



## **Course Philosophy**

### **Students' Learning Responsibilities**

Students are expected to:

- maintain professional and respectful classroom environment
- be current with course material
- participate in class discussion
- submit assignments by the due date

### **Why this course is useful**

This course will help students develop the skills to properly understand and analyze commodity markets.

### **Who should take this course?**

Anyone interested in economics and markets.

### **How this course fits into the curriculum**

## **Course Description/Objectives**

### **Undergraduate Calendar Description**

The application of economic analysis in the study of marketing: concepts, policy, practices and institutions.

### **Instructional Methods**

A variety of teaching methods will be used in the course. These include lecture by the instructor, individual and group in-class exercises/discussion, individual in-class assignments, homework assignments, and examinations.

Additionally, each student will be assigned to a lab. Lab attendance is compulsory and assignments done in the lab will be part of the final grade. Lab material will also be included in the midterm and final examinations.

### **Course Objectives**

The main goal of this course is to develop the skills to properly analyze commodity markets.

## Learning outcomes

At the completion of this course, students should be able to:

- Have a thorough and workable knowledge of the forces that affect commodity markets
- Apply economic theory and critical thinking to evaluate and solve real-world problems in commodity markets
- Discuss and support their opinions using economic principles and statistics
- Appreciate the importance and complexity of commodity markets
- Realize that economics is a way of thinking and not a set of facts to memorize, and that it is useful in analyzing commodity markets

## Description of Examinations

There will be two midterm exams and one final exam. All exams are comprehensive and will be closed-book, closed-notes. Requests to take a make-up exam must be approved prior to the scheduled exam.

## Description of Assignments

- Homework assignments should be submitted on the due date. Late submissions of homework assignments will be penalized. If you submit your homework assignment one day after the due date you lose 60 points (out of 100 points). After that it will not be accepted anymore.
- In-class assignments will consist on problems to be solved in class and submitted during our lecture.

## Assignment Due Dates

To be determined during the term.

## Grade Evaluation

The final grade will be a weighted arithmetic average of all grades obtained during the term (weights are in the table below).

	Weight
Midterm exam 1 (October 14 <sup>th</sup> )	15%
Midterm exam 2 (November 9 <sup>th</sup> )	20%
Final Exam (TBD)	25%
Assignments	15%
Lab	20%
Attendance	5%
Total	100%

## **Important Dates**

September 19 <sup>th</sup>	first day of class
September 21 <sup>st</sup>	field trip (no class)
October 10 <sup>th</sup>	Thanksgiving Day Holiday (no class)
October 14 <sup>th</sup>	Midterm exam 1
November 9 <sup>th</sup>	Midterm exam 2
November 11 <sup>th</sup>	Remembrance Day (no class)
December 2 <sup>nd</sup>	last day of class
December	Final exam (exact date to be determined by university)

## **Texts, Readings, Materials**

### **Textbook(s) – Authors, Titles, Edition**

No textbook is required. A good reference is the book you used in ABIZ 0440:

Chafin, D.G. and P.H. Hoepner (2002). *Commodity Marketing from a Producer's Perspective* (Interstate Publishers Inc.)

Material covered in class will also be based on selected chapters of other books (see “supplementary reading” below).

### **Supplementary Reading**

These books are placed on reserve in the libraries indicated below.

- Dunsby, A., J. Eckstein, J. Gaspar and S. Mulholland (2008). *Commodity Investing: Maximizing Returns Through Fundamental Analysis* (John Wiley & Sons) – *Management Library*
- Mayer, T. (2009). *Invitation to Economics: Understanding Argument and Policy* (Wiley-Blackwell) – *Elizabeth Dafoe Library*
- Norwood, F.B. and J.L Lusk (2008). *Agricultural marketing and price analysis* (Pearson/Prentice Hall) – *William R. Newman Agriculture Library*
- Schwager, J.D. (1995). *Fundamental Analysis* (John Wiley & Sons Inc.) – *William R. Newman Agriculture Library*

Other readings will be provided during the term as needed.

### **Additional Materials**

Slides, lecture notes and handouts will be used to guide students through the topics.

## **Course Policies**

### **Late Assignments**

Late submissions of homework assignments will be penalized. If you submit your homework one day after the due date you lose 60 points (out of 100 points). After that it will not be accepted anymore.

In-class assignments must be submitted before the end of our class and late submissions will not be accepted.

### **Missed Assignments**

Missed assignments will be given a grade of zero unless documented health or family matters are provided within one week of the due date of the missed assignment.

### **Missed Exams**

Missed exams will be given a grade of zero unless documented health or family matters are provided within one week of the missed exam.

### **Academic Integrity**

Plagiarism or any other form of cheating in examinations, term tests or academic work is subject to serious academic penalty. Cheating in examinations or tests may take the form of copying from another student or bringing unauthorized materials into the exam room. Exam cheating can also include exam impersonation. A student found guilty of contributing to cheating in examinations or term assignments is also subject to serious academic penalty. Students should acquaint themselves with the University's policy on plagiarism, cheating, exam impersonation and duplicate submission (see Section 8, p.27-28 in the University of Manitoba Undergraduate Calendar 10/11).

### **Additional Comments:**

Students are expected to maintain professional and respectful classroom environment. Please turn off cell phone and all other electronic devices during lectures.

### **Use of Third Party Detection and Submission Tools**

Electronic detection tools may be used to screen assignments in cases of suspected plagiarism.

### **Group Work Policies:**

Students are encouraged to discuss assignments with their classmates unless the professor indicates otherwise, but each student is expected to submit his/her own answers.

Exams are supposed to be done individually and without discussion with classmates.

## **Course Content**

Topics to be covered during the term:

- Quick review of some concepts learned in ABIZ 0440
- Supply, demand and price determination
- Market structure and price determination
- Fundamental and technical analysis
- Price relationships over time: cash and futures prices
- Hedging using futures and options markets
- Price relationships over space: links between prices traded in different regions