# JEMALONG WOOL BULLETIN

(week ending 25/10/02)

**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 |
|---|---|---|---|---|---|---|---|
| NMI | 1134 | -30 | 725 | 156% | 839 | 1242 | 907 |
| 18.5 | 1401 | -87 | 1272 | 110% | na | 1542 | 1124 |
| 19 | 1315 | -43 | 1041 | 126% | 991 | 1466 | 1036 |
| 19.5 | 1284 | -12 | 1018 | 126% | na | 1442 | 988 |
| 20 | 1236 | -21 | 792 | 156% | 745 | 1401 | 956 |
| 21 | 1216 | -30 | 689 | 177% | 709 | 1379 | 953 |
| 22 | 1204 | -29 | 640 | 188% | 702 | 1365 | 953 |
| 23 | 1197 | -1 | 597 | 201% | 701 | 1340 | 953 |
| 24 | 1161 | -1 | 581 | 200% | 699 | 1299 | 952 |
| 25 | 1093 | -35 | 559 | 196% | 685 | 1198 | 945 |
| 26 | 991 | -37 | 535 | 185% | 671 | 1088 | 878 |
| 28 | 809 | -39 | 505 | 160% | 665 | 889 | 709 |
| 30 | 646 | -15 | 462 | 140% | 623 | 729 | 569 |
| 32 | 573 | -57 | 446 | 128% | 612 | 669 | 545 |
| MC | 672 | -1 | 388 | 173% | 424 | 673 | 463 |

**Australian Dollar 0.5538**

The market this week closed cheaper across the board with the trade suffering from some "indigestion" of larger volumes (>85,000 bales) at these market levels. Most affected were the finer types, prices falling 50-100c/kg clean for 19 micron and finer; the fall however, compared to the superior quality Newcastle offering last week. Tuesday saw prices fall 20c/kg cln for medium types and 5-15c/kg for broader types. Wednesday the market steady with prices recovering 5c/kg, Thursday 5-15 c/kg down. Of interest, the Western market selling last at auction in the week, fell only 5c/kg on Thursday. Quotes for 20 and 21 micron were 20c/kg and 10c/kg respectively higher in the West than the North. Such price differences auger well for markets next week.

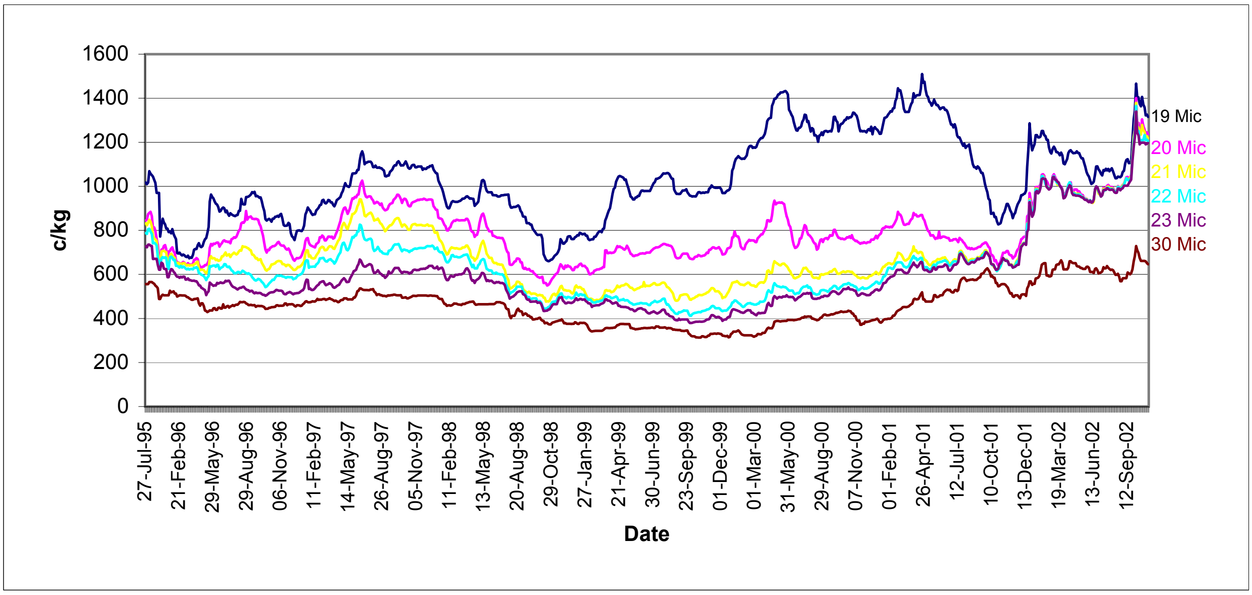
European topmakers were active this week providing some competition to the more subdued Chinese trade. Chinese bidding overnight was reported just below closing levels suggesting little downside from current prices next week.

The derivatives market shows and interesting pattern for the coming months. Macquarie Bank have 19-21micron contracts at a premium to the spot out to May next year. Prices for 19-21 micron are at a 5 c/kg premium for near months, out to a 25c/kg premium for Dec-02 to Mar-02. These prices reflecting concerns over wool supply around Christmas and autumn next year.

Auction sales continue in Sydney, Melbourne and Fremantle next week with 88,000 bales scheduled for offer.

