



Cape Wools Weekly Market Report

9 March 2016

WOOL MARKET 1.5% LOWER

Port Elizabeth – The wool market traded 1,5% lower this week and the Cape Wools Merino Indicator decreased by 230 points to close at a value of R151,99 (Clean). On the Australian market, the EMI dropped 2,1%. The Cape Wools All Wool Indicator weakened by 1,8%.

There was a strong demand from Italy, in particular for the better quality wool. The buyers reported that the rest of the market was more subdued and the decline was mostly the result of the foreign exchange fluctuation.

This week saw the rand at R15,43 to the US dollar. The rand strengthened by 1,6% against the US dollar compared with the average rate at the previous sale. The Rand strengthened 0,6% against the Euro, trading at R16,92. The offering comprised of 7 090 bales of which 96,7% was sold. Major traders were Lempriere SA (2 029), Standard Wool SA (1 980), G Modiano SA (1 474), and Stucken & Co (926).

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 gained 0,4% to close at R173,54/kg; 18,5 microns lost 2,2% to close at R165,76/kg; 19 microns dropped 0,3% to close at R160,03/kg; 19,5 microns lost 2,5% to close at R155,37/kg; 20 microns decreased with 2,8% to close at R152,21/kg; 20,5 microns decreased 1,9% to close at R153,47/kg; 21,0 microns lost 1,4% to close at R153,44/kg; 21,5 microns weakened 0,9% to close at R153,03/kg and 22,0 microns lost 0,8% to close at R156,12/kg.

The next sale is scheduled for 16 March 2016 when approximately ± 8 040 will be on offer.