

NATIONAL WOOL MARKET REPORT

Season : 2007/08
 Sale Date: 3-Oct-2007
 Catalogue: MC06



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Market Commentary

Good demand and the small offering helped to push prices up at this week's sale and Cape Wools' Merino indicator gained 2,3% to close at R57,26/kg (clean).

With this week's offering at under 6 000 bales, buyers say there wasn't enough wool available to satisfy their needs. Although receipts into brokers' stores currently are up 10% compared with the corresponding period last season, a fairly large percentage of this wool was offered at the first few sales of the season.

The rand was 0,8% stronger against the US dollar compared with last week at R6,89. It was a 0,4% stronger against the euro at R9,77.

Most long fleece wool categories were 2% to 4% dearer.

Major buyers were Modiano (1 942 bales), Standard Wool SA (826 bales), Chargeurs Wool (767 bales), Stucken (746 bales), and Segard Masurel (658 bales).

Average price movements for AWEX-type fleeces MF3, MF4 and MF5 of 70 and 80 mm were as follows: 19 microns were 2,3% dearer at R68,77/kg; 20 microns were up 4% at R62,18/kg; 21 microns gained 2,1% to R57,68/kg and 22 microns rose 2,2% at R55,96/kg. There were insufficient quantities in these style/length categories on offer to quote for 23, 24 and 25 microns.

Approximately 8 700 bales will be offered at next week's sale.

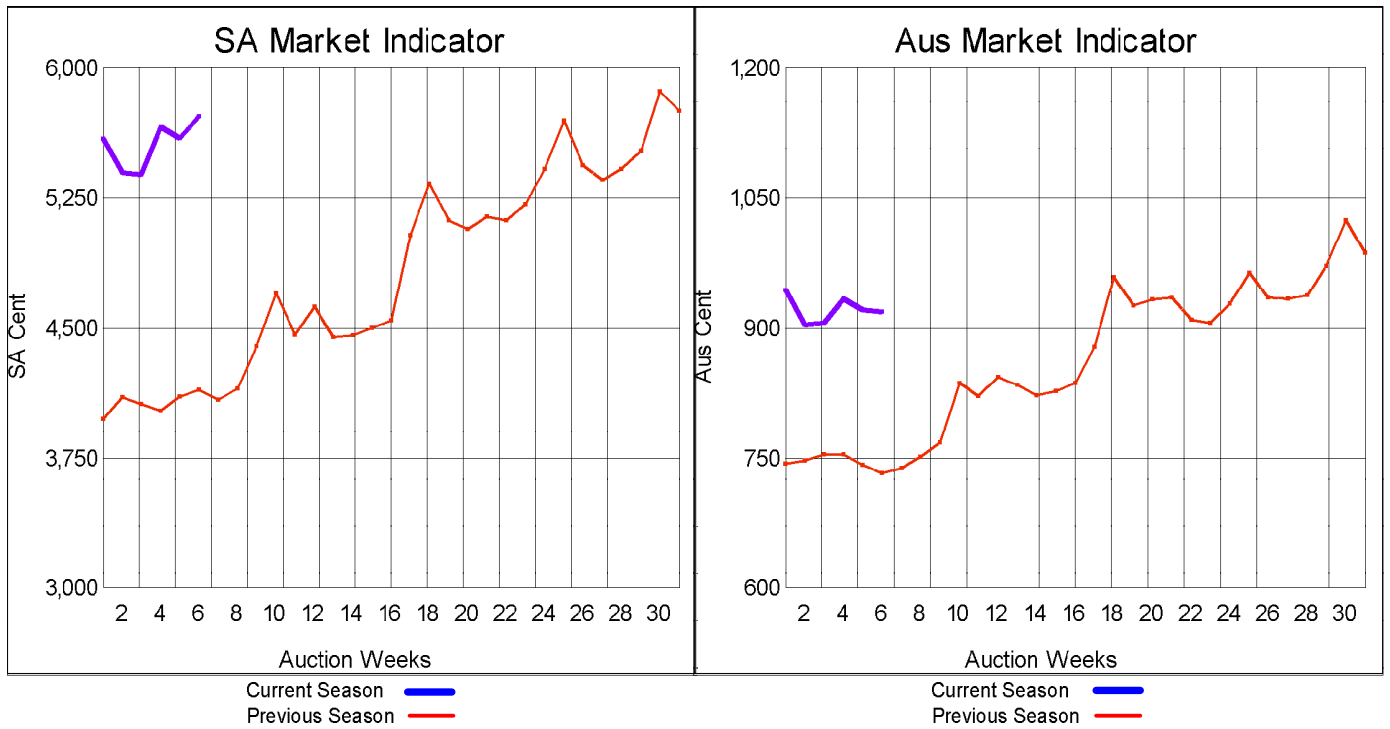
Auction Analysis									
Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Sale	Description	This Week			Previous Sale		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	67.3	72.0	Merino Fleeces	46.0	2 640	99.9	4 463	99.3	
Medium Wool	27.4	23.1	Merino Bellies	6.7	385	97.7	596	98.5	
Short Wool and Locks	5.3	4.9	Merino Lambs	7.8	450	100.0	757	99.9	
Fine Wool (<20µ)	20.8	19.0	Merino Locks	5.9	340	100.0	504	100.0	
Medium Wool (20 - 22µ)	61.4	66.0	Other	33.5	1 922	98.4	2 194	93.3	
Strong Wool (22 - 24µ)	15.4	13.2	Total	100.0	5 737	99.3	8 514	97.8	
Overstrong (24 - 27µ)	2.5	1.7							
Other Indicators				Offerings per Port					
Indicators	This Week	Prev Sale	% Change	Ports	This Week (Bales)			Prev Sale (Bales)	
					Offered	Sold	% Sold	Offered	Sold
SA Indicator	5 726	5 600	2.3						
AWEX EMI	919	921	-0.2	Durban	1 002	996	99.4	606	601
R/US Dollar	6.8908	6.9470	0.8	Port Elizabeth	4 735	4 699	99.2	7 908	7 725
R/A Dollar	6.1236	6.0619	-1.0	Total	5 737	5 695	99.3	8 514	8 326
R/Euro	9.7683	9.8120	0.4						
Receipts 28 September 2007									
Main Buyers				Season to Date (Kg)	Last Season (Kg)	% Change			
Buyers	This Week	% of Sale	To Date	10 722 739	9 712 704	10.4			
G Modiano	1 942	34.1	14 045	Next Auction					
Standard Wool SA	826	14.5	7 462	Name	Date	Offerings (Bales)			
Chargeurs Wool	767	13.5	6 914	S A Wool Exchange	10/10/2007	± 7 200			
Stucken	746	13.1	7 527	Van Lill Wool Buyers	09/10/2007	± 450			
Segard Masurel	658	11.6	9 153	Saunders et al.	09/10/2007	± 750			
Beier Fin	297	5.2	2 964	Lanata	09/10/2007	± 300			
ADF	291	5.1	3 072	SA Indicator -		MC06	5 726		
New England Wool	131	2.3	574	Ave SA Indicator - Season to Date		5 562			
Lempriere (Aus) Ltd	37	0.6	798	Ave SA Indicator - Previous Season		4 818			

