

National Weekly Wool Market Report

Season: 2017/2018

Sale Date: 23 & 24 January 2018



CAPE WOOLS SA

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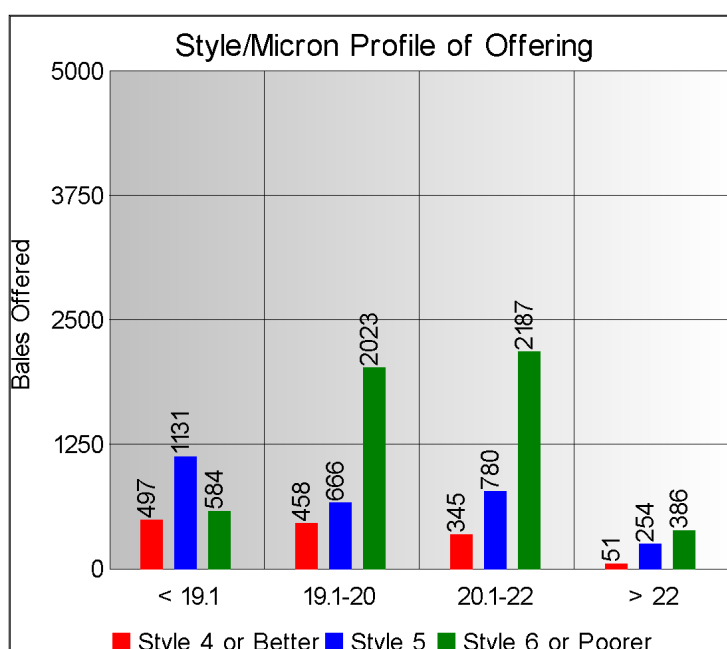
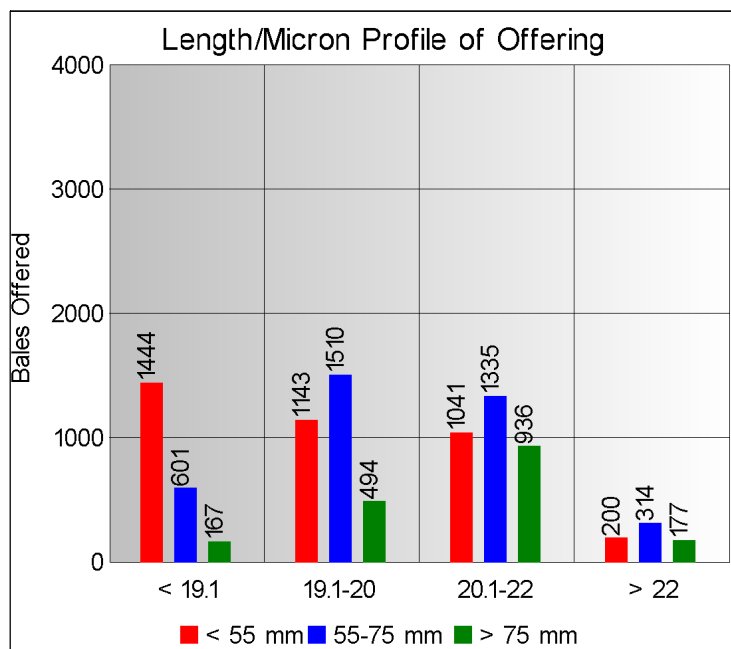
SA Merino Indicator				Buyers			
Indicator Unit	Current Sale	Last Sale	Change	Company	Bales Purchased This Week	% of Purchases	Total Bales Purchased This Season
# SA c/kg	18556	19183	-3.3%	Standard Wool SA	2402	25.7%	47989
Ave. to date (17/18)	18455	18450	0.0%	Lempriere SA	1993	21.3%	28100
Ave. to date (16/17)	15161			G Modiano SA	1837	19.6%	56592
US c/kg	1549	1559	-0.7%	Tianyu SA	1587	17.0%	33514
Euro c/kg	1256	1274	-1.5%	Stucken & Co	938	10.0%	14866
AWEX EMI	1744	1817	-4.0%	Segard Masurel SA	315	3.4%	7018
Exchange Rates				New England Wool SA	26	0.3%	1459
Currency Unit	This Week	Previous Week	% Change	H Dawson Sons & Co			
R/USD	11.9832	12.3026	2.6%				
R/Euro	14.7756	15.0523	1.8%				
R/AUD	9.6381	9.7945	1.6%				
USD/AUD	0.8039	0.7961	-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	3455	684	768	0	451	1422	6780	96.5%
CMW	1231	248	245	163	180	515	2582	99.0%
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	4686	932	1013	163	631	1937	9362	97.2%

