

**GLOBAL HEDGE BOOK ANALYSIS  
Q2-2005**

**G F M S**

 **Investec**

 **BRADY**



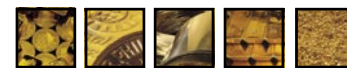
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## Key Points

- **Scheduled deliveries generated the bulk of the 2.74 Moz (85.1 t) of de-hedging measured in Q2 2005.**
- **Total outstanding producer positions at end-June stood at a provisional 54.53 Moz (1,696 t) equivalent to eight months of global mine production.**
- **Forward sales declined by 3% or by 1.41 Moz (43.7 t) quarter-on-quarter, while the cut in the delta hedge options position amounted to 11% or 1.33 Moz (41.4 t).**

## Summary and Overview

Scheduled deliveries into committed hedge positions accounted for a large part of the 2.74 Moz (85.1 t) of de-hedging measured in the June quarter. Although the figure represented a four-fold increase from de-hedging in Q1 the decrease was actually in line with the base level of (quarterly) de-hedging implied from the maturity profile of the global book as at end-March. Looking slightly further ahead, based on the outstanding book at end-June and assuming no new hedging, buy backs or book restructures, de-hedging for the full year should amount to roughly 9.0 Moz (280 t), or 35% lower than the 13.76 Moz (428 t) reduction measured in 2004.

The gold price averaged \$427.39/oz, a fraction higher quarter-on-quarter and 9% higher compared to the corresponding period in 2004. The Q2 high was posted

### Composition of the Delta-Adjusted Global Hedge Book

(Moz)	Q105	Q205	qoq
Forwards	45.11	43.71	-3%
Vanilla Options	11.50	10.25	-11%
Non-Vanilla Products	0.66	0.57	-13%
<b>Total</b>	<b>57.27</b>	<b>54.53</b>	<b>-5%</b>

Note: Totals may not add due to independent rounding. Numbers are provisional and may be revised. At the time of going to press some companies had not reported their hedge positions whilst in some cases data is only available on a six monthly or annual basis. In these cases GFMS have made estimates.

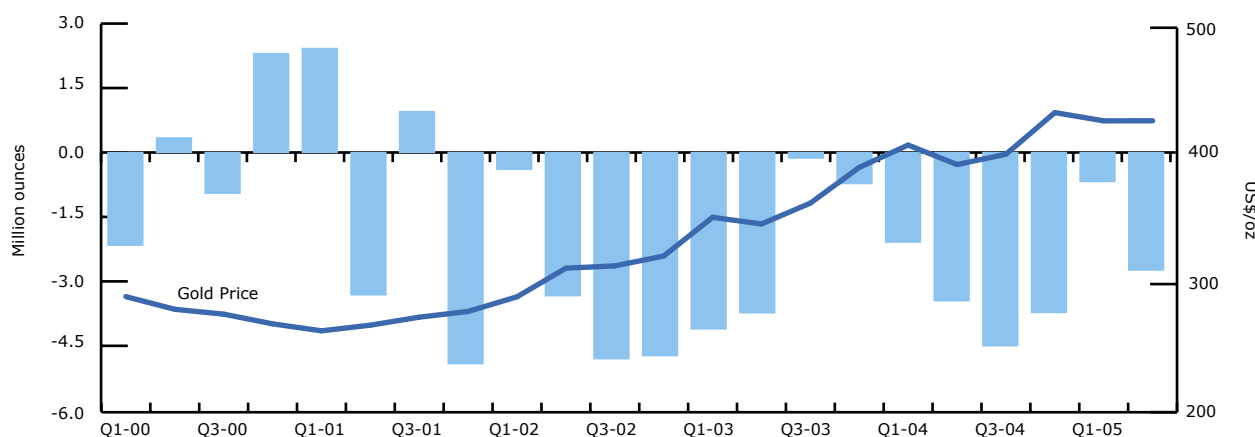
Source: GFMS

on 24th June at \$440.55/oz, while the low of \$414.45 was recorded on 31st May.

The total Q2 decline was fairly evenly split between maturing option positions and forward sales. The latter contracted by 1.41 Moz (43.7 t) quarter-on-quarter while the delta hedge options position declined by 1.33 Moz (41.4 t). The industry's "big four", Barrick, AngloGold Ashanti, Placer Dome and Newcrest (who account for two thirds of the global hedge book in nominal terms), all featured in the top de-hedgers table with Placer Dome heading the group with a 0.54 Moz (16.8 t) cut in its delta-adjusted hedge book.

