

NATIONAL WOOL MARKET REPORT

Season : 2007/08
 Sale Date: 2-Apr-2008
 Catalogue: MC25



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MARKET FIRM AT FIRST SALE AFTER EASTER

PORT ELIZABETH: The market was firm at the first sale after the Easter recess despite a stronger currency compared with the last sale before the Easter recess. Cape Wools' Merino indicator ended the day up 0,3% to close the day at R69,74 /kg (clean).

There was brisk demand from all sectors of the trade, particularly for quality long wools, which fetched excellent prices.

The rand traded at R8,03 against the US dollar at the opening of the sale but started to strengthen toward the afternoon to trade at R7,82, which was 0,7% stronger than at the previous sale. It had also gained 2,1% against the euro.

The best performers were good quality long fleeces of 20 microns and 21 microns, which gained 2,2% and 07% respectively. Fine wools were virtually unchanged while the stronger end of the market traded slightly lower.

This was the largest offering this season, totaling 15 516 bales of which 96% changed hands. Major buyers were Standard Wool SA (3 965 bales); Modiano (3 283 bales); Stucken (2 133 bales), and Chargeurs Wool (2 075 bales).

Average price movements for AWEX-type fleeces, MF4 and MF5 of 70 and 80 mm were as follows: 19 microns were unchanged at R86,65/kg; 20 microns were up 2,2% to R77,16/kg; 21 microns were 0,7% dearer at R71,38 /kg; 22 microns were down 0,8% at R68,67/kg; and 23 microns weakened by 0,5% to R67,37/kg. There were no quotes for 24 and 25 microns in these specific categories.

No sale has been scheduled for next week. Sales will resume on 16 April when approximately 11 500 bales will be on offer.

