

National Weekly Wool Market Report

Season: 2014/2015

Sale Date: 28&29 October 2014



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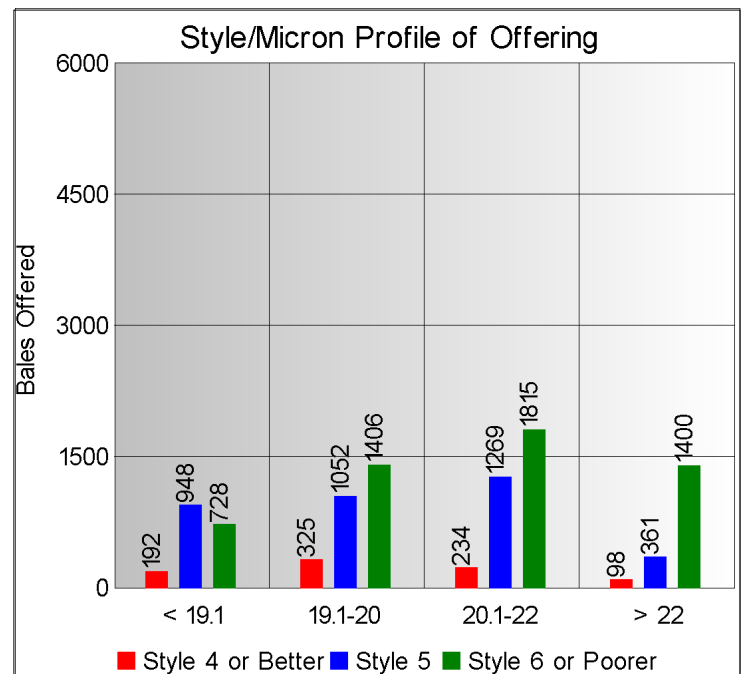
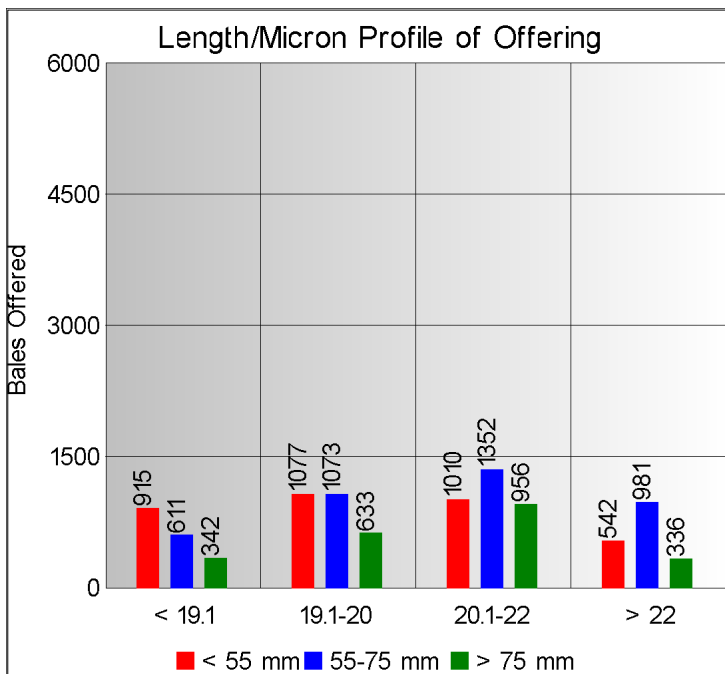
Website: www.capewools.co.za

