

**Table I. ANALYSIS OF PRICING OPPORTUNITIES DURING MAJOR WHEAT MARKET RALLIES**  
 (Based on Price Peaks Observed in the Nearby KCBT Futures Contracts)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
<u>Date</u>	<u>Nearby Futures High</u>	-----Continuous Rolling Hedge Results <sup>1</sup> -----							<u>Total</u>	<u>Results of Straight July Hedge<sup>2</sup></u>	<u>Crop Year</u>
		<u>May</u>	<u>July</u>	<u>Sept</u>	<u>Dec</u>	<u>Mar</u>	<u>May</u>	<u>July</u>			
-----(\$/Bushel)-----											
Aug 22, '73 <sup>3</sup>	5.28	xxxx	xxxx	.63	(.23)	(.99)	1.89	(.56)	.74	(.63)	1974
Oct 25, '74	5.25	xxxx	xxxx	xxxx	.48	1.53	.12	.22	2.35	2.05	1975
Aug 21, '75	4.52	xxxx	xxxx	.50	.62	(.27)	.51	(.29)	1.07	.70	1976
Jun 22, '79	4.69	xxxx	.48	.23	(.23)	.23	.47	(.12)	1.06	(.19) <sup>4</sup>	1980
Dec 01, '80	5.19	xxxx	xxxx	xxxx	xxxx	.89	.02	.42	1.33	1.20	1981
Jun 20, '88	4.12	xxxx	.14	.12	.01	(.23)	(.05)	.15	.14	(.45)	1989
May 05, '89	4.45	xxxx	.32	.09	(.09)	.26	(.12)	.30	.76	.60 <sup>5</sup>	1990
Feb 11, '92	4.67	xxxx	xxxx	xxxx	xxxx	.50	.52	.04	1.06	.78	1992
Apr 26, '96	7.44	xxxx	xxxx	xxxx	xxxx	xxxx	.61	1.08	1.69	1.51	1996
Apr 26, '96	7.44	.61	1.08	.60	.31	(.37)	(.51)	1.19	2.91	1.62	1997
Apr 21, '97	5.14	.57	1.19	(.50)	.38	.25	.42	.23	2.54	1.13	1998
Average	5.08								1.42	.76	
Sep 09, '02	4.94	xxxx	xxxx	xxxx	_____	_____	_____	_____	_____	_____	2003

<sup>1</sup> Analysis is based on the assumption that the next year's crop was priced by selling the nearby futures contract at the peak of the price rally. The hedge was then "rolled over" to the next nearby futures contract on the first trading day of the month in which the nearby contract expires (ie. roll out of a July hedge into a September hedge on the first trading day of July).

<sup>2</sup> Analysis is based on the assumption that the next year's crop is priced by placing a hedge in the next year's July futures contract. If the July contract was not trading, then the hedge is placed on the first trading day of the July contract.

<sup>3</sup> On Feb 26, '74, KCBT March wheat futures reached its previous all-time nearby high of \$6.19. This was not counted as a separate price rally as it appears to be a continuation of the rally that first peaked on Aug 22, 1973.

<sup>4</sup> Based on the first recorded trade of the July 1980 contract which occurred on August 1, 1979.

<sup>5</sup> Based on the first recorded trade of the July 1990 contract which occurred on June 2, 1989.