TOPIC-SPECIFIC LEARNING JOURNEY

COURSE PACKAGE:

"OIL"



ENTRIMA's Learning Platform lists a wide range of courses, all related to markets & trading. Some of these courses have been bundled to form a course package, as they all concerns the same field of expertise.

The Course Package "**Oil**" consists of the following courses:

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Each of these courses ends with an exam. Upon passing the exam the learner will be certified instantly. The contents, duration and level of each course is set out in the pages hereafter.

Total duration*) of all seven (**7**) courses together: **340** minutes

- **Study hours:** 6
- **CPD points:** 6

*) *Excluding examination*

COURSE:
THE OIL SUPPLY CHAIN

This course concerns the supply chain, or value chain, of oil. This is why it sets out the process from production to consumption, including transport and storage. Obviously, attention is also given to the refining process, as crude oil has to be coverted into useful derivatives.

This course covers the following video lessons:

1. Introduction to the oil supply chain
2. The commodity – Oil quality
3. The commodity – Oil grades & benchmarks
4. Upstream activities – Exploration & Production
5. Midstream activities – Transportation & Storage
6. Downstream activities – Refining
7. Distribution & consumption
8. Challenges & opportunities in the oil supply chain
9. Sustainability & the future of the oil supply chain

A. Examination
B. Certification

❖	Level:	Basic	No prerequisites
❖	Intensity:	35 minutes	Excluding examination
❖	Language:	Voice & text	English
❖	Including:	Examination	Certification upon passing

COURSE:
OIL MARKETS & TRADING

This course concerns the trading of crude and refinery products. This means the relevant markets are covered, the productstrade in those markets and the pricing of those products. Attention is also given to the types of market participants and the organisation of those markets.

This course covers the following video lessons:

1. Introduction to oil markets & trading
2. Crude oil fundamentals
3. Market structures, price drivers, price discovery & key hubs
4. Oil pricing & benchmarks
5. Oil trading mechanisms
6. Market analysis
7. Risk management in oil
8. Geopolitical & environmental impacts
9. Oil exchanges
10. Case studies & real-world scenarios
11. Oil derivative contracts & trading instruments
12. Physical oil trading & operations
13. Trading strategies & market tactics

A. Examination
B. Certification

❖	Level:	Basic	No prerequisites
❖	Intensity:	60 minutes	Excluding examination
❖	Language:	Voice & text	English
❖	Including:	Examination	Certification upon passing

ELEARNING:
OIL PRICING

This e-Learning consist of a combination of text, audio, animation-style video lessons and engagement about oil pricing. Therefore, it covers price driving factors, the forward curve and price-indexation.

This eLearning package covers the following topics:

- The oil price
  - Price economics
  - Demand & utility vs. Supply & cost
  - Marginal utility vs. marginal cost
  - Fixed costs vs. floating costs
- Price driving factors
  - Demography & economy
  - Reserves & production
  - Technology & economic viability
  - Consumption & processing
  - Storage & storage capacity
  - Transport & transport capacity
  - Social factors & politics
  - Quality
  - FX rates & Inflation
  - Correlation & Diversification
  - Substitution
  - Environmental issues
  - Seasonality + Weather
- The oil forward curve
  - Definition
  - Contango & backwardation
  - The storage model
  - Arbitrage
  - Convenience
- Price-indexation
  - Maintaining benchmarks
  - Cross-commodity
  - Commodity indeices
  - Price reporting agencies
  - Princing panels

A. Examination
B. Certification

❖	Level:	Intermediate	Prerequisites: “The Oil Supply Chain” + “Oil Markets & Trading”
❖	Intensity:	60 minutes	Including examination
❖	Language:	Voice & text	English
❖	Including:	Examination	Certification upon passing

ELEARNING:
OIL PRICE RISK MANAGEMENT

This e-Learning consist of a combination of text, audio, animation-style video lessons and engagement about oil price risk and the management thereof. Therefore, it covers price scenarios, price volatlity, limit structures, risk limits, and the quantification of price exposures for individual positions and portfolios.

