



JEMALONG WOOL BULLETIN
(week ending 11/03/2004)

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 | 797 | 3 | 766 | 104% | 1087 | 945 | 774 |
| 18.5 | 972 | 6 | 1167 | 83% | 1260 | 1088 | 846 |
| 19 | 948 | 1 | 1050 | 90% | 1231 | 1053 | 889 |
| 19.5 | 925 | 3 | 1018 | 91% | 1200 | 1047 | 877 |
| 20 | 889 | 7 | 833 | 107% | 1196 | 1036 | 862 |
| 21 | 853 | 4 | 743 | 115% | 1189 | 1035 | 829 |
| 22 | 820 | 4 | 701 | 117% | 1172 | 1034 | 792 |
| 23 | 797 | 7 | 662 | 120% | 1145 | 1029 | 774 |
| 24 | 757 | 4 | 644 | 118% | 1114 | 1015 | 741 |
| 25 | 681 | 2 | 612 | 111% | 1029 | 938 | 675 |
| 26 | 653 | -5 | 582 | 112% | 935 | 880 | 636 |
| 28 | 519 | -7 | 524 | 99% | 686 | 647 | 494 |
| 30 | 467 | -3 | 473 | 99% | 572 | 550 | 418 |
| 32 | 411 | -12 | 451 | 91% | 502 | 510 | 373 |
| MC | 410 | 3 | 415 | 99% | 582 | 514 | 405 |

Australian Dollar 0.743

NORTHERN REGION MARKET REPORT

Auction sales were again held in Sydney, Fremantle and Melbourne this week.

After last week's positive movements the market was generally directionless this week. Prices for 21 micron and finer merino fleeces were up to 5c/kg clean cheaper when sales opened in Sydney on Wednesday. Broader merino fleeces were generally unchanged and crossbred fleeces were down 5-10c/kg clean. Merino skirtings were generally unchanged with the offering consistently mostly of lots with more than 3%VM.

The Australian dollar fell to below 75c US on Wednesday night and prices for all merino fleeces were 5-7c/kg clean dearer on Thursday. While current demand remains sluggish, it is more likely that any movements in the Australian dollar will have an immediate effect on wool prices. It is also interesting to note that at the moment the market seems resistant to rises in prices 10-20c/kg clean above current levels. In recent weeks any movement upwards in one sale has been corrected downwards in the following sale. On Thursday crossbred fleece prices were around 5c/kg clean cheaper. Merino skirtings were 10-20c/kg clean dearer while oddments were 5-10c/kg clean dearer.

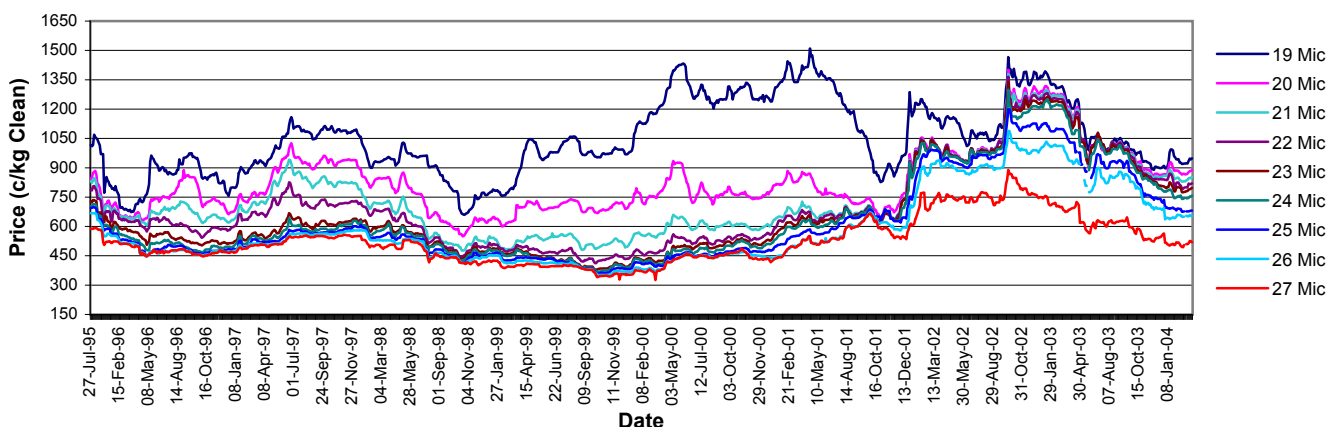
It is also worth noting that the finer, sound merino fleeces have received solid buyer support recently. In particular there were strong sales of 16.5 micron, 40nkt+ lots on Wooltrade last Friday.

Macquarie Wool Futures quotes were unchanged earlier in the week, then falling 5-10c/kg clean on Wednesday before rising around 5c/kg clean on Thursday. 20 micron and broader Macquarie quotes continue to trade well above the 10 year price averages. 18 and 19 micron Macquarie quotes for 2005 and beyond are currently at levels of 100+c/kg clean above today's spot market.

Sales continue in Sydney, Melbourne and Fremantle next week.

Comments: Phil Roberts (Wooltrade).

