

Monthly Wool Market Overview

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Wool news for April 2017

SA Merino indicator for April 2017

First sale: 16434c/kg
Final sale: 15944c/kg
Movement: -2,9%
Rand/US\$ at last sale: R13,16

SA Merino indicator for April 2016

First sale: 15180c/kg
Last sale: 14695c/kg
Movement: -3,2%
Rand/US\$ at last sale: R14,27

Australian Indicator for April 2017

First sale: 1457/kg
Final sale: 1495/kg
Movement: 2,6%

Indicator for season 2016/17

Movement since opening: 10,6%
Seasonal low: 14363c/kg
Seasonal high: 16431c/kg
Average to date: 15565c/kg
Average in 2015/16: 14255c/kg

Wool market still performing well

The wool market is still performing well as strong demand for quality and the finer wools continues.

The number of public holidays and changes in the rand's value against other major currencies, resulted in the Cape Wools Merino indicator declining somewhat in April (see **graph 1**).

Prices, however, are still well above those of last season (see **graph 1**).

The Australian market is maintaining its high levels with fine wools still in good demand (see **graph 2**).

One of the driving forces behind wool prices this season has been supply concerns as world production has been in decline for many years.

There has also been increased demand for quality Merino wools from China where consumers are becoming wealthier and looking less at price and more at the

quality of the clothing they are buying.

Chinese consumers are also moving more towards finer wools and lighter fabrics.

World wool production is set to increase this season with a 4,3% increase in the Australian clip forecasted while production in South Africa is also set to increase (see **p 2**).

Farmers in the UK are concerned about the increase in raven attacks on sheep. Ravens are related to crows.

In South Africa crow attacks on sheep have also become a problem in some areas.

The crows peck out the eyes of sheep and lambs because the eyes are rich in fats and protein. The crows cannot eat anything more substantial because their beaks are not sharp enough to puncture flesh. They just take the eyeballs.

Wool shipments to top 10 export destinations for July '16 - March '17

Country	Greasy		Scoured		Tops & Noils		Total ¹⁾ R	% of total FOB ²⁾ value
	R	Kg	R	Kg	R	Kg		
China/HK/Macau	2 091 520 763	25 555 262	32 354 030	210 217	0	0	2 123 874 793	64,0
Czech Republic	598 232 963	6 485 190	0	0	0	0	598 232 963	18,0
Italy	113 888 778	984 346	51 021 400	384 503	155 696 519	949 673	320 887 026	9,7
India	85 026 842	832 558	0	0	0	0	85 026 842	2,6
Germany	0	0	22 900 319	190 461	43 585 252	268 906	66 485 571	2,0
Egypt	61 861 282	520 568	0	0	0	0	61 861 282	1,9
France	0	0	0	0	15 918 144	95 217	15 918 144	0,5
Mauritius	0	0	0	0	11 208 012	67 911	11 208 012	0,3
USA	0	0	1 641 830	12 224	7 969 537	37 378	9 611 367	0,3
UK	0	0	0	0	8 032 323	81 986	8 233 183	0,2

¹⁾ Total Rand value includes value of waste exported.

²⁾ FOB = free on board

Full export report (Shipments) available at www.capewools.co.za

Accumulative results up to 26 April 2017

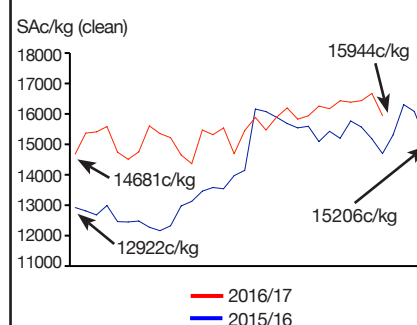
Wool receipts (kg greasy):

2016/17: 48 434 006,0
2015/16: 46 697 995,7
Change: 3,7%

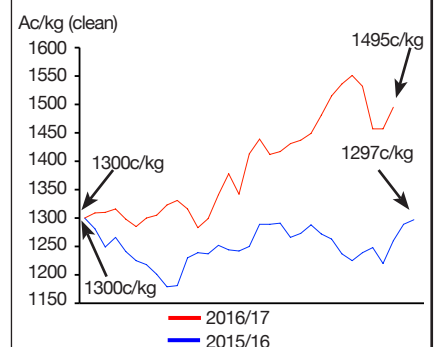
Offerings at auction (bales)

Season	Merino	Other	Total bales	Total kg
2016/17:	172 254	118 902	291 156	38 630 909,7
2015/16:	179 725	111 820	291 545	40 140 148,1
Change:	-4,2	6,3	-0,1	-3,8

Graph 1: Cape Wools' Merino indicator on 26 April 2017



Graph 2: Australian Eastern Market Indicator on 26 April 2017





Australian wool production to increase by 4,3%

The Australian Wool Production Forecasting Committee (AWPFC) has revised its forecast of shorn wool production for the 2016/17 season to 339 million kilograms greasy.

This is a 4,3% increase on the 2015/16 season and slightly higher than forecast at its December meeting.

