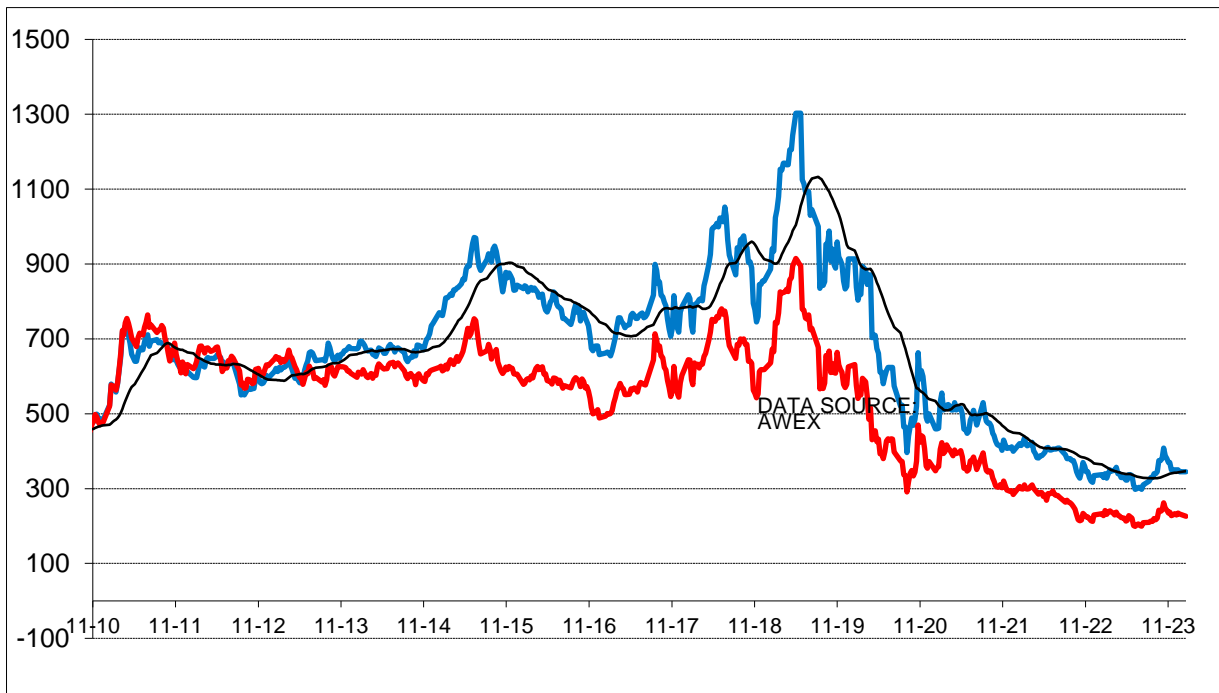




Weekly XB indicator in A\$ & US\$ With 6 month moving Averages



The Weekly XB indicator type is closely related to the AWEX 28 micron price.

The exact composition is a combination of the weekly AWEX daily quotes for 27-29 micron XF4, XF5 & XF6 @ 0% - 2%VM, 90 -125mm, and 28 to 42NKT.

MOVING AVERAGE:- A moving average is an average of price for the period e.g. 6 months. It is a good indicator to help understand the trend change. If the trend is starting to turn the price will cross the moving average line first and then the Moving Average itself will turn up or down cementing the new trend. When that happens the price usually trends in that direction for a prolonged period.

COMMENT

There is a significant cyclical pattern of prices for most wool types and these are no different. The last significant lows were Dec 99 & Jan 09. Effectively the rally that followed lasted 3 years as we ran the stockpile down and moved into a totally free market. In wool as in any commodity the cycles more or less repeat in a regular pattern. These types are no different with the odd aberration coming along. A reason for including the price in US is partly that is the currency benchmark for China and these wools are readily available from other sources namely NZ &

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