

CAPE WOOLS SA
Final Wool Sales Report and Price Summary

Auction Date **25-Jan-2006**

Catalogue Number **MA19**



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Market Commentary

WOOL PRICES CONTINUE UPWARD TREND

PORT ELIZABETH: The wool market continued its upward trend on the back of strong demand for quality wools and Cape Wools market indicator gained 2,7% to close at R23,82/kg (clean).

This was in line with the Australian market, which also firmed. Buyers say well-grown, well-classed, sound Merino wools are being snapped up, fetching higher prices than the other types. It is expected that good quality wools will continue to perform well.

In the long wool micron categories, the best performers were 20 and 24 microns, which gained 5,9 % and 5,2% respectively. Other categories rose between 2% and 4%. A total of 9 709 bales was on offer of which 94% traded hands. Major buyers were Chargeurs Wool (2 305 bales), Modiano (2 077 bales), SA Wool Exporters (1 903 bales) and Stucken (1 454 bales).

Average clean prices for good quality long (75 - 95mm) Merino fleeces (spinners' and good topmakers' styles) were as follows: 19 microns (3 lots) gained 2,3% at R39,26/kg; 20 rose 5,9% at R35,41/kg; 21 microns strengthened 4% at R32,59/kg; 22 microns gained 2,7% at R31,72/kg; 23 microns were 2% dearer at R31,10/kg; 24 microns rose 5,2% at R30,65/kg, and 25 microns were up 2,4% at R29,88/kg.

