



65 Skyway Ave,  
Toronto, ON M9W 6C7 Canada  
tel: +1.416.675.9320  
fax: +1.416.675.6865  
www.nafa.ca

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## ***Wild Fur Market Update***

Wild Fur prices and clearances will be helped tremendously by the recently held Copenhagen auction sale. Four million ranch mink sold 100% at prices 10% higher than the already-high December levels.

China dominated this mink sale, which saw mink selling at prices up to 60% higher than winter 2009 levels.

The Chinese economy has grown at such an incredible pace that all of us have underestimated the speed and strength of the market, which now totally dominates all the ranch mink sales. We see a tremendous opportunity for wild fur, especially in Northeast China. While not all wild furs will fit the Chinese consumer, many will. When you look at the price of muskrats you are seeing the strength of the Chinese consumer, as this article is now almost totally consumed in China. This enormous demand for fur from China tells us that the promotional work that NAF A started in China in 1995 with the first wild fur fashion show in Baoding needs to be greatly expanded to continue to attract more Chinese for your wild furs.

Northern Lights is NAF A's new wild fur promotional campaign in the Far East which will hopefully establish wild fur as a desired article on its own merits, with price levels independent of ranch mink levels. As we have mentioned in previous reports, the participants in Northern Lights will be designers and manufacturers that will work with and buy only from NAF A. Working in conjunction with NAF A's new worldwide Gen Y promotional program, we are targeting the 25 to 35 age group which is so fashion conscious. Wild fur being green also fits in with the Chinese government's environmental program. Our marketing and promotional team feels that we have a terrific opportunity in China and that with the Northern Lights program we will be able to penetrate a new market segment.

The next event for Northern Lights will be at the Hong Kong Fur Fair where NAF A's staff, under the direction of Michael Mengar and Diane Benedetti, will be vigorously promoting our wild fur programs to prospective customers for our upcoming March auction.