

## CASE STUDY

### Enhancing Metals Trading with ENTRADE®

#### ABOUT OUR CLIENT

Our client is a state-owned multinational conglomerate with diversified businesses spanning finance, energy, resources, manufacturing, and more.

As a leader in metallurgical feedstock and end products, their metals trading arm specializes in commodities such as niobium, iron ore, non-ferrous metals, steel, and coal, operating across domestic, import, and international trade markets.

#### THE PURPOSE OF THE PROJECT

The client's metals trading operations involve commodities like iron ore, copper, aluminum, nickel, and metallurgical coal, with a complex business model covering imports, domestic trade, and international transit.

Their reliance on exchange and OTC financial derivatives for risk management exposed them to fluctuations in commodity and foreign exchange prices.

Their primary challenges included:

- Timely and accurate visibility into P&L and exposure.
- Effective monitoring of hedging performance.
- Closed-loop management across the front, middle, and back offices, from transaction entry to accounting and bookkeeping.

To address these, they required an ETRM system capable of managing their complex trading portfolio and providing comprehensive support for physical and financial trading activities.

## LEADING THE WAY WITH ENTRADE®

ENTRADE® emerged as the ideal solution, offering a fully integrated platform to support the client's front-to-back office operations.

With advanced risk management, logistics, and accounting capabilities, ENTRADE® provided the tools needed to streamline trading processes and manage exposure effectively.

### The client selected ENTRADE® for its robust features, including:

- **Front Office Support:** Management of spot and long-term contracts, inventory, transportation transactions, value swaps, futures, and FX trading.
- **Middle Office Capabilities:** Advanced logistics execution, inventory management, cost calculation, price curve modeling, risk exposure reporting, and VaR modules.
- **Back Office Integration:** Settlement of physical and futures trades, invoice generation, hedge accounting, and ERP integration for seamless bookkeeping.

## THE RESULTS

With ENTRADE®, the client achieved comprehensive management of their physical goods and derivatives trading across entities in Beijing, Shanghai, and Singapore.

Key commodities such as copper, aluminum, nickel, gold, and iron ore were brought live on the platform, enabling efficient operations and better risk control.

To ensure success, Enuit provided extensive consulting and training services. These included process optimization, physical goods valuation, price curve modeling, and advanced risk management techniques such as VaR principles and exposure limit setting.

Today, ENTRADE® enables the client to operate seamlessly across multiple geographies and commodities, delivering real-time insights into P&L and exposure while streamlining their trading and risk management processes.

With a unified platform, the client is better equipped to adapt to market fluctuations and drive long-term growth.