



JEMALONG WOOL BULLETIN
(week ending 04/03/2004)

Table 1: Northern Market Prices

| Micron Price Guides | Current MPG Price | Weekly Change | 10-yr Average | Current Price to Average | This time last year | Year high | Year low |
|---------------------|-------------------|---------------|---------------|--------------------------|---------------------|-----------|----------|
| Ind | 794 | 11 | 766 | 104% | 1098 | 945 | 774 |
| 18.5 | 966 | 7 | 1169 | 83% | 1258 | 1088 | 846 |
| 19 | 947 | 24 | 1050 | 90% | 1234 | 1053 | 889 |
| 19.5 | 922 | 20 | 1018 | 91% | 1214 | 1047 | 877 |
| 20 | 882 | 15 | 833 | 106% | 1206 | 1036 | 862 |
| 21 | 849 | 13 | 743 | 114% | 1199 | 1035 | 829 |
| 22 | 816 | 16 | 701 | 116% | 1188 | 1034 | 792 |
| 23 | 790 | 9 | 661 | 119% | 1168 | 1029 | 774 |
| 24 | 753 | 9 | 643 | 117% | 1154 | 1015 | 741 |
| 25 | 679 | 2 | 612 | 111% | 1047 | 938 | 477 |
| 26 | 658 | 3 | 582 | 113% | 953 | 880 | 636 |
| 28 | 526 | 16 | 524 | 100% | 676 | 647 | 494 |
| 30 | 470 | 28 | 473 | 99% | 578 | 550 | 418 |
| 32 | 423 | 23 | 451 | 94% | 494 | 510 | 373 |
| MC | 407 | -4 | 415 | 98% | 584 | 514 | 407 |

Australian Dollar 0.751

NORTHERN REGION MARKET REPORT

Auction sales were held in Sydney, Fremantle and Melbourne this week.

Sales opened nationally in Sydney on Tuesday. Prices for all fleece wools were generally unchanged in comparison to the closing quotes in the specialty fine wool sale in Newcastle last week. Merino skirtings were also unchanged on Tuesday while oddments were around 5c/kg clean dearer.

The Australian dollar fell one cent US on Tuesday night and as a result there was strong demand across all microns. 19-22 micron merino fleece prices were 10-20c/kg clean dearer, other microns were around 5c/kg clean dearer. Merino skirtings were unchanged, apart from high VM lots which were around 5c/kg cheaper.

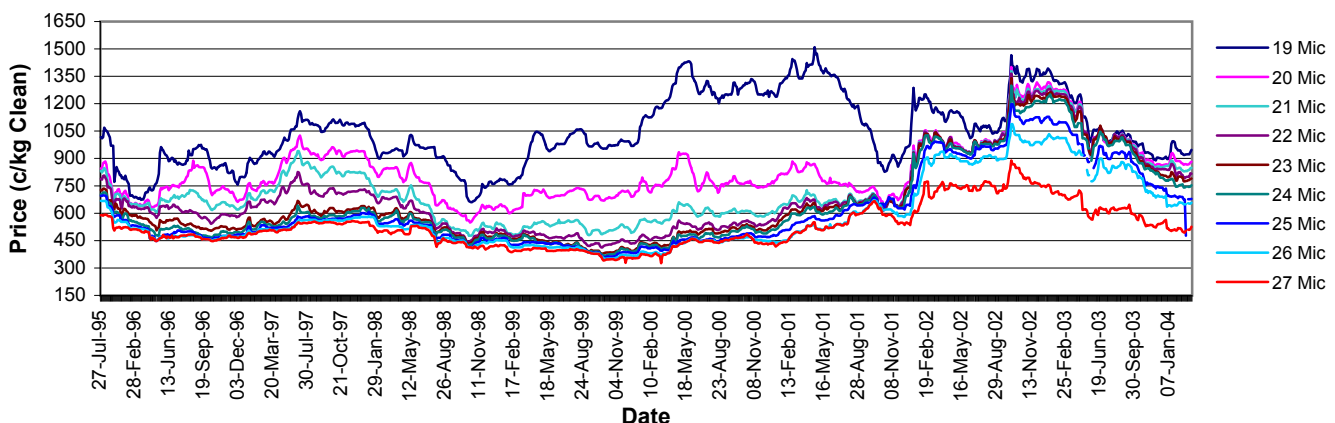
On Thursday prices were again generally firmer as the Australian dollar slipped a further cent to 75c US. Merino fleece prices were generally around 5c/kg clean dearer, with 19-19.5 microns up 10c/kg clean. There was strong competition for 28 micron and broader crossbred fleeces with prices rising 15-20c/kg clean. Merino skirtings were around 10c/kg clean dearer. The passed-in rates for the week were relatively low, around 8-9%.

