

PM-21-003

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Date

January 15, 2021

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy

Subject

2021 Crop Year (CY) Common Crop Insurance Policy and Margin Protection Projected Prices and Volatility Factors

Common Crop Insurance Policy ¹

The 2021 CY **projected prices** shown below are approved for the Yield Protection, Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The 2021 CY **volatility factors** shown below are approved for the Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The projected prices and volatility factors apply to policies with a **January 31 sales closing date** and are applicable for the crops, types, practices and states indicated below:

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn Texas	CBOT	September Corn	\$4.43/bu.	0.23
Corn – Organic Practice ² Texas	CBOT	September Corn	\$9.25/bu.	0.23

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Cotton Texas	ICE	December Cotton	\$0.75/lb.	0.17
Cotton – Organic Practice² Texas	ICE	December Cotton	\$1.11/lb.	0.17
Grain Sorghum Texas	CBOT	September Corn	\$4.25/bu.	0.23
Grain Sorghum – Organic Practice² Texas	CBOT	September Corn	\$8.89/bu.	0.23
Peanuts – Runner Type Texas	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2110/lb.	0.13
Peanuts – Spanish Type Texas	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.3439/lb.	0.13
Rice – Long Grain Type Texas	CBOT	September Rice	\$0.120/lb.	0.15
Rice – Medium & Short Grain Types Texas	CBOT	September Rice	\$0.146/lb.	0.15
Rice – Long Grain Type; Organic Practice Texas	CBOT	September Rice	\$0.161/lb.	0.15
Rice – Medium & Short Grain Types; Organic Practice Texas	CBOT	September Rice	\$0.196/lb.	0.15
Soybeans Texas	CBOT	November Soybeans	\$11.17/bu.	0.18

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Soybeans – Organic Practice Texas	CBOT	November Soybeans	Not available. ³	
Sunflowers – Oil Type Texas	CBOT	July Soybean Oil	\$0.213/lb.	0.18
Sunflowers – Oil Type; Organic Practice Texas	CBOT	July Soybean Oil	\$0.388/lb.	0.18
Sunflowers – Confectionery Type Texas	CBOT	July Soybean Oil	\$0.264/lb.	0.18
Sunflowers – Confectionery Type; Organic Practice Texas	CBOT	July Soybean Oil	\$0.388/lb.	0.18

¹ *Projected Prices and Volatility Factors are applicable for the Enhanced Coverage Option (ECO), the Supplemental Coverage Option (SCO) and Stacked Income Protection (STAX; cotton), where available.*

² *For the 2021 CY, organic coverage is not available in all counties covered by the January 31 sales closing date.*

³ *For the 2021 CY, organic coverage is not available for soybeans in counties covered by the January 31 sales closing date.*

Margin Protection

The following 2021 CY **margin projected prices** and **volatility factors** are approved for the Margin Protection plan of insurance. 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: aibpf-rma.fpac.usda.gov/apps/ActuarialInformationBrowser/

Please see the following web page on RMA's public website for program details: www.rma.usda.gov/policy-procedure/general-policies/margin-protection

Crop/Type	Exchange	Contract	Margin Projected Price	Volatility Factor
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Rice - Long Grain Type & No Type Specified Texas	CBOT	September Rice	\$0.120/lb.	0.15
Rice - Medium & Short Grain Types Texas	CBOT	September Rice	\$0.146/lb.	0.15

DISPOSAL DATE

December 31, 2021