

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

Auction Date **24-Jan-2007**

Catalogue Number **MB19**



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**Market Commentary**

**MARKET CORRECTS AFTER STRONG GAINS**

**PORT ELIZABETH:** The market indicator slipped from its high levels following a stronger rand and a correction in the Australian market and Cape Wools' indicator closed down 5,2% at R38,35/kg (clean). This nevertheless is up 27% on the opening sale.

The rand was firmer against the US dollar (1,5%), taking its cue from a stronger euro which the local currency tends to track as the currency of South Africa's largest trading partner. It also was 1% firmer against the euro.

All long Merino fleece wools were cheaper. Certain good quality fine wools, however, were snatched up and a new record price of R75/kg greasy (R108,10/kg clean) was paid for two bales of 17 micron produced by Mr R J Flanagan from Stutterheim. The buyer was New England Wool.

A total of 12 429 bales was offered of which 87% was sold. Major buyers were SA Wool Exporters (2 556 bales), Modiano (2 281 bales), Stucken (1 473 bales), Segard Masurel (1 473 bales), ADF (1 028 bales).

Average price movements for AWEX-type fleeces MF3, MF4 and MF5 of 70 and 80 mm were as follows: 19 microns were 9,3% cheaper at R58,96/kg; 20 microns were down 6,6% at R54,80/kg; 21 microns shed 5% at R52,35/kg; 22 microns were 5,2% softer at R51,13/kg; 23 microns were 4,7% cheaper at R49,94/kg and 24 microns dropped 4,1% at R48,92.

Approximately 7 500 bales will come under the hammer at next week's sale

**Auction Analysis**

<b>Composition of Fleece Offerings</b>			<b>Analysis of Offerings</b>					
Description	% This Week	% Prev Week	Description	This Week			Previous Week	
				%	Bales	% Sold	Bales	% Sold
Long Wool	66.2	65.7	Merino Fleeces	45.2	5 617	85.7	4 584	98.7
Medium Wool	28.7	27.6	Merino Bellies	5.0	623	85.9	647	97.2
Short Wool and Locks	5.1	6.7	Merino Lambs	8.1	1 003	77.0	699	95.9
Fine Wool (<20µ)	23.8	22.6	Merino Locks	5.1	632	85.1	545	99.3
Medium Wool (20 - 22µ)	62.1	58.9	Other	36.6	4 554	91.6	4 109	97.0
Strong Wool (22 - 24µ)	13.0	17.1	<b>Total</b>	<b>100.0</b>	<b>12 429</b>	<b>87.1</b>	<b>10 584</b>	<b>97.8</b>
Overstrong (24 - 27µ)	1.1	1.4						

**Other Indicators**

**Offerings per Port**

Indicators	This Week	Prev Week	% Change	Ports	This Week (Bales)			Prev Week (Bales)	
					Offered	Sold	% Sold	Offered	Sold
<b>SA Market Indicator</b>	<b>3 835</b>	<b>4 043</b>	<b>-5.2</b>	Cape Town	461	357	77.4	418	400
AWEX EMI	926	959	-3.4	Durban	3 516	3 389	96.4	3 223	3 182
R/US Dollar	7.1125	7.2235	1.5	Port Elizabeth	8 452	7 085	83.8	6 943	6 767
R/A Dollar	5.5678	5.6698	1.8	<b>Total</b>	<b>12 429</b>	<b>10 831</b>	<b>87.1</b>	<b>10 584</b>	<b>10 349</b>
R/Euro	9.2454	9.3360	1.0						

