JEMALONG WOOL BULLETIN

(week ending 20/10/2005)

Table 1: Northern Market Prices

Micron Price Guides	Current Price	Weekly Change	10-yr Average	Price as % of Ave	This time last year	Year high	Year low
North Ind	681	1	764	89%	760	746	678
18	967	2	1369	71%	1081	1007	959
18.5	884	-1	1084	82%	1037	977	882
19	830	-1	1034	80%	974	921	825
19.5	764	-2	1018	75%	914	850	764
20	725	4	833	87%	838	806	718
21	694	-2	749	93%	777	776	688
22	677	2	708	96%	741	761	674
23	666	0	671	99%	695	750	665
24	658	0	650	101%	645	698	658
25	637	-1	615	104%	609	643	627
26	577	-1	583	99%	583	579	562
28	475	2	520	91%	504	480	465
30	438	3	469	93%	457	444	430
32	392	1	445	88%	427	406	391
MC	413	11	417	99%	430	441	397

NORTHERN MARKET REPORT - **Australian Dollar 74.96 US as of 20/10/2005**

Sales were held in Melbourne and Femantle this week with a specialty fine wool sale also held in Newcastle. The national offering this week was approximately 61,000 bales. There were 15,903 bales offered in Newcastle of which approximately 3% was re-offered wool. Sales opened in Newcastle on Tuesday and prices for the best/good style lots were generally unchanged when compared to last week's Sydney quotes. For the spinners types, 16.5-17.0 microns were around 1% cheaper compared to the last Newcastle sale while 17.5-18.0 microns were up to 2% dearer on a limited offering. Skirtings were generally 1% cheaper compared to last week's Sydney quotes. FIner oddments were around 5-10c/kg clean dearer while the others were unchanged. The passed-in rate for Tuesday was 6%.

There was another large superfine selection on Wednesday with the market generally firm and the best lots dearer. For the spinners types 15.5-16.5 microns were 1% dearer, 17-17.5 microns were 2% dearer and 18-18.5 microns were 1% dearer. Other fleece types were generally unchanged. 17.5 micron and finer skirtings were 1% dearer while broader microns were around 1% cheaper. Oddments were around a further 10c/kg clean dearer. The passed-in rate for Wednesday was quite low at around 3%.

Thursday's offering was the largest of the week. Spinners types were well supported adn 17-18 microns were 1-2% dearer. The bulk of the offering consisted of best style, 40nkt lots and they remained unchanged. Merino skirtings and oddments finished the week unchanged. The passed-in rate for Thursday was 3%,

The major buyers for the week in Newcastle were G Shneiders (3,488 bales), New England Wool (3,257 bales) and Morepen (2,062 bales).

In the Melbourne sale this week prices were slightly easier on Tuesday, then slightly dearer on Wednesday and Thursday. In Fremantle sales this week prices were firmer on Wednesday by up to 5c/kg clean for most microns. On Thursday prices were generally steady.

It has been pleasing to see the market steady over the past three weeks and hopefully it is a sign that we have reached the bottom of price levels. The Woolmark Company report that for the 8 months ending in August, the total volume of apparel and textiles imported from China into the USA has risen by 46% year on year. Broken down this equates to a rise of 75% for cotton textiles, a rise of 43% for synthetic textiles while wool textiles rose by 236%. The main reason for this has been the recent relaxing of restrictive quota limits on China's wool apparel that existed over the past few years.

In other global news, cotton prices have risen strongly over the past few weeks due to concerns regardng production in several key regions and the tightening of supply in China. The Cotton A index is trading at 59.55c US/pound, its highest level since July 2004.

Sales continue next week in Sydney, Melbourne and Fremantle. The national offering will be very similar next week with approximately 62,000 bales rostered for sale.

