Teucrium Commodity Trust
Form 10-Q
November 09, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

S Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended September 30, 2012.

OR

£ 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	Smaller reporting company o
(Do not check if a smaller reporting company)	

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

TEUCRIUM COMMODITY TRUST

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TEUCRIUM COMMODITY TRUST

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 78,138,159	$ 80,567,901
Commodity futures contracts	1,285,801	2,125,714
Collateral, due from broker	9,820,455	8,747,339
Receivable for investments sold	25,882	-
Interest receivable	4,635	2,609
Other assets	626,024	404,199
Total assets	89,900,956	91,847,762
Liabilities		
Payable for shares redeemed	9,121,871	4,147,011
Commodity futures contracts	1,124,996	3,758,460
Management fee payable to Sponsor	79,647	74,629
Payable for investments purchased	16,178	-
Other liabilities	100,168	44,094
Total liabilities	10,442,860	8,024,194
Net assets	$ 79,458,096	$ 83,823,568

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

TEUCRIUM COMMODITY TRUST

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		**Principal** Amount
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.080%, due October 18, 2012	$9,999,700	12.58	%	$10,000,000
U.S. Treasury bills, 0.070%, due November 15, 2012	9,999,130	12.58		10,000,000
Total U.S. Treasury obligations	19,998,830	25.16		20,000,000
Money market funds				
Dreyfus Cash Management Plus	57,484,197	72.35		
Total cash equivalents	$77,483,027	97.51	%	

			Notional Amount
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures (635 contracts, settlement date December 13, 2013)	$792,738	1.00%	$20,018,375
United States natural gas futures contracts			
NYMEX natural gas futures (25 contracts, settlement date February 26, 2013)	42,368	0.05	938,000
NYMEX natural gas futures (26 contracts, settlement date March 26, 2013)	65,780	0.08	969,800
NYMEX natural gas futures (24 contracts, settlement date September 26, 2013)	103,080	0.13	931,200
NYMEX natural gas futures (23 contracts, settlement date October 29, 2013)	18,560	0.02	915,170
United States WTI crude oil futures contracts			
WTI crude oil futures (8 contracts, settlement date November 20, 2013)	34,686	0.04	746,800
United States soybean futures contracts			
CBOT soybean futures (56 contracts, settlement date November 14, 2013)	98,350	0.12	3,747,100
United States sugar futures contracts			
ICE sugar futures (24 contracts, settlement date June 28, 2013)	538	0.00	550,771
United States wheat futures contracts			
CBOT wheat futures (24 contracts, settlement date March 14, 2013)	15,113	0.02	1,094,700

CBOT wheat futures (25 contracts, settlement date December 13, 2013)	114,588	0.14	1,093,438
Total commodity futures contracts	$1,285,801	1.60%	$31,005,354

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

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TEUCRIUM COMMODITY TRUST

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional** Amount
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (540 contracts, settlement date March 14, 2013)	$24,700	0.03	%	$20,506,500
CBOT corn futures (465 contracts, settlement date May 14, 2013)	572,363	0.72		17,588,625
United States WTI crude oil futures contracts				
WTI crude oil futures (8 contracts, settlement date November 16, 2012)	27,029	0.03		740,480
WTI crude oil futures (6 contracts, settlement date May 21, 2013)	58,930	0.07		564,720
United States soybean futures contracts				
CBOT soybean futures (46 contracts, settlement date January 14, 2013)	76,950	0.10		3,686,325
CBOT soybean futures (41 contracts, settlement date March 14, 2013)	278,400	0.35		3,206,713
United States sugar futures contracts				
ICE sugar futures (29 contracts, settlement date April 30, 2013)	33,029	0.04		664,541
ICE sugar futures (27 contracts, settlement date February 28, 2014)	27,832	0.04		642,298
United States wheat futures contracts				
CBOT wheat futures contracts (20 contracts, settlement date May 14, 2013)	25,763	0.03		906,250
Total commodity futures contracts	$1,124,996	1.41	%	$48,506,452

			Shares
Exchange-traded funds			
Teucrium Corn Fund	$679,249	0.85%	14,033
Teucrium Soybean Fund	652,770	0.82	24,556
Teucrium Sugar Fund	650,073	0.82	35,024
Teucrium Wheat Fund	666,268	0.84	27,137
Total exchange-traded funds (cost $2,682,915) owned by Teucrium Agricultural Fund	$2,648,360	3.33%	100,750

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

TEUCRIUM COMMODITY TRUST

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets		**Principal** Amount
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.010%, due January 19, 2012	$9,999,950	11.93	%	$10,000,000
U.S. Treasury bills, 0.000%, due February 16, 2012	9,999,880	11.93		10,000,000
Total U.S. Treasury obligations	19,999,830	23.86		20,000,000
Money market funds				
Dreyfus Cash Management Plus	60,567,971	72.26		
Total cash equivalents	$80,567,801	96.12	%	

			Notional Amount
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures (648 contracts, settlement date July 13, 2012)	$1,928,408	2.30%	$21,424,500
United States WTI crude oil futures contracts			
WTI crude oil futures (14 contracts, settlement date November 16, 2012)	15,839	0.02	1,373,540
WTI crude oil futures (16 contracts, settlement date November 20, 2013)	100,303	0.12	1,516,160
United States soybean futures contracts			
CBOT Soybean futures (11 contracts, settlement date May 14, 2012)	9,994	0.01	669,625
United States wheat futures contracts			
CBOT Wheat futures (20 contracts, settlement date July 13, 2012)	71,170	0.08	686,250
Total commodity futures contracts	$2,125,714	2.53%	$25,670,075

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

TEUCRIUM COMMODITY TRUST

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional** Amount
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (763 contracts, settlement date May 14, 2012)	$2,478,427	2.96	%	$24,978,713
CBOT corn futures (849 contracts, settlement date December 14, 2012)	233,096	0.28		24,886,312
United States natural gas futures contracts				
NYMEX natural gas futures (11 contracts, settlement date February 27, 2012)	217,844	0.26		331,760
NYMEX natural gas futures (11 contracts, settlement date March 28, 2012)	161,614	0.19		338,690
NYMEX natural gas futures (11 contracts, settlement date September 26, 2012)	120,352	0.14		365,420
NYMEX natural gas futures (10 contracts, settlement date October 29, 2012)	102,630	0.12		347,900
United States WTI crude oil futures contracts				
WTI crude oil futures (16 contracts, settlement date May 22, 2012)	168	0.00		1,591,680
United States soybean futures contracts				
CBOT soybean futures (12 contracts, settlement date March 14, 2012)	81,898	0.10		724,650
CBOT soybean futures (13 contracts, settlement date November 14, 2012)	82,765	0.10		782,763
United States sugar futures contracts				
ICE sugar futures (32 contracts, settlement date April 30, 2012)	82,593	0.10		822,528
ICE sugar futures (27 contracts, settlement date June 29, 2012)	37,908	0.05		682,215
ICE sugar futures (31 contracts, settlement date February 28, 2013)	17,697	0.02		811,059
United States wheat futures contracts				
CBOT wheat futures (23 contracts, settlement date May 14, 2012)	66,580	0.08		771,938
CBOT wheat futures (22 contracts, settlement date December 14, 2012)	74,888	0.09		792,000
Total commodity futures contracts	$3,758,460	4.49	%	$58,227,628

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

TEUCRIUM COMMODITY TRUST

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Three months ended September 30, 2011	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Income				
Realized and unrealized gain (loss) on trading of commodity futures contracts:				
Realized gain on commodity futures contracts	$17,680,107	$9,853,860	$11,781,196	$15,385,612
Net change in unrealized appreciation or depreciation on commodity futures contracts	(3,737,364)	(10,012,182)	1,793,551	(20,496,972)
Interest income	25,096	8,947	53,101	50,185
Total income (loss)	13,967,839	(149,375)	13,627,848	(5,061,175)
Expenses				
Management fees	267,296	328,413	644,954	788,567
Professional fees	(107,429)	176,355	506,490	536,143
Distribution and marketing fees	751,082	187,910	1,712,641	484,014
Custodian fees and expenses	42,082	76,886	367,816	239,354
Business permits and licenses fees	30,850	5,659	47,323	17,009
General and administrative expenses	127,799	3,576	270,888	9,714
Brokerage commissions	25,674	29,212	51,333	60,399
Other expenses	29,931	6,544	72,085	19,535
Total expenses	1,167,285	814,555	3,673,530	2,154,735
Net income (loss)	$12,800,554	$(963,930)	$9,954,318	$(7,215,910)

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

TEUCRIUM COMMODITY TRUST

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Operations		
Net income (loss)	$ 9,954,318	$ (7,215,910)
Capital transactions		
Issuance of Shares	93,826,552	111,123,203
Cost of shares of the Underlying Funds acquired by Teucrium Agricultural Fund	(2,682,915)	-
Realized loss on shares of the Underlying Funds sold by Teucrium Agricultural Fund	(615,762)	-
Redemption of Shares	(104,847,665)	(29,119,867)
Total capital transactions	(14,319,790)	82,003,336
Net change in net assets	(4,365,472)	74,787,426
Net assets, beginning of period	83,823,568	42,964,439
Net assets, end of period	$ 79,458,096	$ 117,751,865

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

TEUCRIUM COMMODITY TRUST

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Cash flows from operating activities:		
Net income (loss)	$ 9,954,318	$ (7,215,910)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(1,793,551)	20,496,972
Realized loss on shares of the Underlying Funds sold by Teucrium Agricultural Fund excluded from net income (loss)	(615,762)	-
Changes in operating assets and liabilities:		
Purchase of Underlying Funds acquired by Teucrium Agricultural Fund	(2,682,915)	-
Collateral, due from broker	(1,073,116)	(18,776,599)
Receivable for investments sold	(25,882)	-
Interest receivable	(2,026)	4,416
Other assets	(221,825)	(612,698)
Collateral, due to broker	-	(1,496,045)
Management fee payable to Sponsor	5,018	68,129
Payable for investments purchased	16,178	-
Other liabilities	56,074	182,078
Net cash provided by (used in) operating activities	3,616,511	(7,349,657)
Cash flows from financing activities:		
Proceeds from sale of Shares	93,826,552	111,123,203
Redemption of Shares, net of change in payable for shares redeemed	(99,872,805)	(29,119,867)
Net cash (used in) provided by financing activities	(6,046,253)	82,003,336
Net change in cash and cash equivalents	(2,429,742)	74,653,679
Cash and cash equivalents, beginning of period	80,567,901	39,311,038
Cash and cash equivalents, end of period	$ 78,138,159	$ 113,964,717

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(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 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 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 and Form 10-K/A, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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 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.

In accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 740-10-25-6, "Accounting for Uncertainty in Income Taxes," 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 September 30, 2012 and December 31, 2011. 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 September 30, 2012 and 2011 and December 31, 2011.

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 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

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

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 $57,484,197 and $60,567,971 in money market funds at September 30, 2012 and December 31, 2011, 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 $19,998,830 and $19,999,830 on both September 30, 2012 and December 31, 2011.

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 TAGS 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)

The investment objective of TAGS is to have the daily changes in percentage terms of the Net Asset Value ("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: the Teucrium Corn Fund, the Teucrium Wheat Fund, the Teucrium Soybean Fund and the Teucrium Sugar Fund (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, generally on a daily basis, to maintain the approximate 25% allocation to each Underlying Fund.

As such, 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.

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 September 30, 2012 and December 31, 2011, 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.

