

National Weekly Wool Market Report

Season: 2017/2018

Sale Date: 13 & 14 February 2018



CAPE WOOLS SA

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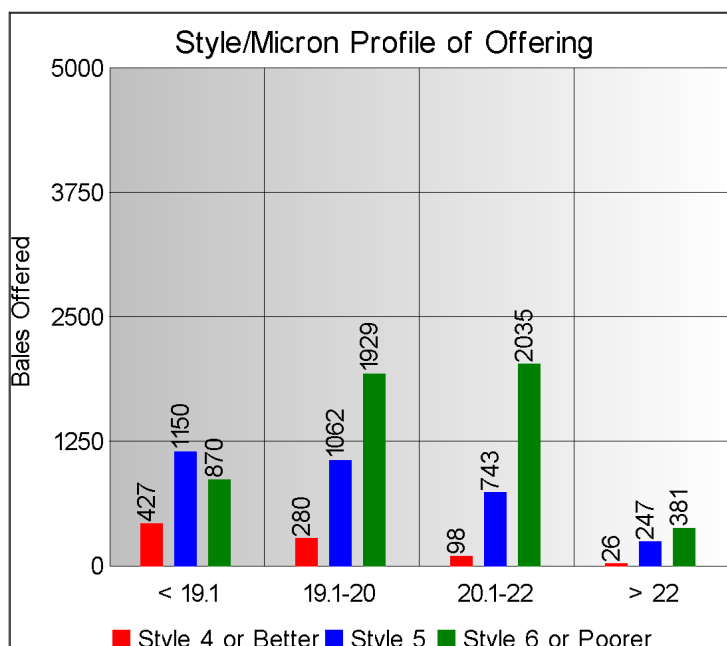
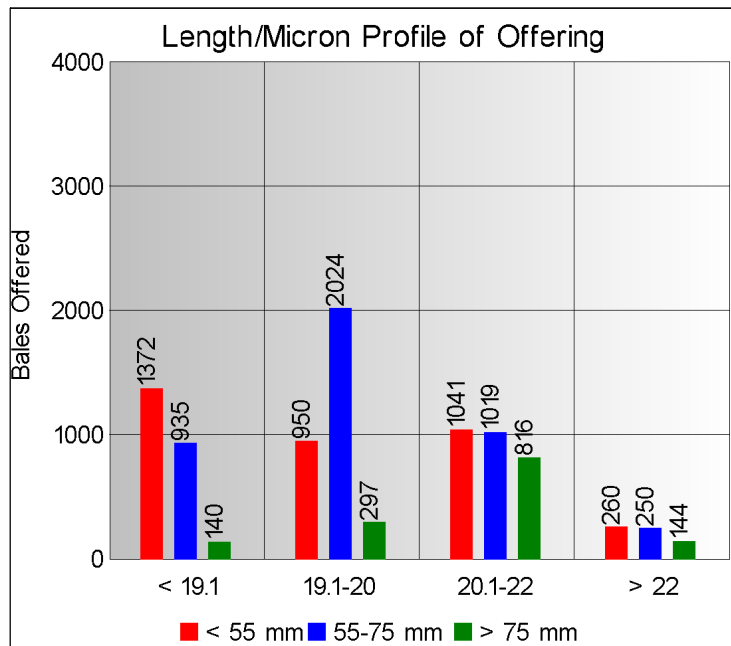
SA Merino Indicator				Buyers			
Indicator Unit	Current Sale	Last Sale	Change	Company	Bales Purchased This Week	% of Purchases	Total Bales Purchased This Season
# SA c/kg	18496	18987	-2.6%	G Modiano SA	3082	33.3%	62527
Ave. to date (17/18)	18480	18479	0.0%	Standard Wool SA	2239	24.2%	53029
Ave. to date (16/17)	15272			Tianyu SA	1745	18.9%	37496
US c/kg	1559	1591	-2.0%	Lempriere SA	1009	10.9%	30616
Euro c/kg	1261	1286	-2.0%	Stucken & Co	715	7.7%	16490
AWEX EMI	1814	1808	0.3%	Segard Masurel SA	295	3.2%	7699
Exchange Rates				New England Wool SA	48	0.5%	1603
Currency Unit	This Week	Previous Week	% Change	H Dawson Sons & Co			
R/USD	11.8612	11.9305	0.6%				
R/Euro	14.6640	14.7588	0.6%				
R/AUD	9.3332	9.3864	0.6%				
USD/AUD	0.7872	0.7870	-0.0%				

