

CRB

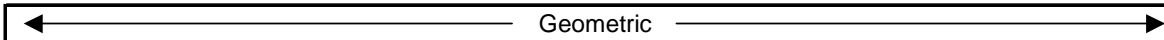
REUTERS | JEFFERIES

Overview: Past, Present and Future

- Founded in 1957, the Reuters CRB Index has a long history as the most widely followed Index of commodities futures.
- Since 1961, there have been 9 previous revisions to the CRB Index, each designed to help maintain the Index's pre-eminent role as the leading global commodities benchmark. Over the years, commodities including eggs, oats, lard, rubber, potatoes and wool (among others) have been dropped from the Index and have been replaced by more liquid and significant contracts. The last such revision occurred in 1995, when lumber, pork bellies, soybean oil, soybean meal and unleaded gasoline were dropped and natural gas was added to the Index. In addition, the referencing period for forward contracts shrank from 1 year to 9 months in 1987 and to its current 6 months in 1995. The period from 1995 until now represents the longest period between updates over the entire history of the CRB Index.
- The Reuters/Jefferies CRB Index ("RJ/CRB") reflects the tenth revision to the original CRB Index. In keeping with previous revisions, it is designed to provide a more liquid and economically relevant benchmark that will provide a timely and accurate representation of commodities as an asset class.
- Several key features of the current Index (1995-2005) have been updated, including replacing identical component weightings with a four-tiered grouping system designed to more accurately reflect the significance of each commodity. Also, geometric averaging has been updated to a monthly rebalancing schedule and 6 month forward price-averaging has been modified to a nearby rollover schedule.
- The goal of these updates is to maintain the critical role of the Index as a transparent and widely available benchmark for the performance of commodities as an asset class.

Index Chronology

The CRB Index has undergone 9 previous weighting revisions since its inception to ensure it remains representative of the current market environment. The ten years between 1995 and 2005 represent the longest period during which the Index was not adjusted.

	1957	1961	1967	1971	1973	1974	1983	1987	1992	1995	2005
Number of Futures Markets	26	25	26	27	28	27	27	21	21	17	19
Number of Spot Markets	2	2	2	2	0	0	0	0	0	0	0
Markets in Index	28	27	28	29	28	27	27	21	21	17	19
Markets Removed		1	0	10	1	1	4	6	1	5	1
Markets Added		0	1	9	2	0	4	0	1	1	3
Forward Averaging Window (months)	12	12	12	12	12	12	12	9	9	6	Rolling Nearby
Averaging technique											Arithmetic Monthly Rebalancing

RJ/CRB Index Components: The Evolution of an Index...

1957	1961	1967	1971	1973
1 Barley	1 Barley	1 Barley	1 Barley	1 Barley
2 Cocoa	2 Cocoa	2 Cocoa	2 Broilers	2 Broilers
3 Coffee 'B'	3 Coffee 'B'	3 Coffee 'B'	3 Cocoa	3 Cocoa
4 Copper	4 Copper	4 Copper	4 Copper	4 Coffee 'C'
5 Corn	5 Corn	5 Corn	5 Corn	5 Copper
6 Cotton	6 Cotton	6 Cotton	6 Cotton	6 Corn
7 Cotton (Spot)	7 Cotton (Spot)	7 Cotton (Spot)	7 Eggs	7 Cotton
8 Cottonseed Oil	8 Cottonseed Oil	8 Cottonseed Oil	8 Flaxseed	8 Eggs, Shell
9 Eggs	9 Eggs	9 Eggs	9 Grease Wool	9 Flaxseed
10 Flaxseed	10 Flaxseed	10 Flaxseed	10 Hogs	10 Grease Wool
11 Grease Wool	11 Grease Wool	11 Grease Wool	11 Lard	11 Live Cattle
12 Hides	12 Hides	12 Hides	12 Live Cattle	12 Live Hogs
13 Lard	13 Lard	13 Lard	13 Oats	13 Oats
14 Lead	14 Lead	14 Lead	14 Orange Juice	14 Orange Juice
15 Oats	15 Oats	15 Live Cattle	15 Platinum	15 Platinum
16 Onions	16 Potatoes	16 Oats	16 Plywood	16 Plywood
17 Potatoes	17 Rubber	17 Potatoes	17 Pork Bellies	17 Pork Bellies
18 Rubber	18 Rye	18 Rubber	18 Potatoes	18 Potatoes
19 Rye	19 Soybean Meal	19 Rye	19 Rapeseed	19 Rapeseed
20 Soybean Meal	20 Soybean Oil	20 Soybean Meal	20 Rye	20 Rye
21 Soybean Oil	21 Soybeans	21 Soybean Oil	21 Silver	21 Silver
22 Soybeans	22 Sugar No. 4	22 Soybeans	22 Soybean Meal	22 Soybean Meal
23 Sugar No. 4	23 Sugar No. 6	23 Sugar No. 4	23 Soybean Oil	23 Soybean Oil
24 Sugar No. 6	24 Wheat	24 Sugar No. 6	24 Soybeans	24 Soybeans
25 Wheat	25 Wheat (Spot)	25 Wheat	25 Sugar No. 4	25 Sugar No. 10
26 Wheat (Spot)	26 Wool Tops	26 Wheat (Spot)	26 Sugar No. 6	26 Sugar No. 11
27 Wool Tops	27 Zinc	27 Wool Tops	27 Wheat	27 Wheat
28 Zinc		28 Zinc		28 Wheat (MGEX)

RJ/CRB Index Components: The Evolution of an Index...

