



JEMALONG WOOL BULLETIN  
(week ending 12/02/04)

**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	789	-12	766	103%	1165	945	789
18.5	946	-11	1179	80%	1364	1088	846
19	926	-18	1051	88%	1309	1053	889
19.5	905	-13	1018	89%	1285	1047	877
20	872	-11	832	105%	1271	1036	862
21	835	-14	742	112%	1267	1035	835
22	809	-15	700	116%	1252	1034	799
23	797	-4	661	121%	1237	1029	779
24	758	3	643	118%	1219	1015	745
25	689	-2	612	113%	1098	938	682
26	657	-2	581	113%	1012	880	636
28	500	-18	524	95%	705	647	500
30	425	-14	473	90%	625	550	425
32	380	-5	452	84%	588	510	373
MC	440	-12	415	106%	648	514	440

**Australian Dollar 0.7875**

**NORTHERN REGION MARKET REPORT**

Auction sales continued in Sydney, Fremantle and a specialty fine wool sale in Launceston this week. The Northern market opened nervously as pressure from an increasing dollar took affect. Positive unemployment figures published on Monday saw the dollar rise one cent in the day to 77.5US and by Wednesday was again over 78.5US. The lack of newly written business was reflected in the market with prices falling 5-15c/kg clean across most merino fleece types. Fine crossbreds (26micron) were slightly cheaper while broader types 28-32 fell 5-10c/kg. Thursday saw the market ease again slightly for merino fleece and skirtings, crossbreds falling a further 5-10c/kg clean. Superfine wools and better strength European types (+40NKT) were unchanged from the previous week, European demand being less affected by movements in the dollar.

The Tassie annual superfine wool sale attracted keen interest for the best and spinners type wools on offer on Wednesday, with premiums of up to 400c/kg clean given to high strength (+45NKT), low mid break (<40%) lots. Most interest expressed from Italy, Japan and Korean buyers. The offering on Thursday was predominately best style (style MF4) and was less sought after. Prices fell over 40c/kg clean and any lots with slight fault were discounted further. The extreme prices seen on Wednesday as opposed to Thursday again highlights the keen demand for high yielding, high strength and well prepared clips.

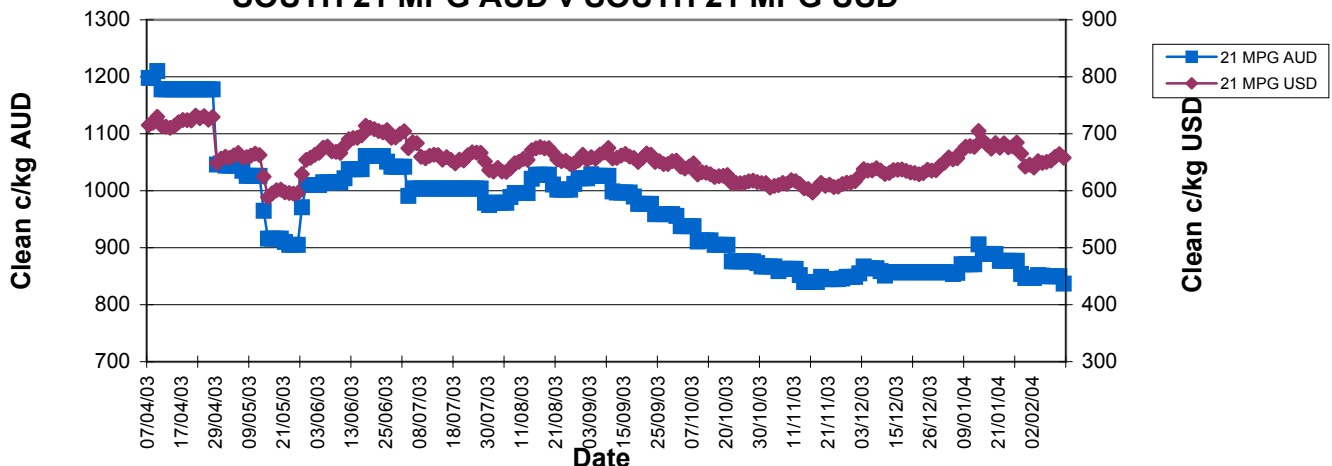
Stabilisation in the dollar is required for Chinese confidence in the market. Fluctuations of 2cents as seen this week affects not only the resultant Australian clean price but also overseas markets willingness to buy. Talk of Imminent interest rate rises and speculation over Australian and US economic indicators will continue to affect our Australian dollar and hence our wool market.

Growers with wool instore should be looking to take advantage of short-term positive price movement when it occurs. Lots not currently in auction should still be available for sale in the market at all times. It is difficult to determine when positive movements in price will occur. The key is not trying to predict but being ready to capitalise on the movement immediately when it does occurs.

Growers without wool instore should be determining price levels they are willing to accept on their coming clip, and being ready to consider forward cover as a means of hedging against any negative market volatility.

Comments: Evonne Luton (Wooltrade)

**SOUTH 21 MPG AUD v SOUTH 21 MPG USD**



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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(week ending 12/02/04)

**Table 3: Northern Market Deciles**

## Micron Price Guide (1995-2003)

	19	20	21	22	23	24	25	26	28	MC
Current	<b>926</b>	<b>872</b>	<b>835</b>	<b>809</b>	<b>797</b>	<b>758</b>	<b>689</b>	<b>500</b>	<b>380</b>	<b>440</b>
90%	793	650	523	469	434	427	416	394	339	261
80%	<b>888</b>	697	555	498	477	467	452	420	367	292
70%	945	728	610	544	510	487	472	448	399	333
60%	976	746	644	595	532	511	495	468	435	359
50%	1044	768	666	634	570	547	539	497	456	393
40%	1090	813	693	660	608	584	570	<b>518</b>	475	<b>434</b>
30%	1173	<b>870</b>	<b>736</b>	693	633	611	<b>639</b>	547	<b>493</b>	463
20%	1261	942	874	<b>767</b>	<b>692</b>	<b>688</b>	830	600	528	495
10%	1339	1021	1011	1014	1004	995	964	730	570	583

**23 Micron -North**  
1995-2004





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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
Feb-04	1005	935	9	880	8	835	0	790	-19	765	-32	725	-33	680	-9	495	-5
Apr-04	1035	970	44	880	8	835	0	790	-19	755	-42	720	-38	670	-19	495	-5
Jun-04	1060	995	69	885	13	835	0	790	-19	755	-42	715	-43	670	-19	495	-5
Aug-04	1070	1000	74	890	18	840	5	795	-14	755	-42	715	-43	670	-19	495	-5
Oct-04	1095	1020	94	897	25	847	12	800	-9	755	-42	715	-43	675	-14	495	-5
Dec-04	1110	1020	94	902	30	850	15	805	-4	755	-42	720	-38	680	-9	495	-5
Feb-05	1120	1025	99	913	41	859	24	816	7	765	-32	731	-27	691	2	505	5
Apr-05	1130	1035	109	919	47	862	27	822	13	775	-22	740	-18	697	8	510	10
Jun-04	1060	995	69	885	13	835	0	790	-19	755	-42	715	-43	670	-19	495	-5
Aug-05	1145	1035	109	925	53	865	30	825	16	780	-17	750	-8	705	16	515	15
Oct-05	1158	1035	109	925	53	865	30	825	16	780	-17	750	-8	705	16	515	15
Dec-05	1167	1035	109	925	53	865	30	825	16	780	-17	750	-8	705	16	515	15

