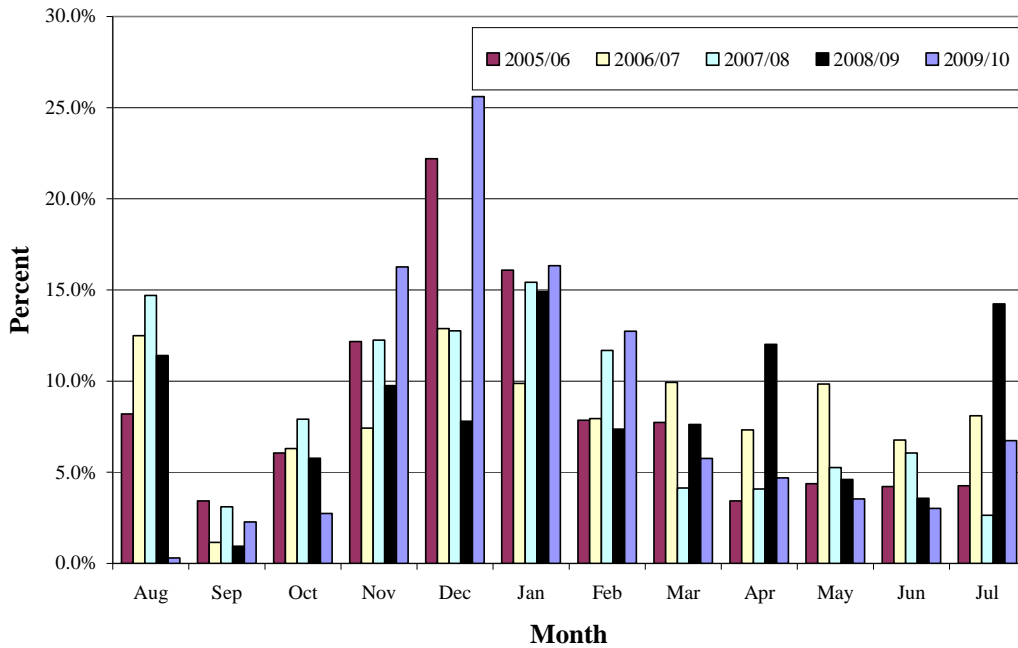


The monthly prices are weighted by marketings to determine a weighted MYA farm price. The months October through February carry the largest weights in the annual average. In fact, by the end of February, we typically have accounted for almost 75% of marketings (Exhibit 2).

Exhibit 2

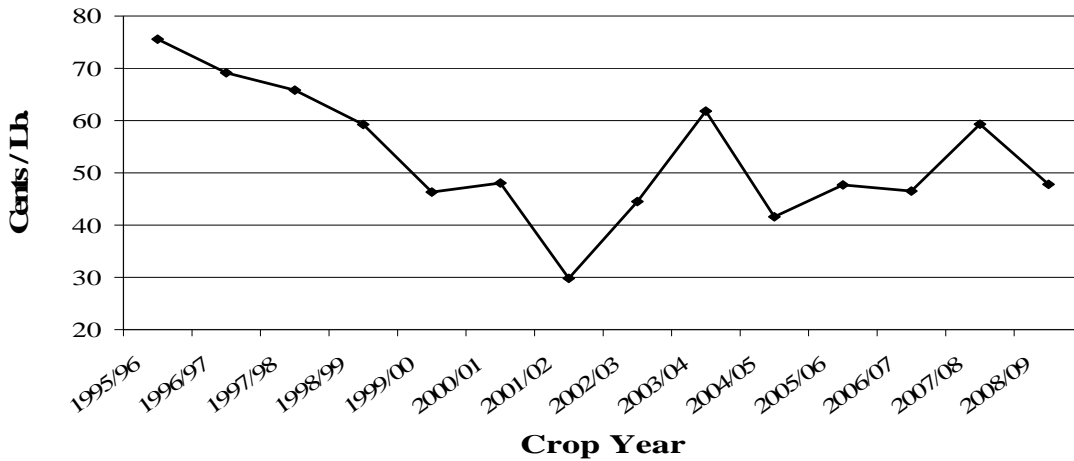
Percent Marketed By Month



In recent years, we have seen the MYA farm price move from a high of 75.60 cents per pound for the 1995/96 marketing year to 47.80 cents for the 2008/09 marketing year (Exhibit 3).

Exhibit 3

Season-Average Farm Price



For the 2009 marketing year, data for the month of August gives a preliminary weighted-average of 62.45 cents per pound (Exhibit 4). While the final CCP will not be determined until the final MYA farm price is known, the preliminary MYA farm price based on data through August would give a CCP of 2.13 cents.

Exhibit 4

FARM PRICES FOR UPLAND COTTON					
CROP YEAR 2009-10					
(Weighted by Marketings)					
	Marketings (000's of Running Bales)		Prices (Cents/Lb.)		Implied CCP **
	Monthly	Cumulative	Monthly	Weighted	
August	30	30	47.70	47.70	12.58
September	225	255	55.00	54.14	10.44
October	271	526	56.70	55.46	9.12
November	1,611	2,137	58.50	57.75	6.83
December	2,536	4,673	62.80	60.49	4.09
January	1,618	6,291	60.60	60.52	4.06
February	1,262	7,553	65.00	61.27	3.31
March	570	8,123	64.50	61.49	3.09
April	465	8,588	66.20	61.75	2.83
May	351	8,939	66.00	61.92	2.66
June	299	9,238	67.60	62.10	2.48
July	667	9,905	67.30	62.45*	2.13
August	NA	NA	62.60	NA	

USDA-NASS

*Weighted price is a preliminary estimate

** Unofficial estimate based on price to date

Relationship Between NASS Farm Price and NY Nearby Futures

While there is no exact relationship between NASS's MYA farm price and NY futures, the futures market can be used as a guide for anticipating the farm price. Historically, the average farm price runs 5-9 cents below the nearby NY futures contract (Exhibit 5).

Exhibit 5

Nearby Futures-MYA Price												
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
99/00	0.11	7.68	6.78	6.79	6.96	11.97	10.97	13.29	11.81	13.44	14.06	11.39
00/01	12.90	13.82	7.95	8.54	7.76	8.44	8.80	9.60	3.95	3.32	3.30	3.04
01/02	3.21	0.45	0.69	7.12	5.87	9.58	7.86	9.71	8.98	9.08	7.24	10.75
02/03	10.14	6.59	5.11	4.81	5.73	5.54	5.38	9.59	11.87	7.36	8.38	12.94
03/04	9.83	6.74	6.98	9.69	8.10	11.93	6.24	4.81	1.40	3.23	-6.70	-6.85
04/05	-1.52	0.29	-4.10	2.72	3.97	7.46	7.37	11.66	12.96	12.98	6.44	9.92
05/06	5.98	5.81	5.90	1.77	5.13	7.09	7.59	3.77	3.32	4.36	3.51	5.29
06/07	9.46	3.32	3.48	1.17	5.73	4.95	6.14	7.31	4.14	5.21	8.54	17.91
07/08	7.31	9.00	8.51	4.36	5.91	7.70	8.52	14.99	5.82	5.08	5.87	4.56
08/09	13.45	-0.22	-8.23	-12.63	-8.02	3.04	4.44	2.56	4.92	18.30	9.11	15.68
09/10	10.90	5.32	4.36	13.99	11.86	11.29	9.46	16.78	15.20	15.49	13.83	11.75
10/11	24.06											
AVG 01-09	7.64	4.14	2.52	3.67	4.92	7.62	7.00	9.02	7.62	9.01	6.25	9.11