

National Weekly Wool Market Report

Season: 2017/2018

Sale Date: 15 & 16 August 2017



CAPE WOOLS SA

Tel: 27-41-4844301
 Fax: 27-41-4846792
 E-mail: stats@capewools.co.za
 Website: www.capewools.co.za

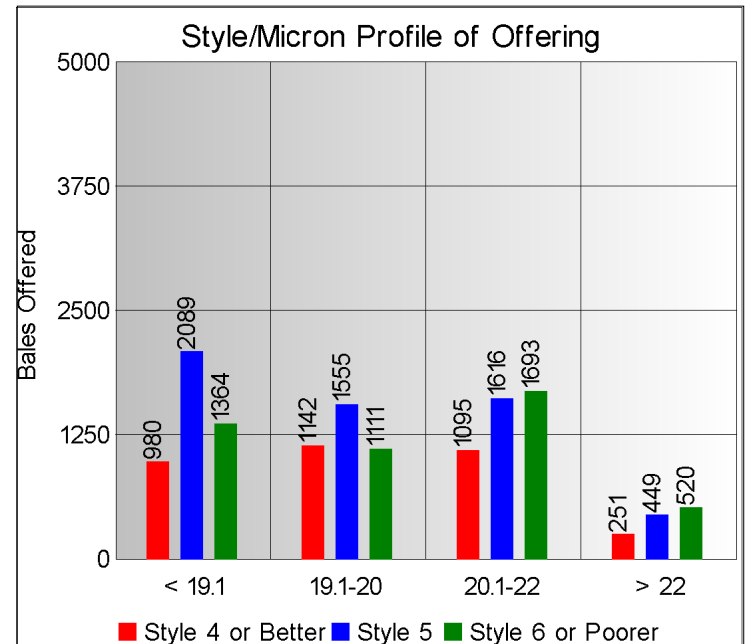
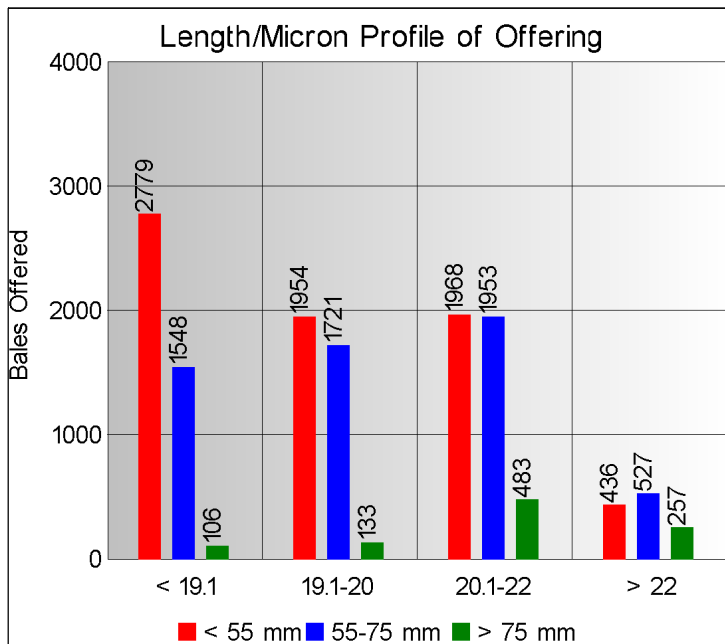
SA Merino Indicator				Buyers			
Indicator Unit	Current Sale	Last Sale	Change	Company	Bales Purchased This Week	% of Purchases	Total Bales Purchased This Season
# SA c/kg	18350	15314	19.8%	G Modiano SA	4130	29.8%	4130
Ave. to date (17/18)	18350	15582	17.8%	Standard Wool SA	3598	26.0%	3598
Ave. to date (16/17)	15636			Lempriere SA	2047	14.8%	2047
US c/kg	1385	1192	16.2%	Tianyu SA	1881	13.6%	1881
Euro c/kg	1182	1060	11.6%	Stucken & Co	816	5.9%	816
AWEX EMI	1596	1467	8.8%	New England Wool SA	532	3.8%	532
Exchange Rates				Segard Masurel SA	530	3.8%	530
Currency Unit	This Week	Previous Week	% Change	H Dawson Sons & Co			
R/USD	13.2468	12.8474	-3.1%				
R/Euro	15.5184	14.4493	-7.4%				
R/AUD	10.4090	9.7024	-7.3%				
USD/AUD	0.7855	0.7549	-4.1%				

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	3442	759	668	0	416	1073	6358	98.3%
CMW	2684	451	731	154	293	1049	5362	99.1%
JLW	86	23	59	0	12	30	210	100.0%
MAS	379	110	61	9	53	63	675	74.5%
QWB	538	47	91	0	49	188	913	99.8%
SBL	61	13	24	0	14	36	148	100.0%
VLW	102	18	19	0	18	42	199	100.0%
Total	7292	1421	1653	163	855	2481	13865	97.6%

SA Merino Indicator includes Merino types comparable to international indicators.
 ## Cape Wools All Wool Indicator, includes all white wool sold at auction.