1974	1983	1987	1992	1995	2005
1 Barley	1 Barley	1 Cocoa	1 Cocoa	1 Cocoa	1 Aluminum
2 Broilers	2 Cocoa	2 Coffee 'C'	2 Coffee 'C'	2 Coffee 'C'	2 Cocoa
3 Cocoa	3 Coffee 'C'	3 Copper	3 Copper	3 Copper	3 Coffee
4 Coffee 'C'	4 Copper	4 Corn	4 Corn	4 Corn	4 Copper
5 Copper	5 Corn	5 Cotton	5 Cotton	5 Cotton	5 Corn
6 Corn	6 Cotton	6 Crude Oil	6 Crude Oil	6 Crude Oil	6 Cotton
7 Cotton	7 Crude Oil	7 Gold	7 Gold	7 Gold	7 Crude Oil
8 Eggs, Shell	8 Flaxseed	8 Heating Oil	8 Heating Oil	8 Heating Oil	8 Gold
9 Flaxseed	9 Gold	9 Live Cattle	9 Live Cattle	9 Live Cattle	9 Heating Oil
10 Grease Wool	10 Heating Oil	10 Live Hogs	10 Live Hogs	10 Live Hogs	10 Lean Hogs
11 Live Cattle	11 Live Cattle	11 Lumber	11 Lumber	11 Natural Gas	11 Live Cattle
12 Live Hogs	12 Live Hogs	12 Oats	12 Orange Juice	12 Orange Juice	12 Natural Gas
13 Oats	13 Lumber	13 Orange Juice	13 Platinum	13 Platinum	13 Nickel
14 Orange Juice	14 Oats	14 Platinum	14 Pork Bellies	14 Silver	14 Orange Juice
15 Platinum	15 Orange Juice	15 Pork Bellies	15 Silver	15 Soybeans	15 Silver
16 Plywood	16 Platinum	16 Silver	16 Soybean Meal	16 Sugar No. 11	16 Soybeans
17 Pork Bellies	17 Pork Bellies	17 Soybean Meal	17 Soybean Oil	17 Wheat	17 Sugar
18 Potatoes	18 Potatoes	18 Soybean Oil	18 Soybeans		18 Unleaded Gas
19 Rapeseed	19 Rapeseed	19 Soybeans	19 Sugar No. 11		19 Wheat
20 Rye	20 Rye	20 Sugar No. 11	20 Unleaded Gasoline		
21 Silver	21 Silver	21 Wheat	21 Wheat		
22 Soybean Meal	22 Soybean Meal				
23 Soybean Oil	23 Soybean Oil				
24 Soybeans	24 Soybeans				
25 Sugar No. 11	25 Sugar No. 11				
26 Wheat	26 Wheat				
27 Wheat (MGEX)	27 Wheat (MGEX)				

Weighting Factors: A Tiered Approach

The Reuters/Jefferies CRB Index uses a four-tiered approach to allocating among the commodities included in the Index. Group I includes only petroleum products; Group II includes seven commodities which are highly liquid; Group III is comprised of four liquid commodities; Group IV includes commodities that may provide valuable diversification. All commodities are equally weighted within Groups II, III and IV.

	Commodity	Index Weight	Contract Months	Exchange
Group I	WTI Crude Oil	23%	Jan-Dec	NYMEX
	Heating Oil	5%	Jan-Dec	NYMEX
	Unleaded Gas	5%	Jan-Dec	NYMEX
	Total	33%		
Group II	Natural Gas	6%	Jan-Dec	NYMEX
	Corn	6%	Mar, May, Jul, Sep, Dec	CBOT
	Soybeans	6%	Jan, Mar, May, Jul, Nov	CBOT
	Live Cattle	6%	Feb, Apr, Jun, Aug, Oct, Dec	CME
	Gold	6%	Feb, Apr, Jun, Aug, Dec	COMEX
	Aluminum	6%	Mar, Jun, Sep, Dec	LME
	Copper	6%	Mar, May, Jul, Sep, Dec	COMEX
	Total	42%		
Group III	Sugar	5%	Mar, May, Jul, Oct	NYBOT
	Cotton	5%	Mar, May, Jul, Dec	NYBOT
	Cocoa	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Coffee	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Total	20%		
Group IV	Nickel	1%	Mar, Jun, Sep, Dec	LME
	Wheat	1%	Mar, May, Jul, Sep, Dec	CBOT
	Lean Hogs	1%	Feb, Apr, Jun, Jul, Aug, Oct, Dec	CME
	Orange Juice	1%	Jan, Mar, May, Jul, Sep, Nov	NYBOT
	Silver	1%	Mar, May, Jul, Sep, Dec	COMEX
	Total	5%		

Weighting Factors: Petroleum Sector

Group I of the Reuters/Jefferies CRB Index includes only petroleum products – W.T.I. crude oil, heating oil and unleaded gasoline. These commodities are among the most economically significant, frequently traded and historically have contributed meaningfully to the return and correlative characteristics of commodity benchmark indices.

	Commodity	Index Weight	Contract Months	Exchange
Group I	WTI Crude Oil	23%	Jan-Dec	NYMEX
	Heating Oil	5%	Jan-Dec	NYMEX
	Unleaded Gas	5%	Jan-Dec	NYMEX
	Total	33%		
Group II	Natural Gas	6%	Jan-Dec	NYMEX
	Corn	6%	Mar, May, Jul, Sep, Dec	CBOT
	Soybeans	6%	Jan, Mar, May, Jul, Nov	CBOT
	Live Cattle	6%	Feb, Apr, Jun, Aug, Oct, Dec	CME
	Gold	6%	Feb, Apr, Jun, Aug, Dec	COMEX
	Aluminum	6%	Mar, Jun, Sep, Dec	LME
	Copper	6%	Mar, May, Jul, Sep, Dec	COMEX
	Total	42%		
Group III	Sugar	5%	Mar, May, Jul, Oct	NYBOT
	Cotton	5%	Mar, May, Jul, Dec	NYBOT
	Cocoa	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Coffee	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Total	20%		
Group IV	Nickel	1%	Mar, Jun, Sep, Dec	LME
	Wheat	1%	Mar, May, Jul, Sep, Dec	CBOT
	Lean Hogs	1%	Feb, Apr, Jun, Jul, Aug, Oct, Dec	CME
	Orange Juice	1%	Jan, Mar, May, Jul, Sep, Nov	NYBOT
	Silver	1%	Mar, May, Jul, Sep, Dec	COMEX
	Total	5%		

Weighting Factors: The Importance of Petroleum

Petroleum-linked futures have experienced tremendous growth over the past several decades. Crude oil, heating oil, and unleaded gasoline are among the most liquid, widely followed and economically significant commodities futures contracts traded globally. Global daily production and consumption of petroleum-linked products is at an all time high.

The economic significance of petroleum-linked futures is further reflected in their excellent correlative properties (see table below), due to the strong impact of energy prices on global economic activity. A representative commodity Index cannot ignore the importance of petroleum to both the asset class and the global economy.

In order to reflect the critical role of petroleum in the global economy and maintain the diversified nature of the Reuters CRB Index, the Reuters/Jefferies CRB Index assigns a fixed weighting of 33% to this sector, represented by the crude oil, unleaded gasoline and heating oil contracts traded on the NYMEX.

