



COMMODITIES MANAGEMENT SOFTWARE FOR
RAW MATERIALS

THE COMPLETE COMMODITIES TRADING SOLUTION FOR MANAGING
RAW MATERIALS, REFINED METAL CONTRACTS, FUTURES TRADES AND
RISK MANAGEMENT

Bringing your back office out in front





SIMPLIFYING THE COMPLEX

The trading of raw materials is a key segment in the metal supply chain. Managing a material that is far from homogenous and whose buyers can have a wide range of requirements is a complex and risky business. Recent volatility in demand and price, combined with long term global material shortages and mine production problems, has complicated matters still further. Concerns about environmental issues are making the need to be able to trace materials to source ever more important.

Success in this volatile market now depends on having the right tools to manage risk, simplify processes, and proactively control a huge amount of data.

And this is where Brady plc can help.

Developed in live mining, trading and smelting environments, Brady provides an integrated solution for company administration and reporting of raw materials, physical metal, together with sophisticated hedge and risk management tools.

From mine to market, Brady's Raw Materials Solution's comprehensive functionality and straight-through processing capability addresses the trading requirements for the purchase and sale of all components of the metal lifecycle. So, you can now manage the trading of ore, concentrate and refined metals and their respective financial hedges, as well as associated foreign exchange and money market transactions, in a single application.

GET THE COMPLETE PICTURE

Brady provides a market leading and proven solution that offers the efficiency, performance and control required by everyone involved in trading and administration of raw materials and their associated hedge contracts from front to back office.

The key components of Brady's Raw Materials solution are:

Contract Administration

Enables the capture and administration of all short term spot contracts or medium/long-term frame contracts. Administration offers a wide range of commodities including:

- Raw materials – Concentrates and Ores – Blister
- By products – Slimes – Slags – Residues
- Bullion – Scrap – Refined metal – Precious metals
- Bench Marks – Industry based Pro-formas
- Average pricing – Fixed price – Multiple QPs – Client priced
- Bricks – Swaps – Tolls – Blending

Separate tools are available to support the capture and management of derivatives contracts.

Position Keeping and Risk Management

Creates a Position Report showing the stock levels and locations for specific raw materials.

There are sophisticated tools to enable you to model the impact of price movements on your raw materials and derivatives/hedge position – from the overall position right down to individual trade level.

Hedge transactions can be captured directly using the trade capture screens. The solution allows you to enter many to many linkages between hedge and physical transactions, so that you can designate one hedge to several physical trades, several hedges to one physical trade, or several hedges to several physical trades

Profit and Loss (P&L)

Handles the most complex of contract terms. Incorporating hedging results to provide complete realised and unrealised reporting:

- Combined physical and hedge P&L by marriage and fiscal year
- Detailed, summarised and management overview
- Daily mark to market and month end statements
- Multi-currency and multi-unit
- Trader statements, hedge sheets and 'What ifs'

Invoicing

Invoicing provides a powerful, easy to use facility for production of the most complex of raw materials and metals invoices covering:

- Multiple provisional and final invoices
- Multiple pricing periods, fixed content and tonnage
- Brick invoices, pro-formas, L/C compatible
- Automatic credit/debit notes generation
- Lot by lot invoices, invoice receipts and debtor lists

Invoice reports include cash-flows, debtor lists, invoice result analysis and payment history.



Assay Exchange

Combines contractual terms with entered data to determine final weighted average results for each shipment metal. It provides:

- Comprehensive database of umpire rules and clauses
- Variable parameters at each stage to satisfy supplier/receiver requirements
- Weighted average or lot by lot calculations
- Variable splitting limits and composite assays
- What 'if' scenario analysis

Shipping, Reporting and Position Keeping

Contract declarations, reporting and position keeping are an essential part of contract administration, so the module incorporates a comprehensive suite of reports to enable up to the minute monitoring of shipments and their status. Reports include shipping schedules, declaration reminders, contract terms, shipment checklists, progress reports and much more.

Blending and Inventory

Blending and Inventory Modules for the complete management of raw materials and refined metals. The new modules manage the complex processes involved in blending, splitting and merging raw

materials stock piles, reporting on assay composition and mark-to-market valuations of materials. Classic inventory facilities exist for refined metal management.

Corporate Treasury

Brady supports generic corporate treasury requirements, including foreign exchange, money market and cash management functions including accounts payable and receivable. This means that all of your exposures and risk can be captured in a single solution, obviating the need for a dedicated corporate treasury system.

Value at Risk (VaR)

Increasingly Value at Risk is seen as an important measure in metals businesses to be able to summarise the financial risk within their business, both to management and to external parties such as shareholders and regulators.

Brady offers an optional VaR engine which is optimised for the specific requirements of the metals industry – unlike many of the standalone VaR engines available in the market.

Brady's system addresses our business requirements effectively. We have been clients for some time, already using Brady for operational hedging and the implementation of the Brady Raw Materials module provides Xstrata with a more cohesive and strategic focus on marketing, hedging, mark-to-market and risk management at global, regional and local levels. Brady's comprehensive capture and tracking of trades streamlines the administration of the often complex delivery and payment terms involved in metals trading. Their expertise de-risked the project from our perspective and provided a fast ROI in terms of the expected improvements in speed, efficiency and ease of management.

Greg Bews

Project Manager – Global Commercial Project
Xstrata Commodities – Middle East DMCC

WHY CHOOSE BRADY FOR RAW MATERIALS

Brady's raw materials management solutions provide producers, smelters and trading companies with an unprecedented opportunity to manage all of their contractual, market and trading information for all types of metal products in one place, so that you have a complete picture of your risk exposure and financial position.

That means that you can:

- Reduce risk – with a comprehensive view of your entire trading operation
- Control workflows – from front-end systems to general ledger
- Manage data – with one centralised and up-to-date source
- Streamline administration – simplifying processes and the exchange of information
- Maximise profitability – by improving operational synergy, reducing management costs and strengthening negotiating positions.

About Brady

Brady plc (BRY.L) is a leading global provider of trading and risk management software to the global commodity markets.

On a single platform Brady combines fully integrated and comprehensive solutions supporting the entire commodity trading operation for refined and unrefined metals, ranging from capture of financial and physical trading, through risk management, handling of physical operations, to back office financials and treasury settlement.

Brady has more than 25 years of expertise in the commodity markets with 150 customers worldwide that depend on Brady's software solutions to deliver vital business transactions across their global operations.

Brady's clients include many of the world's largest miners, refiners, producers and financial institutions, including tier one banks and a large number of London Metal Exchange (LME) Category 1 and 2 clearing members.

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