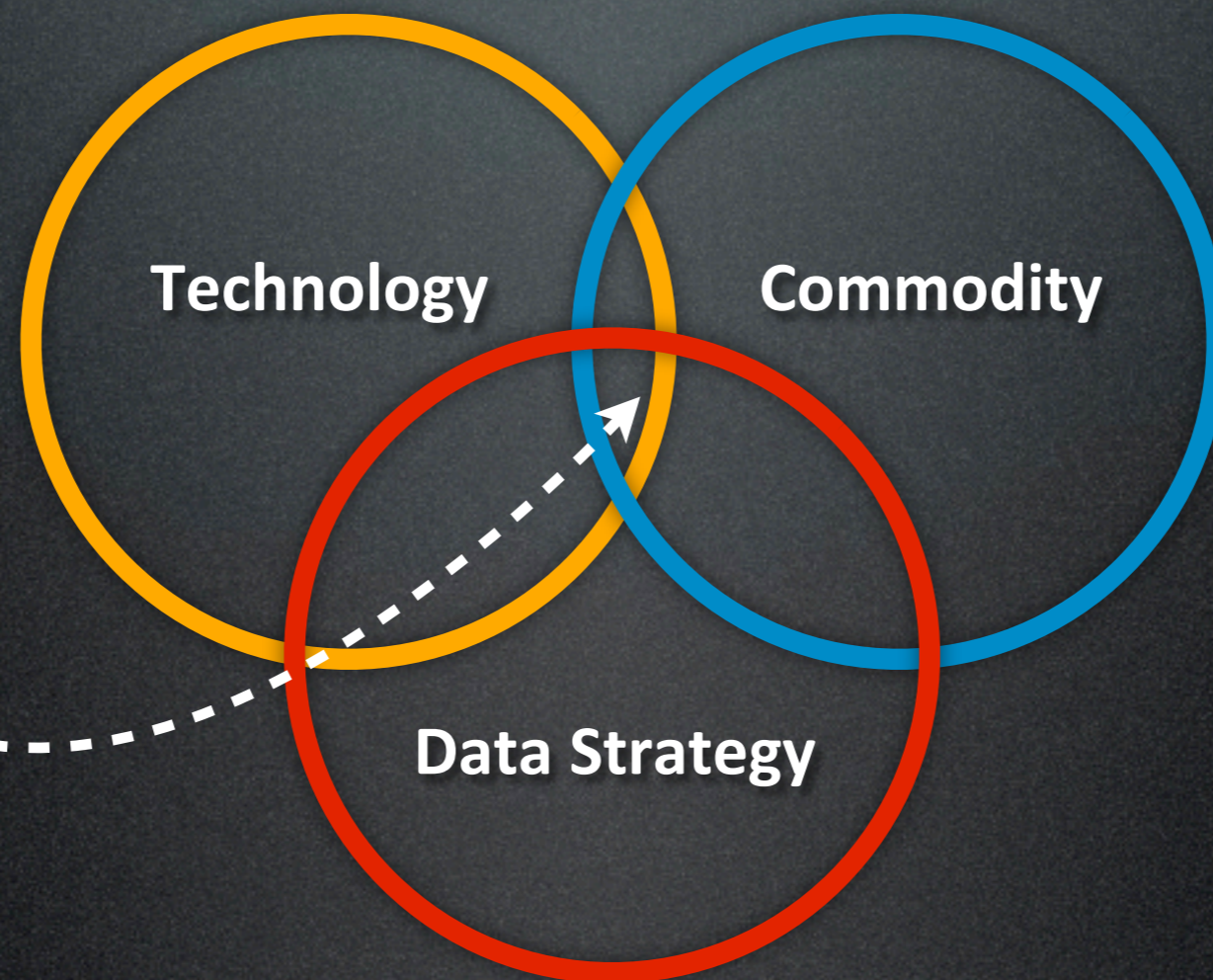




The Commodity Innovation Lab

VALUE PROPOSITION

Use Technology + Data Strategy to help **COMMODITY** related Organizations



VALUE PROPOSITION

Use Data Science to help **COMMODITY** related Organizations

1 Grow

2 Innovate

3 Develop New Businesses

4 Develop Capabilities

5 Get organizations into Market Reality



COLLABORATION

“Alone we are **NOTHING** together we are **ONE**” Unknown Author

Supporting an entire organization requires

- Multi-Tasking
- Technical Capabilities
- Innovative Skills
- Flexibility

T C I L is about multifaceted **COLLABORATION**



WHAT IS IT FOR YOU?

TCIL uniquely combines **Technology + Data Strategy + Commodity**

1

Connect the Dots: Develop integrated interfaces that support strategy and story telling

2

Cost Reduction: Reduce overall costs while delivering returns

3

Transforming Research in revenue center: Innovative data gathering and proxy developments

4

Leverage TCIL network of +20 years developing a Global Commodity Community

5

Leadership + Experience

● Managed Global teams of 100+ and ran a multi million USD Business. Annual ROI of 65%

6

Start Up: Strong experience on building businesses from ground up

7

Expertise in the development of product dependability



PROBLEM: UNLOCKING DATA VALUE

COMMODITY MARKETS MOVE BY EVENTS & IMPACTS

- Market forces have shifted creating unknowns for organizations trying to evaluate risk
- **IN ADDITION**
- Corps have increased **DATA ACQUISITION COST** in order to improve risk assessment
- Organizations lack sufficient **"IN HOUSE"** IT capabilities or budget to develop internal solutions
- Lack of **CENTRALIZED** database
- Organizations all too often **DO NOT HARVEST** or capitalize on internally generated data
- Organizations **LACK A DATA STRATEGY** to capitalize on proprietary data
- Lack of **HOLISTIC VIEW**: Analysis don't often combine Fundamental and Other external data
- Markets lack an **ENGAGING PREDICTIVE TOOL** at hand to unhide the data value