**Micron Price Guide Movement
1995-2004**

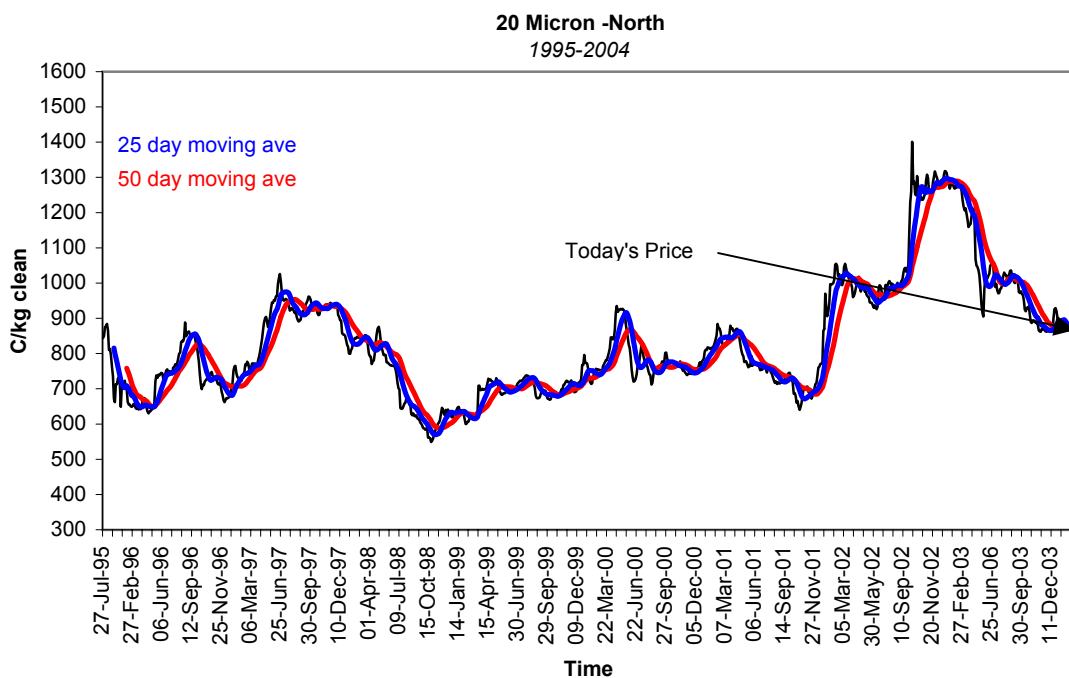




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(week ending 11/03/2004)

Table 3: Northern Market Deciles

| Micron Price Guide (1995-2003) | | | | | | | | | | |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 28 | MC |
| Current | 948 | 889 | 853 | 820 | 797 | 757 | 681 | 653 | 519 | 410 |
| 90% | 800 | 656 | 526 | 472 | 438 | 430 | 420 | 395 | 341 | 269 |
| 80% | 898 | 701 | 562 | 509 | 486 | 471 | 452 | 429 | 376 | 298 |
| 70% | 942 | 729 | 617 | 551 | 515 | 494 | 472 | 453 | 401 | 344 |
| 60% | 973 | 757 | 649 | 614 | 549 | 520 | 497 | 477 | 435 | 376 |
| 50% | 1027 | 778 | 675 | 644 | 589 | 564 | 540 | 506 | 455 | 425 |
| 40% | 1076 | 846 | 716 | 674 | 621 | 601 | 570 | 526 | 473 | 446 |
| 30% | 1140 | 896 | 827 | 728 | 657 | 651 | 642 | 550 | 491 | 468 |
| 20% | 1250 | 953 | 929 | 929 | 922 | 891 | 825 | 613 | 516 | 491 |
| 10% | 1334 | 1022 | 1018 | 1019 | 1010 | 996 | 964 | 723 | 569 | 576 |





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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 |
|----------------|------|------|---------------|-----|---------------|-----|---------------|-----|---------------|-----|---------------|-----|---------------|-----|---------------|-----|--------------|
| Mar-04 | 1020 | 960 | 12 | 900 | 11 | 865 | 12 | 825 | 5 | 795 | -2 | 750 | -7 | 690 | 9 | 525 | 6 |
| May-04 | 1025 | 965 | 17 | 900 | 11 | 865 | 12 | 825 | 5 | 795 | -2 | 750 | -7 | 690 | 9 | 525 | 6 |
| Jul-04 | 1030 | 990 | 42 | 905 | 16 | 870 | 17 | 820 | 0 | 795 | -2 | 750 | -7 | 695 | 14 | 525 | 6 |
| Sep-04 | 1050 | 1010 | 62 | 900 | 11 | 865 | 12 | 815 | -5 | 785 | -12 | 745 | -12 | 690 | 9 | 520 | 1 |
| Nov-04 | 1070 | 1020 | 72 | 900 | 11 | 865 | 12 | 820 | 0 | 780 | -17 | 745 | -12 | 690 | 9 | 520 | 1 |
| Jan-05 | 1085 | 1035 | 87 | 900 | 11 | 865 | 12 | 820 | 0 | 780 | -17 | 745 | -12 | 690 | 9 | 520 | 1 |
| Mar-05 | 1100 | 1045 | 97 | 910 | 21 | 865 | 12 | 825 | 5 | 780 | -17 | 745 | -12 | 690 | 9 | 515 | -4 |
| May-05 | 1100 | 1040 | 92 | 910 | 21 | 865 | 12 | 825 | 5 | 780 | -17 | 740 | -17 | 695 | 14 | 515 | -4 |
| Jul-05 | 1110 | 1045 | 97 | 920 | 31 | 865 | 12 | 825 | 5 | 780 | -17 | 750 | -7 | 705 | 24 | 515 | -4 |
| Sep-05 | 1130 | 1045 | 97 | 925 | 36 | 865 | 12 | 825 | 5 | 780 | -17 | 750 | -7 | 705 | 24 | 515 | -4 |
| Nov-05 | 1145 | 1045 | 97 | 925 | 36 | 865 | 12 | 825 | 5 | 780 | -17 | 750 | -7 | 705 | 24 | 515 | -4 |
| Jan-06 | 1160 | 1045 | 97 | 925 | 36 | 865 | 12 | 825 | 5 | 780 | -17 | 750 | -7 | 705 | 24 | 520 | 1 |

