

# 2024 Kluis Grain Trading Academy - Course Syllabus

## Class 1: Commodity Futures

- The futures market and why it exists
- How futures work
- The concept of being short and being long
- Long hedge example
- Short hedge example
- The impact of futures prices on farm income
- Examples of how to use of futures

## Class 2: Charting Grain Prices

- Building charts using CQG
- Basic chart analysis methods
- Understanding trends and trend analysis
- What defines an uptrend
- What defines a downtrend
- How to identify trend reversals

## Class 3: Using Options

- The basic concept of option trading vs. futures trading
- Introduction to calls and puts
- How call and put options work and when to use them
- Bull spreads as a method of storing grain
- Minimum and maximum contracts
- How puts work to protect your risk of lower prices
- How calls work to protect your risk of higher prices

## Class 4: Grain Merchandising Decisions

- Key concepts in grain merchandising
- Grain merchandising alternatives, benefits and risks
- Cash contracts vs. futures hedges
- Basis contracts vs. options
- Carrying charges, basis
- Storing with call options
- Your best marketing alternatives

## **Class 5: Grain Fundamentals**

- World and U.S. grain fundamentals
- Global supply/demand: Today, next year, last year, and 10 years ago.
- Understanding USDA Reports
- How and when do fundamentals change

## **Class 6: Creating a Marketing Plan**

- How to create a farm marketing plan
- How to use price objectives
- The 3-step risk management plan for your farm
- “A” bushels and “B” bushels.
- Hedging and put options
- Spreading out risk