

National Weekly Wool Market Report

Season: 2017/2018

Sale Date: 22 & 23 May 2018



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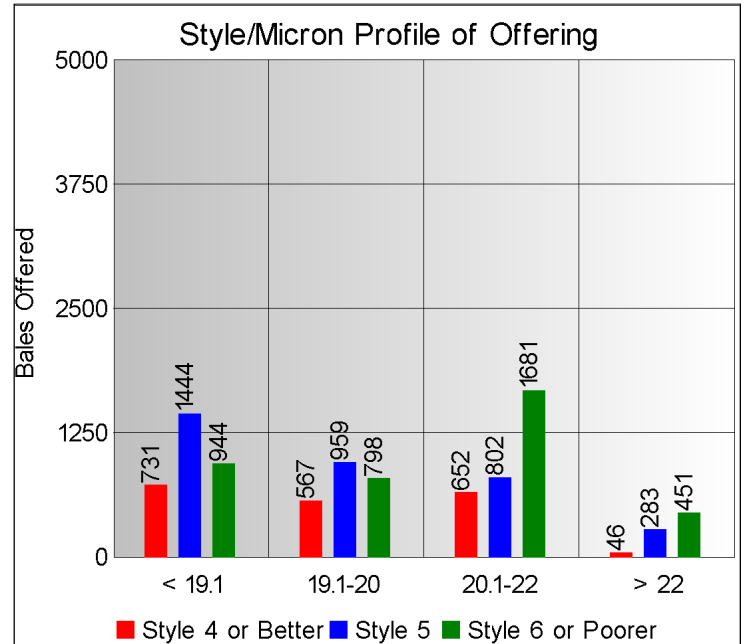
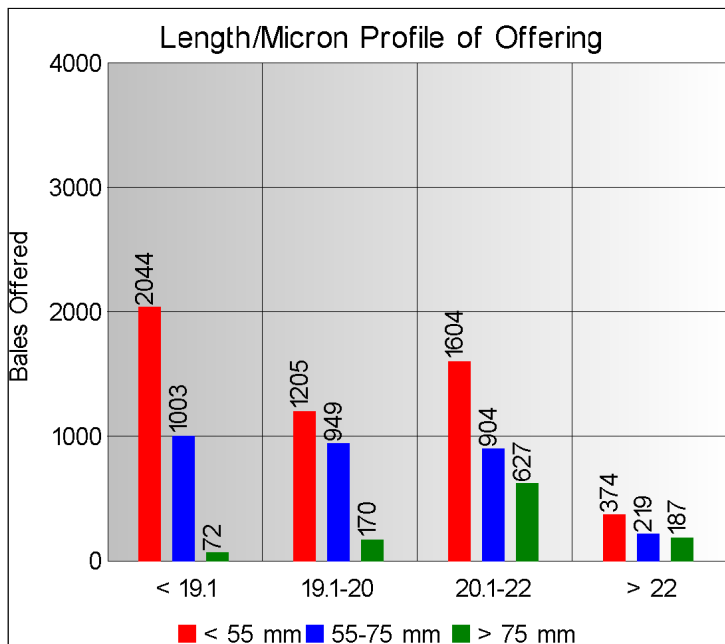
SA Merino Indicator				Buyers			
Indicator Unit	Current Sale	Last Sale	Change	Company	Bales Purchased This Week	% of Purchases	Total Bales Purchased This Season
# SA c/kg	20136	19070	5.6%	Standard Wool SA	3249	34.7%	77485
Ave. to date (17/18)	18456	18402	0.3%	Tianyu SA	1819	19.4%	52532
Ave. to date (16/17)	15586			G Modiano SA	1629	17.4%	87851
US c/kg	1596	1513	5.5%	Lempriere SA	1288	13.8%	41208
Euro c/kg	1361	1277	6.6%	Stucken & Co	1159	12.4%	23331
AWEX EMI	1962	1873	4.8%	Segard Masurel SA	115	1.2%	9610
Exchange Rates				H Dawson Sons & Co			
Currency Unit	This Week	Previous Week	% Change	New England Wool SA			2468
R/USD	12.6136	12.6049	-0.1%				
R/Euro	14.7919	14.9362	1.0%				
R/AUD	9.5073	9.3688	-1.5%				
USD/AUD	0.7536	0.7435	-1.4%				

