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Estimated Weighted National Average Price and Projected

Percent ACRE Price loss 2/10/2010

	Wheat	Corn	Sorg- hum	Soy- beans
1 07-08 NASS Published Price ¹	6.48	4.20	4.08	10.10
2 08-09 NASS Published Price ¹	6.78	4.06	3.20	9.97
3 % of 08-09 NASS Price Settled ²	100%	100%	100%	100%
ACRE				
4 2009 ACRE Strike Price, Average of 2007/08 & 2008/09 MYA Price	6.63	4.13	3.64	10.04
5 Assume an "Average" State Yield, 2009 ACRE Payment Price X 90% ³	5.97	3.72	3.28	9.03
6 Assuming an "Average" Yield, Maximum ACRE Price to Exceed the 25% Cap on Payments ⁴	4.48	2.79	2.46	6.77
7 KSU Est. 2009/10 on Aug 14, 2009	5.16	3.24	2.91	9.67
Plus or Minus	0.78	0.65	0.44	1.78
8 USDA Estimate of the 2009/10 MYA NASS price and range of price (February 9, 2010) ⁵	4.85 4.75 4.95	3.70 3.45 3.95	3.30 3.10 3.50	9.45 8.70 10.20
9 KSU Forecast of the 2009/10 New Crop MYA Price and range of price ⁶	5.01 4.26 5.76	3.58 2.86 4.29	3.12 2.66 3.59	9.46 7.72 11.20
10 % of 08-09 NASS Price Settled ²	61%	19%	15%	27%
11 \$ ACRE in (out) of the Money	0.96	0.14	0.15	(0.43)
12 % ACRE in (out) of the Money	14.5%	3.4%	4.2%	(4.3%)
Next Year's Cup & Cap				
13 Min 09/10 Price to trigger 10% Cup	5.15	3.37	3.35	8.09
14 Max 09/10 Price to trigger 10% Cap	6.35	4.12	4.01	9.90

NASS Monthly Wheat Prices and Historical Weights⁷

Month	2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		2009-2010	
	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight
Jun	3.55	10.9%	3.23	11.9%	3.98	16.0%	5.03	12.0%	7.62	11.4%	5.74	
Jul	3.37	12.4%	3.20	16.8%	3.88	18.5%	5.17	27.1%	7.15	21.8%	5.13	
Aug	3.27	9.0%	3.24	13.4%	3.91	12.6%	5.64	18.7%	7.61	14.9%	4.83	
Sep	3.36	11.0%	3.36	11.7%	4.06	6.9%	6.76	9.4%	7.43	7.8%	4.48	
Oct	3.43	7.0%	3.43	6.3%	4.59	9.1%	7.65	4.5%	6.65	3.8%	4.47	
Nov	3.46	7.8%	3.45	4.7%	4.59	4.8%	7.39	3.8%	6.29	3.2%	4.79	
Dec	3.40	8.6%	3.53	8.1%	4.52	6.8%	7.71	5.9%	5.95	6.9%	4.85	
Jan	3.43	9.7%	3.52	8.4%	4.53	8.2%	7.96	7.8%	6.20	7.4%	4.79	
Feb	3.36	9.5%	3.66	6.2%	4.71	5.1%	10.10	3.9%	5.79	4.3%		
Mar	3.42	7.1%	3.79	5.1%	4.75	4.9%	10.50	3.1%	5.71	6.6%		
Apr	3.35	3.4%	3.81	3.4%	4.89	4.2%	10.10	2.0%	5.75	5.3%		
May	3.31	3.6%	4.09	4.0%	4.88	2.9%	8.87	1.8%	5.84	6.6%		

NASS Monthly Corn Prices and Historical Weights⁷

Month	2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		2009-2010	
	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight
Sep	2.20	7.8%	1.90	7.4%	2.20	6.9%	3.28	7.9%	5.01	4.5%	3.25	
Oct	2.14	11.7%	1.82	11.3%	2.55	14.7%	3.29	13.7%	4.37	9.4%	3.61	
Nov	2.05	11.7%	1.77	8.9%	2.88	14.6%	3.44	11.1%	4.26	11.9%	3.65	
Dec	2.04	8.6%	1.92	7.9%	3.01	8.0%	3.77	8.7%	4.11	8.9%	3.59	
Jan	2.12	12.4%	2.00	15.4%	3.05	15.3%	3.98	16.5%	4.36	12.8%	3.45	
Feb	1.95	8.4%	2.02	8.2%	3.44	5.9%	4.54	7.3%	3.87	6.4%		
Mar	2.02	8.2%	2.06	6.8%	3.43	6.6%	4.70	7.5%	3.85	9.6%		
Apr	2.00	5.2%	2.11	6.4%	3.39	4.4%	5.14	6.2%	3.85	6.7%		
May	1.98	5.9%	2.17	6.4%	3.49	4.7%	5.27	4.6%	3.96	9.1%		
Jun	2.03	7.2%	2.14	6.9%	3.53	6.6%	5.47	6.1%	4.01	7.4%		
Jul	2.11	7.0%	2.14	7.5%	3.32	6.2%	5.25	6.4%	3.60	6.9%		
Aug	1.95	5.9%	2.09	6.9%	3.26	6.1%	5.26	4.0%	3.33	6.4%		

