For April 12 Class

• Read Chapters 4 and 7 in *Managing Risks and Profits*

• *There will be a quiz*

• Assignment: Advisory Services & their performance
  http://www.farmdoc.uiuc.edu/agmas/reports/03_06/text.html

Open tables at end of web site and answer the questions on the following slides

• Review all lecture notes & quiz

• AG Risk software
  www-agecon.ag.ohio-state.edu/programs/AgRisk/download.htm - 4k –
For Quiz

• Review notes from first class, today’s notes, & take careful notes next week.

• Know major marketing functions, traditional grain contracts, areas of contract risk exposure, farm financial concepts needed for grain marketing.

Know basis definition, understand basis seasonality, market carry (futures spreads)

Understand CCPs & LDPs
For Quiz

- **Know major competitors in world corn and soybean markets.**
- **Know major U.S. & foreign futures grain markets.**

*Know Seasonality of grain cash & futures markets*
Univ. of Illinois does an annual evaluation of Ag Market Advisory Services. You can get the report at the above web address.

Assignment: Working individually or in teams of 2-4 people, answer these questions:
1. For the advisory services as a group, how much better in average cents per bushel are they than the average price received by farmers?  ___________ corn  _____________ soybeans
2. For the services as a group, how does their average price compare with the 20-month market benchmark?  __________ Corn, ________________ Soybeans.
3. For the services as a group, how does their average price compare with the 24-month market benchmark?  __________ Corn, ________________ Soybeans.
Questions:
1. Has any one advisory service been able to beat the 24 month market benchmark every year over the study period? On Corn? ___ ___________________. On Soybeans? ____________________.
2. How much does the ranking of individual advisory services vary from year to year? ____________________________.
3. Brock is an advisory service used by Cargill in some of its Contracts. On average, how has Brock ranked among advisory Services? On corn?________ On soybeans?_______
Pro Farmer is headquartered in Cedar Falls, Iowa. How has it Ranked among advisory services? On corn?_______Soybeans?___ ______________________________.