

**Location:** 105 Filley Hall (Commodity Trading Room)

**Time:** Section 1 8:00 – 9:15, Section 2 9:30 – 10:45, Tuesday and Thursday

**Prerequisite:** AECN 325 (required)

**Integrative Studies, Capstone (ACE 10)**

	<b>Instructor</b>	<b>Teaching Assistant</b>
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<b>Office Hours</b>	By Appointment	

**Course Material on Blackboard:** <http://its.unl.edu/lms>

**Course Objectives:**

This course is an advanced study of agricultural marketing concepts, tools, and strategies as they relate to risk management for agricultural producers, commodity merchandisers, processors, and other traders.

Focus will be on integrating the topics from this course and AECN 325 to design marketing plans to meet specific criteria. Specific objectives of course are to:

- Develop breakeven prices for grain and cattle.
- Understand crop insurance and how to integrate it into a marketing plan
- Understand index fund and outside (and global) market impacts on agricultural commodity prices
- Understand inter and intra-commodity price spreads and how to hedge profit margins using futures, options, insurance, and cash contracts.
- Learn how to apply advanced option hedging strategies.
- Understand government farm program benefits and how to integrate them into marketing plans
- Understand how personalities influence marketing decisions and choice of strategy
- How fundamental and technical analysis is used for market entry and exit
- Utilizing grain merchandising strategies to maximize the grain storage returns
- Develop a marketing and risk management plan for a farm and cattle operation that incorporate multiple marketing tools and strategies

**Materials:**

*Required Readings*

- Daily Livestock Report, Chicago Mercantile Exchange Group; subscribe to daily market email by completing form at <http://www.dailylivestockreport.com/register.aspx> Read Daily
- Agriculture Today, Brownfield Ag News; subscribe to daily market email by completing form at <http://brownfieldagnews.com/site-map/agriculturetoday/> Read Daily
- Various papers and texts that will be posted on Blackboard or distributed in class
- E-mails from instructor on market news and analysis
- Market news and analysis on various Internet sites

*Must-See TV and Video*

- Heartland Farm Partners Daily Market Video, received via email from course instructor, provided courtesy of Heartland Farm Partners – Watch daily
- Market-to-Market, <http://www.iptv.org/mtom> - Watch Weekly
- Market Journal, broadcast and podcast on <http://marketjournal.unl.edu> – Watch Weekly

**Evaluation:**

An average course score will be determined using a weighted average of the following:

Homework	10%	Quizzes	20%
Marketing Project	25%	Exam 1	10%
Class Participation	5%	Exam 2	10%
Term Paper	10%	Final Exam	10%

Letter grades will be assigned to the average course score according to the following schedule:

<u>Average Course Score</u>	<u>Course Grade</u>	<u>Average Course Score</u>	<u>Course Grade</u>
98-100	A+	77-79	C+
93-97	A	73-76	C
90-92	A-	70-72	C-
87-89	B+	67-69	D+
83-86	B	63-66	D
80-82	B-	60-62	D-
		0-59	F

Students electing to take this course Pass/No Pass will be expected to perform satisfactorily, attend class regularly, and earn an average course score of 73% or better to receive a Pass grade for the course.

### *Homework*

Homework will be assigned to provide practice in solving problems related to the course material. Additionally, homework assignments may include other papers, essays, or projects related to special trading simulations conducted outside of regularly scheduled class time. Homework assignments will generally be announced one week prior to their due date. Assignments will generally be posted in MS Word format on Blackboard. Students are expected to: 1) download the homework assignment, 2) type their answers in the file (leaving the questions in the file as well) or follow other given instructions, and 3) print the completed assignment to hand in on the due date. Homework assignments are required to be typed or completed on the computer, unless otherwise noted. Print homework assignments on a high quality printed with dark ink so that they are easily read (if you make use of color in text or graphs, be sure to print in color). Students not attending class on the homework's due date (for any reason) are required to submit their homework no later than 5:00 pm on the day prior to the homework's due date. In this case, assignments must be submitted by e-mail or hardcopy delivered directly to the instructor. **Homework assignments are due at the beginning of class on the assignment's due date. Late assignments will be reduced by 20%. Homework assignments more than one day late will not receive credit.**

### *Marketing Project*

A marketing plan project that demonstrates an integrated understanding and use of marketing tools and strategies will be completed by each student. Each student will be provided with a case farm or may use his own farm and will complete various components including a breakeven cost-of-production, market outlook and risk management assessment. Evaluation of the marketing project will be made in several steps, including the first submissions of the marketing plan components. Details associated with the marketing plan project and due dates will be announced in class and via Blackboard.

### *Class Participation*

Class participation includes regular attendance at all class meetings, participation in class discussions, and active participation and contributions to any group projects. Instructor evaluation of class participation will include quantitative assessments of attendance at any/all regular class meetings or other class activities and qualitative assessments of in-class participation in group discussions (e.g., quality and quantity of questions, answers, etc. and extension of course topics to real-world applications). Evaluation may also come from any peer-assessment of individual participation in group projects.