* crossbred, coarse and coloured, inferior



* Seasonal Receipts Declared

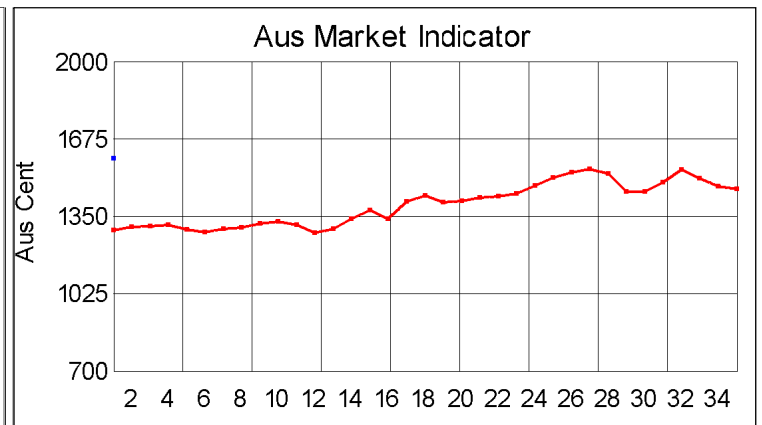
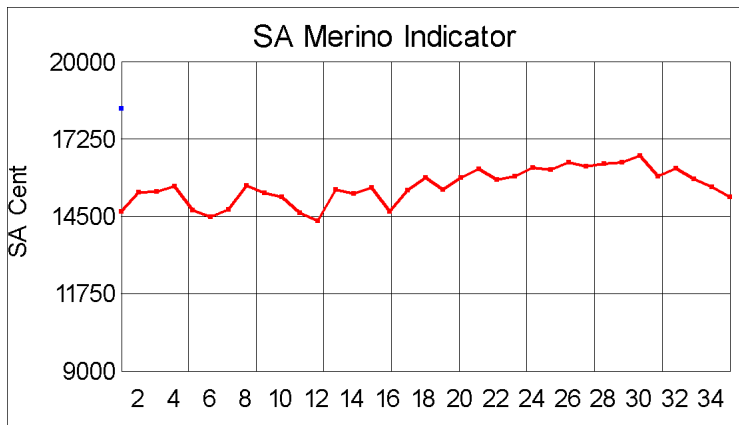
2017/18 Declared Receipts : 27 July 2017

2,759,397.2

2017/18 Declared Receipts : 17 August 2017

3,899,181.7

Percentage Change (Year-on-Year) : 3.4



Current Season █ Previous Season █

Average Fleece Wool Prices (c/kg. clean)
Spinners and Good Topmaking Styles (AWEX Types MF4 and MF5)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0				22836	21890	20973	18540			
18.5			22178	21499	20964	20051	17765			
19.0			20828	20760	19832	18920	17948	13683		
19.5			19373	19575	18816	18031	15810			
20.0			18966	18710	17952	17220	15449			
20.5			18353	18330	17439	16488	15305			
21.0			17646	17559	16971	15743	13740			
21.5			17757	17703	16625	15254				
22.0				17463	16208	14938				
22.5			16395	16272	15830					
23.0				15480	15508					
23.5					15265					
24.0										

* Based on a minimum of 3 lots sold per category

Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5										
19.0										
19.5					18623		16350			
20.0					17674	16863				
20.5				16759			14900			
21.0										
21.5										
22.0										
22.5										
23.0										
23.5										
24.0										

