Teucrium Commodity Trust
Form 10-Q
May 10, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2018.

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.)

115 Christina Landing Drive Unit 2004
Wilmington, DE 19801
(Address of principal executive offices) (Zip code)

(302) 543-5977
(Registrant's telephone number, including area code)

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.

Yes 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).

Yes No

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

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

If an emerging growth company, indicate by a check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

Yes No

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

	Total Number of Outstanding Shares as of May 8, 2018
Teucrium Corn Fund	4,375,004
Teucrium Sugar Fund	1,700,004
Teucrium Soybean Fund	900,004
Teucrium Wheat Fund	9,950,004
Teucrium Agricultural Fund	75,002

TEUCRIUM COMMODITY TRUST

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TEUCRIUM COMMODITY TRUST
COMBINED STATEMENTS OF ASSETS AND LIABILITIES

	March 31, 2018	December 31, 2017
	(Unaudited)	
Assets		
Cash and cash equivalents	$153,683,543	$137,945,626
Interest receivable	4	255
Other assets	354,457	6,748
Equity in trading accounts:		
Commodity futures contracts	3,451,249	909,281
Due from broker	6,616,462	9,987,671
Total equity in trading accounts	10,067,711	10,896,952
Total assets	$164,105,715	$148,849,581
Liabilities		
Management fee payable to Sponsor	137,372	125,149
Other liabilities	225,189	99,909
Equity in trading accounts:		
Commodity futures contracts	3,155,027	5,677,771
Total liabilities	3,517,588	5,902,829
Net Assets	$160,588,127	$142,946,752

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

TEUCRIUM COMMODITY TRUST
COMBINED SCHEDULE OF INVESTMENTS
March 31, 2018
(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $3,446)	$3,446	0.00%	3,446
			Principal Amount
Commercial Paper			
Boston Scientific Corporation 2.113% (cost: $4,989,208 due 4/20/2018)	$4,994,458	3.11%	5,000,000
Canadian Natural Resources Limited 2.316% (cost $4,990,416 due 4/25/2018)	4,992,334	3.11	5,000,000
Canadian Natural Resources Limited 2.133% (cost: $4,991,462 due 4/13/2018)	4,996,466	3.11	5,000,000
Enbridge Energy Partners L.P. 2.144% (cost: $4,986,688 due 4/20/2018)	4,994,380	3.11	5,000,000
Enbridge Energy Partners L.P. 2.13% (cost: $4,987,364 due 4/20/2018)	4,994,416	3.11	5,000,000
Equifax Inc. 2.063% (cost: $9,976,084 due 4/13/2018)	9,993,166	6.22	10,000,000
HP Inc. 2.481% (cost: $4,975,058 due 6/07/2018)	4,977,108	3.10	5,000,000
Marriott International, Inc 2.274% (cost: $4,976,186 due 6/04/2018)	4,979,947	3.10	5,000,000
Thomson Reuters Corporation 2.045% (cost: $4,975,188 due 5/15/2018)	4,987,594	3.11	5,000,000
Thomson Reuters Corporation 2.046% (cost: $4,975,458 due 5/21/2018)	4,985,896	3.10	5,000,000
Walgreens Boots Alliance, Inc. 2.116% (cost: $9,950,416 due 5/29/2018)	9,966,168	6.21	10,000,000
Total Commercial Paper (total cost: $64,773,528)	64,861,933	40.39	
Total Cash Equivalents	$64,865,379	40.39%	

			Notional Amount (Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures JUL18 (1,255 contracts)	$1,572,413	0.98%	$24,864,687
CBOT corn futures SEP18 (1,057 contracts)	12,887	0.01	21,311,763
CBOT corn futures DEC18 (1,210 contracts)	553,887	0.34	24,895,750
United States soybean futures contracts			
CBOT soybean futures JUL18 (107 contracts)	264,937	0.16	5,646,925
CBOT soybean futures NOV18 (93 contracts)	168,100	0.10	4,872,037
CBOT soybean futures NOV19 (113 contracts)	1,438	0.00	5,671,188
United States wheat futures contracts			
CBOT wheat futures JUL18 (969 contracts)	877,587	0.55	22,698,825
Total commodity futures contracts	$3,451,249	2.14%	$109,961,175

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States sugar futures contracts			
ICE sugar futures JUL18 (212 contracts)	$337,512	0.21%	$ 2,958,503
ICE sugar futures OCT18 (176 contracts)	107,957	0.07	2,536,934
ICE sugar futures MAR19 (190 contracts)	324,083	0.20	3,006,864
United States wheat futures contracts			
CBOT wheat futures SEP18 (802 contracts)	1,545,537	0.96	19,458,525
CBOT wheat futures DEC18 (897 contracts)	839,938	0.52	22,716,525
Total commodity futures contracts	$3,155,027	1.96%	$50,677,351

Exchange-traded funds*			Shares
Teucrium Corn Fund	$296,987	0.18	16,508
Teucrium Soybean Fund	291,902	0.18	15,331
Teucrium Sugar Fund	278,824	0.17	33,624
Teucrium Wheat Fund	269,180	0.17	43,487
Total exchange-traded funds (cost $1,705,740)	$1,136,893	0.70%	

*The Trust eliminates the shares owned by the Teucrium Agricultural Fund from its combined statements of assets and liabilities due to the fact that these represent holdings of the Underlying Funds owned by the Teucrium Agricultural Fund, which are included as shares outstanding of the Underlying Funds.

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

TEUCRIUM COMMODITY TRUST
COMBINED SCHEDULE OF INVESTMENTS
December 31, 2017

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $2,874)	$2,874	0.00%	2,874
Blackrock FedFund - Institutional Class (cost $140)	140	0.00	140
Total money market funds	$3,014	0.00%	
Short-Term Investments			Principal Amount
Commercial Paper			
Boston Scientific Corporation 1.709% (cost: $4,992,208 due 1/16/2018)	$4,996,458	3.50%	5,000,000
Canadian Natural Resources Limited 1.759% (cost: $4,990,034 due 1/31/2018)	4,992,708	3.49	5,000,000
E. I. du Pont de Nemours and Company 1.67% (cost: $4,981,556 due 3/5/2018)	4,985,474	3.49	5,000,000
Enbridge Energy Partners, L.P. 2.198% (cost: $4,976,980 due 3/5/2018)	4,980,918	3.48	5,000,000
Equifax Inc. 1.709% (cost: $4,987,958 due 1/5/2018)	4,999,056	3.50	5,000,000
Ford Motor Credit Company LLC 1.407% (cost: $4,982,500 due 1/10/2018)	4,998,250	3.50	5,000,000
Glencore Funding LLC 1.424% (cost: $4,982,496 due 1/17/2018)	4,996,854	3.50	5,000,000
HP Inc. 1.648% (cost: $4,992,028 due 1/22/2018)	4,995,216	3.49	5,000,000
Oneok, Inc. 1.749% (cost: $4,994,684 due 1/5/2018)	4,999,034	3.50	5,000,000
VW Credit, Inc. 1.61% (cost: $4,980,000 due 3/6/2018)	4,985,778	3.49	5,000,000
Total Commercial Paper (total cost: $49,860,444)	49,929,746	34.94	
Total Cash Equivalents	$49,932,760	34.94%	
			Notional Amount

			(Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures JUL18 (1,060 contracts)	$120,487	0.08%	$19,464,250
United States sugar futures contracts			
ICE sugar futures MAY18 (133 contracts)	94,539	0.07	2,237,379
ICE sugar futures JUL18 (114 contracts)	89,780	0.06	1,920,307
United States wheat futures contracts			
CBOT wheat futures JUL18 (813 contracts)	604,475	0.42	18,424,613
Total commodity futures contracts	$909,281	0.63%	$42,046,549

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures MAY18 (1,265 contracts)	$821,825	0.57%	$22,706,750
CBOT corn futures DEC18 (1,184 contracts)	1,140,225	0.80	22,732,800
United States soybean futures contracts			
CBOT soybean futures MAR18 (75 contracts)	174,063	0.12	3,606,563
CBOT soybean futures MAY18 (63 contracts)	152,338	0.11	3,064,950
CBOT soybean futures NOV18 (74 contracts)	121,662	0.09	3,610,275
United States sugar futures contracts			
ICE sugar futures MAR19 (126 contracts)	67,133	0.05	2,214,173
United States wheat futures contracts			
CBOT wheat futures MAY18 (976 contracts)	1,182,225	0.83	21,484,200
CBOT wheat futures DEC18 (893 contracts)	2,018,300	1.41	21,521,300
Total commodity futures contracts	$5,677,771	3.98%	$100,941,011

Exchange-traded funds*			Shares
Teucrium Corn Fund	$287,376	0.20%	17,158
Teucrium Soybean Fund	273,664	0.19	15,331
Teucrium Sugar Fund	289,049	0.20	29,524
Teucrium Wheat Fund	286,031	0.20	47,737
Total exchange-traded funds (cost $1,790,621)	$1,136,120	0.79%	

*The Trust eliminates the shares owned by the Teucrium Agricultural Fund from its combined statements of assets and liabilities due to the fact that these represent holdings of the Underlying Funds owned by the Teucrium Agricultural Fund, which are included as shares outstanding of the Underlying Funds.

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TEUCRIUM COMMODITY TRUST
COMBINED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Income		
Realized and unrealized gain (loss) on trading of commodity futures contracts:		
Realized gain on commodity futures contracts	$2,224,911	$242,139
Net change in unrealized appreciation on commodity futures contracts	5,064,712	694,888
Interest income	640,639	322,351
Total income	7,930,262	1,259,378
Expenses		
Management fees	382,582	392,348
Professional fees	275,766	342,822
Distribution and marketing fees	755,804	538,338
Custodian fees and expenses	84,478	84,093
Business permits and licenses fees	60,769	36,667
General and administrative expenses	68,197	66,995
Brokerage commissions	42,577	37,346
Other expenses	33,291	20,120
Total expenses	1,703,464	1,518,729
Expenses waived by the Sponsor	(262,298)	(84,761)
Total expenses, net	1,441,166	1,433,968
Net income (loss)	$6,489,096	$(174,590)

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

TEUCRIUM COMMODITY TRUST
COMBINED STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Operations		
Net income (loss)	$6,489,096	$(174,590)
Capital transactions		
Issuance of Shares	20,520,402	18,327,900
Redemption of Shares	(9,370,786)	(26,412,506)
Net change in the cost of the Underlying Funds	2,663	679
Total capital transactions	11,152,279	(8,083,927)
Net change in net assets	17,641,375	(8,258,517)
Net assets, beginning of period	142,946,752	153,957,187
Net assets, end of period	$160,588,127	$145,698,670

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

TEUCRIUM COMMODITY TRUST
COMBINED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash flows from operating activities:		
Net income (loss)	$6,489,096	$(174,590)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Net change in unrealized appreciation on commodity futures contracts	(5,064,712)	(694,888)
Changes in operating assets and liabilities:		
Due from broker	3,371,209	188,492
Interest receivable	251	15
Other assets	(347,709)	(501,118)
Management fee payable to Sponsor	12,223	868
Other liabilities	125,280	42,098
Net cash provided by (used in) operating activities	4,585,638	(1,139,123)
Cash flows from financing activities:		
Proceeds from sale of Shares	20,520,402	18,327,900
Redemption of Shares	(9,370,786)	(26,412,506)
Net change in cost of the Underlying Funds	2,663	679
Net cash provided by (used in) financing activities	11,152,279	(8,083,927)
Net change in cash, cash equivalents, and restricted cash	15,737,917	(9,223,050)
Cash, cash equivalents, and restricted cash, beginning of period	137,945,626	145,475,153
Cash, cash equivalents, and restricted cash end of period	$153,683,543	$136,252,103

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

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NOTES TO COMBINED FINANCIAL STATEMENTS
March 31, 2018
(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 five series: Teucrium Corn Fund (“CORN”), 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. Effective as of April 16, 2018, the Trust and the Funds operate pursuant to the Trust’s Third Amended and Restated Declaration of Trust and Trust Agreement (the “Trust Agreement”). Two additional series, the Teucrium Natural Gas Fund (“NAGS”) and the Teucrium WTI Crude Oil Fund (“CRUD”) commenced operations in 2011. these, however, ceased trading and were de-registered effective with the close of trading on December 18, 2014. Liquidation of NAGS and CRUD was completed prior to December 31, 2014 and the Form 15 was filed on January 9, 2015.

On June 5, 2010, the initial Form S−1 for CORN was declared effective by the U.S. Securities and Exchange Commission (“SEC”). On June 8, 2010, four Creation Baskets for CORN were issued representing 200,000 shares and $5,000,000. CORN began trading on the New York Stock Exchange (“NYSE”) Arca on June 9, 2010. On April 29, 2016, a second subsequent registration statement for CORN was declared effective by the SEC.

On June 17, 2011, the initial 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 June 30, 2014, subsequent registration statements for CANE, SOYB and WEAT were declared effective by the SEC. On July 15, 2016, a subsequent registration statement for WEAT was declared effective. This registration statement for WEAT registered an additional 24,050,000 shares. On May 1, 2017, a subsequent registration statement for SOYB and CANE was declared effective by the SEC.

On February 10, 2012, the initial 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. On April 30, 2015, a subsequent registration statement for TAGS was declared effective by the SEC.

The Sponsor is a member of the National Futures Association (the "NFA") and became a commodity pool operator ("CPO") registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009. The Sponsor registered as a Commodity Trading Advisor ("CTA") with the CFTC effective September 8, 2017.

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−K 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 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.

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The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America ("GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Trust's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as applicable. The operating results for the three months ended March 31, 2018 are not necessarily indicative of the results to be expected for the full year ending December 31, 2018.

Subject to the terms of the Trust Agreement, Teucrium Trading, LLC in its capacity as the Sponsor ("Sponsor") may terminate a Fund at any time, regardless of whether the Fund has incurred losses, including, for instance, if it determines that the Fund's aggregate net assets in relation to its operating expenses make the continued operation of the Fund unreasonable or imprudent. However, no level of losses will require the Sponsor to terminate a Fund.

Note 2 – Principal Contracts and Agreements

On August 17, 2015 (the "Conversion Date"), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Funds. The principal business address for U.S. Bank N.A is 1555 North Rivercenter Drive, Suite 302, Milwaukee, Wisconsin 53212. U.S. Bank N.A. is a Wisconsin state chartered bank subject to regulation by the Board of Governors of the Federal Reserve System and the Wisconsin State Banking Department. The principal address for U.S. Bancorp Fund Services, LLC ("USBFS") is 615 E. Michigan Street, Milwaukee, WI 53202. In addition, effective on the Conversion Date, USBFS, a wholly owned subsidiary of U.S. Bank, commenced serving as administrator for each Fund, performing certain administrative and accounting services and preparing certain SEC reports on behalf of the Funds, and also became the registrar and transfer agent for each Fund's Shares. For such services, U.S. Bank and USBFS will receive an asset– based fee, subject to a minimum annual fee.

For custody services, the Funds will pay to U.S. Bank N.A. 0.0075% of average gross assets up to $1 billion, and .0050% of average gross assets over $1 billion, annually, plus certain per-transaction charges. For Transfer Agency, Fund Accounting and Fund Administration services, which are based on the total assets for all the Funds in the Trust, the Funds will pay to USBFS 0.06% of average gross assets on the first $250 million, 0.05% on the next $250 million, 0.04% on the next $500 million and 0.03% on the balance over $1 billion annually. A combined minimum annual fee of up to $64,500 for custody, transfer agency, accounting and administrative services is assessed per Fund. For the three months ended March 31, 2018 and 2017, the Funds recognized $84,478 and $84,093, respectively, for these services, which is recorded in custodian fees and expenses on the combined statements of operations; of these expenses $13,171 in 2018 and $1,626 in 2017 were waived by the Sponsor.

The Sponsor employs Foreside Fund Services, LLC ("Foreside" or the "Distributor") as the Distributor for the Funds. The Distribution Services Agreement among the Distributor and the Sponsor calls for the Distributor to work with the Custodian in connection with the receipt and processing of orders for Creation Baskets and Redemption Baskets and the review and approval of all Fund sales literature and advertising materials. The Distributor and the Sponsor have also entered into a Securities Activities and Service Agreement (the "SASA") under which certain employees and officers of the Sponsor are licensed as registered representatives or registered principals of the Distributor, under Financial Industry Regulatory Authority ("FINRA") rules. For its services as the Distributor, Foreside receives a fee of 0.01% of the Fund's average daily net assets and an aggregate annual fee of $100,000 for all Teucrium Funds, along with certain expense reimbursements. For its services under the SASA, Foreside receives a fee of $5,000 per registered representative and $1,000 per registered location. For the three months ended March 31, 2018 and 2017, the Funds recognized $48,148 and $53,419, respectively, for these services, which is recorded in distribution and marketing fees on the combined statements of operations; of these expenses $14,661 in 2018 and $686 in 2017 were waived by the Sponsor.

