

Monthly Weather-Biased Global Commodity Predictions



**Connecting Weather
Threats & Opportunities
With Commodity Expectations**

MARKET WEATHER EDGE™

Commodity Table Of Returns: Always Look At The Past, Then Know The Weather Bias!

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	67.57%	82.55%	154.45% Ni	93.02%	5.77% Au	153.14% Cu	96.60% Pd	10.06% Au	19.19%	26.23%
	42.80% Pb	50.79% Zn	126.16% Zn	76.65%	-10.65%	152.37% Pb	83.21% Ag	8.15%	15.19% Pb	7.19%
	41.30% Cu	40.48%	80.88%	57.22%	-23.01% Ag	129.36% Zn	51.75%	5.76%	12.16% Zn	1.70% Pd
	33.61%	39.79% Cu	61.36% Pb	42.65% Pb	-24.70%	118.07% Pd	46.68%	2.78%	12.11%	0.17% Zn
	25.99% Zn	36.46% Pd	47.68%	34.33% Pt	-24.87%	77.94%	31.47% Ni	-9.94% Ag	9.87% Pt	-1.00%
	23.52% Al	29.20% Ag	46.40% Ag	30.98% Au	-30.99%	58.95% Ni	31.39%	-17.82%	8.98% Ag	-5.44% Pb
	14.86% Ag	17.92% Au	37.20% Cu	18.80%	-36.06% Al	56.82% Pt	29.96% Cu	-18.27% Pd	8.00%	-6.72% Cu
	5.90% Pt	16.19% Al	31.24% Pd	16.72%	-38.76% Pt	48.16% Ag	29.52% Au	-18.95% Al	7.52% Pd	-11.03% Pt
	5.54% Au	12.65% Pt	24.15% Al	14.65% Ag	-49.29% Pd	45.71% Al	20.79% Pt	-20.86% Pt	7.14% Au	-14.02% Al
	-0.65%	10.33%	23.15% Au	10.40% Pd	-51.07% Zn	24.36% Au	15.17%	-21.35% Cu	4.18% Cu	-18.63% Ni
	-3.62% Pd	5.37%	17.05% Pt	6.14% Cu	-53.53%	1.84%	11.29% Al	-21.55% Pb	2.33% Al	-22.20%
	-10.29% Ni	4.17% Pb	0.02%	-16.70% Al	-55.37% Ni	-0.89%	5.16% Pb	-24.22% Ni	-7.09%	-28.04% Au
	-16.77%	-7.26%	-25.22%	-23.56% Ni	-56.53% Cu	-11.34%	-5.15% Zn	-25.24% Zn	-9.22% Ni	-35.84% Ag
	-18.44%	-10.12% Ni	-43.88%	-47.13% Zn	-62.52% Pb	-13.36%	-21.18%	-32.15%	-16.78%	-39.56%

Legend

- Al Aluminum
- Coal Coal
- Cu Copper
- Corn Corn
- Crude Oil Crude Oil
- Au Gold
- Pb Lead
- Natural Gas Natural Gas
- Ni Nickel
- Pd Palladium
- Pt Platinum
- Ag Silver
- Wheat Wheat
- Zn Zinc