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	10920	11200	-2.5%	Standard Wool SA	3544	36.1%	28642
Ave. to date (14/15)	11354	11402	-0.4%	Lempriere SA	2425	24.7%	23555
Ave. to date (13/14)	11239			Stucken & Co	908	9.2%	11858
US c/kg	1007	1016	-0.9%	G Modiano SA	870	8.9%	13751
Euro c/kg	791	800	-1.1%	H Dawson Sons & Co	757	7.7%	3712
AWEX EMI	1023	1038	-1.5%	Segard Masurel SA	648	6.6%	6818
Exchange Rates				Chargeurs Wool SA	277	2.8%	1009
Currency Unit	This Week	Previous Week	% Change	New England Wool SA	197	2.0%	1630
R/USD	10.8393	11.0208	1.6%				
R/Euro	13.8021	13.9976	1.4%				
R/AUD	9.6185	9.6798	0.6%				
USD/AUD	0.8871	0.8784	-1.0%				

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	3739	550	576	778	466	771	6880	98.4%
CMW	1731	165	378	359	127	188	2948	96.8%
MAS	0	0	0	0	0	0	0	
SBL	0	0	0	0	0	0	0	
VLW	0	0	0	0	0	0	0	
Total	5470	715	954	1137	593	959	9828	97.9%

* Crossbred types, Coarse and Coloured and Inferior



Receipts 2014/2015 Season

Season to Date (Kg.)

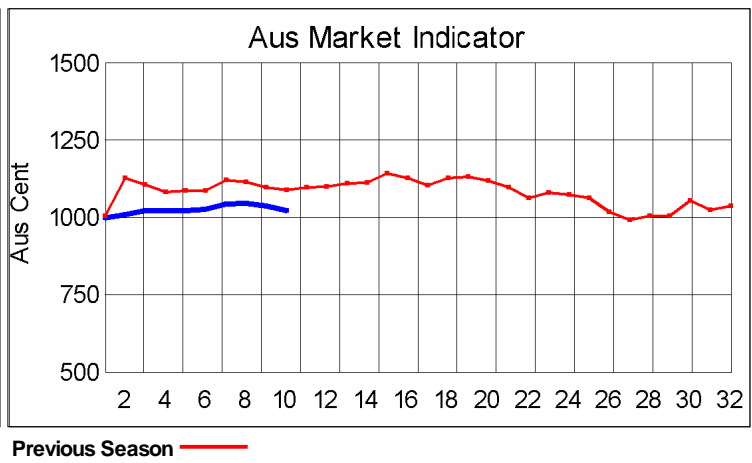
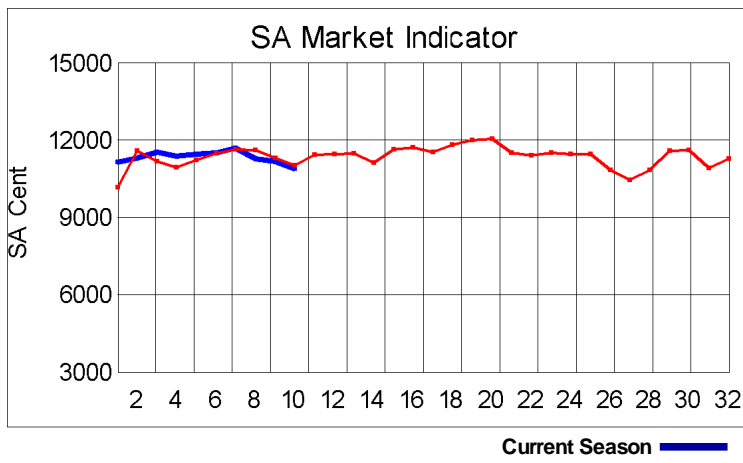
17,496,603.7

Previous Season to Date

17,668,495.6

Percentage Change:

-0.97%



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			12268	12470			9866			
18.5		11527	11708	11989	11394	11004				
19.0		11498	11467	11513	11474	10935	10510			
19.5		11267	11242	11262	11178	10780	10309			
20.0		11107	11137	11065	10916	10489	9864			
20.5		10977	11028	11011	10724	10477	9533			
21.0		10991	11007	10966	10939	10389	9536			
21.5			10928	10986						
22.0		10922	10881							
22.5				10823						
23.0										
23.5										
24.0										

