

National Weekly Wool Market Report

Season: 2014/2015

Sale Date: 9&10 December 2014



CAPE WOOLS SA

Tel: 27-41-4844301

Fax: 27-41-4846792

E-mail: stats@capewools.co.za

Website: www.capewools.co.za

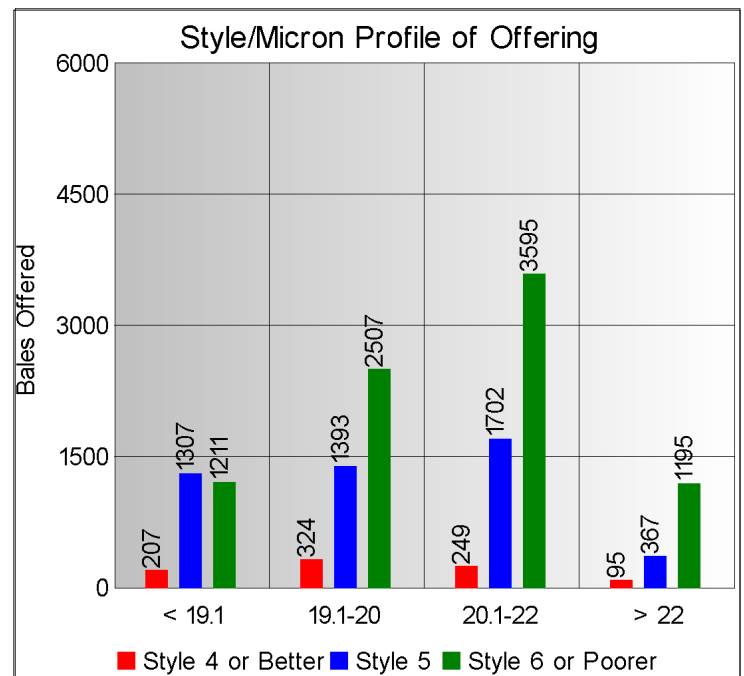
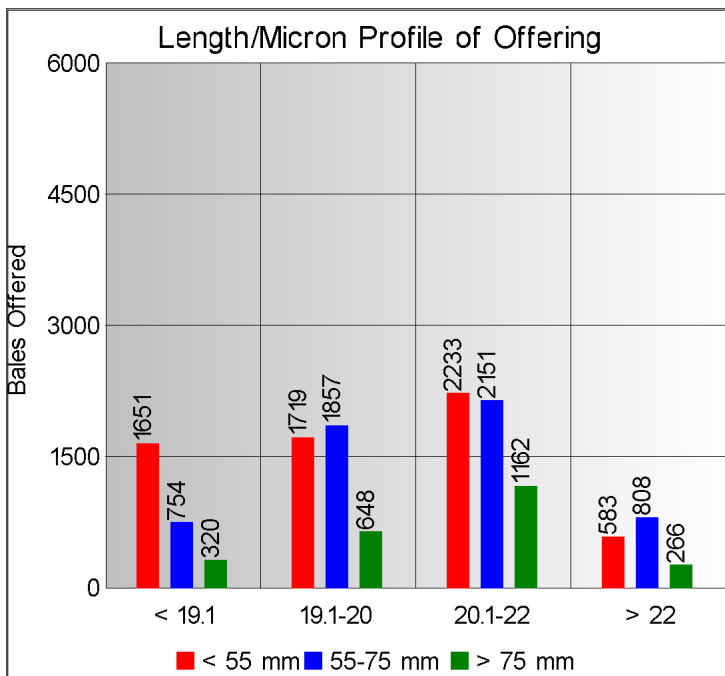
| Market Indicators | | | | Buyers | | | |
|----------------------|--------------|-----------|--------|---------------------|---------------------------|----------------|-----------------------------------|
| Indicator Unit | Current Sale | Last Sale | Change | Company | Bales Purchased This Week | % of Purchases | Total Bales Purchased This Season |
| SA c/kg | 11082 | 10920 | 1.5% | Lempriere SA | 4902 | 34.6% | 43705 |
| Ave. to date (14/15) | 11255 | 11266 | -0.1% | Standard Wool SA | 3931 | 27.8% | 46410 |
| Ave. to date (13/14) | 11334 | | | G Modiano SA | 2974 | 21.0% | 28282 |
| US c/kg | 967 | 981 | -1.4% | Stucken & Co | 1137 | 8.0% | 20044 |
| Euro c/kg | 781 | 791 | -1.3% | H Dawson Sons & Co | 362 | 2.6% | 5609 |
| AWEX EMI | 1053 | 1055 | -0.2% | Chargeurs Wool SA | 192 | 1.4% | 1869 |
| | | | | Segard Masurel SA | 105 | 0.7% | 8732 |
| | | | | New England Wool SA | 58 | 0.4% | 2148 |
| | | | | CMW Operations | | | 3514 |

| Exchange Rates | | | |
|----------------|-----------|---------------|----------|
| Currency Unit | This Week | Previous Week | % Change |
| R/USD | 11.4615 | 11.1326 | -3.0% |
| R/Euro | 14.1944 | 13.8042 | -2.8% |
| R/AUD | 9.5461 | 9.3583 | -2.0% |
| USD/AUD | 0.8325 | 0.8403 | 0.9% |

