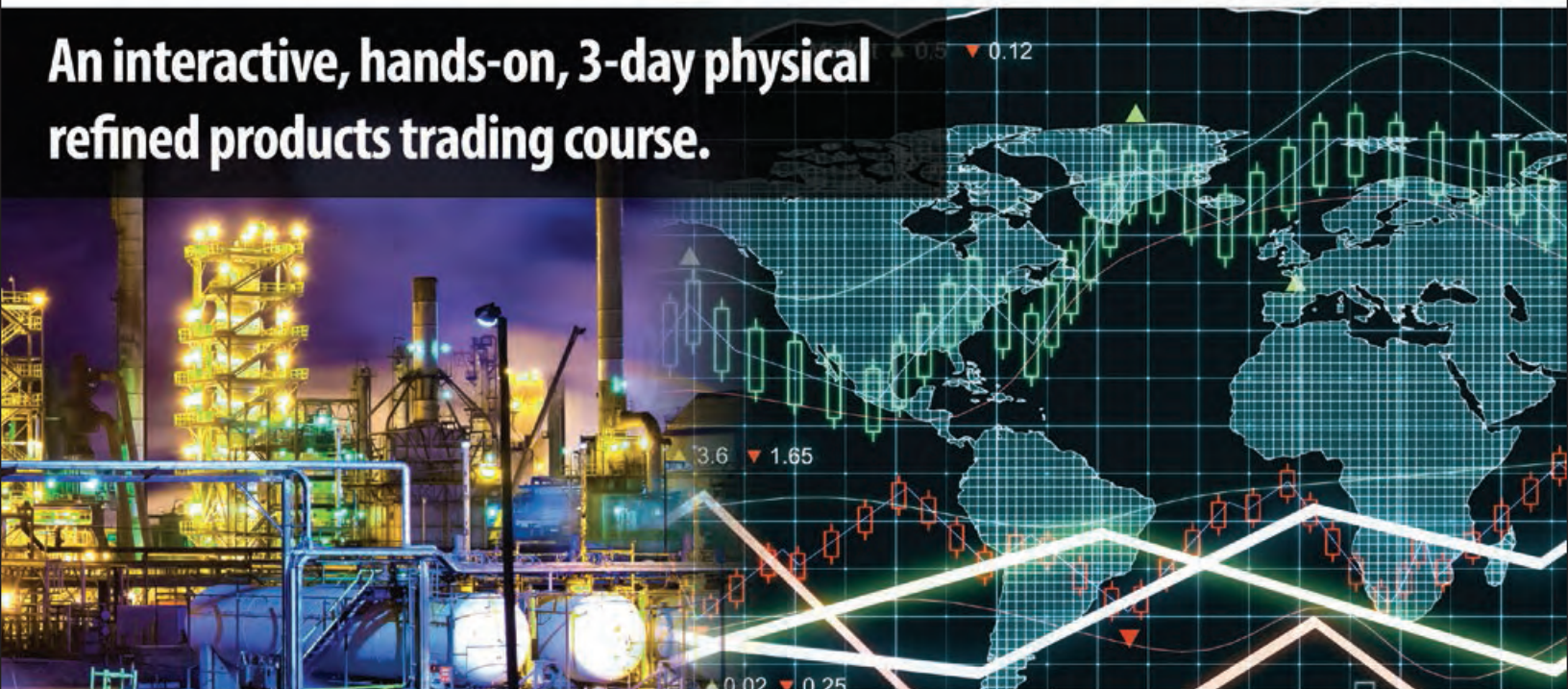


International Oil Refined Product Trading

Presented by Energy Management Institute

An interactive, hands-on, 3-day physical
refined products trading course.



COURSE DATES & LOCATIONS

■ April 11-13, 2017: Houston, TX

REGISTER TODAY!

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DETAILS INSIDE

What You Will Learn

Are you ready spend a three days delving into the very interesting world of international refined products trading? This three-day course will give you an integrated framework for understanding all aspects of the dynamic and ever-changing world of refined products arbitrage trading from a physical and financial perspective. This program will include one day full of real-world opportunities to trade and analyze.

