



# JEMALONG WOOL BULLETIN

(week ending 8/06/2006)

**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	741	-1	761	97%	730	770	642
18	1076	-4	1337	80%	1001	1088	900
18.5	1032	0	1064	97%	965	1038	832
19	977	2	1026	95%	903	979	779
19.5	904	-5	1018	89%	844	923	736
20	831	-4	830	100%	800	859	684
21	750	-1	747	100%	747	784	657
22	715	1	707	101%	721	761	648
23	694	2	671	103%	718	750	640
24	677	0	651	104%	678	708	631
25	638	0	615	104%	612	645	588
26	588	0	582	101%	559	589	536
28	472	0	517	91%	474	795	424
30	423	0	467	91%	433	444	390
32	389	0	442	88%	400	408	369
MC	431	-7	417	103%	442	467	380

## NORTHERN MARKET REPORT -

**Australian Dollar 74.19 US as of 08/06/2006**

Sales this week were held in Melbourne and Sydney. Fremantle had a one week recess and as a result the national offering was substantially smaller with only approximately 38,340 bales in auctions.

Sales opened in **Melbourne on Wednesday** with 10,453 bales offered (1,777 bales or 17% were reoffered lots). The market opened on a positive note with most microns recording gains. The medium fleeces, 20-23 microns, were the most sought after with prices 5-10 cents dearer. The finer end remained firm. Crossbred fleece prices were generally 5 cents dearer. Merino skirtings traded at similar levels to last week. Locks were as much as 10-15 cents dearer while crutchings were unchanged. **Passed in rate: 12.1%. Major Buyers:** Itochu, Fox & Lillie, Kathaytex, Dewavrin, Techwool, Williams Wool & AS Gedge.

The market remained **firm in Melbourne on Thursday** where there were 10,268 bales offered (2,875 bales or 28% were reoffered lots). Most microns remained unchanged, while 18 microns lost 5 cents and 24 microns gained 5 cents. Crossbred fleece prices remained steady with little movements in prices. The odd merino skirting lots were slightly easier with the bulk remaining unchanged. Oddments closed the week around 5 cents dearer. **Passed in rate: 8.5%. Major Buyers:** Kathaytex, Dewavrin, AS Gedge, Fox & Lillie, Itochu & Techwool.

The **Sydney market** opened dearer early on Wednesday before closing generally unchanged. There were 9,527 bales offered (1,905 bales or 20% were reoffered lots). There were only small movements of 1-2 cents for merino fleece prices with the market closing fully firm. Crossbred fleece prices were also unchanged. Merino skirtings were also firm with longer, better style, 19 microns closing 5 cents higher. Locks were 5-10 cents dearer while crutchings were unchanged. **Passed in rate: 17.1%. Major Buyers:** Techwool, Morepen, AS Gedge, Modiano, Itochu & G Schneider.

On **Thursday the Sydney market** finished the week on a slightly easier note. There were 8,092 bales offered (1,295 bales or 16% were reoffered lots). 18 micron and finer lots in the 35 Nkt range were up to 20 cents cheaper while the higher Nkt lots were less affected. Fleeces in the 19.5-21 micron range were around 5 cents cheaper while all other microns remained unchanged. Crossbred fleece prices remained firm. Merino skirtings closed unchanged while oddments eased by 5-10 cents. **Passed in rate: 13.6%. Major Buyers:** Techwool, Morepen, AS Gedge, Southern Cross, Modiano, G Schneider & Chargeurs.

**There were no sales in Fremantle due to a one week recess.**

The results from the latest Woolmark Business survey show a strong increase in Australian wool exports for the four months to April compared to the same period last year. Exports of raw and semi-processed wool have lifted by 8.9% compared to the first four months of 2005. This stronger demand has resulted in prices rising between 10-23% since January this year, with prices for 20 microns and finer the most affected. China continues to import the lion's share of Australian wool, now accounting for 56% of the market, up from 52% for the same period last year. India's importance also continues to rise, with exports to India rising by 35% compared to the same period last year.

