

CAPE WOOLS SA
Final Wool Sales Report and Price Summary

Auction Date **28-Sep-2005**

Catalogue Number **MA05**



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Market Commentary

WOOL PRICES SOFTER

PORT ELIZABETH: Wool prices were softer at this week sale despite a weaker currency and Cape Wools market indicator closed the day 2,3% down at R24,59/kg (clean). The rand traded at around R6,42 to the US dollar, compared with R6,35 last week, but was some 0,5% stronger against the Australian dollar and up 0,3% against the euro.

All micron categories were down between 1% and 3% with the biggest drops recorded in the 22, 23 and 24 micron categories. Major buyers were Modiano (2 048 bales), Stucken (1 413 bales), United Wool (1 389), Chargeurs Wool (777 bales), and ADF (767 bales).

Average clean prices for good quality long (75 - 95mm) Merino fleeces (spinners' and good topmakers' styles) were as follows: 19 microns were 0,8% cheaper at R38,18/kg, 20 microns were down 2,2% at R34,98/kg, 21 microns were 1,9% cheaper at R32,85/kg, 22 microns dropped 2,4% at R32,28/kg, 23 microns were 3,3% cheaper at R32,09/kg, 24 microns dropped 2,5% to R31,09/kg, but 25 microns were a marginal 0,2% up at R30,25/kg.

Next week, approximately 7 000 bales will come under the hammer.