Correlation of RJ/CRB commodities with stocks, bonds and a portfolio of 60% equities / 40% fixed income

	<i>Crude</i>	<i>HU</i>	<i>HO</i>	<i>NG</i>	<i>Corn</i>	<i>S</i>	<i>LC</i>	<i>Gold</i>	<i>Alu</i>	<i>Copper</i>	<i>Sugar</i>	<i>Cotton</i>	<i>Cocoa</i>	<i>Coffee</i>	<i>Nickel</i>	<i>Wheat</i>	<i>Hogs</i>	<i>OJ</i>	<i>Silver</i>
Ten Year Bonds	(2%)	(0%)	(2%)	8%	16%	9%	(12%)	14%	(37%)	(17%)	(4%)	(1%)	33%	(35%)	(43%)	25%	(5%)	9%	10%
S&P 500	(23%)	(23%)	(23%)	(8%)	2%	4%	3%	(13%)	11%	15%	(6%)	11%	(43%)	20%	18%	(9%)	(0%)	(6%)	5%
60% S&P 500 / 40% Ten Year Bond	(24%)	(24%)	(25%)	(6%)	6%	7%	0%	(10%)	2%	12%	(7%)	12%	(38%)	12%	8%	(3%)	(1%)	(5%)	8%

Quarterly data from 01/04/1994 – 12/31/2004

Portfolio consists of 60% S&P 500 rolling futures indices and 40% 10 year bonds rolling futures indices, rebalanced monthly

The S&P 500 is a trademark of Standard & Poor's, a division of the McGraw Hill Companies

Weighting Factors: Highly Liquid Commodities

Group II in the Reuters/Jefferies CRB Index consists of markets that are highly liquid. These seven markets represent a diverse cross section across several commodity sectors. In the spirit of previous versions of the CRB Index, these markets are all equally weighted, with each market allocated a 6% Index weighting.

	Commodity	Index Weight	Contract Months	Exchange
Group I	WTI Crude Oil	23%	Jan-Dec	NYMEX
	Heating Oil	5%	Jan-Dec	NYMEX
	Unleaded Gas	5%	Jan-Dec	NYMEX
	Total	33%		
Group II	Natural Gas	6%	Jan-Dec	NYMEX
	Corn	6%	Mar, May, Jul, Sep, Dec	CBOT
	Soybeans	6%	Jan, Mar, May, Jul, Nov	CBOT
	Live Cattle	6%	Feb, Apr, Jun, Aug, Oct, Dec	CME
	Gold	6%	Feb, Apr, Jun, Aug, Dec	COMEX
	Aluminum	6%	Mar, Jun, Sep, Dec	LME
	Copper	6%	Mar, May, Jul, Sep, Dec	COMEX
	Total	42%		
Group III	Sugar	5%	Mar, May, Jul, Oct	NYBOT
	Cotton	5%	Mar, May, Jul, Dec	NYBOT
	Cocoa	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Coffee	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Total	20%		
Group IV	Nickel	1%	Mar, Jun, Sep, Dec	LME
	Wheat	1%	Mar, May, Jul, Sep, Dec	CBOT
	Lean Hogs	1%	Feb, Apr, Jun, Jul, Aug, Oct, Dec	CME
	Orange Juice	1%	Jan, Mar, May, Jul, Sep, Nov	NYBOT
	Silver	1%	Mar, May, Jul, Sep, Dec	COMEX
	Total	5%		

Weighting Factors: Liquid Commodities

This group of four commodities includes a second cross section of diverse markets that although highly significant and liquid are weighted at a slightly lower level than those in Group II. These commodities help further the goals of diversification, broad representation and liquidity of the Index. Once again, these commodities are equally weighted, each having an allocation of 5%.

	Commodity	Index Weight	Contract Months	Exchange
Group I	WTI Crude Oil	23%	Jan-Dec	NYMEX
	Heating Oil	5%	Jan-Dec	NYMEX
	Unleaded Gas	5%	Jan-Dec	NYMEX
	Total	33%		
Group II	Natural Gas	6%	Jan-Dec	NYMEX
	Corn	6%	Mar, May, Jul, Sep, Dec	CBOT
	Soybeans	6%	Jan, Mar, May, Jul, Nov	CBOT
	Live Cattle	6%	Feb, Apr, Jun, Aug, Oct, Dec	CME
	Gold	6%	Feb, Apr, Jun, Aug, Dec	COMEX
	Aluminum	6%	Mar, Jun, Sep, Dec	LME
	Copper	6%	Mar, May, Jul, Sep, Dec	COMEX
	Total	42%		
Group III	Sugar	5%	Mar, May, Jul, Oct	NYBOT
	Cotton	5%	Mar, May, Jul, Dec	NYBOT
	Cocoa	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Coffee	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Total	20%		
Group IV	Nickel	1%	Mar, Jun, Sep, Dec	LME
	Wheat	1%	Mar, May, Jul, Sep, Dec	CBOT
	Lean Hogs	1%	Feb, Apr, Jun, Jul, Aug, Oct, Dec	CME
	Orange Juice	1%	Jan, Mar, May, Jul, Sep, Nov	NYBOT
	Silver	1%	Mar, May, Jul, Sep, Dec	COMEX
	Total	5%		

Weighting Factors: Diversifying Commodities

This final group of five commodities represent markets that may provide meaningful diversification to the Index, bolstering the exposure to the Softs, Grains, Industrial Metals, Meats and Precious Metals markets. These assets are equally weighted, each having an allocation of 1%.

