



US Price Mechanism

(Disclaimer Notified) Liverpool, August 02, 2005

Quotations in US cents per lb CIF CAD N. European ports, inc. commission
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US PRICE MECHANISM - 2005/2006 SEASON

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

A) Friday/Thursday average 5 Middling Values	55.88	(55.56)
B) Fri/Thurs average 3 SLM values	54.11	(53.72)
E) Shipping, Loan Quality and Location differentials (52 week averages)	15.48	(14.73)
F) ADJUSTED WORLD PRICE (AWP) (A - E)	40.40	(40.08)
G) Coarse Adjustment (current values A-B-6)	-4.23	(0.00)
H) Marketing Loan Gain (52.00 base loan minus AWP)	11.60	(11.92)

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 2.79

Step 2: (Marketing Subsidy) CORRECTION

AWP as percentage of basic loan (must not exceed 134%) 76.90%

A) Average five N.Europe Middling 1-3/32" CIFs (includes 1 2004/05 Index value) 55.47

L) Average cheapest US Middling 1-3/32" CIFs (includes 1 2004/05 value) 59.67

P) Theoretical value payable (L - A) 4.20

Official current rate payable through Thursday, August 04 7.01

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

Number of purchase quotas declared 2004/05:

US Pima CIF N.Europe quote 112.00

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

T) Friday/Thursday US Pima CIF N.Europe Average 160.70

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

V) Theoretical value (T-U) N/A

No. of completed weeks. T must exceed U for four consecutive weeks. 0

Official current rate payable through Thursday August 4 73.99