
**USER'S GUIDE TO
THE ONLINE
INTERNATIONAL PRICE PROFILING
SYSTEM (IPPS)**

Table of Contents

1	Introduction	1
2	Accessing the online International Price Profiling System ...	2
3	Using the International Price Profiling System	4
APPENDIX A		
	Abbreviations for Units of Quantity	12
APPENDIX B		
	Conversion Table	13

1. Introduction

The "International Price Profiling System" (IPPS) is a risk-based analysis system that evaluates the risk characteristics of prices related to international trade transactions. It may be employed to evaluate transactions that have a risk of being related to money laundering, terrorist financing, income tax evasion, and import duty fraud.

Money is moved across borders through false invoicing of import or export transactions. Money is moved out of a country by under-invoicing exports or over-invoicing imports. Money is moved into a country by over-invoicing exports or under-invoicing imports.

The IPPS evaluates an international trade price based on four (4) different filters.

World	5th and 95th Percentile
Country	5th and 95th Percentile
World	Mean (-) and (+) 2 Standard Deviations
Country	Mean (-) and (+) 2 Standard Deviations

The statistical filters are calculated from 12 months of international trade transaction data as reported by the United States Department of Commerce.

The IPPS analysis evaluates an international trade price and produces a "Risk Index" that may range between "-4" and "+4". A negative "Risk Index" reflects the potential of money being moved out of the United States to a foreign country. A positive "Risk Index" reflects the potential of money being moved into the United States from a foreign country. The magnitude of the "Risk Index" reflects the probability or likelihood that a price is over-valued or under-valued, and is determined in the following manner:

<u>Risk Index</u>	<u>Analysis</u>	<u>Interpretation of Price Abnormality</u>
-4	Violates 4 Filter Prices	\$ Moved Out - Very Extreme Indication
-3	Violates 3 Filter Prices	\$ Moved Out - Extreme Indication
-2	Violates 2 Filter Prices	\$ Moved Out - Moderate Indication
-1	Violates 1 Filter Price	\$ Moved Out - Slight Indication
0	Violates 0 Filter Prices	No Risk of \$ Moved Out or In
+1	Violates 1 Filter Price	\$ Moved In - Slight Indication
+2	Violates 2 Filter Prices	\$ Moved In - Moderate Indication
+3	Violates 3 Filter Prices	\$ Moved In - Extreme Indication
+4	Violates 4 Filter Prices	\$ Moved In - Very Extreme Indication

2. Accessing the Online IPPS

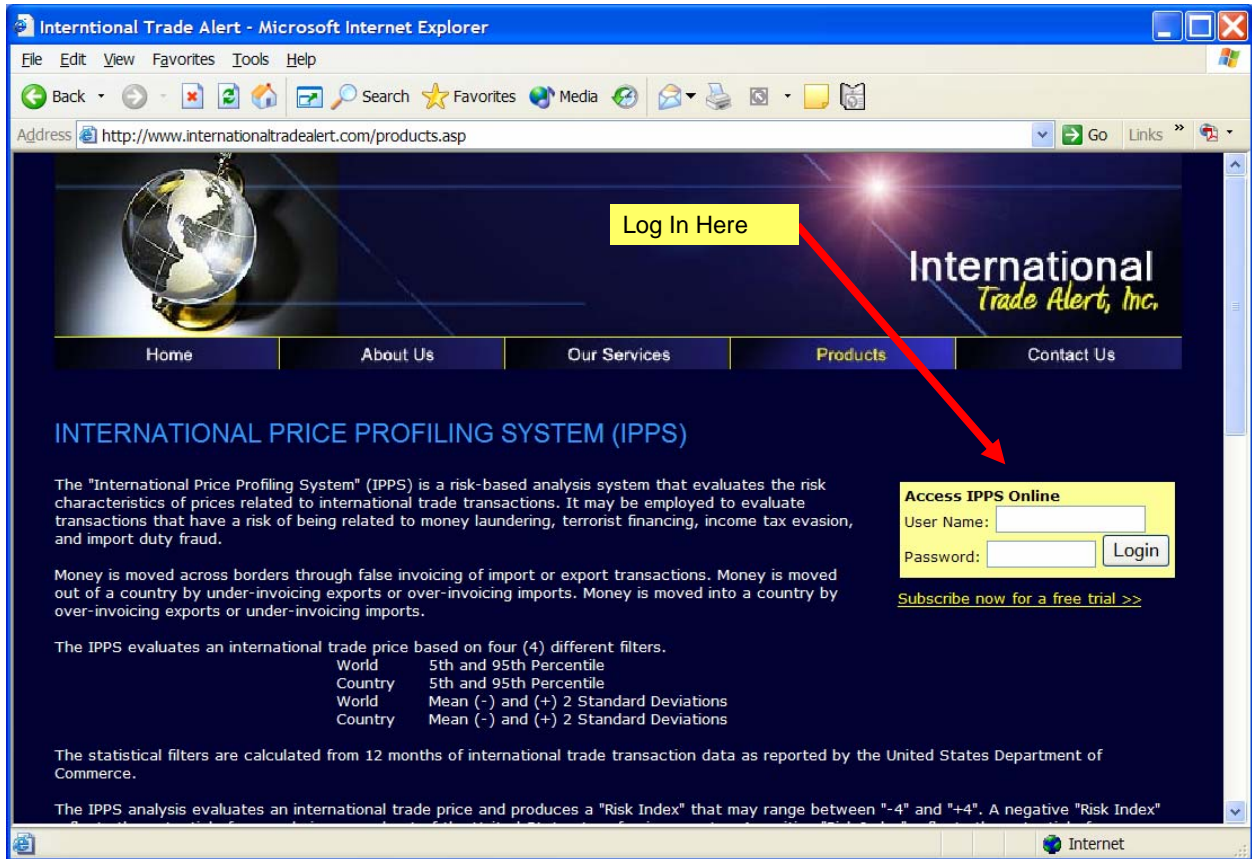
The International Price Profiling System is available online on the International Trade Alert website. To access the online IPPS, an internet connection is required.

