

National Weekly Wool Market Report

Season: 2017/2018

Sale Date: 5th & 6th December 2017



CAPE WOOLS SA

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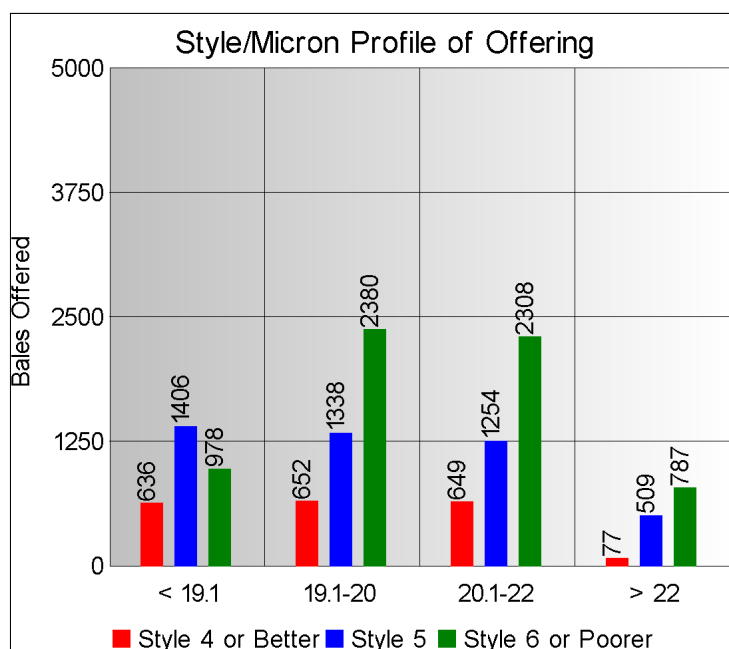
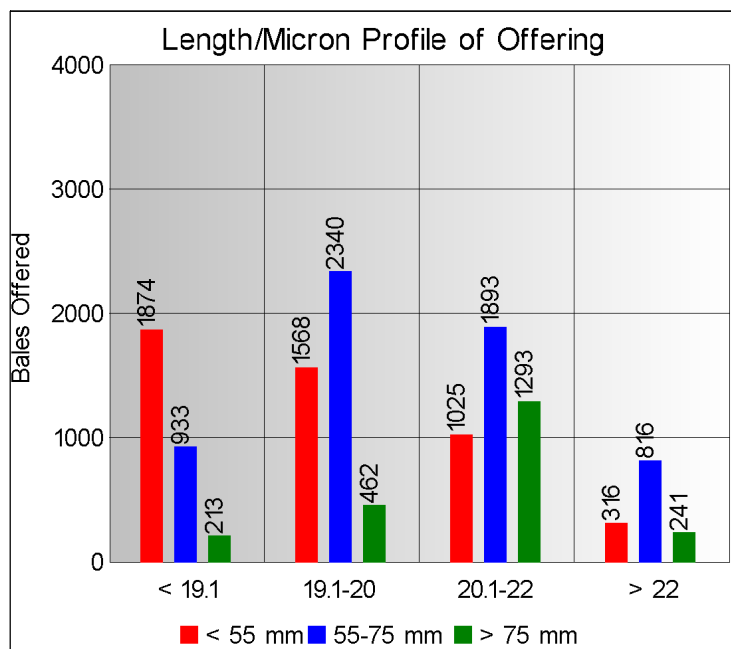
| SA Merino Indicator | | | | Buyers | | | |
|----------------------|--------------|---------------|----------|---------------------|---------------------------|----------------|-----------------------------------|
| Indicator Unit | Current Sale | Last Sale | Change | Company | Bales Purchased This Week | % of Purchases | Total Bales Purchased This Season |
| # SA c/kg | 18765 | 18656 | 0.6% | G Modiano SA | 3329 | 25.7% | 47475 |
| Ave. to date (17/18) | 18382 | 18356 | 0.1% | Standard Wool SA | 3196 | 24.6% | 39811 |
| Ave. to date (16/17) | 15079 | | | Tianyu SA | 2490 | 19.2% | 28501 |
| US c/kg | 1387 | 1366 | 1.5% | Lempriere SA | 2127 | 16.4% | 21516 |
| Euro c/kg | 1173 | 1167 | 0.5% | Stucken & Co | 1326 | 10.2% | 11550 |
| AWEX EMI | 1684 | 1670 | 0.8% | Segard Masurel SA | 161 | 1.2% | 5859 |
| Exchange Rates | | | | H Dawson Sons & Co | | | |
| Currency Unit | This Week | Previous Week | % Change | New England Wool SA | | | 1394 |
| R/USD | 13.5282 | 13.6539 | 0.9% | | | | |
| R/Euro | 15.9920 | 15.9832 | -0.1% | | | | |
| R/AUD | 10.2757 | 10.3550 | 0.8% | | | | |
| USD/AUD | 0.7597 | 0.7582 | -0.2% | | | | |

