Commodities prices had a super cycle that started in the early 2000s and lasted over a decade. Since then, the landscape for commodity markets has changed significantly. With the ensuing periods of volatility, many players face potential losses if they are on the wrong side of trade. Uncertainties arising from on-going tensions in geopolitics and trade relations among the world’s leading economies are expected to drive volatilities in commodity prices.

This workshop looks to identify the different risks in trading and financing commodity trades, and develop strategies to manage and hedge such risk exposures to ensure profitability.

**Highlights**
- Understand key risks in commodity trading
- Identify drivers of market volatility
- Know derivative market structure and instruments
- Learn to hedge commodity price risks
- Implement strategies to manage price risks
Who Should Attend

- Relationship managers and bankers who advise trading and commodity companies
- Trade finance specialists, account and marketing managers
- Commodity traders who are keen to learn risk management using derivatives
- Corporate treasurers, finance directors in trading and commodity companies
- Professionals in middle office functions such as credit, risk, audit and operations, etc.

Curriculum

Introduction to Risks

- The different types of risks
- Hedgeable versus unhedgeable risks
- Methods for managing hedgeable risks

Risk Management in Commodity Trading

- Risks and returns
- Drivers of price volatility
- Risk exposures for commodity trades

Overview of Commodity Derivative Markets

- Market structures and key players
  (Exchanges, Clearing Houses, IDB, Clearing Members, PRAs, etc.)
- Contrasting listed and OTC markets
- Instruments and products

Hedging Strategies Using Futures & Swaps

- Applications of futures and swaps
- Hedging commodity consumers risk
- Hedging commodity producer risks

Hedging Strategies Using Options

- Application of call and put options
- Hedging commodity consumers risk
- Hedging commodity producer risks
- Long versus short positions in options

Implementing Hedging Programs

- Key Considerations
  – People, systems and processes
- Balanced approach to implementation
- Case studies – Hits and misses

Trainer’s Biography

Srinidhi Raghavendra has over 10 years of capital markets experience. Currently, he leads DI2I – a Singapore based firm delivering risk management consulting and technology solutions and international trade facilitation services. Prior to this, Srinidhi was with the Singapore Exchange where he oversaw the development of a multi-asset OTC derivatives platform catering to trading and clearing services. Previously, as Chief Operating Officer at Straits Financial, he was part of the founding team in developing the business in commodity trading, brokering, financing and clearing services. Srinidhi holds a MBA from NUS Business School He is also a Chartered Accountant from India and a Chartered Alternative Investment Analyst.

Programme Fee

S$1,070 (incl GST)

Programme Date

8 May 2019

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Net fee payable

Singaporeans and PRs: S$321.00
Singaporeans aged 40 years and above: S$121.10
SkillsFuture Credit may be used. T&Cs apply.