

## 2009 Grain Merchandising

Rank	Team/Student Name	Score
1	Elmwood High School	147
3	Lindsey Heller	56
9	Isaac Shaffer	48
17	Kyle Benschoter	43
19	Nicolas Hernandez	42
28	Kaye Bockbrader	38
32	Shannon Stewart	37
34	Josh Schnipke	37
35	Shelby George	37
39	Samantha Shaffer	36
2	Margaretta High School	136
7	David Siesel	48
12	Joe Miller	44
14	Kory Munk	44
24	Derrick Jacobs	40
25	Michael Link	39
33	Megan Miller	37
40	Tyler Yetter	36
50	Renea Yetter	35
52	Katie Orshoski	34
84	Emily Bailey	30
3	Pettisville High School	135
4	Lucas Nofziger	53
8	Tim Spiess	48
58	Lynae Fry	34
78	Ashley Eicher	31
111	Mackenzie Nofziger	27
4	Edon-Northwest High School	134
2	Joey Brown	57
26	Schwartz Derrek	39
30	Vincent Trausch	38
36	Jacob Humphrey	37
51	Dezra Goebel	35
69	Erik Hinkle	32
70	Sarah Fisk	32
5	Hillsdale High School	132
6	Jeff Stimmell	49
11	Hannah Fulk	45
29	Kelsey Dropsey	38
45	Zach Fulk	35
54	Tiffany Heiby	34
72	Brit* Ni Baldner	31
6	Edgerton High School	127

5 Ben Armstrong	51
21 Chris Blinzler	41
46 Casey Sanders	35
53 Sara Herman	34
109 Emily Miller	27
136 Tyler Cqffman	24
7 Crestview High School (Convoy)	123
15 Brent Wein	44
20 Carl Lichtensteiger	41
27 Grace Klinger	38
47 Jared Perrott	35
67 Melissa Eickholt	32
112 Curtis Kreischer	27
8 Northwestern High School (Wayne)	115
13 Kelsey Bowers	44
38 Chris Thomas	36
48 Adam Krueger	35
55 Rachael Gortner	34
59 Tessa Hershey	34
71 Alison Mcginnis	31
81 Danae Mulligan	31
115 Lisa Zavesky	26
144 Jerrin Hill	23
9 Fort Recovery High School	113
10 Amanda Muhlenkamp	47
60 Chris Gehr*	34
68 Beverly Lennartz	32
10 Colonel Crawford H S	106
18 Brent Rossman	42
63 Samantha Guinther	33
75 Andrea Cole	31
129 Ryan Eblin	24
134 Austin Hoover	24
160 Mitchell Alt	19
11 Parkway High School	104
16 Corbin Hellwarth	43
83 Gage Regedanz	31
89 Zachary Searight	30
90 Jenifer Thomas	30
105 Karrah Hughes	28
108 Danielle Matthews	27
143 Jackie King	23
12 Western Brown High School	103
43 Andy Wallace	36

44 Zach Wallace	36
79 Dara Howser	31
154 Jake Barber	21
162 Corey Keller	19
166 Bradley Jones	17
13 Fairbanks High School	101
22 Tyler Boerger	40
73 Jakob Wilson	31
85 Austin Burns	30
97 Ethan Nicol	29
106 Tyson Vollrath	28
14 Fairview High School	100
31 Ethan Wirick	37
57 Zach Rosebrock	34
94 Libbi e Caryar	29
113 Tina Schroeder	27
130 Heaven Holtsberry	24
15 Anthony Wayne High School	95
37 John Ludwig	36
88 Dan Lemle	30
98 Daniel Buchhop	29
16 East Clinton High School	94
41 Alison Conley	36
42 Logan Hazelbaker	36
151 Roseaashley	22
17 Buckeye Central	90
61 Elliott Kreim	33
64 Rebecca Auck	33
132 Lauren Kaple	24
135 Josh Wurm	24
155 Nick Kalb	21
156 Jessica Hanlon	21
158 Jocelyn Laferty	20
18 Spencerville High School	90
80 Scott Kill	31
91 Steven Brown	30
93 Shelby Moeller	29
95 Jake Schumm	29
101 Jake Settlemire	29
122 Emily Perrin	26
127 Rosie Howell	25
128 Staci Hiatt	25
19 Sentinel Vocational Center	87

87 Tyler Fritz	30
100 Kyle Spradlein	29
102 Jen Covert	28
103 Clarissa Dewald	28
117 Stephen Goshe	26
142 Chancellor Houtz	23
145 Natasha Prenzlin	23
163 Melody Butturff	19
20 Talawanda -Butler Technology CDC F	86
76 Rebecca Schulte	31
96 Kristy Ruoff	29
119 Aaleb Wright	26
21 West Liberty-Salem High School	85
82 Maryellen Harr	31
86 Taelor Cox	30
133 Levi Kauffman	24
22 Ripley Union Lewis Huntington	81
66 Brittany Dodson	32
114 Austin Bahnsen	27
148 Raegan Copple	22
23 Felicity-Franklin High School	80
107 Laura Buckler	28
116 Chelsea Robertson	26
123 Travis Smith	26
126 James Beach	25
138 * Dy Rudd	23
139 Ian Woodmansee	23
165 Kayla Kelly	17
24 Licking Valley High School	75
120 Vogelmeier Taylor	26
124 Josh Albright	26
141 Kreager Colton	23
25 Ohio Valley Vocational School	73
23 Kade Louiso	40
65 Tyler Sparks	33
26 Sheridan High School	71
74 Ashley Gibson	31
153 Mikey Skinner	21
159 Brian Whitmer	19
27 South Central High School	70
131 Derek Sweeting	24
140 Jared Poth	23

