



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility –
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P.O. Box 419205
Kansas City, MO
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February 16, 2016

INFORMATIONAL MEMORANDUM: PM-16-011

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt */s/Rodger M. Matthews, for.*
Deputy Administrator

SUBJECT: 2016 Crop Year (CY) **Common Crop Insurance Policy and Area Risk Protection Insurance** Projected Prices and Volatility Factors

Common Crop Insurance Policy & Area Risk Protection Insurance¹

The 2016 CY **projected prices** shown below are approved for the Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion and Area Revenue Protection - Harvest Price Exclusion plans of insurance. The 2016 CY **volatility factors** shown below are approved for the Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion and Area Revenue Protection - Harvest Price Exclusion plans of insurance. The projected prices and volatility factors apply to policies with a **February 28 sales closing date, unless otherwise indicated**, and are applicable for the crops, types, practices and states indicated below:

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn <i>Alabama, Florida, Georgia, Louisiana & South Carolina</i>	CBOT	September Corn	\$3.81/bushel	0.17
Corn - Organic Practice <i>Alabama, Florida, Georgia, Louisiana & South Carolina</i>	CBOT	September Corn	\$8.31/bushel	0.17
Corn <i>Arkansas & Mississippi</i>	CBOT	December Corn	\$3.89/bushel	0.17
Corn - Organic Practice <i>Arkansas & Mississippi</i>	CBOT	December Corn	\$8.49/bushel	0.17

¹ ***Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).***

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Common Crop Insurance Policy & Area Risk Protection Insurance¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn <i>North Carolina</i>	CBOT	December Corn	\$3.89/bushel	0.17
Corn - Organic Practice <i>North Carolina</i>	CBOT	December Corn	\$8.49/bushel	0.17
Corn <i>Arizona, California & Nevada</i>	CBOT	December Corn	\$3.89/bushel	0.19
Corn - Organic Practice <i>Arizona, California & Nevada</i>	CBOT	December Corn	\$8.49/bushel	0.19
Cotton <i>All States</i>	ICE	December Cotton	\$0.62/pound	0.14
Cotton – Organic Practice <i>All States</i>	ICE	December Cotton	\$1.22/pound	0.14
Grain Sorghum <i>Alabama, Florida, Georgia & South Carolina</i>	CBOT	December Corn	\$3.75/bushel	0.16
Grain Sorghum – Organic Practice <i>Alabama, Florida, Georgia & South Carolina</i>	CBOT	December Corn	\$5.73/bushel	0.16
Grain Sorghum <i>Arkansas, Louisiana & Mississippi</i>	CBOT	December Corn	\$3.75/bushel	0.17
Grain Sorghum – Organic Practice <i>Arkansas, Louisiana & Mississippi</i>	CBOT	December Corn	\$5.73/bushel	0.17

¹ ***Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO) and Stacked Income Protection (STAX - cotton only).***

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Common Crop Insurance Policy & Area Risk Protection Insurance¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum <i>Arizona, California & North Carolina</i>	CBOT	December Corn	\$3.75/bushel	0.19
Grain Sorghum – Organic Practice <i>Arizona, California & North Carolina</i>	CBOT	December Corn	\$5.73/bushel	0.19
Peanuts – Runner Type <i>Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina & Texas</i>	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2039/pound	0.10
Peanuts – Spanish Type <i>Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi & Texas</i>	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2916/pound	0.10
Peanuts – Virginia Type <i>Alabama, Florida, Georgia, Mississippi, North Carolina & South Carolina</i>	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2467/pound	0.10
Popcorn <i>March 15 Sales Closing Date</i> <i>Alabama</i>	CBOT	September Corn	\$0.1676/pound	0.17
Popcorn – Organic Practice <i>March 15 Sales Closing Date</i> <i>Alabama</i>	CBOT	September Corn	\$0.2416/pound	0.17

¹ **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

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Common Crop Insurance Policy & Area Risk Protection Insurance¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Rice – Long Grain Type & No Type Specified <i>Louisiana</i>	CBOT	September Rice	\$0.117/pound	0.13
Rice – Long Grain Type & No Type Specified; Organic Practice <i>Louisiana</i>	CBOT	September Rice	\$0.157/pound	0.13
Rice – Medium/Short Grain Types <i>Louisiana</i>	CBOT	September Rice	\$0.133/pound	0.13
Rice – Medium/Short Grain Types; Organic Practice <i>Louisiana</i>	CBOT	September Rice	\$0.179/pound	0.13
Rice – Long Grain Type & No Type Specified <i>Arkansas, Mississippi & Texas</i>	CBOT	November Rice	\$0.119/pound	0.15
Rice – Long Grain Type & No Type Specified; Organic Practice <i>Arkansas, Mississippi & Texas</i>	CBOT	November Rice	\$0.159/pound	0.15
Rice – Medium/Short Grain Types <i>Arkansas, Mississippi & Texas</i>	CBOT	November Rice	\$0.136/pound	0.15
Rice – Medium/Short Grain Types; Organic Practice <i>Arkansas, Mississippi & Texas</i>	CBOT	November Rice	\$0.182/pound	0.15
Rice – Long Grain Type & No Type Specified <i>California, Illinois, Missouri, Oklahoma & Tennessee</i>	CBOT	November Rice	\$0.119/pound	0.16
Rice – Long Grain Type & No Type Specified; Organic Practice <i>California, Illinois, Missouri, Oklahoma & Tennessee</i>	CBOT	November Rice	\$0.159/pound	0.16

¹ *Projected Prices and Volatility Factors are applicable the Supplemental Coverage Option (SCO).*

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Common Crop Insurance Policy & Area Risk Protection Insurance¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Rice – Medium/Short Grain Types <i>California</i>	CBOT	November Rice	\$0.168/pound	0.16
Rice – Medium/Short Grain Types; Organic Practice <i>California</i>	CBOT	November Rice	\$0.225/pound	0.16
Rice – Medium/Short Grain Types <i>Illinois, Missouri, Oklahoma & Tennessee</i>	CBOT	November Rice	\$0.136/pound	0.16
Rice – Medium/Short Grain Types; Organic Practice <i>Illinois, Missouri, Oklahoma & Tennessee</i>	CBOT	November Rice	\$0.182/pound	0.16
Soybeans <i>Arkansas, Louisiana, Mississippi & Texas</i>	CBOT	November Soybeans	\$8.86/bushel	0.14
Soybeans - Organic Practice <i>Arkansas, Louisiana, Mississippi & Texas</i>	CBOT	November Soybeans	\$16.87/bushel	0.14
Soybeans <i>Alabama, Florida, Georgia, North Carolina & South Carolina</i>	CBOT	January (2017) Soybeans	\$8.91/bushel	0.14
Soybeans - Organic Practice <i>Alabama, Florida, Georgia, North Carolina & South Carolina</i>	CBOT	January (2017) Soybeans	\$16.96/bushel	0.14

¹ **Projected Prices and Volatility Factors are applicable the Supplemental Coverage Option (SCO).**

DISPOSAL DATE

December 31, 2016