Teucrium Commodity Trust
Form 10-Q
August 09, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2013.**

OR

o **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from to .**

Commission File Number: 001-34765

Teucrium Commodity Trust

(Exact name of registrant as specified in its charter)

Delaware	**61-1604335**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

232 Hidden Lake Road, Building A

Brattleboro, Vermont 05301

(Address of principal executive offices) (Zip code)

(802) 257-1617

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

x Yes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer x
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

o Yes x No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date.

	Total Number of Outstanding Shares as of July 31, 2013
Teucrium Corn Fund	1,000,004
Teucrium WTI Crude Oil Fund	50,002
Teucrium Natural Gas Fund	300,004
Teucrium Sugar Fund	175,004
Teucrium Soybean Fund	275,004
Teucrium Wheat Fund	400,004
Teucrium Agricultural Fund	50,002

TEUCRIUM COMMODITY TRUST

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Item 1. Financial Statements.

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TEUCRIUM WTI CRUDE OIL FUND

TEUCRIUM COMMODITY TRUST

STATEMENTS OF ASSETS AND LIABILITIES

Assets	June 30, 2013 (Unaudited)	December 31, 2012
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$56,431,521	$ 52,575,291
Commodity futures contracts	96,467	133,384
Collateral, due from broker	7,274,776	7,004,263
Interest receivable	2,988	2,596
Other assets	337,423	365,076
Total assets	64,143,175	60,080,610
Liabilities		
Commodity futures contracts	3,977,778	3,075,587
Management fee payable to Sponsor	46,496	50,632
Other liabilities	95,527	56,695
Total liabilities	4,119,801	3,182,914
Net assets	$60,023,374	$ 56,897,696

The accompanying notes are an integral part of these financial statements.

TEUCRIUM COMMODITY TRUST

SCHEDULE OF INVESTMENTS

June 30, 2013

(Unaudited)

Description: Assets	**Fair Value**	**Percentage of Net Assets**		**Principal Amount**
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.040%, due July 18, 2013	$4,999,960	8.33	%	$5,000,000
U.S. Treasury bills, 0.020%, due August 15, 2013	4,999,875	8.33		5,000,000
Total U.S. Treasury obligations	9,999,835	16.66		
Money market funds				
Dreyfus Cash Management Plus	46,431,686	77.36		
Total cash equivalents	$56,431,521	94.02	%	
				Notional Amount (Long Exposure)
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (7 contracts, settlement date November 20, 2013)	$36,092	0.06	%	$660,660
WTI crude oil futures (7 contracts, settlement date May 20, 2014)	25,200	0.04		635,180
United States soybean futures contracts				
CBOT soybean futures (31 contracts, settlement date January 14, 2014)	35,175	0.06		1,947,963
Total commodity futures contracts	$96,467	0.16	%	$3,243,803

Description: Liabilities	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (494 contracts, settlement date September 13, 2013)	$792,537	1.32	%	$13,517,075
CBOT corn futures (453 contracts, settlement date December 13, 2013)	1,572,513	2.62		11,574,150
	458,675	0.76		13,667,550

CBOT corn futures (516 contracts, settlement date December 12, 2014)				
United States natural gas futures contracts				
NYMEX natural gas futures (23 contracts, settlement date September 26, 2013)	28,190	0.05		821,560
NYMEX natural gas futures (23 contracts, settlement date October 29, 2013)	79,650	0.13		838,580
NYMEX natural gas futures (22 contracts, settlement date February 26, 2014)	21,620	0.04		852,060
NYMEX natural gas futures (22 contracts, settlement date March 27, 2014)	30,400	0.05		834,460
United States WTI crude oil futures contracts				
WTI crude oil futures (8 contracts, settlement date November 20, 2014)	6,720	0.01		705,760
United States soybean futures contracts				
CBOT soybean futures (37 contracts, settlement date November 14, 2013)	69,537	0.12		2,316,200
CBOT soybean futures (37 contracts, settlement date November 14, 2014)	33,450	0.06		2,270,413
United States sugar futures contracts				
ICE sugar futures (46 contracts, settlement date February 28, 2014)	110,891	0.18		913,965
ICE sugar futures (39 contracts, settlement date April 30, 2014)	3,438	0.01		773,573
ICE sugar futures (45 contracts, settlement date February 27, 2015)	62,082	0.10		920,304
United States wheat futures contracts				
CBOT wheat futures contracts (73 contracts, settlement date September 13, 2013)	195,275	0.33		2,400,788
CBOT wheat futures contracts (61 contracts, settlement date December 13, 2013)	318,575	0.53		2,048,075
CBOT wheat futures contracts (68 contracts, settlement date December 12, 2014)	194,225	0.32		2,417,400
Total commodity futures contracts	$3,977,778	6.63	%	$56,871,913
				Shares
Exchange-traded funds				
Teucrium Corn Fund	$518,947	0.86	%	13,408
Teucrium Soybean Fund	537,369	0.90		22,656
Teucrium Wheat Fund	522,448	0.87		30,437
Teucrium Sugar Fund	541,030	0.90		36,274
Total exchange-traded funds (cost $2,647,235) owned by Teucrium Agricultural Fund	$2,119,794	3.53	%	

The accompanying notes are an integral part of these financial statements.

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TEUCRIUM COMMODITY TRUST

SCHEDULE OF INVESTMENTS

December 31, 2012

Description: Assets	**Fair Value**	**Percentage of Net Assets**	**Principal Amount**
Cash equivalents			
United States Treasury obligations			
U.S. Treasury bills, 0.090%, due January 17, 2013	$9,999,930	17.58 %	$ 10,000,000
U.S. Treasury bills, 0.090%, due February 14, 2013	9,999,670	17.57	10,000,000
Total U.S. Treasury obligations	19,999,600	35.15	
Money market funds			
Dreyfus Cash Management Plus	32,575,691	57.25	
Total cash equivalents	$52,575,291	92.40 %	
			Notional Amount (Long Exposure)
Commodity futures contracts			
United States natural gas futures contracts			
NYMEX natural gas futures (32 contracts, settlement date September 26, 2013)	$9,550	0.02 %	$ 1,161,600
United States WTI crude oil futures contracts			
WTI crude oil futures (6 contracts, settlement date November 20, 2013)	24,312	0.04	560,220
WTI crude oil futures (8 contracts, settlement date November 20, 2014)	20,560	0.04	733,040
United States soybean futures contracts			
CBOT soybean futures (28 contracts, settlement date May 14, 2013)	40,775	0.07	1,958,950
CBOT soybean futures (36 contracts, settlement date November 14, 2013)	22,425	0.04	2,344,950
United States wheat futures contracts			
CBOT wheat futures (32 contracts, settlement date December 13, 2013)	15,762	0.03	1,313,200
Total commodity futures contracts	$133,384	0.24 %	$ 8,071,960

Description: Liabilities	**Fair Value**

		Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures (377 contracts, settlement date May 14, 2013)	$1,341,775	2.36 %	$ 13,199,712
CBOT corn futures (325 contracts, settlement date July 12, 2013)	413,700	0.73	11,330,313
CBOT corn futures (440 contracts, settlement date December 13, 2013)	458,300	0.81	13,194,500
United States natural gas futures contracts			
NYMEX natural gas futures (34 contracts, settlement date February 26, 2013)	103,412	0.18	1,144,100
NYMEX natural gas futures (34 contracts, settlement date March 26, 2013)	61,967	0.11	1,157,020
NYMEX natural gas futures (31 contracts, settlement date October 29, 2013)	68,540	0.12	1,160,950
United States WTI crude oil futures contracts			
WTI crude oil futures (8 contracts, settlement date May 21, 2013)	58,090	0.10	747,920
United States soybean futures contracts			
CBOT soybean futures (33 contracts, settlement date March 14, 2013)	284,575	0.50	2,325,675
United States sugar futures contracts			
ICE sugar futures (35 contracts, settlement date April 30, 2013)	38,629	0.07	768,320
ICE sugar futures (30 contracts, settlement date June 28, 2013)	11,189	0.02	663,264
ICE sugar futures (34 contracts, settlement date February 28, 2014)	28,560	0.05	783,686
United States wheat futures contracts			
CBOT wheat futures (33 contracts, settlement date May 14, 2013)	166,925	0.29	1,299,787
CBOT wheat futures (28 contracts, settlement date July 12, 2013)	39,925	0.07	1,111,250
Total commodity futures contracts	$3,075,587	5.41 %	$ 48,886,497
			Shares
Exchange-traded funds			
Teucrium Corn Fund	$596,685	1.05 %	13,458
Teucrium Soybean Fund	603,422	1.06	25,006
Teucrium Sugar Fund	628,110	1.10	35,274
Teucrium Wheat Fund	597,970	1.05	28,137
Total exchange-traded funds (cost $2,679,379) owned by Teucrium Agricultural Fund	$2,426,187	4.26 %	

The accompanying notes are an integral part of these financial statements.

TEUCRIUM COMMODITY TRUST

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
Income				
Realized and unrealized (loss) gain on trading of commodity futures contracts:				
Realized loss on commodity futures contracts	$(2,414,400)	$(3,160,334)	$(5,083,220)	$(5,898,911)
Net change in unrealized appreciation or depreciation on commodity futures contracts	(451,196)	6,035,022	(939,108)	5,530,915
Interest income	6,110	15,475	16,822	28,005
Total (loss) income	(2,859,486)	2,890,163	(6,005,506)	(339,991)
Expenses				
Management fees	135,474	179,227	276,318	377,658
Professional fees	173,247	407,460	329,147	613,919
Distribution and marketing fees	414,655	423,423	835,783	961,559
Custodian fees and expenses	35,825	163,711	71,544	325,734
Business permits and licenses fees	26,447	15,030	51,489	16,473
General and administrative expenses	40,374	133,667	78,471	143,089
Brokerage commissions	20,945	19,116	49,355	25,659
Other expenses	13,982	11,216	29,178	42,154
Total expenses	860,949	1,352,850	1,721,285	2,506,245
Net (loss) income	$(3,720,435)	$1,537,313	$(7,726,791)	$(2,846,236)

The accompanying notes are an integral part of these financial statements.

TEUCRIUM COMMODITY TRUST

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Operations		
Net loss	$(7,726,791)	$(2,846,236)
Capital transactions		
Issuance of Shares	37,471,116	38,499,917
Change in cost of shares of the Underlying Funds acquired by Teucrium Agricultural Fund	32,144	(2,386,521)
Realized loss on shares of the Underlying Funds sold by Teucrium Agricultural Fund	(28,629)	(969,837)
Redemption of Shares	(26,622,162)	(42,485,467)
Total capital transactions	10,852,469	(7,341,908)
Net change in net assets	3,125,678	(10,188,144)
Net assets, beginning of period	56,897,696	83,823,568
Net assets, end of period	$60,023,374	$73,635,424

The accompanying notes are an integral part of these financial statements.

TEUCRIUM COMMODITY TRUST

STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Cash flows from operating activities:		
Net loss	$ (7,726,791)	$ (2,846,236)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	939,108	(5,530,915)
Realized loss on shares of the Underlying Funds sold by Teucrium Agricultural Fund excluded from net loss	(28,629)	(969,837)
Changes in operating assets and liabilities:		
Net purchases and sales of Underlying Funds acquired by Teucrium Agricultural Fund	32,144	(2,386,521)
Collateral, due from broker	(270,513)	5,776,304
Interest receivable	(392)	1,450
Other assets	27,653	(296,406)
Collateral, due to broker	—	16,137
Management fee payable to Sponsor	(4,136)	(23,447)
Other liabilities	38,832	188,956
Net cash used in operating activities	(6,992,724)	(6,070,515)
Cash flows from financing activities:		
Proceeds from sale of Shares	37,471,116	36,399,141
Redemption of Shares, net of change in payable for shares redeemed	(26,622,162)	(46,632,478)
Net cash provided by (used in) financing activities	10,848,954	(10,233,337)
Net change in cash and cash equivalents	3,856,230	(16,303,852)
Cash and cash equivalents, beginning of period	52,575,291	80,567,901
Cash and cash equivalents, end of period	$ 56,431,521	$ 64,264,049

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(Unaudited)

Note 1 – Organization and Operation

Teucrium Commodity Trust ("Trust"), a Delaware statutory trust organized on September 11, 2009, is a series trust consisting of seven series: Teucrium Corn Fund ("CORN"), Teucrium WTI Crude Oil Fund ("CRUD"), Teucrium Natural Gas Fund ("NAGS"), Teucrium Sugar Fund ("CANE"), Teucrium Soybean Fund ("SOYB"), Teucrium Wheat Fund ("WEAT"), and Teucrium Agricultural Fund ("TAGS"). All these series of the Trust are collectively referred to as the "Funds" and singularly as the "Fund." The Funds issue common units, called the "Shares," representing fractional undivided beneficial interests in a Fund. The Trust and the Funds operate pursuant to the Trust's Second Amended and Restated Declaration of Trust and Trust Agreement (the "Trust Agreement").

On June 5, 2010, the initial Form S-1 for CORN was declared effective by the U.S. Securities and Exchange Commission ("SEC"). On June 8, 2010, four Creation Baskets for CORN were issued representing 200,000 shares and $5,000,000. CORN began trading on the New York Stock Exchange ("NYSE") Arca on June 9, 2010.

On October 22, 2010, the initial Forms S-1 for NAGS and CRUD were declared effective by the SEC. On January 31, 2011, four Creation Baskets for NAGS were issued representing 200,000 shares and $5,000,000. NAGS began trading on the NYSE Arca on February 1, 2011. On February 22, 2011, four Creation Baskets for CRUD were issued representing 100,000 shares and $5,000,000. CRUD began trading on the NYSE Arca on February 23, 2011.

On June 17, 2011, the Forms S-1 for CANE, SOYB, and WEAT were declared effective by the SEC. On September 16, 2011, two Creation Baskets were issued for each Fund, representing 100,000 shares and $2,500,000, for CANE, SOYB, and WEAT. On September 19, 2011, CANE, SOYB, and WEAT started trading on the NYSE Arca.

On February 10, 2012, the Form S-1 for TAGS was declared effective by the SEC. On March 27, 2012, six Creation Baskets for TAGS were issued representing 300,000 shares and $15,000,000. TAGS began trading on the NYSE Arca on March 28, 2012.

The specific investment objective of each Fund and information regarding the organization and operation of each Fund are included in each Fund's financial statements and accompanying notes, as well as in other sections of this Form 10-Q filing. In general, the investment objective of each Fund is to have the daily changes in percentage terms of its Shares' Net Asset Value ("NAV") reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for certain Futures Contracts for the commodity specified for that Fund. The investment objective of the TAGS is to have the daily changes in percentage terms of NAV of its common units ("Shares") reflect the daily changes in percentage terms of a weighted average (the "Underlying Fund Average") of the NAVs per share of four other commodity pools that are series of the Trust and are sponsored by the Sponsor: CORN, WEAT, SOYB, and CANE (collectively, the "Underlying Funds"). The Underlying Fund Average will have a weighting of 25% to each Underlying Fund, and the Fund's assets will be rebalanced to maintain the approximate 25% allocation to each Underlying Fund.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America ("GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Trust's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as applicable. The operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as detailed in the Financial Accounting Standards Board's Accounting Standards Codification and include the accounts of the Trust, CORN, NAGS, CRUD, CANE, SOYB, WEAT and TAGS. For the periods represented by the financial statements herein the operations of the Trust contain the results of CORN, NAGS, CRUD, SOYB, CANE, WEAT, and TAGS (except as discussed in the Shares of the Underlying Funds Held by the Teucrium Agricultural Fund (TAGS) section) for the months during which each Fund was in operation.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

Revenue Recognition

Commodity futures contracts are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on commodity futures contracts are reflected in the statements of operations as the difference between the original contract amount and the fair market value as of the last business day of the year or as of the last date of the financial

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statements. Changes in the appreciation or depreciation between periods are reflected in the statements of operations. Interest on cash equivalents and deposits with the Futures Commission Merchant are recognized on the accrual basis. The Funds earn interest on its assets denominated in U.S. dollars on deposit with the Futures Commission. In addition, the Funds earn interest on funds held at the custodian at prevailing market rates for such investments.

Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

For tax purposes, the Funds will be treated as partnerships. Therefore, the Funds do not record a provision for income taxes because the partners report their share of a Fund's income or loss on their income tax returns. The financial statements reflect the Funds' transactions without adjustment, if any, required for income tax purposes.

The Funds are required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Funds file income tax returns in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. The Funds are subject to income tax examinations by major taxing authorities for all tax years since inception. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Funds recording a tax liability that reduces net assets. Based on their analysis, the Funds have determined that they have not incurred any liability for unrecognized tax benefits as of June 30, 2013 and December 31, 2012. However, the Funds' conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations, and interpretations thereof.

The Funds recognize interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the periods ended June 30, 2013 and 2012.

The Funds may be subject to potential examination by U.S. federal, U.S. state, or foreign jurisdictional authorities in the area of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with U.S. federal, U.S. state and foreign tax laws. The Funds' management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Creations and Redemptions

Authorized Purchasers may purchase Creation Baskets from each Fund. The amount of the proceeds required to purchase a Creation Basket will be equal to the NAV of the shares in the Creation Basket determined as of 4:00 p.m. New York time on the day the order to create the basket is properly received.

Authorized Purchasers may redeem shares from each Fund only in blocks of shares called "Redemption Baskets." The amount of the redemption proceeds for a Redemption Basket will be equal to the NAV of the shares in the Redemption Basket determined as of 4:00 p.m. New York time on the day the order to redeem the basket is properly received.

Each Fund receives or pays the proceeds from shares sold or redeemed within three business days after the trade date of the purchase or redemption. The amounts due from Authorized Purchasers are reflected in the statements of assets and liabilities as receivable for shares sold. Amounts payable to Authorized Purchasers upon redemption are reflected in the statements of assets and liabilities as payable for shares redeemed.

There are a minimum number of baskets and associated shares specified for each Fund in the respective most recent Form S-1 registration statements, amendments or supplements. Once the minimum number of baskets is reached, there can be no more redemptions until there has been a creation basket. These minimum levels are as follows:

CORN: 50,000 shares representing 2 baskets

NAGS: 100,000 shares representing 2 baskets

CRUD: 50,000 shares representing 2 baskets (at minimum as of June 30, 2013 and December 31, 2012)

SOYB: 50,000 shares representing 2 baskets

CANE: 50,000 shares representing 2 baskets

WEAT: 50,000 shares representing 2 baskets

TAGS: 50,000 shares representing 2 baskets (at minimum as of June 30, 2013 and December 31, 2012)

Cash Equivalents

Cash equivalents are highly-liquid investments with original maturity dates of three months or less at inception. The Trust reported its cash equivalents in the statements of assets and liabilities at market value, or at carrying amounts that approximate fair value, because of their highly-liquid nature and short-term maturities. The Trust has a substantial portion of its assets on deposit with banks. Assets deposited with the bank may, at times, exceed federally insured limits. The Trust had a balance of $46,431,686 and $32,575,691 in money market funds at June 30, 2013

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and December 31, 2012, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities. The Trust also had investments in United States Treasury Bills with a maturity of three months or less with a fair value of $9,999,835 and $19,999,600 on June 30, 2013 and December 31, 2012, respectively.

