JEMALONG WOOL BULLETIN
(week ending 07/07/2005)

Table 1: Northern Market Prices

Micron Price Guides	Current Price	Weekly Change	10-yr Average	Price as % of Ave	This time last year	Year high	Year low
North Ind	746	20	766	97%	812	746	739
18	1007	18	1388	73%	1084	1007	1007
18.5	977	31	1099	89%	1036	977	971
19	921	34	1038	89%	1004	921	907
19.5	850	20	1018	83%	951	850	848
20	806	15	835	97%	907	806	804
21	776	13	750	104%	855	776	772
22	761	15	708	108%	817	761	757
23	750	12	670	112%	781	750	749
24	698	24	649	108%	710	698	688
25	643	23	614	105%	668	643	627
26	576	11	583	99%	647	576	576
28	480	16	521	92%	551	480	473
30	444	9	470	94%	486	444	441
32	406	7	447	91%	446	406	405
MC	441	16	417	106%	430	441	440

NORTHERN MARKET REPORT - **Australian Dollar 74.13 US as of 07/07/2005**

Sales this week were held in Melbourne, Sydney and Fremantle and the national offering was slightly larger at approximately 68,000 bales.

The market started the season on a very positive note with gains made across all microns. The medium wools continued on their recent strong performance, but this week the finer end was also dearer.

Sales opened in Sydney on Tuesday and prices were 10-15c/kg clean dearer for 20 microns and broader, while the finer microns saw price rises of 20-25c/kg clean. Merino skirtings were slightly dearer while oddments were 10-15c/kg clean dearer. The passed-in rate for Tuesday was 6%.

Prices held onto the gains on Wednesday with only small movements in prices. 19s and 24s were around 5c/kg clean dearer while other microns were generally unchanged. Crossbreds remained firm whie merino skirtings were around 10-15c/kg clean dearer. Oddments remained firm+. The passed-in rate for Wednesday was 4%.

The market was firm again on Thursday with prices rising for most microns. The most affected were 18.5-19s which were around 7c/kg clean dearer and 25 microns which rose around 15c/kg clean. All other microns, including crossbreds, recorded small gains. Merino skirtings were higher again, rising around 10-20c/kg clean while and oddments were firm. The passed-in rate for Thusday was 6%. Major buyers for the week were Southern Cross Wool (3,341 bales), Techwool (2,689 bales) and Chargeurs (2,336 bales).

The recent rises in the market have been welcome news for woolgrowers. The lower dollar this week certainly had a real impact. But It is interesting to note that although prices rose strongly, they didn't quite rise as much as would be expected. The dollar dropping from 76.63c US last week to 74.23c US represents a fall of 3.1%, and prices for 19s were only 1.93% dearer, 20s 2.7% dearer and 21s 2.5% dearer. And compared to when the dollar was last at 74c US in October 2004, 19s are trading 64c/kg clean lower and 20s 30c/kg clean lower. Meanwhile 21s are trading 10c/kg clean higher, 22s 34c/kg clean higher and 23s 68c/kg clean higher. Demand for finer wools has not been able to match the increasing supply of 20 micron and finer. This is a worry for fine wool growers and will not turn around without a subtantial increase in demand from Europe. On the other hand the relative scarcity of broader wools on the market keeps their prices trading above the long term average.

Sales continue next week in Melbourne only with an offering of approximately 19,000 bales. Sydney and Fremantle begin a three week recess. For growers wishing to sell don't have to wait three weeks. Wooltrade has had very strong sales this week, selling over 1,300 bales so far, and provides a sales avenue for growers over the break. ***Sales recess can still mean sale results on Wooltrade.***

(Comments: Phil Roberts - Wooltrade)

