

**SUMMARY OF CHANGES FOR THE  
LIVESTOCK GROSS MARGIN FOR SWINE  
COMMODITY EXCHANGE ENDORSEMENT  
(Released April 2024)**

- Added language that clarifies that this endorsement attaches to the Livestock Gross Margin for Swine Insurance Policy.
- Calculations for expected and actual prices are modified, and examples are provided.

**UNITED STATES DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
LIVESTOCK GROSS MARGIN FOR SWINE  
COMMODITY EXCHANGE ENDORSEMENT**



In return for your payment of premium, this Livestock Gross Margin for Swine, Commodity Exchange Endorsement will be attached to and made part of the Livestock Gross Margin (LGM) for Swine Insurance Policy subject to the terms and conditions described therein.

This endorsement contains an explanation of the manner in which the data from CME Group are used to set expected and actual prices for Livestock Gross Margin (LGM) for Swine.

**Expected Prices**

Expected prices are calculated as described below.

- (a) Lean Hog
  - (i) For insurance months February, April, May, June, July, August, October and December:
    - Preliminary CME lean hog futures daily settlement prices for the contract month that is equal to the insurance month, observed on the effective date.
  - (ii) For insurance month of January:
    - Preliminary CME lean hog futures daily settlement prices for the contract month of February, observed on the effective date.
  - (iii) For insurance month of March:
    - Preliminary CME lean hog futures daily settlement prices for the contract month of April, observed on the effective date.
  - (iv) For insurance month of September:
    - Preliminary CME lean hog futures daily settlement prices for the contract month of October, observed on the effective date.
  - (v) For insurance month of November:
    - Preliminary CME lean hog futures daily settlement prices for the contract month of December, observed on the effective date.
- (b) Corn
  - (i) For insurance months March, May, July, September, and December:
    - Preliminary CME corn futures daily settlement prices for the contract month that is equal to the insurance month, observed on the effective date.
  - (ii) For insurance months of January and February:
    - Preliminary CME corn futures daily settlement prices for the contract month of March, observed on the effective date.
  - (iii) For insurance month of April:
    - Preliminary CME corn futures daily settlement prices for the contract month of May, observed on the effective date.
  - (iv) For insurance month of June:
    - Preliminary CME corn futures daily settlement prices for the contract month of July, observed on the effective date.
  - (v) For insurance month of August:
    - Preliminary CME corn futures daily settlement prices for the contract month of September, observed on the effective date.
  - (vi) For insurance months of October and November:
    - Preliminary CME corn futures daily settlement prices for the contract month of December, observed on the effective date.
- (c) Soybean Meal
  - (i) For insurance months January, March, May, July, August, September, October, and December:
    - Preliminary CME soybean meal futures daily settlement prices for the contract month that is equal to the insurance month, observed on the effective date.
  - (ii) For insurance month of February:

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- Preliminary CME soybean meal futures daily settlement prices for the contract month of March, observed on the effective date.
- (iii) For insurance month of April:
  - Preliminary CME soybean meal futures daily settlement prices for the contract month of May, observed on the effective date.
- (iv) For insurance month of June:
  - Preliminary CME soybean meal futures daily settlement prices for the contract month of July, observed on the effective date.
- (v) For insurance month of November:
  - Preliminary CME soybean meal futures daily settlement prices for the contract month of December, observed on the effective date.

### Actual Prices

Actual prices are calculated as described below.

#### (a) Lean Hog

- (i) For insurance months February, April, May, June, July, August, October and December:
  - Simple average of final CME lean hog futures daily settlement prices for the contract month that is equal to the insurance month, observed over seven trading days prior to the contract last trade date.
  - For example, for July 2025, the last trade date is July 15, 2025. Actual price is the simple average of daily settlement prices for July 3<sup>rd</sup>, July 7<sup>th</sup> – 11<sup>th</sup>, and July 14<sup>th</sup>, 2025.
- (ii) For insurance month of January:
  - Simple average of final CME lean hog futures daily settlement prices for the contract month of February, observed over seven trading days following January 8<sup>th</sup>.
  - For example, for January 2025, February 2025 lean hog futures, simple average of daily settlement prices for January 9<sup>th</sup> – 10<sup>th</sup> and January 13<sup>th</sup> – 17<sup>th</sup>, 2025.
- (iii) For insurance month of March:
  - Simple average of final CME lean hog futures daily settlement prices for the contract month of April, observed over seven trading days following March 8<sup>th</sup>.
  - For example, for March 2025, April 2025 lean hog futures, simple average of daily settlement prices for March 10<sup>th</sup> – 14<sup>th</sup> and March 17<sup>th</sup> – 18<sup>th</sup>, 2025.
- (iv) For insurance month of September:
  - Simple average of final CME lean hog futures daily settlement prices for the contract month of October, observed over seven trading days following September 8<sup>th</sup>.
  - For example, for September 2025, October 2025 lean hog futures, simple average of daily settlement prices for September 9<sup>th</sup> – 12<sup>th</sup> and September 15<sup>th</sup> – 17<sup>th</sup>, 2025.
- (v) For insurance month of November:
  - Simple average of final CME lean hog futures daily settlement prices for the contract month of December, observed over seven trading days following November 8<sup>th</sup>.
  - For example, for November 2025, December 2025 lean hog futures, simple average of daily settlement prices for November 10<sup>th</sup> – 14<sup>th</sup> and November 17<sup>th</sup> – 18<sup>th</sup>, 2025.

