

RPowerD™ - Value price quotes for growing season intervals

April 19, 2018

Last issue, we talked about first discovering our customer's minimum revenue goals and minimum price desired for the 2019 crop year using the Interactive Quick Start Post Card at this [Link](#). We introduced the concept of agents adding extreme value to their producers by using RPowerD to establish the minimum price and revenue for the 2019 crop year whenever the opportunity became available, now through April 1, 2019.

We reminded agents producers can show intended acres on their 2019 RPowerD application of up to 110% of the most gross acres planted in the past four seasons. But, they only pay for the acres they actually plant in 2019 and they don't pay for anything until the end of October 2019, after most are done with harvest. In other words using RPowerD to simply "Set it and Forget it" so the producer has peace of mind with RPowerD Market Price and/or alternative price discovery month intervals.

Opportunity: Today we are going to bring an opportunity to agents attention. For producers who would rather just have upside price and revenue opportunity during the growing season, after the crop has been planted, they can do that right now at a value price for 2019 crop. This would include producers selecting, what over the years have been the most popular intervals of either full or split month June and July for corn and/or full or split month July and Aug for soybeans.

Buying these popular intervals, in February and March, after the projected price was discovered last year cost over twice as much as these same intervals cost today. For instance, an 85% RP/RPowerD coverage level with \$0.50 of maximum price movement and June and July for corn for our sample producer cost \$5.73 per acre or \$0.03 cents per approved yield bushel right now.

This compares to the same estimate bought on March 1, 2018, costing over \$11.00 per acre. Below are the historical results from buying these intervals for corn and soybeans.

For corn, 48% of the time in years the RPowerD price exceeded Projected Price (shown in green), the RPowerD price exceeded projected price by an average of \$0.56 per bushel. Pretty good deal for just \$0.03 cents per bushel of cost.

For Beans, 57% of the time in years the RPowerD price exceeded Projected Price, the RPowerD price exceeded The projected price by an average of \$1.13/bushel.

Corn	Jun, Jul Growing Season Intervals	RP Projected	Amount Over RP	Amount Over Harvest	Beans	Jul & Aug Growing Season	RP Projected	Amount Over RP	Amount Over Harvest		
			Projected	Price				Price	Projected	Price	
1997	\$2.49	\$2.73	-\$0.24	-\$0.32	1997	\$6.24	\$6.97	-\$0.73	-\$0.58		
1998	\$2.52	\$2.84	-\$0.32	\$0.33	1998	\$5.85	\$6.64	-\$0.79	\$0.39		
1999	\$2.30	\$2.40	-\$0.10	\$0.29	1999	\$4.74	\$5.11	-\$0.37	-\$0.11		
2000	\$2.28	\$2.51	-\$0.23	\$0.24	2000	\$4.67	\$5.32	-\$0.65	-\$0.05		
2001	\$2.27	\$2.46	-\$0.19	\$0.19	2001	\$5.00	\$4.67	\$0.33	\$0.63		
2002	\$2.45	\$2.32	\$0.13	-\$0.07	2002	\$5.44	\$4.50	\$0.94	-\$0.01		
2003	\$2.38	\$2.42	-\$0.04	\$0.12	2003	\$5.54	\$5.26	\$0.28	-\$1.78		
2004	\$2.91	\$2.83	\$0.08	\$0.86	2004	\$6.29	\$6.72	-\$0.43	\$1.03		
2005	\$2.51	\$2.32	\$0.19	\$0.49	2005	\$7.02	\$5.53	\$1.49	\$1.27		
2006	\$2.65	\$2.59	\$0.06	-\$0.38	2006	\$6.15	\$6.18	-\$0.03	\$0.22		
2007	\$3.91	\$4.06	-\$0.15	\$0.33	2007	\$8.81	\$8.09	\$0.72	-\$0.94		
2008	\$7.30	\$5.40	\$1.90	\$3.17	2008	\$14.92	\$13.36	\$1.56	\$5.70		
2009	\$4.34	\$4.04	\$0.30	\$0.62	2009	\$10.03	\$8.80	\$1.23	\$0.37		
2010	\$3.91	\$3.98	-\$0.07	-\$1.55	2010	\$10.21	\$9.23	\$0.98	-\$1.42		
2011	\$6.69	\$6.01	\$0.68	\$0.37	2011	\$13.71	\$13.49	\$0.22	\$1.57		
2012	\$7.52	\$5.68	\$1.84	\$0.02	2012	\$16.65	\$12.55	\$4.10	\$1.26		
2013	\$5.46	\$5.65	-\$0.19	\$1.07	2013	\$12.66	\$12.87	-\$0.21	-\$0.21		
2014	\$4.46	\$4.62	-\$0.16	\$0.97	2014	\$10.97	\$11.36	-\$0.39	\$1.32		
2015	\$4.20	\$4.15	\$0.05	\$0.37	2015	\$9.92	\$9.73	\$0.19	\$1.01		
2016	\$4.19	\$3.86	\$0.33	\$0.70	2016	\$10.37	\$8.85	\$1.52	\$0.62		
2017	\$3.95	\$3.96	-\$0.01	\$0.46	2017	\$10.09	\$10.19	-\$0.10	\$0.34		
		% of time Intervals over	48%	\$0.56	\$0.62			% of time Intervals over	57%	\$1.13	\$1.21
		% of time over both	38%					% of time over both	38%		



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