- Organizations work with the premise that **"If we build they will come"**.
Few understand how to address product dependability

EXPERIENCE + ACHIEVEMENTS

+20 YEARS DEVELOPING BUSINESS in CMDT + WEATHER + DATA + TECHNOLOGY

Academic Background

BSc in Agriculture Engineering at TOP Brazilian University

Professional Experience

Cargill S/A: Brazil - Coffee Trading desk. **15,000** candidates for 15 positions

Cargill Inc: US - Coffee Trading desk. USD **+30 MM** position. Managing Global coffee

Bloomberg LP: Global Head of Ags + Shipping + Weather. **45x** Rev growth in 06 years

Datagro Ltda: EVP Market Intelligence Unit. **3x** Revenue in 02 years

Board of Director: **ScanTask**. Global Farm Management Platform (Israel)

Senior Advisor: **AgFlow**. Global Flow platform (Switzerland)

Board of Director: **IZAGRO**. Farmers Virtual Procurement platform (Brazil)

Senior Advisor: **TellusLabs**. Global Geo platform (US). Ex MIT and Harvard Labs

EXAMPLES OF ADVISORY CASES

1+

Marketplace for Agriculture products

2+

Global Commodity Market service firm seeking expansion into Softs

3+

International Expansion of US Farm Management Platform

4+

International Expansion of Israeli Farm Management Platform

5+

EU top tier Global Commodity Market Service

6+

Global Financial evaluating portfolio of Commodity Data Sources

ANNEX I



Example: Commodity Intelligence

Thinking outside of the box

- **Developed Indices that draw relationships between Equity & Commodity Markets**
- **Built the largest network of Private Weather Stations excluding Government**
- **Built Top hit functionalities providing users the ability to connect the dots:**
 - + Real Time Commodity Arbitrage Curve
 - + Real Time Seasonality Chart
 - + Global Analytic Tool for Cash Physical Prices and Fundamental data
 - + Developed a database of all major events associated to the Commodity Markets allowing users to visualize price impacts
 - + Global El Nino, La Nina impacts by commodity type and by Country/Region/State/City