146 Payton Oney	23
157 Garrett Verburg	21
28 Woodmore High School	69
92 Alison Abbey	29
125 Jackie Emch	25
168 Jamie Heilman	15
29 Teays Valley High School	68
49 Grant Zwyer	35
62 Justinstud Branham	33
30 Northmor High School	58
1 Cassey Pearce	58
31 Westfall High School	54
77 William Walker	31
137 Derek Spradlin	23
32 Warren High School	51
99 Mindy m Shears	29
147 Maggie Macdonald	22
33 Northridge High School	50
104 John Thomas	28
149 Mike Fisher	22
34 Ayersville High School	48
121 Clay Fry	26
152 Randy Deitrick	22
35 East Knox High School	42
110 Trenton Hagans	27
169 Josh Beltz	15
170 Josh Neely	0
36 New Lexington High School	41
150 Jake Kunkler	22
161 Stevie Allen	19
37 Eastern Brown High School	35
164 Dannielle Johnson	18
167 Ryan Meeker	17
38 Urbana High School	34
56 Ann Randall	34
39 Tri-County North High School	26
118 Ariel Harness	26

**2008 Ohio FFA State Grain Merchandising Written Test    Answer with the BEST answer!**

- **PLACE ANSWERS ON BACK OF MULTI PURPOSE FORM "A". THERE ARE 100 QUESTIONS (201-300) ON THIS EXAM, MAKE SURE YOUR EXAM HAS 201-300 NUMBERED QUESTIONS ON IT!!!!**

- 201) Which of the following have made a new all-time high price during the last 12 months?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 202) Which of the following have made a new all-time high price during the last 12 months despite a record large carryin going into the current marketing year?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 203) Which of the following had the largest acreage planted in 2007 since WWII?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 204) According to the USDA Planting Intentions Report, which of the following will have less acres planted in 2008 than in 2007?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 205) Which of the following traded above \$20 per bushel at a commodity futures exchange in the past year?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 206) Which of the following is used the least as a source of biofuel?  
a) corn      b) wheat      c) soybeans
- 207) China is the world's largest importer of which of the following?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 208) Both Australia & Ukraine had poor crop years in 2006 and 2007 which primarily impacted the price of:  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 209) In the long run, which of the following will probably have the greatest demand as a source for biofuel?  
a) corn      b) wheat      c) soybeans
- 210) Brazil and Argentina together produce more than the USA produces of which of the following?  
a) corn      b) wheat      c) soybeans      d) all of the above      e) none of the above
- 211) A "flex fuel" automobile engine can burn straight gasoline and which of the following:  
a) B20      b) B80      c) E85      d) all of the above      e) B80 & E85
- 212) Oils that can be used for biodiesel are:  
a) soybean oil      b) palm oil      c) peanut oil      d) refined animal fat      e) all of the above

- 213) Hillary Clinton says NAFTA should be re-negotiated or canceled. The President who signed the NAFTA treaty was:  
 a) Bush 43    b) Bill Clinton    c) Bush 41    d) Ronald Reagan    e) Jimmy Carter
- 214) The World Trade Organization (WTO) ruled in Brazil's favor that the USA was in violation of WTO production subsidy regulations for cotton. Since that ruling, Brazil has filed a complaint with the WTO that the USA is doing the same with:  
 a) corn    b) wheat    c) soybeans    d) all of the above    e) none of the above
- 215) If a grain farmer expects the basis to firm and the futures to go higher, he should:  
 a) do nothing    b) lock-in the basis    c) lock-in the futures    d) lock-in basis and futures
- 216) If a grain farmer expects the basis to weaken and the futures to go higher, he should:  
 a) do nothing    b) lock-in the basis    c) lock-in the futures    d) lock-in basis and futures
- 217) If a grain farmer expects the basis to firm and the futures to go lower, he should:  
 a) do nothing    b) lock-in the basis    c) lock-in the futures    d) lock-in basis and futures
- 218) If a grain farmer expects the basis to weaken and the futures to go lower, he should:  
 a) do nothing    b) lock-in the basis    c) lock-in the futures    d) lock-in basis and futures
- 219) A grain farmer can lock-in the futures by using a:  
 a) a futures hedge    b) HTA    c) forward contract    d) all of the above    e) none of the above
- 220) A grain farmer can lock-in the basis:  
 a) before delivery    b) at delivery    c) after delivery if grain was on DP or storage  
 d) all of the above    e) none of the above
- 221) In recent months, some elevators have put restrictions on:  
 a) how much grain a farmer can price for delivery    b) what marketing tools are available  
 c) how far into the future delivery can be contracted    d) all of the above
- 222) The reason many elevators have recently put restrictions on grain contract marketing tools is because:  
 a) they are running out of money to meet margin calls    b) their storage space is full  
 c) they expect a grain export embargo because of high prices    d) USDA issued contract limits
- 223) Ethanol is presently most efficiently produced from:  
 a) sugar    b) corn    c) cellulose    d) soybeans    e) barley
- 224) Ethanol production in the USA in 2015 will probably be made primarily from:  
 a) sugar    b) corn    c) cellulose    d) soybeans    e) barley
- 225) The world leader in ethanol production is:  
 a) Argentina    b) Brazil    c) China    d) USA    e) none of the above
- 226) High food prices around the world are being blamed on high energy prices and:  
 a) biofuel production    b) declining grain and bean production in South America  
 c) declining grain and bean production in the US    d) Use of GMO seed    e) none of the above

