

National Weekly Wool Market Report

Season: 2011/2012

Sale Date: 8 & 9 May 2012



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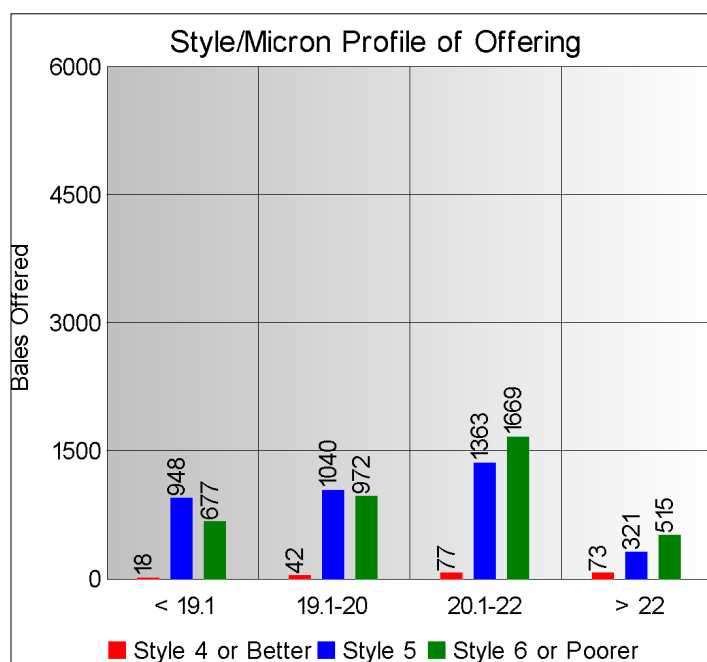
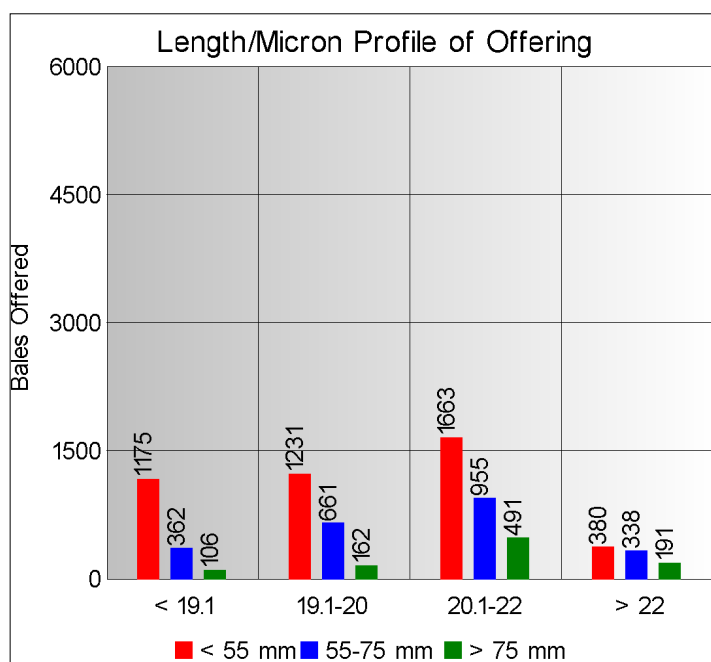
Website: www.capewools.co.za

Market Indicators				Buyers			
Indicator Unit	Current Sale	Last Sale	Change	Company	Bales Purchased This Week	% of Purchases	Total Bales Purchased This Season
SA c/kg	9811	9906	-1.0%	Standard Wool SA	2343	30.4%	81798
Ave. to date (11/12)	9894	9897	-0.0%	Lempriere SA	2104	27.3%	46275
Ave. to date (10/11)	7125			G Modiano SA	1028	13.3%	67278
US c/kg	1244	1283	-3.1%	Stucken & Co	1026	13.3%	44455
Euro c/kg	958	972	-1.4%	Segard Masurel SA	520	6.7%	17593
AWEX EMI	1159	1166	-0.6%	Infinite Wool	177	2.3%	464
Exchange Rates				Chargeurs Wool SA	131	1.7%	4680
Currency Unit	This Week	Previous Week	% Change	New England Wool SA	66	0.9%	1214
R/USD	7.8891	7.7213	-2.2%				
R/Euro	10.2359	10.1954	-0.4%				
R/AUD	7.9436	7.9699	0.3%				
USD/AUD	1.0068	1.0320	2.4%				

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	1765	310	530	75	355	526	3561	95.4%
CMW	794	303	258	155	216	344	2070	93.1%
MAS	446	46	184	22	116	468	1282	99.3%
SBL	233	48	76	26	68	75	526	99.2%
VLW	153	22	40	18	20	23	276	100.0%
Total	3391	729	1088	296	775	1436	7715	95.9%

