



StoneX Executes First Australian Feeder Cattle Swap

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The successful swap bolsters price transparency and risk mitigation for Australian cattle-dependent businesses

SYDNEY, October 11, 2022 – StoneX Group Inc. (Nasdaq: SNEX) today announced that it successfully executed the first cattle swap via the StoneX Australian Feeder Cattle Swap offering. The counterparties to the trade were longstanding StoneX client Mort & Co, a Queensland-based lot feeder, and an East Coast-based cattle trader in Australia.

“StoneX and Argus have done well to create a feeder steer price index that is commercially relevant to the industry, which in turn gives us peace of mind to use a swap product against which it is settled,” said Charlie Mort, Executive Chairman of Mort & Co. “The ability to hedge cattle prices out to 12 months and beyond creates a new set of opportunities when both input and output prices can be locked well in advance of the physical transaction.”

Since the launch of the Australian Feeder Cattle Swap in February 2022, StoneX has onboarded twelve existing accounts with over fifty new clients to be onboarded over the course of the year. The influx of new clients speaks to the overwhelming demand for additional risk hedging vehicles to address market volatility in the world’s third-largest beef market.

Tim Jude, StoneX’s Sydney-based Livestock and Commodities Broker commented, “StoneX is proud to meet the demand of the Australian cattle market for an instrument to hedge their risks and manage their margins. This swap is a significant milestone in bringing increased transparency and more efficient pricing to the cattle market. We’ve seen a significant decrease in the spread between the highest and lowest price paid in the market each week as a result of this swap and anticipate even greater efficiencies going forward.”

The StoneX swap settles against a monthly average of the weekly Argus Australia northern feeder cattle index, launched last year. The index is based on transactions between farmers and feedlots within a 300km radius of Dalby in the heart of Australia’s major cattle region, the Darling Downs. Contributions from a deep pool of sources across the supply chain ensure that the index reflects fair market value. The specificity of the Argus price methodology was directly developed with risk management tools in mind.

“I am delighted to see the first StoneX Australian northern feeder cattle (Argus settled) swaps trading, enabling market participants to hedge risk and manage margins in these increasingly turbulent times,” said Argus Media chairman and chief executive, Adrian Binks. “We are pleased to provide the settlement mechanism for this financial instrument, as we seek to bring greater price transparency to the Australian cattle markets.”

About StoneX Group Inc.

StoneX Group Inc., through its subsidiaries, connects clients with the global markets across a broad array of asset classes – providing execution, post-trade settlement, clearing and custody services through one trusted partner. Clients use its global financial services network to pursue trading opportunities, make investments, manage their market risk, and improve their performance. A publicly traded company (NASDAQ:SNEX) headquartered in New York City, StoneX Group Inc. and its 3,300 employees serve more than 52,000 commercial, institutional, and global payments clients, and 370,000 active retail accounts, from more than 40 offices spread across five continents.

For further information about StoneX, please visit: <https://www.stonex.com/>

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