<http://www.internationaltradealert.com>

From the Home page, select Products.



On the Products page, log on to the IPPS, as shown below.



3. Using the IPPS

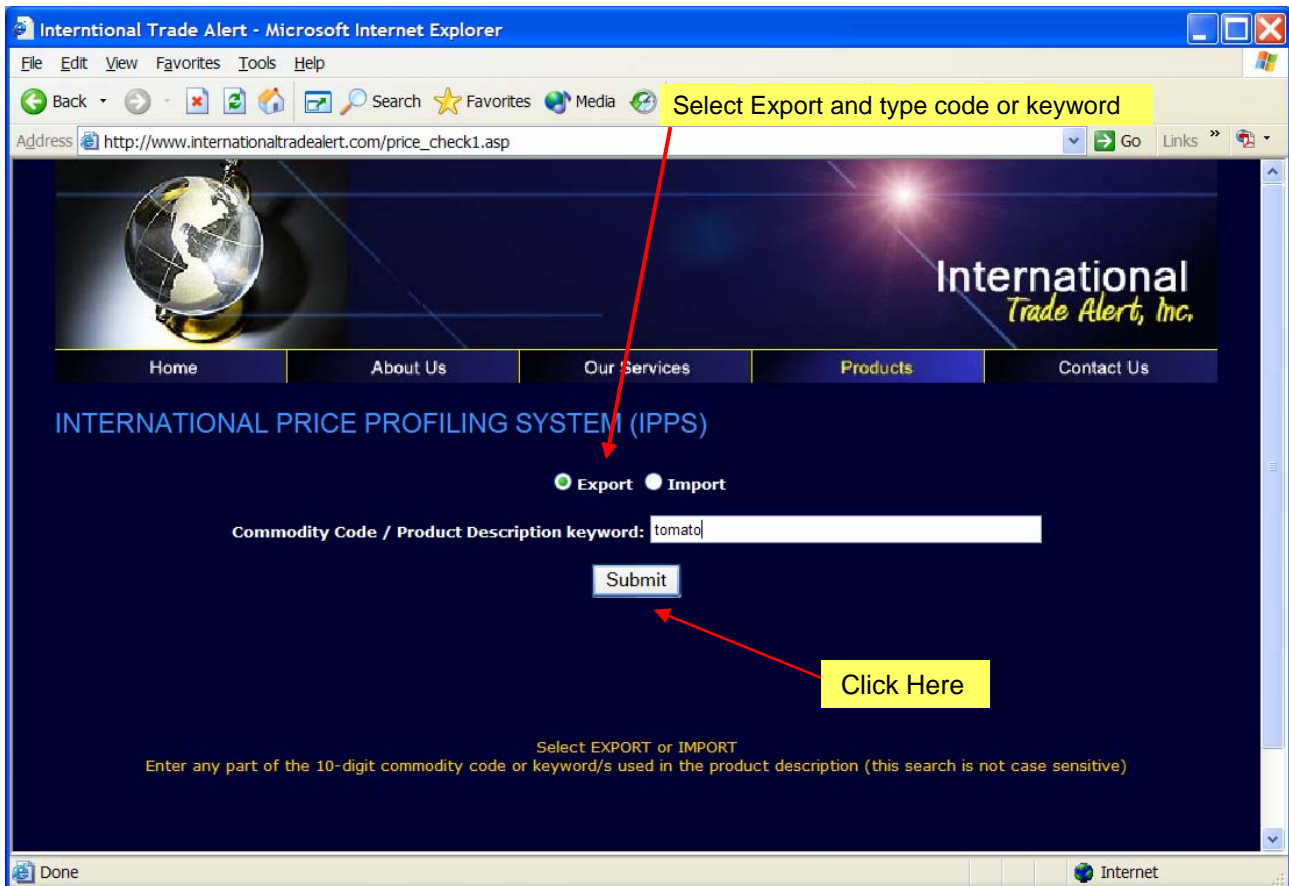
Once logged in, you will get the screen as shown below. Here you have to select either Export or Import and enter the commodity code in the box below. If you do not know the 10 digit commodity code, you may search for it by using any keyword which is part of the product description. You may also search for a commodity by using any part of the 10 digit commodity code.