(Comments: Phil Roberts - Wooltrade)

Source: AWEX, National Australia Bank

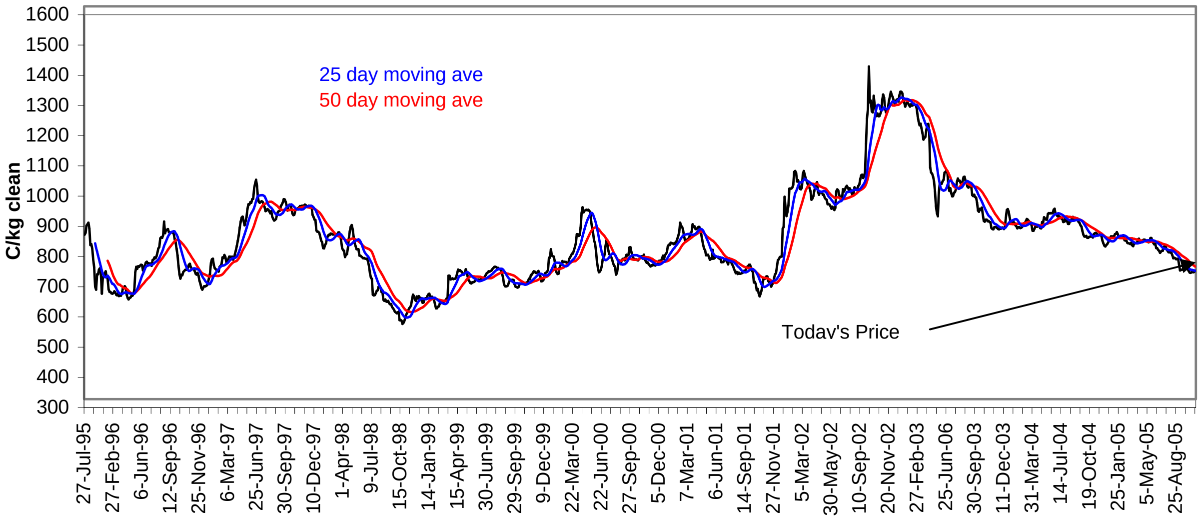
JEMALONG WOOL BULLETIN

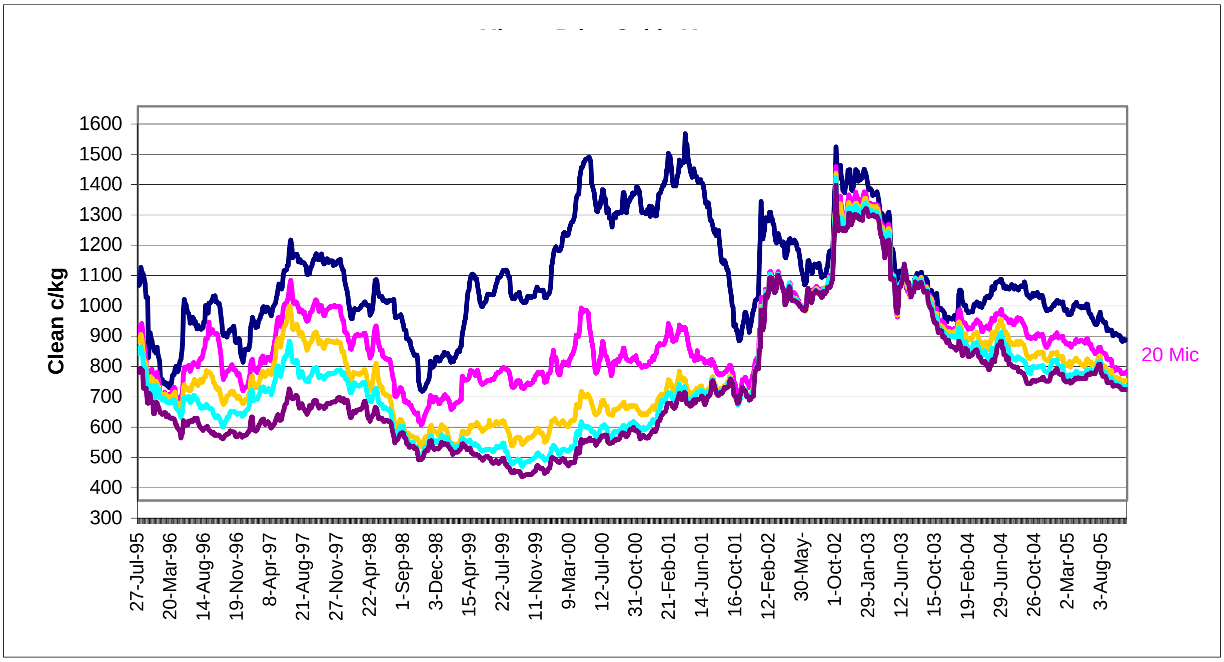
(week ending 20/10/2005)