**Next Week:** Sales continue next week in Melbourne, Sydney and Fremantle. Currently there are approximately 57,000 bales rostered for sale.

**Wooltrade will continue to offer an extra string to growers' bows, and provides benefits from constant market exposure, particularly with the recent favourable market conditions (which may not last for the long term). Please consider the opportunities that are available by listing on Wooltrade with a targeted selling strategy. This may require some consultation with your local representative.**

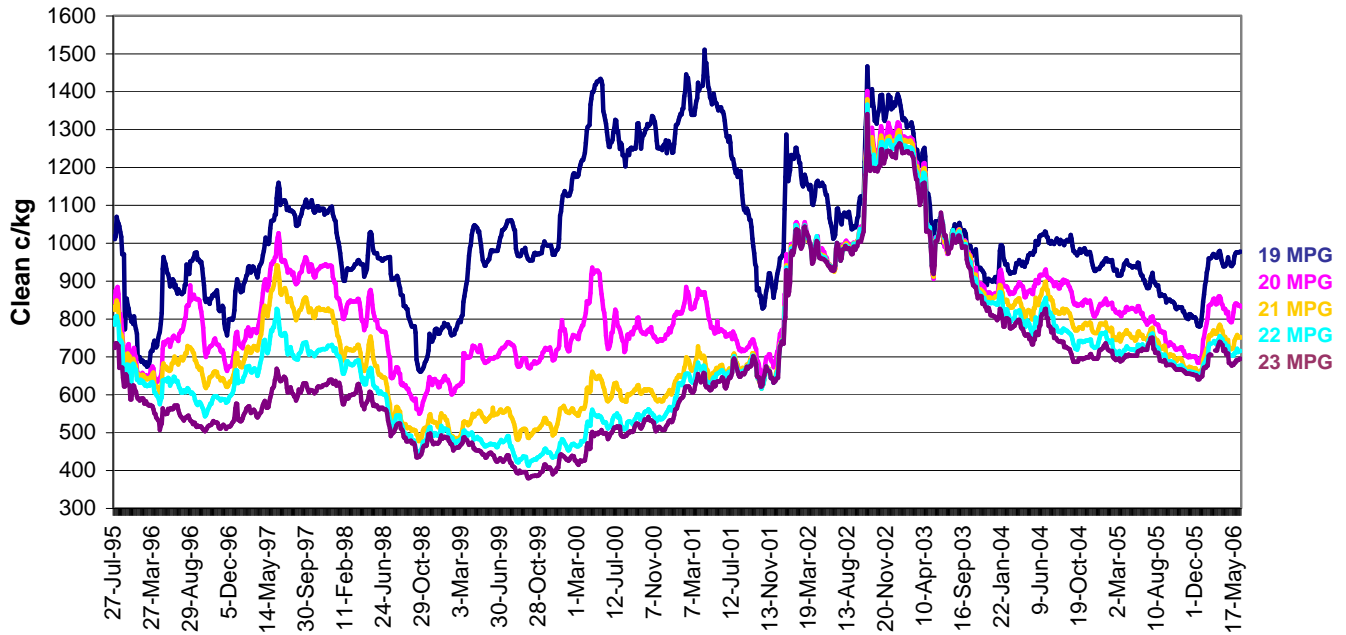
**(Comments: Brian Vagg - Wooltrade)**

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

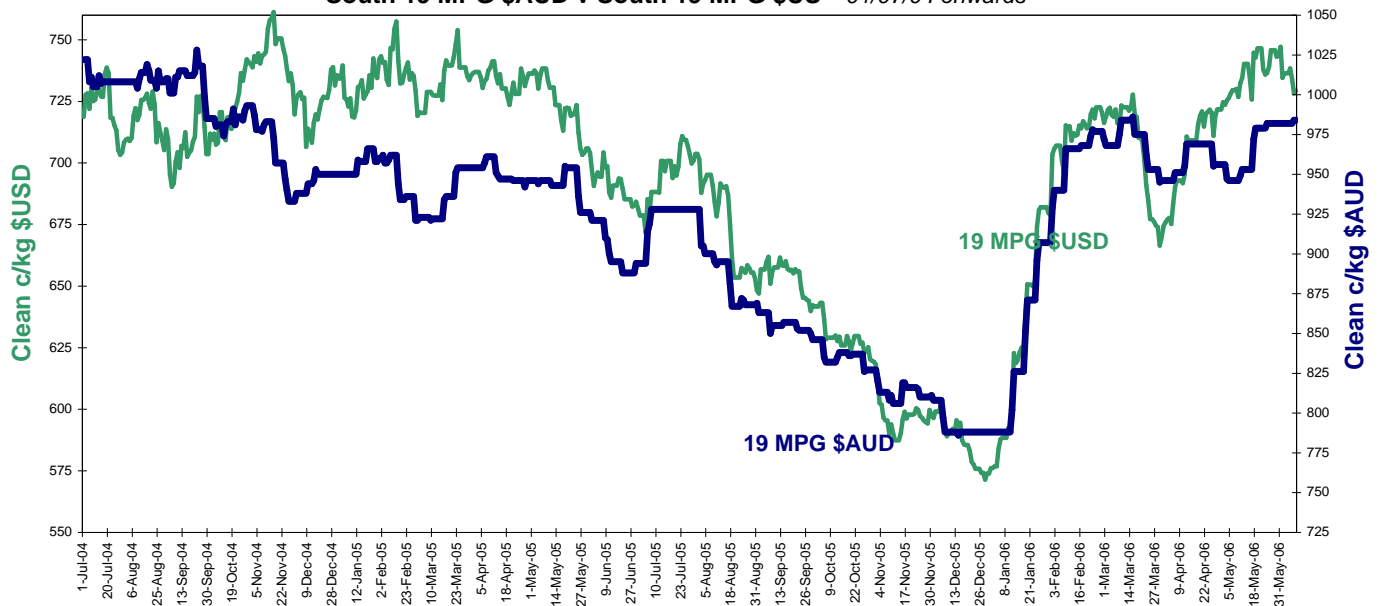
Disclaimer: While all due care has been taken in the preparation of this document, no warranty is made as to its accuracy, reliability or completeness. To the extent permitted by law, neither Jemalong Wool, Wooltrade Australia,

National Australia Bank, Sydney Futures Exchange or the Commonwealth Bank and its subsidiaries, and their staff, accept liability to any person for loss or damage arising from the use of the information contained herein.

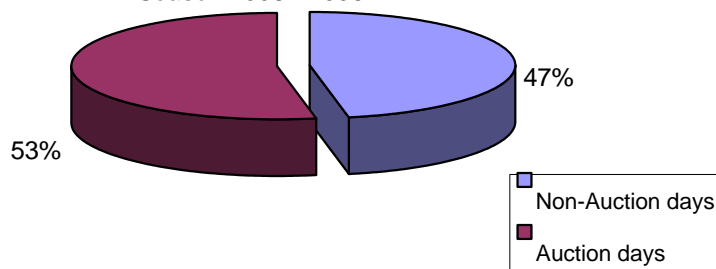
### Nth Micron Price Guide Movement 1995-2006



### 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.

Disclaimer: While all due care has been taken in the preparation of this document, no warranty is made as to its accuracy, reliability or completeness. To the extent permitted by law, neither Jemalong Wool, Wooltrade Australia, National Australia Bank, Sydney Futures Exchange or the Commonwealth Bank and its subsidiaries, and their staff, accept liability to any person for loss or damage arising from the use of the information contained herein.

