

CAPE WOOLS SA
Final Wool Sales Report and Price Summary

Auction Date **2-Nov-2005**
 Catalogue Number **MA10**



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Market Commentary

WOOL MARKET SLIGHTLY DOWN

PORT ELIZABETH: The wool market is battling to gain ground as demand remains subdued and Cape Wools market indicator finished a marginal 0,4%, or 10c, lower at R24,00/kg (clean). The rand was 0,7% weaker against the US dollar, but unchanged against the euro. Prices of long wool micron categories were mixed, with some categories down while others gained.

A total of 8 409 bales was on offer of which 91% changed hands. Major buyers were Modiano (1 465 bales), SA Wool Exporters (1 354 bales), Stucken (1 346 bales), Chargers Wool (1 345 bales) and ADF (849 bales).

Average clean prices for good quality long (75 - 95mm) Merino fleeces (spinners' and good topmakers' styles) were as follows: 19 microns dropped 2,3% at R37,71/kg, there were no quotes for 20 microns, 21 microns gained 1% at R32,41/kg, 22 microns were a slight 0,4% higher at R31,44/kg, 23 microns were down a marginal 0,2% to R30,86/kg, 24 microns were up 0,7% at R30,36/kg, but 25 microns dropped 3,5% to close at R28,61 /kg.

