

## OCTOBER 2020 MOHAIR MARKET UPDATE.

### INTERNATIONAL.

At the last two South African mohair auctions all Grades except contaminated lines sold at increased prices. While the South African rand appreciated against the NZ dollar (figure that out) the nett effect of the increases at Auction has been for Kid 5 to 10%. Young Goat 10 to 15%. Adult 5 to 10%.

It should be of interest to our Mohair producers that a 5/10% premium is being paid for mohair that comes from certified responsible/sustainable mohair producers in South Africa. Mohair NZ is working on finalising the NZ equivalent standards to be ratified at the 2021 AGM.

China has re-entered the Mohair market . Good demand from European buyers in the fine knitwear department caught short of yarn due to supply chain problems over covic.. , This coupled with an increase in demand for hand knitting yarns over the covic lockdowns and the under supply from South Africa caused by drought , unrest and approx. 10% of the mohair coming forward with veg contamination has seen all the mohair in stock finding a ready market..

### LOCAL Mohair Scene.

Ohuka Farms Mohair Division continues to have short falls in Mohair weights for orders on all grades. It was pleasing to see a total clearance of Pool 1/20 at realistic prices. Super fine kid \$37 to \$40. Kids \$28 to \$31. Young Goats \$19 to \$22 and Adults \$16.5 to \$18.

I am expecting to see the current demand out of South Africa to be reflected in Pool 2/20 pay-outs. It's the young goats grades where we are seeing the largest correction.

Of note is the drop off in mohair weights forwarded from clients in the drought affected areas.

Its disappointing for me to see my orders unfilled knowing there is Mohair New Zealand wide unsold .Unfortunately this could lead to shrinking demand as manufacturers turn to other fibres to keep their mills running. Please consider sending your Mohair North in the interest of a stronger more viable Mohair industry.

Pool 2/20 is due to close 31<sup>st</sup> October . However I will keep it open if growers due to later shearing dates have mohair for sale. We offer a local depot to store transport option.

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