Analysis of Offerings by Broker This Week (Bales)

| Broker | Merino Fleeces | Merino Bellies | Merino Lambs | Merino Backs | Merino Locks | * Other | Total | % Sold |
|--------------|----------------|----------------|--------------|--------------|--------------|-------------|--------------|--------------|
| BKB | 5009 | 677 | 776 | 0 | 390 | 1136 | 7988 | 98.1% |
| CMW | 1871 | 185 | 488 | 311 | 96 | 579 | 3530 | 97.0% |
| JLW | 74 | 6 | 16 | 0 | 8 | 13 | 117 | 100.0% |
| MAS | 228 | 35 | 19 | 0 | 21 | 112 | 415 | 100.0% |
| QWB | 500 | 55 | 23 | 0 | 30 | 149 | 757 | 90.2% |
| SBL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| VLW | 126 | 16 | 7 | 0 | 5 | 13 | 167 | 93.4% |
| Total | 7808 | 974 | 1329 | 311 | 550 | 2002 | 12974 | 97.3% |

SA Merino Indicator includes Merino types comparable to international indicators.
 ## Cape Wools All Wool Indicator, includes all white wool sold at auction.

* crossbred, coarse and coloured, inferior



* Seasonal Receipts Declared

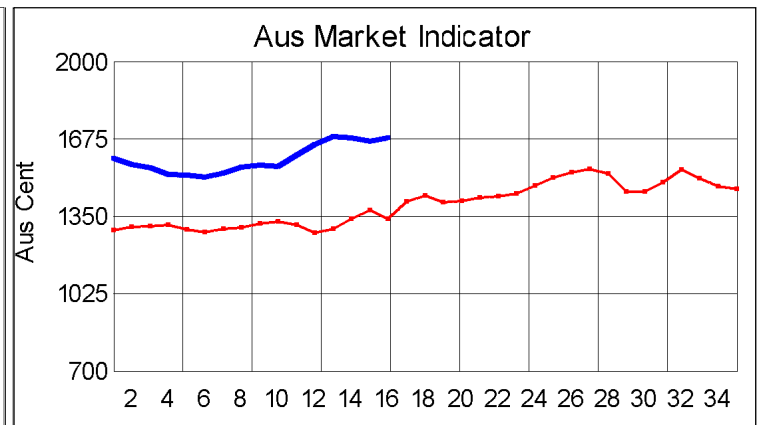
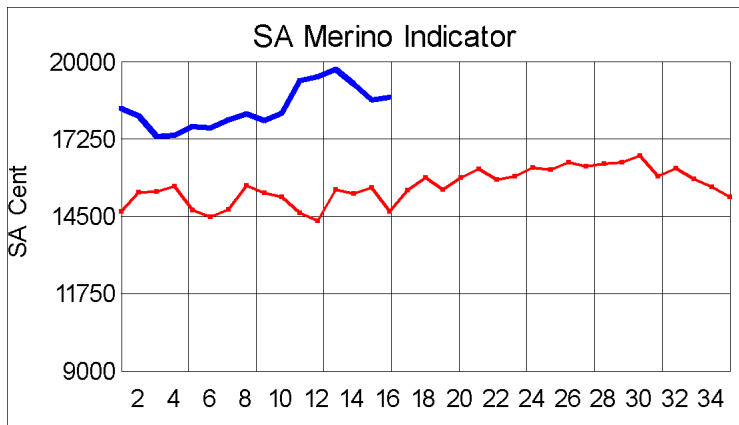
2017/18 Declared Receipts : 12 November 2017

23,349,525.9

2017/18 Declared Receipts : 03 December 2017

26,847,279.9

Percentage Change (Year-on-Year) : - 7.76



Current Season █ Previous Season █

Average Fleece Wool Prices (c/kg. clean)
Spinners and Good Topmaking Styles (AWEX Types MF4 and MF5)

| Micron | 100+mm | 90mm | 80mm | 70mm | 60mm | 50mm | 40mm | 30mm | 20mm | 10mm |
|--------|--------|-------|-------|-------|-------|-------|-------|-------|------|------|
| 18.0 | | | 24185 | 23443 | 22902 | 21142 | 20419 | 18006 | | |
| 18.5 | | | 22482 | 23108 | 21760 | 20750 | 19764 | | | |
| 19.0 | | | 21599 | 21563 | 20363 | 19886 | 18762 | 16366 | | |
| 19.5 | | | 20254 | 19896 | 19548 | 18935 | 18077 | | | |
| 20.0 | | | 18594 | 18420 | 18338 | 17894 | 17151 | | | |
| 20.5 | | | 17812 | 17641 | 17659 | 16922 | 16536 | | | |
| 21.0 | | | 17240 | 17435 | 16890 | 16544 | | | | |
| 21.5 | | 16597 | 16460 | 16615 | 16580 | 16090 | | | | |
| 22.0 | | | | | | 15932 | | | | |
| 22.5 | | | | | 15908 | | | | | |
| 23.0 | | | | | | | | | | |
| 23.5 | | | | | | | | | | |
| 24.0 | | | | | | | | | | |

