

CAPE WOOLS SA
Final Wool Sales Report and Price Summary

Auction Date **26-Oct-2005**
Catalogue Number **MA09**



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Market Commentary

WOOL PRICES LOWER

PORT ELIZABETH: Wool prices softened once again amid limited orders from major clients and Cape Wools market indicator shed 1,5% to close at R24,10/kg (clean).

Not even a weaker rand could arrest the downward slide. Although the rand was trading slightly lower against the US dollar (- 0,3%), it had lost ground against the euro (- 1,7%) and the Australian dollar (- 1,5%).

All long wool (75 -90mm) micron categories were down, but the finer end of the market, particularly 18,5 micron and finer, which represented a small percentage of the offering 17 lots (54 bales), were most affected, dropping by up to 8%. The medium wools were down by around 1% to 3%.

Grease wool exporter Modiano was the main buyer, taking up 3 371 bales (41%) of the total of 8 899 bales on offer. Other major buyers were Stucken (1 252 bales), Chargeurs Wool (958 bales), SA Wool Exporters (839 bales) and Beier Finance (754 bales).

Average clean prices for good quality long (75 - 95mm) Merino fleeces (spinners' and good topmakers' styles) were as follows: 19 microns were virtually unchanged at R38,59/kg, 20 microns were down 1,3% at R34,40/kg, 21 microns lost 2,6% at R32,10/kg, 22 microns were 2,4% cheaper at R31,33/kg, 23 microns dropped 2,8% to R30,91/kg, 24 microns were down 2,8% at R30,16/kg, but 25 microns gained 4,2% to close at R29,64/kg.

Approximately 9 000 bales will be auctioned at next week's sale.