The average sales price realised by producers in Q2 was measured at \$419/oz, a shortfall of roughly \$8/oz from the average period spot price and a 2% decline from the \$426/oz received in the March quarter. Producers secured prices ranging from a low of \$342/oz to a high of \$507/oz. The marked-to-market of the global hedge book (for the subset of companies that report this data) was measured at a negative \$4.7 billion a modest 0.4% or \$20.7 million increase from the end-March position.

### Net Impact of Producer Hedging





## Market Commentary

Gold averaged \$427.39/oz in Q2, an impressive 9% rise compared to the corresponding period in 2004. Against the March quarter, however, the price was little changed with the average up by a trivial four cents. Looking slightly further back, the Q2 figure actually represented a 1.5% decline from the average price recorded in Q4 2004. The high for Q2 at \$440.55, posted towards the end of June, was also lower than that seen in the previous two quarters, although the late rally meant that at \$437.10 the Q2 end-period valuation price was almost \$10/oz higher than the Q1 figure of \$427.50.

Price action across the three-month period was largely guided by investor interest, itself chiefly a product of changes in the valuation of the US dollar, although in June surging oil prices and gold's attraction as an inflation hedge also played an important role. In April, the weaker dollar was undoubtedly a factor behind strong investor interest and, with support from the news that the IMF gold was not to be sold to fund debt relief, by end-April investor activity had pushed the gold price through the \$435 mark.

As interest grew, however, so did the long overhang and on the back of further increases in US interest rates and resulting dollar strength, fund liquidations knocked the price back by \$8 in a single day. The following few weeks saw poor investment demand and further liquidations that left the monthly average price in May at \$421.87, its lowest level since the start of the year.

An increase in investment purchases in early June supported by healthy fabrication demand triggered a fresh rally and from its end-May position of \$415.68

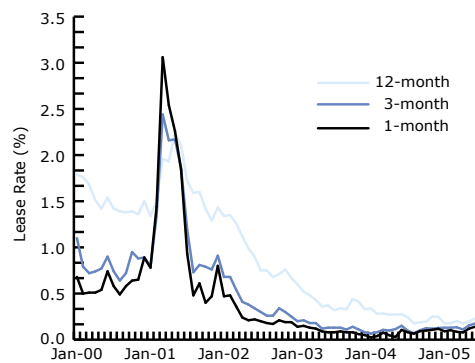
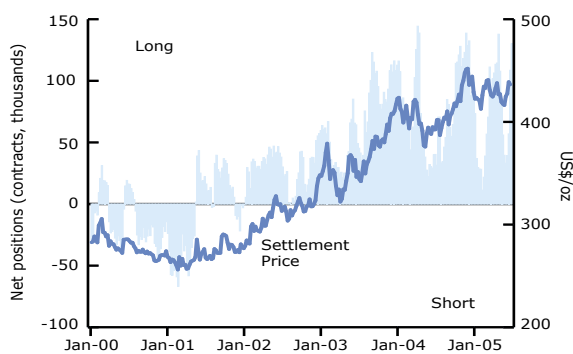
Prices			
	% Change		
	05Q1	05Q2	qoq
US\$/oz spot	427.35	427.39	0%
US\$ 12-mth	441.23	442.62	0%
Rand/kg	82,536	88,229	7%
Euro/kg	10,481	10,926	4%
A\$/oz	549.55	556.08	1%
Yen/g	1,436	1,478	3%
Rps/10g	6,174	6,101	-1%
Rph/g	127,463	131,334	3%

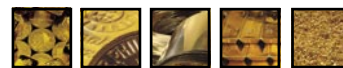
the price rose to a peak of \$440.55 on the 24th June. An interesting feature of this bull run was the fact that it coincided with a period of US dollar strength. The temporary pause in the (largely self-fuelled) relationship between dollar weakness and the price of gold is thought to be partly related to weakness in the euro.

To explain further, the dollar is still viewed to be in a long term bear market, and its modest recovery of late could hardly be expected to see a reverse in this sentiment. As the prime dollar-diversifier, the weaker euro meant that some investors searched for alternatives, and at the margin, gold appears to have benefited from this.

