DycoTrade

CTRM solutions

About DycoTrade

DycoTrade HGH BV and its predecessors have been actively in providing services to (Commodity) trading business for over 20 years. As of 2013 with a full focus on Commodity (Trading) Companies, in Food, Feed and Metals. The DycoTrade company (The Netherlands, 70 FTE) designs, develops,
implements, maintains and supports the DycoTrade Software with services for companies worldwide.

Implementation and change management by experienced staff: Let your project run and flow smoothly through your organization by DycoTrade, using the Microsoft SureStep ™ methodology. Not only Trade, but also Production, Packaging, Quality, Finance and Reporting are amongst the services provided.
Together with international partners we strive for a full-cover network both national and international, with customer satisfaction as most important driver in all that we do.

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Content

DycoTrade 365

Finance and Supply Chain Management

Microsoft is committed to continuously deliver powerful, agile, easy-to-use solutions that add value across your organization and any stakeholders.
The release of Microsoft Dynamics 365 for Finance and Supply Chain Management is a delivery on this commitment and helps to provide more business value, faster than ever.

The platform enables agility and insight in your organization and helps to drive faster adoption throughout all business layers. Broader usage and easier maintenance through continuous updates and enhancements emphasize simplicity and prevents business interruption.

Dycotrade makes excellent use of this open ERP environment and provides strong functionality for (Commodity-) trading companies, integrated in Microsoft Dynamics 365 for Finance and Supply Chain Management.

Get the best of two worlds: Leading Microsoft ERP, enhanced with specific and numerous DycoTrade features will make your life easy.

Workspaces will help you monitor performance in real time and make data-driven decisions to thrive your business.

Always in control

→ **Workspaces**
Workspaces make the day to day workload visible and give customized information per role and company. Each user will get the required information specific to their function.

→ **Document Management**
Any type of files can be stored in Dynamics 365. Attach notes, certificates or documents to contracts, shipments, suppliers and more.

→ **Alerts**
Remember any deadline or due date with a pop-up or email alert. These can be personalized to roles, companies and specific events.

Alert:

> *Shipment ETA date was due 5 days ago and Transport has not been 'Started' yet.*
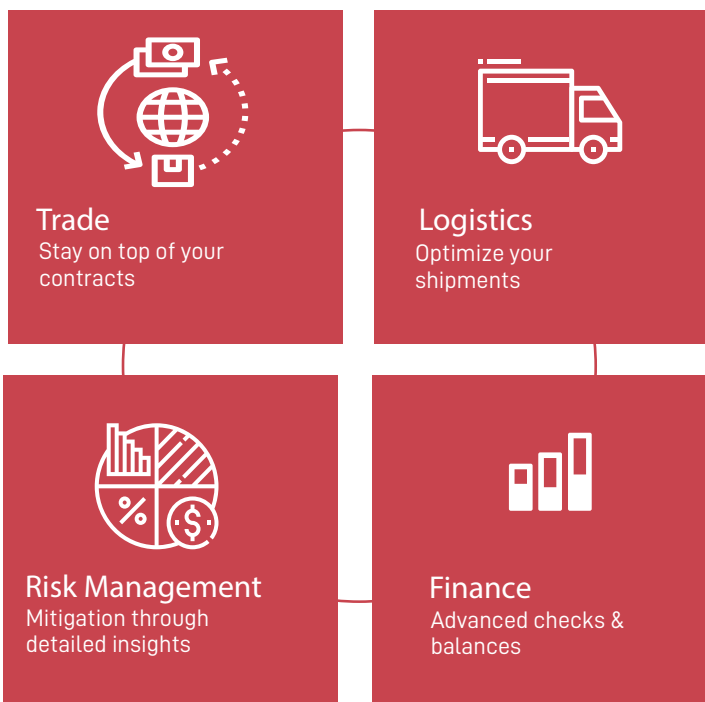
Remain on top and in control of your trade, logistics and risks management with DycoTrade's solid CTRM solutions.

Designed for trade

DycoTrade offers a solid base of CTRM solutions to keep control in trade, optimize logistics and mitigate risks, all fully integrated to accounting.

More and more business stakeholders demand compliance, reporting and control. DycoTrade supports these requirements with out-of-the-box reports and tools to investigate and analyze operations and risks based on your current positions.

