

When: 20-22 May or 18-20 November | **Where:** ICE Futures Europe, London

Register at: theice.com/crudeoilandproducttrader

COURSE OVERVIEW

Welcome to the Crude Oil & Product Trader Programme. This course is delivered by an expert team of recent market practitioners where their knowledge and skills have been translated into a highly practical course covering the global crude and major product markets. You'll certainly leave this course with a genuine set of practical tools to take back to your organization.

Interactive lectures will instil both physical and paper oil market knowledge and associated trading techniques. Enhanced learning through the use of the innovative trading simulator will turn the theory into practice.

You will have the full trader experience, undergoing the full range of emotions. You will receive one-to-one coaching, from members of the delivery team, where appropriate to ensure you have full understanding of the trading concepts and get the most from the simulation exercises.

ABOUT THE SPEAKERS

STEFAN DIXON

Stefan joined BP after graduating from Cambridge University. During his front-line trading career he traded product derivatives, and both paper and physical Crude Oil. Stefan then became Head of Fuel Oil Trading for Europe and the USA. In this Book Leader role Stefan grew the book significantly in both scope and profitability over 5 years. Stefan was also heavily involved in BP's trader selection, training and mentoring.

PAUL TERRY

Paul has spent 20 years of his career working in oil trading. He was regarded as an industry expert in the area of trading operations for crude oils in the North Sea and Middle East before progressing to a senior leadership position within BP's international trading division. As Head of Supply Paul was directly responsible for the trading teams which were optimising the purchase and risk management of 75 million m3 p.a. of petroleum products. More recently Paul was the Executive Chairman of Smart Global Trading.

STEVE JONES

Steve has over 20 years experience working in the oil and gas industry, within the back, mid and front office. As an Equity Crude and Gas trader at BP he helped build a complex portfolio of trading books based in Germany. Steve has extensive experience developing risk management reporting, trader exposure and profit and loss systems for various clients. He has been a key participant in the design and development of simulation based trader training programmes.

IS IT FOR ME?

If your work is affected by the changes to the international price of oil:

- Oil industry staff working supply, trading risk management, refining, finance, transportation and E&P
- Oil trading and distribution companies • Energy-related government departments • Purchasing, planning and finance departments in major energy consumers Energy publications • Bankers, accountants, auditors and others associated with oil companies and oil financing

COURSE AGENDA

DAY 1

09.30	Introduction
09.45	Basics of Oil Markets and Brent - Global Oil; Supply, Demand and Reserves - Oil futures and the financial markets - Understanding the Brent complex. Futures, BFOE, Dated - The significance of OPEC
11.00	Break
11.15	Brent Trading Simulation - Analyse and react to relevant/non-relevant news stories - Place flat price Brent futures trades - Understand what drives the Brent futures price
12.15	Trading Best Practice - Trading best practice and discipline - Useful trading rules
12.45	Lunch
13.30	Physical Products, Freight and FOB/CIF - What are Refined Products and their main uses - How are Products priced and traded - Understand Worldscale and Freight rates - How to trade Products cargoes on a FOB and CIF basis
14.15	Physical Products Trading Simulation - Manage a portfolio of physical Products longs and shorts - Negotiate and enter deals, book ships, manage cargoe movements
15.00	Break
15.15	Physical Crude Trading - How Crude Oil is produced and exported - What determines the value of different Crude Oils - How Crude Oil is priced and traded, benchmark pricing
16.00	Physical Crude Cargoes Trading Simulation - Buy and Sell cargoes of North Sea and West African Crude Oil - Understand how refinery yields affect Crude differentials - Appreciate the importance of liquidity in physical Crude markets
17.00	Close

DAY 3

09.30	Floating Prices and Hedging - What is meant by a floating price - Calculating the daily hedge, and forward pricing profiles - Managing pricing risk on a portfolio of trades
10.15	Hedging Physical Cargoes Simulation - Respond to new trades and manage the basic daily hedge - Adjust hedges as BL dates and quantities change
10.45	Swaps and Hedging Spread Exposure - What is a swap, and how are they traded - Using swaps to manage risk and create trading strategies - Differential swaps and CFD's - Managing spread exposure
11.15	Break
11.30	Hedging with Swaps Simulation - Respond to new trades and manage a complex daily hedge - Use swaps and futures contracts to manage risk
12.15	Geographies and Arbitrage Spreads - Regional supply/demand and its effect on spreads - Spread trading strategies
12.45	Lunch
13.30	Gas oil Arbitrage Spreads Simulation - Trade the futures spread between Europe and U.S. - Understand the impact of local supply/demand and physical arbitrage
14.15	Hedging Physical Arbitrage Trades - How to calculate and identify Arbitrage opportunities - Relative volatilities: Futures, Cargoes and Freight - Using futures to hedge Arbitrage movements
15.00	Break
15.15	Arbitrage - Worked Example - Use of a spreadsheet to calculate and monitor Arbitrage values - Placing an Arbitrage trade: Volatility, liquidity and order of trades
15.45	Trans-Atlantic Crude Arbitrage Simulation - Calculate Arbitrage opportunities across a portfolio of Crude Oils - Place all the trades necessary to Arbitrage Crude Oil cargoes
17.00	Close

DAY 2

09.30	Introduction to Refining - Basic Crude distillation and complex refining - Refinery Optimisation activities - Calculate Refinery margins and Crude pecking orders
10.15	Refining Simulation - Manage a Refinery: Buy Crude and sell Products - Calculate Refinery margins and adjust run rates accordingly - Optimise your Refinery, switch Crudes as prices change
11.15	Break
11.30	Spreads and Backwardation/Contango - What are spreads and how are they calculated - Why do traders use spreads - Market structure - Contango/Backwardation
12.00	Time Spreads Simulation - Trade upto 3 different spreads on European Gas Oil - Understand how spreads react to fundamental news
12.45	Lunch
13.30	Storage Valuation and Optimisation - Contango markets: What do "carry" and "full carry" mean - Valuing Storage and hedging Storage trades - Optimising Storage: Intrinsic and Extrinsic value
14.00	Storage Valuation Exercise - Value Storage offers and bid for capacity - Design and execute hedging strategies for your storage
14.30	Storage Optimisation Simulation - Use futures to manage a portfolio of physical oil and tankage - Move oil in and out of storage as you react to market structure - React to the volatility of time spreads and maximise extrinsic value
15.15	Break
15.30	Trading Futures using Technicals - Why use technical trading - Common indicators used in technical trading; Trendlines; Moving Averages; Line/Candlesticks/Bar/Point & Figure; Retracements; Continuation and Reversal signs; Volume and Open Interest - Examples of Technical Trades in current markets
16.15	Technical Charting Simulation - Trade technicals using Tradesignal's professional chart analysis software - Spot trends and use indicators to identify trade entry/exit points
17.00	Close