The course has been designed from the perspective of an oil trader or a trader wanting more oil exposure in their portfolio from trading the large international refined products spread trading markets. This unique program will delve into the details of the physical market, including discussions on the fundamentals, major refined products markets, characteristics of the markets, operations and logistics, freight trading and distinct differences between the physical and financial markets.

A short listing of some of the things you learn and be exposed to follows:

- The basics and fundamentals of oil spread trading
- The vocabulary of oil spread trading
- The what, why, how and who of refined products spread trading
- The market participants
- Technical and fundamental analysis and trading techniques
- Market behavior
- Approach development and testing
- Advanced techniques
- Combining fundamental and technical analysis
- Real-time trading examples for many of the refined product spreads discussed throughout the course
- A full-day opportunity to incorporate what you learned in the program into developing an approach to trading some of the key refined product arbitrage/spreads discussed throughout the program

Day two of the program focuses on drilling down into the main international refined products trading markets around the world. Course attendees will be exposed to arbitrage (spread) trading all of the main pre-cut categories from all of the main refining and consuming centers around the globe. EMI will present approaches that work for physical trading as well as valuing and relating both physical products from source to destination, and what works and why.

On day three, attendees will learn by doing. Using real-time examples with current data, attendees will spend the day going through five very different cases which will include analyzing, decision-making and trading around the data presented. The instructor will interact with each team during their preparation and offer learning comments during their post-selection period.

Finally the last part of each session will include comments and a critique by the instructor and the attendees on their performance. Successful trading comes with not only learning and preparing, but also with critiquing ones performance and building a 'what to do and not do' type of trading diary during various market environments.

COURSE DATES & LOCATIONS

■ **April 11-13, 2017 - Houston, TX**
Regus Conference Center City Centre
8:30am - 4:30pm each day

See last page for venue addresses.

REGISTER ONLINE

EMI CERTIFICATION CREDIT



This course earns 9 credits towards EMI Certification.

REGISTRATION FEES

1st delegate: \$2,695
2nd delegate: \$2,495
3rd delegate: \$2,000

Who Should Attend

This course is specifically designed for people working in: Oil Trading, Risk Management, Supply, Transport and Operations, Sales and Marketing and Energy Purchasing.

Learn from the Best



Don't miss this chance to learn from 30 years of energy trading experience with industry expert Mr. Dominick Chirichella. Mr. Chirichella has started and operated several highly successful domestic and international trading companies. He served on the CME NYMEX advisory board and helped start and trade the very first heating oil contract on the CME NYMEX. He has traded every type of energy contract including crude, Nat Gas, power and oil products. Truly an industry luminary, Mr. Chirichella has developed innovative trading strategies that you can learn first-hand and put to use in your successful career.

CPE Credits



This course earns 18 CPE credits.

Energy Management Institute is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.



State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Web site: www.learningmarket.org.



Course Syllabus

DAY ONE: Set the Stage – The Basics

Session 1: Overview of Current Global Supply and Demand Balances...Understanding the Individual Parts

The course will begin with a macro fundamental overview of the global oil market with particular emphasis on the refined product side of the equation.

We will delve into every aspect of this dynamic and evolving segment of the Global economy. Why are energy prices where they are? History will help understand the reason. What are the causes for low prices and what are simply symptoms? Why are Geopolitics and security of supply less important today and significantly more important just 10 years ago? What is the energy price model and what does that mean for the next few years?

This session will also cover the major market drivers with a detailed description as to what to expect going forward. We will identify all of the risks and resulting volatility and offer insights on how to establish risk parameters and identify market opportunities.

Session 2: Let's Identify the Main Refined Product Markets by Region

The Global Oil Markets are in the midst of a major transition as both crude oil and refined product markets seek a level of stability and more normal and repeatable inter-regional product flows. This session will look at the unique supply and demand characteristics of the main refined product producing and consuming regions of the world... Asia, Middle East, Europe, US Caribbean/South America and West Africa. Some of the aforementioned regions are net exporters of various grades of refined products while other are net importers. This session will present a macro overview of the flow by product by region.

