



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility –
Mail Stop 0801
P.O. Box 419205
Kansas City, MO
64141-6205

January 15, 2016

INFORMATIONAL MEMORANDUM: PM-16-003

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** Projected Prices
and Volatility Factors

Common Crop Insurance Policy¹

The 2016 CY **projected prices** shown below are approved for the Yield Protection, Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The 2016 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	\$3.78/bu.	0.18
Corn – Organic Practice Texas	CBOT	September Corn	\$8.25/bu.	0.18
Cotton Texas	ICE	December Cotton	\$0.64/lb.	0.14
Cotton – Organic Practice Texas	ICE	December Cotton	\$1.24/lb.	0.14

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

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Common Crop Insurance Policy¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum Texas	CBOT	September Corn	\$3.65/bu.	0.18
Grain Sorghum – Organic Practice Texas	CBOT	September Corn	\$5.57/bu.	0.18
Peanuts – Runner Type Texas	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2085/lb.	0.09
Peanuts – Spanish Type Texas	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2939/lb.	0.09
Rice – Long Grain Type & No Type Specified Texas	CBOT	September Rice	\$0.120/lb.	0.14
Rice – Medium & Short Grain Types Texas	CBOT	September Rice	\$0.136/lb.	0.14
Rice – Long Grain Type & No Type Specified; Organic Practice Texas	CBOT	September Rice	\$0.161/lb.	0.14
Rice – Medium & Short Grain Types; Organic Practice Texas	CBOT	September Rice	\$0.182/lb.	0.14
Soybeans Texas	CBOT	November Soybeans	\$8.86/bu.	0.13
Soybeans – Organic Practice Texas	CBOT	November Soybeans	\$16.87/bu.	0.13

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

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Common Crop Insurance Policy¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Sunflowers – Oil Type Texas	CBOT	July Soybean Oil	\$0.164/lb.	0.12
Sunflowers – Oil Type; Organic Practice Texas	CBOT	July Soybean Oil	\$0.230/lb.	0.12
Sunflowers – Confectionary Type; All Practices Texas	CBOT	July Soybean Oil	\$0.262/lb.	0.12

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

DISPOSAL DATE

December 31, 2016