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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the 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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$77,483,027	$ -	$ -	$ 77,483,027
Commodity futures contracts				
Corn futures contracts	792,738	-	-	792,738
Natural gas futures contracts	229,788	-	-	229,788
WTI crude oil futures contracts	34,686	-	-	34,686
Soybean futures contracts	98,350	-	-	98,350
Sugar futures contracts	538	-	-	538
Wheat futures contracts	129,701	-	-	129,701
Total	$78,768,828	$ -	$ -	$ 78,768,828

Liabilities:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Commodity futures contracts		-	-	
Corn futures contracts	$597,063	$ -	$ -	$ 597,063
WTI crude oil futures contracts	85,959	-	-	85,959
Soybean futures contracts	355,350	-	-	355,350
Sugar futures contracts	60,861	-	-	60,861
Wheat futures contracts	25,763	-	-	25,763
Total	$1,124,996	$ -	$ -	$ 1,124,996

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$80,567,801	-	-	$ 80,567,801
Commodity futures contracts				
Corn futures contracts	1,928,408	-	-	1,928,408
WTI crude oil futures contracts	116,142	-	-	116,142

Soybean futures contracts	9,994			9,994
Wheat futures contracts	71,170	-	-	71,170
Total	$ 82,693,515	$ -	$ -	$ 82,693,515

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	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Liabilities:				
Commodity futures contracts				
Corn futures contracts	$2,711,523	$ -	$ -	$ 2,711,523
Natural gas futures contracts	602,440	-	-	602,440
WTI crude oil futures contracts	168	-	-	168
Soybean futures contracts	164,663	-	-	164,663
Sugar futures contracts	138,198	-	-	138,198
Wheat futures contracts	141,468	-	-	141,468
Total	$3,758,460	$ -	$ -	$ 3,758,460

There were no transfers into and out of each level of the fair value hierarchy for the commodity futures contracts valued using alternative verifiable sources due to a "limit-down" or “limit-up” conditions for the period January 1, 2012 through September 30, 2012.

Transfers into and out of each level of the fair value hierarchy for the corn futures contracts valued using alternative verifiable sources due to a "limit-down" condition for the period January 1, 2011 through September 30, 2011 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
Assets (at fair value)						
Derivative contracts						
Corn future contracts	$ -	$9,140,288	$9,140,288	$ -	$ -	$ -

	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	$ -	$5,938,713	$5,938,713	$ -	$ -	$ -

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 nine months ended September 30, 2012 and 2011, the Funds invested in commodity futures contracts and Cleared 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 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.

The following tables identify the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. Total derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of master netting arrangements and have been reduced by the application of cash collateral receivables and payables with its counterparties. The following tables also 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, for the nine months ended September 30, 2012 and 2011 and for the three months ended September 30, 2012 and 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Corn futures contracts	$ 792,738	$ (597,063)	$ 195,675
Natural gas futures contracts	229,788	-	229,788
WTI crude oil futures contracts	34,686	(85,959)	(51,273)
Soybean futures contracts	98,350	(355,350)	(257,000)

Sugar futures contracts	538	(60,861)	(60,323)
Wheat futures contracts	129,701	(25,763)	103,938
Total commodity futures contracts	$ 1,285,801	$ (1,124,996)	$ 160,805

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Corn futures contracts	$ 1,928,408	$ (2,711,523)	$(783,115)
Natural gas futures contracts	-	(602,440)	(602,440)
WTI crude oil futures contracts	116,142	(168)	115,974
Soybean futures contracts	9,994	(164,663)	(154,669)
Sugar futures contracts	-	(138,198)	(138,198)
Wheat futures contracts	71,170	(141,468)	(70,298)
Total commodity futures contracts	$ 2,125,714	$ (3,758,460)	$ (1,632,746)

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

For the period from July 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain (loss) on Derivative Instruments	Net Change in Unrealized (loss) Gain on Derivative Instruments
Commodity price		
Corn futures contracts	$ 16,718,359	$ (3,740,286)
Natural gas futures contracts	(263,121)	502,151
WTI crude oil futures contracts	-	119,260
Soybean futures contracts	719,250	(405,038)
Sugar futures contracts	(80,068)	661
Wheat futures contracts	585,687	(214,112)
Total commodity futures contracts	$ 17,680,107	$ (3,737,364)

For the period January 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain (loss) on Derivative Instruments	Net Change in Unrealized Gain (loss) on Derivative Instruments
Commodity price		
Corn futures contracts	$ 12,326,540	$ 978,790
Natural gas futures contracts	(831,009)	832,228
WTI crude oil futures contracts	43,347	(167,247)
Soybean futures contracts	797,231	(102,331)
Sugar futures contracts	(676,378)	77,875
Wheat futures contracts	121,465	174,236
Total commodity futures contracts	$ 11,781,196	$ 1,793,551

For the period July 1, 2011 to September 30, 2011

Primary Underlying Risk	Realized Gain (loss) on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Corn futures contracts	$ 10,147,450	$ (8,334,377)
Natural gas futures contracts	(213,080)	(112,162)
WTI crude oil futures contracts	(45,320)	(954,906)

Soybean futures contracts	148	(308,748)
Sugar futures contracts	(35,682)	(46,750)
Wheat futures contracts	344	(255,239)
Total commodity futures contracts	$ 9,853,860	$ (10,012,182)

For the period January 1, 2011 to September 30, 2011

Primary Underlying Risk	Realized Gain (loss) on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Corn futures contracts	$ 15,823,273	$ (18,596,820)
Natural gas futures contracts	(541,020)	(169,170)
WTI crude oil futures contracts	138,549	(1,120,245)
Soybean futures contracts	148	(308,748)
Sugar futures contracts	(35,682)	(46,750)
Wheat futures contracts	344	(255,239)
Total commodity futures contracts	$ 15,385,612	$ (20,496,972)

Volume of Derivative Activities

At September 30, 2012, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of contracts
Commodity price		
Corn futures contracts	$58,113,500	1,640
Natural gas futures contracts	3,754,170	98
WTI crude oil futures contracts	2,052,000	22
Soybean futures contracts	10,640,138	143
Sugar futures contracts	1,857,610	80
Wheat futures contracts	3,094,388	69
Total commodity futures contracts	$79,511,806	2,052

At December 31, 2011, the notional amounts and number of contracts, categorized by primary underlying risk, are as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Corn futures contracts	$71,289,525	2,260
Natural gas futures contracts	1,383,770	43
WTI crude oil futures contracts	4,481,380	46
Soybean futures contracts	2,177,038	36
Sugar futures contracts	2,315,802	90
Wheat futures contracts	2,250,188	65
Total commodity futures contracts	$83,897,703	2,540

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 October 1, 2012 through November 9, 2012, 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: On October 31, 2012 the SEC declared effective Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 for the Fund.

TEUCRIUM CORN FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 58,070,561	$ 69,022,336
Commodity futures contracts	792,738	1,928,408
Collateral, due from broker	7,961,740	6,910,552
Interest receivable	3,249	2,086
Other assets	445,997	342,859
Total assets	67,274,285	78,206,241
Liabilities		
Payable for shares redeemed	8,470,653	4,147,011
Commodity futures contracts	597,063	2,711,523
Management fee payable to Sponsor	62,246	64,423
Other liabilities	59,672	14,763
Total liabilities	9,189,634	6,937,720
Net assets	$ 58,084,651	$ 71,268,521
Shares outstanding	1,200,004	1,700,004
Net asset value per share	$ 48.40	$ 41.92
Market value per share	$ 48.42	$ 41.98

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

TEUCRIUM CORN FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		**Principal** Amount
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.080%, due October 18, 2012	$9,999,700	17.22	%	$10,000,000
U.S. Treasury bills, 0.070%, due November 15, 2012	9,999,130	17.21		10,000,000
Total U.S. Treasury obligations	19,998,830	34.43		20,000,000
Money market funds				
Dreyfus Cash Management Plus	38,071,731	65.55		
Total cash equivalents	$58,070,561	99.98	%	

			Notional Amount
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures (635 contracts, settlement date December 13, 2013)	$792,738	1.36%	$20,018,375

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional** Amount
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (540 contracts, settlement date March 14, 2013)	$24,700	0.04	%	$20,506,500
CBOT corn futures (465 contracts, settlement date May 14, 2013)	572,363	0.99		17,588,625
Total commodity futures contracts	$597,063	1.03	%	$38,095,125

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

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TEUCRIUM CORN FUND

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets		**Principal** Amount
Cash equivalents				
United States Treasury obligations				
U.S. Treasury bills, 0.010%, due January 19, 2012	$9,999,950	14.03	%	$10,000,000
U.S. Treasury bills, 0.000%, due February 16, 2012	9,999,880	14.03		10,000,000
Total U.S. Treasury obligations	19,999,830	28.06		20,000,000
Money market funds				
Dreyfus Cash Management Plus	49,022,506	68.79		
Total cash equivalents	$69,022,336	96.85	%	

			Notional Amount
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures (648 contracts, settlement date July 13, 2012)	$1,928,408	2.71%	$21,424,500

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional** Amount
Commodity futures contracts				
United States corn futures contracts				
CBOT corn futures (763 contracts, settlement date May 14, 2012)	$2,478,427	3.48	%	$24,978,713
CBOT corn futures (849 contracts, settlement date December 14, 2012)	233,096	0.33		24,886,312
	$2,711,523	3.81	%	$49,865,025

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

TEUCRIUM CORN FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Three months ended September 30, 2011	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Income				
Realized and unrealized gain (loss) on trading of commodity futures contracts:				
Realized gain on commodity futures contracts	$ 16,718,359	$ 10,147,450	$ 12,326,540	$ 15,823,273
Net change in unrealized appreciation or depreciation on commodity futures contracts	(3,740,286)	(8,334,377)	978,790	(18,596,820)
Interest income	20,303	8,677	42,393	47,397
Total income (loss)	12,998,376	1,821,750	13,347,723	(2,726,150)
Expenses				
Management fees	221,902	315,409	534,153	753,877
Professional fees	(87,700)	113,571	343,462	334,960
Distribution and marketing fees	615,400	146,541	1,343,730	352,968
Custodian fees and expenses	32,564	32,564	96,985	96,631
Business permits and licenses fees	13,120	3,003	24,416	8,490
General and administrative expenses	92,120	2,248	202,440	5,459
Brokerage commissions	21,329	27,901	40,123	58,319
Other expenses	20,561	3,731	55,806	11,015
Total expenses	929,296	644,968	2,641,115	1,621,719
Net income (loss)	$ 12,069,080	$ 1,176,782	$ 10,706,608	$ (4,347,869)
Net income (loss) per share	$ 6.38	$ (0.28)	$ 6.48	$ 1.05
Net income (loss) per weighted average share	$ 6.79	$ 0.43	$ 6.45	$ (1.92)
Weighted average shares outstanding	1,776,906	2,718,482	1,659,311	2,259,345

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

TEUCRIUM CORN FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Operations		
Net income (loss)	$10,706,608	$ (4,347,869)
Capital transactions		
Issuance of Shares	48,186,703	92,546,004
Redemption of Shares	(72,077,181)	(26,880,459)
Total capital transactions	(23,890,478)	65,665,545
Net change in net assets	(13,183,870)	61,317,676
Net assets, beginning of period	71,268,521	42,963,939
Net assets, end of period	$58,084,651	$ 104,281,615
Net asset value per share at beginning of period	$41.92	$ 39.06
At end of period	$48.40	$ 40.11

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

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TEUCRIUM CORN FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Cash flows from operating activities:		
Net income (loss)	$ 10,706,608	$ (4,347,869)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(978,790)	18,596,820
Changes in operating assets and liabilities:		
Collateral, due from broker	(1,051,188)	(16,184,201)
Interest receivable	(1,163)	4,489
Other assets	(103,138)	(300,746)
Collateral, due to broker	-	(1,496,045)
Management fee payable to Sponsor	(2,177)	63,346
Other liabilities	44,909	22,100
Net cash provided by (used in) operating activities	8,615,061	(3,642,106)
Cash flows from financing activities:		
Proceeds from sale of Shares	48,186,703	92,546,004
Redemption of Shares, net of change in payable for shares redeemed	(67,753,539)	(26,880,459)
Net cash (used in) provided by financing activities	(19,566,836)	65,665,545
Net change in cash and cash equivalents	(10,951,775)	62,023,439
Cash and cash equivalents, beginning of period	69,022,336	39,310,538
Cash and cash equivalents, end of period	$ 58,070,561	$ 101,333,977

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated May 1, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

In accordance with Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification Topic (“ASC”) 740-10-25-6, “Accounting for Uncertainty in Income Taxes,” 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 September 30, 2012 and December 31, 2011. 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 September 30, 2012 and 2011 and December 31, 2011.

