

NATIONAL WOOL MARKET REPORT

Season : **2007/08**
 Sale Date: **30-Jan-2008**
 Catalogue: **MC19**



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AWEX-ID under licence from Australian Wool Exchange

The market held on to its gains of last week with the prices of most types finishing relatively unchanged. Cape Wool's Merino indicator closed the day a marginal 0,4% down at R64,36/kg (clean). The market remains strong, with the weaker rand providing support at this week's sale to maintain a level of above R64/kg (clean). The rand was 1,2% weaker against the US dollar at R7,17 and down 2,5% against the euro at R10,61. The prices of 19-micron long fleece wool were unchanged, while 20 and 21 microns were slightly lower. This week saw 9 258 bales being offered of which 96% changed hands. Major buyers were Chargeurs Wool (1 635 bales); Standard Wool SA (1 575 bales); Stucken (1 176 bales), Segard Masurel (1 173 bales), and Modiano (960 bales). Average price movements for AWEX-type fleeces, MF4 and MF5 of 70 and 80 mm were as follows: 19 microns was unchanged at R84,10 /kg; 20 microns were down 0,8% at R72,93/kg; 21 microns were also 0,8% cheaper at R67,10 /kg; 22 microns dropped 2,9% at R62,35/kg, 23 microns were a marginal 0,4% dearer at R61,55/kg, but there no quotes for 24 microns and 25 microns. Approximately 7 000 bales will be offered at next week's sale.

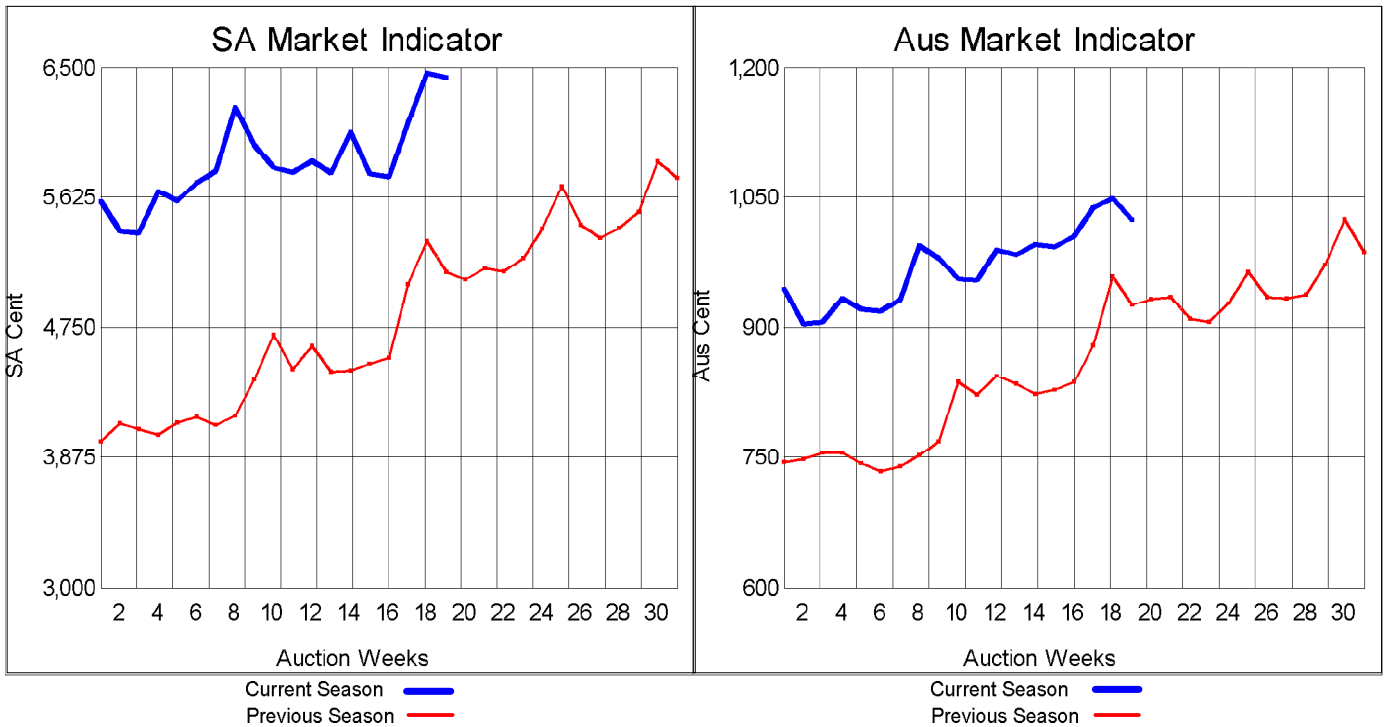
Auction Analysis									
Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Sale	Description	This Week			Previous Sale		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	64.1	59.7	Merino Fleeces	34.3	3 172	97.2	5 229	98.1	
Medium Wool	30.8	34.7	Merino Bellies	5.5	512	95.1	698	96.6	
Short Wool and Locks	5.1	5.6	Merino Lambs	5.9	550	98.5	902	94.5	
Fine Wool (<20µ)	28.5	29.0	Merino Locks	7.5	694	83.7	726	92.6	
Medium Wool (20 - 22µ)	60.7	60.9	Other	46.8	4 330	97.1	5 677	96.6	
Strong Wool (22 - 24µ)	10.7	8.7	Total	100.0	9 258	96.1	13 232	96.8	
Overstrong (24 - 27µ)	0.1	1.4							
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	6 436	6 465	-0.4	Durban	3 676	3 647	99.2	3 534	3 480
AWEX EMI	1024	1049	-2.4	Port Elizabeth	5 582	5 249	94.0	9 698	9 331
R/US Dollar	7.1750	7.0908	-1.2	Total	9 258	8 896	96.1	13 232	12 811
R/A Dollar	6.3691	6.1452	-3.6						
R/Euro	10.6072	10.3479	-2.5						
Receipts 25 January 2008									
Main Buyers				Season to Date (Kg)	Last Season (Kg)			% Change	
Buyers	This Week	% of Sale	To Date	31 341 513	31 251 489			0.3	
Chargeurs Wool	1 635	18.4	26 568	Next Auction					
Standard Wool SA	1 575	17.7	28 309	Name	Date	Offerings (Bales)			
Stucken	1 176	13.2	23 840	S A Wool Exchange	06/02/2008	± 6 000			
Segard Masurel	1 173	13.2	26 392	Van Lill Wool Buyers	-	-			
G Modiano	960	10.8	42 350	Saunders et al.	05/02/2008	± 500			
ADF	918	10.3	9 666	Lanata	05/02/2008	± 300			
Lempriere (Aus) Ltd	806	9.1	5 730	SA Indicator	-	MC19			6 436
Beier Fin	634	7.1	10 574	Ave SA Indicator - Season to Date					5 859
New England Wool	19	0.2	1 506	Ave SA Indicator - Previous Season					4 818

