JEMALONG WOOL BULLETIN

(week ending 05/12/2002)

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
NMI	1177	-19	735	160%	779	1242	907
18.5	1450	-48	1323	110%	na	1542	1124
19	1357	-28	1048	130%	938	1466	1036
19.5	1317	-21	1018	129%	na	1442	988
20	1280	-19	802	160%	738	1401	956
21	1259	-14	701	180%	706	1379	953
22	1248	-13	653	191%	701	1365	953
23	1227	-14	610	201%	696	1340	953
24	1207	-8	594	203%	660	1299	952
25	1105	-21	570	194%	620	1198	945
26	989	-1	545	182%	580	1088	878
28	749	-13	511	147%	536	889	709
30	612	-5	466	131%	491	729	569
32	558	12	449	124%	466	669	545
MC	679	8	396	171%	456	679	463

Australian Dollar 0.5614

The market this week displayed an overriding "trend" of lack of direction. Tuesday saw prices fall 20c/kg across the board, coming back into line after sales of a superior quality offering in Newcastle last week. Wednesday saw the market drift slightly lower on the medium and broad types, but up 5c/kg on the 19 micron and finer. This trend continued on Thursday as fine wools saw some demand for better styles, 18 mic reported 18c/kg dearer, while 20 micron and broader eased slightly. Thursday saw demand for 25 micron and broader, rising 5-12c/kg clean.
Skirtings prices continue to climb as a result of increased demand from the European knitting industry. Skirtings were up 15-20c/kg for the week, whilst cardings closed 8c/kg higher.
The absence of Chinese interest in the market was again reflected in the market drifting lower this week. There continues to be a marked different between sound (+40NKT) and part tender (29NKT) types, particularly evident in the fine wools. European topmakers were amongst the largest buyers, enjoying the current lack of competition in the market.
Forward markets were active early in the week, rising 15-20c/kg on Tuesday, 10c/kg on Wednesday and 10c/kg again on Thursday. Interestingly enough, the forward markets for Jan-Mar for 20-21 micron are trading at a 20c/kg clean premium to current spot levels. 19 micron are at a 10-15c/kg premium and 22-25 at the same level. As the effects of the drought on wool supply become more widespread, exporters are becoming increasingly nervous about supply Feb-Mar. Consequently this week, despite a relatively flat spot market, we have seen much activity from exporters in forward cover for the autumn period.
Evonne Luton (Wooltrade)