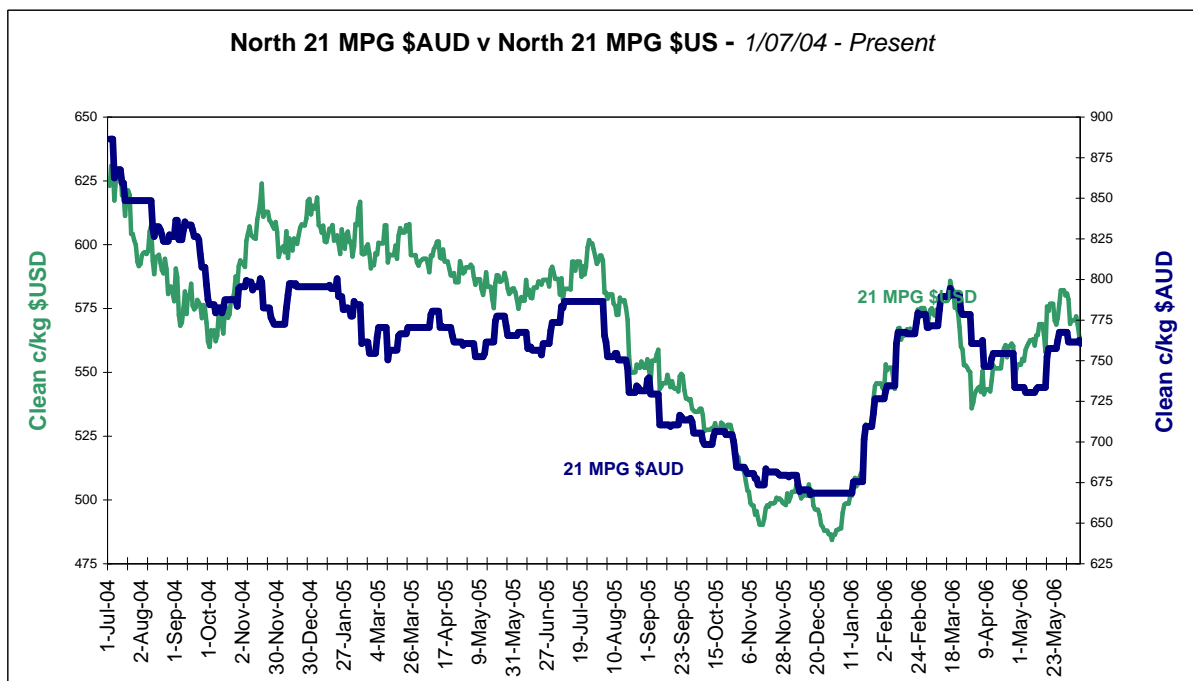
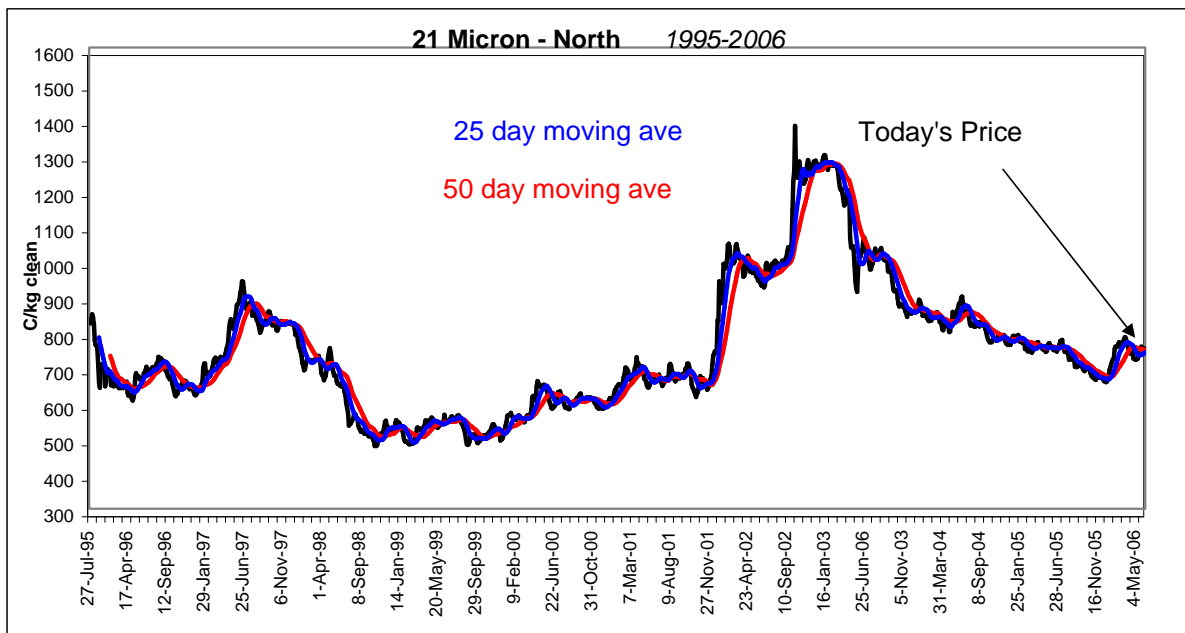