ED&F Man Capital Markets, Inc. ("ED&F Man") serves as the Underlying Funds' clearing broker to execute and clear the Underlying Funds' futures and provide other brokerage-related services. ED&F Man is registered as a FCM with the U.S. CFTC and is a member of the NFA. ED&F Man is also registered as a broker/dealer with the U.S. Securities and Exchange Commission and is a member of the FINRA. ED&F Man is a clearing member of ICE Futures U.S., Inc., Chicago Board of Trade, Chicago Mercantile Exchange, New York Mercantile Exchange, and all other major United States commodity exchanges. For Corn, Soybean, Sugar and Wheat Futures Contracts ED&F Man is paid $9.00 per round turn. For the three months ended March 31, 2018 and 2017, the Funds recognized $42,577 and $37,346, respectively, for these services, which was recorded in brokerage commissions on the combined statements of operations and were paid for by the Funds.

The sole Trustee of the Trust is Wilmington Trust Company, a Delaware banking corporation. The Trustee will accept service of legal process on the Trust in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. For its services, the Trustee receives an annual fee of $3,300 from the Trust. For the three months ended March 31, 2018 and 2017, the Funds did not recognize any expense for these services. This expense is recorded in business permits and licenses fees on the combined statements of operations.

Note 3 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on a combined basis 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, CANE, SOYB, WEAT and TAGS. Refer to the accompanying separate financial statements for each Fund for more detailed information. For the periods represented by the financial statements herein the operations of the Trust contain the results of CORN, SOYB, CANE, WEAT, and TAGS except for eliminations for TAGS as explained below for the months during which each Fund was in operation.

In accordance with ASU 2016-–18 issued by the Financial Accounting Standards Board ("FASB"), the presentation of cash and cash equivalents and restricted cash is disaggregated by line item on the combined statements of assets and liabilities and sum to the total amount of cash, cash equivalents, and restricted cash at the end of the corresponding period shown on the combined statements of cash flows. This update in presentation did not have a material impact on the financial statements and disclosures of the Trust and the Funds.

Given the investment objective of TAGS as described in Note 1 above, TAGS will buy, sell and hold, as part of its normal operations, shares of the four Underlying Funds. The Trust eliminates the shares of the other series of the Trust owned by the Teucrium Agricultural Fund from its combined statements of assets and liabilities. The Trust eliminates the net change in unrealized appreciation or depreciation on securities owned by the Teucrium Agricultural Fund from its combined statements of operations. The combined statements of changes in net assets and cash flows present a net presentation of the purchases and sales of the Underlying Funds of TAGS.

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 combined statements of assets and liabilities 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 combined financial statements. Changes in the appreciation or depreciation between periods are reflected in the combined 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 Merchant. In addition, the Funds earn interest on funds held at the custodian at prevailing market rates for such investments.

Beginning in October 2017, the Sponsor began investing a portion of cash in commercial paper, which is deemed a cash equivalent based on the rating and duration of contracts as described in the notes to the combined financial statements and reflected in cash and cash equivalents on the combined statements of assets and liabilities and in cash, cash equivalents and restricted cash on the combined statements of cash flows. Accretion on these investments are recognized using the effective interest method in U.S. dollars and included in interest income on the combined statements of operations.

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Brokerage Commissions

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

Income Taxes

The Trust, as a Delaware statutory trust, is considered a trust for federal tax purposes and is, thus, a pass through entity. For U.S. federal tax purposes, the Funds will be treated as partnerships. Therefore, the Funds do not record a provision for income taxes because the shareholders report their share of a Fund's income or loss on their income tax returns. The financial statements reflect the Funds' transactions without adjustment, if any, required for income tax purposes.

The Funds are required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Funds file income tax returns in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. For all tax years 2015 to 2017, the Funds remain subject to income tax examinations by major taxing authorities. 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 March 31, 2018 and for the years ended December 31, 2017, 2016, 2015, and 2014. 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 three months ended March 31, 2018 and 2017.

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. In the opinion of the Sponsor, the 2017 Tax Cuts and Jobs Act, will not have a significant impact on the Trust or the Funds and did not have a significant impact on the financial statements of the Trust and the Funds.

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 Fund’s respective prospectus, as amended from time to time. If a Fund experienced redemptions that caused the number of Shares outstanding to decrease to the minimum level of Shares required to be outstanding, until the minimum number of Shares is again exceeded through the purchase of a new Creation Basket, there can be no more redemptions by an Authorized Purchaser. These minimum levels are as follows:

CORN: 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 (at minimum level as of March 31, 2018 and December 31, 2017)

Cash, Cash Equivalents, and Restricted Cash

Cash equivalents are highly –liquid investments with maturity dates of 90 days or less when acquired. The Trust reported its cash equivalents in the combined 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. Each Fund that is a series of the Trust has the balance of its cash equivalents on deposit with financial institutions. The Trust had a balance of $3,446 and $3,014 in money market funds at March 31, 2018 and December 31, 2017, respectively. These balances are included in cash and cash equivalents on the combined statements of assets and liabilities. Effective in the second quarter 2015, the Sponsor invested a portion of the available cash for the Funds in alternative demand – deposit savings accounts, which is classified as cash and not as cash equivalents. The Funds had a balance of $88,818,164 and $88,013,073 in demand– deposit savings accounts on March 31, 2018 and December 31, 2017, respectively. Assets deposited with the bank may, at times, exceed federally insured limits. Effective in the fourth quarter 2017, the Sponsor invested a portion of the available cash for the Funds in investment grade commercial paper with durations of 90 days or less, which is classified as a cash equivalent and is not FDIC insured. The Funds had a balance of $64,861,933 and $49,929,746 in commercial paper contracts on March 31, 2018 and December 31, 2017, respectively. The above changes resulted in a reduction from the same period in 2017 in the balance held in money market and demand– deposit savings accounts, respectively.

On August 17, 2015 (the "Conversion Date"), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Funds. Per the amended agreement between the Sponsor and The Bank of New York Mellon dated August 14, 2015, certain cash amounts for each Fund, except in the case of TAGS, are to remain at The Bank of New York Mellon until amounts for services and early termination fees are paid. The amended agreement allows for payments for such amounts owed to be made through December 31, 2017. Cash balances that are held in custody at The Bank of New York Mellon under this amended agreement are reflected as restricted cash on the financial statements of the Trust and Funds. The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported within the combined statements of assets and liabilities that sum to the total of the same such amounts shown in the combined statements of cash flows.

	March 31, 2018	March 31, 2017	December 31, 2017
Cash and cash equivalents	$153,683,543	$136,141,419	$137,945,626
Restricted cash	-	110,684	-
Total cash, cash equivalents, and restricted cash shown in the combined statements of cash flows	$153,683,543	$136,252,103	$137,945,626

Due from/to Broker

The amount recorded by the Trust for the amount due from and to the clearing broker includes, but is not limited to, cash held by the broker, amounts payable to the clearing broker related to open transactions and payables for commodities futures accounts liquidating to an equity balance on the clearing broker's records.

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 their 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.

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Payable/Receivable for Securities Purchased/Sold

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

Sponsor Fee, Allocation of Expenses and Related Party Transactions

The Fund's sponsor is Teucrium Trading, LLC (the "Sponsor"). 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. In addition, the Sponsor elected not to outsource services directly attributable to the Trust and the Funds such as certain accounting, financial reporting, regulatory compliance and trading activities. In addition, 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, 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 within the Trust are allocated by the Sponsor to the respective Fund based on activity drivers deemed most appropriate by the Sponsor for such expenses, including but not limited to relative assets under management and creation and redeem order activity.

These aggregate common expenses include, but are not limited to, legal, auditing, accounting and financial reporting, tax-preparation, regulatory compliance, trading activities, and insurance costs, as well as fees paid to the Distributor, which are included in the related line item in the combined statements of operations. A portion of these aggregate common expenses are related to the Sponsor or related parties of principals of the Sponsor; these are necessary services to the Trust and the Funds, which are primarily the cost of performing certain accounting and financial reporting, regulatory compliance, and trading activities that are directly attributable to the Trust and the Funds. For the three months ended March 31, the Funds recognized $980,265 in 2018 and $853,550 in 2017 for these services, which are primarily recorded in distribution and marketing fees on the combined statements of operations; of these expenses, $128,781 in 2018 and $6,983 in 2017 were waived by the Sponsor. All asset-based fees and expenses for the Funds are calculated on the prior day's net assets.

The Sponsor has the ability to elect to pay certain expenses on behalf of the Funds or waive the management fee. This election is subject to change by the Sponsor, at its discretion. Expenses paid by the Sponsor and Management fees waived by the Sponsor are, if applicable, presented as waived expenses in the statements of operations for each Fund.

For the three months ended March 31, 2018 there were $262,298 of expenses that were included in the combined statements of operations of the Trust as expenses that were waived by the Sponsor. These were specifically: $40,682 for CORN, $99,942 for SOYB, $80,690 for CANE, $23,769 for WEAT, and $17,215 for TAGS. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

For the three months ended March 31, 2017 there were $84,761 of expenses that were included in the combined statements of operations of the Trust as expenses that were waived by the Sponsor. These were specifically: $35,000 for CORN, $15,000 for SOYB, $13,078 for CANE and $21,683 for TAGS. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

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 futures contracts held by CORN, SOYB, CANE and WEAT, the securities of the Underlying Funds held by TAGS, and any other securities held by any Fund, together referenced throughout this filing as “financial instruments.” 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 financial instrument to financial instrument and is affected by a wide variety of factors including, the type of financial instrument, whether the financial instrument 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 financial instruments existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for financial instruments 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 financial instruments. This condition could cause a financial instrument 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 March 31, 2018 and December 31, 2017, 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 determination is made as of the settlement of the futures contracts on the last day of trading for the reporting period. In making the determination of a Level 1 or Level 2 transfer, the Funds consider the average volume of the specific underlying futures contracts traded on the relevant exchange for the periods being reported.

For the three months ended March 31, 2018 and year ended December 31, 2017, the Funds did not have any transfers between any of the levels of the fair value hierarchy.

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 and the ICE, 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 traded 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.

Expenses

Expenses are recorded using the accrual method of accounting.

New Accounting Pronouncements

The Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-05, “Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118." These amendments add guidance to the FASB Accounting Standards Codification regarding the Tax Cuts and Jobs Act (Act). The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2018-03: “Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, that clarifies the guidance in ASU No. 2016-01, Financial Instruments—Overall (Subtopic 825-10).” These amendments clarify the guidance in ASU No. 2016-01 on issues related to Fair Value and Forward Contracts and Purchased Options. The amendments are effective for fiscal years beginning after December 15, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2017-–13, “Revenue Recognition (Topic 605), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments”. The amendment amends the early adoption date option for certain companies related to adoption of ASU No. 2014-–09 and ASU No. 2016-–02. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity’s filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. This amendment is not expected to have a material impact on the financial statements and disclosures of the Trust or the Funds.

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The FASB issued ASU 2017-–12, “Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities”. These amendments refine and expand hedge accounting for both financial (e.g., interest rate) and commodity risks. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes. It also makes certain targeted improvements to simplify the application of hedge accounting guidance. The amendments are effective for public companies for fiscal years beginning after December 15, 2018. This amendment is not expected to have any impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2017-–03, “Accounting Changes and Error Corrections (Topic 250) and Investments – Equity Method and Joint Ventures (Topic 323)”. These amendments require disclosure of the impact that recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2017-–01, “Business Combinations (Topic 805): Clarifying the Definition of a Business”. The amendments are intended to help companies and other organizations evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments are effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2016-–18, “Statement of Cash Flows (Topic 230)”. The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning– of– period and end –of– period total amounts shown on the statement of cash flows. The amendments are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Sponsor elected to early adopt ASU 2016-–18 for the year ending December 31, 2017 and the adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2014-–09 in May 2014, “Revenue from Contracts with Customers (Topic 606),” which replaces the revenue recognition requirements of “Revenue Recognition (Topic 605).” This ASU is based on the principle that revenue is recognized to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. In August 2015, the FASB issued ASU 2015-–14 which defers the effective date of ASU 2014-–09 by one year to fiscal years beginning after December 15, 2017. ASU 2015-–14 also permits early adoption of ASU 2014-–09, but not before the original effective date, which was for fiscal years beginning after December 15, 2016. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825-–10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2014-–09 and 2015-–14. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2016-–11, “Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014-–09 and 2014-–16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting”. The amendments make targeted improvements to clarify the principal versus agent assessment and are intended to make the guidance more operable and lead to more consistent application. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825-–10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2016-–11. The Sponsor elected to adopt ASU 2016-11 for the year ending December 31, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2016-–02, “Leases (Topic 842).” The amendments in this update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018. This standard is not expected to have a material impact on the financial statements and disclosures of the Trust or the Funds.

The FASB issued ASU 2016–-01, “Financial Instruments–-Overall (Subtopic 825–-10): Recognition and Measurement of Financial Assets and Financial Liabilities.” The amendments in this update are intended to improve the recognitions measurement and disclosure of financial instruments. The amendments to this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. These amendments are required to be applied prospectively. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Funds.

Note 4 – 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 3. The following table presents information about the Trust's assets and liabilities measured at fair value as of March 31, 2018 and December 31, 2017:

March 31, 2018

Assets:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Cash Equivalents	$64,865,379	$-	$-	$64,865,379
Commodity Futures Contracts				
Corn futures contracts	2,139,187	-	-	2,139,187
Soybeans futures contracts	434,475	-	-	434,475
Wheat futures contracts	877,587	-	-	877,587
Total	$68,316,628	$-	$-	$68,316,628

Liabilities:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Commodity Futures Contracts				
Sugar futures contracts	$769,552	$-	$-	$769,552
Wheat futures contracts	2,385,475	-	-	2,385,475
Total	$3,155,027	$-	$-	$3,155,027

December 31, 2017

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Cash Equivalents	$49,932,760	$-	$-	$49,932,760
Commodity Futures Contracts				
Corn futures contracts	120,487	-	-	120,487
Sugar futures contracts	184,319	-	-	184,319
Wheat futures contracts	604,475	-	-	604,475
Total	$50,842,041	$-	$-	$50,842,041

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Commodity Futures Contracts				
Corn futures contracts	$1,962,050	$-	$-	$1,962,050
Soybeans futures contracts	448,063	-	-	448,063
Sugar futures contracts	67,133	-	-	67,133
Wheat futures contracts	3,200,525	-	-	3,200,525
Total	$5,677,771	$-	$-	$5,677,771

For the three months ended March 31, 2018 and year ended December 31, 2017, the Funds did not have any significant transfers between any of the levels of the fair value hierarchy.

See the Fair Value - Definition and Hierarchy section in Note 3 above for an explanation of the transfers into and out of each level of the fair value hierarchy.

Note 5 – 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 three months ended March 31, 2018 and 2017, the Funds invested only in commodity futures contracts specifically related to each Fund.

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 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 table discloses information about offsetting assets and liabilities presented in the combined statements of assets and liabilities to enable users of these financial statements to evaluate the effect or potential effect of netting arrangements for recognized assets and liabilities. These recognized assets and liabilities are presented as defined in the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") No. 2011-11 "Balance Sheet

(Topic 210): Disclosures about Offsetting Assets and Liabilities" and subsequently clarified in FASB ASU 2013-01 "Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities."

The following table also identifies the fair value amounts of derivative instruments included in the combined statements of assets and liabilities as derivative contracts, categorized by primary underlying risk and held by the FCM, ED&F Man as of March 31, 2018 and December 31, 2017.

