



Commodity ERP Software CTRM

---

# Risk management Customer Event

4-Apr-2022



# Agenda



- Part I – FX Contracts
  - FX overview with high level explanation of the features
  - Demo
  - Questions

*break*

- Part II – CX Contracts
  - CX overview with high level explanation of the features
  - Demo
  - Questions

# Risk management

Part I Foreign exchange contracts



# The challenges of tracking FX hedges (1)

## Challenges

- Internationally operating companies do not want to depend on fluctuating exchange rates.
- The price of a contract in foreign currency rises or falls per day. This has a direct impact on your margin.



## Ideal Solution

- To cover the financial risk on the exchange rate from order date to payment date, the FX contracts within the Risk management module are ideal to manage this financial risk.
- Execute FX contracts to fix the rate on your contract.



## Desired Outcomes

- The DycoTrade Advance Foreign Exchange Module will register and post these FX contracts.
- FX contracts can be allocated to a purchase order or sales order, and thus mitigate any foreign currency exchange rate risk on this order.



# The challenges of tracking FX hedges (2)

## Tracing contracts in spreadsheets

	A	B	C	D	E	F	G	H
1	Date	Broker	Buy amount	Buy curr	Sell amount	Sell curr	Exchange rate	Execution
2	6-9-2022	ING	5,000.00	GBP	6,000.00	EUR	1.20	6-30-2022
3	6-9-2022	ING	100,000.00	EUR	125,000.00	USD	1.25	6-30-2022
4	6-7-2022	ING	15,000,000.00	USD	13,500,000.00	EUR	0.90	6-7-2022
5	5-27-2022	ING	100,000.00	EUR	120,000.00	USD	1.20	5-31-2022
6	5-20-2022	ING	12,000.00	EUR	15,000.00	USD	1.25	6-30-2022
7	5-19-2022	ING	10,000.00	EUR	12,500.00	USD	1.25	6-30-2022
8	5-18-2022	ING	50,000.00	USD	45,000.00	EUR	0.90	6-30-2022
9	5-18-2022	ING	100,000.00	EUR	112,500.00	USD	1.13	5-18-2022
10	5-18-2022	ING	10,000,000.00	EUR	11,100,000.00	USD	1.11	5-18-2022
11	5-13-2022	ING	8,550.00	EUR	3,420.34	USD	0.40	5-13-2022
12	5-13-2022	Broker X	8,550.00	EUR	3,419.95	USD	0.40	5-13-2022
13	5-12-2022	ING	100,000.00	USD	91,000.00	EUR	0.91	5-19-2022
14	5-12-2022	ING	100,000.00	USD	90,000.00	EUR	0.90	5-12-2022
15	5-12-2022	ING	400,000.00	EUR	452,000.00	USD	1.12	6-1-2022
16	5-12-2022	ING	400,000.00	EUR	452,000.00	USD	1.13	6-1-2022
17	5-10-2022	ING	1,000.00	EUR	1,100.00	USD	1.10	8-9-2022
18	5-5-2022	ING	1,000.00	EUR	1,140.00	USD	1.14	5-31-2022
19	5-3-2022	ING	10,000.00	EUR	12,500.00	USD	1.25	5-31-2022
20	3-1-2022	Broker X	3,000,000.00	EUR	3,270,000.00	USD	1.09	6-30-2022
21	3-1-2022	Broker X	3,000,000.00	EUR	3,285,000.00	USD	1.10	5-30-2022
22	3-1-2022	Broker X	3,000,000.00	EUR	3,300,000.00	USD	1.10	5-30-2022
23	4-1-2022	ING	400,000.00	EUR	500,000.00	USD	1.25	4-1-2022
24	3-30-2022	ING	350,000.00	EUR	400,000.00	USD	1.14	4-29-2022
25	1-1-2022	ING	1,000.00	EUR	1,500.01	USD	1.50	2-1-2022
26	2-11-2022	ING	968.00	EUR	1,050.00	USD	1.08	2-28-2022
27	2-11-2022	ING	968.00	EUR	1,000.00	USD	1.03	2-28-2022
28	2-7-2022	Broker X	650,000.00	USD	812,500.00	EUR	1.25	2-7-2022
29	2-7-2022	Broker X	812,500.00	USD	698,750.00	EUR	0.86	2-7-2022
30	1-18-2022	Broker X	45,000.00	USD	38,700.00	EUR	0.86	1-18-2022
31	1-11-2022	ING	1,000.00	USD	1,200.00	EUR	1.20	1-11-2022
32	1-11-2022	ING	1,000.00	USD	1,200.00	EUR	1.20	1-11-2022
33	1-11-2022	ING	1,000.00	EUR	1,200.00	USD	1.20	1-20-2022
34	1-11-2022	ING	1,000.00	EUR	1,200.00	USD	1.20	1-20-2022
35	1-11-2022	ING	1,000.00	EUR	1,200.00	USD	1.20	1-11-2022
36	1-4-2022	ING	10.00	EUR	10.00	USD	1.00	1-10-2022
37	1-4-2022	ING	10.00	EUR	10.00	USD	1.00	1-10-2022