After two quarters of strong growth, investor interest in the gold ETF market was subdued during Q1 with the combined holdings at the end of the period some 0.05 Moz (1.6 t) lower from the previous quarter at 8.57 Moz (266.4 t). The chart opposite shows the combined (daily) holdings at all five active ETF's and the two Canadian closed-ended funds.

## Comex: Non-commercial Net Positions      Leasing Rates (monthly average)





Net official sector sales in Q2 totalled an estimated 4.73 Moz (147 t), a sharp 43% drop from the figure reported for Q1. The considerable quarter-on-quarter decline was primarily a result of the completion of Switzerland's gold sales programme by end-March. A further factor was the absence of any sales from the European Central Bank that in Q1 totalled 1.51 Moz (47 t). In terms of specific volumes, and on the basis of the latest information available at the time of writing, France sold 0.90 Moz (28 t) during the period, Spain 0.61 Moz (19 t) and Germany 0.10 Moz (3 t). Lastly, Banco de Portugal recently announced that over the last few months they had sold 1.13 Moz (35 t), although the exact timing of the sales was not provided.

Strong physical demand was evident in the import trade data for East Asia and the Middle East, although the year-on-year gains were smaller than for the first quarter. In Turkey, for instance, and despite a drop in bullion imports compared to the March quarter, Q2 figures were still 10% higher year-on-year. The boost was partly related to a robust performance in the coin market, where minting rose by more than 15% to over 0.42 Moz (13 t).

Q2 Bullion imports into India increased by a significant 18% from the already elevated levels in Q1. Considering the poor fundamentals of 2004 (lower GDP growth coupled with a poor monsoon), and with local prices 4% higher than a year back the continued strength of the Indian market was all the more remarkable. Elsewhere, jewellery fabrication in Europe and the United States is believed to have remained soft in Q2.

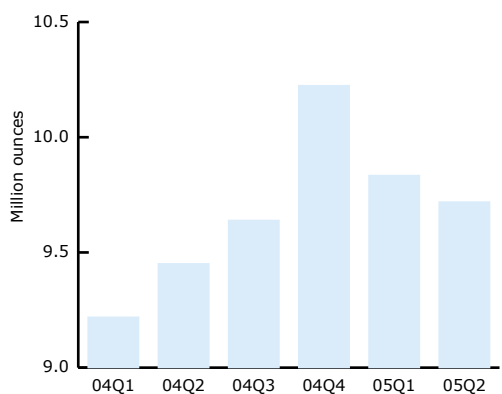
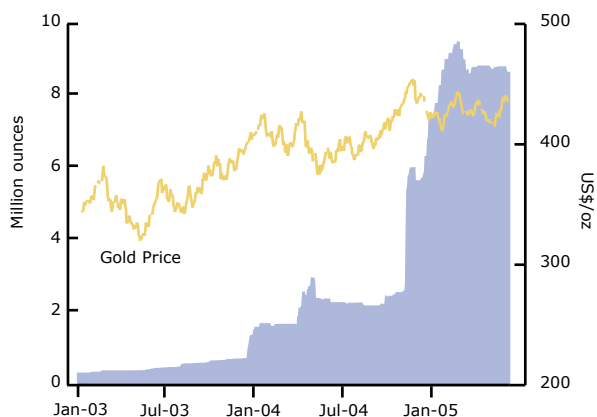
Q2 mine production stood at an estimated 19.5 Moz

(608 t), a fraction higher than the 19.4 Moz (605 t) reported in the corresponding period in 2004. Roughly half of the global total of 9.7 Moz (302 t) was generated by the world's top twenty gold producers (see chart below). Production results from this group were mixed with year-on-year declines reported by Barrick, Newmont, Harmony and DRDGOLD, offset by improvements at Freeport, Newcrest and Glamis Gold.

Losses at Barrick (down 10% year-on-year) were chiefly explained by a 44% drop in output at Eskay Creek (lower grades), a 23% decline at the open pit Goldstrike property (adverse weather conditions and downtime at the roaster) and the completion of mining at Holt-McDermott in Q4 2004. The start of operations at Lagunas Norte (Q2) and Tulawaka (Q1), made up for a part of the company's Q2 decline. Newmont suffered a modest 3% decline with strong gains at Yanacocha (up 16%) offset by declines at Batu Hijau (down 16% due to several earlier small pit wall slides), Zarafshan in Uzbekistan (lower grades contributed to a 51% drop) and the respective closure and suspension of Minahasa and Ovacik in August 2004. Sizeable declines at Harmony and DRDGOLD were related to the suspension of activities at marginal production areas. Events were chiefly related to the continued strength of the rand, although the closure of the latter's North West operations was accelerated by a number of seismic events in Q1.

