

NATIONAL WOOL MARKET REPORT

Season: 2020/21
Catalogue: 01
Date: 12/08/2020
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Cape Wools Weekly Market Report

The 2020/21 wool season kicked off this week, with 8 146 bales on offer and an overall sales clearance of 94.45% (of wool actually offered). The initial offering was reduced by 1 280 bales which was withdrawn prior to the sale.

Amidst continuing global market uncertainty and downward pressure in the Australian market, which declined by 11.5%(AU\$) last week and in spite of the 2.2% weakening of the Rand against the USD, the South African market also eased today, closing down 5.7% in ZAR terms on R137.38 p/kg. The weaker ZA currency could also not support the price levels and the market traded 7.7% lower in US\$ terms.

The finer microns performed better than the market average, with the broader categories experiencing severe downward pressure. The competition amongst buying houses improved throughout the sale, especially for sustainable merino fleece wools.

The major buyers on today's sale were: Standard Wool SA (2 215), Lempriere SA (1 953), Modiano SA (1 196) and Stucken & Co (961).

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 2,4% to close at R163,47/kg; 18,5 microns moved 4,4% down to close at R152,14/kg; 19 microns lost 3,7% to close at R146,83/kg; 19,5 microns weakened by 5,6% to close at R141,66/kg; 20 microns was 4,5% weaker to close at R140,08/kg; 20,5 microns lost 4,1% to close at R138,16/kg; 21,0 microns lost 6,3% to close at R135,58/kg; 21,5 microns tumbled by 4,0% to close at R138,64/kg; 22 microns fell 1,6% to close at R138,63/kg and 22,5 microns declined by 2,6% to close at R134,25/kg.

The next auction is scheduled for 19th August 2020 where approximately ±6 893 bales will be on sale.

Key Indicators							
SA Merino Indicator				Exchange Rates			
Indicator Unit	This Sale	Prior Sale	% Change	Currency	This Sale	Prior Sale	% Change
SA c/kg Clean	13738	14566	▼ 5,7 %	ZAR/US\$	17,407	17,0281	▼ 2,2 %
Ave. to date (20/21)	13738	16539	▼ 16,9 %	ZAR/Euro	20,4759	19,2276	▼ 6,1 %
Ave. to date (19/20)	16539	-	-	ZAR/AUD\$	12,4197	11,8276	▼ 4,8 %
US c/kg Clean	789	855	▼ 7,7 %	ZAR/JPY¥	6,1	6,29	▲ 3,1 %
Euro c/kg Clean	671	758	▼ 11,5 %	ZAR/UK Pound	22,8061	21,4712	▼ 5,9 %
AWEX EMI c/kg Clean	1004	1134	▼ 11,5 %	USD/AUD	0,7135	0,695	▼ 2,6 %

Sale Statistics (Greasy)					
	This Sale			Accumulative	
	This Week	Previous Week	% Change	This Season	Previous Season
Turnover (R)	85 782 794	106 774 665	▼ 19,7 %	85 782 794	3 753 613 518
# Bales	7 694	9 105	▼ 15,5 %	7 694	278 813
Mass (kg)	1 205 263	1 409 341	▼ 14,5 %	1 205 263	43 174 994

Wool Receipts Declared (Greasy)				
Current Season	Mass (kg)	Previous Season	Mass (kg)	% Change (Y-o-Y)
2020/21	2 417 001	2019/20	4 062 148	▼ 40,5 %

Offering Analysis (Bales)							
Description	Offering	Withdrawn before Sale	Withdrawn during Sale	Passed	Not Sold	Sold	% Sold
BKB	4 081	740	79	-	153	3 849	94,32 %
CMW	2 779	273	54	-	145	2 580	92,84 %
JLW	176	-	-	-	20	156	88,64 %
MAS	214	248	-	-	-	214	100 %
QWB	591	19	-	-	-	591	100 %
VLW	305	-	-	-	1	304	99,67 %
This Week	8 146	1 280	133	-	319	7 694	94,45 %
Previous Week	9 680	2 502	184	14	377	9 105	94,06 %

Buyer Purchases (Bales & Value - Greasy)			
Company	Bales		
	This Sale	% Share	Bales (YTD)
Standard Wool SA	2 215	28,79 %	2 215
Lempriere SA	1 953	25,38 %	1 953
G Modiano SA	1 196	15,54 %	1 196
Stucken & Co	961	12,49 %	961
Tianyu SA	780	10,14 %	780
Segard Masurel SA	496	6,45 %	496
New England Wool SA	93	1,21 %	93

