



US Price Mechanism

(Disclaimer Notified) Liverpool, November 25, 2005

Quotations in US cents per lb CIF CAD N. European ports, inc. commission
subscription & transmission enquiries to:

Fax : +44 151 644 8550 Tel : +44 151 644 6400

E-Mail: editor@cotlook.com World Wide Web <http://www.cotlook.com>

US PRICE MECHANISM - 2005/2006 SEASON

- cents per lb -
Week to date (Official Values)

A) Friday/Thursday average 5 Middling Values	56.20	(56.57)
B) Fri/Thurs average 3 SLM values	54.92	(54.95)
E) Shipping, Loan Quality and Location differentials (52 week averages)	15.49	(15.48)
F) ADJUSTED WORLD PRICE (AWP) (A - E)	40.71	(41.09)
G) Coarse Adjustment (current values A-B-6)	- 4.72	(0.00)
H) Marketing Loan Gain (52.00 base loan minus AWP)	11.29	(10.91)

US PRICE MECHANISM (2) COMPETITIVE ADJUSTMENT PROVISIONS

Step 1: (*inoperative if the AWP is above 115 percent of the Basic Loan, or 59.80 cents*)

Maximum permissible reduction of AWP 4.05

Step 2: (Marketing Subsidy)

AWP as percentage of basic loan (must not exceed 134%) 78.29%

A) Avg five N.Europe M.1-3/32" CIFs 56.20

L) Avg cheapest US M.1-3/32" CIFs 60.25

P) Theoretical value payable (L - A) 4.05

Official current rate payable through Thursday, December 01 3.73

No. of completed qualifying weeks 4

Step 3: (Import quota trigger) :-

R) USDA's estimated stock-to-use ratio 29.80%

S) To trigger a Step 3 quota, if (R) is greater than 16%, (L) must exceed (A)
and the value of the previous week's Step 2 payment for four consecutive weeks.

If (R) is less than 16%, the formula is (L) - (A).

Number of qualifying weeks to date. 2

Number of purchase quotas declared 2005/06:

Available purchase quota (bales of 480lbs)

AMERICAN PIMA COMPETITIVENESS PAYMENT

Basic Loan Trigger

P1) Cheapest competing foreign quote C/F Far East (week to date average) 121.50

P2) P1 adjusted for quality and transportation 116.05

P3) P2 value must be less than 134% of basic loan (82.45) 140.75%

Payment Calculation

P4) Friday/Thursday US Pima C/F Far Eastern Average 140.00

P5) Average cheapest competing foreign quote C/F Far East (adjusted for quality) 129.61

P6) Theoretical value (P4-P5) N/A

P7) No. of completed weeks. P4 must exceed P5 for four consecutive weeks. 0

P8) Official current rate payable through Thursday November 24 N/A