Analysis of Offerings by Broker This Week (Bales)

Broker	Merino Fleeces	Merino Bellies	Merino Lambs	Merino Backs	Merino Locks	* Other	Total	% Sold
BKB	2952	497	529	0	444	981	5403	98.9%
CMW	1381	242	279	110	212	295	2519	98.5%
JLW	108	7	12	0	8	12	147	100.0%
MAS	150	24	52	0	30	42	298	100.0%
QWB	126	25	41	0	26	339	557	100.0%
SBL	91	6	10	0	9	13	129	100.0%
VLW	183	37	30	0	22	33	305	100.0%
Total	4991	838	953	110	751	1715	9358	99.0%

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

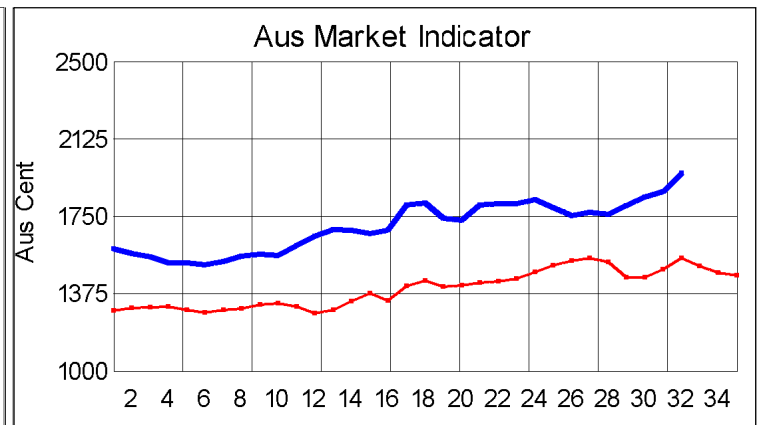
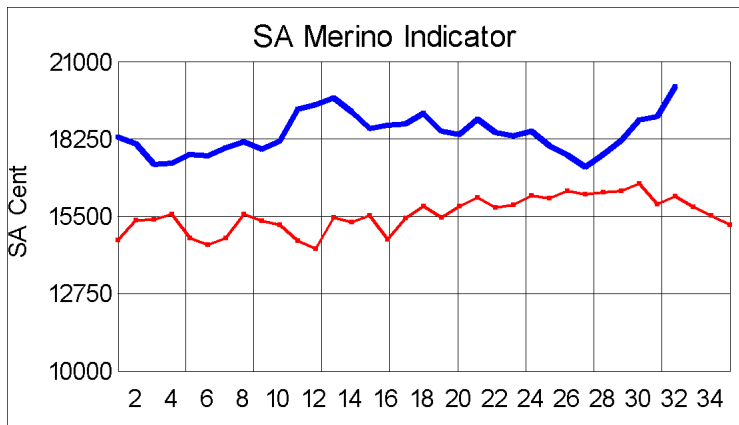
2017/18 Declared Receipts : 29 April 2018

46,392,583.6

2017/18 Declared Receipts : 20 May 2018

48,902,947.5

Percentage Change (Year-on-Year) : -6.05



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				24030	22879	21800	20527			
18.5				22237	21513	20575	19361			
19.0			21379	21366	20538	19860	18807			
19.5			20922	21222	20053	19253	17694			
20.0			20673	20657	19969	18685	17946			
20.5			20730	20494	19654	18351	16894			
21.0			20629	20375	19575	18008	16070			
21.5			20494	20066	19310	17693	15658			
22.0			20583			17990				
22.5			20266			19221				
23.0										
23.5						18442				
24.0										