Cape Wools SA

Fleece Wool Prices (Spinners and Good Topmaking Styles, AWEX Types MF3, MF4 and MF5)

Micron	Average Price (c/kg. clean) *										Percentage change from previous catalogue									
	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm
18.0				7603																5.5
18.5		7344	7241	7388	7118	6219								3.5	3.0					
19.0				6877	6686	6400								2.5		7.1				
19.5		6431	6638	6391	6432	6253							0.9	4.3	1.2		5.6			
20.0		6070	6299	6138	6085	5873	5717						0.7	4.5	3.1	4.4	3.4	4.2		
20.5		5965	5891	5847	5734	5651							3.1	1.8	1.6	0.9	0.9			
21.0		5793	5792	5745	5698	5335	5102						2.1	2.1	2.2	2.6	0.2	5.1		
21.5		5710	5670	5656	5512								2.2	1.6	2.7	-0.5				
22.0		5600	5619	5573	5481	5126							2.0	2.5	1.9		-0.1			
22.5		5519			5429								1.6			3.5				
23.0			5414	5421										1.3						
23.5		5396	5358	5171									1.3		-0.0					
24.0																				

* Based on a minimum of 3 lots sold per category



Cape Wools SA

Fleece Wool Prices (Average Topmaking Style, AWEX type MF6)

Micron	Average Price (c/kg. clean)*										Percentage change from previous catalogue									
	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm	100 mm	90 mm	80 mm	70 mm	60 mm	50 mm	40 mm	30 mm	20 mm	10 mm
18.0																				
18.5																				
19.0																				
19.5																				
20.0										5529										
20.5					5808														1.9	
21.0					5641	5529													0.9	2.0
21.5		5713	5659	5666	5495	5182													3.5	1.9
22.0			5541	5505		5316													2.1	1.6
22.5			5455	5378																2.1
23.0																				-0.6
23.5																				
24.0																				

* Based on a minimum of 3 lots sold per category.

Other Selected Types/Qualities

Price per Kilogram

Long

Medium

	19μ	20μ	21μ	19μ	20μ	21μ
<u>Good Quality</u>						
Lambswool	6888	6387		5868	5561	5618
Bellies	6402	5885	5510	5814	5694	5431
Locks			4062	3925	4016	4118
<u>Average Quality</u>						
Lambswool	6620	6209	5600	5636	5708	4339
Bellies	6553	5839	5667	6153	5927	5287
Locks				4340	4001	3793
<u>Inferior Quality</u>						
Fleecewool	6622	5845	5519		5695	
Lambswool					4940	
Bellies					5336	4700
Locks	4047	3658	3654	4346	3690	3670

Industry News

Fund for wool promotion

As from the start of this season, members of the South African Wool and Mohair Buyers' Association (SAWAMBA) have agreed to contribute 10c/kg for all greasy wool purchased for R10/kg or more. The money will be used for promotional and other projects.

This follows the signing of a Memorandum of Understanding between the SAWAMBA, Cape Wools and the National Woolgrowers' Association.

The first priority of the fund will be to contribute towards marketing programmes developed and approved by the International Wool Textile Organisation. Other projects to promote South African wool and wool products will also be considered.