To check prices for products exported/imported from the US

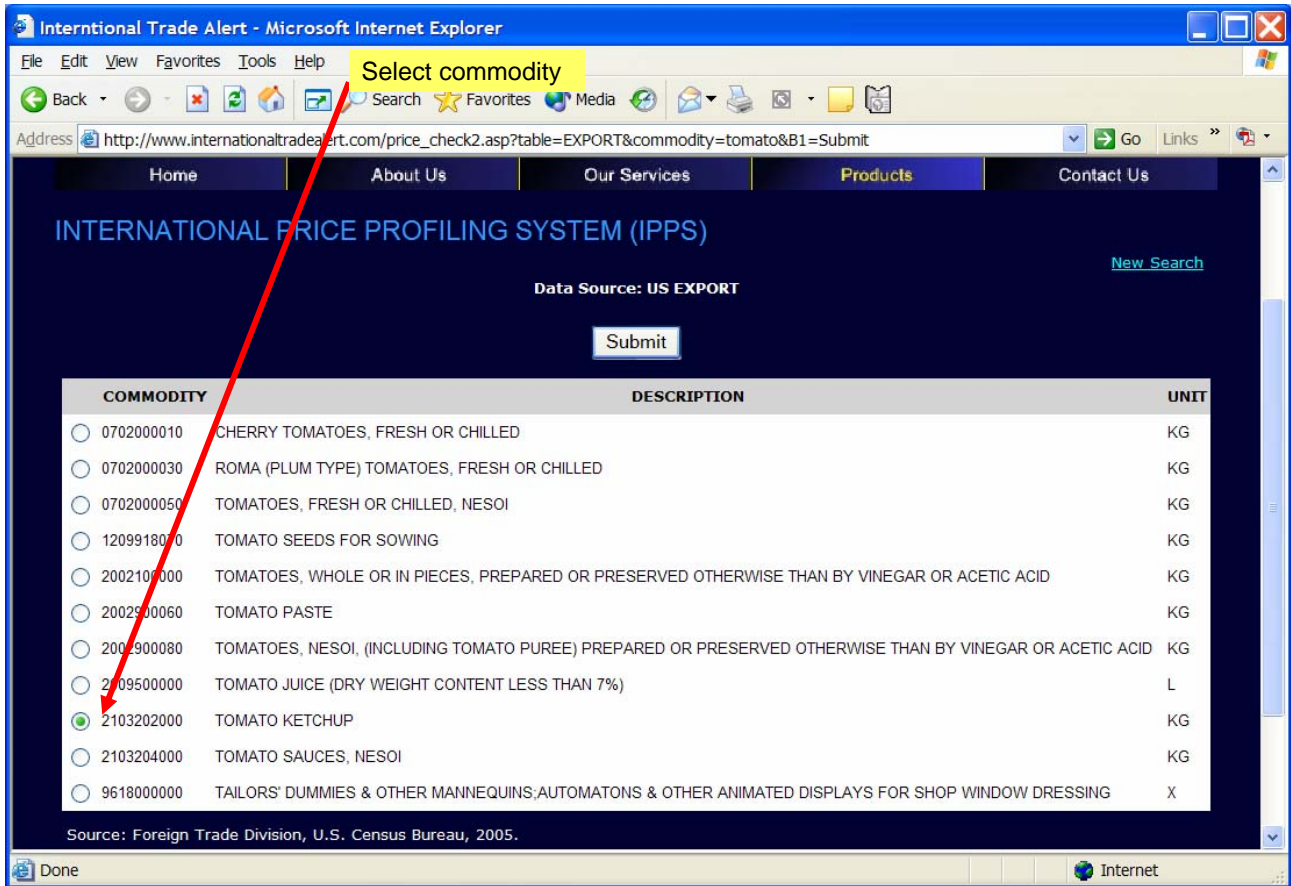
For this example we are going to use tomato ketchup exported to Kuwait.

