



JEMALONG WOOL BULLETIN

(week ending 13/05/2004)

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
Northern Ind	781	9	766	102%	960	945	772
18.5	1016	6	1153	88%	1151	1088	846
19	977	8	1048	93%	1120	1053	889
19.5	932	17	1018	92%	1085	1047	877
20	885	20	833	106%	1037	1036	857
21	827	27	745	111%	1040	1035	798
22	779	27	702	111%	1042	1034	750
23	745	13	664	112%	1029	1029	732
24	695	1	645	108%	1003	1015	691
25	658	-5	613	107%	915	938	658
26	624	2	583	107%	na	880	622
28	532	2	524	102%	622	647	494
30	462	0	473	98%	533	550	418
32	416	-2	451	92%	na	510	373
MC	368	4	415	89%	515	514	364

Australian Dollar 0.6904 as of Thu-13-May-2004

NORTHERN REGION MARKET REPORT -

A drop in the dollar to under 70c US on the weekend resulted in increased amount activity on Wooltrade on Sunday, Monday, and Tuesday at levels 25-30c/kg above the last week's close. Auction markets opened on Wednesday in all three centres, with price rises of 20-25c/kg clean for 18-23 micron merino fleece wool. Most affected were the lower mid-break wools, with higher mid-break lots (>80%) closing 10-15c/kg higher 18-23. Thursday saw the market steady with buyers more tentative and more selective for the better types. Seedy skirtings continue to be out of favour while cardings closed slightly dearer for the week.

Despite the dollar dropping over 10% in the last two months, apart from finer types, prices remain relatively unchanged compared with levels when the dollar was hovering at around 75US. As the dollar has kept falling some Chinese buyers have held back from the market waiting until the dollar settles, the philosophy being if the dollar keeps falling, prices in US dollar terms will be cheaper for them. The best thing for the wool market now would be to see the dollar remain at the 69.5US cent market for a couple of weeks, encouraging reasonable volumes of new business back into the market.

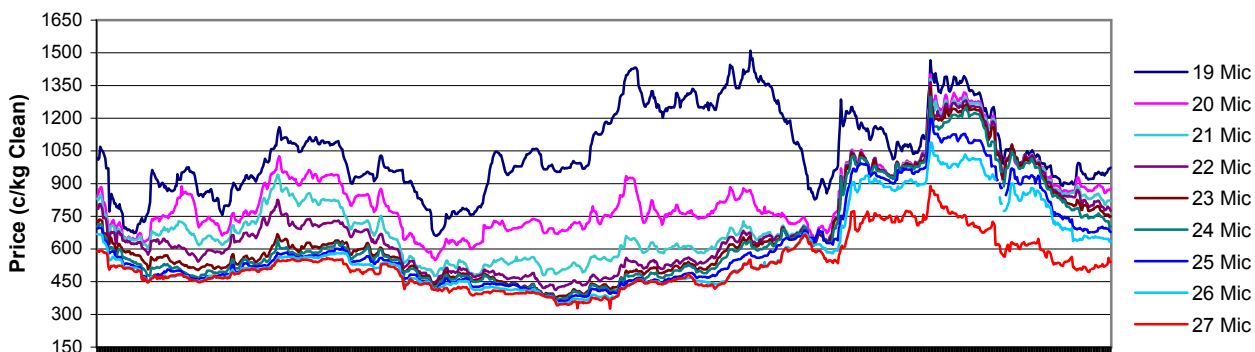
The gap between fine and medium wools continues to widen with select 18 micron reaching levels up to 1100c/kg cln and some 19 micron lots nudging the 1000c/kg cln mark.

Forward markets pre-empted the auction market with price rises of up to 20c/kg on Monday and a further 10c/kg on Wednesday. With a more tentative market on Thursday SFE retraced 15-20c/kg. Some growers with forward plans and good till cancelled orders in place took advantage of the higher prices on offer on Wednesday.

Auctions continued in Melbourne, Sydney, Fremantle.

Comments: Evonne Luton (Wooltrade).

