

Monthly Wool Market Overview

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Wool news for July 2016

Sale dates 2016:	Sale dates 2017:
17 August	11 January
24 August	18 January
	25 January
7 September	1 February
14 September	8 February
21 September	15 February
28 September	22 February
	1 March
5 October	8 March
12 October	15 March
19 October	22 March
26 October	29 March
	5 April
2 November	19 April
9 November	
16 November	3 May
23 November	10 May
30 November	24 May
	31 May
7 December	7 June
Christmas recess	
Total number of sales: 35	

Exchange rate, supply to be watched

The exchange rate and wool supply will be two of the many factors influencing wool prices in the new season.

The rand has, over the past few weeks, strengthened significantly against the US dollar, the main currency used to purchase wool, which means that local prices may be lower when the new season opens in August.

Unfortunately the rand's fortunes depend on so many factors that it is difficult to accurately predict in which direction it will move over the coming weeks.

The Australian market has performed quite well since the end of June with the indicator making solid gains.

Market analysts ascribed this strong performance mainly to the good prices fetched by the 17-23 μ ranges due to healthy demand and the diminishing supplies of these types.

The availability of wool, and particularly the medium micron rages, has been a concern for some time.

Australia's greasy wool production has been in decline for years and the estimated production for the 2015/16 season is 322 million kg – a 7% drop on the 2014/15 season.

This reflects a combination of both fewer sheep shorn than in 2014/15 and a decline in average fleece weights due to seasonal conditions.

The Australian Wool Production Forecasting Committee's first forecast for 2016/17 is for shorn wool production to fall to 320 mkg greasy.

South Africa is about the only major wool-exporting country where production has been fairly stable over the past four seasons. Shorn-wool production for 2-15/16 came to 49,7 million kg (see p 2).

Wool shipments to top 10 export destinations for July '15 to June '16

Country	Greasy		Scoured		Top & Noils		Total ¹⁾ R	% of total FOB ²⁾ value
	R	Kg	R	Kg	R	Kg		
China/HK/Macau	2 568 413 384	31 928 958	67 049 600	454 306	1 687 987	12 205	2 637 150 971	63,9
Czech Republic	607 501 096	6 924 385	0	0	0	0	607 501 096	14,7
Italy	244 060 055	1 568 772	75 114 990	560 455	176 874 143	1 066 140	496 049 188	12,0
India	162 952 863	1 830 967	2 693 761	38 875	0	0	165 646 624	4,0
Germany	0	0	30 391 671	269 217	62 588 551	402 193	92 980 222	2,3
Egypt	55 034 879	658 848	0	0	1 741 917	10 329	56 776 796	1,4
France	0	0	1 562 117	13 594	24 345 292	150 804	25 907 409	0,6
USA	0	0	4 681 283	37 499	13 560 887	79 314	18 242 170	0,4
UK	1 261 542	16 723	929 635	5 410	11 832 695	116 044	14 143 038	0,3
Portugal	0	0	0	0	3 496 041	21 377	3 496 041	0,1

¹⁾ Total Rand value includes value of waste exported.

²⁾ FOB = free on board

Full export report (Shipments) available at www.capewools.co.za

Accumulative results for 2015/16 season

Wool receipts (kg greasy):

2015/16:	49 621 244
2014/15:	49 782 188
Change:	-0,32%

Offerings at auction (bales)

Season	Merino	Other	Total bales	Total kg
2015/16:	200 092	115 572	315 664	47 800 095,8
2014/15:	205 998	110 001	315 999	47 538 942,8
Change:	-2,9	5,1	-0,1	0,5



Dolly the cloned sheep's four sisters are still alive and well. Read more on p2.



Textile exchange launches 'Responsible Wool Standard'

The Textile Exchange, a non-profit organization working closely with all sectors of the textile supply chain, has announced the release of the Responsible Wool Standard (RWS).

The RWS is an independent, voluntary standard. On farms, the certification aims to ensure that sheep are treated in accordance with their five freedoms (food, water, shelter, medical treatment and the right to express their natural behaviour) and that the best practices in the management and protection of the land are adhered to.

Through the processing stages, certification ensures that wool from certified farms is properly identified and tracked.

The Standard is intended to be a global benchmark for animal welfare and land management practices in sheep farming.

The goals of the Standard are to provide the industry with the tool to recognize the best practices of farmers around the globe and provide a robust chain of custody systems from farm to final product to ensure consumer confidence in RWS products.