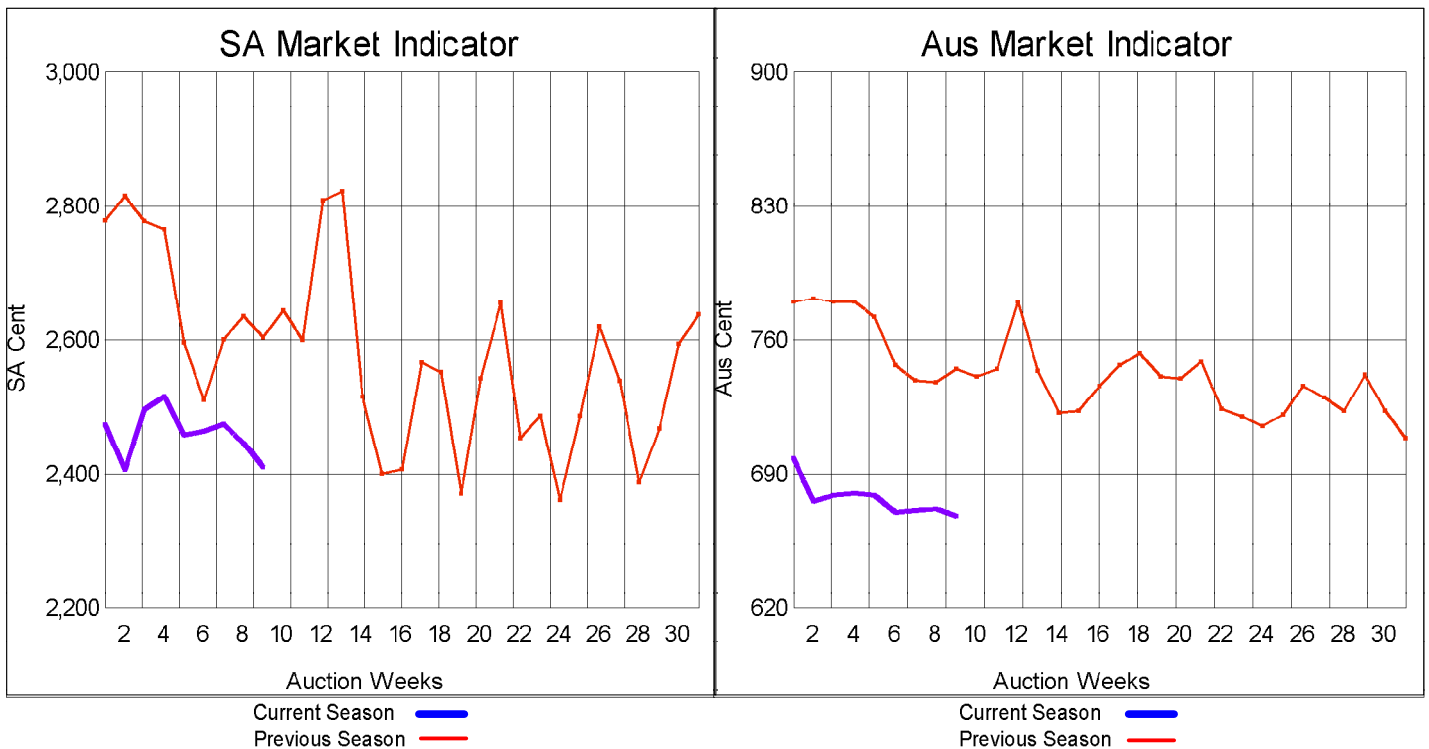
Auction Analysis

Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Week	Description	This Week			Previous Week		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	58.4	58.8	Merino Fleeces	46.5	4 134	96.3	3 398	97.3	
Medium Wool	37.7	36.8	Merino Bellies	6.3	557	89.8	670	91.6	
Short Wool and Locks	3.9	4.4	Merino Lambs	7.8	695	93.4	622	94.9	
Fine Wool (<20µ)	12.1	11.6	Merino Locks	7.1	630	97.9	463	95.5	
Medium Wool (20 - 22µ)	62.7	61.9	Other	32.4	2 883	87.0	1 878	87.9	
Strong Wool (22 - 24µ)	22.7	25.4	Total	100.0	8 899	92.8	7 031	93.9	
Overstrong (24 - 27µ)	2.5	1.2							
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	2 410	2 447	-1.5	Cape Town	1 656	1 532	92.5	1 362	1 294
AWEX EMI	668	672	-0.6	Durban	1 159	998	86.1	1 072	939
R/US Dollar	6.5912	6.5726	-0.3	Port Elizabeth	6 084	5 724	94.1	4 597	4 370
R/A Dollar	4.9827	4.9088	-1.5	Total	8 899	8 254	92.8	7 031	6 603
R/Euro	7.9663	7.8368	-1.7						
				Receipts 21/10/2005					
Main Buyers				Season to Date (Kg)		Last Season (Kg)		% Change	
Buyers	This Week	% of Sale	To Date	14 461 055		14 288 328		1.2	
G Modiano	3 371	40.8	20 867	Next Auction					
Stucken	1 252	15.2	12 919	Name	Date	Offerings (Bales)			
Chargeurs Wool	958	11.6	8 518	S A Wool Exchange	02/11/2005	± 9 000			
SA Wool Exporters	839	10.2	6 373	Van Lill Wool Buyers	-	-			
Beier Fin	754	9.1	6 029	Saunders et al.	-	-			
ADF	544	6.6	4 290	Lanata	-	-			
United Wool	536	6.5	7 890	SA Market Indicator	-	MA09	2 410		
Lempriere Aus (Pty)	0	0.0	706	Ave SA Market Indicator - Season to Date			2 461		
				Ave SA Market Indicator - Previous Season			2 568		

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Average Fleece Wool Prices (Spinners and Good Topmaking Styles)

Micron	Clean Price (c/kg.)									Quantities Sold						Percentage change from previous auction			
	75-95mm			60-70mm			40-55mm			75-95mm		60-70mm		40-55mm		75-95	60-70	40-55	
	Hi	Lo	Avg	Hi	Lo	Avg	Hi	Lo	Avg	Lots	bales	Lots	bales	Lots	bales	Lots	bales	Lots	bales
18,0	4353	4051	4210	4200	4093	4146	3939	3939	3938	6	19	2	4	1	2	-3.6	0.2	2.8	
18,5	4145	3992	4042	4117	3658	3985	3825	3584	3672	11	35	5	9	2	3	-7.6	-3.7	-9.8	
19,0	3960	3660	3859	3908	3593	3761	3474	3409	3439	11	49	18	53	3	9	-0.1	0.9	-2.4	
19,5	3937	3356	3759	3849	3441	3676	3474	3264	3387	20	75	24	75	10	29	-1.3	0.1	-1.3	
20,0	3788	3285	3440	3801	3276	3517	3443	2964	3223	41	220	30	107	28	89	-1.3	2.3	-1.9	
20,5	3538	3154	3341	3554	3112	3292	3352	2921	3139	58	322	44	166	40	131	-1.2	-0.5	-1.0	
21,0	3352	3103	3210	3320	3067	3193	3319	2861	3086	51	376	58	254	39	163	-2.6	-1.8	-1.1	
21,5	3253	2859	3160	3275	3030	3162	3202	2791	3058	52	412	64	274	41	255	-2.2	-1.1	-1.8	
22,0	3213	2859	3133	3247	3001	3136	3170	2791	3037	51	332	52	242	30	185	-2.4	-1.1	-2.8	
22,5	3211	2903	3115	3193	2733	3084	3093	2908	3002	49	328	34	168	19	95	-2.9	-2.7	-2.3	
23,0	3211	2903	3091	3180	2733	3033	3088	2642	2956	39	195	25	77	15	87	-2.8	-3.9	-2.9	
23,5	3161	2962	3077	3115	2955	3027	3088	2642	2894	21	103	23	69	7	32	-1.6	-3.0	-4.5	
24,0	3106	2837	3016	3115	2844	2990	3088	2718	2883	14	54	24	76	3	11	-2.8	-1.6	-3.5	
24,5	3017	2837	2960	3042	2839	2937	2718	2718	2717	8	38	12	40	1	4	1.1	-2.2		
25,0	2995	2925	2964	2921	2839	2883	2718	2718	2717	4	22	4	19	1	4	4.2	-0.1	-4.0	
25,5				2895	2726	2851						4	13				2.2		
26,0				2726	2726	2726						1	1				9.5		