- 227) In order of most to least miles per gallon, which of the following is correct if used 100% as a fuel?  
 a) ethanol, gasoline, biodiesel      b) gasoline, ethanol, biodiesel  
 c) biodiesel, gasoline, ethanol      d) gasoline, biodiesel, ethanol
- 228) A problem or problems with the ethanol industry in the USA is (are):  
 a) most of it is produced in the Corn Belt and it is needed mostly on the East and West Coast  
 b) ethanol cannot be shipped through pipelines  
 c) it yields less energy per unit of energy used to produce it than gasoline, diesel, and biodiesel  
 d) ethanol production from corn requires a huge amount of water  
 e) all of the above
- 229) The premium of a call option increases in value if the underlying futures contract:  
 a) goes down      b) goes up      c) trades sideways      d) none of the above
- 230) The writer of put wants the put to:  
 a) see the underlying futures contract go down      b) expire worthless  
 c) have its premium increase in value      d) "a" & "c"      e) none of the above
- 231) Which of the following will never be subject to a maintenance margin call?  
 a) the buyer of a long option      b) trader who shorts a futures contract  
 c) owner of a short option position      d) trader long a futures contract      e) "a" & "c"
- 232) Basis equals:  
 a) futures price minus cash price      b) cash price minus DP price      c) futures price  
 d) cash price minus futures price      e) none of the above

For questions 233 through 238, answer "a" if it is a fundamental factor or "b" if it is a technical factor.

- 233) acres planted
- 234) weakening dollar
- 235) relative strength
- 236) government requirement to use more ethanol
- 237) bullish consensus
- 238) new GMO varieties introduced to producers
- 239) The biggest problem with hedging before a crop is planted is:  
 a) paying commission to a brokerage firm      b) unknown yields due to weather variability  
 c) potential of unlimited margin calls      d) declining value of cash crop if weather is good
- 240) A hedger goes net long 4 CBOT contracts of corn. Within a few days, the price has increased 11 cents. The hedger:  
 a) is a user of corn      b) lost \$2200 in the futures      c) made \$2200 in the cash market  
 d) has to meet a maintenance margin call      e) "b" & "d"

- 241) Over the past 10 years, Mexico's tariff on US corn and corn syrup were progressively reduced until being completely eliminated recently. This was a result of:  
 a) NAFTA    b) WTO    c) GATT    d) CFTC    e) none of the above
- 242) The country which has maintained high tariffs on sugar and ethanol is:  
 a) Brazil    b) USA    c) Russia    d) China    e) none of the above
- 243) Excluding harvest time, basis generally weakens when:  
 a) futures goes up    b) futures go down    c) futures change has no impact on basis    d) "a" & "b"
- 244) Local supply and demand is best represented by:  
 a) future price    b) basis    c) percent of storage empty storage    d) total storage
- 245) World supply and demand is best represented by:  
 a) future price    b) basis    c) percent of empty storage    d) total storage
- 246) The calculations of the amount paid by an elevator for grain or beans is a document called a:  
 a) settlement sheet    b) check stub    c) check    d) statement    e) balance sheet
- 247) During July, the market action of corn will be most impacted by:  
 a) weekly export sales report    b) weekly export inspections    c) weather in Brazil  
 d) weather in Europe    e) weather in Iowa and Illinois
- 248) Which crop consistently has the highest percent of planted acres harvested for grain?  
 a) wheat    b) soybeans    c) corn    d) all are about the same
- 249) The marketing year for wheat begins:  
 a) January 1<sup>st</sup>    b) March 1<sup>st</sup>    c) June 1<sup>st</sup>    d) September 1<sup>st</sup>    e) December 1<sup>st</sup>
- 250) The marketing year for soybeans begins:  
 a) January 1<sup>st</sup>    b) March 1<sup>st</sup>    c) June 1<sup>st</sup>    d) September 1<sup>st</sup>    e) December 1<sup>st</sup>
- 251) Sources in the US House of Representatives said in April that ethanol tax incentives for refiners & related crop subsidies paid to farmers could be cut in the new farm bill. If so, it will likely cause:  
 a) corn prices to increase    b) corn prices to decline    c) land rent to increase  
 d) US exports to decrease    e) soybean acreage to decrease
- 252) Which country currently has farmers strongly protesting export taxes on commodities?  
 a) Argentina    b) Brazil    c) China    d) USA    e) Russia
- 253) For the week ending April 15<sup>th</sup>, 2008, the big spec funds increased their net long bean position by 8,337 contracts to 80,258 contracts. The index funds increased their net long bean position by 7,489 contracts to 172,492 contracts. Based on this information alone, the price of beans during that week probably:  
 a) increased    b) decreased    c) traded sideways
- 254) Bullish consensus on April 15<sup>th</sup>, 2008 for soybeans was probably:  
 a) below 50%    b) above 50%    c) above 90%    d) below 10%

- 255) If the index funds decided to liquidate their soybean positions as of April 15<sup>th</sup>, 2008, the impact on soybean prices:  
 a) would be more than if the spec funds liquidated their positions    b) bullish    c) both "a" & "b"
- 256) Catapillar's recent quarterly report showed much better profit than expected due to very strong non-USA sales. US corn exports this marketing year will be a record high, breaking the 1979 record. These two facts are related because of:  
 a) US export subsidies    b) a weak US dollar    c) a strong US dollar    d) high fuel prices
- 257) When a given commodity futures contract months have the front month trading at a premium to the next month and the second month trading at a premium to the third month, etc., this is:  
 a) typical of a bear market    b) very bullish market    c) somewhat bullish market  
 d) very bearish market    e) somewhat bearish market

Use the following summary of market action for CBOT soybeans on 22 April 2008 to answer questions 258 through 264 if you wish:

May_	1384'0	1334'0	<b>1374'6s</b>	59'2
July	1400'0	1348'0	<b>1389'4s</b>	59'0
Aug	1385'0	1351'0	<b>1379'0s</b>	58'4
Sept	1332'0	1298'0	<b>1329'4s</b>	49'0
Nov	1280'0	1243'0	<b>1277'0s</b>	41'4
Jan	1290'0	1257'0	<b>1290'2s</b>	41'2
Mar_	1300'0	1280'0	<b>1299'6s</b>	40'2
May	1300'0	1287'0	<b>1303'4s</b>	39'0
Jul	1312'0	1290'0	<b>1309'4s</b>	39'0

- 258) The spot month is:  
 a) May 2008    b) July 2008    c) November 2008    d) May 2009
- 259) The first new crop month is:  
 a) May 2008    b) July 2008    c) November 2008    d) May 2009
- 260) One the features of the day's market action was:  
 a) bull spreading    b) bear spreading    c) long liquidation    d) none of the above
- 261) On this date, a trader short one contract of CBOT November beans:  
 a) made \$414    b) lost \$414    c) made \$41.50    d) lost \$41.50    e) lost \$2075
- 262) Which of the following is a "red" month?  
 a) May 2008    b) July 2008    c) November 2008    d) May 2009
- 263) What is the return to storage per bushel offered by the market for beans from July to August?  
 a) 5 cents    b) 10.5 cents    c) -10.5 cents    d) half cent    e) 58.5 cents
- 264) In 1996, the old crop/new crop corn spread was inverted. Given the huge amount of corn contracted for multiple years' worth of production in the old crop months, farmers and elevators suffered losses when rolling from old to new crop. On April 22, 2008, the old crop/new crop beans were:  
 a) inverted    b) normal carry (not inverted)    c) reflecting the bearish old crop carryin  
 d) reflecting poor spring planting weather    e) reflecting the bullish S&D released that morning

265) Ohio's Grain Indemnity Fund is:

- a) initially funded by farmers by a check-off deduction & also when the balance is low
- b) is available to help pay the margin calls for elevators hedging farmer grain contracts
- c) is available to help pay the margin calls for farmers hedging their grain production
- d) is available to banks to finance hedge a line-of-credit for farmers
- e) all of the above

266) When grain elevators buy wet grain, they apply a shrink factor because:

- a) wet grain shrinks when dried
- b) it covers the cost of drying
- c) both of the above

The first year the US grew an 8 billion bushel corn crop was 1982. Prices were low at harvest time and storage was short. The loan rate that year was \$2.55, but farmer participation in the government program was less than 30%, so most corn was not eligible for the government loan. A farmer, who thought the price would recover after harvest, used a basis contract because he could not put his corn under loan and did not have enough farm storage for his excess corn. He also needed some money out of the corn to help pay the 16% interest on his farm real estate loan and 18% interest on his operating loan. The situation:

A West Liberty elevator was paying \$1.61 for corn that October day in 1982. December corn was at \$1.94 and March corn was at \$2.07. The farmer signed a basis contract for 60 cents under the March for 20,000 bushels of corn (4 CBOT contracts). Use this information, if you wish, to answer questions 267 through 271.

267) When did title of the corn transfer from the farmer to the elevator?

- a) when the grain rolled off the farmer's truck at the elevator.
- b) when the farmer signed the basis contract
- c) when the elevator paid the farmer the 80% cash advance
- d) when the elevator made the final payment of 20% plus or minus the gain/loss in March futures
- e) when the farmer and elevator verbally agreed to do the deal and shook hands

268) The moment after the basis contract was set, the farmer could have final priced the basis contract and netted what price for the corn?

- a) \$1.61
- b) \$1.94
- c) \$2.07
- d) \$1.47
- e) his choice of any of the above

269) Most elevators would tell this farmer he needed to price or roll this basis contract by:

- a) the end of February
- b) before March futures quits trading
- c) the end of March

270) If the farmer rolled this basis contract from March to May with normal carry in the market, the basis would have been:

- a) a larger negative number than 60 under the May (like -66)
- b) 60 under the May
- c) a smaller negative number than 60 under the May (like-54)

271) Who got cheated on this basis contract?

- a) nobody
- b) farmer
- c) elevator
- d) farmer & elevator
- e) the trader who sold HC futures

The first year the US grew a 10 billion bushel corn crop was 1994. HTA contracts had become quite common by 1994. A Marysville farmer contracted in January 1994 with his local elevator 40,000 bushels of corn for fall 1994 delivery at \$3.02 in the July 1994 futures contract. On the same day, December 1994 corn was trading at \$2.60. The contract issued by the elevator stated he could roll the HTA to another futures month for a 1 cent per bushel fee and he could set the basis in 5,000 bushel increments. In late June, he rolled from the July 1994 to the December 1994 at even money; the roll price happened to be \$2.77. Being a Union County farm with slow drainage, this farmer usually started corn harvest when the rest of Ohio is about half done with harvest. He filled his on farm storage first and needed to start delivering on the HTA contracts in late October. He expected most Ohio farmers would complete harvest within the next ten days, but his harvest and delivery to the elevator on his HTA contract would not be complete until mid-November. Thus, he expected the basis to improve from late October into mid-November. He called the elevator on 27 October to set the basis on the first 5,000 bushels. The basis that day was -34 the Dec. Four days later, he called to set the basis on the next 5,000 bushels with the basis at -28 the Dec. The grain merchandiser said he had set the basis on entire HTA contract at -34. By mid-November, when the farmer delivered the last 5,000 bushels the basis was -16 the Dec, but he was paid -34 the CZ.

Use the above information, if you wish, to answer questions 272 through 278.

272) What was the net December HTA price?