Offsetting of Financial Assets and Derivative Assets as of March 31, 2018

	(i)	(ii)	(iii) = (i-ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Combined Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Combined Statement of Assets and Liabilities	Net Amount Presented in the Combined Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due to Broker	Net Amount
Commodity Price						
Corn futures contracts	$2,139,187	$-	$2,139,187	$-	$-	$2,139,187
Soybeans futures contracts	$434,475	$-	$434,475	$-	$-	$434,475
Wheat futures contracts	$877,587	$-	$877,587	$877,587	$-	$-

Offsetting of Financial Liabilities and Derivative Liabilities as of March 31, 2018

	(i)	(ii)	(iii) = (i-ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Combined Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Combined Statement of Assets and Liabilities	Net Amount Presented in the Combined Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due from Broker	Net Amount
Commodity Price						

Sugar futures contracts	$769,552	$-	$769,552	$-	$769,552	$-
Wheat futures contracts	$2,385,475	$-	$2,385,475	$887,587	$1,497,888	$-

Offsetting of Financial Assets and Derivative Assets as of December 31, 2017

	(i)	(ii)	(iii) = (i-ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Combined Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Combined Statement of Assets and Liabilities	Net Amount Presented in the Combined Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due to Broker	Net Amount
Commodity Price						
Corn futures contracts	$120,487	$-	$120,487	$120,487	$-	$-
Sugar futures contracts	$184,319	$-	$184,319	$67,133	$-	$117,186
Wheat futures contracts	$604,475	$-	$604,475	$604,475	$-	$-

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2017

	(i)	(ii)	(iii) = (i-ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Combined Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Combined Statement of Assets and Liabilities	Net Amount Presented in the Combined Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due from Broker	Net Amount
Commodity Price						
Corn futures contracts	$1,962,050	$-	$1,962,050	$120,487	$1,841,563	$-
Soybeans futures contracts	$448,063	$-	$448,063	$-	$448,063	$-
Sugar futures contracts	$67,133	$-	$67,133	$67,133	$-	$-
Wheat futures contracts	$3,200,525	$-	$3,200,525	$604,475	$2,596,050	$-

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

Three months ended March 31, 2018

Primary Underlying Risk	Realized Gain (Loss) on Commodity Futures Contracts	Net Change in Unrealized Appreciation or Depreciation on Commodity Futures Contracts
Commodity price		
Corn futures contracts	$1,238,962	$3,980,750
Soybean futures contracts	(77,600)	882,538
Sugar futures contracts	(269,114)	(886,738)
Wheat futures contracts	1,332,663	1,088,162
Total commodity futures contracts	$2,224,911	$5,064,712

Three months ended March 31, 2017

Primary Underlying Risk	Realized Gain (Loss) on Commodity Futures Contracts	Net Change in Unrealized Appreciation or Depreciation on Commodity Futures Contracts
Commodity price		
Corn futures contracts	$280,775	$940,250
Soybean futures contracts	342,912	(831,150)
Sugar futures contracts	(206,248)	(376,925)
Wheat futures contracts	(175,300)	962,713
Total commodity futures contracts	$242,139	$694,888

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Volume of Derivative Activities

The average notional market value categorized by primary underlying risk for all futures contracts held was $158.8 million for the three months ended March 31, 2018 and $154.4 million for the three months ended March 31, 2017.

Note 6 - 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 7 – Detail of the net assets and shares outstanding of the Funds that are a series of the Trust

The following are the net assets and shares outstanding of each Fund that is a series of the Trust and, thus, in total, comprise the combined net assets of the Trust:

March 31, 2018

	Outstanding Shares	Net Assets
Teucrium Corn Fund	3,950,004	$71,062,442
Teucrium Soybean Fund	850,004	16,184,117
Teucrium Sugar Fund	1,025,004	8,499,709
Teucrium Wheat Fund	10,475,004	64,839,083
Teucrium Agricultural Fund:		
Net assets including the investment in the Underlying Funds	50,002	1,139,669
Less: Investment in the Underlying Funds		(1,136,893)
Net for the Fund in the combined net assets of the Trust		2,776
Total		$160,588,127

December 31, 2017

	Outstanding Shares	Net Assets
Teucrium Corn Fund	3,875,004	$64,901,479
Teucrium Soybean Fund	575,004	10,264,025
Teucrium Sugar Fund	650,004	6,363,710
Teucrium Wheat Fund	10,250,004	61,416,019
Teucrium Agricultural Fund:		
Net assets including the investment in the Underlying Funds	50,002	1,137,639
Less: Investment in the Underlying Funds		(1,136,120)
Net for the Fund in the combined net assets of the Trust		1,519
Total		$142,946,752

The detailed information for the subscriptions and redemptions, and other financial information for each Fund that is a series of the Trust are included in the accompanying financial statements of each Fund.

Note 8 – Subsequent Events

Management has evaluated the financial statements for the quarter-ended March 31, 2018 for subsequent events through the date of this filing and noted no material events requiring either recognition through the date of the filing or disclosure herein for the Trust and Funds other than those noted below:

CORN: Nothing to Report

SOYB: On April 30, 2018, the SEC declared effective a new registration statement for SOYB. This registration statement registered an additional 5,000,000 shares of the Fund.

CANE: On April 30, 2018, the SEC declared effective a new registration statement for CANE. This registration statement registered an additional 5,000,000 shares of the Fund.

The total net assets of the Fund increased by $4,483,316 or 53% for the period from March 31, 2018 through May 8, 2018. This was driven by a 66% increase in the shares outstanding and an 8% decrease in the net asset value per share.

WEAT: Nothing to Report

TAGS: On April 9, 2018, there was a 25,000 share creation order for TAGS which settled on April 10, 2018. The shares outstanding for the Fund exceeded the minimum level of shares outstanding and, therefore, there can now be a redemption of shares.

On April 30, 2018, the SEC declared effective a new registration statement for TAGS.

The total net assets of the Fund increased by $568,699 or 50% for the period from March 31, 2018 through May 8, 2018. This was driven by a 50% increase in the shares outstanding.

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TEUCRIUM CORN FUND
STATEMENTS OF ASSETS AND LIABILITIES

	March 31, 2018	December 31, 2017
	(Unaudited)	
Assets		
Cash and cash equivalents	$68,773,183	$63,139,461
Interest receivable	-	73
Other assets	133,485	2,772
Equity in trading accounts:		
Commodity futures contracts	2,139,187	120,487
Due from broker	185,333	3,703,896
Total equity in trading accounts	2,324,520	3,824,383
Total assets	71,231,188	66,966,689
Liabilities		
Management fee payable to Sponsor	59,610	55,432
Other liabilities	109,136	47,728
Equity in trading accounts:		
Commodity futures contracts	-	1,962,050
Total liabilities	168,746	2,065,210
Net assets	$71,062,442	$64,901,479
Shares outstanding	3,950,004	3,875,004
Net asset value per share	$17.99	$16.75
Market value per share	$17.96	$16.77

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

TEUCRIUM CORN FUND
SCHEDULE OF INVESTMENTS
March 31, 2018
(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $115)	$115	0.00%	115
			Principal Amount
Commercial Paper			
Boston Scientific Corporation 2.113% (cost: $2,494,604 due 4/20/2018)	$2,497,229	3.51%	2,500,000
Canadian Natural Resources Limited 2.133% (cost: $2,495,731 due 4/13/2018)	2,498,233	3.52	2,500,000
Enbridge Energy Partners L.P. 2.144% (cost: $2,493,344 due 4/20/2018)	2,497,190	3.51	2,500,000
Enbridge Energy Partners L.P. 2.13% (cost: $2,493,682 due 4/20/2018)	2,497,208	3.51	2,500,000
Equifax Inc. 2.063% (cost: $4,988,042 due 4/13/2018)	4,996,583	7.03	5,000,000
HP Inc. 2.481% (cost: $2,487,529 due 6/07/2018)	2,488,554	3.50	2,500,000
Marriott International, Inc 2.274% (cost: $2,488,093 due 6/04/2018)	2,489,974	3.50	2,500,000
Thomson Reuters Corporation 2.045% (cost: $2,487,594 due 5/15/2018)	2,493,797	3.51	2,500,000
Thomson Reuters Corporation 2.046% (cost: $2,487,729 due 5/21/2018)	2,492,948	3.51	2,500,000
Walgreens Boots Alliance, Inc. 2.116% (cost: $4,975,208 due 5/29/2018)	4,983,084	7.01	5,000,000
Total Commercial Paper (cost: $29,891,556)	$29,934,800	42.11%	
Total Cash Equivalents	$29,934,915	42.11%	
			Notional Amount

			(Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures JUL18 (1,255 contracts)	$1,572,413	2.21%	$24,864,687
CBOT corn futures SEP18 (1,057 contracts)	12,887	0.02	21,311,763
CBOT corn futures DEC18 (1,210 contracts)	553,887	0.78	24,895,750
Total commodity futures contracts	$2,139,187	3.01%	$71,072,200

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

TEUCRIUM CORN FUND
SCHEDULE OF INVESTMENTS
December 31, 2017

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $100)	$100	0.00%	100
Blackrock FedFund - Institutional Class (cost $70)	70	0.00	70
Total money market funds	$170	0.00%	
			Principal Amount
Short-Term Investments			
Commercial Paper			
Boston Scientific Corporation 1.709% (cost: $2,496,104 due 1/16/2018)	$2,498,229	3.85%	2,500,000
Canadian Natural Resources Limited 1.759% (cost: $2,495,017 due 1/31/2018)	2,496,354	3.85	2,500,000
E. I. du Pont de Nemours and Company 1.67% (cost: $2,490,778 due 3/5/2018)	2,492,737	3.84	2,500,000
Enbridge Energy Partners, L.P. 2.198% (cost: $2,488,490 due 3/5/2018)	2,490,459	3.84	2,500,000
Equifax Inc. 1.709% (cost: $2,493,979 due 1/5/2018)	2,499,528	3.85	2,500,000
Ford Motor Credit Company LLC 1.407% (cost: $2,491,250 due 1/10/2018)	2,499,125	3.85	2,500,000
Glencore Funding LLC 1.424% (cost: $2,491,248 due 1/17/2018)	2,498,427	3.85	2,500,000
HP Inc. 1.648% (cost: $2,496,014 due 1/22/2018)	2,497,608	3.85	2,500,000
Oneok, Inc. 1.749% (cost: $2,497,342 due 1/5/2018)	2,499,517	3.85	2,500,000
VW Credit, Inc. 1.61% (cost: $2,490,000 due 3/6/2018)	2,492,889	3.84	2,500,000
Total Commercial Paper (cost: $24,930,222)	$24,964,873	38.47%	
Total Cash Equivalents	$24,965,043	38.47%	
			Notional Amount

			(Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures JUL18 (1,060 contracts)	$120,487	0.19%	$19,464,250

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States corn futures contracts			
CBOT corn futures MAY18 (1,265 contracts)	$821,825	1.27%	$22,706,750
CBOT corn futures DEC18 (1,184 contracts)	1,140,225	1.76	22,732,800
Total commodity futures contracts	$1,962,050	3.03%	$45,439,550

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

TEUCRIUM CORN FUND
STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Income		
Realized and unrealized gain on trading of commodity futures contracts:		
Realized income on commodity futures contracts	$1,238,962	$280,775
Net change in unrealized appreciation on commodity futures contracts	3,980,750	940,250
Interest income	287,497	148,373
Total income	5,507,209	1,369,398
Expenses		
Management fees	169,851	181,168
Professional fees	101,717	174,930
Distribution and marketing fees	288,060	251,740
Custodian fees and expenses	30,634	41,725
Business permits and licenses fees	12,863	10,585
General and administrative expenses	34,546	33,470
Brokerage commissions	20,840	21,290
Other expenses	12,372	9,760
Total expenses	670,883	724,668
Expenses waived by the Sponsor	(40,682)	(35,000)
Total expenses, net	630,201	689,668
Net income	$4,877,008	$679,730
Net income per share	$1.24	$0.24
Net income per weighted average share	$1.22	$0.18
Weighted average shares outstanding	3,990,560	3,803,615

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

TEUCRIUM CORN FUND
STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Operations		
Net income	$4,877,008	$679,730
Capital transactions		
Issuance of Shares	6,917,693	12,428,813
Redemption of Shares	(5,633,738)	(17,400,898)
Total capital transactions	1,283,955	(4,972,085)
Net change in net assets	6,160,963	(4,292,355)
Net assets, beginning of period	$64,901,479	$73,213,541
Net assets, end of period	$71,062,442	$68,921,186
Net asset value per share at beginning of period	$16.75	$18.77
Net asset value per share at end of period	$17.99	$19.01
Creation of Shares	400,000	625,000
Redemption of Shares	325,000	900,000

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

TEUCRIUM CORN FUND
STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash flows from operating activities:		
Net income	$4,877,008	$679,730
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Net change in unrealized appreciation on commodity futures contracts	(3,980,750)	(940,250)
Changes in operating assets and liabilities:		
Due from broker	3,518,563	275,183
Interest receivable	73	38
Other assets	(130,713)	(210,164)
Management fee payable to Sponsor	4,178	(5,783)
Other liabilities	61,408	40,205
Net cash provided by (used in) operating activities	4,349,767	(161,041)
Cash flows from financing activities:		
Proceeds from sale of Shares	6,917,693	12,428,813
Redemption of Shares	(5,633,738)	(17,400,898)
Net cash provided by (used in) financing activities	1,283,955	(4,972,085)
Net change in cash and cash equivalents	5,633,722	(5,133,126)
Cash and cash equivalents, beginning of period	63,139,461	69,072,284
Cash and cash equivalents, end of period	$68,773,183	$63,939,158

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

NOTES TO FINANCIAL STATEMENTS
March 31, 2018
(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 CORN 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 corn ("Corn Futures Contracts") that are traded on the Chicago Board of Trade ("CBOT"):

CORN Benchmark

CBOT Corn Futures Contracts	Weighting
Second to expire	35%
Third to expire	30%
December following the third to expire	35%

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 ("CPO") registered with the Commodity Futures Trading Commission (the "CFTC") effective November 10, 2009. The Sponsor registered as a Commodity Trading Advisor ("CTA") with the CFTC effective September 8, 2017.

On June 5, 2010, the Fund's initial registration of 30,000,000 shares on 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 CBOT. On April 29, 2016, a second subsequent registration statement for CORN was declared effective by the SEC.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America ("GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as well as the most recent Form S-3 filing, as applicable. The operating results for the three months ended March 31, 2018 are not necessarily indicative of the results to be expected for the full year ending December 31, 2018.

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Subject to the terms of the Trust Agreement, Teucrium Trading, LLC, in its capacity as the Sponsor ("Sponsor"), may terminate a Fund at any time, regardless of whether the Fund has incurred losses, including, for instance, if it determines that the Fund's aggregate net assets in relation to its operating expenses make the continued operation of the Fund unreasonable or imprudent. However, no level of losses will require the Sponsor to terminate a Fund.

Note 2 – Principal Contracts and Agreements

On August 17, 2015 (the "Conversion Date"), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Fund. The principal business address for U.S. Bank N.A. is 1555 North Rivercenter Drive, Suite 302, Milwaukee, Wisconsin 53212. U.S. Bank N.A. is a Wisconsin state chartered bank subject to regulation by the Board of Governors of the Federal Reserve System and the Wisconsin State Banking Department. The principal address for U.S. Bancorp Fund Services, LLC ("USBFS") is 615 E. Michigan Street, Milwaukee, WI, 53202. In addition, effective on the Conversion Date, USBFS, a wholly owned subsidiary of U.S. Bank, commenced serving as administrator for each Fund, performing certain administrative and accounting services and preparing certain SEC reports on behalf of the Funds, and also became the registrar and transfer agent for each Fund's Shares. For such services, U.S. Bank and USBFS will receive an asset–based fee, subject to a minimum annual fee.

For custody services, the Funds will pay to U.S. Bank N.A. 0.0075% of average gross assets up to $1 billion, and .0050% of average gross assets over $1 billion, annually, plus certain per-transaction charges. For Transfer Agency, Fund Accounting and Fund Administration services, which are based on the total assets for all the Funds in the Trust, the Funds will pay to USBFS 0.06% of average gross assets on the first $250 million, 0.05% on the next $250 million, 0.04% on the next $500 million and 0.03% on the balance over $1 billion annually. A combined minimum annual fee of up to $64,500 for custody, transfer agency, accounting and administrative services is assessed per Fund. For the three months ended March 31, 2018 and 2017, the Fund recognized $30,634 and $41,725, respectively, for these services, which is recorded in custodian fees and expenses on the statements of operations; of these expenses, $762 in 2018 and $0 in 2017 were waived by the Sponsor.

The Sponsor employs Foreside Fund Services, LLC ("Foreside" or the "Distributor") as the Distributor for the Funds. The Distribution Services Agreement among the Distributor and the Sponsor calls for the Distributor to work with the Custodian in connection with the receipt and processing of orders for Creation Baskets and Redemption Baskets and the review and approval of all Fund sales literature and advertising materials. The Distributor and the Sponsor have also entered into a Securities Activities and Service Agreement (the "SASA") under which certain employees and officers of the Sponsor are licensed as registered representatives or registered principals of the Distributor, under Financial Industry Regulatory Authority ("FINRA") rules. For its services as the Distributor, Foreside receives a fee of 0.01% of the Fund's average daily net assets and an aggregate annual fee of $100,000 for all Teucrium Funds, along with certain expense reimbursements. For its services under the SASA, Foreside receives a fee of $5,000 per registered representative and $1,000 per registered location. For the three months ended March 31, 2018 and 2017, the Fund recognized $18,022 and $25,945, respectively, for these services, which is recorded in distribution and marketing fees on the statements of operations; of these expenses, $3,679 in 2018 and $0 in 2017 were waived by the Sponsor.

