

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

Auction Date **27-Sep-2006**  
Catalogue Number **MB05**



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**Market Commentary**

**WOOL PRICES SLIGHTLY DEARER**

**PORT ELIZABETH:** Wool was dearer at this week's sale, mainly due to the weaker rand, and Cape Wools' indicator gained 1% to close at R31,04/kg (clean).

The rand remained range bound at its lower levels and was 3,3% weaker against the American dollar compared with last week and 3,4% softer against the euro, largely as a result of emerging market jitters.

Most long fleece types were up, with 20 microns posting the biggest gains of up to 4%. Of the 6 841 bales offered, 98% were cleared to the trade. Major buyers were Chargeurs Wool (1 904), Modiano (1 387), Segard Masurel (1 193), SA Wool Exporters (949) and Stucken (741).

Average price movements for AWEX type fleeces MF3, MF4 and MF5 of 70 mm were as follows: 20 microns gained 4,2% at R45,28/kg; 21 microns were up 2,2% at R 41,23/kg; 22 microns gained 0,7% at R39,59/kg; 23 microns rose 1,3% at R38,49/kg, but there were no quotes for 24 and 25 microns.

Approximately 8 000 bales have been rostered for next week.

**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	68.4	65.7	Merino Fleeces	53.9	3 689	99.4	4 022	97.3
Medium Wool	25.6	30.0	Merino Bellies	6.8	466	97.4	406	90.1
Short Wool and Locks	6.0	4.3	Merino Lambs	9.0	614	95.4	500	90.0
Fine Wool (<20μ)	15.6	18.3	Merino Locks	8.6	587	100.0	387	97.2
Medium Wool (20 - 22μ)	65.0	64.7	Other	21.7	1 485	97.0	1 244	92.1
Strong Wool (22 - 24μ)	17.8	16.9	<b>Total</b>	<b>100.0</b>	<b>6 841</b>	<b>98.4</b>	<b>6 559</b>	<b>95.3</b>
Overstrong (24 - 27μ)	1.5	0.1						

**Other Indicators**

**Offerings per Port**

<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>3 104</b>	<b>3 072</b>	<b>1.0</b>	Cape Town	771	749	97.1	1 051	965
AWEX EMI	743	755	-1.6	Durban	523	516	98.7	562	505
R/US Dollar	7.5883	7.3493	-3.3	Port Elizabeth	5 547	5 469	98.6	4 946	4 781
R/A Dollar	5.6931	5.5307	-2.9	<b>Total</b>	<b>6 841</b>	<b>6 734</b>	<b>98.4</b>	<b>6 559</b>	<b>6 251</b>
R/Euro	9.6282	9.3123	-3.4						

**Receipts 22/09/2006**

**Main Buyers**

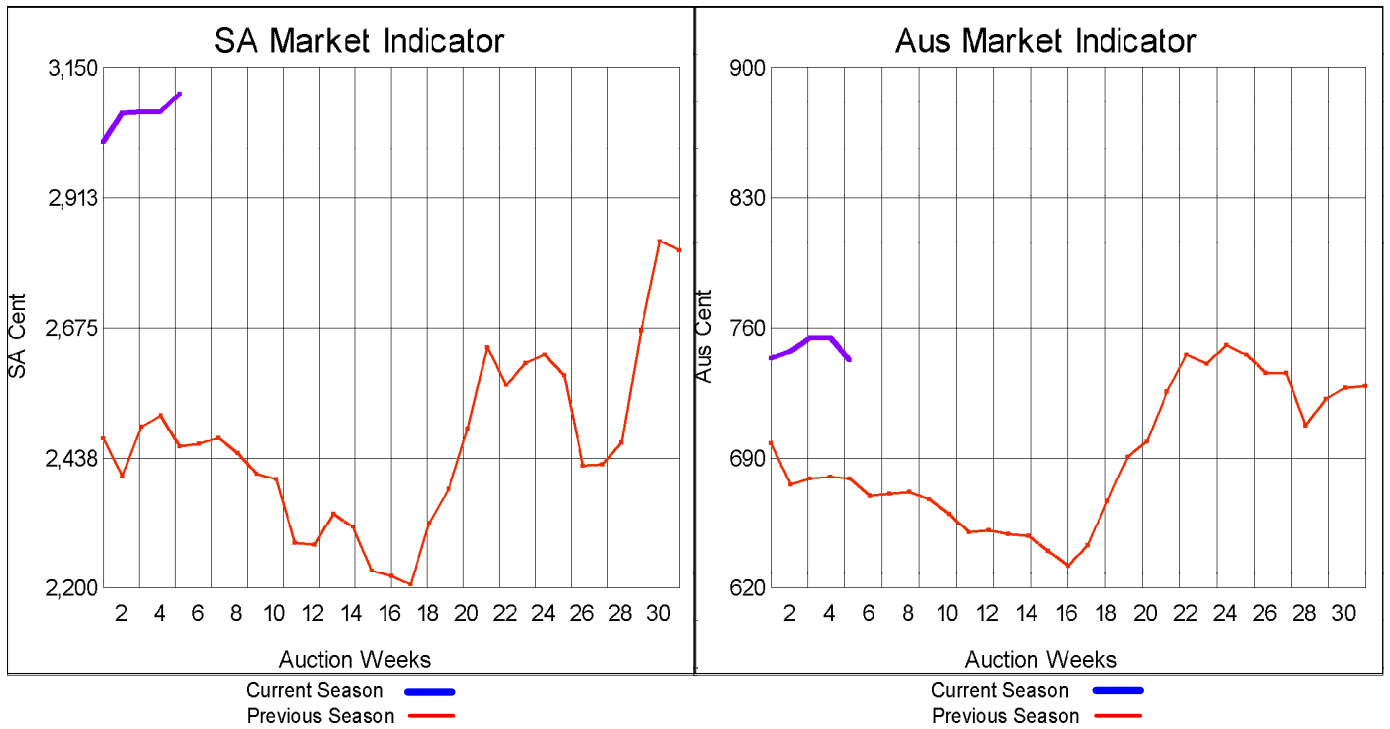
<b>Buyers</b>	<b>This Week</b>	<b>% of Sale</b>	<b>To Date</b>	<b>Season to Date (Kg)</b>		<b>Last Season (Kg)</b>		<b>% Change</b>
				<b>8 242 008</b>		<b>9 398 699</b>		
Chargeurs Wool	1 904	28.3	<b>7 608</b>	<b>Next Auction</b>				
G Modiano	1 387	20.6	<b>9 331</b>	<b>Name</b>	<b>Date</b>	<b>Offerings (Bales)</b>		
Segard Masurel	1 193	17.7	<b>6 993</b>	S A Wool Exchange	04/10/2006	± 8000		
S A Wool Exporters	949	14.1	<b>5 782</b>	Van Lill Wool Buyers	-	-		
Stucken	741	11.0	<b>7 039</b>	Saunders et al.	-	-		
Beier Fin	497	7.4	<b>3 063</b>	Lanata	-	-		
New England Wool	32	0.5	<b>138</b>	<b>SA Market Indicator</b>	<b>-</b>	<b>MB05</b>	<b>3 104</b>	
Lempriere (Aus) Ltd	31	0.5	<b>252</b>	<b>Ave SA Market Indicator - Season to Date</b>				<b>3 067</b>
ADF	0	0.0	<b>1 767</b>	<b>Ave SA Market Indicator - Previous Season</b>				<b>2 461</b>

