



JEMALONG WOOL BULLETIN

(week ending 26/05/2006)

Table 1: Northern Market Prices

Micron Price	Current	Weekly	10-yr	Price as %	This time		
Guides	Price	Change	Average	of Ave	last year	Year high	Year low
North Ind	746	7	761	98%	740	770	642
18	1084	4	1339	81%	1021	1088	900
18.5	1035	3	1064	97%	986	1038	832
19	975	3	1027	95%	919	979	779
19.5	916	2	1018	90%	864	923	736
20	839	-1	830	101%	817	859	684
21	757	10	747	101%	755	784	657
22	721	12	707	102%	728	761	648
23	690	6	671	103%	717	750	640
24	671	0	650	103%	671	708	631
25	638	0	615	104%	608	645	588
26	583	0	582	100%	554	589	536
28	464	12	517	90%	471	795	424
30	416	11	467	89%	429	444	390
32	388	2	442	88%	403	408	369
MC	439	2	417	105%	450	467	380

NORTHERN MARKET REPORT -

Australian Dollar 75.80 US as of 25/05/2006

Sales this week were held in Melbourne, Sydney and Fremantle with a small offering of approximately 55,000 bales in auctions nationally. Sales opened in Melbourne on Wednesday with 11,516 bales offered (1,612 bales or 14.0% was reoffered lots). The lower NKT lots seemed to receive stronger support. All fleece types recorded rises. The 18 mic rose 7 cents, 18.5-19 mic rose 3 cents, 19.5-20.0 rose 7 cents, 21mic plus 13, 22.0mic plus 6 and 24.0 plus 7 cents. Skirtings were generally firm with the better style low VM lots rising 5 cents. XB's remained firm except 28 mic which rose 8-10 cents and 30 mic which rose 6 cents. Locks fell around 5 cents and crutchings were mostly firm.

Passed in rate: 8.5%. Major Buyers: Itochu, Modiano, Fox & Lillie, Techwool, Chargeurs, Kathaytex and AS Gedge.

In Melbourne on Thursday there were 9,243 bales offered (18.2% or 1,682 bales reoffered). Most merino fleece types were slightly softer. 20 mic and finer fleece recorded falls of 5-10 cents with 18.5 mic the most affected falling by 20 cents. The broader end was slightly firmer with 23 and 24 mic fleece closing 10 cents higher. Crossbreds were mixed with 28-30 mic falling 5 cents and 32 mic rising 10 cents. The skirtings were also slightly weaker. Locks and crutchings were generally unchanged. Passed in rate: 9.5%. Major Buyers: Kathaytex, Itochu, AS Gedge & Modiano.

The Sydney market opened on Wednesday with only 8,709 bales offered (23.2% or 2,020 bales reoffered). All Fleece types closed on a dearer note. The 18 to 19.5 mic fleece rose 3-5 cents and the 21 to 23 mic fleece gained 5-8 cents. Crossbred fleeces were firm. The 19.0 mic skirts with VM 5-8% closed 5-8 cents firmer and the better style and length merino skirtings with lower VM 28 to 30 mic closed 4-5 cents firmer. Carbo locks were 19 and broader closed 3 cents firmer & washing crutchings remained firm. Passed in rate: 10.9%. Major Buyers: Morpen, Southern Cross, Chargeurs, Modiano, Itochu & Techwool.

On Thursday the Sydney market closed again with 21-22 merino fleece recording gains. There were 6,825 bales offered (8.5% or 580 bales reoffered). 20 mic and finer fleece was generally unchanged, 21-22 microns ended the day 5-10 cents firmer while the broader end was generally unchanged.. On a limited selection of better style, length & low VM, the skirtings remained firm. Locks were slightly firmer, while crutchings were generally unchanged. XB fleece remained firm on a small offering with 28-30 microns rising 10 cents. Passed in rate: 3.6%. Major Buyers: Southern Cross, AS Gedge, Chargeurs, Techwool and Modiano.

