

**CAPE WOOLS SA**  
**Final Wool Sales Report and Price Summary**

Auction Date **8-Feb-2006**  
Catalogue Number **MA21**



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**Market Commentary**

**WOOL MARKET SURGES**

**PORT ELIZABETH:** The market surged on the back of a weaker currency and strong demand for the limited volumes of good wools available and Cape Wools' indicator gained 5,9% to close at R26,41/kg (clean). This is up 6,7% on the opening level.

Although the rand was 2,3% softer against the US dollar and down 0,8% against the euro, buyers say keen competition to get hold of stocks as no sale has been scheduled for next week, also helped to push prices higher.

A total of 95% of the 6 502 bales offered were sold. Major buyers were Modiano (1 542 bales), SA Wool Exporters (1 352 bales), Chargeurs Wool (1 247 bales) and Stucken (943 bales). Average clean prices for good quality long (75 - 95mm) Merino fleeces (spinners' and good topmakers' styles) were as follows: 19 microns (3 lots) were up 12% at R46,32/kg; 20 microns (8 lots) gained 14,7% at R40,07/kg; 21 microns (13 lots) strengthened 5,9% at R35,99/kg; 22 microns (11 lots) gained 6,3% at R34,70/kg; 23 microns (6 lots) were 3,8% dearer at R33,57/kg; 24 microns (1 lot) were up 8,5% at R32,96/kg, but there were no quotes for 25 microns.

There will be no sale next week. Sales will resume on 22 February when about 7 500 bales will be offered.