NASS Monthly Grain Sorghum Prices and Historical Weights (\$/bu)⁷

Month	2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		2009-2010	
	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight
Sep	2.00	5.0%	1.91	7.1%	2.40	4.1%	3.46	8.1%	4.47	3.9%	3.15	
Oct	1.78	7.4%	1.67	9.4%	2.89	12.2%	3.46	13.7%	3.86	3.1%	3.11	
Nov	1.71	15.2%	1.58	19.1%	3.26	23.3%	3.51	19.8%	3.63	11.4%	3.18	
Dec	1.67	17.3%	1.63	15.9%	3.41	9.6%	3.88	15.4%	2.87	17.2%	3.20	
Jan	1.65	13.8%	1.77	13.8%	3.53	12.2%	4.14	14.9%	3.18	15.1%	3.10	
Feb	1.66	10.2%	1.90	7.0%	3.89	7.7%	4.68	6.3%	2.82	7.3%		
Mar	1.70	5.7%	1.98	5.1%	3.63	1.5%	5.06	4.6%	3.00	13.0%		
Apr	1.66	3.8%	2.07	5.2%	3.34	1.0%	5.21	4.0%	3.12	6.0%		
May	1.71	3.1%	2.25	4.3%	3.63	1.6%	5.22	2.1%	3.35	9.1%		
Jun	2.11	6.4%	2.21	1.7%	3.42	5.1%	5.66	3.1%	3.52	3.4%		
Jul	2.21	6.8%	2.58	6.7%	3.09	7.8%	5.07	4.5%	2.91	5.4%		

Aug 2.07 5.3% 2.44 4.7% 3.32 13.9% 4.70 3.5% 3.01 5.1%

NASS Monthly Soybean Prices and Historical Weights⁷

Month	2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		2009-2010	
	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight	Price	Weight
Sep	5.83	7.7%	5.77	7.4%	5.23	5.6%	8.15	10.4%	10.80	5.1%	9.75	
Oct	5.56	15.0%	5.67	19.9%	5.52	19.9%	8.36	21.1%	9.95	21.0%	9.44	
Nov	5.36	10.4%	5.62	6.2%	6.08	10.2%	9.42	10.7%	9.39	6.9%	9.53	
Dec	5.45	9.4%	5.78	9.2%	6.18	8.8%	10.00	8.2%	9.24	7.1%	9.80	
Jan	5.57	12.2%	5.87	14.1%	6.37	15.1%	9.95	17.3%	9.97	15.4%	9.49	
Feb	5.42	12.4%	5.67	5.7%	6.87	6.8%	11.70	7.3%	9.54	6.7%		
Mar	5.95	11.0%	5.57	5.9%	6.95	6.2%	11.40	6.3%	9.12	8.9%		
Apr	6.03	4.8%	5.52	5.5%	6.88	5.1%	12.00	4.8%	9.79	10.2%		
May	6.21	4.2%	5.68	6.6%	7.12	5.3%	12.10	3.2%	10.70	6.3%		
Jun	6.58	5.4%	5.62	5.4%	7.51	6.2%	13.10	4.4%	11.40	4.8%		
Jul	6.65	3.4%	5.61	6.4%	7.56	5.5%	13.30	4.4%	10.80	4.6%		
Aug	6.15	4.1%	5.23	7.7%	7.72	5.3%	12.80	1.9%	10.80	3.0%		

¹USDA published prices. The 2008-2009 marketing year is a weighted marketing year average (MYA) price. The 2008-09 MYA price is averaged with the 2007-08 MYA price to set the strike price for the 2009 ACRE program. Also the 2008-09 MYA price is used to settle claims on the 2008 SURE programs.

²The 2008-09 MYA price is complete. The wheat marketing year starts June 1 through May 31 while the marketing year for the other crops is September 1 through August 31.

³The 2009/10 MYA price would need to fall below the strike price to trigger assuming the state yield is equal to the state Olympic 5 year average yield.

⁴The maximum 2009/10 MYA price necessary to hit the 25% of coverage payment limit. Once the ACRE 25% of coverage payment limit is hit, then prices will need to fall below 70% times the loan rate (\$1.365 for corn) to trigger additional payments because there is no counter cyclical payment. The maximum price will be lower for farmers over the \$73,000 payment limit.

⁵USDA forecasted price released on February 9, 2009.

⁶It is assumed the market traded nearby futures prices adjusted for percentage monthly basis for MYA cash price over the past 24 months, is the best current estimate of the MYA price to settle ACRE claims. Therefore, the analysis is based on the KSU estimated price rather than the USDA estimated price published by the Office of the Chief Economist.

⁷Historical NASS yields and prices are published annually. The current Marketing Year Average prices are updated monthly. After the marketing year ends, NASS will publish the weights. The wheat weights will be published in July and the fall crop weights will be published in September for MYA 2009/10.

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