## Reconciling treasury accounts manually

### Transactions for 190000

Show unsettled transactions only

Overview General

Journal number	Voucher	Date	Ye...	Type	Ledger account	Account name	Descr...	Currency	Amount in tra...	Amount	Amount in rep...
020983	USMF-00040	1/2/2022		Operating	190000---TB-	FX to be received		EUR	-50,000.00	53,763.44	-53,763.44
020984	USMF-00041	1/2/2022		Operating	190000---TB-	FX to be received		EUR	-45,000.00	48,387.10	-48,387.10
020985	USMF-00042	1/2/2022		Operating	190000---TB-	FX to be received		EUR	-30,000.00	32,258.06	-32,258.06

## Manual correction entries for AP/Expense

Finance and Operations

00680 : GENJRN | Standard view

### Journal voucher

Display journal lines: All

List General Invoice Payment Payment fee Fixed assets Remittance History

	Date	Voucher	Company	Account type	Account	Description	Debit	Credit	Offset company	Offset account type	Offset account	Offset...	Currency
<input checked="" type="checkbox"/>	1/16/2022	GNJL000813	usmf	Ledger	619000-082-023----	Inv6599 currency corre...		645.44	usmf	Ledger	222190-082-023--		USD
	1/16/2022	GNJL000811	usmf	Ledger	619000-069-023----	Inv1056 currency correction	5,012.45		usmf	Ledger	222190-069-023--		USD
	1/16/2022	GNJL000812	usmf	Ledger	619000-081-023----	Inv6598 currency correction		1,546.45	usmf	Ledger	222190-081-023--		USD

# How to deal with the challenges?

Using DycoTrade's Risk management

## Risk overview

The DycoTrade Risk management Module will register FX contracts and allow you to track positions.

## FX contract accounting

Post FX contracts and reconcile accounting balances. Account for differences automatically.

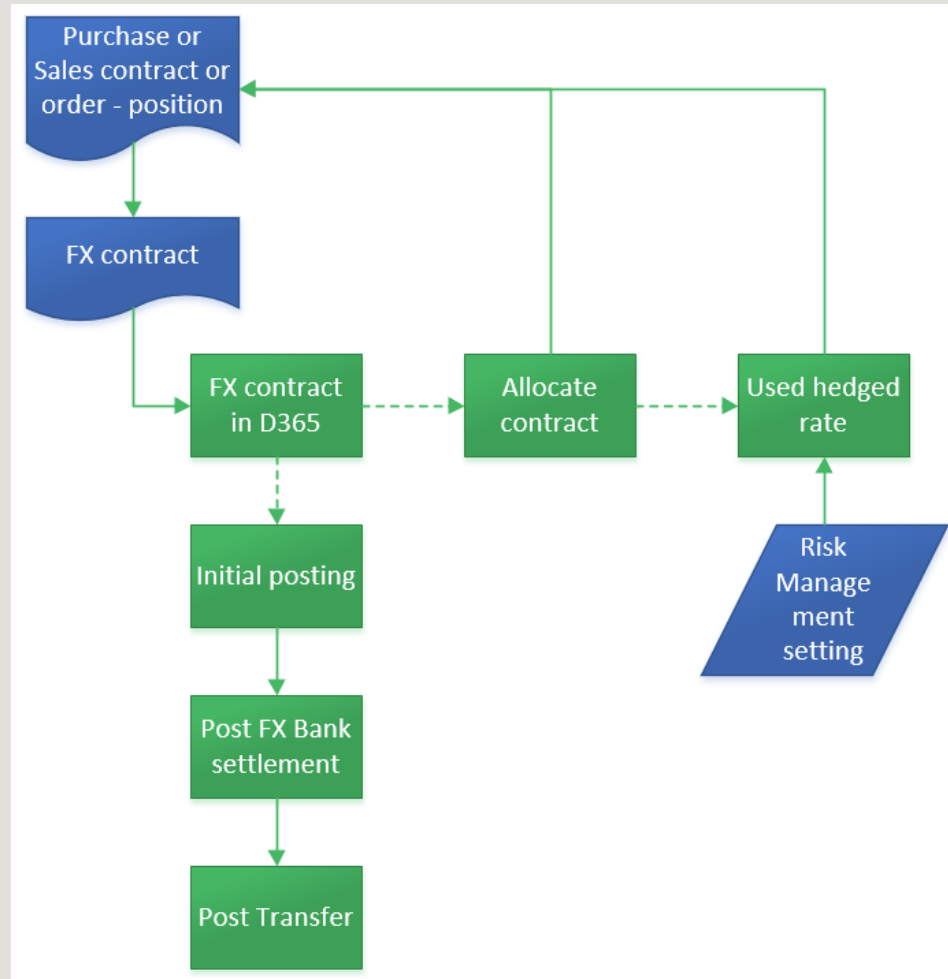
## Accounting of physical

The DycoTrade Risk management Module will allow you to:

- Allocate foreign exchange rates to your purchase order and sales order.
- Use foreign exchange rates for posting.

*DycoTrade delivers an ideal solution to manage the financial risk on the fluctuating exchange rate.*

# FX overview DycoTrade



# Foreign Risk Exposure

## Exposure

In our demo environment with Contoso, USD is the functional currency. Any transaction in any other currency creates a foreign risk exposure position.

## Foreign Exchange

The positions can be reported on in (embedded) BI overviews. We'll zoom in on a specific trade. 2 Purchase order lines of each EUR 81,727.

