

# Contents

## Introduction

### Section One: Core Skills of Basis Trading

Chapter 1	An Overview of Grain Merchandising	3
Chapter 2	Basis Fundamentals	19
Chapter 3	Turning Basis into Money	37
Chapter 4	Getting Familiar with Your Local Basis	65
Chapter 5	Routines and Disciplines of Merchandising	81
Chapter 6	Merchandising the Complete Season	101

### Section Two: Confident Selling

Chapter 7	Identifying Profitable Selling Opportunities	123
Chapter 8	Positive Actions that Capture Good Sales	141
Chapter 9	Decisions that Come After the Sale is Made	155

### Section Three: ProActive Spreading

Chapter 10	The Spread's Connection to the Basis	175
Chapter 11	Managing Spreads in a Long-the-Basis Environment	183
Chapter 12	Managing Spreads in a Short-the-Basis Environment	205

**Section Four: Outstanding Customer Service**

Chapter 13	The Value of Positive Marketing Services	231
Chapter 14	Offering Fair & Competitive Prices	261
Chapter 15	Addressing the Desire to Stay-in-the-Market	273
Chapter 16	Dealing with Non-Delivery	299
Chapter 17	Actions that Hinder Farmer's Marketing Efforts	309

**Section Five: Merchandising for All Environments**

Chapter 18	The Rhythm & Balance of Merchandising	333
Chapter 19	Making the Most of Your Financial Resources	347

**Conclusion: 361**

**Appendices: Routines & Processes of Merchandising**

I.	Understanding the Futures Market	365
II.	Mechanics of Building Basis Charts	379
III.	Daily Hedging Routines	387
IV.	Methods for Tracking Positions	405
V.	Basic Grain Accounting for Hedge Accounts	417
VI.	Tools that Aid in Your Selling Decisions	429
VII.	Tools that Aid in Margin Evaluation	441
VIII.	Tools that Aid in Your Spreading Decisions	451
IX.	Grain Origination Tools	455
X.	Documenting the Trade & Managing Counterparty Default	459

(Contributing Writers: Jacob Bylund, Todd Langel, Michael Stewart and Robert Parish)

**Answers 485**

**Glossary 545**

**Index 553**

**Blank Worksheets**

**Supplemental CD**