

NATIONAL WOOL MARKET REPORT

Season: 2020/21
 Catalogue: 02
 Date: 19/08/2020
 Port Elizabeth



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Cape Wools Weekly Market Report

Port Elizabeth – The second sale of the season took place today as a one day offering of 7 578 bales. Withdrawals prior to the sale amounted to 1179 bales, resulting in a sales clearance of 92,21% of bales actually offered, with good aftersales improving the sales clearance.

The Australian market saw another 5,9% (AU\$) decline this week, accompanied by higher passed in rates. In contrast the South African market performed slightly better, easing only by 4,1%, taking the strengthening of the ZAR of 1,1% against the US\$ into account, which resulted in a 3,1 % decline in US\$ terms in the market.

The majority of the offering consisted of fine fleece wools, which attracted good competition from the buyers and pushed the overall sales clearance up, with crossbred wools and wools with high Vm due to better rainfall being discounted.

Merino wools with good style and length outperformed the market today, especially the certified sustainable lots, which closed nearly unchanged from last week's levels. The major buyers on today's sale were: Standard Wool SA (1 907), Lempriere SA (1 647), Stucken & Co (1 193) and Modiano SA (1 025).

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 1,7% to close at R160,65/kg; 18,5 microns moved 4,8% down to close at R144,89/kg; 19 microns lost 4,2% to close at R140,65/kg; 19,5 microns weakened by 4,7% to close at R135,06/kg; 20 microns was 4,8% weaker to close at R133,34/kg; 20,5 microns lost 6,8% to close at R128,80/kg; 21,0 microns lost 4,2% to close at R129,92/kg; 21,5 microns tumbled by 6,8% to close at R129,14kg; 22 microns fell 9,5% to close at R125,50/kg and 22,5 microns declined by 10,3% to close at R120,42/kg.

The next auction is scheduled for 02 September 2020 where approximately ±10 191 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	13168	13738	▼ 4,1 %	ZAR/US\$	17,2212	17,407	▲ 1,1 %
Ave. to date (20/21)	13453	13738	▼ 2,1 %	ZAR/Euro	20,5505	20,4759	▼ 0,4 %
Ave. to date (19/20)	15565	-	-	ZAR/AUD\$	12,4995	12,4197	▼ 0,6 %
US c/kg Clean	765	789	▼ 3,1 %	ZAR/JPY¥	6,11	6,1	▼ 0,2 %
Euro c/kg Clean	641	671	▼ 4,5 %	ZAR/UK Pound	22,8787	22,8061	▼ 0,3 %
AWEX EMI c/kg Clean	945	1004	▼ 5,9 %	USD/AUD	0,7258	0,7135	▼ 1,7 %

Sale Statistics (Greasy)				
	This Sale			Accumulative
	This Week	Previous Week	This Season	Previous Season
Turnover (R)	72 988 878	85 782 794	158 405 812	85 782 794
# Bales	6 988	7 694	14 657	7 694
Mass (kg)	1 091 362	1 205 263	2 292 386	1 205 263

Wool Receipts Declared (Greasy)				
Current Season	Mass (kg)	Previous Season	Mass (kg)	% Change (Y-o-Y)
2020/21	3 892 897	2019/20	4 684 548	▼ 16,9 %

Offering Analysis (Bales)

Description	Offering	Withdrawn before Sale	Withdrawn during Sale	Passed	Not Sold	Sold	% Sold
BKB	5 206	888	41	-	211	4 954	95,16 %
CMW	2 062	133	10	-	307	1 745	84,63 %
JLW	-	-	-	-	-	-	-
MAS	310	158	-	-	21	289	93,23 %
QWB	-	-	-	-	-	-	-
VLW	-	-	-	-	-	-	-
This Week	7 578	1 179	51	-	539	6 988	92,21 %
Previous Week	8 146	1 226	133	-	319	7 694	94,45 %

Buyer Purchases (Bales - Greasy)

Company	Bales		
	This Sale	% Share	Bales (YTD)
Standard Wool SA	1 907	27,29 %	4 112
Lempriere SA	1 647	23,57 %	3 600
Stucken & Co	1 193	17,07 %	2 141
G Modiano SA	1 025	14,67 %	2 221
Tianyu SA	760	10,88 %	1 540
Segard Masurel SA	345	4,94 %	839
New England Wool SA	111	1,59 %	204