Collateral, Due from/to Broker

Margin is the minimum amount of funds that must be deposited by a commodity interest trader with the trader's broker to initiate and maintain an open position in futures contracts. A margin deposit acts to assure the trader's performance of the futures contracts purchased or sold. Futures contracts are customarily bought and sold on initial margin that represents a very small percentage of the aggregate purchase or sales price of the contract. Because of such low margin requirements, price fluctuations occurring in the futures markets may create profits and losses that, in relation to the amount invested, are greater than are customary in other forms of investment or speculation. As discussed below, adverse price changes in the futures contract may result in margin requirements that greatly exceed the initial margin. In addition, the amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which the contract is traded and may be modified from time to time by the exchange during the term of the contract. Brokerage firms, such as the Funds' clearing brokers, carrying accounts for traders in commodity interest contracts generally require higher amounts of margin as a matter of policy to further protect themselves. Over-the-counter trading generally involves the extension of credit between counterparties, so the counterparties may agree to require the posting of collateral by one or both parties to address credit exposure.

When a trader purchases an option, there is no margin requirement; however, the option premium must be paid in full. When a trader sells an option, on the other hand, he or she is required to deposit margin in an amount determined by the margin requirements established for the underlying interest and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the selling of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Complicated margin requirements apply to spreads and conversions, which are complex trading strategies in which a trader acquires a mixture of options positions and positions in the underlying interest.

Ongoing or "maintenance" margin requirements are computed each day by a trader's clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader's position. With respect to the Funds' trading, the Funds (and not its shareholders personally) are subject to margin calls.

Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated, and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Due from/to Broker for Securities Transactions

Due from/to broker for investments in securities are securities transactions pending settlement. The Trust and the Funds are subject to credit risk to the extent any broker with whom it conducts business is unable to fulfill contractual obligations on its behalf. The management of the Trust and the Funds monitors the financial condition of such brokers and does not anticipate any losses from these counterparties. Since the inception of the Fund, the principal broker through which the Trust and TAGS clear securities transactions for TAGS is the Bank of New York Mellon Capital Markets.

Shares of the Underlying Funds Held by the Teucrium Agricultural Fund (TAGS)

Given the investment objective of TAGS as described in Note 1, TAGS will buy, sell and hold as part of its normal operations shares of the four Underlying Funds. The Trust excludes the shares of the other series of the Trust owned by the Teucrium Agricultural Fund from its statements of assets and liabilities. The Trust excludes the net change in unrealized appreciation or depreciation on securities owned by the Teucrium Agricultural Fund from its statements of operations. Upon the sale of the Underlying Funds by the Teucrium Agricultural Fund, the Trust includes any realized gain or loss in its statements of changes in net assets.

Sponsor Fee and Allocation of Expenses

The Sponsor is responsible for investing the assets of the Funds in accordance with the objectives and policies of each Fund. In addition, the Sponsor arranges for one or more third parties to provide administrative, custodial, accounting, transfer agency and other necessary services to the Trust and the Funds. For the performance of this service, the Funds, except for TAGS which has no such fee, are contractually obligated to pay a monthly management fee to the Sponsor, based on average daily net assets, at a rate equal to 1.00% per annum.

The Funds pay for all brokerage fees, taxes and other expenses, including licensing fees for the use of intellectual property, registration or other fees paid to the SEC, the Financial Industry Regulatory Authority ("FINRA"), formerly the National Association of Securities Dealers, or any other regulatory agency in connection with the offer and sale of subsequent Shares, after its initial registration, and all legal, accounting, printing and other expenses associated therewith. The Funds also pay the fees and expenses associated with the Trust's tax accounting and reporting requirements. Certain aggregate expenses common to all Funds are allocated by the Sponsor to the respective funds based on activity drivers deemed most appropriate by the Sponsor for such expenses. All asset-based fees and expenses for the Funds are calculated on the prior day's net assets. The Sponsor can elect to waive certain fees or expenses that would generally be paid for by each Fund. As of December 31, 2012, there were approximately $560,000 of expenses recorded on the financial statements of the Sponsor which are subject to reimbursement by the Funds in 2013. Through the six months ended June 30, 2013, the Sponsor sought approximately $184,000 in reimbursement from CORN, SOYB and

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WEAT for these expenses. These Funds have not recorded the remaining $376,000 of expenses subject to reimbursement to the Sponsor as payment is not probable at June 30, 2013.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value - Definition and Hierarchy

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Trust uses various valuation approaches. In accordance with U.S. GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Trust. Unobservable inputs reflect the Trust's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Trust has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy, within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Trust's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Trust uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy. For instance, when Corn Futures Contracts on the Chicago Board of Trade ("CBOT") are not actively trading due to a "limit-up" or 'limit-down" condition, meaning that the change in the Corn Futures Contracts has exceeded the limits established, the Trust and the Fund will revert to alternative verifiable sources of valuation of its assets. When such a situation exists on a quarter close, the Sponsor will calculate the NAV on a particular day using the Level 1 valuation, but will later recalculate the NAV for the impacted Fund based upon the valuation inputs from these alternative verifiable sources (Level 2 or Level 3) and will report such NAV in its applicable financial statements and reports.

On June 30, 2013 and December 31, 2012, in the opinion of the Trust, the reported value at the close of the market for each commodity contract fairly reflected the value of the futures and no alternative valuations were required.

On March 31, 2013, the Corn Futures Contracts traded on the CBOT due to settle on July 12, 2013 (the "JUL13 Corn Contracts") were in a "limit down" condition and, in the opinion of the Trust and CORN, the reported value at the close of market on that day did not fairly value the JUL13 Corn Contracts held by CORN. Therefore, the Trust and CORN used alternative verifiable sources to value the JUL13 Corn Contracts on March 31, 2013 and the financial statements of the Trust and the Fund have been adjusted accordingly. This adjustment resulted in a ($410,475) decrease in the unrealized change in commodity futures contracted for the Trust and CORN in excess of reported CBOT values, for the quarter-ended March 31, 2013.

The Sugar Futures Contracts traded on ICE due to settle on February 27, 2015 (the "MAR15 ICE Sugar Contracts") did not, in the opinion of the Trust and CANE, trade in an actively traded futures market as defined in the policy of the Trust and CANE for the entire period during which they were held. Accordingly, the Trust and CANE have classified these as a Level 2 liability for the period ended June 30, 2013. The MAR15 Sugar Contracts were, in the opinion of the Trust and CANE, fairly valued at settlement on June 30, 2013.

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The Wheat Futures Contracts traded on the CBOT due to settle on December 12, 2014 (the "DEC14 Wheat Contracts") did not, in the opinion of the Trust and WEAT, trade in an actively traded futures market as defined in the policy of the Trust and WEAT for the entire period during which they were held. Accordingly, the Trust and WEAT have classified these as a Level 2 liability for the period ended June 30, 2013. The DEC14 Wheat Contracts were, in the opinion of the Trust and WEAT, fairly valued at settlement on June 30, 2013.

The Funds and the Trust record their derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT or the New York Mercantile Exchange ("NYMEX"), or reported on another national market, are generally categorized in Level 1 of the fair value hierarchy. OTC derivatives contracts (such as forward and swap contracts), which may be valued using models, depending on whether significant inputs are observable or unobservable, are categorized in Levels 2 or 3 of the fair value hierarchy.

Investments in the securities of the Underlying Funds are freely tradable and listed on the NYSE Arca. These investments are valued at the NAV of the Underlying Fund as of the valuation date as calculated by the administrator based on the exchange-quoted prices of the commodity futures contracts held by the Underlying Fund.

New Accounting Pronouncements

The FASB issued ASU No. 2013-08, "Financial Services-Investment Companies (Topic 946)-Amendments to the Scope, Measurement, and Disclosure Requirements". ASU No. 2013-08 affects the scope, measurement, and disclosure requirements for investment companies under U.S. GAAP. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. We anticipate the adoption will not have a significant impact on the financial statements disclosures for the Trust or the Funds.

In December 2011, the FASB issued ASU No. 2011-11, "Balance Sheet (Topic 210): Amendments of the FASB Accounting Standards Codification and Disclosures about Offsetting Assets and Liabilities in U.S. GAAP and IFRS." ASU No. 2011-11 clarifies existing requirements for balance sheet offsetting and for disclosures about the offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position in converged guidance of the FASB and the International Accounting Standards Board. The amendments are to be applied retrospectively for all comparative periods presented. For public entities, the amendments are effective for annual reporting periods beginning on or after January 1, 2013. The adoption did not have a significant impact on the financial statement disclosures for the Trust or the Funds.

Note 3 – Fair Value Measurements

The Trust's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Trust's significant accounting policies in Note 2. The following table presents information about the Trust's assets and liabilities measured at fair value as of June 30, 2013 and December 31, 2012:

June 30, 2013

Assets:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Cash equivalents	$56,431,521	$ -	$ -	$56,431,521
Commodity futures contracts				
WTI crude oil futures contracts	61,292	-	-	61,292
Soybean futures contracts	35,175	-	-	35,175
Total	$56,527,988	$ -	$ -	$56,527,988

Liabilities:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Commodity futures contracts				
Corn futures contracts	$2,823,725	$-	$ -	$2,823,725
Natural gas futures contracts	159,860	-	-	159,860
WTI crude oil futures contracts	6,720	-	-	6,720
Soybean futures contracts	102,987	-	-	102,987
Sugar futures contracts	114,329	62,082	-	176,411
Wheat futures contracts	513,850	194,225	-	708,075
Total	$3,721,471	$256,307	$ -	$3,977,778

December 31, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Cash equivalents	$52,575,291	-	-	$52,575,291
Commodity futures contracts				
Natural gas futures contracts	9,550	-	-	9,550
WTI crude oil futures contracts	44,872	-	-	44,872
Soybean futures contracts	63,200	-	-	63,200
Wheat futures contracts	15,762	-	-	15,762
Total	$52,708,675	$ -	$ -	$52,708,675

	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Liabilities:				
Commodity futures contracts				
Corn futures contracts	$2,213,775	$ -	$ -	$2,213,775
Natural gas futures contracts	233,919	-	-	233,919
WTI crude oil futures contracts	58,090	-	-	58,090
Soybean futures contracts	284,575	-	-	284,575
Sugar futures contracts	78,378	-	-	78,378
Wheat futures contracts	206,850	-	-	206,850
Total	$3,075,587	$ -	$ -	$3,075,587

Transfers into and out of each level of the fair value hierarchy for the JUL13 Corn Contracts, NOV14 Soybean Contracts, FEB15 Sugar Contracts, and the DEC14 Wheat Contracts, for the six months ended June 30, 2013 were as follows:

	Transfers into Level 1	Transfers out of Level 1	Transfers into Level 2	Transfers out of Level 2	Transfers into Level 3	Transfers out of Level 3
Liabilities (at fair value)						
Derivative contracts						
Corn future contracts	$1,010,962	$1,010,962	$1,010,962	$1,010,962	$ -	$ -
Soybean future contracts	6,850	6,850	6,850	6,850	-	-
Sugar future contracts	-	62,082	62,082	-	-	-
Wheat future contracts	-	194,225	194,225	-	-	-
Total	$1,017,812	$1,274,119	$1,274,119	$1,017,812	$ -	$ -

There were no transfers into and out of each level of the fair value hierarchy for the Trust or the Funds for the six months ended June 30, 2012.

Note 4 – Derivative Instruments and Hedging Activities

In the normal course of business, the Funds utilize derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Funds' derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Funds are also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the six months ended June 30, 2013, the Funds invested only in commodity futures contracts specifically related to each Fund. For the six months ended June 30, 2012 the Operating Funds invested only in commodity futures contracts and Chicago Mercantile Exchange Calendar Swaps. Cleared Swaps have standardized terms similar to, and are priced by reference to, a corresponding Benchmark Component Futures Contract. Additionally, Other Commodity Interests that do not have standardized terms and are not exchange-traded, referred to as "over-the-counter" Interests, can generally be structured as the parties to the Commodity Interest contract desire. Therefore, each Fund might enter into multiple Cleared Swaps and/or over-the-counter Interests intended to exactly replicate the performance of each of the Benchmark Component Futures Contracts for the Fund, or a single over-the-counter Interest designed to replicate the performance of the Benchmark as a whole. Assuming that there is no default by a counterparty to an over-the-counter Interest, the performance of the Interest will not necessarily correlate exactly with the performance of the Benchmark or the applicable Benchmark Component Futures Contract.

Futures Contracts

The Funds are subject to commodity price risk in the normal course of pursuing their investment objectives. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by each Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealized gains or losses by each Fund. Futures contracts may reduce the Funds' exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to each Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

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The following table discloses information about offsetting assets and liabilities presented in the statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk as of June 30, 2013 and December 31, 2012.

Offsetting of Financial Assets and Derivative Assets as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price						
Corn futures contracts	$ -	$ -	$ -	$ -	$ -	$ -
Natural gas futures contracts	-	-	-	-	-	-
WTI crude oil futures contracts	61,292	-	61,292	6,720	-	54,572
Soybean futures contracts	35,175	-	35,175	35,175	-	-
Sugar futures contracts	-	-	-	-	-	-
Wheat futures contracts	-	-	-	-	-	-

Offsetting of Financial Liabilities and Derivative Liabilities as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)

				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price						
Corn futures contracts	$ 2,823,725	$ -	$ 2,823,725	$ -	$ 2,823,725	$ -
Natural gas futures contracts	159,860	-	159,860	-	159,860	-
WTI crude oil futures contracts	6,720	-	6,720	6,720	-	-
Soybean futures contracts	102,987	-	102,987	35,175	67,812	-
Sugar futures contracts	176,411	-	176,411	-	176,411	-
Wheat futures contracts	708,075	-	708,075	-	708,075	-

Offsetting of Financial Assets and Derivative Assets as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price						
Corn futures contracts	$ -	$ -	$ -	$ -	$ -	$ -
Natural gas futures contracts	9,550	-	9,550	9,550	-	-
WTI crude oil futures contracts	44,872	-	44,872	44,872	-	-
Soybean futures contracts	63,200	-	63,200	63,200	-	-
Sugar futures contracts	-	-	-	-	-	-
Wheat futures contracts	15,762	-	15,762	15,762	-	-

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Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price						
Corn futures contracts	$ 2,213,775	$ -	$ 2,213,775	$ -	$ 2,213,775	$ -
Natural gas futures contracts	233,919	-	233,919	9,550	224,369	-
WTI crude oil futures contracts	58,090	-	58,090	44,872	13,218	-
Soybean futures contracts	284,575	-	284,575	63,200	221,375	-
Sugar futures contracts	78,378	-	78,378	-	78,378	-
Wheat futures contracts	206,850	-	206,850	15,762	191,088	-

The following is a summary of realized and unrealized gains (losses) of the derivative instruments utilized by the Trust:

Three months ended June 30, 2013

Primary Underlying Risk	Realized (Loss) Gain on Derivative Instruments	Net Change in Unrealized Gain (Loss) on Derivative Instruments
Commodity price		
Corn futures contracts	$ (1,820,791)	$ 1,075
Natural gas futures contracts	11,680	(428,040)
WTI crude oil futures contracts	(77,810)	15,180
Soybean futures contracts	42,650	13,513
Sugar futures contracts	(199,292)	25,088
Wheat futures contracts	(370,837)	(78,012)
Total commodity futures contracts	$ (2,414,400)	$ (451,196)

Three months ended June 30, 2012

Primary Underlying Risk	Realized (Loss) Gain on Derivative Instruments	Net Change in Unrealized (Loss) Gain on Derivative Instruments
Commodity price		
Corn futures contracts	$ (2,255,455)	$ 6,161,715
Natural gas futures contracts	(63,608)	197,507
WTI crude oil futures contracts	37,737	(511,027)
Soybean futures contracts	67,640	(24,765)
Sugar futures contracts	(586,576)	(76,531)
Wheat futures contracts	(360,072)	288,123
Total commodity futures contracts	$ (3,160,334)	$ 6,035,022

Six months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized (Loss) Gain on Derivative Instruments
Commodity price		
Corn futures contracts	$ (3,680,613)	$ (609,950)
Natural gas futures contracts	(99,059)	64,509
WTI crude oil futures contracts	(87,130)	67,790
Soybean futures contracts	(174,925)	153,563
Sugar futures contracts	(285,118)	(98,033)
Wheat futures contracts	(756,375)	(516,987)
Total commodity futures contracts	$ (5,083,220)	$ (939,108)

Six months ended June 30, 2012

Primary Underlying Risk	Realized (Loss) Gain on Derivative Instruments	Net Change in Unrealized Gain (Loss) on Derivative Instruments
Commodity price		
Corn futures contracts	$ (4,391,819)	$ 4,719,076
Natural gas futures contracts	(567,888)	330,077
WTI crude oil futures contracts	43,347	(286,507)
Soybean futures contracts	77,981	302,707
Sugar futures contracts	(596,310)	77,214
Wheat futures contracts	(464,222)	388,348
Total commodity futures contracts	$ (5,898,911)	$ 5,530,915

Volume of Derivative Activities

The notional amounts and number of contracts categorized by primary underlying risk are included in the schedule of investments as of June 30, 2013 and December 31, 2012.

Note 5 - Organizational and Offering Costs

Expenses incurred in organizing of the Trust and the initial offering of the shares, including applicable SEC registration fees, were borne directly by the Sponsor for the Funds and will be borne directly by the Sponsor for any series of the Trust which is not yet operating or will be issued in the future. The Trust will not be obligated to reimburse the Sponsor.

Note 6 – Subsequent Events

The Trust evaluates subsequent events through the date when financial statements are filed with the SEC.

For the period July 1, 2013 through August 9, 2013, the following subsequent events transpired for each of the series of the Trust:

CORN: Nothing to Report

NAGS: Nothing to Report

CRUD: Nothing to Report

SOYB: Nothing to Report

CANE: Nothing to Report

WEAT: Nothing to Report

TAGS: Nothing to Report

TEUCRIUM CORN FUND

STATEMENTS OF ASSETS AND LIABILITIES

	June 30, 2013 (Unaudited)	December 31, 2012
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$36,372,145	$ 34,631,982
Collateral, due from broker	5,017,450	5,106,775
Interest receivable	1,685	1,376
Other assets	251,985	242,407
Total assets	41,643,265	39,982,540
Liabilities		
Commodity futures contracts	2,823,725	2,213,775
Management fee payable to Sponsor	32,671	36,444
Other liabilities	82,378	45,809
Total liabilities	2,938,774	2,296,028
Net assets	$38,704,491	$ 37,686,512
Shares outstanding	1,000,004	850,004
Net asset value per share	$38.70	$ 44.34
Market value per share	$38.67	$ 44.32

The accompanying notes are an integral part of these financial statements.

TEUCRIUM CORN FUND

SCHEDULE OF INVESTMENTS

June 30, 2013

(Unaudited)

Description: Assets	**Fair Value**	**Percentage of Net Assets**		**Principal Amount**
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.040%, due July 18, 2013	$4,999,960	12.92	%	$5,000,000
U.S. Treasury bills, 0.020%, due August 15, 2013	4,999,875	12.92		5,000,000
Total U.S. Treasury obligations	9,999,835	25.84		
Money market funds				
Dreyfus Cash Management Plus	26,372,310	68.14		
Total cash equivalents	$36,372,145	93.98	%	

Description: Liabilities	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (494 contracts, settlement date September 13, 2013)	$792,537	2.05	%	$13,517,075
CBOT corn futures (453 contracts, settlement date December 13, 2013)	1,572,513	4.06		11,574,150
CBOT corn futures (516 contracts, settlement date December 12, 2014)	458,675	1.19		13,667,550
Total commodity futures contracts	$2,823,725	7.30	%	$38,758,775

The accompanying notes are an integral part of these financial statements.