To start, select Exports, as shown below. Next, enter the 10-digit export commodity code for Tomato Ketchup or if it is not known, you may search for it by typing “tomato” as shown below. Then press the Submit button.



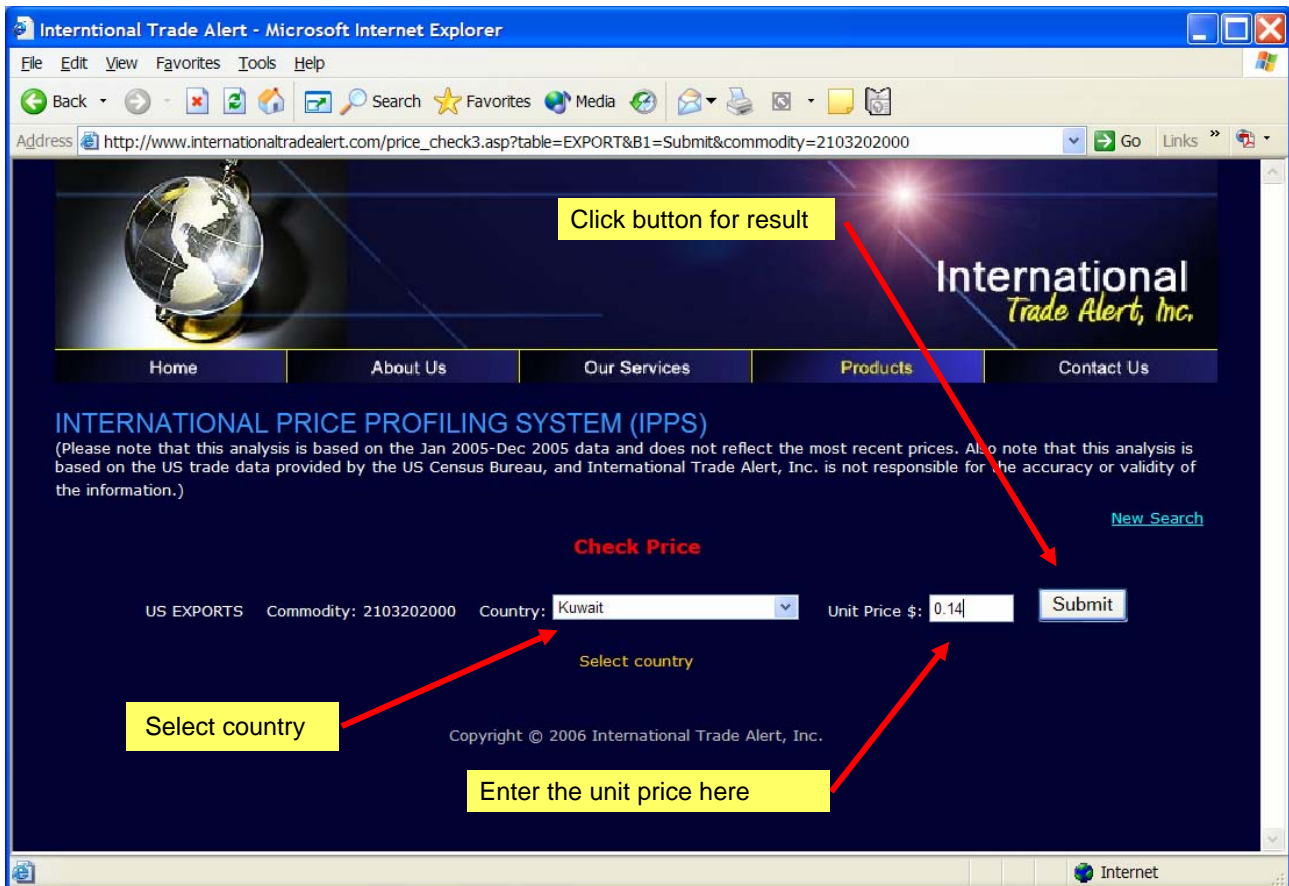
Please note that export and import commodity codes are not the same. The U.S. defines products using 10-digit HTS codes. Exports codes (which the U.S. calls Schedule B) are administered by the U.S. Census Bureau. Import codes are administered by the U.S. International Trade Commission (USITC).