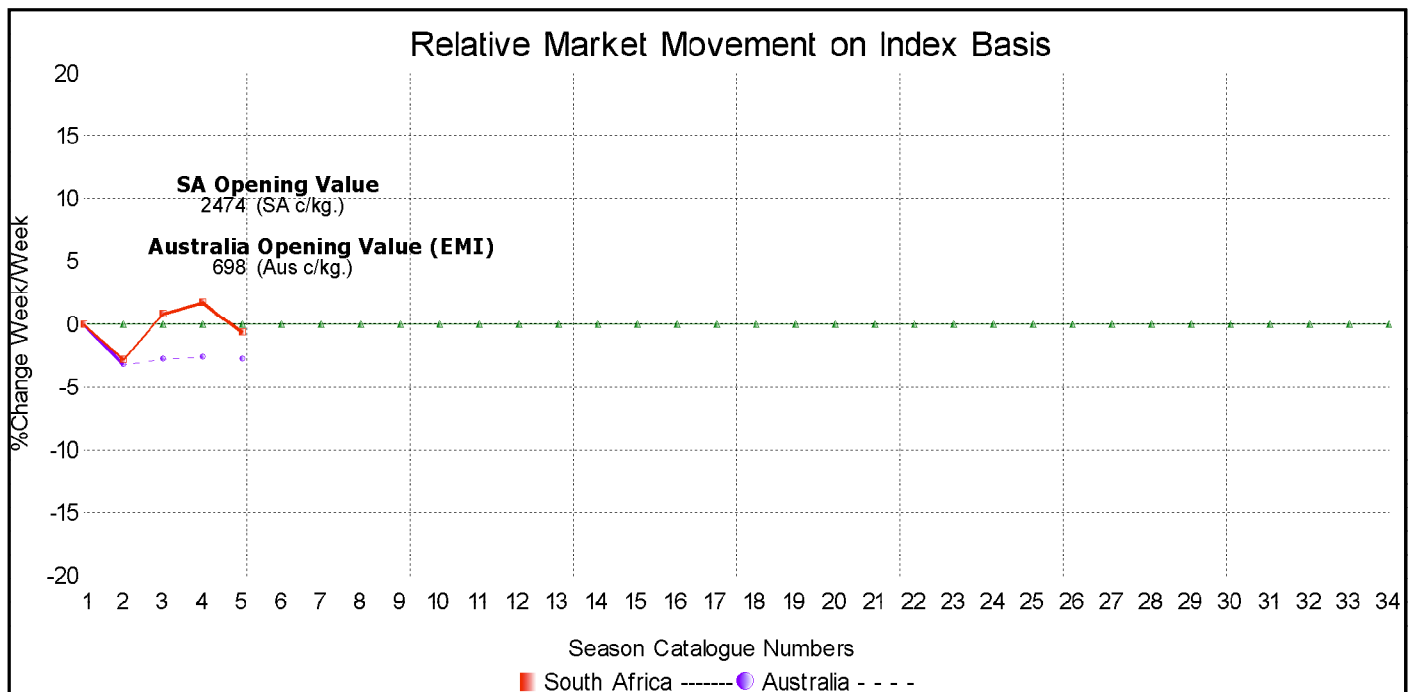
Auction Analysis

Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Week	Description	This Week			Previous Week		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	56.4	59.9	Merino Fleeces	53.8	4 332	93.1	3 614	96.8	
Medium Wool	39.8	35.5	Merino Bellies	6.8	548	98.9	552	93.7	
Short Wool and Locks	3.8	4.6	Merino Lambs	8.9	716	90.1	779	96.4	
Fine Wool (<20µ)	10.0	13.8	Merino Locks	7.8	625	99.2	360	99.2	
Medium Wool (20 - 22µ)	63.4	60.7	Other	22.8	1 838	89.5	1 442	92.7	
Strong Wool (22 - 24µ)	22.0	24.8	Total	100.0	8 059	92.9	6 747	95.7	
Overstrong (24 - 27µ)	4.6	0.7							
Other Indicators				Offerings per Port					
Indicators	This Week	Prev Week	% Change	Ports	This Week (Bales)			Prev Week (Bales)	
					Offered	Sold	% Sold	Offered	Sold
SA Market Indicator	2 459	2 516	-2.3	Cape Town	899	859	95.6	1 123	1 055
AWEX EMI	679	680	-0.1	Durban	732	636	86.9	627	577
R/US Dollar	6.4203	6.3487	-1.1	Port Elizabeth	6 428	5 989	93.2	4 997	4 828
R/A Dollar	4.8675	4.8897	0.5	Total	8 059	7 484	92.9	6 747	6 460
R/Euro	7.7234	7.7478	0.3						
Main Buyers				Receipts 23/09/2005					
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change	
				9 152 192	9 099 617	0.6			
G Modiano	2 048	27.4	9 526	Next Auction					
Stucken	1 413	18.9	8 162	Name	Date	Offerings (Bales)			
United Wool	1 389	18.6	5 459	S A Wool Exchange	05/10/2005	± 7 000			
Chargeurs Wool	777	10.4	4 630	Van Lill Wool Buyers	-	-			
ADF	767	10.2	2 389	Saunders et al.	-	-			
Beier Fin	760	10.2	3 307	Lanata	-	-			
SA Wool Exporters	330	4.4	3 780	SA Market Indicator	-	MA05	2 459		
Lempriere Aus (pty)	0	0.0	706	Ave SA Market Indicator - Season to Date				2 470	
CPC	0	0.0	0	Ave SA Market Indicator - Previous Season				2 568	

Cape Wools SA

Average Fleece Wool Prices (Spinners and Good Topmaking Styles)

