



# ILLINOIS VALLEY COMMUNITY COLLEGE

## COURSE OUTLINE

**DIVISION: Natural Sciences and Business**

**COURSE: AGR 1215 Agricultural Marketing**

Date: Spring 2023

Credit Hours: 3

*Complete all that apply or mark "None" where appropriate:*

Prerequisite(s): None

Enrollment by assessment or other measure?  Yes  No

If yes, please describe:

Corequisite(s): None

Pre- or Corequisite(s): None

Consent of Instructor:  Yes  No

Delivery Method:  **Lecture**                      **3 Contact Hours** (1 contact = 1 credit hour)  
 **Seminar**                              **0 Contact Hours** (1 contact = 1 credit hour)  
 **Lab**    **0 Contact Hours** (2-3 contact = 1 credit hour)  
 **Clinical**                                      **0 Contact Hours** (3 contact = 1 credit hour)

Offered:  **Fall**     **Spring**     **Summer**

**CATALOG DESCRIPTION and IAI NUMBER (if applicable):**

This course is an introduction to the marketing of agricultural products. The course will focus on marketing strategies, futures markets, and cash markets for both livestock and grain commodities. The course will also explore the use and application of modern technology to buy, sell, and trade agricultural commodities.

## **ACCREDITATION STATEMENTS AND COURSE NOTES:**

None

## **COURSE TOPICS AND CONTENT REQUIREMENTS:**

- I. The Market
  - a. Overview of Marketing
  - b. Scope of Marketing
  - c. Scope of Merchandising
- II. Futures and Options Markets
  - a. Future Contracts
  - b. Options Contracts
  - c. Options Versus Futures
- III. Commodities
  - a. Price Patterns
  - b. Storable Commodities
  - c. Theories of Intertemporal Prices
  - d. Nonstorable Commodities
  - e. Basis
- IV. Financial Marketing
  - a. Currency
  - b. Exchange Rates
  - c. Yield Curve and Equity Instruments
- V. Fundamental Analysis
  - a. Futures Markets
  - b. Price Analysis
  - c. Commodities and Financials
- VI. Technical Analysis
  - a. Chartistic Logic
  - b. Price Charts
  - c. Market Analysis
- VII. Hedging
  - a. Traditional View
  - b. Financial Futures
  - c. Hedging
- VIII. Options Market
  - a. Option Payoffs
  - b. Pricing Structures
  - c. Speculation
  - d. Option Markets
- IX. Hedging With Options
  - a. Basic Option Hedging
  - b. Comparison
  - c. Ranking Alternative Strategies
  - d. Hedging With Options
- X. Other Marketing Options
  - a. Direct: Farm to Consumer
  - b. Specialty Markets

## **INSTRUCTIONAL METHODS:**

- Lecture
- Discussion
- Projects

## **EVALUATION OF STUDENT ACHIEVEMENT:**

A= 90-100

B= 80-89

C= 70-79

D= 60-69

F= 0-59

Exams: 60%

Homework: 20%

Term Project: 20%

## **INSTRUCTIONAL MATERIALS:**

### **Textbooks**

Hull, J.C. 2017. Fundamentals of Futures and Options Markets, 9<sup>th</sup> Edition. Pearson.  
ISBN – 13: 9780134083247

Carter, C.A. 2007. Futures and Options Markets. Waveland Press, Inc, Long Grove, IL.  
ISBN 13: 978-1-57766-553-3

### **Resources**

CME Group Education Lesson Inventory

<https://www.cmegroup.com/education/files/educational-inventory.pdf>

Commodity Challenge Online Courses

<https://commoditychallenge.com/learn/>

## **LEARNING OUTCOMES AND GOALS:**

### **Institutional Learning Outcomes**

- 1) Communication – to communicate effectively;
- 2) Inquiry – to apply critical, logical, creative, aesthetic, or quantitative analytical reasoning to formulate a judgement or conclusion;
- 3) Social Consciousness – to understand what it means to be a socially conscious person, locally and globally;
- 4) Responsibility – to recognize how personal choices affect self and society.

### **Course Outcomes and Competencies**

1. The student will be able to explain the scope of marketing agricultural products.
2. The student will be able to apply marketing strategies to market agricultural products.
3. The student will be able to recommend appropriate marketing methods to market agricultural products.
4. The student will be able to create a market analysis.