Source: Bloomberg and U.S. Global Research

MARKET WEATHER EDGE™

Month Ahead (MOx/2014*): Predicted Weather Impact Bias On Commodity Pricing

Zone / Commodity Fctst Price Mov't	USA				CAN / MEX			South America					EUR / Mid-East			Africa			Russia / CIS			India			Asia					Oceania								
	USA: Plains	USA: Midwest	USA: OH/Valley	USA: South	Canada Prairies	Mexico	Central America	Colombia / Venez	No-Cent Brazil	South Brazil	Avg N-Central	Avg South	EU	East EUR / UKR	Turkey / M. East	Ivory C. / Ghana	Central Africa	South Africa	West Russia	Kazakhstan	Far East Russia	Pakistan	North India	South India	Ther-Malay	Indonesia	North China	Central China	South China	Japan / Taiwan	West AUS	South AUS	Queens land	New Zealand				
ENERGY	ENERGY				ENERGY			ENERGY					ENERGY			ENERGY			ENERGY					ENERGY														
Natural gas	Bullish	Bullish	N/A	Bullish														Bullish	Bullish																			
Coal																												Bullish	Bullish	Bullish								
GRAINS	GRAINS				GRAINS			GRAINS					GRAINS			GRAINS			GRAINS					GRAINS														
Corn	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish		Bullish	Bullish	Bullish							Bullish	Bullish		Bullish	Bullish			Bullish	Bullish	Bullish								
Wheat	Bullish	Bullish	Bullish	Bullish								Bullish	Bullish	Bullish	Bullish									Bullish	Bullish			Bullish	Bullish	Bullish								
Soybeans	Bullish														Bullish									Bullish	Bullish			Bullish	Bullish	Bullish								
Rice																								Bullish	Bullish			Bullish	Bullish	Bullish								
Palm oil																												Bullish	Bullish									
Canola / rapeseed															Bullish																							
Barley	Bullish																																					
SOFTS	SOFTS				SOFTS			SOFTS					SOFTS			SOFTS			SOFTS					SOFTS														
Sugar / sugarbeet	Bullish				Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish										Bullish	Bullish		Bullish	Bullish			Bullish	Bullish	Bullish								
Cotton																								Bullish	Bullish			Bullish	Bullish									
Coffee																												Bullish	Bullish									
Cocoa																												Bullish	Bullish									
Orange juice																																						
Lumber																																						
MEATS	MEATS				MEATS			MEATS					MEATS			MEATS			MEATS					MEATS														
Live cattle	Bullish	Bullish		Bullish																								Bullish	Bullish	Bullish								
Lean hogs	Bullish	Bullish																																				
Class III milk	Bullish	Bullish		Bullish																																		

*This is an example of what an actual prediction will look like for the month ahead chart.

MARKET WEATHER EDGE™

Quarter Ahead (Qx/2014*): Predicted Weather Impact Bias On Commodity Pricing

Zone / Commodity Fcst Price Mov't (Q)	USA				CAN / MEX		South America				EUR / Mid-East			Africa			Russia / CIS			India			Asia						Oceania						
	USA: Plains	USA: Midwest	USA: OH Valley	USA: South	Canada Prairies	Mexico	Central America	Colombia / Venez	No-Cent Brazil	South Brazil	Argy N-Central	Argy South	EU	E East EUR / UKR	Turkey / M. East	Ivory C. / Ghana	Central Africa	South Africa	West Russia	Kazakhstan	Far East Russia	Pakistan	North India	South India	Thai-Malay	Indonesia	North China	Central China	South China	Japan / Taiwan	West AUS	South AUS	Queensland	New Zealand	
QUARTERLY // ENERGY																																			
Natural gas	Bullish	Bullish	Neutral	Bullish	Bearish								Neutral	Neutral					Neutral	Bullish	Neutral														
Coal	Neutral	Neutral	Bullish	Neutral	Bearish				Bullish				Neutral	Neutral					Neutral	Bullish	Neutral						Bullish	Bullish	Bullish					Bullish	
QUARTERLY // GRAINS																																			
Corn	Neutral	Neutral	Bullish	Bullish	Bearish	Bullish			Bullish	Neutral	Bullish	Bullish	Bullish	Bullish	Bullish		Bullish	Bullish	Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Bullish	Neutral						
Wheat	Bullish	Neutral	Bullish	Bullish	Bearish	Bullish			Bullish	Neutral	Bullish	Bullish	Bullish	Bullish	Bullish		Bullish	Bullish	Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Bullish	Neutral					Bullish	
Soybeans	Neutral	Bearish	Neutral	Bullish	Bearish				Bullish	Neutral	Bullish	Bullish	Bullish	Neutral					Neutral	Bullish	Bullish		Neutral	Neutral	Bullish		Bullish	Bullish	Neutral					Bullish	
Rice				Bullish					Bullish	Neutral	Bullish	Bullish							Neutral	Bullish	Bullish		Bullish	Neutral	Neutral	Bullish	Bullish	Bullish	Bullish	Bullish				Bullish	
Palm oil													Neutral	Bullish					Neutral	Bullish	Bullish				Bullish	Neutral									
Canola / rapeseed													Neutral	Bullish					Neutral	Bullish	Bullish				Bullish	Neutral							Bullish	Bullish	
Barley	Bearish												Neutral	Bullish					Neutral	Bullish	Bullish												Bullish	Bullish	
QUARTERLY // SOFTS																																			
Sugar / sugarbeet	Bearish			Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish	Bullish		Bullish	Bullish	Bullish	Bullish	Neutral		Bullish	Bullish	Neutral	Neutral	Bullish	Neutral	Neutral					Bullish	Bullish	
Cotton				Bearish					Bullish	Neutral	Neutral	Bullish			Bullish				Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Neutral					Bullish	Bullish	
Coffee									Bullish	Neutral	Bullish	Bullish							Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Neutral					Bullish	Bullish	
Cocoa									Bullish	Neutral	Bullish	Bullish							Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Neutral					Bullish	Bullish	
Orange juice				Bullish		Bullish	Bullish		Bullish	Neutral	Bullish	Bullish							Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Neutral					Bullish	Bullish	
Lumber									Bullish	Neutral	Bullish	Bullish							Neutral	Bullish	Bullish		Bullish	Bullish	Bullish		Bullish	Neutral					Bullish	Bullish	
QUARTERLY // MEATS																																			
Live cattle	Neutral	Bullish	Neutral	Bullish	Bearish								Neutral	Bullish					Neutral	Bullish	Bullish						Bullish	Bullish	Bullish					Bullish	
Lean hogs	Neutral	Bullish	Neutral	Bullish	Bearish								Neutral	Bullish					Neutral	Bullish	Bullish						Bullish	Bullish	Bullish					Bullish	
Class III milk	Bullish	Bullish	Neutral	Bullish	Bearish								Neutral	Bullish					Neutral	Bullish	Bullish						Bullish	Bullish	Bullish					Bullish	