Cashflow DycoTrade

Year: 2022

CurrencyCode:  EUR  GBP

	2022 January	2022 February	2022 March	2022 April	2022 May	2022 June	2022 July	2022 August	2022 September	2022 October	2022 November	2022 December
Opening Balance	1,219,360.00	1,444,360.00	44,360.00	-55,640.00	-155,640.00	-142,140.00	190,495.27	-109,504.73	217,403.27	53,949.27	-646,050.73	120,857.15
Physical												
General	0				13,500	328,635		0				
Purchases						-11,500			-163,454			-653,816
Sales										766,908		575,181
Total	0				13,500	317,135		0	-163,454	766,908		-78,635
Hedging												
Forex	225,000	-1,400,000	-100,000	-100,000		15,500	-300,000	326,908		-700,000		
Total	225,000	-1,400,000	-100,000	-100,000		15,500	-300,000	326,908		-700,000		
<b>Total</b>	<b>225,000</b>	<b>-1,400,000</b>	<b>-100,000</b>	<b>-100,000</b>	<b>13,500</b>	<b>332,635</b>	<b>-300,000</b>	<b>326,908</b>	<b>-163,454</b>	<b>-700,000</b>	<b>766,908</b>	<b>-78,635</b>

Closing Balance

	2022 January	2022 February	2022 March	2022 April	2022 May	2022 June	2022 July	2022 August	2022 September	2022 October	2022 November	2022 December
Closing Balance	1,444,360.00	44,360.00	-55,640.00	-155,640.00	-142,140.00	190,495.27	-109,504.73	217,403.27	53,949.27	-646,050.73	120,857.15	42,222.06

All purchase orders | My view

00000375 : 104 - Best Supplier - Europe

Purchase order header

Purchase order lines

Line number	Item number	Product name	Site	Warehouse	Quantity	Unit	Unit price	Currency	Net amo...	Receive
1	1000	Surface Pro 128 GB	1	11	100.00	ea	817.27	EUR	81,727.00	
2	1000	Surface Pro 128 GB	1	11	100.00	ea	817.27	EUR	81,727.00	



# Registration FX Contract

## Hedge

To mitigate the Foreign exchange exposure, an FX contract can be obtained at a Broker. In this case, we "hedge" EUR 163,454,00 @ 107.26.

## Register a hedge/FX contract

Enter an FX contract easily, manually or use a custom interface with the broker.

## Overview

This way, the FX contracts are tracked and visible centrally.

The screenshot displays the 'Finance and Operations' interface. At the top, there is a search bar and navigation icons. Below this is a menu with options like 'Edit', 'New', 'Delete', 'Contract', and 'Options'. The 'Contract' menu is expanded, showing sub-options such as 'Create', 'Create roll', 'Allocating', 'Posting', and 'View'. The main content area shows a list of 'Foreign exchange contracts' under the heading 'My view'. A filter box is present, and a toggle switch is set to 'No' for 'Show contracts with related contrac...'. The table below lists several contracts with columns for Contract number, Trading bo..., Exchange, Product, Buy/Sell base, Base amount, Base position, Currency, Buy/Sell qu..., Quote amount, Quote position, Currency, Exchange rate, Contract date, Prompt date, and Broker.

Contract number	Trading bo...	Exchange	Product	Buy/Sell base	Base amount	Base position	Currency	Buy/Sell qu...	Quote amount	Quote position	Currency	Exchange rate	Contract date	Prompt date	Broker
<a href="#">FXC-00000095</a>	TB	24hr ECB	EUR-USD	Buy	163,454.00	163,454.00	EUR	Sell	175,320.76	175,320.76	USD	107.26000	6/8/2022	8/8/2022	<a href="#">BRO-00000012</a>
<a href="#">FXC-00000094</a>	TB	24hr ECB	EUR-USD	Buy	163,454.00	163,454.00	EUR	Sell	175,320.76	175,320.76	USD	107.26000	6/8/2022	8/8/2022	BRO-00000012
<a href="#">FXC-00000093</a>	TB	24hr ECB	EUR-USD	Buy	1,000.00		EUR	Sell	1,200.00	1,200.00	USD	120.00000	5/23/2022	6/30/2022	BRO-00000007
<a href="#">FXC-00000092</a>	TB	24hr ECB	EUR-USD	Buy	1,000.00		EUR	Sell	1,200.00	1,200.00	USD	120.00000	5/23/2022	6/30/2022	BRO-00000007

# Keep track financially of the FX contract

## Bank Settlement

Account for each of the two legs in Bank journals. Select EUR 163,454.00 in the Euro bank journal and USD 175,320,76 in the Dollar bank journal.

Settle foreign exchange contracts

Currency: EUR Date: 8/8/2022 Name: B-EUR Journal batch number: 00678

Foreign exchange contracts Financial dimensions

Select

Filter: All

Contract number	Exchange	Product	Buy/Sell base	Base amount	Curre...	Buy/Sell quote	Quote amount	Curre...	Exchange rate	Contract date	Prompt date
<input checked="" type="radio"/> FXC-00000095	24hr ECB	EUR-USD	Buy	163,454.00	EUR	Sell	175,320.76	USD	107.26000	6/8/2022	8/8/2022
<input type="radio"/> FXC-00000086	24hr ECB	EUR-USD	Buy	7,500.00	EUR	Sell	8,250.00	USD	110.00000	5/23/2022	6/30/2022
<input type="radio"/> FXC-00000087	24hr ECB	EUR-USD	Buy	1,000.00	EUR	Sell	1,075.27	USD	107.52688	5/23/2022	6/30/2022
<input type="radio"/> FXC-00000088	24hr ECB	EUR-USD	Buy	1,000.00	EUR	Sell	1,200.00	USD	120.00000	5/23/2022	6/30/2022
<input type="radio"/> FXC-00000089	24hr ECB	EUR-USD	Buy	1,000.00	EUR	Sell	1,200.00	USD	120.00000	5/23/2022	6/30/2022
<input type="radio"/> FXC-00000090	24hr ECB	EUR-USD	Buy	1,000.00	EUR	Sell	1,200.00	USD	120.00000	5/23/2022	6/30/2022

