

A close-up photograph of various precious metal bars and coins. In the foreground, a gold bar is embossed with 'FINE GOLD 9999'. To its right, a silver bar is embossed with 'PLATINUM 9995' and '1 OUNCE TROY'. Below these, a silver coin is partially visible with 'FINE SILVER' embossed on it. The background shows more gold bars and coins, creating a sense of depth and abundance of the metals.

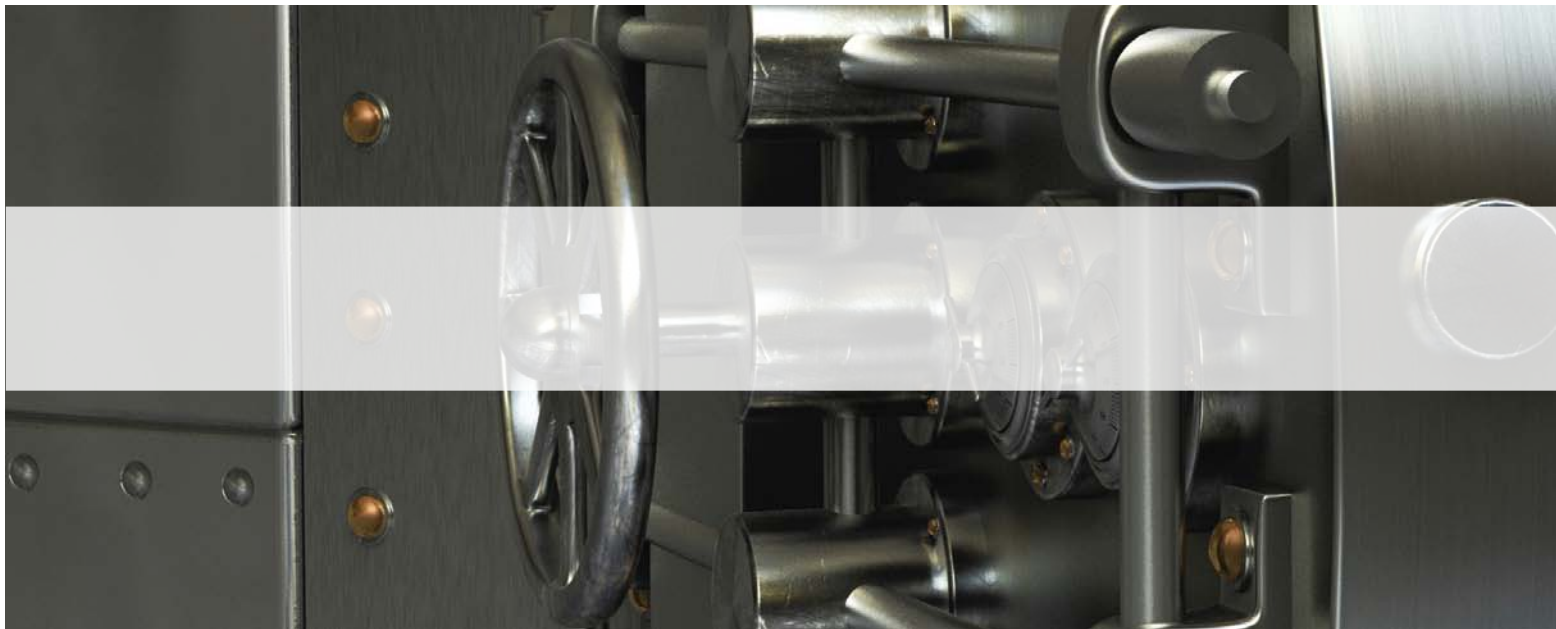
COMMODITIES MANAGEMENT SOFTWARE FOR

PRECIOUS METALS

THE COMPLETE COMMODITIES TRADING
AND HEDGING PLATFORM FOR PRECIOUS METALS

Integrated process and risk management





SIMPLIFYING THE COMPLEX

Precious metals are an increasingly important asset class, both as a tradable commodity and (particularly for the PGM's) an input to manufacturing process. They are increasingly being traded internationally amongst organisations dealing in physical commodities. The growing trend to more electronic trading and move towards centrally cleared contracts is also creating change in the market. Businesses are also experiencing much greater pressure to increase automation. Success in this volatile market now depends on having the right tools to simplify processes, manage risk and proactively control a huge amount of data.

And this is where Brady plc can help. Developed in close cooperation with leading players in the precious metal markets, Brady offers a complete solution covering the international trade of precious metals, including refined metals, raw materials and derivatives.

