



JEMALONG WOOL BULLETIN
(week ending 2/05/02)

Table 1: Northern Market Prices

Micron Price Guides	Current MPG Price	Weekly Change	10-yr Average	Current Price to Average
Indicator	931	-5	702	133%
19	1152	-4	1033	112%
20	986	0	772	128%
21	966	-9	661	146%
22	962	-11	609	158%
23	958	-11	563	170%
24	956	-5	547	175%
25	933	-3	525	178%
26	912	1	505	181%
28	755	0	485	156%
30	651	-2	450	145%
32	590	0	436	135%
MC	498	-9	373	133%

The auction market began on a weaker note again this week, with demand seen only for the better style, low VM wools. On Tuesday, prices fell 5-10c/kg clean across all micron categories for fleece and skirtings. Cardings were worst affected, up to 15c/kg cheaper. Wednesday and Thursday saw the market steady with prices easing slightly for the medium wools 22 & 23 micron late on Thursday.

Lack luster demand continues for the superfine wools, particularly those high VM, low yielding lines.

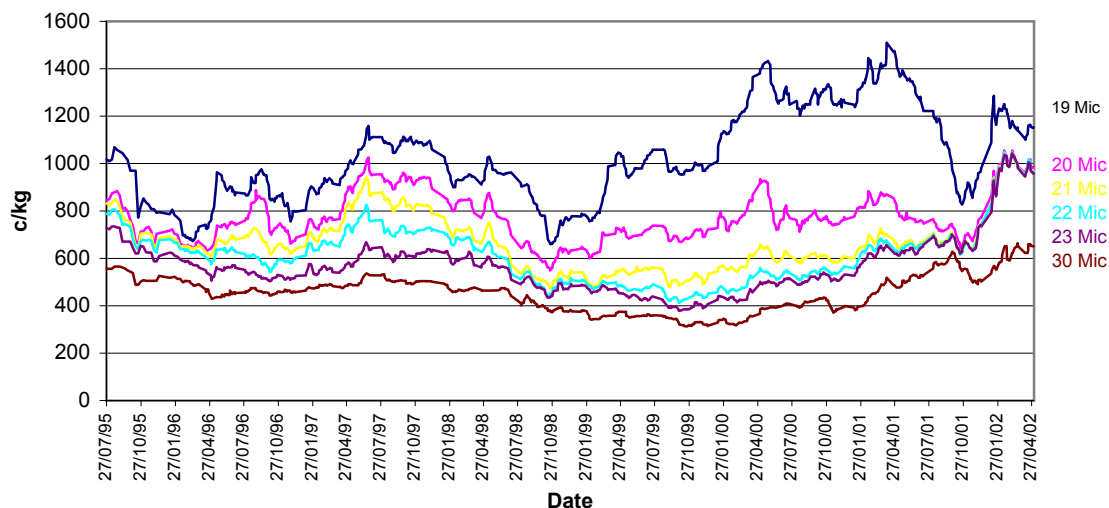
Skirtings recovered some of there losses on Wednesday, as did cardings to close 5-10c/kg cheaper for the week.

Buyer comment is mixed with some buyers expecting a price surge in May-June on the back of dwindling availability during the winter months. It would seem that fine wool prices certainly have more upside potential than down, however, current levels of fine wool stocks will dampen any short term resurgence in demand. Some interesting figures reported in the press this week state that the amount of fine wool (<19.5mic) being produced in Australia has lifted 20% year-on-year to make up 24% of the National clip. 60% more fine wool is now being grown in Australia compared to the same time 10 years ago.

Mixed opinions from the Trade also exist for the medium & broader types, with some processors moving to add more synthetics and cotton to their blends. Mixed comments have also been made re China's current position in the market. It has been reported that China is balking at current levels and are only willing to purchase quantities at prices a further 30c/kg under today's levels. Although quotas need to be filled by August, price resistance is more of a problem than quotas and any unused quotas will be reallocated by the Central Authorities. Furthermore, a strengthening Australian dollar making wool more expensive, places added pressure on the Chinese market.

Macquarie Wool Futures reported buying activity for medium wool in spring on Monday and Tuesday, with prices falling again on Wednesday and Thursday. 19 micron contract closing generally unchanged for the week, medium and broads down 5-35c/kg for forward months.

