

The Kase Commentary on Crude Oil Scorecard

Cutoff Date December 31, 2011

Graded this Six Months by Daniel Kase and Dean Rogers, AP

Review of the Kase Commentary on Crude Oil performance

The Commentary is graded on three criteria

- I. **Scenario:** The first criterion judges whether the primary, secondary, or unlikely scenario was met, as defined in the glossary. If the unlikely scenario is defined in the Commentary, this overrules the default definition; by default it is defined as neither the primary nor the secondary scenario having been met. If the primary was met, one point is awarded. If the secondary is met either because of extenuating circumstances such as unexpected geo-political events, or Kase identified the secondary with a higher than normal probability, then one half-point is awarded. Otherwise, a zero is awarded. "Scenario" is given a weight of 70% relative to the overall score.
- II. **Price:** The second criterion relates to price. If a targeted price was called to be either met and was met, met and held, or met and was exceeded then one point is awarded. If a target was called to hold and did hold, a point is awarded. If it is only exceeded slightly, or for a short period of time, one half-point is awarded. Otherwise a zero is awarded. If more than one target is given, for example, "declining to no lower than \$80.00 then rising to at least \$83.00", then points are awarded with a 50% weighting for each target. "Price" is given a weight of 20% relative to the overall score.
- III. **Order:** The third criterion relates to the order in which a scenario having multiple support and resistance targets is expected to play out. If the order is correct one point is awarded. If the order is correct but slightly different than called for, then one half-point is awarded. If the scenario was incorrect a zero is awarded. The "Order" column in the results specifies a CO for correct order, DO for different order or W for wrong. If no order was called for, then the column is left blank and order is not included in the overall score. "Order," when applicable, carries a 10% weighting.

Normally, the first nearby contract is graded. However, during rollover weeks in which the second nearby, soon to become first nearby, is the focus of the Commentary, it is graded instead.

Based on these three criteria, the Scorecard results are as follows.

Kase Commentary on Oil Scorecard Summary, Percent Correct

	Bias	Price	Scenario	Total
Weights	70	20	10	100
Overall Score	67	19	10	96
2 Year Score	67	19	10	96
12 Month Score	67	19	9	95
6 Month Score	67	19	9	96
3 Month Score	64	18	10	93

The details for the last six months are shown below. Since July 1996 Kase's "Overall" score has averaged 96%, and for the past six months 96%.

Kase Commentary on Oil, Scorecard Results

Below is the detail of the scoring. Please call Kase and Company, Inc. if you have any questions about the results please notify the call center promptly

Date	Bias	Price	Scenario	B Pts.	P Pts.	S Pts.
07/08/11	P	M	CO	1	1	1
07/15/11	P	ME	CO	1	1	1
07/22/11	P	ME	W	1	1	0.4
07/29/11	P	M	CO	1	1	1
08/05/11	P	M	CO	1	1	1
08/12/11	P	ME	CO	1	1	1
08/19/11	P	M	CO	1	1	1
08/26/11	P	M	CO	1	1	1
09/02/11	P	ME	W	1	1	0.4
09/09/11	P	M	CO	1	1	1
09/23/11	P	M	CO	1	1	1
09/30/11	P	M	CO	1	1	1
10/07/11	P	M	CO	1	1	1
10/14/11	P	M	CO	1	1	1
10/21/11	P	M	CO	1	1	1
10/28/11	P	M	CO	1	1	1
11/04/11	P	M	CO	1	1	1
11/18/11	P	ME	CO	1	1	1
11/25/11	P	M	CO	1	1	1
12/02/11	P	ME	CO	1	1	1
12/09/11	P	M	CO	1	1	1
12/16/11	S	DM	CO	0	0	1
12/23/11	P	M	CO	1	1	1
6 month total				22	22	21.8
6 month percent				96	96	95
6 month weighted score				67	19	9
6 month overall score						96

Legend:

P (Primary Bias Met)

S (Secondary Bias Met)

SH (Secondary Hybrid Bias Met)

M (Met Price Target)

ME (Met, then Exceeded Price Target)

MS (Met Price Target, then stalled)

DM (Did Not Meet Target)

CO (Scenario Occurred in order)

DO (Scenario Occurred, but in a different order)

W (Wrong Order)