



Hard Winter Wheat Index Futures and Options Review

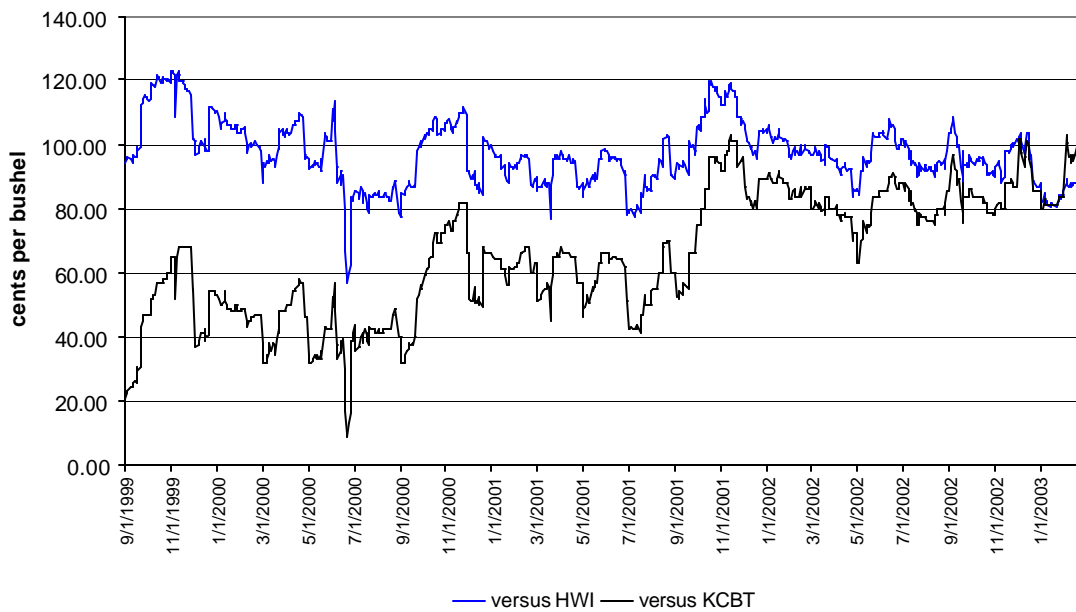
MINNEAPOLIS GRAIN EXCHANGE
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Pacific Northwest Hard Wheat Basis

The follow chart shows PNW hard red winter wheat basis versus the Hard Winter Wheat Index (HWI) and versus nearby KCBT futures. The analysis details the story that is shown by the chart—basis volatility against the HWI (as measured by standard deviation of basis) was lower, *by nearly 50%*, versus HWI than versus KCBT futures over the time period analyzed.

Please call with questions regarding this analysis, how to access HWI futures and options, or if there is a particular topic you'd like to see addressed in future issues of this correspondence.

**PNW 11.5% Protein HRW Basis
versus Spot HWI and versus Nearby KCBT**



	PNW 11.5 Protein HRW	
	vs. HWI	vs. KCBT
Correlation	98.62%	95.06%
Avg Basis	97.1	65.8
Std Basis	9.9	19.6
Basis Max	123.3	107.3
Basis Min	57.1	9.0
Basis Range	66.2	98.3

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