DycoTrade CTRM was created with the goal to deliver the industry standard solution for commodity trading companies worldwide and enable them to increase revenue, reduce cost and manage risks.

Trade
Stay on top of your contracts

Logistics
Optimize your shipments

Risk Management
Mitigation through detailed insights

Finance
Advanced checks & balances

Trade: Manage relations and stay on top of contracts, commissions and margins.
Logistics: Track shipments, generate documents and manage shipping routes.
Risk Management: Mitigate risk through high level ànd detailed analysis of your positions and
                    managing forward contracts.
Finance: Check, balance and control invoices, accruals and postings.

Always in control

Designed to support your business, DycoTrade will help you to keep track of things. Rich general functionality is available to support your business process. Monitoring is of eminent importance: Reports and alerts are important tools as provided.

→ Power BI and the DyoTrade Quickstart Reports Set for management information will uplift your reporting needs.

→ Using the MS Alerts platform, even your DycoTrade data will be monitored and actioned if necessary.

→ View positions, exposure and outstanding invoices directly from the system.

Trade

All contract types: Purchase, Sale, Commission- or Back to Back , handled with DycoTrade, in one application. Pricing and cost-price calculation functionality will enhance your margins.

Physical contracts

Track physical commitments and positions, attach pricing details, expected costs, commission details and contract terms. The physical contracts are the source of logistical movements and risk insight and hedging. Purchase- and sales contracts contain all details related to the physical positions throughout the DycoTrade system. On top of the registration of all your trade information DycoTrade offers additional CTRM functionality. Below, a couple of functionalities are highlighted:

Commission

Commission contracts can be attached to physical contracts to keep track of all commission related activities.

The commission can be calculated in any currency, based on a fixed amount, percentage of the physical contract value or a per unit amount (ton, lb., bushel, etc.).

Contract terms

Common terms and contractual clauses never have to be typed again!

Attach them automatically (for example per vendor or customer) or manually to physical contracts and print them on documents such as confirmations and invoices.
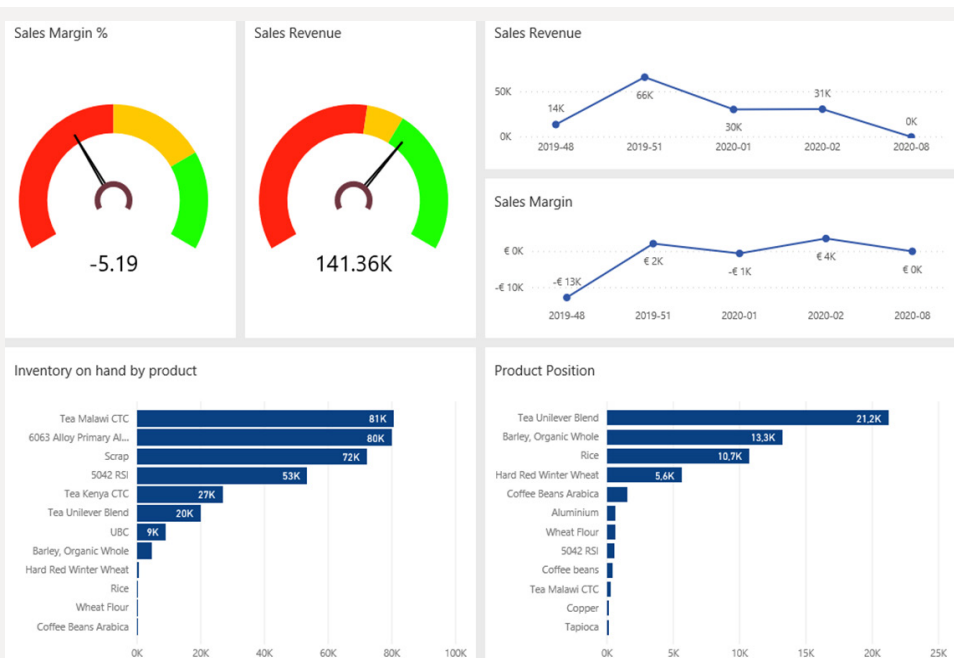
Quality

Sample received or stocked goods, block batches which are out of spec, generate Certificates of Analysis (CoA) and register customer specific quality requirements.