Figure 1: Northern MPG Movement

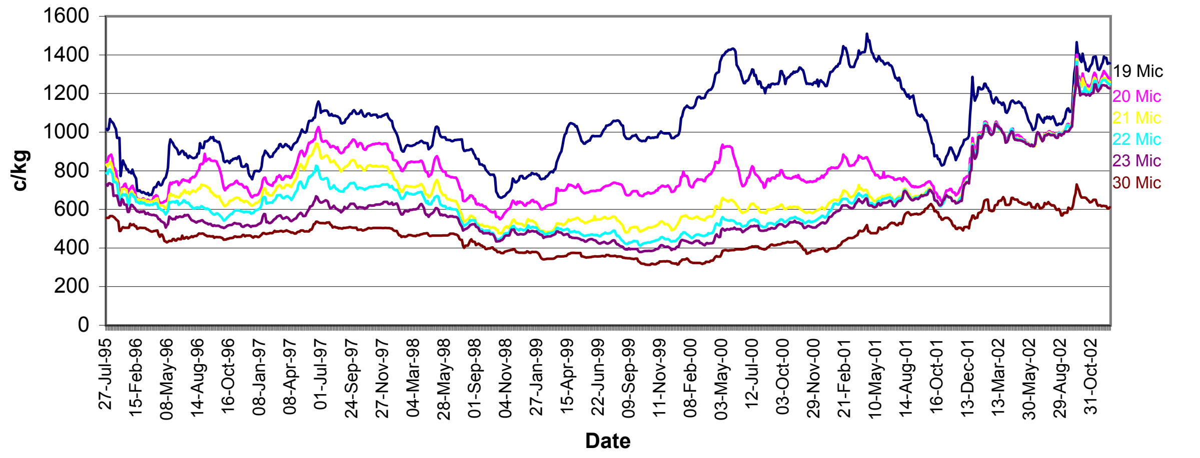
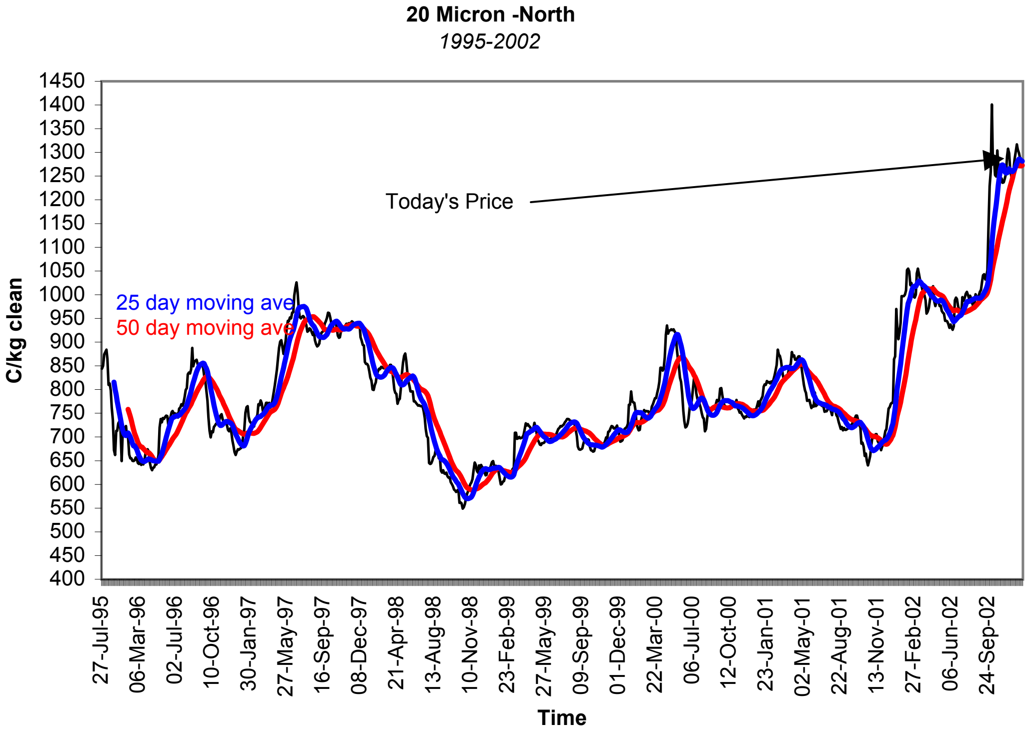


Table 3: Northern Market Deciles

Micron Price Guide (1995-2002)

	19	20	21	22	23	24	25	26	28	30
Current	**1357**	**1280**	**1259**	**1248**	**1227**	**1207**	**1105**	**749**	**558**	**679**
90%	785	646	519	467	430	425	416	392	335	257
80%	878	694	552	495	473	466	447	417	363	289
70%	937	719	602	538	506	482	464	443	391	314
60%	970	741	639	585	526	505	480	465	435	352
50%	1029	764	659	627	561	535	516	487	453	382
40%	1082	793	682	652	595	575	548	510	472	427
30%	1150	846	717	675	622	603	571	539	490	451
20%	1251	925	824	720	649	645	637	557	513	478
10%	1338	988	977	975	973	962	941	730	568	547



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(week ending 05/12/2002)

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
Dec-02	1510	1350	-7	1290	10	1275	16	1255	7	1235	8	1220	13	1135
Feb-03	1530	1365	8	1315	35	1295	36	1265	17	1240	13	1215	8	1130
Apr-03	1530	1365	8	1305	25	1285	26	1255	7	1225	-2	1200	-7	1125
Jun-03	1530	1365	8	1290	10	1270	11	1240	-8	1215	-12	1190	-17	1115
Aug-03	1530	1370	13	1280	0	1260	1	1235	-13	1205	-22	1180	-27	1105
Oct-03	1530	1370	13	1270	-10	1250	-9	1225	-23	1195	-32	1170	-37	1095
Dec-03	1530	1370	13	1260	-20	1240	-19	1215	-33	1185	-42	1160	-47	1085
Feb-04	1530	1365	8	1230	-50	1205	-54	1175	-73	1145	-82	1115	-92	1060
Apr-04	1530	1355	-2	1210	-70	1185	-74	1155	-93	1125	-102	1095	-112	1050
Jun-04	1515	1340	-17	1188	-92	1162	-97	1130	-118	1098	-129	1069	-138	1030