



Special Executive Report

S-6165

March 14, 2011

MILLING YIELD PREMIUM AND DISCOUNT SCHEDULE EFFECTIVE SEPTEMBER 4, 2012 IN ROUGH RICE FUTURES

USDA has announced the 2012 rice loan rates by class. For the 2012 crop stored in commercial warehouses, the whole kernel (Head Rice) loan rate for long grain rice is \$10.13 per cwt and the broken kernel loan rate for long grain rice is \$6.03 per cwt. The CBOT Rough Rice futures contract milling yield premium and discount schedule that takes effect on the first delivery day of the September 2012 contract (September 4, 2012) is based on the 20 percent trimmed mean of the 2008 through 2012 USDA loan rates for long grain rice.

USDA Loan Rates – Long Grain Rice (\$ per cwt.)

Year	Head Rice	Broken Rice
2008	\$10.00	\$6.67
2009	\$9.94	\$6.84
2010	\$9.91	\$7.01
2011	\$9.93	\$7.06
2012	\$10.13	\$6.03
Trimmed Mean Avg.	\$9.96	\$6.84

Current milling yield premiums and discounts are \$9.96 per cwt. for head rice and \$6.89 per cwt. for broken rice. Beginning September 4, 2012, milling yield premium and discounts will be unchanged at \$9.96 per cwt. for head rice and decrease to \$6.84 per cwt. for broken rice. For example, an outstanding warehouse receipt specifying 60 percent head rice and 10 percent broken rice and with an underlying futures price of \$14.75 would be delivered at \$14.906 per hundredweight ($14.75 + (.60 - .55)*9.96 - (.15 - .10)*6.84$).

If you require any additional information, please contact Fred Seamon at 312-634-1587 or via e-mail at Fred.Seamon@cmegroup.com.