



K.C. MASTERPIECE: Jeff Quinto has come a long way from his days on the floor of the Kansas City Board of Trade.

THE QUINTO FILE

NAME: Jeff Quinto **AGE:** 56
POSITION: Cofounder of Altea Asset Management
TRADING EXPERIENCE: Quinto started as a wheat trader at the Kansas City Board of Trade in 1977. In 1993, he became president of Rand Financial Services, where he stayed for seven years. In 2000, he helped launch Altea, a prop-trading firm based in Chicago.

MY BEST TRADE

IN MID-AUGUST 1978, just after the open on the floor of the KC BT, I bought 50 September wheat around 2.95, another 50 at around 2.94 and still more at 2.93.

The market stalled for a while in the 2.93–2.94 range. I had too much. Stung and uncomfortable, I decided to take a walk around the building. I didn't want the other traders to see how nervous I was.

I remember standing in the men's room combing my hair to kill time, looking in the mirror thinking, "What an idiot I am." Hiding from the floor! This was no way to earn a living, I decided, so I headed back to exit my position. I promised myself then and there that I would never again trade more than I could comfortably handle, and that I would never add to a losing position.

I ended up making a few thousand on the trade, but I've kept that promise.

SHREDDED WHEAT

MY WORST TRADE

How a floor buddy's bunk spread hunch and my own vacation plans once left me over a bushel

BY JEFF QUINTO

IN MAY 1981, I was working on the floor of the Kansas City Board of Trade. With my trading profits up for the year and in dire need of some fun, I decided to treat my wife and myself to a first-class trip to the Big Apple. Reservations at the Palace, limousine on call, tickets to the Metropolitan Opera — the whole experience.

enough: Minneapolis spring wheat should have been worth more per bushel than the Kansas City winter wheat. So I bought Minneapolis and sold Kansas City. With Kansas City over Minneapolis by a cent or two, I added to the position even though it seemed to be going nowhere.

The week before we left for New York,

WHAT WAS SUPPOSED TO BE A SPECIAL GETAWAY TO THE BIG APPLE WITH MY WIFE HAD BEEN RUINED.

Before I left, I had put on a Kansas City/Minneapolis wheat spread. I didn't really know anything about these kinds of spreads, but one of the guys I traded with on the floor seemed to. The idea was simple

the spread was Kansas City over Minneapolis by four cents. The day we left, the spread jumped to five. This had cost me several thousand dollars — which was no picnic, but not horrible.

That Friday, after having enjoyed some of the sights of Manhattan, my wife and I went to lunch at Tavern on the Green in Central Park. After a glass of wine or two, I went to a pay phone and called a contact in Minneapolis.

"How's that K.C.-Minneapolis wheat spread doing?"

The spread had expanded to eight cents. Now we were talking about enough money to hammer a fledgling trader like me. I was so upset that I kept calling Minneapolis to see if the spread was getting any narrower. Meanwhile, my wife was getting increasingly irritated every time I left her to make a phone call (this, obviously, was long before cell-phones and BlackBerries). I spent the day and most of the weekend livid with myself for getting into a trade I knew nothing about. The next week, the spread widened even more, but I was lucky to exit with a loss of just under \$10,000. But what was supposed to be a special trip had been ruined.

Ever since, I've never left a trade on when I go on vacation with my wife. In fact, I've never again even intentionally left a trade on overnight. Now I sleep much easier — and I'm still married. ■