The system also ensures that wool comes from responsibly treated sheep and from farms with a progressive ap-

proach to managing their land and aims to build communication and understanding between farmers, consumers and brands.

In March 2014, H&M and Textile Exchange started an International Working Group (IWG) to develop the Responsible Wool Standard. The IWG includes representation from a broad spectrum of interested parties, including animal welfare groups, farmers, wool suppliers, and supply industry associations, covering both apparel and home categories.

The RWS development process began with hours of research of existing standards.

In late 2015, pilot audits commenced in key sheep raising regions in the world, including Australia, New Zealand, Argentina, South Africa, Austria, the United States and the United Kingdom, each providing valuable information used to refine the requirements, and certification approach.

Two Public Stakeholder Review periods were held to invite feedback from anyone interested in the Standard.

The final version was approved by the Steering Committee of the International Working Group prior to its release.

Dolly clones still in good shape after nine years

Scientists have revealed that four sheep that were cloned from the same cell line as 'Dolly the sheep' are still in good shape.

Dolly was the first cloned mammal in history but died at six-and-a-half years, not long after she was diagnosed with osteoarthritis.

This led researchers to fear that cloned animals might age faster; but the conditions of Dolly's four sisters (Debbie, Denise, Diana and Daisy) who are genetically identical to her, have changed expectations. The four are now nine years old and enjoying excellent health.

By studying them and the other cloned sheep, Sinclair says it was possible to make the first detailed study of the longevity and health of SCNT clones.

They are part of a flock of 13, aged between seven and nine, that are being monitored by the University of Nottingham.

Some of the four are showing signs of mild or moderate osteoarthritis but, unlike their sister, none have required treatment for the condition.

Professor Kevin Sinclair said: "One of the concerns in the early days was that cloned offspring were ageing prematurely and Dolly was diagnosed with osteoarthritis at the age of around five, so clearly this was a relevant area to investigate."

"Following our detailed assessments of glucose tolerance, insulin sensitivity, blood pressure and musculoskeletal investigations, we found that our clones, considering their age, were at the time of our research healthy."

Big interest in yak fibre at Paris fashion week

Yaks have roamed Mongolia's highlands for centuries. They have long been reared in Central Asia for their milk and meat.

But herders in Mongolia discovered that the yaks' soft woolly undercoat - which they shed every spring - might be a money spinner.

"We started collecting yak fibre in 2010. We have been selling the yak fibre directly to our cooperative, and this has had a very good influence on our lives," says Nyambuu-nyadmaa, a yak herder.

The yak herders' cooperative sells the fibre to factories in Europe with the help of a French nonprofit organisation that also trains them to spin and sell their hand-spun yarn at home and abroad.

The fashion industry is also warming to yak fibre. At this year's Paris Fashion Week, Aruinaa Suri, a fashion designer known for her cashmere, leather and felt designs, said it was her new line of yak fibre garments that received the most attention.

Little change in total shorn-wool production for 2015/16

South Africa's shorn wool production for 2015/16 came to 49,70 mkg, which is slightly down from the previous season's 49,78 mkg (see table below).

The Eastern Cape remains the largest wool-producing province, followed by the Free State and the Western Cape.

Only two magisterial districts, both in the Western Cape, managed to pro-

duce more than a million kg. These were Bredasdorp (1 282 579 kg) and Caledon (1 231 102 kg).

The largest producers in the other provinces were Barkly East (915 494 kg), Victoria West (881 024 kg), Frankfort (779 493 kg), and Ermelo (698 328 kg).

In Lesotho the Mafeteng region was the largest producer (1 326 697 kg).

South African shorn wool production for 2015/16

Province	Producer lots	Bins & other	Total
Eastern Cape	13 837 771	3 227 248	17 065 019
Western Cape	6 806 767	1 539 062	8 345 829
Northern Cape	4 881 926	959 354	5 841 280
Free State	6 998 692	1 769 624	8 768 316
Mpumalanga	1 880 403	481 233 -	2 361 636
Limpopo	2 119	3 156	5 275
Gauteng	215 427	110 001	325 428
North West	289 286	292 426	581 711
Kwazulu-Natal	495 251	189 417	684 668
Direct Purchases	0	0	0
Total: South Africa	35 407 642	8 571 520	43 979 162
Total: Namibia	2 031	550	2 581
Total: Lesotho	5 399 728	322 496	5 722 225
Total: Southern Africa	40 809 402	8 894 566	49 703 968