

UNIVERSITY OF MANITOBA
DEPARTMENT OF AGRIBUSINESS AND AGRICULTURAL ECONOMICS
ABIZ 0450 AGRICULTURAL ECONOMICS AND MARKETING II

COURSE SYLLABUS – FALL 2022 (Tentative version Sept 20, 2022)

Instructor: Brian Oleson, Dept Ag Econ & Agribusiness, 3rd Floor Agriculture Building
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Grader Marker: TBA

Class Schedule: Online Version. Read the following carefully.

Monday 8:30 -9:20. Live, In Class Lecture. Market Mondays - Discussion of Price Discovery incl Market Analysis(M2M) section of PBS Market to Market program to complement Tuesday experiential learning with in class guest market analysts.

Wednesday 8:30 -9:20 Live. In Class. Wednesday lectures Price Determination & Price Discovery. NOTE Both Monday and Wed will be lecture classes but Monday often will include more market discussion & M2M review.

Friday 8:30 -9:20 No class. Instead of Friday class students are assigned to watch Market to Market on Iowa PBS posted each Friday after close of markets. Students can use this time to work on Assignments and Market to Market.

Lab: Tu 2:30 -3:45 Online. **Tuesday Lab will be devoted to Canadian Guests who provide real life Market Analysis and Advisory Services** Online. *Experiential Learning Tuesdays.* Market Advisory & Analysis. Students interact with top analysts and farm advisors who will be on-line guests for most of the Labs.

REMINDER: Watch and re-watch the Market Analysis portion of the Market to Market program each week (Mandatory - all must do! It is only 15 minutes). Write down terminology and important points for discussion Monday class (and Tuesday 2:30pm Lab). (Market Analysis is last part of the M2M program. If you find time also watch the rest of the program.)

Objective: The course builds on ABIZ 0440, which focused on agricultural economics & markets with emphasis on economics (supply & demand). ABIZ 0450 will focus on Supply Chains and intro to Contracts, Futures and Price Risk Management (PRM). On completion of ABIZ 0450, students will:

- Have a better understanding of agricultural economics of Supply and Demand in theory and practice
- Have a better understanding of commodity markets and the sales, pricing & price risk management of commodities, particularly from a producers view but also from agribusiness firms
- Have a better understanding of farmer sales, pricing and risk management of commodities with emphasis on futures markets and grain marketing contracts with farmers. Focus is on grain but most of the tools and knowledge are applicable to all commodities incl livestock & even direct marketing.
- Have a better understanding of key econ factors that drive farm & agribusiness decision making.
- Have an ability develop a farm marketing plan that directly relates to their MPP
- Better appreciate, understand and undertake basic commodity market analysis and forecasting to assist them in their careers either in agribusiness or in farming and to begin development of a marketing plan.

Format: **Lectures:** See Class Schedule above.

Attendance online for the 2:30 GUEST TUESDAY is mandatory. It involves a major class project. Class participation & questions are encouraged and expected. Participation/attendance marks will be given for Labs; Experiential Learning will emphasize in class industry experts in Market Analysis and Marketing Advisory services. Not recorded. Class attends via WEBEX.

Exams/tests There will be 2 tests with no Final. These two tests will be based on the lectures, Lab, the texts, assignments, guests and supplemental material covered in class and lab.

Lab: Tuesday Lab: Experiential Learning and Guests have been an important part of this course. These Guests are real life Guests counterpart of the PBS Market Analysis: Market to Market

viewing each week and discussion. (Market to Market (M2M) weekly commodity analysis program, Iowa PBS available Friday each week on the Internet. The PBS Friday (close of markets) program is normally posted on Friday.)

LAB ASSIGNMENT. 20% Hand in to UM Learn Folder Due Nov 26.

Title: My Self Monitoring of the Weekly Guest Labs . For each week write up to 1/2 page following the outline to be provided.