TEUCRIUM CORN FUND

SCHEDULE OF INVESTMENTS

December 31, 2012

Description: Assets	Fair Value	Percentage of Net Assets		Principal Amount
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.090%, due January 17, 2013	$9,999,930	26.53	%	$10,000,000
U.S. Treasury bills, 0.090%, due February 14, 2013	9,999,670	26.53		10,000,000
Total U.S. Treasury obligations	19,999,600	53.06		
Money market funds				
Dreyfus Cash Management Plus	14,632,382	38.83		
Total cash equivalents	$34,631,982	91.89	%	

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount (Long Exposure)
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (377 contracts, settlement date May 14, 2013)	$1,341,775	3.56	%	$ 13,199,712
CBOT corn futures (325 contracts, settlement date July 12, 2013)	413,700	1.10		11,330,313
CBOT corn futures (440 contracts, settlement date December 13, 2013)	458,300	1.21		13,194,500
Total commodity futures contracts	$2,213,775	5.87	%	$ 37,724,525

The accompanying notes are an integral part of these financial statements.

TEUCRIUM CORN FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
Income				
Realized and unrealized (loss) gain on trading of commodity futures contracts:				
Realized loss on commodity futures contracts	$ (1,820,791)	$ (2,255,455)	$ (3,680,613)	$ (4,391,819)
Net change in unrealized appreciation or depreciation on commodity futures contracts	1,075	6,161,715	(609,950)	4,719,076
Interest income	3,774	11,628	11,738	22,090
Total (loss) income	(1,815,942)	3,917,888	(4,278,825)	349,347
Expenses				
Management fees	94,572	141,648	194,392	312,251
Professional fees	120,120	229,775	238,920	431,162
Distribution and marketing fees	349,152	291,200	686,202	728,330
Custodian fees and expenses	32,211	32,211	64,067	64,421
Business permits and licenses fees	20,930	10,010	41,630	11,296
General and administrative expenses	31,395	101,010	62,445	110,320
Brokerage commissions	16,395	13,902	40,875	18,794
Other expenses	10,282	4,504	20,453	35,245
Total expenses	675,057	824,260	1,348,984	1,711,819
Net (loss) income	$ (2,490,999)	$ 3,093,628	$ (5,627,809)	$ (1,362,472)
Net (loss) income per share	$ (2.30)	$ 2.85	$ (5.64)	$ 0.10
Net (loss) income per weighted average share	$ (2.67)	$ 2.05	$ (6.03)	$ (0.85)
Weighted average shares outstanding	933,246	1,511,268	933,015	1,599,867

The accompanying notes are an integral part of these financial statements.

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TEUCRIUM CORN FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Operations		
Net loss	$(5,627,809)	$(1,362,472)
Capital transactions		
Issuance of Shares	28,918,201	10,242,344
Redemption of Shares	(22,272,413)	(18,175,346)
Total capital transactions	6,645,788	(7,933,002)
Net change in net assets	1,017,979	(9,295,474)
Net assets, beginning of period	37,686,512	71,268,521
Net assets, end of period	$38,704,491	$61,973,047
Net asset value per share at beginning of period	$44.34	$41.92
At end of period	$38.70	$42.02

The accompanying notes are an integral part of these financial statements.

TEUCRIUM CORN FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Cash flows from operating activities:		
Net loss	$(5,627,809)	$(1,362,472)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	609,950	(4,719,076)
Changes in operating assets and liabilities:		
Collateral, due from broker	89,325	5,173,251
Interest receivable	(309)	1,314
Other assets	(9,578)	(215,395)
Management fee payable to Sponsor	(3,773)	(22,375)
Other liabilities	36,569	124,495
Net cash used in operating activities	(4,905,625)	(1,020,258)
Cash flows from financing activities:		
Proceeds from sale of Shares	28,918,201	8,141,569
Redemption of Shares	(22,272,413)	(22,322,357)
Net cash provided by (used in) financing activities	6,645,788	(14,180,788)
Net change in cash and cash equivalents	1,740,163	(15,201,046)
Cash and cash equivalents, beginning of period	34,631,982	69,022,336
Cash and cash equivalents, end of period	$36,372,145	$53,821,290

The accompanying notes are an integral part of these financial statements.

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NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(Unaudited)

Note 1 – Organization and Operation

Teucrium Corn Fund (referred to herein as "CORN," or the "Fund") is a commodity pool that is a series of Teucrium Commodity Trust ("Trust"), a Delaware statutory trust formed on September 11, 2009. The Fund issues common units, called the "Shares," representing fractional undivided beneficial interests in the Fund. The Fund continuously offers Creation Baskets consisting of 25,000 Shares at their Net Asset Value ("NAV") to "Authorized Purchasers" through Foreside Fund Services, LLC, which is the distributor for the Fund (the "Distributor"). Authorized Purchasers sell such Shares, which are listed on the New York Stock Exchange ("NYSE") Arca under the symbol "CORN," to the public at per-Share offering prices that reflect, among other factors, the trading price of the Shares on the NYSE Arca, the NAV of the Fund at the time the Authorized Purchaser purchased the Creation Baskets and the NAV at the time of the offer of the Shares to the public, the supply of and demand for Shares at the time of sale, and the liquidity of the markets for corn interests. The Fund's Shares trade in the secondary market on the NYSE Arca at prices that are lower or higher than their NAV per Share.

The investment objective of the Fund is to have the daily changes in percentage terms of the Shares' NAV reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for three futures contracts for corn ("Corn Futures Contracts") that are traded on the Chicago Board of Trade ("CBOT"), specifically (1) the second-to-expire CBOT Corn Futures Contract, weighted 35%, (2) the third-to-expire CBOT Corn Futures Contract, weighted 30%, and (3) the CBOT Corn Futures Contract expiring in the December following the expiration month of the third-to-expire contract, weighted 35%. (This weighted average of the three referenced Corn Futures Contracts is referred to herein as the "Benchmark," and the three Corn Futures Contracts that at any given time make up the Benchmark are referred to herein as the "Benchmark Component Futures Contracts."

The Fund commenced investment operations on June 9, 2010 and has a fiscal year ending on December 31. The Fund's sponsor is Teucrium Trading, LLC (the "Sponsor"). The Sponsor is responsible for the management of the Fund. The Sponsor is a member of the National Futures Association (the "NFA") and became a commodity pool operator registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009.

On June 5, 2010, the Fund's initial registration of 30,000,000 shares the Form S-1 was declared effective by the U.S. Securities and Exchange Commission ("SEC"). On June 9, 2010, the Fund listed its shares on the NYSE Arca under the ticker symbol "CORN." On the day prior to that, the Fund issued 200,000 shares in exchange for $5,000,000 at the Fund's initial NAV of $25 per share. The Fund also commenced investment operations on June 9, 2010 by purchasing commodity futures contracts traded on the Chicago Board of Trade ("CBOT").

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America (“GAAP”). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund’s financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust’s Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as detailed in the Financial Accounting Standards Board’s Accounting Standards Codification.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

Revenue Recognition

Commodity futures contracts are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on commodity futures contracts are reflected in the statements of operations as the difference between the original contract amount and the fair market value as of the last business day of the year or as of the last date of the financial statements. Changes in the appreciation or depreciation between periods are reflected in the statements of operations. Interest on cash equivalents and deposits with the Futures Commission Merchant are recognized on the accrual basis. The Fund earns interest on its assets denominated in U.S. dollars on deposit with the Futures Commission Merchant. In addition, the Fund earns interest on funds held at the custodian at prevailing market rates for such investments.

Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

For tax purposes, the Fund will be treated as a partnership. The Fund does not record a provision for income taxes because the partners report their share of the Fund’s income or loss on their income tax returns. The financial statements reflect the Fund’s transactions without adjustment, if any, required for income tax purposes.

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. The Fund is subject to income tax examinations by major taxing authorities for all tax years since inception. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Fund recording a tax liability that reduces net assets. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of June 30, 2013 and December 31, 2012. However, the Fund’s conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations, and interpretations thereof.

The Fund recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the periods ended June 30, 2013 and 2012.

The Fund may be subject to potential examination by U.S. federal, U.S. state, or foreign jurisdictional authorities in the area of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with U.S. federal, U.S. state and foreign tax laws. The Fund’s management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Creations and Redemptions

Authorized Purchasers may purchase Creation Baskets consisting of 25,000 shares from CORN. The amount of the proceeds required to purchase a Creation Basket will be equal to the NAV of the shares in the Creation Basket determined as of 4:00 p.m. New York time on the day the order to create the basket is properly received.

Authorized Purchasers may redeem shares from the Fund only in blocks of 25,000 shares called “Redemption Baskets.” The amount of the redemption proceeds for a Redemption Basket will be equal to the NAV of the shares in the

Redemption Basket determined as of 4:00 p.m. New York time on the day the order to redeem the basket is properly received.

The size of a Creation Basket and a Redemption basket was changed effective February 1, 2012 from 100,000 to 50,000 shares. On March 5, 2012 the size of a Creation Basket and a Redemption Basket was changed again from 50,000 to 25,000 shares.

The Fund receives or pays the proceeds from shares sold or redeemed within three business days after the trade date of the purchase or redemption. The amounts due from Authorized Purchasers are reflected in the Fund's statements of assets and liabilities as receivable for shares sold. Amounts payable to Authorized Purchasers upon redemption are reflected in the Fund's statements of assets and liabilities as payable for shares redeemed.

As outlined in the most recent Form S-1 filing, 50,000 shares represents two Redemption Baskets for the Fund and a minimum level of shares.

Allocation of Shareholder Income and Losses

Profit or loss is allocated among the shareholders of the Fund in proportion to the number of shares each shareholder holds as of the close of each month.

Cash Equivalents

Cash equivalents are highly-liquid investments with original maturity dates of three months or less at inception. The Fund reported its cash equivalents in the statements of assets and liabilities at market value, or at carrying amounts that approximate fair value, because of their highly-liquid nature and short-term maturities. The Fund has a substantial portion of its assets on deposit with banks. Assets deposited with the bank may, at times, exceed federally insured limits. The Fund had a balance of $26,372,310 and $14,632,382 in money market funds at June 30, 2013 and December 31, 2012, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities. The Fund held $9,999,835 and $19,999,600 in United States Treasury Bills with a maturity date of three months or less at June 30, 2013 and December 31, 2012 respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities.

Collateral, Due from/to Broker

Margin is the minimum amount of funds that must be deposited by a commodity interest trader with the trader's broker to initiate and maintain an open position in futures contracts. A margin deposit acts to assure the trader's performance of the futures contracts purchased or sold. Futures contracts are customarily bought and sold on initial margin that represents a very small percentage of the aggregate purchase or sales price of the contract. Because of such low margin requirements, price fluctuations occurring in the futures markets may create profits and losses that, in

relation to the amount invested, are greater than are customary in other forms of investment or speculation. As discussed below, adverse price changes in the futures contract may result in margin requirements that greatly exceed the initial margin. In addition, the amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which the contract is traded and may be modified from time to time by the exchange during the term of the contract. Brokerage firms, such as the Fund's clearing brokers, carrying accounts for traders in commodity interest contracts generally require higher amounts of margin as a matter of policy to further protect themselves. Over-the-counter trading generally involves the extension of credit between counterparties, so the counterparties may agree to require the posting of collateral by one or both parties to address credit exposure.

When a trader purchases an option, there is no margin requirement; however, the option premium must be paid in full. When a trader sells an option, on the other hand, he or she is required to deposit margin in an amount determined by the margin requirements established for the underlying interest and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the selling of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Complicated margin requirements apply to spreads and conversions, which are complex trading strategies in which a trader acquires a mixture of options positions and positions in the underlying interest.

Ongoing or "maintenance" margin requirements are computed each day by a trader's clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader's position. With respect to the Fund's trading, the Fund (and not its shareholders personally) is subject to margin calls.

Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Calculation of Net Asset Value

The Fund's NAV is calculated by:

- Taking the current market value of its total assets and

- Subtracting any liabilities.

The administrator, the Bank of New York Mellon, calculates the NAV of the Fund once each trading day. It calculates the NAV as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The NAV for a particular trading day is released after 4:15 p.m. New York time.

In determining the value of Corn Futures Contracts, the administrator uses the CBOT closing price. The administrator determines the value of all other Fund investments as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The value of over-the-counter corn interests is determined based on the value of the commodity or futures contract underlying such corn interest, except that a fair value may be determined if the Sponsor believes that the Fund is subject to significant credit risk relating to the counterparty to such corn interest. For purposes of financial statements and reports, the Sponsor will recalculate the NAV where necessary to reflect the "fair value" of a Futures Contract when the Futures Contract closes at its price fluctuation limit for the day. Treasury securities held by the Fund are valued by the administrator using values received from recognized third-party vendors and dealer quotes. NAV includes any unrealized profit or loss on open corn interests and any other income or expense accruing to the Fund but unpaid or not received by the Fund.

Market value per share represents the closing price on the last trading day of the quarter as reported by the NYSE Arca. If such a closing price is not available, the bid/ask midpoint at 4 p.m. as reported by the NYSE Arca was used.

Sponsor Fee and Allocation of Expenses

The Sponsor is responsible for investing the assets of the Fund in accordance with the objectives and policies of the Fund. In addition, the Sponsor arranges for one or more third parties to provide administrative, custodial, accounting, transfer agency and other necessary services to the Fund. For these services, the Fund is contractually obligated to pay a monthly management fee to the Sponsor, based on average daily net assets, at a rate equal to 1.00% per annum. For the three months ended June 30, 2013, the Fund recorded $94,572 in management fees to the Sponsor. For the three months ended June 30, 2012, the Fund recorded $141,648 in management fees to the Sponsor. For the six months ended June 30, 2013, the Fund recorded $194,392 in management fees to the Sponsor. For the six months ended June 30, 2012, the Fund recorded $312,251 in management fees to the Sponsor.

The Fund pays for all brokerage fees, taxes and other expenses, including licensing fees for the use of intellectual property, registration or other fees paid to the SEC, the Financial Industry Regulatory Authority ("FINRA"), formerly the National Association of Securities Dealers, or any other regulatory agency in connection with the offer and sale of subsequent Shares after its initial registration and all legal, accounting, printing and other expenses associated therewith. The Fund also pays the fees and expenses associated with the Fund's tax accounting and reporting requirements. The Sponsor can elect to waive certain fees or expenses that would generally be paid for by the Fund. As of December 31, 2012, there were approximately $560,000 of expenses recorded on the financial statements of the Sponsor which are subject to reimbursement by the Funds in 2013. Through the six months ended June 30, 2013, the Sponsor sought approximately $184,000 in reimbursement from CORN, SOYB and WEAT for these expenses. These Funds have not recorded the remaining $376,000 of expenses subject to reimbursement to the Sponsor as payment is not probable at June 30, 2013. The Sponsor has increased the expense accruals per day for the Fund by $1,500 effective July 1, 2013.

Certain aggregate expenses common to all Funds managed by the Sponsor are allocated to each Fund based on activity drivers deemed most appropriate by the Sponsor for such expenses. All asset-based fees and expenses are calculated on the prior day's net assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value - Definition and Hierarchy

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund uses various valuation approaches. In accordance with GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy, within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Fund uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy. For instance, when Corn Futures Contracts on the CBOT are not actively trading due to a "limit-up" or limit-down" condition, meaning that the change in the Corn Futures Contracts has exceeded the limits established, the Trust and the Fund will revert to alternative verifiable sources of valuation of its assets. When such a situation exists on a quarter close, the Sponsor will calculate the Net Asset Value ("NAV") on a particular day using the Level 1 valuation, but will later recalculate the NAV for the impacted Fund based upon the valuation inputs from these alternative verifiable sources (Level 2 or Level 3) and will report such NAV in its applicable financial statements and reports.

On June 30, 2012, December 31, 2012, and June 30, 2013, in the opinion of the Trust and the Fund, the reported value of the Corn Futures Contracts traded on the CBOT fairly reflected the value of the Corn Futures Contracts held by the Fund, and no adjustments were necessary.

On March 31, 2013, the Corn Futures Contracts traded on the CBOT due to settle on July 12, 2013 (the "JUL13 Corn Contracts") were in a "limit down" condition and, in the opinion of the Trust and CORN, the reported value at the close of market on that day did not fairly value the JUL13 Corn Contracts held by CORN. Therefore, the Trust and CORN used alternative verifiable sources to value the JUL13 Corn Contracts on March 31, 2013 and the financial statements of the Trust and the Fund have been adjusted accordingly. This adjustment resulted in a ($410,475) decrease in the unrealized change in commodity futures contracted for the Trust and CORN in excess of reported CBOT values, for the quarter-ended March 31, 2013.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the Chicago Board of Trade ("CBOT") or the New York Mercantile Exchange ("NYMEX"), or reported on another national market, are generally categorized in Level 1 of the fair value hierarchy. OTC derivatives contracts (such as forward and swap contracts) which may be valued using models, depending on whether significant inputs are observable or unobservable, are categorized in Levels 2 or 3 of the fair value hierarchy.

Net Income (Loss) per Share

Net income (loss) per share is the difference between the NAV per unit at the beginning of each period and at the end of each period. The weighted average number of units outstanding was computed for purposes of disclosing net income (loss) per weighted average unit. The weighted average units are equal to the number of units outstanding at the end of the period, adjusted proportionately for units created or redeemed based on the amount of time the units were outstanding during such period.

New Accounting Pronouncements

The FASB issued ASU No. 2013-08, "Financial Services-Investment Companies (Topic 946)-Amendments to the Scope, Measurement, and Disclosure Requirements". ASU No. 2013-08 affects the scope, measurement, and disclosure requirements for investment companies under U.S. GAAP. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. We anticipate the adoption will not have a significant impact on the financial statements disclosures for the Trust or the Fund.

In December 2011, the FASB issued ASU No. 2011-11, "Balance Sheet (Topic 210): Amendments of the FASB Accounting Standards Codification and Disclosures about Offsetting Assets and Liabilities in U.S. GAAP and IFRS." ASU No. 2011-11 clarifies existing requirements for balance sheet offsetting and for disclosures about the offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position in converged guidance of the FASB and the International Accounting Standards Board. The amendments are to be applied retrospectively for all comparative periods presented. For public entities, the amendments are effective for annual reporting periods beginning on or after January 1, 2013. The adoption did not have a significant impact on the financial statement disclosures for the Fund.

Note 3 – Fair Value Measurements

The Fund's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Fund's significant accounting policies in Note 2. The following table presents information about the Fund's assets and liabilities measured at fair value as of June 30, 2013 and December 31, 2012:

June 30, 2013

Assets:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Cash equivalents	$36,372,145	$ -	$ -	$36,372,145

Liabilities:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Commodity futures contracts	$2,823,725	$ -	$ -	$2,823,725

December 31, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Cash equivalents	$34,631,982	$ -	$ -	$ 34,631,982

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Commodity futures contracts	$2,213,775	$ -	$ -	$ 2,213,775

Transfers into and out of each level of the fair value hierarchy for the JUL13 Corn Contracts, for the six months ended June 30, 2013 were as follows:

	Transfers into Level 1	Transfers out of Level 1	Transfers into Level 2	Transfers out of Level 2	Transfers into Level 3	Transfers out of Level 3
Liabilities (at fair value)						
Derivative contracts						
Corn future contracts	$1,010,962	$1,010,962	$1,010,962	$1,010,962	$ -	$ -

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During the six months ended June 30, 2012, the Fund did not have any significant transfers between any of the levels of the fair value hierarchy.

