

Ag Econ 244: Agricultural Marketing (3 credits), Spring 2012

Lecture

T/TH 1-2:15 PM

Barry Hall 140

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Course Description

Study of the agricultural marketing system to include cash marketing, commodity futures trading, branded products merchandising, and the interrelationship of the government and international trade.

Class Organization

The class is organized as a lecture-discussion. Student-instructor interaction through class participation is critical in understanding the materials presented and core concepts of the course. Lectures using PowerPoint presentations will be available prior to class via Blackboard. PowerPoint slides provided on Blackboard will not be complete, therefore class attendance will be needed to complete lecture notes. Supplemental materials, problem sets, and in-class worksheets will be distributed prior to class via Blackboard.

Course Learning Objectives

The objectives of the course are:

1. Develop a basic understanding of the commodity futures market.
2. Study the fundamental factors (supply and demand) that affect agricultural commodity prices.
3. Identify and describe the institutions involved in the marketing of commodities and distribution of products.
4. Discuss and evaluate current problems and issues with respect to agricultural marketing in North Dakota and the United States.
5. Analyze alternative marketing strategies for livestock, grain crops, oilseeds, meant, and specialty grain and livestock.

Suggested Prerequisites

ECON 201 or other university-level introductory microeconomics theory course.

Required Text: *COMMODITY MARKETING from a Producer's Perspective*, 2nd Edition; Chafin & Hoepner.

Tentative Grading Schedule

Your final grade is determined by 3 mid-term exams, a cumulative final exam, 5 quizzes, and 8 problem sets, and an Individual Commodity Marketing Game:

Mid-term exams (3 at 15% each)	45%
Cumulative Final exam	15%
Quizzes (5 @ 2% each)	10%
Problem sets (8 @ 2.5% each)	20%
Commodity Marketing Game/Project	<u>10%</u>
Total	100%

Grades are assigned approximately as

A	<90%
B	80-89.9%
C	70-79.9%
D	60-69.9%
F	<60%

There will be no opportunities for “extra credit” in this course. Your grade is completely determined by the effort you put forth.

Exams

Three semester exams and a cumulative final examination will be given. The *tentative* semester examination dates are **February 7, March 8, and April 19**. The cumulative final exam is scheduled for **Thursday, May 10, 3:15-5:15 PM**. Exam dates may be changed should the university be closed for a weather-related event. You must contact me as soon as possible if you have a conflict with examination dates. You must make arrangements to write an exam prior to an excused absence, if you contact me while the exam is in progress or after the exam has taken place you will receive a score of zero. The final exam must be taken on the University-assigned date. Absences for exams will be excused only as outlined by university policies. The use of cellular phones, PDAs, laptops or other electronic devices is not permitted during quizzes or exams—a basic calculator is sufficient.

Quizzes

Six unannounced quizzes will be given during the semester. Quizzes are used to determine if students have an understanding of the material recently covered and are keeping up with required reading and other class preparation. Quizzes are unannounced and cannot be taken if missed. A missed quiz will be recorded with a grade of zero. The lowest quiz score will be dropped from your overall quiz grade.

Problem Sets

There will be approximately 8 problem sets assigned throughout the semester. Problem sets will be completed in Excel and submitted electronically using the Blackboard assignments function prior to class beginning on the due date. Any problem sets handed in after the lecture begins will receive zero points.

Problem sets will be completed in groups of 2-3 students. You must designate one person in your group to email your group and member names to the instructor by **January 17th 1:00 PM**. Any students not in a group by January 17th will be assigned a group by the instructor. Each group must turn in their own problem set. I expect students and groups to work together to formulate responses, but each group or individual must complete the problem set. No two (or more) problem sets should look the same. Any deviation from this policy will be treated as academic dishonesty and forwarded to the college and campus for action.

Commodity Marketing Game

Each student will be expected to complete a commodity marketing game. The game will start after Exam 1 and continue until April 10th. Additional details will be posted on Bb and discussed in class.

Professionalism

Effective speaking and writing skills are required for any career. You are expected to conduct yourself in a professional manner. Please check your assignments for grammatical and spelling errors and submit work in a logical format. Points will be deducted for these mistakes.

Honor code (<http://www.ag.ndsu.edu/academics/honor.htm>)

All students taking any course in the College of Agriculture, Food Systems, and Natural Resources are under the Honor System. The Honor System is governed by the students and operates on the premise that most students are honest and work best when their honesty and the honesty of others is not in question. It functions to prevent cheating as well as penalize those who are dishonest. It is the responsibility of the students to report any violations of the honor pledge to the instructor, honor commission, or the Dean of the College of Agriculture, Food Systems, and Natural Resources.

Any students with disabilities who need accommodation in the course are encouraged to speak with the instructor as soon as possible to make appropriate arrangements for these accommodations.

Veterans and student soldiers with special circumstances or who are activated are encouraged to notify the instructor in advance.

Tentative Schedule

Week	Dates	Topic	Readings
1	Jan. 10, 12	Introduction	Chapter 1
2	Jan. 17, 19	Fundamental Analysis	Chapter 4 Chapter 9 pg. 307-318
3	Jan. 24, 26	Futures	Chapter 2, page 40-48 Chapter 3
4	Jan. 21, Feb 2	Futures	
5	Feb. 7	Exam 1	
	Feb. 9	Basis	Chapter 7
6	Feb. 14, 16	Basis/Pricing Strategies	Chapter 6
7	Feb. 21, 23	Hedging/Speculating	Chapter 3, Chapter 5, page 204-213
8	Feb. 28, Mar. 1	Technical Analysis	Chapter 5
9	Mar. 6	Technical Analysis	
	Mar. 8	Exam 2	
10	Mar. 13, 15	SPRING BREAK	
11	Mar. 20, 22	Options	Chapter 6, pg. 197-199, Selected Readings
12	Mar. 27, 29	Options	
13	Apr. 3, Apr. 5	Marketing Plans	Chapter 6, page 200-205 Selected Readings
14	Apr. 10	Marketing Plans	
	Apr. 12	Exam 3	
15	Apr. 17,19	Marketing Contracts	Chapter 2
16	Apr. 24, 26	Financing Hedges and Margin Calls	Selected Readings
17	May 1, 3	Marketing ‘non-traded’ commodities	Selected Readings
	MAY 10	FINAL EXAM	3:15-5:15 PM

Academic Calendar: <http://www.ndsu.edu/fileadmin/registrar/finals/201112.pdf>