



AQUACULTURE CRSP 21ST ANNUAL TECHNICAL REPORT

ECONOMIC AND RISK ANALYSIS OF TILAPIA PRODUCTION IN KENYA

*Tenth Work Plan, Marketing and Economics Analysis Research 4 (10MEAR4)
Abstract*

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ABSTRACT

Once the enterprise budgets have been compiled, we will complete the risk analysis. The risk analysis will be conducted as a stochastic simulation in which ranges of values of random variables such as yield and prices are defined by probability distributions instead of the sample averages used in standard enterprise budgets. Monte Carlo simulation techniques will be used to generate values for individual cost and quantity items based on the probability distributions. Results presented will include the entire range of possible outcomes for parameters such as gross receipts, total costs, and net returns, as well as their associated probability.

