

**Syllabus**  
**Agricultural Futures & Options, Spring 2007**  
**Tuesday and Thursday 11:00 - 12:15**

**Instructors**

Scott Sink  
311 Hutcheson Hall  
231-3727  
[scsink@vt.edu](mailto:scsink@vt.edu)

Office hours: 10-11 Tues and by appointment

**Secretary**

Lisa Blankenship  
306-B Hutcheson Hall  
231-6921

**Teaching Assistants**

Philip Henley  
[phenley@vt.edu](mailto:phenley@vt.edu)  
Office Hours: 1:00 – 2:30 Mon – Wed

Robert Puckette  
[puckette@vt.edu](mailto:puckette@vt.edu)  
Office Hours: 2:00 – 3:30 Mon

**General Objectives:**

- Develop a working knowledge of the price discovery process that occurs in the futures complex.
- Gain an understanding of the influence of tradable commodities on non-tradable niche products in conjunction with the cash market.
- Develop an understanding of the price relationship between traditional commodities and emerging enterprises.
- To build price risk management strategies appropriate for various commodities that are being sold in the agricultural sector or are being bought and used as inputs.

**Approach to the Course:**

Class participation and willingness to be involved in discussions dealing with the price discovery process and the use of the futures markets for price and cost risk management will be important. Readings will be assigned from various resources, which will be provided, and each student should come prepared to discuss in some detail the topics covered in those readings.

Regular attendance is very important, and our approach to this class requires responsibility on the part of the student to read, go over the class notes, reflect, and come to understand what this area of activity is all about, and be prepared to get involved in discussions, debates, presentations, etc.

One of the reference materials will be *Agricultural Futures and Options: Principles and Strategies* by Purcell and Koontz, 2<sup>nd</sup> Edition, Prentice Hall, 1999. Copies of this book are available in our office.

**Grades:**

The final grade will be determined by the following weighted system:

	<u>Weight %</u>
Three Case Development/Analysis Exercises	30
Class Participation	25
Two tests	25
Final case project/exam	<u>20</u>
Total	100