* Based on a minimum of 3 lots sold per category

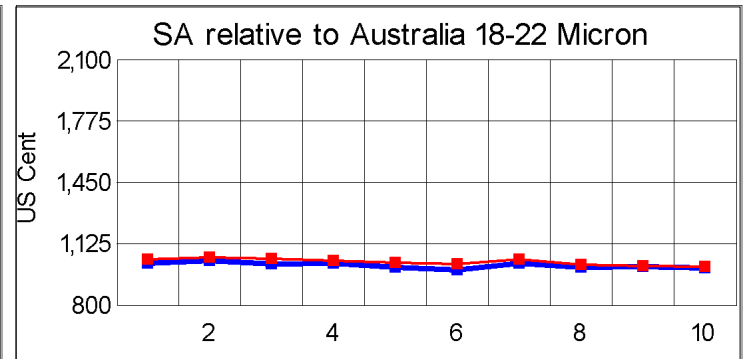
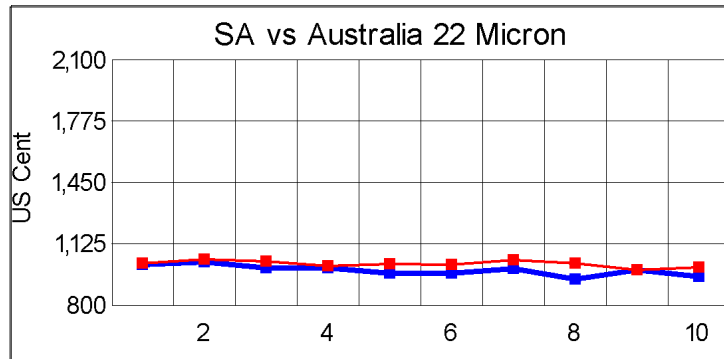
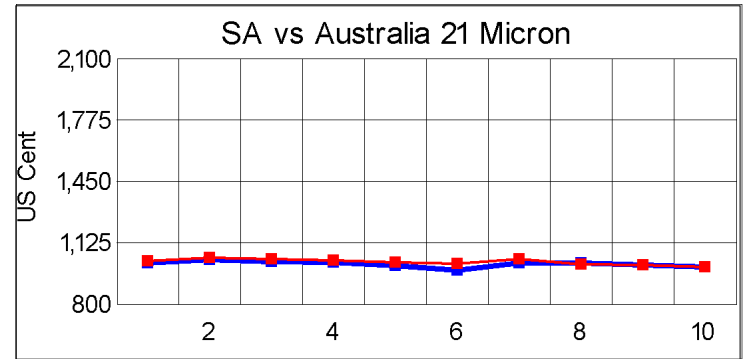
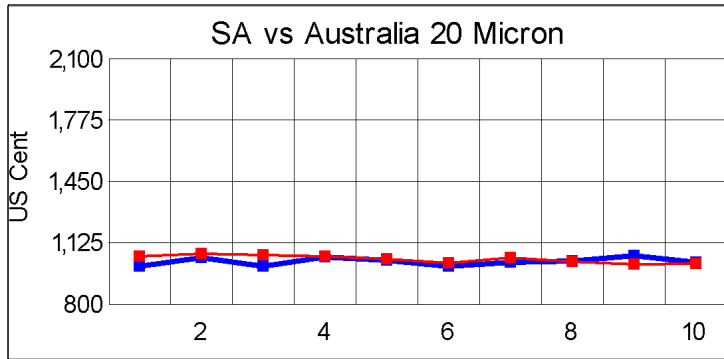
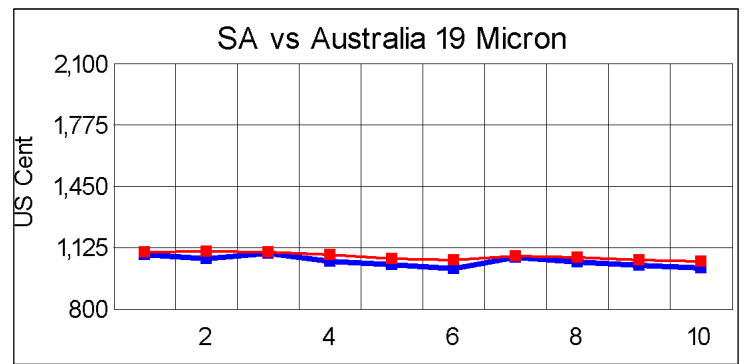
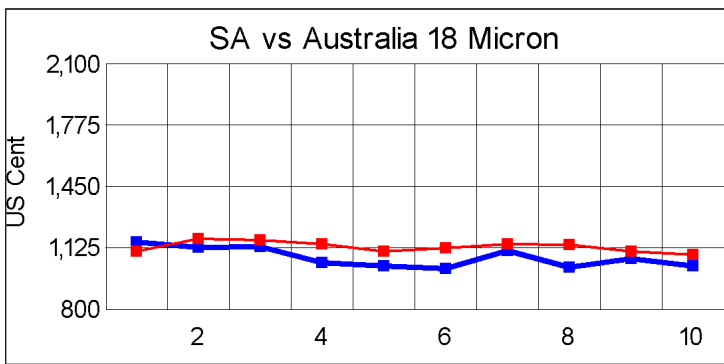
Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5				11446						
19.0										
19.5					10806	10691				
20.0			11011			10422				
20.5										
21.0										
21.5				10400			9110			
22.0			10657	10459						
22.5										
23.0										
23.5										
24.0										

