JEMALONG WOOL BULLETIN

(week ending 11/09/2014)

Table 1: Northern Region Micron Price Guides

WEEK 11				12 MONTH COMPARISONS									3 YEAR COMPARISONS						*10 YEAR COMPARISONS					
Mic. Price Guides	11/09/2014 Current Price	4/09/2014 Weekly Change		11/09/2013 This time Last Year	Now compared to Last Year		12 Month Low	Now compared to Low		12 Month High	Now compared to High		Low	High	Average	Now compared to 3yr ave		Percentile	* 16-17.5um since Aug 05 Low	High	*10 year Average	Now compared to *10yr ave		Percentile
NRI	1040	-2	-0.2%	1130	-90	-8%	1006	+34	3%	1171	-131	-11%	894	1491	1110	-70	-6%	32%	657	1491	958	+82	9%	69%
16*	1400	-20	-1.4%	1650	-250	-15%	1350	+50	4%	1650	-250	-15%	1350	2800	1723	-323	-19%	7%	1350	2800	1723	-323	-19%	7%
16.5*	1350	0		1550	-200	-13%	1300	+50	4%	1550	-200	-13%	1300	2680	1584	-234	-15%	8%	1280	2680	1583	-233	-15%	15%
17*	1285	-5	-0.4%	1410	-125	-9%	1245	+40	3%	1440	-155	-11%	1245	2530	1455	-170	-12%	17%	1104	2530	1440	-155	-11%	33%
17.5*	1275	-5	-0.4%	1355	-80	-6%	1190	+85	7%	1420	-145	-10%	1185	2360	1392	-117	-8%	26%	1020	2360	1374	-99	-7%	43%
18	1211	+1	0.1%	1321	-110	-8%	1161	+50	4%	1394	-183	-13%	1149	2193	1336	-125	-9%	27%	915	2193	1274	-63	-5%	50%
18.5	1194	-7	-0.6%	1279	-85	-7%	1137	+57	5%	1367	-173	-13%	1097	1963	1299	-105	-8%	32%	843	1963	1209	-15	-1%	56%
19	1162	-13	-1.1%	1263	-101	-8%	1113	+49	4%	1331	-169	-13%	1046	1776	1270	-108	-9%	30%	803	1776	1139	+23	2%	61%
19.5	1139	-11	-1.0%	1241	-102	-8%	1093	+46	4%	1317	-178	-14%	958	1670	1243	-104	-8%	31%	749	1670	1073	+66	6%	65%
20	1136	-8	-0.7%	1211	-75	-6%	1088	+48	4%	1287	-151	-12%	910	1588	1217	-81	-7%	37%	700	1588	1017	+119	12%	71%
21	1128	-8	-0.7%	1193	-65	-5%	1089	+39	4%	1281	-153	-12%	887	1522	1203	-75	-6%	36%	668	1522	977	+151	15%	72%
22	1124	+4	0.4%	1180	-56	-5%	1072	+52	5%	1267	-143	-11%	861	1461	1178	-54	-5%	39%	659	1461	949	+175	18%	73%
23	1113	+3	0.3%	1168	-55	-5%	1040	+73	7%	1248	-135	-11%	834	1347	1150	-37	-3%	44%	651	1347	920	+193	21%	76%
24	1097	+3	0.3%	1128	-31	-3%	983	+114	12%	1128	-31	-3%	786	1213	1064	+33	3%	78%	638	1213	857	+240	28%	90%
25	902	+3	0.3%	957	-55	-6%	799	+103	13%	957	-55	-6%	660	1049	910	-8	-1%	59%	566	1049	744	+158	21%	82%
26	788	+3	0.4%	887	-99	-11%	734	+54	7%	887	-99	-11%	580	939	808	-20	-2%	45%	532	939	669	+119	18%	76%
28	651	+1	0.2%	683	-32	-5%	639	+12	2%	694	-43	-6%	443	734	636	+15	2%	65%	424	734	528	+123	23%	85%
30	638	+7	1.1%	649	-11	-2%	612	+26	4%	655	-17	-3%	388	670	593	+45	8%	91%	343	670	473	+165	35%	96%
32	574	0		545	+29	5%	527	+47	9%	576	-2	0%	349	638	519	+55	11%	89%	297	638	421	+153	36%	95%
MC	778	+1	0.1%	869	-91	-10%	764	+14	2%	869	-91	-10%	535	874	736	+42	6%	69%	390	874	584	+194	33%	86%

AU BALES OFFERED	36,812
AU BALES SOLD	31,666
AU PASSED-IN%	14.0%
AUD/USD	0.91610

* Due to the irregular market quoting for some fine wool categories, figures shown relating to micron categories below 18 micron are an estimate based on the AWEX Premium & Discounts Report & other available information.
* For any category, where there is insufficient quantity offered to enable AWEX to quote, a quote will be provided based on the best available information.
* 10 Year data is not available for 16 to 17.5 microns, therefore 10 year statistics for those micron categories only date back as far as August 2005.

