

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

Auction Date **7-Feb-2007**  
Catalogue Number **MB21**



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**Market Commentary**

**NEW RECORD PRICE FOR FINE WOOL**

**PORT ELIZABETH:** Although Cape Wools' overall indicator rose a marginal 0,4% at R38,08/kg (clean) at this week's sale, long fleece wools posted considerable gains.

A new record price was also achieved as some of the largest fine-wool producers offered their clips.

Segard Masurel paid R85,00/kg (greasy) for one bale (AFFY) of 16,8 microns offered by B.P. Greyling from Wakkerstroom and R84,00/kg for two bales (AFF) of 16,9 microns belonging to C.L. Greyling, also from Wakkerstroom. New England Wool paid the third highest price of R82,10/kg for 5 bales (AFF) of 16,7 microns offered by W.J. Sharratt from Harrismith.

The rand was 1,4% stronger against the US dollar at R7,16 and up 1,1% against the euro at R9,30.

All long Merino fleece wools posted gains of 3% to 4%. The best performer was the 23-micron category, which rose by almost 7%.

A total of 10 241 bales were offered with 96% changing hands. Major buyers were SA Wool Exporters (2 597 bales), Modiano (2 322 bales), Stucken (1 491 Bales), ADF (1 202 bales) and Segard Masurel (1 057 bales).

Average price movements for AWEX-type fleeces MF3, MF4 and MF5 of 70 and 80 mm were as follows: There were no quotes for 19 microns; 20 microns were up 2,8% at R55,68/kg; 21 microns gained 3,8% at R53,54/kg; 22 microns were 2,9% dearer at R52,05/kg, 23 microns were up 6,7% at R50,83/kg. There were no quotes for 24 and 25 microns.

Approximately 9 000 bales have been rostered for next auction which will take place on 21 February.

**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	77.6	68.3	Merino Fleeces	44.7	4 581	99.1	2 797	85.6
Medium Wool	18.5	24.6	Merino Bellies	6.0	614	94.1	606	96.9
Short Wool and Locks	3.9	7.1	Merino Lambs	7.2	738	94.7	552	91.1
Fine Wool (<20µ)	39.1	23.1	Merino Locks	7.7	784	98.5	388	100.0
Medium Wool (20 - 22µ)	52.4	62.8	Other	34.4	3 524	92.2	3 288	93.5
Strong Wool (22 - 24µ)	8.2	12.4	<b>Total</b>	<b>100.0</b>	<b>10 241</b>	<b>96.0</b>	<b>7 631</b>	<b>91.0</b>
Overstrong (24 - 27µ)	0.3	1.7						

**Other Indicators**

<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>3 808</b>	<b>3 793</b>	<b>0.4</b>	Cape Town	746	694	93.0	0	0
AWEX EMI	935	933	0.2	Durban	4 618	4 447	96.3	3 172	2 989
R/US Dollar	7.1646	7.2700	1.4	Port Elizabeth	4 877	4 695	96.3	4 459	3 957
R/A Dollar	5.5709	5.6065	0.6	<b>Total</b>	<b>10 241</b>	<b>9 836</b>	<b>96.0</b>	<b>7 631</b>	<b>6 946</b>
R/Euro	9.3019	9.4100	1.1						