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 Amendment to the Form S-1 dated May 1, 2012, 50,000 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 $38,071,731 and $49,022,506 in money market funds at September 30, 2012 and December 31, 2011, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities. The Fund held $19,998,830 in United States Treasury Bills with a maturity date of three months or less at both September 30, 2012 and December 31, 2011; 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,

- Subtracting any liabilities, and

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 (typically 3:00 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 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 period July 1, 2012 through September 30, 2012, the Fund recorded $221,902 in management fees to the Sponsor. For the period July 1, 2011 through September 30, 2011, the Fund recorded $315,409 in management fees to the Sponsor. For the period January 1, 2012 through September 30, 2012, the Fund recorded $534,153 in management fees to the Sponsor. For the period January 1, 2011 through September 30, 2011, the Fund recorded $753,877 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. 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 September 30, 2012 and December 31, 2011, 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.

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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the 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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$58,070,561	$ -	$ -	$ 58,070,561
Commodity futures contracts	792,738	-	-	792,738
Total	$58,863,299	$ -	$ -	$ 58,863,299

Liabilities:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Commodity futures contracts	$597,063	$ -	$ -	$ 597,063

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$69,022,336	$ -	$ -	$ 69,022,336
Commodity futures contracts	1,928,408	-	-	1,928,408
Total	$70,950,744	$ -	$ -	$ 70,950,744

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Commodity futures contracts	$2,711,523	$ -	$ -	$ 2,711,523

There were no transfers into and out of each level of the fair value hierarchy for the commodity futures contracts valued using alternative verifiable sources due to a "limit-down" condition for the period January 1, 2012 through September 30, 2012.

Transfers into and out of each level of the fair value hierarchy for the corn futures contracts valued using alternative verifiable sources due to a "limit-down" or “limit-up” condition for the period January 1, 2011 through September 30, 2011 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
Assets (at fair value)						
Derivative contracts						
Commodity future contracts	$ -	$9,140,288	$9,140,288	$ -	$ -	$ -

	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						
Commodity future contracts	$ -	$5,938,713	$5,938,713	$ -	$ -	$ -

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 nine months ended September 30, 2012 and 2011, the Fund invested only in commodity futures contracts and Cleared Corn Swaps specifically related to the Fund. 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 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 tables identify the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. The following tables also 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, for the nine months ended September 30, 2012 and 2011 and for the three months ended September 30, 2012 and 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 792,738	$ (597,063)	$ 195,675

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity Price			
Commodity futures contracts	$ 1,928,408	$ (2,711,523)	$ (783,115)

The following is a summary of realized and unrealized gains and losses of the derivative instruments utilized by the Corn Fund:

For the period from July 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity Price		
Commodity futures contracts	$ 16,718,359	$ (3,740,286)

For the period from January 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity Price		
Commodity futures contracts	$ 12,326,540	$ 978,790

For the period from July 1, 2011 to September 30, 2011

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity Price		
Commodity futures contracts	$ 10,147,450	$ (8,334,377)

For the period from January 1, 2011 to September 30, 2011

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity Price		
Commodity futures contracts	$ 15,823,273	$ (18,596,820)

Volume of Derivative Activities

The notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

At September 30, 2012, the fair value of derivative instruments was as follows:

	Long Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$58,113,500	1,640

At December 31, 2011, the fair value of derivative instruments was as follows:

	Long Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$71,289,525	2,260

Note 5 - Financial Highlights

The following tables present per unit performance data and other supplemental financial data for the periods from January 1, 2012 through September 30, 2012 and January 1, 2011 through September 30, 2011. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for January 1, 2012 through September 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	8.05
Total expenses	(1.59)
Net increase in net asset value	6.48
Net asset value end of period	$48.40
Total Return	15.46%
Ratios to Average Net Assets (Annualized)	
Total expense	4.95 %
Net investment loss	(4.87)%

Per Share Operation Performance for January 1, 2011 through September 30, 2011	
Net asset value at beginning of period	$39.06
Income from investment operations:	
Investment income	0.02
Net realized and unrealized gain on commodity futures contracts	1.75
Total expenses	(0.72)
Net increase in net asset value	1.05
Net asset value end of period	$40.11
Total Return	2.69 %
Ratios to Average Net Assets (Annualized)	
Total expense	2.15 %
Net investment loss	(2.09)%

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 October 1, 2012 through November 9, 2012, there was nothing to report.

TEUCRIUM NATURAL GAS FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 3,510,851	$ 1,277,159
Commodity futures contracts	229,788	-
Collateral, due from broker	24,392	700,573
Interest receivable	209	57
Other assets	15,378	12,808
Total assets	3,780,618	1,990,597
Liabilities		
Commodity futures contracts	-	602,440
Management fee payable to Sponsor	2,867	-
Other liabilities	898	6,790
Total liabilities	3,765	609,230
Net assets	$ 3,776,853	$ 1,381,367
Shares outstanding	300,004	100,004
Net asset value per share	$ 12.59	$ 13.81
Market value per share	$ 12.50	$ 13.88

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

TEUCRIUM NATURAL GAS FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		Notional Amount
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$3,510,851	92.96	%	
Commodity futures contracts				
United States natural gas futures contracts				
NYMEX natural gas futures (25 contracts, settlement date February 26, 2013)	$ 42,368	1.12	%	$938,000
NYMEX natural gas futures (26 contracts, settlement date March 26, 2013)	65,780	1.74		969,800
NYMEX natural gas futures (24 contracts, settlement date September 26, 2013)	103,080	2.73		931,200
NYMEX natural gas futures (23 contracts, settlement date October 29, 2013)	18,560	0.49		915,170
Total commodity futures contracts	$ 229,788	6.08	%	$3,754,170

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

TEUCRIUM NATURAL GAS FUND

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets	
Cash equivalents			
Money market funds			
Dreyfus Cash Management Plus	$1,277,159	92.46	%

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional** Amount
Commodity futures contracts				
United States natural gas futures contracts				
NYMEX natural gas futures (11 contracts, settlement date February 27, 2012)	$217,844	15.77	%	$331,760
NYMEX natural gas futures (11 contracts, settlement date March 28, 2012)	161,614	11.70		338,690
NYMEX natural gas futures (11 contracts, settlement date September 26, 2012)	120,352	8.71		365,420
NYMEX natural gas futures (10 contracts, settlement date October 29, 2012)	102,630	7.43		347,900
	$602,440	43.61	%	$1,383,770

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

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TEUCRIUM NATURAL GAS FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Three months ended September 30, 2011	Nine months ended September 30, 2012	From commencement of operations (February 1, 2011) through September 30, 2011
Income				
Realized and unrealized (loss) gain on trading of commodity futures contracts:				
Realized loss on commodity futures contracts	$ (263,121)	$ (213,080)	$ (831,009)	$ (541,020)
Net change in unrealized appreciation or depreciation on commodity futures contracts	502,151	(112,162)	832,228	(169,170)
Interest income	863	68	1,544	1,168
Total income (loss)	239,893	(325,174)	2,763	(709,022)
Expenses				
Management fees	5,833	456	5,833	4,084
Professional fees	655	17,124	2,728	91,744
Distribution and marketing fees	3,458	11,691	10,046	60,078
Custodian fees and expenses	1,179	11,758	3,533	64,852
Business permits and licenses fees	224	743	142	3,895
General and administrative expenses	1,229	373	4,448	1,945
Brokerage commissions	213	74	705	532
Other expenses	294	741	388	3,895
Total expenses	13,085	42,960	27,823	231,025
Net income (loss)	$ 226,808	$ (368,134)	$ (25,060)	$ (940,047)
Net income (loss) per share	$ 0.76	$ (3.68)	$ (1.22)	$ (6.79)
Net income (loss) per weighted average share	$ 0.76	$ (3.68)	$ (0.12)	$ (8.44)
Weighted average shares outstanding	300,004	100,004	213,143	111,368

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

TEUCRIUM NATURAL GAS FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (February 1, 2011) through September 30, 2011
Operations		
Net loss	$(25,060)	$ (940,047)
Capital transactions		
Issuance of Shares	2,420,546	5,000,000
Redemption of Shares	-	(2,239,408)
Total capital transactions	2,420,546	2,760,592
Net change in net assets	2,395,486	1,820,545
Net assets, beginning of period	1,381,367	100
Net assets, end of period	$3,776,853	$ 1,820,645
Net asset value per share at beginning of period	$13.81	$ 25.00
At end of period	$12.59	$ 18.21

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

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TEUCRIUM NATURAL GAS FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (February 1, 2011) through September 30, 2011
Cash flows from operating activities:		
Net loss	$(25,060)	$ (940,047)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(832,228)	169,170
Changes in operating assets and liabilities:		
Collateral, due from broker	676,181	(263,013)
Interest receivable	(152)	(14)
Other assets	(2,570)	(142,936)
Management fee payable to Sponsor	2,867	456
Other liabilities	(5,892)	64,236
Net cash used in operating activities	(186,854)	(1,112,148)
Cash flows from financing activities:		
Proceeds from sale of Shares	2,420,546	5,000,000
Redemption of Shares	-	(2,239,408)
Net cash provided by financing activities	2,420,546	2,760,592
Net change in cash and cash equivalents	2,233,692	1,648,444
Cash and cash equivalents, beginning of period	1,277,159	100
Cash and cash equivalents, end of period	$3,510,851	$ 1,648,544

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

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NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated May 1, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

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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.

In accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification Topic ("ASC") 740-10-25-6, "Accounting for Uncertainty in Income Taxes," 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 September 30, 2012 and December 31, 2011. 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 September 30, 2012 and 2011 and December 31, 2011.

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 most recent Amendment to the Form S-1 dated May 1, 2012, 100,000 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 $3,510,851 and $1,277,159 in money market funds on September 30, 2012 and December 31, 2011, 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,
- Subtracting any liabilities, and

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 (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 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 effective August 1, 2011, for a period to be instituted again at the Sponsor's discretion, the management fee for this Fund. For the quarter ended September 30, 2012, the Fund recorded a management fee expense of $5,833. As there had been no management fee recorded to date for 2012 prior to the quarter ended September 30, 2012, this represents the nine month expense also. The waiving of the management fee for some period in 2012 by the Sponsor resulted in an approximate $3,200 reduction in expenses to the Fund for the three months ended September 30, 2012 and $12,800 for the nine months ended from January 1, 2012 through September 30, 2012. For the period from the commencement of operations (February 1, 2011) through September 30, 2011, the Fund recorded $4,084 in management fees to the Sponsor.

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 resulted in an approximate $1,700 reduction in expenses for the Fund for the three month and $9,800 for the nine month period ending September 30, 2012. 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.

On September 30, 2012 and December 31, 2011 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.