Auction Analysis

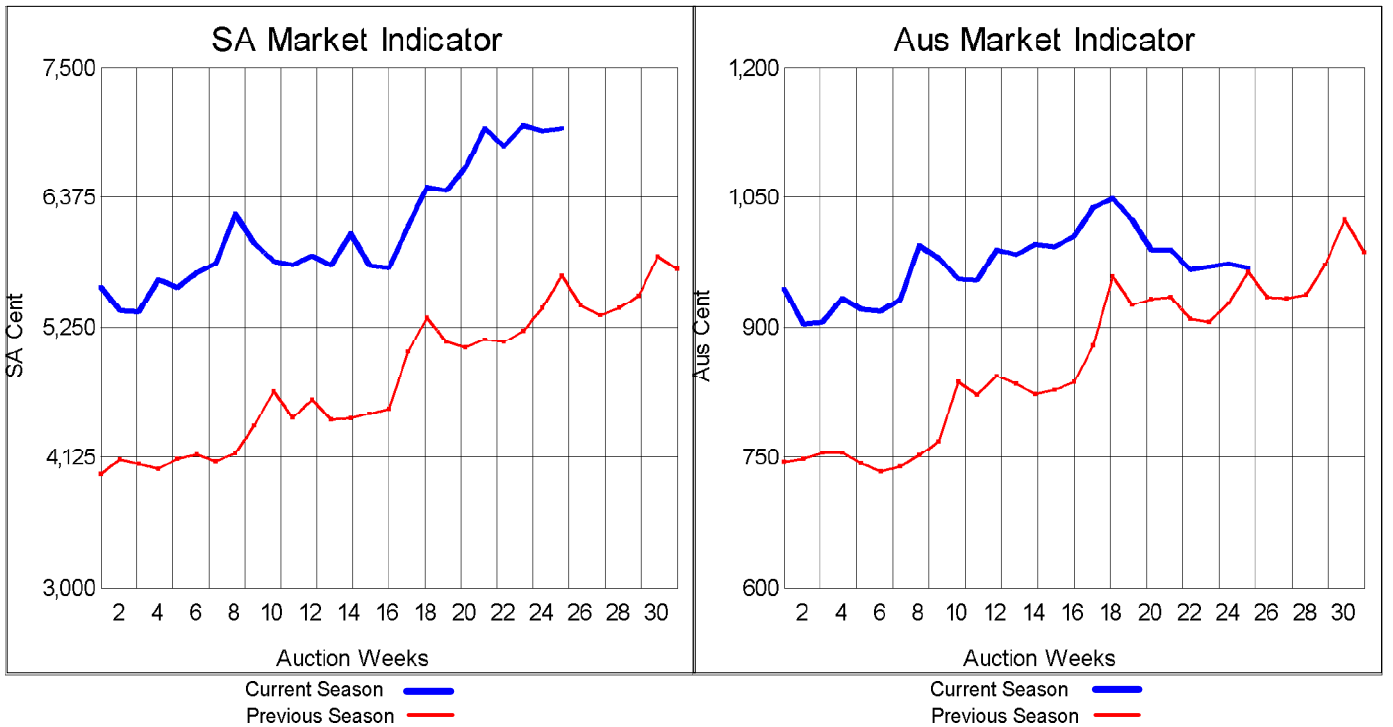
Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Sale	Description	This Week			Previous Sale		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	39.2	63.0	Merino Fleeces	40.5	6 286	97.5	4 960	96.0	
Medium Wool	39.4	25.7	Merino Bellies	7.7	1 199	96.9	836	92.1	
Short Wool and Locks	21.4	11.3	Merino Lambs	7.8	1 210	95.1	1 020	94.1	
Fine Wool (<20µ)	25.8	34.2	Merino Locks	2.0	311	96.1	253	93.7	
Medium Wool (20 - 22µ)	58.2	55.9	Other	42.0	6 510	97.5	3 361	97.8	
Strong Wool (22 - 24µ)	15.3	9.5	Total	100.0	15 516	97.3	10 430	96.0	
Overstrong (24 - 27µ)	0.7	0.4							
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	6 974	6 952	0.3						
AWEX EMI	969	974	-0.5	Durban	3 431	3 395	99.0	4 308	4 142
R/US Dollar	7.8236	7.7694	-0.7	Port Elizabeth	12 085	11 696	96.8	6 122	5 874
R/A Dollar	7.1186	7.2315	1.6	Total	15 516	15 091	97.3	10 430	10 016
R/Euro	12.2138	11.9672	-2.1						
Main Buyers				Receipts 28 March 2008					
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change	
				41 228 483	40 600 644	1.5			
Standard Wool SA	3 965	26.3	43 167	Next Auction					
G Modiano	3 283	21.8	55 378	Name	Date	Offerings (Bales)			
Stucken	2 133	14.1	31 198	S A Wool Exchange	16/04/2008	± 10 500			
Chargeurs Wool	2 075	13.7	36 330	Van Lill Wool Buyers	-	-			
Segard Masurel	935	6.2	30 785	Saunders et al.	15/04/2008	± 500			
Lempriere (Aus) Ltd	923	6.1	11 776	Lanata	15/04/2008	± 400			
Beier Fin	901	6.0	14 249	SA Indicator	-	MC25	6 974		
ADF	865	5.7	13 545	Ave SA Indicator - Season to Date			6 107		
New England Wool	11	0.1	1 823	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						7813														-1.0
18.5				9172	8580	7958								-1.6	-2.5					
19.0				8665	8608	7470	6396							0.7	3.4	2.2	-0.3			
19.5			8394	8345	8018	7422	6230							4.5	3.6	2.0	-2.1	-0.0		
20.0	7895	7695	7736	7523	6916	5991	4681							1.7	1.2	3.0	0.5	0.8	3.1	
20.5	7460	7350	7271	7072	6666	5704	4651							2.2	1.3	0.8	-1.0	-1.2	-1.4	
21.0			7159	7117	6971	6414	5588	4961						0.6	0.9	1.1	-1.2	2.2		
21.5	7021	7017	6957	6817	6152	5425								1.4	1.2	0.9	1.1	-0.6	-10.8	
22.0	6953	6906	6828	6784	6124	5286	4630							-0.8	-0.9		8.0	-5.6		
22.5	6904	6934	6861	6635	5910	5221	4754							0.7	2.0	0.5	-0.2	-6.9		
23.0			6776	6697	6616	6048	4740							0.0		-2.5				
23.5	6743			6726	6336	5812	4614							-0.3			12.0			
24.0				6600	5853															

* 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						6970														
20.0				7315																
20.5				6982	6895	6386	5749						6.3							
21.0			7240	6709	6311	6239									-5.5	-1.9				
21.5			6523			5852	4654													
22.0						5635	5012													
22.5						5367														
23.0							4742													
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	8628	7621	7173	6998	6438	5416
Bellies	7773	7275	6637	7325	6709	6385
Locks				3497		
Average Quality						
Lambswool	8694	7353	6645	7081	6066	5377
Bellies		6988	6471	7010	6564	5768
Locks					3721	
Inferior Quality						
Fleecewool	7777	7005	6354	5011	5618	4689
Lambswool	8544	7006		7389		
Bellies	7118			5741	4398	5091
Locks						

Industry News

Increase in grease wool exports to China

In volume terms, export figures up to end February 2008 show a 34% increase in grease wool exports to China, whereas exports of scoureds dropped 51% compared with the same period last season. Exports of tops and noils increased marginally.

Total grease wool exports to China for this period came to 7,5 mkg compared with 5,6 mkg in 2006/07. While top exports to Italy, the second largest importer of SA wools, were up 3%, exports of scoureds and grease wool declined 63% and 16% respectively year-on-year.

Germany, the third major importer, increased its grease wool imports by 19% and scoureds by 21%. Top imports were down 37% year-on-year.