* Based on a minimum of 3 lots sold per category

Average Topmaking Styles (AWEX MF6)

| Micron | 100+mm | 90mm | 80mm | 70mm | 60mm | 50mm | 40mm | 30mm | 20mm | 10mm |
|--------|--------|------|-------|-------|-------|-------|-------|------|------|------|
| 18.0 | | | | | | | | | | |
| 18.5 | | | | | 21287 | | 19771 | | | |
| 19.0 | | | | | 19519 | | | | | |
| 19.5 | | | | | | | | | | |
| 20.0 | | | | 17562 | 17806 | 17299 | | | | |
| 20.5 | | | 17577 | 16621 | 16984 | | 16221 | | | |
| 21.0 | | | | | 16780 | | | | | |
| 21.5 | | | | | | | | | | |
| 22.0 | | | | | | | | | | |
| 22.5 | | | | | | | | | | |
| 23.0 | | | | | | | | | | |
| 23.5 | | | | | | | | | | |
| 24.0 | | | | | | | | | | |

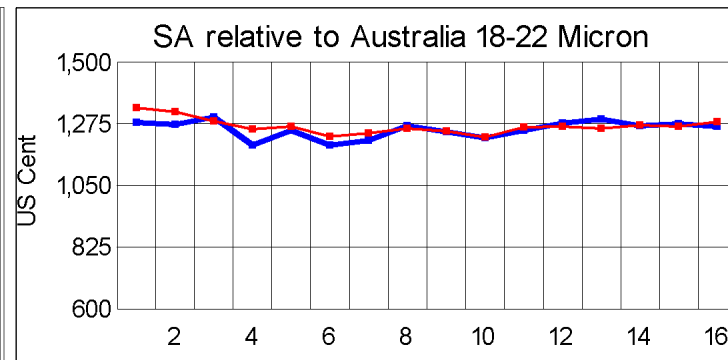
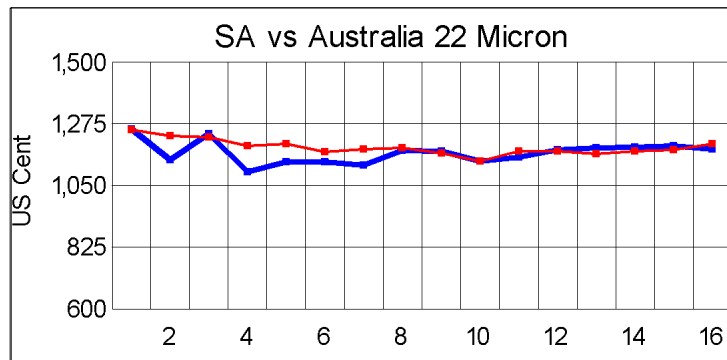
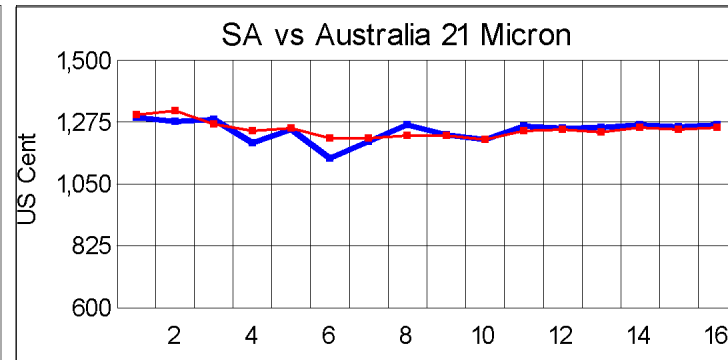
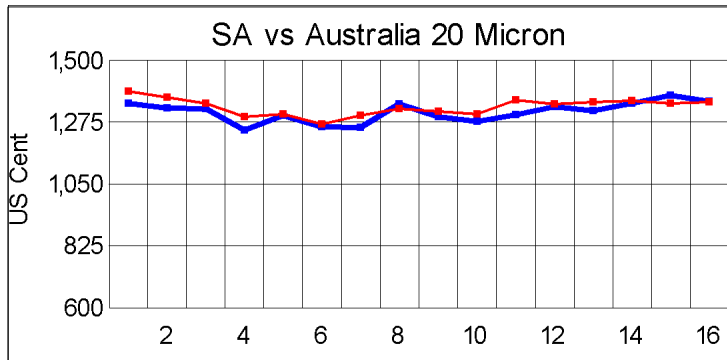
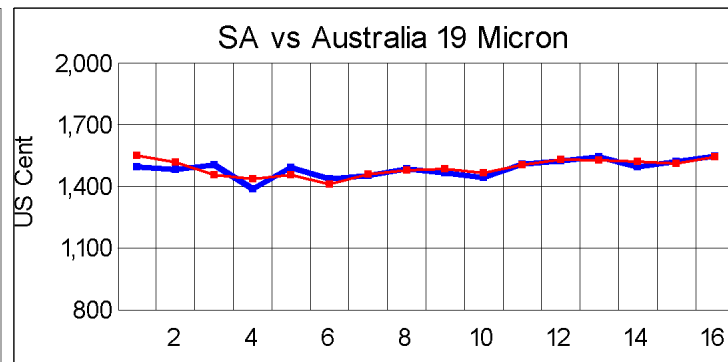
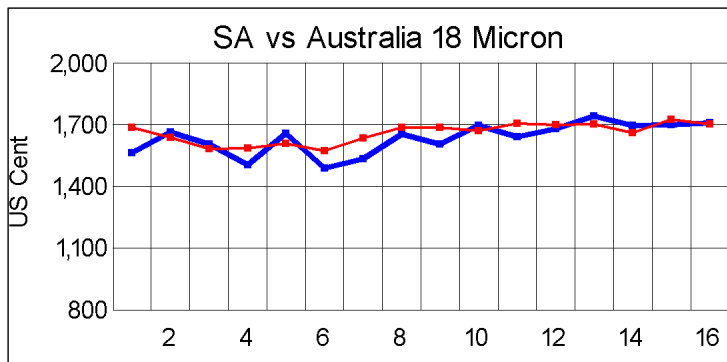
* Based on a minimum of 3 lots sold per category