There were indications of new business being taken as the Australian dollar fell sharply on during the week. The easing of the Australian dollar can be attributed to the Reserve Bank deciding this week to hold interest rates at current levels. How long the current situation lasts is unclear and therefor how long this demand continues is also uncertain. Macquarie Wool Futures quotes rose in line with the physical market this week, rising on Tuesday and Wednesday. The broader wools continue to trade at historically high levels and growers should consider whether forward quotes can meet their price objectives. 20 micron and broader prices continue to trade well above the ten year average.

Sales continue in Sydney, Melbourne and Fremantle next week.

Comments: Phil Roberts (Wooltrade).

**Micron Price Guide Movement
1995-2004**



Source: AWEX, SFE, Macquarie Bank

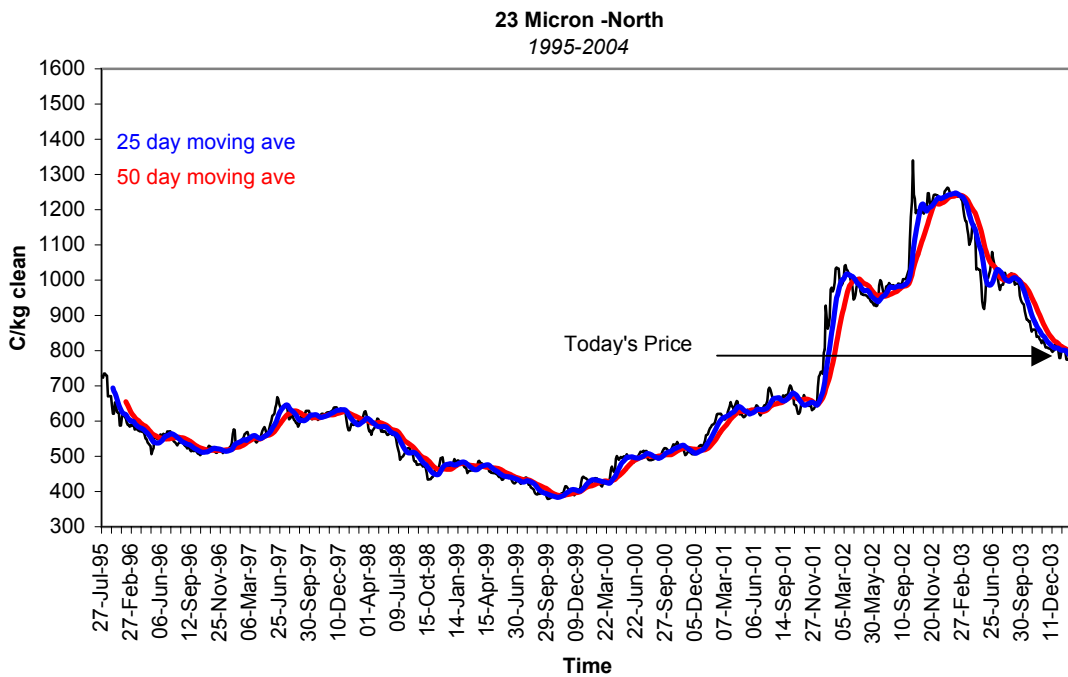
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(week ending 04/03/2004)