# JEMALONG WOOL BULLETIN

(week ending 8/06/2006)

Table 2: Northern Market Deciles

Micron Price Guide (1995-2006)										
	19	20	21	22	23	24	25	26	28	MC
<b>Current</b>	<b>977</b>	<b>831</b>	<b>750</b>	<b>715</b>	<b>694</b>	<b>677</b>	<b>638</b>	<b>588</b>	<b>472</b>	<b>431</b>
<b>90%</b>	811	673	537	477	450	440	432	401	343	281
<b>80%</b>	890	714	599	534	503	481	462	439	383	326
<b>70%</b>	932	739	645	600	534	512	484	460	395	371
<b>60%</b>	957	766	671	644	587	563	540	472	413	403
<b>50%</b>	980	810	707	674	629	607	578	494	435	428
<b>40%</b>	1028	841	752	714	670	654	602	517	455	438
<b>30%</b>	1086	878	815	742	710	679	641	541	477	453
<b>20%</b>	1206	930	865	828	801	753	693	580	500	479
<b>10%</b>	1315	1003	1000	997	993	981	943	705	559	541



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

Disclaimer: While all due care has been taken in the preparation of this document, no warranty is made as to its accuracy, reliability or completeness. To the extent permitted by law, neither Jemalong Wool, Wooltrade Australia, National Australia Bank, Sydney Futures Exchange or the Commonwealth Bank and its subsidiaries, and their staff, accept liability to any person for loss or damage arising from the use of the information contained herein.



# JEMALONG WOOL BULLETIN

(week ending 8/06/2006)

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

NAB Wool Swaps																
08-Jun-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
Jun-06	1055	-21	955	-22	825	-6	740	-10	695	-20	675	-19	655	-22	415	-57
Jul-06	1065	-11	960	-17	823	-8	742	-8	700	-15	675	-19	655	-22	417	-55
Aug-06	1075	-1	965	-12	830	-1	750	0	705	-10	680	-14	656	-21	425	-47
Sep-06	1085	+9	970	-7	833	+2	752	+2	710	-5	680	-14	656	-21	425	-47
Oct-06	1092	+16	975	-2	835	+4	755	+5	715	0	680	-14	656	-21	426	-46
Nov-06	1097	+21	978	+1	838	+7	760	+10	718	+3	680	-14	656	-21	426	-46
Dec-06	1099	+23	980	+3	840	+9	765	+15	720	+5	685	-9	656	-21	426	-46
Jan-07	1103	+27	985	+8	840	+9	765	+15	723	+8	690	-4	657	-20	425	-47
Feb-07	1105	+29	990	+13	850	+19	768	+18	725	+10	695	+1	657	-20	418	-54
Mar-07	1109	+33	995	+18	853	+22	770	+20	728	+13	695	+1	657	-20	418	-54
Apr-07	1113	+37	1000	+23	855	+24	770	+20	730	+15	695	+1	657	-20	418	-54
May-07	1117	+41	1005	+28	858	+27	770	+20	733	+18	695	+1	657	-20	418	-54
Jun-07	1119	+43	1009	+32	859	+28	772	+22	734	+19	694	0	657	-20	417	-55
Jul-07	1123	+47	1013	+36	858	+27	773	+23	736	+21	691	-4	656	-21	416	-56
Aug-07	1119	+43	1017	+40	862	+31	772	+22	735	+20	690	-5	655	-22	415	-57

