

Econ 337  
Homework #1  
10 points

Spring 2016  
Due 1/19/16

Name: \_\_\_\_\_

For the semester-long marketing plan assignment, you are to hedge (sell futures) 5 futures contracts of corn and 2 futures contracts of soybeans (using the May 2016 futures contracts). See slides 15-16 of the Commodity Challenge Set Up link on the class website for help on setting up the hedges.

1. What was the futures price for May 2016 corn that you received on your corn hedge? You should have received an email titled "Commodity Challenge: Futures Order Confirmation" that has this price.

2. What was the futures price for May 2016 soybeans that you received on your soybean hedge? You should have received an email titled "Commodity Challenge: Futures Order Confirmation" that has this price.

3. How many bushels of corn are covered by 5 futures contracts?

4. How many bushels of soybeans are covered by 2 futures contracts?