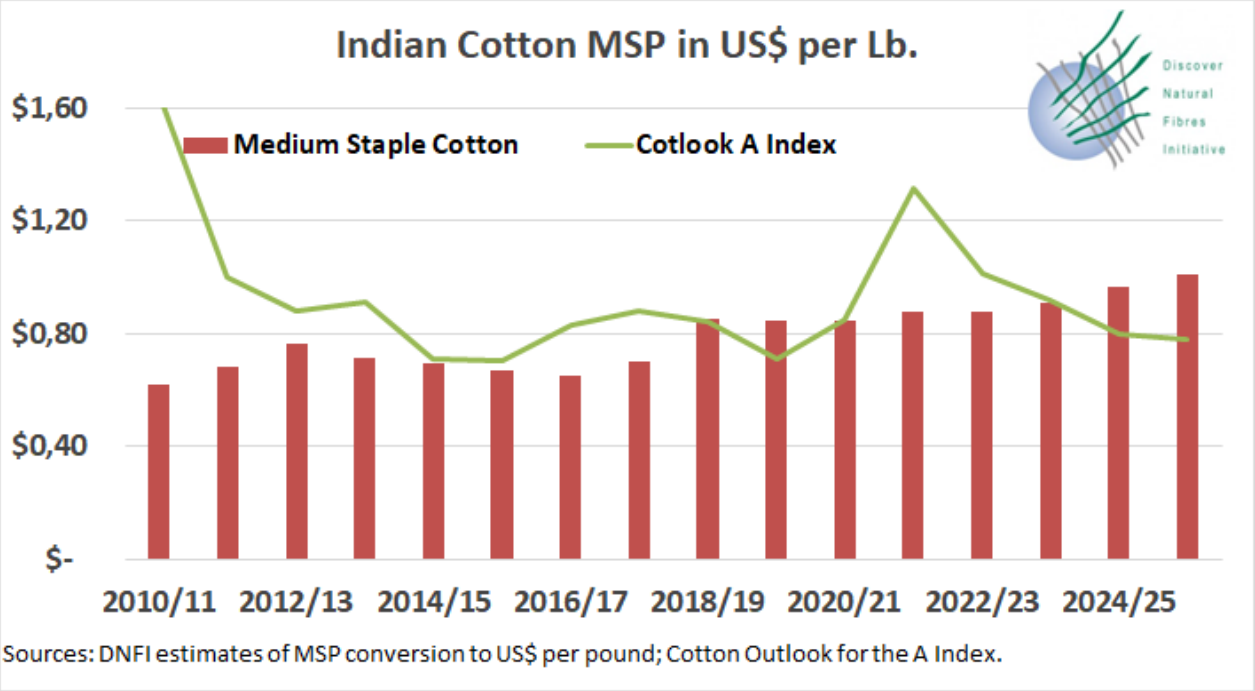
Cotton Outlook, a private sector cotton information provider, is forecasting world cotton production in 2025/26 higher than USDA at 25.9 million tonnes. (https://www.cotlook.com/)

The largest difference with USDA is for China, where Cotton Outlook is estimating production of 7.4 million tonnes, versus 7.0 million estimated by USDA. Production in China was just 6 million tonnes two seasons ago.

About 80% of world cotton production occurs in the Northern Hemisphere, where harvesting activity reaches peak levels in September. Differences in opinions on cotton supply and use are common until around February of the following year when the harvest is essentially complete in the Northern Hemisphere and ginning data become available.

Government of India Propping Up Cotton Prices

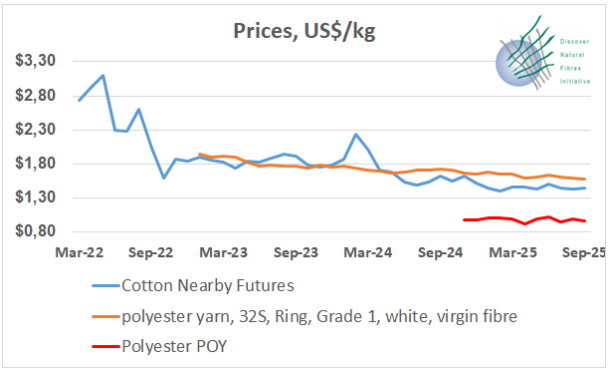
The Cotton Corporation of India, a government entity, purchased a near-record 1.7 million tonnes of cotton from farmers during the 2024-25 season (October – September), representing more than one-third of national production. Even though market prices for cotton have been trending downward from Covid-era highs, the Government of India increased the Minimum Support Price (MSP) for medium staple cotton (average quality cotton) from approximately 96 cents/lb during 2024-25 to approximately $1/lb in 2025-26. The MSP for 2025/26 is approximately 20 cents/lb above the benchmark index of world cotton prices, the Cotlook A Index.

