

Managing Margin Risk
Session 3 Homework

Visit your local grain buyer and find out what your alternatives are for pricing old crop and new crop. Below are some suggested alternatives to consider, plus ask your grain buyer about other alternatives.

Old Crop

1. Spot price for delivery today:
2. Forward contract for delivery in:
 - a. April
 - b. May
 - c. June
 - d. July
3. Minimum Price contract for delivery in:
 - a. April
 - b. May
 - c. June
 - d. July
4. Min/Max contract for delivery in:
 - a. April
 - b. May
 - c. June
 - d. July

New Crop

1. Forward contract for delivery in:
 - a. October
 - b. December
 - c. March
2. Minimum Price contract for delivery in:
 - a. October
 - b. December
 - c. March
3. Min/Max contract for delivery in:
 - a. October
 - b. December
 - c. March