

National Weekly Wool Market Report

Season: 2016/2017

Sale Date: 16 & 17 August 2016



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SA Merino Indicator				Buyers			
Indicator Unit	Current Sale	Last Sale	Change	Company	Bales Purchased This Week	% of Purchases	Total Bales Purchased This Season
# SA c/kg	14681	15206	-3.5%	Standard Wool SA	3661	25.7%	3661
Ave. to date (16/17)	14681	14269	2.9%	Lempriere SA	3481	24.5%	3481
Ave. to date (15/16)	12922			G Modiano SA	3015	21.2%	3015
US c/kg	1094	1027	6.6%	Stucken & Co	1748	12.3%	1748
Euro c/kg	971	904	7.5%	Segard Masurel SA	960	6.7%	960
AWEX EMI	1295	1275	1.6%	New England Wool SA	645	4.5%	645
				H Dawson Sons & Co			
				SAFIL SA			

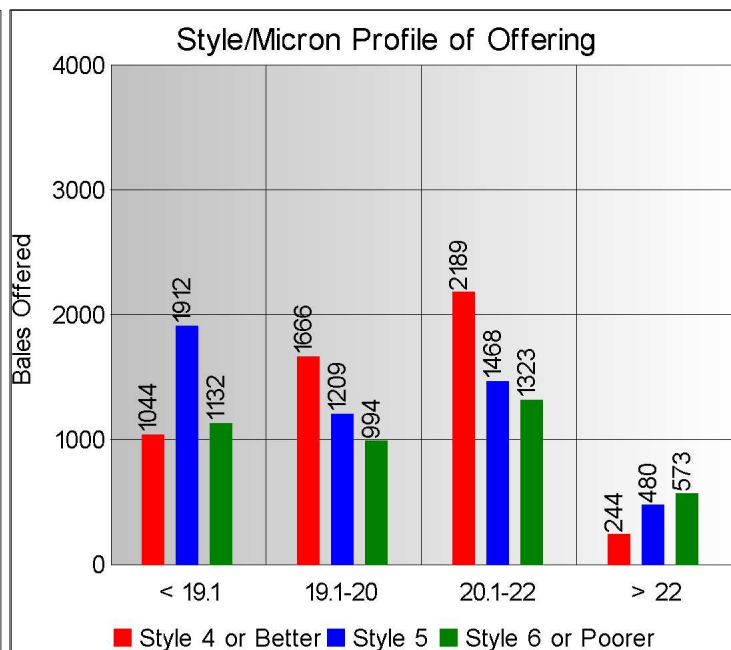
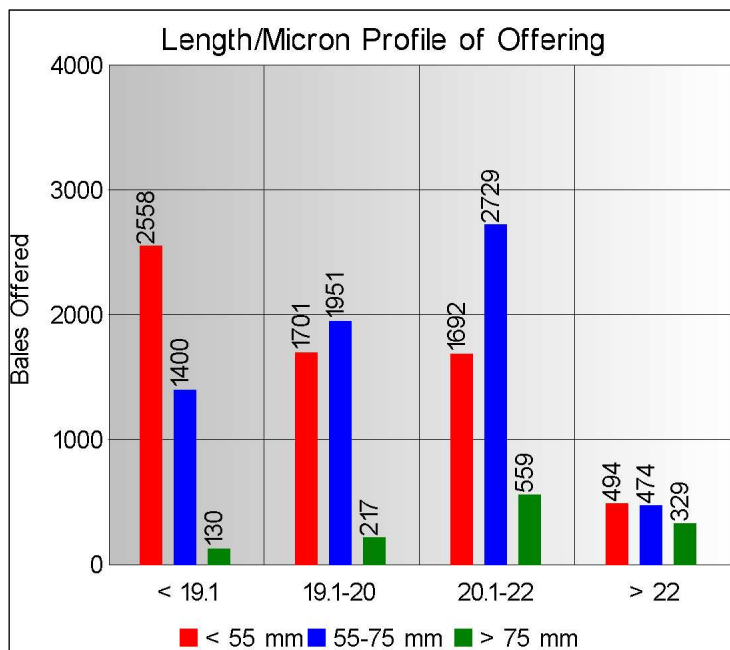
Exchange Rates			
Currency Unit	This Week	Previous Week	% Change
R/USD	13.4152	14.8070	9.4%
R/Euro	15.1176	16.8293	10.2%
R/AUD	10.2675	11.0262	6.9%
USD/AUD	0.7653	0.7446	-2.8%

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	4197	691	920	0	503	1089	7400	91.4%
CMW	2590	471	703	145	348	479	4736	99.3%
JLW	180	21	28	0	24	30	283	100.0%
MAS	265	44	125	0	34	73	541	99.5%
QWB	457	16	40	0	35	66	614	94.5%
SBL	168	16	11	0	39	29	263	98.9%
VLW	240	27	19	0	31	80	397	97.0%
Total	8097	1286	1846	145	1014	1846	14234	94.9%

SA Merino Indicator includes Merino types comparable to international indicators.
 ## Cape Wools All Wool Indicator, includes all white wool sold at auction.

