



JEMALONG WOOL BULLETIN  
(week ending 08/01/2004)

**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	808	14	765	106%	1205	945	792
18.5	940	29	1192	79%	1474	1088	911
19	925	28	1052	88%	1393	1053	889
19.5	906	24	1018	89%	1356	1047	877
20	900	37	832	108%	1318	1036	862
21	875	17	741	118%	1293	1035	841
22	852	15	698	122%	1277	1034	836
23	801	5	659	122%	1255	1029	796
24	784	6	641	122%	1238	1015	778
25	693	-7	611	113%	1128	938	693
26	643	-1	580	111%	1023	880	636
28	506	-11	524	97%	756	647	506
30	447	-6	474	94%	627	550	447
32	382	-10	453	84%	578	510	382
MC	459	-8	415	111%	684	514	440

**Australian Dollar 0.7676**

**NORTHERN REGION MARKET REPORT**

The first auction sales for the year were held in Sydney, Melbourne and Fremantle this week, after a three week recess over Christmas. The national offering this week was smaller than the pre-recess offering, with approximately 47,500 bales on offer, with Melbourne holding three sales this week.

In good news for growers to begin the new year the market opened firmer in Melbourne on Monday. Finer merino fleeces were 10c/kg clean dearer with medium merino fleeces unchanged. The crossbred fleeces were down 15-20c/kg clean.

The market was positive when sales opened in Sydney on Tuesday. The finer merino fleece prices were around 10c/kg clean dearer while broader merino fleeces were around 5c/kg clean higher. Merino skirtings were 5-10c/kg clean dearer while locks and crutchings were around 10c/kg clean cheaper. Crossbred fleeces were 5-10c/kg clean cheaper.

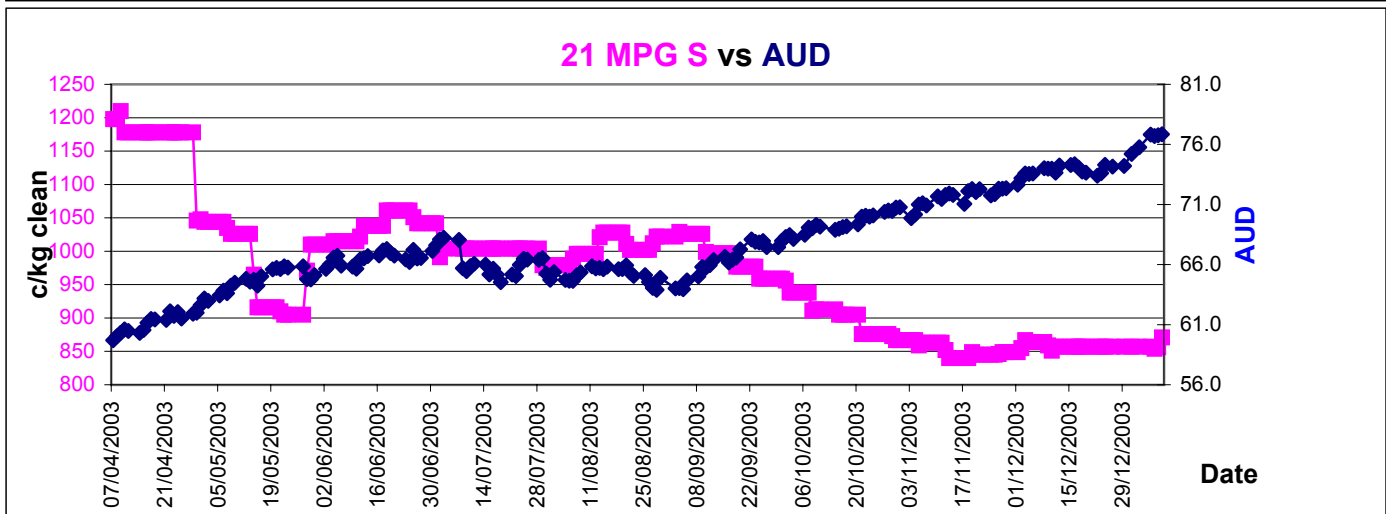
Prices were higher for all merino fleeces on Thursday, in particular 20 micron which rose 30c/kg clean. Other merino fleece prices were 15-20c/kg clean higher. Skirtings were 10c/kg clean dearer while oddments were 5c/kg clean dearer. It was evident this week that the better style, low VM, 40nkt+ wools were the most in demand and attracted premiums over the average style wools.

