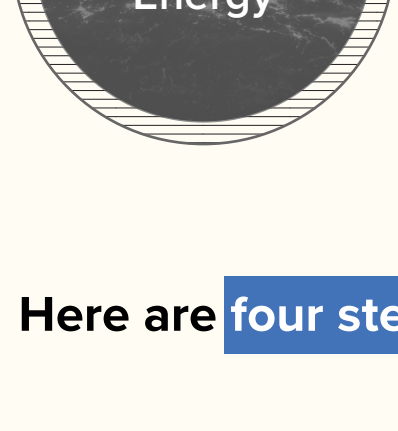


Commodity Trading: How to Maintain Compliance in 4 Steps

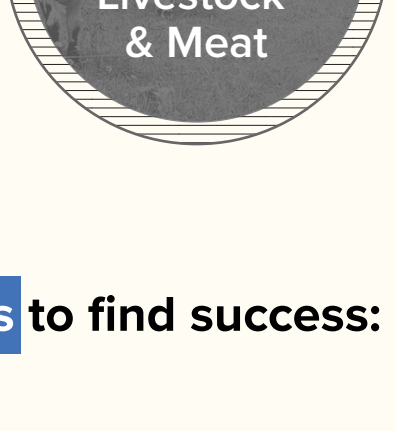
Running a successful commodity trading organization is challenging—no matter what you're trading. It requires knowledge of the past, present, and future — and keen observations of the risks.



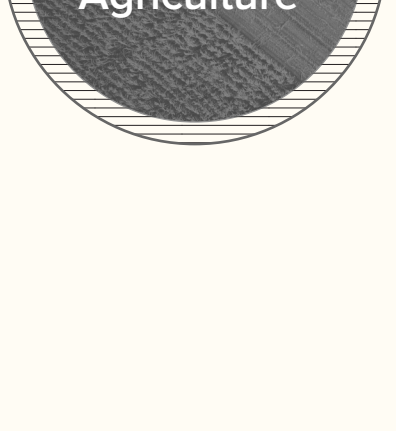
Metals & Minerals



Energy



Livestock & Meat



Agriculture

Here are **four steps** to find success:

1

Know the history to predict the future



1848

The first modern futures contracts were offered when The Chicago Board of Trade (CBOT) is founded as a cash market for grain.



1880s

Commodity markets selling livestock and grain begin to rise in popularity all over the world.



1968

The Commodity Exchange Act adds livestock to regulated commodities.



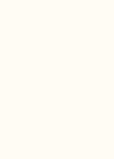
1975

The Commodity Futures Trading Commission (CFTC) is established.



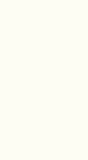
2000-2016

The value of agricultural trade increases threefold.



2022

Oil becomes the most traded commodity.



By 2050

Energy trading will continue to grow and diversify with renewable resources like wind and solar doubling.

2

See the big picture

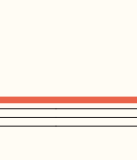


You **can't** control things like:



Climate Change

One storm can ruin a year's worth of trade.



Supply Chain

Disruptions can be felt on a local and global scale.



International Conflict

Political and cultural contention can cut off access to commodities overnight.

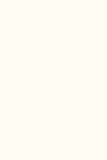


You **can** control things like:



Security

Maintain control of your data while meeting security standards.



Accessibility

Support global teams with data centers and multilanguage tools.



Misconduct

Proactively monitor for insider trading, bribery, and corruption.

3

Know the risks

Regulatory fines and reputational damage are only increasing.



2014 – 2021

The Operation Car Wash scandal in Brazil reveals sprawling corruption from oil companies to government officials, resulting in penalties totaling \$803 million.

2015

CFTC prosecutes Motazedi for first insider dealing/front running case.

2018

CFTC announces Insider Trading and Information Protection Task Force.

2019

CFTC's Division of Enforcement announces it will work alongside the DOJ to investigate foreign bribery and corruption relating to commodities markets.

2020

JPMorgan will pay \$920 million in the CFTC's first spoofing case.

2020

InterGen Power fined a record \$46 million for market manipulation in 2016.

2021

The FERC fines Shell Energy North America \$1 million for oversights in its compliance program and lax supervision of a junior trader.

2022

Glencore to pay a \$1 billion and plead guilty to seven counts of bribery in operations in Africa.

4

Control what you can with Relativity Trace

Build a proactive communication surveillance strategy with best-in-class technology.



Tailor the platform to your needs

Leverage both pre-made surveillance policies and build your own so you can fully customize your surveillance approach.



Cover all your bases

Seamlessly pull communications from 50+ data sources like email, chat, audio, mobile, and archive into one platform for universal review.



Never miss a deadline

Organize, publish, and export all trades and communications seamlessly with automated Trade Reconstruction.



Minimize trade disruption

Maximize your team's efficiency with a fully automated system so you can move faster and get back to trading.



Leverage the power of AI

Reduce false positives by 92% with proprietary AI features that continuously learn and improve to alert on true risk.



Take your investigations global

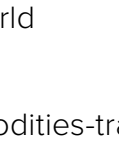
Enhance the scope of your investigations with a multi-language monitoring system that automatically transcribes communications in over 27 languages and counting.



Keep data secure

With Trace, your own dedicated instance means you retain total command over your data. Baked into Microsoft Azure, the platform delivers best-in-class security and meets compliance standards.

A successful compliance strategy starts with a proactive communication surveillance solution. Reach out to Relativity Trace today to make sure a bad system isn't holding you back.



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Sources:

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