

## NATIONAL WOOL MARKET REPORT

Season : **2007/08**  
 Sale Date: **7-Nov-2007**  
 Catalogue: **MC11**



CAPE WOOLS SA

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*AWEX-ID under licence from Australian Wool Exchange*

The market put up a steady performance despite the strong rand, which had gained ground since last week, and Cape Wools' Merino indicator closed a marginal 0,6% lower at R57,92/kg (clean).

There was good competition all round for the selection, which was of mostly average quality, reflecting the strong demand currently experienced. The rand was up 1,3% against the US dollar at R6,44 and unchanged against the euro.

The prices of most long Merino fleece wools were either unchanged or slightly cheaper. Fine wools, however, posted bigger gains of around 1%. One fine wool bale nevertheless obtained the highest price of the day when New England Wool paid a greasy price of R89,00/kg for a bale of 16,4 sold by Mr T.I. van Kerken from Albany.

The total offering comprised 9 722 bales of which 98% was cleared to the trade.

Major buyers were Segard Masurel (2 022 bales), Modiano (1 848 bales), Stucken (1 689 bales), Standard Wool SA (1 389 bales), and Chargeurs Wool (1 200 bales).

Average price movements for AWEX-type fleeces, MF4 and MF5 of 70 and 80 mm were as follows: 19 microns dropped 1,1% to R71,15/kg; 20 microns were unchanged at R63,68/kg; 21 microns were 0,3% cheaper at R58,54/kg; 22 microns dropped 0,3% to R56,17/kg; and 23 microns were unchanged at R54,92/kg. There were no quotes for 24 and 25 microns.

Approximately 9 000 bales will come under the hammer at next week's sale.

<b>Auction Analysis</b>									
<b>Composition of Fleece Offerings</b>				<b>Analysis of Offerings</b>					
Description	% This Week	% Prev Sale	Description	This Week			Previous Sale		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	69.1	68.1	Merino Fleeces	45.9	4 463	99.3	3 467	97.1	
Medium Wool	24.0	24.1	Merino Bellies	5.7	557	97.8	339	99.1	
Short Wool and Locks	6.8	7.8	Merino Lambs	9.0	872	94.3	570	97.0	
Fine Wool (<20µ)	19.9	25.0	Merino Locks	6.8	665	99.7	372	98.9	
Medium Wool (20 - 22µ)	67.9	62.8	Other	32.6	3 165	97.7	2 968	97.1	
Strong Wool (22 - 24µ)	12.0	10.9	<b>Total</b>	<b>100.0</b>	<b>9 722</b>	<b>98.3</b>	<b>7 716</b>	<b>97.3</b>	
Overstrong (24 - 27µ)	0.2	1.2							
<b>Other Indicators</b>				<b>Offerings per Port</b>					
Indicators	This Week	Prev Sale	% Change	Ports	This Week (Bales)			Prev Sale (Bales)	
					Offered	Sold	% Sold	Offered	Sold
<b>SA Indicator</b>	<b>5 792</b>	<b>5 826</b>	<b>-0.6</b>						
AWEX EMI	955	956	<b>-0.1</b>	Durban	1 464	1 453	99.2	1 681	1 622
R/US Dollar	6.4426	6.5282	<b>1.3</b>	Port Elizabeth	8 258	8 100	98.1	6 035	5 886
R/A Dollar	6.0375	6.0211	<b>-0.3</b>	<b>Total</b>	<b>9 722</b>	<b>9 553</b>	<b>98.3</b>	<b>7 716</b>	<b>7 508</b>
R/Euro	9.4408	9.4297	<b>-0.1</b>						
<b>Main Buyers</b>				<b>Receipts 02 November 2007</b>					
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change	
				17 986 404		17 236 368		4.4	
Segard Masurel	2 022	21.2	<b>16 224</b>	<b>Next Auction</b>					
G Modiano	1 848	19.3	<b>23 206</b>	Name	Date	Offerings (Bales)			
Stucken	1 689	17.7	<b>13 164</b>	S A Wool Exchange	14/11/2007	± 9 500			
Standard Wool SA	1 389	14.5	<b>13 481</b>	Van Lill Wool Buyers	-	-			
Chargeurs Wool	1 200	12.6	<b>13 758</b>	Saunders et al.	-	-			
Beier Fin	552	5.8	<b>5 431</b>	Lanata	-	-			
ADF	408	4.3	<b>4 301</b>	<b>SA Indicator</b>	-	<b>MC11</b>	<b>5 792</b>		
Lempriere (Aus) Ltd	363	3.8	<b>1 833</b>	<b>Ave SA Indicator - Season to Date</b>			<b>5 728</b>		
New England Wool	82	0.9	<b>1 037</b>	<b>Ave SA Indicator - Previous Season</b>			<b>4 818</b>		



## 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				6623	6403	6084														-3.9
20.0				6159	6046	5814							-2.1	-3.0	-1.0					
20.5			5967	5939	5831	5545							-2.1	-0.1	1.3	-5.6				
21.0	5820	5875	5767	5702			5075						-0.9	0.6	0.8	1.7				
21.5			5674	5604	5456	5320														
22.0	5640	5546	5511	5312																
22.5			5454																	
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	7019	6376	5679	6177	5722	5222
Bellies	6315	5965	5546	6292	5556	4978
Locks	5579	5013	4932	4976	4532	4208
<b>Average Quality</b>						
Lambswool	6746	6336	5943	6091	5603	5357
Bellies	6218	5744	5217	5863	5498	4752
Locks		4877	4333	4206	4283	3730
<b>Inferior Quality</b>						
Fleecewool	6503	5796	5508		5703	
Lambswool		5233		6367	4688	
Bellies	6298	5708	4931	6320	5091	4689
Locks	5113	4634	4124		4187	3976

#### Industry News

##### Stock theft has negative impact on wool industry

According to a statement by the National Stock Theft Forum, stock theft is not only negatively impacting on the wool industry in terms of sheep numbers, but is also destroying high potential genetic material.

The Forum said that between April 2006 and March this year, 60 976 sheep were stolen.

It said stock theft had become a business and there were clear indications that syndicates were involved. Due to the low success rate of prosecutions, farmers have lost their trust in the justice system and many cases are not being reported.

The Forum recommended that police capacity problems be dealt with and it called for heavier sentences for perpetrators.