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

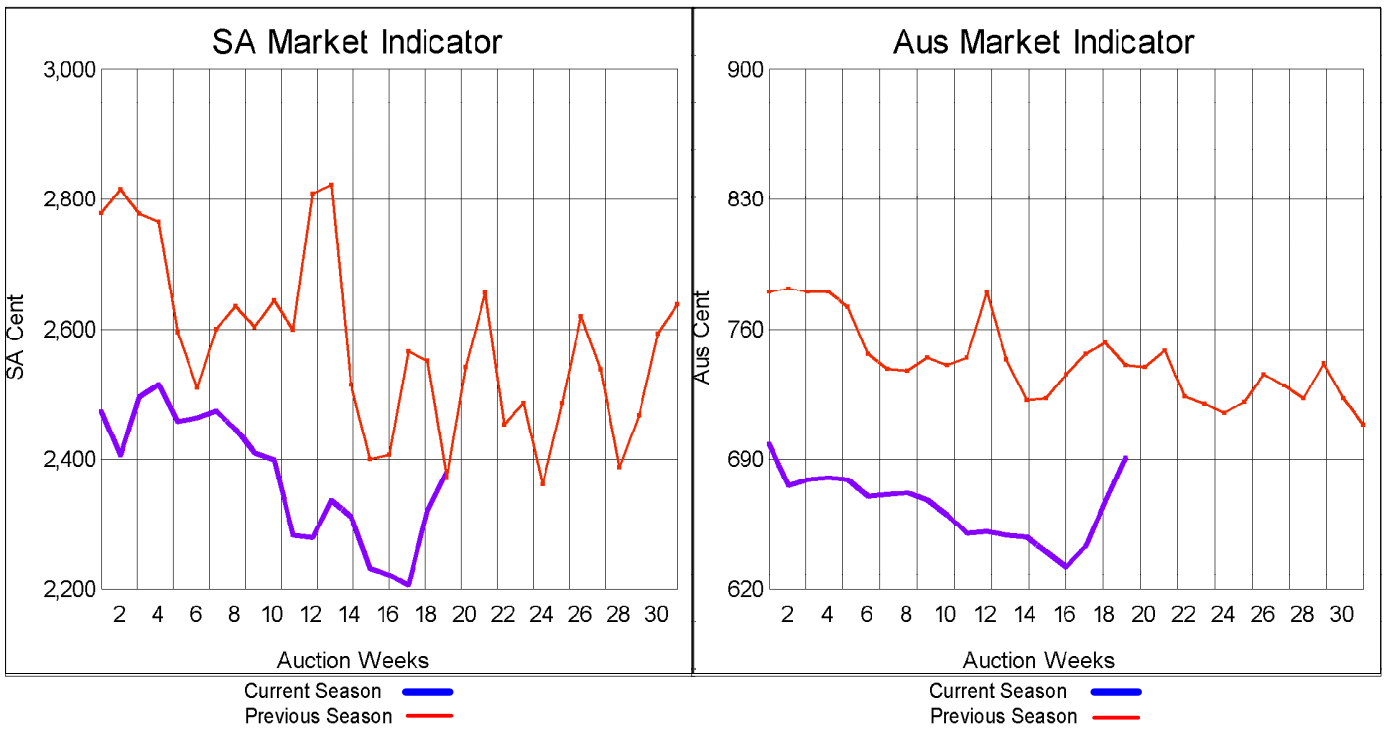
Auction Analysis

Composition of Fleece Offerings				Analysis of Offerings					
Description	% This Week	% Prev Week	Description	This Week			Previous Week		
				%	Bales	% Sold	Bales	% Sold	
Long Wool	48.3	53.9	Merino Fleeces	38.4	3 730	98.7	3 369	98.8	
Medium Wool	46.5	42.7	Merino Bellies	5.4	523	87.0	495	96.4	
Short Wool and Locks	5.3	3.5	Merino Lambs	8.5	822	94.2	599	98.7	
Fine Wool (<20µ)	19.2	15.5	Merino Locks	5.6	548	96.2	460	98.3	
Medium Wool (20 - 22µ)	60.2	62.6	Other	42.1	4 086	90.2	3 395	93.2	
Strong Wool (22 - 24µ)	18.3	20.1	Total	100.0	9 709	93.9	8 318	96.3	
Overstrong (24 - 27µ)	2.3	1.8							
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	2 382	2 320	2.7	Cape Town	349	304	87.1	547	471
AWEX EMI	691	667	3.6	Durban	3 896	3 676	94.4	2 757	2 704
R/US Dollar	6.0072	6.0418	0.6	Port Elizabeth	5 464	5 141	94.1	5 014	4 835
R/A Dollar	4.5202	4.5235	0.1	Total	9 709	9 121	93.9	8 318	8 010
R/Euro	7.3807	7.3175	-0.9						
Main Buyers				Receipts 20/01/2006					
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change	
				28 710 093	29 323 889	-	2 382		
Chargeurs Wool	2 305	25.3	27 144	Next Auction					
G Modiano	2 077	22.8	41 072	Name	Date	Offerings (Bales)			
SA Wool Exporters	1 903	20.9	20 473	S A Wool Exchange	01/02/2006	± 7 000			
Stucken	1 454	15.9	25 937	Van Lill Wool Buyers	-	-			
United Wool	696	7.6	14 684	Saunders et al.	-	-			
Beier Fin	686	7.5	12 388	Lanata	-	-			
ADF	0	0.0	9 275	SA Market Indicator	-	MA19	2 382		
Lempriere (Aus) Ltd	0	0.0	733	Ave SA Market Indicator - Season to Date			2 375		
				Ave SA Market Indicator - Previous Season			2 568		

