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## RPowerD™ - Use Market Price Opt-in to Capture Rallies Over Projected Price

MTD Feb average for 2019 Midwest corn is calculated at \$4.00 vs \$3.96 projected and \$3.68 harvest price in 2018 with 2019 volatility continuing to stay at 15%.

MTD Feb average for 2019 Midwest soybeans is calculated at \$9.54 vs \$10.16 projected and \$8.60 harvest price in 2018 with 2019 volatility at 12% vs 13% last year.

Last issue we talked about how buying the growing season May, June and July (plus Aug for soybeans) alternative discovery periods raised the price used in the RPowerD Revenue Trigger an average of 46 cts/bu over projected price 14 out of 21 years for corn. For soybeans, it was 18 out of 21 years for an average of 96 cts/bu over projected price.

As we type this RPG letter, soybeans and corn appear to be getting some footing as the time is upon us to begin a season trend higher into spring. If markets keep up their momentum like they did last year, we may get corn 10-20 cts/bu and soybeans 20-40 cts/bu higher than the projected price on any given day. By opting-In to RPowerD Market Price, producers can lock in the higher price up to the RPowerD SCD.

RPowerD Market Price is defined as the previous trading sessions' closing price. From midnight each trading session day the new RPowerD Market Price is available for quoting until 11:59 pm. Once a quote is established, the producer has until midnight the next day to purchase the quote. This effectively gives the producer a two trading-session look back to establish the minimum price that will be used to create their revenue trigger.

Market Price can be opted-in to on new RPowerD policies or added to an existing policy up until the sales closing date. Those who opted-in to Market Price at lower levels can do a policy re-price to buy up their coverage price, until the SCD, whenever the market presents a more desirable price.

The final price that will be used to create the RPowerD revenue trigger will be the highest of:

1. Market Price (if opted-in)
2. Alternative Price Discovery Periods selected (if any)
3. Additional Price Coverage selected (if any – this is a guaranteed min. premium to projected price)

RPowerD "Market Price" Opt-in, Opt-out toggle is located on the left side of the estimator right below Maximum Price Movement Limit

RPowerD "Market Price" in effect for the day is stated here:

Max Price Movement Limit

\$1.00

Use Market Price Market Price \$9.4575 Avg Price MTD \$9.4575

Opt-In

Weighted Avg Rate Yield

45

Weighted Avg Approved Yield

48

Contact your AIP rep to create your sign in credentials or you can click the "Forgot password" link to reset your password. W&A Help Desk can be reached at [privateproducts@wattsandassociates.com](mailto:privateproducts@wattsandassociates.com)

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7101 82nd St. Lubbock, Texas 79424

800-335-0120

RPowerD@armt.com

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