Blend batches and combine sampling results into the desired quality levels.

And much more

These are just a couple examples of how the DycoTrade Trading module can help speed up and simplify your day to day activities and how to stay in control of the physical transactions and position management for Commodity Traders. Power BI can be used to increase insight and control. The dashboard as shown below can be customized to show your most important performance indicators.

PowerBI connects to the DycoTrade Datawarehouse and provides vast reporting capabilities.

Quickstart reports allow faster integration of custom reports required by your organization.

Physical contracts are a great basis for Power BI reporting and analysis. A good example of this is the position report. That combines your physical purchase and sales contracts to show accurate detailed positions.

Contract pricing

DycoTrade offers different kinds of pricing types for Physical, Future and Foreign exchange contracts. Ranging from fixed pricing where the price is agreed upon contract negotiation, to average pricing based on exchange prices such as the ICE, CBOT, LME, Platts, etc..

Import exchange prices which are not only used for Mark to Market valuation and Cashflow predictions, but also for contract pricing and market indications on contract creation and expected margin calculations.

Soft commodity pricing

Pricing for soft commodities in DycoTrade can be on a flat/fixed basis, outright (market price plus or minus premium/discount) or unpriced, where the exchange, product and period are registered and the price is fixed at a later stage.

Pricing type	Price fixed	Priced later	Market price
Fixed	x		x
Flat	x		
Outright		x	x
Unpriced		x	x

Metals pricing

Like soft commodity pricing, flat, fixed and unpriced options are available. Next to that, average pricing allows the user to have the physical product and the foreign exchange rate to be fixed during a quotation period. Of course, full traceability is available to stay in control and on top of any price risk.

Price fixed	Priced later	Market price	Pricing type
	x	x	Average
x		x	Fixed
x			Flat
	x	x	Unfixed

Contract pricing with Power BI

Use Power BI to view priced and unpriced contracts and overview per exchange product, period and valuation type.

Drill down all the way into individual contract line level or use the Mark to market report to check exposure against possible markets.

Cost and Accural

The DycoTrade Calculations functionality provides huge insight in costs related to your trading activities.

Full control in your product related costs

On purchase and sales contracts all costs (freight, customs, insurance, banking costs and other miscellaneous charges) can be registered. This gives continuous access to information regarding your purchase costs and sales margins. Based on these costs the pre-calculated profit can be determined and later compared with the actuals.

Structure your internal invoice flow by matching incoming cost invoices to your expected accrued costs and get rid of paper flows within your business.

Register pre-calculations
Register expected costs like freight and insurance. Increase the costs price of your goods and have immediate insight in your expected sales margins.

Process costs invoices
Match cost invoices against the approved pre-calculated costs and process them right away. Limiting paper flows and the risk of mistakes.

Cost reporting
Compare your pre-calculated and actual costs. View your expected incoming costs invoices and other details in a few mouse-clicks.

Cost reporting with Power BI

With the Power BI Calculation Analyses Report you can extend the possibilities of the calculation module even further.

Use Power BI to:

✓ Analyse differences between pre-valuations and actuals

✓ Analyse trends in cost development

✓ Perform root-cause analysis to main influencers like transporters, destinations, products and more

✓ Improve accuracy of your pre-calculations making your margins more predictable

The Power BI Calculation Analyses Report holds all relevant data to be able to analyse your calculation in detail. By using advanced analytical visuals you're able to quickly find the root-cause of structural or incidental deviations in pre-calculations and actuals.

With this information you can optimise your pre-calculations, making your cash flow and margins more reliable and predictable.

Logistics

Smart and efficient logistics.
Plan, ship, document and track any
physical commodity movement.

On top of the movements, anywhere, anytime

Stay in control of all logistical movements, whether these are moving from origins to warehouses, between warehouses or to customers. The DycoTrade Logistical module allows full flexibility in the granularity of physical transport tracking.

Contract

Contracts and inventory are the input for logistical movements in DycoTrade. Two-way traceability allows for easy tracking and linking of the Trade and Logistical modules.

Logistic File

The Logistic file is the single point of entry for movements, logistical documents and freight-related accruals. They can be used as a financial dimension to attribute costs and revenue per deal.