#### (b) Corn

- (i) For insurance months March, May, July, September, and December:
  - Simple average of final CME corn futures daily settlement prices for the contract month that is equal to the insurance month, observed over three trading days prior to the contract first notice date.
  - For example, for July 2025, the first notice date is June 30, 2025. The actual price is the simple average of daily settlement prices for June 25<sup>th</sup>, 26<sup>th</sup>, and 27<sup>th</sup>, 2025.
- (ii) For insurance month of January:
  - Simple average of final CME corn futures daily settlement prices for the contract month of March, observed over three trading days prior to January 1<sup>st</sup>.
  - For example, for January 2025, March 2025 corn futures, simple average of daily settlement prices for December 27<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>, 2024.
- (iii) For insurance month of February:
  - Simple average of final CME corn futures daily settlement prices for the contract month of March, observed over three trading days prior to February 1<sup>st</sup>.

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- For example, for February 2025, March 2025 corn futures, simple average of daily settlement prices for January 29<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>, 2025.
- (iv) For insurance month of April:
  - Simple average of final CME corn futures daily settlement prices for the contract month of May, observed over three trading days prior to April 1<sup>st</sup>.
  - For example, for April 2025, May 2025 corn futures, simple average of daily settlement prices for March 27<sup>th</sup>, 28<sup>th</sup>, and 31<sup>st</sup>, 2025.
- (v) For insurance month of June:
  - Simple average of final CME corn futures daily settlement prices for the contract month of July, observed over three trading days prior to June 1<sup>st</sup>.
  - For example, for June 2025, July 2025 corn futures, simple average of daily settlement prices for May 28<sup>th</sup>, 29<sup>th</sup>, and 30<sup>th</sup>, 2025.
- (vi) For insurance month of August:
  - Simple average of final CME corn futures daily settlement prices for the contract month of September, observed over three trading days prior to August 1<sup>st</sup>.
  - For example, for August 2025, September 2025 corn futures, simple average of daily settlement prices for July 29<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>, 2025.
- (vii) For insurance month of October:
  - Simple average of final CME corn futures daily settlement prices for the contract month of December, observed over three trading days prior to October 1<sup>st</sup>.
  - For example, for October 2025, December 2025 corn futures, simple average of daily settlement prices for September 26<sup>th</sup>, 29<sup>th</sup>, and 30<sup>th</sup>, 2025.
- (viii) For insurance month of November:
  - Simple average of final CME corn futures daily settlement prices for the contract month of December, observed over three trading days prior to November 1<sup>st</sup>.
  - For example, for November 2025, December 2025 corn futures, simple average of daily settlement prices for October 29<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>, 2025.
- (c) Soybean Meal
  - (i) For insurance months January, March, May, July, August, September, October, and December:
    - Simple average of final CME soybean meal futures daily settlement prices for the contract month that is equal to the insurance month, observed over three trading days prior to the contract first notice date.
    - For example, for July 2025, the first notice date is June 30, 2025. The actual price is the simple average of daily settlement prices for June 25<sup>th</sup>, 26<sup>th</sup>, and 27<sup>th</sup>, 2025.
  - (ii) For insurance month of February:
    - Simple average of final CME soybean meal futures daily settlement prices for the contract month of March, observed over three trading days prior to February 1<sup>st</sup>.
    - For example, for February 2025, March 2025 soybean meal futures, simple average of daily settlement prices for January 29<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>, 2025.
  - (iii) For insurance month of April:
    - Simple average of final CME soybean meal futures daily settlement prices for the contract month of May, observed over three trading days prior to April 1<sup>st</sup>.
    - For example, for April 2025, May 2025 soybean meal futures, simple average of daily settlement prices for March 27<sup>th</sup>, 28<sup>th</sup>, and 31<sup>st</sup>, 2025.
  - (iv) For insurance month of June:
    - Simple average of final CME soybean meal futures daily settlement prices for the contract month of July, observed over three trading days prior to June 1<sup>st</sup>.
    - For example, for June 2025, July 2025 soybean meal futures, simple average of daily settlement prices for May 28<sup>th</sup>, 29<sup>th</sup>, and 30<sup>th</sup>, 2025.
  - (v) For insurance month of November:
    - Simple average of final CME soybean meal futures daily settlement prices for the contract month of December, observed over three trading days prior to November 1<sup>st</sup>.
    - For example, for November 2025, December 2025 soybean meal futures, simple average of daily settlement prices for October 29<sup>th</sup>, 30<sup>th</sup>, and 31<sup>st</sup>, 2025.