Using Brady's state-of-the-art, packaged solution companies dealing in precious metals can address their key business requirements for physical trading, inventory management and derivatives trading in a single system. Its modular structure also means organisations that have already invested in enterprise-wide platforms can use it to manage just the physical or derivatives aspects of the business as appropriate.

INVENTORY MANAGEMENT

Brady offers full capability to manage precious metal inventory whether held in your own vault or elsewhere. This includes:

- Ability to track physical inventory to the individual stock item level (bar, coin etc)
- Transfers in and out of vaults/depositories
- Movements between vaults/depositories
- Ability to upload bar/stock lists from external sources eg. Bank of England and other depositories.

ACCOUNT MANAGEMENT

Brady's application provides comprehensive support for the account management functions of a precious metals trading operation including:

Client Account Management

- Management of client accounts, balances and reporting
- Transfers between Pool (Unallocated) and Physical (Allocated) Accounts – both client and house
- Management of transfers between client accounts – whether in-house or with a clearer
- Calculation of end of month/quarter balances
- Calculation and allocation of monthly and/or quarterly storage charges
- Provisional and final invoicing including storage charges etc.

TRADING AND HEDGING

Brady offers the complete solution for trading precious metals including: physical contracts and derivatives from vanilla exchange traded products through to the most complex over the counter structures.

- Full support for the complete trade life-cycle from pre-trade analytics through trade capture, trade management and settlement
- Full support for precious metal leasing and repo contracts and location swaps
- Ability to capture hedge trades either precious metal derivatives or other financial instruments
- Hedge calculator to optimise hedging precious metal positions.

Clearing Accounts (loco London, Zurich etc)

- Management of clearing account (e.g. loco London) limits
- Transfers between allocated and unallocated accounts
- Settlement management dependent upon client requirement (net, gross, individual)
- Fully automated interface to Aurum for loco London clearers
- SWIFT format messages for other locations.

Taxation

- Rules based application of taxation regulations so that local taxation requirements can be fully automated
- Multiple VAT jurisdictions
- Taxation can be defaulted by warehouse and metal and can be applied to associated costs or movements as required.



maximise

COMPLIANCE AND RISK MANAGEMENT

Brady provides the knowledge and tools, including what “if scenarios” necessary to track, measure, evaluate and manage all forms of risk including:

- Credit Risk
- Market Risk
- Price Risk
- Operational Risk
- Compliance with multiple GAAPs including FAS & IAS

There are also sophisticated tools to enable you to understand liquidity risk and financing requirements.

Once your physical and financial positions have been captured into Brady, you can get a valuation of your position using the latest market data at any time. This can be at any level from your overall position down to individual trade level and can be applied to both inventory and derivative positions.

There are sophisticated tools to enable you to model the impact of price movements on your metals position – again from your overall position

right down to individual trade level. It is also possible to configure multi-dimensional scenarios so that you can model the sensitivity of your position to market movements. If you use options contracts, the full range of risk management calculations (“the Greeks”) used by the most sophisticated trading houses are available.

Value at Risk

Brady includes an optional VaR engine, using the same underlying risk engine as is used for all other risk calculations within the system. Our VaR engine is optimised for the specific requirements of the metals industry. Monte Carlo, Parametric and Historical methods are available. Our VaR engine can be used to support desk level VaR calculations on demand.

Reporting

There are comprehensive reporting tools to allow the creation of tailored reports on all key management areas, such as contracts, deliveries, pricing, stock levels, invoicing, valuation and profit and loss.

WHY CHOOSE BRADY FOR PRECIOUS METALS TRADING

Brady gives you the unprecedented opportunity to manage all contractual, market and trading activities in precious metals products so that you have a complete picture of your risk exposure and financial position in one place.

This means that you can:

- Control workflows with straight through processing, integrated with other systems within your business and with market infrastructure; such as: Swift, Aurum and clearing houses
- Manage data – with one centralised and up-to-date source of commercial data
- Streamline administration – with a comprehensive view of your entire trading operation
- Eliminate spreadsheet and work-around solutions – replacing them with a properly engineered solution, giving you a full audit trail of all financial movements
- Maximise profitability – by improving operational synergy, reducing management costs and strengthening negotiating positions.

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 producers, fabricators, banks and trading companies involved in the international trade of metals and mining commodities, including over 50% of the Category 1 London Metal Exchange (LME) members.

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