Source: AWEX, National Australia Bank

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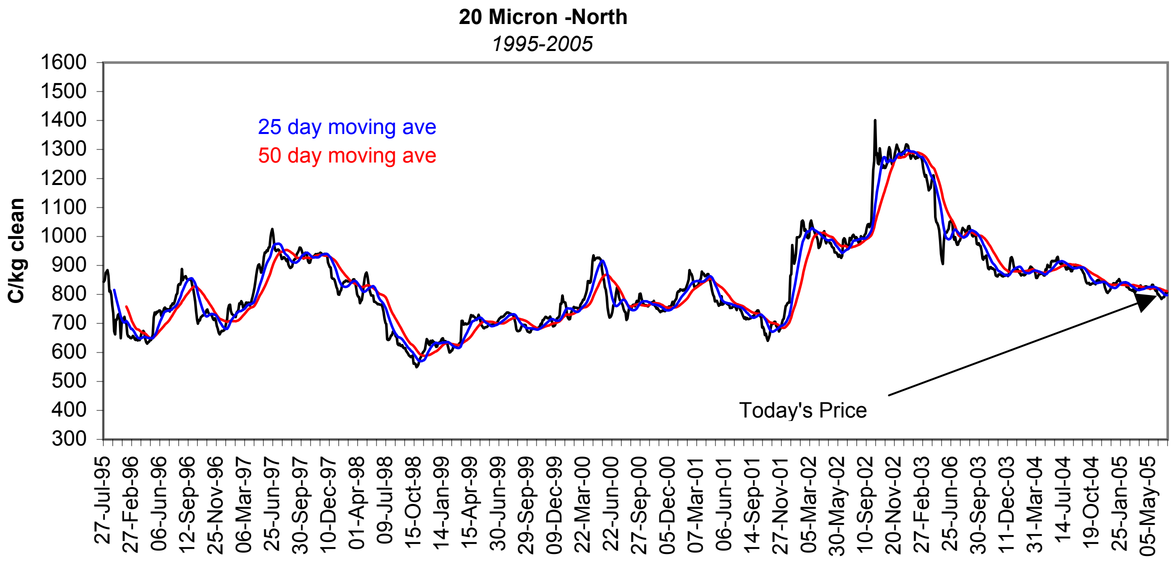
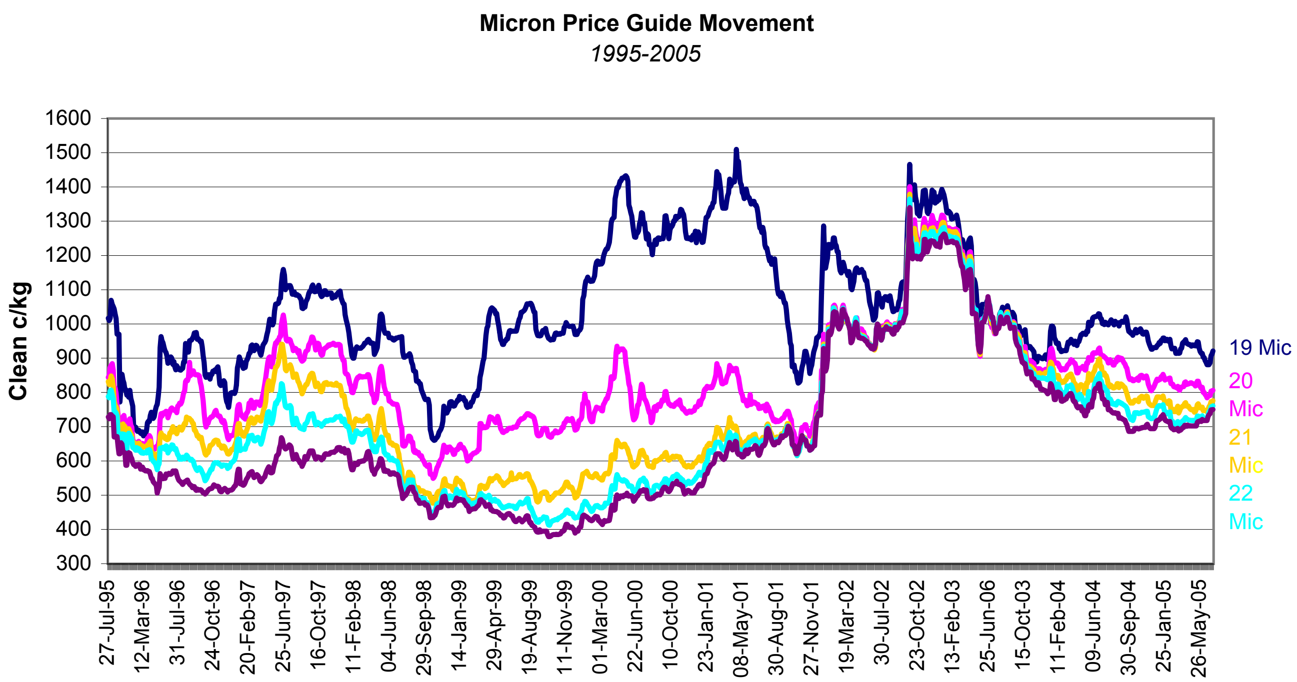
Table 2: Northern Market Deciles