### **Offer Availability**

Available insurance months are determined by the closing month of the policy. The closing month is

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determined by the month of the first day of the sales period. For example, if LGM for Swine has sales periods that begin on January 7, 14, 21, and 28, the closing month of all of these sales periods is January. Table 1 presents the information on insurable months based on the closing month (in Column 1). The closing month determines the insurance period (in Column 2). Within each insurance period, the insurance months are shown in Column 3 with the relevant hog and feed months shown in Columns 4-9 (Columns 4-6 for farrow-to-finish operations, Columns 7-9 for finishing operations).

The sales period begins on the Thursday of the week when the coverage prices and rates are posted on the RMA website and ends at 8:25 AM Central Time of the following calendar day. Sales will not be available for purchase if the Thursday of the sales period is a CME market holiday or if USDA Hogs and Pigs report will be released on that day. If the expected gross margins are not available on the RMA website, LGM for Swine will not be offered for sale for that insurance period.

Table 1. Cycles within the insurance period for LGM for Swine Insurance

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
Sales								
Closing Month	Insurance Period	Insurance Month	<i>Farrow-to-Finish</i>			<i>SEW/Finishing</i>		
			Hog Price	Feed Price		Hog Price	Feed Price	
				Corn	Soybean Meal		Corn	Soybean Meal
January	February - July	March	March	December	December	March	January	January
		April	April	January	January	April	February	February
		May	May	February	February	May	March	March
		June	June	March	March	June	April	April
		July	July	April	April	July	May	May
February	March - August	April	April	January	January	April	February	February
		May	May	February	February	May	March	March
		June	June	March	March	June	April	April
		July	July	April	April	July	May	May
		August	August	May	May	August	June	June
March	April - September	May	May	February	February	May	March	March
		June	June	March	March	June	April	April
		July	July	April	April	July	May	May
		August	August	May	May	August	June	June
		September	September	June	June	September	July	July
April	May - October	June	June	March	March	June	April	April
		July	July	April	April	July	May	May
		August	August	May	May	August	June	June
		September	September	June	June	September	July	July
		October	October	July	July	October	August	August
May	June - November	July	July	April	April	July	May	May
		August	August	May	May	August	June	June
		September	September	June	June	September	July	July
		October	October	July	July	October	August	August
		November	November	August	August	November	September	September
June	July - December	August	August	May	May	August	June	June
		September	September	June	June	September	July	July
		October	October	July	July	October	August	August
		November	November	August	August	November	September	September
		December	December	September	September	December	October	October

Table 1. Continued

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
Sales			<i>Farrow-to-Finish</i>			<i>SEW/Finishing</i>		
Closing Month	Insurance Period	Insurance Month	Hog Price	Feed Price		Hog Price	Feed Price	
				Corn	Soybean Meal		Corn	Soybean Meal
July	August - January	September	September	June	June	September	July	July
		October	October	July	July	October	August	August
		November	November	August	August	November	September	September
		December	December	September	September	December	October	October
		January	January	October	October	January	November	November
August	September - February	October	October	July	July	October	August	August
		November	November	August	August	November	September	September
		December	December	September	September	December	October	October
		January	January	October	October	January	November	November
		February	February	November	November	February	December	December
September	October - March	November	November	August	August	November	September	September
		December	December	September	September	December	October	October
		January	January	October	October	January	November	November
		February	February	November	November	February	December	December
		March	March	December	December	March	January	January
October	November - April	December	December	September	September	December	October	October
		January	January	October	October	January	November	November
		February	February	November	November	February	December	December
		March	March	December	December	March	January	January
		April	April	January	January	April	February	February
November	December - May	January	January	October	October	January	November	November
		February	February	November	November	February	December	December
		March	March	December	December	March	January	January
		April	April	January	January	April	February	February
		May	May	February	February	May	March	March
December	January - June	February	February	November	November	February	December	December
		March	March	December	December	March	January	January
		April	April	January	January	April	February	February
		May	May	February	February	May	March	March
		June	June	March	March	June	April	April