



## Master Amplifier Plan

**SCS Master Amplifier Plans** are similar to standard HTAs in that the producer locks in a fixed price, though at a higher level because of the presence of an additional quantity and a Trigger Level. However, accumulations only occur when the futures price is above the Trigger Level on accumulation day, otherwise that week's (or day's for daily accumulation) quantity is cancelled.

**SCS Master Amplifier Plans** would be suitable for a producer who is mildly bullish, particularly in the long term, and would like to price his bushels higher than the current market.

*TOOL GROUP* Fixed Price

### *PRODUCER BIAS*

- > Master Amplifier Plus Plan — neutral to bullish in both the short and the long term. OK with pricing additional bushels at the end of the contract
- > Master Amplifier Reserve Plan — neutral to slightly bullish in the near and long term. OK with pricing additional bushels on a weekly basis

### *ADVANTAGES*

- > Producer prices grain above current market
- > No knockout, so structure will not disappear on a sudden down move.

### *DISADVANTAGES*

- > No upside participation if market rallies strongly
- > Possibly pricing additional bushels at fixed level, thereby eliminating upside for those bushels
- > A Trigger level that could cause smaller accumulations on a small down move.

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## Examples

CZ18 Futures Price at \$4.10

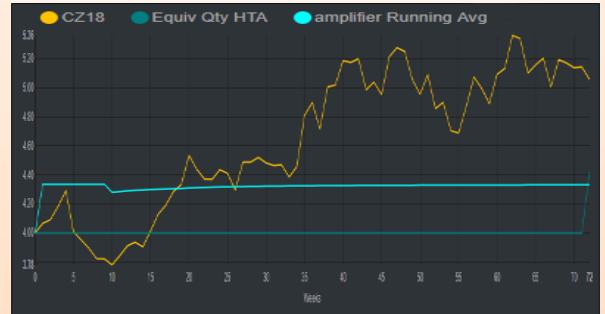
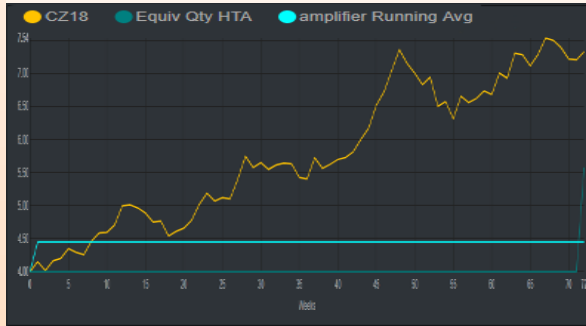
### 1. MASTER AMPLIFIER PLUS

- Bushels priced weekly for 72 weeks in CZ18 with a fixed price set at \$4.52
- Double-up at the end of the contract at \$4.52
- Trigger that cancels that week's bushels at 3.80
- NO COST

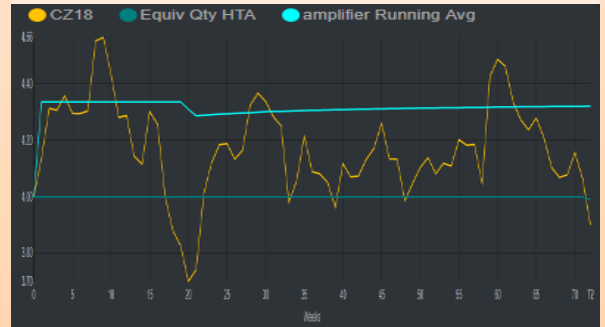
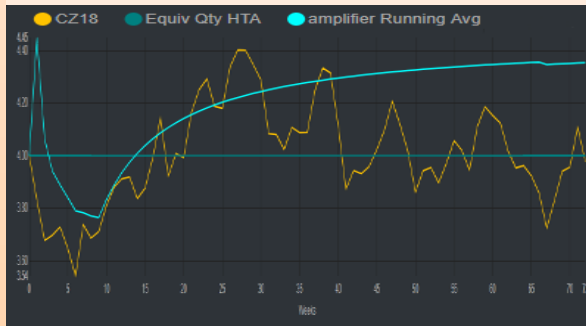
### 2. MASTER AMPLIFIER RESERVE

- Bushels priced weekly for 72 weeks in CZ18 with a fixed price set at \$4.41
- Weekly double-up at \$4.41
- Trigger that cancels that week's bushels at 3.80
- NO COST

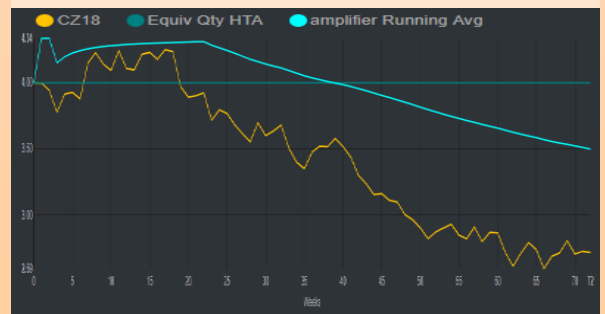
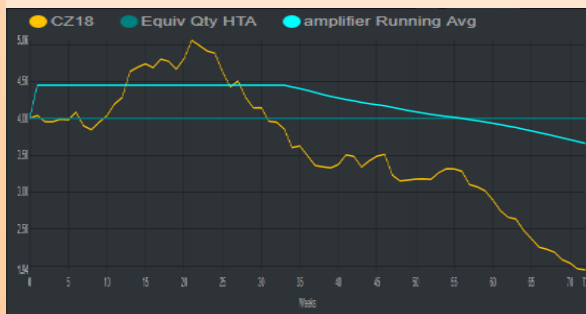
BULL MARKET



NEUTRAL MARKET



BEAR MARKET



HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.