Transport

All physical movements are performed by this functional powerhouse. Transports can be chained to perform multi-modal movements and loaded/delivered weights can be processed automatically.

Logistical architecture in DycoTrade
The DycoTrade Logistical module is built out of a three layer structure which can be visualized using a container on a vessel in a harbour:

The **Logistic file** provides a link to physical contracts or inventory positions and is the input for further logistical movement.
Transports, which a Logistic file can have any number of, allow you to register physical movements, apply costs and accruals and perform weight-based adjustments.
The lowest level, **Transport units,** is used for accurate and down-to-the-details entry of information related to containers, truck, railcars, pallets, etc.

Additional functionality includes:
• Follow-up transports to track multi-modal or multi-leg movements
• Transport unit (container, pallet, bag) tracking including seal numbers, pallet Id's, refrigeration level and bag labels
• Batch/lot allocation to specific containers, pallets or trucks
• Full history logging to track data changes and movements

Efficient logistics with Power BI

The logistics module in DycoTrade is a very powerful tool that brings all the logistical details together. Power BI can be used to visualize this data to increase insight and control on management level.

Use Power BI to:
• View logistical movements in a visual way, representing purchase and sales flow of goods on a map.

• View bar charts that provide a quick overview of movement per product group, vendor and customer.

Risk Management

Managing commodity, credit and currency risk is a daily task for trading companies. DycoTrade manages any risk with the Risk Management modules.

Minimize your risk

No matter the risk management strategy: fully hedged, lumpsum position management, hedge accounting, the top-of-the-class functionalities and visualisations support strategic control through operational execution of your business.
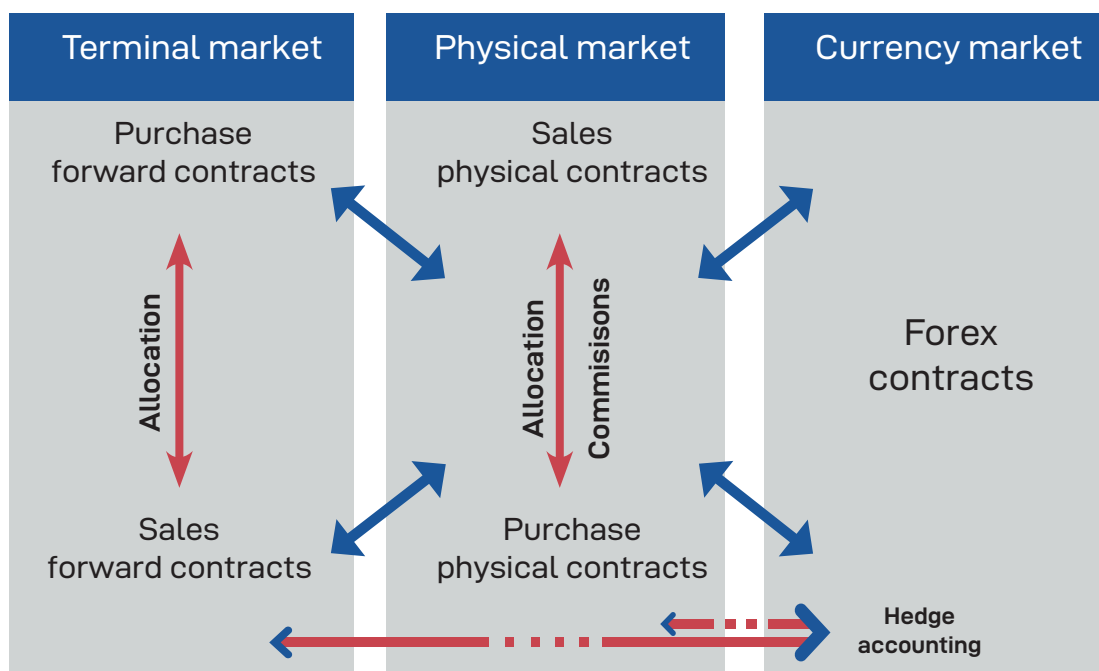
Future and Option Contracts

- Never have an open position without knowing and hedging it

- Allocate forward contracts to physical exposure

- Price can be fixed on an exchange or average value

- Easily copy, roll or settle contracts

Foreign exchange contracts

- Register foreign exchange deals with banks, brokers and more.