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	3253	760	504	0	331	1143	5991	98.6%
CMW	1203	267	240	163	116	619	2608	99.0%
JLW	61	10	4	0	5	21	101	100.0%
MAS	140	24	13	0	10	59	246	100.0%
QWB	0	0	0	0	0	0	0	
SBL	45	4	5	0	2	12	68	100.0%
VLW	144	23	8	0	33	26	234	98.3%
Total	4846	1088	774	163	497	1880	9248	98.8%

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

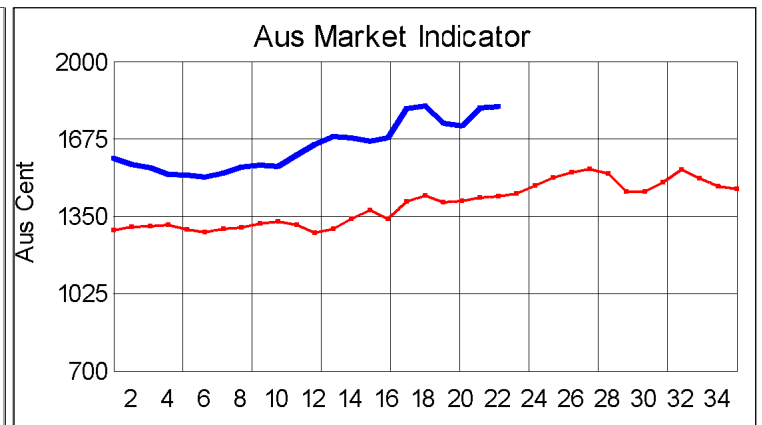
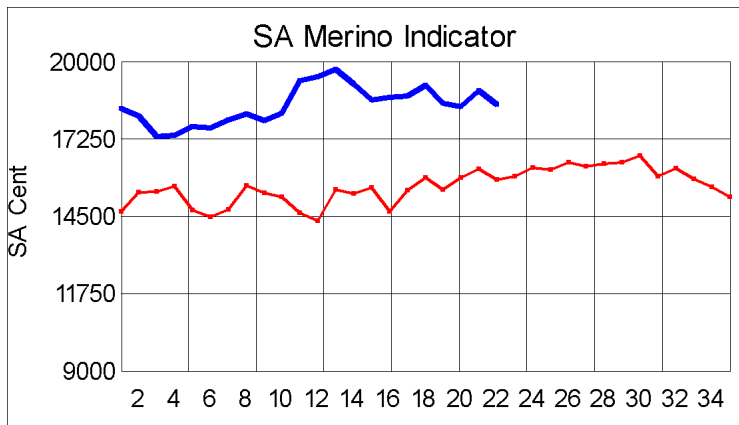


* Seasonal Receipts Declared

2017/18 Declared Receipts : 21 January 2017
 2017/18 Declared Receipts : 11 February 2017

33,983,777.7
 36,530,906.5

Percentage Change (Year-on-Year) : - 8.17



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			22887	23209	21699	20715				
18.5				21108	20640	19821	19659			
19.0				19912	19377	18969	18980			
19.5			19706	19159	18633	18157				
20.0			18857	18405	18101	17840	17759			
20.5			17959	18059	17188	16942	17106			
21.0				17293	16742					
21.5					16473					
22.0			16988							
22.5										
23.0										
23.5										
24.0										

