Shelbyville

MARKET MANAGER

What is a Market Manager contract?

The **POET Market Manager** contract takes the emotion out of grain marketing by allowing POET's Marketing Professionals to sell the bushels for you. This skilled marketing team will be managing the program by using a combination of option and futures strategies. You enroll your bushels (by the thousands), and the POET team is responsible for achieving a high board price on those bushels.

The only thing you are responsible for is setting the quantity, delivery period, and basis on the contract. The basis level(s) and delivery time frame(s) will be based on a specified pricing period (*see pg. 3 for pricing period details).

Advantages:

- **Flexible delivery schedule**
- **Bushels will be handled by experienced marketers**
- **Optional pricing periods**

Disadvantages:

- **Basis may fluctuate**
- **Futures pricing is out of your control**

How it works:

You enter into a Market Manager contract for 10,000 bushels and select the July 2018 pricing period. By entering this contract, you have the option to deliver the bushels anytime between Harvest '17 thru August '18.

You set the basis when it is +.05/CN and you decide to deliver in June 2018.

POET's team was hard at work all year and was able to market your corn for a July futures price of $4.10. Here's the math:

Market Manager's Price		$4.10
Basis (set prior to delivery)	+	$0.05
		$4.15

You will receive a cash price of $4.15. Here are a couple of different scenarios that could take place:

Scenario #1: It is January '18 and you decide that you want to go ahead and haul in half of the bushels. You set the basis at +.12/CH on the day of delivery. Since your pricing period is against the CN, the spread will be incorporated into your basis. For example, if July futures are trading at $4.15 and March futures are trading at $4.05, your basis will be adjusted by $0.10. Your basis is now +.02/CH. Here's the math:

Market Manager's Price		$4.10
Basis (set in January)	+	$0.12
Spread (CH-CN)	-	$0.10
		$4.12

You will receive a price of $4.12 for your corn once the pricing period is over. You have until August '18 to set the basis and deliver the remaining bushels on the contract.

** A cash advance is available up to 70%

Scenario #2: You have chosen the Dec 2018 pricing period. The market manager program priced out at $4.10/CZ. You prefer hauling in March, so you decide to roll the contract forward. The spread between the December '18 futures and the March '18 futures is $0.05. Here's the math:

Market Manager's Price	$4.10
Spread	+ $0.05
	$4.15

You will receive $4.15 plus or minus the basis.

2021-22 Market Manager Pricing Periods

December 2021 Futures Program:

Bushels will be priced between January 4, 2021 and November 26,2021

You pick the delivery period between Fall 2021 and Aug 2022. You must set basis prior to delivery.

July 2022 Futures Program:

Bushels will be priced between January 4,2021 and June 24,2022.

***Sign-up Deadline: December 21,2020*