* crossbred, coarse and coloured, inferior

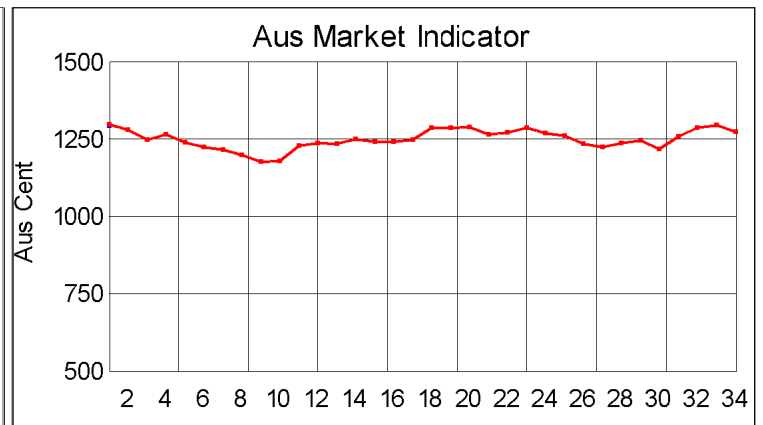
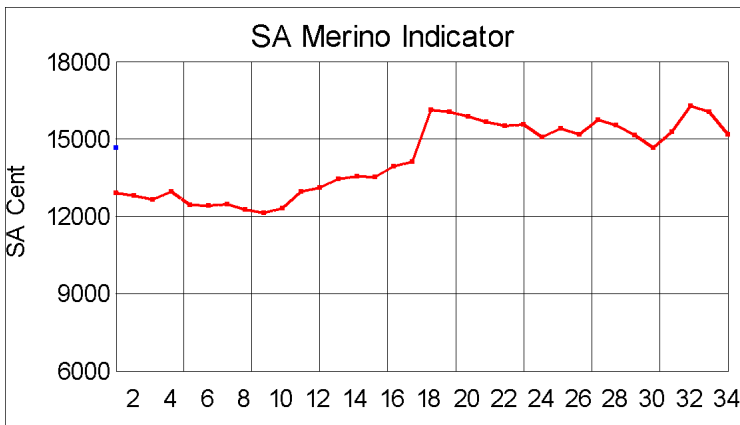


* Seasonal Receipts Declared

2016/17 Declared Receipts : 24 July 2016
 2016/17 Declared Receipts : 14 August 2016

2,618,290.6
 3,967,471.9

Percentage Change (Year-on-Year) : 5.35



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				16204	15746	14575	14334	12443		
18.5			15769	16183	15016	14450	13774			
19.0				15681	14859	14349	13670			
19.5			15410	15296	14615	14241	13224	12302		
20.0			15392	15091	14532	14077	13638	11793		
20.5		15438	15297	15129	14338	14033	13374			
21.0		15435	15311	14970	14327	13989	13173			
21.5			15307	14912	14364	13565	12810			
22.0			15076	15057	14117	12887				
22.5			14566	14620	13977	13358				
23.0				14505	13762					
23.5					13565					
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										
19.0										
19.5							12891			
20.0				14175	13872	14177				
20.5					14270					
21.0										
21.5										
22.0				14370	13434					
22.5										
23.0										
23.5										
24.0										