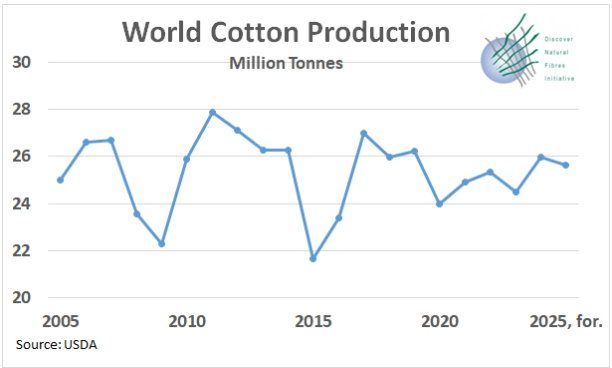


The nearby cotton futures contract (December 2025) on the Intercontinental Exchange (ICE) was unchanged from August in September at $1.44 per kg. Cotton futures prices reached more than $3 per kilogram in May 2022 and are down more than 50% from that Covid-era high. https://www.barchart.com/futures/quotes/CT*0/futures-prices

Polyester:

Polyester yarn in China, 32 count, single, white, virgin material, grade 1, (directly competitive with spun cotton yarn) was down 1% in dollars during September at US$1.58/kg. The gap between polyester yarn in China and cotton futures prices narrowed to 14 cents per kg during September.





Polyester POY (pre-oriented yarn) is the first form of yarn made directly from purified terephthalic acid (PTA) and mono ethylene glycol (MEG) or by spinning polyester ethylene terephthalic (PET) chips. Polyester POY fell 2% in September to $0.97 per kg. (http://www.sunsirs.com/uk/prodetail-1241.html)

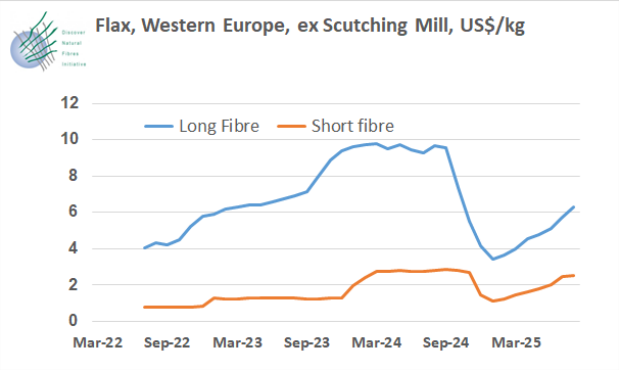
Textile Flax:

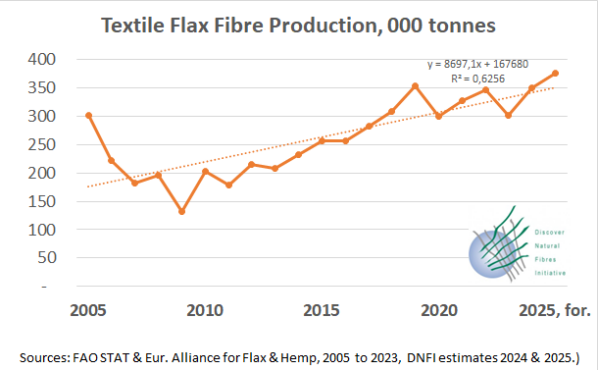
Prices of textile flax long fibres converted to USD fell to $3.44 per kg in January, while short fibres fell to $1.15 per kg. Prices have surged in the months since. Long fibres were quoted in August 2025 (latest month available) at $6.31 per kg, nearly double the Janaury level, and short fibres were quoted at $2.51, more than double the January level. (Alliance for European Flax-Linen & Hemp)

Flax prices have been highly volatile over the last three years. A drought in 2023 and 2024 in the region where most flax is produced led to short supplies and prices close to $10 per kilogram. (France, Belgium and The Netherlands account for approximately 90% of world flax production for textile fibre.) A recovery in production during 2024 and 2025 led to a steep drop in quotes by January of this year.