In Fremantle sales on Wednesday resumed with 9,251 bales offered (21.5% or 1,989 bales reoffered). All fleece types recorded gains except 19.0 mi which fell 6 cents. The 20.0mic rose 15 cents, 21.0 mic fleece rose 5 cents, 22mic rose 10 cents, 23 rose 2cents and 24 mic recorded a 12 cent rise. Merino skirtings generally rose 5-10 cents across the board. Lambs were 15-18 cents, locks and crutchings rose 5 cents. Passed in rate: 12.1%. Major Buyers: Modiano, PJ Morris, Itochu, Kathaytex & Chargeurs.

Fremantle on Thursday offered 7,940 bales (25.3% or 2,009 bales reoffered) with all microns recording small falls in prices. 19mic fleece lost 8 cents, 19.5 fell 3 cents, 20mic fell 2 cents and 21-23 mic fell 2-4 cents. Skirtings were generally unchanged. Lambs, locks and generally remained unchanged.

Passed in rate: 24.4%. Major Buyers: Modiano, Itochu, PJ Morris, Kathaytex, & BWK Elders.

Once again there was genuine interest from Europeans and India combined with the AUD trading at lower levels has greatly assisted with the push in the market. Indications are showing support can be found at these levels and let us hope this can at least be maintained. With lower quantities rostered over the next few weeks I am confident this can happen.

Next Week: Sales continue next week on Tuesday, Wednesday & Thursday in Melbourne. Sydney and Fremantle sell on Wednesday & Thursday with approximately 68,000 bales rostered for sale nationally.

Wooltrade had a very successful week selling close to 1,000 bales and will continue to provide growers 24/7 access to the market. It is important for growers to realise they can benefit from this constant market exposure, particularly with the current favourable market conditions (which may not last for the long term). Please consider the opportunities that are available by listing on Wooltrade with a targeted selling strategy. This may require some consultation with your local representative.

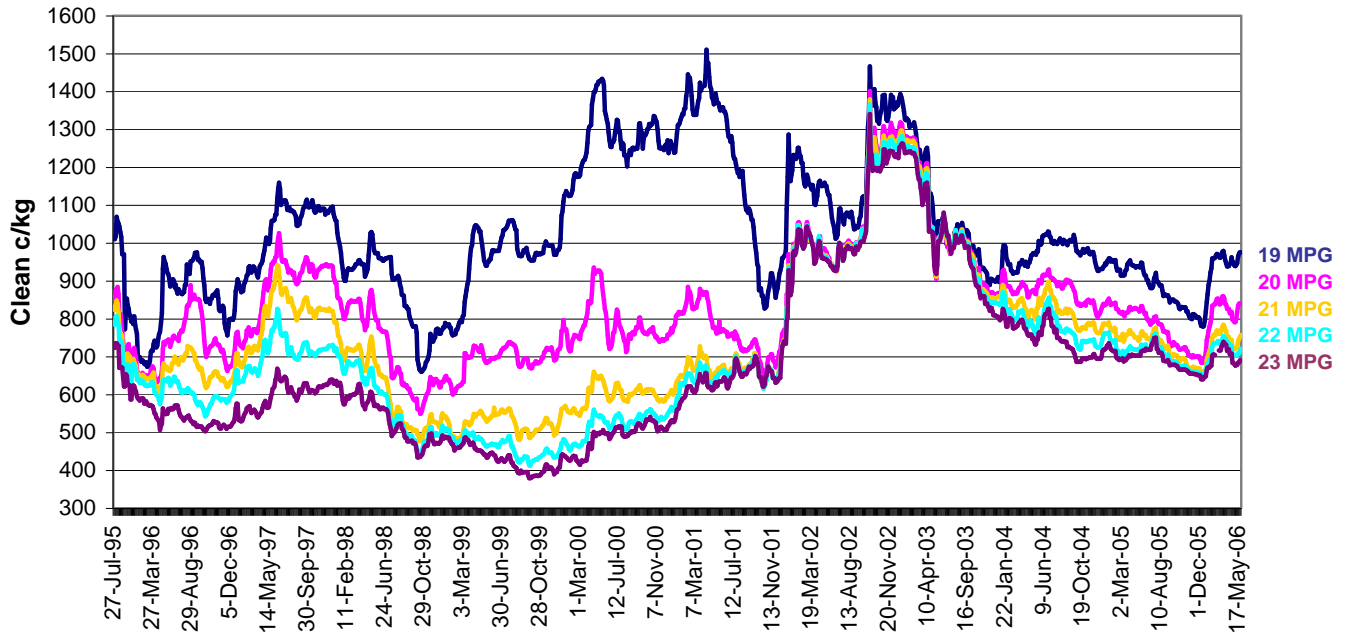
(Comments: Brian Vagg - Wooltrade)

Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

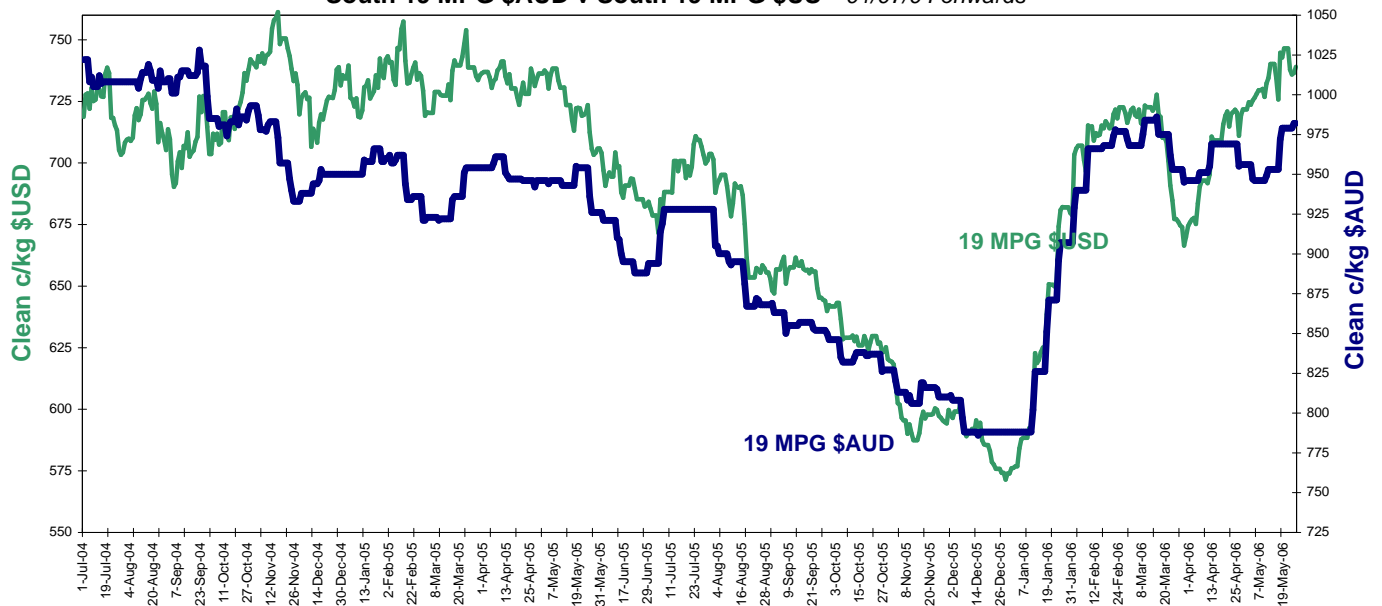
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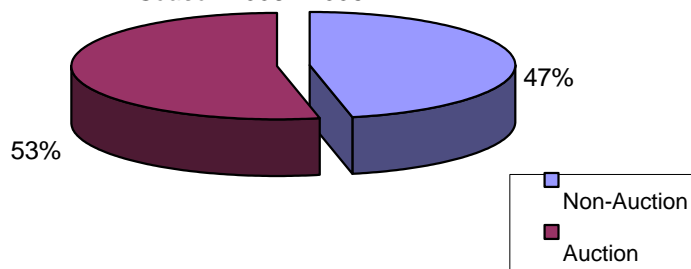
Nth Micron Price Guide Movement 1995-2006



South 19 MPG \$AUD v South 19 MPG \$US - 01/07/04 onwards



Wooltrade Sales - Auction & Non-auction Days Season 2005 - 2006



This pie chart shows that close to 50% of all wool sold on Wooltrade occurs on NON AUCTION days.

