

# Min-Max Average

Establish a minimum & maximum price



Participate in limited market rallies  
while protecting downside risk

## What is it?

Minimum-Maximum Average Price allows you to participate in potential market rallies up to the established Maximum Price, but never be priced below the established Minimum Price during the pricing period.

## How it works

With this contract, you establish a maximum and minimum price. Enrolled bushels are then priced in equal daily increments with all bushels being priced by the end of the pricing period.

- If the futures settlement price is greater than the Minimum Price and less than the Maximum Price, then the allocated bushels for that day will be priced at that day's futures price settlement.
- If the futures settlement price is less than the Minimum Price, then the allocated bushels for that day are priced at the Minimum Price.
- If the futures settlement price is greater than the Maximum Price, then the allocated bushels for that day are priced at the Maximum Price.

At the end of the pricing period, the contract's final value is a simple average of all daily pricing results less the service charge, plus the local basis.

## What are the advantages?

- Participate in potential market rallies up to a certain point
- Downside risk protection

## What should you know?

- There are two variations available for this contract: With Auto Price-Out or Without Auto Price-Out.
- Costs associated with this contract are determined by market levels and duration of the pricing window.
- Duration of pricing period, commodity, cost, etc. can be customized to meet your specific needs.
- Basis must be established separately.

While the contract described herein provides marketing options available through Viterro, no contract or marketing program can remove all risk from your grain marketing decisions. Historical results are not a guarantee of future returns, and Viterro does not represent the historical information provided is without omissions or errors, although it strives to avoid them. You should use this information only as you believe will best assist you with your grain marketing needs.

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## Min-Max Average variations

### **With Auto Price-Out**

The remaining balance of unpriced bushels will automatically be priced at the maximum price if the underlying futures price settles at or above the selected maximum price prior to the final pricing date. This variation also allows you to price out any remaining unpriced bushels at any time prior to the final pricing date.

### **Without Auto Price-Out**

This variation does not allow early price-out nor if the underlying futures price settles at or above the maximum price, will any remaining unpriced bushels be priced at the maximum price. An equal number of bushels will be priced daily throughout the pricing period.