Note 4 -Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the six months ended June 30, 2013 and 2012 the Fund invested only in commodity futures contracts. Cleared Corn Swaps have standardized terms similar to, and are priced by reference to, the corresponding Benchmark Component Futures Contract. Additionally, Other Corn Interests that do not have standardized terms and are not exchange-traded, referred to as "over-the-counter" Corn Interests, can generally be structured as the parties to the Corn Interest contract desire. Therefore, the Fund might enter into multiple Cleared Swaps and/or over-the-counter Interests intended to exactly replicate the performance of the Benchmark Component Futures Contracts for the Fund, or a single over-the-counter Interest designed to replicate the performance of the Benchmark as a whole. Assuming that there is no default by a counterparty to an over-the-counter Interest, the performance of the Interest will not necessarily correlate exactly with the performance of the Benchmark or the applicable Benchmark Component Futures Contract.

Futures Contracts

The Fund is subject to commodity price risk in the normal course of pursuing its investment objectives. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealized gains or losses by the Fund. Futures contracts may reduce the Fund's exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

The following table discloses information about offsetting assets and liabilities presented in the statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk as of June 30, 2013 and December 31, 2012.

Offsetting of Financial Liabilities and Derivative Liabilities as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price						
Corn futures contracts	$ 2,823,725	$ -	$ 2,823,725	$ -	$ 2,823,725	$ -

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
		Gross Amount	Net Amount			

Description	Gross Amount of Recognized Liabilities	Offset in the Statement of Assets and Liabilities	Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price						
Corn futures contracts	$ 2,213,775	$ -	$ 2,213,775	$ -	$ 2,213,775	$ -

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The following tables identify the net gain and loss amounts included in the statements of operations as realized and unrealized gains and losses on trading of commodity futures contracts categorized by primary underlying risk:

Three months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (1,820,791)	$ 1,075

Three months ended June 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (2,255,455)	$ 6,161,715

Six months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (3,680,613)	$ (609,950)

Six months ended June 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (4,391,819)	$ 4,719,076

Volume of Derivative Activities

The notional amounts and number of contracts categorized by primary underlying risk, commodity price risk, are included in the schedule of investments as of June 30, 2013 and December 31, 2012.

Note 5 - Financial Highlights

The following tables present per unit performance data and other supplemental financial data for the six months ended June 30, 2013 and 2012. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for the six months ended June 30, 2013	
Net asset value at beginning of period	$44.34
Income from investment operations:	
Investment income	0.01
Net realized and unrealized loss on commodity futures contracts	(4.20)
Total expenses	(1.45)
Net decrease in net asset value	(5.64)
Net asset value end of period	$38.70
Total Return	(12.72)%
Ratios to Average Net Assets (Annualized)	
Total expense	6.93%
Net investment loss	(6.87)%

Per Share Operation Performance for the six months ended June 30, 2012			
Net asset value at beginning of period	$	41.92	
Income from investment operations:			
Investment income		0.02	
Net realized and unrealized gain on commodity futures contracts		1.15	
Total expenses		(1.07	)
Net increase in net asset value		0.10	
Net asset value at end of period	$	42.02	
Total Return		0.24	%
Ratios to Average Net Assets (Annualized)			
Total expense		5.49	%
Net investment loss		(5.41	)%

The Sponsor has the ability to elect to pay certain expenses on behalf of the Fund or waive the management fee. This election is subject to change by the Sponsor, at its discretion. As of December 31, 2012, there were approximately $560,000 of expenses recorded on the financial statements of the Sponsor which are subject to reimbursement by the Funds in 2013. Through the six months ended June 30, 2013, the Sponsor sought approximately $184,000 in reimbursement from CORN, SOYB and WEAT for these expenses. These Funds have not recorded the remaining $376,000 of expenses subject to reimbursement to the Sponsor as payment is not probable at June 30, 2013. The Sponsor has increased the expense accruals per day for the Fund by $1,500 effective July 1, 2013.

Total returns are calculated based on the change in value during the period. An individual shareholder's total return and ratio may vary from the above total returns and ratios based on the timing of contributions to and withdrawals from the Fund.

The financial highlights per share data are calculated using the average of the daily shares outstanding for the reporting period, which is inclusive of the last day of the period under report. The asset-based per share data in the financial highlights are calculated using the prior day's net assets consistent with the methodology used to calculate asset-based fees and expenses.

Note 6 - Organizational and Offering Costs

Expenses incurred in organizing of the Trust and the initial offering of the Shares of the Fund, including applicable SEC registration fees were borne directly by the Sponsor. The Fund will not be obligated to reimburse the Sponsor.

Note 7 – Subsequent Events

The Trust evaluates subsequent events through the date when financial statements are filed with the SEC.

For the period July 1, 2013 through August 9, 2013, there was nothing to report.

TEUCRIUM NATURAL GAS FUND

STATEMENTS OF ASSETS AND LIABILITIES

	June 30, 2013 (Unaudited)	December 31, 2012
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 3,171,684	$ 4,476,336
Commodity futures contracts	-	9,550
Collateral, due from broker	337,400	367,374
Interest receivable	223	305
Other assets	5,548	10,989
Total assets	3,514,855	4,864,554
Liabilities		
Commodity futures contracts	159,860	233,919
Management fee payable to Sponsor	2,941	4,046
Other liabilities	640	968
Total liabilities	163,441	238,933
Net assets	$ 3,351,414	$ 4,625,621
Shares outstanding	300,004	400,004
Net asset value per share	$ 11.17	$ 11.56
Market value per share	$ 11.15	$ 11.58

The accompanying notes are an integral part of these financial statements.

TEUCRIUM NATURAL GAS FUND

SCHEDULE OF INVESTMENTS

June 30, 2013

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets
Cash equivalents		
Money market funds		
Dreyfus Cash Management Plus	$3,171,684	94.64 %

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States natural gas futures contracts			
NYMEX natural gas futures (23 contracts, settlement date September 26, 2013)	$28,190	0.84 %	$ 821,560
NYMEX natural gas futures (23 contracts, settlement date October 29, 2013)	79,650	2.38	838,580
NYMEX natural gas futures (22 contracts, settlement date February 26, 2014)	21,620	0.64	852,060
NYMEX natural gas futures (22 contracts, settlement date March 27, 2014)	30,400	0.91	834,460
Total commodity futures contracts	$159,860	4.77 %	$ 3,346,660

The accompanying notes are an integral part of these financial statements.

TEUCRIUM NATURAL GAS FUND

SCHEDULE OF INVESTMENTS

December 31, 2012

Description: Assets	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$4,476,336	96.77	%	
Commodity futures contracts				
United States natural gas futures contracts				
NYMEX natural gas futures (32 contracts, settlement date September 26, 2013)	$9,550	0.21	%	$ 1,161,600

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount (Long Exposure)
Commodity futures contracts				
United States natural gas futures contracts				
NYMEX natural gas futures (34 contracts, settlement date February 26, 2013)	$103,412	2.24	%	$1,144,100
NYMEX natural gas futures (34 contracts, settlement date March 26, 2013)	61,967	1.34		1,157,020
NYMEX natural gas futures (31 contracts, settlement date October 29, 2013)	68,540	1.48		1,160,950
Total commodity futures contracts	$233,919	5.06	%	$3,462,070

The accompanying notes are an integral part of these financial statements.

TEUCRIUM NATURAL GAS FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
Income				
Realized and unrealized gain (loss) on trading of commodity futures contracts:				
Realized gain (loss) on commodity futures contracts	$ 11,680	$ (63,608)	$ (99,059)	$ (567,888)
Net change in unrealized appreciation or depreciation on commodity futures contracts	(428,040)	197,507	64,509	330,077
Interest income	292	446	780	681
Total (loss) income	(416,068)	134,345	(33,770)	(237,130)
Expenses				
Management fees	9,358	-	19,540	-
Professional fees	3,019	(383)	5,125	2,073
Distribution and marketing fees	246	4,671	1,713	6,588
Custodian fees and expenses	699	1,463	1,459	2,354
Business permits and licenses fees	-	(131)	-	(82)
General and administrative expenses	239	3,215	344	3,219
Brokerage commissions	334	210	542	492
Other expenses	(156)	(103)	(54)	94
Total expenses	13,739	8,942	28,669	14,738
Net (loss) income	$ (429,807)	$ 125,403	$ (62,439)	$ (251,868)
Net (loss) income per share	$ (1.43)	$ 0.81	$ (0.39)	$ (1.98)
Net (loss) income per weighted average share	$ (1.43)	$ 0.58	$ (0.19)	$ (1.49)
Weighted average shares outstanding	300,004	217,037	326,247	169,235

The accompanying notes are an integral part of these financial statements.

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TEUCRIUM NATURAL GAS FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Operations		
Net loss	$(62,439)	$ (251,868)
Capital transactions		
Issuance of Shares	-	2,420,546
Redemption of Shares	(1,211,768)	-
Total capital transactions	(1,211,768)	2,420,546
Net change in net assets	(1,274,207)	2,168,678
Net assets, beginning of period	4,625,621	1,381,367
Net assets, end of period	$3,351,414	$ 3,550,045
Net asset value per share at beginning of period	$11.56	$ 13.81
At end of period	$11.17	$ 11.83

The accompanying notes are an integral part of these financial statements.

TEUCRIUM NATURAL GAS FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Cash flows from operating activities:		
Net loss	$(62,439)	$ (251,868)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(64,509)	(330,077)
Changes in operating assets and liabilities:		
Collateral, due from broker	29,974	80,925
Interest receivable	82	(16)
Other assets	5,441	10,483
Management fee payable to Sponsor	(1,105)	-
Other liabilities	(328)	(6,166)
Net cash used in operating activities	(92,884)	(496,719)
Cash flows from financing activities:		
Proceeds from sale of Shares	-	2,420,546
Redemption of Shares	(1,211,768)	-
Net cash (used in) provided by financing activities	(1,211,768)	2,420,546
Net change in cash and cash equivalents	(1,304,652)	1,923,827
Cash and cash equivalents, beginning of period	4,476,336	1,277,159
Cash and cash equivalents, end of period	$3,171,684	$ 3,200,986

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(Unaudited)

Note 1 – Organization and Operation

Teucrium Natural Gas Fund (referred to herein as "NAGS," or the "Fund") is a commodity pool that is a series of Teucrium Commodity Trust ("Trust"), a Delaware statutory trust formed on September 11, 2009. The Fund issues common units, called the "Shares," representing fractional undivided beneficial interests in the Fund. The Fund continuously offers Creation Baskets consisting of 50,000 Shares at their Net Asset Value ("NAV") to "Authorized Purchasers" through Foreside Fund Services, LLC, which is the distributor for the Fund (the "Distributor"). Authorized Purchasers sell such Shares, which are listed on the New York Stock Exchange ("NYSE") Arca under the symbol "NAGS," to the public at per-Share offering prices that reflect, among other factors, the trading price of the Shares on the NYSE Arca, the NAV of the Fund at the time the Authorized Purchaser purchased the Creation Baskets and the NAV at the time of the offer of the Shares to the public, the supply of and demand for Shares at the time of sale, and the liquidity of the markets for natural gas interests. The Fund's Shares trade in the secondary market on the NYSE Arca at prices that are lower or higher than their NAV per Share.

The investment objective of the Fund is to have the daily changes in percentage terms of the Shares' NAV reflect the daily changes in percentage terms of a weighted average of the following: the nearest to spot month March, April, October and November Henry Hub Natural Gas Futures Contracts traded on the New York Mercantile Exchange ("NYMEX"), weighted 25% equally in each contract month. (This weighted average of the four referenced Natural Gas Futures Contracts is referred to herein as the "NAGS Benchmark," and the four Natural Gas Futures Contracts that at any given time make up the Benchmark are referred to herein as the "NAGS Benchmark Component Futures Contracts.")

The Fund commenced investment operations on February 1, 2011 and has a fiscal year ending December 31. The Fund's sponsor is Teucrium Trading, LLC (the "Sponsor"). The Sponsor is responsible for the management of the Fund. The Sponsor is a member of the National Futures Association (the "NFA") and became a commodity pool operator registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009.

On October 22, 2010, the Fund's initial registration of 40,000,000 shares on Form S-1 was declared effective by the U.S. Securities and Exchange Commission ("SEC"). On February 1, 2011, the Fund listed its shares on the NYSE Arca under the ticker symbol "NAGS". On the day prior to that, the Fund issued 200,000 shares in exchange for $5,000,000 at NAGS' initial NAV of $25 per share. The Fund also commenced investment operations on February 1, 2011 by purchasing commodity futures contracts traded on the NYMEX. On December 31, 2010, the Fund had two shares outstanding which were owned by the Sponsor.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America (“GAAP”). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund’s financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust’s Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as detailed in the Financial Accounting Standards Board’s Accounting Standards Codification.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

Revenue Recognition

Commodity futures contracts are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on commodity futures contracts are reflected in the statements of operations as the difference between the original contract amount and the fair market value as of the last business day of the year or as of the last date of the financial statements. Changes in the appreciation or depreciation between periods are reflected in the statements of operations. Interest on cash equivalents and deposits with the Futures Commission Merchant are recognized on the accrual basis. The Fund earns interest on its assets denominated in U.S. dollars on deposit with the Futures Commission Merchant. In addition, the Fund earns interest on funds held at the custodian at prevailing market rates for such investments.

Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

For tax purposes, the Fund will be treated as a partnership. The Fund does not record a provision for income taxes because the partners report their share of the Fund’s income or loss on their income tax returns. The financial statements reflect the Fund’s transactions without adjustment, if any, required for income tax purposes.

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. The Fund is subject to income tax examinations by major taxing authorities for all tax years since inception. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Fund recording a tax liability that reduces net assets. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of June 30, 2013 and December 31, 2012. However, the Fund’s conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations, and interpretations thereof.

The Fund recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the periods ended June 30, 2013 and 2012.

The Fund may be subject to potential examination by U.S. federal, U.S. state, or foreign jurisdictional authorities in the area of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with U.S. federal, U.S. state and foreign tax laws. The Fund’s management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Creations and Redemptions

Authorized Purchasers may purchase Creation Baskets consisting of 50,000 shares from the Fund. The amount of the proceeds required to purchase a Creation Basket will be equal to the NAV of the shares in the Creation Basket determined as of 4:00 p.m. New York time on the day the order to create the basket is properly received.

Authorized Purchasers may redeem shares from the Fund only in blocks of 50,000 shares called “Redemption Baskets.” The amount of the redemption proceeds for a Redemption Basket will be equal to the NAV of the shares in the

Redemption Basket determined as of 4:00 p.m. New York time on the day the order to redeem the basket is properly received.

The Fund receives or pays the proceeds from shares sold or redeemed within three business days after the trade date of the purchase or redemption. The amounts due from Authorized Purchasers are reflected in the Fund's statements of assets and liabilities as receivable for shares sold. Amounts payable to Authorized Purchasers upon redemption are reflected in the Fund's statements of assets and liabilities as payable for shares redeemed.

As outlined in the most recent Form S-1 filing, 100,000 shares represents two Redemption Baskets for the Fund and a minimum level of shares.

Allocation of Shareholder Income and Losses

Profit or loss is allocated among the shareholders of the Fund in proportion to the number of shares each shareholder holds as of the close of each month.

Cash Equivalents

Cash equivalents are highly-liquid investments with original maturity dates of three months or less at inception. The Fund reported its cash equivalents in the statements of assets and liabilities at market value, or at carrying amounts that approximate fair value, because of their highly-liquid nature and short-term maturities. The Fund has a substantial portion of its assets on deposit with banks. Assets deposited with the bank may, at times, exceed federally insured limits. The Fund had a balance of $3,171,684 and $4,476,336 in money market funds on June 30, 2013 and December 31, 2012, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities.

Collateral, Due from/to Broker

Margin is the minimum amount of funds that must be deposited by a commodity interest trader with the trader's broker to initiate and maintain an open position in futures contracts. A margin deposit acts to assure the trader's performance of the futures contracts purchased or sold. Futures contracts are customarily bought and sold on initial margin that represents a very small percentage of the aggregate purchase or sales price of the contract. Because of such low margin requirements, price fluctuations occurring in the futures markets may create profits and losses that, in relation to the amount invested, are greater than are customary in other forms of investment or speculation. As discussed below, adverse price changes in the futures contract may result in margin requirements that greatly exceed the initial margin. In addition, the amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which the contract is traded and may be modified from time to time by the exchange during the term of the contract. Brokerage firms, such as the Fund's clearing brokers, carrying accounts for traders in commodity interest contracts generally require higher amounts of margin as a matter of policy to further protect themselves. Over-the-counter trading generally involves the extension of credit between counterparties, so the counterparties may agree to require the posting of collateral by one or both parties to address credit exposure.

When a trader purchases an option, there is no margin requirement; however, the option premium must be paid in full. When a trader sells an option, on the other hand, he or she is required to deposit margin in an amount determined by the margin requirements established for the underlying interest and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the selling of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Complicated margin requirements apply to spreads and conversions, which are complex trading strategies in which a trader acquires a mixture of options positions and positions in the underlying interest.

Ongoing or "maintenance" margin requirements are computed each day by a trader's clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader's position. With respect to the Fund's trading, the Fund (and not its shareholders personally) is subject to margin calls.

Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Calculation of Net Asset Value

The Fund's NAV is calculated by:

- Taking the current market value of its total assets and

- Subtracting any liabilities.

The administrator, the Bank of New York Mellon, calculates the NAV of the Fund once each trading day. It calculates the NAV as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The NAV for a particular trading day is released after 4:15 p.m. New York time.

In determining the value of Natural Gas Futures Contracts, the administrator uses the NYMEX closing price (currently 2:30 p.m. New York time). The administrator determines the value of all other Fund investments as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The value of over-the-counter natural gas interests is determined based on the value of the commodity or futures contract underlying such natural gas interest, except that a fair value may be determined if the Sponsor believes that the Fund is subject to significant credit risk relating to the counterparty to such natural gas interest. For purposes of financial statements and reports, the Sponsor will recalculate the NAV where necessary to reflect the "fair value" of a Futures Contract when the Futures Contract closes at its price fluctuation limit for the day. Treasury securities held by the Fund are valued by the administrator using values received from recognized third-party vendors and dealer quotes. NAV includes any unrealized profit or loss on open natural gas interests and any other income or expense accruing to the Fund but unpaid or not received by the Fund.

Market value per share represents the closing price on the last trading day of the quarter as reported by the NYSE Arca. If such a closing price is not available, the bid/ask midpoint at 4 p.m. as reported by the NYSE Arca was used.

Sponsor Fee and Allocation of Expenses

The Sponsor is responsible for investing the assets of the Fund in accordance with the objectives and policies of the Fund. In addition, the Sponsor arranges for one or more third parties to provide administrative, custodial, accounting, transfer agency and other necessary services to the Fund. For these services, the Fund is contractually obligated to pay a monthly management fee to the Sponsor, based on average daily net assets, at a rate equal to 1.00% per annum. The Sponsor had waived the management fee for this Fund for the period August 1, 2011 through July 31, 2012. For the three months ended June 30, 2013, the Fund recorded a management fee expense of $9,358. For the six months ended June 30, 2013, the Fund recorded a management fee expense of $19,540.