Flax pulling (harvesting) operations concluded in July in Europe, and the retting/scutching process is underway. Area devoted to flax rose to a record slightly over 200,000 hectares in the France/Belgium/Netherlands region following extraordinarily high prices in 2024. As is typical of any crop when area expands, a below-average yield per hectare is expected this year. Nevertheless, production is recovering in 2025, and quality is improved compared to the drought conditions from 2023 and 2024. (https://allianceflaxlinenhemp.eu/en/flax-linen-hemp-economic-observatory)

Spring flax (approximately 170,000 hectares) is expected to yield 4-5 tonnes of straw per hectare, while Winter flax (approximately 30,000 hectares) is expected to yield 5-6 tonnes of straw per hectare. Fibre yields from straw will depend on weather conditions during retting and cannot yet be estimated. However, it is clear that the supply of flax fibre for textile applications will be sufficient to support expected demand in 2025, and the European industry is well positioned to sustainably meet market requirements. (https://allianceflaxlinenhemp.eu/en/flax-linen-hemp-economic-observatory)



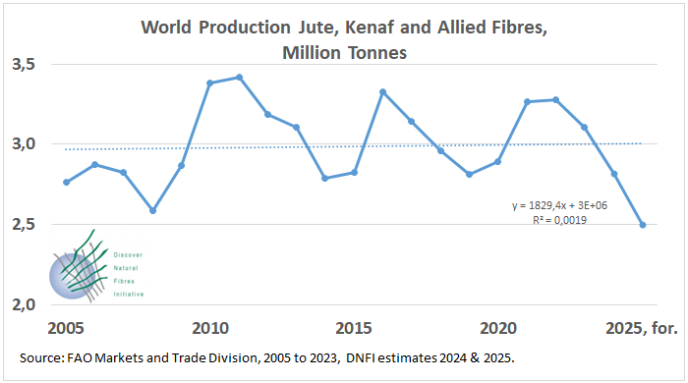


Jute Production:

In Bangladesh, early forecasts for the 2025 crop were optimistic, with favorable rainfall and ideal early growing conditions suggesting a high-quality harvest. However, conditions deteriorated significantly during the harvest period from mid-June to the end of August because of inadequate rainfall to fill ponds and streams to allow proper retting. The Ministry of Agriculture of Bangladesh estimates that production during 2024 was nearly 1.4 million tonnes, and the Ministry is estimating production at about the same level in 2025. In contrast, the President of the jute spinners

association of Bangladesh is estimating 2025 production closer to 1.1 million tonnes. (https://www.wgc.de/en/)

In India, there has been a consensus for several months that jute production fell substantially in 2025. Production reached 1.3 million tonnes in 2024, and the latest information vaguely indicates that production will decline to around 1.1 million tonnes this year. Harvesting activity was at peak levels in August, but arrivals (jute delivered to procurement centers) during September were only 50% of the normal rate, indicating a smaller crop. (Source: WGC)

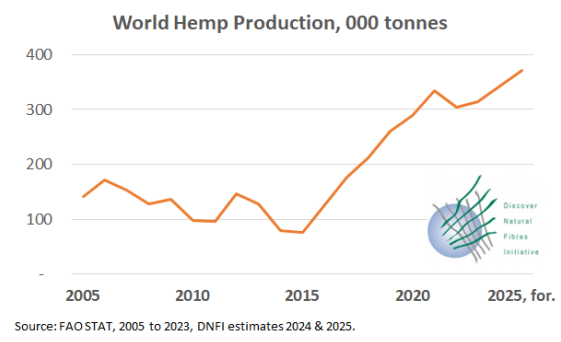


With production prospects in both Bangladesh and India negative, the DNFI estimate of world jute production in 2025 is just 2.5 million tonnes. Production in 2024 is estimated at 2.8 million tonnes. The Markets and Trade Division of FAO reports that world production of jute, kenaf and allied fibres was 3.1 million tonnes in 2023.