# Cape Wools SA

## Fleece Wool Prices (Spinners and Good Topmaking Styles, AWEX Types MF3, 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																				
18.5		5550		5561		5036								7.2						
19.0				5078			4044							3.9						
19.5		4751	4880	4839	4671	4397	3842						0.4	0.6	1.5	4.8	4.7	0.4		
20.0		4600	4487	4528	4429	4009	3761						0.5	0.0	4.2	1.9	-3.0	0.9		
20.5		4399	4320	4252	4209	4088							5.2	4.6	2.5	3.6	5.5			
21.0		4179	4161	4123	4113	3991	3724						2.6	3.3	2.2	3.2	2.3	-0.4		
21.5		4084	4103	4031	4025									2.3	1.6	3.4				
22.0		4001	3995	3959	3923	3813							1.3	2.2	0.7	1.8	1.3			
22.5		3966	3947	3893	3899	3765								1.4	0.7	1.6				
23.0		3912	3884	3849		3762								2.7	1.3					
23.5		3797	3850	3801										0.8	1.4	1.8				
24.0			3819	3845																

\* 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				4785																
19.5			4653																	
20.0				4077	3910								-2.3	-7.8						
20.5				4110	4016	3497	4050						1.0	5.7	-10.1					
21.0		4124	4157	4014	3928	3539							9.2	1.2	1.9	-5.9				
21.5			3953	3959	3827								2.0	7.8	1.2					
22.0		3771	3884	3924									-0.1	1.5						
22.5			3837	3858									8.5							
23.0				3732																
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
<b>Good Quality</b>						
Lambswool	4957	4728	4184	4211	3929	3887
Bellies	4356	3991		4010	3904	3701
Locks					2519	2458
<b>Average Quality</b>						
Lambswool	4964	4426	4089	4045	3806	3510
Bellies	4565	3891	3746	3723	3646	3607
Locks				2941	2630	2634
<b>Inferior Quality</b>						
Fleecewool	4727	4032	3840	3829	3861	2496
Lambswool	4592	4477		4121	3719	3338
Bellies		3815	2417	3732	3447	3270
Locks		2198	2209	2624	2335	2219

### Industry News

#### Italy biggest importer in July

Italy was the biggest importer of South African wool in July, taking up 141 755 kg greasy and 141 628 kg processed wool, or 25,9% of the total value of wool exported.

Germany was the second biggest importer with 26 711 kg grease and 110 633 kg processed wool (14,3% of total value), followed by France with 29 707 kg greasy and 80 957 kg processed wool (12,2%).

Grease wool shipments to China/Hong Kong, last season's third largest purchaser, were up compared with July 2005, increasing to 64 338 kg greasy from 15 619 kg, while shipments of processed wool dropped significantly to 43 191 kg from 132 822 kg.