Risk Analytics, LLC

Ag Commodity Predictive Modeling Results

Modeling Objectives and Methods

The development of a unique, proprietary futures price model and associated trading system based on statistical probability for implementation with multiple commodities that would:

- *Allow for the maximum incorporation of pertinent information*
- *Be compatible with methods employed by both fundamental and technical traders, as well as for those with either hedging or speculative interests*
- *Transform the inherent lagging nature of most technical information into information of a leading nature*
- *Provide profitable directional returns (daily and weekly basis)*
- *Allow for profitable daily and weekly range trading opportunities*

Transparency of Results

- *Results from our proprietary models are disseminated prior to market open (both daily and weekly) for all subscribers to peruse*

- *An archive of all published reports is also available to subscribers such that they can cross check results with our market predictions*
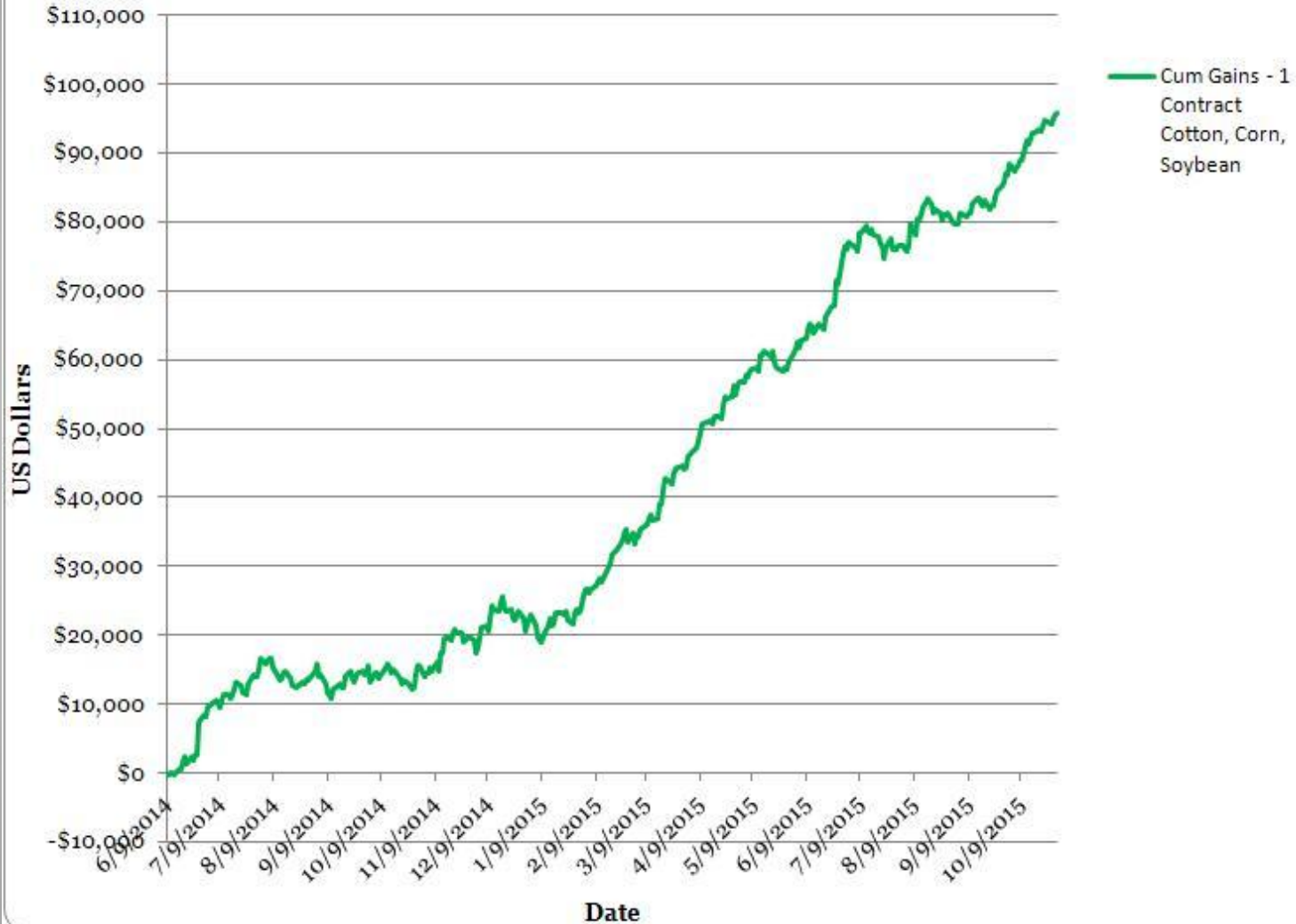
Basic Test Portfolio

