

# MarketForecaster™

Agricultural commodities markets have seen significant fluctuations over the past several years. These price fluctuations represent significant risk to organizations whose core business revolves around these commodities. In this volatile climate, growers, manufacturers, distributors, restaurants and retailers need real time visibility to historical and current market price data, as well as access to accurate and actionable commodity price forecasts.

MarketForecaster™ provides historical and projected commodity prices through an intuitive user interface, enabling fact-based decision making for growers, manufacturers, retailers, restaurants and other players in the food industry as they buy and sell commodities or products made from commodities. SignalDemand's patent-pending mathematical models and forecasting methodologies, combined with its customers' market experiences, create a powerful combination for driving improved pricing processes, customer relationships and revenue results.

Forecasting is defined as the process of analyzing current and historical data to determine future trends. However, it's not just the process of creating a forecast that defines its value it's how that forecast is used

in combination with market knowledge to improve decision making. Cutting-edge mathematics combined with deep market knowledge can be a powerful tool to drive improved pricing and purchasing processes, enhanced pricing courage and more profitable customer relationships.

Each night, SignalDemand's market price forecasts are updated incorporating the latest market data and the same technology and patent-pending mathematics which drives over twenty-five billion dollars worth of annual pricing decisions for leading protein buyers and sellers in the North American, European and Australian markets. These price forecasts are based on historical market data from transaction aggregators such as the US Department of Agriculture, Eurostat and Meat & Livestock Australia. Third party forecasts

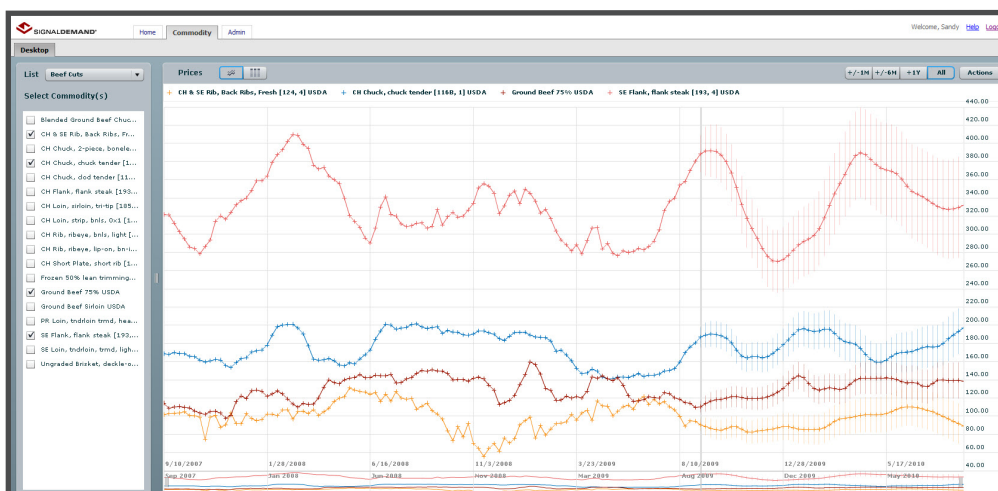
## Key Benefits

*Accurate, current market data, on-demand*

*Increased confidence and more out front business resulting from using a mathematically rigorous forecast of commodity prices*

*Better understand cash and futures markets for ancillary commodities such as corn or wheat*

*Reduce time and effort to prepare for price negotiations*



**MarketForecaster™:** MarketForecaster™ exposes market trends, seasonality and emotion through an easy to use, web-based application

and futures markets data from exchanges such as the Chicago Mercantile Exchange are also included. The solution supports users who need to make decisions for spot, forward and longer-term contracts by including fifty two weeks of price forecasts. In addition, it shows the previous two years of market data enabling users to visualize the seasonality, longer term trends and recent market emotion that drive market prices.

With MarketForecaster™, users are able to quickly compare different markets or commodities to assess, for example, where the price of an R3 Heifer in Italy compares to the price of an R3 Heifer in Ireland, UK and France, and which European country tends to lead the price changes. Visibility into target market trends allows sales and/or pricing managers to make better margin decisions and to establish forward prices based on target market value versus local market costs. Alternatively, the solution can be used to compare two commodities to determine, for example, how ground beef prices compare to chicken prices or the correlation between cattle and hog prices. Risk managers use MarketForecaster™ to compare futures markets with the forecast for live animal prices to identify hedging opportunities.

SignalDemand's forecasting engine is based on an advanced autoregressive model, using

the Fourier method to accurately model seasonality and holidays. Where applicable, it incorporates the impact of external supply, demand and macroeconomic indicators and layered models allow one commodity to be used as a basis for another. Both the projected mean prices as well as the variance are provided enabling price negotiators to understand the mathematical target price range forecasted by SignalDemand's forecasting engine.

SignalDemand's forecasts represent a balanced response to both the everyday market movements along with the longer term market dynamics and trends. Such dynamic forecasts are critical in today's volatile market conditions and would be extremely time consuming and difficult to achieve without the use of high-speed computing and advanced mathematical models.

The solution is offered as software-as-a-service (SaaS) so there is no implementation required. Getting started is as easy as receiving a username, password and URL from SignalDemand. As a single source for historical data, futures markets and price projections, SignalDemand MarketForecaster™ makes commodity information available when and where you need it in a form that is actionable.

### SignalDemand in Action

*Over \$25 billion in pricing decisions are made each year by leading protein processors and retailers using SignalDemand's market forecasts. Users of MarketForecaster™ describe its ease of use and its impact:*

*"Ease of use is very good. It's very user friendly. I'd give it 9 out of 10 for ease of use and I never give anyone a 10!"*

*"I like the timeliness of the forecasts, the fact that they are updated daily. It's really been a major positive impact in our division."*

## About SignalDemand

SignalDemand provides buyers and sellers of agricultural commodities including growers, manufacturers, grocery retailers, and restaurants with on-demand software and services to achieve maximum profit margins in the face of volatile markets and increasingly complex pricing decisions. Using patent pending, comprehensive mathematical models to process thousands of variables, SignalDemand delivers real-time price and margin recommendations on a continual basis. By recommending best price, capacity utilization and product mix, SignalDemand enables better day-to-day decision making. Companies such as Hatfield Quality Meats, Loblaw, Lopez Foods, and Meyer Natural Beef enjoy the benefits of MarketForecaster™. Selected customers worldwide including companies such as Cargill, Farmland Foods, Hormel, Kepak, Teys Brothers, and National Frozen Foods rely on SignalDemand for immediate and ongoing improvement of financial performance. For more information, please visit [www.signaldemand.com](http://www.signaldemand.com).