



Special Executive Report

DATE: August 26, 2024

SER#: 9422

SUBJECT: Variable Storage Rate (VSR) Results for Wheat and KC HRW Wheat Premium (Storage) Rates

The Variable Storage Rate (VSR) mechanism in The Board of Trade of the City of Chicago, Inc. ("CBOT"):

- (1) Wheat futures contract (CME Globex Code: ZW; Clearing and CME ClearPort Code: W; Rulebook Chapter: 14); and
- (2) KC HRW Wheat futures contract (CME Globex Code: KE; Clearing and CME ClearPort Code: KW; Rulebook Chapter: 14H)

examines nearby calendar spreads to determine adjustments in maximum contract premium (storage) rates. Below are the results of the September 2024 – December 2024 calendar spread relative to financial full carry during the period of July 19, 2024 through August 23, 2024.

Wheat and Mini-Sized Wheat Futures – (No Change)

The September 2024 – December 2024 Wheat calendar spread averaged **71.14 percent** of financial full carry during the period of July 19, 2024 through August 23, 2024. VSR results that fall between 50- and 80-percent of financial full carry do not trigger any changes in the maximum premium charge. Therefore, the maximum premium charge that a Wheat futures regular delivery facility may charge holders of its outstanding shipping certificates **will not change** from the current maximum charge of 26.5/100s of one cent per bushel per day (approximately 8 cents per bushel per month).

KC HRW & Mini-Sized KC HRW Wheat Futures – (No Change)

The September 2024 – December 2024 KC HRW Wheat calendar spread averaged **64.09 percent** of financial full carry during the period of July 19, 2024 through August 23, 2024. VSR results that fall between 50- and 80-percent of financial full carry do not trigger any changes in the maximum premium charge. Therefore, the maximum premium charge that a KC HRW Wheat futures regular delivery facility may charge holders of its outstanding shipping certificates **will not change** from the current maximum charge of 16.5/100s of one cent per bushel per day (approximately 5 cents per bushel per month).

The Next Evaluation Period

The next evaluation period for both contracts will measure the December 2024 – March 2025 calendar spread relative to financial full carry during the period of September 19, 2024 to

November 22, 2024 with the next possible adjustment to contract premium charges on December 19, 2024.

Questions may be directed to Fred Seamon in Research and Product Development (312-952-1546 or Fred.Seamon@CMEGroup.com).