



# JEMALONG WOOL BULLETIN

(week ending 6/07/2006)

**Table 1: Northern Market Prices**

Micron Price	Current	Weekly	10-yr	Price as %	This time		
Guides	Price	Change	Average	of Ave	last year	Year high	Year low
North Ind	769	29	761	101%	741	769	766
18	1051	7	1334	79%	1007	1051	1047
18.5	1002	-2	1063	94%	971	1002	1000
19	950	-1	1026	93%	912	950	941
19.5	890	2	1018	87%	849	890	875
20	827	-2	830	100%	804	827	818
21	752	-4	747	101%	772	752	749
22	722	5	707	102%	757	722	719
23	704	2	671	105%	749	705	701
24	686	-1	651	105%	693	687	686
25	634	-14	615	103%	627	634	634
26	594	-4	582	102%	576	594	594
28	490	3	517	95%	476	490	487
30	434	1	466	93%	441	434	434
32	408	-2	442	92%	405	408	408
MC	404	-31	417	97%	440	417	397

## NORTHERN MARKET REPORT -

**Australian Dollar 74.14 US as of 06/07/2006**

The first sales of the new selling season were held Melbourne, Sydney and Fremantle this week. There were many growers putting their wool onto the market this week with the Northern and Western regions entering a three week recess next week. As a result the national offering was substantially larger this week with approximately 75,000 in auction sales.

Sales opened for 2006/07 in **Melbourne on Wednesday** with 9,379 bales offered (1,390 bales or 14.8% were reoffered lots). 18.5 to 19.5 microns were dearer, with 19 microns the most affected closing 20 cents higher. The mid microns were slightly cheaper by 5 to 10 cents while the broader end remained firm. Finer crossbreds eased 2 to 3 cents while others were unchanged. Merino skirtings remained firm while oddments were around 5 cents cheaper. **Passed in rate:** 10.8%. **Major Buyers:** Itochu, Kathaytex, Lempriere, Fox & Lillie, Techwool, AS Gedge and Techwool.

The **market was generally firmer in Melbourne on Thursday** with 10,124 bales on offer (1,205 bales or 11.9% were reoffered lots). 17.5 to 21 microns were generally around 5 cents dearer with the exception of 19-19.5 microns which were steady after large gains on Wednesday. Crossbred fleeces were also dearer with most microns finishing around 5 cents higher. Merino skirtings and oddments were generally unchanged. **Passed in rate:** 8.9%. **Major Buyers:** Itochu, Techwool, Kathaytex, Fox and Lillie, AS Gedge and BWK Elders.

Sales **opened nationally in Sydney on Tuesday** and there were 11,012 bales offered (1045 bales or 9.5% were reoffered lots). The market began the new 2006/07 season on a slightly softer note. Prices for 18 to 21 microns eased by 5 to 10 cents compared to last week's closing quotes. Prices were generally unchanged for 22 micron and broader fleeces, including crossbreds. Merino skirtings and oddments also closed generally unchanged. **Passed in rate:** 11.9%. **Major Buyers:** BWK Elders, Techwool, AS Gedge, G Schneider, Lempriere, Morepen and Modiano.

The market retraced most of the losses from the previous day in **Sydney on Wednesday**. There were 11,714 bales offered (1,520 bales or 13.0% were reoffered lots). 17.5 to 20 microns were all around 5 cents dearer with the more stylish, higher Nkt lots the most affected. The broader microns were generally unchanged with 23 microns easing by 4 cents. Merino skirtings were unchanged, but oddments fell heavily by 20 to 30 cents. **Passed in rate:** 9.0%. **Major Buyers:** Southern Cross Wool, Techwool, BWK Elders, AS Gedge, Chargeurs and Modiano.

On **Thursday the Sydney market was slightly firmer** again, with 9,026 bales offered (975 bales or 10.08% were reoffered lots). Merino fleeces 19 to 23 microns were generally 5 cents dearer with 19.5 microns 10 cents higher. Other microns remained firm. Merino skirtings were firm while oddments regained some lost ground and were around 10 cents dearer. **Passed in rate:** 12.9%. **Major Buyers:** BWK Elders, Techwool, Southern Cross Wool, Itochu, Morepen and Modiano.