- *For simplicity, the following two slides show daily and weekly cumulative gains from our basic directional strategy for a balanced portfolio of 1 contract each:*
    - *ICE Cotton*
    - *CME corn*
    - *CME Soybeans*
    - *CME Wheat (SRW)*
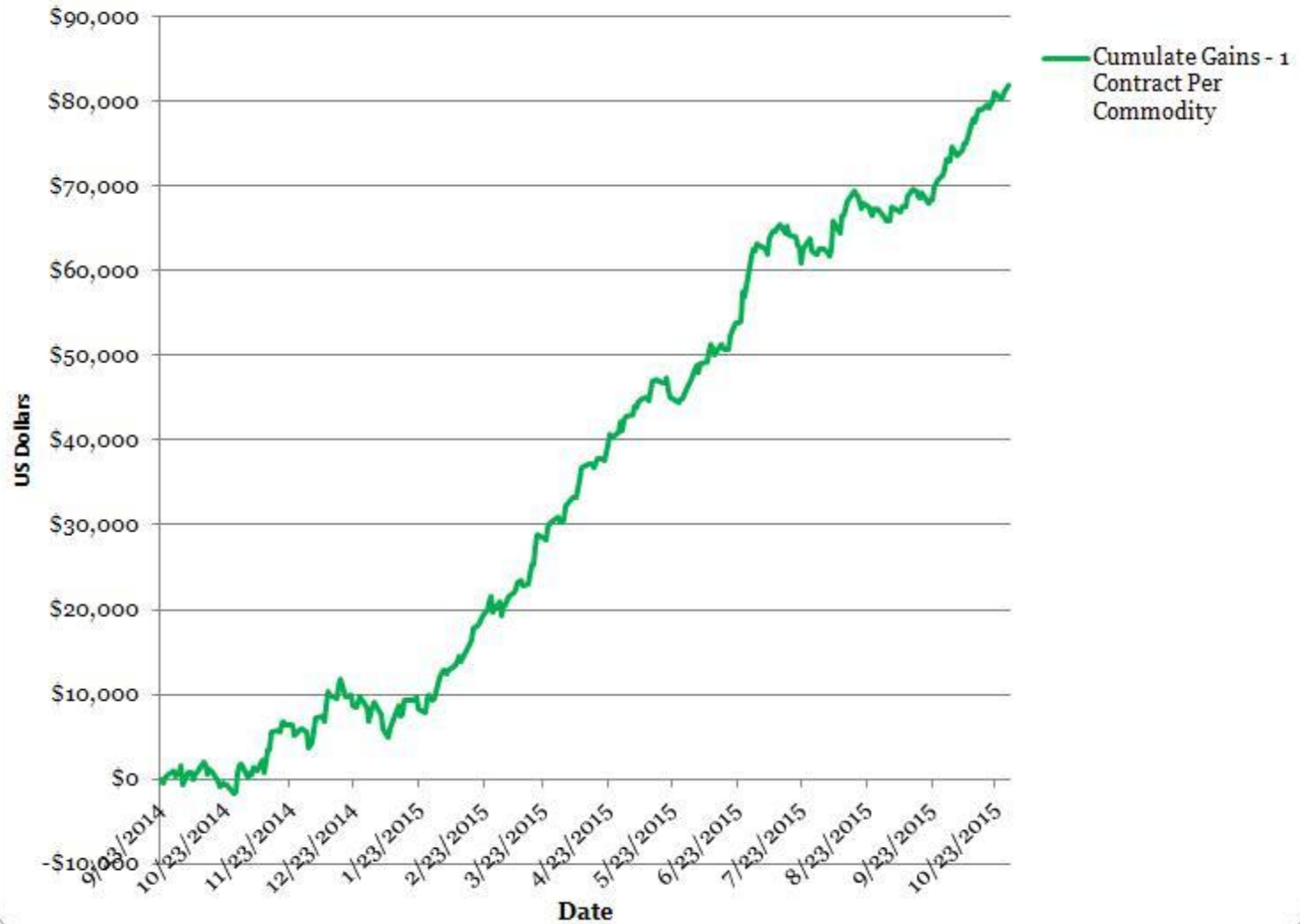
Based on one contract each of cotton,
corn, wheat and soybean