Session 3: Characteristics of the Main International Grades of Refined Products Normally Traded

Before we move into a more detailed discussion of the supply and demand balances of each region of the world we will first review the main refined product categories along with the specifications for each major region of the world. This session will also discuss the capabilities each net export area has to meet in a world of ever-changing specifications of the various import areas of the world.

Session 4: The Refining/Manufacturing Sector

We can't simply discuss the supply side without a discussion on the state of the refining sector. The global refining sector is being shaped by a rebalancing of supply/demand forces as OECD countries (developed world countries) experience declining or flat product demand, while non-OECD (developing economies) oil demand is in a long-term growth spurt driven by rapid economic growth and urbanization. Production growth by non-OPEC countries, specifically in North America, are enhancing pressures on the refining system as feedstock costs and product flows are shifting. This leaves certain refiners with an economic edge while others remain geographically disadvantaged. Other areas of the world are either expanding or building new export refining centers.

How does all of this impact the forward supply balances once we get down to the micro outlook from a refined product viewpoint.

This session will set the stage as refinery overcapacity in some areas of the world will be put to the test over the next couple of decades as additional capacity comes online in the form of new refineries, primarily in Asia and the Middle East.

Session 5: Physical Oil Price Mechanisms

This session will discuss all of the various pricing mechanisms used in the international refined product arena. We will begin with an overview of all of the main traditional international pricing mechanisms. We will then move into commodity related pricing basis. We will discuss how these mechanism are applied, and when and why to use the various pricing arrangements.

Session 6: Operations and Logistics

The major unique element of trading physical refined products is that someone has to eventually move it. We will delve into the common practices for scheduling, book-outs, nominations and documentation, inspection, demurrage, shipping operations, typical pipeline operations, terminalling, storage and trans-shipments. We will not only look at the operations and logistics side of these areas, but the economics as well.

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Course Syllabus - DAY ONE (continued)

Session 7: The International Freight Market

A significant amount of refined products move via ocean-going vessel. This aspect of the business has changed significantly over the last 30 years. It has moved from a business that was dominated by the majors to one now dominated by entrepreneurial ship owners. This session will delve into the freight trading activity.

We will discuss forward freight agreements (FFA) in detail. Some of the topics covered will include credit, counter party risk, key terms of contracts, characteristics of tanker FFA, trading tanker FFA's, pricing tanker FFA's and a review of the current liquid tanker markets.

DAY TWO: Drill Down to the Main Product Arbitrage Markets

Session 1: Asian Refined Products Market

In this session we will delve into the detail of the supply and demand characteristics of the Asian region. We will discuss the main export refineries and the main refined product markets...Singapore, China, Australia, Japan, South Korea, etc. We will go over the intra-regional flow of refined products as well as the inter-regional flow to other areas like the US. We will also cover the sources of product supply for the Asian markets. This session will look at the characteristics of the Asian refinery system, what they process and what they normally produce.

Session 2: Middle East Refined Products Market

Although the Middle East is one of the most volatile oil regions of the world it remains a major global supplier of both crude oil and a growing volume of refined products. After a long history of Saudi Arabia relying on Aramco partner companies like Exxon and Chevron and on third party trading companies, Saudi Arabia now has a fully operational and active refined products trading group. In addition Kuwait has been upgrading its refining system and, as stability emerges in places like Iraq and Iran, additional sophisticated refining capacity will be added. This session will delve into the details of this very important player in the global refined products arbitrage markets.

Session 3: The Americas Refined Products Markets

The dynamics of this oil region of the world has changed significantly over the last 10 years. The change is a result of 1) The massive crude oil revolution in both the US and Canada and 2) The resulting advantage that many refiners have in the US over other parts of the world. First, we will discuss the US refining system and its economic advantages. Second, we will review the US supply and

Session 3 Continued

demand balances for refined products to highlight why the US is now a major net exporter of refined products while still importing products into both the East and West coasts of the country. This session will also discuss the other major players in this region...Venezuela, Mexico, Brazil and Canada.