Table 2: Northern Market Deciles

Micron Price Guide (1995-2005)										
	19	20	21	22	23	24	25	26	28	MC
Current	830	725	694	677	666	658	637	577	475	413
90%	826	670	533	476	445	438	430	398	343	279
80%	898	715	587	528	498	479	460	439	383	311
70%	935	740	642	590	529	509	482	462	399	364
60%	961	766	669	636	574	552	532	474	421	400
50%	993	810	704	673	621	599	569	503	440	427
40%	1039	846	755	715	665	650	594	522	458	438
30%	1095	886	821	745	715	679	643	544	481	455
20%	1222	937	875	841	809	781	697	589	502	481
10%	1322	1009	1005	1003	1000	983	949	709	562	558

20 Micron - North *1995-2006*





Source: AWEX, National Australia Bank

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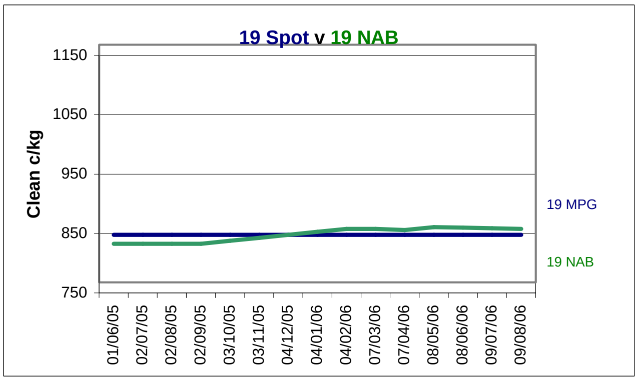
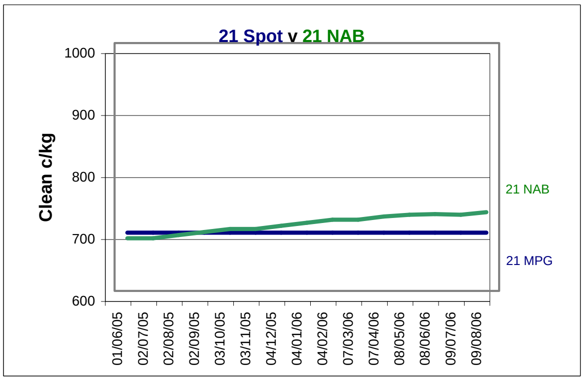
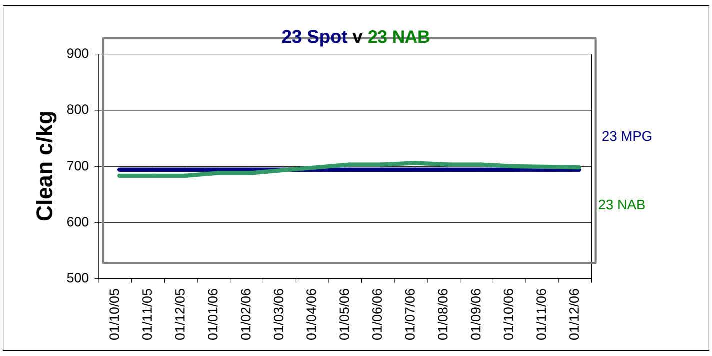
JEMALONG WOOL BULLETIN
(week ending 20/10/2005)