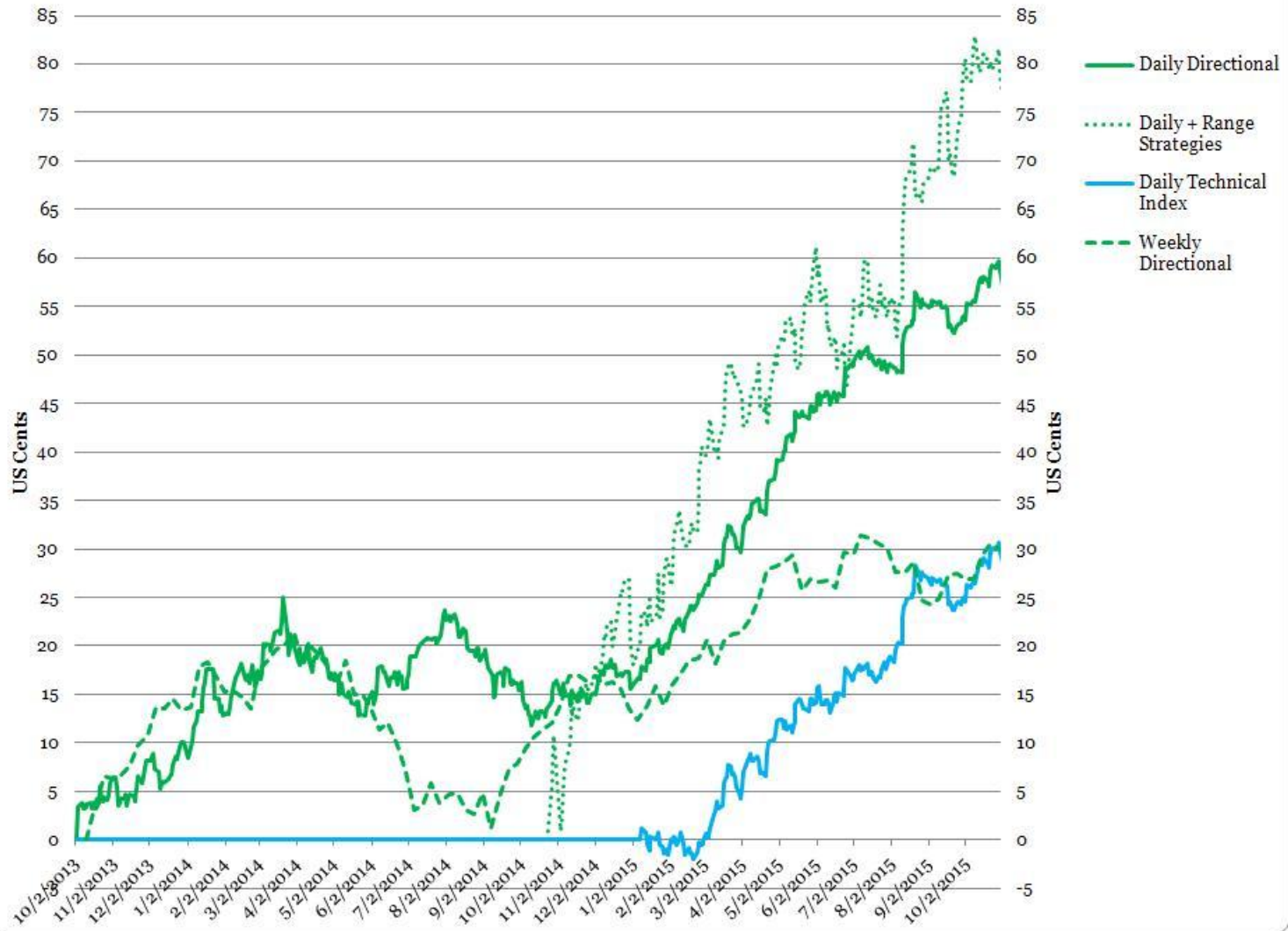Based on one contract each of cotton,