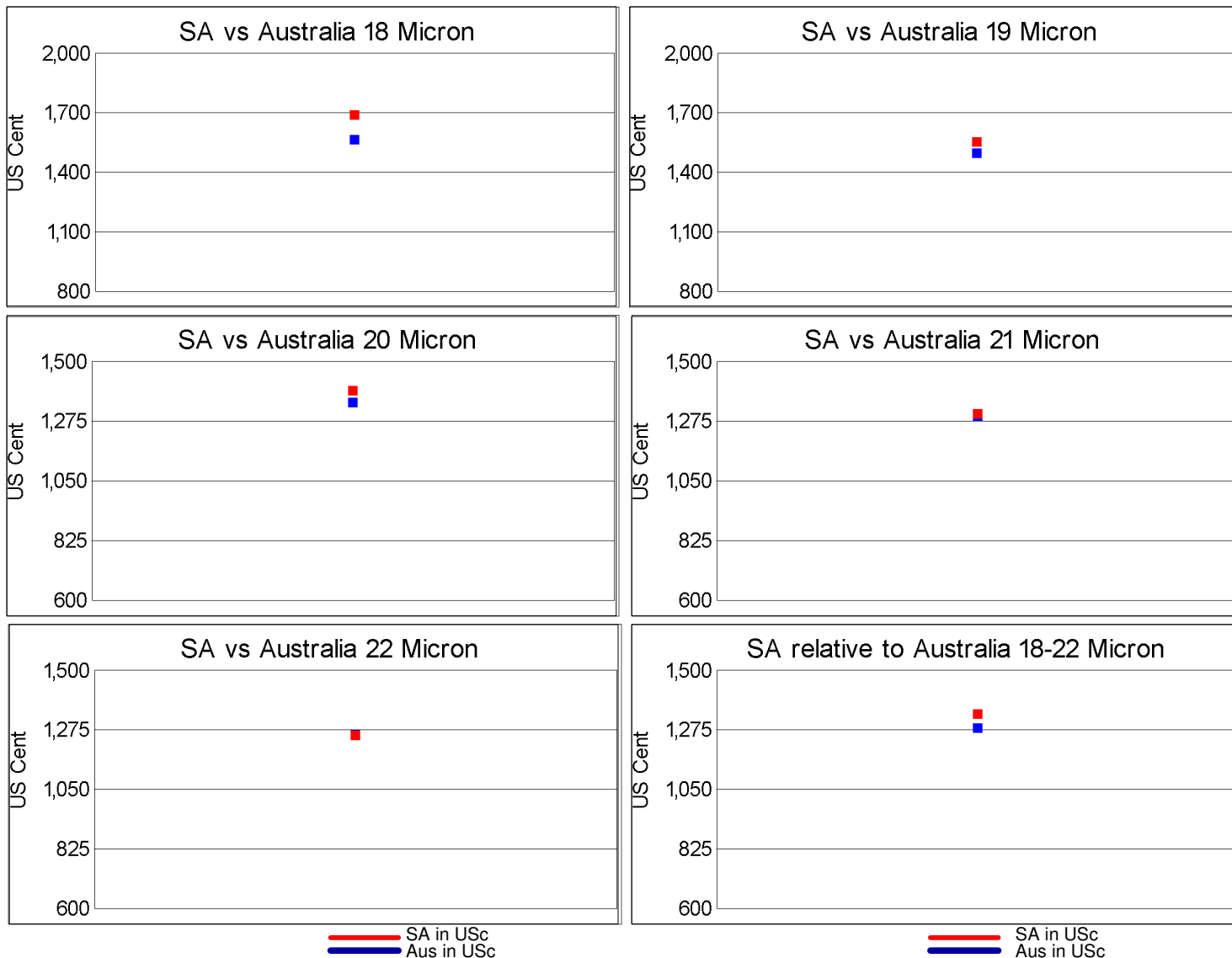
* Based on a minimum of 3 lots sold per category

Other Selected Types/Qualities

Long

Medium

	19μ	20μ	21μ	19μ	20μ	21μ
Good Quality						
Lambswool	20853	18473		18335	17225	14978
Bellies	17313	17087		16368	14826	11534
Locks				15519	15788	
Average Quality						
Lambswool	19836	18833		17735	16185	15058
Bellies	18265	16765		15770	15008	11533
Locks				13618	11810	11623
Inferior Quality						
Fleecewool	18450	17105	15896	17295	15251	14455
Lambswool	19140	16912	16209	16139	15708	
Bellies	17798	15814		15313	14440	12700
Locks				11848	10956	8818



Market Commentary

WOOL MARKET RISES 20% TO RECORD LEVELS

Port Elizabeth - The wool market opened to a flying start at this week's sale with the Cape Wools Merino Indicator increasing by a phenomenal 19,8% and by 3036 points to close at a value of R183,50 (Clean). This is 25% up on the corresponding sale of the previous season. The Australian EMI gained 8,8% this week. The Cape Wools All Wool Indicator gained by 19,8%.

Traders attributed the sterling performance of this large auction to strong demand for good quality long South African Merino wool from buyers in China, India and the Czech Republic as a result of the continued growth in consumer demand for wool apparel. The weaker Rand also supported the strong results.

Competition between buyers was as fierce as could be expected in a sellers' market where demand will continue to outstrip a growing supply.

This week saw the Rand at R13,25 to the US Dollar and R15,52 to the Euro. The Rand was 3,1% weaker against the US Dollar and 7,4% weaker against the Euro, compared with the average rate at the previous sale. The offering comprised of 13 865 bales of which 97,6% was sold. Major traders were Modiano (4 130), Standard Wool SA (3 598), Lempriere SA (2 047) and Tianyu SA (1 881).

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 increased 9,3% to close at R223,59/kg; 18,5 microns moved 20,6% up to close at R213,50/kg; 19 microns gained 16,3% to close at R205,56/kg; 19,5 microns strengthened by 16,6% to close at R191,02/kg; 20 microns was 21,8% stronger to close at R184,17/kg; 20,5 microns won 22,4% to close at R177,61/kg; 21,0 microns recovered by 19,5% to close at R172,56/kg; 21,5 microns improved by 24,0% to close at R175,82/kg; 22 microns rose 22,6% to close at R166,16/kg and 22,5 microns climbed by 22,4% to close at R161,52/kg.

Based on the annual change to the composition of the indicator, the last sales indicator was adjusted from R152,18 to R153,14.

The next sale is scheduled for 23 August 2017 where approximately ±8 389 bales will be on sale.