

**STATE UNIVERSITY OF NEW YORK  
COLLEGE OF TECHNOLOGY  
CANTON, NEW YORK**



**COURSE OUTLINE**

**AGMT 320 – AGRICULTURAL MARKETS AND PRICE ANALYSIS**

**Prepared By: Dr. Edouard Mafoua**

**SCHOOL OF BUSINESS AND LIBERAL ARTS  
BUSINESS DEPARTMENT  
May 2016**

A. **TITLE:** Agricultural Markets and Price Analysis

B. **COURSE NUMBER:** AGMT 320

C. **CREDIT HOURS:** 3

D. **WRITING INTENSIVE COURSE:** No

E. **COURSE LENGTH:** 15 weeks

F. **SEMESTER(S) OFFERED:** Fall

G. **HOURS OF LECTURE, LABORATORY, RECITATION, TUTORIAL, ACTIVITY:**

3 lecture hours per week

H. **CATALOG DESCRIPTION:**

This course introduces students to the agricultural price analysis, agricultural market structures and agricultural marketing strategies. It utilizes the economic concepts to help students understand and develop practical agribusiness marketing strategies. Topics such as agricultural price seasonality, market adjustments, price analysis using supply and demand, equilibrium displacement models, food marketing channel, international agricultural trade, and agricultural futures and options markets are discussed.

I. **PRE-REQUISITES:**

Principles of Microeconomics (ECON 103), Marketing (BSAD 203) and MATH 141 Statistics, or permission of instructor.

J. **GOALS (STUDENT LEARNING OUTCOMES):**

By the end of this course, the student will be able to:

<i>Course Objective</i>	<i>Institutional SLO</i>
a. Discuss price formation and price changes in perfectly competitive agricultural market	3. Prof. Competence
b. Forecast price and quantity changes in an equilibrium displacement model using elasticities	2. Crit. Thinking
c. Discuss the food marketing channel and the role of each sector of the food marketing channel	3. Prof. Competence
d. Analyze the estimated supply and demand curves for agricultural commodities using regression analysis	2. Crit. Thinking
e. Describe how to use futures markets to hedge commodities and predict future prices	3. Prof. Competence

K. **TEXT:**

Norwood, F.B. and J.L. Lusk (2008). *Agricultural Marketing and Price Analysis*. Pearson Prentice Hall.

L. **REFERENCES:**

Rhodes, V., J. Dauve, and J Parcell. (2007). *The Agricultural Marketing System*. Sixth Edition. Scottsdale: Holcomb Hathaway Publishers.

Tomek, W.G. and K.L. Robinson. (2003). *Agricultural Product Prices*. Fourth Edition. Ithaca: Cornell University Press.

Goodwin, J.W. (1994). *Agricultural Price Analysis and Forecasting*. New York: John Wiley & Sons, Inc.

**M. EQUIPMENT:** Technology enhanced classroom.

**N. GRADING METHOD:** A-F

**O. MEASUREMENT CRITERIA/METHODS:** Case studies analysis, class participation and presentation, research paper, quizzes, tests, essays, and/or exams.

**P. DETAILED COURSE OUTLINE:**

- I. Introduction to Economics and Price Analysis
  - A. Review of Economic Principles
  - B. Mathematics of Supply and Demand
  - C. Perfectly Competitive Agricultural Markets
  - D. General Theory of Prices
  
- II. Advanced Price Analysis
  - A. Elasticities and Flexibilities
  - B. Supply and Demand for Agricultural Products
  - C. Equilibrium Displacement Models
  - D. General Equilibrium Models
  
- III. Imperfect Competition in Agriculture
  - A. Monopoly Model
    1. Producer and Consumer Behavior in Monopoly
    2. Mathematics of Monopoly
  - B. Monopsony Model
    1. Producer and Consumer Behavior in Monopoly
    2. Mathematics of Monopsony
  - C. Oligopoly and Oligopsony
  - D. Monopolistic Competition
  
- IV. Understanding Agricultural Prices
  - A. Agricultural Price Seasonality
  - B. Market Supply and Demand Shocks
  - C. Market Adjustments
  - D. Agricultural Price Cycles
  
- V. Food Marketing Channel
  - A. Understanding the Food Marketing Channel
    1. Farm Inputs and Farm Production
    2. Food Processing and Manufacturing
    3. Food Wholesalers
    4. Food Retailers
  - B. Vertical Coordination in Agriculture
  - C. Cooperatives
  - D. Multi-Sector Models

- VI. Empirical Agricultural Price Analysis
  - A. Introduction to Regression Analysis
  - B. Estimating Supply and Demand for Agricultural Products
  - C. Log-Log Regression Model
  - D. Seasonal and Time Trend Models
  - E. Hedonic Price Analysis
  
- VII. International Agricultural Trade
  - A. Trade between Countries
  - B. Exchange Rates in Trade
  - C. Barriers to Trade
  - D. Mathematics of International Market Equilibrium
  
- VIII. Agricultural Futures Markets
  - A. History of Agricultural Futures Markets
  - B. Introduction to Futures Contracts
  - C. Hedging in Futures Markets
  - D. Options in Futures Markets
  
- Q. **LABORATORY OUTLINE:** None