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

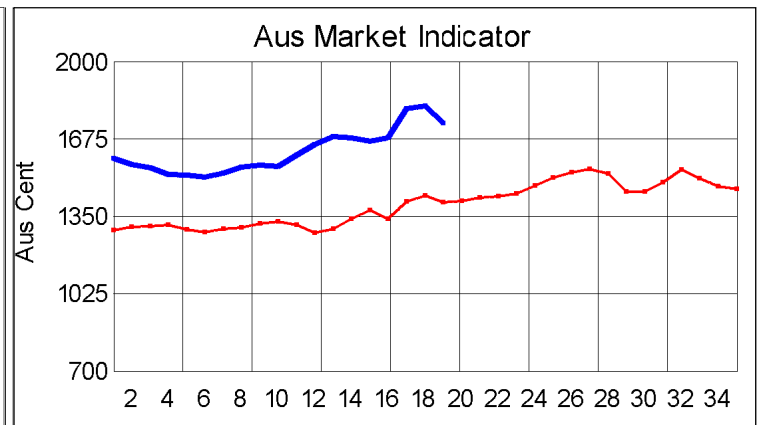
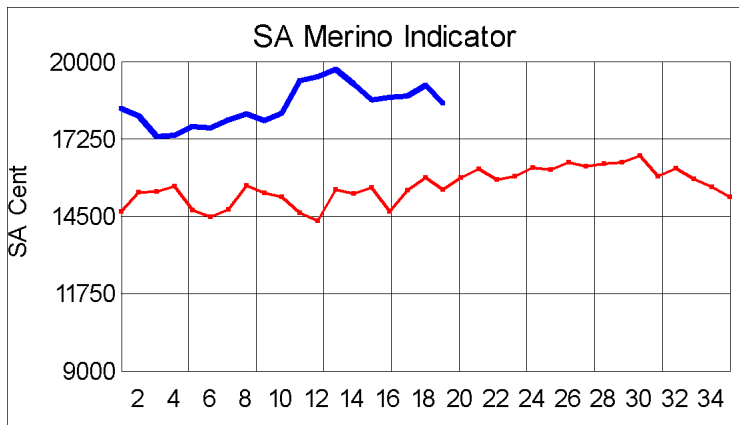


* Seasonal Receipts Declared

2017/18 Declared Receipts : 31 December 2017
 2017/18 Declared Receipts : 21 January 2017

31,784,223.4
 33,061,715.3

Percentage Change (Year-on-Year) : - 6.95



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			22782	22782	22450	21267	20607			
18.5			21568	21565	21375	20391	19729			
19.0			20879	19986	20263	19401	18849			
19.5			19969	19380	19521	18558	16914			
20.0			18683	18627	18423	17659	17356			
20.5			18096	17693	17642	17016	16884			
21.0			17274	16888						
21.5			16997							
22.0			16745							
22.5			16331							
23.0										
23.5										
24.0										