Foreign exchange contracts Financial dimensions

Remove Remove all

Contract number	Exchange	Product	Buy/Sell	Amount	Currency
-----------------	----------	---------	----------	--------	----------

## Account for differences

A Transfer batch function will account for the incurred Foreign exchange differences, which are an integral part of the process.

## Overview

Each FX contract has an overview with the related transactions with the possibility to jump to the journal entries. The differences accounted for are clearly visible.

FXC-00000095 : EUR-USD | Standard view ^ v

### Foreign exchange contract transactions

Overview General Accounts Financial dimensions

Contract number	Transaction type	Voucher	Date	Sour...	Base amount	Exchange rate	Accounting a...	Target...	Quote amount	Exchange rate	Accounting a...	Difference
<input checked="" type="radio"/> FXC-00000095	Initial posting	FXV-000000...	6/8/2022	EUR	163,454.00	110.00000	179,799.40	USD	-175,320.76	1.00000	-175,320.76	-4,478.64
<input type="radio"/> FXC-00000095	Bank settlement base	USMF-00059	8/8/2022	EUR	-163,454.00	111.11111	-181,615.56					
<input type="radio"/> FXC-00000095	Bank settlement quote	USMF-000040	8/8/2022					USD	175,320.76	1.00000	175,320.76	
<input type="radio"/> FXC-00000095	Transfer posting	FXV-000000...	8/8/2022				1,816.16					4,478.64

# Allocate FX hedges to orders and Hedge accounting



## Allocate

Allocate the hedge, that is the FX contract, to one or more orders. In fact, many to many is possible. Overhedging and underhedging can also be tracked.

## View

View the allocation on the FX contract and view the allocation on the order.

## Posting Rates

Use the Hedged rate of the FX contract for posting the documents on the orders. Product receipt, Packing slip and Invoice.

Specify the physical contracts and amounts in order to allocate hedges

SOURCE CURRENCY: EUR TARGET CURRENCY: USD

Type: Buy Sell

Base amount: 163,454.00 Quote amount: 175,320.76

Allocated amount: 163,454.00 Allocated amount: 175,320.76

Open amount: Open amount: 175,320.76

Physical purchase Tax purchase Tax sales

Number	Line	Trad...	Counter party	Counter party name	Status	Delivery da...	Product	Curre...	Net amount	Allocated amo...	Open amount	Update now
00000309	1	TB	104	Best Supplier - Europe	Invoiced	5/23/2022	F00007	EUR	1,000.00	1,000.00	0.00	
00000310	1	TB	104	Best Supplier - Europe	Invoiced	5/23/2022	F00007	EUR	1,000.00	1,000.00	0.00	
00000311	1	TB	104	Best Supplier - Europe	Invoiced	5/23/2022	F00007	EUR	1,000.00	1,000.00	0.00	
00000325	1	TB	104	Best Supplier - Europe	Open order	6/8/2022	1000	EUR	81,727.00	0.00	0.00	81,727.00
00000325	2	TB	104	Best Supplier - Europe	Open order	6/8/2022	1000	EUR	81,727.00	0.00	0.00	81,727.00
000038	1		104	Best Supplier - Europe	Open order	1/24/2017	M0002	EUR	50,221.86	0.00	50,221.86	
000038	2		104	Best Supplier - Europe	Open order	1/24/2017	M0003	EUR	671.20	0.00	671.20	

OK Cancel

Finance and Operations

Options

00000325 : 1000 | Standard view

### Specification of exchange rate for posting

Purchase order	Currency	Accounting currency	Percentage hedged
00000325	EUR	USD	100

Line	Net amount	Amount MST
1	81,727.00	87,660.38

### Specification

Line	Exchange rate type	Foreign exchange contract	Curre...	Net amount	Accounting cu...	Amount MST	Exchange rate	Applied for posting
1	Hedged rate	FXC-000000095	EUR	81,727.00	USD	87,660.38	107.260000000000	Yes
2	Total used for posting		EUR	81,727.00	USD	87,660.38	<b>107.259999755283</b>	

# The Resulting Entries

Sum of Amount	Description							
Account name	1. Initial posting FX	2. Settle EUR FX	3. Settle USD FX	4. Transfer FX	5. Vendor product receipt	6. Vendor invoice	Grand Total	
Accounts Payable - Domestic						-\$175,320.76	-\$175,320.76	1.0726 hedged rate
Accrued Purchases - Received Not Invoiced					-\$175,320.76	\$175,320.76	\$0.00	
Bank Account - EUR		\$181,615.56					\$181,615.56	1.1111 system rate
Bank Account - USD			-\$175,320.76				-\$175,320.76	1.0000 in dollars
FX Difference BS	-\$4,478.64			\$4,478.64			\$0.00	
FX Difference P&L				-\$4,478.64			-\$4,478.64	1.0000 in dollars
FX Difference to receive P&L				-\$1,816.16			-\$1,816.16	1.0000 in dollars
FX to be Paid	-\$175,320.76		\$175,320.76				\$0.00	
FX to be received	\$179,799.40	-\$181,615.56		\$1,816.16			\$0.00	
Office Supplies Expense					\$175,320.76	\$0.00	\$175,320.76	1.0726 hedged rate
<b>Grand Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

