LRP- Swine

Livestock Risk Protection

The LRP Insurance Program protects swine producers from adverse market conditions. *New Frontier Capital Markets* is now a registered agent that can offer LRP through the USDA's Risk Management Agency.

- LRP– Insures against decreases in livestock selling prices while enabling producers to benefit from increased market prices– protecting producers from adverse market conditions and unforeseen events in the livestock market.
- Coverage Levels: You can choose between 70% and 100% of the expected price your animal will sell for at the end of the insurance period (think of it as an educated guess).
- Payout: At the end of the period, if the ending value is below the coverage price, you may receive an indemnity payment for the difference between the coverage price and the actual price.

Availability

A one-time application gets you started with comprehensive LRP-Swine coverage.

- Flexible protection: Choose coverage for groups of hogs up to 70,000 per policy period.
  The annual limit for LRP—Swine is 750,000 head per producer per crop year (July 1—June 30).
- Match your market plans: Select coverage periods from 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 weeks to match your hogs' marketing window.
- Stay up-to-date: Policy prices adjust daily based on the latest market trends, reflecting CME closing prices.

Buying a Policy

The LRP—Swine Insurance Policies are available through NFCM's Agent, Matthew Huston. By filling out an application today, you can act at the time that best suits your operation, including multiple endorsements throughout the crop year. Insurance coverage does not begin until specific endorsement coverage is purchased. It starts the day your operation buys a particular coverage endorsement, and the USDA's Risk Management Agency (RMA) approves the purchase.

LGM-Swine

The LGM Insurance Program offered by New Frontier Capital Markets through the USDA's RMA protects swine producers by insuring against losses in gross margin (the market value of livestock minus feed costs). It estimates margins based on market forecasts and offers discounts for insuring multiple months simultaneously. The insurance subsidy varies based on the deductible chosen (ranging from $0 to $20 per animal), with higher deductibles receiving larger subsidies (from 18% to 50%). Payment is made at the end of the coverage period and depends on factors like your selling plan, chosen coverage, deductible, market predictions, and price volatility.

Availability:
- LGM—Swine is available to all local and state producers.
- Covered operations include Farrow-to-Finish, Feeder Pig-Finish, and Segregated Early Weaning (SEW).

Buying a Policy:
- You can purchase coverage weekly for the swine you plan to market.
- Each insurance period lasts six months and overlaps with others.
- Coverage starts one month after buying a policy and lasts for the last five months.
- Policies automatically renew, with sales occurring on Thursdays based on USDA RMA website prices and rates until 9 AM CST the next day.
- Premiums are due at the end of the insurance period.

Causes for Loss:
- LGM-Swine covers the difference between the guaranteed and actual gross margin, excluding losses from swine death or damage.