**Receipts 19/01/2007**

**Main Buyers**

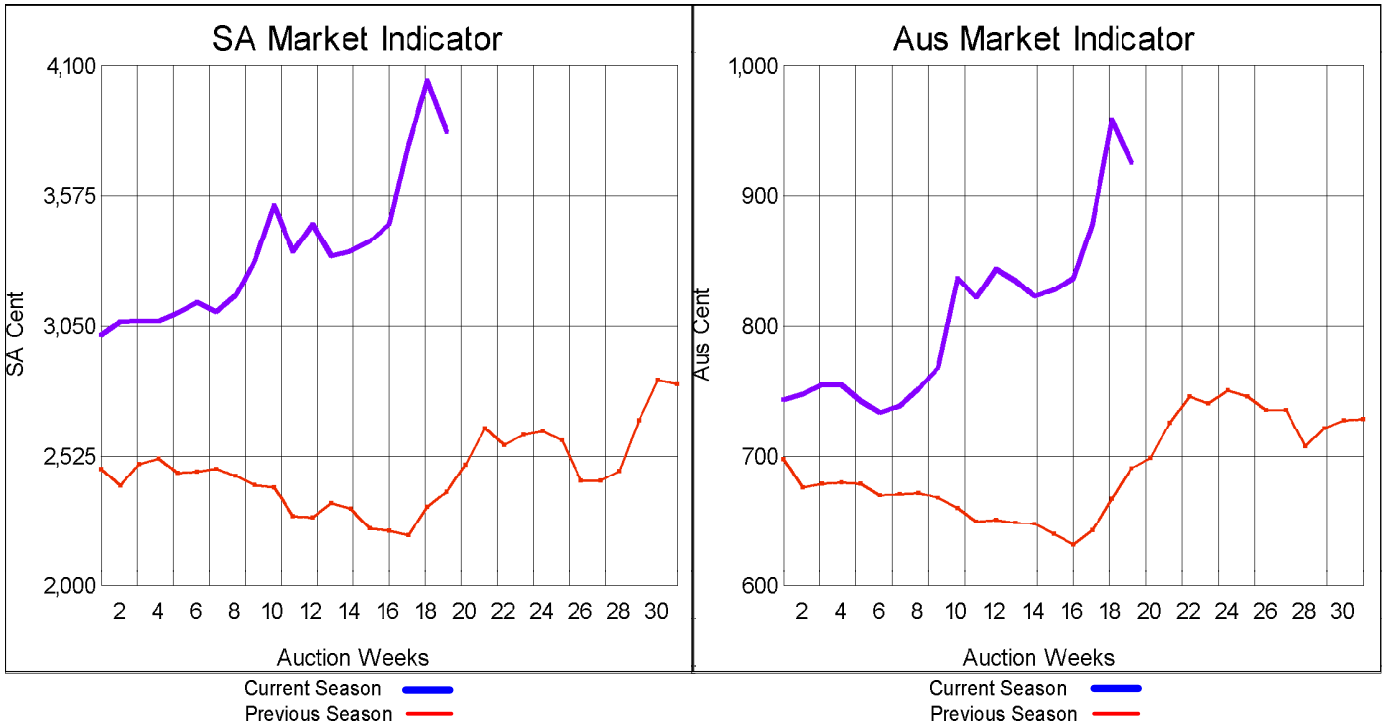
Buyers	This Week	% of Sale	To Date	Season to Date (Kg)		Last Season (Kg)		% Change
				29 766 330	29 596 145	0.6		
S A Wool Exporters	2 556	23.6	31 477	<b>Next Auction</b>				
G Modiano	2 281	21.1	47 710	<b>Name</b>	<b>Date</b>	<b>Offerings (Bales)</b>		
Stucken	1 473	13.6	24 492	S A Wool Exchange	31/01/2007	± 7 500		
Segard Masurel	1 473	13.6	25 134	Van Lill Wool Buyers	-	-		
ADF	1 028	9.5	5 513	Saunders et al.	-	-		
Beier Fin	908	8.4	13 238	Lanata	-	-		
Chargeurs Wool	879	8.1	21 881	<b>SA Market Indicator</b>	<b>-</b>	<b>MB19</b>	<b>3 835</b>	
Lempriere (Aus) Ltd	154	1.4	1 482	<b>Ave SA Market Indicator - Season to Date</b>				<b>3 349</b>
New England Wool	79	0.7	768	<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				6249		5625														
18.5				7741		5570										-3.4				
19.0		5941	5896	6377	5778	5316	5012						-8.2	-13.4	0.9					
19.5		5854	5728	5726	5354	5062	4656						-7.7	-11.5	-7.8		-5.9	-4.5		
20.0		5596	5435	5484	5309	5066	4619						-7.3	-6.6	-8.4	-1.3	-1.0			
20.5		5278	5385	5323	5246	5040							-8.6	-4.7	-2.1	-3.0	-3.2			
21.0		5268	5262	5191	5168	5044	4660						-5.1	-4.7	-2.9	-3.1	-1.6			
21.5	5153	5165	5185	5134	5066	4801							-7.3	-3.2	-5.8	-4.8	-6.0			
22.0		5120	5150	5082	5036	4891							-7.7	-6.1	-4.4	-2.3	0.4			
22.5	5208	5134	5145	5103	4955	4529							-4.8	-6.9	-1.5	-2.6	-4.6	-8.5		
23.0		5133	4898	5069	4779	4631							-0.8		-3.4	-6.4	-2.6			
23.5			5092												-3.9					
24.0																				

\* 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			5886																	
19.5				4652	5373															
20.0			5274	5040	5142	4386							-7.7	0.8	-9.3					
20.5			5135	4832	4919	3915							-2.1	-4.8	-12.4	7.6				
21.0				5143	4407	5081							6.7							
21.5			4974	4884									-3.3	-5.7						
22.0				4569																
22.5			4865	4535	4590															
23.0																				
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	5753	5603	5134	5089	4794	4597
Bellies		4898	4682	5181	4602	4617
Locks	3889			3053	2887	2905
<b>Average Quality</b>						
Lambswool	5548	5279	5320	4815	4436	4485
Bellies	5288	4957	4787	4760	4495	4362
Locks				2946	2948	3228
<b>Inferior Quality</b>						
Fleecewool	5688	4991	4204	5267		4449
Lambswool	4714	5250		4873	4713	
Bellies	4888	4332	4427	4478	4232	3693
Locks	2804	2549	2655	2421	2661	2714

#### Industry News

##### Woolgrowers to discuss wool matters

Eastern Cape Wool producers will gather in Port Elizabeth next week for the annual congress of the Eastern Cape branch of the National Woolgrowers' Association.

Matters up for discussion are, among others, wool promotion, making markets work for the poor, changes in the international wool industry and the flow of wool for auction.

There will also be a presentation on profitable woolled-sheep farming against the background of the latest technology.

Eastern Cape is the largest wool-producing province in the country and last season produced 12,5 mkg. It also home to most of the fine wool producers.