Committee Chairman, Russell Pattinson said that "as the Committee expected in December, the excellent seasonal conditions in virtually all of the major sheep producing areas of mainland Australia have resulted in higher average wool cuts per head this season.

"These excellent seasonal conditions, combined with the high wool prices in the past few months, have also encouraged producers to retain older sheep to help rebuild their flocks and for shearing."

The 4,3% forecast increase in shorn wool production compares with a 4,7% increase in the weight of wool tested by AWTA in the first nine months of 2016/17 and a 6,4% increase in the first hand offerings of wool at auction recorded by AWEX.

The Committee believes that some wool, particularly ultrafine wool, has been released from the stocks held on-farm and

in broker's stores in response to the high prices.

The committee's first forecast of shorn wool production for the coming 2017/18 season is for production to be 340 mkg greasy. This is a 0,4% increase on the 2016/17 forecast reflecting small increases in the number of sheep shorn and similar average wool cuts per head. It assumes normal seasonal conditions through autumn and into 2017/18.

The Committee noted that for the 2016/17 season to March, AWTA test data showed a significant increase in the weight of wool tested between 20 micron and 24 microns and declines in the volumes of 17 micron and 18 micron wool.

This probably mainly reflects the excellent seasonal conditions. There has also been a significant fall in the volume of 26 to 30 micron wool.

The mean fibre diameter for Australia to March was 21,0 microns, the same as in 2015/16.

Indications are that South Africa's production will also increase. Wool receipts for auction up to end April show a 3,7% increase compared with the same period last season.

Rafael Nadal the face of wool

The Woolmark Company, the marketing arm of Australian Wool Innovation, has partnered with Tommy Hilfiger for its latest THFLEX campaign, as part of the high-end brand's Tailored Collection for Spring/Summer 2017.

Tennis ace Rafael Nadal returns as the face of the collection. He has for three seasons fronted the THFLEX campaign.

The current campaign takes suiting to innovative new heights, unveiling three lightweight, high-performance, Woolmark- and Woolmark Blend certified suits that are perfectly tailored to move.

The THFLEX collection is both wrinkle-free and lightweight, naturally elastic and highly breathable, making it perfect for those on the go and celebrates Tommy Hilfiger's long history of weaving athletic influences into its designs.

The three innovative Woolmark-certified suits which are designed to provide a sophisticated look with a relaxed ease and comfort are:

- **The Performance Suit**, which is crafted from 97 per cent stretch wool for ultimate liberation of fit. Unconstructed and unlined, with mesh detailing and pants with a jogger-inspired elasticised waistband.
- **The Ultra-Light Suit**, which is an

ultra-light 65 per cent wool-cotton blend, this fully-lined suit jacket weighs less than a shirt. Micro-geo jacquard lining, with grosgrain signature stripe tape details.

- **The Travel Suit**, a 100 per cent wool with natural stretch finishing in 3D knit-style texture. Fully lined and wrinkle free, with lightweight construction.

The Woolmark and Woolmark Blend brands are used to certify products in relation to fibre content, fitness for purpose and performance in wear and care in order to ensure consumers' expectations are met.



Right: Rafael Nadal in one of Tommy Hilfiger's suits.

Increase in raven attacks on lambs in the UK

Farmers across Britain have reported an alarming rise in ravens killing newborn lambs – by pecking out their eyes and tongues.

Ravens are closely related to crows. While raven attacks are not unheard of because the birds are opportunistic feeders, experts are baffled at their increasing volume.

Some farmers are so concerned that they are demanding the right to shoot the marauders without need for a special government licence.

Phil Stocker, of the National Sheep Association, said: "The problem is growing. We are getting reports from all over the country. Ravens are smart and intelligent but very aggressive."

The birds, a protected species under UK law, live in the wild in the Scottish Highlands and uplands of Britain, the Lake District, Wales, Dartmoor, Exmoor and the Southwest.

But the population is shifting and ravens are now common in the Derbyshire Peak District and the East.

A farmer having a problem must apply to Natural England (NE), the Government's wildlife advisers, for a licence to kill the birds.

From 2014 to 2016, five licences were issued, with three given to the same farm.

Martyn Fletcher, 50, a shepherd in Wiltshire, said: "Five years ago we saw ravens but attacks on sheep were rare," he said.

"Last year there were eight pairs of birds and we lost 100 lambs and 20 ewes.

"This year we've had 30 pairs. I've got a licence and have shot four ravens but have still lost 70 lambs and 12 ewes."

In certain parts of South Africa, sheep farmers also experience problems with crows attacking lambs and sheep.

Source: MailOnline

Wool suit made for John Lennon up for auction

A wool suit made especially for Beatle singer John Lennon by British tailor Douglas Millings was recently put up for auction with a starting bid at \$US50 000.

The suit, a skinny grey wool with narrow lapels, looks almost like a modern-day slim line creation. It features two D.A. Millings & Sons labels, and has "John" written on the breast pocket as well as on the pants below the fly zipper, marked for easy costume changes between songs. It is not known how much it fetched.