Introduction to Hedging with Wheat Futures and Options Workbook
Minneapolis Grain Exchange

This workbook provides the framework for a basic "hedging with futures and options" presentation. It includes definitions of futures, options and hedging terms that lead up to futures and options hedge examples. The examples allow the presenter to lead a group through "what if" examples, illustrating the results of a particular hedge given that markets can wind up higher, lower or unchanged.

Actual workbook size is 8 X 11 inches with large type so that overheads may be made directly from the workbook pages. The copy you have before you was reduced in the interest of space.

For presentation of all material in the workbook, you should allow anywhere from 1-2 hours for each of the two sections (futures and options). If time is limited, you may want to pick only a few of the worksheets to present.

There are many blanks that must be filled during the course of presenting the workbook material. This allows the presenter to use current market information and meeting attendees to learn through a "hands-on" approach as they fill-in-the-blanks. In the absence of current price information, the instructor may choose to use "theoretical" price examples to emphasize specific points.

Blanks in the reduced-sized version of the workbook in your packet have been filled-in, and comments on presenting are included in some of the margins.

If you would like a full-size, blank version of the workbook so you may make copies for distribution and presentation, contact Teri Huffaker at the Minneapolis Grain Exchange (612-321-7140). Also, give Teri a call if you have questions concerning workbook content or its presentation.
The following materials are available from the Minneapolis Grain Exchange. To receive the materials listed, please complete and return these forms.

**MEMBERSHIP INFORMATION**

- Membership Packet (includes leasing and bid information)
- Membership Application
- Clearing Firms List

**EDUCATIONAL MATERIALS**

- Understanding Commodity Futures Trading Booklet
- Power of Options Workbook
- Twin Cities Electricity Futures' Brochure - Introduction to Hedging
- Shrimp Facts & Futures Booklet
- Weekly Shrimp Market Fax
- Wheat Futures and Options Trading Schedule
- White Wheat Trading Profile
- Spring Wheat Trading Profile
- Minneapolis Grain Exchange Annual Report
- "To Find a Market" Videotape
Books

__________ Rules and Regulations - $50.00

__________ *Statistical Annuals (contains information regarding production, movement, storage and pricing of grain in the trade area served by the Minneapolis Grain Exchange)

__________ 1997 - $30.00

__________ 1997 Supplemental Options Book - $15.00

__________ 1996 - $15.00

__________ 1996 Supplemental Options Book - $15.00

__________ Previous issues (if available) - $10.00 each, year(s): __________

*Complimentary to libraries

HISTORICAL WHEAT BASIS

(If requesting diskette, indicate which format)

Spring Wheat Basis (ordinary - 17%) 1979-1997
__________ booklet __________ diskette

Spring Wheat (14%), Corn and Soybean Basis 1979-1997
__________ booklet __________ diskette

White Wheat Basis 1979-1997
__________ booklet __________ diskette

MONTHLY COMPLIMENTARY REPORTS

__________ Daily Carlot Receipts handled by the Minneapolis Grain Exchange Sampling Department

__________ Daily Prices reported for Minneapolis Cash Course Grain, Barley, Soybeans and Sunflowers

__________ Daily Minneapolis Cash Wheat Prices

__________ Minneapolis Grain Exchange Spring Wheat futures prices (Opening Range - High - Low - Closing Range - Settlement - Volume - Open Interest)

__________ Minneapolis Grain Exchange White Wheat futures prices (Opening Range - High - Low - Closing Range - Settlement - Volume - Open Interest)
MONTHLY COMPLIMENTARY REPORTS CONTINUED

__________ Minneapolis Grain Exchange Durum Wheat futures prices (Opening Range - High - Low - Closing Range - Settlement - Volume - Open Interest)

__________ Minneapolis Grain Exchange Twin Cities Electricity On-Peak & Off-Peak futures prices (Opening Range - High - Low – Closing Range - Settlement - Volume - Open Interest)

__________ Minneapolis Grain Exchange Black Tiger Shrimp futures prices (Opening Range - High - Low - Closing Range - Settlement - Volume - Open Interest)

__________ Minneapolis Grain Exchange White Shrimp futures prices (Opening Range - High- Low - Closing Range - Settlement - Volume - Open Interest)

__________ Minneapolis Cash Durum Prices as reported by the USDA Grain Market News

__________ Volume of Grain Movement - Minneapolis/St. Paul and Duluth/Superior

__________ Please check if you’d like to receive these reports monthly

Name: ____________________________________________

Company: __________________________________________

Address: __________________________________________

________________________________________________________________________

Phone number: ____________________________

Fax number: ____________________________

Return these forms to:
Minneapolis Grain Exchange
Attn: Shirley Zieglmeier
400 South 4th Street, Suite 130
Minneapolis, MN 55415
Phone: (612) 321-7101
Fax: (612) 339-1155

*If requesting items with a fee, please enclose check payable to the Minneapolis Grain Exchange. *
*If quantities of 10 or more are needed, please call for availability.