The next screen shows all the commodity codes containing the keyword “tomato” in the product description. Select the one you are interested in from the choices and click on the submit button.



On the next screen, select the country the product is being exported to from the choices provided, enter the unit price and click the submit button.

Note that only those countries that this particular product had been exported to in the last 12 months will show up in the pull-down list. If the country you are interested in is not on this list, you may still select any one of the available countries to view the world prices, but a risk index will not be provided.



This is the final screen which displays the analysis and the risk index.

The world statistics are displayed on the left and the country statistics are displayed on the right. Please make sure that the unit price entered matches the unit of measure for the product.

The screenshot shows a web browser window titled "International Trade Alert - Microsoft Internet Explorer". The address bar contains the URL: http://www.internationaltradealert.com/price_check3.asp?table=EXPORT&commodity=2103202000&CTY_DESC=KUWAIT&. The main content area is titled "Check Price" and displays the following information:

US EXPORTS Commodity: 2103202000 Country: Kuwait Unit Price \$: 0.14 Submit

TOMATO KETCHUP (Unit: KG)

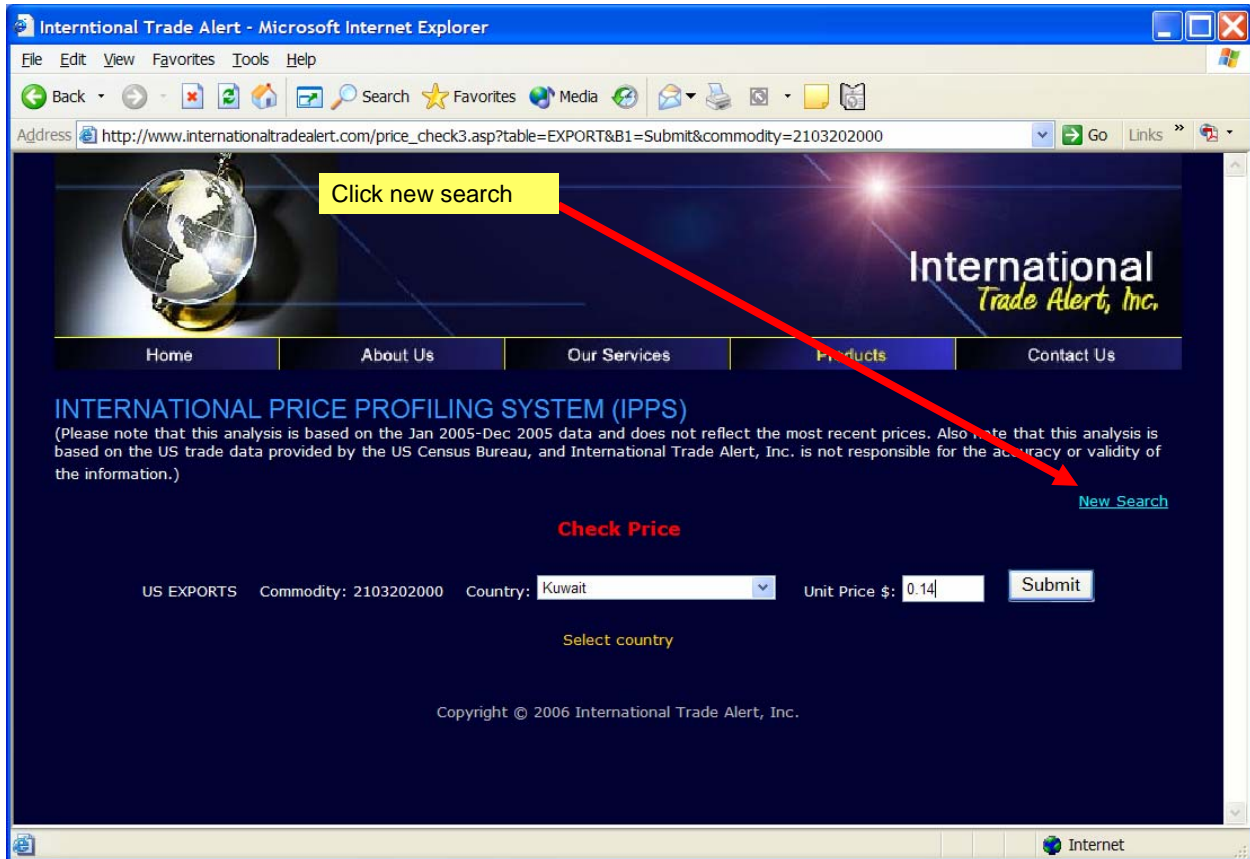
WORLD	KUWAIT
Transactions: 2378	Transactions: 26
95th Percentile: \$ 1.28	95th Percentile: \$ 2.53
MEDIAN: \$ 0.81	MEDIAN: \$ 0.58
5th Percentile: \$ 0.55	5th Percentile: \$ 0.51
Mean + 2SD: \$ 2.20	Mean + 2SD: \$ 3.55
MEAN: \$ 0.81	MEAN: \$ 0.76
Mean - 2SD: \$ 0.30	Mean - 2SD: \$ 0.16

