

National Weekly Wool Market Report

Season: 2016/2017

Sale Date: 12 October 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	15606	14753	5.8%	G Modiano SA	3066	39.0%	19006
Ave. to date (16/17)	15082	15007	0.5%	Standard Wool SA	2204	28.0%	17900
Ave. to date (15/16)	12634			Lempriere SA	1726	21.9%	15227
US c/kg	1086	1073	1.2%	Segard Masurel SA	505	6.4%	5079
Euro c/kg	985	957	3.0%	Stucken & Co	300	3.8%	7953
AWEX EMI	1305	1300	0.4%	New England Wool SA	1	0.0%	1395
				H Dawson Sons & Co			94
				SAFIL SA			

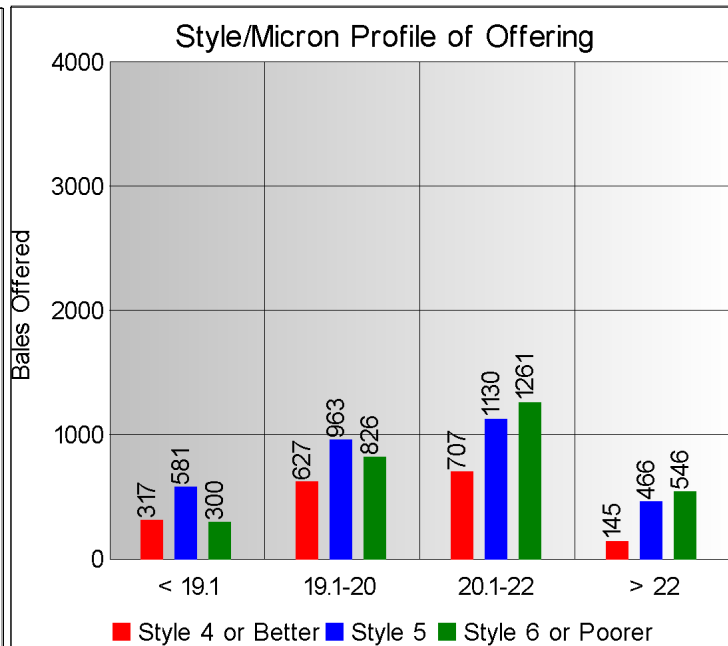
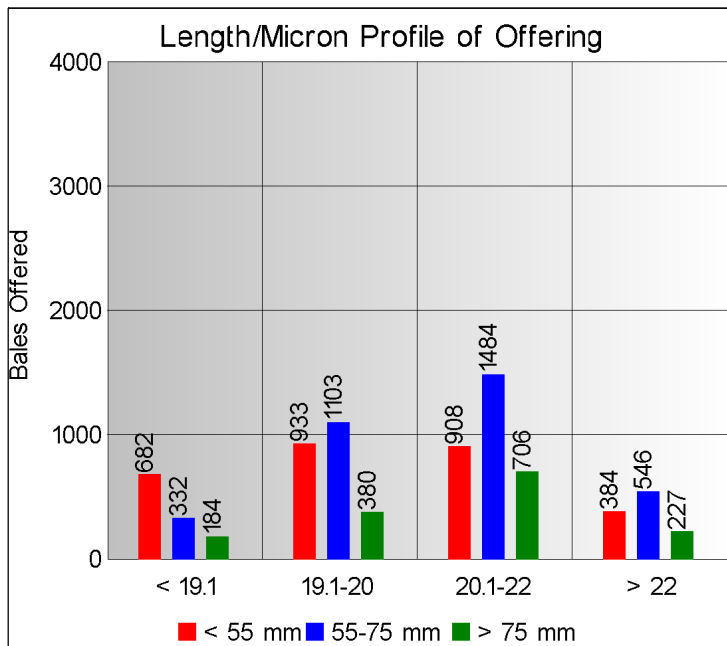
Exchange Rates			
Currency Unit	This Week	Previous Week	% Change
R/USD	14.3648	13.7443	-4.5%
R/Euro	15.8402	15.4164	-2.7%
R/AUD	10.8813	10.4569	-4.1%
USD/AUD	0.7575	0.7614	0.5%

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	3335	537	530	0	522	415	5339	99.0%
CMW	1453	202	235	180	188	272	2530	99.4%
MAS	0	0	0	0	0	0	0	
QWB	0	0	0	0	0	0	0	
SBL	0	0	0	0	0	0	0	
VLW	0	0	0	0	0	0	0	
Total	4788	739	765	180	710	687	7869	99.2%