Micron Price Guide (1995-2005)										
	19	**20**	**21**	**22**	**23**	**24**	**25**	**26**	**28**	**MC**
Current	**921**	**806**	**776**	**761**	**750**	**698**	**643**	**576**	**480**	**441**
90%	824	669	532	476	442	436	427	397	343	277
80%	906	714	585	526	497	478	458	438	382	308
70%	940	742	639	586	526	505	480	460	400	359
60%	968	769	667	634	571	549	525	477	424	398
50%	996	815	704	667	618	593	565	504	445	428
40%	1045	848	761	716	649	640	592	524	459	440
30%	1100	889	823	755	717	679	646	545	481	458
20%	1230	939	877	843	820	788	721	592	502	483
10%	1322	1013	1007	1008	1001	989	952	716	563	564



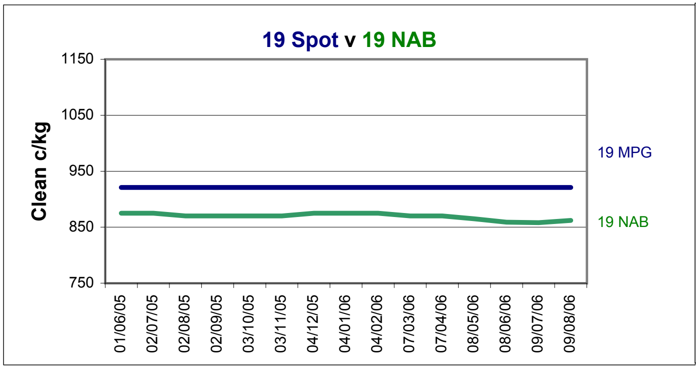


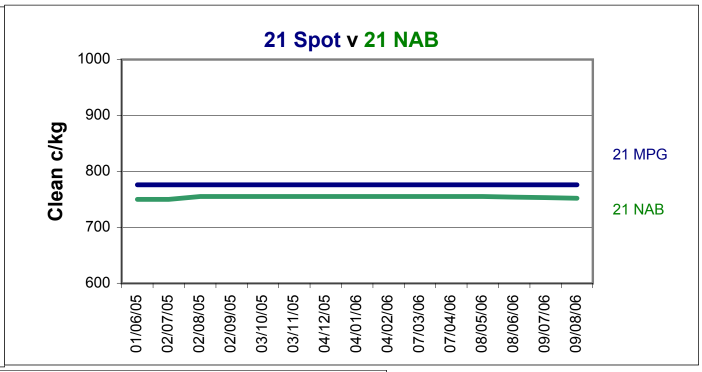
Source: AWEX, National Australia Bank

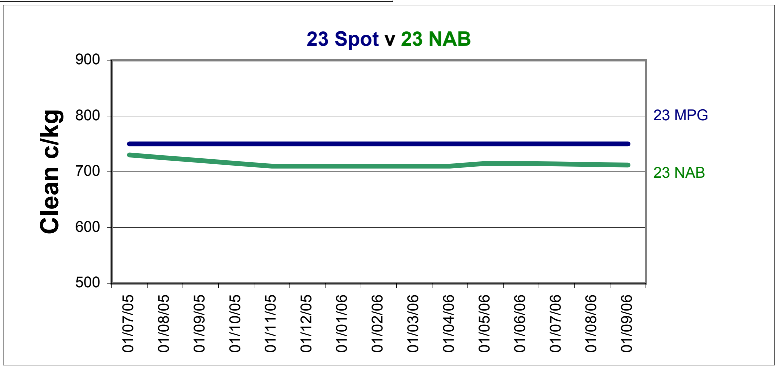
Table 3: National Australia Bank - Wool Swaps

