

Introduction to Energy Trading For the Non-Trader



Achieve a solid understanding of the “what, who and how” of successful energy trading.

Course Date & Location

When: February 24, 2010
8:30 a.m. – 4:30 p.m.

Where: Regus Conference Center
Downtown Houston
Two Allen Center
1200 Smith Street, 16th Floor
Houston, TX 77002
Recommended Hotels on p.2

What You Will Learn

Are you unaware of the myriad of instruments available for trading and do you know the implications of each tool & technique as it relates to your specific job function? Have you ever wondered how the NYMEX and ICE actually work? How floor and electronic trading operations function? These are but a few of the questions that will be answered in this action packed comprehensive program designed for the non-trader.

This dynamic, information-packed program will help you **develop a solid foundation in energy trading as you examine all of the instruments, tools and techniques available to the energy trader today.** You'll explore the nuances and quirks specific to the energy markets, understand the risks and rewards across sectors and develop a macro view designed to improve your trading knowledge and help you understand successful trading programs. **Topics examined during this course include:**

- ▣ The basics and fundamentals of energy trading
- ▣ The vocabulary of trading
- ▣ The what , why, how & who of trading
- ▣ Energy market structure
- ▣ Market participants
- ▣ The intertwined relationship of fundamentals and futures
- ▣ Technical & fundamental analysis; how and when to combine the two
- ▣ Market behavior
- ▣ System development & testing
- ▣ All about NYMEX and ICE
- ▣ Real time trading examples for natural gas using the various technical tools & techniques
- ▣ What the various energy trading instruments, tools & techniques are and what is encompassed in the profession of energy trading
- ▣ How all of the tools & techniques work
- ▣ How these tools can be applied to the development of a successful trading program

Plus, don't miss the newly added simulated trading exercise!

Who Should Attend

This EMI program on energy trading has been designed for the “non-trader”. The course is applicable to mid & back-office personnel in all levels of the energy infrastructure. Individuals in every functional support area of responsibility who are impacted by trading operations will benefit from this program. Employees providing mid & back office support such as marketing, sales, IT, strategy, research, engineering, supply & distribution, trading risk management, purchasing & financial & accounting will find the course highly beneficial.

Program Registration Fees

1st delegate: \$895
2nd delegate: \$795
3rd delegate: \$695

Fee includes full course, expert instruction, course materials, continental breakfast & lunch.

CPE Credits



This course earns 8 CPE credits. EMI awards credit hours towards CPE and Certified Purchasing Manager status (CPM).



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Course Syllabus

(8:30 a.m. – 4:30 p.m.)

▣ Session 1: The Basics

Let's set the stage by reviewing the basics of Energy Trading—Markets, players, tools and techniques. After this session, you'll understand the nuances and quirks specific to the energy market and how they impact price movement and volatility, and, most importantly, your trading bottom line. Topics discussed will include: inventory reports, weather forecasts, hurricanes, maintenance schedules to name a few.

▣ Session 2: Technical Analysis, Fundamental Analysis & Arbitrage

The journey will start with a historical overview of choosing whether to use fundamental or technical analysis to improve your skills. But why choose when each is a compliment to the other? We'll explore the concept of Techno-fundamental analysis as we discuss the details of each method, when and how use each, and when to combine both approaches. This is just the beginning on a macro approach to improve your timing in energy markets. Then we'll examine various futures/physical trades & positions from both a trading & risk management perspective. What do the arbs tell us? How and why does one enter and exit futures arbs? What is the upside & downside? Is there such a thing as a perfect, riskless futures arb trade? We will explore the answers to these questions and more as we maximize the use of the opportunities the futures market gives us.

▣ Session 3: Behavior of the Market & Participants – Philosophy & Psychology

Before moving into other technical tools & techniques lets pause to get a better understanding of market behavior. Follow the trend, contrarian theory, interpreting the news, waves, and fear & greed are just a few of the things that make traders react. We'll discuss the philosophy & psychology of the trader and point out some no-nonsense rules that should be a part of everyone's trading repertoire to successfully compete in this fast-moving and highly volatile energy market.

▣ Session 4: Time to create Some Trading Systems

Is it possible to improve your results by combining indicators/techniques? The answer is yes—in a carefully & objectively designed and tested system. Several excellent software programs exist on the market that allow the user to develop and back-test any combination of classical indicators and indicators currently used in the market as well as allowing the user to develop their own market indicators. This session will look at a few basic systems and discuss how they performed in various energy markets.

▣ Session 5: Simulated Trading Exercise: Test your knowledge first hand.

This program includes an exciting real-time simulated NYMEX Natural Gas trading exercise! You'll quickly learn real trade strategy and techniques to help you put to use the lessons learned in this course today.

▣ Session 6: Money Management

We all know the three most important things about the real estate market are location...location...location. Well the three most important things about trading are money management...money management...money management, topped with discipline. We will end the first day with a litany of the rules and approaches that work when trading any commodity in any market. The key to successful trading is longevity. One needs to be in to win it.

▣ Session 7: The Two worlds of Technical Analysis

Technical Analysis covers many tools and techniques, each with its own characteristics, success rate and applicability to various market movements. This session will break the field of TA into three main categories... price charting & charting techniques, mechanical indicators, and advanced techniques. In addition to introducing each category, this session will also introduce the concept of putting various indicators together to create the system for trading various energy markets.

▣ Session 8: A Few Approaches That Work For Energy

This session will continue where the previous session left off and discuss some of the major techniques that work well for the various energy markets. Some trading tools & techniques work better than others for the various energy markets. We'll look at each one by one using real energy examples showing success & failures. We will explore the various time frames normally traded...day trading, overnight trading medium to long term trading.

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



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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.
2. Complete & fax this form to 253.663.7224.
3. Complete & mail the form to: PMA Conference Management, POB 2303, Falls Church, VA 22042.

A Registration Fees: \$895 for full program This fee includes expert instruction, course materials & lunch.	Discount for Additional Attendees: 2 nd delegate \$795 3 rd delegate \$695
B Enrollment Information (please print clearly) NAME: _____ COMPANY: _____ ADDRESS: _____ _____ PHONE: _____ FAX: _____ E-MAIL: _____	
C PAYMENT METHOD <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.