The Fund generally pays for all brokerage fees, taxes and other expenses, including licensing fees for the use of intellectual property, registration or other fees paid to the SEC, the Financial Industry Regulatory Authority ("FINRA"), formerly the National Association of Securities Dealers, or any other regulatory agency in connection with the offer and sale of subsequent Shares after its initial registration and all legal, accounting, printing and other expenses associated therewith. The Fund also pays its portion of the fees and expenses associated with the Trust's tax accounting and reporting requirements. Certain aggregate expenses common to all Funds managed by the Sponsor are allocated to each Fund based on activity drivers deemed most appropriate by the Sponsor for such expenses. All asset-based fees and expenses are calculated on the prior day's net assets. On July 29, 2011, the Sponsor filed a Form 8-K with the SEC which stated that effective August 1, 2011, the Sponsor has agreed to voluntarily cap the management fee and expenses of NAGS at 1.5% per annum of the daily net assets of the Fund. The cap may be terminated by the Sponsor at any time with 90 days' notice. This action by the Sponsor resulted in an approximate $17,200 and $36,300 reduction in expenses to the Fund for the three and six months ended June 30, 2013, respectively. Additional expenses of the Fund may be paid by the Sponsor in future periods.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value - Definition and Hierarchy

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund uses various valuation approaches. In accordance with U.S. GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment.

Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Fund uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy. When such a situation exists on a quarter close, the Sponsor will calculate the NAV on a particular day using the Level 1 valuation, but will later recalculate the NAV for the impacted Fund based upon the valuation inputs from these alternative verifiable sources (Level 2 or Level 3) and will report such NAV in its applicable financial statements and reports.

On June 30, 2013 and December 31, 2012, in the opinion of the Trust and the Fund, the reported value of the Natural Gas Futures Contracts traded on the NYMEX fairly reflected the value of the Natural Gas Futures Contracts held by the Fund, and no adjustments were necessary.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT or the NYMEX, or reported on another national market, are generally categorized in Level 1 of the fair value hierarchy. OTC derivatives contracts (such as forward and swap contracts) which may be valued using models, depending on whether significant inputs are observable or unobservable, are categorized in Levels 2 or 3 of the fair value hierarchy.

Net Income (Loss) per Share

Net income (loss) per share is the difference between the NAV per unit at the beginning of each period and at the end of each period. The weighted average number of units outstanding was computed for purposes of disclosing net income (loss) per weighted average unit. The weighted average units are equal to the number of units outstanding at the end of the period, adjusted proportionately for units created or redeemed based on the amount of time the units were outstanding during such period.

New Accounting Pronouncements

The FASB issued ASU No. 2013-08, "Financial Services-Investment Companies (Topic 946)-Amendments to the Scope, Measurement, and Disclosure Requirements". ASU No. 2013-08 affects the scope, measurement, and disclosure requirements for investment companies under U.S. GAAP. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. We anticipate the adoption will not have a significant impact on the financial statements disclosures for the Trust or the Fund.

In December 2011, the FASB issued ASU No. 2011-11, "Balance Sheet (Topic 210): Amendments of the FASB Accounting Standards Codification and Disclosures about Offsetting Assets and Liabilities in U.S. GAAP and IFRS." ASU No. 2011-11 clarifies existing requirements for balance sheet offsetting and for disclosures about the offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position in converged guidance of the FASB and the International Accounting Standards Board. The amendments are to be applied retrospectively for all comparative periods presented. For public entities, the amendments are effective for annual reporting periods beginning on or after January 1, 2013. The adoption did not have a significant impact on the financial statement disclosures for the Fund.

Note 3 – Fair Value Measurements

The Fund's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Fund's significant accounting policies in Note 2. The following table presents information about the Fund's assets and liabilities measured at fair value as of June 30, 2013 and December 31, 2012:

June 30, 2013

Assets:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Cash equivalents	$3,171,684	$ -	$ -	$3,171,684

Liabilities:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Commodity futures contracts	$159,860	$ -	$ -	$159,860

December 31, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Cash equivalents	$4,476,336	$ -	$ -	$ 4,476,336
Commodity futures contracts	9,550	-	-	9,550
Total	$4,485,886	$ -	$ -	$ 4,485,886

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Commodity futures contracts	$233,919	$ -	$ -	$ 233,919

During the three and six months ended June 30, 2013 and 2012, the Fund did not have any significant transfers between any of the levels of the fair value hierarchy.

Note 4 – Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three and six months ended June 30, 2013 and 2012, the Fund invested only in commodity futures contracts.

Futures Contracts

The Fund is subject to commodity price risk in the normal course of pursuing its investment objectives. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealized gains or losses by the Fund. Futures contracts may reduce the Fund's exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM’s segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

The following table discloses information about offsetting assets and liabilities presented in the statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk as of June 30, 2013 and December 31, 2012.

Offsetting of Financial Liabilities and Derivative Liabilities as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price Natural gas futures contracts	$ 159,860	$ -	$ 159,860	$ -	$ 159,860	$ -

Offsetting of Financial Assets and Derivative Assets as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price Natural gas futures contracts	$ 9,550	$ -	$ 9,550	$ 9,550	$ -	$ -

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price Natural gas futures contracts	$ 233,919	$ -	$ 233,919	$ 9,550	$ 224,369	$ -

The following tables identify the net gain and loss amounts included in the statements of operations as realized and unrealized gains and losses on trading of commodity futures contracts categorized by primary underlying risk:

Three months ended June 30, 2013

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 11,680	$ (428,040)

Three months ended June 30, 2012

Primary Underlying Risk	**Realized Loss on Derivative Instruments**	**Net Change in Unrealized Gain on Derivative Instruments**
Commodity price		
Commodity futures contracts	$ (63,608)	$ 197,507

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Six months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (99,059)	$ 64,509

Six months ended June 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (567,888)	$ 330,077

Volume of Derivative Activities

The notional amounts and number of contracts categorized by primary underlying risk, commodity price risk, are included in the schedule of investments as of June 30, 2013 and December 31, 2012.

Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the six months ended June 30, 2013 and 2012. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for the six months ended June 30, 2013		
Net asset value at beginning of period	$	11.56
Income from investment operations:		
Investment income		-
		(0.29)

Net realized and unrealized loss on commodity futures contracts			
Total expenses		(0.10	)
Net decrease in net asset value		(0.39	)
Net asset value at end of period	$	11.17	
Total Return		(3.37	)%
Ratios to Average Net Assets (Annualized)			
Total expense		1.47	%
Net investment loss		(1.43	)%

Per Share Operation Performance for the six months ended June 30, 2012		
Net asset value at beginning of period	$13.81	
Income from investment operations:		
Investment income	0.01	
Net realized and unrealized loss on commodity futures contracts	(1.90	)
Total expenses	(0.09	)
Net decrease in net asset value	(1.98	)
Net asset value at end of period	$11.83	
Total Return	(14.34	)%
Ratios to Average Net Assets		
Total expense	1.52	%
Net investment loss	(1.45	)%

On July 29, 2011, the Sponsor filed a Form 8-K with the SEC which stated that effective August 1, 2011, the Sponsor has agreed to voluntarily cap the management fee and expenses of NAGS at 1.5% per annum of the daily net assets of the Fund. The cap may be terminated by the Sponsor at any time with 90 days' notice. This action by the Sponsor resulted in an approximate $36,300 reduction in expenses to the Fund for the six months ended June 30, 2013 and approximately, $8,000 reduction in expenses to the Fund for the six months ended June 30, 2012. In addition, the Sponsor can waive the management fee; this action resulted in an approximate $10,000 reduction in expenses for the Fund for the six month period ending June 30, 2012. Additional expenses of the Fund may be paid by the Sponsor in future periods.

Total returns are calculated based on the change in value during the period. An individual shareholder's total return and ratio may vary from the above total returns and ratios based on the timing of contributions to and withdrawals from the Fund.

The financial highlights per share data are calculated using the average of the daily shares outstanding for the reporting period, which is inclusive of the last day of the period under report. The asset-based per share data in the financial highlights are calculated using the prior day's net assets consistent with the methodology used to calculate asset-based fees and expenses.

Note 6 – Organizational and Offering Costs

Expenses incurred in organizing of the Trust and the initial offering of the Shares of the Fund, including applicable SEC registration fees were borne directly by the Sponsor. The Fund will not be obligated to reimburse the Sponsor.

Note 7 – Subsequent Events

The Trust evaluates subsequent events through the date when financial statements are filed with the SEC.

For the period July 1, 2013 through August 9, 2013, there was nothing to report.

TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF ASSETS AND LIABILITIES

	June 30, 2013 (Unaudited)	December 31, 2012
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 1,876,463	$ 1,845,910
Commodity futures contracts	61,292	44,872
Collateral, due from broker	16,023	137,328
Interest receivable	123	123
Other assets	14,832	26,866
Total assets	1,968,733	2,055,099
Liabilities		
Commodity futures contracts	6,720	58,090
Management fee payable to Sponsor	-	1,626
Other liabilities	1,870	1,636
Total liabilities	8,590	61,352
Net assets	$ 1,960,143	$ 1,993,747
Shares outstanding	50,002	50,002
Net asset value per share	$ 39.20	$ 39.87
Market value per share	$ 39.15	$ 38.53

The accompanying notes are an integral part of these financial statements.

TEUCRIUM WTI CRUDE OIL FUND

SCHEDULE OF INVESTMENTS

June 30, 2013

Description: Assets	Fair Value	**Percentage of** Net Assets		**Notional Amount** (Long Exposure)
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$1,876,463	95.73	%	
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (7 contracts, settlement date November 20, 2013)	$36,092	1.84	%	$660,660
WTI crude oil futures (7 contracts, settlement date May 20, 2014)	25,200	1.29		635,180
Total commodity futures contracts	$61,292	3.13	%	$1,295,840

Description: Liabilities	Fair Value	**Percentage of** Net Assets		**Notional Amount** (Long Exposure)
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (8 contracts, settlement date November 20, 2014)	$6,720	0.34	%	$705,760

The accompanying notes are an integral part of these financial statements.

TEUCRIUM WTI CRUDE OIL FUND

SCHEDULE OF INVESTMENTS

December 31, 2012

Description: Assets	Fair Value	Percentage of Net Assets		**Notional Amount** (Long Exposure)
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$1,845,910	92.58	%	
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (6 contracts, settlement date November 20, 2013)	$24,312	1.22	%	$560,220
WTI crude oil futures (8 contracts, settlement date November 20, 2014)	20,560	1.03		733,040
Total commodity futures contracts	$44,872	2.25	%	$1,293,260

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional Amount** (Long Exposure)
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (8 contracts, settlement date May 21, 2013)	$58,090	2.91	%	$747,920

The accompanying notes are an integral part of these financial statements.

TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2012	Six months ended June 30, 2012
Income				
Realized and unrealized (loss) gain on trading of commodity futures contracts:				
Realized (loss) gain on commodity futures contracts	$ (77,810)	$ 37,737	$ (87,130)	$ 43,347
Net change in unrealized appreciation or depreciation on commodity futures contracts	15,180	(511,027)	67,790	(286,507)
Interest income	238	690	502	1,345
Total loss	(62,392)	(472,600)	(18,838)	(241,815)
Expenses				
Management fees	-	6,810	-	16,672
Professional fees	6,893	13,309	12,373	15,493
Distribution and marketing fees	446	4,436	2,393	29,188
Custodian fees and expenses	-	32,211	-	64,421
Brokerage commissions	-	204	-	299
Other expenses	-	250	-	250
Total expenses	7,339	57,220	14,766	126,323
Net loss	$ (69,731)	$ (529,820)	$ (33,604)	$ (368,138)
Net loss per share	$ (1.40)	$ (7.86)	$ (0.67)	$ (5.88)
Net loss per weighted average share	$ (1.39)	$ (8.26)	$ (0.67)	$ (4.93)
Weighted average shares outstanding	50,002	64,132	50,002	74,727

The accompanying notes are an integral part of these financial statements.

TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Operations		
Net loss	$ (33,604)	$ (368,138)
Capital transactions		
Redemption of Shares	-	(2,148,469)
Net change in net assets	(33,604)	(2,516,607)
Net assets, beginning of period	1,993,747	4,445,013
Net assets, end of period	$ 1,960,143	$ 1,928,406
Net asset value per share at beginning of period	$ 39.87	$ 44.45
At end of period	$ 39.20	$ 38.57

The accompanying notes are an integral part of these financial statements.

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TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Cash flows from operating activities:		
Net loss	$ (33,604)	$ (368,138)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(67,790)	286,507
Changes in operating assets and liabilities:		
Collateral, due from broker	121,305	(280,907)
Interest receivable	-	171
Other assets	12,034	14,121
Management fee payable to Sponsor	(1,626)	(3,123)
Other liabilities	234	17,044
Net cash provided by (used in) operating activities	30,553	(334,325)
Cash flows from financing activities:		
Redemption of Shares	-	(2,148,469)
Net change in cash and cash equivalents	30,553	(2,482,794)
Cash and cash equivalents, beginning of period	1,845,910	4,139,910
Cash and cash equivalents, end of period	$ 1,876,463	$ 1,657,116

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(Unaudited)

Note 1 – Organization and Operation

Teucrium WTI Crude Oil Fund (referred to herein as "CRUD" or the "Fund") is a commodity pool that is a series of Teucrium Commodity Trust ("Trust"), a Delaware statutory trust formed on September 11, 2009. The Fund issues common units, called the "Shares," representing fractional undivided beneficial interests in the Fund. The Fund continuously offers Creation Baskets consisting of 25,000 Shares at their Net Asset Value ("NAV") to "Authorized Purchasers" through Foreside Fund Services, LLC, which is the distributor for the Fund (the "Distributor"). Authorized Purchasers sell such Shares, which are listed on the New York Stock Exchange ("NYSE") Arca under the symbol "CRUD," to the public at per-Share offering prices that reflect, among other factors, the trading price of the Shares on the NYSE Arca, the NAV of the Fund at the time the Authorized Purchaser purchased the Creation Baskets and the NAV at the time of the offer of the Shares to the public, the supply of and demand for Shares at the time of sale, and the liquidity of the markets for crude oil interests. The Fund's Shares trade in the secondary market on the NYSE Arca at prices that are lower or higher than their NAV per Share.

The investment objective of the Fund is to have the daily changes in percentage terms of the Shares' Net Asset Value ("NAV") reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for futures contracts for WTI crude oil, also known as Texas Light Sweet Crude Oil ("Oil Futures Contracts") traded on the NYMEX, specifically (1) the nearest to spot September or December Oil Futures Contract, weighted 35%; (2) the September or December Oil Futures Contract following the aforementioned (1), weighted 30%; and (3) the next December Oil Future Contract that immediately follows the aforementioned (2), weighted 35%. (This weighted average of the three referenced WTI Crude Oil Futures Contracts is referred to herein as the "CRUD Benchmark," and the three WTI Crude Oil Futures Contracts that at any given time make up the Benchmark are referred to herein as the "CRUD Benchmark Component Futures Contracts.")

The Fund commenced investment operations on February 23, 2011 and has a fiscal year ending December 31. The Fund's sponsor is Teucrium Trading, LLC (the "Sponsor"). The Sponsor is responsible for the management of the Fund. The Sponsor is a member of the National Futures Association (the "NFA") and became a commodity pool operator registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009.

On October 22, 2010, the Fund's initial registration of 15,000,000 shares on Form S-1 was declared effective by the SEC. On February 23, 2011, the Fund listed its shares on the NYSE Arca under the ticker symbol "CRUD." On the day prior to that, the Fund issued 100,000 shares in exchange for $5,000,000 at the Fund's initial NAV of $50 per share. The Fund also commenced investment operations on February 23, 2011 by purchasing commodity futures contracts traded on the NYMEX. On December 31, 2010, the Fund had two shares outstanding, which were owned by the

Sponsor.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the U.S. Securities and Exchange Commission (the "SEC") and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America ("GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as detailed in the Financial Accounting Standards Board's Accounting Standards Codification.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

Revenue Recognition

Commodity futures contracts are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on commodity futures contracts are reflected in the statements of operations as the difference between the original contract amount and the fair market value as of the last business day of the year or as of the last date of the financial statements. Changes in the appreciation or depreciation between periods are reflected in the statements of operations. Interest on cash equivalents and deposits with the Futures Commission Merchant are recognized on the accrual basis. The Fund earns interest on its assets denominated in U.S. dollars on deposit with the Futures Commission Merchant. In addition, the Fund earns interest on funds held at the custodian at prevailing market rates for such investments.

Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

For tax purposes, the Fund will be treated as a partnership. The Fund does not record a provision for income taxes because the partners report their share of the Fund's income or loss on their income tax returns. The financial statements reflect the Fund's transactions without adjustment, if any, required for income tax purposes.

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. The Fund is subject to income tax examinations by major taxing authorities for all tax years since inception. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Fund recording a tax liability that reduces net assets. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of June 30, 2013 and December 31, 2012. However, the Fund's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations, and interpretations thereof.

The Fund recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the periods ended June 30, 2013 and 2012.

The Fund may be subject to potential examination by U.S. federal, U.S. state or foreign jurisdictional authorities in the area of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with U.S. federal, U.S. state and foreign tax laws. The Fund's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Creations and Redemptions

Authorized Purchasers may purchase Creation Baskets consisting of 25,000 shares from the Fund. The amount of the proceeds required to purchase a Creation Basket will be equal to the NAV of the shares in the Creation Basket determined as of 4:00 p.m. New York time on the day the order to create the basket is properly received.

Authorized Purchasers may redeem shares from the Fund only in blocks of 25,000 shares called “Redemption Baskets.” The amount of the redemption proceeds for a Redemption Basket will be equal to the NAV of the shares in the Redemption Basket determined as of 4:00 p.m. New York time on the day the order to redeem the basket is properly received.

The Fund receives or pays the proceeds from shares sold or redeemed within three business days after the trade date of the purchase or redemption. The amounts due from Authorized Purchasers are reflected in the Fund’s statements of assets and liabilities as receivable for shares sold. Amounts payable to Authorized Purchasers upon redemption are reflected in the Fund’s statements of assets and liabilities as payable for shares redeemed.

As outlined in the most recent Form S-1 filing, 50,000 shares represents two Redemption Baskets for the Fund and a minimum level of shares. Effective May 18, 2012, the Fund had a minimum number of shares and this situation continued through June 30, 2013. No redemptions can be made until additional shares are created.

Allocation of Shareholder Income and Losses

Profit or loss is allocated among the shareholders of the Fund in proportion to the number of shares each shareholder holds as of the close of each month.

Cash Equivalents

Cash equivalents are highly-liquid investments with original maturity dates of three months or less at inception. The Fund reported its cash equivalents in the statements of assets and liabilities at market value, or at carrying amounts that approximate fair value, because of their highly-liquid nature and short-term maturities. The Fund has a substantial portion of its assets on deposit with banks. Assets deposited with the bank may, at times, exceed federally insured limits. The Fund had a balance of $1,876,463 and $1,845,910 in money market funds at June 30, 2013 and December 31, 2012, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities.

Collateral, Due from/to Broker

Margin is the minimum amount of funds that must be deposited by a commodity interest trader with the trader's broker to initiate and maintain an open position in futures contracts. A margin deposit acts to assure the trader's performance of the futures contracts purchased or sold. Futures contracts are customarily bought and sold on initial margin that represents a very small percentage of the aggregate purchase or sales price of the contract. Because of such low margin requirements, price fluctuations occurring in the futures markets may create profits and losses that, in relation to the amount invested, are greater than are customary in other forms of investment or speculation. As discussed below, adverse price

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changes in the futures contract may result in margin requirements that greatly exceed the initial margin. In addition, the amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which the contract is traded and may be modified from time to time by the exchange during the term of the contract. Brokerage firms, such as the Fund's clearing brokers, carrying accounts for traders in commodity interest contracts generally require higher amounts of margin as a matter of policy to further protect themselves. Over-the-counter trading generally involves the extension of credit between counterparties, so the counterparties may agree to require the posting of collateral by one or both parties to address credit exposure.

