



## Cape Wools Weekly Market Report

24 February 2016

### WOOL MARKET TRADES 3,2% LOWER

Port Elizabeth – The wool market traded 3,2% lower this week and the Cape Wools Merino Indicator decreased by 502 points to close at a value of R150,92 (Clean). On the Australian market, the EMI dropped 1,2%. The Cape Wools All Wool Indicator weakened by -3,4%.

Traders commented that the volatility of the Rand in response to the Finance Ministers budget speech was weighing in on their purchase decisions however demand remain strong and the competition for good quality wool continued.

This week saw the rand at R15,25 to the US dollar. The rand strengthened by 3,2% against the US dollar compared with the average rate at the previous sale. The Rand strengthened 4,5% against the Euro, trading at R16,76. The offering comprised of 6 464 bales of which 96,1% was sold. Major traders were G Modiano SA (1 770), Standard Wool SA (1 407), Lempriere SA (1 339), and Stucken & Co (867).

The average clean prices for the selection within the different micron categories for good top-making (MF5), long fleeces were as follows: 18,0 microns lost 5,1% to close at R164,87/kg; 18,5 microns lost 4,7% to close at R162,16/kg; 19 microns dropped 3,3% to close at R162,23/kg; 19,5 microns shed 2,4% to close at R157,60/kg; 20 microns dropped with 3,8% to close at R150,89/kg; 20,5 microns decreased 2,3% to close at R151,24/kg; 21,0 microns dropped 2,0% to close at R150,63/kg; 21,5 microns lost 2,5% to close at R151,43/kg and 22,0 microns shed 3,8% to close at R150,93/kg.

The next sale is scheduled for 02 March 2016 where approximately ± 12 324 will be on offer.