* Crossbred types, Coarse and Coloured and Inferior

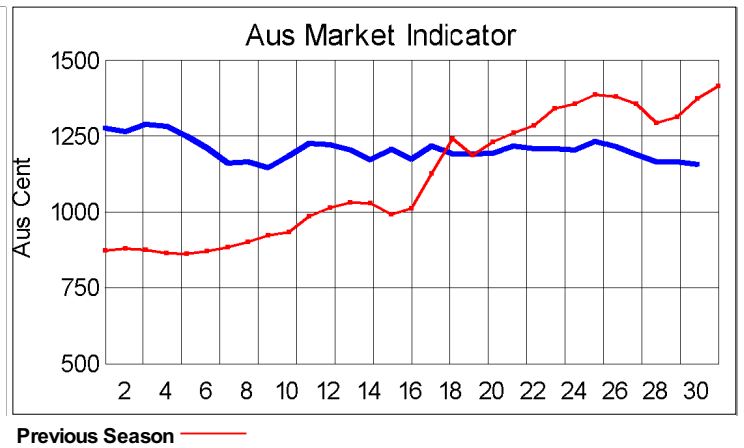
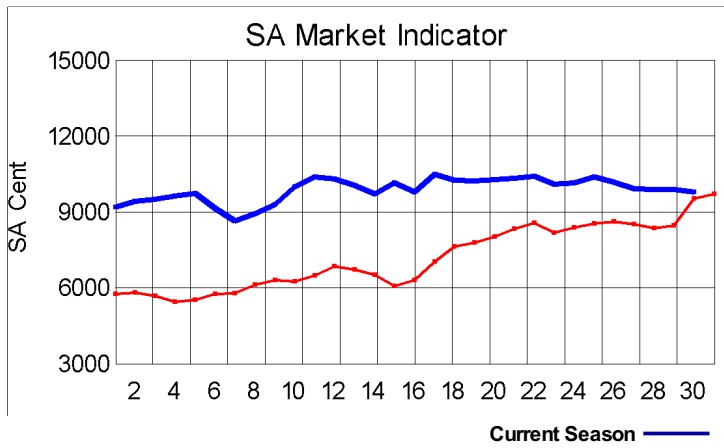


Receipts 2011/2012 Season

Season to Date (Kg.) 41,964,475.0

Previous Season to Date 43,427,278.8

Percentage Change: -3.37%



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							8246			
18.5				11300	10997	9951	8681			
19.0			11084	11047	10540	9949	8761			
19.5			10840	10672	10282	9542	8527			
20.0			10556	10390	10009	9229	8077			
20.5		10479	10486	10325	9889	9376	7601			
21.0			10235	10393	9970	8826		6168		
21.5			10417	10189	9989	8634	7180			
22.0			10250	9933		8661				
22.5						7879				
23.0										
23.5										
24.0										