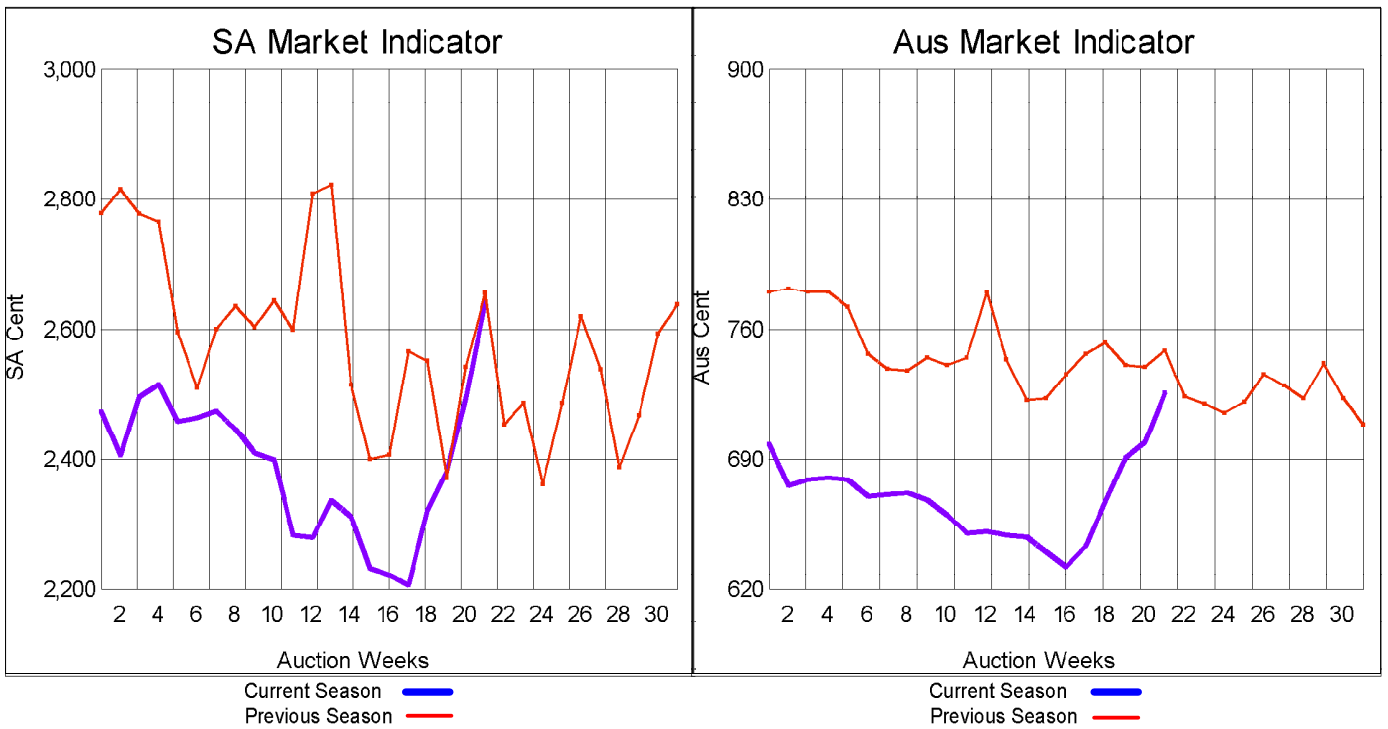
**Auction Analysis**

<b>Composition of Fleece Offerings</b>				<b>Analysis of Offerings</b>					
<b>Description</b>	<b>% This Week</b>	<b>% Prev Week</b>	<b>Description</b>	<b>This Week</b>			<b>Previous Week</b>		
				<b>%</b>	<b>Bales</b>	<b>% Sold</b>	<b>Bales</b>	<b>% Sold</b>	
Long Wool	56.0	48.2	Merino Fleeces	27.5	1 790	99.5	2 793	98.0	
Medium Wool	36.4	47.5	Merino Bellies	6.8	444	93.0	465	96.6	
Short Wool and Locks	7.6	4.3	Merino Lambs	5.5	358	95.5	421	81.0	
Fine Wool (<20µ)	27.2	26.7	Merino Locks	6.8	444	96.4	511	99.6	
Medium Wool (20 - 22µ)	56.4	58.1	Other	53.3	3 466	93.3	2 943	91.5	
Strong Wool (22 - 24µ)	15.9	14.2	<b>Total</b>	<b>100.0</b>	<b>6 502</b>	<b>95.3</b>	<b>7 133</b>	<b>94.3</b>	
Overstrong (24 - 27µ)	0.6	0.9							
<b>Other Indicators</b>				<b>Offerings per Port</b>					
<b>Indicators</b>	<b>This Week</b>	<b>Prev Week</b>	<b>% Change</b>	<b>Ports</b>	<b>This Week (Bales)</b>			<b>Prev Week (Bales)</b>	
					<b>Offered</b>	<b>Sold</b>	<b>% Sold</b>	<b>Offered</b>	<b>Sold</b>
<b>SA Market Indicator</b>	<b>2 641</b>	<b>2 493</b>	<b>5.9</b>	Cape Town	332	310	93.4	186	186
AWEX EMI	726	699	3.9	Durban	3 622	3 553	98.1	3 340	3 164
R/US Dollar	6.1857	6.0480	-2.3	Port Elizabeth	2 548	2 336	91.7	3 607	3 378
R/A Dollar	4.5648	4.5754	0.2	<b>Total</b>	<b>6 502</b>	<b>6 199</b>	<b>95.3</b>	<b>7 133</b>	<b>6 728</b>
R/Euro	7.4065	7.3449	-0.8						
<b>Main Buyers</b>				<b>Receipts 03/02/2006</b>					
<b>Buyers</b>	<b>This Week</b>	<b>% of Sale</b>	<b>To Date</b>	<b>Season to Date (Kg)</b>		<b>Last Season (Kg)</b>		<b>% Change</b>	
				<b>30 691 812</b>	<b>31 468 568</b>				
G Modiano	1 542	24.9	<b>44 261</b>	<b>Next Auction</b>					
SA Wool Exporters	1 352	21.8	<b>23 149</b>	<b>Name</b>	<b>Date</b>	<b>Offerings (Bales)</b>			
Chargeurs Wool	1 247	20.1	<b>29 822</b>	S A Wool Exchange	22/02/2006	± 7 000			
Stucken	943	15.2	<b>27 801</b>	Van Lill Wool Buyers	21/02/2006	± 250			
Beier Fin	518	8.4	<b>13 411</b>	Saunders et al.	-	-			
United Wool	391	6.3	<b>15 919</b>	Lanata	21/02/2006	± 270			
ADF	184	3.0	<b>9 841</b>	<b>SA Market Indicator</b>	<b>-</b>	<b>MA21</b>	<b>2 641</b>		
Lemriere (Aus) Ltd	22	0.4	<b>765</b>	<b>Ave SA Market Indicator - Season to Date</b>			<b>2 393</b>		
				<b>Ave SA Market Indicator - Previous Season</b>			<b>2 568</b>		

