

● COGITO AI AGENT · HEDGE AUTOMATION

Hedge automation that closes coverage gaps before they become losses

Move from weekly hedge checks to continuous gap detection and recommendations.

- Continuous exposure tracking
- Gaps valued at live prices
- Instrument & quantity recommendations

Hedging should reduce exposure, not rely on periodic spreadsheet checks.

Cogito Hedge Automation continuously tracks physical exposure and compares it against existing hedge positions to identify gaps or over-hedges as soon as they appear.

It monitors exposure across contracts and benchmarks, values gaps at live market prices, and recommends specific hedge instruments and quantities, so the desk receives a ready-to-execute recommendation.

When hedge coverage is monitored in real time, you reduce earnings volatility, limit losses and run a more disciplined hedging programme.

The problem we solve

Hedge desks often track physical exposure and hedge coverage manually in spreadsheets, on a periodic cycle.

That approach is slow, depends on individual analyst effort, and can leave coverage gaps unnoticed for days until an adverse price move turns them into real losses.

Without continuous monitoring and clear hedge recommendations, teams carry avoidable exposure and spend too much time tracking instead of on strategy.

TODAY · AS-IS

Periodic spreadsheet tracking

- Exposure and cover tracked by hand
- Gaps can go unnoticed for days
- Depends on individual analyst effort



WITH COGITO AI

Continuous gap detection

- Exposure compared to hedges in near real time
- Gaps valued at live market prices
- Instruments and quantities recommended

Connects to what you already run

No rip-and-replace: your ETRM, exchange and market data feeds stay in place



Act on hedge gaps in minutes, not days

Cogito Hedge Automation is built for commodity trading environments where exposure changes constantly and timing matters. It tracks physical position exposure across contracts and benchmarks, compares it to futures and derivative positions, and identifies gaps or over-hedges in near real time.

When a gap exists, it quantifies the exposure at live market prices and recommends specific hedge instruments and quantities, helping the hedge desk act quickly and consistently.

Every gap, recommendation and decision is recorded, giving risk committees the visibility and documentation they need for oversight.

Hedge Monitor

UNDER-HEDGED

Book: Middle distillates · Hedge cover vs physical exposure

72% hedged · 180 kbbl gap of 640 kbbl · policy 85%



RECOMMENDATION

- Sell 180 lots NYMEX ULSD Dec-26 futures to close the gap
- Gap valued at USD 17.4M at live prices

 11:05:32 · Sent to hedge desk for approval · Logged to audit trail

Illustrative recommendation. Data shown is fictitious.

Key benefits you gain

Days → minutes

Average unhedged exposure window, limiting potential mark-to-market losses

50–60%

Less manual hedge-tracking effort (estimated)

Real-time

Hedge-gap detection, moved from periodic manual review to a daily or real-time check



More consistent, disciplined hedge coverage across the book



Reduced earnings volatility from unmanaged price swings



Hedge desk freed from spreadsheet tracking to focus on strategy

How we work

Structured, fast to deploy, and tailored to your hedging policy and instruments

01

Assessment & onboarding

We align on exposure definitions, benchmarks and hedge rules.

02

Exposure tracking

We track physical exposure across contracts, curves and benchmarks.

03

Hedge position comparison

We compare exposure to current futures and derivative positions.

04

Gaps & recommendations

We identify gaps and propose instruments and quantities.

05

Reporting & governance

Visibility, documentation and oversight for control.

Ready to detect hedge gaps before they turn into losses?

Book a demo, tailored to what you trade, and see how Cogito Hedge Automation can strengthen your coverage.

[Book a demo → cogitoai.tech](https://cogitoai.tech)



SCAN TO CONNECT