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 : 18 September 2016

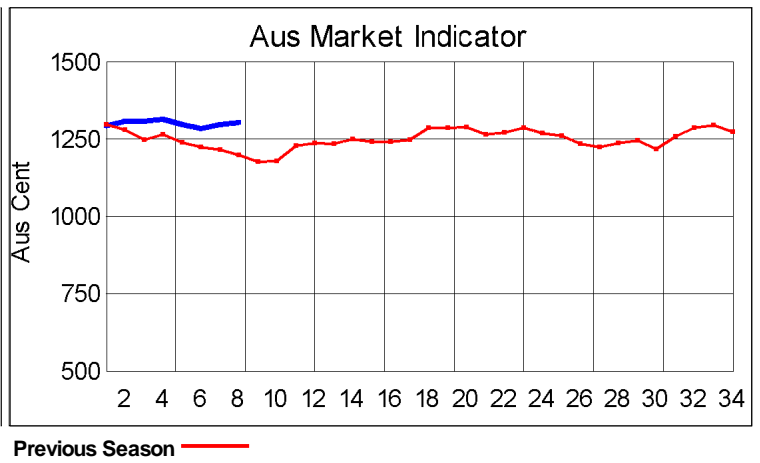
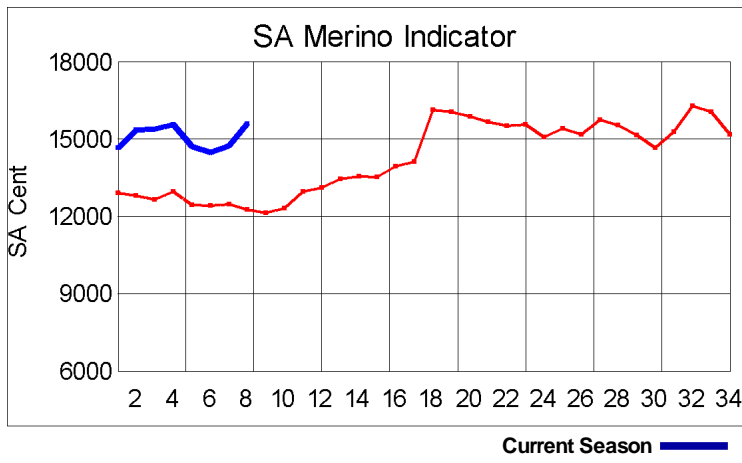
2016/17 Declared Receipts : 09 October 2016

10,177,850.6

13,824,911.2

Percentage Change (Year-on-Year) :

1.67



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				17802	17067		14727			
18.5			17185	17287	16902	16253	15341			
19.0			16856	16659	16515	16383	15220			
19.5			16390	16158	15925	15786	15333			
20.0			15597	15581	15372	15358	14898			
20.5			15428	15347	15197	14899	14227			
21.0			15416	15296	15186	14710	13869			
21.5			15217	15112	14617	13594	13418			
22.0			14870		14790					
22.5			14815							
23.0										
23.5										
24.0										