corn, wheat and soybean
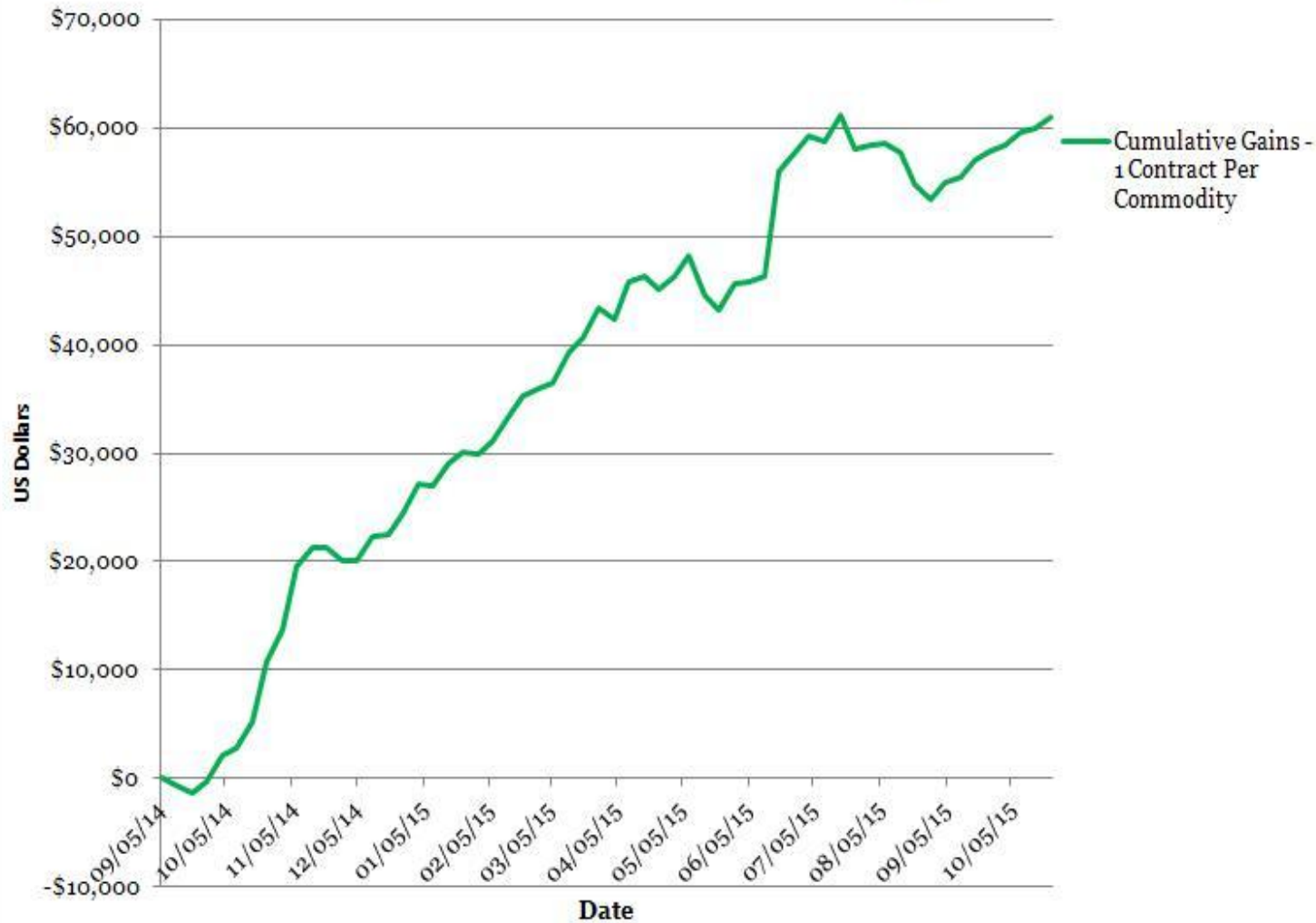
Based on one contract