TESTS AND ASSIGNMENTS and Marks
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|------------------------------|---------------------------|
| 1. Test (Test 1 and Test 2) | 25 + 20 = 45% |
| 2. Lab Guests Assignment | 20% |
| 3. Marketing Plan Assignment | 35% Due November 19, 2022 |

Lab Guest Self Evaluation Assignment 20%. Due November 26, 2022.

Marketing Assignment: 35%. Farm Profile and Marketing Plan Assignment developed in collaboration with Diploma instructors DUE: Friday, Nov 19, 2022
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35%. Farm Profile and Marketing Plan Draft - There are 4 parts to this assignment
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| <ol style="list-style-type: none">1. FMP Farm Marketing Profile (Interview/research)2. Marketing Tools3. Price Analysis and4. Initial Draft of FMP Marketing Plan for "your farm" |
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Mid-Term Tests:

Mid-Term Test 1 Tues Oct 4, 2022 In Class 25.0 percent

Last Week Test 2 Tues Dec 6 In Class 20.0 percent

REQUIRED READING & STUDY (Bold): There are 2 KEY CHAPTERS plus 3 others, all will be posted.

1. Kohls and Uhl Chapter 20 to be posted UM Learn. Futures. Scan, Skim, Study. A lot of this course is contained in this posted Chapter 20.
2. Chapin and Hoepner: Chapter 4 Basic Economics Review with Marketing focus
3. Intro to Marketing - BTO 4 Approaches with K&U Intro chapter
4. Forecasting Ch 5 of Principles of Agribusiness Management 5th Edition
5. Introduction to Grain Marketing (Developing a Marketing Plan) Saskatchewan Agriculture

HIGHLY RECOMMENDED Texts and Internet:

Grain Marketing is Simple, Its Just not Easy by Ed Usset UMinnesota Ref only Not directly used. LOW COST & HIGHLY RECOMMENDED FOR anyone INTERESTED IN COMMODITY MARKETING.

Commodity Marketing from a Producers' Perspective; Chafin and Hoepner; Assigned Chapters. Available in Library as it is no longer in print. Older copies may be floating around as it has been a required text in the past. It is an excellent text

TV/Web Program: Market to Market www.iptv.org/mtom/ Broadcast Sat on Prairie PBS and posted by Friday PM on internet and podcast. Google Market to Market on Iowa PBS. Friday close of markets taped weekly. Watch the commodity portion every week. (Also see **U.S. Farm Report** www.agweb.com/usfr/)

Main Reference for commodity prices: Barchart.com. Become proficient at using this site. Incredible information source that is free. Other sites incl commodity exchanges such as CME, ICE, Kansas, Minneapolis. Many grain companies & others also have good websites for grain prices and other important market related info.

Office Hours: By appointment live or I will always try to be on line Friday 8:30 to 9:30 for email office hours.

Student Evaluation: Grades may be adjusted on a class curve (tentative).

Note re calculators: Students are encouraged to carry out simple mental calculations so calculators are not normally needed. In tests and exam only 'dumb' very basic arithmetic calculators (no smart phones, calculators with memory etc allowed in tests and exams).

Mid Term Test Lab Oct 4, 2022 25 %

Final Test (Tues Dec 6, last week of class ; 20 %

Labs: Focus on Guests Due UM Learn Hand-in 20%

Marketing Plan Assignment Due Fri Nov 19th: 35%

(Late submissions will be will be penalized 6% on each of the assignments. If a make-up test is required it will be challenging essay style written & graded for content Plus writing/grammar etc).

Guest Lecturers and Readings:

As in ABIZ 0440, there may be additional readings. Several guests from industry will join the online Lab. *Attendance is really important because this topic is simple, it is just not easy., At all times we expect politeness, appreciation and attention. This is essential for guests.* Surprise Quiz may be given in Labs. For guests, there may be a quiz to hand in.

Academic Integrity:

UM policy strictly prohibits plagiarism and cheating and examination impersonations as outlined in the UM Undergraduate Calendar (see General Academic Regulations and Requirements, Section 7: Academic Integrity).

