

KNOW YOUR RISKS

G3 Contract Options



	Cash Contracts	Pool Contracts	Futures Choice Pool Contracts	Estimated per cent of final price*
PRICING				
Futures price	You control your futures value.	Receive the average futures value for the pooling period.	You control your futures value.	75-95%
Basis	Certainty when locked in, but can be extremely volatile and unpredictable, putting you at risk for your uncontracted grain.	The component of basis measured at export position is averaged throughout the pooling period. You choose whether to lock in your elevator tariffs when signing up, or taking the tariffs at the time of delivery. Decreased exposure to wide basis levels when elevators are congested.	The component of basis measured at export position is averaged throughout the pooling period. You choose whether to lock in your elevator tariffs when signing up, or taking the tariffs at the time of delivery. Decreased exposure to wide basis levels when elevators are congested.	5-25%
OTHER COMPONENTS				Value at risk*
Spreads and misgrades	Grade and protein spreads are unknown prior to delivery. Delivered grain that is below contract quality can be significantly discounted.	Spreads for delivering below or above contract quality reflect fair market values over the pooling period.	Spreads for delivering below or above contract quality reflect fair market values over the pooling period.	Up to 50%
Foreign exchange	Absorbed in the basis. Note: G3 will quote foreign exchange upon request.	Hedged throughout the pooling period.	Hedged once futures are priced.	2-20%
Act-of-God	Generally only available on some specialty crops (peas, lentils, mustard).	Full Act-of-God prior to sign-up deadlines.	Full Act-of-God on unpriced tonnes prior to sign-up deadlines.	Up to 100%
Cash flow	100% upon delivery	Initial payment upon delivery, top-up payments throughout the pooling period as applicable, and final payment once all pool deliveries have been completed (no fixed date). Use the Pool Cashout option for early cash flow needs.	Initial payment upon delivery and potential for top-up payments within 10 business days of futures lock-in. Final payment once all pool deliveries have been completed, if applicable (no fixed date).	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Most control</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Moderate control</div> <div style="border: 1px solid black; padding: 2px;">Least control</div>
Other risks	Pricing your futures at a market low. Futures/basis mismatch - i.e. poor futures or basis when you are looking to price and/or deliver.	Exposure to price fluctuations beyond the pool period if external circumstances cause delivery delays. Can miss out on very attractive cash basis levels when local supply is short.	Pricing your futures at a market low. Exposure to basis fluctuations beyond the pool period if external circumstances cause delivery delays. Can miss out on very attractive cash basis levels when local supply is short.	*Note: These values are provided as indications only, and are based on historical data. They do not provide any guarantee regarding future prices, and fluctuations may be beyond the ranges stated.
Summary	Best choice for full and immediate cash flow; best choice when futures values, basis values, delivery and cash flow needs all line up.	Best choice for a low-risk, solid average final return where cash flow needs are not pressing.	Best opportunity in the market to maximize your final return, with majority immediate cash flow once your futures are priced. Best choice for a low-risk, solid average basis price.	

Contact us

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