Analysis of Offerings by Broker This Week (Bales)

| Broker | Merino Fleeces | Merino Bellies | Merino Lambs | Merino Backs | Merino Locks | * Other | Total | % Sold |
|--------------|----------------|----------------|--------------|--------------|--------------|-------------|--------------|--------------|
| BKB | 4274 | 827 | 989 | 1055 | 323 | 1674 | 9142 | 97.3% |
| CMW | 2236 | 254 | 405 | 320 | 150 | 563 | 3928 | 95.4% |
| JLW | 25 | 1 | 0 | 1 | 3 | 8 | 38 | 97.4% |
| MAS | 231 | 31 | 61 | 14 | 39 | 293 | 669 | 93.7% |
| SBL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| VLW | 241 | 29 | 21 | 30 | 21 | 33 | 375 | 93.1% |
| Total | 7007 | 1142 | 1476 | 1420 | 536 | 2571 | 14152 | 96.5% |

* Crossbred types, Coarse and Coloured and Inferior

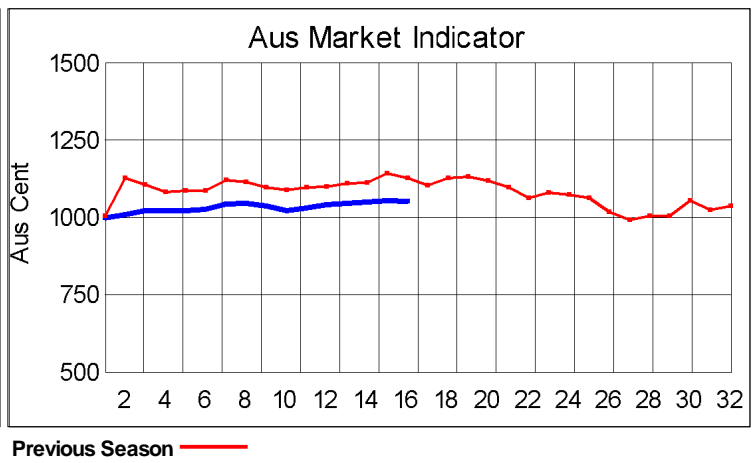
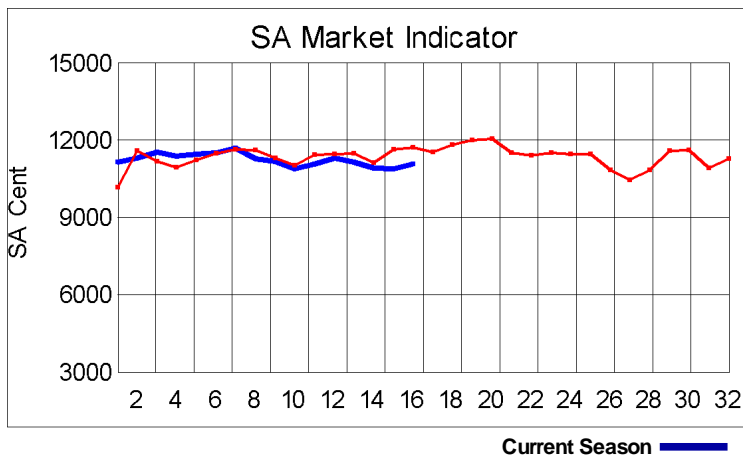


Receipts 2014/2015 Season

Season to Date (Kg.) 27,492,281.3

Previous Season to Date 28,682,602.7

Percentage Change: -4.15%



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 | | | 12014 | 12011 | 11912 | 11715 | 10442 | | | |
| 18.5 | | 11449 | 12066 | 11839 | 11770 | 11143 | 11152 | | | |
| 19.0 | | 11534 | 11649 | 11528 | 11567 | 11240 | 10297 | | | |
| 19.5 | | 11432 | 11313 | 11417 | 11446 | 10976 | 10331 | | | |
| 20.0 | | 11186 | 11233 | 11255 | 11332 | 11051 | 10298 | | | |
| 20.5 | | 11135 | 11265 | 11264 | 11208 | 10728 | 10156 | | | |
| 21.0 | | 11206 | 11172 | 11156 | 10723 | 10617 | 10152 | | | |
| 21.5 | | | 11135 | 11228 | 11142 | 10780 | | | | |
| 22.0 | | | 11030 | 11180 | 11005 | 9893 | | | | |
| 22.5 | | | 11044 | | | | | | | |
| 23.0 | | | | | | | | | | |
| 23.5 | | | | | | | | | | |
| 24.0 | | | | | | | | | | |