* Based on a minimum of 3 lots sold per category

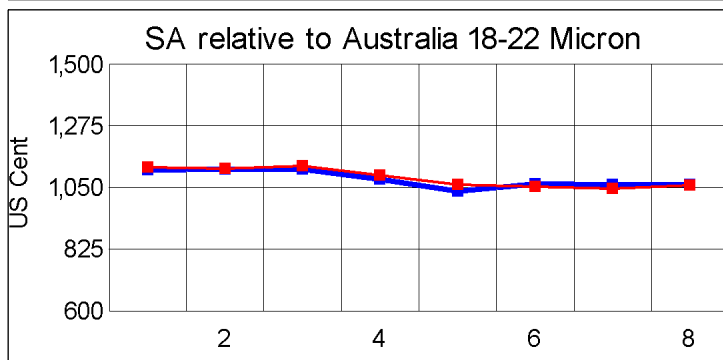
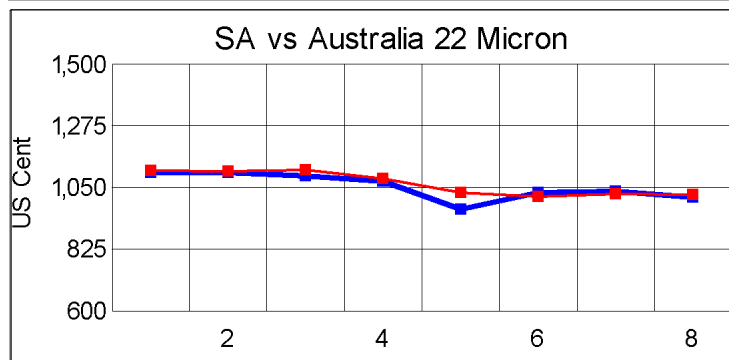
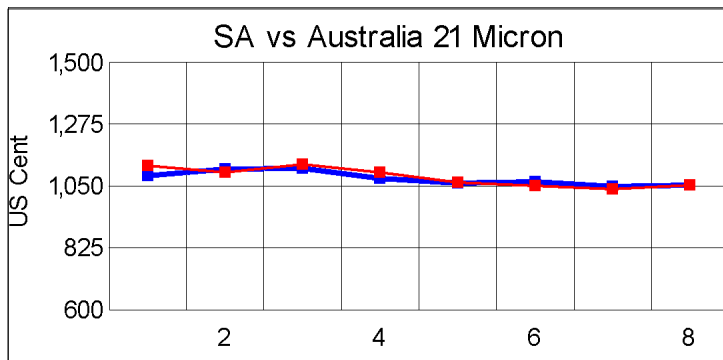
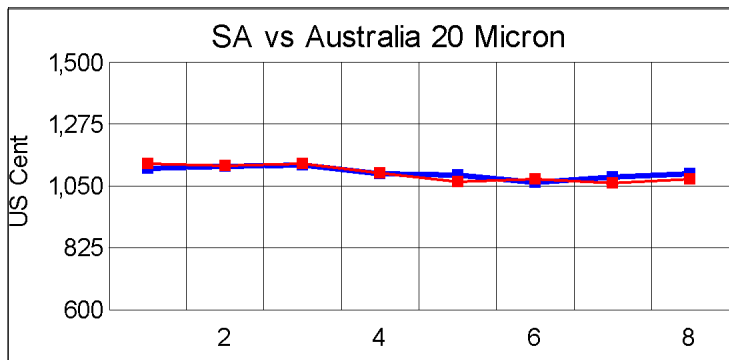
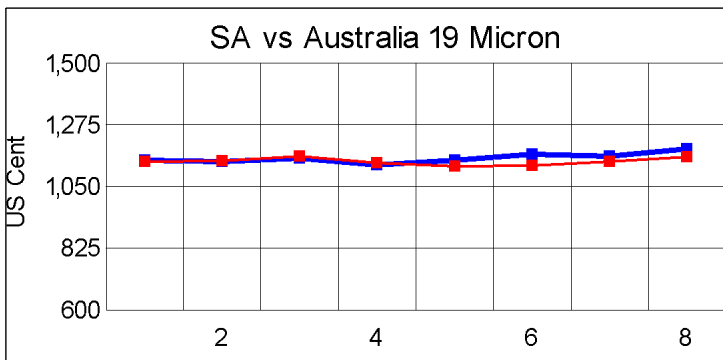
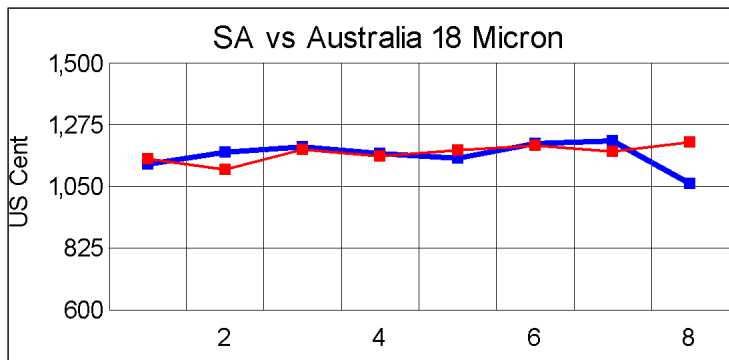
Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5										
19.0										
19.5				15456						
20.0				15039						
20.5					14172					
21.0				14419	14292					
21.5				14764	13808					
22.0										
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	16632	15458		15274	14330	13788
Bellies	15302	15402		14946	13788	13566
Locks				12631	11537	11259
<u>Average Quality</u>						
Lambswool	16713	14344	14317	14131	13069	13857
Bellies	15280	14772		14688	13353	13110
Locks				12419	11838	10590
<u>Inferior Quality</u>						
Fleecewool	15726	15385	14541	16161		
Lambswool	15891	14264		13655	13430	
Bellies	15252	15126	13865	14049	12415	13399
Locks				10685	10247	9325



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET 5,8% HIGHER

Port Elizabeth - The wool market traded significantly higher this week and the Cape Wools Merino Indicator increased by 5,8% and by 853 points to close at a value of R156,06 (Clean). On the Australian market, the EMI increased 0,4%. The Cape Wools All Wool Indicator gained 5,4%.

Buyers commented that overall the quality of the offering did not meet expectations. The long and better quality wool performed well compared to the short and coarser types. The turmoil on the currency markets significantly impacted trade with buyers hard pressed to manage the associated financial risk. The underlying fundamentals of the demand for wool remain strong, however today's increase can largely be attributed to the spike in the Rand's devaluation.

This week saw the rand at R14,36 to the US dollar. The rand weakened by 4,5% against the US dollar compared with the average rate at the previous sale. The Rand weakened 2,7% against the Euro, trading at R15,84. The offering comprised of 7 869 bales of which 99,2% was sold. Major traders were G Modiano SA (3 063), Standard Wool SA (2 210), Lempriere SA (1 723), and Segard Masurel SA (505).

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 gained 7,5% to close at R174,41/kg; 18,5 microns increased 8,9% to close at R171,72/kg; 19 microns increased 6,0% to close at R166,54/kg; 19,5 microns increased 6,7% to close at R160,42/kg; 20 microns increased with 5,9% to close at R154,60/kg; 20,5 microns increased 6,3% to close at R152,62/kg; 21,0 microns gained 5,8% to close at R151,43/kg; 21,5 microns gained 6,0 to close at R149,62/kg; 22,0 microns increased 4,5% to close at R147,41/kg and 22,5 microns gained 0,8 to close at R147,08/kg.

The next sale is scheduled for 19 October 2016 where approximately ±9 879 bales will be on sale.

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