

ProPricing HarvestPro

What is ProPricing HarvestPro?

HarvestPro is a ProPricing contract for grain delivered at harvest, giving you the ability to deliver out of the field, with the futures component of your contract priced later based on Cargill's global market perspective.

Within ProPricing, you now have three different contract types, providing flexibility in picking delivery periods, matching your comfort level with forward marketing, and further diversifying your grain marketing within a given crop year.

HarvestPro *NEW*

This year's crop delivered in the fall

For grain sales you need to deliver at harvest with the ability to participate in potential market upside

InventoryPro

This year's crop delivered in spring/summer

For unsold bushels in your field or in your bin you still need to price

MarketPro

Next year's crop

Proactively take control of futures price risk with 1-Year contracts

Should I use this contract? Yes, if you:

- Have higher yields or more production than anticipated and need to deliver at harvest.
- Are not satisfied with current market prices.
- Have forward marketed a lower percentage of your crop than you're comfortable with.
- Want to add diversification to your grain marketing plan on unsold bushels.
- Would benefit from professional discipline and execution.
- Want to retain control and the ability to price out weekly.
- Would like an advance to help with cash flow.

How does it work?

- Enter a grain contract for harvest delivery and establish your HarvestPro Basis based off the July futures contract (corn).
- ProPricing MarketPros leverage Cargill's global market insight to price the HarvestPro grain, allowing for participation in potential market upside after harvest.
- HarvestPro provides a futures price component at the end of the pricing period or prior if you decide to price out early.
- Receive a cash advance of \$300/mt for canola \$130/mt for wheat after delivery.
- The final remaining payment will be made once the final HarvestPro Price is established at the end of the pricing period or earlier through the weekly Early Price Out.

HarvestPro key dates

ENROLLMENT WINDOW

Sep 11, 2020 – Nov 10, 2020

PRICING PERIOD

Nov 11, 2020 – June 17, 2021

DELIVERY PERIOD

Aug 1, 2020 – Dec 31, 2020

EXAMPLE:

On **October 15**, you need to sell **200MT** of canola due to storage space constraints during harvest, but you're not happy with the current cash bid of **\$430/MT**. Knowing harvest prices historically are at seasonal lows, you enter into a ProPricing HarvestPro contract, allowing you to deliver during harvest while allowing the MarketPros to establish the futures price component over the pricing period. Since HarvestPro is based off the July futures reference month, basis will include the local basis for the delivery period plus the futures price spread to July.

- The canola basis at your local Cargill elevator is at **-\$20.00**.
- On October 15, November futures are **\$450.00** and July futures are **\$477.00**. The difference of **\$27.00** is reflected in the HarvestPro contract basis.

Determining your HarvestPro Basis

+/- Local Harvest Delivery Basis	-\$ 20.00
July Futures Price	\$ 477.00
November Futures Price	\$ 450.00
Difference	-\$ 27.00
HarvestPro Basis	-\$ 47.00

Determine your Contract Price

Final HarvestPro Futures Price	\$ 500.00
HarvestPro Basis	-\$ 47.00
Less HarvestPro Cost	-\$ 6.00
Final Contract Price	\$ 447.00

**For more information, drop by your nearest Cargill location,
contact your Cargill representative or visit CargillAg.ca**

Disclaimer:

Purchase Contract terms apply. This is provided to you for information purposes only, does not constitute an offer, and is not intended to be a part of any contract that may be entered into. Please consult the Purchase Contract for the terms and conditions that will govern the sale and purchase of grain.

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