Sales opened in **Fremantle on Wednesday** and the market eased slightly on the back of a large offering. There were 11,716 bales offered (2,005 bales or 17.1% were reoffered lots). 19.5 to 24 microns closed around 5 to 10 cents cheaper with 22 and 23 microns the most affected. The finer end remained firm with 19 microns finishing 7 cents dearer. Merino skirtings struggled with prices easing by around 10 cents. Oddments were also slightly cheaper. **Passed in rate:** 12.8%. **Major Buyers:** PJ Morris, BWK Elders, Itochu, Modiano, H Dawson and Lempriere.

In **Fremantle on Thursday** there were 10,906 bales offered (2,005 bales or 18.4% were reoffered lots). The market was slightly mixed with the finer end remaining firm and the broader end showing slight weakness. 19 microns were 5 cents firmer while 21 and 23 microns eased 5 cents. Merino skirtings lacked buyer support again and fell a further 10 cents. Lambs were around 5 cents cheaper while other oddments were generally unchanged. **Passed in rate:** 16.0%. **Major Buyers:** PJ Morris, BWK Elders and Modiano.

**Next Week:** Melbourne will be the only selling centre next week as the Northern and Southern regions begin a three week recess. **There will be approximately 25,000 bales offered in Melbourne.**

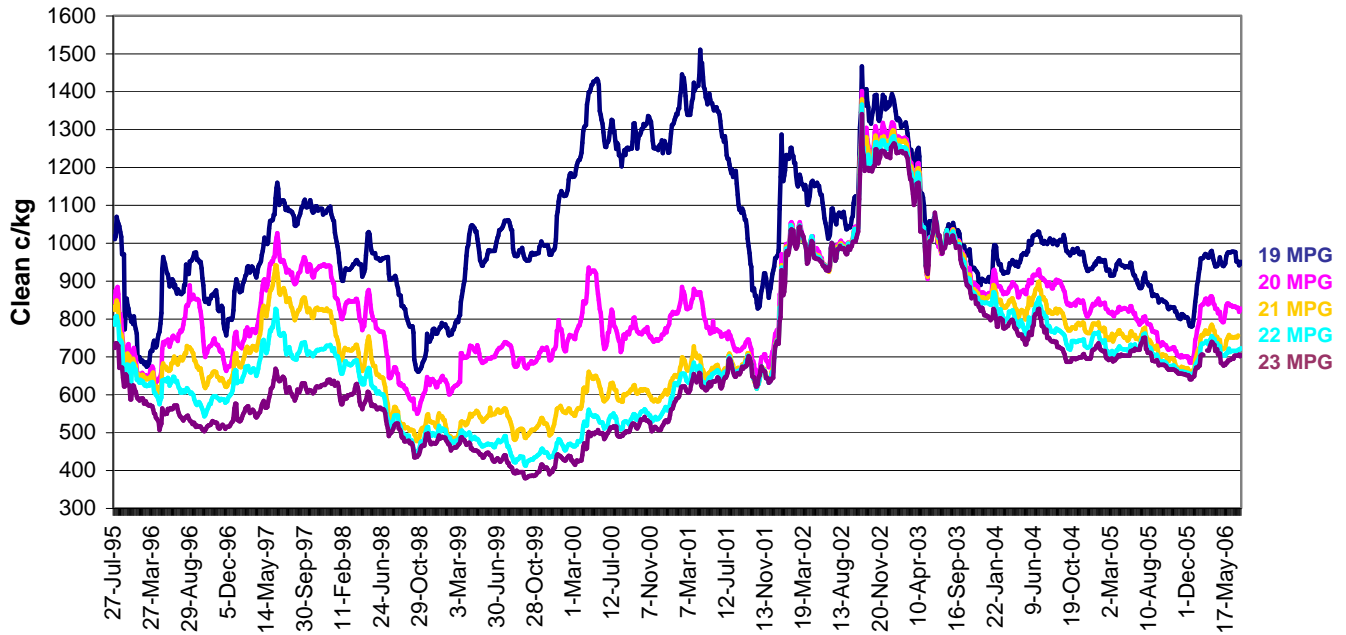
**With the Northern and Western regions now in winter recess, and a reasonably favourable market at the moment, growers looking to meet the market should consider utilising the constant market exposure provided by Wooltrade. Consult your wool representative or Wooltrade for more information.**