The higher prices this week indicated how influential demand is on wool prices. Stronger European demand earlier in the week combined with higher demand from China on Thursday had a greater impact on prices than the continued rising Australian dollar. How long the increased demand will last is uncertain. Some buying activity this week is a result of business done during the recess when no wool was available in auctions.

Macquarie Wool futures quotes also rose this week, up 10c/kg clean earlier in the week and a further 20c/kg clean on Thursday. While the 19 micron spot price is trading in the bottom 30% of prices since 1995, Macquarie Wool Futures quotes are at a premium of up to 90c/kg clean above current levels out to May 2005. Selling opportunities for broader merino wools remain positive as current spot prices continue to trade in the top 30% of prices since 1995. For 20-25 micron wools Macquarie Wool Futures quotes are only 10-15c/kg clean above current levels out to December 2004.

Sales continue in Sydney and Melbourne next week, Fremantle has a one week break.

Comments: Phil Roberts.(Wooltrade)



Source: AWEX, SFE, Macquarie Bank

Disclaimer: While all due care has been taken in preparation of this document, no responsibility is taken by "broker" or its staff for the accuracy of the information contained herein.



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**Table 3: Northern Market Deciles**

**Micron Price Guide (1995-2003)**

	19	20	21	22	23	24	25	26	28	MC
Current	<b>925</b>	<b>900</b>	<b>875</b>	<b>852</b>	<b>801</b>	<b>784</b>	<b>693</b>	<b>506</b>	<b>382</b>	<b>459</b>
90%	793	650	523	469	434	427	416	394	339	261
80%	<b>888</b>	697	555	498	477	467	451	420	<b>367</b>	292
70%	945	727	610	544	510	487	471	448	399	333
60%	976	746	644	595	532	511	493	468	435	359
50%	1044	768	666	634	570	547	537	<b>497</b>	456	393
40%	1090	813	693	660	608	584	568	518	475	<b>434</b>
30%	1173	<b>870</b>	736	693	633	611	<b>627</b>	547	493	463
20%	1261	942	<b>874</b>	<b>767</b>	<b>692</b>	<b>688</b>	846	600	528	495
10%	1339	1021	1011	1014	1004	995	964	730	570	583

**22 Micron -North**  
1995-2003





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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
Jan-04	985	945	20	905	5	885	10	855	3	810	9	785	1	710	17	530	24
Mar-04	1000	960	35	905	5	885	10	855	3	810	9	785	1	710	17	530	24
May-04	1005	965	40	905	5	885	10	855	3	810	9	785	1	710	17	530	24
Jul-04	1020	980	55	905	5	885	10	855	3	810	9	785	1	710	17	525	19
Sep-04	1040	1000	75	905	5	885	10	855	3	810	9	785	1	720	27	525	19
Nov-04	1040	1010	85	905	5	885	10	855	3	810	9	785	1	725	32	525	19
Jan-05	1040	1015	90	900	0	880	5	850	-2	805	4	785	1	725	32	525	19
Mar-05	1055	1015	90	890	-10	870	-5	840	-12	810	9	790	6	730	37	520	14
May-05	1060	1015	90	890	-10	870	-5	840	-12	810	9	790	6	735	42	520	14
Jul-05	1075	1010	85	890	-10	870	-5	840	-12	810	9	790	6	745	52	525	19
Sep-05	1097	1000	75	893	-7	869	-6	839	-13	810	9	790	6	745	52	530	24
Nov-05	1113	1000	75	894	-6	868	-7	838	-14	810	9	790	6	745	52	533	27