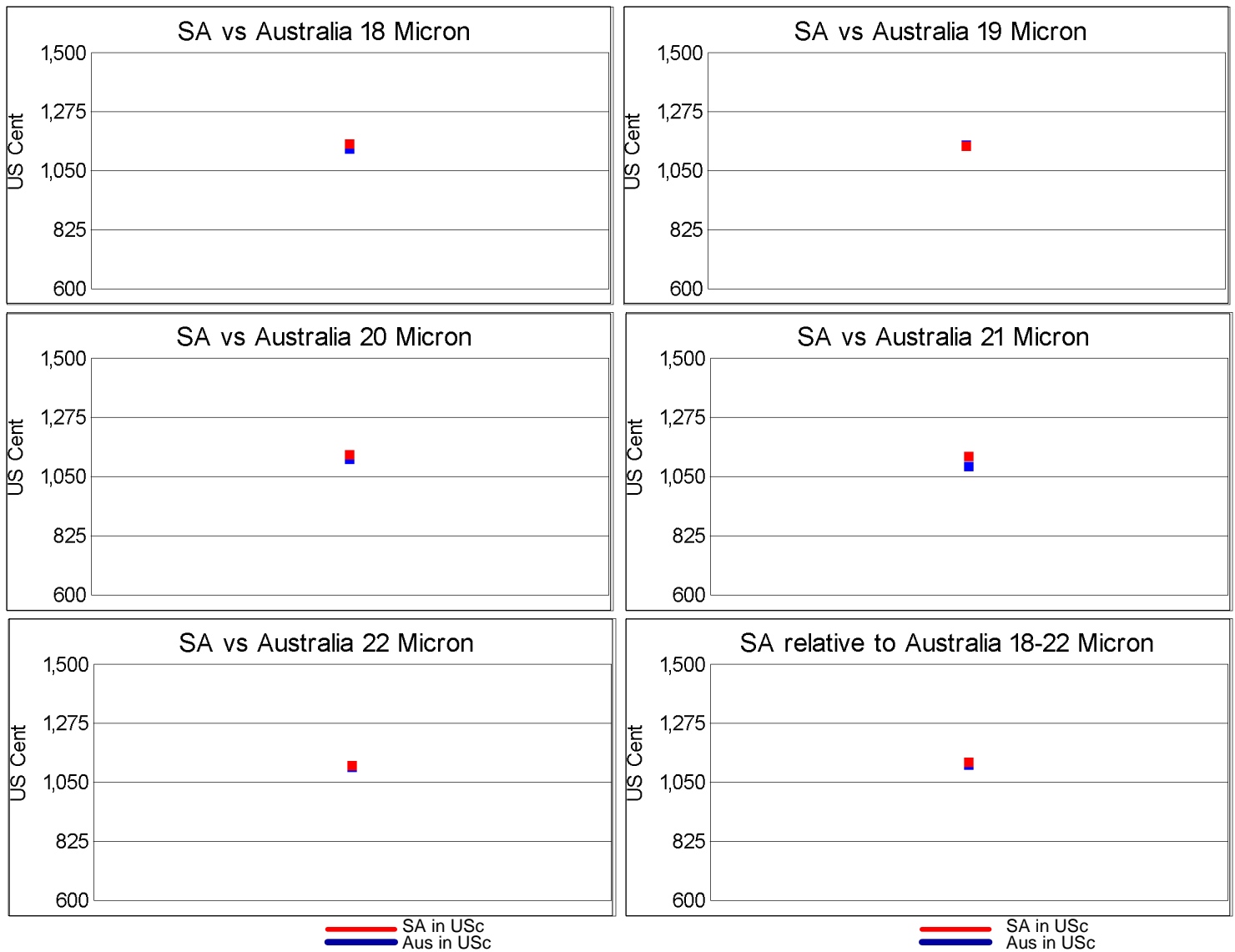
* Based on a minimum of 3 lots sold per category

Other Selected Types/Qualities

Long

Medium

	19μ	20μ	21μ	19μ	20μ	21μ
<u>Good Quality</u>						
Lambswool						
Bellies						
Locks						
<u>Average Quality</u>						
Lambswool						
Bellies						
Locks						
<u>Inferior Quality</u>						
Fleecewool						
Lambswool						
Bellies						
Locks						



Market Commentary

WOOL MARKET 3,5% LOWER

Port Elizabeth - The wool market opened to a solid start at the first sale of the 2016/17 wool growing season. The Cape Wools Merino indicator shedding only 3,5% and decreased by 525 points to close at a value of R146,81 (Clean). This is 13,61% up on the opening sale of the 2015/16 season. On the Australian market, the EMI increased 1,6%. The Cape Wools All Wool Indicator lost 3,5%.

The strong demand for medium length wool and excellent competition on the longer and better quality wool as experienced towards the end of the previous season have carried over. The recent Rand strength was also offset by increased US Dollar returns. All in all a positive start to a season of which there are high expectations.

This week saw the rand at R13,42 to the US dollar. The rand strengthened by 9,4% against the US dollar compared with the average rate at the previous sale. The Rand strengthened 10,2% against the Euro, trading at R15,12. The offering comprised of 14 234 bales of which 94,9% was sold. Major traders were Standard Wool SA (3 661), Lempriere SA (3 481), G Modiano SA (3 015), and Stucken & Co (1 748).

The average clean prices for the selection within the different micron categories for good top-making (MF5), long fleeces were as follows: 18,0 microns lost 6,4% to close at R154,58/kg; 18,5 microns decreased 5,3% to close at R155,78/kg; 19 microns decreased 4,5% to close at R153,35/kg; 19,5 microns lost 4,3% to close at R151,97/kg; 20 microns decreased with 2,2% to close at R151,97/kg; 20,5 microns decreased 1,7% to close at R151,77/kg; 21,0 microns lost 1,2% to close at R150,99/kg; 21,5 microns dropped 1,2% to close at R151,08/kg; 22,0 microns decreased 0,9% to close at R149,49/kg and 22,5 microns decreased 3,8% to close at R143,10/kg.

The next sale is scheduled for 24 August 2016 where approximately ±6 259 bales will be on Sale.

*The detailed Seasonal Receivals Declared Report can be viewed at www.capewools.co.za