Higher production was reported at Freeport's Grasberg. The mine returned to normal operations in June 2004 following the disruption caused by landslides in October and December 2003 and in Q2 output stood at 0.73 Moz (23 t), almost double the 0.38 Moz (12 t) reported in the corresponding period in 2004. Newcrest and

**Gold ETFs & Other Similar Products      Top Twenty Gold Mine Producers' Output**



Source: GBS; CFC; CGT; Absa; State Street; BGI



Glamis both benefited from new mines with output from Telfer and El Sauzal adding 0.12 Moz (3.6 t) and 0.05 Moz (1.4 t) to their respective totals.

### Composition and Sensitivity of the Global Hedge Book

The delta adjusted hedge book declined by a provisional 2.74 Moz in Q2 and was accounted for by a 1.41 Moz (43.7 t) decline in forward sales and a 1.33 Moz (41.4 t) cut in the delta hedge options position. While the decline in forwards was comparable with the 1.56 Moz (48.6 t) drop recorded in Q1, the decrease in the options portion of the book stood in sharp contrast to the 0.89 Moz (27.5 t) quarter-on-quarter rise recorded in the position in the March quarter.

Despite the roughly four-fold increase in the level of de-hedging from the (anomalously low) Q1 figure, the Q2 decline was actually in line with earlier estimates, which, based on scheduled deliveries at end-March, anticipated a decline of around 8.0 Moz during the remaining nine months of the year (or 2.6 Moz per quarter). The updated delivery profile (at end-Q2), reaffirmed these levels with 5.5 Moz (172 t) of scheduled commitments outstanding in the second half of 2005. It should be highlighted, however, that this base case scenario assumes no new hedging, book restructures or buybacks, all three events that could materially affect absolute levels of de-hedging.

At end-Q2 the delta-adjusted hedge book consisted of forwards 80%, vanilla options 19% and non-vanilla options 1%, largely unchanged from the corresponding period in 2004. In absolute terms, outstanding forward

Sensitivity of Q2 Options Book					
Move in volatility (%)	Move in gold price				
	-200	-100	0	100	200
4	-6.93	-8.48	-10.67	-11.92	-12.18
2	-6.72	-8.33	-10.74	-12.04	-12.27
1	-6.61	-8.24	-10.78	-12.10	-12.31
0	-6.50	-8.15	<b>-10.83</b>	-12.16	-12.35
-1	-6.39	-8.06	-10.89	-12.23	-12.39
-2	-6.28	-7.96	-10.96	-12.29	-12.43
-4	-6.08	-7.73	-11.12	-12.42	-12.49

Source: GFMS

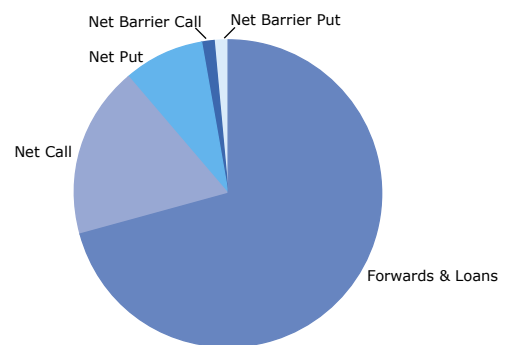
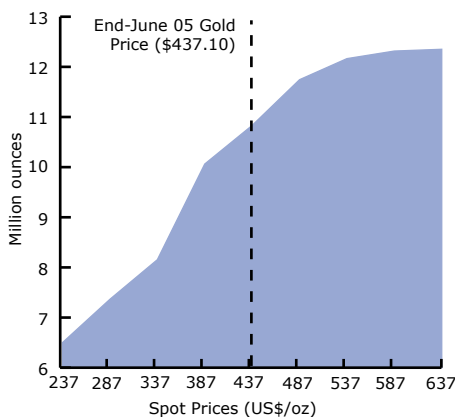
**Note:** the delta-adjusted options book at end-Q2 was calculated at 10.83 Moz. The matrix above shows changes in the delta-adjusted volume under different gold prices and volatilities.