* Based on a minimum of 3 lots sold per category

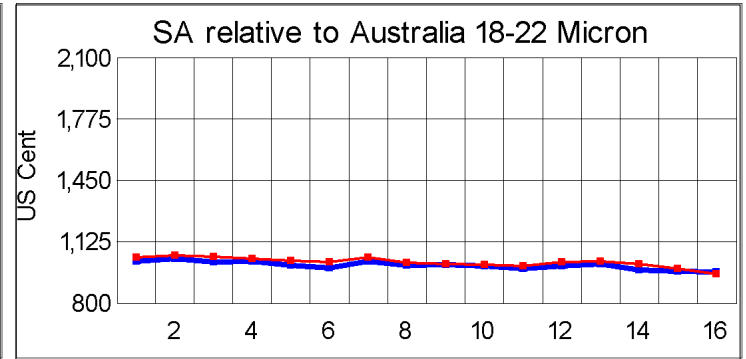
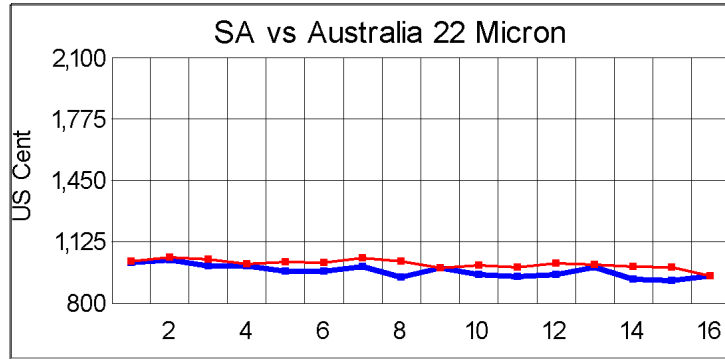
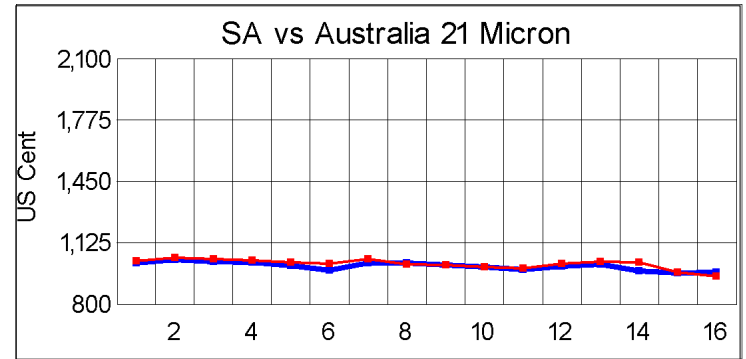
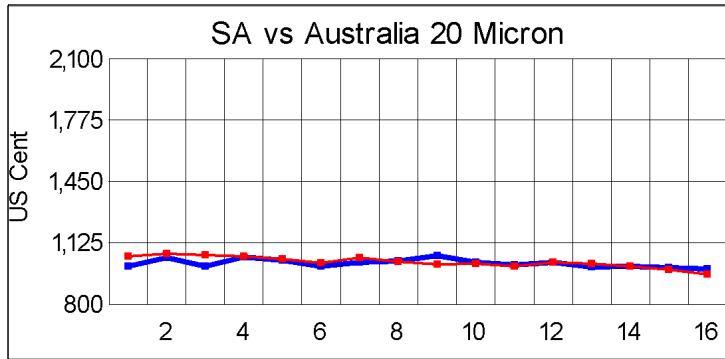
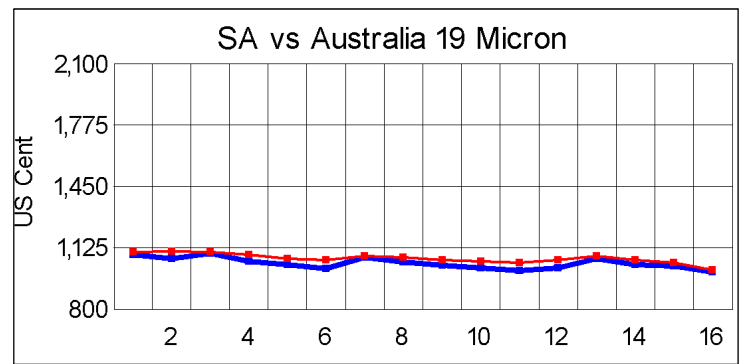
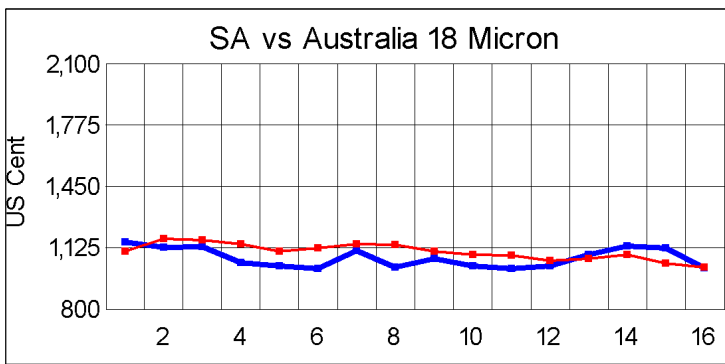
Average Topmaking Styles (AWEX MF6)