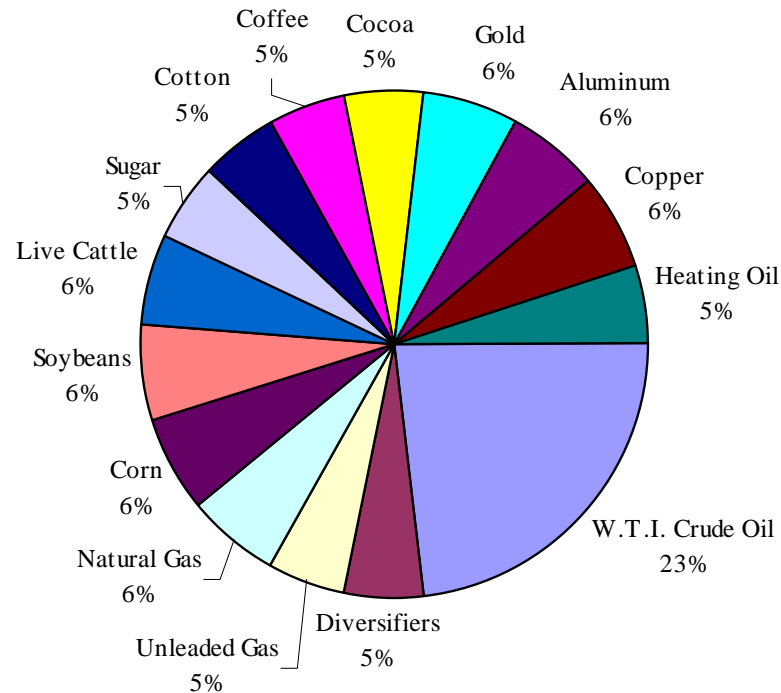
	Commodity	Index Weight	Contract Months	Exchange
Group I	WTI Crude Oil	23%	Jan-Dec	NYMEX
	Heating Oil	5%	Jan-Dec	NYMEX
	Unleaded Gas	5%	Jan-Dec	NYMEX
	Total	33%		
Group II	Natural Gas	6%	Jan-Dec	NYMEX
	Corn	6%	Mar, May, Jul, Sep, Dec	CBOT
	Soybeans	6%	Jan, Mar, May, Jul, Nov	CBOT
	Live Cattle	6%	Feb, Apr, Jun, Aug, Oct, Dec	CME
	Gold	6%	Feb, Apr, Jun, Aug, Dec	COMEX
	Aluminum	6%	Mar, Jun, Sep, Dec	LME
	Copper	6%	Mar, May, Jul, Sep, Dec	COMEX
	Total	42%		
Group III	Sugar	5%	Mar, May, Jul, Oct	NYBOT
	Cotton	5%	Mar, May, Jul, Dec	NYBOT
	Cocoa	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Coffee	5%	Mar, May, Jul, Sep, Dec	NYBOT
	Total	20%		
Group IV	Nickel	1%	Mar, Jun, Sep, Dec	LME
	Wheat	1%	Mar, May, Jul, Sep, Dec	CBOT
	Lean Hogs	1%	Feb, Apr, Jun, Jul, Aug, Oct, Dec	CME
	Orange Juice	1%	Jan, Mar, May, Jul, Sep, Nov	NYBOT
	Silver	1%	Mar, May, Jul, Sep, Dec	COMEX
	Total	5%		

Weighting Factors: Adjustments from previous Reuters CRB

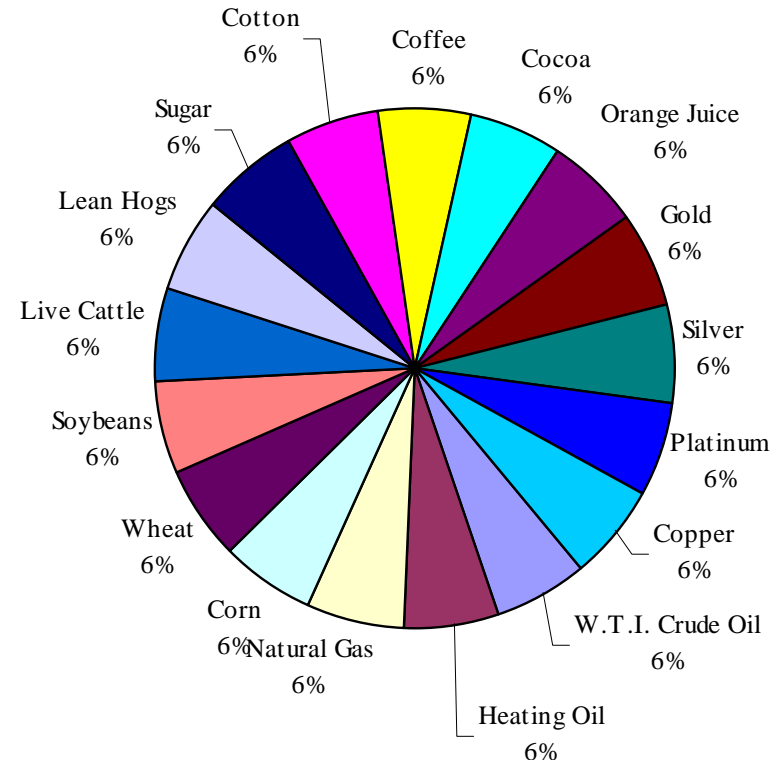
	Reuters/Jefferies CRB	CRB	Change
W.T.I. Crude Oil	23%	5.88%	+ 17%
Heating Oil	5%	5.88%	< 1%
Unleaded Gas	5%	-	+ 5%
Natural Gas	6%	5.88%	< 1%
Corn	6%	5.88%	< 1%
Wheat	1%	5.88%	< 5%
Soybeans	6%	5.88%	< 1%
Live Cattle	6%	5.88%	< 1%
Lean Hogs	1%	5.88%	< 5%
Sugar	5%	5.88%	< 1%
Cotton	5%	5.88%	< 1%
Coffee	5%	5.88%	< 1%
Cocoa	5%	5.88%	< 1%
Orange Juice	1%	5.88%	< 5%
Gold	6%	5.88%	< 1%
Silver	1%	5.88%	< 5%
Platinum	-	5.88%	n.a.
Aluminum	6%	-	+ 6%
Copper	6%	5.88%	< 1%
Nickel	1%	-	+ 1%

