

**CAPE WOOLS SA**  
**Final Wool Sales Report and Price Summary**

Auction Date **21-Sep-2005**  
Catalogue Number **MA04**



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**Market Commentary**

**WOOL PRICES SLIGHTLY UP**

**PORT ELIZABETH:** Wool prices were slightly up at this week's sale and Cape Wools market indicator gained 0,8% to finish the day at R25,16/kg (clean). There was good competition from all sectors of the trade for the relatively small offering of 6 747 bales . The rand also held up well and was generally unchanged from last week.

The market also saw little change in the prices in the finer end of the market while the broader end of the market saw some types ending the day slightly dearer. Major buyers were Modiano (1 438 bales), Stucken (1 159 bales), United Wool (926), Chargeurs Wool (925 bales), and SA Wool Exporters (746 bales).

Average clean prices for good quality long (75 - 95mm) Merino fleeces (spinners' and good topmakers' styles) were as follows: 19 microns were slightly dearer at R38,50/kg, 20 microns were down 1,3% at R35,75/kg, 21 microns were 0,7% cheaper at R33,50/kg, 22 microns were relatively unchanged at R33,08/kg, 23 microns were 1,2% dearer at R33,20/kg, 24 microns gained 0,7% to R31,89/kg, but 25 microns were down 1,6% at R30,20/kg.

Approximately 8 000 bales will come under the hammer at next week's sale.