Sale Analysis (Length, Micron & Class - Bales)									
	This Sale			Previous Sale			Accumulative		
	Offered	Sold	% Sold	Offered	Sold	% Sold	Offered	Sold	% Sold
All Wool									
<i>Length</i>									
Long (>75)	3 456	3 242	93,81 %	4 001	3 675	91,85 %	3 456	3 242	93,81 %
Medium (55-75)	3 785	3 665	96,83 %	4 781	4 615	96,53 %	3 785	3 665	96,83 %
Short (<55)	289	267	92,39 %	474	450	94,94 %	289	267	92,39 %
<i>Micron</i>									
Fine Wool: =< 20 Micron	5 393	5 181	96,07 %	6 515	6 112	93,81 %	5 393	5 181	96,07 %
Medium: 20.1 to 22	2 164	1 963	90,71 %	2 679	2 530	94,44 %	2 164	1 963	90,71 %
Strong: 22.1 to 24	438	415	94,75 %	317	301	94,95 %	438	415	94,75 %
Over Strong: > 24.1	151	135	89,4 %	169	162	95,86 %	151	135	89,4 %
<i>Class</i>									
Fleeces	4 600	4 385	95,33 %	5 869	5 623	95,81 %	4 600	4 385	95,33 %
Bellies	932	902	96,78 %	1 073	999	93,1 %	932	902	96,78 %
Pieces	1 125	1 070	95,11 %	1 313	1 287	98,02 %	1 125	1 070	95,11 %
Locks	873	817	93,59 %	1 001	831	83,02 %	873	817	93,59 %
Other	616	520	84,42 %	424	365	86,08 %	616	520	84,42 %

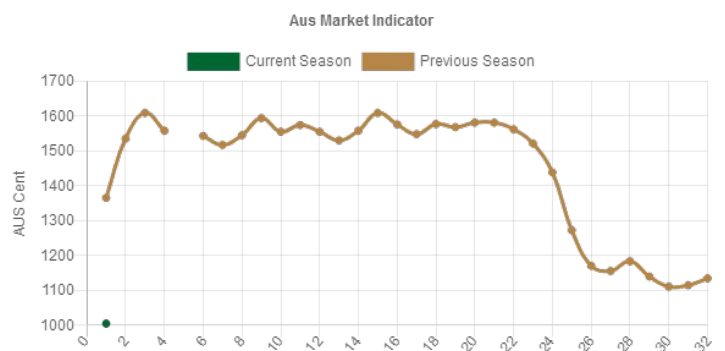
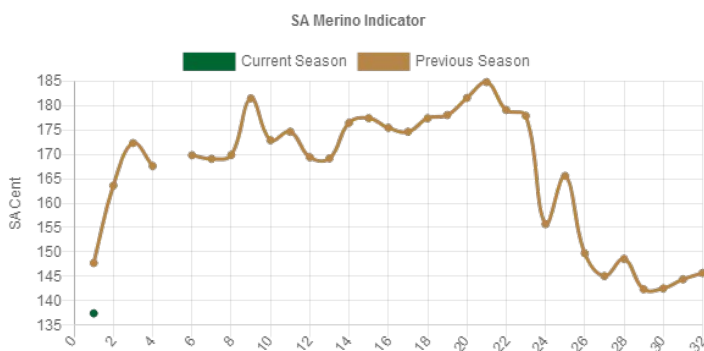
Analysis of Bales Sold (Length & Style)

	<=18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	>=22.5
Length										
Short (<55)	368	717	564	305	343	256	136	81	50	39
Medium (55-75)	314	381	566	683	583	373	250	63	76	112
Long (>75)	13	18	26	42	45	27	27	30	26	-
Style (AWEX)										
Style 4 & Better	75	135	234	198	212	133	124	37	52	18
Style 5	316	380	405	370	281	220	185	58	74	34
Style 6	269	522	411	381	281	194	66	68	19	91
Style 7 & Poorer	28	79	106	81	197	109	38	11	7	8

Average price of Wool Sold (Micron, Style & Length - Clean)

