



AgEco Friday Newsletter

DEPARTMENT OF AGRICULTURAL ECONOMICS



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Upcoming Events

February

- 20th-Presidents' Day
- Energy Market Interview
- 27th-Faculty Meeting
- 3:30 p.m. AGLS 301
- 27th-March 3rd-Staff
- Appreciation Week

Rosson's Roundup

On Saturday, I attended the Aggieland Saturday events in the AgriLife Center and AGLS. Our Aggie Reps did a great job of representing the department in meeting with prospective students and their parents. They also provided an excellent overview of departmental programs, clubs/associations and 'a day in the life' of a student in the Agricultural Economics department. Thanks to Fred Boadu, Carissa Beamon and Amy Connolly for organizing these activities and spending their Saturday visiting with future Aggies. I believe it was a highly effective event, as they connected with more than 150 people throughout the day. Aggie Reps who participated are recognized on the accompanying picture. Thanks to all for a job very well done!

Tuesday I had the opportunity to meet with Rex Bernardo, one of three candidates for the Borlaug-Monsanto Chair in International Crop Improvement. He currently holds an endowed chair in corn breeding and genetics at the University of Minnesota.

Wednesday, Joe Outlaw testified before the House Agriculture Committee on the Economic Outlook for Rural America to help Congress prepare for the upcoming farm bill. Also testifying were Robert Johansson, Chief Economist, USDA; Nathan Kauffman, Kansas City Fed-Omaha; Pat Westhoff, FAPRI – Missouri and Scott Brown, University of Missouri-Columbia. This was the first hearing of the 115th Congress and precedes many scheduled field hearings to be held across the United States over the next few months. Thanks to Joe for his leadership and expertise in helping shape our next farm bill, which will be designed to return a true safety net to US agriculture.

Also this week we had two interviews for the Energy Market Analysis and Decision Making position. Sarah Johnston was here Monday and Tuesday, while Anastasia Shcherbakova interviewed Thursday and Friday. Next Monday, Jen He will be here to interview as well. Please attend the seminar Monday at 9:30 and the Open Faculty meeting immediately following.

Thursday, Kerry Litzenberg, Patrick Williams and I went to San Antonio to meet with Graham Weston, '86, former CEO of Rackspace Hosting, now Chairman of the Board and Ty Timm Honor Registry member. We presented him with a plaque recognizing his contribution to the Weston AgriFood Sales Program. We also took a brief tour of the new Geekdom facility in downtown San Antonio. It was a great visit and hopefully set the stage for further collaboration in the future.

February 27 marks the start of Staff Appreciation Week. Our Staff Advisory Committee is planning several exciting activities and events for that week and will be getting the agenda out to all very soon. Faculty, please thank your staff members for all that they do now, and throughout the year.

Aggie baseball starts tonight against Bowling Green, while the Aggie softball team hosts the Texas A&M Invitational against SFA, Missouri State and New Mexico. Sunday, the women's basketball team hosts Mississippi State, while the men's team hosts Auburn on Saturday. So, lots of sports in Aggieland this weekend. And, oh, there's intercollegiate Quidditch at Veteran's Park. The weather should be perfect, so try to get out and enjoy the festivities. And, have a great weekend!

AGEC Seminar Series – Spring 2017

Every Friday in AGLS 301 - Time is Subject to Change

***Some titles of scheduled seminar presentations are pending*

February

17th: **Dr. Dmitry Vedenov**- Dept. of Agricultural Economics, Texas A&M

24th: **Dr. Xi Yang**- Dept. of Economics, University of North Texas

March

3rd: **TBA**-

10th & 17th: **No Seminars - Spring Break**

24th: **TBA- Erin Hardin**- PhD Candidate in Agricultural Economics, Texas A&M

31st: **TBA**-

April

7th: **Spring Symposium for Agricultural & Applied Economics Research**

14th: **TBA**-

21st: **TBA**-

28th: **Dr. Gustavo Sanchez**- Associate Director - Tech Services, StataCorp

New Publication



Williams, G.W., O. Capps, Jr., and D. Hanselka. 2017. "The National Economic Benefits of Food Imports: The Case of U.S. Imports of Hass Avocados from Mexico," *Journal of International Food & Agribusiness Marketing*, doi: 10.1080/08974438.2016.1266570. Available on -line at: <http://www.tandfonline.com/eprint/ZT6gWWDcICWZgvPnGDwA/full>

Dr. Dmitry Vedenov

Associate Professor – Dept. of Agricultural Economics, Texas A&M University

When Does Sophisticated Hedging Help?

"Take an opposite position to your risk exposure in the amount that matches the size of the exposure." This is a definition of "naive" hedge that every professor teaching futures hammers into the heads of the students. On the other side of the spectrum are academic papers promoting a variety of complicated hedging strategies based on statistical models with unpronounceable names in capital letters. Somewhere in between are the practitioners who (in blatant disregard of academic authorities) manage risk using their own vast experience and the poorly defined criterion commonly referred to as the "gut feeling". This research is an attempt to identify real-world situations where the "sophisticated" hedging may indeed improve the effectiveness of risk management. We use a large sample of historical spot and futures prices for the petroleum complex (crude, gasoline, and heating oil) to model joint distribution of prices and derive optimal hedge ratios under different criteria. We then identify patterns in the dependence structure between price variables that may justify "unusual" hedging strategies.

Friday, February 17th

11:00 am

AGLS 301

Upcoming Birthdays

Fred Boadu	2/18
Douglass Shaw	2/18
Reid Stevens	2/18
Toni Merchant	3/3
Ariun Ishdorj	3/4



Thank You!!

Connie Yuan, Eva Di,
and Meng Jiang

for hosting Friday coffee



Position Announcements

Department Head, Agricultural and Applied Economics, The Virginia Tech, College of Agriculture and Life Sciences is seeking an accomplished, visionary leader for the position of Department Head. Responsibilities of the Department Head include leadership of all department programs and administrative responsibility for strategic planning, fiscal management and human resources. This includes recruitment, development, and retention of faculty and staff. Application Procedure: Qualified persons are asked to complete an online faculty application at <https://www.jobs.vt.edu> posting #TR0170011 and are requested to submit the following: a letter of application; a statement of the applicant's vision and administrative/management philosophy and style, emphasizing their ability to provide leadership to the teaching, research, and outreach missions of the department, and leadership experiences and qualifications; a complete curriculum vita including names, addresses, telephone numbers, and e-mail addresses of at least three references. Nominations of outstanding potential candidates for the position are welcomed. Initial nominations and inquiries will be kept confidential; references will be contacted only upon approval of the applicant. Review of applications will begin March 22, 2017. Direct inquires or questions about this position to Matt Hulver, Search Committee Chair: Phone: (540) 231-7354, Address: 338 A- Wallace Hall, Blacksburg, VA 24061-0430. Email: hulvermw@vt.edu

[Click here for more position announcements](#)

Faculty, staff, and graduate students are encouraged to submit articles and photos on current events

Deadline for all submissions is noon, Thursday.

Please send your information to valnoyes@tamu.edu