each of cotton,
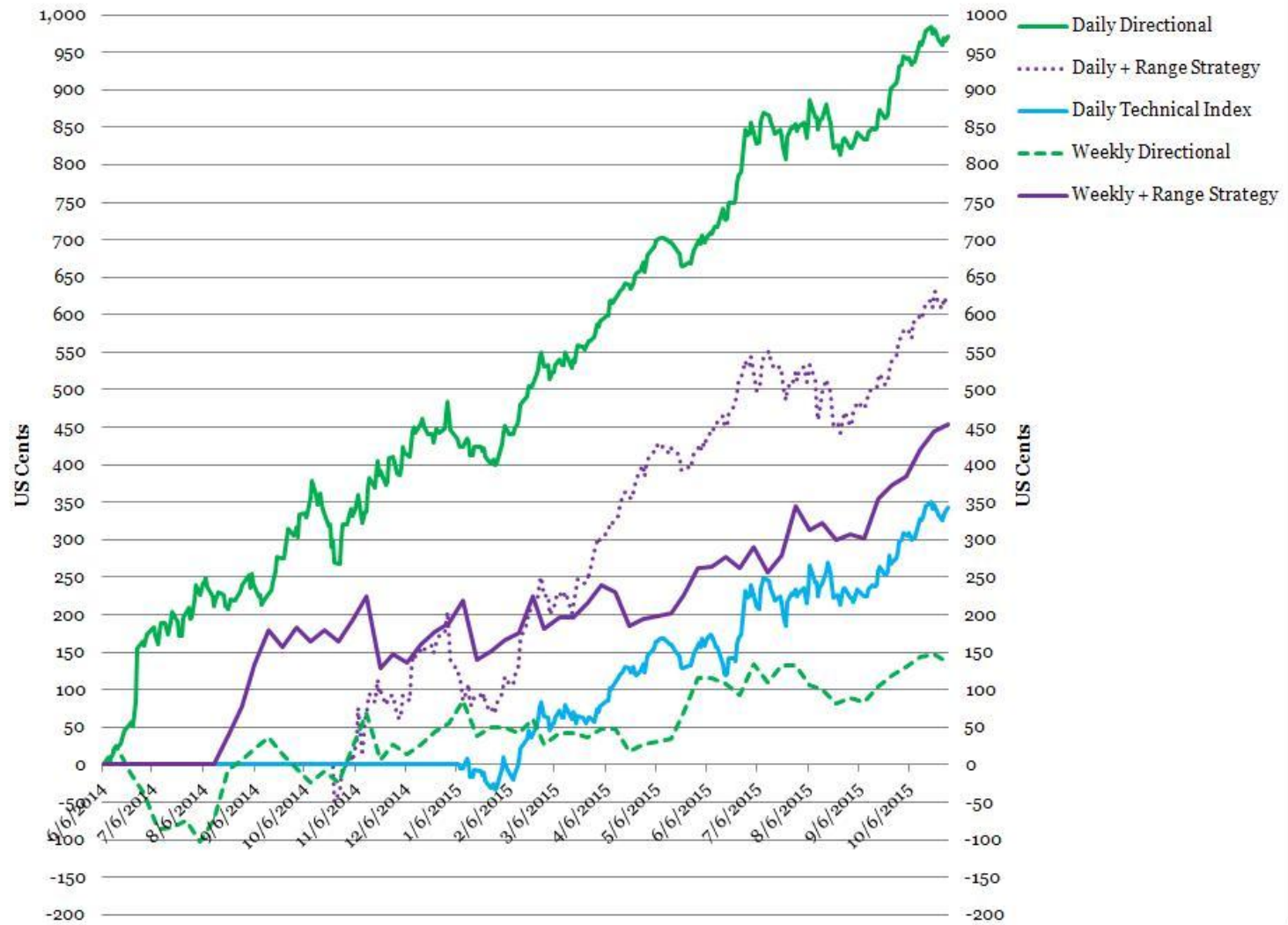corn, wheat and soybean

