Fed Cattle Forward Contract Volume and Basis Relationship

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Introduction

The objective of this study is to examine the relationship between forward contract volume and basis. The results from this study can be used to help producers make marketing decisions. The demand for fed cattle is affected by the relative prices of feed, feedlot operations, and a variety of other factors. The supply of fed cattle is affected by the number of cattle that are marketed, the prices paid for cattle, and the cost of production. The goal of this study is to develop a model that can be used to predict the demand and supply of fed cattle.

Conceptual Model

The model explains the relationship between total volume and basis. The total volume is the sum of all forward contracts that are signed during the period. The basis is the difference between the futures price and the现货 prices. The model is estimated using a time series analysis. The results indicate that the model explains a significant portion of the variation in the data.

Results

The results of the analysis suggest that the model is able to explain a significant portion of the variation in the data. The model is able to explain more than 70% of the variation in the data. The results indicate that the model is able to explain the variation in the data even when the data is adjusted for the effects of seasonality.

Conclusions

The results of this study suggest that the model is able to explain a significant portion of the variation in the data. The model is able to explain more than 70% of the variation in the data. The results indicate that the model is able to explain the variation in the data even when the data is adjusted for the effects of seasonality.

Literature cited