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 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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the 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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$3,510,851	$ -	$ -	$ 3,510,851
Commodity futures contracts	229,788	-	-	229,788
Total	$3,740,639	$ -	$ -	$ 3,740,639

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$1,277,159	$ -	$ -	$1,277,159

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Commodity futures contracts	$602,440	$ -	$ -	$602,440

During the period ended September 30, 2012 and from the commencement of operations (February 1, 2011) through September 30, 2011, 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 periods ended September 30, 2012 and from the commencement of operations (February 1, 2011) through September 30, 2011, the Fund had invested only in natural gas 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 tables identify the fair value amounts of derivative instruments included in the statement of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. Total derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of master netting arrangements and have been reduced by the application of cash collateral receivables and payables with its counterparties. The following tables also identify the net gain and loss amounts included in the statements of operations as realized and unrealized gain on trading of commodity futures contracts, categorized by primary underlying risk, for the nine months ended September 30, 2012, for the three months ended September 30, 2012 and 2011, and for the period from commencement of operations (February 1, 2011) to September 30, 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 229,788	$ -	$ 229,788

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ -	$ (602,440)	$ (602,440)

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

For the period July 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (263,121)	$ 502,151

For the period January 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (831,009)	$ 832,228

For the period July 1, 2011 to September 30, 2011

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (213,080)	$ (112,162)

For the period from commencement of operations (February 1, 2011) to September 30, 2011

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (541,020)	$ (169,170)

Volume of Derivative Activities

At September 30, 2012, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

	Long Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$3,754,170	98

At December 31, 2011, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

	Long exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$1,383,770	43

Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the period January 1, 2012 through September 30, 2012 and from commencement of operations (February 1, 2011) through September 30,

2011. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for January 1, 2012 through September 30, 2012	
Net asset value at beginning of period	$13.81
Income (loss) from investment operations:	
Investment income	0.01
Net realized and unrealized loss on commodity futures contracts	(1.10)
Total expenses	(0.13)
Net decrease in net asset value	(1.22)
Net asset value at end of period	$12.59
Total Return	(8.83)%
Ratios to Average Net Assets (Annualized)	
Total expense	1.50 %
Net investment loss	(1.41)%

Per Share Operation Performance from commencement of operations (February 1, 2011) through September 30, 2011	
Net asset value at beginning of period	$25.00
Income (loss) from investment operations:	
Investment income	0.01
Net realized and unrealized loss on commodity futures contracts	(4.73)
Total expenses	(2.07)
Net decrease in net asset value	(6.79)
Net asset value at end of period	$18.21
Total Return	(27.16)%
Ratios to Average Net Assets (Annualized)	
Total expense	14.14 %
Net investment loss	(14.07)%

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 $9,800 reduction in expenses to the Fund for the period January 1, 2012 through September 30, 2012. The Sponsor has waived, for a period to be instituted again at the Sponsor's discretion, the management fee for this Fund. The Fund did record management fees in the quarter ending September 30, 2012. This waiving of the management fee resulted in an approximate $12,800 reduction in expenses for the Fund for the nine month period ending September 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 October 1, 2012 through November 9, 2012, there was nothing to report.

TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 1,879,950	$ 4,139,910
Commodity futures contracts	34,686	116,142
Collateral, due from broker	171,453	157,791
Interest receivable	127	215
Other assets	28,366	48,532
Total assets	2,114,582	4,462,590
Liabilities		
Commodity futures contracts	85,959	168
Management fee payable to Sponsor	1,694	4,658
Other liabilities	10,341	12,751
Total liabilities	97,994	17,577
Net assets	$ 2,016,588	$ 4,445,013
Shares outstanding	50,002	100,002
Net asset value per share	$ 40.33	$ 44.45
Market value per share	$ 40.22	$ 44.58

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

TEUCRIUM WTI CRUDE OIL FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$1,879,950	93.22	%	Notional Amount
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (8 contracts, settlement date November 20, 2013)	$34,686	1.72	%	$746,800

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (8 contracts, settlement date November 16, 2012)	$27,029	1.34	%	$740,480
WTI crude oil futures (6 contracts, settlement date May 21, 2013)	58,930	2.92		564,720
Total commodity futures contracts	$85,959	4.26	%	$1,305,200

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

TEUCRIUM WTI CRUDE OIL FUND

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets		Notional Amount
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$4,139,910	93.14	%	
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (14 contracts, settlement date November 16, 2012)	$15,839	0.35	%	$1,373,540
WTI crude oil futures (16 contracts, settlement date November 20, 2013)	100,303	2.26		1,516,160
Total commodity futures contracts	$116,142	2.61	%	$2,889,700

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States WTI crude oil futures contracts				
WTI crude oil futures (16 contracts, settlement date May 22, 2012)	$168	0.00	%	$1,591,680

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

TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Three months ended September 30, 2011	Nine months ended September 30, 2012	From commencement of operations (February 23, 2011) through September 30, 2011
Income				
Realized and unrealized (loss) gain on trading of commodity futures contracts:				
Realized (loss) gain on commodity futures contracts	$ -	$ (45,320)	$ 43,347	$ 138,549
Net change in unrealized appreciation or depreciation on commodity futures contracts	119,260	(954,906)	(167,247)	(1,120,245)
Interest income	494	183	1,839	1,601
Total income (loss)	119,754	(1,000,043)	(122,061)	(980,095)
Expenses				
Management fees	5,097	12,548	21,769	30,606
Professional fees	(5,168)	45,660	10,325	109,439
Distribution and marketing fees	30,423	29,678	59,611	70,968
Custodian fees and expenses	(3,947)	32,564	60,474	77,871
Business permits and licenses fees	790	1,913	790	4,624
General and administrative expenses	4,068	955	4,068	2,310
Brokerage commissions	207	137	506	448
Other expenses	102	2,072	352	4,625
Total expenses	31,572	125,527	157,895	300,891
Net income (loss)	$ 88,182	$ (1,125,570)	$ (279,956)	$ (1,280,986)
Net income (loss) per share	$ 1.76	$ (10.08)	$ (4.12)	$ (11.63)
Net income (loss) per weighted average share	$ 1.76	$ (10.05)	$ (4.21)	$ (12.20)
Weighted average shares outstanding	50,002	111,959	66,425	105,002

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

TEUCRIUM WTI CRUDE OIL FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (February 23, 2011) through September 30, 2011
Operations		
Net loss	$ (279,956)	$ (1,280,986)
Capital transactions		
Issuance of Shares	-	6,077,099
Redemption of Shares	(2,148,469)	-
Total capital transactions	(2,148,469)	6,077,099
Net change in net assets	(2,428,425)	4,796,113
Net assets, beginning of period	4,445,013	100
Net assets, end of period	$ 2,016,588	$ 4,796,213
Net asset value per share at beginning of period	$ 44.45	$ 50.00
At end of period	$ 40.33	$ 38.37

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)

	Nine months ended September 30, 2012	From commencement of operations (February 23, 2011) through September 30, 2011
Cash flows from operating activities:		
Net loss	$ (279,956)	$ (1,280,986)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	167,247	1,120,245
Changes in operating assets and liabilities:		
Collateral, due from broker	(13,662)	(1,377,247)
Interest receivable	88	(39)
Other assets	20,166	(169,016)
Management fee payable to Sponsor	(2,964)	4,327
Other liabilities	(2,410)	95,742
Net cash used in operating activities	(111,491)	(1,606,974)
Cash flows from financing activities:		
Proceeds from sale of Shares	-	6,077,099
Redemption of Shares	(2,148,469)	-
Net cash (used in) provided by financing activities	(2,148,469)	6,077,099
Net change in cash and cash equivalents	(2,259,960)	4,470,125
Cash and cash equivalents, beginning of period	4,139,910	100
Cash and cash equivalents, end of period	$ 1,879,950	$ 4,470,225

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

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NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated May 1, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

In accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification Topic ("ASC") 740-10-25-6, "Accounting for Uncertainty in Income Taxes," 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 September 30, 2012 and December 31, 2011. 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 September 30, 2012 and 2011 and December 31, 2011.

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 most recent Amendment to the Form S-1 dated May 1, 2012, 50,000 represents two Redemption Baskets for the Fund and a minimum level of shares. As of May 18, 2012, the Fund had a minimum number of baskets and shares outstanding and 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 $1,879,950 and $4,139,910 in money market funds at September 30, 2012 and

December 31, 2011, 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,
- Subtracting any liabilities, and

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. For the period July 1, 2012 through September 30, 2012, the Fund recorded $5,097 in management fees to the Sponsor. For the period July 1, 2011 through September 30, 2011, the Fund recorded $12,548 in management fees to the Sponsor. For the period January 1, 2012 through September 30, 2012, the Fund recorded $21,769 in management fees to the Sponsor. For the period from the commencement of operations (February 23, 2011) through September 30, 2011, the Fund recorded $30,606 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 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 period July 1, 2012 to September 30, 2012, the expenses paid by the Fund were reduced by approximately $13,500. For the prior period January 1, 2012 through September 30, 2012, the expenses paid by the Fund were reduced by approximately $28,000 and no expenses were paid by the Sponsor for the period from the commencement of operations (February 23, 2011) through September 30, 2011.

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 September 30, 2012 and December 31, 2011, 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 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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the 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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$1,879,950	$ -	$ -	$ 1,879,950
Commodity futures contracts	34,686	-	-	34,686
Total	$1,914,636	$ -	$ -	$ 1,914,636

Liabilities:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Commodity futures contracts	$ 85,959	$ -	$ -	$ 85,959

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$4,139,910	$ -	$ -	$ 4,139,910
Commodity futures contracts	116,142	-	-	116,142
Total	$4,256,052	$ -	$ -	$ 4,256,052

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Commodity futures contracts	$ 168	$ -	$ -	$ 168

During the period ended September 30, 2012 and from the commencement of operations (February 23, 2011) through September 30, 2011, 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 nine months ended September 30, 2012 and for the period from commencement of operations (February 23, 2011) through September 30, 2011, the Fund had invested only in crude oil 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 tables identify the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. The following tables also 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, for the nine months ended September 30, 2012, for the three months ended September 30, 2012 and 2011, and for the period from commencement of operations (February 23, 2011) through September 30, 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 34,686	$ (85,959)	$ (51,273)

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 116,142	$ (168)	$ 115,974

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

For the period July 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ -	$ 119,260

For the period January 1, 2012 to September 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	$ (167,247)

For the period from July 1, 2011 to September 30, 2011

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (45,320)	$ (954,906)

For the period from commencement of operations (February 23, 2011) to September 30, 2011

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 138,549	$ (1,120,245)

Volume of Derivative Activities

At September 30, 2012, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

	Long Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$2,052,000	22

At December 31, 2011, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

	Long Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts

Commodity price		
Commodity futures contracts	$4,481,380	46

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Note 5 – Financial Highlights

The following table presents per unit performance data and other, supplemental financial data for the period January 1, 2012 through September 30, 2012 and for the period from commencement of operations (February 23, 2011) through September 30, 2011. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for January 1, 2012 through September 30, 2012	
Net asset value at beginning of period	$44.45
Income (loss) from investment operations:	
Investment income	0.03
Net realized and unrealized loss on commodity futures contracts	(1.77)
Total expenses	(2.38)
Net decrease in net asset value	(4.12)
Net asset value at end of period	$40.33
Total Return	(9.27)%
Ratios to Average Net Assets (Annualized)	
Total expense	7.26 %
Net investment loss	(7.17)%

Per Share Operation Performance from commencement of operations (February 23, 2011) through September 30, 2011	
Net asset value at beginning of period	$50.00
Income (loss) from investment operations:	
Investment income	0.02
Net realized and unrealized loss on commodity futures contracts	(8.78)
Total expenses	(2.87)
Net decrease in net asset value	(11.63)
Net asset value at end of period	$38.37
Total Return	(23.26)%
Ratios to Average Net Assets (Annualized)	
Total expense	9.84 %
Net investment loss	(9.79)%

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.

The Sponsor may, at its discretion, pay certain expenses on behalf of the Fund. For the period January 1, 2012 to September 30, 2012, the expenses paid by Fund were reduced by approximately $28,000. No expenses were paid by the Sponsor for the period from the commencement of operations (February 23, 2011) through September 30, 2011.

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 October 1, 2012 through November 9, 2012, there was nothing to report.