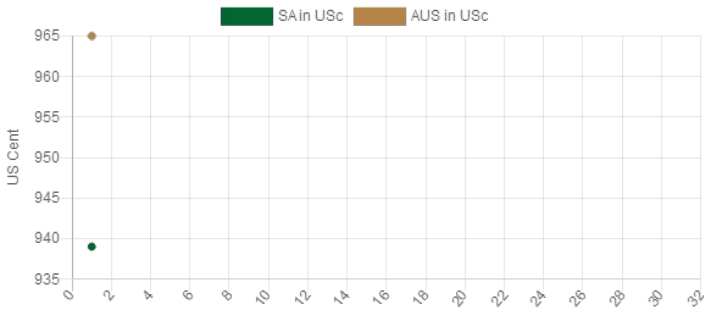
	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5
Merino Fleece, AWEX Style 4 - MF4										
40 mm	-	-	133,80	126,55	111,01	109,00	-	-	-	-
50 mm	-	147,83	136,40	132,32	128,28	121,25	117,11	-	-	-
60 mm	165,33	146,65	144,03	137,91	132,82	132,70	132,48	134,57	135,45	122,67
70 mm	163,50	156,08	149,12	145,39	143,20	140,62	142,17	142,82	140,62	141,01
80 mm	168,33	158,31	153,36	147,43	141,20	133,59	138,54	139,14	142,10	-
Merino Fleece, AWEX Style 5 - MF5										
40 mm	155,36	135,87	131,05	121,81	115,50	116,09	108,55	-	72,16	-
50 mm	155,32	142,96	133,79	132,84	118,69	123,12	106,95	120,95	-	-
60 mm	157,47	149,40	140,74	134,75	132,61	132,83	123,74	119,06	-	-
70 mm	161,80	151,50	145,79	141,04	139,61	136,08	137,90	105,80	128,52	-
80 mm	175,27	-	-	139,75	144,31	138,30	132,46	123,84	132,59	-
Merino Fleece, AWEX Style 6 - MF6										
40 mm	140,60	143,01	119,28	-	-	106,62	-	-	-	-
50 mm	156,77	141,77	139,56	130,19	111,76	99,61	114,06	-	-	-
60 mm	144,77	138,41	134,69	119,39	111,34	97,99	-	118,06	-	71,19
70 mm	154,61	102,56	131,33	124,18	96,83	102,39	106,62	-	-	-
80 mm	-	-	-	-	140,45	96,04	134,52	128,82	-	-

Market Indicators - South Africa and Australia

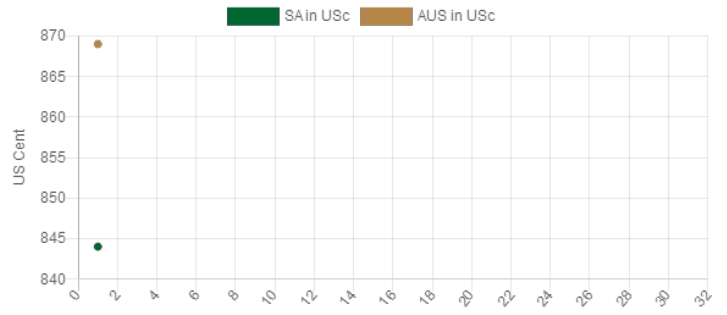


Micron Category Comparisons - South Africa VS Australia

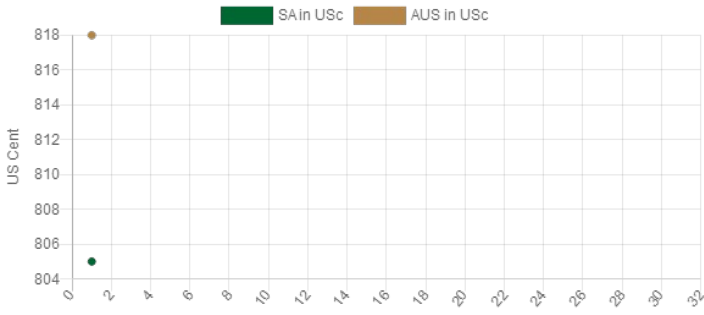
SA vs Australia 18 Micron



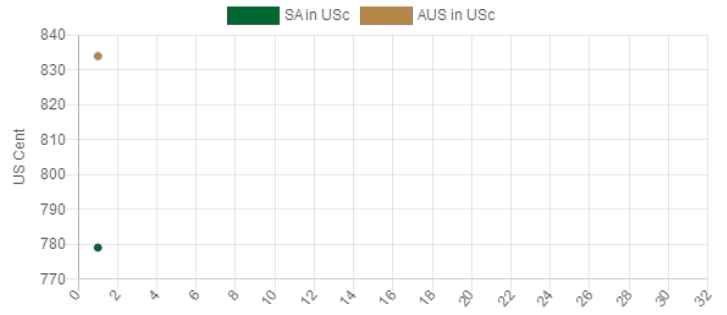
SA vs Australia 19 Micron



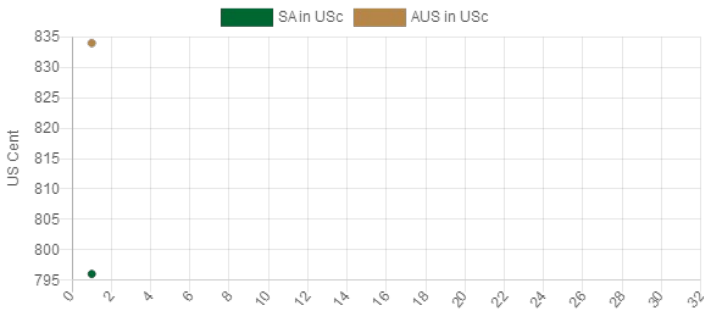
SA vs Australia 20 Micron



SA vs Australia 21 Micron



SA vs Australia 22 Micron



SA vs Australia 18-22 Micron