Cape Wools SA

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			
17,5							4469	3721	4077					5	14			18.3
18,0	4284	4284	4283	4524	4291	4353	3957	3654	3852	1	3	4	12	7	10	-2.1	17.0	3.7
18,5	4124	4026	4041	4242	4038	4160	3905	3357	3655	2	7	6	13	6	10	4.6	9.0	3.9
19,0	4117	3912	3926	4026	3618	3859	3655	3090	3520	3	16	6	16	6	18	2.3	3.5	5.9
19,5	3917	3550	3824	4026	3317	3627	3680	2968	3234	13	51	27	113	17	47	9.6	3.3	3.1
20,0	3849	3320	3541	3749	3073	3457	3446	2853	3076	17	68	40	206	26	100	5.9	6.1	2.5
20,5	3561	3067	3329	3513	2996	3270	3316	2559	2980	33	166	43	232	40	186	3.9	2.4	4.1
21,0	3377	3067	3259	3312	2989	3165	3316	2555	2889	33	192	37	229	45	196	4.0	2.9	1.9
21,5	3325	3044	3205	3256	2869	3108	3198	2555	2872	30	193	38	255	32	127	3.0	2.7	1.7
22,0	3259	3019	3172	3220	2793	3083	3198	2417	2890	26	177	30	170	25	95	2.7	2.1	2.8
22,5	3200	2902	3131	3197	2793	3042	3158	2417	2733	17	108	25	115	24	100	2.2	1.1	-1.3
23,0	3172	2902	3110	3174	2817	3037	2938	2476	2645	12	46	18	55	13	58	2.0	2.3	2.0
23,5	3172	3017	3122	3142	2817	2999	3052	2441	2724	8	32	15	52	15	49	4.1	2.5	5.3
24,0	3162	2730	3065	3135	2715	2983	3052	2441	2749	13	42	19	71	11	38	5.2	3.3	8.5
24,5	3071	2730	2986	3053	2715	2931	2842	2337	2558	11	21	11	36	6	15	2.4	2.3	-0.1
25,0	3009	2979	2988	2943	2752	2839	2768	2337	2527	5	6	9	20	3	7	2.4	7.3	
25,5				2943	2731	2857						5	11				8.0	
26,0				2731	2731	2731						1	2				3.2	



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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				
17,5							4166	4166	4166					1	5				
18,0				4218	3630	3900						4	11					-7.2	
18,5				4125	3610	3897	4030	4030	4030			6	18	1	3			10.6	24.9
19,0	3986	3986	3985	4109	3742	3891	3488	2927	3452	1	2	3	4	2	13			11.5	4.2
19,5	3986	3472	3576	3856	3122	3530	3668	2914	3432	2	9	15	62	10	45	-0.9		4.7	15.7
20,0	3472	3065	3325	3717	2846	3343	3404	2831	3048	2	12	29	101	15	30	-2.6		4.7	9.7
20,5	3200	2858	3090	3543	2240	3201	3225	2503	2935	5	33	40	191	19	42	-1.6		4.1	8.5
21,0	3276	2817	3064	3338	2240	3097	3100	2386	2825	12	66	58	310	15	45	-2.5		4.2	4.0
21,5	3276	2817	3036	3221	2396	3040	2933	2386	2731	13	57	58	278	12	53	0.7		4.3	1.0
22,0	3148	2817	2993	3194	2670	2984	2983	2276	2771	10	45	37	170	20	86	-1.1		3.2	2.4
22,5	3148	2967	3036	3141	2728	2931	2983	2276	2765	6	22	23	112	17	68	1.5		3.7	1.3
23,0	3069	2967	3031	3141	2728	2894	2778	2598	2664	4	15	11	53	5	21	4.5		4.9	2.6
23,5	3050	3050	3050	3125	2545	2885	2678	2514	2591	1	6	7	36	3	5	8.0		10.2	7.1
24,0				3125	2545	2942	2678	2514	2578			4	18	2	3			10.8	
24,5				2985	2985	2985						1	7						
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	3949	3767	3058	3328	2988	2763
Bellies		3171	2925	3192	2839	2687
Locks				2262	1856	1665
Average Quality						
Lambswool	3731	3320	2991	3182	2963	2802
Bellies	3475	3068	2943	2841	2614	2542
Locks				1626	1566	1393
Inferior Quality						
Fleecewool	3425	3282	2728	2965	2867	2252
Lambswool	3447	3447		2984	2101	2336
Bellies			3029	2565	2625	1892
Locks				1419	1313	1434

Industry News

China to cut exports to SA

The South African clothing and textile industry has welcomed an announcement that China is to voluntarily reduce its clothing and textile exports to South Africa.

China's ambassador to SA, Liu Guijin, said last week that his country would limit export of garments and some textile items to SA.

Figures show that clothing imports from China has risen 40% in the past nine months, putting increasing strain on the domestic manufacturers and leading to the demise of a number of companies and an estimated 60 000 job losses.

Mr Guijin did not reveal the exact terms of the Chinese offer.