* This is an example of what an actual prediction will look like for the season ahead chart.

'Top 5' Key Monthly To Seasonal Weather Anomalies: **Commodity Impacts**

Weather Region & Description	Watch For Potential Commodity Impact(s)
<p>1) Mainly good conditions for Southern Brazil --- not only now with recent showers, but above normal frequency phases and total amounts of rain coming in Qx 20xx and Qx of 20xx too; however, Eastern Brazil will see persistent drought periods during this same time period.</p>	<ul style="list-style-type: none"> • Bearish sugar • Neutral soybeans
<p>2) Wetter into mid-June in Central USA, then drier into early July followed by a stormy period, then drier conditions for mid-July into mid-August for a significant area of the Midwest USA this summer, but we will very likely not have accompanying heat with these high pressure systems causing the dryness, so we do not expect the impacts to be that bad.</p>	<ul style="list-style-type: none"> • Bearish to Neutral grains; short-lasting Bullish 'bumps' on flash flooding
<p>3) An advancing drought in China in June into July, alongside a substantial heatwave -- this we do expect to have notable consequences in China.</p>	<ul style="list-style-type: none"> • Bullish lean hogs, corn, rice
<p>4) Increasing rain over the Ukraine but more drought over the Volga Region into the summer</p>	<ul style="list-style-type: none"> • High volatility on grains
<p>5) Massive heatwave over Pakistan and India into late June</p>	<ul style="list-style-type: none"> • Increasing volatility on sugar, cotton