Risk Index = - 4

RISK INDEX: 4=Highest Risk, 1=Lowest Risk, 0=No Risk
("+ " is money moved into the US, "- " is money moved out of the US)

Data Source: US Trade January 2005 - December 2005

To perform a new commodity price check, click on the “New Search” link as shown below.



Explanation of why sometimes no analysis is available.

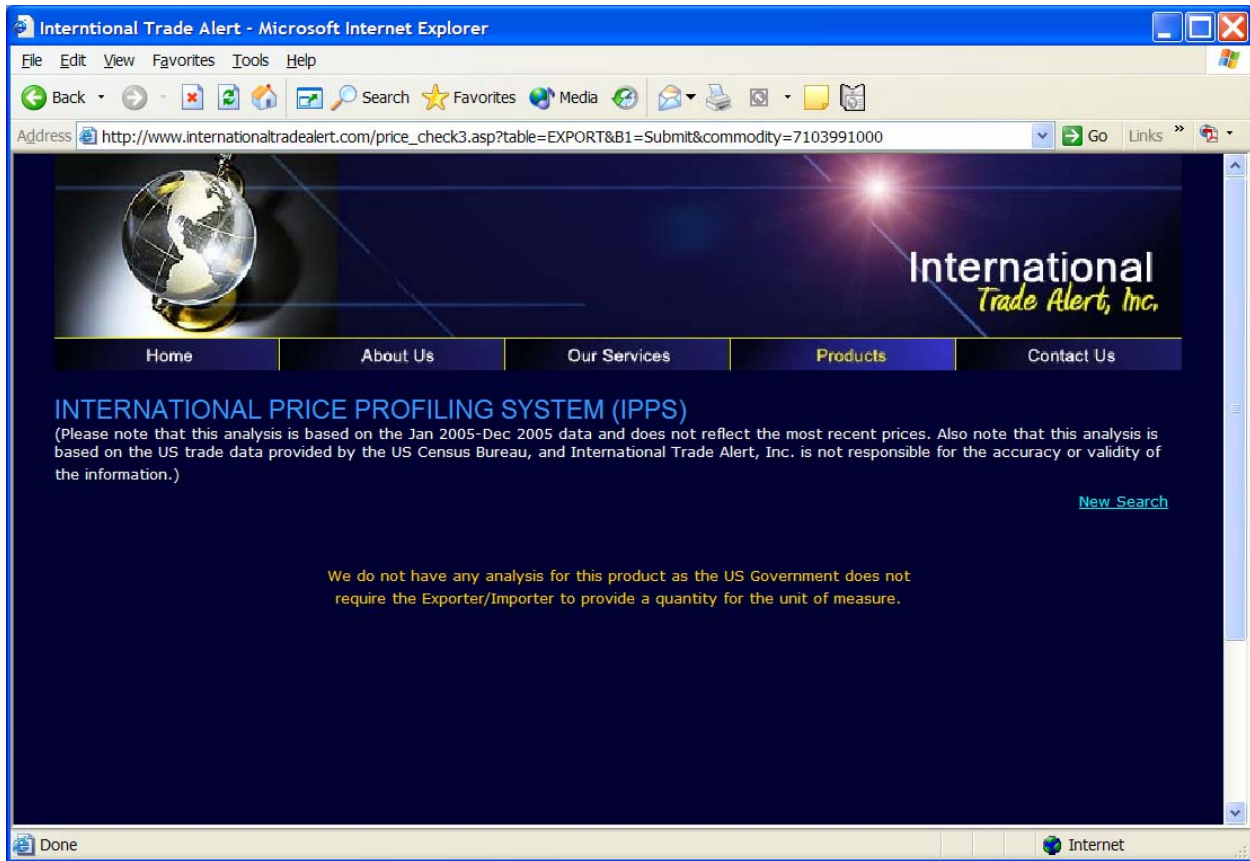
As an example if the items shown below is selected (note this commodity has “X” as an unit of measure).

