

Homework 5

Homework 5 is an excerpt from [the project instructions](#), specifically Email 4, and covers material related to the recent modules we've covered. You can work alone or in your Project Teams, but **everyone must hand in their own assignment**.

Instructions

Management has requested an analysis of price movements to gain a deeper understanding of price trends in the Colorado retail milk market. This analysis will help identify patterns in pricing strategies across the industry and specifically for Cousins. Additionally, it will provide insights into how retail prices compare to the cost of milk at the wholesale level, indicating the potential for profit in the supply chain.

1. Graph the monthly **weighted aggregate price index** of milk sold by each retailer over time. Add labels and title to your graph. Include a legend.
2. Calculate the Laspeyres **and** Paasche indices to show how the aggregate price in the market is moving over time. Graph them on the same chart in a new worksheet. Add labels and title to your graph. Include a legend.
 - Note: The “market” is represented by `Market_Quantity` (total quantity) and `Market_V_Corrected` (value of milk sales). The price index will represent the price changes relative to the base period.
3. Summarize your findings for parts 1 and 2 in a concise, professional email to your manager. This email should describe how you constructed each measure, outline the key insights from your analysis, highlighting any significant trends or patterns you've identified. Be sure to interpret your findings and explain the implications for Cousins' overall market position.

Submission Notes:

- Start with the [Excel workbook from assignment 4](#). This way, you will not have to create a new `date` variable by combining the `month` and `year` variables using an Excel formula.
- Each graph should be formatted to appear on their own worksheet. Points will be deducted for graphs that are embedded on the data sheet itself.
- Your email should be clear, concise, and actionable, providing management with the information they need to make informed decisions about Cousins' pricing strategies in the Colorado retail milk market.