Approximately 9 000 bales will come under the hammer at next week's sale

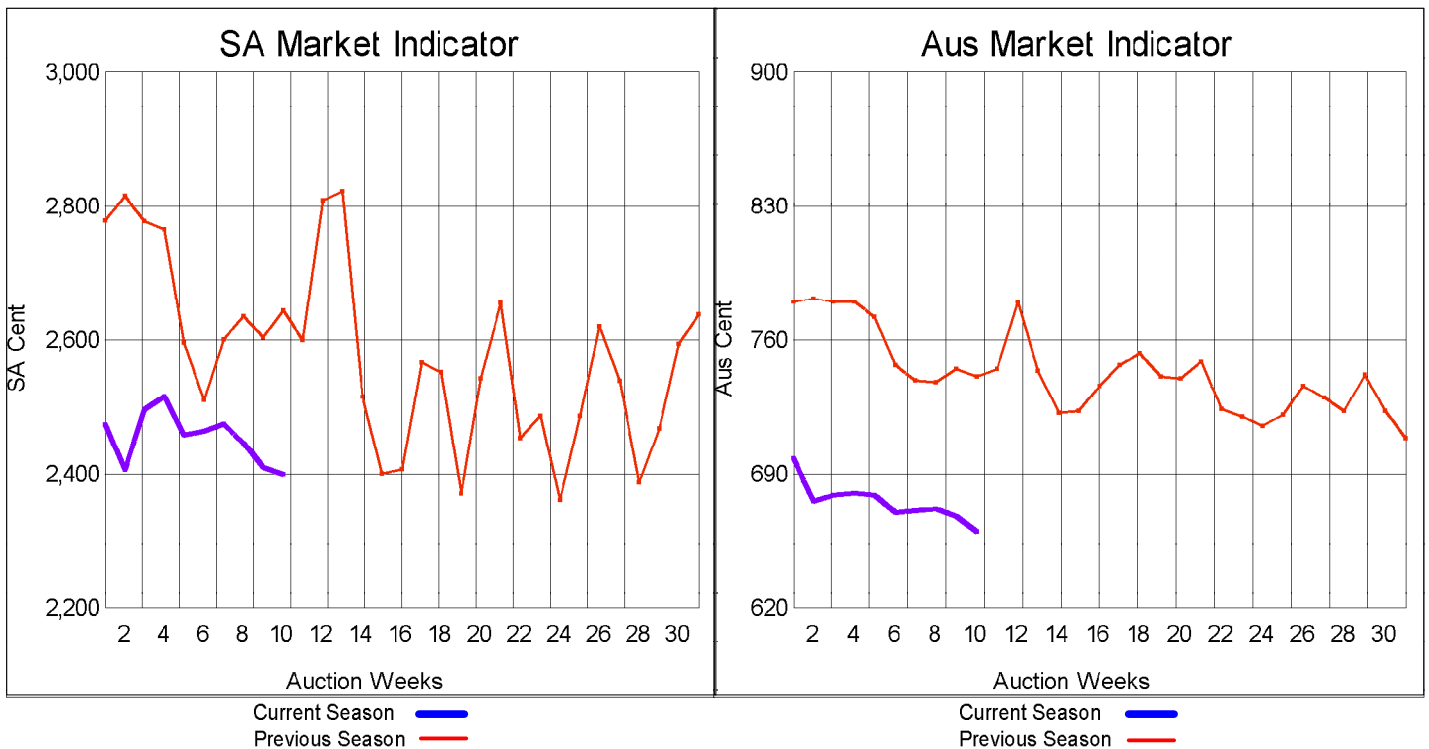
Auction Analysis

Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Week	Description	This Week			Previous Week		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	48.3	58.4	Merino Fleeces	50.9	4 282	92.9	4 134	96.3	
Medium Wool	46.8	37.7	Merino Bellies	7.0	587	86.4	557	89.8	
Short Wool and Locks	5.0	3.9	Merino Lambs	8.2	686	89.5	695	93.4	
Fine Wool (<20µ)	12.3	12.1	Merino Locks	4.9	416	98.1	630	97.9	
Medium Wool (20 - 22µ)	60.4	62.7	Other	29.0	2 438	88.1	2 883	87.0	
Strong Wool (22 - 24µ)	26.0	22.7	Total	100.0	8 409	91.0	8 899	92.8	
Overstrong (24 - 27µ)	1.3	2.5							
Other Indicators				Offerings per Port					
Indicators	This Week	Prev Week	% Change	Ports	This Week (Bales)			Prev Week (Bales)	
					Offered	Sold	% Sold	Offered	Sold
SA Market Indicator	2 400	2 410	-0.4	Cape Town	1 879	1 670	88.9	1 656	1 532
AWEX EMI	660	668	-1.2	Durban	1 376	1 225	89.0	1 159	998
R/US Dollar	6.6342	6.5912	-0.7	Port Elizabeth	5 154	4 760	92.4	6 084	5 724
R/A Dollar	4.9216	4.9827	1.2	Total	8 409	7 655	91.0	8 899	8 254
R/Euro	7.9744	7.9663	-0.1						
Main Buyers				Receipts 28/10/2005					
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change	
				16 569 195	16 046 864	3.3			
G Modiano	1 465	19.1	22 383	Next Auction					
SA Wool Exporters	1 354	17.7	7 763	Name	Date	Offerings (Bales)			
Stucken	1 346	17.6	14 337	S A Wool Exchange	09/11/2005	± 8 000			
Chargeurs Wool	1 345	17.6	9 873	Van Lill Wool Buyers	08/11/2005	± 750			
ADF	849	11.1	5 139	Saunders et al.	08/11/2005	± 300			
Beier Fin	656	8.6	6 684	Lanata	08/11/2005	± 351			
United Wool	640	8.4	8 583	SA Market Indicator	-	MA10	2 400		
Lempriere Aus (Pty)	0	0.0	706	Ave SA Market Indicator - Season to Date			2 455		
				Ave SA Market Indicator - Previous Season			2 568		

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Average Fleece Wool Prices (Spinners and Good Topmaking Styles)

Micron	Clean Price (c/kg.)									Quantities Sold						Percentage change from previous auction			
	75-95mm			60-70mm			40-55mm			75-95mm		60-70mm		40-55mm		75-95	60-70	40-55	
	Hi	Lo	Avg	Hi	Lo	Avg	Hi	Lo	Avg	Lots	bales	Lots	bales	Lots	bales	Lots	bales	Lots	bales
17,5				4255	4227	4243	4095	4011	4057			3	7	2	5				
18,0	4310	4060	4245	4147	3909	4059	3713	3713	3713	4	12	4	8	1	2	0.8	-2.1	-5.7	
18,5	4153	4021	4125	4150	3371	3961	3652	3347	3561	4	12	4	9	6	17	2.1	-0.6	-3.0	
19,0	3968	3735	3790	3927	3545	3790	3780	3206	3471	8	46	8	23	12	24	-1.8	0.8	0.9	
19,5	3871	3482	3721	3854	3344	3641	3635	3107	3356	14	67	12	41	20	35	-1.0	-1.0	-0.9	
20,0	3787	3291	3550	3629	3093	3330	3447	2916	3172	26	115	32	145	32	84	3.2	-5.3	-1.6	
20,5	3482	3184	3292	3459	3035	3249	3334	2789	3111	40	236	50	242	42	160	-1.5	-1.3	-0.9	
21,0	3323	3146	3234	3303	2781	3157	3266	2646	3039	52	361	57	289	42	219	0.8	-1.1	-1.5	
21,5	3240	3059	3171	3225	2781	3117	3167	2646	3008	52	361	67	362	47	239	0.4	-1.4	-1.6	
22,0	3195	3058	3152	3199	2736	3085	3153	2691	3004	38	261	66	400	56	280	0.6	-1.6	-1.1	
22,5	3175	3035	3117	3166	2708	3047	3120	2518	2982	26	114	46	255	45	212	0.1	-1.2	-0.7	
23,0	3142	3035	3087	3138	2708	3061	3051	2518	2946	15	62	33	152	27	113	-0.1	0.9	-0.3	
23,5	3101	2969	3066	3116	2812	3027	3051	2743	2956	14	77	35	155	11	58	-0.4		2.1	
24,0	3084	2936	3035	3075	2812	3000	2984	2816	2937	12	51	23	110	4	18	0.6	0.3	1.9	
24,5	3024	2859	2945	3066	2748	2972	2984	2707	2911	6	11	8	52	3	15	-0.5	1.2	7.1	
25,0	2936	2859	2886	3002	2748	2929	2707	2707	2707	3	5	5	10	1	4	-2.6	1.6	-0.4	
25,5				3002	2658	2884						4	4				1.2		
26,0				2658	2658	2658						1	1				-2.5		