## Cape Wools SA

### 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			
17,5	5242	5136	5174	5040	4493	4761				2	8	2	4			7.0		
18,0	5116	4855	4987				3657	3617	3639	5	53			2	4	5.9		
18,5	4789	4789	4788	4574	4540	4553	4244	3782	4101	1	7	4	14	5	9	12.2	6.2	23.3
19,0	4722	4055	4632	4572	4046	4240	4541	3481	3839	3	28	7	17	6	21	12.0	4.1	
19,5	4405	3945	4105	4328	3719	4033	4013	3045	3705	9	61	17	62	10	58	0.8	4.9	7.7
20,0	4224	3820	4007	4187	3547	3830	3958	3045	3572	10	79	21	110	11	48	14.7	4.2	9.1
20,5	3950	3448	3687	3995	3370	3652	3722	3045	3348	12	121	24	139	13	48	6.9	6.9	7.2
21,0	3765	3320	3628	3815	3256	3564	3580	2818	3182	17	186	23	127	14	65	6.7	8.1	2.2
21,5	3765	3254	3593	3754	3124	3425	3488	2818	3088	20	196	16	85	14	65	9.6	5.5	1.5
22,0	3607	3018	3494	3646	3072	3373	3279	2690	2990	16	99	14	64	8	50	7.1	4.8	-1.0
22,5	3606	3018	3435	3572	3072	3473	3153	2609	2787	17	108	11	71	5	13	5.6	8.5	-7.8
23,0	3603	3229	3397	3572	3094	3473	3074	2609	2828	11	65	8	57	7	18	5.0	9.8	-4.8
23,5	3333	3296	3320	3468	3177	3342	3074	2559	2839	2	3	3	6	6	14	3.0	6.4	-4.2
24,0	3296	3296	3296	3177	3150	3154	2834	2559	2703	1	1	2	5	4	10	8.5	2.0	-6.2
24,5				3150	3150	3149	2613	2613	2613			1	4	1	2		3.5	-7.6
25,0	2828	2828	2828	3150	2761	3048				1	2	2	6				3.3	
25,5	2828	2828	2828	2761	2761	2760				1	2	1	2				-5.9	



## Cape Wools SA

### 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				4668	4441	4633	4283	4283	4282			2	14	1	3			
18,0				4342	4001	4231						3	9					
18,5																		
19,0				4283	4283	4283	3864	3864	3863			1	3	1	4		12.6	8.9
19,5	3818	3818	3818	3796	3796	3795	3883	3421	3615	1	3	1	2	3	24	-2.9	5.4	13.3
20,0	3818	3526	3764	3966	3300	3669	3473	2439	3283	2	4	4	14	5	33		4.7	4.5
20,5	3526	3526	3526	3966	3115	3528	3473	2439	3269	1	1	16	56	8	42	10.4	5.0	6.9
21,0	3566	3536	3551	3769	2984	3440	3394	2439	3201	2	8	21	85	9	57	11.2	6.5	8.4
21,5	3570	3476	3550	3676	2984	3390	3174	2697	3081	4	15	16	67	7	26	12.2	8.9	8.9
22,0	3570	3283	3445	3545	2984	3333	3305	2697	3120	4	15	16	63	7	32	8.9	7.6	11.7
22,5	3389	3283	3370	3545	3131	3376	3305	2884	3152	2	8	12	49	4	15		9.7	19.3
23,0				3361	3237	3319	2949	2884	2918			4	12	2	4		8.8	13.9
23,5				3237	3237	3237	2949	2949	2948			1	1	1	2		14.2	22.1
24,0																		
24,5																		
25,0																		
25,5																		

#### Other Selected Types/Qualities

Clean Price per Kilogram

	Long			Medium		
	19μ	20μ	21μ	19μ	20μ	21μ
<b>Good Quality</b>						
Lambswool	4464	3899		3698	3125	
Bellies				3749		
Locks				2527	1843	1839
<b>Average Quality</b>						
Lambswool	4379	3501		3528	3541	2564
Bellies	3802	3265	3384	3335	3073	2669
Locks				2208	1904	1614
<b>Inferior Quality</b>						
Fleecewool		4020	3381	3778	3315	3084
Lambswool	4333				2729	
Bellies				2353	2645	2608
Locks					1426	1395

#### Industry News

##### Less bales offered at auction

The number of bales offered at auctions is down on the corresponding period last season. To date, 161 254 bales have been offered compared with 170 114 bales last season, a drop of 5,2

Receipts at brokers' stores are down 2,5%, but a contributing factor could be the widespread rains that have been falling in large parts of the country over the past two months, which delayed shearing in some areas.

A micron profile of the wool offered so far, show that the majority fell in the 20,6 to 21,5-micron range (33,3%), followed by 21,6 to 22,5 microns (28,6%).