

# Technical Analysis



**Gain vital knowledge about the latest tools, techniques and tactics for hedging and trading in the energy markets.**

## Course Date & Location

**When:** March 10-11, 2010

**Where:** Regus Conference Center

Downtown Houston

Two Allen Center

1200 Smith Street, 16th Floor

Houston, TX 77002

Recommended Hotels on p.3

## What You Will Learn

While using technical analysis can add enormous value to a firm, a lack of understanding can easily lead to disastrous results. This course explains the derivations, applications, strengths, weaknesses & variations of the major technical indicators & techniques. The course is designed to help traders & risk managers in the energy industry gain a thorough understanding of the most popular & successful techniques & how they can be applied to their specific business. You'll leave the course with an integrated framework for incorporating technical analysis into energy trading & risk management. **Topics covered include:**

- ▣ The technical tools & techniques at your disposal to trade & manage the ongoing volatility & the price impact of the various energy markets
- ▣ A view of the main elements of technical analysis used for trading discipline, quantifying & managing risk, & coordinating with fundamental analysis
- ▣ Using trend lines, Japanese Candlesticks, support & resistance & retracement levels
- ▣ How to analyze & use volume & open interest
- ▣ The characteristics of the Elliot Wave Theory & Gann
- ▣ Calculating & using moving averages & MACD
- ▣ Using DMIs, Parabolics, Stochastics, RSIs, %R, momentum, MarketProfile & Bollinger Bands
- ▣ How to combine indicators & approaches
- ▣ Hedging & speculating with technical analysis
- ▣ Mechanical trading system development: trend-following, counter-trend & combining non correlated trading systems
- ▣ Harami candlestick reversal pattern
- ▣ How to eliminate the downside risk without limiting the upside potential
- ▣ Knowledge through real-world trading & hedging examples using real-time data with a marked-to-market evaluation

## Who Should Attend

This course is applicable to all levels of the energy industry. Individuals whose decisions have significant financial impact will benefit from this program. Managers from areas such as marketing, sales, manufacturing, engineering, supply & distribution, trading risk management, purchasing & financial & accounting will find the course highly beneficial.

## Program Registration Fees

1<sup>st</sup> delegate: \$1,895

2<sup>nd</sup> delegate: \$1,595

3<sup>rd</sup> delegate: \$1,395

Fee includes full two-day course, expert instruction, course materials, continental breakfast, & lunch on day one & two

## CPE Credits



This course earns 14 CPE credits. EMI awards credit hours towards CPE and Certified Purchasing Manager status (CPM).



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## Course Syllabus

### DAY 1: Overview & Charting (8:30 a.m. – 4:30 p.m.)

#### ▣ Session 1 – Overview of Technical Analysis

- Technical Analysis covers a broad array of topics, tools, techniques & systems for trading & hedging. This session will provide you with an overview of the entire topic. This session sets the stage and presents an historical perspective of this relatively young profession focusing on the history of charting, evolution of technical analysis, overview of all of the major tools & techniques and an understanding of the basic patterns.

#### ▣ Session 2 – Technical Analysis Versus Fundamental Analysis

- Historical overview of choosing fundamental or technical analysis.
- Concept of a Techno- fundamentalist.
- What each encompasses, when to use each, how to use each and when to combine both approaches.

#### ▣ Session 3 – Lets Begin to look at the Main Techniques of Technical Analysis

- Price Charting & charting techniques.
- Mechanical indicators.
- Advanced techniques.
- Combining various indicators.

#### ▣ Session 4 – Price Charting & Charting Techniques

- The price chart: the cornerstone of charting.
- Construction, analysis and interpretation of the price chart.
- Exploration of what the energy market is telling us about the market direction. Charting analysis & techniques & the analysis of price and volume.
- Detailed explanation of the fields that define a commodity's price and volume.

#### ▣ Session 5 – Charting Systems

- Overview of Dow Theory applied to commodities.
- Tried & true main charting patterns: head & shoulders, multiple heads & shoulders, rounding tops & bottoms, triangles, broadening tops, rectangles, double & triple tops & bottoms, diamonds, wedges, flags & pennants, reversals, gaps, & most importantly support, resistance & trend lines.
- When to buy, hold, and/or sell using current & past energy examples.