**Receipts 02/02/2007**

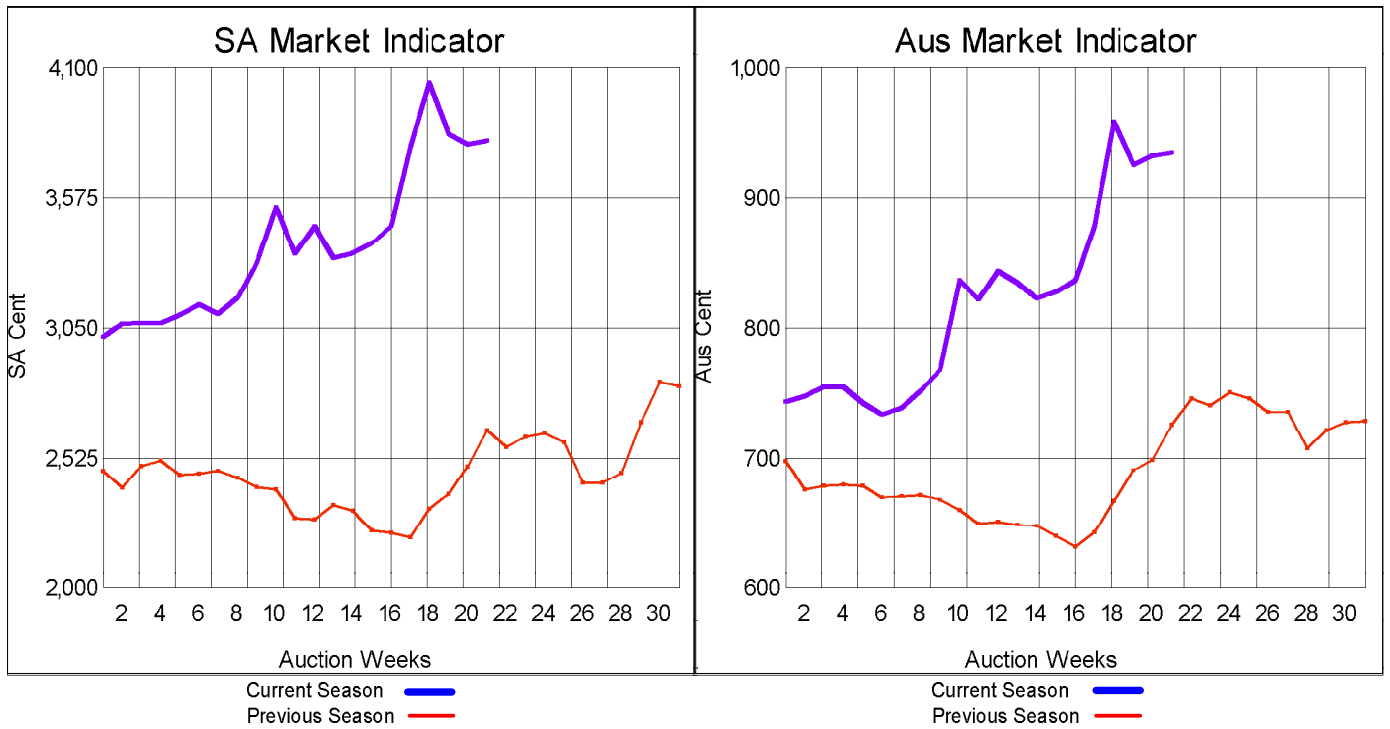
<b>Main Buyers</b>				<b>Season to Date (Kg)</b>	<b>Last Season (Kg)</b>	<b>% Change</b>
<b>Buyers</b>	<b>This Week</b>	<b>% of Sale</b>	<b>To Date</b>	<b>32 361 659</b>	<b>31 756 855</b>	<b>1.9</b>
S A Wool Exporters	2 597	26.4	<b>36 293</b>	<b>Next Auction</b>		
G Modiano	2 322	23.6	<b>51 444</b>	<b>Name</b>	<b>Date</b>	<b>Offerings (Bales)</b>
Stucken	1 491	15.2	<b>26 923</b>	S A Wool Exchange	21/02/2007	± 8 000
ADF	1 202	12.2	<b>7 378</b>	Van Lill Wool Buyers	20/02/2007	± 470
Segard Masurel	1 057	10.7	<b>27 268</b>	Saunders et al.	20/02/2007	± 120
Chargeurs Wool	578	5.9	<b>22 775</b>	Lanata	20/02/2007	± 410
Beier Fin	447	4.5	<b>14 339</b>	<b>SA Market Indicator</b>	<b>- MB21</b>	<b>3 808</b>
New England Wool	89	0.9	<b>884</b>	<b>Ave SA Market Indicator - Season to Date</b>		
Lempriere (Aus) Ltd	53	0.5	<b>1 597</b>	<b>3 392</b>		
				<b>Ave SA Market Indicator - Previous Season</b>		
				<b>2 461</b>		

# Cape Wools SA

## Fleece Wool Prices (Spinners and Good Topmaking Styles, AWEX Types MF3,MF4 and MF5)

Micron	Average Price (c/kg. clean) *										Percentage change from previous catalogue									
	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm
18.0		6720	6511																	
18.5		6466	7239	6636		5297														
19.0		6251	6195	5988		5389														
19.5		5913	5963	5854	5648	5163					0.1	0.2	1.2							
20.0		5567	5620	5517	5433	4832					-0.3	1.7	-1.0		-3.9					
20.5		5510	5499	5323	5267	4956						3.0	4.2	1.7	4.8					
21.0		5347	5384	5324	5102	4882	4407				3.3	3.2	12.3	0.3	-2.1					
21.5		5330	5299	5219	5126	4931					2.9	2.7	0.3	7.0	5.8					
22.0		5215	5252	5158	5101	4860						2.1	1.8	1.8	1.4					
22.5		5166	5166	5117	4939						4.1									
23.0			5083			4644														
23.5				4827																
24.0																				

\* Based on a minimum of 3 lots sold per category



## Cape Wools SA

### Fleece Wool Prices ( Average Topmaking Style, AWEX type MF6)

Micron	Average Price (c/kg. clean)*										Percentage change from previous catalogue									
	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm
18.0																				
18.5																				
19.0		6282																		
19.5																				
20.0				5505		4736														
20.5							4334													
21.0			5254			4770	4295						3.1			-2.0				
21.5			5172	5032									1.3	1.4						
22.0																				
22.5			4948	4952										2.8						
23.0																				
23.5																				
24.0																				

\* Based on a minimum of 3 lots sold per category.

#### Other Selected Types/Qualities

Price per Kilogram

	Long			Medium		
	19μ	20μ	21μ	19μ	20μ	21μ
<b><u>Good Quality</u></b>						
Lambswool	6128	5565	5203	5293	4699	4275
Bellies	5396	5212	4928	5429	4614	5017
Locks	3592	2975	2809	3052	3000	2641
<b><u>Average Quality</u></b>						
Lambswool	5559	5352		4906	4599	4368
Bellies	5554	4908	4774	5063	4114	4115
Locks		2993		3048	2975	2794
<b><u>Inferior Quality</u></b>						
Fleecewool	5528	4179	4617		4526	3059
Lambswool	5461	5224	4758	5061		
Bellies	5261	4598	4310	5003	4408	3511
Locks	2507	2457	2438	2878	2526	2358

#### Industry News

##### CHINA LARGEST IMPORTER IN 2006

China has emerged as the largest importer of South African wool for the calendar year 2006, surpassing Italy for the first time ever.

Exports statistics for January to December 2006 show that wool to the value of R224 million, or 22,9% of the total FOB value, was shipped to China. Shipments to Italy totalled R213 million, or 21,9% of the total value, followed by the Czech Republic, (18,5%) or R180 million.

Germany was fourth, taking up wool to the value of R124 million (12,7%). Other major importers were the UK (4,3%), India (3,7%), Spain (3,6%) and Bulgaria (3,5%).