JEMALONG WOOL BULLETIN

(week ending 27/02/03)

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	1131	-42	748	151%	1009	1242	907
18.5	1306	-91	1346	97%	na	1542	1124
19	1266	-52	1055	120%	1251	1466	1036
19.5	1249	-38	1018	123%	na	1442	988
20	1236	-38	815	152%	1055	1401	956
21	1221	-44	716	171%	1047	1379	953
22	1214	-36	669	181%	1044	1365	953
23	1201	-36	627	192%	1036	1340	953
24	1185	-34	610	194%	1027	1299	952
25	1078	-20	585	184%	953	1198	945
26	980	-32	557	176%	894	1088	878
28	674	-26	516	131%	770	889	674
30	595	-28	470	127%	648	729	569
32	541	-47	452	120%	614	669	541
MC	628	-23	405	155%	608	684	463

Australian Dollar **0.6065**

Market sentiment this week reflected the uncertainty in the world markets today as the looming war places further pressure on the US economy and oil prices. The wool market closed the week 3-4% cheaper compared to Newcastle sales last week, with fine wools most affected. After 1% average declines on Tuesday and Wednesday followed by a further 2-3% fall on Thursday, 18 micron closed nearly 100c/kg cheaper, 19s 50c/kg cheaper and 20-24 micron about 40c/kg cheaper. Tender wools suffered most - all tender microns declining a further 20c/kg more than the fall reported above for the MPGs. Sound (>38NKT) and higher yielding (>70%) fleece types were less affected.

Unrest in the World is undoubtedly the overriding factor in this week's market. The World is divided on the prospect of the US war with Iraq resulting in a decline in the American economy and a deflating US dollar against the Australian dollar. Tonight (Thursday) the Australian dollar was nearing the 61US cent mark. Local Share markets continue to report declines for most stocks and oil prices continue to rise.

Whilst supply of wool is limited, a passed-in rate of over 30% failed to have any effect on the market on Thursday. Although a negative sentiment prevails over the current market, sellers should not loose sight of the fact that prices today remain at levels that should be very profitable and very attractive to woolgrowers. Despite the falls, 20-24 micron prices continue to trade at a 150-200c/kg premium compared to this time last year.

Forward markets were volatile this week with some improved activity reported on Monday, but this not lasting - prices for all contracts closing 30-50c/kg cheaper. Wooltrade will release its Forward Offer Board to woolgrowers and buyers over the coming weeks. Sellers interested in locking in some of this year's or next year's clip through a physical forward or wanting more information should contact their broker representative.

Comment: Evonne Luton (Wooltrade)

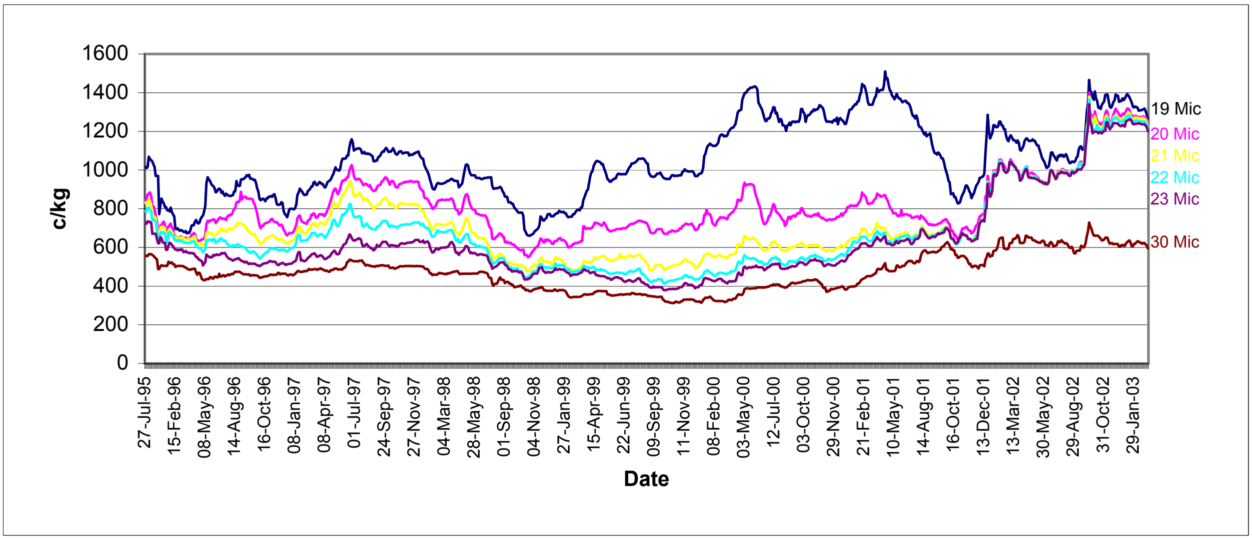

Table 3: Northern Market Deciles

Micron Price Guide (1995-2002)

	19	20	21	22	23	24	25	26	28	30
Current	**1266**	**1236**	**1221**	**1214**	**1201**	**1185**	**1078**	**674**	**541**	**628**
90%	785	646	519	467	430	425	416	392	335	257
80%	880	695	553	497	473	466	448	417	363	290
70%	940	721	605	541	508	483	466	444	395	323
60%	973	743	642	590	529	509	482	466	435	354
50%	1039	765	662	631	565	540	521	493	456	390
40%	1087	800	687	656	603	580	553	511	475	430
30%	1164	854	723	681	628	607	579	544	492	460
20%	1266	937	833	733	663	660	646	592	528	486
10%	1346	1000	995	994	990	980	962	733	571	579

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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
Feb-03	1440	1250	-16	1220	-16	1210	-11	1200	-14	1180	-21	1160	-25	1070
Apr-03	1440	1250	-16	1220	-16	1210	-11	1200	-14	1180	-21	1160	-25	1070
Jun-03	1440	1245	-21	1215	-21	1205	-16	1195	-19	1165	-36	1150	-35	1060
Aug-03	1425	1245	-21	1210	-26	1180	-41	1170	-44	1150	-51	1115	-70	1030
Oct-03	1420	1245	-21	1200	-36	1170	-51	1155	-59	1135	-66	1100	-85	1020
Dec-03	1420	1245	-21	1195	-41	1165	-56	1145	-69	1120	-81	1085	-100	1010
Feb-04	1415	1230	-36	1160	-76	1125	-96	1105	-109	1070	-131	1040	-145	975
Apr-04	1415	1220	-46	1140	-96	1105	-116	1085	-129	1050	-151	1020	-165	955
Jun-04	1415	1220	-46	1120	-116	1085	-136	1060	-154	1025	-176	1005	-180	935
Aug-04	1409	1210	-56	1099	-137	1062	-159	1032	-182	995	-206	965	-220	915