Source: Australian Wool Exchange, Australian Wool Innovation, Riemann, x-rates.com, Reserve Bank of Australia, Australian Wool Testing Authority.

MARKET COMMENTARY

The rapid rise in the market last sale failed to spark a longer lasting rally in the Australian wool market, with the AWEX-EMI dipping 3 cents this week.

36,812 bales were offered at the three auctions nationally and included the smallest Sydney sale in four months. The biggest drag on the market this week was the Merino sector which was quoted lower for nearly all microns with falls of 10 cents in the Micron Price Guides common.

Despite the overall negativity the superfine range gave some encouraging signs. Buyers focused on the premium types which continued to show some price-growth. Best style/average Spinners, and 40nkt types were all well supported in the 18-microns and finer range. However the focus on these better types came at the expense of the lower spec types. Part-tender, high mid-break, and some of the lesser styles all lost ground, closing as much as 20 to 30 cents cheaper during the week. The fall in this lower-quality sector, which had found favour during the previous sale, saw a return to the large price differentials between these and the top tier types.

Merino Skirtings were surprisingly well supported given the losses in the lower-spec fleece category. The two sectors will, at times, move in unison as processing performance can be similar. Most skirting types closed ahead for the sale and selected lots sold above low-end fleece types.

Crossbreds had varied results; increasing marginally at the small Sydney catalogue, and slightly lower at the larger Melbourne offering. Merino Carding types generally closed in sellers favour, lifting by a few cents for the sale.