Micron	75-95mm			Clean Price (c/kg.) 60-70mm			40-55mm			Percentage change from previous auction		
	Hi	Lo	Avg	Hi	Lo	Avg	Hi	Lo	Avg	75-95mm	60-70mm	40-55mm
18,0							3779	3472	3712			-5.5
18,5	4153	3973	4108	4353	3938	4197				-0.1	2.8	
19,0	3957	3763	3818	3968	3363	3738	3618	3286	3432	-0.8	1.3	-5.6
19,5	3957	3557	3706	3968	3303	3626	3618	3255	3388	-1.0	-0.6	-1.2
20,0	3769	3294	3498	3720	3302	3466	3501	3091	3259	-2.2	-1.8	-2.0
20,5	3539	3215	3373	3585	3167	3377	3361	2933	3187	-2.2	-0.6	-1.9
21,0	3426	3062	3285	3425	3032	3286	3361	2933	3153	-1.9	-1.5	-1.7
21,5	3357	3062	3249	3359	3032	3220	3268	2971	3126	-1.8	-2.3	-2.2
22,0	3300	3062	3228	3295	2919	3189	3239	2901	3114	-2.4	-2.8	-2.8
22,5	3278	3172	3221	3276	2919	3190	3219	2901	3100	-2.9	-2.8	-3.5
23,0	3274	3107	3209	3249	3052	3186	3204	2901	3058	-3.3	-2.2	-3.3
23,5	3251	3077	3179	3236	3052	3167	3204	2824	3033	-2.9	-2.5	-2.0
24,0	3219	3025	3109	3176	2936	3100	3101	2824	2987	-2.5	-3.3	
24,5	3131	2934	3052	3102	2936	3047	3070	2683	2941	-0.9	0.3	-4.1
25,0	3077	2934	3025	3080	2760	3007	3070	2683	2882	0.2	1.4	-6.0
25,5	2996	2588	2917	3026	2760	2977	2971	2842	2903	-1.8	6.6	
26,0	2941	2588	2873	2986	2891	2950					5.6	
26,5	2908	2588	2762	2891	2891	2890	2556	2556	2556			



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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			
18,0				4033	4033	4033						
18,5							3668	3498	3648			-2.8
19,0				3705	3497	3624	3583	3296	3432		-2.7	-1.9
19,5	3476	3476	3475	3705	3255	3471	3495	3262	3339	-8.9	-3.5	-2.4
20,0	3476	3314	3380	3497	3061	3286	3409	2743	3268		-5.4	-0.7
20,5	3338	3217	3279	3429	3052	3270	3282	2642	3012	-2.6	-3.1	-4.4
21,0	3338	3217	3269	3381	2929	3175	3261	2642	2970	-1.0	-2.5	-4.3
21,5	3289	3195	3249	3276	2811	3135	3103	2642	2971	-1.3	-1.7	-2.6
22,0	3278	3041	3194	3246	2788	3121	3103	2931	3025	-3.0	-1.3	-0.6
22,5	3278	3041	3170	3206	2788	3132	3103	2903	3009	-2.7	-0.8	3.4
23,0	3193	3148	3180	3206	2928	3116	2903	2903	2903	-2.3	-2.5	-2.1
23,5	3168	3168	3167	3158	2928	3102				-2.4	3.3	
24,0				3077	2997	3037					5.1	
24,5				2997	2997	2997					13.5	
25,0												
25,5												
26,0												
26,5				2449	2449	2449						

Other Selected Types/Qualities

Clean Price per Kilogram

	Long			Medium		
	19μ	20μ	21μ	19μ	20μ	21μ
Good Quality						
Lambswool	3779	3496	3302	3551	3271	3162
Bellies			3124		3013	2949
Locks				2405	2320	2152
Average Quality						
Lambswool	3569	3480	3214	3494	3250	2966
Bellies	3431	3012	2830	3181	2904	2878
Locks				2262	2018	1829
Inferior Quality						
Fleecewool		3227	3028	3078	3087	2884
Lambswool	3575	3383		3358	3285	3038
Bellies		2230	2974	2927	2688	2401
Locks				1758	1757	1735

Industry News

Wool promotion to kicks off in US

A global test marketing campaign for wool will go ahead, with the initial focus the tough retail market in the US.

Australian Wool Innovation (AWI) said this week that test marketing campaign would be smaller than the original as it scaled its offer to \$US3,4 million from \$US5 million after sufficient matching failed to materialise.

The company said it nevertheless was confident that matching funds for this new amount would be found by the IWTO, through commitments from processors and other producer countries.

Chinese mills, however, are reluctant to join the campaign.