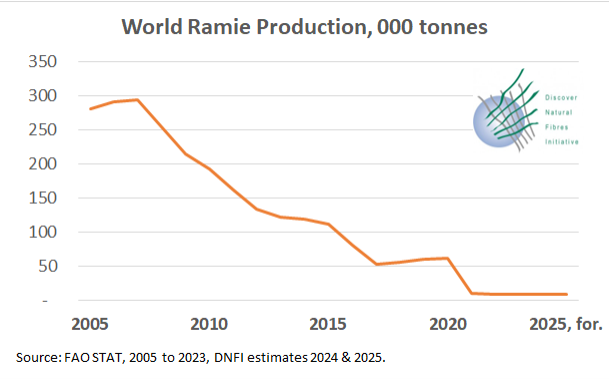
To support the jute industry, the Indian government announced a 6% increase in the Minimum Support Price (MSP). The MSP is an average price for a specific quality at which the Government stands ready to purchase jute from farmers, ensuring that market prices cannot fall lower. The MSP for 2025-26 will be around IRs 5,650 per 100kg (approximately 64 US cents per kg at the current exchange rate.) (Source: WGC)

Hemp Production:

World production of hemp is estimated at 370,000 tonnes in 2025. Production rose from 75,000 tonnes in 2015 to 315,000 in 2023 (the last year of data provided by FAOSTAT. Growth of 30,000 tonnes per year is estimated in 2024 and 2025.



Ramie:



World ramie production peaked in the early 2000's at nearly 300,000 tonnes, with most production in China. Production rose because the United States and Europe limited imports of cotton products under the Multifibre Arrangement (MFA). The MFA expired at the end of 2004, and ramie production has since dropped to just 9,000 tonnes. Ramie is strong but coarse. It was usually cottonized and blended with cotton to

produce coarse-count yarns. By blending with cotton, the resulting products were not counted under MFA cotton import quotas.

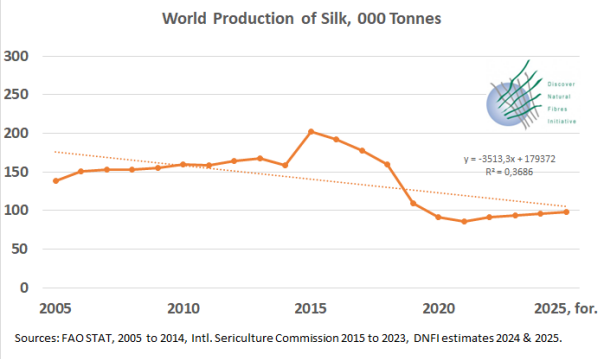
The Government of Ghana's Minerals Development Fund (MDF) is forming a partnership with the Hunan Isunte Group of China to develop ramie cultivation and textiles in Ghana. The project will create employment alternatives for residents in mining areas. The MDF will invest GH₵200 million (USD19.4 million) and Hunan Isunte Group will provide technical expertise and market access for Ghana-produced ramie fabrics. (https://www.newsghana.com.gh/ghana-china-textile-deal-to-create-10000-mining-community-jobs/)

Silk:

World silk production is estimated at 98,000 tonnes in 2025, assuming a continued recovery in production that began after 2021.

Prices of silk (grade 3A; Denier 20/22D; regain 11%) in China were about US$65/kg at the end of September. (http://www.sunsirs.com/uk/prodetail-322.html)

World silk production rose from approximately 160,000 tonnes per year between 2010 and 2014 to 202,000 tonnes in 2015 and then fell to 86,000 tonnes by 2021. The preliminary estimate of silk production in 2023 is 93,986 tonnes. (International Sericulture Commission (https://www.inserco.org/en/home).



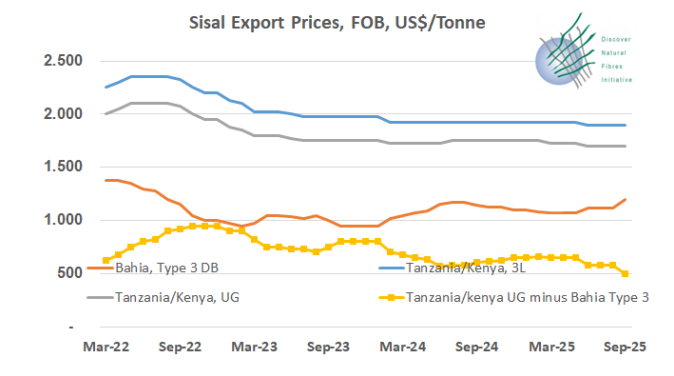
Sisal Production and Exports:

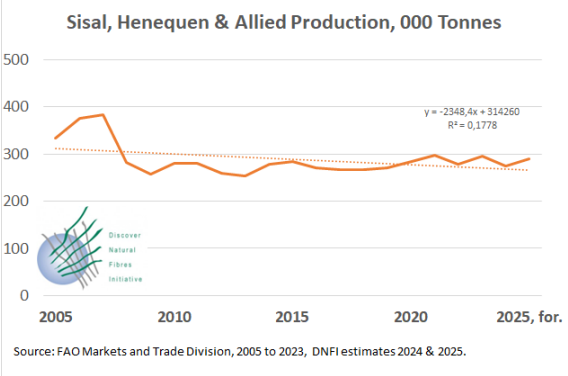
World sisal production is forecast at 290,000 tonnes in 2025, up 15,000 tonnes from the 2024 estimate, based on expectations of favorable weather.

Exports of sisal fibre from Brazil during the first six months of 2025, compared with the same months in 2024, rose by about 10% to 20,440 tonnes. Exports of sisal fibre and tow from Kenya during the same months fell about 11% to 11,500 tonnes, exports from Tanzania rose about 3% to nearly 19,000 tonnes, and shipments from Madagascar reached 2,600 tonnes. (From: Sisal Market Report, update 29 August 2025, Source: WGC)

The construction industry (sisal fibres are used for plastering / gypsum works) remains the most important market for Kenyan sisal fibres. Exports to this industry account for more than 75% of the total exported sisal fibers and tow. (Sisal Market Report, update 29 August 2025, Source: WGC)

China is the largest market for sisal exports, accounting for 74% of shipments from Brazil during the first half of 2025, 10% of shipments from Kenya, and 30% of shipments from Tanzania. Nigeria, Saudia Arabia and Morrocco are the next largest markets, accounting for 51% of shipments from Kenya during the first half of 2025, while Nigeria, Ghana, Morrocco and India accounted for 36% of exports from Tanzania. Exports from Madagascar went primarily to Morocco, Saudi Arabia, Egypt and a number of West African countries. (From: Sisal Market Report, update 29 August 2025, (Source: WGC)





Sisal Prices:

The sisal growing area of Bahia, Brazil, is currently suffering a severe drought, and this has put pressure on prices, especially the higher grades.

Sisal spinning mills in Bahia are entering into pre-season sales to the United States. Agricultural baler twine from Brazil has been excluded from US tariffs, but tariffs so apply on baler twine from Mexico. US tariffs are causing chaos.

Prices of Brazilian sisal, Bahia, Type 3 DB, FOB Salvador were quoted at US$1.20 per kilogram in September 2025, up 7% from the August quote. (Wigglesworth & Co Ltd)

Tanzania/Kenya 3L, FOB was quoted at $1.90 per kg in September, while UG was quoted at $1.70 per kg, both unchanged from August.

The substantial differential between prices of East African UG* and Brazilian Type 3 narrowed by about 30% during the past two years. As of September 2025, East African UG was $0.50 per kg higher than Bahia Type 3. (Wigglesworth & Co Ltd)

* Note: Price comparisons should be made between standard types - which are UG grade from East Africa and Type 3DB from Brazil. However, monthly price data for Brazilian 3DB are not available, so East African UG is compared to Brazilian Type 3. Historically the difference in pricing between African and Brazilian Sisal of like grades has always been ranging between USD 500 and USD 600 per ton. (Source WGC: WILHELM G. CLASEN GmbH & Co. KG) Nevertheless, given that quality premiums are relatively stable, the trends in price differentials between UG and Type 3 is still relevant for evaluation of patterns.

Wool Prices:

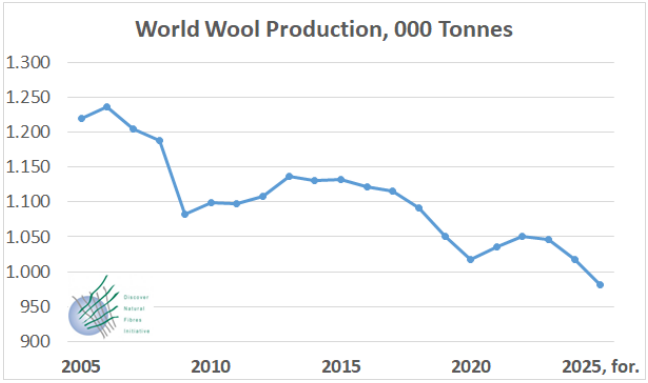
Australian Wool Innovation (AWI) said the recently-concluded Nanjing Wool Market conference was the most positive and offered the best opportunities for business since 2018. Key factors driving the positive momentum include:

- Lower than normal inventory held by processors in the supply chain. Greasy wool stocks from all origins are at historically low levels, and most spinning mills are looking to replenish.
- Demand has lifted, and a greater volume of wool products is moving through the supply chain. Much of this new business is made of blends to meet price points, as retail recovers and demand for business and school uniforms starts to build again.
- Some mid-size Chinese mills who previously relied upon a local entity for supply appear to have adjusted their business models. Those mills are now using forward contracts written directly with overseas traders, creating more competition.
- Demand for wool products to be sold in Europe now relies partly on garments or yarns produced in China.

Wool Production:

World wool production in 2025 is forecast to fall below 1 million tonnes, the lowest level of world production since the 1940's. (Independent Commodity Services (ICS) on behalf of the International Wool Textile Organization.)

Australian shorn wool production is expected to be down by 10% in 2025. New Zealand production is forecast to be down 3.7%. Production in Uruguay and Argentina are expected to drop by around 10%.



Drought conditions are intense in Northern Africa, with the Moroccan sheep census in 2024 finding that sheep numbers were 38% below 2015 levels (the last time a census was conducted). Current estimates for sheep numbers in Sudan are not available, so ICS is assuming a 10% fall in supply.

The steppe flocks and wool clips (Russia, Central Asia, Mongolia and China) have had reasonable seasonal weather conditions, so their wool clips should be steady in 2025.

The Australian Wool Production Forecasting Committee's (AWPFC) estimate of shorn wool production for 2024 is 11.8% lower than actual production in 2023 and confirms the forecast made in April 2025. The 2024 estimate reflects drought and variable weather across Australia.

The AWPFC's second forecast of shorn wool production for 2025 is 10.2% lower than the estimate for 2024. The number of sheep shorn is forecast down 8.1% to 57.9 million head. Farmers are sending more sheep to slaughter in response to strong meat prices. Rainfall during the Australian Spring (September to November), pasture feed availability, rising input costs, and a shortage of workers will affect sheep producer's decisions regarding their livestock mix and breed composition for 2026.

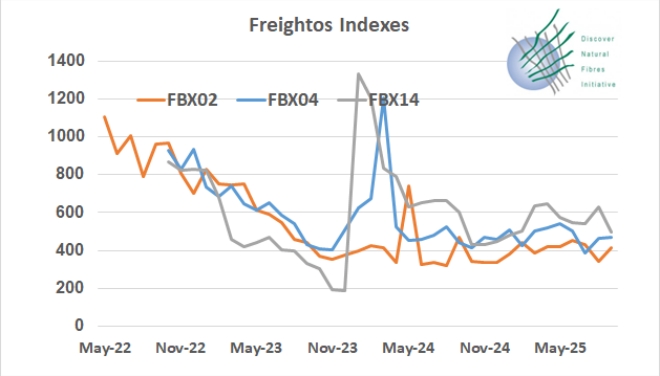
Average cut per head (fleece weight) in 2024 was comparable with 2023 at 4.45 kg greasy. Fibre quality data for 2024 show small year-on-year reductions in mean fibre diameter (down 0.2 microns), staple strength (down 1.5 N/ktex) and yield (down 1.1%) with a small increase in staple length (up 0.2 mm) and no year-on-year change in vegetable matter content (2.2%). These data reflect the difficult seasonal conditions during 2024 and the continued dampening impact of the season on average cut per head.

The state and national Committees will next meet in mid-December 2025. The full report is available on the Australian Wool Innovation (AWI) website at www.wool.com/forecasts .

Ocean Freight Rates:

Sea freight rates for shipment of sisal fibres and products (yarns / ropes / weavings and carpets) from the port of Salvador, Bahia, Brazil, to Europe and Mediterranean ports have been stable. However, freight rates are also dependent on transit time. For example, for the same destination port, freight rates for double the transit time can be only about half as high as for faster transit times. The differences can quickly add up to USD 50 or more per tonne (for a 26-tonne Payload per container), and it is up to the customer to decide whether to accept a higher price for shorter transit times.