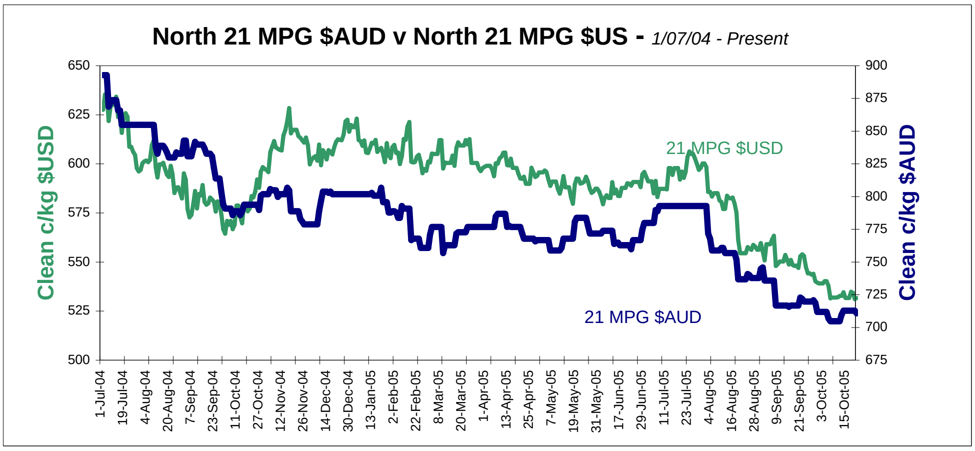
Table 3: National Australia Bank - Wool Swaps

NAB Producer Bids *20-Oct-2005*															
Delivery Month	**18 MIC**	**Diff. To Spot**	**19 MIC**	**Diff. To Spot**	**20 MIC**	**Diff. To Spot**	**21 MIC**	**Diff. To Spot**	**22 MIC**	**Diff. To Spot**	**23 MIC**	**Diff. To Spot**	**24 MIC**	**Diff. To Spot**	**28 MIC**	**Diff. To Spot**
Oct-05	930	-37	815	-15	705	-20	685	-9	665	-12	655	-11	635	-23	445	-30
Nov-05	930	-37	815	-15	705	-20	685	-9	670	-7	655	-11	635	-23	445	-30
Dec-05	930	-37	815	-15	705	-20	690	-4	670	-7	655	-11	640	-18	440	-35
Jan-06	935	-32	815	-15	705	-20	695	+1	675	-2	660	-6	645	-13	450	-25
Feb-06	945	-22	820	-10	705	-20	700	+6	680	+3	660	-6	645	-13	445	-30
Mar-06	945	-22	825	-5	710	-15	700	+6	680	+3	665	-1	645	-13	440	-35
Apr-06	955	-12	830	0	713	-12	705	+11	685	+8	670	+4	645	-13	440	-35
May-06	960	-7	835	+5	713	-12	710	+16	685	+8	675	+9	645	-13	445	-30
Jun-06	960	-7	840	+10	720	-5	715	+21	685	+8	675	+9	648	-11	445	-30
Jul-06	975	+8	840	+10	720	-5	715	+21	688	+11	678	+12	650	-8	445	-30
Aug-06	975	+8	838	+8	720	-5	720	+26	690	+13	675	+9	650	-8	450	-25
Sep-06	975	+8	843	+13	720	-5	723	+29	690	+13	675	+9	650	-8	450	-25
Oct-06	974	+7	842	+12	722	-3	724	+30	687	+10	672	+6	649	-9	454	-21
Nov-06	971	+4	841	+11	721	-4	723	+29	686	+9	671	+5	648	-10	458	-17
Dec-06	970	+3	840	+10	720	-5	727	+33	682	+5	670	+4	647	-11	457	-18









Source: AWEX, National Australia Bank