Please consider the opportunities available by having constant market exposure and list your wool on Wooltrade.

Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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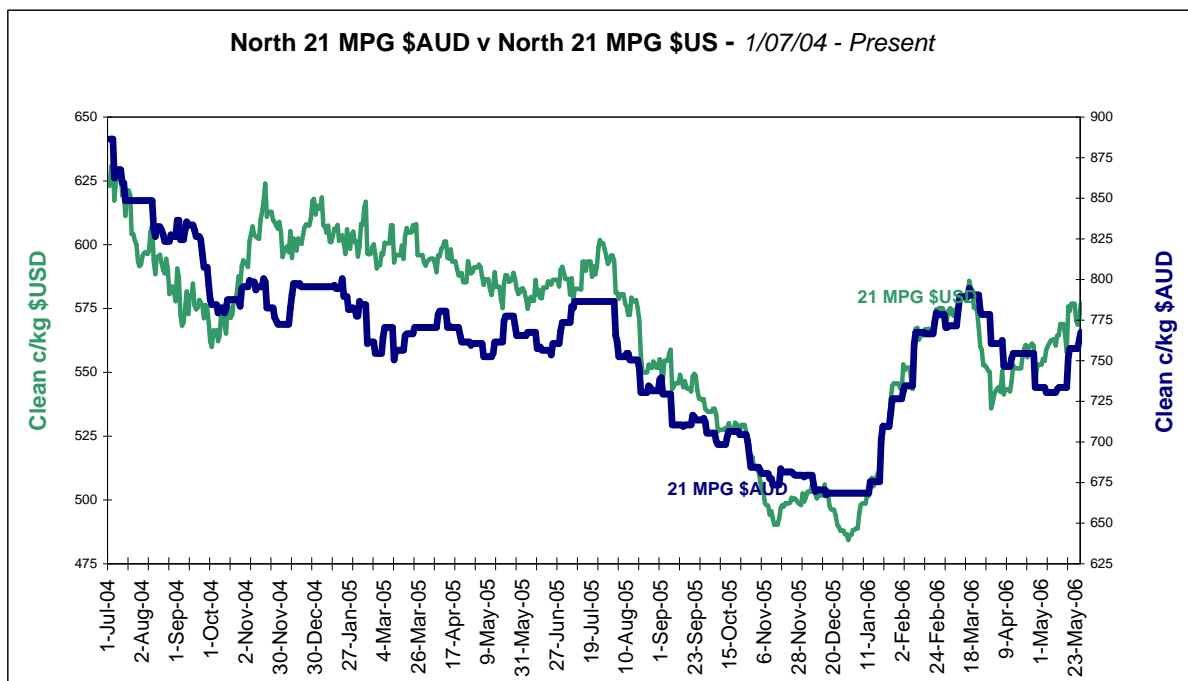
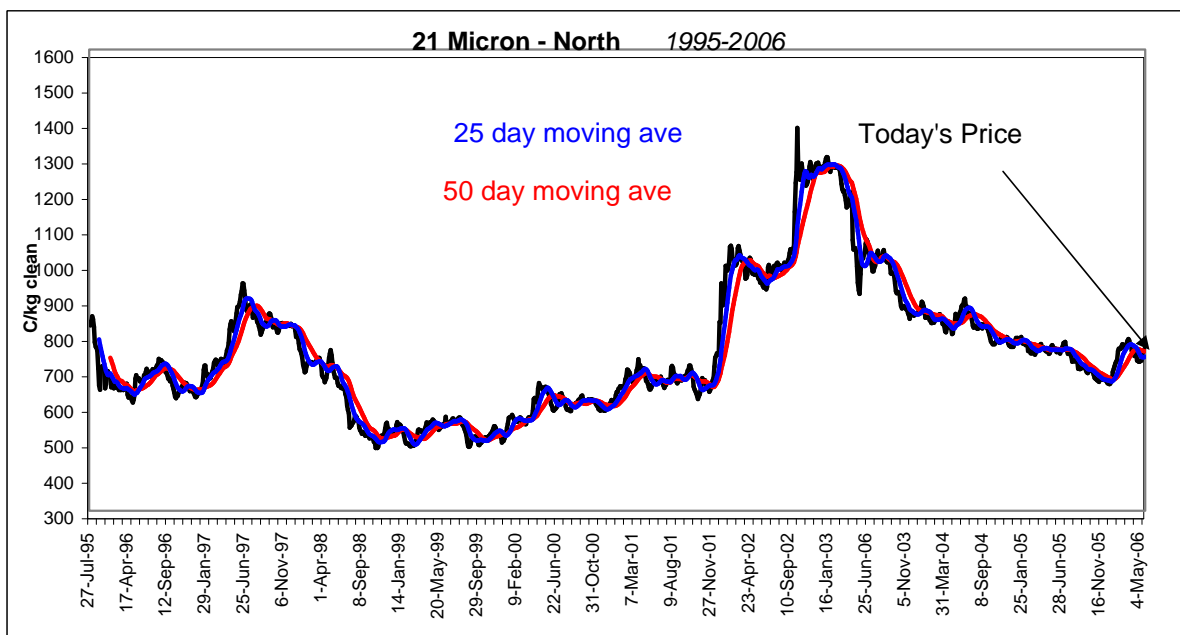


