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Birmingham Futures Exchange Incorporated (BFEX) Announces Agreement with FCStone Group, Inc. to Develop Steel Voucher Exchange

Birmingham, Alabama, October 19, 2007 – Birmingham Futures Exchange Incorporated (BFEX) announced today that it has signed a letter of intent with FCStone Group, Inc. (NASDAQ: FCSX), a commodity risk management firm, to create a steel price hedging platform based on steel vouchers, a concept developed by BFEX. Steel vouchers are essentially prepaid coupons acceptable at the issuing steel mill in payment for base steel, including surcharges. Each participating steel mill defines base steel just as it has always done and negotiates extras for gage, width, quantity, chemistry, delivery, etc. which are paid for separately.

Jonathan C. Putman, chairman and chief executive officer of BFEX, said “This steel voucher platform has been designed to address 3 critical requirements of steel price hedging:

1. It is a market based price discovery mechanism utilizing steel vouchers as a proxy for steel coils as a deliverable thereby insuring competitive pricing for all participants.
2. It allows steel producers to continue to set their own prices as they see fit and causes the financial market to reflect those prices, as opposed to abdicating pricing power to the financial markets.
3. It generates a significant financial benefit for the participating mills as well as providing the market advantage of being the preferred provider of hedgers seeking to eliminate basis risk (the difference between the voucher price and the steel invoice).”

FCStone will research, and if viable, develop a trading platform for steel vouchers. Such a platform is anticipated to include forward sales, options, and OTC swaps. If the trading platform is deemed to be viable, FCStone will develop a commercially reasonable method for posting such information about bids, offers, and trades as deemed necessary for a successful market. FCStone will evaluate a variety of distribution methods for providing pricing information to the marketplace, including but not limited to email and possibly an internet-based, continuously updated forward price curve. The development of such a platform would be subject to the rules and regulations of the Commodity Futures Trading Commission (CFTC).

While the initial products will consist primarily of steel coils (Hot Roll, Cold Roll, and Galvanized), it is the intention of both parties that the use of vouchers will be expanded to include not only additional steel products, but also scrap and other steel-related products. It is also the intention of both parties that the scope of the vouchers should be expanded to include foreign producers of steel voucher products.

BFEX and FCStone will pursue the creation of steel futures contracts denominated in steel vouchers, either individually or as a weighted index, with existing commodity exchanges. These steel futures contracts will allow steel vouchers to serve as a proxy for steel coils in the settlement of deliverable steel futures. BFEX will collect royalty fees on the use of the steel voucher market and will also have marketing rights to the market data. Every transaction that is denominated in vouchers, including the planned expansion into steel futures based on steel vouchers, will have a royalty-fee component that will be paid to BFEX. FCStone, together with the participating steel mills, will share in these fees.

Pete Anderson, FCStone’s President and Chief Executive Officer, said “Steel Vouchers provide FCStone with the ideal avenue to successfully grow our business by focusing on the competitive strengths in our overall business model. Vouchers form the foundation of our strategy to be the nation’s primary steel

price hedging specialist. Steel futures are projected to have an annual global notional value of \$25 trillion when fully operational and FCStone intends to be the leader in bringing the benefits of this market to its expanding customer base, both in the US and abroad.”

Steel price hedging aligns with FCStone’s overall growth strategy by providing:

1. An area where volatile market conditions have increased commodity risk exposure
2. A new product that creates significant growth opportunities among existing customers
3. Expansion opportunities into international markets
4. Increased number of new risk management consultants
5. A shift to electronic trading
6. A strategic transaction through partnerships – in this case with BFEX and participating steel mills

Jonathan C. Putman, chairman and chief executive officer of BFEX, said “We are very excited about this agreement. FCStone’s Integrated Risk Management Program, along with its primary focus on optimizing middle market customers’ profit margins and mitigating their exposure to commodity price risk, makes FCStone the ideal partner in bringing steel price hedging to the vast majority of domestic steel consumers, including metal service centers, converters, and OEMs.”

About FCStone Group, Inc.

FCStone Group, Inc., along with its affiliates, is an integrated commodity risk management company providing risk management consulting and transaction execution services to commercial commodity intermediaries, end-users and producers. The firm assists primarily middle market customers in optimizing their profit margins and mitigating exposure to commodity price risk. In addition to risk management consulting services, FCStone, LLC, operates one of the leading independent clearing and execution platforms for exchange-traded futures and options contracts. FCStone Group, Inc., serves more than 7,500 customers and in the 12 months ended May 31, 2007, executed 54.1 million derivative contracts in the exchange-traded and over-the-counter markets. In addition to renewable fuels, the FCStone Group companies work in all the major commodity areas including agriculture, energy, foods, forestry, and currency exchange. Headquartered in the Midwest, it has offices located throughout the world and is a clearing member of all major North American Futures exchanges. FCStone Group, Inc., trades on the NASDAQ Global Select Market under the symbol “FCSX.”

About Birmingham Futures Exchange Incorporated (BFEX)

BFEX (www.bfex.net) is a privately held corporation, headquartered in Birmingham, Alabama, founded in 2003 by 25-year steel veteran Jonathan C. Putman, its Chairman and CEO. Having been responsible for the purchase of millions of tons of steel in an environment of rapidly changing steel prices, Putman came to realize that U.S. manufacturers could not compete without a reasonable way to tie down the critical cost of steel for an extended period of time. In 2002, hot-rolled steel prices increased 90% in only 7 months and had more than tripled by September 2004. This history of violent price fluctuation has devastated both steel producers and steel consumers alike. It has been a lose-lose situation and America’s manufacturing base has paid the price. Of the 2.7 million jobs the U.S. economy lost between early 2001 and mid-2003, 2.4 million were in manufacturing.

BFEX seeks to match counterparties who desire to eliminate market risk in domestic steel & scrap prices through the use of over the counter (OTC) price swaps. Membership in BFEX requires payment of an annual fee. All members have access to the online BFEX Trading Room for monitoring negotiated open offers, counter offers, and contracts. Trading members are limited to Eligible Contract Participants as defined by the Commodity Futures Trading Commission (Steel related businesses with a net worth exceeding \$1,000,000 or certain regulated entities).

Forward Looking Statements

This press release may include forward-looking statements regarding, among other things, our plans, strategies and prospects, both business and financial. All statements other than statements of current or historical fact contained in this press release are forward-looking statements. The words “believe,” “expect,” “anticipate,” “should,” “plan,” “will,” “may,” “could,” “intend,” “estimate,” “predict,” “potential,” “continue” or the negative of these terms and similar expressions, as they relate to FCStone Group, Inc., are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. They can be affected by inaccurate assumptions, including the risks, uncertainties and assumptions described in the Company’s filings with the Securities and Exchange Commission. In light of these risks, uncertainties and assumptions, the forward-looking statements in this press release may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. When you consider these forward-looking statements, you should keep in mind these risk factors and other cautionary statements in this press release. Our forward-looking statements speak only as of the date of this press release. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.