- a) \$2.77      b) \$3.01      c) \$3.02      d) \$2.60      e) \$2.76

273) By selling the July and then waiting five months to roll to the December, the HTA contract:

- a) gained nothing, but lost the 1 cent roll fee      b) gained 42 cents less the 1 cent roll fee  
c) lost 42 cents less the 1 cent roll fee      d) none of the above

274) The net cash price the farmer received on the contract was:

- a) \$2.73      b) \$3.01      c) \$2.76      d) \$2.85      e) \$2.67

275) Had the farmer sold the corn in the December contract back in January instead of the July contract, what would have been his net cash price on the first 5,000 bushels?

- a) \$2.25      a) \$2.43      c) \$2.60      d) \$2.68      e) \$2.26

276) Had the basis on the last 5,000 bushels been set in mid-November, the farmer's cash price would have been:

- a) \$3.02      b) \$3.01      c) \$2.76      d) \$2.85      e) \$2.67

277) Given that the basis firmed progressively as the farmer expected, but the grain merchandiser set all 40,000 bushels at -34 CZ, the financial impact on the farmer was about:

- a) lost \$7,200      b) gained \$900      c) none      d) lost \$3,600      e) none of the above

278) Who got cheated on this contract?

- a) nobody      b) farmer      c) elevator      d) farmer & elevator      e) the trader who bought CN futures

279) Grain elevators are regulated by:

- a) CFTC      b) CBOT      c) State Department of Agriculture      d) USDA      e) none of the above

280) Futures exchanges are regulated by:

- a) CFTC      b) CBOT      c) State Department of Agriculture      d) USDA      e) none of the above

- 281) Commodity futures open interest is reported weekly by:  
 a) CFTC    b) CBOT    c) State Department of Agriculture    d) USDA    e) none of the above
- 282) National Crop Condition and Progress reports are issued by:  
 a) CFTC    b) CBOT    c) State Department of Agriculture    d) USDA    e) none of the above
- 283) Grain elevators prefer to fill-up their storage space during harvest because:  
 a) it is their purpose to serve the community                      b) utilize investment they have in the storage  
 c) they make money on basis appreciation                              d) they make money on futures appreciation
- 284) A grain or oil seed has a LDP value when:  
 a) the PCP is below the target price                                      b) LDP is above the loan rate  
 c) the PCP is below the loan rate    d) the loan rate is below the PCP
- 285) The last day to lock-in the LDP or put a 2008 spring planted commodity under government loan is:  
 a) last business day of 2008    b) last business day in March 2009  
 c) last business day in May 2009    d) last business day of 2009
- 286) The USDA expects about 20% of the 2008 corn crop to be used for ethanol production. That is production from about how many acres? :  
 a) 800 thousand                      b) 28 million                      c) 8 billion                      d) 1 billion                      e) 17 million
- 287) Elevators are required by law to have the physical grain in their inventory if the grain is:  
 a) delayed price                      b) basis contract                      c) commercial storage                      d) hedged                      e) sold

CBOT Commentary for end of day 24 April 2008:

"The soybean complex traded sharply lower today. Traders indicate that this was based on a strong dollar and sharply lower crude oil. Locals were the best sellers during much of the session followed by funds according to floor traders. Funds were said to be sellers of about 2000 contracts by late in the session. Volume was moderate early, but picked up during late morning/early afternoon when large scale commission house selling entered the mix." Questions 288 through 291 apply.

- 288) The soybean "complex" consists of:  
 a) corn, wheat and beans                      b) Soybean meal & soy oil                      c) all factors affecting price of beans  
 d) soybeans, soybean meal & soy oil                      e) soy, sun, peanut, canola, olive, palm, and cotton oil
- 289) "Locals" are:  
 a) People who trade their own account on the CBOT floor living in the Chicago area.  
 b) Commodity futures brokers in offices in the Chicago area.  
 c) People who farm the land within driving distance of Chicago.  
 d) When the CBOT was founded in 1848, transportation was so slow only local residents had access to the CBOT. Ever since then, all traders are referred to as "locals".  
 e) none of the above
- 290) The group who sold most of the contracts during the day were:  
 a) funds                      b) hedgers                      c) crude oil hedgers                      d) large commission houses                      e) locals

- 291) "Volume" refers to:
- a) number of soy contracts traded
  - b) number of people trading soy contracts
  - c) value of the soy complex contracts
  - d) none of the above

CBOT morning commentary for 25 April 2008:

"Outside markets were generally weaker overnight due in large part to the recovery in the dollar."

- 292) "Outside markets" include:
- a) commodities grown outside as opposed to green house crops
  - b) gold, silver, stocks, bonds, crude oil, treasury instruments, etc.
  - c) palm oil, canola, cotton, sugar, rice, sunflower seed & sunflower oil
  - d) commodities grown outside the USA
  - e) non-regulated market commodities which impact CBOT commodities

- 293) Over the past several years, the value of the dollar has been:
- a) increasing
  - b) declining
  - c) trading sideways

- 294) The value of the dollar is measured by the:
- a) number of units of another country's currency required to exchange for a dollar
  - b) number of dollars it takes to buy an ounce of gold, also known as the "gold standard"
  - c) number of dollars it takes to buy an ounce of silver, also known as the "silver standard"
  - d) Federal Reserve Bank's discount rate
  - e) Federal Reserve Bank's fed fund rate

The US Census soybean crush for March 2008 was 152.6 million bushels versus 155.7 million a year ago and 145.2 million bushels the 5-year average for March.