When a trader purchases an option, there is no margin requirement; however, the option premium must be paid in full. When a trader sells an option, on the other hand, he or she is required to deposit margin in an amount determined by the margin requirements established for the underlying interest and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the selling of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Complicated margin requirements apply to spreads and conversions, which are complex trading strategies in which a trader acquires a mixture of options positions and positions in the underlying interest.

Ongoing or "maintenance" margin requirements are computed each day by a trader's clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader's position. With respect to the Fund's trading, the Fund (and not its shareholders personally) is subject to margin calls.

Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Calculation of Net Asset Value

The Fund's NAV is calculated by:

- Taking the current market value of its total assets and

- Subtracting any liabilities.

The administrator, the Bank of New York Mellon, calculates the NAV of the Fund once each trading day. It calculates the NAV as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The NAV for a particular trading day is released after 4:15 p.m. New York time.

In determining the value of WTI Crude Oil Futures Contracts, the administrator uses the NYMEX closing price (typically 2:30 p.m. New York time). The administrator determines the value of all other Fund investments as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The value of over-the-counter crude oil interests is determined based on the value of the commodity or futures contract underlying such crude oil interest, except that a fair value may be determined if the Sponsor believes that the Fund is subject to significant credit risk relating to the counterparty to such crude oil interest. For purposes of financial statements and reports, the Sponsor will recalculate the NAV where necessary to reflect the "fair value" of a Futures Contract when the Futures Contract closes at its price fluctuation limit for the day. Treasury securities held by the Fund are valued by the administrator using values received from recognized third-party vendors and dealer quotes. NAV includes any unrealized profit or loss on open crude oil interests and any other income or expense accruing to the Fund but unpaid or not received by the Fund.

Market value per share represents the closing price on the last trading day of the quarter as reported by the NYSE Arca. If such a closing price is not available, the bid/ask midpoint at 4 p.m. as reported by the NYSE Arca was used.

Sponsor Fee and Allocation of Expenses

The Sponsor is responsible for investing the assets of the Fund in accordance with the objectives and policies of the Fund. In addition, the Sponsor arranges for one or more third parties to provide administrative, custodial, accounting, transfer agency and other necessary services to the Fund. For these services, the Fund is contractually obligated to pay a monthly management fee to the Sponsor, based on average daily net assets, at a rate equal to 1.00% per annum. The Sponsor elected to waive the management fee for the three and six months ended June 30, 2013; this action by the Sponsor resulted in an approximate $5,000 and $10,000 reduction in fees for these periods, respectively.

The Fund pays for all brokerage fees, taxes and other expenses, including licensing fees for the use of intellectual property, registration or other fees paid to the SEC, the Financial Industry Regulatory Authority ("FINRA"), formerly the National Association of Securities Dealers, or any other regulatory agency in connection with the offer and sale of subsequent Shares after its initial registration and all legal, accounting, printing and other expenses associated therewith. The Fund also pays its portion of the fees and expenses associated with the Trust's tax accounting and reporting requirements. Certain aggregate expenses common to all Funds managed by the Sponsor are allocated to each Fund based on activity drivers deemed most appropriate by the Sponsor for such expenses. All asset-based fees and expenses are calculated on the prior day's net assets. The Sponsor may, at its discretion, pay certain expenses on behalf of the Fund. For the three and six months ended June 30, 2013, approximately $11,000 and $28,000 of expenses which were paid by the Sponsor that normally would have been paid by the Fund. For these same periods in 2012, the amounts were $0 and $14,500, respectively. Additional expenses of the Fund may be paid by the Sponsor in future periods.

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Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value - Definition and Hierarchy

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund uses various valuation approaches. In accordance with U.S. GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund’s assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment.

Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy, within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Fund uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy. When such a situation exists on a quarter close, the Sponsor will calculate the NAV on a particular day using the Level 1 valuation, but will later recalculate the NAV for the impacted Fund based upon the valuation inputs from these alternative verifiable sources (Level 2 or Level 3) and will report such NAV in its applicable financial statements and reports.

On June 30, 2013 and December 31, 2012, in the opinion of the Trust and the Fund, the reported value of the WTI Crude Oil Futures Contracts traded on the NYMEX fairly reflected the value of the WTI Crude Oil Futures Contracts held by the Fund, and no adjustments were necessary.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT or the NYMEX, or reported on another national market, are generally categorized in Level 1 of the fair value hierarchy. OTC derivatives contracts (such as forward and swap contracts) which may be valued using models, depending on whether significant inputs are observable or unobservable, are categorized in Levels 2 or 3 of the fair value hierarchy.

Net Income (Loss) per Share

Net income (loss) per share is the difference between the NAV per unit at the beginning of each period and at the end of each period. The weighted average number of units outstanding was computed for purposes of disclosing net income (loss) per weighted average unit. The weighted average units are equal to the number of units outstanding at the end of the period, adjusted proportionately for units created or redeemed based on the amount of time the units were outstanding during such period.

New Accounting Pronouncements

The FASB issued ASU No. 2013-08, "Financial Services-Investment Companies (Topic 946)-Amendments to the Scope, Measurement, and Disclosure Requirements". ASU No. 2013-08 affects the scope, measurement, and disclosure requirements for investment companies under U.S. GAAP. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. We anticipate the adoption will not have a significant impact on the financial statements disclosures for the Trust or the Fund.

In December 2011, the FASB issued ASU No. 2011-11, "Balance Sheet (Topic 210): Amendments of the FASB Accounting Standards Codification and Disclosures about Offsetting Assets and Liabilities in U.S. GAAP and IFRS." ASU No. 2011-11 clarifies existing requirements for balance sheet offsetting and for disclosures about the offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position in converged guidance of the FASB and the International Accounting Standards Board. The amendments are to be applied retrospectively for all comparative periods presented. For public entities, the amendments are effective for annual reporting periods beginning on or after January 1, 2013. The adoption did not have a significant impact on the financial statement disclosures for the Fund.

Note 3 – Fair Value Measurements

The Fund's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Fund's significant accounting policies in Note 2. The following table presents information about the Fund's assets and liabilities measured at fair value as of June 30, 2013 and December 31, 2012:

June 30, 2013

Assets:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Cash equivalents	$1,876,463	$ -	$ -	$1,876,463
Commodity futures contracts	61,292	-	-	61,292
Total	$1,937,755	$ -	$ -	$1,937,755

Liabilities:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Commodity futures contracts	$6,720	$ -	$ -	$6,720

December 31, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Cash equivalents	$1,845,910	$ -	$ -	$ 1,845,910
Commodity futures contracts	44,872	-	-	44,872
Total	$1,890,782	$ -	$ -	$ 1,890,782

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Commodity futures contracts	$58,090	$ -	$ -	$ 58,090

During the three and six months ended June 30, 2013 and 2012, the Fund did not have any significant transfers between any of the levels of the fair value hierarchy.

Note 4 – Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three and six months ended June 30, 2013 and 2012, the Fund invested only in commodity futures contracts.

Futures Contracts

The Fund is subject to commodity price risk in the normal course of pursuing its investment objectives. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealized gains or losses by the Fund. Futures contracts may reduce the Fund's exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

The following table discloses information about offsetting assets and liabilities presented in the statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk as of June 30, 2013 and December 31, 2012.

Offsetting of Financial Assets and Derivative Assets as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price						
WTI crude oil futures contracts	$ 61,292	$ -	$ 61,292	$ 6,720	$ -	$ 54,572

Offsetting of Financial Liabilities and Derivative Liabilities as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price WTI crude oil futures contracts	$ 6,720	$ -	$ 6,720	$ 6,720	$ -	$ -

Offsetting of Financial Assets and Derivative Assets as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price WTI crude oil futures contracts	$ 44,872	$ -	$ 44,872	$ 44,872	$ -	$ -

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price WTI crude oil futures contracts	$ 58,090	$ -	$ 58,090	$ 44,872	$ 13,218	$ -

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The following tables identify the net gain and loss amounts included in the statements of operations as realized and unrealized gains and losses on trading of commodity futures contracts categorized by primary underlying risk:

Three months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (77,810)	$ 15,180

Three months ended June 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 37,737	$ (511,027)

Six months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (87,130)	$ 67,790

Six months ended June 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 43,347	$ (286,507)

Volume of Derivative Activities

The notional amounts and number of contracts categorized by primary underlying risk, commodity price risk, are included in the schedule of investments as of June 30, 2013 and December 31, 2012.

Note 5 – Financial Highlights

The following table presents per unit performance data and other, supplemental financial data for the six months ended June 30, 2013 and 2012. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for the six months ended June 30, 2013			
Net asset value at beginning of period	$	39.87	
Income from investment operations:			
Investment income		0.01	
Net realized and unrealized loss on commodity futures contracts		(0.38	)
Total expenses		(0.30	)
Net decrease in net asset value		(0.67	)
Net asset value at end of period	$	39.20	
Total Return		(1.68	)%
Ratios to Average Net Assets (Annualized)			
Total expense		1.50	%
Net investment loss		(1.45	)%

Per Share Operation Performance for the six months ended June 30, 2012			
Net asset value at beginning of period	$	44.45	
Income from investment operations:			
Investment income		0.02	
Net realized and unrealized loss on commodity futures contracts		(4.21	)
Total expenses		(1.69	)
Net decrease in net asset value		(5.88	)
Net asset value at end of period	$	38.57	
Total Return		(13.23	)%
Ratios to Average Net Assets (Annualized)			
Total expense		7.59	%
Net investment loss		(7.51	)%

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The Sponsor has the ability to elect to pay certain expenses on behalf of the Fund or waive the management fee. This election is subject to change by the Sponsor, at its discretion. For the six months ended June 30, 2013, this resulted in the waiving of Fund expenses of approximately $28,000. For the six months ended June 30, 2012, this resulted in the waiving of Fund expenses of $14,500. In addition, for the six months ended June 30, 2013, the Sponsor waived approximately $10,000 in management fees. Additional expenses of the Fund may be paid by the Sponsor in future periods.

Total returns are calculated based on the change in value during the period. An individual shareholder's total return and ratios may vary from the above total returns and ratios based on the timing of contributions to and withdrawals from the Fund. The ratios, excluding non-recurring expenses, have been annualized.

The financial highlights per share data are calculated using the average of the daily shares outstanding for the reporting period, which is inclusive of the last day of the period under report. The asset-based per share data in the financial highlights are calculated using the prior day's net assets consistent with the methodology used to calculate asset-based fees and expenses.

Note 6 – Organizational and Offering Costs

Expenses incurred in organizing of the Trust and the initial offering of the Shares of the Fund, including applicable SEC registration fees, were borne directly by the Sponsor. The Fund will not be obligated to reimburse the Sponsor.

Note 7 – Subsequent Events

The Trust evaluates subsequent events through the date when financial statements are filed with the SEC.

For the period July 1, 2013 through August 9, 2013, there was nothing to report.

TEUCRIUM SOYBEAN FUND

STATEMENTS OF ASSETS AND LIABILITIES

	June 30, 2013 (Unaudited)	December 31, 2012
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 6,130,910	$ 6,169,205
Commodity futures contracts	35,175	63,200
Collateral, due from broker	443,900	670,563
Interest receivable	390	425
Other assets	24,896	26,315
Total assets	6,635,271	6,929,708
Liabilities		
Commodity futures contracts	102,987	284,575
Management fee payable to Sponsor	5,274	5,741
Other liabilities	4,293	3,217
Total liabilities	112,554	293,533
Net assets	$ 6,522,717	$ 6,636,175
Shares outstanding	275,004	275,004
Net asset value per share	$ 23.72	$ 24.13
Market value per share	$ 23.55	$ 24.07

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SOYBEAN FUND

SCHEDULE OF INVESTMENTS

June 30, 2013

(Unaudited)

Description: Assets	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$6,130,910	93.99	%	
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (31 contracts, settlement date January 14, 2014)	$35,175	0.54	%	$1,947,963

Description: Liabilities	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (37 contracts, settlement date November 14, 2013)	$69,537	1.07	%	$2,316,200
CBOT Soybean futures (37 contracts, settlement date November 14, 2014)	33,450	0.51		2,270,413
Total commodity futures contracts	$102,987	1.58	%	$4,586,613

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SOYBEAN FUND

SCHEDULE OF INVESTMENTS

December 31, 2012

Description: Assets	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$ 6,169,205	92.96	%	
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (28 contracts, settlement date May 14, 2013)	$ 40,775	$ 0.61	%	$ 1,958,950
CBOT soybean futures (36 contracts, settlement date November 14, 2013)	22,425	0.34		2,344,950
Total commodity futures contracts	$ 63,200	$ 0.95	%	$ 4,303,900

Description: Liabilities	**Fair Value**	**Percentage of Net Assets**	**Notional Amount (Long Exposure)**
Commodity futures contracts			
United States soybean futures contracts			
CBOT soybean futures (33 contracts, settlement date March 14, 2013)	$ 284,575	$ 4.29%	$ 2,325,675

The accompanying notes are an integral part of these financial statements.

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TEUCRIUM SOYBEAN FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
Income				
Realized and unrealized gain (loss) on trading of commodity futures contracts:				
Realized gain (loss) on commodity futures contracts	$ 42,650	$ 67,640	$ (174,925)	$ 77,981
Net change in unrealized appreciation or depreciation on commodity futures contracts	13,513	(24,765)	153,563	302,707
Interest income	739	1,032	1,661	1,432
Total income (loss)	56,902	43,907	(19,701)	382,120
Expenses				
Management fees	15,562	11,728	32,795	17,778
Professional fees	16,380	55,151	32,580	55,151
Distribution and marketing fees	31,941	37,133	77,841	61,885
Custodian fees and expenses	1,502	32,211	2,987	64,421
Business permits and licenses fees	2,821	1,824	5,611	1,824
General and administrative expenses	4,277	9,282	8,507	9,282
Brokerage commissions	1,911	653	3,801	996
Other expenses	1,911	2,151	4,306	2,151
Total expenses	76,305	150,133	168,428	213,488
Net (loss) income	$ (19,403)	$ (106,226)	$ (188,129)	$ 168,632
Net income (loss) per share	$ 0.07	$ 0.34	$ (0.41)	$ 2.54
Net (loss) income per weighted average share	$ (0.07)	$ (0.54)	$ (0.68)	$ 1.10
Weighted average shares outstanding	262,367	198,374	275,418	152,614

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SOYBEAN FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Operations		
Net (loss) income	$ (188,129)	$ 168,632
Capital transactions		
Issuance of Shares	1,859,169	4,154,488
Redemption of Shares	(1,784,498)	(4,069,742)
Total capital transactions	74,671	84,746
Net change in net assets	(113,458)	253,378
Net assets, beginning of period	6,636,175	2,186,430
Net assets, end of period	$ 6,522,717	$ 2,439,808
Net asset value per share at beginning of period	$ 24.13	$ 21.86
At end of period	$ 23.72	$ 24.40

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SOYBEAN FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Cash flows from operating activities:		
Net (loss) income	$ (188,129)	$ 168,632
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(153,563)	(302,707)
Changes in operating assets and liabilities:		
Collateral, due from broker	226,663	251,582
Interest receivable	35	(21)
Other assets	1,419	(35,785)
Management fee payable to Sponsor	(467)	1,184
Other liabilities	1,076	17,405
Net cash (used in) provided by operating activities	(112,966)	100,290
Cash flows from financing activities:		
Proceeds from sale of Shares	1,859,169	4,154,488
Redemption of Shares	(1,784,498)	(4,069,742)
Net cash provided by financing activities	74,671	84,746
Net change in cash and cash equivalents	(38,295)	185,036
Cash and cash equivalents, beginning of period	6,169,205	2,055,369
Cash and cash equivalents, end of period	$ 6,130,910	$ 2,240,405

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(Unaudited)

Note 1 – Organization and Operation

Teucrium Soybean Fund (referred to herein as "SOYB" or the "Fund") is a commodity pool that is a series of Teucrium Commodity Trust ("Trust"), a Delaware statutory trust formed on September 11, 2009. The Fund issues common units, called the "Shares," representing fractional undivided beneficial interests in the Fund. The Fund continuously offers Creation Baskets consisting of 25,000 Shares at their Net Asset Value ("NAV") to "Authorized Purchasers" through Foreside Fund Services, LLC, which is the distributor for the Fund (the "Distributor"). Authorized Purchasers sell such Shares, which are listed on the New York Stock Exchange ("NYSE") Arca under the symbol "SOYB," to the public at per-Share offering prices that reflect, among other factors, the trading price of the Shares on the NYSE Arca, the NAV of the Fund at the time the Authorized Purchaser purchased the Creation Baskets and the NAV at the time of the offer of the Shares to the public, the supply of and demand for Shares at the time of sale, and the liquidity of the markets for soybean interests. The Fund's Shares trade in the secondary market on the NYSE Arca at prices that are lower or higher than their NAV per Share.

The investment objective of the Fund is to have the daily changes in percentage terms of the Shares' Net Asset Value ("NAV") reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for three futures contracts for soybeans ("Soybean Futures Contracts") that are traded on the Chicago Board of Trade ("CBOT"). Except as described in the following paragraph, the three Soybean Futures Contracts will be: (1) second-to-expire CBOT Soybean Futures Contract, weighted 35%, (2) the third-to-expire CBOT Soybean Futures Contract, weighted 30%, and (3) the CBOT Soybean Futures Contract expiring in the November following the expiration month of the third-to-expire contract, weighted 35%.

The Fund commenced investment operations on September 19, 2011 and has a fiscal year ending December 31. The Fund's sponsor is Teucrium Trading, LLC (the "Sponsor"). The Sponsor is responsible for the management of the Fund. The Sponsor is a member of the National Futures Association (the "NFA") and became a commodity pool operator registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009.

On June 17, 2011, the Fund's registration of 10,000,000 shares on Form S-1 was declared effective by the SEC. On September 19, 2011, the Fund listed its shares on the NYSE Arca under the ticker symbol "SOYB." On the business day prior to that, the Fund issued 100,000 shares in exchange for $2,500,000 at the Fund's initial NAV of $25 per share. The Fund also commenced investment operations on September 19, 2011 by purchasing soybean commodity futures contracts traded on the CBOT. On December 31, 2010, the Fund had four shares outstanding, which were owned by the Sponsor.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the U.S. Securities and Exchange Commission (the "SEC") and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America ("GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as detailed in the Financial Accounting Standards Board's Accounting Standards Codification.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

Revenue Recognition

Commodity futures contracts are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on commodity futures contracts are reflected in the statements of operations as the difference between the original contract amount and the fair market value as of the last business day of the year or as of the last date of the financial statements. Changes in the appreciation or depreciation between periods are reflected in the statements of operations. Interest on cash equivalents and deposits with the Futures Commission Merchant are recognized on the accrual basis. The Fund earns interest on its assets denominated in U.S. dollars on deposit with the Futures Commission Merchant. In addition, the Fund earns interest on funds held at the custodian at prevailing market rates for such investments.

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Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

For tax purposes, the Fund will be treated as a partnership. The Fund does not record a provision for income taxes because the partners report their share of the Fund's income or loss on their income tax returns. The financial statements reflect the Fund's transactions without adjustment, if any, required for income tax purposes.

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. The Fund is subject to income tax examinations by major taxing authorities for all tax years since inception. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Fund recording a tax liability that reduces net assets. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of June 30, 2013 and December 31, 2012. However, the Fund's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations, and interpretations thereof.

The Fund recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the periods ended June 30, 2013 and 2012.

