

## NATIONAL WOOL MARKET REPORT

Season : 2007/08  
 Sale Date: 31-Oct-2007  
 Catalogue: MC10



CAPE WOOLS SA

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AWEX-ID under licence from Australian Wool Exchange

**The strong currency continued to put pressure on the market and Cape Wools' Merino indicator softened 2,6% to close the day at R58,26/kg (clean). This still is 4% up on the opening level.**

**The rand, which earlier in the week soared to its highest levels in 17 months against the US dollar but later retreated somewhat, was trading at R6,53 against the US, up 2,1% from last week, and at R9,43 against the euro, a gain of 0,6% compared with last Wednesday.**

**Demand, nevertheless remained strong and 97% of the offering of 7 716 bales of mostly average quality was sold.**

**Long Merino fleece wools were cheaper across the board, with 21 microns and 22 microns posting the biggest drops.**

**Major buyers were Segard Masurel (1 532 bales), Modiano (1 342 bales), Chargeurs Wool (1 313 bales), Standard Wool SA (1 189 bales), and Stucken (1 145 bales).**

**Average price movements for AWEX-type fleeces, MF4 and MF5 of 70 and 80 mm were as follows: 19 microns dropped 0,9% to R71,98/kg; 20 microns were down 2,6% at R63,64/kg; 21 microns were 2,7% cheaper at R58,74/kg; 22 microns dropped 3,4% to R56,35/kg; and 23 microns were 2,4% cheaper at R54,93/kg. There were no quotes for 24 and 25 microns.**

**Approximately 10 000 bales have been rostered for next week.**

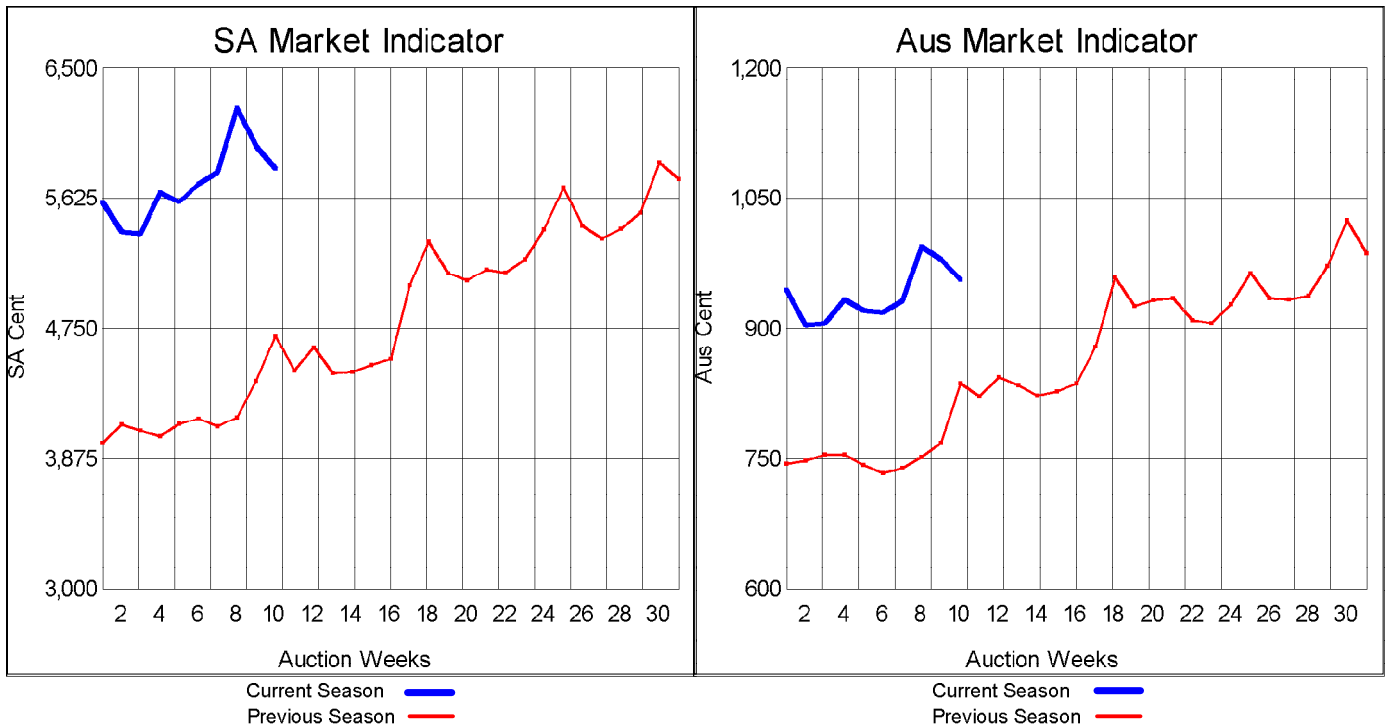
Auction Analysis									
Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Sale	Description	This Week			Previous Sale		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	68.1	65.6	Merino Fleeces	44.9	3 467	97.1	4 450	94.2	
Medium Wool	24.1	24.5	Merino Bellies	4.4	339	99.1	658	92.9	
Short Wool and Locks	7.8	9.9	Merino Lambs	7.4	570	97.0	771	92.7	
Fine Wool (<20µ)	25.0	22.2	Merino Locks	4.8	372	98.9	549	99.6	
Medium Wool (20 - 22µ)	62.8	66.1	Other	38.5	2 968	97.1	2 786	93.4	
Strong Wool (22 - 24µ)	10.9	11.1	<b>Total</b>	<b>100.0</b>	<b>7 716</b>	<b>97.3</b>	<b>9 214</b>	<b>94.1</b>	
Overstrong (24 - 27µ)	1.2	0.6							
Other Indicators				Offerings per Port					
Indicators	This Week	Prev Sale	% Change	Ports	This Week (Bales)			Prev Sale (Bales)	
					Offered	Sold	% Sold	Offered	Sold
<b>SA Indicator</b>	<b>5 826</b>	<b>5 980</b>	<b>-2.6</b>						
AWEX EMI	956	980	-2.4	Durban	1 681	1 622	96.5	1 535	1 383
R/US Dollar	6.5282	6.6664	2.1	Port Elizabeth	6 035	5 886	97.5	7 679	7 283
R/A Dollar	6.0211	5.9835	-0.6	<b>Total</b>	<b>7 716</b>	<b>7 508</b>	<b>97.3</b>	<b>9 214</b>	<b>8 666</b>
R/Euro	9.4297	9.4846	0.6						
Receipts 26 October 2007									
Main Buyers				Season to Date (Kg)		Last Season (Kg)		% Change	
Buyers	This Week	% of Sale	To Date	<b>16 585 270</b>		<b>15 721 851</b>		<b>5.5</b>	
Segard Masurel	1 532	20.4	<b>14 202</b>	<b>Next Auction</b>					
G Modiano	1 342	17.9	<b>21 358</b>	Name	Date	Offerings (Bales)			
Chargeurs Wool	1 313	17.5	<b>12 558</b>	S A Wool Exchange	07/11/2007	± 9 500			
Standard Wool SA	1 189	15.8	<b>12 068</b>	Van Lill Wool Buyers	06/11/2007	± 490			
Stucken	1 145	15.3	<b>11 463</b>	Saunders et al.	06/11/2007	± 580			
Lempriere (Aus) Ltd	413	5.5	<b>1 470</b>	Lanata	06/11/2007	± 340			
Beier Fin	382	5.1	<b>4 875</b>	<b>SA Indicator -</b>		<b>MC10</b>		<b>5 826</b>	
New England Wool	156	2.1	<b>955</b>	<b>Ave SA Indicator - Season to Date</b>					
ADF	36	0.5	<b>3 893</b>	<b>Ave SA Indicator - Previous Season</b>					
				<b>4 818</b>					