Source AWEX

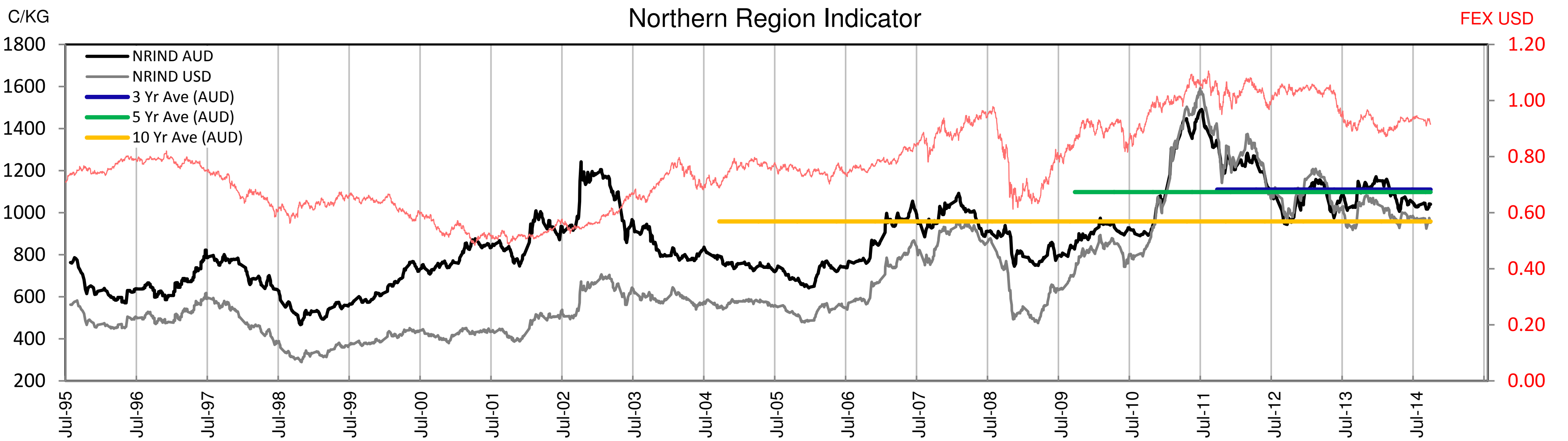

Table 2: Three Year Decile Table, since: 1/09/2011

Decile	%	16	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	24	25	26	28	30	32	MC
1	10%	1459	1389	1270	1210	1173	1137	1080	999	956	938	914	891	830	704	613	457	404	356	598
2	20%	1540	1410	1290	1245	1196	1159	1123	1095	1055	1043	1025	1004	944	805	736	550	501	424	628
3	30%	1570	1440	1330	1280	1226	1189	1161	1134	1114	1104	1086	1060	990	858	757	587	543	468	668
4	40%	1620	1480	1380	1316	1275	1235	1208	1165	1142	1136	1126	1087	1019	881	780	618	566	488	703
5	50%	1690	1520	1410	1355	1315	1283	1260	1219	1192	1177	1157	1129	1045	891	795	634	581	498	732
6	60%	1800	1602	1462	1407	1365	1334	1295	1271	1232	1218	1198	1164	1065	903	809	646	596	521	750
7	70%	2000	1853	1680	1565	1499	1441	1374	1324	1269	1250	1221	1190	1082	916	824	658	620	552	780
8	80%	2150	1942	1780	1672	1590	1504	1456	1403	1348	1306	1256	1219	1099	944	849	670	630	564	809
9	90%	2700	2511	2391	2203	2017	1814	1617	1473	1390	1341	1301	1255	1132	984	876	683	637	576	819
10	100%	2800	2680	2530	2360	2193	1963	1776	1670	1588	1522	1461	1347	1213	1049	939	734	670	638	874
MPG		1400	1350	1285	1275	1211	1194	1162	1139	1136	1128	1124	1113	1097	902	788	651	638	574	778
3 Yr Percentile		7%	8%	17%	26%	27%	32%	30%	31%	37%	36%	39%	44%	78%	59%	45%	65%	91%	89%	69%

Table 3: Ten Year Decile Table, sinc 1/09/2004

Decile	%	16	16.5	17	17.5	18	18.5	19	19.5	20	21	22	23	24	25	26	28	30	32	MC
1	10%	1450	1340	1200	1150	1014	984	925	850	786	736	709	691	668	595	555	445	377	325	416
2	20%	1500	1390	1250	1181	1075	1015	948	879	822	757	728	705	678	627	571	456	398	348	437
3	30%	1550	1410	1270	1210	1136	1073	1005	923	849	807	790	770	747	644	587	466	410	360	457
4	40%	1580	1430	1305	1260	1177	1132	1066	983	924	887	860	837	787	666	600	473	424	381	520
5	50%	1600	1470	1345	1300	1211	1168	1108	1047	989	959	924	894	826	702	617	481	432	394	575
6	60%	1650	1500	1390	1340	1268	1218	1149	1109	1068	1007	964	928	853	729	641	496	440	404	616
7	70%	1720	1570	1440	1400	1343	1282	1217	1164	1130	1110	1087	1060	993	859	758	593	545	469	677
8	80%	1850	1720	1550	1490	1407	1334	1284	1246	1212	1197	1175	1138	1056	899	803	640	585	508	739
9	90%	2100	1935	1750	1655	1560	1489	1436	1394	1331	1289	1247	1209	1096	931	835	665	628	560	800
10	100%	2800	2680	2530	2360	2193	1963	1776	1670	1588	1522	1461	1347	1213	1049	939	734	670	638	874
MPG		1400	1350	1285	1275	1211	1194	1162	1139	1136	1128	1124	1113	1097	902	788	651	638	574	778
10 Yr Percentile		7%	15%	33%	43%	50%	56%	61%	65%	71%	72%	73%	76%	90%	82%	76%	85%	96%	95%	86%

Decile Tables are a useful tool for working out price targets.

Percentiles are a more accurate guide to where the market is currently trading (The higher the percentile, the stronger the market).

Definitions:

* A Percentile, is a value on a scale of one hundred that indicates the percent of a distribution that is equal to or below it. In general a percentile between 25% and 75% is considered normal, a percentile below 25% is considered below normal and a percentile above 75% is considered above normal.
  Three and ten year percentiles shown on the bottom line of table 2 & 3 (above) and in table 1 (on page 1), detail the amount of time during the past 3 & 10 years where the market has traded either at or below its current price.
* Deciles are a method of sorting ranked data into 10 equal groups. The data may be ranked from largest to smallest or vice versa.
  The above Decile tables sort price Percentiles into 10 equal groups (in ascending order), with table 2 ranking the previous 3 years prices, while table 3 ranks prices over the previous 10 year

Example: In Table 2, a Decile Rank of 6 for 19 microns, shows 19 microns have traded at or below 1295 for 60% of the time, over the past three years.
In Table 3, a Decile Rank of 6 for 19 microns, shows 19 microns have traded at or below 1149 for 60% of the time, over the past ten years.

