



JEMALONG WOOL BULLETIN
(week ending 30/09/2004)

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	756	-29	768	98%	873	945	756
18.5	1039	-48	1135	92%	997	1088	846
19	978	-33	1046	93%	978	1053	889
19.5	919	-19	1018	90%	970	1047	877
20	838	-33	836	100%	951	1036	838
21	774	-23	748	103%	940	1035	774
22	729	-26	706	103%	929	1034	729
23	686	-20	667	103%	912	1029	686
24	639	-23	647	99%	898	1015	639
25	621	-23	616	101%	860	938	621
26	610	-23	585	104%	814	880	610
28	523	-12	525	100%	567	647	494
30	463	-5	473	98%	486	550	418
32	433	-1	450	96%	466	510	373
MC	427	-12	415	103%	487	514	364

Australian Dollar 71.46c US as of Thu-30-Sep-2004

NORTHERN MARKET REPORT

Auction sales were held in Sydney, Melbourne and Fremantle this week, with a slightly larger national offering of approximately 67,000 bales in comparison to last week.

In auction sales the market in general was sharply lower. The Australian dollar rose above 71c US on Friday last week and that seemed to put further downward pressure on prices for orders for this week. Sales opened in Melbourne on Tuesday and fleece prices across all microns fell around 10-15c/kg clean. Crossbreds remained generally unchanged while cardings were again firm.

On Wednesday there were further price falls for the mid microns, with prices for 19.5-23s falling by around 10c/kg clean.

The finer and broader ends saw prices fall by 5c/kg clean. Skirtings were around 5c/kg clean cheaper while oddments were generally unchanged.

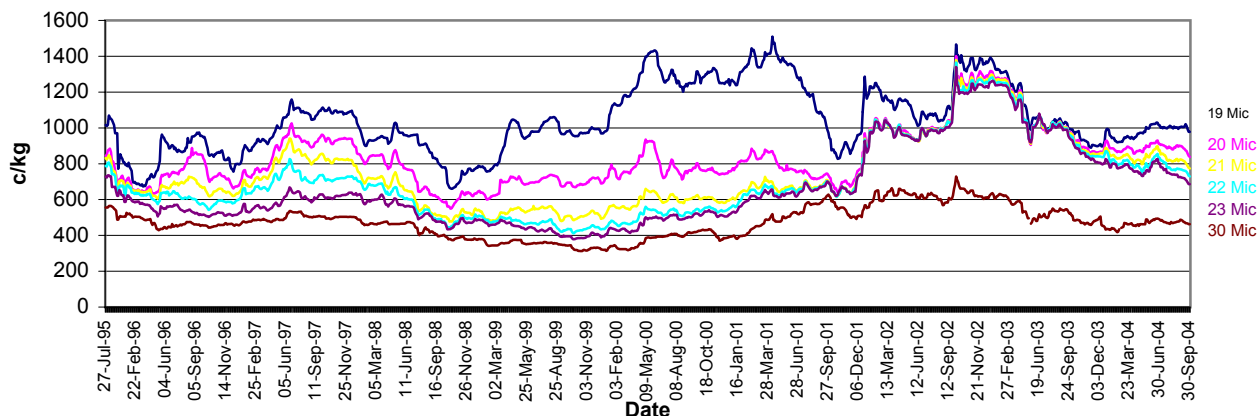
The market steadied somewhat on Thursday with the medium to broad fleece prices generally unchanged, however there were falls of up to 10c/kg clean for the fine end. Skirtings and oddments finished the week strongly, rising by around 10c/kg clean. The passed-in rate reached 24% for Thursday's sale. The better style 40nkt+ lots continue to be less affected by falls in price, and it is worth noting that there are some discounts in the market being applied for lots with high CVD results.

Demand in recent weeks has been weak and very cautious. Despite encouraging signs of demand at a retail level, mills continue to be operating on a hand-to-mouth basis. Orders at the moment are averaging a two to four week turnaround for buyers which leaves wool prices susceptible to any fluctuations in the dollar. A lack in confidence that prices will actually rise in the short-term has meant that each week orders are being placed at levels under the previous week's quotes. This has been particularly true for the Chinese who are dominant in the market at the moment.

Sales continue in Sydney, Melbourne and Fremantle next week.

Comments: Phil Roberts (Wooltrade)

**Micron Price Guide Movement
1995-2004**



Source: AWEX, SFE, Macquarie Bank

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Table 3: Northern Market Deciles

Micron Price Guide (1995-2004)										
	19	20	21	22	23	24	25	26	28	MC
Current	978	838	774	729	686	639	621	610	523	427
90%	808	662	528	473	439	433	423	396	342	272
80%	903	707	567	515	491	474	455	433	379	302
70%	947	734	626	561	519	497	475	457	405	348
60%	975	763	657	626	561	531	509	485	435	383
50%	1010	800	686	656	603	580	551	510	452	421
40%	1060	863	734	693	632	611	583	533	466	440
30%	1124	899	829	767	724	686	658	549	488	463
20%	1244	944	910	872	861	846	757	600	506	488
10%	1326	1017	1010	1014	1004	995	956	723	565	574