| Micron | 100+mm | 90mm | 80mm | 70mm | 60mm | 50mm | 40mm | 30mm | 20mm | 10mm |
|--------|--------|------|-------|-------|-------|-------|------|------|------|------|
| 18.0 | | | | | | | | | | |
| 18.5 | | | | | | | 9147 | | | |
| 19.0 | | | | 11659 | 11216 | 11167 | | | | |
| 19.5 | | | | 11427 | | | | | | |
| 20.0 | | | 11124 | 11148 | | 9977 | | | | |
| 20.5 | | | 10978 | 11143 | 10985 | 10057 | | | | |
| 21.0 | | | 10918 | 10342 | 10679 | 10211 | | | | |
| 21.5 | | | | | | | | | | |
| 22.0 | | | | 10925 | 10242 | | | | | |
| 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 | 11551 | 11437 | 11126 | 10772 | 10216 | 10277 |
| Bellies | 11010 | 10213 | | 10896 | 10307 | 9771 |
| Locks | | | | 8455 | 7892 | |
| Average Quality | | | | | | |
| Lambswool | 10342 | 9671 | 7522 | 9279 | 7928 | 8892 |
| Bellies | 10144 | 10246 | 9642 | 9942 | 8620 | 6697 |
| Locks | | | | 8089 | 7642 | 7341 |
| Inferior Quality | | | | | | |
| Fleecewool | 10800 | 9884 | 9535 | 10385 | 8425 | 7960 |
| Lambswool | 11290 | | | 10259 | 7344 | 6912 |
| Bellies | 10156 | 9955 | | 9520 | 8216 | 8595 |
| Locks | 7792 | 7800 | 8042 | 7420 | 7381 | 7708 |



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET SLIGHTLY DEARER

Port Elizabeth - The wool market strengthened at the final sale before the Christmas recess and the Cape Wools Merino indicator gained 1,5% compared to the previous sale to close at R110,82/kg (clean). This is 0,7% lower compared to the opening sale and 5,6% lower compared to the corresponding sale of the previous season. In Australia, the market indicator lost 0,2% week on week.

Local buyers commented that the firmer Australian market combined with a stronger Australian currency had contributed to the dearer prices that were paid in South Africa. South African prices also benefited from the weaker Rand as the wool market was substantially cheaper when analyzed in US dollars.

The rand has depreciated by 3,0% against the US dollar compared with the average rate at the previous sale, trading at R11,46, while it was 2,8% weaker against the Euro at R14,19. The offering comprised of 14 152 bales of which 97% was sold. Major traders were Lempriere SA (4 902), Standard Wool SA (3 931), G Modiano SA (2 974) and Stucken & Co (1 137).

The average clean prices for the selection within the different categories good top-making (MF5), long fleeces were as follows: 18 microns were up by 1,4% to close at R118,39/kg, 18,5 microns weakened by 0,2% to R115,47/kg, 19 microns shed 0,4% to close at R114,90/kg, 19,5 microns rose with 1,0% to close at R113,16/kg, 20 microns gained 0,5% to close at R109,97/kg, 20,5 microns decreased with 0,1% to close at R109,48/kg, 21 microns gained 1,9% to close at R109,51/kg, 21,5 microns strengthened by 0,2% to R109,06/kg and 22 microns rose with 0,2% to close at R109,11/kg.

The first sale for 2015 is scheduled for 14 January.