Weighting Factors: Comparison

Reuters / Jefferies CRB



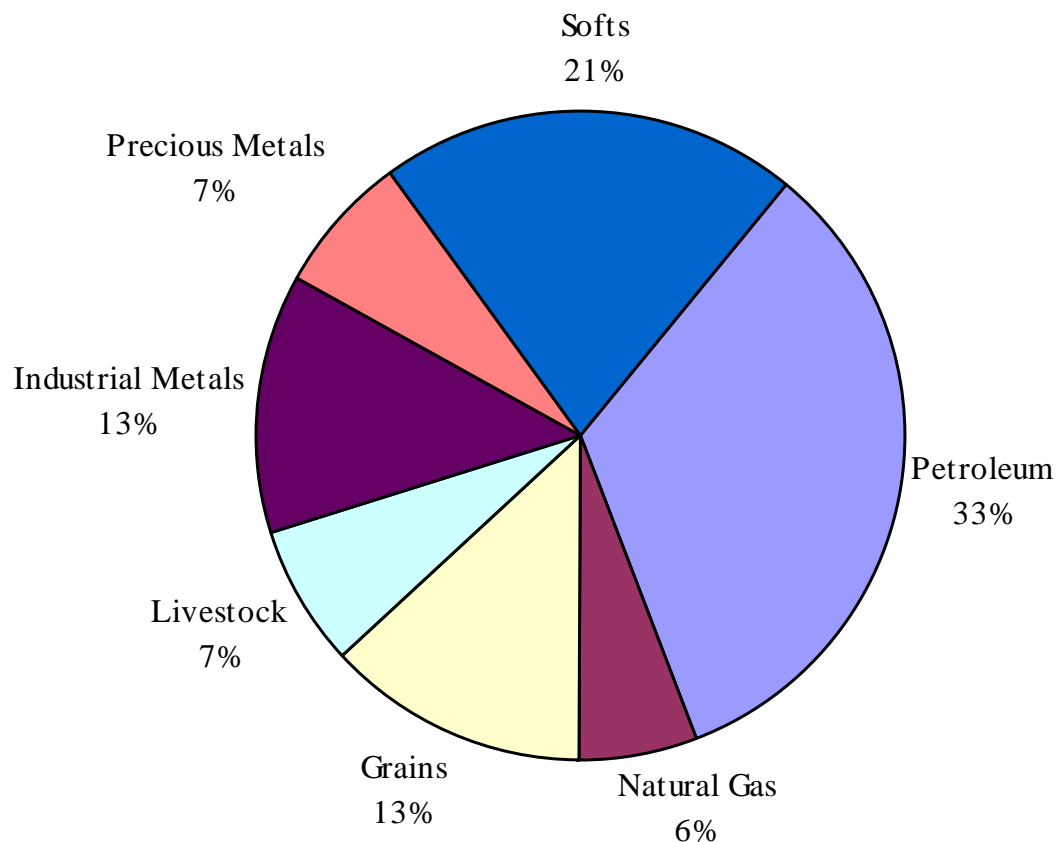
Reuters CRB 1995 - 2005



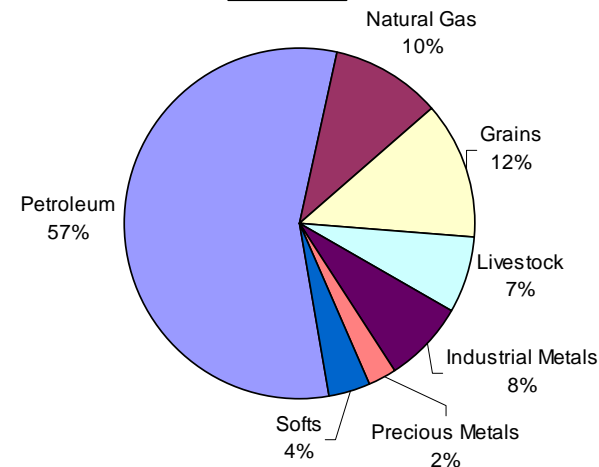
Diversifiers include 1% allocation to wheat, nickel, lean hogs, silver and orange juice

Weighting Factors: Sector Comparison

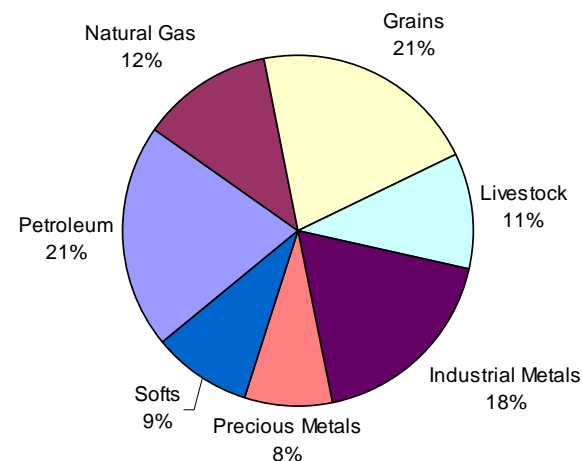
Reuters / Jefferies CRB



GSCI



DJ-AIGCI



DJ-AIGCI is a trademark of Dow Jones & Company, Inc. ("Dow Jones") and American International Group, Inc. ("AIG")

GSCI is a trademark of Goldman Sachs & Co., Inc.

2005 Weightings

Rollover Methodology: Continuous Nearby vs. Forward Averaging

To maximize liquidity and simplicity, the Reuters/Jefferies CRB Index uses a four day rollover schedule for each commodity beginning on the first business day of the month and ending on the fourth business day. This replaces the current system of averaging all prices 6 months forward. Previous revisions to the CRB Index have shortened the averaging window from 12 to 9 to 6 months. All liquid calendar months for every commodity are included in this rollover schedule. No months are excluded. The rollover methodology assumes a constant dollar investment and rolls a proportionally equal amount of the active contract to the deferred month contract at the end of each roll day.

Rollover Schedule for Reuters/Jefferies CRB Index

Commodity	Exchange	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
WTI Crude Oil	NYMEX	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Heating Oil	NYMEX	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Unleaded Gas	NYMEX	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Natural Gas	NYMEX	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Corn	CBOT	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Dec	Dec	Dec	Mar
Soybeans	CBOT	Mar	Mar	May	May	Jul	Jul	Nov	Nov	Nov	Nov	Jan	Jan
Live Cattle	CME	Feb	Apr	Apr	Jun	Jun	Aug	Aug	Oct	Oct	Dec	Dec	Feb
Gold	COMEX	Feb	Apr	Apr	Jun	Jun	Aug	Aug	Dec	Dec	Dec	Dec	Feb
Aluminum	LME	Mar	Mar	Jun	Jun	Jun	Sep	Sep	Sep	Dec	Dec	Dec	Mar
Copper	COMEX	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Dec	Dec	Dec	Mar
Sugar	NYBOT	Mar	Mar	May	May	Jul	Jul	Oct	Oct	Oct	Mar	Mar	Mar
Cotton	NYBOT	Mar	Mar	May	May	Jul	Jul	Dec	Dec	Dec	Dec	Dec	Mar
Cocoa	NYBOT	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Dec	Dec	Dec	Mar
Coffee	NYBOT	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Dec	Dec	Dec	Mar
Nickel	LME	Mar	Mar	Jun	Jun	Jun	Sep	Sep	Sep	Dec	Dec	Dec	Mar
Wheat	CBOT	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Dec	Dec	Dec	Mar
Lean Hogs	CME	Feb	Apr	Apr	Jun	Jun	Jul	Aug	Oct	Oct	Dec	Dec	Feb
Orange Juice	NYBOT	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Nov	Nov	Jan	Jan
Silver	COMEX	Mar	Mar	May	May	Jul	Jul	Sep	Sep	Dec	Dec	Dec	Mar