ED&F Man Capital Markets, Inc. ("ED&F Man") serves as the Underlying Funds' clearing broker to execute and clear the Underlying Funds' futures and provide other brokerage-related services. ED&F Man is registered as a FCM with the U.S. CFTC and is a member of the NFA. ED&F Man is also registered as a broker/dealer with the U.S. Securities and Exchange Commission and is a member of the FINRA. ED&F Man is a clearing member of ICE Futures U.S., Inc., Chicago Board of Trade, Chicago Mercantile Exchange, New York Mercantile Exchange, and all other major United States commodity exchanges. For Corn, Soybean, Sugar and Wheat Futures Contracts ED&F Man is paid $9.00 per round turn. For the three months ended March 31, 2018 and 2017, the Fund recognized $20,840 and $21,290, respectively, for these services, which is recorded in brokerage commissions on the statements of operations and was paid for by the Fund.

The sole Trustee of the Trust is Wilmington Trust Company, a Delaware banking corporation. The Trustee will accept service of legal process on the Trust in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. For its services, the Trustee receives an annual fee of $3,300 from the Trust. For the three months ended March 31, 2018 and 2017, the Fund did not recognize any expense for these services. This expense is recorded in business permits and licenses fees on the statements of operations.

Note 3 – 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 assets and liabilities 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 thefinancial 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.

Beginning in October 2017, the Sponsor began investing a portion of cash in commercial paper, which is deemed a cash equivalent based on the rating and duration of contracts as described in the notes to the financial statements and reflected in cash and cash equivalents on the statements of assets and liabilities and statements of cash flows. Accretion on these investments are recognized using the effective interest method in U.S. dollars and included in interest income on the statements of operations.

Brokerage Commissions

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

Income Taxes

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

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. For all tax years 2015 to 2017, the Fund remains subject to income tax examinations by major taxing authorities. 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 March 31, 2018 and for the years ended December 31, 2017, 2016, 2015 and 2014. 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 three months ended March 31, 2018 and 2017.

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. In the opinion of the Sponsor, the 2017 Tax Cuts and Jobs Act, will not have a significant impact on the Fund and did not have a significant impact on the financial statements of the Fund.

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

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

Allocation of Shareholder Income and Losses

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

Cash and Cash Equivalents

Cash equivalents are highly –liquid investments with maturity dates of 90 days or less when acquired. 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 these balances of its cash equivalents on deposit with banks. The Fund had a balance of $115 and $170 in money market funds at March 31, 2018 and December 31, 2017, respectively. These balances are included in cash and cash equivalents on the statements of assets and liabilities. Effective in the second quarter 2015, the Sponsor invested a portion of the available cash for the Fund in alternative demand-–deposit savings accounts, which is classified as cash and not as a cash equivalent. The Fund had a balance of $38,838,268 and $38,174,688 in demand –deposit savings accounts on March 31, 2018 and December 31, 2017 respectively. Assets deposited with the bank may, at times, exceed federally insured limits. Effective in the fourth quarter 2017, the Sponsor invested a portion of the available cash for the Funds in investment grade commercial paper with durations of 90 days or less, which is classified as a cash equivalent and is not FDIC insured. These balances are included in cash and cash equivalents on the statements of assets and liabilities. The Fund had a balance of $29,934,800 and $24,964,873 in commercial paper contracts on March 31, 2018 and December 31, 2017, respectively. The above changes resulted in a reduction from the same period in 2017 in the balance held in money market funds and demand– deposit savings accounts, respectively. On March 31, 2018 and December 31, 2017, the balance for restricted cash held in custody at the Bank of New York Mellon was $0.

Due from/to Broker

The amount recorded by the Fund for the amount due from and to the clearing broker includes, but is not limited to, cash held by the broker, amounts payable to the clearing broker related to open transactions and payables for commodities futures accounts liquidating to an equity balance on the clearing broker's records.

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

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

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

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

Calculation of Net Asset Value

The Fund's NAV is calculated by:

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

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

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

Sponsor Fee, Allocation of Expenses and Related Party Transactions

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 certain administrative, custodial, accounting, transfer agency and other necessary services to the Trust and the Funds. In addition, the Sponsor elected not to outsource services directly attributable to the Trust and the Funds, such as certain aspects of accounting, financial reporting, regulatory compliance and trading activities. In addition, 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 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, 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 within the Trust are allocated by the Sponsor to the respective funds based on activity drivers deemed most appropriate by the Sponsor for such expenses, including but not limited to relative assets under management and creation and redeem order activity.

These aggregate common expenses include, but are not limited to, legal, auditing, accounting and financial reporting, tax-preparation, regulatory compliance, trading activities, and insurance costs, as well as fees paid to the Distributor, which are included in the related line item in the statements of operations. A portion of these aggregate common expenses are related to the Sponsor or related parties of principals of the Sponsor; these are necessary services to the Funds, which are primarily the cost of performing certain accounting and financial reporting, regulatory compliance, and trading activities that are directly attributable to the Fund. Such expenses are primarily recorded in distribution and marketing fees on the statements of operations. For the three months ended March 31, 2018 and 2017, such expenses were $373,988 and $420,572 respectively; of these expenses $22,604 in 2018 and $0 in 2017 were waived by the Sponsor. All asset-based fees and expenses for the Funds are calculated on the prior day's net assets.

For the three months ended March 31, 2018, there were $40,682 of expenses that were included in the statements of operations of the Fund as expenses that were waived by the Sponsor. For the three months ended March 31, 2017, there were $35,000 of expenses that were included in the statements of operations of the Fund as expenses that were waived by the Sponsor. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

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 financial instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these financial instruments 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 financial instrument to financial instrument and is affected by a wide variety of factors including, the type of financial instrument, whether the financial instrument 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 financial instruments existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for financial instruments 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 financial instrument 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 March 31, 2018 and December 31, 2017, 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 determination is made as of the settlement of the futures contracts on the last day of trading for the reporting period. In making the determination of a Level 1 or Level 2 transfer, the Fund considers the average volume of the specific underlying futures contracts traded on the relevant exchange for the periods being reported.

For the three months ended March 31, 2018 and for the year ended December 31, 2017, the Fund did not have any transfers between any of the levels of the fair value hierarchy.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT and the ICE, 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.

Expenses

Expenses are recorded using the accrual method of accounting.

Net Income (Loss) per Share

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

New Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-05, "Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118." These amendments add guidance to the FASB Accounting Standards Codification regarding the Tax Cuts and Jobs Act (Act). The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2018-03: "Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, that clarifies the guidance in ASU No. 2016-01, Financial Instruments—Overall (Subtopic 825-10)." These amendments clarify the guidance in ASU No. 2016-01 on issues related to Fair Value and Forward Contracts and Purchased Options. The amendments are effective for fiscal years beginning after December 15, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017-–13, “Revenue Recognition (Topic 605), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments”. The amendment amends the early adoption date option for certain companies related to adoption of ASU No. 2014–-09 and ASU No. 2016-–02. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity’s filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. This amendment is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017–-12, “Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities”. These amendments refine and expand hedge accounting for both financial (e.g., interest rate) and commodity risks. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes. It also makes certain targeted improvements to simplify the application of hedge accounting guidance. The amendments are effective for public businesses for fiscal years beginning after December 15, 2018. This amendment is not expected to have any impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017-–03, “Accounting Changes and Error Corrections (Topic 250) and Investments – Equity Method and Joint Ventures (Topic 323)”. These amendments require disclosure of the impact that recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017-–01, “Business Combinations (Topic 805): Clarifying the Definition of a Business”. The amendments are intended to help companies and other organizations evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments are effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016-–18, “Statement of Cash Flows (Topic 230)”. The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning– of– period and end –of– period total amounts shown on the statement of cash flows. The amendments are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Sponsor elected to early adopt ASU 2016–-18 for the year ending December 31, 2017 and the adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2014-–09 in May 2014, “Revenue from Contracts with Customers (Topic 606),” which replaces the revenue recognition requirements of “Revenue Recognition (Topic 605).” This ASU is based on the principle that revenue is recognized to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. In August 2015, the FASB issued ASU 2015–-14 which defers the effective date of ASU 2014-–09 by one year to fiscal years beginning after December 15, 2017. ASU 2015–-14 also permits early adoption of ASU 2014-–09, but not before the original effective date, which was for fiscal years beginning after December 15, 2016. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825-–10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2014–-09 and 2015-–14. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016-–11, “Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014-–09 and 2014–-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting”. The amendments make targeted improvements to clarify the principal versus agent assessment and are intended to make the guidance more operable and lead to more consistent application. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825-–10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2016–-11. The Sponsor elected to adopt ASU 2016-11 for the year ending December 31, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016-–02, “Leases (Topic 842).” The amendments in this update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018. This standard is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016–-01, “Financial Instruments–-Overall (Subtopic 825–-10): Recognition and Measurement of Financial Assets and Financial Liabilities.” The amendments in this update are intended to improve the recognitions measurement and disclosure of financial instruments. The amendments to this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. These amendments are required to be applied prospectively. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

Note 4 – 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 3. The following table presents information about the Fund’s assets and liabilities measured at fair value as of March 31, 2018 and December 31, 2017:

March 31, 2018

Assets:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Cash Equivalents	$29,934,915	$-	$-	$29,934,915
Corn Futures Contracts	2,139,187	-	-	2,139,187
Total	$32,074,102	$-	$-	$32,074,102

December 31, 2017

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Cash Equivalents	$24,965,043	$-	$-	$24,965,043
Corn Futures Contracts	120,487	-	-	120,487
Total	$25,085,530	$-	$-	$25,085,530

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Corn Futures Contracts	$1,962,050	$-	$-	$1,962,050

For the three months ended March 31, 2018 and year ended December 31, 2017, the Fund did not have any significant transfers between any of the levels of the fair value hierarchy.

See the Fair Value - Definition and Hierarchy section in Note 3 above for an explanation of the transfers into and out of each level of the fair value hierarchy.

Note 5 – Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund’s derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three months ended March 31, 2018 and 2017, the Fund invested only in commodity futures contracts.

Futures Contracts

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

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

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

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

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk and held by the FCM, ED&F Man as of March 31, 2018 and December 31, 2017.

Offsetting of Financial Assets and Derivative Assets as of March 31, 2018

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

Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due to Broker	Net Amount
Commodity Price						
Corn Futures Contracts	$2,139,187	$-	$2,139,187	$-	$-	$2,139,187

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Offsetting of Financial Assets and Derivative Assets as of December 31, 2017

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due to Broker	Net Amount
Commodity Price						
Corn Futures Contracts	$120,487	$-	$120,487	$120,487	$-	$-

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2017

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due from Broker	Net Amount
Commodity Price						
Corn Futures Contracts	$1,962,050	$-	$1,962,050	$120,487	$1,841,563	$-

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

Three months ended March 31, 2018

Primary Underlying Risk	Realized Gain on Commodity Futures Contracts	Net Change in Unrealized Appreciation on Commodity Futures Contracts
Commodity Price		
Corn futures contracts	$1,238,962	$3,980,750

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Three months ended March 31, 2017

Primary Underlying Risk	Realized Gain on Commodity Futures Contracts	Net Change in Unrealized Appreciation on Commodity Futures Contracts
Commodity Price		
Corn futures contracts	$280,775	$940,250

Volume of Derivative Activities

The average notional market value categorized by primary underlying risk for the futures contracts held was $69.9 million for the three months ended March 31, 2018 and $70.7 million for the three months ended March 31, 2017.

Note 6 – Financial Highlights

The following tables present per unit performance data and other supplemental financial data for the three months ended March 31, 2018 and 2017. This information has been derived from information presented in the financial statements and is presented with total expenses gross of expenses waived by the Sponsor and with total expenses net of expenses waived by the Sponsor, as appropriate.

	Three months ended March 31, 2018	Three months ended March 31, 2017
Per Share Operation Performance		
Net asset value at beginning of period	$16.75	$18.77
Income from investment operations:		
Investment income	0.07	0.04
Net realized and unrealized gain on commodity futures contracts	1.33	0.38
Total expenses, net	(0.16)	(0.18)
Net increase in net asset value	1.24	0.24
Net asset value at end of period	$17.99	$19.01
Total Return	7.40%	1.28%
Ratios to Average Net Assets (Annualized)		
Total expenses	3.95%	4.00%
Total expenses, net	3.71%	3.81%
Net investment loss	(2.02)%	(2.99)%

The financial highlights per share data are calculated consistent with the methodology used to calculate asset-based fees and expenses.

Note 7 – 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 8 – Subsequent Events

Management has evaluated the financial statements for the quarter-ended March 31, 2018 for subsequent events through the date of this filing and noted no material events requiring either recognition through the date of the filing or disclosure herein for the Fund.

TEUCRIUM SOYBEAN FUND
STATEMENTS OF ASSETS AND LIABILITIES

	March 31, 2018	December 31, 2017
	(Unaudited)	
Assets		
Cash and cash equivalents	$15,713,705	$9,942,185
Interest receivable	-	22
Other assets	36,621	1,839
Equity in trading accounts:		
Commodity futures contracts	434,475	-
Due from broker	27,910	789,636
Total equity in trading accounts	462,385	789,636
Total assets	16,212,711	10,733,682
Liabilities		
Management fee payable to Sponsor	12,272	12,111
Other liabilities	16,322	9,483
Equity in trading accounts:		
Commodity futures contracts	-	448,063
Total liabilities	28,594	469,657
Net assets	$16,184,117	$10,264,025
Shares outstanding	850,004	575,004
Net asset value per share	$19.04	$17.85
Market value per share	$19.05	$17.88

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

TEUCRIUM SOYBEAN FUND
SCHEDULE OF INVESTMENTS
March 31, 2018
(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $106)	$106	0.00%	106
			Principal Amount
Commercial Paper			
Boston Scientific Corporation 2.113% (cost: $2,494,604 due 4/20/2018)	$2,497,229	15.43%	2,500,000
Canadian Natural Resources Limited 2.316% (cost: $2,495,208 due 4/25/2018)	2,496,167	15.42	2,500,000
Total Commercial Paper (cost: $4,989,812)	$4,993,396	30.85%	
Total Cash Equivalents	$4,993,502	30.85%	
			Notional Amount (Long Exposure)
Commodity futures contracts			
United States soybean futures contracts			
CBOT soybean futures JUL18 (107 contracts)	$264,937	1.64%	$5,646,925
CBOT soybean futures NOV18 (93 contracts)	168,100	1.04	4,872,037
CBOT soybean futures NOV19 (113 contracts)	1,438	0.01	5,671,188
Total commodity futures contracts	$434,475	2.69%	$16,190,150

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

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TEUCRIUM SOYBEAN FUND
SCHEDULE OF INVESTMENTS
December 31, 2017

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $100)	$100	0.00%	100

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States soybean futures contracts			
CBOT soybean futures MAR18 (75 contracts)	$174,063	1.70%	$3,606,563
CBOT soybean futures MAY18 (63 contracts)	152,338	1.48	3,064,950
CBOT soybean futures NOV18 (74 contracts)	121,662	1.19	3,610,275
Total commodity futures contracts	$448,063	4.37%	$10,281,788

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

TEUCRIUM SOYBEAN FUND
STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Income		
Realized and unrealized gain (loss) on trading of commodity futures contracts:		
Realized (loss) gain on commodity futures contracts	$(77,600)	$342,912
Net change in unrealized appreciation or depreciation on commodity futures contracts	882,538	(831,150)
Interest income	49,814	25,764
Total income (loss)	854,752	(462,474)
Expenses		
Management fees	30,184	31,229
Professional fees	31,108	37,019
Distribution and marketing fees	118,926	39,648
Custodian fees and expenses	11,499	5,731
Business permits and licenses fees	10,088	4,647
General and administrative expenses	6,882	4,993
Brokerage commissions	2,538	1,659
Other expenses	4,625	1,874
Total expenses	215,850	126,800
Expenses waived by the Sponsor	(99,942)	(15,000)
Total expenses, net	115,908	111,800
Net income (loss)	$738,844	$(574,274)
Net income (loss) per share	$1.19	$(0.97)
Net income (loss) per weighted average share	$1.12	$(0.88)
Weighted average shares outstanding	658,893	651,671

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

TEUCRIUM SOYBEAN FUND
STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Operations		
Net income (loss)	$738,844	$(574,274)
Capital transactions		
Issuance of Shares	5,181,248	498,977
Redemption of Shares	-	(1,937,740)
Total capital transactions	5,181,248	(1,438,763)
Net change in net assets	5,920,092	(2,013,037)
Net assets, beginning of period	$10,264,025	$12,882,100
Net assets, end of period	$16,184,117	$10,869,063
Net asset value per share at beginning of period	$17.85	$19.08
Net asset value per share at end of period	$19.04	$18.11
Creation of Shares	275,000	25,000
Redemption of Shares	-	100,000

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

TEUCRIUM SOYBEAN FUND
STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash flows from operating activities:		
Net income (loss)	$738,844	$(574,274)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Net change in unrealized depreciation or appreciation on commodity futures contracts	(882,538)	831,150
Changes in operating assets and liabilities:		
Due from broker	761,726	(682,767)
Interest receivable	22	(12)
Other assets	(34,782)	(46,586)
Management fee payable to Sponsor	161	(1,769)
Other liabilities	6,839	(2,168)
Net cash provided by (used in) operating activities	590,272	(476,426)
Cash flows from financing activities:		
Proceeds from sale of Shares	5,181,248	498,977
Redemption of Shares	-	(1,937,740)
Net cash provided by (used in) financing activities	5,181,248	(1,438,763)
Net change in cash, cash equivalents, and restricted cash	5,771,520	(1,915,189)
Cash, cash equivalents, and restricted cash, beginning of period	9,942,185	12,377,999
Cash, cash equivalents, and restricted cash, end of period	$15,713,705	$10,462,810

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

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NOTES TO FINANCIAL STATEMENTS
March 31, 2018
(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 SOYB 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 (“Soybeans Futures Contracts”) that are traded on the Chicago Board of Trade (“CBOT”):

SOYB Benchmark

CBOT Soybeans Futures Contract	Weighting
Second to expire (excluding August & September)	35%
Third to expire (excluding August & September)	30%
Expiring in the November following the expiration of the third−to−expire contract	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. The Sponsor registered as a Commodity Trading Advisor ("CTA") with the CFTC effective September 8, 2017.