Cash

FX bridging accounts

Accounts payable and Expense/Inventory/Fixed assets

Exchange differences

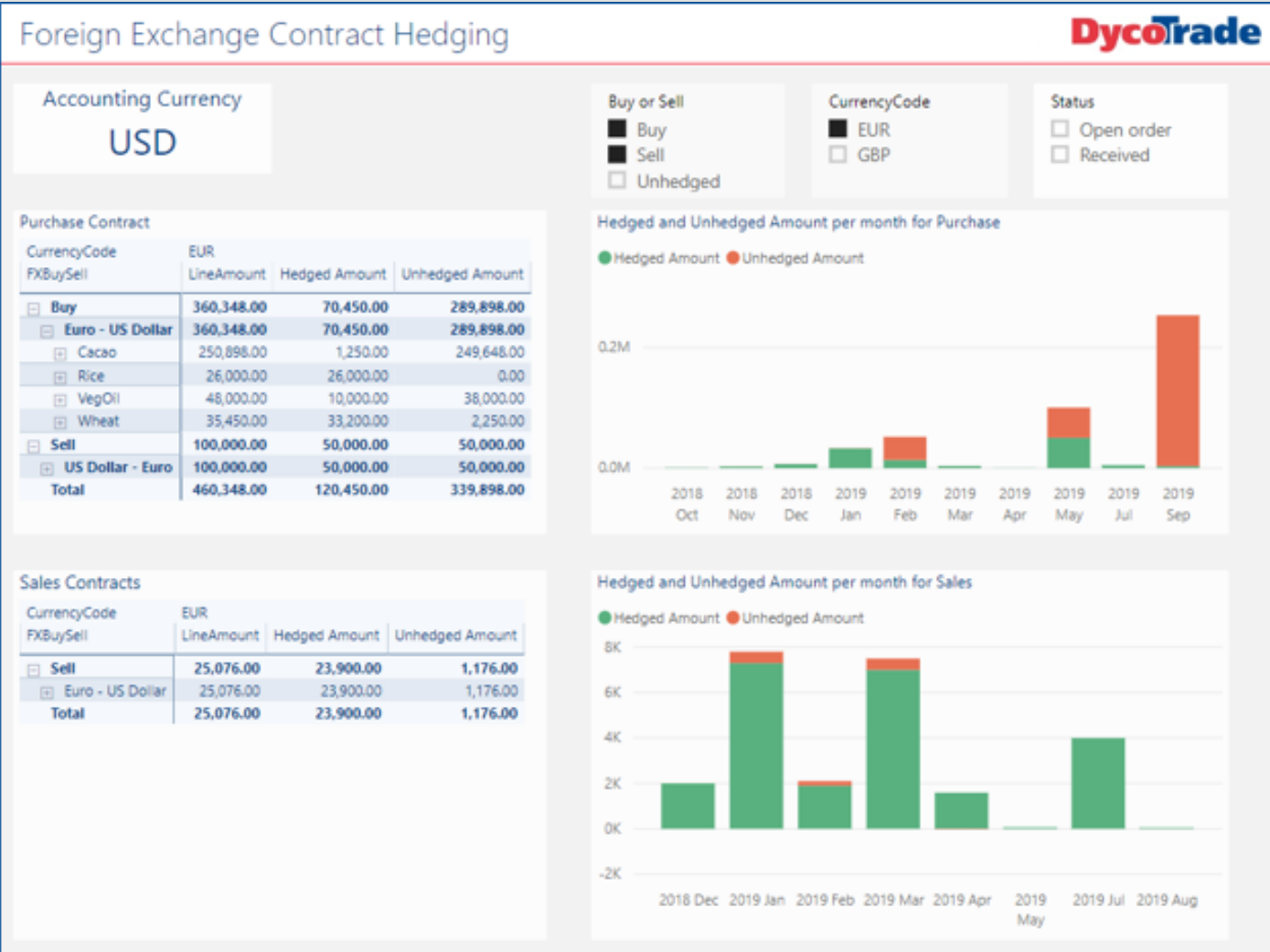
Against system rate ✓

Cleared ✓

Against hedged rate ✓

Cleared ✓

# Full Power BI reporting kit



- Near real time insights into foreign currency exposure
- List exposure per currency and product(group), counterparty, geographical region, etc
- Check allocation percentages for exposure and forex contracts

## Demo - FX

- Demo of the functionality

# Risk management

Part II Commodity exchange contracts



# The challenges of tracking hedges (CX)

## Challenges

- Internationally operating companies do not want to depend on fluctuating prices.
- The price of a contract rises or falls per day. This has a direct impact on your margin.



## Ideal Solution

- To cover the price risk on the from order date to payment date, the CX contracts within the Risk management module are ideal to manage this financial risk.
- Execute CX contracts to fix the price on your contract.



## Desired Outcomes

- The DycoTrade Risk management module will register CX contracts and prices.
- It allows registering settlements and posting these, as well as tracking the related positions.





