

NATIONAL WOOL MARKET REPORT

Season : **2007/08**
 Sale Date: **28-May-2008**
 Catalogue: **MC29**



CAPE WOOLS SA

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AWEX-ID under licence from Australian Wool Exchange

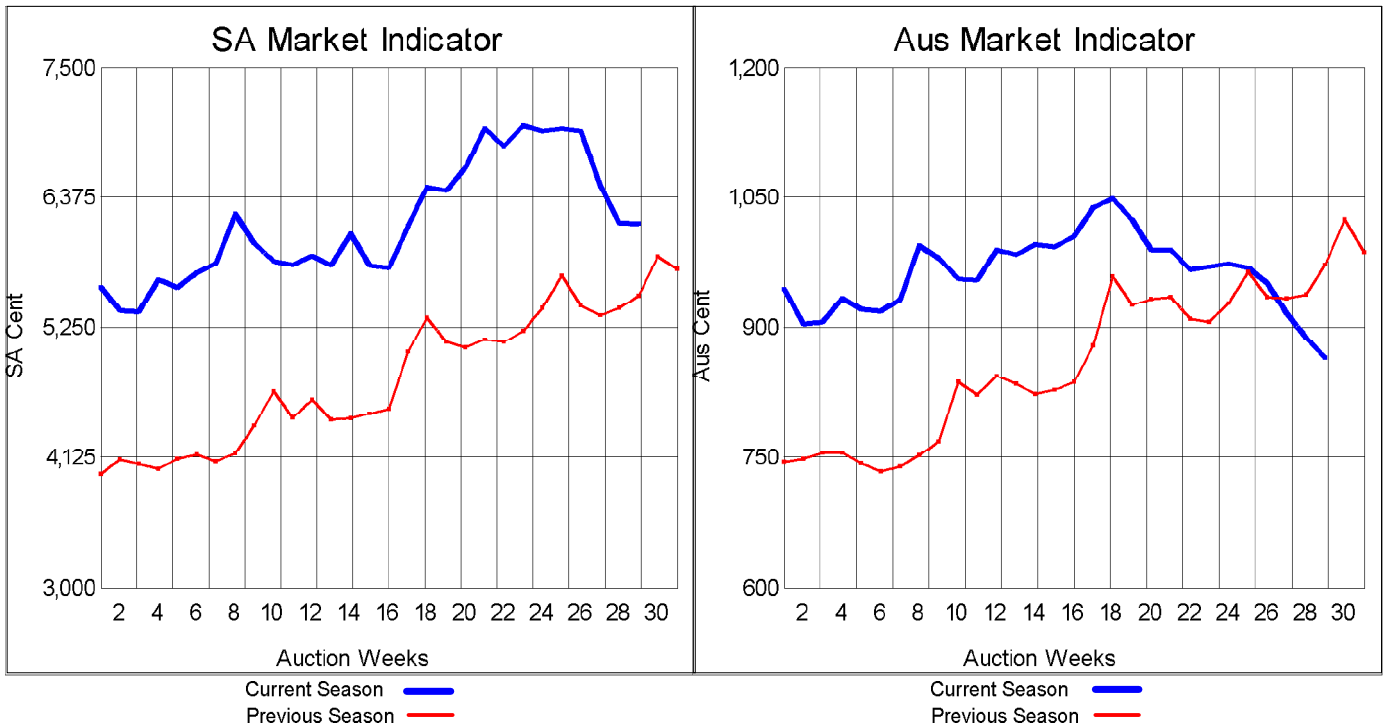
Market Commentary									
MARKET CLOSES UNCHANGED									
<p>PORT ELIZABETH: The wool market stabilised today at the penultimate sale of the season and Cape Wools' Merino indicator closed unchanged at R61,50/kg (clean). This could, to a degree, be attributed to the weaker rand, which at R7,70 had softened by 1,2% against the US dollar since the previous sale two weeks ago. At R12,09 it was also 3% weaker against the euro. Prices were mixed with some categories gaining up to 4,5% while others were cheaper. Short wools were significantly down.</p> <p>Accumulative receipts into brokers' store to date are up 3,6% compared with the corresponding period last season, which could indicate an increase in production. Last season saw production increasing 2,2%. This week's offering of 10 623 bales was slightly less than at the previous sale and 95% was sold. Major buyers were Modiano (3 149 bales); Standard Wool SA (1 791 bales); Stucken (1 785 bales); and Chargeurs Wool (1 359 bales).</p> <p>Average price movements for AWEX-type fleeces, MF4 and MF5 of 70 and 80 mm were as follows: 20 microns were down 1,5% at R68,13/kg; 21 microns were 0,6% cheaper at R63,26/kg; 22 microns shed 1% at R59,97/kg; and 23 microns were down 2,1% at R57,66/kg. There were no quotes for 19, 24 and 25 microns due to insufficient quantities in these categories.</p> <p>The next sale, which is the final sale for the season, has been scheduled for 11 June when approximately 12 500 bales will be offered.</p>									
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	33.1	36.6	Merino Fleeces	39.0	4 140	97.5	5 592	97.6	
Medium Wool	49.1	46.4	Merino Bellies	7.5	793	98.2	1 002	95.4	
Short Wool and Locks	17.8	17.0	Merino Lambs	8.8	930	93.7	1 212	92.4	
Fine Wool (<20µ)	20.3	27.2	Merino Locks	6.2	663	99.2	724	95.6	
Medium Wool (20 - 22µ)	63.5	58.2	Other	38.6	4 097	95.6	5 008	92.1	
Strong Wool (22 - 24µ)	15.6	13.3	Total	100.0	10 623	96.6	13 538	94.8	
Overstrong (24 - 27µ)	0.7	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	6 150	6 153	0.0						
AWEX EMI	865	888	-2.6	Durban	2 614	2 512	96.1	3 957	3 698
R/US Dollar	7.7068	7.6127	-1.2	Port Elizabeth	8 009	7 747	96.7	9 581	9 140
R/A Dollar	7.3938	7.1043	-4.1	Total	10 623	10 259	96.6	13 538	12 838
R/Euro	12.0991	11.7468	-3.0						
Main Buyers				Receipts 23 May 2008					
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change	
				47 399 949	45 739 683	3.6			