JEMALONG WOOL BULLETIN

(week ending 26/05/2006)

Table 2: Northern Market Deciles

Micron Price Guide (1995-2006)										
	19	20	21	22	23	24	25	26	28	MC
Current	975	839	757	721	690	671	638	583	464	439
90%	809	672	536	477	450	440	432	401	343	281
80%	889	713	598	534	503	481	462	439	383	326
70%	931	738	645	600	534	512	484	460	395	370
60%	956	766	671	643	586	562	540	472	413	402
50%	980	809	706	674	628	607	578	495	435	427
40%	1029	841	752	714	669	653	601	518	455	438
30%	1087	880	816	742	710	679	641	541	478	453
20%	1206	930	867	830	801	754	693	582	500	479
10%	1315	1004	1001	998	993	981	944	705	560	542



Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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JEMALONG WOOL BULLETIN

(week ending 26/05/2006)

Table 3: National Australia Bank - Wool Swaps

NAB Wool Swaps																
26-May-2006																
Month	18 MIC	Prem/ Disc	19 MIC	Prem/ Disc	20 MIC	Prem/ Disc	21 MIC	Prem/ Disc	22 MIC	Prem/ Disc	23 MIC	Prem/ Disc	24 MIC	Prem/ Disc	28 MIC	Prem/ Disc
May-06	1055	-29	965	-10	840	+1	755	-2	690	-31	675	-15	660	-11	415	-49
Jun-06	1065	-19	970	-5	838	-1	757	0	695	-26	675	-15	660	-11	417	-47
Jul-06	1075	-9	975	0	845	+6	765	+8	700	-21	680	-10	661	-10	425	-39
Aug-06	1085	+1	980	+5	848	+9	767	+10	705	-16	680	-10	661	-10	425	-39
Sep-06	1092	+7.5	985	+10	850	+11	770	+13	710	-11	680	-10	661	-10	426	-38
Oct-06	1097	+12.5	988	+12.5	853	+14	775	+18	715	-6	680	-10	661	-10	426	-38
Nov-06	1099	+15	990	+15	855	+16	780	+23	719	-2	685	-5	661	-10	426	-38
Dec-06	1103	+18.5	993	+17.5	855	+16	780	+23	723	+2	690	0	662	-9	425	-39
Jan-07	1105	+21	995	+20	865	+26	783	+26	727	+6	695	+5	662	-9	418	-46
Feb-07	1109	+25	1000	+25	868	+29	785	+28	729	+8	700	+10	662	-9	418	-46
Mar-07	1113	+28.5	1005	+30	870	+31	785	+28	734	+13	700	+10	662	-9	418	-46
Apr-07	1117	+32.5	1005	+30	873	+34	785	+28	736	+15	698	+8	662	-9	418	-46
May-07	1119	+35	1005	+30	874	+35	787	+30	737	+16	697	+7	662	-9	417	-47
Jun-07	1116	+31.5	1005	+30	873	+34	788	+31	738	+17	696	+6	661	-10	416	-48
Jul-07	1119	+34.5	1005	+30	875	+36	787	+30	737	+16	695	+5	660	-11	415	-49