TEUCRIUM SOYBEAN FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 10,312,750	$ 2,055,369
Commodity futures contracts	98,350	9,994
Collateral, due from broker	1,199,600	290,694
Interest receivable	765	84
Other assets	55,487	-
Total assets	11,666,952	2,356,141
Liabilities		
Payable for shares redeemed	651,218	-
Commodity futures contracts	355,350	164,663
Management fee payable to Sponsor	10,342	1,782
Other liabilities	16,759	3,266
Total liabilities	1,033,669	169,711
Net assets	$ 10,633,283	$ 2,186,430
Shares outstanding	400,004	100,004
Net asset value per share	$ 26.58	$ 21.86
Market value per share	$ 26.58	$ 22.06

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

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TEUCRIUM SOYBEAN FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		Notional Amount
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$9,657,618	90.82	%	
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (56 contracts, settlement date November 14, 2013)	$98,350	0.92	%	$3,747,100

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (46 contracts, settlement date January 14, 2013)	$76,950	0.72	%	$3,686,325
CBOT Soybean futures (41 contracts, settlement date March 14, 2013)	278,400	2.62		3,206,713
Total commodity futures contracts	$355,350	3.34	%	$6,893,038

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

TEUCRIUM SOYBEAN FUND

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets		
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$2,055,369	94.01	%	Notional Amount
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (11 contracts, settlement date May 14, 2012)	$9,994	0.46	%	$669,625

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States soybean futures contracts				
CBOT Soybean futures (12 contracts, settlement date March 14, 2012)	$81,898	3.75	%	$724,650
CBOT Soybean futures (13 contracts, settlement date November 14, 2012)	82,765	3.78		782,763
	$164,663	7.53	%	$1,507,413

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

TEUCRIUM SOYBEAN FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Income			
Realized and unrealized gain (loss) on trading of commodity futures contracts:			
Realized gain on commodity futures contracts	$ 719,250	$ 797,231	$ 148
Net change in unrealized appreciation or depreciation on commodity futures contracts	(405,038)	(102,331)	(308,748)
Interest income	2,248	3,680	6
Total income (loss)	316,460	698,580	(308,594)
Expenses			
Management fees	26,362	44,140	-
Professional fees	(3,351)	51,800	-
Distribution and marketing fees	53,450	115,335	-
Custodian fees and expenses	10,620	75,041	-
Business permits and licenses fees	8,560	10,384	-
General and administrative expenses	14,760	24,042	-
Brokerage commissions	1,504	2,500	148
Other expenses	4,830	6,981	-
Total expenses	116,735	330,223	148
Net income (loss)	$ 199,725	$ 368,357	$ (308,742)
Net income (loss) per share	$ 2.18	$ 4.72	$ (3.09)
Net income (loss) per weighted average share	$ 0.51	$ 1.59	$ (3.09)
Weighted average shares outstanding	389,950	232,303	100,004

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

TEUCRIUM SOYBEAN FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Operations		
Net income (loss)	$ 368,357	$ (308,742)
Capital transactions		
Issuance of Shares	16,116,224	2,500,000
Redemption of Shares	(8,037,728)	-
Total capital transactions	8,078,496	2,500,000
Net change in net assets	8,446,853	2,191,258
Net assets, beginning of period	2,186,430	100
Net assets, end of period	$ 10,633,283	$ 2,191,358
Net asset value per share at beginning of period	$ 21.86	$ 25.00
At end of period	$ 26.58	$ 21.91

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

TEUCRIUM SOYBEAN FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Cash flows from operating activities:		
Net income (loss)	$ 368,357	$ (308,742)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	102,331	308,748
Changes in operating assets and liabilities:		
Collateral, due from broker	(908,906)	(342,410)
Interest receivable	(681)	(7)
Other assets	(55,487)	-
Management fee payable to Sponsor	8,560	-
Other liabilities	13,493	-
Net cash used in operating activities	(472,333)	(342,411)
Cash flows from financing activities:		
Proceeds from sale of Shares	16,116,224	2,500,000
Redemption of Shares, net of change in payable for shares redeemed	(7,386,510)	-
Net cash provided by financing activities	8,729,714	2,500,000
Net change in cash and cash equivalents	8,257,381	2,157,589
Cash and cash equivalents, beginning of period	2,055,369	100
Cash and cash equivalents, end of period	$ 10,312,750	$ 2,157,689

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(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 initial 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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated July 6, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

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. In accordance with Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification Topic (“ASC”) 740-10-25-6, “Accounting for Uncertainty in Income Taxes,” 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 September 30, 2012 and December 31, 2011. 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 period ended September 30, 2012 and December 31, 2011.

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 Amendment to the Form S-1 dated July 6, 2012, 50,000 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 $9,657,618 and $2,055,369 in money market funds at September 30, 2012 and December 31, 2011, 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,
- Subtracting any liabilities, and

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 (typically 3:00 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 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 period July 1, 2012 to September 30, 2012, the Fund recorded $26,362 in management fees to the Sponsor. For the period from January 1, 2012 through September 30, 2012, the Fund recorded $44,140 in management fees to the Sponsor. 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. For an initial period, the Sponsor waived the payment by the Fund of certain expenses. This election was subject to change by the Sponsor, at its discretion. For the period July 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the Fund of approximately $7,500. For the period January 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the Fund of approximately $11,700. 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 September 30, 2012 and December 31, 2011, 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 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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the impact on the financial statement disclosures for the Fund.

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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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$9,657,618	$ -	$ -	$ 9,657,618
Commodity futures contracts	98,350	-	-	98,350
Total	$9,755,968	$ -	$ -	$ 9,755,968

Liabilities:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Commodity futures contracts	$355,350	$ -	$ -	$ 355,350

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$2,055,369	$ -	$ -	$ 2,055,369
Commodity futures contracts	9,994	-	-	9,994
Total	$2,065,363	$ -	$ -	$ 2,065,363

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Commodity futures contracts	$164,663	$ -	$ -	$ 164,663

During the period ended September 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 period ended September 30 2012, the Fund had invested only in soybean 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 tables identify the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. The following tables also 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, for the nine months ended September 30, 2012, for the three months ended September 30, 2012, and for the period from commencement of operations (September 19, 2011) through September 30, 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 98,350	$ (355,350)	$ (257,000)

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 9,994	$ (164,663)	$ (154,669)

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

For the period from July 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 719,250	$ (405,038)

For the period from January 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 797,231	$ (102,331)

For the commencement of operations (September 19, 2011) through September 30, 2011

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 148	$ (308,748)

Volume of Derivative Activities

At September 30, 2012, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$10,640,138	143

At December 31, 2011, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$2,177,038	36

Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the period January 1, 2012 through September 30, 2012 and for the period from commencement of operations (September 19, 2011) through September 30, 2011. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for January 1, 2012 through September 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	6.13
Total expenses	(1.42)
Net increase in net asset value	4.72
Net asset value at end of period	$26.58
Total Return	21.59%
Ratios to Average Net Assets (Annualized)	
Total expense	7.47 %
Net investment loss	(7.38)%

Per Share Operation Performance for commencement of operations (September 19, 2011) through September 30, 2011	
Net asset value at beginning of period	$25.00
Income (loss) from investment operations:	
Investment income	-
Net realized and unrealized loss on commodity futures contracts	(3.09)
Total expenses	-
Net decrease in net asset value	(3.09)
Net asset value at end of period	$21.91
Total Return	(12.36)%
Ratios to Average Net Assets (Annualized)	
Total expense	0.16 %
Net investment loss	(0.15)%

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.

For an initial period, the Sponsor waived the payment by the Fund of certain expenses. This election was subject to change by the Sponsor, at its discretion. For the period January 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the Fund of approximately $11,700.

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 October 1, 2012 through November 9, 2012 there was nothing to report.

TEUCRIUM SUGAR FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 1,694,285	$ 2,051,003
Commodity futures contracts	538	-
Collateral, due from broker	187,245	398,593
Interest receivable	105	86
Other assets	35,957	-
Total assets	1,918,130	2,449,682
Liabilities		
Commodity futures contracts	60,861	138,198
Management fee payable to Sponsor	-	1,973
Other liabilities	1,106	3,262
Total liabilities	61,967	143,433
Net assets	$ 1,856,163	$ 2,306,249
Shares outstanding	100,004	100,004
Net asset value per share	$ 18.56	$ 23.06
Market value per share	$ 18.41	$ 22.93

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

TEUCRIUM SUGAR FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		Notional Amount
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$1,694,285	91.28	%	
Commodity futures contracts				
United States sugar futures contracts				
ICE sugar futures (24 contracts, settlement date June 28, 2013)	$538	0.03	%	$550,771

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States soybean futures contracts				
ICE sugar futures (29 contracts, settlement date April 30, 2013)	$33,029	1.78	%	$ 664,541
ICE sugar futures (27 contracts, settlement date February 28, 2014)	27,832	1.50		642,298
Total sugar futures contracts	$60,861	3.28	%	$ 1,306,839

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

TEUCRIUM SUGAR FUND

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets	
Cash equivalents			
Money market funds			
Dreyfus Cash Management Plus	$2,051,003	88.93	%

Description: Liabilities	Fair Value	Percentage of Net Assets		**Notional** Amount
Commodity futures contracts				
United States sugar futures contracts				
ICE sugar futures (32 contracts, settlement date April 30, 2012)	$82,593	3.58	%	$822,528
ICE sugar futures (27 contracts, settlement date June 29, 2012)	37,908	1.64		682,215
ICE sugar futures (31 contracts, settlement date February 28, 2013)	17,697	0.77		811,059
	$138,198	5.99	%	$2,315,802

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

TEUCRIUM SUGAR FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Income			
Realized and unrealized (loss) gain on trading of commodity futures contracts:			
Realized loss on commodity futures contracts	$ (80,068)	$ (676,378)	$ (35,682)
Net change in unrealized appreciation or depreciation on commodity futures contracts	661	77,875	(46,750)
Interest income	392	1,541	6
Total loss	(79,015)	(596,962)	(82,426)
Expenses			
Management fees	-	14,055	-
Professional fees	(7,864)	47,286	-
Business permits and licenses fees	3,369	5,193	-
Distribution and marketing fees	12,135	74,019	-
Custodian fees and expenses	(4,000)	60,421	-
General and administrative expenses	5,107	14,389	-
Brokerage commissions	1,053	3,072	608
Other expenses	1,455	3,605	-
Total expenses	11,255	222,040	608
Net loss	$ (90,270)	$ (819,002)	$ (83,034)
Net loss per share	$ (0.74)	$ (4.50)	$ (0.83)
Net loss per weighted average share	$ (1.12)	$ (7.37)	$ (0.83)
Weighted average shares outstanding	80,711	111,135	100,004

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

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TEUCRIUM SUGAR FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Operations		
Net loss	$ (819,002)	$ (83,034)
Capital transactions		
Issuance of Shares	4,438,390	2,500,000
Redemption of Shares	(4,069,474)	-
Total capital transactions	368,916	2,500,000
Net change in net assets	(450,086)	2,416,966
Net assets, beginning of period	2,306,249	100
Net assets, end of period	$ 1,856,163	$ 2,417,066
Net asset value per share at beginning of period	$ 23.06	$ 25.00
At end of period	$ 18.56	$ 24.17

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

TEUCRIUM SUGAR FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Cash flows from operating activities:		
Net loss	$ (819,002)	$ (83,034)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(77,875)	46,750
Changes in operating assets and liabilities:		
Collateral, due from broker	211,348	(260,664)
Interest receivable	(19)	(6)
Other assets	(35,957)	-
Management fee payable to Sponsor	(1,973)	-
Other liabilities	(2,156)	-
Net cash used in operating activities	(725,634)	(296,954)
Cash flows from financing activities:		
Proceeds from sale of Shares	4,438,390	2,500,000
Redemption of Shares	(4,069,474)	-
Net cash provided by financing activities	368,916	2,500,000
Net change in cash and cash equivalents	(356,718)	2,203,046
Cash and cash equivalents, beginning of period	2,051,003	100
Cash and cash equivalents, end of period	$ 1,694,285	$ 2,203,146

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(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 initial 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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated July 6, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

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.

In accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification Topic ("ASC") 740-10-25-6, "Accounting for Uncertainty in Income Taxes," 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 September 30, 2012 and December 31, 2011. 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 September 30, 2012 and December 31, 2011.

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 Amendment to the Form S-1 dated July 6, 2012, 50,000 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 $1,694,285 and $2,051,003 in money market funds at September 30, 2012 and December 31, 2011, 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,
- Subtracting any liabilities, and

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 (typically 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. For the period July 1, 2012 through September 30, 2012 the Fund recorded no management fees to the Sponsor; this resulted in an approximate $4,000 reduction in fees for the Fund. For the period from January 1, 2012 through September 30, 2012, the Fund recorded $14,055 in management fees to the Sponsor. 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. For an initial period, the Sponsor has elected to pay certain expenses on behalf of the Fund. This election is subject to change by the Sponsor, at its discretion. For the period July 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the fund of approximately $17,600. For the period January 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the fund of approximately $33,300. 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 September 30, 2012 and December 31, 2011, 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 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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the impact on the financial statement disclosures for the Fund.

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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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$1,694,285	$ -	$ -	$ 1,694,285
Commodity futures contracts	538	-	-	538
Total	$1,694,823	$ -	$ -	$ 1,694,823

Liabilities:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Commodity futures contracts	$60,861	$ -	$ -	$ 60,861

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$2,051,003	$ -	$ -	$ 2,051,003

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Commodity futures contracts	$138,198	$ -	$ -	$ 138,198

During the period ended September 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 nine months ended September 30, 2012, the Fund had invested only in sugar 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 tables identify the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. The following tables also 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, for the nine months ended September 30, 2012, for the three months ended September 30, 2012, and for the period from commencement of operations (September 19, 2011) through September 30, 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 538	$ (60,861)	$ (60,323)

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ -	$ (138,198)	$ (138,198)

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

For the period from July 1 2012, to September 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (80,068)	$ 661

For the period from January 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (676,378)	$ 77,875

For the period from the commencement of operations (September 19, 2011) through September 30, 2011

Primary Underlying Risk	Realized Loss on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ (35,682)	$ (46,750)

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Volume of Derivative Activities

At September 30, 2012, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$1,857,610	80

At December 31, 2011, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$2,315,802	90

Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the period January 1, 2012 through September 30, 2012 and for the period from the commencement of operations (September 19, 2011) through September 30, 2011. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for January 1, 2012 through September 30, 2012		
Net asset value at beginning of period	$	23.06
Income (loss) from investment operations:		
Investment income		0.01

Net realized and unrealized loss on commodity futures contracts		(2.51	)
Total expenses		(2.00	)
Net decrease in net asset value		(4.50	)
Net asset value at end of period	$	18.56	
Total Return		(19.51	)%
Ratios to Average Net Assets (Annualized)			
Total expense		12.46	%
Net investment loss		(12.37	)%

Per Share Operation Performance for commencement of operations (September 19, 2011) through September 30, 2011	
Net asset value at beginning of period	$25.00
Income (loss) from investment operations:	
Investment income	-
Net realized and unrealized loss on commodity futures contracts	(0.82)
Total expenses	(0.01)
Net decrease in net asset value	(0.83)
Net asset value at end of period	$24.17
Total Return	(3.32)%
Ratios to Average Net Assets (Annualized)	
Total expense	0.66 %
Net investment loss	(0.65)%

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.

For an initial period, the Sponsor has elected to pay certain expenses on behalf of the Fund. This election is subject to change by the Sponsor, at its discretion. For the period July 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the fund of approximately $17,600. For the period January 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the fund of approximately $33,300. For the period July 1, 2012 through September 30, 2012 the Fund recorded no management fees to the Sponsor; this resulted in an approximate $4,000 reduction in fees for the Fund

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 October 1, 2012 through November 9, 2012 there was nothing to report.

TEUCRIUM WHEAT FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Cash and cash equivalents	$ 2,665,353	$ 2,022,024
Commodity futures contracts	129,701	71,170
Collateral, due from broker	276,025	289,136
Interest receivable	180	81
Other assets	37,463	-
Total assets	3,108,722	2,382,411
Liabilities		
Commodity futures contracts	25,763	141,468
Management fee payable to Sponsor	2,498	1,793
Other liabilities	11,354	3,262
Total liabilities	39,615	146,523
Net assets	$ 3,069,107	$ 2,235,888
Shares outstanding	125,004	100,004
Net asset value per share	$ 24.55	$ 22.36
Market value per share	$ 24.48	$ 22.40

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

TEUCRIUM WHEAT FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		Notional Amount
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$2,665,353	86.84	%	
Commodity futures contracts				
United States wheat futures contracts				
CBOT wheat futures (24 contracts, settlement date March 14, 2013)	$15,113	0.49	%	$1,094,700
CBOT wheat futures (25 contracts, settlement date December 13, 2013)	114,588	3.73		1,093,438
Total wheat futures contracts	$129,701	4.22	%	$2,188,138

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States soybean futures contracts				
CBOT wheat futures (20 contracts, settlement date May 14, 2013)	$25,763	0.84	%	$906,250

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

TEUCRIUM WHEAT FUND

SCHEDULE OF INVESTMENTS

December 31, 2011

Description: Assets	Fair Value	Percentage of Net Assets		Notional Amount
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$2,022,024	90.43	%	
Commodity futures contracts				
United States wheat futures contracts				
CBOT Wheat futures (20 contracts, settlement date July 13, 2012)	$71,170	3.18	%	$686,250

Description: Liabilities	Fair Value	Percentage of Net Assets		Notional Amount
Commodity futures contracts				
United States soybean futures contracts				
CBOT wheat futures (23 contracts, settlement date May 14, 2012)	$66,580	2.98	%	$771,938
CBOT wheat futures (22 contracts, settlement date December 14, 2012)	74,888	3.35		792,000
	$141,468	6.33	%	$1,563,938

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

TEUCRIUM WHEAT FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Income			
Realized and unrealized gain (loss) on trading of commodity futures contracts:			
Realized gain on commodity futures contracts	$ 585,687	$ 121,465	$ 344
Net change in unrealized appreciation or depreciation on commodity futures contracts	(214,112)	174,236	(255,239)
Interest income	792	2,083	7
Total income (loss)	372,367	297,784	(254,888)
Expenses			
Management fees	8,102	25,004	-
Professional fees	(5,200)	49,951	-
Distribution and marketing fees	35,100	96,985	-
Custodian fees and expenses	5,310	69,731	-
General and administrative expenses	10,040	19,322	-
Business permits and licenses fees	4,340	6,164	-
Brokerage commissions	1,368	3,178	344
Other expenses	2,721	4,621	-
Total expenses	61,781	274,956	344
Net income (loss)	$ 310,586	$ 22,828	$ (255,232)
Net income (loss) per share	$ 2.47	$ 2.19	$ (2.55)
Net income (loss) per weighted average share	$ 2.34	$ 0.15	$ (2.55)
Weighted average shares outstanding	132,884	154,384	100,004

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

TEUCRIUM WHEAT FUND

STATEMENTS OF CHANGES IN NET ASSETS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Operations		
Net income (loss)	$ 22,828	$ (255,232)
Capital transactions		
Issuance of Shares	4,958,111	2,500,000
Redemption of Shares	(4,147,720)	-
Total capital transactions	810,391	2,500,000
Net change in net assets	833,219	2,244,768
Net assets, beginning of period	2,235,888	100
Net assets, end of period	$ 3,069,107	$ 2,244,868
Net asset value per share at beginning of period	$ 22.36	$ 25.00
At end of period	$ 24.55	$ 22.45

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

TEUCRIUM WHEAT FUND

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30, 2012	From commencement of operations (September 19, 2011) through September 30, 2011
Cash flows from operating activities:		
Net income (loss)	$ 22,828	$ (255,232)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Net change in unrealized appreciation or depreciation on commodity futures contracts	(174,236)	255,239
Changes in operating assets and liabilities:		
Collateral, due from broker	13,111	(349,064)
Interest receivable	(99)	(7)
Other assets	(37,463)	-
Management fee payable to Sponsor	705	-
Other liabilities	8,092	-
Net cash used in operating activities	(167,062)	(349,064)
Cash flows from financing activities:		
Proceeds from sale of Shares	4,958,111	2,500,000
Redemption of Shares	(4,147,720)	-
Net cash provided by financing activities	810,391	2,500,000
Net change in cash and cash equivalents	643,329	2,150,936
Cash and cash equivalents, beginning of period	2,022,024	100
Cash and cash equivalents, end of period	$ 2,665,353	$ 2,151,036

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(Unaudited)

Note 1 – Organization and Operation

Teucrium Wheat Fund (referred to herein as “WEAT” 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 “WEAT,” 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 wheat 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 reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for three futures contracts for wheat (“Wheat Futures Contracts”) that are traded on the Chicago Board of Trade (“CBOT”), specifically: (1) the second-to-expire CBOT Wheat Futures Contract, weighted 35%, (2) the third-to-expire CBOT Wheat Futures Contract, weighted 30%, and (3) the CBOT Wheat Futures Contract expiring in the December 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 initial 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 “WEAT.” 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 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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated July 6, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

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.

In accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification Topic ("ASC") 740-10-25-6, "Accounting for Uncertainty in Income Taxes," 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 September 30, 2012 and December 31, 2011. 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 period ended September 30, 2012 and December 31, 2011.

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 Amendment to the Form S-1 dated July 6, 2012, 50,000 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 $2,665,353 and $2,022,024 in money market funds at September 30, 2012 and December 31, 2011, 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,
- Subtracting any liabilities, and

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 Wheat Futures Contracts, the administrator uses the CBOT closing price (typically 3:00 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 wheat interests is determined based on the value of the commodity or futures contract underlying such wheat 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 wheat 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 wheat 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 period July 1, 2012 to September 30, 2012 the Fund recorded $8,102 in management fees to the Sponsor. For the period from January 1, 2012 through September 30, 2012, the Fund recorded $25,004 in management fees to the Sponsor. 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. For an initial period, the Sponsor waived the payment by the Fund of certain expenses. This election was subject to change by the Sponsor, at its discretion. For the period July 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the Fund of approximately $32,000. For the period January 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the fund of approximately $36,500. 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 September 30, 2012 and December 31, 2011, in the opinion of the Trust and the Fund, the reported value of the Wheat Futures Contracts traded on the CBOT fairly reflected the value of the Wheat 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 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

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the 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 September 30, 2012 and December 31, 2011:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Cash equivalents	$2,665,353	$ -	$ -	$ 2,665,353
Commodity futures contracts	129,701	-	-	129,701
Total	$2,795,054	$ -	$ -	$ 2,795,054

Liabilities:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Commodity futures contracts	$25,763	$ -	$ -	$ 25,763

December 31, 2011

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Cash equivalents	$2,022,024	$ -	$ -	$ 2,022,024
Commodity futures contracts	71,170	-	-	71,170
Total	$2,093,194	$ -	$ -	$ 2,093,194

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2011
Commodity futures contracts	$141,468	$ -	$ -	$ 141,468

During the period from January 1, 2012 through September 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 period from January 1, 2012 through September 30, 2012, the Fund had invested only in wheat commodity futures contracts and Cleared Wheat Swaps. Cleared Wheat Swaps have standardized terms similar to, and are priced by reference to, the corresponding Benchmark Component Futures Contract. Additionally, Other Wheat Interests that do not have standardized terms and are not exchange-traded, referred to as "over-the-counter" Wheat Interests, can generally be structured as the parties to the Wheat 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 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 tables identify the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk, at September 30, 2012 and December 31, 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. The following tables also identify the net gain and loss amounts included in the statement of operations as realized and unrealized gains and losses on trading of commodity futures contracts, categorized by primary underlying risk, for the nine months ended September 30, 2012, for the three months ended September 30, 2012, and for the period from commencement of operations (September 19, 2011) through September 30, 2011.

