

## **PM-16-049**

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Date

September 19, 2016

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Thomas W. Worth, Acting Deputy Administrator

Subject

2017 Crop Year (CY) Malting Barley Endorsement Projected Price Component and Volatility Factor and 2017 CY Margin Protection Plan Projected Prices and Volatility Factors

Malting Barley Endorsement

The Malting Barley Endorsement (MBE) utilizes a Chicago Board of Trade (CBOT) soft red wheat price component to derive the 2017 CY projected price for any insured whose malt barley contract provides for a premium amount above or below a base price to be determined, and whose base price is not determined by the acreage reporting date. Please see the MBE for details: [www.rma.usda.gov/policies/2017/17-0091b.pdf](http://www.rma.usda.gov/policies/2017/17-0091b.pdf).

<b>Malt Barley Type</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price Component</b>	<b>Volatility Factor</b>
Fall Planted Type	CBOT	September SRW Wheat	\$4.74/bushel	0.21

## Margin Protection Plan\*

The following 2017 CY margin projected prices and volatility factors are approved for the Margin Protection Plan. The margin projected price is used in conjunction with projected input prices and the expected county yield to derive the expected margin (per acre), trigger margin (per acre) and liability. The expected margins for each crop/county are available at the following web page on RMA's public website: [webapp.rma.usda.gov/apps/actuarialinformationbrowser/](http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/). Please see the following web page on RMA's public website for program details: [www.rma.usda.gov/policies/mp/index.html](http://www.rma.usda.gov/policies/mp/index.html).

<b>Crop/State(s)/Type</b>	<b>Exchange</b>	<b>Contract</b>	<b>Margin Projected Price</b>	<b>Volatility Factor</b>
Corn - Grain Type Iowa	CBOT	December Corn	\$3.74/bushel	0.20
Soybeans Iowa	CBOT	November Soybeans	\$9.38/bushel	0.18
Wheat - Hard Red Spring Type Minnesota, Montana, North Dakota & South Dakota	MGE	September HRS Wheat	\$5.40/bushel	0.20

Crop/State(s)/Type	Exchange	Contract	Margin Projected Price	Volatility Factor
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\* Note: For the Margin Protection Plan commodities corn, soybeans, and wheat, with a projected price discovery period of August 15, 2016 - September 14, 2016, MAP/DAP and Urea fertilizer prices used in the computation of projected margins were not available as a result of no trading activity for the May 2017 fertilizer contracts on the Freight Investor Services data source indicated in the Margin Price Provisions (MPP). In accordance with Section 2(f) of the Margin Protection Plan policy provisions, if one or more projected input prices cannot be determined, the margin projected price and the margin harvest price for that input will be set to zero for the crop year. Thus, projected and harvest Margin Protection urea and DAP/MAP prices for the 2017 crop year for corn, soybeans, and wheat will both be set to zero, and receive zero volatility for those components. The remaining components of expected and final costs will be determined and published as per the MPP.

DISPOSAL DATE December 31, 2016