# How to deal with the challenges?

Using DycoTrade's Risk management

## Risk overview

The DycoTrade Risk management Module will register CX contracts and market prices. This will allow you to track positions.

## CX contract settlements

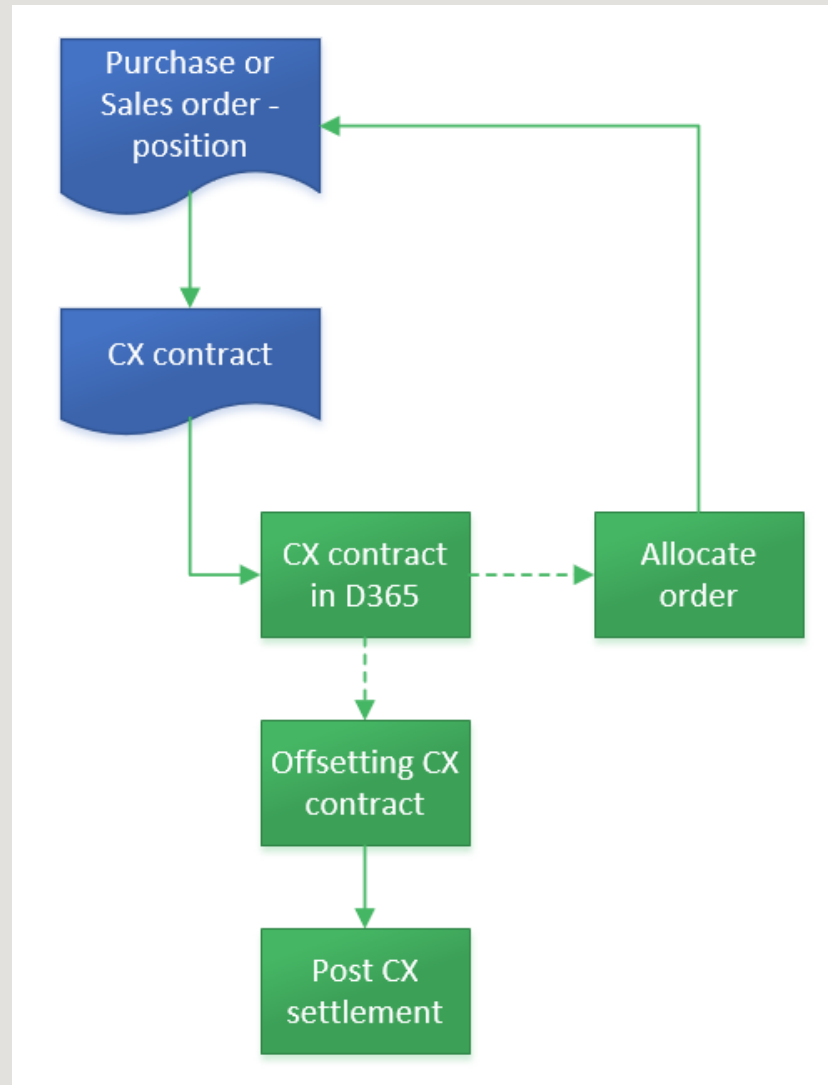
Register settlements of the CX contracts. Track the settlement positions and do the accounting.

## Accounting of physical

The DycoTrade Risk management Module will allow you to allocate commodity exchange rates to your purchase order and sales order.

*DycoTrade delivers an ideal solution to manage the financial risk on the fluctuating price.*

# CX overview DycoTrade



# Price Exposure

## Exposure

In our demo environment with Contoso, we have various products that can have a price risk.



# Registration CX Contract

## Hedge

To mitigate the price exposure, a CX contract can be obtained at a Broker.

## Register a hedge/CX contract

Enter an CX contract easily, manually or use a custom interface with the broker.

## Overview

This way, the CX contracts are tracked and visible centrally.

Finance and Operations Search for a page

[Edit](#) [+ New](#) [Delete](#) **Contract** [Options](#) [Search](#)

Create Create roll Allocating Average Settlement View  
 Copy New Allocate Generate price fixing transactions Finalize price fixing transactions Settlement journal Reference view  
 Counter For existing contract Price fixing transactions Unfix price

---

Commodity exchange contracts

Standard view \* Show contracts with related contrac...  No

Contract number	Trading book	Buy/Sell	Lots	Quantity	Open quantity	Lot unit	Exchange	Product	Price	Curre...	Settlement qu...	Va...	Contract date	Prompt date	Period	Price date	Broker
<a href="#">CXC-000000055</a>	TB	Buy	2	20.00	20.00	MT	24hr ECB	Coffee	10.00	USD	20.00	O...	9/27/2022	10/31/2024	OCT24	9/27/2022	BRO-000000012
<a href="#">CXC-000000052</a>	TB	Sell	5	100.00	100.00	MT	24hr LME	Zink	1,500.00	USD	0.00	O...	12/27/2021	1/18/2023			BRO-000000007
<a href="#">CXC-000000051</a>	TB	Buy	5	100.00	100.00	MT	24hr LME	Zink	1,600.00	USD	0.00	O...	12/27/2021	1/18/2023			BRO-000000007

# Allocate CX hedges to orders

## Allocate

Allocate the hedge, that is the CX contract, to one or more orders. In fact, many to many is possible. Overhedging and underhedging can also be tracked.

## View

View the allocation on the CX contract and view the allocation on the order.