Table 4: Commonwealth Bank of Australia - Wool Futures

CBA Wool Futures Quotes																		
26-May-2006																		
Month	18 MIC	Prem/ Disc	19 MIC	Prem/ Disc	20 MIC	Prem/ Disc	21 MIC	Prem/ Disc	22 MIC	Prem/ Disc	23 MIC	Prem/ Disc	24 MIC	Prem/ Disc	25 MIC	Prem/ Disc	28 MIC	Prem/ Disc
May-06	1076	-8	977	+2	845	+6	763	+6	727	+6	695	+5	679	+8	640	2	455	-9
Jun-06	1087	+3	986	+11	850	+11	770	+13	727	+6	693	+3	679	+8	637	-1	452	-12
Jul-06	1097	+13	991	+16	858	+19	778	+21	732	+11	692	+2	674	+3	635	-3	445	-19
Aug-06	1107	+23	1001	+26	868	+29	789	+32	732	+11	688	-2	674	+3	631	-7	445	-19
Sep-06	1114	+30	1010	+35	872	+33	794	+37	732	+11	688	-2	669	-2	629	-9	442	-22
Oct-06	1124	+40	1012	+37	876	+37	797	+40	732	+11	686	-4	667	-4	627	-11	440	-24
Nov-06	1128	+44	1017	+42	879	+40	800	+43	737	+16	682	-8	666	-5	624	-14	438	-26
Dec-06	1133	+49	1024	+49	882	+43	803	+46	737	+16	680	-10	662	-9	620	-18	435	-29
Jan-07	1143	+59	1032	+57	887	+48	805	+48	737	+16	678	-12	659	-12	618	-20	434	-30
Feb-07	1148	+64	1034	+59	892	+53	810	+53	737	+16	678	-12	659	-12	617	-21	430	-34
Mar-07	1158	+74	1039	+64	895	+56	812	+55	742	+21	676	-14	654	-17	615	-23	428	-36
Apr-07	1162	+78	1044	+69	904	+65	814	+57	747	+26	673	-17	654	-17	612	-26	425	-39
May-07	1165	+81	1044	+69	911	+72	816	+59	752	+31	670	-20	654	-17	610	-28	420	-44
Jun-07	1175	+91	1049	+74	914	+75	818	+61	752	+31	670	-20	654	-17	609	-29	420	-44
Jul-07	1185	+101	1049	+74	917	+78	818	+61	757	+36	669	-21	654	-17	606	-32	420	-44