Sea freight rates (especially current 'spot rates') ex Brazil to China have fallen by more than 35% since the middle of the year (based on 40-foot containers). There are currently even more pronounced reductions in freight rates from Europe and Asia to China, where base freight rates of around USD 200 per 40-foot container are now "normal". However, this will only be a temporary phenomenon.



Freight rates from Mombasa to the most important markets for sisal exports in West Africa (and Middle East) are stable and at comparatively low levels. However, shipping companies are working almost exclusively with spot rates, and there are currently bottlenecks in the availability of empty containers. (Sisal Market Report, update 29 August 2025, Source: WGC)

The ups and downs of US tariff policy pose major challenges for the shipping industry, as they are accompanied by corresponding ups and downs in demand and freight rates. Shipping companies are temporarily benefiting from companies stocking up on goods to hedge against US tariffs or shipping them to target markets. Ultimately, however, uncertainty is the greatest challenge. If companies cannot plan properly, they are cautious, and this harms trade. (Source: WGC)

The Freightos Index for 40’ containers, including surcharges, for backhaul traffic from US West Coast ports to China (FBX02), rose 20% in September to $413.

The Index for traffic from the USA East Coast to Asia using the Panama Canal (FBX04) rose 1% to $470 at the end of September.

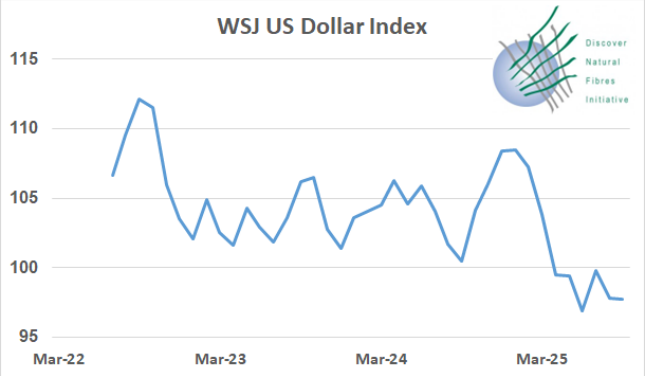
The Freightos Index for traffic using the Red Sea, (FBX14) was $500 at the end of September, down 20%. (https://fbx.freightos.com/freight-index/FBX)

Natural Fibre Prices and Backhaul Freight Rates										
		2022	2023	2024	2025	2025	2025	2025	2025
		Avg	Avg	Avg	Jan-Mar Avg	Apr-Jun Avg	July	August	September
		US$ per Kg							
Abaca	Grade S2, US$/kg, fob Mania Port	$ 2,49	$ 2,43	$ 2,32	$ 2,32	$ 2,32	$ 2,32	$ 2,32	$ 2,32
Coir, without pith	Coconut Coir Fiber Indonesia FOB	$ 0,16	$ 0,10	$ 0,13	$ 0,16	$ 0,17	$ 0,20	$ 0,20	$ 0,20
Cotton Lint	Cotton Nearby Futures	$ 2,33	$ 1,84	$ 1,70	$ 1,44	$ 1,47	$ 1,45	$ 1,44	$ 1,44
Fibral Fibres (banana, pineapple, palm)	Banana and plantain fibre, raw		$ 4,70	$2.50 to $6.50					
	Pineapple leaf fibre, raw		$ 8,85	$7 to $10					
Flax Fibre, long fibres only until 2010	Flax, Western European Long Fibre, ex Scutching Mill, avg of all qualities	$ 4,69	$ 7,08	$ 8,61	$ 3,70	$ 4,82	$ 5,72	$ 6,31	$ -
True Hemp, raw or retted	Industrial Hemp Grown in the Open for Fiber in the United States, prices paid to farmers	$ 3,00	$ 0,60	$0.40 to $2.10					
Jute, Kenaf & Allied Fibres	Indian Jute Balers Association, avg of TD-4 and TD-5	$ 0,81	$ 0,71	$ 0,69	$ 0,75	$ 0,85	$ 0,91	$ 1,00	$ 1,06
Silk, raw	Silk, Grade 3A, denier 20/22D regain 11%	$ 62,46	$ 65,48	$ 68,39	$ 63,68	$ 65,11	$ 65,25	$ 66,00	$ 64,94
Sisal, Henequen and similar hard fibers	Sisal, Bahia, Type 3 DB, fob Salvador	$ 1,21	$ 1,00	$ 1,10	$ 1,09	$ 1,09	$ 1,120	$ 1,120	$ 1,200
	Sisal, Tanzania/Kenya, 3L, fob	$ 2,29	$ 2,01	$ 1,93	$ 1,93	$ 1,92	$ 1,900	$ 1,900	$ 1,900
	Sisal, Tanzania/Kenya, UG, fob	$ 2,04	$ 1,78	$ 1,74	$ 1,74	$ 1,72	$ 1,700	$ 1,700	$ 1,700
Wool, clean	Wool, EMI	$ 9,18	$ 8,11	$ 7,50	$ 7,61	$ 7,81	$ 8,14	$ 8,18	$ 10,33
	British Fleece Wool Price Indicator	$ 1,29	$ 1,45	$ 1,69	$ 2,00	$ 1,87	$ 1,78	$ 1,85	$ 2,36
Freightos Freight Indexes	FBX02	907	569	398	$ 401,60	$ 430,72	430	344	413
	FBX04	897	580	560	$ 480,40	$ 521,43	384	465	470
	FBX14	840	426	723	$ 537,80	$ 590,48	542	629	500

