



JEMALONG WOOL BULLETIN
(week ending 12/12/2002)

Table 1: Northern Market Prices

Micron	Current	Weekly	10-yr	Current	This time last		
Price	MPG Price	Change	Average	Price to	year	Year high	Year low
Guides				Average			
NMI	1180	3	737	160%	801	1242	907
18.5	1461	11	1330	110%	na	1542	1124
19	1369	12	1049	131%	965	1466	1036
19.5	1320	3	1018	130%	na	1442	988
20	1285	5	804	160%	770	1401	956
21	1263	4	703	180%	744	1379	953
22	1250	2	655	191%	742	1365	953
23	1224	-3	613	200%	740	1340	953
24	1207	0	596	203%	695	1299	952
25	1121	16	572	196%	646	1198	945
26	1006	17	546	184%	594	1088	878
28	743	-6	512	145%	544	889	709
30	607	-5	466	130%	509	729	569
32	561	3	449	125%	468	669	545
MC	672	-7	397	169%	502	681	463

Australian Dollar 0.5614

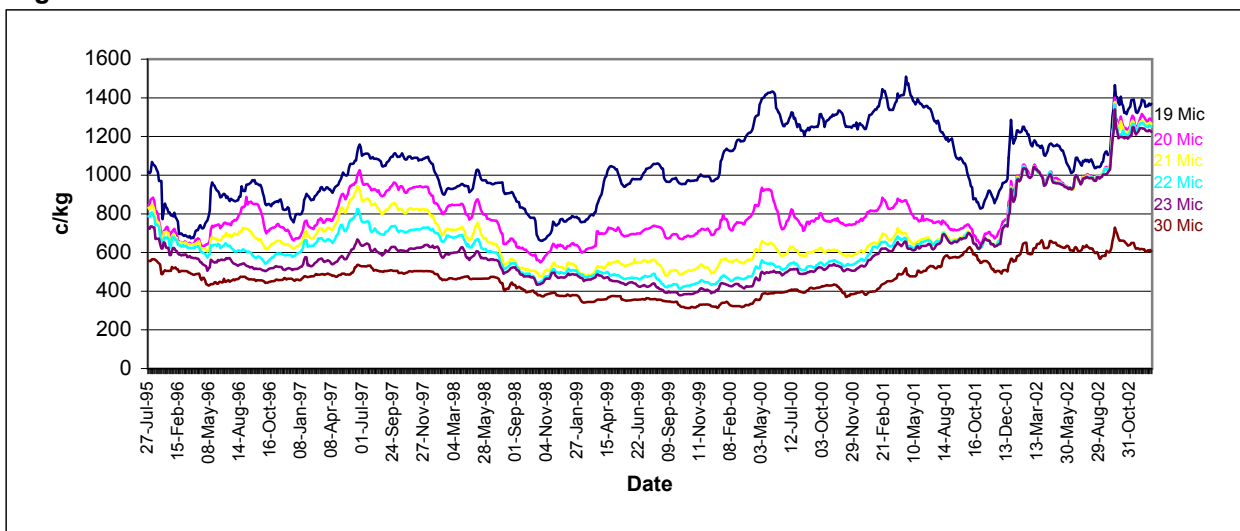
After a solid start on Tuesday, the market tapered towards the end of the week as auctions close for three weeks over the Christmas period. Prices rose on Tuesday by 5-10c/kg clean across the board, fine wools more effected. Wednesday saw the market steady while Thursday prices fell 5c/kg clean. Skirtings continue to sell well closing 15c/kg cln dearer, while cardings were cheaper (7c/kg) for the week.

Trading into China has remained relatively quiet throughout the week. India showed some support as did the Europeans on the better style, sound fine wools. The anticipated stronger finish to auction sales for the year was not as pronounced as expected. Throughout the Christmas recess buyers will be able to access wool for sale through Wooltrade, however price levels are unlikely to change unless a marked move in the currency was to occur. Uncertain market direction prevails for the New Year. Some reports suggest an unchanged market on the basis of slowing global economies. Other speculators believe the tightening supply conditions could make it difficult for some overseas buyers to fill mill commitments in the early sales resulting in a January squeeze. With all eyes on supply next year, AWI announced this week that supply was expected to be 5 million kilograms higher than first anticipated. Some reports suggest that the revision higher is a reactive comment rather than an accurate forecast. Due to the drought shearing times have been running well ahead of normal and as a result markets have seen larger volumes than first anticipated. It is evident however, that the shortfall in supply will be most acute during the autumn period, with some people in the trade anticipating a drop in volume by 20%.

Forward markets were relatively quiet this week, with limited seller and buyer firm interest. Macquarie Bank reports large volumes of Good Till Cancelled orders being placed in the market for next spring with growers gearing to take advantage of a rise in the market in autumn.

Evonne Luton (Wooltrade)

Figure 1: Northern MPG Movement





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Table 3: Northern Market Deciles

Micron Price Guide (1995-2002)

	19	20	21	22	23	24	25	26	28	30
Current	1369	1285	1263	1250	1224	1207	1121	743	561	672
90%	785	646	519	467	430	425	416	392	335	257
80%	878	694	552	496	473	466	447	417	363	289
70%	937	719	602	538	506	482	465	443	392	317
60%	970	742	640	587	526	506	481	465	435	352
50%	1033	764	659	627	561	537	518	488	454	383
40%	1083	793	682	653	597	576	548	510	472	428
30%	1151	848	717	676	623	603	572	539	490	453
20%	1251	927	824	721	650	646	639	560	516	479
10%	1339	992	981	980	976	966	945	732	567	554

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1995-2002





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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
Dec-02	1510	1350	-19	1290	5	1275	12	1255	5	1235	11	1220	13	1135
Feb-03	1530	1365	-4	1315	30	1295	32	1265	15	1240	16	1215	8	1130
Apr-03	1530	1365	-4	1305	20	1285	22	1255	5	1225	1	1200	-7	1125
Jun-03	1530	1365	-4	1290	5	1270	7	1240	-10	1215	-9	1190	-17	1115
Aug-03	1530	1370	1	1280	-5	1260	-3	1235	-15	1205	-19	1180	-27	1105
Oct-03	1530	1370	1	1270	-15	1250	-13	1225	-25	1195	-29	1170	-37	1095
Dec-03	1530	1370	1	1260	-25	1240	-23	1215	-35	1185	-39	1160	-47	1085
Feb-04	1530	1365	-4	1230	-55	1205	-58	1175	-75	1145	-79	1115	-92	1060
Apr-04	1530	1355	-14	1210	-75	1185	-78	1155	-95	1125	-99	1095	-112	1050
Jun-04	1515	1340	-29	1188	-97	1162	-101	1130	-120	1098	-126	1069	-138	1030