(Comments: Brian Vagg - Wooltrade)

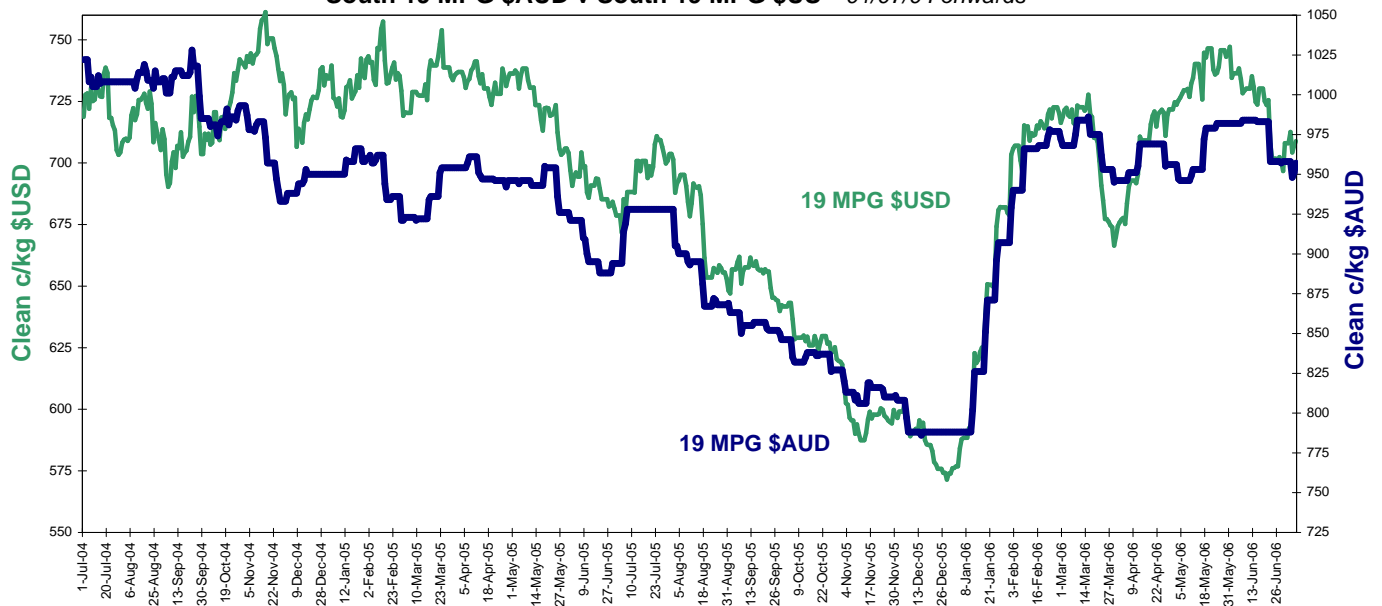
Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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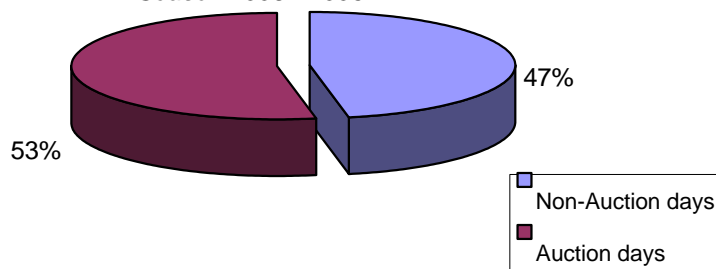
### Nth Micron Price Guide Movement 1995-2006



### South 19 MPG \$AUD v South 19 MPG \$US - 01/07/04 onwards



### Wooltrade Sales - Auction & Non-auction Days Season 2005 - 2006



This pie chart shows that close to 50% of all wool sold on Wooltrade occurs on NON AUCTION days.

Please consider the opportunities available by having constant market exposure and list your wool on Wooltrade.

Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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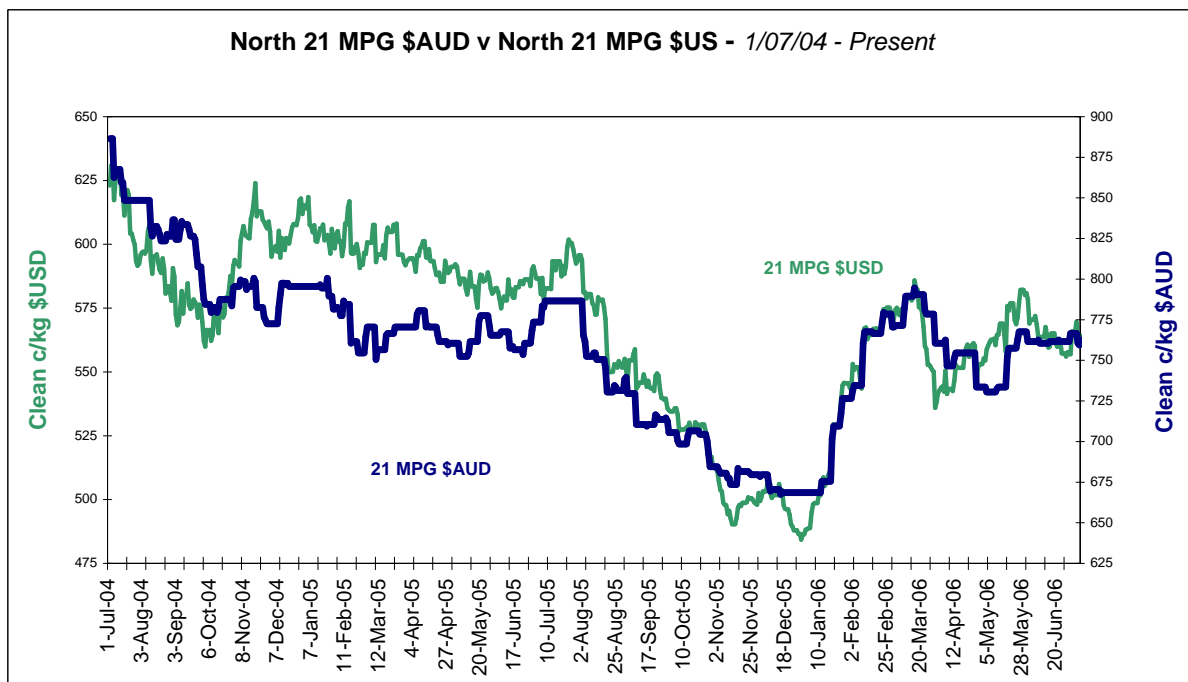
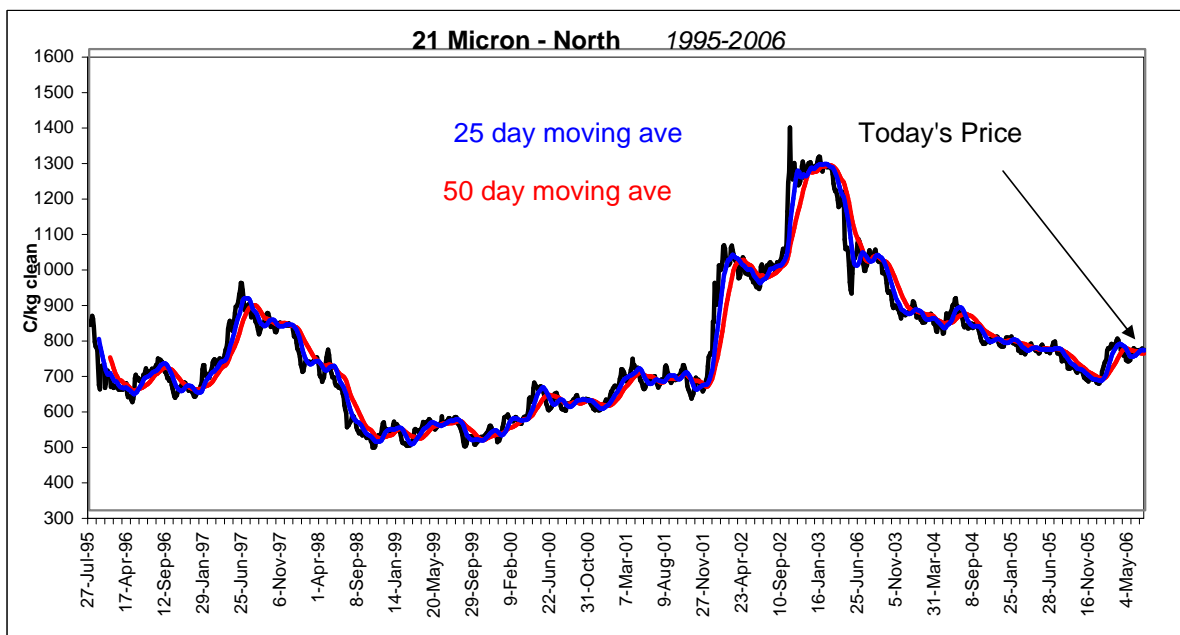