Individual Commodity Results

- *The following slides show cumulative gross gains from our models:*
  - *Daily*
  - *Weekly*
  - *Indices on technical indicators*

Cumulative Gains - Cotton Models

Legend:
- Daily Directional
- Daily + Range Strategies
- Daily Technical Index
- Weekly Directional

Cumulative Gains - Soybean Models

Legend:
- Daily Directional
- Daily + Range Strategy
- Daily Technical Index
- Weekly Directional
- Weekly + Range Strategy

Cumulative Gains - Wheat Models
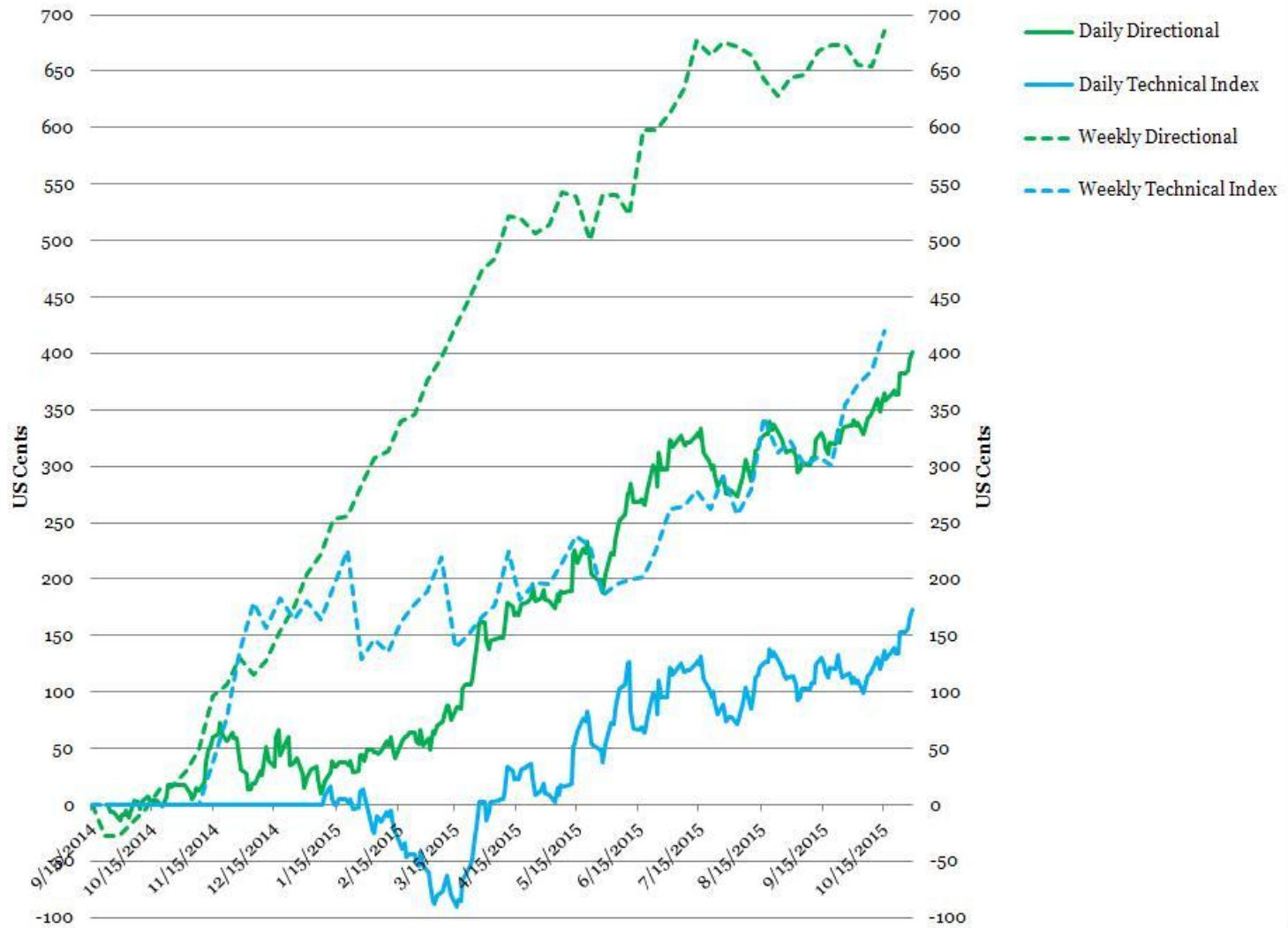
Cumulative Gains - Corn Models