The screenshot shows the 'International Trade Alert' website in Microsoft Internet Explorer. The address bar shows the URL: http://www.internationaltradealert.com/price_check2.asp?table=EXPORT&commodity=gems. The page features a navigation menu with 'Home', 'About Us', 'Our Services', 'Products', and 'Contact Us'. Below the menu is the 'INTERNATIONAL PRICE PROFILING SYSTEM (IPPS)' section, with a 'Data Source: US EXPORT' and a 'Submit' button. A table of commodities is displayed, with a red arrow pointing to the first row. A yellow box labeled 'Selected item' is positioned above the arrow.

COMMODITY	DESCRIPTION	UNIT
<input type="radio"/> 3926004000	IMITATION GEMSTONES	X
<input checked="" type="radio"/> 7103991000	GEMSTONES, NESOI, CUT BUT NOT SET SUITABLE FOR USE IN JEWELRY	X
<input type="radio"/> 7103995000	GEMSTONES, NESOI OTHERWISE WORKED NOT SUITABLE FOR USE IN JEWELRY	X
<input type="radio"/> 7104200000	SYNTHETIC OR RECONSTRUCTED GEMSTONES UNWORKED OR SIMPLY SAWN OR ROUGHLY SHAPED	X
<input type="radio"/> 7104901000	SYNTHETIC OR RECONSTRUCTED GEMSTONES CUT BUT NOT SET AND SUITABLE FOR USE IN THE MANUFACTURE OF JEWELRY	NO
<input type="radio"/> 7104905000	SYNTHETIC OR RECONSTRUCTED GEMSTONES WORKED BUT NOT SUITABLE FOR USE IN JEWELRY	X

Source: Foreign Trade Division, U.S. Census Bureau, 2005

For the selected item from the previous page, no analysis is provided, as shown below. The reason for this is the US government does not require the Exporter or Importer to provide a quantity for the unit of measure. Hence no unit price calculations can be provided.



Appendix A: Abbreviations for Units of Quantity

Abbreviations	Quantity
BBL	Barrels
CAR	Carat
CKG	Content Kilogram
CM2	Square Centimeters
CGM	Content Gram
CTN	Content Metric Ton
CYK	Clean Yield Kilogram
DOZ	Dozen
DPC	Dozen Pieces
DPR	Dozen Pair
DS	Doses
FBM	Fiber Meter
GBQ	Gigabecquerels
GCN	Gross Containers
GM	Gram
GRL	Gross Lines
GRS	Gross
HUN	Hundreds
JWL	Jewel
KG	Kilogram
KM3	Cubic Kilometers
KTS	Kilogram Total Sugars
L	Liters
LNM	Linear Meters
M	Meters
M2	Square Meters
M3	Cubic Meters
MBQ	Megabecquerels
MWH	Megawatt Hours
NO	Number
ODE	Ozone Depletion Equivalent
PCS	Pieces
PFL	Proof Liter
PK	Pack
PRS	Pairs
SQ	Square
T	Metric Tons
THM	Thousand Meters
THS	Thousand
X	No First Unit Of Qty

