LESSON 19



MARKET REPORTS

Outline:

Definition

Qualities of a Good Market Report Proposal, its Purpose and Kinds Parts of the Proposal

The place where we go to buy or sell commodities is commonly known as market. Technically speaking, market is not a place or bazaar where we go to buy or sell, but it is indeed a contact of buyer and seller. The world has become a global village making buying and selling possible without going anywhere. Information Technology has mainly played its part in doing so.

Prof. Chapman says while defining the market that it refers not a place but to a   
commodity or commodities, buyers and sellers of the same who are in direct competition   
with one another. We can name these as Rice Market, Wheat Market, Yarn Market, Fruit   
Market, etc.

Definition

A market report describes the condition of a commodity in the market on a certain date for a specific period. It points out the business conditions in a market at a given time. Market Report may be of a day, a week, a month, a year or even a number of years. Daily Market Report shows the price of goods on a mentioned date. It also describes the closing rates of the previous day, the opening rates of that day, the highest and the lowest rates and the demand and supply of the commodities on that particular day.

Daily newspapers, television, radio and internet give this information. Consumers take more interest in daily market report than in traders.

Weekly Market Report gives the condition of the commodities for the past six days. It contains closing rates of the last week, the opening rates of that week, the highest and lowest rates and the closing rates of that week. This report also determines the causes of variation in price and the expected price movement in the coming week. Business communities show a keen interest in such reports.

Monthly Market Report is an analysis of business done during the whole month. These reports are prepared for comparatively stable market and a permanent demand. This report describes the closing rate of the commodities in the previous month, the opening rate of the month, highest, lowest and closing rate of the month. Newspapers, trade journals and monthly bulletins publish these reports.

Value of Reading a Market Report

The Market Report makes us aware of the volume and nature of business in the market. Traders become aware of different conditions of the market. They can know something about the demand and supply of a commodity.

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Market Reports help people guess the future movements of price. The market condition is exposed to everybody as a result of which prices become stable. These prices can be compared at different markets.

Qualities of a Good Market Report

A person writing a Market Report should have a comprehensive knowledge of the matter that has to be reported. He must always keep in mind the following points.

1. Normally a Market Report is not personal. It should be written using third person and the past tense.

2. General readers should be able to understand the technical terms used in the   
report.

3. Words should be used economically. Unnecessary details must be avoided. It should not be so short that misses the essential information.

4. There should be a good analysis of changes of prices and demand and supply relationship.

5. Market Report should be based upon the facts. Events should be written in the   
minute details. Any writer of Market Report should be unbiased while concluding his   
report.

How to Read a Market Report

To comprehend a Market Report fully, it is necessary to read it carefully. Sometimes   
even an educated person faces difficulties to understand it. More practice is required to   
understand a market report. One should specially note the nature of report (daily, weekly,   
monthly or annual) the nature of commodity, volume of business and the trend of the   
market.

How to Explain a Market Report

Sometimes a market report is reproduced and sometimes it is explained. While reproducing a Market Report technical terms should concentrate on the given matter. Do not try to add or omit something.

While explaining a Market Report, try to extract the hidden meaning. First of all explain all the technical terms separately, and then mention the price clearly.

After following the above instructions explain the subject matter (of the report) clearly.

Model Market Reports

A Report on Lahore Cotton Market   
Cotton Easy Amid Thin Trading

Lahore: The cotton market failed to maintain a firm posture on Monday as spinners   
showed reluctance to chase the rising prices. However, needy spinners continued to pick   
up quality lots at Rs. 2000 level. The official spot rate was marked up by Rs. 20 at Rs.   
2000.

Cotton prices moved up to Rs. 2050 level on Saturday owing to spinners’ fear that lint   
supply would be interrupted during elections and ginners/ growers’ strong resistance to

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decline in lint prices. There seemed to be an unwritten agreement between ginners and growers to make joint efforts to stave off the threat of price decline. Hence, despite the spinners’ reluctance to pay higher asking prices, the ginners maintained a firm posture. As a result the needy spinners picked up stray lots of quality lint at Rs. 2000. Some low quality stuff, however, changed hands at Rs. 1925.

Most of the spinners remained glued to the side lines as they did not consider it feasible   
to lift the prevailing prices in view of uncertain outlook of the international yarn market.   
The current prices are understood to be well above world parity. It remains to be seen   
whether ginners are able to hold the price line when odds are in favour of buyers.

Proposal

Certain analytical reports are called proposals which include bids to perform work under a contract and plea for financial support from outsiders. Such bids and pleas are almost always formal. It matters a little whether your proposal is a memo or a full document. What does matter is the structure you apply to write good proposals.

i. Professors submit proposal to companies stating that they can help solve problems within a company.

ii. Advertising agencies bid on being the agency of record in publicizing a product or idea for a client.

iii. Companies submit proposal to foreign government to do project.