Table 4: Riemann Forwards, latest trades as at: Last Date

Any highlighted in yellow are recent trades, trading since: Friday, 5 September 2014

CONTRACT MICRON	18.5um	19um	19.5um	21um	22um	23um	28um	30um
CONTRACT MONTH								
Sep-2014				14/08/14 **1125**				14/08/14 **600**
Oct-2014				30/04/14 **1150**	5/02/14 **1170**			
Nov-2014				26/05/14 **1170**				
Dec-2014				4/03/14 **1185**				
Jan-2015				3/02/14 **1190**				22/08/14 **600**
Feb-2015							22/08/14 **625**	22/08/14 **600**
Mar-2015								
Apr-2015								
May-2015								
Jun-2015								
Jul-2015								
Aug-2015								
Sep-2015								
Oct-2015				12/06/13 **1080**				
Nov-2015								
Dec-2015								
Jan-2016								
Feb-2016								
Mar-2016								
Apr-2016								
May-2016								
Jun-2016								
Jul-2016								

Explanatory Notes: Prices quoted reflect the most recent trades, at time of print.

Table 5: National Market Share

		Current Selling Week Week 11			Previous Selling Week Week 10			Last Season 2013-14			2 Years Ago 2012-13			3 Years Ago 2011-12			5 Years Ago 2009-10			10 Years Ago 2004-05		
	Rank	Buyer	Bales	MS%	Buyer	Bales	MS%	Buyer	Bales	MS%	Buyer	Bales	MS%	Buyer	Bales	MS%	Buyer	Bales	MS%	Buyer	Bales	MS%
Top 10, Auction Buyers	1	TECM	4,869	15%	TECM	5,219	15%	TECM	205,136	13%	TECM	179,176	10%	VTRA	229,207	14%	VTRA	187,529	11%	ITOS	197,278	9%
	2	FOXM	3,047	10%	LEMM	3,243	9%	FOXM	134,581	8%	VTRA	163,810	9%	TECM	153,616	9%	TECM	170,705	10%	BWEA	183,123	8%
	3	TIAM	2,861	9%	FOXM	3,113	9%	CTXS	122,964	8%	FOXM	143,826	8%	FOXM	136,698	8%	QCTB	124,619	7%	RWRS	158,390	7%
	4	AMEM	2,597	8%	AMEM	2,800	8%	AMEM	111,263	7%	LEMM	126,564	7%	QCTB	112,745	7%	FOXM	120,964	7%	PLEX	126,856	6%
	5	MODM	2,126	7%	PMWF	2,609	7%	LEMM	109,224	7%	QCTB	98,756	6%	WIEM	100,817	6%	KATS	104,262	6%	MODM	112,956	5%
	6	PMWF	1,944	6%	GSAS	1,781	5%	TIAM	105,736	7%	PMWF	96,935	6%	LEMM	88,348	5%	LEMM	93,672	5%	TECM	109,505	5%
	7	LEMM	1,927	6%	TIAM	1,738	5%	QCTB	88,700	5%	MODM	84,363	5%	MODM	74,646	4%	WIEM	93,529	5%	ADSS	101,474	4%
	8	GSAS	1,735	5%	CTXS	1,387	4%	MODM	79,977	5%	CTXS	82,166	5%	CTXS	69,266	4%	RWRS	88,732	5%	PMWF	97,867	4%
	9	CTXS	1,518	5%	KATS	1,384	4%	PMWF	77,875	5%	AMEM	77,849	4%	PMWF	64,659	4%	PMWF	85,981	5%	GSAS	97,754	4%
	10	KATS	1,157	4%	DAWS	1,359	4%	GSAS	54,462	3%	KATS	65,782	4%	GSAS	58,233	3%	MODM	65,991	4%	FOXM	97,298	4%
MFLC TOP 5	1	TECM	3,137	17%	TECM	3,363	15%	TECM	106,291	12%	VTRA	118,432	12%	VTRA	171,425	19%	VTRA	161,860	16%	ITOS	165,880	12%
	2	FOXM	2,027	11%	LEMM	2,572	12%	CTXS	87,889	10%	LEMM	110,118	11%	QCTB	86,901	10%	QCTB	108,716	11%	BWEA	123,477	9%