Comments: Evonne Luton



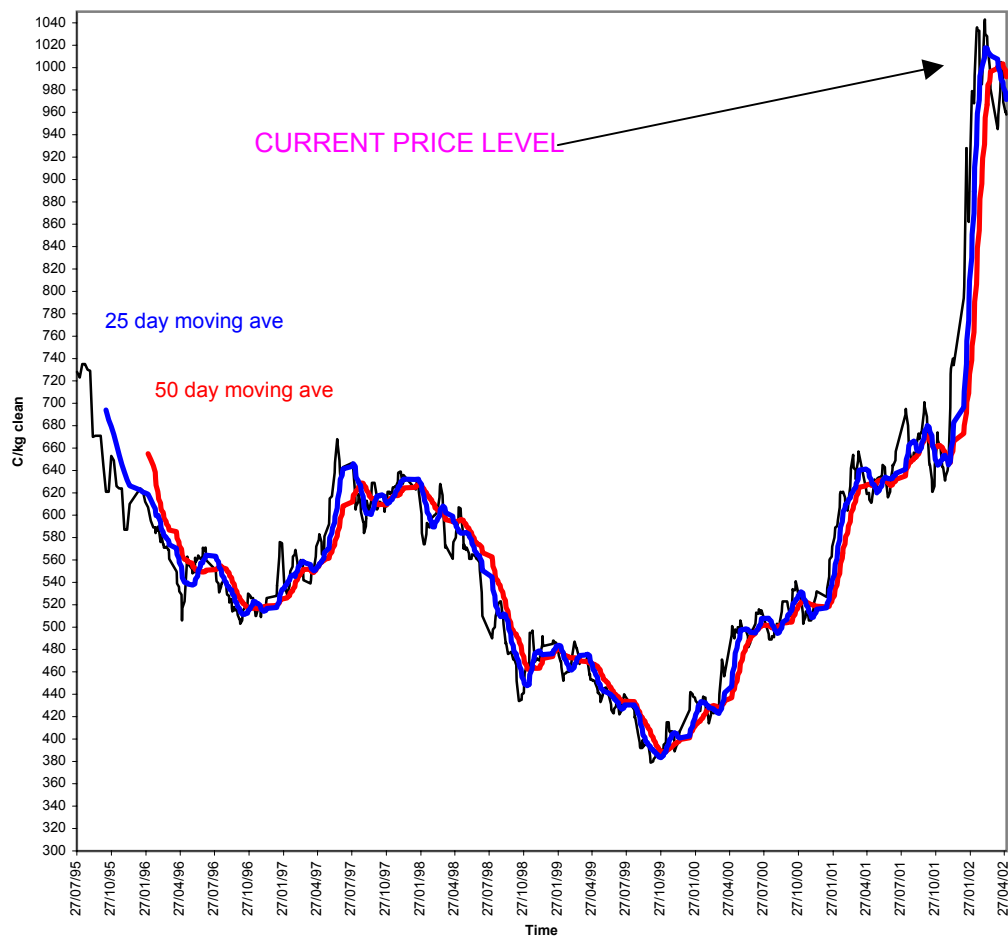


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Table 3: Northern Market Deciles

Micron Price Guide (1995-2002)										
	19	20	21	22	23	24	25	28	32	MC
Current	1152	986	966	962	958	956	933	755	590	498
90%	781	642	515	464	427	422	413	386	332	255
80%	868	687	548	490	469	460	441	410	357	284
70%	922	715	585	526	498	478	459	438	386	303
60%	959	732	623	558	517	497	473	456	420	340
50%	990	754	647	606	542	518	493	473	447	363
40%	1066	770	668	635	572	551	531	499	459	392
30%	1127	810	693	659	607	584	559	518	477	429
20%	1238	858	724	684	629	607	579	544	493	453
10%	1316	936	829	728	657	652	644	585	527	479

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1995-2001





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Macquarie Wool Futures

Delivery Month	18	19	Diff. to Spot	20	Diff. to Spot	21	Diff. to Spot	22	Diff. to Spot	23	Diff. to Spot	24	Diff. to Spot	25
Jun-02	1530	1150	-2	985	-1	964	-2	963	1	957	-1	951	-5	926
Aug-02	1530	1145	-7	960	-26	935	-31	925	-37	925	-33	915	-41	885
Oct-02	1530	1140	-12	955	-31	905	-61	895	-67	895	-63	885	-71	855
Dec-02	1530	1140	-12	950	-36	900	-66	890	-72	880	-78	870	-86	835
Feb-03	1510	1150	-2	940	-46	900	-66	885	-77	875	-83	860	-96	825
Apr-03	1490	1160	8	930	-56	885	-81	870	-92	855	-103	835	-121	800
Jun-03	1470	1160	8	920	-66	870	-96	850	-112	835	-123	815	-141	780
Aug-03	1465	1150	-2	900	-86	860	-106	830	-132	815	-143	795	-161	780
Oct-03	1465	1135	-17	900	-86	860	-106	820	-142	800	-158	785	-171	775
Dec-03	1444	1135	-17	888	-98	851	-115	806	-156	785	-173	770	-186	758
Feb-04	1423	1128	-24	877	-109	842	-124	792	-170	770	-188	755	-201	742
Apr-04	1403	1121	-31	865	-121	833	-133	778	-184	755	-203	740	-216	725

