



COMMODITIES MANAGEMENT SOFTWARE FOR
COMMODITIES FUNDS

Brady is the **complete** commodities trading and hedging platform for commodities funds





RESPONDING TO CHANGE

Fund managers are under constant pressure to deliver returns, whether they are traditional funds that aim to outperform the market benchmark indices against which they are measured or alternative investment/hedge funds aiming to deliver an absolute return regardless of market indices. The recent market turmoil means that all fund managers are placing cost control, efficiency and operational risk management higher in their priorities. The industry is also facing increased levels of scrutiny as regulators seek to protect investors with a greater level of transparency, and investors themselves are demanding more detailed analysis and reporting, so companies may be required to prepare additional reports for both investors and regulatory bodies.

Unfortunately, many fund managers are often ill-equipped to deal with such major challenges - using disparate generic tools that make it difficult to get an enterprise view of operations in the commodity sector. Often data is held in silos of unconnected spreadsheets and other tools that whilst they may offer sophisticated analysis and risk management do not provide the robust process and audit capabilities that are increasingly required in the market. Furthermore many commodities funds invest in a very wide range of commodities products and instruments, including physical and unrefined (concentrates) trades that are not supported in generic fund management products.

More than ever, Funds require sophisticated means to manage financial activities and collect trustworthy information for real-time analysis and presentation.

And this is where Brady plc can help. Brady's enterprise trading and risk management solutions are designed to optimise transactions and minimise risks between Funds and their customers, service providers, financial institutions, regulators and marketplaces. Our solutions are designed for the commodities marketplace and provide the user with the depth of functionality required to correctly assess a position in these increasingly complex markets. In short, automated systems are available

to provide Fund Managers accurate information at their finger-tips, so that they can understand their current position, spot market trends and act upon them quickly.

Our risk management solutions provide a valuable framework for improving existing processes, by transforming often disconnected and inefficient functions into a series of automated and secured collaborative workflows that will:

- Improve trading capabilities
- Diminish the risk factors linked with transactions
- Reduce processing costs
- Enhance regulatory standards

All within a solution which is designed from the outset for the commodity markets.

AN INTEGRATED SOLUTION

Brady's Global Commodities Risk Management system - Trinity - provides a single integrated supply chain and risk management solution that seamlessly unites traders, suppliers and partners.

With Brady, Funds have complete power over the management of their trading information and can perform 'what-if' scenario analysis on how a proposed new trade may affect the portfolio. A deal capture screen provides all deal-related data on-screen for instant reference and validation, allowing for all aspects of risk to be measured, including stress testing, gap analysis, scenario analysis and Value at Risk ("VaR") by Monte Carlo simulation and Historical models with back testing. In addition, powerful query and reporting tools allow management to view, analyse and report on any aspect of the business.

COMPREHENSIVE FEATURES

Whether your challenges are regulatory requirements, ever more sophisticated clients, or managing risk, Brady has a comprehensive range of features across physicals, derivatives and treasury and is capable of handling all stages of a transaction from front to back office or to your Prime Broker utilising secure financial processes and tools.

- **Physicals**

With its complete supply chain management capability, Brady can be used to control contracts, stock, logistics, fulfilment and settlement of a wide range of physical and financial instruments. In particular, it:

- captures information about physical commodity purchase/sale contracts, including deal pricing and credit line controls
- identifies and accrues costs associated with contract fulfilment, inventory management, stock allocation, multi-model transportation and scheduling logistics
- manages payments through partial and final invoicing

- **Derivatives**

Trinity bridges the gap between more general derivative front to back office trading systems and the flexible data management solutions required for company-wide risk management. In particular it:

- is both a fully integrated trading solution and a specialised risk management system for all derivative products, including Futures, OTC and Options
- proactively tracks the full lifecycle of each transaction, utilising easy to use and secure data input, processing and analysis tools
- supports industry standard or user-defined pricing models

- **Treasury**

Brady offers a comprehensive Treasury trading, risk management and settlement solution that addresses the requisite foreign exchange, money market and cash management requirements. In particular it:

- seamlessly integrates with Physical Material Management and the Reuters Dealing 2000 system for maximum efficiency
- achieves straight through processing, from the dealer in the front office, through to the risk manager in the middle office, to the financial controller in the back office and the Prime Brokerage.

WHY CHOOSE BRADY FOR FUNDS MANAGEMENT

No other vendor covers more aspects of the entire commodities trading and risk sector than Brady. This comprehensive functionality ensures that Funds have a platform to continuously improve their trading operations, quickly identify and respond to opportunities and enhance profitability through:

- **Risk management reduction**

Brady provides the knowledge and tools, including 'what if' scenarios, necessary to track, measure, evaluate and manage all forms of risks

- **Operational and productivity efficiencies**

Brady maximises efficiency, improves processes, saves resources and enables proactive decision making with efficient data capture, analysis and management

- **Compliance and regulatory reporting**

Brady enhances regulatory/accounting compliance and business control with advanced tracking and auditing facilities and sophisticated reporting tools

Working with Brady also ensures that you benefit from:

- **State-of-the-art technology** – standards-based applications and tools ensure ease of use, rapid implementation and industry-leading cost of ownership, supported by regular upgrades and functional enhancements

- **Market knowledge** – no other vendor comes close to Brady's knowledge and experience in global commodities trading and risk management, and the expertise of our professional services team will ensure that your system is deployed and configured for optimum performance

- **Worldwide support** – Brady's industry-leading client support group can provide effective maintenance and support services, and quickly and efficiently handle any issues through our 24-hour emergency hotline available 365 days a year

About Brady

Brady has been at the forefront of global commodity trading and risk management solutions since 1985, culminating in an unrivalled level of market knowledge and expertise.

Brady solutions are already used extensively by a wide range of banks, brokers, hedge funds, producers, fabricators and trading companies involved in the international trade of commodities, including over 50% of the Category 1 London Metal Exchange (LME) members.

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