



US Price Mechanism

(Disclaimer Notified) Liverpool, July 22, 2005

Quotations in US cents per lb CIF CAD N. European ports, inc. commission
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US PRICE MECHANISM - 2004/2005 SEASON

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

A) Friday/Thursday average 5Middling Values	55.20	(55.56)
B) Fri/Thurs average 3 SLM values	53.25	(53.62)
E) Shipping, Loan Quality and Location differentials (52 week averages)	14.73	(14.81)
F) ADJUSTED WORLD PRICE (AWP) (A - E)	40.47	(40.75)
G) Coarse Adjustment (current values A-B-5.6)	- 3.65	(0.00)
H) Marketing Loan Gain (52.00 base loan minus AWP)	11.53	(11.25)

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 2.05

Step 2: (Marketing Subsidy)

AWP as percentage of basic loan (must not exceed 134%) 77.83%

A) Avg five N.Europe M.1-3/32" CIFs 53.65

L) Avg cheapest US M.1-3/32" CIFs 60.00

P) Theoretical value payable (L - A) 6.35

Q) Theoretical value payable Aug 4 (based forward values) 2.05

Official current rate payable through Thursday, July 21 6.69

No. of completed qualifying weeks 4

Step 3: (Import quota trigger) :-

R) USDA's estimated stock-to-use ratio 37.50%

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. 0

AMERICAN PIMA COMPETITIVENESS PAYMENT

Pima Spot Average 160.70

Today's cheapest competing foreign quote CIF N. Europe (adjusted for quality/transportation) 86.71

Theoretical foreign value as percentage of basic loan (must be less than 134%) 106.07%

T) Friday/Thursday Pima Spot Average 160.70

U) Average cheapest competing foreign quote CIF N. Europe (adjusted for quality/transportation) 86.71

V) Theoretical value (T-U) 73.99

No. of completed weeks. T must exceed U for four consecutive weeks. 4

Official current rate payable through Thursday July 28 74.79