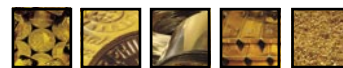
commitments stood at 43.71 Moz (1,359 t), while the delta hedge options position totalled 10.83 Moz (336.8 t), respectively split by 10.25 Moz (319 t) of vanilla options and 0.57 Moz (17.8 t) of non-vanilla products.

Breaking down the options book further, at end-June the net call delta hedge position accounted for 88% of the total delta hedge volume, the net put delta hedge 7%, and the non-vanilla element a modest 5%. The dominance of the net call delta hedge position is chiefly explained by two factors. Firstly, in nominal terms sold call contracts outnumber purchased put contracts by roughly two to one. Secondly, and primarily reflecting the strike of the options contracts and the spot price at end-June, the implied delta against the sold call contracts was calculated at 0.83, while that against the purchased puts was measured at 0.16.

The bulk of the options-related de-hedging was

### Q2 Options Delta-Adjusted Hedge Book      Composition of the Global Hedge Book (nominal)





attributed to a cut in the vanilla delta hedge position, with the non-vanilla delta hedge volume only registering a modest 0.08 Moz (2.6 t) quarter-on-quarter decrease. On a product basis the decline was concentrated in sold call contracts, chiefly as a result of a reduction in nominal positions. Newmont, Placer, and Western Areas all added to the decline although the largest single contribution was made by Buenaventura. Under the auspices of its hedge book restructuring programme that was initiated in January 2004 to convert its derivative contracts into simple forward sales, the Peruvian miner reported that by the end of the quarter it had converted 0.42 Moz (13.0 t) of open option positions into "normal sales". The net effect of this conversion was, of course, for a modest increase in its total outstanding hedge position quarter-on-quarter.

Among other factors, Buenaventura's book restructure contributed to a modest shift in the make-up of the global hedge book, which in nominal terms was further concentrated into simple forward sales. At end-Q2, and with end-Q1 figures quoted in brackets, the nominal hedge book was composed of forwards and gold loans 71% (69%) and derivative contracts 29% (31%). The dominance of forward sales makes the global hedge book relatively insensitive to changes in the spot gold price. From the position at end-Q2, for instance, a \$200/oz increase in the spot price results in a modest 3% increase in the delta-adjusted hedge book from 54.54 Moz (1,696 t) to 56.06 Moz (1,744 t).

Stripping out the options portion of the book presents a somewhat clearer picture and the profile of the delta hedge options volume in response to changes in the spot price is illustrated in the chart and in the accompanying matrix opposite. As shown, from its position at end-June of 10.83 Moz (337 t), a positive \$200/oz shift in the spot price results in the delta hedge options book expanding to 12.35 Moz (384 t), a 14% increase.

## Company Activity

The global hedge book, as has been commented on previously, is highly concentrated with almost two thirds of the book (in nominal terms) in the hands of only four producers, namely, Barrick, AngloGold Ashanti, Placer Dome and Newcrest. In any particular quarter, therefore, the rate at which these miners reduce their hedge commitments will have a significant influence on the global de-hedging figure. In the June quarter all four featured in the top de-hedging table

## Top De-hedgers in Q2 2005

(delta-adjusted, spot basis)

Company	% of gross decline	decline in Moz
Placer Dome	19%	0.54
AngloGold Ashanti	14%	0.40
Newcrest	9%	0.27
Newmont	7%	0.20
Lihir Gold	4%	0.12
Northgate	3%	0.10
Barrick Gold	3%	0.10
Western Areas*	2%	0.07
Xstrata*	2%	0.06
Bema Gold*	2%	0.05

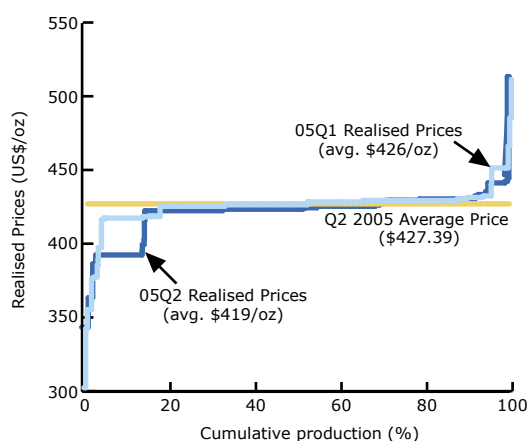
\*estimate

Note: Delta-adjusted volumes are calculated on the basis of published company data. As such disclosures are not exhaustive, the GFMS calculated position may not exactly correspond to the delta position reported by the company. In addition, GFMS values the contracts on a spot delta basis, whereas some companies report positions on a forward delta basis. This can lead to minor discrepancies between the calculated and reported delta-adjusted volumes.

with declines primarily achieved through scheduled deliveries of contracts.