Legend:
- Daily Directional
- Daily + Range Strategy
- Daily Technical Index
- Daily + 4 Rge Strategies
- Weekly Directional
- Weekly + Range Strategy
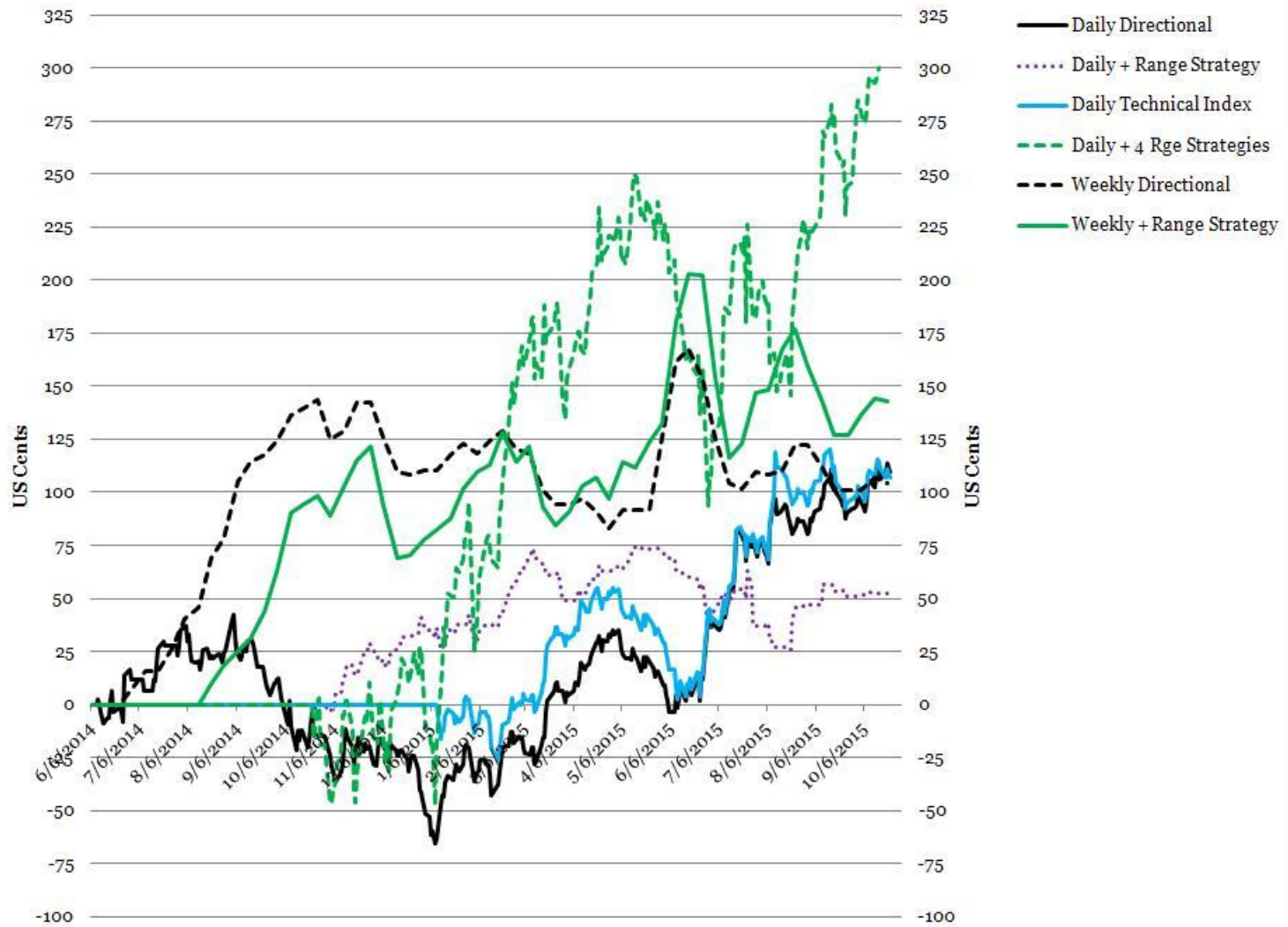
Evolution of Modeling Method

Although the degree of success has thus far been varied for different agricultural commodities, initial studies suggest that profitable results can also be achieved for:

- *Metals*
- *Energies*
- *Livestock*
- *Other softs*

Consulting

- *In addition to our daily market reports, Risk Analytics provides consulting services in the following areas:*
    - *Custom modeling of futures, insurance and agricultural production data*
    - *Ad hoc analyses*
    - *Data procurement*

Contact

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Louis W Rose IV - Biography

- *Originally from northeastern AR, grew up on a cotton & grain farm*
- *Education:*
  - *Arkansas State University (B.Sc. Education, M.Sc. Agriculture)*
  - *Oklahoma State University (Ph.D. Plant Sci. – Quant. Genetics)*
  - *University of Memphis (MBA – Global Management)*
- *Career:*
  - *Rose Agricultural Services: 1988 – 2002*
  - *Rose & Rose Auction Co.: 1992 – 1996*
  - *Aon Benfield Reinsurance: 2006 - 2010*
  - *Cargill Cotton: 2010 – 2013*
  - *Risk Analytics: 2013 - Present*