Example: Commodity Intelligence

Thinking outside of the box

- **Built a Live Mapping system at Bloomberg which consisted of:**
 - + Real Time Ag physical prices by location and product
 - + Global Real Time Vessel location combined with Line Up data: Consisting of entire product flow from Origin to Destination
 - + Global Asset Database: Refineries, Pipelines, Offshore and Onshore Rigs, Ethanol Facilities and Power Plants
 - + Live Weather Maps combined with Global Weather Forecast
 - + Live and Historical Hurricane and Typhoon Events combined with major offshore Energy asset impacts
- **Built the only known network of Ag Engineers to collect “Crop pulse” at Financial**
 - + 55 Agriculture Engineers spread in 03 key producing countries
 - + Generated primary field data and Monthly assessment on Crop Evolution before even Merchant companies
 - + Proof of Success: Top 02 Global Ag Merchants found my “ground” partners and developed similar strategy 02 years after
 - + Data enriched the value of the systems by creating uniqueness and adding brand value

Example: Commodity Strategy

Thinking outside of the box

- **Started to Move away from traditional BI and into a Cognitive approach**
 - + Built a POC for alternatives to traditional financial platforms
 - + Working with solutions that provide a better story telling and can easily integrate with various Data sets
 - + Build a Pivot alternative that is as easy but which CONNECT the dots, provides ANSWERS and EDUCATE new participants
- **Events & Impacts**
 - + Working with Global Financial Institutions to build Artificial Intelligence for advisory support
 - + Learning and investigating the right questions to be asked at the right time for specific sectors
 - + Developing a scale of based on events associated to the Agriculture and Weather businesses
 - + Measure those against Financial Assets or Securities

Example: Commodity Strategy

Thinking outside of the box

- **Developing a Network**
 - + Buy side always attracts Sell side
 - + Working with Swiss StartUp to develop a communication tool for Global Agriculture physical players in order to
 - Reduce the information distance between the ends of the supply chain
 - Reduce transaction costs
 - Enhance the existing solution by scaling participation

Example: Weather Intelligence

Weather Impact on Global Businesses

- According to the US Dept of Commerce 30% of all US businesses are directly impacted by Weather
- The stats above justified any additional investment I made into Weather data
- After 03 years as Global Business manager Bloomberg tracked weather data for +75,000 locations around the world
- Bloomberg has access to more weather stations than United Nations WMO via Global Partnerships.
- I built Bloomberg's own private network of weather stations in key food producing countries. About 6,000 weather stations

Equity & Weather

- Developed with a partnering company a Power of 1 degree index. Measuring the impact of Weather in the retail space
- Developed Weather Indices associated to different market segments
- i.e. Every time its rains more than 2 inches in a single day Disney Parks loose... Begin to think like an Insurance company
- Weather data can also be used for some fun analysis

Some sport teams are publicly traded. Use forecast & game historical behavior to predict games and equity impact

Example: Weather Intelligence

Power of 1 Degree

The Weather Impact on Global Sales

1° Hotter

+240,000 units of Ice Cream sold during Summer

1° Colder

15,000 units of Soup sold each week

1° Hotter

3% increase in power consumption each week

1° Hotter

2,448 more pair of Men's shorts sold each week

1° Hotter

6% increase in fire ant products sold each week

1° Colder

+5,000 units of Medicaid Lipcare sold each week

1° Colder

1,000 more Vaporizers sold each week

1° Colder

25% Sales Increase of Mouse Trap products

1° Colder

15% Sales Increase in Drive Through Restaurants

CAPITALIZE ON YOUR DATA

Get in Touch



Maplewood, NJ



+1 (908) 328-7586



tterzi@commodityinnovation.com