The Fund may be subject to potential examination by U.S. federal, U.S. state, or foreign jurisdictional authorities in the area of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with U.S. federal, U.S. state and foreign tax laws. The Fund's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Creations and Redemptions

Authorized Purchasers may purchase Creation Baskets consisting of 25,000 shares from the Fund. The amount of the proceeds required to purchase a Creation Basket will be equal to the NAV of the shares in the Creation Basket determined as of 4:00 p.m. New York time on the day the order to create the basket is properly received.

Authorized Purchasers may redeem shares from the Fund only in blocks of 25,000 shares called “Redemption Baskets.” The amount of the redemption proceeds for a Redemption Basket will be equal to the NAV of the shares in the Redemption Basket determined as of 4:00 p.m. New York time on the day the order to redeem the basket is properly received.

The size of a Creation Basket and a Redemption basket was changed effective March 5, 2012 from 50,000 to 25,000 shares.

The Fund receives or pays the proceeds from shares sold or redeemed within three business days after the trade date of the purchase or redemption. The amounts due from Authorized Purchasers are reflected in the Fund’s statements of assets and liabilities as receivable for shares sold. Amounts payable to Authorized Purchasers upon redemption are reflected in the Fund’s statements of assets and liabilities as payable for shares redeemed.

As outlined in the most recent Form S-1 filing, 50,000 shares represents two Redemption Baskets for the Fund and a minimum level of shares.

Allocation of Shareholder Income and Losses

Profit or loss is allocated among the shareholders of the Fund in proportion to the number of shares each shareholder holds as of the close of each month.

Cash Equivalents

Cash equivalents are highly-liquid investments with original maturity dates of three months or less at inception. The Fund reported its cash equivalents in the statements of assets and liabilities at market value, or at carrying amounts that approximate fair value, because of their highly-liquid nature and short-term maturities. The Fund has a substantial portion of its assets on deposit with banks. Assets deposited with the bank may, at times, exceed federally insured limits. The Fund had a balance of $6,130,910 and $6,169,205 in money market funds at June 30, 2013 and December 31, 2012, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities.

Collateral, Due from/to Broker

Margin is the minimum amount of funds that must be deposited by a commodity interest trader with the trader's broker to initiate and maintain an open position in futures contracts. A margin deposit acts to assure the trader's performance of the futures contracts purchased or sold. Futures contracts are customarily bought and sold on initial margin that represents a very small percentage of the aggregate purchase or sales price of the contract. Because of such low margin requirements, price fluctuations occurring in the futures markets may create profits and losses that, in

relation to the amount invested, are greater than are customary in other forms of investment or speculation. As discussed below, adverse price changes in the futures contract may result in margin requirements that greatly exceed the initial margin. In addition, the amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which the contract is traded and may be modified from time to time by the exchange during the term of the contract. Brokerage firms, such as the Fund's clearing brokers, carrying accounts for traders in commodity interest contracts generally require higher amounts of margin as a matter of policy to further protect themselves. Over-the-counter trading generally involves the extension of credit between counterparties, so the counterparties may agree to require the posting of collateral by one or both parties to address credit exposure.

When a trader purchases an option, there is no margin requirement; however, the option premium must be paid in full. When a trader sells an option, on the other hand, he or she is required to deposit margin in an amount determined by the margin requirements established for the underlying interest and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the selling of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Complicated margin requirements apply to spreads and conversions, which are complex trading strategies in which a trader acquires a mixture of options positions and positions in the underlying interest.

Ongoing or "maintenance" margin requirements are computed each day by a trader's clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader's position. With respect to the Fund's trading, the Fund (and not its shareholders personally) is subject to margin calls.

Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Calculation of Net Asset Value

The Fund's NAV is calculated by:

- Taking the current market value of its total assets and

- Subtracting any liabilities.

The administrator, the Bank of New York Mellon, calculates the NAV of the Fund once each trading day. It calculates the NAV as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The NAV for a particular trading day is released after 4:15 p.m. New York time.

In determining the value of Soybean Futures Contracts, the administrator uses the CBOT closing price. The administrator determines the value of all other Fund investments as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The value of over-the-counter soybean interests is determined based on the value of the commodity or futures contract underlying such soybean interest, except that a fair value may be determined if the Sponsor believes that the Fund is subject to significant credit risk relating to the counterparty to such soybean interest. For purposes of financial statements and reports, the Sponsor will recalculate the NAV where necessary to reflect the “fair value” of a Futures Contract when the Futures Contract closes at its price fluctuation limit for the day. Treasury securities held by the Fund are valued by the administrator using values received from recognized third-party vendors and dealer quotes. NAV includes any unrealized profit or loss on open soybean interests and any other income or expense accruing to the Fund but unpaid or not received by the Fund.

Market value per share represents the closing price on the last trading day of the quarter as reported by the NYSE Arca. If such a closing price is not available, the bid/ask midpoint at 4 p.m. as reported by the NYSE Arca was used.

Sponsor Fee and Allocation of Expenses

The Sponsor is responsible for investing the assets of the Fund in accordance with the objectives and policies of the Fund. In addition, the Sponsor arranges for one or more third parties to provide administrative, custodial, accounting, transfer agency and other necessary services to the Fund. For these services, the Fund is contractually obligated to pay a monthly management fee to the Sponsor, based on average daily net assets, at a rate equal to 1.00% per annum. For the three and six months ended June 30, 2013, the Fund recorded $15,562 and $32,795 in management fees to the Sponsor, respectively. For the three and six months ended June 30, 2012, the Fund recorded $11,728 and $17,778, respectively, in management fees to the Sponsor.

The Fund pays for all brokerage fees, taxes and other expenses, including licensing fees for the use of intellectual property, registration or other fees paid to the SEC, the Financial Industry Regulatory Authority (“FINRA”), formerly the National Association of Securities Dealers, or any other regulatory agency in connection with the offer and sale of subsequent Shares after its initial registration and all legal, accounting, printing and other expenses associated therewith. The Fund also pays the fees and expenses associated with the Fund’s tax accounting and reporting requirements. The Sponsor can elect to waive certain fees or expenses that would generally be paid for by the Fund. For the three and six months ended June 30, 2013, approximately $5,700 of expenses were paid by the Sponsor. For the six months ended June 30, 2012, approximately $4,200 of expenses were waived. As of December 31, 2012, there were approximately $560,000 of expenses recorded on the financial statements of the Sponsor which are subject to reimbursement by the Funds in 2013. Through the six months ended June 30, 2013, the Sponsor sought approximately $184,000 in reimbursement from CORN, SOYB and WEAT for these expenses. These Funds have not recorded the remaining $376,000 of expenses subject to reimbursement to the Sponsor as payment is not probable at June 30, 2013. The Sponsor has increased the expense accruals per day for the Fund by $500 effective July 1, 2013.

Certain aggregate expenses common to all Funds managed by the Sponsor are allocated to each Fund based on activity drivers deemed most appropriate by the Sponsor for such expenses. All asset-based fees and expenses are calculated on the prior day's net assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value - Definition and Hierarchy

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund uses various valuation approaches. In accordance with U.S. GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy, within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Fund uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy. When such a situation exists on a quarter close, the Sponsor will calculate the NAV on a particular day using the Level 1 valuation, but will later recalculate the NAV for the impacted Fund based upon the valuation inputs from these alternative verifiable sources (Level 2 or Level 3) and will report such NAV in its applicable financial statements and reports.

On June 30, 2013 and December 31, 2012, in the opinion of the Trust and the Fund, the reported value of the Soybean Futures Contracts traded on the CBOT fairly reflected the value of the Soybean Futures Contracts held by the Fund, and no adjustments were necessary.

The Soybean Futures Contracts traded on the CBOT due to settle on November 14, 2014 (the "NOV14 Soybean Contracts") did not, in the opinion of the Trust and SOYB, trade in an actively traded futures market as defined in the policy of the Trust and SOYB for the entire period during which they were held. Accordingly, the Trust and SOYB classified these as a Level 2 liability for the period ended March 31, 2013. The NOV14 Soybean Contracts were, in the opinion of the Trust and SOYB, fairly valued at settlement on March 31, 2013.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the Chicago Board of Trade ("CBOT") or the New York Mercantile

Exchange (“NYMEX”), or reported on another national market, are generally categorized in Level 1 of the fair value hierarchy. OTC derivatives contracts (such as forward and swap contracts) which

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may be valued using models, depending on whether significant inputs are observable or unobservable, are categorized in Levels 2 or 3 of the fair value hierarchy.

Net Income (Loss) per Share

Net income (loss) per share is the difference between the NAV per unit at the beginning of each period and at the end of each period. The weighted average number of units outstanding was computed for purposes of disclosing net income (loss) per weighted average unit. The weighted average units are equal to the number of units outstanding at the end of the period, adjusted proportionately for units created or redeemed based on the amount of time the units were outstanding during such period.

New Accounting Pronouncements

The FASB issued ASU No. 2013-08, "Financial Services-Investment Companies (Topic 946)-Amendments to the Scope, Measurement, and Disclosure Requirements". ASU No. 2013-08 affects the scope, measurement, and disclosure requirements for investment companies under U.S. GAAP. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. We anticipate the adoption will not have a significant impact on the financial statements disclosures for the Trust or the Fund.

In December 2011, the FASB issued ASU No. 2011-11, "Balance Sheet (Topic 210): Amendments of the FASB Accounting Standards Codification and Disclosures about Offsetting Assets and Liabilities in U.S. GAAP and IFRS." ASU No. 2011-11 clarifies existing requirements for balance sheet offsetting and for disclosures about the offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position in converged guidance of the FASB and the International Accounting Standards Board. The amendments are to be applied retrospectively for all comparative periods presented. For public entities, the amendments are effective for annual reporting periods beginning on or after January 1, 2013. The adoption did not have a significant impact on the financial statement disclosures for the Fund.

Note 3 – Fair Value Measurements

The Fund's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Fund's significant accounting policies in Note 2. The following table presents information about the Fund's assets and liabilities measured at fair value as of June 30, 2013 and December 31, 2012:

June 30, 2013

Assets:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Cash equivalents	$6,130,910	$ -	$ -	$6,130,910
Commodity futures contracts	35,175	-	-	35,175
Total	$6,166,085	$ -	$ -	$6,166,085

Liabilities:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Commodity futures contracts	$102,987	$ -	$ -	$102,987

December 31, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Cash equivalents	$6,169,205	$ -	$ -	$ 6,169,205
Commodity futures contracts	63,200	-	-	63,200
Total	$6,232,405	$ -	$ -	$ 6,232,405

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Commodity futures contracts	$284,575	$ -	$ -	$ 284,575

Transfers into and out of each level of the fair value hierarchy for the NOV14 Soybean Contracts for the six months ended June 30, 2013 were as follows:

	Transfers into Level 1	Transfers out of Level 1	Transfers into Level 2	Transfers out of Level 2	Transfers into Level 3	Transfers out of Level 3
Liabilities (at fair value)						
Derivative contracts						
Soybean future contracts	$ 6,850	$ 6,850	$ 6,850	$ 6,850	$ -	$ -

During the six months ended June 30, 2012, the Fund did not have any significant transfers between any of the levels of the fair value hierarchy.

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Note 4 - Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three and six months ended June 30, 2013 and 2012, the Fund invested only in commodity futures contracts.

Futures Contracts

The Fund is subject to commodity price risk in the normal course of pursuing its investment objectives. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealized gains or losses by the Fund. Futures contracts may reduce the Fund's exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

The following table discloses information about offsetting assets and liabilities presented in the statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk as of June 30, 2013 and December 31, 2012.

Offsetting of Financial Assets and Derivative Assets as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price Soybean futures contracts	$ 35,175	$ -	$ 35,175	$ 35,175	$ -	$ -

Offsetting of Financial Liabilities and Derivative Liabilities as of June 30, 2013

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price Soybean futures contracts	$ 102,987	$ -	$ 102,987	$ 35,175	$ 67,812	$ -

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Offsetting of Financial Assets and Derivative Assets as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Received	Net Amount
Commodity price Soybean futures contracts	$ 63,200	$ -	$ 63,200	$ 63,200	$ -	$ -

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2012

	(i)	(ii)	(iii) = (i) – (ii)	(iv)		(v) = (iii) – (iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount
Commodity price Soybean futures contracts	$ 284,575	$ -	$ 284,575	$ 63,200	$ 221,375	$ -

The following tables identify the net gain and loss amounts included in the statements of operations as realized and unrealized gains and losses on trading of commodity futures contracts categorized by primary underlying risk:

Three months ended June 30, 2013

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 42,650	$ 13,513

Three months ended June 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 67,640	$ (24,765)

Six months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (174,925)	$ 153,563

Six months ended June 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 77,981	$ 302,707

Volume of Derivative Activities

The notional amounts and number of contracts categorized by primary underlying risk, commodity price risk, are included in the schedule of investments as of June 30, 2013 and December 31, 2012.

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Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the six months ended June 30, 2013 and 2012. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for six months ended June 30, 2013	
Net asset value at beginning of period	$24.13
Income from investment operations:	
Investment income	0.01
Net realized and unrealized loss on commodity futures contracts	0.19
Total expenses	(0.61)
Net decrease in net asset value	(0.41)
Net asset value at end of period	$23.72
Total Return	(1.70)%
Ratios to Average Net Assets (Annualized)	
Total expense	5.14 %
Net investment loss	(5.09)%

Per Share Operation Performance for six months ended June 30, 2012			
Net asset value at beginning of period	$	21.86	
Income from investment operations:			
Investment income		0.01	
Net realized and unrealized gain on commodity futures contracts		3.93	
Total expenses		(1.40	)
Net increase in net asset value		2.54	
Net asset value at end of period	$	24.40	
Total Return		11.62	%
Ratios to Average Net Assets			
Total expense		12.11	%
Net investment loss		(12.03	)%

The Sponsor has the ability to elect to pay certain expenses on behalf of the Fund or waive the management fee. This election is subject to change by the Sponsor, at its discretion. For the six month period ended June 30, 2013, approximately $5,700 of expenses was paid by the Sponsor. For the six months ended June 30, 2012, approximately $4,200 of expenses were waived. As of December 31, 2012, there were approximately $560,000 of expenses recorded on the financial statements of the Sponsor which are subject to reimbursement by the Funds in 2013. Through the six months ended June 30, 2013, the Sponsor sought approximately $184,000 in reimbursement from CORN, SOYB and WEAT for these expenses. These Funds have not recorded the remaining $376,000 of expenses subject to reimbursement to the Sponsor as payment is not probable at June 30, 2013. The Sponsor has increased the expense accruals per day for the Fund by $500 effective July 1, 2013.

Total returns are calculated based on the change in value during the period. An individual shareholder's total return and ratios may vary from the above total returns and ratios based on the timing of contributions to and withdrawals from the Fund. The ratios, excluding non-recurring expenses, have been annualized.

The Financial Highlights per share data are calculated using the average of the daily shares outstanding for the reporting period, which is inclusive of the last day of the period under report. The asset-based per share data in the Financial Highlights are calculated using the prior day's net assets consistent with the methodology used to calculate asset-based fees and expenses.

Note 6 – Organizational and Offering Costs

Expenses incurred in organizing of the Trust and the initial offering of the Shares of the Fund, including applicable SEC registration fees, were borne directly by the Sponsor. The Fund will not be obligated to reimburse the Sponsor.

Note 7 – Subsequent Events

The Trust evaluates subsequent events through the date when financial statements are filed with the SEC.

For the period July 1, 2013 through August 9, 2013 there was nothing to report.

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TEUCRIUM SUGAR FUND

STATEMENTS OF ASSETS AND LIABILITIES

	June 30, 2013 (Unaudited)	December 31, 2012
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$2,503,377	$ 2,088,533
Collateral, due from broker	270,423	189,259
Interest receivable	162	164
Other assets	14,713	27,067
Total assets	2,788,675	2,305,023
Liabilities		
Commodity futures contracts	176,411	78,378
Other liabilities	2,058	747
Total liabilities	178,469	79,125
Net assets	$2,610,206	$ 2,225,898
Shares outstanding	175,004	125,004
Net asset value per share	$14.92	$ 17.81
Market value per share	$14.92	$ 17.84

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SUGAR FUND

SCHEDULE OF INVESTMENTS

June 30, 2013

(Unaudited)

Description: Assets	**Fair Value**	**Percentage of Net Assets**	
Cash equivalents			
Money market funds			
Dreyfus Cash Management Plus	$2,503,377	95.91	%

Description: Liabilities	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Commodity futures contracts				
United States sugar futures contracts				
ICE sugar futures (46 contracts, settlement date February 28, 2014)	$110,891	4.25	%	$913,965
ICE sugar futures (39 contracts, settlement date April 30, 2014)	3,438	0.13		773,573
ICE sugar futures (45 contracts, settlement date February 27, 2015)	62,082	2.38		920,304
Total commodity futures contracts	$176,411	6.76	%	$2,607,842

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SUGAR FUND

SCHEDULE OF INVESTMENTS

December 31, 2012

Description: Assets	**Fair Value**	**Percentage of Net Assets**	
Cash equivalents			
Money market funds			
Dreyfus Cash Management Plus	$2,088,533	93.83	%

Description: Liabilities	**Fair Value**	**Percentage of Net Assets**		**Notional Amount (Long Exposure)**
Commodity futures contracts				
United States sugar futures contracts				
ICE sugar futures (35 contracts, settlement date April 30, 2013)	$38,629	1.74	%	$ 768,320
ICE sugar futures (30 contracts, settlement date June 28, 2013)	11,189	0.50		663,264
ICE sugar futures (34 contracts, settlement date February 28, 2014)	28,560	1.28		783,686
Total commodity futures contracts	$78,378	3.52	%	$ 2,215,270

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SUGAR FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended June 30, 2013	Three months ended June 30, 2012	Six months ended June 30, 2013	Six months ended June 30, 2012
Income				
Realized and unrealized (loss) gain on trading of commodity futures contracts:				
Realized loss on commodity futures contracts	$(199,292)	$(586,576)	$(285,118)	$(596,310)
Net change in unrealized appreciation or depreciation on commodity futures contracts	25,088	(76,531)	(98,033)	77,214
Interest income	299	740	604	1,149
Total loss	(173,905)	(662,367)	(382,547)	(517,947)
Expenses				
Management fees	-	7,846	-	14,055
Professional fees	8,077	55,150	12,243	55,150
Distribution and marketing fees	336	37,132	4,814	61,884
Custodian fees and expenses	-	32,211	-	64,421
Business permits and licenses fees	-	1,824	(124)	1,824
General and administrative expenses	239	9,282	245	9,282
Brokerage commissions	455	1,546	455	2,019
Other expenses	250	2,150	453	2,150
Total expenses	9,357	147,141	18,086	210,785
Net loss	$(183,262)	$(809,508)	$(400,633)	$(728,732)
Net loss per share	$(1.20)	$(4.47)	$(2.89)	$(3.76)
Net loss per weighted average share	$(1.16)	$(5.48)	$(2.73)	$(5.76)
Weighted average shares outstanding	157,504	147,806	146,827	126,515

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SUGAR FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Operations		
Net loss	$ (400,633)	$ (728,732)
Capital transactions		
Issuance of Shares	784,941	2,960,251
Redemption of Shares	-	(3,572,730)
Total capital transactions	784,941	(612,479)
Net change in net assets	384,308	(1,341,211)
Net assets, beginning of period	2,225,898	2,306,249
Net assets, end of period	$ 2,610,206	$ 965,038
Net asset value per share at beginning of period	$ 17.81	$ 23.06
At end of period	$ 14.92	$ 19.30

The accompanying notes are an integral part of these financial statements.