12-Month "Top 10" Ranked Regional Threat Projection Impact List

Threat / Opportunity Rank #	Forecast Location	12-Month Forecast, Mo #1, 20xx – Mo #12, 20xx 'Top 10' ONE-YEAR Ranked Global Weather Forecast Threat Anomalies	Long Period Temps	Long Period Precip	Impact
1	Japan → Korean P. / NE China	Low-level radiation contamination studies showing shocking results with deformities on a wide range of animals, birds and insects. USA, Canada and Europe covered with some streams of radioactive airborne particles. Report from Radiation does in Tokyo have tripled since January 20xx, now equal to 77 milli-sv/year, 15 times Chernobyl evacuation levels. Many radiation-contaminated food products show-up on government random testing. Top gov't nuke official warns that Tokyo may have to partially evacuate in 'xx. Fuel, plutonium melting through containment vessel. Rice, milk, beef, cars, expanding industries affected. New EPA Report confirms USA did have Fukushima radiation blanket for weeks. San Francisco / EPA reports cesium levels increasing in milk and in rainwater. Canada officials report I-131 levels in rainwater above safe limits. USAToday reports thyroid cancers on the rise in USA.	B → V	A	Extremely negative
2	India / Pakistan	Soil moisture drastically in drought stage. Hot spring to put stress on sugar and wheat, then a delay to the Monsoon. East & SW India will see lower than usual rainfall amounts in 20xx, elevating tensions between India & China (i.e., China is diverting the Brahmaputra & controlling Tibet's water), but very wet over NW, north and central India.	MA → N	MB → A	Very Negative
3	Brazil	Notable large zone of drought; it is likely that the Dry Season is beginning earlier than usual. Likely freezes in south Brazil after late May (see long-range quarterly maps); more drought in Oct-Nov period.	B → MB	B → MB	Increasingly Negative
4	EU / FSU – Kazakhstan	Drought will very likely lessen. Increasingly cooler and wetter than normal spring and summer. Main threat is the region could become too wet in the summer. Early winter 20xx-20xx.	V	V → MA	Increasingly Negative
5	Thai-Malay-Indonesia	Big rain threat over SE Asia in April. Alternating cycles (average of 6 weeks long) of floods and drought throughout 20xx in the whole region causing some upheaval in main commodities.	A	A	Negative
6	China	Despite good rain now, expect a major drought in 20xx, twice as big as 20xx. Major reports coming out emphasizing water shortages China-wide. Climate change in China is going to be drastic through 20xx, seriously affecting the water supply to levels unforeseen, affecting coal, sugar & other agricultural industries, with large effect on GDP.	V	N → MB	Negative
7	Colombia / Guat. / Mex	Big drought in Mexico. Rainier than normal spring in Colombia then cool summer followed by increasingly drier fall; historical rainfall avg must likely be adjusted upward to incorporate major shift in increasing rainfall over the country.	B → V	V	Negative
8	Australia / NZ	Mainly quiet period until mid- to late April. Still late April typhoon threat into Queensland on the prediction charts.	A → V	B → A	Neutral
9	USA; CAN Prairies	Warmth continuing with increasing moisture into the High Plains & Midwest; however, April freeze threat still in the cards. High heat & drought in May in the Deep South becoming rolling drought in the summer (see LR maps). Stormy and increasingly chillier autumn affecting the Midwest harvest. Potential brutal cold in 20xx-20xx winter.	EA → V	A → V	Neutral
10	Argentina	Very good conditions into early fall, but early frosts then a very cold winter likely in west-central zones especially. Dry and warmer spring across a large area, with alternating cycles of dry/hot and wet/stormy/cooler into early 20xx.	B → N	N → A	Neutral

KEY FOR AVG TEMPS / TOTAL PRECIP: EA = extreme above normal; MA = much above normal; A = above normal; N = near normal; B = below normal; MB = much below normal; EB = extreme below normal. And V = variable / volatile. Highlighted yellow squares indicate changes from previous month. NEW THREAT BOXES ARE SHADED IN GREEN.

AFC Tradecast™ Actions Based On Confidence, Forecasts & Impact Scores

Threat / Opp'ty Rank # (previous slide)	World Area Rank	Forecast Threat Anomaly			Forecast Threat Period	Confidence		Impact Score		AFC Tradecast™ Weather Bias Overlay	
		Coverage (Local, Scattered, Regional, Widespread, Extensive)	Intensity (Small, Average, Notable, Large, Intense, Extreme)	Duration & Frequency (Very Short, Short, Notable, Long, Very Long)		Now	Change (Over Last Week)	Now	Change (Over Last Week)		
1	Japan → Korean P. / NE China	Regional → Widespread	Intense	Very Long	Indefinite	Very High	--	100	--	Long	Rice, cattle, milk, lumber, fishmeal
2	India / Pakistan	Widespread	Intense	Long	Thru xx/xx	Very High	--	95	--	Long	Sugar, rice, wheat, cotton
3	Brazil	Regional	Large	Long	Thu xx/xx	Very High	--	90	+ 2	Long. Short.	Sugar, soy, coffee, OJ
4	EU / FSU – Kazakhstan	Regional	Large	Long	Thru xx/xx	High	--	90	+ 2	Long	Wheat
5	Thai-Malay-Indonesia	Regional	Large	Very Long	Thru xx/xx	Very High	--	86	- 4	Long	Sugar, rice
6	China	Regional	Large	Long	Thru xx/xx	Very High	--	85	+ 1	Neutral. Long	Lean hogs, rice, corn
7	Colombia / Guat. / Mex	Regional	Notable	Notable	Thru xx/xx	Very High	--	87	+ 2	Long	Sugar
8	Australia / NZ	Regional	Notable	Notable	Thru xx/xx	High	--	85	--	Long	Wheat
9	USA; CAN Prairies	Regional	Notable	Long	Thru xx/xx	High	--	76	+ 4	Neutral	Corn, soy
10	Argentina	Widespread	Large	Notable	Thru xx/xx	High	--	78	- 2	Neutral	Corn