* Based on a minimum of 3 lots sold per category

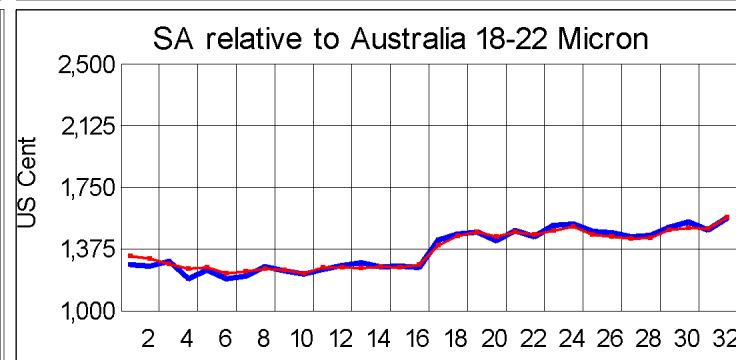
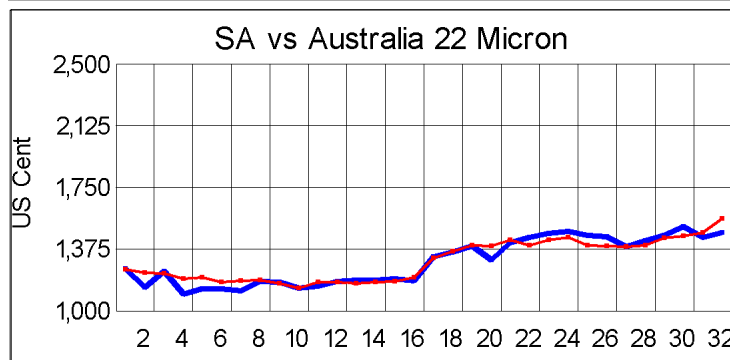
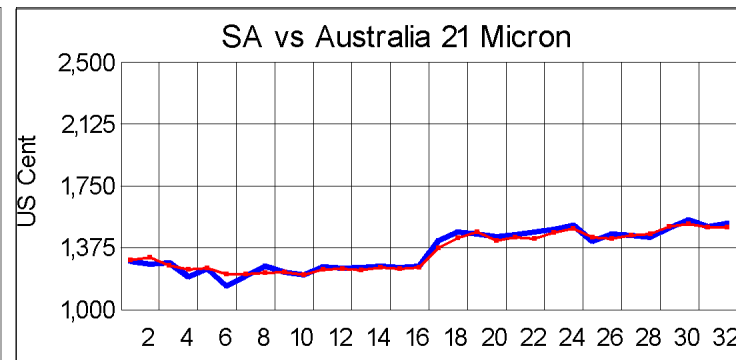
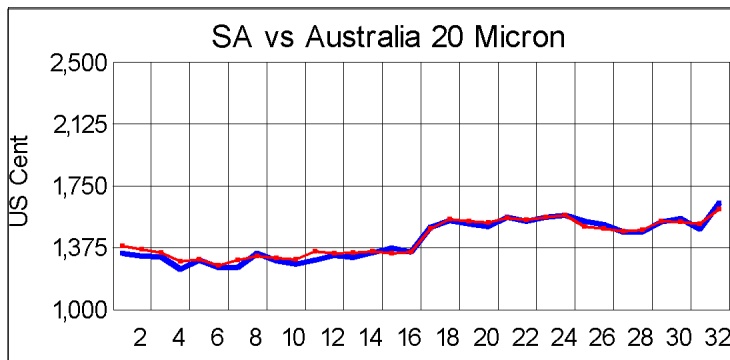
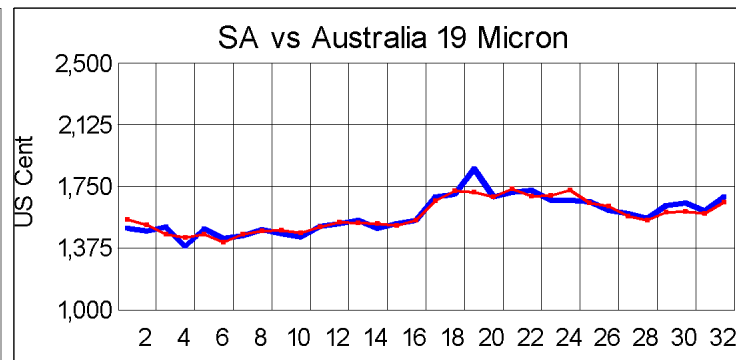
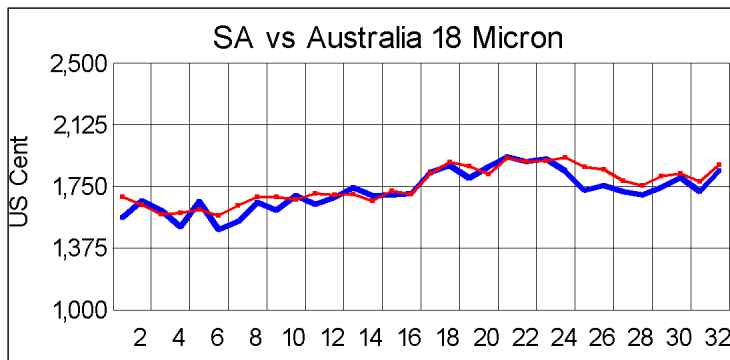
Average Topmaking Styles (AWEX MF6)