Purposes of Proposals

Numerous groups solicit proposals. Governments are the foremost requesters. These requests appear in newspapers trade publications. Request for Proposal (RFP) is directed towards a company with specific expertise. Proposal topics are varied such as:

• To sell property, machines, etc.

• To construct building bridges, highways

• To survey water area for possible oil fields

Smaller Projects are also made known to individual and corporation such as the   
following.

1. Improving engineering and just-in-time (JIT) performance within a company

2. Preparing managerial staff for work within or outside the country

3. Planning and basic research before developing any new project

Thus the proposal is similar to that of a recommendation justification report. Both aim to   
solve problem, alter a procedure, and find answer to question, offer advice and training.

Kinds of Proposal

• Research Proposal

• Business Proposal

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i) Research Proposal

A research proposal is usually academic in nature. Professors at schools desire to obtain grant in response to a request or an announcement from the government or other agency. Academic institutions submit most research reports.

ii) Business Proposal

In length, proposal may be similar to other reports like short, long or formal. Like reports,   
a proposal may be solicited or unsolicited while writing a solicited business proposal,   
remember, you most likely to have many competitors also bidding for that contract.

While writing an unsolicited proposal, you need to convince the reader or review committee that you understand the organization’s problem and that your firm or you are qualified to solve it successfully.

Parts of the Proposal

i) Prefatory Part

Title fly

Title page

Request for proposal   
Letter of transmittal   
Table of content   
List of illustration

Synopsis or Executive summary (Draft Contract)

ii) Text parts

Introduction   
Body

Summary

iii) Supplementary parts   
 Appendixes

The cover, title fly, title page, table of contents and list of illustration are handled the same way as in a formal report.

Parts of Proposal

Copy of REP

Instead of a letter of authorization, a formal proposal may have a copy of the request for   
proposal in a letter form or memo soliciting a proposal or a bid for a particular project.

Draft Contract

In long proposals a draft contract may be inserted after an executive summary. A draft contract allows receiver to offer a counter offer and it also gives an immediate overview, including financial information.

Table of Content

Brief proposals usually don’t request a table of contents. Long proposals do require as well as other prefatory parts.

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ii) Text parts

Introduction

This section presents and summarizes the problem you intend to solve and your solution to that problem, including any benefits the reader will receive from your solution. Write introduction as if you were approaching a non-specialist. Your first reader may be other than the person who sent you a request for the proposal. Some staff members often give the proposal an initial reading. Often the purpose is stated in infinitive form, as for example, to construct 1 meter carpeted road from machine shop.

Scope

Define the boundaries of your project. What boundaries are you setting to accomplish your projects? (Study an area of community)

Project Team

Some proposals even short ones include a list of individuals who will work on the project, including project director.

Background

The long proposal, you may include the projects the company has completed.

Previous work

Possibly literature review on the project

Procedures

Here you briefly explain how you will meet the requirement of your reader.

Equipment and Facilities

Tell the reader that you have thought well to realize what facilities will be needed. State what equipment and facilities you already have.

Closing

This section emphasizes the benefits the readers will realize from you solution, and it urges reader to act.

iii) Supplementary Parts

Appendix

It contains materials related to the report but not included in the text because they’ve too lengthy or bulky.

Memo

To: General Manager   
From: Project Manager

SUBJECT: Activity Plan, 2006

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Our primary objective for 2006 is to introduce computers to the three branches, Sialkot, Gujranwala and Jhung. Trips are planned to all these locations within the next month so we may see what each has accomplished toward this objective. In addition, I have planned to meet with Hassan Ahmed, who has written three computer books and he will, I’m sure, have valuable ideas for us.

Specifically, I’ve outlined six objectives in order of priority:

• Introduce computers to three of our branches

• Complete the programming here in our corporate office

• Reduce property taxes by Rs. 160, 000

• Employ a national management-consulting firm by September

• Establish controls on report reproduction and reduce costs by Rs. 5,000

Improve the format and detail of financial analysis provided to corporate each month

I look forward to the upcoming year and progress toward these goals.

To:

From:

SUBJECT: Supervisory Skills Training Program Proposal

Employee Development has been conducting an in-house supervisory course that focuses primarily on theory and information about management concepts and company policies. We would like to propose additional training for first- and second-line supervisors, focusing on skills only-specific behavioral guidance in supervising and motivating employees to increase productivity.

The program would be administered with the help of ABC Consulting Agency. The total cost of Rs 52,000 will cover customized behavior models, CD-ROM introductory and practice sessions, six line managers and/or staff certified by ABC as qualified trainers, two classes (20 participants each) of trained supervisors, and trainer manual and participant workbook for reproduction.

If you have anything in this regard please do let me know.

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