

National Commentary

The Australian wool market resumed sales this week after the annual three-week Christmas recess. As there was still shearing occurring over the break, wool has been stockpiling in broker's stores. As a result, the first sale of the calendar year, is traditionally one of the largest. This week the national offering was 47,593 bales. In an unusual selling pattern, the sales opened on Tuesday, with selling in Fremantle and Melbourne. This was to avoid Melbourne selling in isolation after an extended recess. As this was the first buying opportunity in nearly a month,

there were many buyers who were noticeably keen to secure quantity. This created widespread demand, resulting in aggressive buyer activity and spirited bidding from the outset. Price increases were realised from the opening lot and continued virtually unabated until the final hammer. Premiums were again being paid for wool possessing favourable additional measurement results. In contrast to this, a large selection of wools with very high mid-breaks (greater than 70), were continually discounted, as buyers struggled to average them into their purchases. By the end of the series prices had generally increased by 25 to 70 cents.

These gains helped to push the AWEX Eastern market indicator up by 48 cents, which closed the week at 1910 cents. Skirtings followed a similar path to the fleece, prices continually tracked upward. Generally finishing the week 40 to 70 cents dearer. The crossbred sector also had a strong start to the new calendar year. 26.0 micron all the way through to 32.0 micron experienced general price increases of 30 to 60 cents, the better prepared lines recording the largest gains. Next week the national quantity increases, as wool accumulated over the recess continues to come onto the market. Currently, there is 53,908 bales on offer.

	This Week		Last 12 Months		
			High	Low	Avg
EMI	1910	+48	2116	1738	1910
Wst Ind	2083	+52	2279	1819	2029
18	2337	+9	2638	2179	2357
18.5	2288	+14	2536	2066	2270
19	2279	+33	2472	1981	2208
19.5	2253	+55	2423	1939	2153
20	2230	+51	2388	1888	2112
21	2205	+60	2357	1788	2072
MC	1136	+31	1602	1012	1356

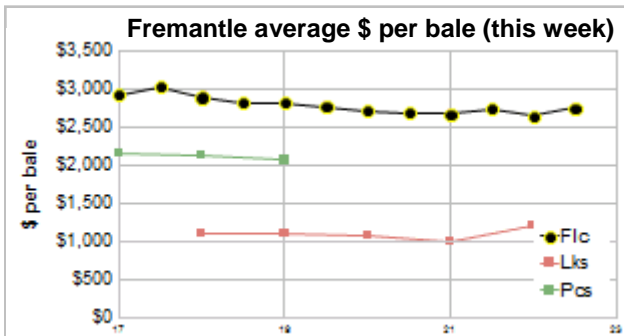
USD	71.79¢
▼	-0.49¢
EUR	62.06¢
▼	-1.50¢

Main Buyers (This Week)

1	TECHWOOL TRADING	1,965	19.7%
2	PJ MORRIS	1,143	11.5%
3	FOX & LILLIE	1,120	11.2%
4	SEATECH	983	9.9%
5	WEST COAST WOOL	687	6.9%
6	TIANYU	651	6.5%
7	SCANLAN WOOL	492	4.9%
8	KATHAYTEX	476	4.8%

Indicative Prices

Mic.	Grsy ¢	MM	Nkt	Vmb	Yield	AWEX-ID
Merino Fleece						
17.1	1,641	91	25	0.3	68.2	MF5E.F1
17.6	1,645	98	38	0.7	69.1	MF5E.
18.2	1,622	87	38	0.8	69.4	MF5E.
18.7	1,619	100	39	0.2	72.1	MF4E.
19.0	1,637	75	42	0.3	71.6	MF5E.
19.4	1,612	95	35	0.3	71.4	MF5E.
19.8	1,577	88	34	0.5	71.3	MF4E.
20.7	1,579	84	29	0.5	71.1	MF5E.
20.9	1,542	101	50	0.2	69.7	MF5E.
Merino Skirtings						
17.4	1,217	84	29	1.8	56.0	MP5S.
17.8	1,190	82	35	3.5	57.8	MP5S.
19.2	1,115	72	28	2.7	53.7	MP5S.
18.0	1,059			4.6	54.4	MB5S.80
Merino Lambs						
17.3	1,180			0.2	70.2	MLF4E.40
17.9	1,110			0.5	72.0	MLF4E.40
Merino Locks						
19.3	645			3.3	53.1	MZ5S.



	Fic	Pcs	Lks
17	\$2,928	\$2,156	
18	\$2,888	\$2,132	\$1,096
19	\$2,823	\$2,063	\$1,102
20	\$2,715		\$1,077
21	\$2,668		\$986
22	\$2,646		\$1,195