NOTE: School of Agriculture top emphasis is on honesty & integrity. Everyone understands the word cheating. Know what plagiarism means. In this day of computers, "clip and paste" without reference, is plagiarism.

Etiquette and Behavior Rules in Normal Times: (Sandbox Rules!) -

1. Please be polite during class.. This means respect for your classmates, your instructor and yourself.
2. Please be patient if we have technology issues.

Standard Notes on(1) Referencing, Academic Honesty, Copyright and (2)Medical :

Referencing: When using outside sources, your assignments should use the APA reference style. In the Text note your source where the source is used in the report. For example:

Supply chains controlled by retail sectors that compete on price have been shown to offer better prices to producers to insure steady supplies than those controlled by processors (Sexton, 2013).

Then, note the details of the reference in a section at the end of the report labeled

References. For example:

References For an article:

Sexton, R. J. (2013). Market power, misconceptions, and modern agricultural markets. *American Journal of Agricultural Economics*, 95(2), 209-219.

Online Sources: Manitoba Agriculture. (2016). Guidelines for Estimating Crop Production Costs - 2016. http://www.gov.mb.ca/agriculture/business-and-economics/financial-management/pubs/cop_crop_production.pdf (accessed May 2, 2016).

Books: Intriligator, M. (1972) *Mathematical Optimization and Economic Theory*. Prentice Hall, Englewood Cliffs, N.J.

Academic Honesty: All university of Manitoba guidelines for academic honesty apply in this class. Students are expected to do their own assignments and exams. Plagiarism or any other form of cheating in examinations, or term tests is subject to serious academic penalty. A student found guilty of contributing to cheating in examinations, term tests or assignments is also subject to serious academic penalty (see the University of Manitoba's Undergraduate calendar under General Academic Regulations and Requirements). **Please note:** (1) Clip and

paste from the internet or any other source without stating the source is plagiarism. The penalty for plagiarism is severe. (2) Also note that for friends who are absent from class, you MUST NOT fill in and sign quizzes for them or sign in attendance for them. The penalty for anyone doing so will result in recommendation to the Associate Dean that a "0" mark be given for the entire course and a recommendation to the Associate Dean for further disciplinary action.

Using Copyrighted Material

Please respect copyright. We will use copyrighted content in this course. We have ensured that the content used is appropriately acknowledged and is copied in accordance with copyright laws and University guidelines. Copyrighted works, including those created by us, are made available for private study and research and must not be distributed in any format without permission. Do not upload copyrighted works to a learning management system (such as UM Learn), or any website, unless an exception to the *Copyright Act* applies or written permission has been confirmed. For more information, see the University's Copyright Office website at <http://umanitoba.ca/copyright/> or contact um_copyright@umanitoba.ca.

We and the University of Manitoba hold copyright over the course materials, presentations and lectures which form part of this course. No audio or video recording of lectures or presentations is allowed in any format, openly or surreptitiously, in whole or in part without our permission. Course materials (both paper and digital) are for the participant's private study and research.

MEDICAL - UM : ALWAYS CHECK THE LATEST UM NOTICES REGARDING MEDICAL ABSENCE.

[Note from the Provost regarding medical notes and rules for accessibility provisions Fall may change.](#)

Students who are unable to meet a course requirement due to medical circumstances are currently not required to submit medical notes. However, students are required to fill a form and contact their instructor or academic advisor by email to inform of the missed work and to make arrangements for extensions, deferrals, or make-up assignments. Please follow these guidelines if you are unable to meet an academic requirement for your courses.

- Contact your instructor for term work such as a class, quiz, midterm/test, assignment, lab;
- Contact an advisor in your faculty/college/school of registration for a missed final exam (scheduled in the final examination period);
- Inform your instructor/advisor as soon as possible do not delay. Note for final exams, students must contact within 48 hours of the date of the final exam; and
- Email your instructor/advisor from a U of M email address, and include your full name, student number, course number, and academic work that was missed.