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

CBA Wool Futures Quotes																		
08-Jun-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
Jun-06	1070	-6	960	-17	830	-1	750	0	717	+2	695	+1	680	+3	643	5	465	-7
Jul-06	1077	+1	969	-8	837	+6	760	+10	719	+4	692	-2	678	+1	640	2	460	-12
Aug-06	1087	+11	975	-2	845	+14	770	+20	720	+5	690	-4	675	-2	639	1	455	-17
Sep-06	1097	+21	982	+5	855	+24	777	+27	722	+7	687	-7	672	-5	635	-3	455	-17
Oct-06	1104	+28	989	+12	860	+29	783	+33	722	+7	685	-9	670	-7	632	-6	450	-22
Nov-06	1114	+38	992	+15	862	+31	786	+36	725	+10	684	-10	665	-12	630	-8	450	-22
Dec-06	1118	+42	997	+20	865	+34	790	+40	725	+10	680	-14	663	-14	628	-10	445	-27
Jan-07	1123	+47	1007	+30	870	+39	795	+45	728	+13	679	-15	660	-17	625	-13	445	-27
Feb-07	1133	+57	1014	+37	875	+44	798	+48	728	+13	678	-16	657	-20	620	-18	440	-32
Mar-07	1138	+62	1018	+41	880	+49	802	+52	730	+15	675	-19	654	-23	620	-18	440	-32
Apr-07	1142	+66	1023	+46	885	+54	807	+57	730	+15	675	-19	650	-27	618	-20	440	-32
May-07	1114	+38	1028	+51	892	+61	810	+60	735	+20	670	-24	650	-27	615	-23	435	-37
Jun-07	1155	+79	1029	+52	900	+69	812	+62	740	+25	668	-26	650	-27	612	-26	435	-37
Jul-07	1159	+83	1032	+55	903	+72	812	+62	740	+25	668	-26	650	-27	610	-28	430	-42
Aug-07	1167	+91	1032	+55	906	+75	815	+65	743	+28	666	-28	650	-27	610	-28	430	-42