Rebalancing Methodology: Geometric vs. Arithmetic

- The Reuters CRB Index incorporates a technique known as geometric averaging, through which the Index is continuously rebalanced. Continual rebalancing means the Index constantly decreases exposure to commodity markets gaining in value and increases exposure to those markets declining in value.
- The Reuters/Jefferies CRB Index employs arithmetic averaging with monthly rebalancing. This more accurately represents the effect of trending markets, while still maintaining a uniform exposure to the various component commodities over time.
- Monthly rebalancing helps maintain the stability and consistency of Index weightings.

Simulated Performance History: A Look Back

The composition of indices designed to accurately reflect an entire asset class is likely to change substantially over extended time periods. The CRB Index has evolved dramatically since its launch in 1957. Other benchmark indices have experienced similar material composition changes over the past several decades. To the extent that extended price histories include data derived from indices whose composition has materially changed, the ongoing relevance of that data may be lessened.

In order to help inform market participants about how the current composition of the Reuters/Jefferies CRB Index would have behaved over the past ten years, the following historical simulation was conducted. The simulation applies the current RJ/CRB algorithms to historical futures data.

The performance comparisons which follow are based on this historical simulation. All historical data for the Index are estimations using sources believed to be reliable; however, Reuters and Jefferies make no representation as to their accuracy or completeness. Certain techniques such as interpolation and estimation were employed where data was unavailable. Historical returns do not reflect the impact (if any) of market disruption or market emergency events. Historical returns do not reflect the impact that material changes in the underlying markets might have had on the decisions to use or continue using certain commodities and weightings in the Index. All historic data for the Index is based on fixed weights and rollover and rebalancing schedules.

Past performance is not necessarily indicative of future results

Simulated Performance Comparison

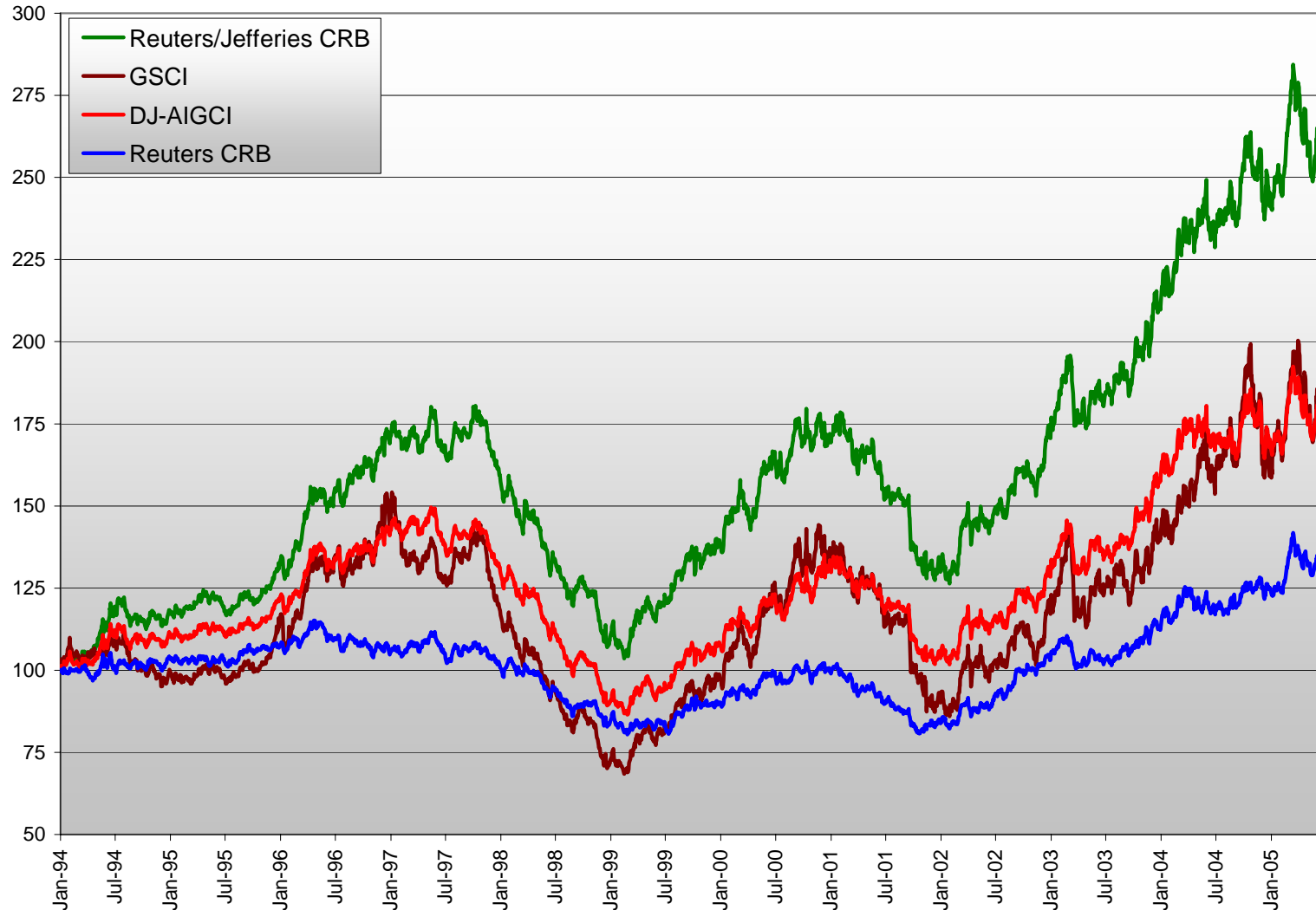
10 Year: Ending 6/17/2005	Reuters/Jefferies CRB	Reuters CRB	GSCI	DJ-AIGCI
Annualized Return	8.4%	2.8%	6.9%	5.1%
Annualized Risk	14.3%	9.8%	20.3%	13.0%
Sharpe Ratio	0.59x	0.29x	0.34x	0.40x
Correlation to the RJ/CRB		83.4%	94.3%	95.2%
5 Year: Ending 6/17/2005				
Annualized Return	10.9%	6.8%	9.8%	8.9%
Annualized Risk	15.6%	10.5%	23.3%	14.6%
Sharpe Ratio	0.70x	0.65x	0.42x	0.61x
Correlation to the RJ/CRB		86.0%	95.0%	95.4%
3 Year: Ending 6/17/2005				
Annualized Return	22.3%	14.0%	23.3%	17.2%
Annualized Risk	15.6%	11.0%	23.2%	14.8%
Sharpe Ratio	1.43x	1.27x	1.01x	1.16x
Correlation to the RJ/CRB		86.7%	94.7%	96.0%
1 Year: Ending 6/17/2005				
Annualized Return	15.1%	15.3%	19.5%	9.8%
Annualized Risk	15.7%	11.3%	24.3%	15.4%
Sharpe Ratio	0.96x	1.36x	0.80x	0.64x
Correlation to the RJ/CRB		86.1%	94.2%	97.1%