* Based on a minimum of 3 lots sold per category

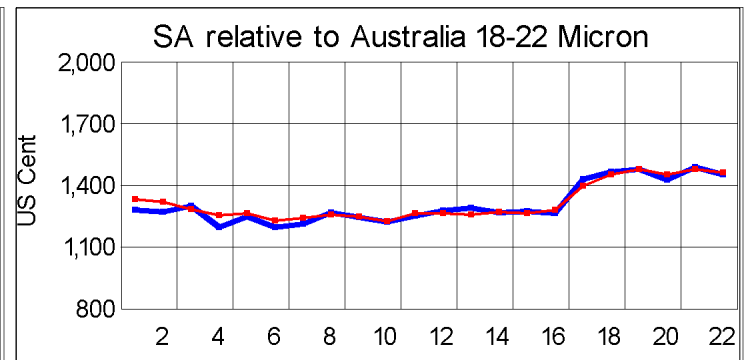
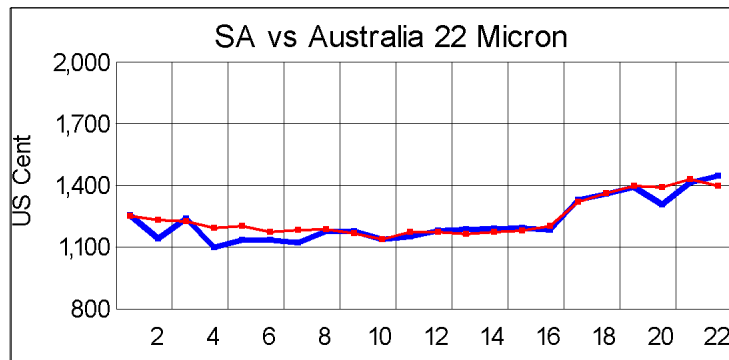
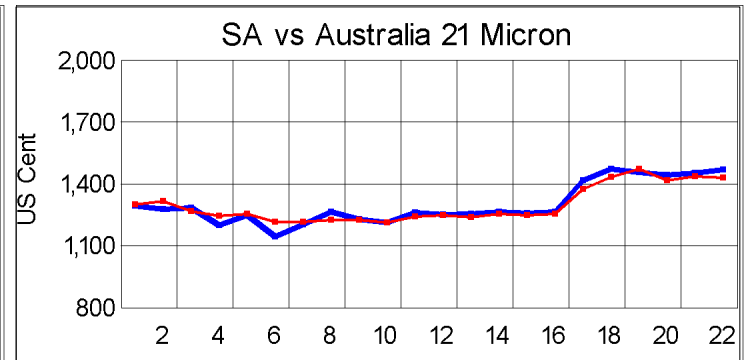
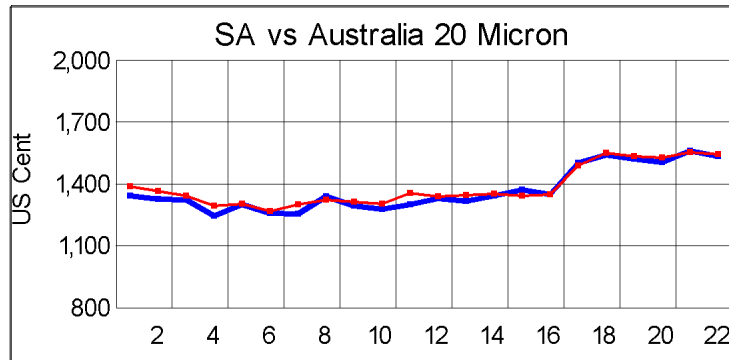
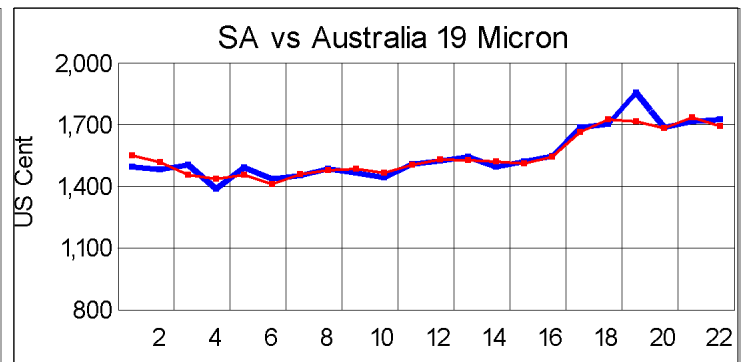
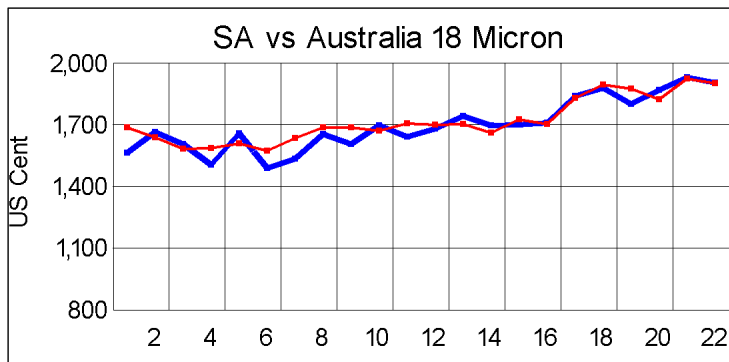
Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5										
19.0					19010					
19.5				18072		18071				
20.0				18096						
20.5				17041						
21.0										
21.5				16831						
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	19781	18206		18757	16681	16269
Bellies				17166	16414	
Locks				17179	14412	
Average Quality						
Lambswool	19553			15935	16634	15978
Bellies	18833	17702	16604	18261	16372	16849
Locks				15231	14844	
Inferior Quality						
Fleecewool	19345	17352	16548	19476	17059	12317
Lambswool				18102		
Bellies	19056			17502	16089	
Locks				15008	12325	



