



US Price Mechanism

(Disclaimer Notified) Liverpool, September 23, 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 Values)

A) Friday/Thursday average 5 Middling Values	55.45	(54.62)
B) Fri/Thurs average 3 SLM values	52.25	(51.80)
E) Shipping, Loan Quality and Location differentials (52 week averages)	15.48	(15.48)
F) ADJUSTED WORLD PRICE (AWP) (A - E)	39.97	(39.14)
G) Coarse Adjustment (current values A-B-6)	- 2.80	(0.00)
H) Marketing Loan Gain (52.00 base loan minus AWP)	12.03	(12.86)

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 4.55

Step 2: (Marketing Subsidy)

AWP as percentage of basic loan (must not exceed 134%) 76.87%

A) Avg five N.Europe M.1-3/32" CIFs 55.45

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

P) Theoretical value payable (L - A) 4.55

Official current rate payable through Thursday, September 29 4.33

No. of completed qualifying weeks 4

Step 3: (Import quota trigger) :-

R) USDA's estimated stock-to-use ratio 33.80%

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. 0

Number of purchase quotas declared 2005/06:

Available purchase quota (bales of 480lbs)

AMERICAN PIMA COMPETITIVENESS PAYMENT

US Pima CIF N.Europe quote 117.00

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

T) Friday/Thursday US Pima CIF N.Europe Average 117.00

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 September 29 N/A