DJ-AIGCI is a trademark of Dow Jones & Company, Inc. ("Dow Jones") and American International Group, Inc. ("AIG")

GSCI is a trademark of Goldman Sachs & Co., Inc.

Reuters / Jefferies CRB Index based on simulated index values

Simulated Performance Comparison



DJ-AIGCI is a trademark of Dow Jones & Company, Inc. ("Dow Jones") and American International Group, Inc. ("AIG")

GSCI is a trademark of Goldman Sachs & Co., Inc.

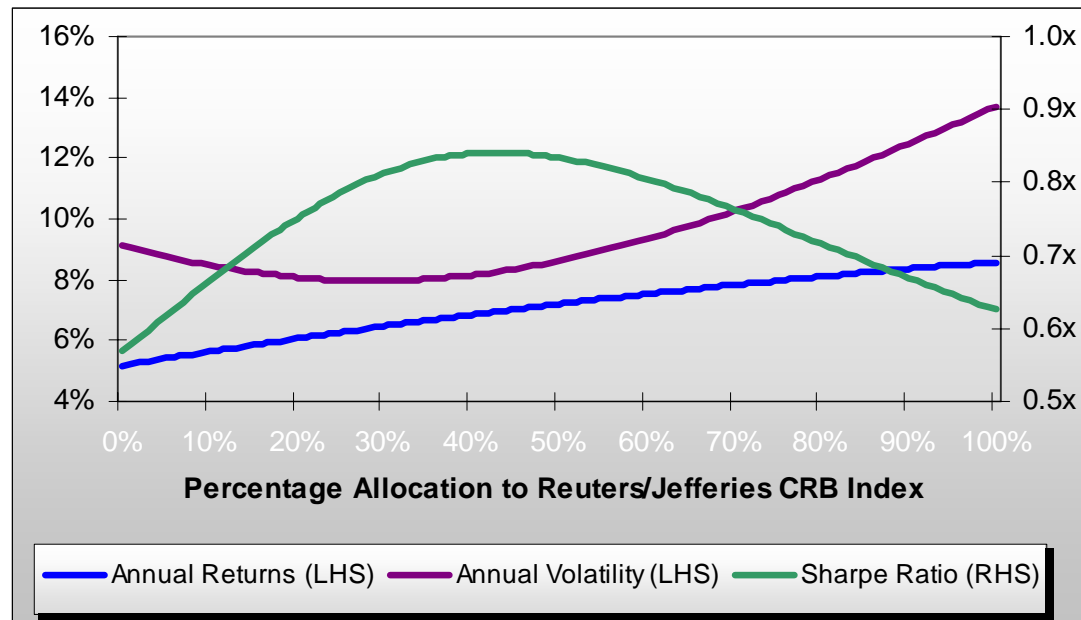
Reuters / Jefferies CRB Index based on simulated index values

Simulated Historical Impact of RJ/CRB Index on Investment Portfolio

Inclusion of RJ/CRB Index in a diversified portfolio may improve key performance measures:
Annual Returns, Annual Volatility, Sharpe Ratio

	Annualized		Sharpe
	Returns	Volatility	Ratio
Traditional Asset Portfolio (60% Equity / 40% Bond)	5.2%	9.1%	0.57x
Portfolio with 10% allocation to RJ/CRB	5.6%	8.5%	0.67x
Percentage Change	8.7%	(7.2%)	17.1%

	Annualized		Sharpe
	Returns	Volatility	Ratio
Traditional Asset Portfolio (60% Equity / 40% Bond)	5.2%	9.1%	0.57x
Equal Volatility Portfolio (58% allocation to RJ/CRB)	7.4%	9.1%	0.85x
Percentage Change	48.9%	0.0%	48.9%



Series data from 01/04/1994 – 5/31/2005

Portfolio consists of 60% S&P 500 rolling futures indices and 40% 10 year bonds rolling futures indices, rebalanced monthly
 The S&P 500 is a trademark of Standard & Poor's, a division of the McGraw Hill Companies

Transparency: A Global Benchmark Available to All

The Reuters/Jefferies CRB Index will continue to serve as a global benchmark for commodities as an asset class and will continue to be published real-time and be widely disseminated.

Detailed descriptive information about the Index, including all underlying algorithms necessary to independently calculate the Index will continue to be made publicly available.

The Index is available for licensing to interested market participants for the creation of over-the-counter products.

Futures contracts linked to the Reuters/Jefferies CRB Index will begin trading on the New York Board of Trade in the summer of 2005.

Contact Information

For additional information on the Reuters / Jefferies CRB Index, please contact:

Media Contacts

Yasmeen Khan
Reuters Media Relations
++ 44 207 542 0496
yasmeen.khan@reuters.com

Tom Tarrant
Jefferies & Company, Inc.
203 708 5989
ttarrant@jefferies.com

Index-linked Products

Jefferies Financial Products, LLC
203 708 6500
JFP@jefferies.com

Exchange-listed Futures Contracts

Anthony Scamardella
New York Board of Trade®
212 748 4097
ascamardella@NYBOT.com

This information, including the Reuters/Jefferies CRB Index ("RJ/CRB") and materials relating thereto, is the property of Reuters Group PLC or its affiliates ("Reuters") and/or Jefferies Financial Products, LLC or its affiliates ("Jefferies"). It may not be used to create, offer, trade, market or promote any financial products without the express written consent of Jefferies and Reuters.