Placer Dome, for example, delivered into all of its maturing hedge positions and as a result reduced its total firm committed hedge (forward sales and nominal sold call options) by 0.37 Moz (11.6 t) and its maximum committed hedge (including sold barrier call options) by 0.41 Moz (12.8 t). The company also reported a 0.21 Moz (6.6 t) reduction in its nominal net put position, which, coupled with the reduction described above, resulted in a significant 0.54 Moz (16.8 t) decline in its hedge book. At end-June Placer's delta-adjusted book was calculated at 8.57 Moz (266 t), equivalent to just over two years of the company's annual mine production.

## Received Prices in Q2





AngloGold Ashanti's net delta hedge position at the end of June was reported at 10.32 Moz (321 t), representing a decrease of 0.4 Moz (12.5 t) from the position at end-March. Once again, the decline was largely achieved through scheduled delivery commitments with forwards accounting for 0.27 Moz (8.5 t) of the total measured fall. The nominal options book, meanwhile, declined by 0.36 Moz (11.3 t), an implied reduction in the net delta hedge position of approximately 0.13 Moz (4.0 t). Newcrest and Newmont followed suit, the former delivering into 0.27 Moz (8.4 t) of scheduled forward sales. Newmont, meanwhile, continued to let its legacy hedge position run down with maturing contracts during the quarter adding a further 0.20 Moz (6.3 t) to global de-hedging.

Lihir reduced its forward sales by 0.07 Moz (2.1 t), while a further 0.06 Moz (1.7 t) of sold calls and an equal volume of purchased puts matured during the quarter. The changes combined to leave the hedge book at end-Q2 at 1.76 Moz (54.7 t), representing a decline of 0.12 Moz (3.9 t) quarter-on-quarter. A further 0.05 Moz (1.6 t) of forward sales scheduled for 2005 were deferred to 2009. The positions were rolled out to better align delivery to future production at the mine, which is expected to increase from roughly 0.6 (18.7 t) to around 0.71 Moz (22.1 t) per annum as the operation completes the transition from the extensively mined Minifie open pit to higher grade ore in the new Lienetz pit.

Northgate, owners of the 0.3 Moz (9.3 t) per annum gold-copper Kemess mine in British Columbia, accelerated the reduction of its hedge book in Q2 with

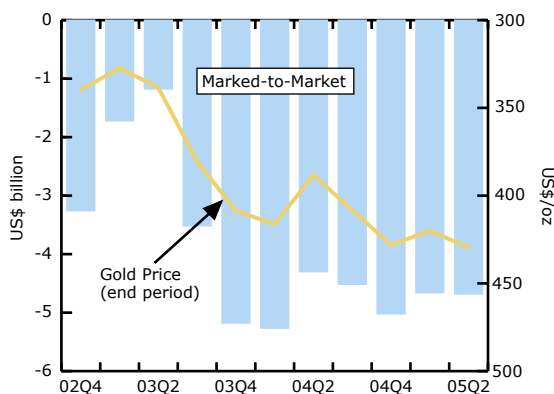
Total Nominal Positions, Percentage Change qoq				
Region	Forwards & Gold Loans	Calls Sold	Puts Bought	Net Vanilla Options
North America	-3%	-7%	-17%	-12%
Australia	-5%	-54%	-11%	-32%
South Africa	-5%	-5%	-7%	-4%
Other	9%	-48%	-8%	-31%
Total	-3%	-10%	-12%	-11%

Source: GFMS

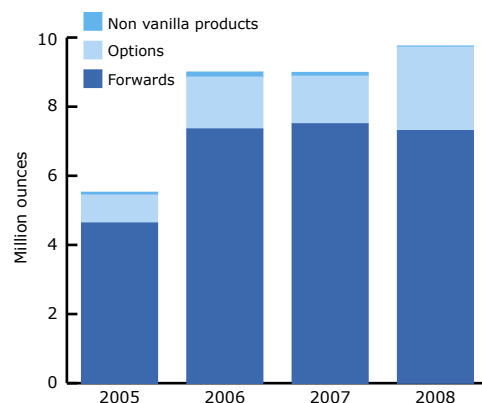
a 0.10 Moz (3.1 t) cut in its forward sales, leaving outstanding commitments at 0.14 Moz (4.3 t), or approximately six months of mine production. The remaining hedge contracts are dated through to end-2007, although the company currently plans to be hedge-free within one year.