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	3 965	3 839	96,82 %	3 647	3 510	96,24 %	7 596	7 333	96,54 %
Medium	2 432	2 280	93,75 %	2 974	2 788	93,75 %	5 401	5 063	93,74 %
Short	843	713	84,58 %	909	876	96,37 %	1 748	1 585	90,68 %
Mixed	338	156	46,15 %	616	520	84,42 %	954	676	70,86 %
<i>Micron</i>									
Fine Wool: =< 20 Micron	5 407	5 145	95,15 %	5 393	5 181	96,07 %	10 781	10 307	95,6 %
Medium: 20.1 to 22	1 906	1 623	85,15 %	2 164	1 963	90,71 %	4 064	3 580	88,09 %
Strong: 22.1 to 24	215	182	84,65 %	438	415	94,75 %	653	597	91,42 %
Over Strong: > 24.1	50	38	76 %	151	135	89,4 %	201	173	86,07 %
<i>Class</i>									
Fleeces	4 251	4 049	95,25 %	4 600	4 385	95,33 %	8 834	8 417	95,28 %
Bellies	926	894	96,54 %	932	902	96,78 %	1 852	1 790	96,65 %
Pieces	1 234	1 191	96,52 %	1 125	1 070	95,11 %	2 357	2 259	95,84 %
Locks	829	698	84,2 %	873	817	93,59 %	1 702	1 515	89,01 %
Other	338	156	46,15 %	616	520	84,42 %	954	676	70,86 %

Analysis of Bales Sold (Micron, Length & Style)

	<=18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	>=22.5
<i>Length</i>										
Long	246	250	560	950	816	368	208	122	39	35
Medium	202	479	354	459	263	159	81	35	18	37
Short	58	183	182	68	40	59	9	13	6	8
Mixed	-	-	4	17	12	26	24	34	13	4
<i>Style (AWEX)</i>										
Style 4 & Better	68	90	159	240	204	117	44	69	8	6
Style 5	263	325	266	619	460	225	151	59	25	37
Style 6	158	414	490	476	370	157	91	37	26	32
Style 7 & Poorer	17	83	181	135	85	87	12	5	4	5

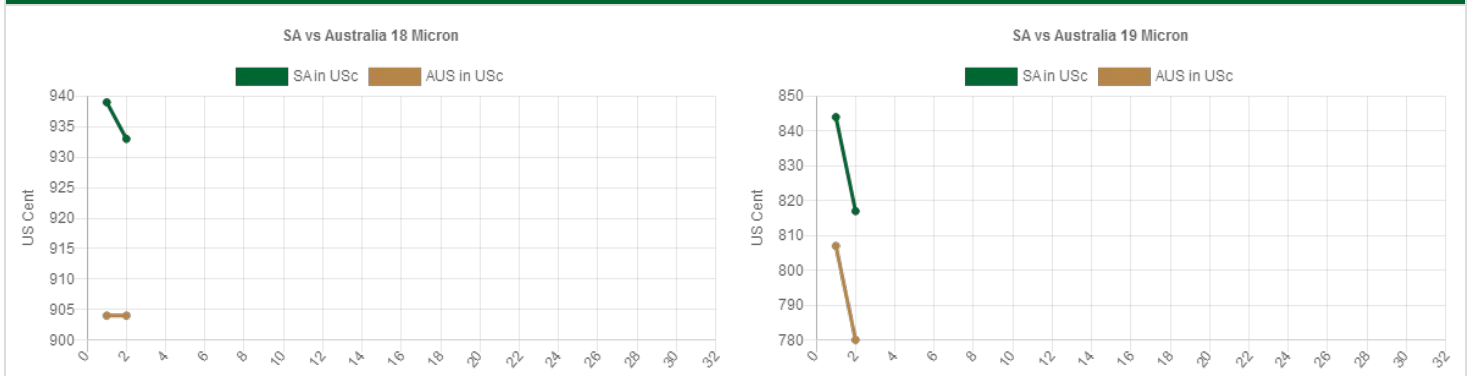
Average price of Wool Sold (Micron, Style & Length - Clean)