* Based on a minimum of 3 lots sold per category

Other Selected Types/Qualities

	Long			Medium		
<u>Good Quality</u>	19μ	20μ	21μ	19μ	20μ	21μ
Lambswool	11449	10807		10709	9888	
Bellies	10734	10705		10901	10435	
Locks				8933	8760	
<u>Average Quality</u>						
Lambswool	11404	9940	9911	10311	9796	9804
Bellies	10837	10079	10366	10231	10292	9437
Locks				8805	8130	6235
<u>Inferior Quality</u>						
Fleecewool	11005	10730	10367	10350		8555
Lambswool		9806	10916	10523	9608	
Bellies	10869			10113	9620	8628
Locks	6956	6939	7016	8050	7636	



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET UNDER PRESSURE

Port Elizabeth - The market weakened at this week's sale as demand conditions remain tough and the Cape Wools Merino indicator shed 2,5% compared with last week to close at R109,20/kg (clean). This is 2,2% down compared to the opening sale of this season and 1,2% down compared to the corresponding sale of the previous season. The local market followed the global trend and on the Australian market, the indicator also declined with 1,5%.

The market appeared indecisive and the disappointing volume of orders from China contributed to the lower prices. The stronger Rand also exerted downward pressure on the market. Poorer quality wools on offer has however led to keen competition for the limited quantity of well-grown, sound Merino wools. Local traders are concerned that the poor quality offerings will continue in the foreseeable future.

The rand at R10,84, had appreciated by 1,6% against the US Dollar, and at R13,80, 1,4% against the Euro, compared with the previous sale. A total of 9 828 bales were on offer of which 98% was sold. The most active traders were Standard Wool SA (3 544) and Lempriere SA (2 425).

The average clean prices for the selection within the different categories good top-making (MF5), long fleeces were as follows: 18 microns were down by 2,7% to close at R119,43/kg, 18,5 microns weakened by 2,5% to R116,63/kg, 19 microns shed 1,7% to close at R114,41/kg, 19,5 microns dropped with 2,6% to close at R111,29/kg, 20 microns lost 2,2% to close at R109,43/kg, 20,5 microns decreased with 2,1% to close at R108,92/kg, 21 microns declined 2,8% to close at R108,08/kg, 21,5 microns weakened by 2,6% to R107,98/kg and 22 microns dropped with 0,2% to close at R107,98/kg.

Approximately 11 900 bales will be on offer at the next sale scheduled for 5 November