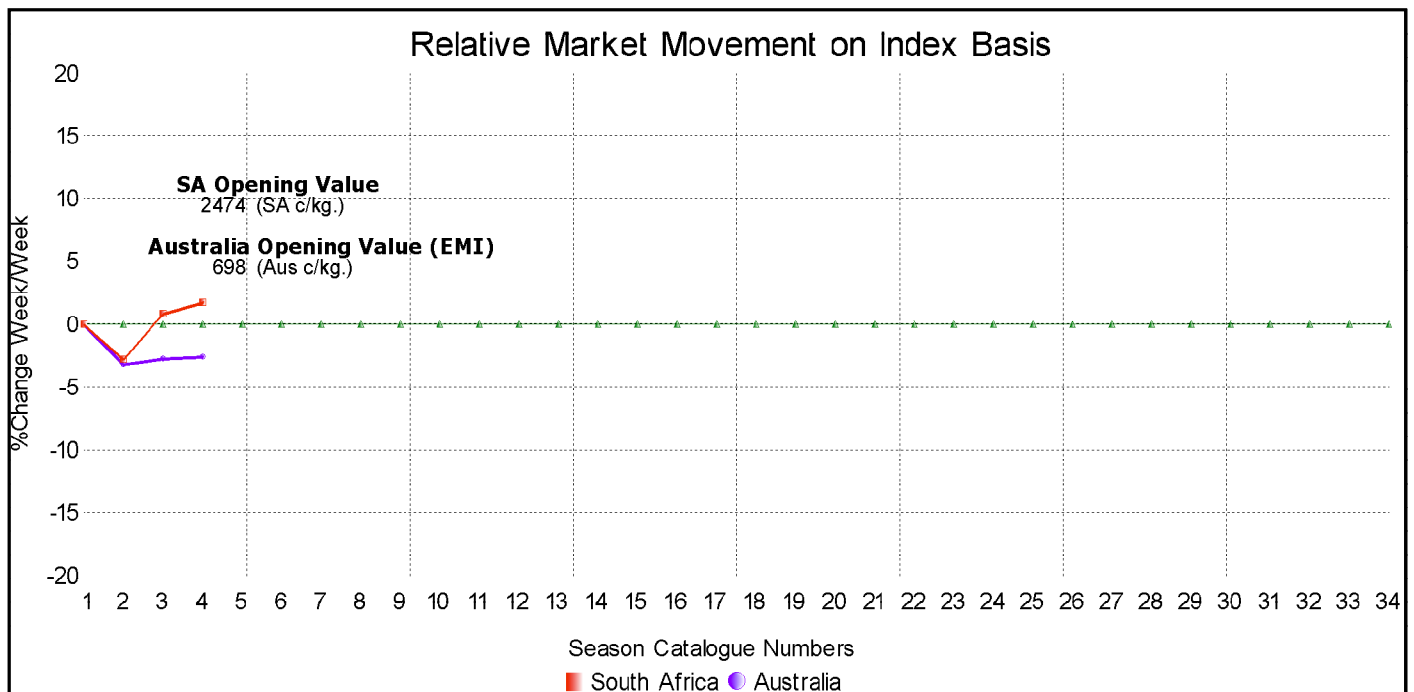
**Auction Analysis**

| <b>Composition of Fleece Offerings</b> |                    |                    |                    | <b>Analysis of Offerings</b>                     |                          |                          |                      |                          |              |
|--|--------------------|--------------------|--------------------|--|--------------------------|--------------------------|----------------------|--------------------------|--------------|
| <b>Description</b>                     | <b>% This Week</b> | <b>% Prev Week</b> | <b>Description</b> | <b>This Week</b>                                 |                          |                          | <b>Previous Week</b> |                          |              |
|  |                    |                    |                    | <b>%</b>   | <b>Bales</b>             | <b>% Sold</b>            | <b>Bales</b>         | <b>% Sold</b>            |              |
| Long Wool                              | 59.9               | 56.4               | Merino Fleeces     | 53.6   | 3 614                    | 96.8                     | 3 128                | 97.9                     |              |
| Medium Wool                            | 35.5               | 36.6               | Merino Bellies     | 8.2  | 552                      | 93.7                     | 446                  | 91.3                     |              |
| Short Wool and Locks                   | 4.6                | 7.0                | Merino Lambs       | 11.5   | 779                      | 96.4                     | 497                  | 97.4                     |              |
| Fine Wool (<20µ)                       | 13.8               | 9.1                | Merino Locks       | 5.3  | 360                      | 99.2                     | 365                  | 100.0                    |              |
| Medium Wool (20 - 22µ)                 | 60.7               | 57.7               | Other              | 21.4   | 1 442                    | 92.7                     | 1 368                | 89.5                     |              |
| Strong Wool (22 - 24µ)                 | 24.8               | 28.3               | <b>Total</b>       | <b>100.0</b>                                     | <b>6 747</b>             | <b>95.7</b>              | <b>5 804</b>         | <b>95.5</b>              |              |
| Overstrong (24 - 27µ)                  | 0.7                | 4.8                |                    |  |                          |                          |                      |                          |              |
| <b>Other Indicators</b>                |                    |                    |                    | <b>Offerings per Port</b>                        |                          |                          |                      |                          |              |
| <b>Indicators</b>                      | <b>This Week</b>   | <b>Prev Week</b>   | <b>% Change</b>    | <b>Ports</b>                                     | <b>This Week (Bales)</b> |                          |                      | <b>Prev Week (Bales)</b> |              |
|  |                    |                    |                    |  | <b>Offered</b>           | <b>Sold</b>              | <b>% Sold</b>        | <b>Offered</b>           | <b>Sold</b>  |
| <b>SA Market Indicator</b>             | <b>2 516</b>       | <b>2 496</b>       | <b>0.8</b>         | Cape Town  | 1 123                    | 1 055                    | 93.9                 | 989                      | 914          |
| AWEX EMI                               | 680                | 679                | 0.1                | Durban   | 627                      | 577                      | 92.0                 | 532                      | 510          |
| R/US Dollar                            | 6.3487             | 6.3393             | -0.1               | Port Elizabeth                                   | 4 997                    | 4 828                    | 96.6                 | 4 283                    | 4 120        |
| R/A Dollar                             | 4.8897             | 4.8819             | -0.2               | <b>Total</b>                                     | <b>6 747</b>             | <b>6 460</b>             | <b>95.7</b>          | <b>5 804</b>             | <b>5 544</b> |
| R/Euro                                 | 7.7478             | 7.7849             | 0.5                |  |                          |                          |                      |                          |              |
|  |                    |                    |                    | <b>Receipts 16/09/2005</b>                       |                          |                          |                      |                          |              |
| <b>Main Buyers</b>                     |                    |                    |                    | <b>Season to Date (Kg)</b>                       |                          | <b>Last Season (Kg)</b>  |                      | <b>% Change</b>          |              |
| <b>Buyers</b>                          | <b>This Week</b>   | <b>% of Sale</b>   | <b>To Date</b>     | <b>7 652 390</b>                                 |                          | <b>7 731 040</b>         |                      | <b>-1.0</b>              |              |
| G Modiano                              | 1 438              | 22.3               | <b>7 462</b>       | <b>Next Auction</b>                              |                          |                          |                      |                          |              |
| Stucken                                | 1 159              | 17.9               | <b>6 721</b>       | <b>Name</b>                                      | <b>Date</b>              | <b>Offerings (Bales)</b> |                      |                          |              |
| United Wool                            | 926                | 14.3               | <b>4 070</b>       | S A Wool Exchange                                | 28/09/2005               | ± 7 000                  |                      |                          |              |
| Chargeurs Wool                         | 925                | 14.3               | <b>3 849</b>       | Van Lill Wool Buyers                             | 27/09/2005               | ± 685                    |                      |                          |              |
| SA Wool Exporters                      | 746                | 11.6               | <b>3 440</b>       | Saunders et al.                                  | 27/09/2005               | ± 718                    |                      |                          |              |
| ADF                                    | 689                | 10.7               | <b>1 621</b>       | Lanata   | 27/09/2005               | ± 652                    |                      |                          |              |
| Beier Fin                              | 565                | 8.8                | <b>2 547</b>       | <b>SA Market Indicator</b>                       | <b>-</b>                 | <b>MA04</b>              | <b>2 516</b>         |                          |              |
| Lempriere Aus (Pty)                    | 9                  | 0.1                | <b>700</b>         | <b>Ave SA Market Indicator - Season to Date</b>  |                          |                          |                      | <b>2 473</b>             |              |
| CPC                                    | 0                  | 0.0                | <b>0</b>           | <b>Ave SA Market Indicator - Previous Season</b> |                          |                          |                      | <b>2 569</b>             |              |