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Average Fleece Wool Prices (Averages Topmaking Styles)

Micron	Clean Price (c/kg.)									Quantities Sold						Percentage change from previous auction		
	75-95mm			60-70mm			40-55mm			75-95mm		60-70mm		40-55mm		75-95	60-70	40-55
	Hi	Lo	Avg	Hi	Lo	Avg	Hi	Lo	Avg	Lots	Bales	Lots	Bales	Lots	Bales			
17,5																		
18,0				3471	3471	3471	3438	3438	3438			1	1	1	1			-5.0
18,5							3646	3600	3626					2	7			2.1
19,0	3755	3704	3731	3731	3371	3523	3542	3093	3273	2	2	9	35	5	9	1.2	-2.7	-8.1
19,5	3755	3704	3731	3600	3288	3474	3315	2938	3110	2	2	8	26	8	18	2.9	-3.3	-5.6
20,0	3704	3704	3704	3547	3215	3330	3238	2570	3063	1	1	5	15	9	26	6.4	-2.2	-3.3
20,5				3280	2972	3151	3238	2570	3055			14	46	18	50		0.1	1.0
21,0	3181	3076	3173	3280	2787	3084	3238	2419	2970	2	13	28	112	21	73	-0.4	0.3	0.4
21,5	3181	3046	3104	3185	2745	3041	3199	2419	2886	9	51	38	168	22	77		-1.5	-2.1
22,0	3159	3046	3089	3153	2716	3015	3006	2639	2855	10	56	39	203	14	34	-0.2	-2.4	-2.5
22,5	3159	3003	3067	3138	2716	3012	3006	2703	2895	8	50	22	118	9	23	-0.2	-1.8	0.4
23,0	3019	3003	3011	3138	2660	2927	2962	2811	2912	4	21	9	31	5	21	0.3	-2.4	3.5
23,5	3009	3009	3008	2999	2660	2897	2962	2652	2894	1	2	3	11	5	20	1.7	-2.7	5.1
24,0							2652	2652	2651					1	1			7.1
24,5																		
25,0																		
25,5																		
26,0																		

Other Selected Types/Qualities

Clean Price per Kilogram

	Long			Medium		
	19μ	20μ	21μ	19μ	20μ	21μ
Good Quality						
Lambswool	3728	3480	3200	3357	3182	2852
Bellies	3482	3122	2995		3200	2725
Locks				2604	2222	1896
Average Quality						
Lambswool	3769	3315	3152	3411	2987	2968
Bellies		3029	2976	3229	2923	2755
Locks				2329	2046	1872
Inferior Quality						
Fleecewool	3207	2992	3039	3446	2950	2981
Lambswool	3301	3103		3353	2804	2804
Bellies		2687	2724	3127	2855	2496
Locks				2117	1909	1742

Industry News

No curbs on inflow of cheap clothing from China

The Department of Trade and Industry chose not to invoke World Trade Organisation rules to block the flow of cheap Chinese clothing to South Africa.

Trade and Industry minister Mandisi Mphahla said he was not convinced by calls from the industry to invoke Article 16 in China's WTO accession agreement. Article 16 allows any WTO member state to impose safeguards on the basis of a demonstrated surge in imports from China.

Mr Mphahla conceded that the clothing and textile industry was in a downward spiral, but said that Government was not "absolutely convinced" this was the best or only thing to do.