

COMMODITIES

A C A D E M Y

Become a physical commodities trader





Course in London

6-7-8 May 2019 (3 sessions)

18:00-20:00 hrs

Venue: Innovation Warehouse

Price: GBP 600

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Course is divided into 3 blocks reflecting day to day work of physical commodities trader. Each block builds upon preceding one.

Below stated order of the blocks is maintained to accurately reflect the typical work-flow at the trader's position.

Analysis

- introduction to commodities markets
- market participants
- demand and supply (numbers tell the story)
- how to find opportunities to profit in current commodities market
- understanding physical and paper markets
- where to find information and how to interpret it
- case studies

Trading

- methods of trading
- back to back trading
- taking position (physically and through paper/derivatives market)
- incoterms
- negotiations
- building and maintaining relations
- terminology/jargon
- case studies

Operations

- contracts (how to draft them and what to pay attention to)
 - transport (marine vessels, barges, trucks, rail, multimodal)
 - specs (quality issues and blending)
 - warehousing
 - financing and securing the transaction
 - cash flow management
 - when things go wrong (arbitration and mediation)
 - risk management
 - case studies
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We will work on case studies, trying to focus on practice instead of theory. I encourage a discussion and I provide you with references to materials that you can use outside of the course or once it is over in order to deepen your understanding of the field.

- Lucas Bednarski, lecturer

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These 3 blocks also reflects a daily routine of physical trader.

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All starts with market analysis. You need to know on which fundamentals to focus and where to find relevant information sources. Based on that you must learn how to formulate your view on the market as well as how to critically assess your arguments on which you build this view.

From your market analysis you can infer trading opportunities. You need to know how to evaluate a given trading opportunity, how to determine the costs and a margin. You will learn what trading strategies you can assume for a given commodity class. It is not only

about simple backs-to-backs and physical arbitrage, we also discuss taking a position and managing your physical and paper position simultaneously for profit.

Then we evaluate the negotiation process, terminology used in negotiations and communication in between counter parties and finally we discuss how to draft contracts. We bring your attention to the clauses which might potentially be risky or which could put you into disadvantage, as well as the ones which on the contrary work well for you as a seller or a buyer.

In Execution part we discuss all the basics and fine details of documents preparation, financing, payment terms, incoterms and logistics (marine, truck, rail). Then we discuss risk management (hedging strategies, currency risk, credit risk, operational risk).

Somewhere in between you will also learn on key market players for the given commodity class and on how to behave in an environment of trading house. We also discuss how you can possibly build your career path.

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Lecturer Bio.

Mr. Lucas Bednarski has an experience and track record as a physical trader on global and local markets, across different commodities classes as crude oil products, grains and metals. He has been working for major international trading houses as ADM and Glencore and smaller private trading houses. He has been also involved in working on commodity software solutions for AIM listed company and in creation of Lithium Today, an industry portal with exclusive focus on lithium market.