Table 5: Sydney Futures Exchange - Wool Futures Prices

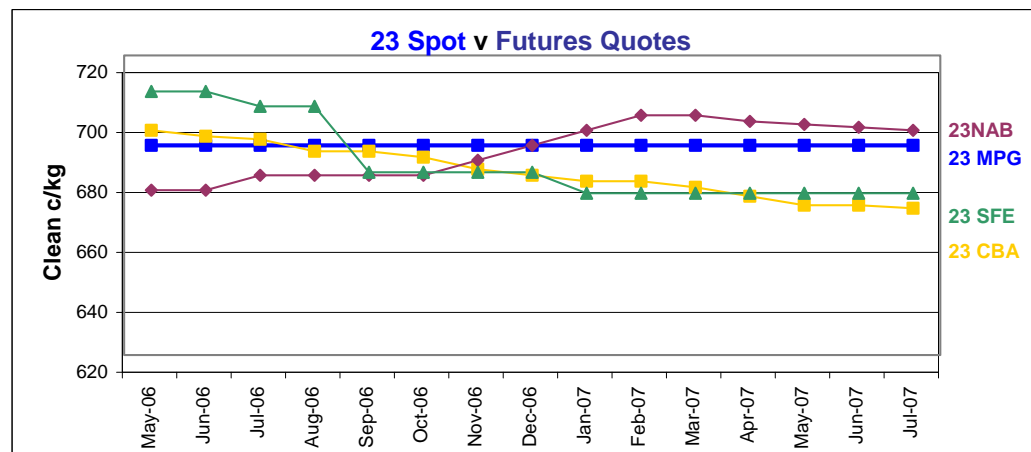
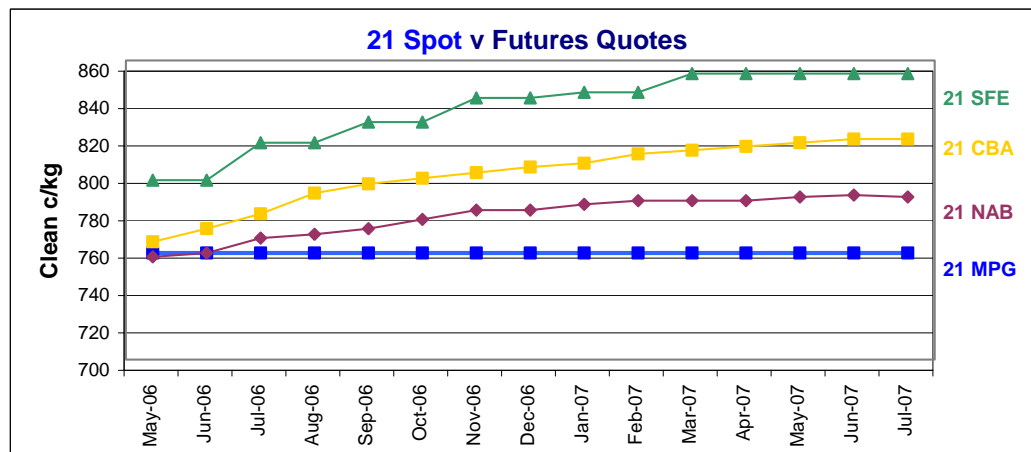
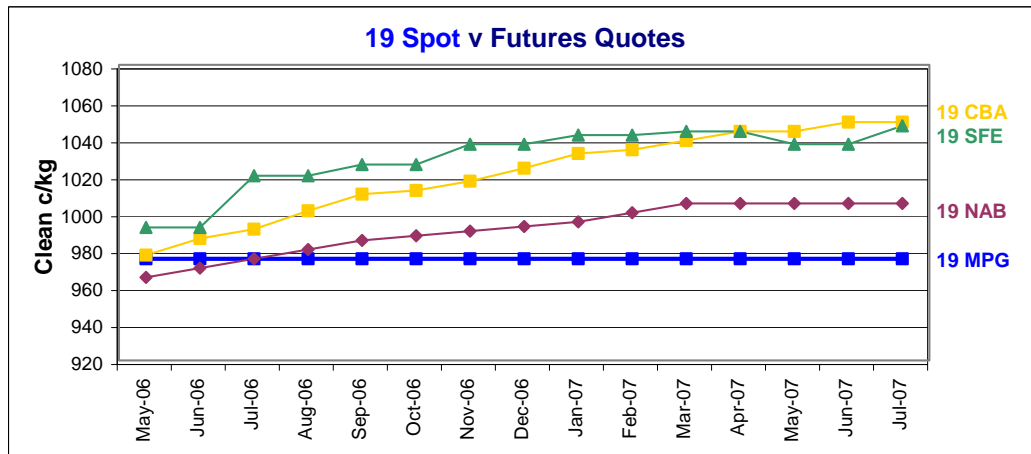
SFE FUTURES PRICES						
26-May-06						
Month	19 MIC	Prem/ Disc	21 MIC	Prem/ Disc	23 MIC	Prem/ Disc
Jul-06	992	+17	796	+39	708	+18
Sep-06	1020	+45	816	+59	703	+13
Nov-06	1026	+51	827	+70	681	-9
Jan-07	1037	+62	840	+83	681	-9
Mar-07	1042	+67	843	+86	674	-16
May-07	1044	+69	853	+96	674	-16
Jul-07	1037	+62	853	+96	674	-16
Sep-07	1047	+72	853	+96	674	-16
Nov-07	1047	+72	853	+96	674	-16



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(week ending 26/05/2006)

Futures Graphs



Source: AWEX, Commonwealth Bank of Australia, National Australia Bank, Sydney Futures Exchange.

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