Micron Price Guide Movement 1995-2004



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 13/05/2004)

Table 3: Northern Market Deciles

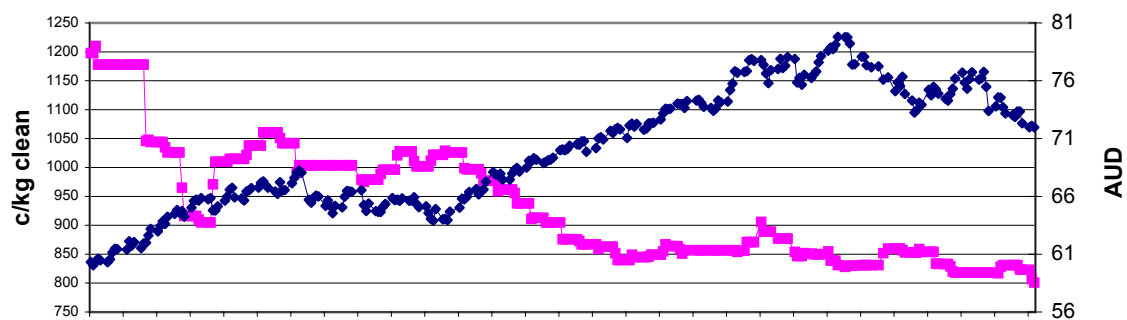
Micron Price Guide (1995-2003)

	19	20	21	22	23	24	25	26	28	MC
Current	977	885	827	779	745	695	658	624	532	368
90%	802	658	526	472	439	431	421	396	341	270
80%	899	702	563	510	488	472	453	431	377	298
70%	943	730	620	553	516	495	472	454	401	344
60%	973	759	651	617	551	522	498	478	435	379
50%	1019	781	677	646	590	566	542	506	453	423
40%	1073	850	718	678	624	603	572	526	472	445
30%	1134	894	827	736	665	657	646	550	490	467
20%	1249	953	922	920	902	883	816	609	514	491
10%	1333	1022	1016	1018	1007	996	964	723	569	575

21 Micron -North
1995-2004



21 MPG S vs AUD



Source: AWEX, SFE, Macquarie Bank

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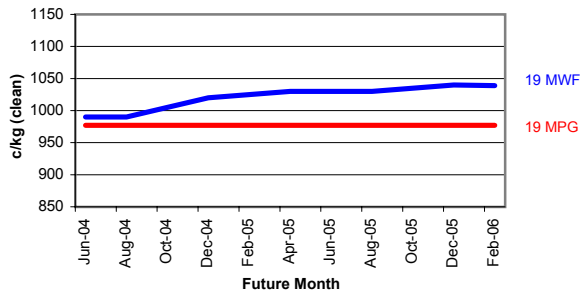
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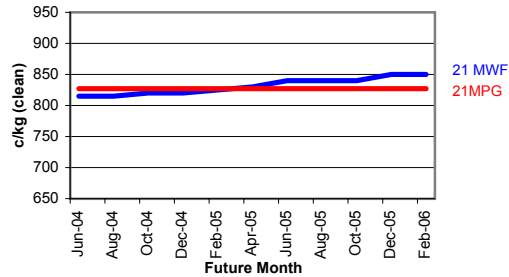
Macquarie Wool Futures

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	19.5 Pcs
Jun-04	1095	990	13	880	-5	815	-12	760	-19	725	-20	675	-20	645	-13	525	-7	740
Aug-04	1100	990	13	880	-5	815	-12	760	-19	725	-20	675	-20	645	-13	525	-7	740
Oct-04	1110	1005	28	885	0	820	-7	755	-24	720	-25	675	-20	645	-13	525	-7	740
Dec-04	1135	1020	43	890	5	820	-7	755	-24	720	-25	675	-20	655	-3	525	-7	745
Feb-05	1140	1025	48	890	5	825	-2	760	-19	725	-20	680	-15	655	-3	520	-12	745
Apr-05	1140	1030	53	890	5	830	3	775	-4	725	-20	685	-10	670	12	515	-17	745
Jun-05	1140	1030	53	895	10	840	13	780	1	735	-10	690	-5	690	32	515	-17	750
Aug-05	1140	1030	53	895	10	840	13	780	1	735	-10	700	5	690	32	515	-17	750
Oct-05	1150	1035	58	895	10	840	13	780	1	735	-10	700	5	685	27	510	-22	745
Dec-05	1175	1040	63	900	15	850	23	800	21	741	-4	710	15	690	32	510	-22	755
Feb-06	1170	1039	62	910	25	850	23	805	26	741	-4	710	15	690	32	510	-22	756

19 Macquarie vs North 19 MPG Ave



21 Macquarie vs North 21 MPG Ave



23 Macquarie vs North 23 MPG Ave