## Cape Wools SA

### Average Fleece Wool Prices (Spinners and Good Topmaking Styles)

| Micron | 75-95mm |      |      | Clean Price (c/kg.)<br>60-70mm |      |      | 40-55mm |      |      | Percentage change<br>from previous auction |         |         |
|--------|---------|------|------|--------------------------------|------|------|---------|------|------|--|---------|---------|
|        | Hi      | Lo   | Avg  | Hi                             | Lo   | Avg  | Hi      | Lo   | Avg  | 75-95mm                                    | 60-70mm | 40-55mm |
| 17,5   |         |      |      |                                |      |      | 3918    | 3918 | 3918 |  |         | -1.2    |
| 18,0   | 4303    | 4091 | 4248 | 4294                           | 4294 | 4293 | 3928    | 3928 | 3928 |  |         | 0.3     |
| 18,5   | 4114    | 4114 | 4113 | 4148                           | 3999 | 4082 | 4110    | 3703 | 3839 |  | 0.1     | 16.7    |
| 19,0   | 4085    | 3729 | 3850 | 4004                           | 3516 | 3691 | 3888    | 3377 | 3634 | 0.4  | -4.2    | 2.8     |
| 19,5   | 3953    | 3585 | 3745 | 3902                           | 3359 | 3647 | 3716    | 2959 | 3430 | -0.8                                       | -2.8    | -1.4    |
| 20,0   | 3798    | 3440 | 3575 | 3751                           | 3359 | 3528 | 3576    | 2959 | 3326 | -1.3                                       | 0.7     | 2.8     |
| 20,5   | 3654    | 3310 | 3447 | 3652                           | 3198 | 3397 | 3428    | 2959 | 3250 | 0.4  | -0.2    | 0.8     |
| 21,0   | 3471    | 3088 | 3350 | 3485                           | 3147 | 3336 | 3344    | 3094 | 3207 | -0.7                                       | -0.1    | 0.6     |
| 21,5   | 3371    | 3088 | 3310 | 3361                           | 3147 | 3295 | 3292    | 3000 | 3197 | -0.9                                       | 0.1     | -0.1    |
| 22,0   | 3365    | 3231 | 3308 | 3359                           | 2956 | 3281 | 3292    | 2665 | 3204 | -0.4                                       | 0.2     | 1.3     |
| 22,5   | 3365    | 3231 | 3317 | 3359                           | 2956 | 3281 | 3286    | 2665 | 3211 | 0.1  | 1.1     | 2.7     |
| 23,0   | 3342    | 3257 | 3320 | 3342                           | 2956 | 3257 | 3254    | 2926 | 3162 | 1.2  | 2.0     | 1.4     |
| 23,5   | 3339    | 3125 | 3274 | 3310                           | 3123 | 3249 | 3170    | 2926 | 3095 | 1.8  | 3.0     | 1.0     |
| 24,0   | 3290    | 3125 | 3189 | 3283                           | 2996 | 3205 |         |      |      | 0.7  | 2.1     |         |
| 24,5   | 3199    | 2969 | 3079 | 3175                           | 2996 | 3039 | 3125    | 3021 | 3067 | -1.5                                       | -2.1    | -2.1    |
| 25,0   | 3046    | 2969 | 3020 | 3052                           | 2794 | 2965 | 3125    | 3021 | 3067 | -1.6                                       | -0.4    | 0.7     |
| 25,5   | 2969    | 2969 | 2969 | 2794                           | 2794 | 2793 |         |      |      | 2.1  | -4.0    |         |
| 26,0   |         |      |      | 2794                           | 2794 | 2793 |         |      |      |  | -1.1    |         |