	17.0	17.5	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	166,68	163,83	152,27	130,88	123,10	124,55	115,72	111,31	-	103,73	-	-
50 mm	191,82	163,67	153,19	145,37	132,11	129,74	128,45	116,98	114,50	116,03	108,08	-
60 mm	175,76	168,21	151,13	144,50	138,09	138,32	134,57	128,13	125,19	130,72	132,94	119,47
70 mm	184,09	170,26	160,98	148,67	147,19	142,62	138,67	136,37	138,01	132,98	-	-
80 mm	175,02	161,95	147,82	150,95	146,70	147,05	137,85	135,23	137,44	-	-	-
Merino Fleece, AWEX Style 5 - MF5												
40 mm	153,82	147,56	135,35	129,76	117,56	111,70	109,34	-	97,56	100,90	-	91,34
50 mm	174,54	158,25	143,32	138,68	130,38	121,89	118,36	114,03	110,36	-	-	-
60 mm	167,35	152,02	146,63	135,68	128,65	125,24	123,44	121,21	122,84	119,30	-	112,28
70 mm	166,25	156,93	145,42	136,40	132,73	129,79	119,29	122,30	125,13	126,28	118,23	-
80 mm	-	156,54	137,44	138,57	129,28	120,25	110,44	115,49	117,44	123,91	-	-
Merino Fleece, AWEX Style 6 - MF6												
40 mm	-	-	131,67	134,30	128,10	102,41	102,20	-	-	-	-	-
50 mm	-	156,09	138,27	131,17	130,26	89,11	113,77	114,62	109,21	-	-	-
60 mm	146,28	137,42	136,98	120,36	116,41	108,90	110,48	111,55	104,40	-	-	-
70 mm	148,76	148,21	137,82	129,44	108,64	103,44	107,94	100,39	120,10	113,95	99,45	-
80 mm	-	-	132,40	117,70	-	-	112,99	95,28	85,31	-	119,36	-

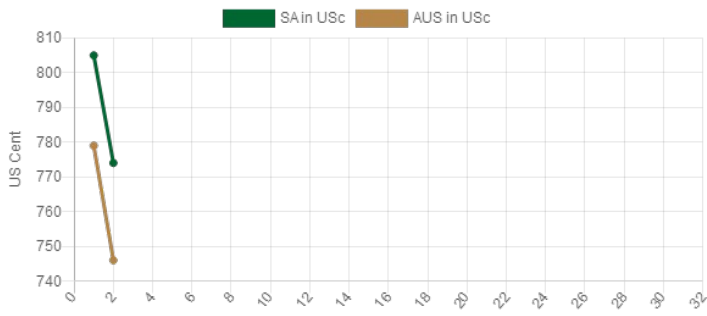
Market Indicators - South Africa and Australia



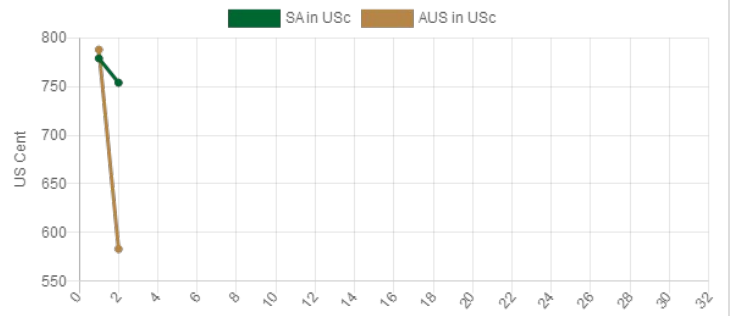
Micron Category Comparisons - South Africa VS Australia



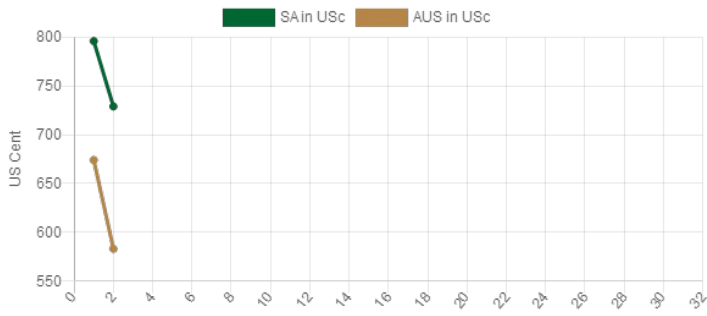
SA vs Australia 20 Micron



SA vs Australia 21 Micron



SA vs Australia 22 Micron



SA vs Australia 18-22 Micron