	3	PMWF	1,808	10%	PMWF	2,414	11%	LEMM	82,374	9%	PMWF	93,136	10%	TECM	76,083	8%	PMWF	79,407	8%	RWRS	92,731	7%
	4	TIAM	1,563	8%	FOXM	2,041	9%	FOXM	80,423	9%	TECM	89,286	9%	LEMM	68,961	8%	LEMM	72,585	7%	PMWF	91,549	7%
	5	CTXS	1,468	8%	GSAS	1,515	7%	PMWF	69,890	8%	QCTB	71,715	7%	PMWF	60,070	7%	TECM	72,153	7%	ADSS	81,634	6%
MSKT TOP 5	1	TIAM	1,270	23%	AMEM	1,336	22%	TIAM	47,607	19%	MODM	37,284	14%	WIEM	43,156	16%	WIEM	38,838	14%	PLEX	59,898	16%
	2	AMEM	963	17%	TIAM	1,056	17%	TECM	31,474	12%	TECM	34,301	13%	MODM	30,285	11%	MODM	35,564	12%	MODM	48,703	13%
	3	MODM	730	13%	TECM	724	12%	AMEM	29,775	12%	WIEM	27,916	10%	TECM	25,264	9%	TECM	27,266	10%	GSAS	44,078	12%
	4	TECM	660	12%	KATS	350	6%	MODM	23,791	9%	TIAM	24,196	9%	PLEX	21,990	8%	WCWF	16,963	6%	BWEA	34,546	9%
	5	KATS	360	6%	LEMM	316	5%	GSAS	13,843	5%	AMEM	23,012	8%	GSAS	16,284	6%	RWRS	16,541	6%	RWRS	29,257	8%
XB TOP 5	1	KATS	778	18%	TECM	775	24%	TECM	40,364	15%	FOXM	39,356	14%	FOXM	41,689	15%	TECM	46,985	20%	FOXM	39,839	19%
	2	TECM	769	18%	FOXM	542	17%	CTXS	34,779	13%	TECM	30,323	11%	VTRA	31,427	12%	FOXM	46,090	20%	TECM	21,724	10%
	3	FOXM	484	11%	AMEM	318	10%	FOXM	24,218	9%	VTRA	27,832	10%	TECM	31,094	11%	MODM	13,021	6%	BWEA	19,820	9%
	4	AMEM	470	11%	KATS	173	5%	MODM	21,512	8%	KATS	26,057	9%	QCTB	22,610	8%	QCTB	12,973	6%	MOPS	15,511	7%
	5	MCHA	194	5%	VWPM	150	5%	AMEM	20,336	7%	CTXS	25,631	9%	CTXS	19,985	7%	MOPS	12,341	5%	MODM	15,479	7%
ODDS TOP 5	1	MCHA	618	18%	VWPM	610	19%	MCHA	36,085	17%	MCHA	35,985	16%	FOXM	34,603	15%	MCHA	30,629	14%	MCHA	48,293	18%
	2	LEMM	518	15%	MCHA	382	12%	TECM	27,007	13%	FOXM	28,185	12%	MCHA	30,689	13%	RWRS	24,675	11%	FOXM	34,078	12%
	3	VWPM	444	13%	TECM	357	11%	VWPM	22,432	11%	TECM	25,266	11%	VWPM	22,219	10%	TECM	24,301	11%	RWRS	27,833	10%
	4	FOXM	316	9%	FOXM	330	10%	FOXM	18,811	9%	VWPM	20,692	9%	VTRA	21,495	9%	VWPM	19,198	9%	MAFM	22,270	8%
	5	TECM	303	9%	LEMM	238	7%	RWRS	13,524	6%	VTRA	13,022	6%	TECM	21,175	9%	FOXM	18,736	8%	DAWS	16,861	6%

	Current Selling Week		Previous Selling Week		Last Season		2 Years Ago		3 Years Ago		5 Years Ago		10 Years Ago	
Auction Totals	Offered	Sold	Offered	Sold	Bales Sold	$/Bale	Bales Sold	$/Bale	Bales Sold	$/Bale	Bales Sold	$/Bale	Bales Sold	$/Bale
	36,812	31,666	37,430	34,854	1,625,115	$1,509	1,742,881	$1,418	1,683,024	$1,599	1,735,172	$1,159	2,264,258	$1,098
	Passed-In	PI%	Passed-In	PI%	Export Value		Export Value		Export Value		Export Value		Export Value	
	5,146	14.0%	2,576	6.9%	$2,453,067,610		$2,470,844,153		$2,691,010,531		$2,011,128,450		$2,487,197,893	