POET Average Pricing Program

- Select a delivery period to enroll bushels
- Select a pricing period that will determine the average price based on daily CBOT closing prices
- Establish basis anytime up to delivery.

Jan - Sep	CZ15	CZ14	CZ13	CZ12	CZ11	CZ10
Max	454	513	594	839	775	522
Min	357	362	442	505	542	344
Spread	97	151	152	334	233	178

Jan - Sep	Max	Min
CZ15	7/17/15	8/14/15
CZ14	4/8/14	8/1/14
CZ13	2/4/13	5/11/12
CZ12	8/21/12	1/7/11
CZ11	8/30/11	6/29/10
CZ10	9/24/10	9/4/09

Did you know that in recent years the dollar range between the high and low new crop futures price has been $1.51 to $3.34 with highs set anywhere from February to September?

Do you expect to know when the markets will be at their highs and if so, can you afford to wait? Will you miss pricing any bushels there while waiting for it to go higher?

POET's average pricing program can help take the emotion out of grain marketing, and keep you pricing corn day in day out while still allowing you to deliver corn at a time that works best for you.

POET Average Pricing Program

POET– Marion
866-680-2676
poet.com/marion

POET grain

"Where Farmers Fuel America"

In the last 5 years, we have lost most of the predictability of the market. Below is a table demonstrating the volatility.

In 2011 and 2012, selling $5.00 harvest corn would have you marketing at the low of the year while in 2010 and 2014, selling $5.00 corn was brilliant.

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CZ10	9/24/10	6/29/10

Jan - Apr	CK15	CK14	CK13	CK12	CK11	CK10
Max	418	516	742	673	776	433
Min	359	420	629	600	604	345
Spread	59	96	113	73	172	88

Jan - Apr	MAX	MIN
CK15	1/6/2015	4/28/2015
CK14	4/29/2014	1/9/2014
CK13	1/31/2013	4/5/2013
CK12	3/16/2012	1/18/2012
CK11	4/11/2011	1/7/2011
CK10	1/11/2010	3/31/2010

POET Average Pricing Program

Advantages of Being Average:

1. Evenly market your crop over several months with a single contract.
2. Takes the emotion out of grain marketing decisions.
3. Reduces the need to try to time and predict the forward market.
4. You never have to worry about potentially selling everything at the market's bottom.
5. Low cost; cheaper than DP.

Disadvantage:

1. You will not sell everything at the market high….but how often does that happen?

Other points to consider:

In recent years with ample supply, the new crop market still moved over $1.50. Timing of the highs varied anywhere from February to September. Average pricing ensures you wouldn't have missed out on the entire $1.50 by keeping emotions out of the way of getting corn marketed.

In nearby years with abundant corn, the old crop market still moved around 90 cents between January and April. Timing of the highs were anywhere from the first of January to the end of April. Average pricing keeps you from missing out on the entire 90 cent range by selling too soon or waiting too long.

In a carry market, pricing forward months at better prices than the nearby month, just makes good sense.

Available Pricing Periods

Delivery Period	Oct, Nov, or Dec 2015	April or May 2016	June or July 2016	Oct-Nov 2016
Futures Month	CK6	CK6	CN6	CZ6
Deadline	Prior to Delivery	Dec 18, 2015	Dec 18, 2015	Dec 18, 2015
Pricing Period	Jan - March '16 daily 1:15 closing range: 61 days	Jan - March '16 daily 1:15 closing range: 61 days	Jan - May '16daily 1:15 closing range: 103 days	Jan - Jun '16 daily 1:15 closing range: 125 days
Fee per bushel	5¢	5¢	5¢	5¢

Basis must be established prior to delivery for all Average Price Contracts

Number of bushels that will be priced daily will be number of unpriced bushels remaining divided by number of trading days remaining in your pricing period.

You can always price unpriced bushels at any time and you can set the basis any time prior to delivery.