TEUCRIUM SUGAR FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended June 30, 2013	Six months ended June 30, 2012
Cash flows from operating activities:		
Net loss	$ (400,633)	$ (728,732)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	98,033	(77,214)
Changes in operating assets and liabilities:		
Collateral, due from broker	(81,164)	262,317
Interest receivable	2	20
Other assets	12,354	(29,692)
Management fee payable to Sponsor	-	(299)
Other liabilities	1,311	17,942
Net cash used in operating activities	(370,097)	(555,658)
Cash flows from financing activities:		
Proceeds from sale of Shares	784,941	2,960,251
Redemption of Shares	-	(3,572,730)
Net cash provided by (used in) financing activities	784,941	(612,479)
Net change in cash and cash equivalents	414,844	(1,168,137)
Cash and cash equivalents, beginning of period	2,088,533	2,051,003
Cash and cash equivalents, end of period	$ 2,503,377	$ 882,866

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(Unaudited)

Note 1 – Organization and Operation

Teucrium Sugar Fund (referred to herein as "CANE" or the "Fund") is a commodity pool that is a series of Teucrium Commodity Trust ("Trust"), a Delaware statutory trust formed on September 11, 2009. The Fund issues common units, called the "Shares," representing fractional undivided beneficial interests in the Fund. The Fund continuously offers Creation Baskets consisting of 25,000 Shares at their Net Asset Value ("NAV") to "Authorized Purchasers" through Foreside Fund Services, LLC, which is the distributor for the Fund (the "Distributor"). Authorized Purchasers sell such Shares, which are listed on the New York Stock Exchange ("NYSE") Arca under the symbol "CANE," to the public at per-Share offering prices that reflect, among other factors, the trading price of the Shares on the NYSE Arca, the NAV of the Fund at the time the Authorized Purchaser purchased the Creation Baskets and the NAV at the time of the offer of the Shares to the public, the supply of and demand for Shares at the time of sale, and the liquidity of the markets for sugar interests. The Fund's Shares trade in the secondary market on the NYSE Arca at prices that are lower or higher than their NAV per Share.

The investment objective of the Fund is to have the daily changes in percentage terms of the Shares' Net Asset Value ("NAV") reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for three futures contracts for sugar ("Sugar Futures Contracts") that are traded on ICE Futures US ("ICE Futures"), specifically: (1) the second-to-expire Sugar No. 11 Futures Contract (a "Sugar No. 11 Futures Contract"), weighted 35%, (2) the third-to-expire Sugar No. 11 Futures Contract, weighted 30%, and (3) the Sugar No. 11 Futures Contract expiring in the March following the expiration month of the third-to-expire contract, weighted 35%.

The Fund commenced investment operations on September 19, 2011 and has a fiscal year ending December 31. The Fund's sponsor is Teucrium Trading, LLC (the "Sponsor"). The Sponsor is responsible for the management of the Fund. The Sponsor is a member of the National Futures Association (the "NFA") and became a commodity pool operator registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009.

On June 17, 2011, the Fund's registration of 10,000,000 shares on Form S-1 was declared effective by the U.S. Securities and Exchange Commission ("SEC"). On September 19, 2011, the Fund listed its shares on the NYSE Arca under the ticker symbol "CANE." On the business day prior to that, the Fund issued 100,000 shares in exchange for $2,500,000 at the Fund's initial NAV of $25 per share. The Fund also commenced investment operations on September 19, 2011 by purchasing commodity futures contracts traded on ICE. On December 31, 2010, the fund had four shares outstanding, which were owned by the Sponsor.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America (“GAAP”). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund’s financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust’s Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as detailed in the Financial Accounting Standards Board’s Accounting Standards Codification.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

Revenue Recognition

Commodity futures contracts are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on commodity futures contracts are reflected in the statements of operations as the difference between the original contract amount and the fair market value as of the last business day of the year or as of the last date of the financial statements. Changes in the appreciation or depreciation between periods are reflected in the statements of operations. Interest on cash equivalents and deposits with the Futures Commission Merchant are recognized on the accrual basis. The Fund earns interest on its assets denominated in U.S. dollars on deposit with the Futures Commission Merchant. In addition, the Fund earns interest on funds held at the custodian at prevailing market rates for such investments.

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Brokerage Commissions

Brokerage commissions on all open commodity futures contracts are accrued on a full-turn basis.

Income Taxes

For tax purposes, the Fund will be treated as a partnership. The Fund does not record a provision for income taxes because the partners report their share of the Fund's income or loss on their income tax returns. The financial statements reflect the Fund's transactions without adjustment, if any, required for income tax purposes.

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. The Fund is subject to income tax examinations by major taxing authorities for all tax years since inception. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Fund recording a tax liability that reduces net assets. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of June 30, 2013 and December 31, 2012. However, the Fund's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, ongoing analysis of and changes to tax laws, regulations, and interpretations thereof.

The Fund recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income tax fees payable, if assessed. No interest expense or penalties have been recognized as of and for the periods ended June 30, 2013 and 2012.

The Fund may be subject to potential examination by U.S. federal, U.S. state, or foreign jurisdictional authorities in the area of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with U.S. federal, U.S. state and foreign tax laws. The Fund's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Creations and Redemptions

Authorized Purchasers may purchase Creation Baskets consisting of 25,000 shares from the Fund. The amount of the proceeds required to purchase a Creation Basket will be equal to the NAV of the shares in the Creation Basket determined as of 4:00 p.m. New York time on the day the order to create the basket is properly received.

Authorized Purchasers may redeem shares from the Fund only in blocks of 25,000 shares called “Redemption Baskets.” The amount of the redemption proceeds for a Redemption Basket will be equal to the NAV of the shares in the Redemption Basket determined as of 4:00 p.m. New York time on the day the order to redeem the basket is properly received.

The size of a Creation Basket and a Redemption basket was changed effective March 5, 2012 from 50,000 to 25,000 shares.

The Fund receives or pays the proceeds from shares sold or redeemed within three business days after the trade date of the purchase or redemption. The amounts due from Authorized Purchasers are reflected in the Fund’s statements of assets and liabilities as receivable for shares sold. Amounts payable to Authorized Purchasers upon redemption are reflected in the Fund’s statements of assets and liabilities as payable for shares redeemed.

As outlined in the most recent Form S-1 filing, 50,000 shares represents two Redemption Baskets for the Fund and a minimum level of shares.

Allocation of Shareholder Income and Losses

Profit or loss is allocated among the shareholders of the Fund in proportion to the number of shares each shareholder holds as of the close of each month.

Cash Equivalents

Cash equivalents are highly-liquid investments with original maturity dates of three months or less at inception. The Fund reported its cash equivalents in the statements of assets and liabilities at market value, or at carrying amounts that approximate fair value, because of their highly-liquid nature and short-term maturities. The Fund has a substantial portion of its assets on deposit with banks. Assets deposited with the bank may, at times, exceed federally insured limits. The Fund had a balance of $2,503,377 and $2,088,533 in money market funds at June 30, 2013 and December 31, 2012, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities.

Collateral, Due from/to Broker

Margin is the minimum amount of funds that must be deposited by a commodity interest trader with the trader's broker to initiate and maintain an open position in futures contracts. A margin deposit acts to assure the trader's performance of the futures contracts purchased or sold. Futures contracts are customarily bought and sold on initial margin that represents a very small percentage of the aggregate purchase or sales price of the contract. Because of such low margin requirements, price fluctuations occurring in the futures markets may create profits and losses that, in

relation to the amount invested, are greater than are customary in other forms of investment or speculation. As discussed below, adverse price changes in the futures contract may result in margin requirements that greatly exceed the initial margin. In addition, the amount of margin required in connection with a particular futures contract is set from time to time by the exchange on which the contract is traded and may be modified from time to time by the exchange during the term of the contract. Brokerage firms, such as the Fund's clearing brokers, carrying accounts for traders in commodity interest contracts generally require higher amounts of margin as a matter of policy to further protect themselves. Over-the-counter trading generally involves the extension of credit between counterparties, so the counterparties may agree to require the posting of collateral by one or both parties to address credit exposure.

When a trader purchases an option, there is no margin requirement; however, the option premium must be paid in full. When a trader sells an option, on the other hand, he or she is required to deposit margin in an amount determined by the margin requirements established for the underlying interest and, in addition, an amount substantially equal to the current premium for the option. The margin requirements imposed on the selling of options, although adjusted to reflect the probability that out-of-the-money options will not be exercised, can in fact be higher than those imposed in dealing in the futures markets directly. Complicated margin requirements apply to spreads and conversions, which are complex trading strategies in which a trader acquires a mixture of options positions and positions in the underlying interest.

Ongoing or "maintenance" margin requirements are computed each day by a trader's clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader's position. With respect to the Fund's trading, the Fund (and not its shareholders personally) is subject to margin calls.

Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Calculation of Net Asset Value

The Fund's NAV is calculated by:

- Taking the current market value of its total assets and

- Subtracting any liabilities.

The administrator, the Bank of New York Mellon, calculates the NAV of the Fund once each trading day. It calculates the NAV as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The NAV for a particular trading day is released after 4:15 p.m. New York time.

In determining the value of Sugar Futures Contracts, the administrator uses the ICE closing price (currently 1:30 p.m. New York time). The administrator determines the value of all other Fund investments as of the earlier of the close of the NYSE or 4:00 p.m. New York time. The value of over-the-counter sugar interests is determined based on the value of the commodity or futures contract underlying such sugar interest, except that a fair value may be determined if the Sponsor believes that the Fund is subject to significant credit risk relating to the counterparty to such sugar interest. For purposes of financial statements and reports, the Sponsor will recalculate the NAV where necessary to reflect the "fair value" of a Futures Contract when the Futures Contract closes at its price fluctuation limit for the day. Treasury securities held by the Fund are valued by the administrator using values received from recognized third-party vendors and dealer quotes. NAV includes any unrealized profit or loss on open sugar interests and any other income or expense accruing to the Fund but unpaid or not received by the Fund.

Market value per share represents the closing price on the last trading day of the quarter as reported by the NYSE Arca. If such a closing price is not available, the bid/ask midpoint at 4 p.m. as reported by the NYSE Arca was used.

Sponsor Fee and Allocation of Expenses

The Sponsor is responsible for investing the assets of the Fund in accordance with the objectives and policies of the Fund. In addition, the Sponsor arranges for one or more third parties to provide administrative, custodial, accounting, transfer agency and other necessary services to the Fund. For these services, the Fund is contractually obligated to pay a monthly management fee to the Sponsor, based on average daily net assets, at a rate equal to 1.00% per annum. The Sponsor has the ability to elect to pay certain expenses on behalf of the Fund or waive the management fee. This election is subject to change by the Sponsor, at its discretion. For the three and six months ended June 30, 2013, this election by the Sponsor resulted in approximately $5,900 and $11,600 reduction in management fees, respectively.

The Fund pays for all brokerage fees, taxes and other expenses, including licensing fees for the use of intellectual property, registration or other fees paid to the SEC, the Financial Industry Regulatory Authority ("FINRA"), formerly the National Association of Securities Dealers, or any other regulatory agency in connection with the offer and sale of subsequent Shares after its initial registration and all legal, accounting, printing and other expenses associated therewith. The Fund also pays its portion of the fees and expenses associated with the Trust's tax accounting and reporting requirements. Certain aggregate expenses common to all Funds managed by the Sponsor are allocated to each Fund based on activity drivers deemed most appropriate by the Sponsor for such expenses. All asset-based fees and expenses are calculated on the prior day's net assets. The Sponsor may, at its discretion, pay certain expenses on behalf of the Fund. For the three and six months ended June 30, 2013, approximately $19,200 and $37,600 of expenses were paid by the Sponsor that normally would have been paid by the Fund. For the same periods in 2012, approximately $11,500 and $15,500 of expenses were paid by the Sponsor. Additional expenses of the Fund may be paid by the Sponsor in future periods.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value - Definition and Hierarchy

In accordance with U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund uses various valuation approaches. In accordance with U.S. GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy, within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Fund's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Fund uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy. When such a situation exists on a quarter close, the Sponsor will calculate the NAV on a particular day using the Level 1 valuation, but will later recalculate the NAV for the impacted Fund based upon the valuation inputs from these alternative verifiable sources (Level 2 or Level 3) and will report such NAV in its applicable financial statements and reports.

The Sugar Futures Contracts traded on ICE due to settle on February 27, 2015 (the "MAR15 ICE Sugar Contracts") did not, in the opinion of the Trust and CANE, trade in an actively traded futures market as defined in the policy of the Trust and CANE for the entire period during which they were held. Accordingly, the Trust and CANE have classified these as a Level 2 liability for the period ended June 30, 2013. The MAR15 Sugar Contracts were, in the opinion of the Trust and CANE, fairly valued at settlement on June 30, 2013.

On December 31, 2012, in the opinion of the Trust and the Fund, the reported value of the Sugar Futures Contracts traded on ICE fairly reflected the value of the Sugar Futures Contracts held by the Fund, and no adjustments were necessary.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT or the NYMEX, or reported on another national market, are generally categorized in Level 1 of the fair value hierarchy. OTC derivatives contracts (such as forward and swap contracts) which may be valued using models, depending on whether significant inputs are observable or unobservable, are categorized in Levels 2 or 3 of the fair value hierarchy.

Net Income (Loss) per Share

Net income (loss) per share is the difference between the NAV per unit at the beginning of each period and at the end of each period. The weighted average number of units outstanding was computed for purposes of disclosing net income (loss) per weighted average unit. The weighted average units are equal to the number of units outstanding at the end of the period, adjusted proportionately for units created or redeemed based on the amount of time the units were outstanding during such period.

New Accounting Pronouncements

The FASB issued ASU No. 2013-08, "Financial Services-Investment Companies (Topic 946)-Amendments to the Scope, Measurement, and Disclosure Requirements". ASU No. 2013-08 affects the scope, measurement, and disclosure requirements for investment companies under U.S. GAAP. ASU 2013-08 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2013. We anticipate the adoption will not have a significant impact on the financial statements disclosures for the Trust or the Fund.

In December 2011, the FASB issued ASU No. 2011-11, "Balance Sheet (Topic 210): Amendments of the FASB Accounting Standards Codification and Disclosures about Offsetting Assets and Liabilities in U.S. GAAP and IFRS." ASU No. 2011-11 clarifies existing requirements for balance sheet offsetting and for disclosures about the offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position in converged guidance of the FASB and the International Accounting Standards Board. The amendments are to be applied retrospectively for all comparative periods presented. For public entities, the amendments are effective for annual reporting periods beginning on or after January 1, 2013. The adoption did not have a significant impact on the financial statement disclosures for the Fund.

Note 3 – Fair Value Measurements

The Fund's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy as described in the Fund's significant accounting policies in Note 2. The following table presents information about the Fund's assets and liabilities measured at fair value as of June 30, 2013 and December 31, 2012:

June 30, 2013

Assets:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Cash equivalents	$2,503,377	$-	$ -	$ 2,503,377

Liabilities:	Level 1	Level 2	Level 3	Balance as of June 30, 2013
Commodity futures contracts	$114,329	$62,082	$ -	$ 176,411

December 31, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Cash equivalents	$2,088,533	$-	$ -	$ 2,088,533

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2012
Commodity futures contracts	$78,378	$-	$ -	$ 78,378

Transfers into and out of each level of the fair value hierarchy for the FEB15 Sugar Contracts, for the six months ended June 30, 2013 were as follows:

	Transfers into Level 1	Transfers out of Level 1	Transfers into Level 2	Transfers out of Level 2	Transfers into Level 3	Transfers out of Level 3
Liabilities (at fair value)						
Derivative contracts						
Sugar future contracts	$ -	$ 62,082	$ 62,082	$ -	$ -	$ -

During the six months ended June 30, 2012, the Fund did not have any significant transfers between any of the levels of the fair value hierarchy.

Note 4 – Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three and six months ended June 30, 2013 and 2012, the Fund invested only in commodity futures contracts.

Futures Contracts

The Fund is subject to commodity price risk in the normal course of pursuing its investment objectives. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date. The purchase and sale of futures contracts requires margin deposits with a Futures Commission Merchant ("FCM"). Subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and are recorded as unrealized gains or losses by the Fund. Futures contracts may reduce the Fund's exposure to counterparty risk since futures contracts are exchange-traded; and the exchange's clearinghouse, as the counterparty to all exchange-traded futures, guarantees the futures against default.

The Commodity Exchange Act requires an FCM to segregate all customer transactions and assets from the FCM's proprietary activities. A customer's cash and other equity deposited with an FCM are considered commingled with all other customer funds subject to the FCM's segregation requirements. In the event of an FCM's insolvency, recovery may be limited to the Fund's pro rata share of segregated customer funds available. It is possible that the recovery amount could be less than the total of cash and other equity deposited.

The following table discloses information about offsetting assets and liabilities presented in the statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk as of June 30, 2013 and December 31, 2012.

Offsetting of Financial Liabilities and Derivative Liabilities as of June 30, 2013

Description	(i) Gross Amount of Recognized Liabilities	(ii) Gross Amount Offset in the Statement of Assets and Liabilities	(iii) = (i) – (ii) Net Amount Presented in the Statement of Assets and Liabilities	(iv) Gross Amount Not Offset in the Statement of Assets and Liabilities: Financial Instruments	(iv) Gross Amount Not Offset in the Statement of Assets and Liabilities: Cash Collateral Pledged	(v) = (iii) – (iv) Net Amount
Commodity price						
Sugar futures contracts	$ 176,411	$ -	$ 176,411	$ -	$ 176,411	$ -

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2012

Description	(i) Gross Amount of Recognized Liabilities	(ii) Gross Amount Offset in the Statement of Assets and Liabilities	(iii) = (i) – (ii) Net Amount Presented in the Statement of Assets and Liabilities	(iv) Gross Amount Not Offset in the Statement of Assets and Liabilities: Financial Instruments	(iv) Gross Amount Not Offset in the Statement of Assets and Liabilities: Cash Collateral Pledged	(v) = (iii) – (iv) Net Amount
Commodity price						
Sugar futures contracts	$ 78,378	$ -	$ 78,378	$ -	$ 78,378	$ -

The following tables identify the net gain and loss amounts included in the statements of operations as realized and unrealized gains and losses on trading of commodity futures contracts categorized by primary underlying risk:

Three months ended June 30, 2013

Primary Underlying Risk	**Realized Loss on Derivative Instruments**	**Net Change in Unrealized Gain on Derivative Instruments**
Commodity price		
Commodity futures contracts	$ (199,292)	$ 25,088

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Three months ended June 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (586,576)	$ (76,531)

Six months ended June 30, 2013

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (285,118)	$ (98,033)

Six months ended June 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (596,310)	$ 77,214

Volume of Derivative Activities

The notional amounts and number of contracts categorized by primary underlying risk, commodity price risk, are included in the schedule of investments as of June 30, 2013 and December 31, 2012.

Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the six months ended June 30, 2013 and 2012. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for the six months ended June 30, 2013	
Net asset value at beginning of period	$17.81
Income from investment operations:	
Investment income	-
Net realized and unrealized loss on commodity futures contracts	(2.77)
Total expenses	(0.12)
Net decrease in net asset value	(2.89)
Net asset value at end of period	$14.92
Total Return	(16.23)%
Ratios to Average Net Assets (Annualized)	
Total expense	1.54 %
Net investment loss	(1.49)%

Per Share Operation Performance for the six months ended June 30, 2012	
Net asset value at beginning of period	$23.06
Income from investment operations:	
Investment income	0.01
Net realized and unrealized loss on commodity futures contracts	(2.10)
Total expenses	(1.67)
Net decrease in net asset value	(3.76)
Net asset value at end of period	$19.30