All historical data for the RJ/CRB are estimations using sources believed to be reliable; however, none of Jefferies, Reuters or any other of their subsidiaries or affiliates makes any representations as to their accuracy or completeness. Certain techniques such as interpolation and estimation were employed where data was unavailable. Historical returns do not reflect the impact (if any) of market disruption or market emergency events. Historical returns do not reflect the impact that material changes in the underlying markets might have had on the decisions to use or continue using certain commodities and weightings in the RJ/CRB. All historic data for the RJ/CRB is based on fixed weights and rollover and rebalancing schedules.

None of Jefferies, Reuters or any of their subsidiaries or affiliates shall have any liability, contingent or otherwise, to any person or entity for the quality, accuracy, timeliness and/or completeness of the information contained herein, the RJ/CRB, or for delays, errors, omissions or interruptions in the publication of the RJ/CRB or any related data. Jefferies and Reuters may discontinue operation of the RJ/CRB and may discontinue disseminating information about the RJ/CRB at any time without prior notice. Reuters and Jefferies may, but are not required to, use agents to perform some or all of the functions relating to operating the RJ/CRB, such as but not limited to the functions of calculating and disseminating index values. Jefferies may operate and market other indices that may compete with the RJ/CRB.

Jefferies and its affiliates and their respective directors, officers and employees may buy or sell securities or commodities mentioned or contemplated herein as agent or as principal for their own account and may have positions or engage in transactions based on or indexed to the RJ/CRB. It is possible that Jefferies' trading activity will affect the value of the RJ/CRB.

Jefferies, Reuters and their subsidiaries and affiliates do not guarantee the accuracy, timeliness or completeness of the RJ/CRB or any information, material or data related thereto. Jefferies, Reuters and their subsidiaries and affiliates including directors, officers and employees, with respect to use of this material or the RJ/CRB, including but not limited to the trading of or investments in products based on or related to the RJ/CRB, (a) make no warranty, express or implied, as to the results to be obtained by any person or entity, (b) make no warranty, express or implied, and expressly disclaim any warranty or merchantability or fitness for a particular purpose, and (c) without limiting any of the foregoing, shall have no liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits), even if notified of the possibility of such damages.

Certain third parties, pursuant to license agreements with Jefferies and Reuters, may create, offer, trade, market and promote financial products or transactions based on, indexed to, or calculated with regard to, the RJ/CRB (the "Third Party Products"). Jefferies, Reuters and their subsidiaries and affiliates do not sponsor or endorse any Third Party Products, except as expressly and duly acknowledged by the applicable Jefferies or Reuters entity, and may operate the RJ/CRB without regard to the possible effects on such Third Party Products.

This is not an offer or solicitation of an offer to buy or sell any security or investment. Past performance of the RJ/CRB is not necessarily indicative of future results.

For more information, please contact Jefferies Financial Products (203) 708-6500 or e-mail JFP@Jefferies.com

Goldman Sachs Commodity Index ("GSCI® Index")

The Product(s) is not sponsored, endorsed, sold or promoted by Goldman, Sachs & Co. ("Goldman"). Goldman makes no representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the Goldman Sachs Commodity Index ("GSCI Index") to track general commodity market performance. Goldman's only relationship to the Licensee is the licensing of the GSCI Index, which is determined, composed and calculated by Goldman without regard to the Licensee or the Product(s). Goldman has no obligation to take the needs of the Licensee or the owners of the Product(s) into consideration in determining, composing or calculating the GSCI Index. Goldman is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. Goldman has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

GOLDMAN DOES NOT GUARANTEE THE QUALITY, ACCURACY AND/OR THE COMPLETENESS OF THE GSCI INDEX OR ANY DATA INCLUDED THEREIN. GOLDMAN MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE PRODUCT(S), OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE GSCI INDEX OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. GOLDMAN MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE GSCI INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL GOLDMAN HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Dow Jones AIG Commodity Index ("DJ-AIGCISM")

This information material is not sponsored, endorsed, sold or promoted by Dow Jones & Company, Inc. ("Dow Jones"), American International Group, Inc. ("American International Group"), AIG International Inc. ("AIGI") or any of their subsidiaries or affiliates. None of Dow Jones, American International Group, AIGI or any of their subsidiaries or affiliates makes any representation or warranty, express or implied, to the owners of our counterparts to this information material or any member of the public regarding the advisability of investing in securities or commodities generally or in this information material particularly. The only relationship of Dow Jones, American International Group, AIGI or any of their subsidiaries or affiliates to the Licensee is the licensing of certain trademarks, trade name and service marks and of the DJ-AIGCISM, which is determined, composed and calculated by Dow Jones in conjunction with AIGI without regard to Jefferies Financial Products, LLC ("JFP") or this information material. Dow Jones and AIGI have no obligation to take the needs of JFP or the owners of this information material into consideration in determining, composing or calculating DJ-AIGCISM.

NONE OF DOW JONES, AMERICAN INTERNATIONAL GROUP, AIGI OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE DOW JONES-AIG COMMODITY INDEXSM OR ANY DATA INCLUDED THEREIN AND NONE OF DOW JONES, AMERICAN INTERNATIONAL GROUP, AIGI OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. NONE OF DOW JONES, AMERICAN INTERNATIONAL GROUP, AIGI OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES MAKES ANY WARRANTY, EXPRESS OR IMPLIED AS TO THE RESULTS TO BE OBTAINED BY JFP, OWNERS OF THIS INFORMATION MATERIALS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES-AIG COMMODITY INDEXSM OR ANY DATA INCLUDED THEREIN. NONE OF DOW JONES, AMERICAN INTERNATIONAL GROUP, AIGI OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE DOW JONES-AIG COMMODITY INDEXSM OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES, AMERICAN INTERNATIONAL GROUP, AIGI OR ANY OF THEIR SUBSIDIARIES OR AFFILIATES HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF. THERE ARE NO THIRD PARTY BENEFICIARIES OR ANY AGREEMENTS OR ARRANGEMENTS AMONG DOW JONES, AIGI AND JFP, OTHER THAN AMERICAN INTERNATIONAL GROUP.