

# Hedge-to-Arrive

- Lock in Futures price and leave the basis open
- Open destination
- Option to roll to deferred months to capture possible carry in the market

## Hedge-to-Arrive Contract

**StoneX**

**Final Cash Price Equation**  
Original futures Price +/- the basis that is established prior to delivery

**Hedge to Arrive Contract Example:**  
**Date: 8/8/2022**

- CH23 futures are \$6.10; basis is currently -\$0.30
- Upon execution, buyer sells CH23 futures
  - many times in a “sub” account than regular hedge positions.
- Buyer gives producer until 2/24/2023 to set the basis

**Date: 1/6/2023**

- Producer decides to lock in basis for January delivery when posted basis is -\$0.15 cents

Educational example only, does not include commissions and fees

**New Crop:** 5,000 bu increment 3¢ less than 5,000bu 5¢

**New Crop next year:** 5,000bu increments ONLY 8¢

**Roll Futures:** 2¢ per roll, cannot roll into new crop year