

## MICRON INDICES COMPARISON

Source AWEXWooltrak

AWEX INDICATOR	This Week 07/11/08	Last Week 31/10/08	Change	Last Year 09/11/07	Yearly Change
18	1129	1208	-79	1328	-199
19	958	965	-7	1182	-224
20	720	746	-26	1067	-347
21	677	693	-16	986	-309
22	669	682	-13	941	-272
23	654	661	-7	911	-257
24	638	683	-45	837	-199
25	562	613	-51	666	-104
26	502	539	-37	604	-102
28	419	437	-18	423	-4
30	395	398	-3	334	+61
32	350	359	-9	290	+60
MC	453	453	-	568	-115

The wool market eased again this week. The EMI closed 15 cents or 2% lower. Falls were recorded across most types early in the week before finding a level late on Thursday. Superfine and broad merino types, as well as fine crossbreds were most affected in another difficult week. Melbourne did not sell on Tuesday, but results achieved in Newcastle were disappointing. The superfine offering in Newcastle was of a very high standard, but orders were limited and prices for all superfine types fell. Melbourne fell on the opening day on Wednesday, but only to levels seen in Newcastle the previous day. The final days selling this week saw an extremely high withdrawn and pass in rate, so exporters had to compete for the limited offering. This resulted in the market finally finding a level. Skirtings remained generally unchanged. Crossbreds were unchanged at the broad end but up to 40 cents clean cheaper for the fine types. Cardings were very well supported all week in each centre and closed unchanged.

Trading conditions continue to be very difficult. The extreme fluctuation in the currency does little to encourage any confidence in Chinese processors. Wool has always been tied to economic conditions around the world. When the world economy grows the wool market generally rises. As the world economy contracts the wool market struggles. The financial crisis that has unfolded across the world is having a massive impact on confidence and all downstream wool processors are very wary of taking on large risks.

Next week, 50,000 bales are on offer nationally. We need the market to trade at yesterdays closing levels to provide a base from which to build.

### FORWARD PRICES (Supplied by Commonwealth Bank) 31/10/08

	19	20	21	22	23	24
<b>AUCTION</b>	<b>955</b>	<b>745</b>	<b>691</b>	<b>679</b>	<b>662</b>	<b>681</b>
Dec 08	907	741	687	674	655	651
Feb 09	907	723	666	651	625	626
Apr 09	885	700	642	637	608	616
Jun 09	865	680	617	613	583	601
Aug 09	861	675	620	609	579	586
Oct 09	855	669	619	608	572	576

### MAJOR AUCTION BUYERS (Bales)

1	Techwool Trading	3,049	2	Fox & Lillie	2,678	3	Chargeurs Wool	2,627
4	ABB Wool Export	2,413	5	Lempriere Aust	1,854	6	Lempriere Aust	1,854
7	Williams Wool	1,666	8	Schneider	1,665	9	New England Wool	1,118

### Market Indicators compared with 31/10/08

**EASTERN** 723 c/kg ▼15

**SOUTHERN** 702 c/kg ▼19

### Three Week Forecast

<b>Week 20</b>	<b>10/11/08</b>	<b>54,843</b>
<b>Week 21</b>	<b>17/11/08</b>	<b>50,669</b>
<b>Week 22</b>	<b>24/11/08</b>	<b>50,500</b>