* Based on a minimum of 3 lots sold per category

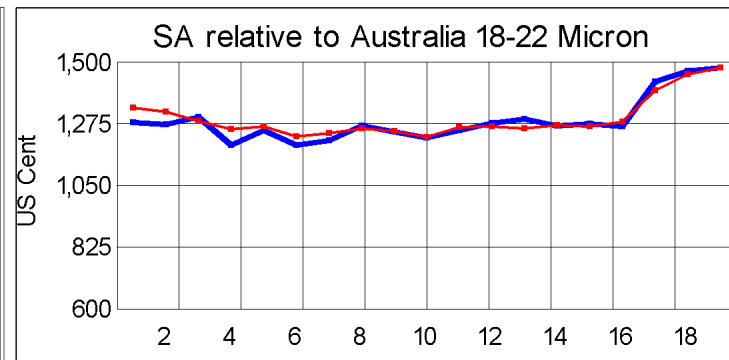
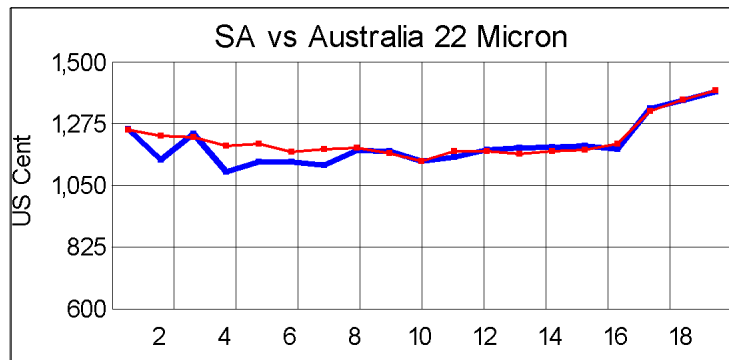
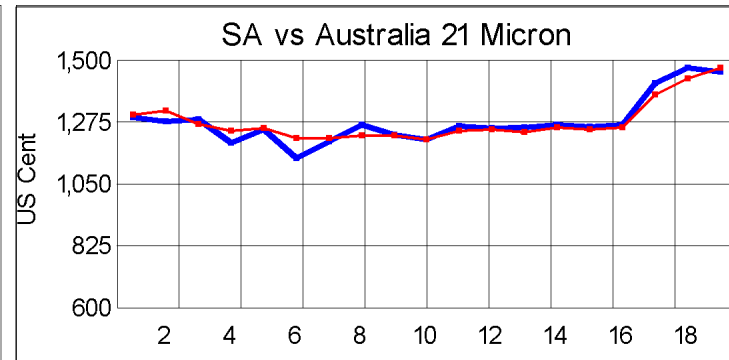
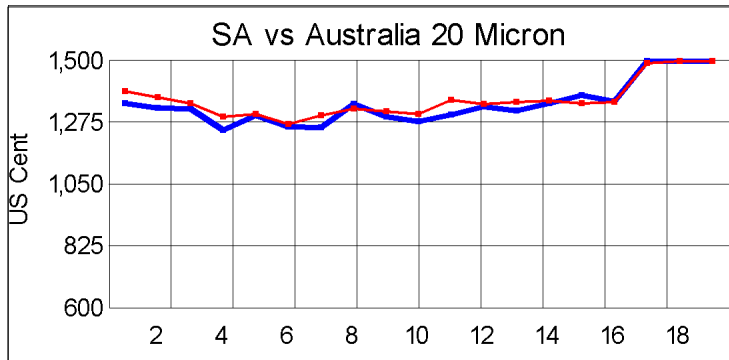
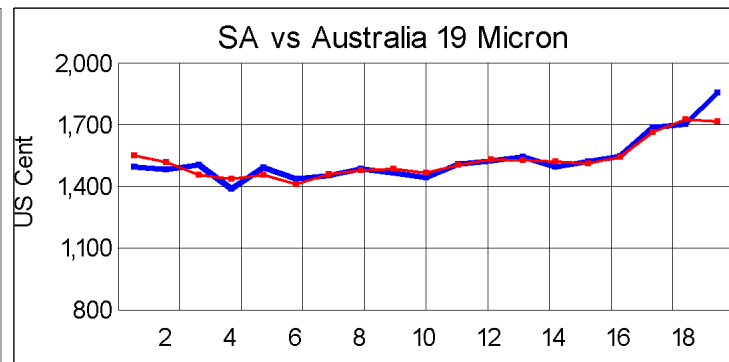
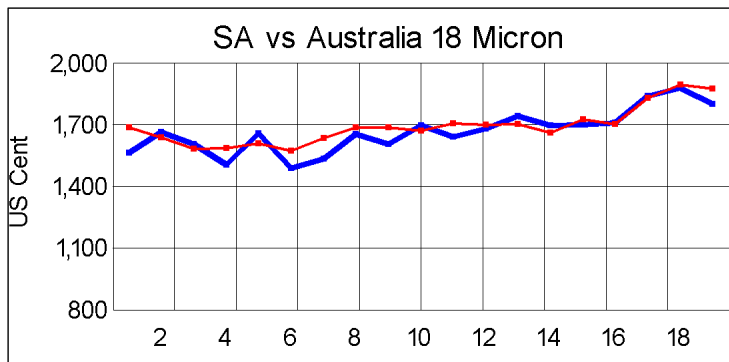
Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5										
19.0										
19.5				18195						
20.0				16527						
20.5										
21.0				16407						
21.5										
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		
	19μ	20μ	21μ	19μ	20μ	21μ
Good Quality						
Lambswool	20542		16841	17478	16444	
Bellies	19962		16870	18640	14022	
Locks				16888		
Average Quality						
Lambswool	20208	17269		19084	16850	16755
Bellies	19409	17010	17010	17959	15697	15268
Locks				14414	15943	12191
Inferior Quality						
Fleecewool	18882	18001	16873	18444	16895	
Lambswool				17060	17060	
Bellies	18204	17377		16983	16432	
Locks				11627	13315	11543