- 295) For soybeans, this was a:
- a) bearish number because it was less than the previous month
  - b) bullish number because it was more than the five year average
  - c) a price neutral number because it is between the five year average and the previous month
  - d) it is a bogus number because the Census Bureau only counts population; only the National Oilseed Processors Association (NOPA) reports soybean crush volume
  - e) one needs to know what the market expected to know whether this report was bullish or bearish

- 296) In order to have a reasonable chance to do a good job marketing his production, a grain farmer needs to fully understand how two markets function. They are:
- a) ethanol and biodiesel
  - b) cash grain and grain futures
  - c) vegetable oils and meal

- 297) The link that keeps the futures market connected to the physical market is:
- a) basis
  - b) delivery of the physical commodity can be required on a futures contract
  - c) the CFTC regulations and monitoring of transactions
  - d) State Department of Agriculture's regulations and monitoring of transactions
  - e) market forces embodied by the free enterprise system, which has made America the great economic powerhouse it is

In 1996, the cash price of corn in July exceeded \$5 per bushel and July futures peaked at \$5.54 ½, yet the new crop corn price was a little more than half of the old crop price. Many farmers with old corn were not selling because the price kept going higher. Some feed elevators had livestock feeders with corn on Grain Bank which they would not need before the fall harvest, yet the elevators could not buy corn to meet their needs for other livestock feeders who needed corn for feed.

An elevator offered farmers with excess corn on Grain Bank to trade two bushels of new crop corn for one bushel of old crop corn. Many farmers made the deal. Thus, the feed elevator was able to buy one bushel of old crop corn with two bushels of new crop corn. No cash was transferred. The elevator was able to meet the feed needs of its livestock feeder customers who had no corn and could not buy corn otherwise. Consider this information to answer the next two questions, if you wish.

298) This transaction was:

- a) illegal because there was no physical inventory of new crop corn in July
- b) illegal because the feed elevator had no new crop corn to put in Grain Bank to replace the old crop corn sold out of Grain Bank
- c) illegal because Grain Bank corn cannot be legally sold out of Grain Bank; it has to be used as feed
- d) illegal because there was no cash paid by the elevators to the farmers with the Grain Bank corn
- e) perfectly legal

299) Who got cheated on this two bushels of new crop corn for one bushel of old crop corn?

- a) the farmers with Grain Bank corn
- b) the farmers who used the former Grain Bank corn
- c) feed elevator
- d) no one

300) During April 2008, there were riots in the Philippines, Haiti, Indonesia and Egypt over the high price or non-availability of rice. Sam's Club initiated a limit of how much rice a customer can buy. This situation:

- a) is bullish for wheat because wheat is substitute commodity for rice
- b) is bullish for wheat, corn and beans because it is probable the high price of rice will mean more acres are planted to wheat and less to corn and beans
- c) is bullish for world trade because it demonstrates the need for more grain trade
- d) will contribute to political instability in some countries
- e) all of the above

## Key for 2008 State FFA Grain Merchandising Contest

- |       |       |
|-------|-------|
| 1. D  | 51. B |
| 2. C  | 52. A |
| 3. A  | 53. A |
| 4. A  | 54. B |
| 5. B  | 55. A |
| 6. B  | 56. B |
| 7. C  | 57. B |
| 8. B  | 58. A |
| 9. C  | 59. C |
| 10. C | 60. A |
| 11. C | 61. E |
| 12. E | 62. D |
| 13. B | 63. C |
| 14. A | 64. A |
| 15. A | 65. A |
| 16. B | 66. A |
| 17. C | 67. A |
| 18. D | 68. D |
| 19. D | 69. A |
| 20. D | 70. A |
| 21. D | 71. B |
| 22. A | 72. B |
| 23. A | 73. B |
| 24. C | 74. E |
| 25. B | 75. E |
| 26. A | 76. D |
| 27. C | 77. D |
| 28. E | 78. B |
| 29. B | 79. C |
| 30. B | 80. A |
| 31. A | 81. A |
| 32. D | 82. D |
| 33. A | 83. C |
| 34. A | 84. C |
| 35. B | 85. C |
| 36. A | 86. E |
| 37. B | 87. C |
| 38. A | 88. D |
| 39. C | 89. A |
| 40. A | 90. E |
| 41. A | 91. A |
| 42. B | 92. B |
| 43. A | 93. B |
| 44. B | 94. A |
| 45. A | 95. E |
| 46. A | 96. B |
| 47. E | 97. B |
| 48. B | 98. E |

49. C  
50. D

99. D  
100. E

## 2007 Grain Merchandising Team Results

Rank	Team/Student Name	Interview	Ind Score
	1 Elmwood High School	194	
3	Tim Strausbaugh	66	213.5 279.5
7	Cory Dean	66	179 245
9	Bill Casey	62	178.5 240.5
30	Matt Casey	53	
95	Trdnton Reynolds	38	
149	Amanda Morlock	1	
	2 Edgerton High School	187	
4	Aaron Appel	75	195.5 270.5
8	Stacey Sindel	61	180 241
34	Adam Riehle	51	
35	Sebastian Rieger	51	
37	Christopher Gaskill	50	
111	Danny Boeke	37	
124	Frank Krill	32	
	3 Archbold High School	186	
1	John Schoenhals	72	221 293
5	Seth Nofziger	66	196 262
43	Katie Miller	48	
	4 Ayersville High School	180	
2	David Leaders	69	222.5 291.5
13	Chris Colwell	59	
31	Kyle Worthington	52	
52	Bryant Vandemark	46	
	5 Hillsdale High School	171	
11	Hannah Fulk	60	
18	Michael Dyer	56	
21	Jed Bookman	55	
26	Megan Farquhar	54	
36	Sara Tallmadge	50	
57	Melissa Whitcomb	45	
61	Greg Heiby	45	
88	Travis Esbenshade	40	
96	Kristin Flickinger	38	
	6 Edon-Northwest High School	167	
12	Travis Hake	59	
16	Dustin Chaffee	58	
38	Cambell Parrish	50	
42	Jared Dick	48	
47	Kyle Wheeler	47	
60	Caleb Schlosser	45	
	7 East Clinton High School	162	
10	Rich Gaskins	64	106.5 170.5
28	Logan Hazelbaker	54	