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		8776				7252									1.3					-9.3
18.5				8486		7111									-0.2					-6.6
19.0			8445	8374	7905	7153									0.9	-0.4	4.1			-3.8
19.5		8176		8074	7791	6838									-2.0		0.7	-1.0		-0.8
20.0		7245	7508	7078	6657	6267	5652								0.5	0.8	-2.5	-1.8		-2.4
20.5		6965	6893	6833	6326	6205									2.4	2.2	0.9	-1.7		2.9
21.0		6734	6766	6653	6185	5945	5186								0.8	2.0	-0.5	-2.8		-1.4
21.5		6586	6570	6566	6189	5782									-0.8	0.9	0.6	-1.9		-1.8
22.0		6434	6347	6123	6115	5514	4665								1.2	-1.5	-4.4	-1.4		-3.0
22.5		6228	6179	5956		5516									-2.0	-5.3				-0.6
23.0			6155													0.5				
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																				
20.0										5295										
20.5				6311		5999								-2.7		2.9				
21.0			6508											0.9						
21.5			6230	6089	5799									-2.9	0.0	-4.7				
22.0																				
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
Good Quality						
Lambswool	7949		6637	6319	6149	5898
Bellies	7121	6664	6001	6385	5259	5179
Locks			4585	5264	4190	3270
Average Quality						
Lambswool	7930	7806	5581	6056	5868	4446
Bellies	7084	6140	5883	6469	5974	4983
Locks				4089	3375	2890
Inferior Quality						
Fleecewool	7375	6111	5694	5672	5513	5368
Lambswool		6945		5630		
Bellies	6938		5718	5444	5217	4224
Locks		2935		4352	2980	2890

Industry News

Increase in exports to China, India

The value of exports to China for July to December 2007 increased by 16% compared with the first six months of 2006/07. China remains the largest importer of South African wool, taking up 23,7% of the total value of exports.

The largest increase in exports was to India, importing wool to the value of R64,5 million in July to December 2007, compared with R21,9 million in 2006.

Exports to Italy, the second largest importer, remained at around 21% of total value, but the value of exports to the Czech Republic, the third largest importer, declined from 21,2% in July to December 2006 to 14% in 2007.