- Use FX rate for item value and invoice posting

- Register or import the latest exchange rates

- Allocate FX deals to physical deals or to taxes due

- Manage exposure in detail level or lumpsum

Forex trading in a central position

Allocation of Forex contracts is possible to both Physical Purchase or Sales contracts and to Commodity Exchange contracts (Futures, options, etc.). Next to that, the Physical and Commodity Exchange contracts can be allocated together to hedge quantity exposure.

Terminal market	Physical market	Currency market
Purchase forward contracts	Sales physical contracts	
Allocation	Allocation Commisisons	Forex contracts
Sales forward contracts	Purchase physical contracts	
		Hedge accounting

The DycoTrade Advanced Foreign Exchange module is also available as app in the Microsoft Appsource!

Finance

The Accounting module in DycoTrade allows you to efficiently manage all of your financial processes and enables you to make crucial business decisions based on accurate and real-time information.

Leverage worldwide compliance

DycoTrade leverages the standard Dynamics 365 for Finance and Supply Chain Management compliance with 75+ countries as maintained by Microsoft. By extending these out of the box regulatory localizations, the system is always up to date with local laws and regulations such as IFRS, Sarbanes Exley, GAAP, etc..

Module	Key points
Cash and bank management	• Optimal cash management facilitated by real-time cash flow overviews • Efficient allocation of foreign currency contracts to physical orders • Extensive management of account payables and account receivables
Financial postings	• Full track and traceability for all financial posting including responsible employee, data and time • Specification of costs on different dimensions
Multiple legal entities	• Integral support for different companies, divisions and departments • Intercompany transactions kept in sync for single entry of transactions between legal entities
VAT / Taxes	• Support for full departure and destination based VAT • VAT calculation on local representation, incoterm, goods duty status and local tax percentages

Power BI: Cash flow report

DycoTrade BI provides a quick start set of reporting tools to stay in control of all finance and accounting related subjects in the CTRM business. Below an example is shown of the Cashflow report, which can be run in any currency and includes all cash-impacting transaction s from throughout the system.

	Module	Sub Category	Previous Months	2019 Dec	2020 Jan
Physical	**General**	**Cash/bank**	0	156.394	0
		Payables		-2.447.373	-52.800
		Receivables	539		185.430
		Total	539	-2.290.979	132.630
	Purchases	**Costs**	-6.457	-278	-189.154
		Open orders	-480.630	-175.850	-349.022
		Total	-487.088	-176.128	-538.176
	Sales	**Costs**	-401.054	-8.164	-31.373
		Open orders	2.388.329	275.000	290.884
		Total	1.987.275	266.836	259.511
	Transport	**Costs**	-400		
		Total	-400		
	Total		1.500.326	-2.200.271	-146.035
Hedging	**Forex**	**Currency Purchase**	349.569	1.648.707	
		Currency Sales		-3.608.577	-114.990
		Total	349.569	-1.959.870	-114.990
	Future	**Purchase**	-139	-822.500	-137
		Sales	60		98
		Total	-79	-822.500	-39
	Total		349.490	-2.782.370	-115.029
Total			1.849.816	-4.982.642	-261.064

Summary

Highlights per DycoTrade 365 module are listed below.

Trade
- Trade agreement management
- Matching and hedging of physical and future/option trade agreements
- Real-time market prices
- Revaluation (based on QP)
- Position analysis
- Currency management
- Cash flow management
- Foreign Exchange Trade Agreements (Forex)

Logistics
- Full support of all logistic processes
- Trade agreements
- Sales contractmanagement
- Shipping logistics
- Smart invoicing
- Documenthandling and management
- Shipping instructions
- Whare housemanagement
- Blending

Risk management
- Mark to Market
- Real time position overview
- Clear information about actual cost
- Unpriced contracts
- Revaluation of orders and inventory against current market prices
- Standard reports

Finance
- Compliance with Sarbanes Oxley, GAAP
- Multiple currency
- Multiple company, multi side, multi country
- Legal conformity
- Optimized cash management
- Workflow management

Contact

With any questions you are more than welcome to contact us, at DycoTrade. We are here to help you and your organization, optimizing your agility and efficiency.

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