

RPowerD™ - Alternative Price Discovery Periods win the day

June 11, 2019

Congratulations to those who used RPowerD Alternative Price Discovery Period intervals on the corn crop we are planting now. 2019 Corn Projected Price (the February average) was \$4.00. As you can see from the table, those who picked growing season intervals for 2019 now have a higher Minimum Revenue Guarantee than projected price. If the first half of June average ends up at \$4.34 and you have a 180 bu/ac APH with an 85% policy, you are looking at an extra \$32/acre Minimum Revenue Guarantee. Another way to look at it, in our example, a grower will be paid \$4.34 for every lost bushel vs. \$4.00.

December 2019 Futures interval averages	
May 1 - May 31, 2019	\$4.01
May 16 - May 31, 2019	\$4.20
June 1 - 15 - MTD	\$4.34

Prevent Plant / Late Plant impact on RPowerD - The RPowerD policy will use the Approved Yield in effect for RP. This means RPowerD has the same prorated drop off in guarantee (1%/day) during the late plant period as RP. RPowerD does not attach to Prevent Plant acres.

Well done! Peace of Mind delivered! Bottom side price risk locked out. Minimum Revenue that covers expected cost for 2020 Corn secured. Upside wide open! No delivery obligations. No cash flow issues. All this for 8-13 cts/bu at the 85% level. Last week's Power Play version of the Revenue Power Guide was a call to action and many agents responded with quotes and execution when December 2020 corn was \$4.20 and higher. Adding March, April, May, and June Alternative Price Discovery Periods for just 3-4 cts/bu more sets up the grower with protection right when market volatility is expected to be the highest. Some even chose to use the two week windows as opposed to full month intervals, not a bad idea. Find the link to the Power Play [here](#). There are still opportunities to execute this strategy so don't miss out.

The difference in results between Full month and Half month Interval performance are shown below. The Intervals recommended are from last week's Power Play.

Full Month Mar, April, May, June Intervals	RP Projected	Harvest Price	Amount Over RP Projected Price	Amount Over Harvest Price	
1998	\$2.81	\$2.84	\$2.19	-\$0.03	\$0.62
1999	\$2.44	\$2.40	\$2.01	\$0.04	\$0.43
2000	\$2.57	\$2.51	\$2.04	\$0.06	\$0.53
2001	\$2.41	\$2.46	\$2.08	-\$0.05	\$0.33
2002	\$2.29	\$2.32	\$2.52	-\$0.03	-\$0.23
2003	\$2.43	\$2.42	\$2.26	\$0.01	\$0.17
2004	\$3.17	\$2.83	\$2.05	\$0.34	\$1.12
2005	\$2.41	\$2.32	\$2.02	\$0.09	\$0.39
2006	\$2.74	\$2.59	\$3.03	\$0.15	-\$0.29
2007	\$4.05	\$4.06	\$3.58	-\$0.01	\$0.47
2008	\$7.30	\$5.40	\$4.13	\$1.90	\$3.17
2009	\$4.42	\$4.04	\$3.72	\$0.38	\$0.70
2010	\$3.97	\$3.98	\$5.46	-\$0.01	-\$1.49
2011	\$6.69	\$6.01	\$6.32	\$0.68	\$0.37
2012	\$5.59	\$5.68	\$7.50	-\$0.09	-\$1.91
2013	\$5.58	\$5.65	\$4.39	-\$0.07	\$1.19
2014	\$5.03	\$4.62	\$3.49	\$0.41	\$1.54
2015	\$4.11	\$4.15	\$3.83	-\$0.04	\$0.28
2016	\$4.19	\$3.86	\$3.49	\$0.33	\$0.70
2017	\$3.91	\$3.96	\$3.49	-\$0.05	\$0.42
2018	\$4.19	\$3.96	\$3.68	\$0.23	\$0.51
% of time Intervals over	57%	81%	\$0.39	\$0.76	
% of time over both	52%				

Split Month Mar, April, May, June Intervals	RP Projected	Harvest Price	Amount Over RP Projected Price	Amount Over Harvest Price	
1998	\$2.86	\$2.84	\$2.19	\$0.02	\$0.67
1999	\$2.47	\$2.40	\$2.01	\$0.07	\$0.46
2000	\$2.62	\$2.51	\$2.04	\$0.11	\$0.58
2001	\$2.48	\$2.46	\$2.08	\$0.02	\$0.40
2002	\$2.33	\$2.32	\$2.52	\$0.01	-\$0.19
2003	\$2.45	\$2.42	\$2.26	\$0.03	\$0.19
2004	\$3.29	\$2.83	\$2.05	\$0.46	\$1.24
2005	\$2.45	\$2.32	\$2.02	\$0.13	\$0.43
2006	\$2.80	\$2.59	\$3.03	\$0.21	-\$0.23
2007	\$4.07	\$4.06	\$3.58	\$0.01	\$0.49
2008	\$7.67	\$5.40	\$4.13	\$2.27	\$3.54
2009	\$4.63	\$4.04	\$3.72	\$0.59	\$0.91
2010	\$4.02	\$3.98	\$5.46	\$0.04	-\$1.44
2011	\$6.91	\$6.01	\$6.32	\$0.90	\$0.59
2012	\$5.81	\$5.68	\$7.50	\$0.13	-\$1.69
2013	\$5.64	\$5.65	\$4.39	-\$0.01	\$1.25
2014	\$5.04	\$4.62	\$3.49	\$0.42	\$1.55
2015	\$4.12	\$4.15	\$3.83	-\$0.03	\$0.29
2016	\$4.30	\$3.86	\$3.49	\$0.44	\$0.81
2017	\$3.97	\$3.96	\$3.49	\$0.01	\$0.48
2018	\$4.19	\$3.96	\$3.68	\$0.23	\$0.51
% of time Intervals over	90%	81%	\$0.32	\$0.85	
% of time over both	71%				

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