Exchange Rates:

Exchange Rates with US Dollar										
	2020	2021	2022	2023	2024	2025	2025	2025	2025	2025
	Avg.	Avg.	Avg.	Avg.	Avg.	Jan-Mar Avg.	Apr-Jun Avg.	July	August	September
US$ Index	93,89	94,23	112,12	106,22	100,78	106,51	98,60	99,81	97,86	97,78
		USD Purchased per currency unit								
Australia	0,688	0,751	0,695	0,665	0,660	0,623	0,647	0,640	0,650	0,660
Bangladesh	0,01179	0,01175	0,01078	0,00926	0,00868	0,00823	0,00820	0,00818	0,00823	0,00822
Brazil	0,1958	0,1855	0,1940	0,2004	0,1863	0,1695	0,1780	0,1786	0,1828	0,1879
China	0,1445	0,1550	0,1488	0,1414	0,1393	0,1387	0,1386	0,1391	0,1403	0,1403
India	0,0135	0,0135	0,0127	0,0121	0,0120	0,0116	0,0117	0,0114	0,0113	0,0113
Pakistan	0,0062	0,0062	0,0049	0,0036	0,0036	0,00358	0,00354	0,00353	0,00352	0,00354
		2020=100								
Australia	100,0	109,3	101,0	96,7	96,0	90,7	94,1	93,1	94,5	96,0
Bangladesh	100,0	99,7	91,4	78,5	73,6	69,8	69,6	69,4	69,8	69,7
Brazil	100,0	94,7	99,1	102,3	95,1	86,6	90,9	91,2	93,4	96,0
China	100,0	107,3	103,0	97,9	96,4	96,0	95,9	96,3	97,1	97,1
India	100,0	100,3	94,4	89,8	88,6	85,6	86,9	84,8	84,1	83,5
Pakistan	100,0	99,3	79,0	58,1	58,0	57,7	57,1	57,0	56,9	57,1

The US Dollar WSJ Index, based on a basket of six major currencies of trading partners with the USA, was essentially unchanged during September and finished the month at 97.78. By the end of September, the Index was down 3% over the last year, down 8% compared to two years earlier and down 13% compared with September 2022.



More About DNFI

The Discover Natural Fibres Initiative facilitates the exchange of information and experiences and works to advance the common interests of all natural fibres in the face of competition with oil-based and wood-based manmade fibres. Membership in DNFI is open to anyone with an interest in the growth of natural fibre industries. To become a member, simply register on-line at https://dnfi.org/.

DNFI is a member of Make the Label Count (https://www.makethelabelcount.org/), a coalition of natural fibre and environmental organizations working to ensure that sustainability claims for textile products in the EU are technically sound. Sustainability claims must be transparent, accurate and complete, allowing producers and consumers to make informed choices about the clothing and home furnishings they make and buy.

DNFI has observer status to the FAO Intergovernmental Group (IGG) on Hard Fibres and the IGG on Jute, Kenaf and Allied Fibres, which represents a forum for intergovernmental consultation and exchange on trends in production, consumption, trade and prices of jute, kenaf and allied fibres, including regular appraisal of the global market situation and short term outlook. The Group, under The Food and Agriculture Organization of the United Nations (FAO) auspices, considers changes in national policies and examines their international effects as pertaining to the current and prospective market situation.