Part II The Benchmarks of DCA®-Markets

DCA quotation pigs©

DCA-Groep B.V. reports under the name – DCA-Markets – each week a quotation for pigs. The specifications of this Benchmark are described below.

Description of the commodity

Quality

A standard living fattening pig, taking into account a tare of 2 kilograms of average quality that meets the requirements and the descriptions in chapter 2 of 'De wet dieren' with the effective date of 1 July 2014.

Quantity

At least 1 standard pig.

Price

The price that the trader has paid or is willing to pay on the day of input.

Free at Dutch slaughter house including transport costs of an average of €2,50 and including slaughterhouse costs of an average of €2,00, excluding surcharges and discounts, excluding VAT.

Timing

Delivery in the following week from Sunday 00:00 to Saturday 23:59.

Location

Free Dutch export location.

Unit

Price in Euros per kilogram of live weight rounded to whole eurocents.

How price input is collected

Price input is collected during the week until Friday 19:00. Contributors who are member of Vee en Logistiek Nederland can provide input. Contributors log into the DCA-Markets Price Reporting System, enter their price, and possibly their comments.

On Friday at 14:00 a reminder will be sent to those contributors who have not yet entered a price.

A group of insiders is called by a DCA assessor and asked for an indication of the market.

Input analysis, processing, and publication

The DCA-Markets Price Reporting System calculates an average price from the price input of the contributors. This is calculated according to the following method.

10% of the number of input prices at the top of the price range are eliminated. In the same way, 10% of the number of input prices at the bottom of the price range are eliminated. An average price is determined based on the remaining 80%. The prices, from the previously eliminated prices, that deviate less than €0,02 from the calculated average are added to the price range after which a new average price is calculated. The Price of Insiders counts double.

The average that is calculated is the contributors price of that week and is rounded to whole Eurocents.

No volume weighting takes place and contributors also do not provide volumes. The range of the input prices (highest en lowest price) is determined after the elimination principle described above.

The result of the calculation and the deviation from the previous weeks are compared with the comments from the group of Insiders.

The DCA assessor follows the contributors price of that week by default. He is allowed to deviate from this if the average indication and the accompanying comments give rise to this. However, the final price must always be within the range of the contributors price of that week.

The final Benchmark price is published on Friday 20:00 via SMS and published on the website of Boerenbusiness.nl, a sister company of DCA-Markets.

This together with a short explanation, the range of the contributor price of that week, and the corresponding number of observations that are taken into account (after elimination of prices that deviate too much from the average as described above).

If the described procedure cannot be applied for any reason, the management of DCA-Markets decides how the final Benchmark of that week should be determined or it decides not to calculate a Benchmark price for that week and publishes this with a explanation.