#### ▣ Session 6 – A Few More Charting Techniques & Psychology

- What is your time horizon and your charting preference?
- For the day trader, tick charts, 3 minute, 60-minute charts, etc.
- Point & figure charts and a touch of Candlestick charting.
- Combining very short-term chart signals with the longer-term trend in the market.
- Combining techniques based on trading & hedging objectives over various timeframes.

#### ▣ Session 7 – Behavior of the Market & Participants

- What makes traders react?
- Philosophy & psychology of the trader.
- Following the trend.
- Contrarian theory.
- Interpreting the news.
- Fear & greed.
- No-nonsense rules that should be a part of everyone's trading repertoire to successfully compete in the highly volatile energy market.



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## DAY 2: Mechanical Indicators & Advanced Topics (8:30 a.m. – 4:30 p.m.)

### ▣ Session 1 – Mechanical Indicators

- The PC and the technical trader.
- The ability to develop, test and use mechanical indicators in conjunction with charting techniques as well as a stand alone basis.
- The evolution of indicators, the various classes of indicators, oscillators, etc.
- Review of major indicators used throughout the trading industry, i.e. moving averages, oscillators, momentum, stochastics, volatility, regression models, directional indices and Fibonacci numbers.

### ▣ Session 2 – Putting the Indices to Work

- Application of each of the indicators previously discussed to real situations in various energy markets.
- How successful are the buy signals, sell signals, no trade decisions?
- Which indicators work better in trending markets and which work better in sideways markets?

### ▣ Session 3 – Time to create Some Trading Systems

- Improving results by combining indicators/techniques using a carefully designed & tested system.
- Software programs currently on the market and their purpose.
- Examination of basic systems & how they perform in energy markets.

### ▣ Session 4 – Advanced Topics in Technical Analysis

As computers become more powerful and cost effective along, very talented traders & analysts are pushing tools & techniques into more complex territory. Concepts discussed include:

- Artificial intelligence.
- Wave theory.
- Optimization techniques.
- Portfolio trading.
- pattern recognition.

### ▣ Session 5 – TechnoFundamentalist

- The concept of combining the why & when of the market.
- Do the Fundamentalist and Technical approaches contradict each other or can they be used synergistically?
- This session will use them synergistically in analyzing the main energy markets. Past & current data will be used to demonstrate the approach.

#### Recommended Hotels (Within Walking Distance)

##### Doubletree

400 Dallas Street, Houston, TX 77002  
PH 713.759.0202

##### Hyatt

1200 Louisiana Street, Houston, TX 77002  
PH 713.654.1234

##### Crowne Plaza

1700 Smith Street, Houston, TX 77002  
PH 713.739.8800

##### Residence Inn

904 Dallas Street, Houston, TX 77002  
PH 832.366.1000

## About EMI Instructors



### Learn From the Experts that Experts Trust

EMI experts are frequent editorial contributors to petroleum magazines & 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 subcommittee 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 • 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.



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## Reserve Your Seat Today!

### Three easy ways to register:

1. Call PMA Conference Management at 201.871.0474 or send email to: [register@pmaconference.com](mailto:register@pmaconference.com).
2. Complete & fax this form to 253.663.7224.
3. Complete & mail the form to: PMA Conference Management, POB 2303, Falls Church, VA 22042.

<b>A</b> <b>Registration Fees:</b>  \$1,895 for full two-day program  This fee includes expert instruction, course materials & lunch.	<b>Discount for Additional Attendees:</b>  2 <sup>nd</sup> delegate \$1,595  3 <sup>rd</sup> delegate \$1,395
<b>B</b> <b>Enrollment Information (please print clearly)</b>  <b>NAME:</b> _____ <b>COMPANY:</b> _____ <b>ADDRESS:</b> _____ _____ <b>PHONE:</b> _____ <b>FAX:</b> _____ <b>E-MAIL:</b> _____	
<b>C</b> <b>PAYMENT METHOD</b>  <input type="checkbox"/> Please invoice my company (payment must be received prior to course date) <input type="checkbox"/> MasterCard <input type="checkbox"/> Visa <input type="checkbox"/> American Express  Card Number _____ Expiration Date ____/____/____ Card Holder Name _____ Card Holder Signature _____	

**REFUND/CANCELLATION POLICY:**

Attendees may reschedule for a different date or course with no penalty. 100% refundable with 14 days cancellation notice. 80% refundable with 5 days cancellation notice. Cancellations are non-refundable day of or after course.

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