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET 3,3% LOWER

Port Elizabeth - The wool market traded lower today and the Cape Wools Merino Indicator decreased by 3,3% and by 627 points to close at a value of R185,56 (Clean). The Australian EMI decreased by 4,0% this week. The Cape Wools All Wool Indicator declined by 3,5%.

The wool market's 3,3% decline this week includes a 1,5% decline in USD terms with the remainder the result of Rand strength. Prices eased off slightly across all types despite the continued good market conditions and continued solid demand for quality long and fine wool. Buyers mentioned their concerns regarding the scarcity of wool with smaller auctions now expected due primarily to the impact of the drought.

Competition between buyers was good with Standard Wool buying the most bales on offer at these reduced levels.

This week saw the Rand at R11,98 to the US Dollar and R14,78 to the Euro. The Rand was 2,6% stronger against the US Dollar and 1,8% stronger against the Euro, compared with the average rate at the previous sale. The offering comprised of 9 362 bales of which 97,2% was sold. Major traders were Standard Wool SA (2 402), Lempriere SA (1 993), Modiano (1 837) and Tianyu SA (1 587).

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 decreased 3,7% to close at R224,92/kg; 18,5 microns moved 3,1% down to close at R219,00/kg; 19 microns lost 3,1% to close at R205,83/kg; 19,5 microns weakened by 3,9% to close at R194,42/kg; 20 microns was 3,5% weaker to close at R184,19/kg; 20,5 microns lost 3,8% to close at R175,93/kg; 21,0 microns lost 3,7% to close at R170,19/kg; 21,5 microns decreased by 2,1% to close at R165,49/kg; 22 microns decreased 1,2% to close at R165,79/kg and 22,5 microns declined by 1,5% to close at R160,78/kg.

The next sale is scheduled for 31 January 2018 where approximately ± 6 072 bales will be on sale.

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