G Modiano	3 149	30.7	69 115						
Standard Wool S A	1 791	17.5	51 206						
Stucken	1 785	17.4	38 464						
Chargeurs Wool	1 359	13.2	43 306						
Lempriere (Aus) Ltd	889	8.7	15 061						
Beier Fin	765	7.5	17 617						
Segard Masurel	498	4.9	33 576						
New England Wool	13	0.1	1 878						
ADF	10	0.1	14 965						
Next Auction									
				Name	Date	Offerings (Bales)			
				S A Wool Exchange	11/06/2008	± 11 500			
				Van Lill Wool Buyers	10/06/2008	± 470			
				Saunders et al.	10/06/2008	± 450			
				Lanata	10/06/2008	± 450			
				SA Indicator	-	MC29		6 150	
				Ave SA Indicator - Season to Date				6 151	
				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							6847													13.3
18.5					8265	7243										1.4				
19.0					7836	7033	5276								6.9	2.2	-11.1			
19.5			7111	7325	7045	6516	6052							-7.4	-2.2	-1.2	-0.6	8.0		
20.0	6938	6788	6838	6430	6095	5389								-1.9	-2.3	-0.8	-2.1	-0.4	11.9	
20.5			6597	6576	6203	5756	5215								3.5	2.4	1.5	1.2	4.0	
21.0			6327	6326	6065	5790	4934								-1.4	0.1	1.4	2.6	9.8	
21.5			6240	6105	5895	5552	4898								1.1	0.5	-0.5	-2.3	3.7	
22.0				5997	5772	5453	4836	4251							0.1	-1.5	-1.7	1.9		
22.5			6076	5949	5627	5286	4734								2.1	0.2	-0.7	-1.5	4.8	
23.0				5766	5577	5363	4549	4237							-0.9	0.7	10.1			
23.5			5748	5708	5498	4820										-2.6				
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						6558														
19.5																				
20.0						5773									-0.3					
20.5				5893		5064									-14.0					
21.0				6292		5614	4691										3.4			
21.5							5002	4190									17.5	20.0		
22.0					5722	5409	4321								-1.0	-2.2				
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	7268	6555	6369	6393	6050	5453
Bellies		5682		4702	5520	5072
Locks		5356		3444	3247	3061
Average Quality						
Lambswool	7501	6556	6117	5951	5348	4484
Bellies		5926		5904	5394	4824
Locks		3562		3768	2955	3263
Inferior Quality						
Fleecewool	6085	6072	5244	5769	4622	5088
Lambswool	6900	6884		6612	6171	
Bellies	6491	5576		4538	4742	4547
Locks	2752	2684	2983	2895	2832	2672

Industry News

Wool promotion needs to continue

The wool industry needed to build upon the Test Marketing Project and continue marketing wool so that it could become a desirable item. It should also been given status as a top quality product. International Wool Textile Organisation (IWTO) president Gunther Bayer told the National Woolgrowers' Association congress in Port Elizabeth this morning.

He said the IWTO was in the ideal position to act as facilitator. It could play a vital role by creating a single platform for all players in the chain where plans could be tabled and discussed to ensure that the fibre was promoted in the most effective way.