Following Barrick's announcement in Q4 2004 that it had allocated 6.5 Moz (202 t) of its existing forward sales programme to the development project Pascua-Lama, the hedge book is now reported as two main components, namely, the fixed-price "Corporate Gold Sales Contracts", and the "Pascua-Lama Gold Sales Contracts". In addition, the company reports a modest volume of floating spot-price gold sales contracts. These contracts were previously fixed-price forward sales for which Barrick has elected to receive floating spot gold prices. During the June quarter, Barrick reduced its fixed-price commitments by 0.2 Moz (6.2 t) by delivering 0.1 Moz (3.1 t) and by converting of 0.1 Moz (3.1 t) into floating spot-price gold sales contracts.

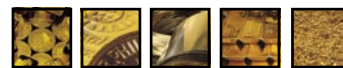
Marked-to-Market Gold Hedge Books



Delivery Profile End Q2\* (base case)



\*potential de-hedging based on contract year of delivery/expiry



## Technical Annex

GFMS has carried out a rigorous analysis of 93 mining companies' hedge positions. These companies incorporate the vast majority of those enterprises that carry out some type of hedging activity.

The GFMS analysis utilises the Brady Trinity™ Risk Management and Trading system. Each mining company's individual trades have been input into the Brady Trinity system.

The use of the Brady Trinity system is particularly relevant for the analysis of mining companies' options positions. We have entered each option trade by mid-year of expiry. Moreover, non-vanilla products such as convertible forwards have been broken down into their constituent options. This analysis enables us to accurately obtain key parameters and valuations for each instrument used by each company and subsequently for the global hedge book as a whole. This methodology also allows us to model the delivery profile of the hedge book.

All forward contracts, including spot deferred, floating rate forwards and fixed rate forwards, are input as forward sales. Options contracts, including cap and floor agreements, are entered as their constituent vanilla put and call contracts. Convertible and contingent options are unbundled into their constituent barrier options contracts. Trigger levels for barrier options are taken as the mid-point of published ranges, where available. Convertible forward contracts are modelled as a barrier call option combined with a vanilla put option.

In terms of the GFMS analysis, the key parameter of interest is the **delta-adjusted** position. As explained in the glossary, the delta of an option (or indeed of a forward) is the rate of change in the value of the derivative for a change in the price of the underlying. In the case of a gold forward sale (or purchase), the forward delta is 1, whilst in the case of an option, this delta is derived from the Black-Scholes option pricing formula.

The counterparties to mining companies' hedging activity (typically banks) will dynamically hedge their exposure through delta hedging. For example, suppose a mining company purchases a put option. The writer of the option (a bank) will be long the delta volume. In other words, if the delta of the option is +0.5 and the nominal volume of the trade is 100,000 ounces, the delta volume will be 50,000 ounces (of which the bank will be long). To hedge this exposure, the bank must therefore undertake a transaction that yields an equal and opposite position (i.e. short). This will typically be achieved by the bank borrowing gold (normally from a central bank) and selling this into the spot market. Through this mechanism, mining companies' hedging activities impact directly on the spot gold market.

It should be borne in mind that the value of an option, as well as the delta, will change in response to movements in key parameters, particularly the spot gold price, but also market volatility, interest rates and time to expiry. In response to this, banks will continuously or dynamically adjust their delta hedge position.



## Glossary

**Option** - An option contract gives the holder the right, but not the obligation, to buy or sell gold at a predetermined price on or by an agreed date.

**European Option** - An option that can only be exercised at the expiry date.

**American Option** - An option that can be exercised at any time prior to the expiry date.

**Put Option** - An option contract which gives the buyer the right, but not the obligation, to sell a specified amount of gold (or other asset) at a predetermined price (the strike price) on or before a specified date (expiry date).