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

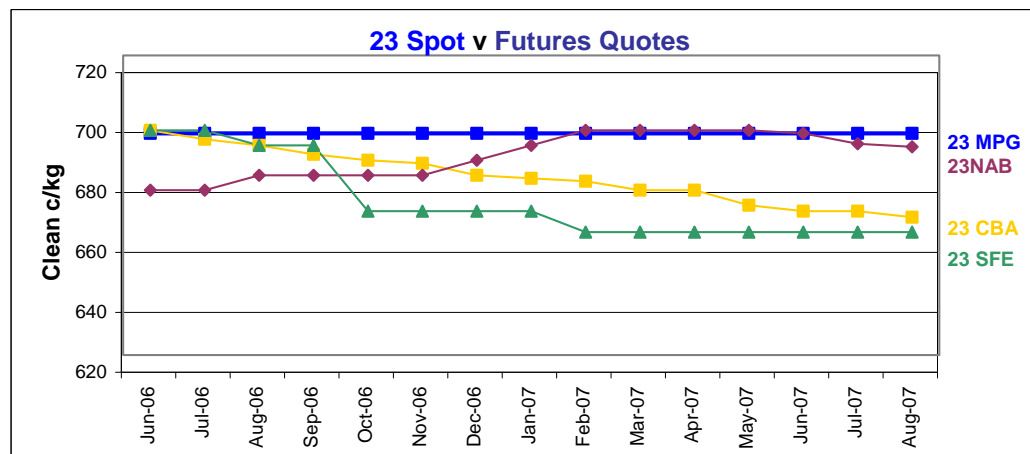
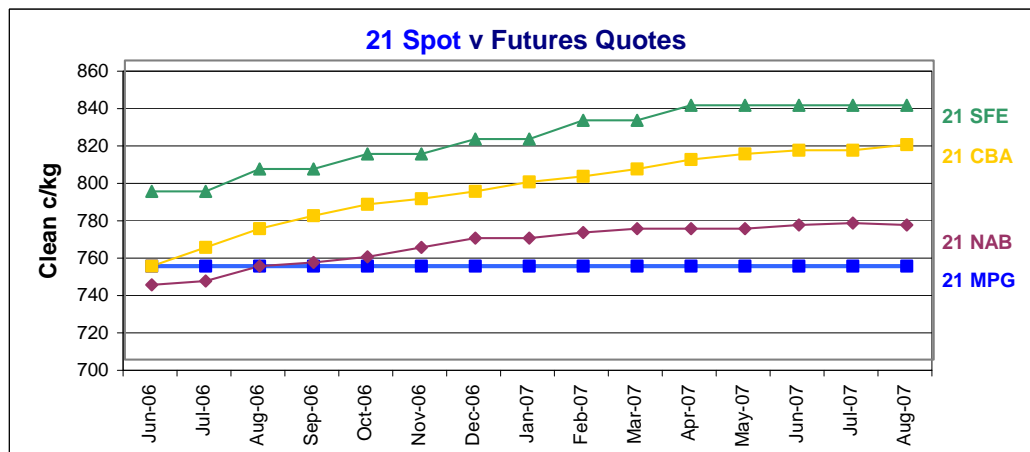
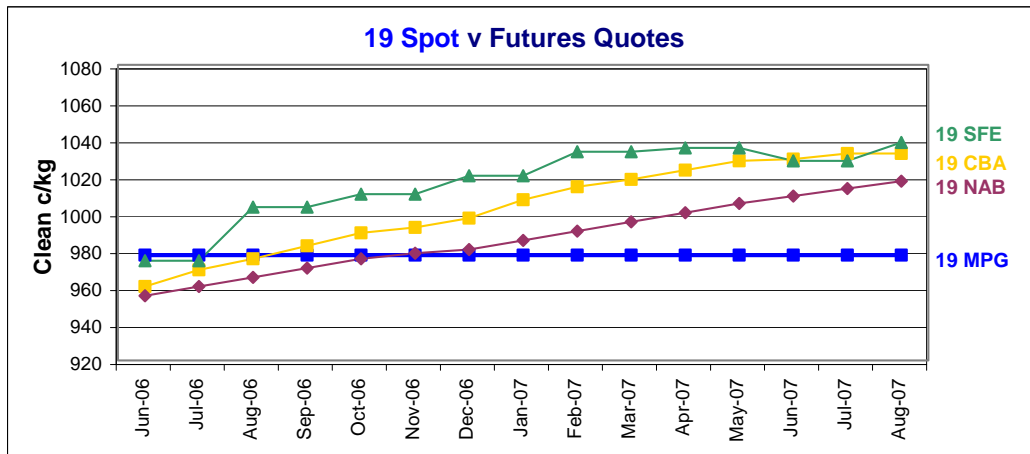
SFE FUTURES PRICES						
8-Jun-06						
Month	19 MIC	Prem/ Disc	21 MIC	Prem/ Disc	23 MIC	Prem/ Disc
Jun-06	974	-3	790	+40	695	+1
Aug-06	1003	+26	802	+52	690	-4
Oct-06	1010	+33	810	+60	668	-26
Dec-06	1020	+43	818	+68	668	-26
Feb-07	1033	+56	828	+78	661	-33
Apr-07	1035	+58	836	+86	661	-33
Jun-07	1028	+51	836	+86	661	-33
Aug-07	1038	+61	836	+86	661	-33
Oct-07	1038	+61	836	+86	661	-33



# JEMALONG WOOL BULLETIN

(week ending 8/06/2006)

## Futures Graphs



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

Disclaimer: While all due care has been taken in the preparation of this document, no warranty is made as to its accuracy, reliability or completeness. To the extent permitted by law, neither Jemalong Wool, Wooltrade Australia, National Australia Bank, Sydney Futures Exchange or the Commonwealth Bank and its subsidiaries, and their staff, accept liability to any person for loss or damage arising from the use of the information contained herein.

This document does not take into account your financial objectives and circumstances. You should assess whether the information is appropriate in light of your financial circumstances or contact your financial advisor.