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. On June 30, 2014, a subsequent registration statement for SOYB was declared effective by the SEC. On May 1, 2017, a subsequent registration statement for SOYB was declared effective by the SEC.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America ("GAAP"). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the three months ended March 31, 2018 are not necessarily indicative of the results to be expected for the full year ending December 31, 2018.

Subject to the terms of the Trust Agreement, Teucrium Trading, LLC, in its capacity as the Sponsor ("Sponsor"), may terminate a Fund at any time, regardless of whether the Fund has incurred losses, including, for instance, if it determines that the Fund's aggregate net assets in relation to its operating expenses make the continued operation of the Fund unreasonable or imprudent. However, no level of losses will require the Sponsor to terminate a Fund.

Note 2 – Principal Contracts and Agreements

On August 17, 2015 (the "Conversion Date"), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Fund. The principal business address for U.S. Bank N.A. is 1555 North RiverCenter Drive, Suite 302, Milwaukee, Wisconsin 53212. U.S. Bank N.A. is a Wisconsin state chartered bank subject to regulation by the Board of Governors of the Federal Reserve System and the Wisconsin State Banking Department. The principal address for U.S. Bancorp Fund Services, LLC ("USBFS"), is 777 East Wisconsin Avenue, Milwaukee, WI, 53202. In addition, effective on the Conversion Date, USBFS, a wholly owned subsidiary of U.S. Bank, commenced serving as administrator for each Fund, performing certain administrative and accounting services and preparing certain SEC reports on behalf of the Funds, and also became the registrar and transfer agent for each Fund's Shares. For such services, U.S. Bank and USBFS will receive an asset-based fee, subject to a minimum annual fee.

For custody services, the Funds will pay to U.S. Bank N.A. 0.0075% of average gross assets up to $1 billion, and .0050% of average gross assets over $1 billion, annually, plus certain per-transaction charges. For Transfer Agency, Fund Accounting and Fund Administration services, which are based on the total assets for all the Funds in the Trust, the Funds will pay to USBFS 0.06% of average gross assets on the first $250 million, 0.05% on the next $250 million, 0.04% on the next $500 million and 0.03% on the balance over $1 billion annually. A combined minimum annual fee of up to $64,500 for custody, transfer agency, accounting and administrative services is assessed per Fund. For the three months ended March 31, 2018 and 2017, the Fund recognized $11,499 and $5,731, respectively, for these services, which is recorded in custodian fees and expenses on the statements of operations; of these expenses, $7,698 in 2018 and $0 in 2017 were waived by the Sponsor.

The Sponsor employs Foreside Fund Services, LLC ("Foreside" or the "Distributor") as the Distributor for the Funds. The Distribution Services Agreement among the Distributor and the Sponsor calls for the Distributor to work with the Custodian in connection with the receipt and processing of orders for Creation Baskets and Redemption Baskets and the review and approval of all Fund sales literature and advertising materials. The Distributor and the Sponsor have also entered into a Securities Activities and Service Agreement (the "SASA") under which certain employees and officers of the Sponsor are licensed as registered representatives or registered principals of the Distributor, under Financial Industry Regulatory Authority ("FINRA") rules. For its services as the Distributor, Foreside receives a fee of 0.01% of the Fund's average daily net assets and an aggregate annual fee of $100,000 for all Teucrium Funds, along with certain expense reimbursements. For its services under the SASA, Foreside receives a fee of $5,000 per registered representative and $1,000 per registered location. For the three months ended March 31, 2018 and 2017, the Fund recognized $6,254 and $4,108, respectively, for these services, which is recorded in distribution and marketing fees on the statements of operations; of these expenses, $4,095 in 2018 and $0 in 2017 were waived by the Sponsor.

ED&F Man Capital Markets, Inc. (“ED&F Man”) serves as the Underlying Funds’ clearing broker to execute and clear the Underlying Funds’ futures and provide other brokerage-related services. ED&F Man is registered as a FCM with the U.S. CFTC and is a member of the NFA. ED&F Man is also registered as a broker/dealer with the U.S. Securities and Exchange Commission and is a member of the FINRA. ED&F Man is a clearing member of ICE Futures U.S., Inc., Chicago Board of Trade, Chicago Mercantile Exchange, New York Mercantile Exchange, and all other major United States commodity exchanges. For Corn, Soybean, Sugar and Wheat Futures Contracts ED&F Man is paid $9.00 per round turn. For the three months ended March 31, 2018 and 2017, the Fund recognized $2,538 and $1,659, respectively, for these services, which is recorded in brokerage commissions on the statements of operations and paid for by the Fund.

The sole Trustee of the Trust is Wilmington Trust Company, a Delaware banking corporation. The Trustee will accept service of legal process on the Trust in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. For its services, the Trustee receives an annual fee of $3,300 from the Trust. For the three months ended March 31, 2018 and 2017, the Fund did not recognize any expense for these services. This expense is recorded in business permits and licenses fees on the statements of operations.

Note 3 – 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.

In accordance with ASU 2016–-18 issued by the FASB, the presentation of cash and cash equivalents and restricted cash is disaggregated by line item on the statements of assets and liabilities and sum to the total amount of cash, cash equivalents, and restricted cash at the end of the corresponding period shown in the statements of cash flows. This update in presentation did not have a material impact on the financial statements and disclosures of the Fund.

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 with financial institutions are recognized on the accrual basis. The Funds earn interest on funds held at the custodian and other financial institutions at prevailing market rates for such investments.

Beginning in February 2018, the Sponsor began investing a portion of cash in commercial paper, which is deemed a cash equivalent based on the rating and duration of contracts as described in the notes to the financial statements and reflected in cash and cash equivalents on the statements of assets and liabilities and in cash, cash equivalents and restricted cash on the statements of cash flows. Accretion on these investments are recognized using the effective interest method in U.S. dollars and included in interest income on the statements of operations.

Brokerage Commissions

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

Income Taxes

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

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. For all tax years 2015 to 2017, the Fund remains subject to income tax examinations by major taxing authorities. 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 March 31, 2018 and for the years ended December 31, 2017, 2016, 2015 and 2014. 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 for the three months ended March 31, 2018 and 2017.

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. In the opinion of the Sponsor, the 2017 Tax Cuts and Jobs Act, will not have a significant impact on the Fund and did not have a significant impact on the financial statements of the Fund.

Creations and Redemptions

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

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

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

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

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, Cash Equivalents, and Restricted Cash

Cash equivalents are highly– liquid investments with maturity dates of 90 days or less when acquired. 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 these balances of its cash equivalents on deposit with banks. The Fund had a balance of $106 and $100 in money market funds at March 31, 2018 and December 31, 2017, respectively. These balances are included in cash and cash equivalents on the statements of assets and liabilities. Effective in the second quarter 2015, the Sponsor invested a portion of the available cash for the Fund in alternative demand– deposit savings accounts, which is classified as cash and not as a cash equivalent. The Fund had a balance of $10,720,203 and $9,942,111 in demand– deposit savings accounts as of March 31, 2018 and December 31, 2017. This change resulted in a reduction in the balance held in money market funds. Assets deposited with the bank may, at times, exceed federally insured limits. Effective in the first quarter 2018, the Sponsor invested a portion of the available cash for the Funds in investment grade commercial paper with durations of 45 days or less, which is classified as a cash equivalent and is not FDIC insured. These balances are included in cash and cash equivalents on the statements of assets and liabilities. The Fund had a balance of $4,993,396 in commercial paper contracts on March 31, 2018. The above changes resulted in a reduction from the same period in 2017 in the balance held in money market funds and demand– deposit savings accounts, respectively.

On August 17, 2015 (the “Conversion Date”), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Funds. Per the amended agreement between the Sponsor and The Bank of New York Mellon dated August 14, 2015, certain cash amounts for each Fund, except in the case of TAGS, are to remain at The Bank of New York Mellon until amounts for services and early termination fees are paid. The amended agreement allows for payments for such amounts owed to be made through December 31, 2017. Cash balances that are held in custody at The Bank of New York Mellon under this amended agreement are reflected as restricted cash on the financial statements of the Fund. The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported within the statements of assets and liabilities that sum to the total of the same such amounts shown in the statements of cash flows.

	March 31, 2018	March 31, 2017	December 31, 2017
Cash and cash equivalents	$15,713,705	$10,399,194	$9,942,185
Restricted cash	-	63,616	-
Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	$15,713,705	$10,462,810	$9,942,185

Due from/to Broker

The amount recorded by the Fund for the amount due from and to the clearing broker includes, but is not limited to, cash held by the broker, amounts payable to the clearing broker related to open transactions and payables for commodities futures accounts liquidating to an equity balance on the clearing broker’s records.

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

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

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

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

Calculation of Net Asset Value

The Fund's NAV is calculated by:

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

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

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

Sponsor Fee, Allocation of Expenses and Related Party Transactions

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 certain administrative, custodial, accounting, transfer agency and other necessary services to the Trust and the Funds. In addition, the Sponsor elected not to outsource services directly attributable to the Trust and the Funds, such as certain aspects of accounting, financial reporting, regulatory compliance and trading activities. In addition, 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 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, 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 within the Trust are allocated by the Sponsor to the respective funds based on activity drivers deemed most appropriate by the Sponsor for such expenses, including but not limited to relative assets under management and creation and redeem order activity.

These aggregate common expenses include, but are not limited to, legal, auditing, accounting and financial reporting, tax-preparation, regulatory compliance, trading activities, and insurance costs, as well as fees paid to the Distributor, which are included in the related line item in the statements of operations. A portion of these aggregate common expenses are related to the Sponsor or related parties of principals of the Sponsor; these are necessary services to the Funds, which are primarily the cost of performing certain accounting and financial reporting, regulatory compliance, and trading activities that are directly attributable to the Fund. Such expenses are primarily recorded in distribution and marketing fees on the statements of operations. For the three months ended March 31, 2018 and 2017, such expenses were $126,836 and $65,984 respectively; of these expenses, $58,813 in 2018 and $0 in 2017 were waived by the Sponsor. All asset-based fees and expenses for the Funds are calculated on the prior day's net assets.

For the three months ended March 31, 2018, there were $99,942 of expenses that were identified in the statements of operations of the Fund as expenses that were waived by the Sponsor. For the three months ended March 31, 2017, there were $15,000 of expenses that were in the statements of operations of the Fund as expenses that were waived by the Sponsor. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

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 financial instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these financial instruments 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 financial instrument to financial instrument and is affected by a wide variety of factors including, the type of financial instrument, whether the financial instrument 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 financial instruments existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for financial instruments 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 financial instruments. This condition could cause a financial instrument 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 March 31, 2018 and December 31, 2017, 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, with no adjustments necessary. The determination is made as of the settlement of the futures contracts on the last day of trading for the reporting period. In making the determination of a Level 1 or Level 2 transfer, the Fund considers the average volume of the specific underlying futures contracts traded on the relevant exchange for the periods being reported.

For the three months ended March 31, 2018 and for the year ended December 31, 2017, the Fund did not have any transfers between any of the levels of the fair value hierarchy.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT and the ICE, 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.

Expenses

Expenses are recorded using the accrual method of accounting.

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 Shares outstanding was computed for purposes of disclosing net income (loss) per weighted average Share. The weighted average Shares are equal to the number of Shares outstanding at the end of the period, adjusted proportionately for Shares created or redeemed based on the amount of time the Shares were outstanding during such period.

New Accounting Pronouncements

The Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-05, “Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118." These amendments add guidance to the FASB Accounting Standards Codification regarding the Tax Cuts and Jobs Act (Act). The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2018-03: “Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, that clarifies the guidance in

ASU No. 2016-01, Financial Instruments—Overall (Subtopic 825-10).” These amendments clarify the guidance in ASU No. 2016-01 on issues related to Fair Value and Forward Contracts and Purchased Options. The amendments are effective for fiscal years beginning after December 15, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--13, "Revenue Recognition (Topic 605), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments". The amendment amends the early adoption date option for certain companies related to adoption of ASU No. 2014--09 and ASU No. 2016--02. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. This amendment is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities". These amendments refine and expand hedge accounting for both financial (e.g., interest rate) and commodity risks. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes. It also makes certain targeted improvements to simplify the application of hedge accounting guidance. The amendments are effective for public businesses for fiscal years beginning after December 15, 2018. This amendment is not expected to have any impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--03, "Accounting Changes and Error Corrections (Topic 250) and Investments – Equity Method and Joint Ventures (Topic 323)". These amendments require disclosure of the impact that recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--01, "Business Combinations (Topic 805): Clarifying the Definition of a Business". The amendments are intended to help companies and other organizations evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments are effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--18, "Statement of Cash Flows (Topic 230)". The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning- of- period and end -of- period total amounts shown on the statement of cash flows. The amendments are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Sponsor elected to early adopt ASU 2016--18 for the year ending December 31, 2017 and the adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2014--09 in May 2014, "Revenue from Contracts with Customers (Topic 606)," which replaces the revenue recognition requirements of "Revenue Recognition (Topic 605)." This ASU is based on the principle that revenue is recognized to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. In August 2015, the FASB issued ASU 2015--14 which defers the effective date of ASU 2014--09 by one year to fiscal years beginning after December 15, 2017. ASU 2015--14 also permits early adoption of ASU 2014--09, but not before the original effective date, which was for fiscal years beginning after December 15, 2016. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825--10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2014--09 and 2015--14. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--11, “Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014--09 and 2014--16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting”. The amendments make targeted improvements to clarify the principal versus agent assessment and are intended to make the guidance more operable and lead to more consistent application. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825--10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2016--11. The Sponsor elected to adopt ASU 2016-11 for the year ending December 31, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--02, “Leases (Topic 842).” The amendments in this update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018. This standard is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--01, “Financial Instruments--Overall (Subtopic 825--10): Recognition and Measurement of Financial Assets and Financial Liabilities.” The amendments in this update are intended to improve the recognitions measurement and disclosure of financial instruments. The amendments to this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. These amendments are required to be applied prospectively. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

Note 4 – 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 March 31, 2018 and December 31, 2017:

March 31, 2018

Assets:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Cash Equivalents	$4,993,502	$-	$-	$4,993,502
Soybeans futures contracts	434,475	-	-	434,475
Total	$5,427,977	$-	$-	$5,427,977

December 31, 2017

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Cash Equivalents	$100	$-	$-	$100

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Soybeans futures contracts	$448,063	$-	$-	$448,063

For the three months ended March 31, 2018 and year ended December 31, 2017, the Fund did not have any transfers between any of the levels of the fair value hierarchy.

See the Fair Value - Definition and Hierarchy section in Note 3 above for an explanation of the transfers into and out of each level of the fair value hierarchy.

Note 5 – Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund’s derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three months ended March 31, 2018 and 2017, the Fund invested only in commodity futures contracts.

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

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

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

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk and held by the FCM, ED&F Man as of March 31, 2018 and December 31, 2017.

Offsetting of Financial Assets and Derivative Assets as of March 31, 2018

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due to Broker	Net Amount
Commodity Price						
Soybeans Futures	$434,475	$-	$434,475	$-	$-	$434,475

Contracts

Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2017

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due from Broker	Net Amount
Commodity Price						
Soybeans Futures Contracts	$448,063	$-	$448,063	$-	$448,063	$-

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

Three months ended March 31, 2018

Primary Underlying Risk	Realized Loss on Commodity Futures Contracts	Net Change in Unrealized Appreciation on Commodity Futures Contracts
Commodity price		
Soybean futures contracts	$ (77,600)	$ 882,538

Three months ended March 31, 2017

Primary Underlying Risk	Realized Gain on Commodity Futures Contracts	Net Change in Unrealized Depreciation on Commodity Futures Contracts
Commodity price		
Soybean futures contracts	$ 342,912	$ (831,150)

Volume of Derivative Activities

The average notional market value categorized by primary underlying risk for all futures contracts held was $13.2 million for the three months ended March 31, 2018 and $12.1 million for the three months ended March 31, 2017.