67 Andrew Bond	44		
81 Conley Brent	41		
122 Adam Kerns	32		
127 Michael Withrow	32		
8 Teays Valley High School	162		
6 Tyler Ohrawlins	64	183.5	247.5
32 Jd Woodruff	52		
55 Doug Kidd	46		
68 Justin Branham	44		
9 Parkway High School	159		
19 Melinda Miller	56		
20 Kendra Smith	55		
44 Sara King	48		
49 Luginbill Allen	47		
10 Margaretta High School	158		
22 Adam Yetter	55		
29 J Nnifer Nath	54		
41 David Siesel	49		
53 Jessica Mcintire	46		
69 Meghan Brownell	43		
76 Jordan Cramer	42		
82 Lindsay Schaeffer	41		
91 Kayla Munk	40		
11 Talawanda -Butler Technology CDC High Sc	156		
15 Gregg Janos	58		
27 Brent Hicks	54		
65 Josh Parker	44		
70 Jared Brosey	43		
109 Will Vaughn	37		
12 Crestview High School (Convoy)	153		
24 Jarrod Farris	55		
40 Amanda Ream	50		
45 Alyssa Lehman	48		
51 Scott Eickholt	46		
58 Caitli Bollenbacher	45		
63 Chris Bolenbaugh	45		
83 Bryce Richey	41		
13 Eaton High School	148		
14 Dan Jackson	58		
46 Derrick Buehner	47		
71 W Horn Timothy	43		
112 Amelia Alexander	36		
115 John Rader	36		
117 Brandi Fornshell	36		
129 Stacey Hughes	31		
148 Chelsey Caplinger	22		

14 Anthony Wayne High School	143
33 Nick Barney	52
50 Casey Huepenbecker	47
64 Brian Petrell	44
15 Woodmore High School	143
17 Sarah Depner	56
66 John Custer	44
72 Brock Avers	43
85 Thomas Wendt	40
106 Krista Hellwig	37
130 Morgan Wegman	31
16 Fort Recovery High School	139
23 Scott Will	55
73 Craig Sutter	43
80 David Fortkamp	41
17 Northwestern High School (Wayne)	137
48 Mara Monaco	47
56 Alyssa Mack	45
59 Emily Krueger	45
98 Sebastian Jackson	38
105 Alisha Browning	37
134 Stephanie Y0st	29
18 Mechanicsburg High School	124
54 David Bethel	46
87 Jessika Violet	40
102 Jessica Mcdonald	38
103 Tasha Cheek	38
116 Mark Crews	36
119 Miranda Rees	35
139 Nelsonnkiaya	28
19 Western Brown High School	121
39 Cory Sloas	50
62 Harold Nuss	45
142 Danny Hutchens	26
150 Cj Rowe	1
20 Northridge High School	116
92 Matthew Kyle	39
94 Erin Hall	39
97 Lesley Hall	38
104 Nina Geiling	38
131 Taylor Rinehart	31
133 Meggin Flath	29
137 Heather Geer	28
138 Lyndsie Woosley	28
143 Amanda Fox	26

145 James Holmes	25
151 Mathew Boudinot	1
21 Sheridan High School	114
79 Mike Swinehart	41
107 Lauren Whitmer	37
113 Janelle Green	36
136 Renee Caito	28
22 Waterford High School	114
77 Meaghan Fleming	41
78 Justin Stiers	41
125 Jonah Neill	32
126 Alysia Sands	32
144 Rebecca Barth	25
23 Ohio Valley Vocational School	111
84 Cory Bess	40
90 Bj James	40
128 Zak Mcintire	31
146 Samantha Mcdams	24
24 Paulding High School	109
93 Kari Gibson	39
118 Alex Straley	35
120 Clint Vance	35
123 John Fickel	32
25 Licking Valley High School	103
100 Hannah Wills	38
101 Eric Bennett	38
140 Sara Felumlee	27
26 New Lexington High School	90
25 Curtis Middaugh	55
121 Aaron Murr*	35
27 Benjamin Logan High School	78
89 Kevin Berry	40
99 Tori Vinson	38
28 Utica High School	66
114 Casey Rudolph	36
132 Matthew Coad	30
29 Seneca East High School	66
86 Sheldon Miller	40
143 Andy Ruffing	26
30 Union Local High School	48
141 Alex Schafer	26
147 Dou Stephens	22

31 Four County JVS	42
75 Michael Herm*	42
32 Wilmington High School	42
74 Michael Ellis	42
33 Colonel Crawford H S	37
108 Samantha Guinther	37
34 South Central High School	37
110 Frank Gannett	37
35 NO SCHOOL NUMBER #1	29
135 Levi Farley	29
36 New London High School	1
152 Malaina Erswell	1