## Cape Wools SA

### Average Fleece Wool Prices (Averages Topmaking Styles)

| Micron | Clean Price (c/kg.) |      |      |         |      |      | Percentage change from previous auction |      |      |         |         |         |
|--------|---------------------|------|------|---------|------|------|---|------|------|---------|---------|---------|
|        | 75-95mm             |      |      | 60-70mm |      |      | 40-55mm                                 |      |      | 75-95mm | 60-70mm | 40-55mm |
|        | Hi                  | Lo   | Avg  | Hi      | Lo   | Avg  | Hi                                      | Lo   | Avg  |         |         |         |
| 17,5   |                     |      |      |         |      |      | 3266                                    | 3266 | 3266 |         |         |         |
| 18,0   |                     |      |      |         |      |      |   |      |      |         |         |         |
| 18,5   |                     |      |      |         |      |      | 4018                                    | 3578 | 3751 |         |         | 0.7     |
| 19,0   | 3816                | 3816 | 3815 | 3951    | 3429 | 3724 | 3786                                    | 3359 | 3498 | -2.3    | -0.0    | 5.9     |
| 19,5   | 3816                | 3816 | 3815 | 3879    | 3354 | 3597 | 3688                                    | 3280 | 3422 | 7.9     | 0.1     | 4.2     |
| 20,0   |                     |      |      | 3608    | 3354 | 3475 | 3577                                    | 3128 | 3290 |         | -1.2    | 5.2     |
| 20,5   | 3368                | 3368 | 3368 | 3585    | 2913 | 3374 | 3261                                    | 2796 | 3152 | -2.1    | 1.1     | 3.0     |
| 21,0   | 3368                | 3222 | 3303 | 3438    | 2913 | 3256 | 3274                                    | 2796 | 3103 | -0.2    | -1.3    | 1.8     |
| 21,5   | 3358                | 3222 | 3293 | 3347    | 2931 | 3190 | 3274                                    | 2679 | 3050 | -0.1    | -2.0    | -0.6    |
| 22,0   | 3305                | 3222 | 3291 | 3317    | 2915 | 3162 | 3274                                    | 2679 | 3044 | -0.4    | -2.0    | -0.1    |
| 22,5   | 3305                | 3223 | 3258 | 3305    | 2915 | 3157 | 3189                                    | 2453 | 2909 | -1.2    | -1.2    | -4.0    |
| 23,0   | 3314                | 3148 | 3256 | 3276    | 3010 | 3195 | 3169                                    | 2453 | 2966 | -0.2    | 0.7     |         |
| 23,5   | 3314                | 3148 | 3245 | 3267    | 2640 | 3002 | 3169                                    | 2958 | 3030 | -0.5    | -3.9    |         |
| 24,0   | 3148                | 3148 | 3148 | 3216    | 2640 | 2890 |   |      |      | 3.5     | -7.4    |         |
| 24,5   |                     |      |      | 2640    | 2640 | 2640 |   |      |      |         | -15.9   |         |
| 25,0   |                     |      |      |         |      |      |   |      |      |         |         |         |
| 25,5   |                     |      |      |         |      |      |   |      |      |         |         |         |
| 26,0   |                     |      |      |         |      |      |   |      |      |         |         |         |

### Other Selected Types/Qualities

Clean Price per Kilogram

|                         | Long |      |      | Medium |      |      |
|-------------------------|------|------|------|--------|------|------|
|                         | 19μ  | 20μ  | 21μ  | 19μ    | 20μ  | 21μ  |
| <b>Good Quality</b>     |      |      |      |        |      |      |
| Lambswool               | 3944 | 3578 | 3343 | 3669   | 3359 | 3154 |
| Bellies                 | 3577 |      | 3219 | 3305   | 3335 | 2874 |
| Locks                   |      |      |      | 2590   | 2083 | 2056 |
| <b>Average Quality</b>  |      |      |      |        |      |      |
| Lambswool               | 3729 | 3516 | 3254 | 3442   | 3275 | 3123 |
| Bellies                 | 3539 | 3304 | 2983 | 3398   | 2945 | 2891 |
| Locks                   |      |      |      | 2420   | 1983 | 2024 |
| <b>Inferior Quality</b> |      |      |      |        |      |      |
| Fleecewool              |      | 2914 | 2996 |        |      | 3014 |
| Lambswool               |      | 3582 |      | 3369   | 2504 |      |
| Bellies                 |      | 3069 | 2734 | 2773   | 2769 | 2665 |
| Locks                   |      |      |      | 1992   | 1832 | 1716 |

### Industry News

#### Vaccine could increase wool and meat production

Australia's scientific research establishment, the CSIRO, has developed a new vaccine which is reported to boost wool and meat production in sheep and reduce methane gasses at the same time. According to molecular biologist Dr Andre Wright a single sheep produces about 30 - 40 litres of methane gas per day. Reducing methane-gas emissions even by 10-15% can bring about a huge reduction in greenhouse gases, he says.