Appendix B: Conversion Table

Reported Units of Quantity Name (Abbreviation)	HS Units of Quantity Name (Abbreviation)	Multiplication Factor to Convert Reported Units to HS Units
	Thousand cubicmeters	
Barrel (BBL)	(TCM)	0.000159
Barrel (BBL)	Liter (LTR)	159
Cubic foot (CF)	Cubic meter (CBM)	0.02832
Cubic yard (CYD)	Cubic meter (CBM)	0.7646
Content pound (CLB)	Content kilogram (CKG)	0.4536
Content pound (CLB)	Clean yield kilogram (CYK)	0.4536
Clean yield pound (CYP)	Clean yield kilogram (CYK)	0.4536
Clean yield pound (CYP)	Kg dry rubber content (KDR)	0.4536
Content ton (CTN)	Content metric ton (CTN)	0.9072
Content short ton (CST)	Content metric ton (CTN)	0.9072
Cord (CD)	Cubic meter (CBM)	2.55
Centimeter (CM)	Meter (MTR)	0.01
Cubic centimeter (CC)	Liter (LTR)	0.001
Cubic meter (CBM)	Liter (LTR)	1000
	Thousand cubic meters	
Cubic meter (CBM)	(TCM)	0.001
Millicurie (MC)	Curie (CUR)	0.001
Curie (CUR)	Millicurie (MC)	1000
Dozen (DOZ)	Pieces (PCS)	12
Dozen (DOZ)	Dozen pair (DPR)	0.5
Dozen (DOZ)	Gross (GR)	0.08333
Dozen (DOZ)	Thousand (THS)	0.012
Dozen (DOZ)	Number (NO)	12
Dozen pair (DPR)	Dozen (DOZ)	2
Foot (FT)	Meter (MTR)	0.3048
Gallon (GAL)	Liter (LTR)	3.785
Gallon (GAL)	Barrel (BBL)	0.02381
Gram (GM)	Kilogram (KG)	0.001
Gross (GR)	Number (NO)	144
Gross (GR)	Gross pair (GRP)	0.5
Gross boxes (GBX)	Gross cartons (GCN)	1
Gross pound (GLB)	Gram (GM)	453.6
Gross pound (GLB)	Gross kilogram (GKG)	0.4536
Gross pound (GLB)	Kilogram (KG)	0.4536
Gross metric ton (GTN)	Metric Ton (TON)	1
Hundredweight (CWT)	Kilogram (KG)	45.36
Hundredweight (CWT)	Metric Ton (TON)	0.04536
Kilogram (KG)	Metric ton (TON)	0.001
Kilogram (KG)	Gram (GM)	1000
Linear feet (LFT)	Meter (MTR)	0.3048
Long ton (LTN)	Kilogram (KG)	1016
Long ton (LTN)	Metric Ton (TON)	1.016
Liter (LTR)	Cubic meter (CBM)	0.001
Meters (MTR)	Thousand meters (THM)	0.001
Metric ton (TON)	Kilogram (KG)	1000

Metric ton (TON)	Gross metric ton (GTN)	1
Metric ton (TON)	Barrel (BBL)	7.33331
Number (NO)	Gross (GRS)	0.006944
Number (NO)	Gross pair (GPR)	0.003472
Number (NO)	Pieces (PCS)	1
Number (NO)	Thousand (THS)	0.001
Ounces (OZ)	Kilogram (KG)	0.02835
Ounces (OZ)	Grams (GM)	28.35
Pound (LB)	Carat (CAR)	2268
Pound(LB)	Gram (GM)	453.6
Pound (LB)	Kilogram (KG)	0.4536
Pound (LB)	Metric Ton (TON)	0.0004536
Pound (LB)	Gross kilogram (GKG)	0.4536
Pound (LB)	Gross ton(GTN)	0.0004536
Pieces (PCS)	Number (NO)	1
Proof gallon (PFG)	Proof liter (PFL)	3.785
Pair (PR)	Dozen (DOZ)	0.1667
Square centimeter (SCM)	Square meter (SQM)	0.0001
Square meter (SQM)	Square centimeter (SCM)	10000
Square feet (SFT)	Square meter (SQM)	0.0929
Square inch (SQT)	Square meter (SQM)	0.0006452
Square (SQ)	Square (SQ)	1
Square inch (SQT)	Square centimeter (SCM)	6.452
Square yard (SYD)	Square meter (SQM)	0.8361
Short ton (STN)	Kilogram (KG)	907.2
Short Ton (STN)	Metric Ton (TON)	0.9072
Short Ton (STN)	Gross Ton (GTN)	0.9072
Thousand cubic meters (TCM)	Cubic meters (CBM)	1000
Thousand meters (THM)	Meters (MTR)	1000
Thousand (THS)	Number (NO)	1000
Thousand square ft (MSF)	Square meter (SQM)	92.9
Thousand cubic feet (MCF)	Thousand cubic meters (TCM)	0.02832
Thousand linear feet (MLF)	Linear meter (LNM)	304.8
Troy ounce (TOZ)	Gram (GM)	31.1
Troy ounce (TOZ)	Gross kilogram (GKG)	0.0311
Wine gallon (WG)	Liter (LTR)	3.785
Yard (YD)	Meter (MTR)	0.9144