At September 30, 2012, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 129,701	$ (25,763)	$ 103,938

At December 31, 2011, the fair value of derivative instruments was as follows:

Primary Underlying Risk	Asset Derivatives	Liability Derivatives	Net Derivatives
Commodity price			
Commodity futures contracts	$ 71,170	$ (141,468)	$ (70,298)

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

For the period from July 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 585,687	$ (214,112)

For the period from January 1, 2012 to September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Gain on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 121,465	$ 174,236

For the period from commencement of operations (September 19, 2011) through September 30, 2012

Primary Underlying Risk	Realized Gain on Derivative Instruments	Net Change in Unrealized Loss on Derivative Instruments
Commodity price		
Commodity futures contracts	$ 344	$ (255,239)

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Volume of Derivative Activities

At September 30, 2012, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$3,094,388	69

At December 31, 2011, the notional amounts and number of contracts, categorized by primary underlying risk, were as follows:

Primary Underlying Risk	Long Exposure Notional Amounts	Number of Contracts
Commodity price		
Commodity futures contracts	$2,250,188	65

Note 5 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the period January 1, 2012 through September 30, 2012 and from commencement of operations (September 19, 2011) through September 30, 2011. This information has been derived from information presented in the financial statements.

Per Share Operation Performance for January 1, 2012 through September 30, 2012		
Net asset value at beginning of period	$	22.36
Income from investment operations:		
Investment income		0.01
		3.96

Net realized and unrealized gain on commodity futures contracts			
Total expenses		(1.78	)
Net increase in net asset value		2.19	
Net asset value at end of period	$	24.55	
Total Return		9.79	%
Ratios to Average Net Assets (Annualized)			
Total expense		11.04	%
Net investment loss		(10.95	)%

Per Share Operation Performance for commencement of operations (September 19, 2011) through September 30, 2011		
Net asset value at beginning of period	$	25.00
Income (loss) from investment operations:		
Investment income		-
Net realized and unrealized loss on commodity futures contracts		(2.55)
Total expenses		-
Net decrease in net asset value		(2.55)
Net asset value at end of period	$	22.45
Total Return		(10.20)%
Ratios to Average Net Assets (Annualized)		
Total expense		0.38 %
Net investment loss		(0.37)%

Total return is 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.

For an initial period, the Sponsor waived the payment by the Fund of certain expenses. This election was subject to change by the Sponsor, at its discretion. For the period January 1, 2012 to September 30, 2012, this resulted in a reduction of fees to the Fund of approximately $36,500.

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 October 1, 2012 through November 9, 2012 there was nothing to report.

TEUCRIUM AGRICULTURAL FUND

STATEMENTS OF ASSETS AND LIABILITIES

	September 30, 2012 (Unaudited)	December 31, 2011
Assets		
Equity in BNY Mellon trading accounts:		
Investments in securities, at fair value (cost $2,682,915)	$ 2,648,360	$ -
Cash and cash equivalents	4,409	100
Receivable for investments sold	25,882	-
Other assets	7,376	-
Total assets	2,686,027	100
Liabilities		
Payable for investments purchased	16,178	-
Other liabilities	38	-
Total liabilities	16,216	-
Net assets	$ 2,669,811	$ 100
Shares outstanding	50,002	2
Net asset value per share	$ 53.39	$ 50.00
Market value per share	$ 52.36	$ -

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

TEUCRIUM AGRICULTURAL FUND

SCHEDULE OF INVESTMENTS

September 30, 2012

(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets		Shares
Exchange-traded funds				
Teucrium Corn Fund	$679,249	25.44	%	14,033
Teucrium Soybean Fund	652,770	24.45		24,556
Teucrium Wheat Fund	666,268	24.96		27,137
Teucrium Sugar Fund	650,073	24.35		35,024
Total exchange-traded funds (cost $2,682,915)	$2,648,360	99.20	%	100,750
Cash equivalents				
Money market funds				
Dreyfus Cash Management Plus	$4,409	0.17	%	

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

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TEUCRIUM AGRICULTURAL FUND

STATEMENTS OF OPERATIONS

(Unaudited)

	Three months ended September 30, 2012	From the commencement of operations (March 28, 2012) through September 30, 2012
Income		
Realized and unrealized gain (loss) on trading of securities:		
Realized gain (loss) on securities	$ 354,075	$ (615,762)
Net change in unrealized appreciation or depreciation on securities	(107,824)	(34,555)
Interest income	4	21
Total income (loss)	246,255	(650,296)
Expenses		
Professional fees	1,199	938
Business permits and licenses fees	447	234
General and administrative expenses	475	2,179
Custodian fees and expenses	356	1,631
Distribution and marketing fees	1,116	12,915
Brokerage commissions	-	1,249
Other expenses	(32)	332
Total expenses	3,561	19,478
Net income (loss)	$ 242,694	$ (669,774)
Net income per share	$ 3.80	$ 3.39
Net income (loss) per weighted average share	$ 4.56	$ (5.14)
Weighted average shares outstanding	53,263	130,216

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

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TEUCRIUM AGRICULTURAL FUND

STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

	From the commencement of operations (March 28, 2012) through September 30, 2012
Operations	
Net loss	$ (669,774)
Capital transactions	
Issuance of Shares	17,706,578
Redemption of Shares	(14,367,093)
Total capital transactions	3,339,485
Net change in net assets	2,669,711
Net assets, beginning of period	100
Net assets, end of period	$ 2,669,811
Net asset value per share at beginning of period	$ 50.00
At end of period	$ 53.39

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

TEUCRIUM AGRICULTURAL FUND

STATEMENT OF CASH FLOWS

(Unaudited)

	From the commencement of operations (March 28, 2012) through September 30, 2012
Cash flows from operating activities:	
Net loss	$ (669,774)
Adjustments to reconcile net loss to net cash used in operating activities:	
Net change in unrealized appreciation or depreciation on securities	34,555
Changes in operating assets and liabilities:	
Purchase of investments in securities, at fair value	(2,682,915)
Receivable for investments sold	(25,882)
Other assets	(7,376)
Payable for investments purchased	16,178
Other liabilities	38
Net cash used in operating activities	(3,335,176)
Cash flows from financing activities:	
Proceeds from sale of Shares	17,706,578
Redemption of Shares	(14,367,093)
Net cash provided by financing activities	3,339,485
Net change in cash and cash equivalents	4,309
Cash and cash equivalents, beginning of period	100
Cash and cash equivalents, end of period	$ 4,409

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2012

(Unaudited)

Note 1 — Organization and Business

Teucrium Agricultural Fund (referred to herein as “TAGS” or the “Fund”) is a series of Teucrium Commodity Trust (“Trust”), a Delaware statutory trust organized on September 11, 2009. The Fund operates pursuant to the Trust’s Second Amended and Restated Declaration of Trust and Trust Agreement (the “Trust Agreement”). The Fund was formed on March 29, 2011 and is managed and controlled by Teucrium Trading, LLC (the “Sponsor”). The Sponsor is a limited liability company formed in Delaware on July 28, 2009 that is registered as a commodity pool operator (“CPO”) with the Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (“NFA”).

On April 22, 2011, an initial registration statement was filed with the Securities and Exchange Commission (“SEC”). On February 10, 2012, the Fund’s initial registration of 5,000,000 shares on Form S-1 was declared effective by the U.S. Securities and Exchange Commission (“SEC”). On March 28, 2011, the Fund listed its shares on the NYSE Arca under the ticker symbol “TAGS.” On the business day prior to that, the Fund issued 300,000 shares in exchange for $15,000,000 at the Fund’s initial NAV of $50 per share. The Fund also commenced investment operations on March 28, 2012 by purchasing shares of the Underlying Funds. On December 31, 2011, the Fund had two shares outstanding, which were owned by the Sponsor.

The investment objective of the Fund is to have the daily changes in percentage terms of the Net Asset Value (“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: the Teucrium Corn Fund, the Teucrium Wheat Fund, the Teucrium Soybean Fund and the Teucrium Sugar Fund (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, generally on a daily basis, to maintain the approximate 25% allocation to each Underlying Fund. The Fund does not intend to invest directly in futures contracts (“Futures Contracts”), although it reserves the right to do so in the future, including if an Underlying Fund ceases operations.

The investment objective of each Underlying Fund is to have the daily changes in percentage terms of its shares’ 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 in the Underlying Fund’s name. (This weighted average is referred to herein as the Underlying Fund’s “Benchmark,” the Futures Contracts that at any given time make up an Underlying Fund’s Benchmark are referred to herein as the Underlying Fund’s “Benchmark Component Futures Contracts,” and the commodity specified in the Underlying Fund's name is referred to herein as its "Specified Commodity.") Specifically, the Teucrium Corn Fund's Benchmark is: (1) the second-to-expire Futures Contract for corn traded on the Chicago Board of Trade ("CBOT"), 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%. The Teucrium Wheat Fund's Benchmark is: (1) the second-to-expire CBOT wheat Futures Contract, weighted 35%, (2) the third-to-expire CBOT wheat Futures Contract, weighted 30%, and (3) the CBOT wheat Futures Contract expiring in the December following the expiration month of the third-to-expire contract, weighted 35%. The Teucrium Soybean Fund's Benchmark is: (1) the 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%, except that CBOT soybean Futures Contracts expiring in August and September will not be part of the Teucrium Soybean Fund's Benchmark because of the less liquid market for these Futures Contracts. The Teucrium Sugar Fund's Benchmark is: (1) the second-to-expire Sugar No. 11 Futures Contract traded on ICE Futures US ("ICE Futures"), weighted 35%, (2) the third-to-expire ICE Futures Sugar No. 11 Futures Contract, weighted 30%, and (3) the ICE Futures Sugar No. 11 Futures Contract expiring in the March following the expiration month of the third-to-expire contract, weighted 35%.

While the Fund expects to maintain substantially all of its assets in shares of the Underlying Funds at all times, the Fund may hold some residual amount of assets in obligations of the United States government ("Treasury

Securities") or cash equivalents, and/or merely hold such assets in cash (generally in interest-bearing accounts). The Underlying Funds invest in Commodity Interests to the fullest extent possible without being leveraged or unable to satisfy their expected current or potential margin or collateral obligations with respect to their investments in Commodity Interests. After fulfilling such margin and collateral requirements, the Underlying Funds will invest the remainder of the proceeds from the sale of baskets in Treasury Securities or cash equivalents, and/or merely hold such assets in cash. Therefore, the focus of the Sponsor in managing the Underlying Funds is investing in Commodity Interests and in Treasury Securities, cash and/or cash equivalents. The Fund and Underlying Funds will earn interest income from the Treasury Securities and/or cash equivalents that it purchases and on the cash it holds through the Fund's custodian, the Bank of New York Mellon (the "Custodian").

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 and Form 10-K/A, as well as the most recent amendment to Form S-1, dated March 26, 2012, as applicable. The operating results from January 1, 2012 through September 30, 2012 are not necessarily indicative of the results to be expected for the full year ending December 31, 2012.

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.

Revenue Recognition

Investment transactions are accounted for on a trade-date basis. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation or depreciation on investments are reflected in the statements of operations as the difference between the original 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.

Brokerage Commissions

Brokerage commissions are accrued on a full-turn basis.

Income Taxes

The Fund will be treated as a partnership for United States federal income tax purposes. 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.