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET 2,6 % LOWER

Port Elizabeth - The wool market traded lower today, and the Cape Wools Merino Indicator decreased by 2,6% and by 491 points to close at a value of R184,96 (Clean). The Australian EMI increased by 0,3% this week. The Cape Wools All Wool Indicator decreased by 3,0%.

The wool market lost its most recent gains and all micron groups across the board traded softer. Market demand for good quality long Merino wool remains strong, however, the majority of wool on offer today was of medium length and fine which contributed to large price variations across micron groups. The strengthening Rand also added momentum to the decline. The volume at auction was sizeable, however, supply constraint concerns remain as the effects of the drought now manifest. Competition between buyers was good with Modiano buying the most bales at these levels.

This week saw the Rand at R11,86 to the US Dollar and R14,67 to the Euro. The Rand was 0,6% stronger against the US Dollar and 0,6% stronger against the Euro, compared with the average rate at the previous sale. The offering comprised of 9 339 bales of which 98,2% was sold. Major traders were Modiano (3 090), Standard Wool SA (2 269), Tianyu SA (1 745), and Lempriere SA (1 009).

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 1,6% to close at R226,00/kg; 18,5 microns moved 2,6% down to close at R213,10/kg; 19 microns lost 3,1% to close at R201,03/kg; 19,5 microns weakened by 2,7% to close at R190,51/kg; 20 microns was 1,3% weaker to close at R183,40/kg; 20,5 microns lost 1,8% to close at R175,63/kg; 21,0 microns lost 1,1% to close at R169,80/kg; 21,5 microns decreased by 1,1% to close at R166,78/kg; 22 microns decreased by 2,9% to close at R166,10/kg and 22,5 microns declined by 1,9% to close at R169,51/kg.

The next sale is scheduled for 21 February 2018 where approximately ± 7 556 bales will be on sale.

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