## 2005 State Grain Merchandising

Rank	Team/Student Name	Score
1	Crestview High School	193
1	Kyle Plumley	73
8	Philip Rolsten	62
12	Jr Tony Crawford	58
13	Melis* Hoover	58
45	Natalie Parrish	44
2	Margaretta High School	186
3	Vincent Holeton	67
9	Allison Didion	61
10	Johnathan Schaeffer	58
29	Chris Bohn	51
39	Daniel Elwood	45
46	Adam Yetter	43
51	Brad Yetter	41
54	Andrew Yetter	41
56	Amy Bauman	40
3	Parkway High School	186
2	Felicia Quaintance	69
7	Kingekatie	62
20	Jessica Suman	55
22	Ashley Gamble	54
33	Elizabeth Smith	48
34	Jeffr* Luginbill	47
61	Haysaaddie	39
116	Ashley Thomas	27
4	Elmwood High School	178
5	Trevor Newby	63
6	Chad Reynolds	62
26	Cami Manecke	53
65	Hannah Stearns	38
5	Hillsdale High School	171
4	Hannah Crossen	66
17	Ross Kamenik	56
31	Melissa Whitcomb	49
67	Seth Spotts	38
68	Megan Farquhar	38
72	Greg Heiby	37
6	Edgerton High School	165
14	Jesse Showalter	57
16	Stephanie Sindel	56
27	Brittney Graham	52
30	Sa m Krill	50
42	Chris Everetts	45
7	Edon-Northwest High School	160
21	Nathan Heller	55
24	Justin Hamman	53
28	Scott Coon	52

64	Tyler Rockey	38
94	Spencer Kaiser	32
100	Lh Mitch Zu	30
109	* Ana Thiel	28
8	Teays Valley High School	157
19	Cole Thompson	55
25	Benjami Blankenship	53
32	Balthaseraben	49
9	Northwestern High School	146
18	David Bowers	55
38	Matt Redick	46
40	Martinascott	45
44	Patrick Miller	44
70	Katie Roberts	38
71	Bob Neer	37
79	Steph Yost	36
83	Castellaaandrew	35
89	Christine Schafrath	34
10	Ohio Valley Vocational School	139
15	Clayton Rhoads	56
48	Chris Fitzpatrick	42
53	Brandon Pistole	41
85	Brandon Kuhn	34
151	Greg Baker	20
11	Pettisville High School	131
35	Kelsey Burkholder	47
41	Justin Beck	45
58	Kyle Wooten	39
12	Talawanda High School	128
43	Sarah Butterfield	44
49	Josh Parker	42
50	Kayla Kolb	42
69	Adrienne Gerhart	38
74	Gregg Janos	36
93	Will Vaughn	32
114	Ashley Rich	27
13	East Clinton High School	122
36	Rich Gaskins	47
59	S Ben Collin	39
77	Keith Bean	36
110	Tim Roberts	28
113	Beau Beekman	27
117	Joshua Curtis	26
119	Derek Hughes	26
163	Ryan Jones	16
14	St. Henry High School	120
47	Ross Post	43
57	Ryan Stachler	39
66	Adam Wuebker	38
80	Jeffrey Hart	36
82	Matt Fie*	35

130	Brad Wuebker	24
15	Ayersville High School	118
23	David Leaders	54
75	Alex Fritz	36
107	Dusten Retcher	28
135	Amy Goshert	23
160	Joe Ewers	18
16	Benjamin Logan High School	114
60	Carlee Goings	39
62	Heather Robinson	39
81	Lisa Kennaw	36
97	Jojo Lautenschlager	31
105	Tabetha Penwell	29
131	Michelle Thompson	24
17	Fort Recovery High School	113
11	Jackie Lennartz	58
78	Todd Post	36
159	Jake Knapke	19
18	Ripley Union Lewis Huntington	108
55	Kenneth Herrell	40
84	Derek Germann	35
92	Keenan Milligan	33
111	Wrighttclayton	28
132	Ju Tin Hilderbrand	24
150	Spencer Milligan	20
19	Sheridan High School	104
63	Chase Russell	38
76	Cayle Helser	36
101	Jeff Cannon	30
103	Travis Bashore	30
20	West Liberty-Salem High School	92
86	Troy Tullis	34
95	Brooke Tullis	32
122	Chrir Stafford	26
21	Oak Harbor High School	91
37	Jessica Lipstraw	46
134	Sheyanne Baumert	23
139	Rebecca Souza	22
165	Rudy Hanzel	16
22	Anna High School	89
73	Tiffany liams	37
112	Renee Axe	27
126	Danielle Deiters	25
128	Bethany Schemmel	24
129	*e John Pe	24
133	Diane Albers	23
142	Amanda Speelman	21
144	Megan Rose	21
147	Eric Hoying	21
149	Andy Steinke	21
152	*ew Goettemoeller	20

162	Krista Stewart	17
23	Mapleton	87
90	Brianne Spence	33
108	Jr Keener	28
118	Christy Koberstein	26
125	Trent Kratzer	25
156	Aaron Drushell	19
24	Upper Scioto Valley High School	84
91	Kalia Jones	33
115	Marybeth Albert	27
127	Bethany Holbrook	24
141	Logan Vanhooose	21
154	Eric Smith	19
161	Bradley Helton	17
25	Carey High School	77
120	Aaron Derr	26
121	Albert Brodman	26
123	Christine Lortz	25
140	Doug Fredritz	22
148	Katie Wentling	21
153	Lance Reinhart	19
155	Bo Wright	19
157	Jo e Hunter	19
158	Jarrod Geiser	19
26	South Central High School	72
52	Jillian Miller	41
96	Victoria Bacon	31
27	Georgetown High School	68
87	Rebecca Meranda	34
88	Brittany Kaiser	34
28	Ridgemont High School	66
104	Ashley Gossard	29
145	Mike Mccullough	21
164	Micah Heilman	16
166	Bryan Hamilton	12
29	Hillsboro High School	65
137	Corey Frazbr	22
138	Nikki Kidwell	22
146	Rj Blankenship	21
30	Smithville High School	60
99	Paul Mercer	31
106	Richard Morrison	29
31	Clermont-Northeastern High School	53
98	Ian Davis	31
136	David Fitzpatrick	22
32	Sentinel Vocational Center	51
102	Ronald Hall	30
143	Joanna Sherman	21
33	Utica High School	25
124	Rhondus Hersman	25