Comment: Evonne Luton (Wooltrade)

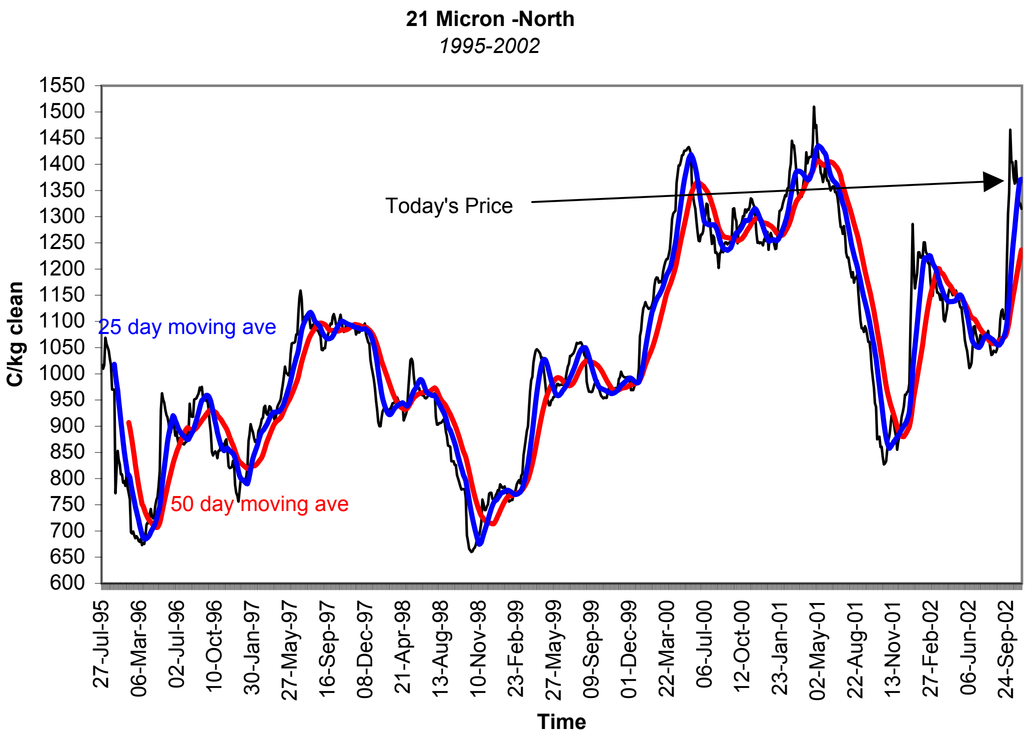
**Figure 1: Northern MPG Movement**



## Table 3: Northern Market Deciles

### Micron Price Guide (1995-2002)

| | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 28 | 30 |
|---|---|---|---|---|---|---|---|---|---|---|
| Current | **1315** | **1236** | **1216** | **1204** | **1197** | **1161** | **1093** | **809** | **573** | **672** |
| 90% | 785 | 646 | 519 | 467 | 430 | 425 | 416 | 392 | 335 | 257 |
| 80% | 875 | 693 | 551 | 495 | 472 | 464 | 446 | 416 | 362 | 288 |
| 70% | 932 | 718 | 600 | 535 | 504 | 481 | 463 | 442 | 390 | 310 |
| 60% | 969 | 740 | 635 | 580 | 525 | 502 | 480 | 463 | 433 | 348 |
| 50% | 1019 | 762 | 654 | 625 | 560 | 531 | 507 | 485 | 453 | 378 |
| 40% | 1077 | 781 | 677 | 646 | 590 | 567 | 543 | 507 | 468 | 425 |
| 30% | 1127 | 843 | 709 | 673 | 621 | 599 | 569 | 531 | 487 | 443 |
| 20% | 1238 | 918 | 818 | 714 | 644 | 631 | 617 | 552 | 505 | 469 |
| 10% | 1322 | 970 | 954 | 953 | 951 | 946 | 916 | 711 | 569 | 517 |



JEMALONG WOOL BULLETIN
(week ending 25/10/02)

## 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-02 | 1600 | 1315 | 0 | 1245 | 9 | 1225 | 9 | 1205 | 1 | 1195 | -2 | 1160 | -1 | 1110 |
| Dec-02 | 1600 | 1335 | 20 | 1255 | 19 | 1240 | 24 | 1220 | 16 | 1205 | 8 | 1170 | 9 | 1120 |
| Feb-03 | 1600 | 1335 | 20 | 1255 | 19 | 1240 | 24 | 1220 | 16 | 1195 | -2 | 1165 | 4 | 1115 |
| Apr-03 | 1600 | 1335 | 20 | 1245 | 9 | 1230 | 14 | 1210 | 6 | 1185 | -12 | 1155 | -6 | 1110 |
| Jun-03 | 1590 | 1335 | 20 | 1235 | -1 | 1220 | 4 | 1200 | -4 | 1175 | -22 | 1145 | -16 | 1105 |
| Aug-03 | 1570 | 1330 | 15 | 1215 | -21 | 1195 | -21 | 1165 | -39 | 1135 | -62 | 1110 | -51 | 1080 |
| Oct-03 | 1550 | 1330 | 15 | 1200 | -36 | 1180 | -36 | 1150 | -54 | 1120 | -77 | 1095 | -66 | 1065 |
| Dec-03 | 1530 | 1330 | 15 | 1190 | -46 | 1170 | -46 | 1140 | -64 | 1110 | -87 | 1085 | -76 | 1055 |
| Feb-04 | 1490 | 1325 | 10 | 1170 | -66 | 1145 | -71 | 1105 | -99 | 1075 | -122 | 1050 | -111 | 1020 |
| Apr-04 | 1479 | 1315 | 0 | 1162 | -74 | 1136 | -80 | 1096 | -108 | 1064 | -133 | 1039 | -122 | 1010 |
| Jun-04 | 1456 | 1298 | -17 | 1145 | -91 | 1119 | -97 | 1079 | -125 | 1041 | -156 | 1018 | -143 | 990 |