* Based on a minimum of 3 lots sold per category

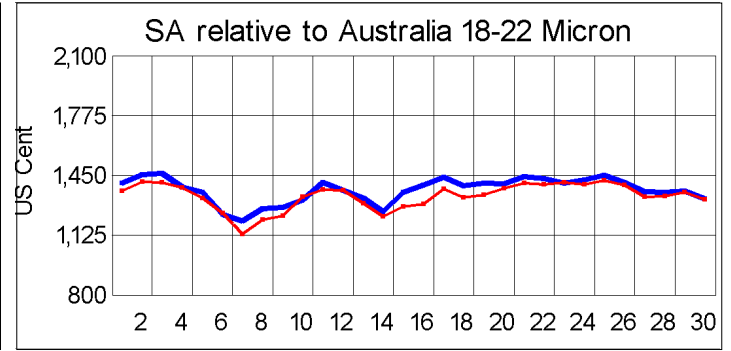
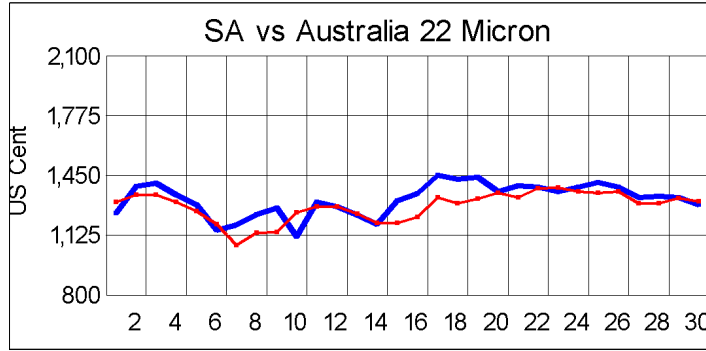
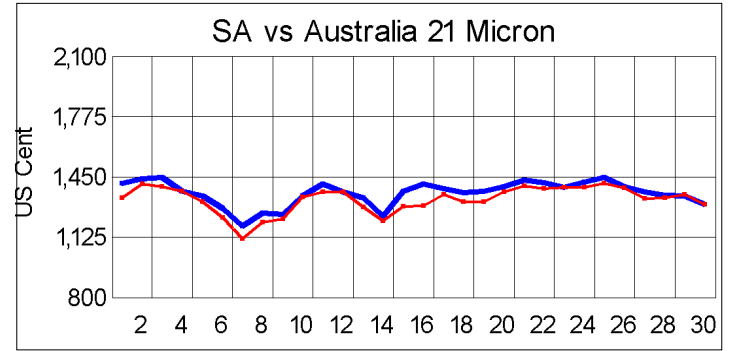
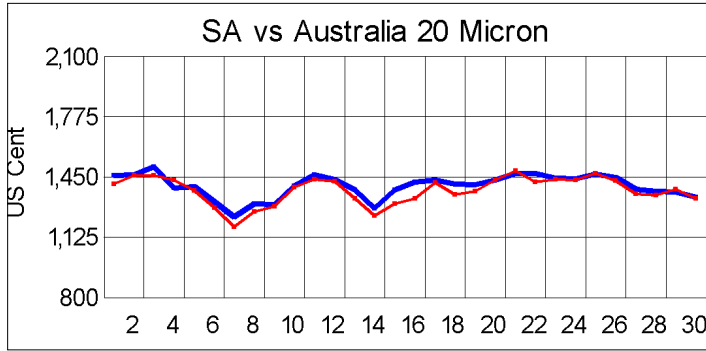
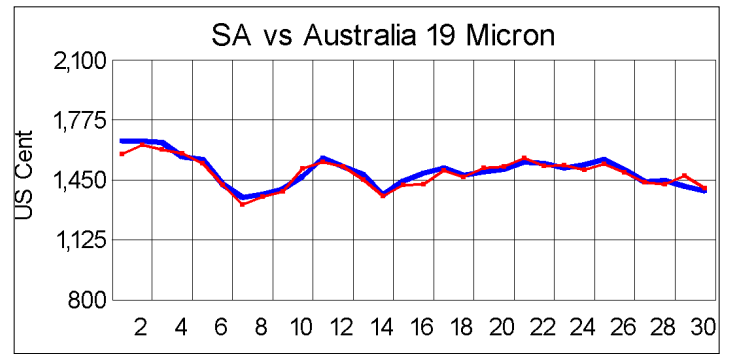
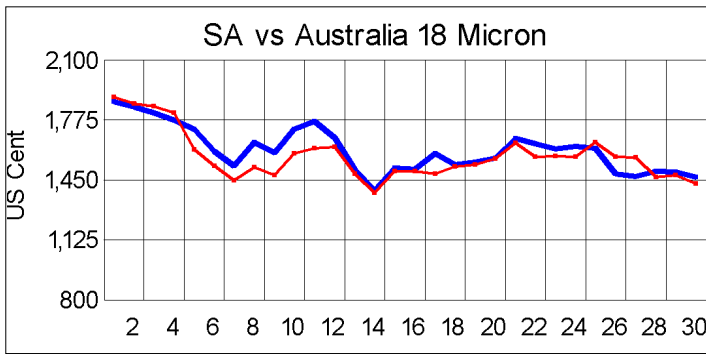
Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5										
19.0							8409			
19.5						8809	8081	6491		
20.0				10425	10135	9239	7496			
20.5							7138			
21.0										
21.5						8653				
22.0										
22.5					9279					
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	10782	10649	9693	9037	8949	
Bellies				8452	9115	6975
Locks	8594			6711	6772	6132
Average Quality						
Lambswool	10177	10306		8353	8050	7819
Bellies	9467		8738	8908	8495	8250
Locks		4830		5947	5645	5023
Inferior Quality						
Fleecewool	9920	9051	8887			6356
Lambswool	9897	10148		9416	9629	
Bellies				8806	7531	
Locks				4328	4456	4459



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL PRICES SOFTEN

Port Elizabeth: Wool prices softened at this week's sale as the volume of orders from China and Europe are tapering off and Cape Wools' Merino indicator shed 1% compared with the previous sale a fortnight ago to close at R98,11/kg (clean).

Competition was weaker as a result of decreased demand from China and other markets as the crisis in Europe deepens, affecting China's exports.

Demand for long quality fleeces, however, remained relatively firm but prices were down on the previous week.

The rand weakened as investors are fleeing to safety in the US dollar and at R7,89 was 2,2% down against the greenback compared with the average rate at the previous sale, while it was a marginal 0,4% down against the euro at R10,23.

This week's offering comprised 7 715 bales of which 96% was cleared. Major buyers were Standard Wool SA (2 343 bales), Lempriere SA (2 104 bales), Modiano SA (1 028 bales) and Stucken & Co (1 026 bales).

The average clean prices for the different categories good top-making (MF5), long fleeces were as follows: 18 microns were 1% down at R112,96/kg, 18,5 microns dropped 1,1% to R112,58/kg, 19 microns were 2,5% cheaper at R110,93/kg, 19,5 microns were down a marginal 0,2% to R108,59/kg, 20 microns shed 1,6% to close at R105,30/kg, 20,5 microns were down 0,8% at R104,82/kg, 21 microns dropped 1,8% to close at R102,87/kg and 21,5 microns were a slight 0,2% dearer at R103,21/kg. There were no quotes for 22 microns.

No sale has been scheduled for next week. Sales will resume on 23 May, the penultimate sale, when approximately 6 000 bales will be offered.