Note 6 – Financial Highlights

The following tables present per unit performance data and other supplemental financial data for the three months ended March 31, 2018 and 2017. This information has been derived from information presented in the financial statements. This information has been derived from information presented in the financial statements and is presented with total expenses gross of expenses waived by the Sponsor and with total expenses net of expenses waived by the Sponsor, as appropriate.

	Three months ended March 31, 2018	Three months ended March 31, 2017
Per Share Operation Performance		
Net asset value at beginning of period	$17.85	$19.08
Income (loss) from investment operations:		
Investment income	0.08	0.04
Net realized and unrealized gain (loss) on commodity futures contracts	1.29	(0.84)
Total expenses, net	(0.18)	(0.17)
Net increase (decrease) in net asset value	1.19	(0.97)

Net asset value at end of period	$19.04	$18.11
Total Return	6.67 %	(5.08) %
Ratios to Average Net Assets (Annualized)		
Total expenses	7.15 %	4.06 %
Total expenses, net	3.84 %	3.58 %
Net investment loss	(2.19) %	(2.75) %

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The financial highlights per share data is calculated consistent with the methodology used to calculate asset-based fees and expenses.

Note 7 – 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 8 – Subsequent Events

Management has evaluated the financial statements for the quarter-ended March 31, 2018 for subsequent events through the date of this filing and noted no material events requiring either recognition through the date of the filing or disclosure herein for the Fund other than those noted below:

On April 30, 2018, the SEC declared effective a new registration statement for SOYB. This registration statement registered an additional 5,000,000 shares of the Fund.

TEUCRIUM SUGAR FUND
STATEMENTS OF ASSETS AND LIABILITIES

	March 31, 2018	December 31, 2017
	(Unaudited)	
Assets		
Cash and cash equivalents	$7,899,896	$5,929,275
Interest receivable	-	47
Other assets	13,649	276
Equity in trading accounts:		
Commodity futures contracts	-	184,319
Due from broker	1,374,835	327,885
Total equity in trading accounts	1,374,835	512,204
Total assets	9,288,380	6,441,802
Liabilities		
Management fee payable to Sponsor	6,632	5,632
Other liabilities	12,487	5,327
Equity in trading accounts:		
Commodity futures contracts	769,552	67,133
Total liabilities	788,671	78,092
Net assets	$8,499,709	$6,363,710
Shares outstanding	1,025,004	650,004
Net asset value per share	$8.29	$9.79
Market value per share	$8.31	$9.78

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

TEUCRIUM SUGAR FUND
SCHEDULE OF INVESTMENTS
March 31, 2018
(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $92)	$92	0.00%	92
			Principal Amount
Commercial Paper			
Canadian Natural Resources Limited 2.316% (cost: $2,495,208 due 4/25/2018)	$2,496,167	29.37%	2,500,000
Total Cash Equivalents	$2,496,259	29.37%	

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States sugar futures contracts			
ICE sugar futures JUL18 (212 contracts)	$337,512	3.97%	$2,958,503
ICE sugar futures OCT18 (176 contracts)	107,957	1.27	2,536,934
ICE sugar futures MAR19 (190 contracts)	324,083	3.81	3,006,864
Total commodity futures contracts	$769,552	9.05%	$8,502,301

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

TEUCRIUM SUGAR FUND
SCHEDULE OF INVESTMENTS
December 31, 2017

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $100)	$100	0.00%	100

			Notional Amount (Long Exposure)
Commodity futures contracts			
United States sugar futures contracts			
ICE sugar futures MAY18 (133 contracts)	$94,539	1.49%	$2,237,379
ICE sugar futures JUL18 (114 contracts)	89,780	1.41	1,920,307
Total commodity futures contracts	$184,319	2.90%	$4,157,686

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States sugar futures contracts			
ICE sugar futures MAR19 (126 contracts)	$67,133	1.05%	$2,214,173

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

TEUCRIUM SUGAR FUND
STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Income		
Realized and unrealized loss on trading of commodity futures contracts:		
Realized loss on commodity futures contracts	$(269,114)	$(206,248)
Net change in unrealized depreciation on commodity futures contracts	(886,738)	(376,925)
Interest income	27,917	10,930
Total loss	(1,127,935)	(572,243)
Expenses		
Management fees	17,510	13,954
Professional fees	26,501	11,743
Distribution and marketing fees	65,193	16,244
Custodian fees and expenses	7,191	2,293
Business permits and licenses fees	16,247	2,126
General and administrative expenses	4,124	1,045
Brokerage commissions	2,169	1,675
Other expenses	3,039	555
Total expenses	141,974	49,635
Expenses waived by the Sponsor	(80,690)	(13,078)
Total expenses, net	61,284	36,557
Net loss	$(1,189,219)	$(608,800)
Net loss per share	$(1.50)	$(1.18)
Net loss per weighted average share	$(1.49)	$(1.43)
Weighted average shares outstanding	796,393	424,448

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

TEUCRIUM SUGAR FUND
STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Operations		
Net loss	$(1,189,219)	$(608,800)
Capital transactions		
Issuance of Shares	3,325,218	1,399,195
Redemption of Shares	-	(1,881,560)
Total capital transactions	3,325,218	(482,365)
Net change in net assets	2,135,999	(1,091,165)
Net assets, beginning of period	$6,363,710	$5,513,971
Net assets, end of period	$8,499,709	$4,422,806
Net asset value per share at beginning of period	$9.79	$12.97
Net asset value per share at end of period	$8.29	$11.79
Creation of Shares	375,000	100,000
Redemption of Shares	-	150,000

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

TEUCRIUM SUGAR FUND
STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash flows from operating activities:		
Net loss	$(1,189,219)	$(608,800)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net change in unrealized depreciation on commodity futures contracts	886,738	376,925
Changes in operating assets and liabilities:		
Due from broker	(1,046,950)	(291,110)
Interest receivable	47	1
Other assets	(13,373)	(36,902)
Management fee payable to Sponsor	1,000	4,778
Other liabilities	7,160	-
Net cash used in operating activities	(1,354,597)	(555,108)
Cash flows from financing activities:		
Proceeds from sale of Shares	3,325,218	1,399,195
Redemption of Shares	-	(1,881,560)
Net cash provided by (used in) financing activities	3,325,218	(482,365)
Net change in cash, cash equivalents, and restricted cash	1,970,621	(1,037,473)
Cash, cash equivalents, and restricted cash, beginning of period	5,929,275	5,090,599
Cash, cash equivalents, and restricted cash, end of period	$7,899,896	$4,053,126

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

NOTES TO FINANCIAL STATEMENTS
March 31, 2018
(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 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 sugar (“Sugar Futures Contracts”) that are traded on ICE Futures US (“ICE Futures”):

CANE Benchmark

ICE Sugar Futures Contract	Weighting
Second to expire	35%
Third to expire	30%
Expiring in the March following the expiration of the third−to−expire contract	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. The Sponsor registered as a Commodity Trading Advisor ("CTA") with the CFTC effective September 8, 2017.

On June 17, 2011, the Fund’s registration of 10,000,000 shares on Form S-1 was declared effective by the U.S. Securities and Exchange Commission (“SEC”). On September 19, 2011, the Fund listed its shares on the NYSE Arca under the ticker symbol “CANE.” On the business day prior to that, the Fund issued 100,000 shares in exchange for $2,500,000 at the Fund’s initial NAV of $25 per share. The Fund also commenced investment operations on September 19, 2011 by purchasing commodity futures contracts traded on ICE. On December 31, 2010, the Fund had four shares outstanding, which were owned by the Sponsor. On June 30, 2014, a subsequent registration statement for CANE was declared effective by the SEC. On May 1, 2017, a subsequent registration statement for CANE was declared effective by the SEC.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America (“GAAP”). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the three months ended March 31, 2018 are not necessarily indicative of the results to be expected for the full year ending December 31, 2018.

Subject to the terms of the Trust Agreement, Teucrium Trading, LLC, in its capacity as the Sponsor ("Sponsor"), may terminate a Fund at any time, regardless of whether the Fund has incurred losses, including, for instance, if it determines that the Fund's aggregate net assets in relation to its operating expenses make the continued operation of the Fund unreasonable or imprudent. However, no level of losses will require the Sponsor to terminate a Fund.

Note 2 – Principal Contracts and Agreements

On August 17, 2015 (the "Conversion Date"), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Fund. The principal business address for U.S. Bank N.A. is 1555 North RiverCenter Drive, Suite 302, Milwaukee, Wisconsin 53212. U.S. Bank N.A. is a Wisconsin state chartered bank subject to regulation by the Board of Governors of the Federal Reserve System and the Wisconsin State Banking Department. The principal address for U.S. Bancorp Fund Services, LLC ("USBFS"), is 615 E. Michigan Street, Milwaukee, WI, 53202. In addition, effective on the Conversion Date, USBFS, a wholly owned subsidiary of U.S. Bank, commenced serving as administrator for each Fund, performing certain administrative and accounting services and preparing certain SEC reports on behalf of the Funds, and also became the registrar and transfer agent for each Fund's Shares. For such services, U.S. Bank and USBFS will receive an asset−based fee, subject to a minimum annual fee.

For custody services, the Funds will pay to U.S. Bank N.A. 0.0075% of average gross assets up to $1 billion, and .0050% of average gross assets over $1 billion, annually, plus certain per-transaction charges. For Transfer Agency, Fund Accounting and Fund Administration services, which are based on the total assets for all the Funds in the Trust, the Funds will pay to USBFS 0.06% of average gross assets on the first $250 million, 0.05% on the next $250 million, 0.04% on the next $500 million and 0.03% on the balance over $1 billion annually. A combined minimum annual fee of up to $64,500 for custody, transfer agency, accounting and administrative services is assessed per Fund. For the three months ended March 31, 2018 and 2017, the Fund recognized $7,191 and $2,293, respectively, for these services, which is recorded in custodian fees and expenses on the statements of operations; of these expenses, $4,254 in 2018 and $0 in 2017 were waived by the Sponsor.

The Sponsor employs Foreside Fund Services, LLC ("Foreside" or the "Distributor") as the Distributor for the Funds. The Distribution Services Agreement among the Distributor and the Sponsor calls for the Distributor to work with the Custodian in connection with the receipt and processing of orders for Creation Baskets and Redemption Baskets and the review and approval of all Fund sales literature and advertising materials. The Distributor and the Sponsor have also entered into a Securities Activities and Service Agreement (the "SASA") under which certain employees and officers of the Sponsor are licensed as registered representatives or registered principals of the Distributor, under Financial Industry Regulatory Authority ("FINRA") rules. For its services as the Distributor, Foreside receives a fee of 0.01% of the Fund's average daily net assets and an aggregate annual fee of $100,000 for all Teucrium Funds, along with certain expense reimbursements. For its services under the SASA, Foreside receives a fee of $5,000 per registered representative and $1,000 per registered location. For the three months ended March 31, 2018 and 2017, the Fund recognized $3,407 and $1,870, respectively, for these services, which was recorded in distribution and marketing fees on the statements of operations; of these expenses $2,236 in 2018 and $434 in 2017 were waived by the Sponsor.

ED&F Man Capital Markets, Inc. ("ED&F Man") serves as the Underlying Funds' clearing broker to execute and clear the Underlying Funds' futures and provide other brokerage-related services. ED&F Man is registered as a FCM with the U.S. CFTC and is a member of the NFA. ED&F Man is also registered as a broker/dealer with the U.S. Securities and Exchange Commission and is a member of the FINRA. ED&F Man is a clearing member of ICE Futures U.S., Inc., Chicago Board of Trade, Chicago Mercantile Exchange, New York Mercantile Exchange, and all other major United States commodity exchanges. For Corn, Soybean, Sugar and Wheat Futures Contracts ED&F Man is paid $9.00 per round turn. For the three months ended March 31, 2018 and 2017, the Fund recognized $2,169 and $1,675, respectively, for these services, which was recorded in brokerage commissions on the statements of operations and paid for by the Fund.

The sole Trustee of the Trust is Wilmington Trust Company, a Delaware banking corporation. The Trustee will accept service of legal process on the Trust in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. For its services, the Trustee receives an annual fee of $3,300 from the Trust. For the three months ended March 31, 2018 and 2017, the Fund did not recognize any expense for these services. This expense is recorded in business permits and licenses fees on the statements of operations.

Note 3 – 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.

In accordance with ASU 2016-–18 issued by the FASB, the presentation of cash and cash equivalents and restricted cash is disaggregated by line item on the statements of assets and liabilities and sum to the total amount of cash, cash equivalents, and restricted cash at the end of the corresponding period shown in the statements of cash flows. This update in presentation did not have a material impact on the financial statements and disclosures of the Fund.

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 assets and liabilities 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.

Beginning in February 2018, the Sponsor began investing a portion of cash in commercial paper, which is deemed a cash equivalent based on the rating and duration of contracts as described in the notes to the financial statements and reflected in cash and cash equivalents on the statements of assets and liabilities and in cash, cash equivalents and restricted cash on the statements of cash flows. Accretion on these investments are recognized using the effective interest method in U.S. dollars and included in interest income on the statements of operations.

Brokerage Commissions

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

Income Taxes

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

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. For all tax years 2015 to 2017, the Fund remains subject to income tax examinations by major taxing authorities. 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 tax benefits as of March 31, 2018 and for the years ended December 31, 2017, 2016, 2015 and 2014. 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 three months ended March 31, 2018 and 2017.

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. In the opinion of the Sponsor, the 2017 Tax Cuts and Jobs Act, will not have a significant impact on the Fund and did not have a significant impact on the financial statements of the Fund.

Creations and Redemptions

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

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

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

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

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, Cash Equivalents, and Restricted Cash

Cash equivalents are highly− liquid investments with maturity dates of 90 days or less when acquired. 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 these balances of its cash equivalents on deposit with banks. The Fund had a balance of $92 and $100 in money market funds at March 31, 2018 and December 31, 2017, respectively. These balances are included in cash and cash equivalents on the statements of assets and liabilities. Effective in the second quarter 2015, the Sponsor invested a portion of the available cash for the Fund in alternative demand −deposit savings accounts, which is classified as cash and not as a cash equivalent. The Fund had a balance of $5,403,636 and $5,929,221 in demand− deposit savings accounts as of March 31, 2018 and December 31, 2017, respectively. This change resulted in a reduction in the balance held in money market funds. Assets deposited with the bank may, at times, exceed federally insured limits. Effective in the first quarter 2018, the Sponsor invested a portion of the available cash for the Funds in investment grade commercial paper with durations of 90 days or less, which is classified as a cash equivalent and is not FDIC insured. These balances are included in cash and cash equivalents on the statements of assets and liabilities. The Fund had a balance of $2,496,167 in commercial paper contracts on March 31, 2018. The above changes resulted in a reduction from the same period in 2017 in the balance held in money market funds and demand− deposit savings accounts, respectively.

On August 17, 2015 (the “Conversion Date”), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Funds. Per the amended agreement between the Sponsor and The Bank of New York Mellon dated August 14, 2015, certain cash amounts for each Fund, except in the case of TAGS, are to remain at The Bank of New York Mellon until amounts for services and early termination fees are paid. The amended agreement allows for payments for such amounts owed to be made through December 31, 2017. Cash balances that are held in custody at The Bank of New York Mellon under this amended agreement are reflected as restricted cash on the financial statements of the Fund. The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported within the statements of assets and liabilities that sum to the total of the same such amounts shown in the statements of cash flows.

	March 31, 2018	March 31, 2017	December 31, 2017
Cash and cash equivalents	$7,899,896	$4,006,058	$5,929,275
Restricted cash	-	47,068	-
Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	$7,899,896	$4,053,126	$5,929,275

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Due from/to Broker

The amount recorded by the Fund for the amount due from and to the clearing broker includes, but is not limited to, cash held by the broker, amounts payable to the clearing broker related to open transactions and payables for commodities futures accounts liquidating to an equity balance on the clearing broker’s records.

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

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

Ongoing or “maintenance” margin requirements are computed each day by a trader’s clearing broker. When the market value of a particular open futures contract changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a margin call is made by the broker. If the margin call is not met within a reasonable time, the broker may close out the trader’s position. With respect to the Fund’s trading, the Fund (and not its shareholders personally) is subject to margin calls.
Finally, many major U.S. exchanges have passed certain cross margining arrangements involving procedures pursuant to which the futures and options positions held in an account would, in the case of some accounts, be aggregated and margin requirements would be assessed on a portfolio basis, measuring the total risk of the combined positions.

Calculation of Net Asset Value

The Fund’s NAV is calculated by:

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

The administrator, USBFS, 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. 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.