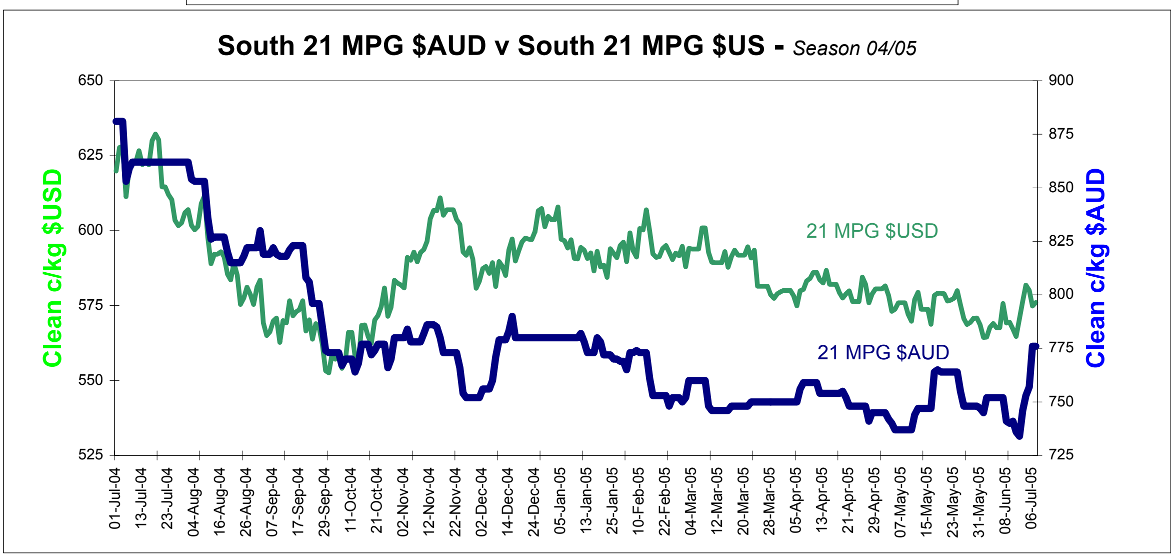
NAB Producer Bids
07-Jul-2005

Delivery Month	18 MIC	Diff. To Spot	19 MIC	Diff. To Spot	20 MIC	Diff. To Spot	21 MIC	Diff. To Spot	22 MIC	Diff. To Spot	23 MIC	Diff. To Spot	24 MIC	Diff. To Spot	28 MIC	Diff. To Spot
Jul-05	970	-37	875	-46	775	-31	750	-26	735	-26	730	-20	675	-23	455	-25
Aug-05	970	-37	875	-46	775	-31	750	-26	735	-26	725	-25	670	-28	450	-30
Sep-05	970	-37	870	-51	770	-36	755	-21	735	-26	720	-30	665	-33	450	-30
Oct-05	965	-42	870	-51	770	-36	755	-21	735	-26	715	-35	665	-33	445	-35
Nov-05	960	-47	870	-51	770	-36	755	-21	730	-31	710	-40	660	-38	435	-45
Dec-05	955	-52	870	-51	770	-36	755	-21	730	-31	710	-40	660	-38	435	-45
Jan-06	955	-52	875	-46	770	-36	755	-21	730	-31	710	-40	660	-38	435	-45
Feb-06	950	-57	875	-46	770	-36	755	-21	730	-31	710	-40	660	-38	440	-40
Mar-06	945	-62	875	-46	770	-36	755	-21	725	-36	710	-40	665	-33	440	-40
Apr-06	945	-62	870	-51	770	-36	755	-21	725	-36	710	-40	665	-33	440	-40
May-06	945	-62	870	-51	775	-31	755	-21	725	-36	715	-35	665	-33	445	-35
Jun-06	950	-57	865	-56	780	-26	755	-21	725	-36	715	-35	665	-33	445	-35
Jul-06	959	-48	859	-62	784	-22	754	-22	724	-37	714	-36	669	-29	449	-31
Aug-06	963	-44	858	-63	788	-18	753	-23	723	-38	713	-37	673	-25	453	-27
Sep-06	977	-30	862	-59	792	-14	752	-24	727	-34	712	-38	677	-21	452	-28









Source: AWEX, National Australia Bank