Session 4: The European Refined Products Markets

Europe is no longer a leader in the arbitrage trading of refined products out of the European system. Demand for oil in Europe has ebbed as the EU economy remains sluggish at best. This session will review the capability of the European refining system in both the Med and Northwest Europe. We will discuss why many European refineries are under-utilized and why in many areas in Europe it is now more economical to buy and import refined products while throttling back refining capacity.

Session 5: Refined Product Spread Structures

This session will discuss the three main categories of refined product spreads/arbitrage opportunities: 1) Inter-month 2) Inter-market and 3) Intra-market.

We will discuss the ability to trade these three categories of spreads in the three main trading venues: 1) Regulated futures and options 2) Bilateral and cleared OTC markets and 3) Physical refined product markets.

We will look at and discuss why each of the combinations of spread categories and venues are at different levels of commoditization and the types of trading that occurs in each area. Which players dominate which sector and why? Which sector has the most profitable trading opportunities? How does the international market play into the three categories? Why should you select one category/venue combination over the other? These are some of the main questions we will answer in our quest to understand the risk and reward for spread trading in each category/venue combination.

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Course Syllabus - DAY TWO (continued)

Session 6: Let's Put the Pieces and Create A Physical Refined Product Arbitrage Monitoring System

In this session, we will be focusing on the major physical product relationships across the various regions of the world. We will set up a variety of arbitrage relationships (major product traded arbs) and go through the analysis, economics, trade potential and main market drivers. Refined product arbitrage opportunities, more so than crude oil, can be categorized as traditional arbs that mostly allow the trader to limit the risk of the trade - as

many arbs can and do result in the delivery of one leg of the arb to the other leg. Thus many arbs are physical to physical or physical to financially traded (financial leg converted at times to a physical leg). In this session we will also delve into pure financial to financial spreads that fall into the intra-market category much like the aforementioned intra-market spreads with either one or two physical legs.

DAY THREE: Day of Examples with Current Data and Various Exercises

Session 1: US/Europe Clean Product Arbitrage Trading

In this session we will delve into a very active refined product trading area covering both gasoline and ultra low sulfur diesel/heating oil between the US and Europe. We will work with real-time data that attendees will convert into a refined product arbitrage monitoring system. From there we will ask each team to identify an opportunity and go through the analysis, economics, trade potential and the main market drivers. We will also ask the teams to discuss their selected trading opportunity not only from the trader's perspective but also from the view of the operations and logistics team, freight team as well as financial people. The instructor will interact with each team during their preparation as well as offering learning comments during their post-selection period.

Session 2: US/Rest of the World Product Arbitrage Trading

In this trading exercise, we will expand the opportunity to cover all grades of refined products that can not only be imported to the US but that can also be exported. This session will expand the product arbitrage monitoring system to include residual fuel oil/bunker fuel, jet fuel and naphtha.

Session 3: Bunker Fuel Product Arbitrage Trading

In this trading exercise, we will focus on the Singapore and growing bunker fuel business in China. Where is all of this fuel coming from? This session will focus on A 180, A 380 and Gasoil for the Asian markets.

Session 4: Global Product Arbitrage Trading

In this trading exercise, we will bring it all together and focus on most of the refined product/regional characteristics and economic opportunities. A wide slate of refined products both clean and dirty will be included in this session.

Session 5: Summary and Review of the Program

This session will recap of the entire program as we summarize all of the main points presented in the program. We will also recap all of the refined product trading arbitrage opportunities presented throughout Day Three. The instructor will offer his critique of what he saw, and attendees will be asked to offer critique of their own trading activity.



Learn From the Experts that Experts Trust

EMI experts are frequent editorial contributors to petroleum magazines and are trusted by today's leading news sources.

Our experts have been featured in:

Futures Magazine • The Wall Street Journal • USA Today • The New York Times • The Washington Post • Journal of Commerce • CNN • NBC • CBS • ABC • Bloomberg • Reuters

EMI's leading industry experts have an average of over 30 years of knowledge and experience in:

**Energy • Commodity trading • Risk management
• Education • Consulting • Financial services**

Plus many years of managing marketing, international trading, manufacturing, consulting, start-up operations and project finance operations of well-known companies; integrated major oil companies as well as international trading companies.