Sponsor Fee, Allocation of Expenses and Related Party Transactions

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 certain administrative, custodial, accounting, transfer agency and other necessary services to the Trust and the Funds. In addition, the Sponsor elected not to outsource services directly attributable to the Trust and the Funds, such as certain aspects of accounting, financial reporting, regulatory compliance and trading activities. In addition, 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 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, 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 within the Trust are allocated by the Sponsor to the respective funds based on activity drivers deemed most appropriate by the Sponsor for such expenses, including but not limited to relative assets under management and creation and redeem order activity.

These aggregate common expenses include, but are not limited to, legal, auditing, accounting and financial reporting, tax-preparation, regulatory compliance, trading activities, and insurance costs, as well as fees paid to the Distributor, which are included in the related line item in the statements of operations. A portion of these aggregate common expenses are related to the Sponsor or related parties of principals of the Sponsor; these are necessary services to the Funds, which are primarily the cost of performing certain accounting and financial reporting, regulatory compliance, and trading activities that are directly attributable to the Fund. For the three months ended March 31, the Fund recognized $67,764 in 2018 and $28,601 in 2017, respectively, such expenses, which are primarily included as distribution and marketing fees on the statements of operations; of these amounts, $31,150 in 2018 and $2,566 in 2017 were waived by the Sponsor. All asset-based fees and expenses for the Funds are calculated on the prior day's net assets.

For the three months ended March 31, 2018, there were $80,690 of expenses that were identified in the statements of operations of the Fund as expenses that were waived by the Sponsor. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

For the three months ended March 31, 2017, there were $13,078 of expenses that were identified in the statements of operations of the Fund as expenses that were waived by the Sponsor. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

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 financial instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these financial instruments 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 financial instrument to financial instrument and is affected by a wide variety of factors including, the type of financial instrument, whether the financial instrument 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 financial instruments existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for financial instruments 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 financial instruments. This condition could cause a financial instrument 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 March 31, 2018 and December 31, 2017, in the opinion of the Trust and the Fund, the reported value of the Sugar Futures Contracts traded on the ICE fairly reflected the value of the Sugar Futures Contracts held by the Fund, and no adjustments were necessary. The determination is made as of the settlement of the futures contracts on the last day of trading for the reporting period. In making the determination of a Level 1 or Level 2 transfer, the Fund considers the average volume of the specific underlying futures contracts traded on the relevant exchange for the periods being reported.

For the three months ended March 31, 2018 and year ended December 31, 2017, the Fund did not have any transfers between any of the levels of the fair value hierarchy.

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

Net Income (Loss) per Share

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

New Accounting Pronouncements

The Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-05, “Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118." These amendments add guidance to the FASB Accounting Standards Codification regarding the Tax Cuts and Jobs Act (Act). The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2018-03: “Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, that clarifies the guidance in ASU No. 2016-01, Financial Instruments—Overall (Subtopic 825-10).” These amendments clarify the guidance in ASU No. 2016-01 on issues related to Fair Value and Forward Contracts and Purchased Options. The amendments are effective for fiscal years beginning after December 15, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--13, “Revenue Recognition (Topic 605), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments”. The amendment amends the early adoption date option for certain companies related to adoption of ASU No. 2014--09 and ASU No. 2016--02. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity’s filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. This amendment is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--12, “Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities”. These amendments refine and expand hedge accounting for both financial (e.g., interest rate) and commodity risks. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes. It also makes certain targeted improvements to simplify the application of hedge accounting guidance. The amendments are effective for public businesses for fiscal years beginning after December 15, 2018. This amendment is not expected to have any impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--03, “Accounting Changes and Error Corrections (Topic 250) and Investments – Equity Method and Joint Ventures (Topic 323)”. These amendments require disclosure of the impact that recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--01, “Business Combinations (Topic 805): Clarifying the Definition of a Business”. The amendments are intended to help companies and other organizations evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments are effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--18, “Statement of Cash Flows (Topic 230)”. The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning- of- period and end -of- period total amounts shown on the statement of cash flows. The amendments are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Sponsor elected to early adopt ASU 2016--18 for the year ending December 31, 2017 and the adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2014--09 in May 2014, “Revenue from Contracts with Customers (Topic 606),” which replaces the revenue recognition requirements of “Revenue Recognition (Topic 605).” This ASU is based on the principle that revenue is recognized to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. In August 2015, the FASB issued ASU 2015--14 which defers the effective date of ASU 2014--09 by one year to fiscal years beginning after December 15, 2017. ASU 2015--14 also permits early adoption of ASU 2014--09, but not before the original effective date, which was for fiscal years beginning after December 15, 2016. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825--10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2014--09 and 2015--14. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--11, “Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014--09 and 2014--16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting”. The amendments make targeted improvements to clarify the principal versus agent assessment and are intended to make the guidance more operable and lead to more consistent application. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825--10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2016--11. The Sponsor elected to adopt ASU 2016-11 for the year ending December 31, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--02, “Leases (Topic 842).” The amendments in this update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018. This standard is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--01, “Financial Instruments--Overall (Subtopic 825--10): Recognition and Measurement of Financial Assets and Financial Liabilities.” The amendments in this update are intended to improve the recognitions measurement and disclosure of financial instruments. The amendments to this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. These amendments are required to be applied prospectively. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

Note 4 – 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 3. The following table presents information about the Fund’s assets and liabilities measured at fair value as of March 31, 2018 and December 31, 2017:

March 31, 2018

Assets:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Cash Equivalents	$2,496,259	$-	$-	$2,496,259

Liabilities:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Sugar Futures Contracts	$769,552	$-	$-	$769,552

December 31, 2017

Assets:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Cash Equivalents	$100	$-	$-	$100
Sugar Futures Contracts	184,319	-	-	184,319
Total	$184,419	$-	$-	$184,419

Liabilities:	Level 1	Level 2	Level 3	Balance as of December 31, 2017
Sugar Futures Contracts	$67,133	$-	$-	$67,133

For the three months ended March 31, 2018 and year ended December 31, 2017, the Fund did not have any transfers between any of the levels of the fair value hierarchy.

See the Fair Value - Definition and Hierarchy section in Note 3 above for an explanation of the transfers into and out of each level of the fair value hierarchy.

Note 5 – Derivative Instruments and Hedging Activities

In the normal course of business, the Fund utilizes derivative contracts in connection with its proprietary trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund’s derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, commodity price, and equity price risks. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to inability of its counterparties to meet the terms of their contracts. For the three months ended March 31, 2018 and 2017, the Fund invested only in commodity futures contracts.

Futures Contracts

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

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

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

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

The following table also identifies the fair value amounts of derivative instruments included in the statements of assets and liabilities as derivative contracts, categorized by primary underlying risk and held by the FCM, ED&F Man as of March 31, 2018 and December 31, 2017.

Offsetting of Financial Liabilities and Derivative Liabilities as of March 31, 2018

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due from Broker	Net Amount
Commodity Price						
Sugar Futures Contracts	$769,552	$-	$769,552	$-	$769,552	$-

Offsetting of Financial Assets and Derivative Assets as of December 31, 2017

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Assets	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due to Broker	Net Amount
Commodity Price						
Sugar Futures Contracts	$184,319	$-	$184,319	$67,133	$-	$117,186

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Offsetting of Financial Liabilities and Derivative Liabilities as of December 31, 2017

	(i)	(ii)	(iii) = (i)-(ii)	(iv)		(v) = (iii)-(iv)
				Gross Amount Not Offset in the Statement of Assets and Liabilities		
Description	Gross Amount of Recognized Liabilities	Gross Amount Offset in the Statement of Assets and Liabilities	Net Amount Presented in the Statement of Assets and Liabilities	Futures Contracts Available for Offset	Collateral, Due from Broker	Net Amount
Commodity Price						
Sugar Futures Contracts	$67,133	$-	$67,133	$67,133	$-	$-

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

Three months ended March 31, 2018

Primary Underlying Risk	Realized Loss on Commodity Futures Contracts	Net Change in Unrealized Depreciation on Commodity Futures Contracts
Commodity price		
Sugar futures contracts	$ (269,114)	$ (886,738)

Three months ended March 31, 2017

Primary Underlying Risk	Realized Loss on Commodity Futures Contracts	Net Change in Unrealized Depreciation on Commodity Futures Contracts
Commodity price		
Sugar futures contracts	$ (206,248)	$ (376,925)

Volume of Derivative Activities

The average notional market value categorized by primary underlying risk for all futures contracts held was $7.6 million for the three months ended March 31, 2018 and $5.5 million for the three months ended March 31, 2017.

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Note 6 – Financial Highlights

The following table presents per unit performance data and other supplemental financial data for the three months ended March 31, 2018 and 2017. This information has been derived from information presented in the financial statements. This information has been derived from information presented in the financial statements and is presented with total expenses gross of expenses waived by the Sponsor and with total expenses net of expenses waived by the Sponsor, as appropriate.

	Three months ended March 31, 2018	Three months ended March 31, 2017
Per Share Operation Performance		
Net asset value at beginning of period	$9.79	$12.97
Income (loss) from investment operations:		
Investment income	0.04	0.03
Net realized and unrealized loss on commodity futures contracts	(1.46)	(1.12)
Total expenses, net	(0.08)	(0.09)
Net decrease in net asset value	(1.50)	(1.18)
Net asset value at end of period	$8.29	$11.79
Total Return	(15.32) %	(9.10) %
Ratios to Average Net Assets (Annualized)		
Total expenses	8.11 %	3.56 %
Total expenses, net	3.50 %	2.62 %
Net investment loss	(1.91) %	(1.84) %

The financial highlights per share data is calculated consistent with the methodology used to calculate asset-based fees and expenses.

Note 7 – 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 8 – Subsequent Events

Management has evaluated the financial statements for the quarter-ended March 31, 2018 for subsequent events through the date of this filing and noted no material events requiring either recognition through the date of the filing or disclosure herein for the Fund other than those noted below:

On April 30, 2018, the SEC declared effective a new registration statement for CANE. This registration statement registered an additional 5,000,000 shares of the Fund.

The total net assets of the Fund increased by $4,483,316 or 53% for the period from March 31, 2018 through May 8, 2018. This was driven by a 66% increase in the shares outstanding and an 8% decrease in the net asset value per share.

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TEUCRIUM WHEAT FUND
STATEMENTS OF ASSETS AND LIABILITIES

	March 31, 2018	December 31, 2017
	(Unaudited)	
Assets		
Cash and cash equivalents	$61,293,767	$58,932,231
Interest receivable	-	111
Other assets	169,842	1,861
Equity in trading accounts:		
Commodity futures contracts	877,587	604,475
Due from broker	5,028,384	5,166,254
Total equity in trading accounts	5,905,971	5,770,729
Total assets	67,369,580	64,704,932
Liabilities		
Management fee payable to Sponsor	58,858	51,974
Other liabilities	86,164	36,414
Equity in trading accounts:		
Commodity futures contracts	2,385,475	3,200,525
Total liabilities	2,530,497	3,288,913
Net assets	$64,839,083	$61,416,019
Shares outstanding	10,475,004	10,250,004
Net asset value per share	$6.19	$5.99
Market value per share	$6.20	$6.00

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

TEUCRIUM WHEAT FUND
SCHEDULE OF INVESTMENTS
March 31, 2018
(Unaudited)

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $141)	$141	0.00%	141
			Principal Amount
Commercial Paper			
Canadian Natural Resources Limited 2.133% (cost: $2,495,731 due 4/13/2018)	$2,498,233	3.85%	2,500,000
Enbridge Energy Partners, L.P. 2.144% (cost: $2,493,344 due 4/20/2018)	2,497,190	3.85	2,500,000
Enbridge Energy Partners, L.P. 2.13% (cost: $2,493,682 due 4/20/2018)	2,497,208	3.85	2,500,000
Equifax Inc. 2.063% (cost: $4,988,042 due 4/13/2018)	4,996,583	7.71	5,000,000
HP Inc. 2.481% (cost: $2,487,529 due 6/07/2018)	2,488,554	3.84	2,500,000
Marriott International, Inc. 2.274% (cost: $2,488,093 due 6/04/2018)	2,489,973	3.84	2,500,000
Thomson Reuters Corporation 2.45% (cost: $2,487,594 due 5/15/2018)	2,493,797	3.85	2,500,000
Thomson Reuters Corporation 2.46% (cost: $2,487,729 due 5/21/2018)	2,492,948	3.84	2,500,000
Walgreens Boots Alliance, Inc. 2.116% (cost: $4,975,208 due 5/29/2018)	4,983,084	7.69	5,000,000
Total Commercial Paper (Total cost: $27,396,952)	$27,437,570	42.32%	
Total Cash Equivalents	$27,437,711	42.32%	
			Notional Amount

			(Long Exposure)
Commodity futures contracts			
United States wheat futures contracts			
CBOT wheat futures JUL18 (969 contracts)	$877,587	1.35%	$22,698,825

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States wheat futures contracts			
CBOT wheat futures SEP18 (802 contracts)	$1,545,537	2.38%	$19,458,525
CBOT wheat futures DEC18 (897 contracts)	839,938	1.30	22,716,525
Total commodity futures contracts	$2,385,475	3.68%	$42,175,050

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

TEUCRIUM WHEAT FUND
SCHEDULE OF INVESTMENTS
December 31, 2017

Description: Assets	Fair Value	Percentage of Net Assets	Shares
Cash equivalents			
Money market funds			
Fidelity Institutional Money Market Funds - Government Portfolio (cost $100)	$100	0.00%	100
Blackrock FedFund - Institutional Class (Cost $70)	70	0.00	70
Total money market funds	$170	0.00%	
			Principal Amount
Commercial Paper			
Boston Scientific Corporation 1.709% (cost: $2,496,104 due 1/16/2018)	$2,498,229	4.07%	2,500,000
Canadian Natural Resources Limited 1.759% (cost: $2,495,017 due 1/31/2018)	2,496,354	4.06	2,500,000
E. I. du Pont de Nemours and Company 1.67% (cost: $2,490,778 due 3/5/2018)	2,492,737	4.06	2,500,000
Enbridge Energy Partners, L.P. 2.198% (cost: $2,488,490 due 3/5/2018)	2,490,459	4.06	2,500,000
Equifax Inc. 1.709% (cost: $2,493,979 due 1/5/2018)	2,499,528	4.07	2,500,000
Ford Motor Credit Company LLC 1.407% (cost: $2,491,250 due 1/10/2018)	2,499,125	4.07	2,500,000
Glencore Funding LLC 1.424% (cost: $2,491,248 due 1/17/2018)	2,498,427	4.07	2,500,000
HP Inc. 1.648% (cost: $2,496,014 due 1/22/2018)	2,497,608	4.07	2,500,000
Oneok, Inc. 1.749% (cost: $2,497,342 due 1/5/2018)	2,499,517	4.07	2,500,000
VW Credit, Inc. 1.61% (cost: $2,490,000 due 3/6/2018)	2,492,889	4.06	2,500,000
Total Commercial Paper (Total cost: $24,930,222)	$24,964,873	40.66%	
Total Cash Equivalents	$24,965,043	40.66%	

			Notional Amount (Long Exposure)
Commodity futures contracts			
United States wheat futures contracts			
CBOT wheat futures JUL18 (813 contracts)	$604,475	0.98%	$18,424,613

Description: Liabilities	Fair Value	Percentage of Net Assets	Notional Amount (Long Exposure)
Commodity futures contracts			
United States wheat futures contracts			
CBOT wheat futures MAY18 (976 contracts)	$1,182,225	1.92%	$21,484,200
CBOT wheat futures DEC18 (893 contracts)	2,018,300	3.29	21,521,300
Total commodity futures contracts	$3,200,525	5.21%	$43,005,500

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

TEUCRIUM WHEAT FUND
STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Income		
Realized and unrealized gain (loss) on trading of commodity futures contracts:		
Realized gain (loss) on commodity futures contracts	$1,332,663	$(175,300)
Net change in unrealized appreciation on commodity futures contracts	1,088,162	962,713
Interest income	275,403	137,281
Total income	2,696,228	924,694
Expenses		
Management fees	165,037	165,997
Professional fees	115,357	115,125
Distribution and marketing fees	279,396	224,663
Custodian fees and expenses	34,595	33,744
Business permits and licenses fees	9,571	7,184
General and administrative expenses	22,102	27,099
Brokerage commissions	17,030	12,722
Other expenses	13,040	7,737
Total expenses	656,128	594,271
Expenses waived by the Sponsor	(23,769)	-
Total expenses, net	632,359	594,271
Net income	$2,063,869	$330,423
Net income per share	$0.20	$0.04
Net income per weighted average share	$0.19	$0.04
Weighted average shares outstanding	10,596,115	9,338,893

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

TEUCRIUM WHEAT FUND
STATEMENTS OF CHANGES IN NET ASSETS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Operations		
Net income	$2,063,869	$330,423
Capital transactions		
Issuance of Shares	5,096,243	4,000,915
Redemption of Shares	(3,737,048)	(5,192,308)
Total capital transactions	1,359,195	(1,191,393)
Net change in net assets	3,423,064	(860,970)
Net assets, beginning of period	$61,416,019	$62,344,759
Net assets, end of period	$64,839,083	$61,483,789
Net asset value per share at beginning of period	$5.99	$6.89
Net asset value per share at end of period	$6.19	$6.93
Creation of Shares	825,000	550,000
Redemption of Shares	600,000	725,000

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

TEUCRIUM WHEAT FUND
STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31, 2018	Three months ended March 31, 2017
Cash flows from operating activities:		
Net income	$2,063,869	$330,423
Adjustments to reconcile net income to net cash provided by operating activities:		
Net change in unrealized appreciation on commodity futures contracts	(1,088,162)	(962,713)
Changes in operating assets and liabilities:		
Due from broker	137,870	887,186
Interest receivable	111	(12)
Other assets	(167,981)	(207,756)
Management fee payable to Sponsor	6,884	3,642
Other liabilities	49,750	3,656
Net cash provided by operating activities	1,002,341	54,426
Cash flows from financing activities:		
Proceeds from sale of Shares	5,096,243	4,000,915
Redemption of Shares	(3,737,048)	(5,192,308)
Net cash provided by (used in) financing activities	1,359,195	(1,191,393)
Net change in cash, cash equivalents, and restricted cash	2,361,536	(1,136,967)
Cash, cash equivalents, and restricted cash, beginning of period	58,932,231	58,931,911
Cash, cash equivalents, and restricted cash, end of period	$61,293,767	$57,794,944

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

NOTES TO FINANCIAL STATEMENTS
March 31, 2018
(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 WEAT 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 wheat (“Wheat Futures Contracts”) that are traded on the Chicago Board of Trade (“CBOT”):

WEAT Benchmark

CBOT Wheat Futures Contract	Weighting
Second to expire	35%
Third to expire	30%
December following the third−-to−-expire	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. The Sponsor registered as a Commodity Trading Advisor ("CTA") with the CFTC effective September 8, 2017.