Regular attendance and participation is expected and encouraged; therefore, attendance quizzes may be given on any day. As in any class, there tends to be a direct correlation between

attendance and academic performance. Students are responsible for knowing the material presented during the class meeting, including the class discussions and responses to questions raised in the class, even in the event of absence. Any student who cannot attend a class meeting is expected to obtain the handouts, assignments, assignments, and slides from Blackboard (or by contacting the instructor) and obtain notes from fellow classmates.

### *Term Paper*

Students will complete the term paper (10 pages) as individuals, concentrating on how global factors affect price risk on their model farm. Details associated with the term paper and due dates will be announced in class and via Blackboard.

### *Quizzes*

Four announced quizzes will be given throughout the semester. The quizzes will be 30-40 minutes in length, and include a variety of question formats (e.g., multiple choice, true/false, short answer, problems and essays). The quizzes will cover cumulative material up to that date from AECN 435. Additional unannounced quizzes may occur throughout the semester. Make-up quizzes must be arranged *before* the quiz date and absences must be verified with appropriate documentation (i.e., doctor's note, University documentation, etc.). Any make-up quiz may include both written and oral components, and will not be restricted to the 30-40 minute length.

### *Exams*

Two exams and one final exam will be given. If an exam will be missed due to a planned absence (e.g., university sponsored event) and documentation of the absence provided to the instructor at least one week before the exam, the exam will be able to be made up. Failure to provide documentation of a scheduled absence at least one week prior to the exam date or an absence for any other reason will result in a score of zero on the missed exam.

The final exam is cumulative and will cover all material from AECN 435. All students (including graduating seniors) are required to take the final exam at the time scheduled by the University: **Section 1 (8:00 to 9:15) May 3<sup>rd</sup> from 7:30 to 9:30 AM, Section 2 (9:30 to 10:45) May 2<sup>nd</sup> from 10:00 to 12:00 Noon.**

### *Grading Policy*

Graded homework, quizzes, exams, and projects will generally be returned within one week of the assignment's due date. If a student is concerned about grading accuracy, the issue must be addressed with the instructor within one week after the assignment or quiz is returned to the student.

## Important Notices

- Copyright 2017, by Jeff Peterson, as to this syllabus, all lectures, and course materials. Students are prohibited from selling (or being paid for taking) notes during this course to or by any person or commercial firm without the express written permission of the instructor.
- AECN 435 is an Integrative Studies course and a Capstone course in the Department of Agricultural Economics. Additionally, AECN 435 has been certified for the Achievement of Centered Education (ACE) program's Outcome #10 (Integration):
  - *General a creative or scholarly product that requires broad knowledge, appropriate technical proficiency, information collection, synthesis, interpretation, presentation, and reflection.*
  - *Achievement of learning outcome will be measured through student performance of creating and executing an actual marketing plan.*
- AECN 325, taken at UNL, is a required prerequisite for AECN 435. It is anticipated that students who have not taken AECN 325 will have difficulty in this course, and should drop this course and take in after AECN 325.
- **Academic Dishonesty:** Students are expected to adhere to guidelines concerning academic dishonesty outlined in Section 4.2 of University's Student Code of Conduct (<http://stuafs.unl.edu/ja/code/>). Students are encouraged to contact the instructor for clarification of these guidelines if they have questions or concerns. The Department of Agricultural Economics has a written policy defining academic dishonesty, the potential sanctions for incidents of academic dishonesty, and the appeal process for students facing potential sanctions. The Department also has a policy regarding potential appeals of final course grades. These policies are available for review on the department's website (<http://agecon.unl.edu/undergraduate>).
- **Special Needs:** Students with disabilities are encouraged to contact the instructor for a confidential discussion of their individual needs for academic accommodation. It is the policy of the University of Nebraska-Lincoln to provide flexible and individualized accommodation to students with documented disabilities that may affect their ability to fully participate in course activities or to meet course requirements. To receive accommodation services, students must be registered with the Services for Students with Disabilities (SSD) office, 132 Canfield Administration, 472-3787 voice or TTY.
- **In case of an emergency:**
  - **Fire Alarm (or other evacuation):** In the event of a fire alarm: Gather belongings (Purse, keys, cellphone, N-Card, etc.) and use the nearest exit to leave the building. Do not use the elevators. After exiting notify emergency personnel of the location of persons unable to exit the building. Do not return to building unless told to do so by emergency personnel.
  - **Tornado Warning:** When sirens sound, move to the lowest interior area of building or designated shelter. Stay away from windows and stay near an inside wall when possible.

- **Active Shooter**
  - **Evacuate:** if there is a safe escape path, leave belongings behind, keep hands visible and follow police officer instructions.
  - **Hide out:** If evacuation is impossible secure yourself in your space by turning out lights, closing blinds and barricading doors if possible.
  - **Take action:** As a last resort, and only when your life is in imminent danger, attempt to disrupt and/or incapacitate the active shooter.
- **UNL Alert:** Notifications about serious incidents on campus are sent via text message, email, unl.edu website, and social media. For more information go to: <http://unlalert.unl.edu>.
- Additional Emergency Procedures can be found here: [http://emergency.unl.edu/doc/Emergency\\_Procedures\\_Quicklist.pdf](http://emergency.unl.edu/doc/Emergency_Procedures_Quicklist.pdf)