



# Oil & Products Trading



**Course Date:** TBD



**Course Length:**

2 days  
8:30 a.m. – 4:30 p.m. EST  
each day (includes 60 min.  
lunch break)



**In-Person Onsite**



**Instructor/ Host:**

Richard Weissman  
Nour Zekhmi

## Questions?

For more information or to register,  
contact:

Nour Zekhmi  
AMEXA AGENCY SA  
Email:  
operationsteam@amexacorp.com  
M: +41.78.934.9380

## WHAT YOU WILL LEARN

Taught by Mr. Richard Weissman, a world-renowned author and petroleum trader, this two-day live course is filled with techniques, analysis and insights that only his 30 plus years of trading experience can bring. This course will provide you with a solid foundation in oil and refined products trading as you explore all the instruments, tools and techniques available to energy traders today. We'll explore the nuances and idiosyncrasies of these markets, understand the risks and rewards across various sectors of the oil patch and develop a macro view designed to improve your performance and help you develop a robust trading program.

### Topics covered include:

- The basics of oil and refined products trading
- Energy trading vocabulary
- The what, why, how, and who of oil and products trading
- What types of activities are entailed in the generic job title, "petroleum trader"?
- How traders trade oil and products – trading instruments and how they are used
- The history of petroleum trading markets
- What moves oil and refined product prices
- What are the most popular trades in today's oil and products markets and why?
- The structure of today's energy markets
- The role of CME Group's NYMEX and ICE
- Real-time trading examples for all petroleum products using various technical tools and techniques
- How various tools and techniques work from the perspective of both professional speculators and commercial hedgers in energy markets
- The ins and outs of technical and fundamental analysis
- Real-time trading examples for various oil and refined products

# Course Syllabus – Day One

## Morning Session

### Session 1: Overview

- What is petroleum trading:
  - What are oil and products markets
  - Who trades petroleum and why?
  - Basic types of oil and products traders

### Session 2: What moves energy prices

- Essential factors impacting petroleum markets:
  - Demand - macroeconomics
  - Supply – Non-OPEC vs. OPEC
  - US Dollar
  - Geopolitics
  - Weather
  - Technical analysis

### Session 3: Futures trading

- Why futures? Historical overview of the development and characteristics of petroleum futures markets including:
  - What is standardization how it fosters liquidity
  - Margins and mark-to-market
  - The role of the futures exchanges and FCMs
  - General terminology

### Session 4: Options basics

- Why options are used by hedgers
- Calls
- Puts
- Writers
- Holders
- Inputs for determining option premiums

## Afternoon Session

### Session 1: Options basics – trading simulation

Using actual past price history, attendees will make options trading decisions. By the end of this simulation, you will understand:

- Calls vs. puts
- Being a writer vs. being a holder
- In-the-money, at-the-money and out-of-the-money
- How volatility impacts trading decisions in options

### Session 2: History of energy trading markets

- Oil & Refined Products trading in the 1990s
- Oil & Refined Products trading in the 2000s
- Oil & Refined Products trading in the 2010s
- Oil & Refined Products trading in our decade

### Session 3: Petroleum market analysis: Technical vs. Fundamental

- What is technical analysis and how is it used by oil and product traders
- What supply and demand factors that impact the oil patch?
- How oil and product traders combine fundamentals with the charts

### Session 4: Futures Spreads

Why are spreads so essential to commercial hedgers in oil and refined products? What is the carry trade? How do various spreads relate to basis risk? This session answers all these questions as well as providing a thorough examination of popular petroleum spreads such as bull and bear spreads, quality spreads in oil and refined products, locational spreads in oil and products, as well as the crack spreads.

# Course Syllabus – Day Two

## Morning Session

### Session 1: Common trades in oil & product trading markets

- Overview of popular trades in crude oil and refined products
- Bull and bear spreads
- WTI-Brent spread
- What is the crack spread?
- Locational arbitrage in refined products
- What are locational basis swaps?

### Session 2: Trader psychology and trading the news

- How petroleum traders trade the news
- How successful petroleum traders, "Trade Like a Casino"
- How a disciplined approach dampens fear and greed
- Trend-following, mean reversion and contrarian theory

### Session 3: Price risk management

- For over three decades price risk management has been our forte. This session introduces attendees to the basics including:
  - Stop-losses
  - Correlation risk
  - Volatility analysis
  - Portfolio level risk management

### Session 4: How petroleum traders use technical analysis

- Overview of classical technical analysis – support, resistance and trendlines
- How Dow Theory augments analysis of price with volume and open interest
- How trend-following traders use moving averages

## Afternoon Session

### Session 1: An introduction to mathematical technical analysis

- The pros and cons of oscillators
- How relative strength index can help
- MACD and the MACD histogram
- Why Bollinger bands are popular in oil and refined products trading

### Session 2: Directional option spread strategies

This session provides a detailed examination of various directional spread strategies, such as collars, vertical debit spreads and backspreads. We will emphasize matching directional spread strategies with the hedger's directional and volatility forecasts.

### Session 3: Directional option spread trading simulation

In this session, attendees will trade collars and vertical debits spreads based on their directional and volatility views.

### Session 4: Putting it all together

In this final session, we'll develop a rule-based active hedge strategy using various tools and techniques examined throughout the two-day course including futures, options and option spreads from both the perspective of the producer as well as the consumer of oil and refined products.

## MEET YOUR INSTRUCTOR

Mr. Richard Weissman is one of the world's foremost authorities and thought leaders in the fields of derivatives, risk management and technical analysis. He is the author of two books: *Mechanical Trading Systems: Pairing Trader Psychology with Technical Analysis* (Wiley, 2004) and *Trade Like a Casino: Find Your Edge, Manage Risk and Win Like the House* (Wiley, 2011) which was a finalist for the 2012 Technical Analyst Book of the Year Award.

Richard has more than 30 years of experience as a derivatives trader and has provided training and consultation services to traders and risk managers at investment banks, hedge funds, energy and agricultural companies for more than 20 years. He has helped train staff from virtually every major firm that uses derivatives including Morgan Stanley, Citicorp, Exxon-Mobil, Shell, Exelon, Cargill, CFTC, EIA, Platts, Intercontinental Exchange and CME Group. He has been the featured speaker at leading industry conferences throughout the world.

Richard provides state-of-the-art training and consulting solutions for traders, risk managers and professionals supporting traders and risk managers. Although his primary focus continues to be serving the needs of the energy and agriculture industries, many of the courses and risk management solutions he provides are applicable to all asset classes including foreign exchange, interest rates, equities, metals and softs.



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