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. On June 30, 2014, a subsequent registration statement for WEAT was declared effective by the SEC. On July 15, 2016, a subsequent registration statement for WEAT was declared effective. This registration statement for WEAT registered an additional 24,050,000 shares.

The accompanying unaudited financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X promulgated by the SEC and, therefore, do not include all information and footnote disclosures required under accounting principles generally accepted in the United States of America (“GAAP”). The financial information included herein is unaudited; however, such financial information reflects all adjustments which are, in the opinion of management, necessary for the fair presentation of the Fund's financial statements for the interim period. It is suggested that these interim financial statements be read in conjunction with the financial statements and related notes included in the Trust's Annual Report on Form 10-K, as well as the most recent Form S-1 filing, as applicable. The operating results for the three months ended March 31, 2018 are not necessarily indicative of the results to be expected for the full year ending December 31, 2018.

Subject to the terms of the Trust Agreement, Teucrium Trading, LLC, in its capacity as the Sponsor ("Sponsor"), may terminate a Fund at any time, regardless of whether the Fund has incurred losses, including, for instance, if it determines that the Fund's aggregate net assets in relation to its operating expenses make the continued operation of the Fund unreasonable or imprudent. However, no level of losses will require the Sponsor to terminate a Fund.

Note 2 – Principal Contracts and Agreements

On August 17, 2015 (the "Conversion Date"), U.S. Bank N.A. replaced The Bank of New York Mellon as the Custodian for the Fund. The principal business address for U.S. Bank N.A. is 1555 North RiverCenter Drive, Suite 302, Milwaukee, Wisconsin 53212. U.S. Bank N.A. is a Wisconsin state chartered bank subject to regulation by the Board of Governors of the Federal Reserve System and the Wisconsin State Banking Department. The principal address for U.S. Bancorp Fund Services, LLC ("USBFS"), is 615 E. Michigan Street, Milwaukee, WI, 53202. In addition, effective on the Conversion Date, USBFS, a wholly owned subsidiary of U.S. Bank, commenced serving as administrator for each Fund, performing certain administrative and accounting services and preparing certain SEC reports on behalf of the Funds, and also became the registrar and transfer agent for each Fund's Shares. For such services, U.S. Bank and USBFS will receive an asset–based fee, subject to a minimum annual fee.

For custody services, the Funds will pay to U.S. Bank N.A. 0.0075% of average gross assets up to $1 billion, and .0050% of average gross assets over $1 billion, annually, plus certain per-transaction charges. For Transfer Agency, Fund Accounting and Fund Administration services, which are based on the total assets for all the Funds in the Trust, the Funds will pay to USBFS 0.06% of average gross assets on the first $250 million, 0.05% on the next $250 million, 0.04% on the next $500 million and 0.03% on the balance over $1 billion annually. A combined minimum annual fee of up to $64,500 for custody, transfer agency, accounting and administrative services is assessed per Fund. For the three months ended March 31, 2018 and 2017, the Fund recognized $34,595 and $33,744, respectively, for these services, which is recorded in custodian fees and expenses on the statements of operations and paid for by the Fund.

The Sponsor employs Foreside Fund Services, LLC ("Foreside" or the "Distributor") as the Distributor for the Funds. The Distribution Services Agreement among the Distributor and the Sponsor calls for the Distributor to work with the Custodian in connection with the receipt and processing of orders for Creation Baskets and Redemption Baskets and the review and approval of all Fund sales literature and advertising materials. The Distributor and the Sponsor have also entered into a Securities Activities and Service Agreement (the "SASA") under which certain employees and officers of the Sponsor are licensed as registered representatives or registered principals of the Distributor, under Financial Industry Regulatory Authority ("FINRA") rules. For its services as the Distributor, Foreside receives a fee of 0.01% of the Fund's average daily net assets and an aggregate annual fee of $100,000 for all Teucrium Funds, along with certain expense reimbursements. For its services under the SASA, Foreside receives a fee of $5,000 per registered representative and $1,000 per registered location. For the three months ended March 31, 2018 and 2017, the Fund recognized $20,218 and $21,170, respectively, for these services, which is recorded in distribution and marketing fees on the statements of operations; of these expenses, $4,404 in 2018 and $0 in 2017 were waived by the Sponsor.

ED&F Man Capital Markets, Inc. ("ED&F Man") serves as the Underlying Funds' clearing broker to execute and clear the Underlying Funds' futures and provide other brokerage-related services. ED&F Man is registered as a FCM with the U.S. CFTC and is a member of the NFA. ED&F Man is also registered as a broker/dealer with the U.S. Securities and Exchange Commission and is a member of the FINRA. ED&F Man is a clearing member of ICE Futures U.S., Inc., Chicago Board of Trade, Chicago Mercantile Exchange, New York Mercantile Exchange, and all other major United States commodity exchanges. For Corn, Soybean, Sugar and Wheat Futures Contracts ED&F Man is paid $9.00 per round turn. For the three months ended March 31, 2018 and 2017, the Fund recognized $17,030 and $12,722, respectively, for these services, which is recorded in brokerage commissions on the statements of operations and paid for by the Fund.

The sole Trustee of the Trust is Wilmington Trust Company, a Delaware banking corporation. The Trustee will accept service of legal process on the Trust in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. For its services, the Trustee receives an annual fee of $3,300 from the Trust. For the three months ended March 31, 2018 and 2017, the Fund did not recognize any expense for these services. This expense is recorded in business permits and licenses fees on the statements of operations.

Note 3 – 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.

In accordance with ASU 2016-‒18 issued by the FASB, the presentation of cash and cash equivalents and restricted cash is disaggregated by line item on the statements of assets and liabilities and sum to the total amount of cash, cash equivalents, and restricted cash at the end of the corresponding period shown on the statements of cash flows. This update in presentation did not have a material impact on the financial statements and disclosures of the Trust and the Funds.

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 with financial institutions are recognized on the accrual basis. The Funds earn interest on funds held at the custodian and other financial institutions at prevailing market rates for such investments.

Beginning in October 2017, the Sponsor began investing a portion of cash in commercial paper, which is deemed a cash equivalent based on the rating and duration of contracts as described in the notes to the financial statements and reflected in cash and cash equivalents on the statements of assets and liabilities and in cash, cash equivalents and restricted cash on the statements of cash flows. Accretion on these investments are recognized using the effective interest method in U.S. dollars and included in interest income on the statements of operations.

Brokerage Commissions

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

Income Taxes

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

The Fund is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The Fund files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. For all tax years 2015 to 2017, the Fund remains subject to income tax examinations by major taxing authorities. 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 March 31, 2018 and for the years ended December 31, 2017, 2016, and 2015. 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 three months ended March 31, 2018 and 2017.

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. In the opinion of the Sponsor, the 2017 Tax Cuts and Jobs Act, will not have a significant impact on the Fund and did not have a significant impact on the financial statements of the Fund.

Creations and Redemptions

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

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

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

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

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, Cash Equivalents, and Restricted Cash

Cash equivalents are highly –liquid investments with maturity dates of 90 days or less when acquired. 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 these balances of its cash equivalents on deposit with banks. The Fund had a balance of $141 and $170 in money market funds at March 31, 2018 and December 31, 2017, respectively. These balances are included in cash and cash equivalents on the statements of assets and liabilities. Effective in the second quarter 2015, the Sponsor invested a portion of the available cash for the Fund in alternative demand –deposit savings accounts, which is classified as cash and not as a cash equivalent. The Fund had a balance of $33,856,056 and $33,967,053 in a demand –deposit savings account on March 31, 2018 and December 31, 2017. Assets deposited with financial institutions, at times, exceed federally insured limits. Effective in the fourth quarter 2017, the Sponsor invested a portion of the available cash for the Funds in investment grade commercial paper with durations of 90 days or less, which is classified as a cash equivalent and is not FDIC insured. These balances are included in cash and cash equivalents on the statements of assets and liabilities. The Fund had a balance of $27,437,570 and $24,964,873 in commercial paper contracts on March 31, 2018 and December 31, 2017, respectively. The above changes resulted in a reduction from the same period in 2017 in the balance held in money market funds and demand– deposit savings accounts, respectively.

Due from/to Broker

The amount recorded by the Fund for the amount due from and to the clearing broker includes, but is not limited to, cash held by the broker, amounts payable to the clearing broker related to open transactions and payables for commodities futures accounts liquidating to an equity balance on the clearing broker’s records.

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

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

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

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

Calculation of Net Asset Value

The Fund's NAV is calculated by:

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

The administrator, USBFS, 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. 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.

Sponsor Fee, Allocation of Expenses and Related Party Transactions

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 certain administrative, custodial, accounting, transfer agency and other necessary services to the Trust and the Funds. In addition, the Sponsor elected not to outsource services directly attributable to the Trust and the Funds, such as certain aspects of accounting, financial reporting, regulatory compliance and trading activities. In addition, 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 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, 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 within the Trust are allocated by the Sponsor to the respective funds based on activity drivers deemed most appropriate by the Sponsor for such expenses, including but not limited to relative assets under management and creation and redeem order activity.

These aggregate common expenses include, but are not limited to, legal, auditing, accounting and financial reporting, tax-preparation, regulatory compliance, trading activities, and insurance costs, as well as fees paid to the Distributor, which are included in the related line item in the statements of operations. A portion of these aggregate common expenses are related to the Sponsor or related parties of principals of the Sponsor; these are necessary services to the Funds, which are primarily the cost of performing certain accounting and financial reporting, regulatory compliance, and trading activities that are directly attributable to the Fund. For the three months ended March 31, the Fund recognized $406,610 in 2018 and $333,153 in 2017 respectively, such expenses which are primarily recorded in distribution and marketing fees on the statements of operations; of these expenses, $13,147 in 2018 and $0 in 2017 were waived by the Sponsor. All asset-based fees and expenses for the Funds are calculated on the prior day's net assets.

For the three months ended March 31, 2018, there were $23,769 of expenses that were identified in the statements of operations of the Fund as expenses that were waived by the Sponsor. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

For the three months ended March 31, 2017, there were no expenses that were identified in the statements of operations of the Fund as expenses that were waived by the Sponsor. The Sponsor has determined that there would be no recovery sought for these amounts in any future period.

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 financial instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these financial instruments 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.

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The availability of valuation techniques and observable inputs can vary from financial instrument to financial instrument and is affected by a wide variety of factors including, the type of financial instrument, whether the financial instrument 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 financial instruments existed. Accordingly, the degree of judgment exercised by the Fund in determining fair value is greatest for financial instruments 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 financial instruments. This condition could cause a financial instrument 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 determination is made as of the settlement of the futures contracts on the last day of trading for the reporting period. In making the determination of a Level 1 or Level 2 transfer, the Fund considers the average volume of the specific underlying futures contracts traded on the relevant exchange for the three months being reported.

On March 31, 2018 and December 31, 2017, 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 determination is made as of the settlement of the futures contracts on the last day of trading for the reporting period. In making the determination of a Level 1 or Level 2 transfer, the Fund considers the average volume of the specific underlying futures contracts traded on the relevant exchange for the periods being reported.

For the three months ended March 31, 2018 and year ended December 31, 2017, the Fund did not have any transfers between any of the levels of the fair value hierarchy.

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in the statements of operations. Derivative contracts include futures contracts related to commodity prices. Futures, which are listed on a national securities exchange, such as the CBOT and the ICE, 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.

Expenses

Expenses are recorded using the accrual method of accounting.

Net Income (Loss) per Share

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

New Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-05, "Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118." These amendments add guidance to the FASB Accounting Standards Codification regarding the Tax Cuts and Jobs Act (Act). The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2018-03: "Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, that clarifies the guidance in ASU No. 2016-01, Financial Instruments—Overall (Subtopic 825-10)." These amendments clarify the guidance in ASU No. 2016-01 on issues related to Fair Value and Forward Contracts and Purchased Options. The amendments are effective for fiscal years beginning after December 15, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--13, "Revenue Recognition (Topic 605), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments". The amendment amends the early adoption date option for certain companies related to adoption of ASU No. 2014--09 and ASU No. 2016--02. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. This amendment is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities". These amendments refine and expand hedge accounting for both financial (e.g., interest rate) and commodity risks. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes. It also makes certain targeted improvements to simplify the application of hedge accounting guidance. The amendments are effective for public businesses for fiscal years beginning after December 15, 2018. This amendment is not expected to have any impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2017--03, "Accounting Changes and Error Corrections (Topic 250) and Investments – Equity Method and Joint Ventures (Topic 323)". These amendments require disclosure of the impact that recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. The adoption did not have a material impact on the financial statements and disclosures of the Trust or the Fund.

The FASB issued ASU 2017--01, "Business Combinations (Topic 805): Clarifying the Definition of a Business". The amendments are intended to help companies and other organizations evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments are effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--18, "Statement of Cash Flows (Topic 230)". The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning- of- period and end -of- period total amounts shown on the statement of cash flows. The amendments are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The Sponsor elected to early adopt ASU 2016--18 for the year ending December 31, 2017 and the adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2014--09 in May 2014, “Revenue from Contracts with Customers (Topic 606),” which replaces the revenue recognition requirements of “Revenue Recognition (Topic 605).” This ASU is based on the principle that revenue is recognized to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU provides new and more detailed guidance on specific topics and expands and improves disclosures about revenue. In August 2015, the FASB issued ASU 2015--14 which defers the effective date of ASU 2014--09 by one year to fiscal years beginning after December 15, 2017. ASU 2015--14 also permits early adoption of ASU 2014--09, but not before the original effective date, which was for fiscal years beginning after December 15, 2016. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825--10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2014--09 and 2015--14. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--11, "Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014--09 and 2014--16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting". The amendments make targeted improvements to clarify the principal versus agent assessment and are intended to make the guidance more operable and lead to more consistent application. The Trust and the Fund record income or loss from the recognition and measurement of futures contracts and from interest income under Subtopic 825--10. Revenue from financial instruments which are valued under Subtopic 825 will not be subject to the application of ASU 2016--11. The Sponsor elected to adopt ASU 2016-11 for the year ending December 31, 2017. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--02, "Leases (Topic 842)." The amendments in this update increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The amendments in this update are effective for fiscal years beginning after December 15, 2018. This standard is not expected to have a material impact on the financial statements and disclosures of the Fund.

The FASB issued ASU 2016--01, "Financial Instruments--Overall (Subtopic 825--10): Recognition and Measurement of Financial Assets and Financial Liabilities." The amendments in this update are intended to improve the recognitions measurement and disclosure of financial instruments. The amendments to this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. These amendments are required to be applied prospectively. The adoption did not have a material impact on the financial statements and disclosures of the Fund.

Note 4 – 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 3. The following table presents information about the Fund's assets and liabilities measured at fair value as of March 31, 2018 and December 31, 2017:

March 31, 2018

Assets:	Level 1	Level 2	Level 3	Balance as of March 31, 2018
Cash Equivalents	$27,437,711	$		