# Cape Wools SA

## Fleece Wool Prices (Spinners and Good Topmaking Styles, AWEX Types 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			8104	8013																	-5.4
18.5		7945	8167					5944													4.8
19.0			7318	7078			6799														0.6 -2.6
19.5		6764	6736	6702	6588	6499	5795								-5.0	-5.1	-3.4	-4.0	-3.2		
20.0		6493	6392	6335	6219	6023	5728								-3.6	-3.1	-2.3	-1.9	-1.7	2.4	
20.5		6166	6036	6038	5900	5766	5347								-0.9	-3.6	-2.1	-2.5	-3.0	-4.8	
21.0		5867	5885	5862	5791	5623	5044								-3.5	-3.1	-2.5	-1.7	0.3	-9.8	
21.5		5776	5733	5704	5640	5583	5210								-4.0	-4.0	-3.9	-3.1	-0.6	-3.4	
22.0		5700	5676	5594	5509	5383	5008								-3.2	-3.7	-2.4	-3.7	-4.1		
22.5		5532		5562	5428	5419	4874														-2.6 -0.7 -7.2
23.0			5493			5102															-2.4 -6.3
23.5																					
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						6319														
20.0				6288	6229	5871														-5.4
20.5			6092	5942	5755	5853														-0.4 -2.8 -0.0
21.0		5871	5843	5724	5604	5324														-3.3 -2.9 -2.7 -8.4
21.5			5768	5620	5517															-1.1 -3.1 -4.1
22.0			5599	5496		5488														-3.6
22.5																				
23.0																				
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
<b>Good Quality</b>						
Lambswool	7012	6622	5888	6143	5679	5228
Bellies	6613			6502	5844	5179
Locks			4145	4909	4398	4058
<b>Average Quality</b>						
Lambswool	7063	6353	5991	5741	5510	5092
Bellies	6666	5740	5460	5950	5650	4745
Locks			4330	4961	4341	4265
<b>Inferior Quality</b>						
Fleecewool	6827	5899	5727		5350	
Lambswool	6289	5875				
Bellies		5777	5363	5045	5260	4433
Locks	5053	4261	3817		4184	4164

#### Industry News

##### Wool receipts and offerings up

Total receipts into wool brokers' stores up to 26 October are up 5,5% at 16,6 mkg compared with the corresponding period last season.

Offerings at auction are also higher. In total, 74 830 bales were offered, which is up 4,9% on last season. There has been an increase in the number of Merino wool bales offered, which increased to 60 200 from last season's 59 005 bales.

Due to the higher price levels, the average greasy prices to date is at R33,25/kg, which is 40% higher than last season.

A high sale percentage has been maintained and 99,2% of all wool offered at auction thus far has been sold.