Other Selected Types/Qualities

Long

Medium

| | 19μ | 20μ | 21μ | 19μ | 20μ | 21μ |
|-------------------------|-------|-------|-------|-------|-------|-------|
| Good Quality | | | | | | |
| Lambswool | 21849 | | | 18298 | 17041 | 16575 |
| Bellies | 18798 | 17091 | 16816 | 17973 | 17603 | |
| Locks | | | | 17960 | 15839 | |
| Average Quality | | | | | | |
| Lambswool | 20089 | 18624 | 15800 | 17498 | 16457 | |
| Bellies | 18380 | 17309 | 16847 | 17943 | 16219 | 14741 |
| Locks | | | | 14314 | 13233 | 12959 |
| Inferior Quality | | | | | | |
| Fleecewool | 19158 | 17582 | 15871 | 18533 | 16657 | |
| Lambswool | 20349 | 17362 | | 18074 | 17292 | |
| Bellies | 18509 | 18008 | 14133 | 17718 | 16150 | 12603 |
| Locks | | 11801 | | 14565 | 14755 | |



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET 0,6% HIGHER

Port Elizabeth - The wool market traded slightly higher today and the Cape Wools Merino Indicator increased by 0.6% and by 109 points to close at a value of R187,65 (Clean). The Australian EMI increased by 0,8% this week. The Cape Wools All Wool Indicator increased by 0,6%.

This season the market has experienced consistently good demand for good quality long and fine wool and today was again no exception. At the last sale before the December recess the market was firm across all types and delivered good returns to producers. The volumes received at brokers stores are still lagging the previous season receipts. Competition between buyers was good.

This week saw the Rand at R13,53 to the US Dollar and R15,99 to the Euro. The Rand was 0,9% stronger against the US Dollar and 0,1% weaker against the Euro, compared with the average rate at the previous sale. The offering comprised of 12 974 bales of which 97,3% was sold. Major traders were Modiano (3 328), Standard Wool SA (3 196), Tianyu SA (2 490) and Lempriere SA (2 127).

The average clean prices for the selection within the different micron categories for good top-making (MF5), long fleeces were as follow: 18,0 microns decreased 2,1% to close at R230,96/kg; 18,5 microns increased by 2,3% to close at R223,77/kg; 19 microns increased by 1,3% to close at R209,14/kg; 19,5 microns strengthened by 0,4% to close at R198,65/kg; 20 microns was 0,4% weaker to close at R182,78/kg; 20,5 microns decreased by 0,4% to close at R173,40/kg; 21,0 microns lost 0,2% to close at R170,20/kg; 21,5 microns declined by 0,2% to close at R163,52/kg; 22 microns rose 0,9% to close at R162,88/kg and 22,5 microns gained 1,9% to close at R160,98/kg.

The next sale is scheduled for 10 January 2018.

*The detailed Seasonal Receivals Declared Report can be viewed at www.capewools.co.za