**Call Option** - An option contract which gives the buyer the right but not the obligation to buy a specified amount of gold (or other asset) at a predetermined price on or before the expiry date.

**Barrier Option** - An option whose outcome depends on the performance of the price of the underlying during the life of the option and whether that price breaches a predetermined barrier.

**Forward** - A transaction in which two parties agree to the purchase and sale of gold at a future date.

**Gold Lease Rate** - The cost of borrowing or return from lending gold, the daily level of which reflects the supply and demand for metal in the lending market.

**Writer** - The writer or grantor is the party who sells the option and receives that premium income.

**Long** - A position in an asset (e.g. gold) for which the value will rise should the price of that asset rise.

**Short** - A position in an asset (e.g. gold) for which the value will fall should the price of that asset rise.

**Delta** - The rate of change of the price of a derivative with the price of the underlying asset.

**Gamma** - The rate of change of delta with respect to the asset price.

**Theta** - The rate of change of the price of a derivative with the passage of time.

**Vega** - The rate of change of the price of a derivative with volatility.

**Rho** - The rate of change of the price of a derivative with the interest rate.

**Greeks** - The basket term for the above hedge parameters (delta, theta, vega, gamma, rho).

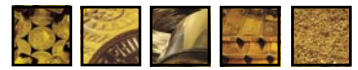
**Underlying** - Shortened term for the underlying commodity on which forwards and options are traded (i.e. in this case gold).

**Delta Hedging** - A hedging scheme that is designed to make the value of a derivatives portfolio insensitive to small changes in the price of the underlying.

**Black-Scholes Model** - A model for pricing European options. Developed by Fischer Black, Myron Scholes and Robert Merton. See F. Black and M. Scholes "The Pricing of Options and Corporate Liabilities" *Journal of Political Economy* 81, 1973 and R.C. Merton "Theory of Rational Pricing" *Bell Journal of Economics and Management Science* 4, 1973.

**Vanilla/Non-Vanilla** - Vanilla options are simple put and call options, whilst non-vanilla options are more complex, with pay-offs dependant on a variety of market factors, such as price paths or the price of alternative assets.

**Volatility** - A measure of the uncertainty or rate of change of an asset price.



## About Investec

[www.investec.com/UnitedKingdom/](http://www.investec.com/UnitedKingdom/)

Investec is an international, specialist banking group that provides a diverse range of financial products and services to a niche client base, primarily in the United Kingdom and South Africa, as well as other countries including Australia, the United States and Israel. Investec has four principal business divisions, namely Treasury and Specialised Finance, Investment Banking, Private Client Activities and Asset Management.

Investec Commodities trades in precious and base metals and provides hedging and structured trades for clients in both the physical and derivatives markets. Based in both the UK and South Africa, they are members of the London Metals Exchange, the London Bullion Market Association and the London Platinum and Palladium Market. They also operate an energy business focussing on structured transactions.

## About GFMS

[www.gfms.co.uk](http://www.gfms.co.uk)

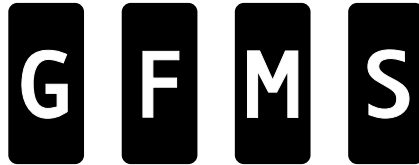
GFMS Ltd, the world's foremost precious metals consultancy, specialising in research into the global gold, silver, platinum and palladium markets. GFMS is based in London, UK, but has representation in Australia, India, Russia, Germany and China, and a vast range of contacts and associates across the world.

GFMS is credited with producing the most authoritative surveys of the gold and silver markets, the annual Gold Survey and World Silver Survey, and produces a range of other publications dealing with all aspects of the precious metals markets. GFMS also provides consultancy services in the form of tailor-made research into selected areas of the precious metals markets. GFMS' research team of fifteen full-time analysts comprise experienced economists and three geologists.

## About Brady plc

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

Brady is a Software Solution provider whose main product, Trinity, is targeted towards Corporate Treasury in the Metals and Mining Industry. Trinity specialises in Physical Material Management, Financial Transaction Management, Treasury, Risk & Contract Management. Brady is acknowledged as the leading provider of Trading and Risk Management Software for the global metals marketplace, installed with producers, fabricators, merchants, banks and brokers around the globe. Headquarters are based on Cambridge Science Park in the UK. Brady floated on AIM in 2004.



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