Table 3: Northern Market Deciles

| Micron Price Guide (1995-2003) | | | | | | | | | | |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 28 | MC |
| Current | 947 | 882 | 849 | 816 | 790 | 753 | 679 | 658 | 526 | 407 |
| 90% | 800 | 655 | 526 | 472 | 438 | 430 | 420 | 395 | 341 | 269 |
| 80% | 898 | 700 | 562 | 509 | 486 | 471 | 452 | 429 | 376 | 298 |
| 70% | 941 | 729 | 617 | 551 | 515 | 494 | 472 | 453 | 401 | 343 |
| 60% | 973 | 757 | 649 | 613 | 549 | 520 | 495 | 477 | 435 | 376 |
| 50% | 1027 | 778 | 675 | 644 | 588 | 564 | 540 | 505 | 455 | 426 |
| 40% | 1076 | 846 | 715 | 674 | 621 | 601 | 570 | 526 | 473 | 446 |
| 30% | 1141 | 897 | 827 | 728 | 656 | 651 | 640 | 550 | 491 | 469 |
| 20% | 1250 | 953 | 929 | 929 | 924 | 896 | 827 | 613 | 516 | 492 |
| 10% | 1334 | 1022 | 1018 | 1019 | 1010 | 996 | 964 | 723 | 569 | 576 |





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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 | Diff. to Spot | XB | Diff to Spot |
|----------------|------|------|---------------|-----|---------------|-----|---------------|-----|---------------|-----|---------------|-----|---------------|-----|---------------|-----|--------------|
| Mar-04 | 1010 | 965 | 18 | 905 | 23 | 870 | 21 | 825 | 9 | 795 | 5 | 755 | 2 | 700 | 21 | 530 | 4 |
| May-04 | 1015 | 975 | 28 | 905 | 23 | 870 | 21 | 825 | 9 | 790 | 0 | 755 | 2 | 700 | 21 | 530 | 4 |
| Jul-04 | 1025 | 990 | 43 | 900 | 18 | 865 | 16 | 820 | 4 | 790 | 0 | 750 | -3 | 695 | 16 | 530 | 4 |
| Sep-04 | 1045 | 1010 | 63 | 895 | 13 | 860 | 11 | 820 | 4 | 780 | -10 | 745 | -8 | 690 | 11 | 520 | -6 |
| Nov-04 | 1060 | 1020 | 73 | 895 | 13 | 860 | 11 | 820 | 4 | 780 | -10 | 745 | -8 | 690 | 11 | 520 | -6 |
| Jan-05 | 1075 | 1030 | 83 | 900 | 18 | 860 | 11 | 820 | 4 | 780 | -10 | 745 | -8 | 690 | 11 | 520 | -6 |
| Mar-05 | 1090 | 1040 | 93 | 910 | 28 | 865 | 16 | 825 | 9 | 780 | -10 | 745 | -8 | 690 | 11 | 515 | -11 |
| May-05 | 1095 | 1035 | 88 | 910 | 28 | 865 | 16 | 825 | 9 | 775 | -15 | 740 | -13 | 695 | 16 | 515 | -11 |
| Jul-05 | 1110 | 1035 | 88 | 920 | 38 | 865 | 16 | 825 | 9 | 780 | -10 | 750 | -3 | 705 | 26 | 515 | -11 |
| Sep-05 | 1130 | 1035 | 88 | 925 | 43 | 865 | 16 | 825 | 9 | 780 | -10 | 750 | -3 | 705 | 26 | 515 | -11 |
| Nov-05 | 1145 | 1035 | 88 | 925 | 43 | 865 | 16 | 825 | 9 | 780 | -10 | 750 | -3 | 705 | 26 | 515 | -11 |
| Jan-06 | 1160 | 1035 | 88 | 925 | 43 | 865 | 16 | 825 | 9 | 780 | -10 | 750 | -3 | 705 | 26 | 520 | -6 |