Standard view   Standard view

Specify the physical contracts and quantities in order to allocate hedges

CONTRACT	POSITION
Quantity	Open quantity
<input type="text" value="3.0000"/>	<input type="text" value="0.6392"/>
Lot unit	Allocated quantity
<input type="text" value="mt"/>	<input type="text" value="2.3608"/>

Physical purchase  Physical sales

Purchase contract | Standard view  Standard view

TREXPC-000908 : 000032 - Mediterranean Products Ltd

[Lines](#) | [Header](#) | [Contract](#) | [Open order](#)

---

Line details

General | Setup | Address | Product | Product dimension remarks | Delivery | Price and discount | Foreign trade | Financial dimensions

QUANTITY	SECONDARY CONTRACT	QUANTITY	VALUATION	MARKET PRICE	PRICE	PER	ALLOCATIONS
Purchase quantity			Product for valuation	Market price	Price	Price	Allocated amount   Currency
99,790.3210			ZN	1,000.0000	1,000.0000	1,000.0000	0.00   EUR
Unit			Exchange	Premium	Currency	Price quantity	Allocated quantity   Unit
kg			LME		EUR	1.00	3,000.0000   lb
			Exchange currency		Fixed exchange rate	Price unit	

	book	Counter party	Counter part...	Status	Delivery date	Product	Net amount	Curre...	Unit	Ordered quant...	Allocated quan...	Open quantity	Update now	Update now in...
<input type="radio"/>		000032	Mediterran...	Open order	10/1/2022	0030	150,000.00	EUR	mt	150.0000	0.0000	150.0000		
<input type="radio"/>		000032	Mediterran...	Open order	10/1/2022	0031	99,790.32	EUR	lb	220,000.0000	0.0000	217,000.0000	3,000.0000	1.3608
<input checked="" type="radio"/>		000032	Mediterran...	Open order	10/1/2022	0032	100,000.00	EUR	mt	100.0000	0.0000	99.0000	1.0000	1.0000
<input type="radio"/>		000032	Mediterran...	Received	10/1/2022	0030	150,000.00	EUR	mt	150.0000	0.0000	150.0000		

# Commodity exchange contract settlement

## CX contract settlement

Register the settlement between 2 opposing CX contracts, including reducing a (partial) position early.

## Account for the settlement

An accounting entry is made for the settlement.

## Overview

Each CX contract has an overview with the related transactions with the possibility to jump to the journal entries. The differences accounted for are clearly visible.

Commodity exchange contract settlement

**IDENTIFICATION**

Transaction date: 9/27/2022

Include distribution booking:  No

		CREATE SETTLEMENT BUY		CREATE SETTLEMENT SELL	
		Quantity to settle	Amount to settle	Quantity to settle	Amount to settle
BRO-000000007	Zink	24hr LME	5.00	8/17/2022	50.00
BRO-000000007	Zink	24hr LME	52.50	12/21/2022	50.00
BRO-000000007	Zink	24hr LME		8/17/2023	
BRO-000000012	Coffee	24hr ECB	OCT24	10/31/2024	5.00

**Settle Buy Contracts with Sell contracts**

Create settlement Create Commodity exchange contract for balance

Buy - Select	Contract number	Lots	Quantity	Lot unit	Price	Amount	Valuation type	Contract date	Period	Prompt date	Quantity to set...	Settle now
<input type="checkbox"/>	CXC-000000055	2	20.00	MT	100.00	200.00	Outright period	9/27/2022	OCT24	10/31/2024	10.00	
<input checked="" type="checkbox"/>	CXC-000000057	2	20.00	MT	105.00	210.00	Outright period	10/27/2022	OCT24	10/31/2024	20.00	5.00

Sell - Select	Contract number	Lots	Quantity	Lot unit	Price	Amount	Valuation type	Contract date	Period	Prompt date	Quantity to set...	Settle now
<input checked="" type="checkbox"/>	CXC-000000056	2	20.00	MT	100.00	200.00	Outright period	10/27/2022	OCT24	10/31/2024	10.00	5.00

OK Cancel

CXS-000000022 : 9/27/2022 | Standard view

**Voucher transactions**

Overview General

Journal number	Voucher	Date	Year cl...	Ledger account	Account name	D...	Currency	Amount in tra...	Amount	Posting type
021109	CXSV-00000...	9/27/2022		801620-----TB-	Sell CX		USD	-50.00	50.00	Ledger journal
021109	CXSV-00000...	9/27/2022		801610-----TB-	Buy CX		USD	52.50	52.50	Ledger journal
021109	CXSV-00000...	9/27/2022		130700-----	Other Receivables		USD	-2.50	2.50	Ledger journal

# Trading books

## The power of the books

Use a Trading book as a tag on different levels: FX contract, CX contract, Physical orders. With this, both differentiation and integration can be achieved on otherwise difficult to combine levels.

## Financial dimension

The Trading book is used as a Financial dimension in the General ledger.