# JEMALONG WOOL BULLETIN

(week ending 6/07/2006)

Table 2: Northern Market Deciles

Micron Price Guide (1995-2006)										
	19	20	21	22	23	24	25	26	28	MC
<b>Current</b>	<b>950</b>	<b>827</b>	<b>752</b>	<b>722</b>	<b>704</b>	<b>686</b>	<b>634</b>	<b>594</b>	<b>490</b>	<b>404</b>
<b>90%</b>	812	673	537	477	452	440	432	401	343	281
<b>80%</b>	891	714	600	534	503	481	463	440	383	327
<b>70%</b>	933	740	645	601	536	513	485	460	395	372
<b>60%</b>	956	767	672	645	589	565	540	472	411	404
<b>50%</b>	979	811	708	675	629	608	580	494	435	428
<b>40%</b>	1025	840	752	715	671	656	605	516	454	437
<b>30%</b>	1086	876	814	741	708	681	641	541	477	452
<b>20%</b>	1204	930	863	825	799	753	692	578	500	478
<b>10%</b>	1315	1003	1000	997	993	980	940	704	559	540



Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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# JEMALONG WOOL BULLETIN

(week ending 6/07/2006)

**Table 3: National Australia Bank - Wool Swaps**

NAB Wool Swaps																
06-Jul-2006																
Month	18 MIC	Prem/ Disc	19 MIC	Prem/ Disc	20 MIC	Prem/ Disc	21 MIC	Prem/ Disc	22 MIC	Prem/ Disc	23 MIC	Prem/ Disc	24 MIC	Prem/ Disc	28 MIC	Prem/ Disc
Jul-06	1025	-26	930	-20	810	-17	735	-17	705	-17	685	-19	665	-21	420	-70
Aug-06	1038	-13	950	0	815	-12	740	-12	710	-12	685	-19	665	-21	422	-68
Sep-06	1053	+2	965	+15	820	-7	745	-7	715	-7	690	-14	666	-20	430	-60
Oct-06	1063	+12	980	+30	827	0	750	-2	720	-2	690	-14	666	-20	430	-60
Nov-06	1073	+22	985	+35	832	+5	760	+8	725	+3	690	-14	666	-20	431	-59
Dec-06	1090	+39	988	+38	840	+13	765	+13	728	+6	690	-14	666	-20	431	-59
Jan-07	1093	+42	990	+40	842	+15	770	+18	730	+8	693	-12	666	-20	431	-59
Feb-07	1098	+47	995	+45	842	+15	770	+18	733	+11	693	-12	667	-19	430	-60
Mar-07	1103	+52	1000	+50	852	+25	773	+21	733	+11	693	-12	667	-19	423	-67
Apr-07	1108	+57	1005	+55	855	+28	775	+23	733	+11	693	-12	667	-19	423	-67
May-07	1113	+62	1010	+60	857	+30	775	+23	733	+11	691	-13	667	-19	423	-67
Jun-07	1115	+64	1015	+65	860	+33	775	+23	733	+11	691	-13	667	-19	423	-67
Jul-07	1116	+65	1019	+69	861	+34	777	+25	732	+10	690	-14	667	-19	422	-68
Aug-07	1117	+66	1023	+73	860	+33	778	+26	733	+11	688	-16	666	-20	421	-69
Sep-07	1116	+65	1027	+77	867	+40	777	+25	732	+10	687	-17	665	-21	420	-70

