



THE CHEMICAL ENGINEERING MAJOR

Crude Oil and Refined Products
Sales, Marketing, Trading and Risk
Management

Crude Oil and Refined Products Sales, Marketing, Trading and Risk Management

Introduction

This 5-Day BTS accelerated training course is designed to give delegates a comprehensive picture of the crude oil and refined markets, risks, legal and regulatory issues involved in the international trading of crude oil and refined products. It is presented with the wide range of essential practices of petroleum industry spanning, exploration, extraction, refining; and global oil supply, reserves, production & trade flows.

With the overview of these essential upstream and midstream practices, the industry downstream operations dealing with crude oil and refined products trading and its associated risks and uncertainties can be fully understood. Since price volatility always exists, the Price Risk Management appropriate techniques are presented in detail. Sales, Marketing, Trading and Risk Management are crucial and the most dynamic parts of the value chain, and extremely important for managers to stay on the top of these activities.

This highly interactive BTS training course is designed to encourage delegate participation through a combination of short videos, group discussions, and business case studies designed to reinforce new knowledge and skills, and discussion of “real life” issues in their organizations.

This BTS training course will highlight:

- The essential practices of exploration, production, processing and transportation of crude oil
- The success factors in the business of international sales, marketing and trading of crude oil and refined products
- The logistics of global seaborne transportation, pipelines, storage and distribution of crude and refined products.
- The understanding the pricing dynamics, benchmarks of crude oil and refined products in the global markets
- The price-risk management using the hedging instruments such as Futures and Forward Contracts, Swap, and Options

Training Objectives

What are the Goals?

- Gain the business acumen of the wide-ranging subjects of upstream production to the downstream sales, marketing and trading of crude oil and refined products
- Understand the critical crude oil pricing dynamics and the use of crude oil benchmarks.
- Develop the price-risk management strategies using the hedging instruments
- Acquire essential legal and regulatory issues relating to trading in the global markets
- Reduce the overall risk of Petroleum Industry and maximize the value chain profitability

Target Audience

Who is this Training Course for?

This training course is suitable to a wide range of professionals but will greatly benefit:

- Business & development managers
- Corporate Planners
- Lawyers & law firms' personnel
- Geoscientists, engineers and refiners
- Bankers, Accountants
- Auditors
- Media personnel who interface with traders and trading
- Government regulators
- Tax & finance advisors
- Compliance officers
- Equity and Financial Analysts
- Joint Venture officers
- Negotiators
- Those who moved from elsewhere to Trading

Training Methods

How will this Training Course be Presented?

This BTS training course is highly interactive programme that is designed to encourage delegate participation through a combination of group discussion, practical exercises case studies, quizzes and an extensive use of short videos highlighting the petrochemical operations, environmental and safety considerations to reinforce new knowledge and skills, and discussion of practical issues in their organizations.

Organisational Impact

By sending their employees to this BTS training course, the organization will gain a wider range of skills that participants gain and henceforth apply in their workspace that will directly benefits their respective companies.

- Offers a wider management perspective of global energy business and highlights the success factors in each category of several business models
- Defines how innovations in oil & gas energy and renewables are helping to drive economic growth and improve living standards around the world
- Clarifies how we can achieve these high efficiencies goals while delivering value to shareholders
- Inculcates the corporate culture of effectively dealing with the core issues, tactics and essential concepts of successfully running the global petroleum business

Personal Impact

Each participant will be able to enhance technical knowledge and business skills of Petroleum Industry that will directly benefit his/her career growth.

- Master the core competencies of oil, natural gas, & LNG Industry
- Sharpen the business skills by learning those technique that improve capital productivity and operational excellence
- Understand the value chain optimization in Hydrocarbon Industry and apply at the workplace to improve stockholders' value
- Be fully cognizant of success factors in oil, gas, LNG and refined products Industry, and how to deal with price risk uncertainties
- Hedging the risk at corporate level, business segment level and at individual transaction level

Daily Agenda

Day One: Essential Upstream Practices

- Introduction to how oil was formed
- Fundamentals of Oil & Gas Geology and Petroleum Engineering
- Well Logging and Well Completion
- Essence of International Oil Supply – Global Reserves, Production & Trade
- Fundamentals of Oil Economics

Day Two: Crude Oil Trading

- The Evolution of International Oil Pricing System – The Big Picture
- Trading Physical Crude Oil and its Logistics
- The Dissection of Crude Oil Price
- Oil Price Formula – Time Differential
- Oil Price Formula – Grade Differential
- Price Risk Management - Hedging the Crude Oil Price

Day Three: Refined Products Trading

- The Trading Refined Products
- Refining I – Crude oil properties and processes
- Refining II – Conventional Refinery Upgrading
- Oil Products and their Qualities
- Oil Logistics and the Art of Trade
- The Price of Refined Oil Products

Day Four: Risk Management

- Oil Products Price Risk Management
- Measuring Risk
- The Forward Market
- The Future Market
- The Swaps Market
- The Options
- Crack Spreads

Day Five: Legal and Regulatory Aspects of Oil Trade

- Legal and Regulatory Issues
- International Aspects of Oil Trading
- Oil Trading, Law and International Petroleum Exchange in:
 - The United States
 - United Kingdom
 - Singapore