In accordance with Financial Accounting Standards Board's ("FASB") Accounting Standards Codification Topic 740-10-25-6, "Accounting for Uncertainty in Income Taxes," 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. This policy has been applied to all existing tax positions upon the Fund’s initial adoption. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits as of September 30, 2012 and December 31, 2011. 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 period ended September 30, 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.

Effective August 23, 2012, the number of shares in a “Basket” was reduced from 50,000 to 25,000.

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

As outlined in the most recent Supplement to the Form S-1 dated August 23, 2012, 25,000 represents one Redemption Basket for the Fund and two baskets, representing 50,000 shares, represent a minimum level of shares. As of August 2, 2012, the Fund had only 50,002 shares outstanding, and thus no further redeems can be accepted until there is a creation order.

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. Assets deposited with the bank may, at times, exceed federally insured limits. TAGS had a balance of $4,409 and $100 in money market funds at September 30, 2012 and December 31, 2011, respectively; these balances are included in cash and cash equivalents on the statements of assets and liabilities.

Due from/to Broker for Securities Transactions

Due from/to broker for investments in securities are securities transactions pending settlement. For the period from the commencement of operations (March 28, 2012) through September 30, 2012, all of the Fund's securities transactions for the shares of the Underlying Funds, money balances were transacted with the Bank of New York Mellon and security transactions for the sale and purchase of shares of the Underlying Funds were principally transacted with the Bank of New York Mellon Capital Markets. The Fund is 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 Funds monitors the financial condition of such brokers and does not anticipate any losses from these counterparties.

Calculation of Net Asset Value

The Fund's NAV is calculated by:

- Taking the current market value of its total assets,
- Subtracting any liabilities, and

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

For purposes of the determining the Fund's NAV, the Fund's investments in the Underlying Funds will be valued based on the Underlying Funds' NAVs. In turn, in determining the value of the Futures Contracts held by the Underlying Funds, the Administrator will use the closing price on the exchange on which they are traded. The Administrator will determine the value of all other Fund and Underlying Fund investments as of the earlier of the close of the New York Stock Exchange or 4:00 p.m. New York time, in accordance with the current Services Agreement between the Administrator and the Trust. The value of Cleared Swaps and over-the-counter Commodity Interests will be determined based on the value of the commodity or Futures Contract underlying such Commodity Interest, except that a fair value may be determined if the Sponsor believes that the Underlying Fund is subject to significant credit risk relating to the counterparty to such Commodity Interest. For purposes of financial statements and reports, the Sponsor will recalculate the NAV of an Underlying Fund where necessary to reflect the "fair value" of a Futures Contract held by an Underlying Fund when a Futures Contract held by an Underlying Fund closes at its price fluctuation limit for the day. Treasury Securities held by the Fund or Underlying Funds will be valued by the Administrator using values received from recognized third-party vendors (such as Reuters) and dealer quotes. NAV will include any unrealized profit or loss on open Commodity Interests and any other credit or debit 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 Fund pays no direct management fees to the Sponsor. The Underlying Funds 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; these fees are recognized in the statements contained in this Form on 10-Q for each of the Underlying Funds. 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. The Sponsor may, at its discretion waive the payment by the Fund of certain expenses. This election is subject to change by the Sponsor, at its discretion. For the periods from the commencement of operations (March 28, 2012) to September 30, 2012 and July 1, 2012 to September 30, 2012, this resulted in an approximate $14,500 reduction of fees paid by the Fund. 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 accounting principles generally accepted in the United States of America 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.

New Accounting Pronouncements

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 implementation of ASU No. 2011-11 will not be adopted prior to January 1, 2013, and we are evaluating the impact on the financial statement disclosures for the Fund.

Fair Value - Definition and Hierarchy

In accordance with 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 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 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 September 30, 2012, in the opinion of the Trust and the Fund, the reported value of the Commodity Futures Contracts traded on the CBOT and on ICE fairly reflected the value of the Commodity Futures Contracts held by the Underlying Funds, and no adjustments were necessary.

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 Funds.

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.

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 September 30, 2012:

September 30, 2012

Assets:	Level 1	Level 2	Level 3	Balance as of September 30, 2012
Exchange-traded funds	$2,648,360	$ -	$ -	$ 2,648,360
Cash equivalents	4,409	-	-	4,409
Total	$2,652,769	$ -	$ -	$ 2,652,769

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Note 5 - Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the period from commencement of operations (March 28, 2012) through September 30, 2012. This information has been derived from information presented in the financial statements.

Per Share Operation Performance	
Net asset value at beginning of period	$ 50.00
Income from investment operations:	
Investment income	-
Net realized and unrealized gain on investment transactions	3.54
Total expenses	(0.15)
Net increase in net asset value	3.39
Net asset value at end of period	$ 53.39
Total Return	6.78 %
Ratios to Average Net Assets (Annualized)	
Total expense	0.60 %
Net investment loss	(0.60)%

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.

The Sponsor may, at its discretion waive the payment by the Fund of certain expenses. This election is subject to change by the Sponsor, at its discretion. For the periods from the commencement of operations (March 28, 2012) to September 30, 2012 and July 1, 2012 to September 30, 2012, this resulted in an approximate $14,500 reduction of fees paid by the Fund.

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.

On October 31, 2012 the SEC declared effective Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 for the Fund.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This information should be read in conjunction with the financial statements and notes included in Item 1 of Part I of this Quarterly Report (the "Report"). The discussion and analysis which follows may contain trend analysis and other forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 which reflect our current views with respect to future events and financial results. Words such as "anticipate," "expect," "intend," "plan," "believe," "seek," "outlook" and "estimate," as well as similar words and phrases, signify forward-looking statements. Teucrium Commodity Trust's (the "Trust's") forward-looking statements are not guarantees of future results and conditions, and important factors, risks and uncertainties may cause our actual results to differ materially from those expressed in our forward-looking statements.

You should not place undue reliance on any forward-looking statements. Except as expressly required by the Federal securities laws, Teucrium Trading, LLC (the "Sponsor") undertakes no obligation to publicly update or revise any forward-looking statements or the risks, uncertainties or other factors described in this Report, as a result of new information, future events or changed circumstances or for any other reason after the date of this Report.

Overview/Introduction

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." Each Fund is a commodity pool that is a series of the Trust. 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 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 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 Funds are designed and managed so that 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 specific futures contracts or the closing Net Asset Value per share of the Underlying Funds (as defined below) in the case of TAGS. Each Fund pursues its investment objective by investing in a portfolio of exchange-traded futures contracts that expire in a specific month and trade on a specific exchange in the commodities comprising the Benchmark, as defined below or shares of the Underlying Funds in the case of TAGS. Each Fund also holds United States Treasury Obligations and/or other high credit quality short-term fixed income securities for deposit with the commodity broker of the Funds as margin.

The Investment Objective of the Funds

The investment objective of CORN 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%.

The investment objective of NAGS 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.

The investment objective of CRUD 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 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 June or December Oil Futures Contract, weighted 35%; (2) the June 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%.

The investment objective of SOYB 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 soybeans ("Soybean Futures Contracts") that are traded on the CBOT. The three Soybean Futures Contracts will generally 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 investment objective of CANE 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 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 investment objective of WEAT 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 wheat ("Wheat Futures Contracts") that are traded on the CBOT, specifically: (1) the second-to-expire CBOT Wheat Futures Contract, weighted 35%, (2) the third-to-expire CBOT Wheat Futures Contract, weighted 30%, and (3) the CBOT Wheat Futures Contract expiring in the December following the expiration month of the third-to-expire contract, weighted 35%.

The investment objective of the TAGS is to have the daily changes in percentage terms of the NAV of its 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: the Teucrium Corn Fund, the Teucrium Wheat Fund, the Teucrium Soybean Fund and the Teucrium Sugar Fund (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, generally on a daily basis, to maintain the approximate 25% allocation to each Underlying Fund.

This weighted average of the referenced specific Futures Contracts for each Fund is referred to herein as the "Benchmark," and the specific Futures Contracts that at any given time make up the Benchmark for that Fund and are referred to herein as the “Benchmark Component Futures Contracts.”

The notional amount of each Benchmark Component Futures Contract included in each Benchmark is intended to reflect the changes in market value of each such Benchmark Component Futures Contract within the Benchmark. The closing level of each Benchmark is calculated on each business day by the Bank of New York Mellon (the “Administrator”) based on the closing price of the futures contracts for each of the underlying Benchmark Component Futures Contracts and the notional amounts of such Benchmark Component Futures Contracts.

Each Benchmark is rebalanced periodically to ensure that each of the Benchmark Component Futures Contracts is weighted in the same proportion as in the investment objective for each Fund. The following tables reflect the September 30, 2012, Benchmark Component Futures Contracts weights for each of the Funds:

CORN Benchmark Component Futures Contracts	Notional Value	Weight (%)
CBOT Corn Futures (540 contracts, settlement date March 14, 2013)	$ 20,506,500	35
CBOT Corn Futures (465 contracts, settlement date May 14, 2013)	17,588,625	30
CBOT Corn Futures (635 contracts, settlement date December 13, 2013)	20,018,375	35
Total at September 30, 2012	$ 58,113,500	100 %

NAGS Benchmark Component Futures Contracts	Notional Value	Weight (%)
NYMEX Natural Gas Futures (25 contracts, settlement date February 26, 2013)	$ 938,000	25
NYMEX Natural Gas Futures (26 contracts, settlement date March 26, 2013)	969,800	26
NYMEX Natural Gas Futures (24 contracts, settlement date September 26, 2013)	931,200	25
NYMEX Natural Gas Futures (23 contracts, settlement date October 29, 2013)	915,170	24
Total at September 30, 2012	$ 3,754,170	100 %

CRUD Benchmark Component Futures Contracts	Notional Value	Weight (%)
WTI Crude Oil Futures (8 contracts, settlement date November 16, 2012)	$ 740,480	36
WTI Crude Oil Futures (6 contracts, settlement date May 21, 2013)	564,720	28
WTI Crude Oil Futures (8 contracts, settlement date November 20, 2013)	746,800	36
Total at September 30, 2012	$ 2,052,000	100 %

SOYB Benchmark Component Futures Contracts	Notional Value	Weight (%)
CBOT Soybean Futures (46 contracts, settlement date January 14, 2013)	$ 3,686,325	35
CBOT Soybean Futures (41 contracts, settlement date March 14, 2013)	3,206,713	30
CBOT Soybean Futures (56 contracts, settlement date November 14, 2013)	3,747,100	35
Total at September 30, 2012	$ 10,640,138	100 %

CANE Benchmark Component Futures Contracts	Notional Value	Weight (%)	
ICE Sugar Futures (29 contracts, settlement date April 30, 2013)	$ 664,541	36	
ICE Sugar Futures (24 contracts, settlement date June 28, 2013)	550,771	30	
ICE Sugar Futures (27 contracts, settlement date February 28, 2014)	642,298	34	
Total at September 30, 2012	$ 1,857,610	100	%

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WEAT Benchmark Component Futures Contracts	Notional Value	Weight (%)
CBOT Wheat Futures (24 contracts, settlement date March 14, 2013)	$ 1,094,700	35
CBOT Wheat Futures (20 contracts, settlement date May 14, 2013)	906,250	30
CBOT Wheat Futures (25 contracts, settlement date December 13, 2013)	1,093,438	35
Total at September 30, 2012	$ 3,094,388	100 %

TAGS Benchmark Component Futures Contracts	Fair Value	Weight (%)
Shares of Teucrium Corn Fund	$679,249	25
Shares of Teucrium Soybean Fund	652,770	25
Shares of Teucrium Wheat Fund	666,268	25
Shares of Teucrium Sugar Fund	650,073	25
Total at September 30, 2012	$2,648,360	100 %

The price relationship between the near month Futures Contract to expire and the Benchmark Compone