## Management

Create setup restrictions per Trading book as desired for:

- Workers
- Physical products
- Commodity exchange products

GENERAL

IDENTIFICATION

Contract number: CXC-00000059

Contract date: 9/28/2022

Trader: Theresa Jayne

BROKER

Broker: BRC-00000007

Broker name: Contoso Group

Trade reference:

Trading book: Metals

TRADE

DETAILS

Valuation type: Outright

Buy/Sell: Buy

Product: Zink

SETTLEMENT DATE

Identifier:

Prompt date: 12/28/2022

Trade registration: ETP

QUANTITY

Lots: 2

Quantity: 40.00

Lot unit: MT

Exchange:

Buttons: Finish, Cancel

General Options

Vendor

One-time supplier: No

Vendor account: 104

Name: Best Supplier - Europe

Contact:

ADDRESS

Delivery name: Contoso Entertainment System USA

Address: 123 Coffee Street, Suite 300, Redmond, WA 98052, USA

Delivery address: Contoso Entertainment Syste...

TRADING

Trader: Lars Giusti

Trading book: Metals

Buttons: OK, Cancel

# Full Power BI reporting kit CX

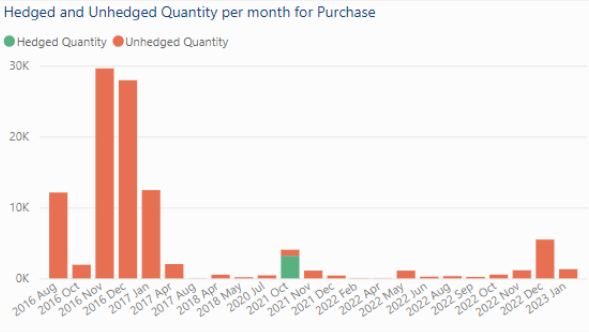
## Orders Hedging

Purchase Contracts (mt)

CEC Product	Quantity	Covered Quantity	Uncovered Quantity
TelevisionHDTVX 59052	703.00		703.00
TelevisionM12037	1,253.00		1,253.00
Top plate 5448	12.00		12.00
Tweeter Speaker Unit	8,651.00		8,651.00
Voice coil 18-DT	50.00		50.00
Wiring Harness	4,723.00		4,723.00
Yoke 230	25.00		25.00
Zink	3,040.00	3,200.00	-160.00
<b>Total</b>	<b>103,519.40</b>	<b>3,200.00</b>	<b>100,319.40</b>

Sales Contracts (mt)

CEC Product	Quantity	Covered Quantity	Uncovered Quantity
AcousticFoamPanel			
Cabinet			
Car Audio System			
HDMI 12' Cables			
<b>Total</b>			



- Positions reporting, insight in positions, like hedged/unhedged
- Mark to market reporting

Match	Configuration	Position Volume	Contract Value	Market Price Avg	Market Value	Mark to Market
00006-1.0	50kg bags	1,485.32	375,092.45	8.12	12,060.81	-363.03
00023-1.0	50kg bags	422.00	0.00	8.12	3,426.64	3,426.64
00023-1.0	BULK	24.73	211.79	8.12	200.82	-11.03
<b>Total</b>		<b>2,430.68</b>	<b>519,428.93</b>	<b>8.12</b>	<b>19,737.13</b>	<b>-499.69</b>

Position Type	Position Sub Type	Position Volume	Contract Value	Market Value	Mark to Market
Inventory		2,430.68	519,428.93	19,737.13	-499.691.80
Physical	Buy	4,002.46	1,808,929.02	120,197.03	-1,688,731.99
Physical	Sell	-97,473.00	396,675.46	791,275.06	-394,599.61
CEC	Buy	2,179.60	168,419.85	4,646.28	-163,773.57
CEC	Sell	-500.00	141,715.76	3,850.00	137,865.76
<b>Total</b>		<b>-89,360.26</b>	<b>3,035,169.01</b>	<b>939,705.51</b>	<b>-2,608,931.20</b>



## Demo - CX

- Demo of the functionality

# Risk management

Part III Summary



# Main features – FX contracts

## Registration

With the DycoTrade Risk management module you will have a central place to register FX contracts and maintain exchange rates. This means:

- Easy accessibility to data for users
- Data integrity
- The opportunity to allocate contracts to physical
- A natural integration with DycoTrade BI
- Allow tracking positions

## FX contract accounting

The accounting of the contract side involves:

- Posting FX contracts
- Reconciling accounting balances.
- Accounting for exchange differences automatically.

That means that these tasks that are required for proper accounting will be done automatically, rather than as a manual process.

## Accounting of physical

The DycoTrade Risk management module allows you to use the hedged rate on physical postings. This can be restricted by rules like: is the hedging sufficient?

# Main features – CX contracts

## Registration

With the DycoTrade Risk management module you will have a central place to register CX contracts and maintain market prices. This means:

- Easy accessibility to data for users
- Data integrity
- The opportunity to allocate contracts to physical
- A natural integration with DycoTrade BI
- Allow tracking positions

## CX contract accounting

Register settlements of the CX contracts. Track the settlement positions and do the accounting.

## Trading book

Use Trading books to glue together and differentiate on various levels. Apply restrictions per Trading book.

# Summary

DycoTrade Risk management offers any customer the opportunity to do their Risk management registrations centrally.

## Registration

The user will have a central deposit of contracts and allocation as a basis for reporting and accounting.



## Accounting

Automated accounting with opportunities to adapt to the customer-specific processes.



## Technology

Fully integrated in Dynamics 365 accounting. Providing data integrity and strong controls around protection and security.



## DycoTrade HGH

Molenvlietweg 26  
1432 GW AALSMEER  
The Netherlands  
+31 (0)20 761 0437



[www.dycotrade.com](http://www.dycotrade.com)

**DycoTrade**