EMI's industry experts have also provided risk and value management analysis, advice, information, and services to a variety of companies in the electric power industry. Clients have included power marketers, integrated utilities, retail power providers, hedge funds, and power plants.

Highlights of our instructors' experience include: • Developing a suite of models for a variety of power markets that quantify value and risk • Managing spark spread portfolios for hedge funds in the power markets • Operating in futures trading pits as a market observer in the power markets • Developing working papers for investigations and performing compliance audits in the power industry • Helping Texaco initiate its first use of futures exchanges as an integral part of hedging/trading strategy • Chief Operating Officer of Triwell Marketing and refining • Director of OPIS, Oil Price Information Service, a management-consulting and educational services group that solely focused on the downstream energy industry • Member of Board of Directors of Longview Refinery • Member of the New York Mercantile Exchange Petroleum Advisory Board • Expert witness for a hearing before the subcommittee on surface transportation for the Commerce, Science, and Transportation Committee of the US Senate • Supplied expert testimony to a US Senate sub-committee hearing on diesel petroleum product pricing • Supplied testimony to the Federal Highway Administration regarding fuel tax evasion • Expert witness in a MTBE litigation against the major oil companies • Publishers of The Daily Hedger, BTU's Daily Gas Wire and BTU's Daily Power Report, which advise thousands of petroleum professionals daily.

Our instructors are frequent expert speakers for numerous petroleum industry events and trade associations including: • DOE DESC World Energy Conference • OPIS Fleet Fueling • CME NYMEX • Fuel Management University • NATSO • ATA • AAA • Dairy Distribution • eyeforEnergy eCommerce • OPIS Supply Summit • CIOMA • American Society of Mechanical Engineers • American Society of Lubricating Engineers • Ambrust Aviation • NACHA.

Over the years EMI has developed a series of intensive courses covering all aspects of Energy from production all the way to managing the impact price and volatility on the margin of end-users, resellers, traders, marketers, shippers, retailers and refiners. Our instructors have had the privilege to instruct thousands of professionals representing all aspects of the energy industry, including every major oil company (i.e. Exxon Mobil, BP, Shell, Equilon, Motiva) major power utilities (i.e. Sempra, Edison Mission, Berkley, Toronto Hydro, Dominion, Conectiv) small marketers (i.e. Sprague, Getty, Southern Counties, Western Petroleum) trucking fleets from 50 to 10,000 (i.e. UPS, U.S. Postal Service, Yellow, Pepsi, Werner), gasoline-powered fleets hyper-markets (i.e. The Pantry, Wawa, BJs Wholesale) and many fortune 500 energy consumers.

REGISTER ONLINE

Registration Fees:

1st Attendee: \$2,695 for full program

2nd Attendee: \$2,495

3rd Attendee: \$2,000

1 CHOOSE YOUR COURSE DATE/LOCATION

- April 11-13, 2017**
Regus Conference Center - City Centre
800 Town and Country Blvd.
Suite 300
Houston TX 77024
PH: 832.431.3000

Hotel recommendations for select course locations available online at www.energyinstitution.org/hotels

2 ENTER ENROLLMENT DETAILS

First Name: _____ Last Name: _____

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ Email Address: _____

3 MAKE PAYMENT CHOICE

Please make checks payable to: "PMA"

Please invoice my company (payment must be received prior to course date)

Pay by credit card (circle one): Mastercard Visa American Express

Card Number: _____ Expiration Date: / /

Card Holder Name: _____

Card Holder Signature: _____

4 SUBMIT REGISTRATION FORM

EMAIL: Send form to register@pmaconference.com.

TEL: Call PMA Conference Management at 201.871.0474

FAX: 253.663.7224

POST: PMA Conference Management
POB 2303
Falls Church, VA 22042

REFUND/CANCELLATION POLICY

Attendees may reschedule for a different date or course with no penalty. Attendees may substitute a colleague in place of themselves as long as prior notice is given to EMI.

Course fees are 100% refundable up to 14 days prior to course date, 80% refundable up to 5 days prior to course date and 50% refundable up to 2 days prior to course date. Cancellations are non-refundable thereafter.