Micron	100+mm	90mm	80mm	70mm	60mm	50mm	40mm	30mm	20mm	10mm
18.0										
18.5										
19.0							19323			
19.5							16863			
20.0					18841		16996			
20.5				19774		18131	15312			
21.0							14719			
21.5					17945					
22.0				19295						
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	21054	20266		19446	17830	14068
Bellies		18807	18705	16787	16426	15811
Locks				15494	14729	
Average Quality						
Lambswool	20373	20112	18431	18960	17033	
Bellies	19615	17619		17198	15932	15125
Locks				14495	14047	11980
Inferior Quality						
Fleecewool	20187	19351	18696	20553	18432	14872
Lambswool	20200			18789		
Bellies	19633	19633		16868	16250	
Locks				13015	12623	



— SA in USc
— Aus in USc

— SA in USc
— Aus in USc

Market Commentary

WOOL MARKET 5,6% HIGHER

Port Elizabeth - The wool market traded higher today and the Cape Wools Merino Indicator increased by 5,6% and by 1066 points to close at a value of R201,36 (Clean). The Australian EMI increased by 4,8% this week. The Cape Wools All Wool Indicator increased by 5,6%.

The wool market is trading at record levels driven by a seemingly insatiable demand for wool and in particular for quality long and fine wool. Producers received excellent returns with a record price of R218.10/kg (greasy) paid to NEJ Outram & Sons for 16 micron wool brokered by CMW woolbrokers. This was a larger sized auction of which the majority of wool on offer was of medium length and tested fine. The weaker Rand had little influence. As the season nears it's close it is evident that the seasonal deliveries to broker stores will end significantly lower to the previous season.

Competition between buyers was good with Standard Wool SA buying the most bales on offer.

This week saw the Rand at R12,61 to the US Dollar and R14,79 to the Euro. The Rand was 0,1% weaker against the US Dollar and 1,0% stronger against the Euro, compared with the average rate at the previous sale. The offering comprised of 9 358 bales of which 99,0% was sold. Major traders were Standard Wool SA (3 249), Tianyu SA (1 819), Modiano (1 629) and Lempiere SA (1 288).

The average clean prices for the selection within the different micron categories for good top-making (MF5), long fleeces were as follows: 18,0 microns increased 5,7% to close at R237,55/kg; 18,5 microns moved 5,0% up to close at R224,38/kg; 19 microns gained 4,6% to close at R209,14/kg; 19,5 microns strengthened by 5,2% to close at R203,89/kg; 20 microns was 5,9% stronger to close at R203,21/kg; 20,5 microns won 6,1% to close at R200,98/kg; 21,0 microns increased by 6,3% to close at R201,32/kg; 21,5 microns improved by 5,6% to close at R197,78/kg; 22 microns rose 5,9% to close at R196,98/kg and 22,5 microns gained by 5,5% to close at R190,21/kg.

The next sale is scheduled for 30 May 2018 where approximately ± 5 627 bales will be on sale.

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