**Table 4: Commonwealth Bank of Australia - Wool Futures**

CBA Wool Futures Quotes																		
06-Jul-2006																		
Month	18 MIC	Prem/ Disc	19 MIC	Prem/ Disc	20 MIC	Prem/ Disc	21 MIC	Prem/ Disc	22 MIC	Prem/ Disc	23 MIC	Prem/ Disc	24 MIC	Prem/ Disc	25 MIC	Prem/ Disc	28 MIC	Prem/ Disc
Jul-06	1042	-9	945	-5	827	0	757	+5	724	+2	708	+4	685	-1	635	1	480	-10
Aug-06	1050	-1	950	0	835	+8	763	+11	726	+4	706	+2	682	-4	635	1	478	-12
Sep-06	1060	+9	963	+13	842	+15	774	+22	727	+5	702	-2	679	-7	630	-4	746	+256
Oct-06	1072	+21	976	+26	855	+28	782	+30	729	+7	700	-4	675	-11	630	-4	472	-18
Nov-06	1080	+29	984	+34	860	+33	788	+36	729	+7	698	-6	673	-13	627	-7	468	-22
Dec-06	1090	+39	992	+42	863	+36	793	+41	732	+10	695	-9	668	-18	625	-9	465	-25
Jan-07	1100	+49	1000	+50	870	+43	798	+46	734	+12	692	-12	666	-20	625	-9	460	-30
Feb-07	1105	+54	1008	+58	873	+46	803	+51	737	+15	688	-16	664	-22	621	-13	458	-32
Mar-07	1110	+59	1013	+63	874	+47	805	+53	739	+17	686	-18	660	-26	620	-14	456	-34
Apr-07	1115	+64	1017	+67	877	+50	808	+56	740	+18	685	-19	657	-29	620	-14	452	-38
May-07	1120	+69	1021	+71	880	+53	810	+58	743	+21	682	-22	653	-33	617	-17	450	-40
Jun-07	1125	+74	1025	+75	885	+58	813	+61	748	+26	678	-26	653	-33	616	-18	448	-42
Jul-07	1128	+77	1028	+78	890	+63	817	+65	753	+31	675	-29	651	-35	614	-20	448	-42
Aug-07	1130	+79	1030	+80	894	+67	820	+68	756	+34	673	-31	650	-36	612	-22	444	-46
Sep-07	1135	+84	1030	+80	897	+70	820	+68	758	+36	672	-32	650	-36	612	-22	440	-50

**Table 5: Sydney Futures Exchange - Wool Futures Prices**

SFE FUTURES PRICES								
6-Jul-06								
Month	19 MIC	Wkly Diff.	Prem/ Disc	21 MIC	Wkly Diff.	Prem/ Disc	23 MIC	Wkly Diff.
Sep-06	960	-9	+10	788	-3	+36	686	0
Nov-06	986	-10	+36	807	-2	+55	664	0
Jan-07	1002	-10	+52	818	-7	+66	664	0
Mar-07	1018	0	+68	828	-7	+76	657	0
May-07	1029	0	+79	833	-4	+81	657	0
Jul-07	1022	0	+72	838	+1	+86	657	0
Aug-07	1032	0	+82	833	-4	+81	657	0
Oct-07	1030	0	+80	846	+9	+94	657	0
Dec-07	1030	0	+80	846	+9	+94	661	0

Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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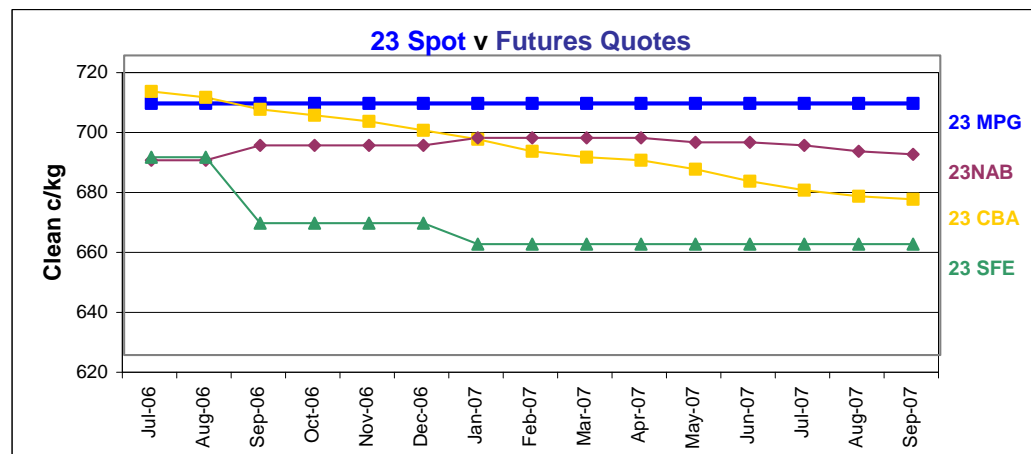
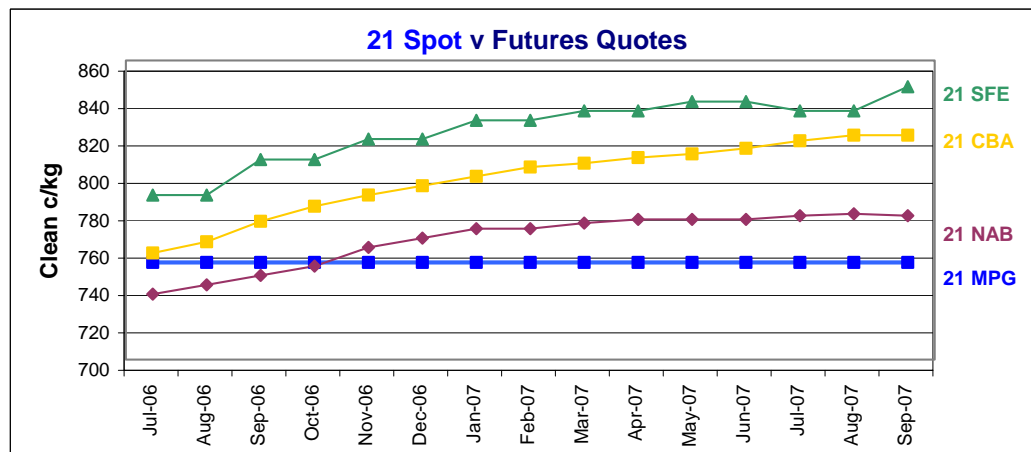
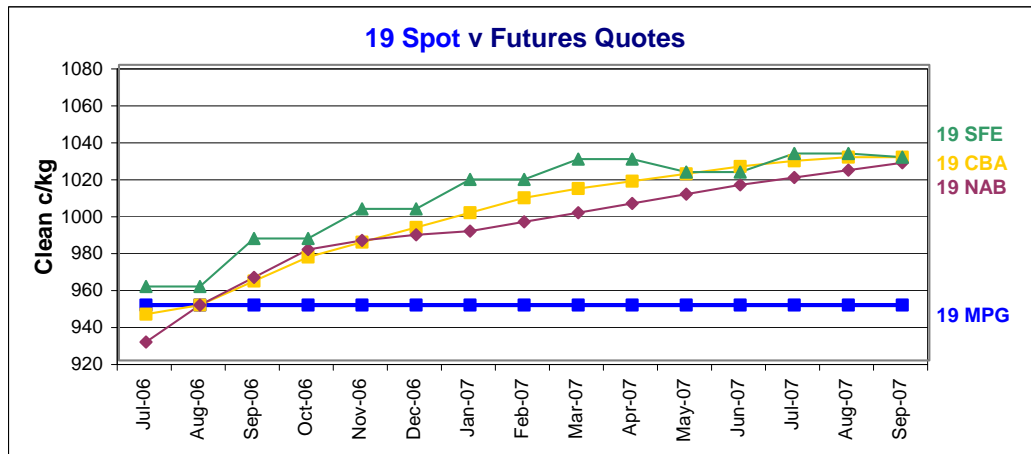
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# JEMALONG WOOL BULLETIN

(week ending 6/07/2006)

## Futures Graphs



Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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