This eLearning package covers the following topics:

- Price fluctuations – Price volatility
- Steps to take
- Risk defined
- The subjectivity of decisions
- Risk quantification
- Limit structures
- Risk limit
- The concept of 'value at risk' (VaR)
- The parametric approach
- Individual gas position
- Individual oil position
- A portfolio consisting of 2 positions
- A portfolio consisting of 3 positions
- Value at risk versus P/L
- Quantification of FX exposures
- Stress testing

A. Examination
B. Certification

❖	Level:	Advanced	Prerequisites: "Oil Pricing"
❖	Intensity:	40 minutes	Including examination
❖	Language:	Voice & text	English
❖	Including:	Examination	Certification upon passing

ELEARNING:
OIL SHIPPING

This e-Learning consist of a combination of text, audio, animation-style video lessons and engagement about oil shipping. Therefore, it covers cargos, vessels, routes, chartering, freight derivatives and the ops.

This eLearning package covers the following topics:

- Cargos
  - Dirty cargo
  - Clean cargo
- Vessels
  - Barges & tankers
  - Panamax, Supramax, Handysize, Handymax, VLCC, ULCC
- Routes
  - Well-known land- and sea-marks
- Operations
  - Bill of lading
  - Loading & unloading
  - Lay time & layday
- Chartering
  - Charter types
    - Trip charter
    - Time charter
  - Freight rate
    - Driving factors
    - Baltic indices
    - Incoterms
- Freight trading
  - Ship charterers & brokers
  - Insurance
  - IMO
- Freight derivatives
  - Forward freight agreements (FFAs)
  - Freight futures & options

A. Examination
B. Certification

❖ Level:	Basic	No prerequisites
❖ Intensity:	45 minutes	Including examination
❖ Language:	Voice & text	English
❖ Including:	Examination	Certification upon passing

ELEARNING:
OIL FUTURES

This e-Learning consist of a combination of text, audio, animation-style video lessons and engagement about oil futures contracts. Therefore, it covers deal-making in exchange-traded term contracts, the pricing thereof, the trading of the contracts, and the related processes of clearing, margining and settlement.

This eLearning package covers the following topics:

- Introduction
  - Definition
  - Option contract & contract specifications
- Position management
  - Opening & closing a position
  - Long vs. short: Obligation to make/take delivery & obligation to take/make payment
- Application
  - Speculation vs. hedging
- Pricing & trading
  - Trading at settlement
  - Trading at marker
- Clearing
  - Central counterparty (clearing house
  - Clearing members
  - Margining
    - Initial margin
    - Variation margin
- Settlement
  - Physical delivery
    - Delivery versus payment
    - Seller's choice
    - Cheapest to deliver
    - Alternative delivery procedure
  - Cash settlement
    - Financial effectation
- Exchange of futures for physicals
  - EFP
  - Exchange of futures for swaps
    - EFS

A. Examination
B. Certification

❖	Level:	Intermediate	Prerequisites: "The Oil Supply Chain" + "Oil Markets & Trading"
❖	Intensity:	50 minutes	Including examination
❖	Language:	Voice & text	English
❖	Including:	Examination	Certification upon passing

ELEARNING:
OIL OPTIONS

This e-Learning consist of a combination of text, audio, animation-style video lessons and engagement about oil option contracts. Therefore, it covers deal-making in option contracts, the pricing thereof, the trading of calls and puts, all in relation to generic options and complex (or exotic) variants.

This eLearning package covers the following topics:

- Introduction
  - Definition
  - Option contract & contract specifications
- Types of options
  - Call options & Price cap
  - Put options & Price floor
- Oil option pricing & valuation
  - Premium
    - Price driving factors
      - Contract-specific factors
      - Market-specific factors
  - Option valuation models
- Position management
  - Rights and (potential) obligations
  - Exercise & assignment
  - Settlement
- Hedging oil price risk with oil options
  - Hedging an exposure of an oil producer with a put option
  - Hedging an exposure of an oil consumer with a call option
    - Selecting strike price and maturity date
- Vanilla oil options vs. Exotic oil options
  - Complexity level
  - Option (exercise) style: European, American, Asian & more
  - Types of exotics
    - Average rate options, Barrier options, Quanto options, Exchange options, Basket options, Cross options, Rainbow options

A. Examination
B. Certification

❖	Level:	Advanced	Prerequisites: “Oil Futures”
❖	Intensity:	50 minutes	Including examination
❖	Language:	Voice & text	English
❖	Including:	Examination	Certification upon passing