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Average Fleece Wool Prices (Averages Topmaking Styles)

Micron	Clean Price (c/kg.)									Quantities Sold						Percentage change from previous auction		
	75-95mm			60-70mm			40-55mm			75-95mm		60-70mm		40-55mm		75-95	60-70	40-55
	Hi	Lo	Avg	Hi	Lo	Avg	Hi	Lo	Avg	Lots	Bales	Lots	Bales	Lots	Bales			
18,0							3652	3472	3618					2	5			
18,5				3956	3956	3955	3611	3539	3552			1	1	2	6	-6.6	-4.2	
19,0	3688	3688	3688	3737	3556	3620	3605	3412	3563	1	2	7	17	2	3	0.8	5.6	
19,5	3688	3470	3627	3737	3471	3592	3605	3121	3293	3	6	10	30	6	12	-0.3	-2.3	
20,0	3647	3271	3481	3661	3008	3406	3348	2800	3167	4	7	8	32	13	27	-0.6	0.8	
20,5	3309	3182	3216	3377	2878	3147	3348	2654	3025	6	18	11	56	23	71	-0.9	-2.6	-2.8
21,0	3265	3121	3184	3262	2878	3076	3128	2654	2957	7	23	21	105	20	75	-0.3	-2.2	-1.7
21,5	3182	2967	3104	3185	2894	3087	3092	2776	2947	16	88	31	170	25	103	-1.6	-1.7	-0.5
22,0	3167	2967	3095	3185	2796	3089	3061	2698	2927	15	84	30	192	21	87	-1.0	-1.6	-0.9
22,5	3167	2844	3074	3185	2770	3066	3003	2385	2883	10	53	20	117	9	29	-1.9	2.5	2.8
23,0	3073	2844	3003	3116	2770	2999	2998	2385	2813	7	23	13	47	3	9	-3.7	2.4	4.6
23,5	3045	2844	2959	3110	2770	2976	2755	2755	2755	4	13	7	30	1	5	-1.4	1.5	-7.7
24,0	2942	2942	2941	3045	2829	2920	2838	2104	2476	1	1	4	8	2	8	-1.5	-3.6	-16.0
24,5				3045	2976	3019	2838	2104	2476			2	3	2	8	0.2		
25,0																		
25,5																		
26,0																		

Other Selected Types/Qualities

Clean Price per Kilogram

	Long			Medium		
	19μ	20μ	21μ	19μ	20μ	21μ
Good Quality						
Lambswool	3822	3624	3269	3464	3283	2996
Bellies	3525	3311		3438	3209	2733
Locks				2403	1993	1949
Average Quality						
Lambswool	3779	3385	3242	3404	3180	2871
Bellies	3543	2962	2923	3291	2993	2849
Locks				2335	1976	1867
Inferior Quality						
Fleecewool	3556	2885	2899	3301	3018	2812
Lambswool	3374	3176	2954	3417	3193	
Bellies		3177	2536	3208	2689	2461
Locks				1912	1684	1642

Industry News

Shearing sheep standing upright

An Australian company says in-shed trials of a new platform shearing technology are showing great promise.

The platform enables shearers to stand upright while shearing. On current trial rates up to 130 sheep per day was achievable.

In a bid to change shearing from a back-breaking profession to a less strenuous and more attractive job, a number of engineering companies have designed upright or platform shearing devices in conjunction with Australian Wool Innovation (AWI).

AWI has spent about A\$2,5 million (about R12,5 million) on the programme to date, assisting engineering firms to develop prototypes.