Economics of the Oil Supply Chain

During this five-day program, delegates explore the various activities of an oil company and the economic forces driving the oil supply chain. They will also learn the main areas of risk and opportunity from the crude oil supply terminal, through transportation, refining, and international trading to the refined product distribution terminal.

Through exercises carried out in teams in Invincible’s fictional refinery, delegates learn the quality aspects of product supply, refinery process economics, and the effects of upgrading. They will examine blending as a means to meet quality requirements at optimal cost and construct a processing deal. Additionally, the program provides an overview of international markets, trading, and different methods of price risk management.

This program is an essential foundation for people entering the oil industry or for those with single-function experience looking to broaden their knowledge. It also forms the basic building block for the other Invincible courses. Numerous exercises are carried out in teams, with comprehensive debriefs studying the consequences of the decisions reached.

Trading Oil on International Markets

This five-day program provides delegates with a comprehensive understanding of the economics of oil trading and the management of inherent price risks. Delegates will learn how to negotiate and cost deals, calculate profitability, charter a ship through a broker, and examine the legal and operational aspects of trading. They will also gain the skills to identify and manage risk by using futures, forwards, and over-the-counter markets.

During the practical exercises, delegates work as part of a trading team and make decisions using real-time information and prices from Reuters trading screens and daily price reports from Platts and Petroleum Argus to manage and maximize the profit of a fictional trading book. The corporate position will be marked to market and reviewed on a daily basis, with comprehensive debriefs studying the consequences of the decisions made.

WHO SHOULD ATTEND

This course will benefit those new to the oil industry or moving into the commercial area from the upstream or downstream sectors. The program is also of interest to those who interface with the commercial aspects of the oil industry such as banks, accountancy practices, and other organizations.

WHO SHOULD ATTEND

This course will benefit those coming into trading from elsewhere in the industry; those in supply and marketing functions looking for a wider understanding of the market; those in oil companies, banks, law firms, accountancy practices, the media, and elsewhere who interface with traders and trading; and those moving into oil markets from the financial markets or elsewhere.

PROGRAM FEE

£3,300*  
*VAT charges only where applicable