



Commodities

This one day course is meant for participants who want to obtain an in depth knowledge about commodities and the application of commodities in a diversified investment portfolio. The learning concept couples directly the theoretical knowledge with the daily practice.

Training method

- Prior to the one day course, the participant will receive some study materials. In order to be able to participate at the fullest during the course and to achieve optimum results, the participant is asked to study these materials before the start of the course;
- It is a one day intensive course, combining theory with practical applications;
- The course is completed with an exam. Once the participant passes the exam, he or she will receive the certificate for Commodities.

Topics

During the course Commodities the following topics will be treated:

- **History and characteristics of commodities:**
 - In the course we will take a look at the origins of trading in commodities as well as an overview of the most important commodities, the markets where they are traded on, and the market parties involved.
- **Pricing of commodities:**
 - Except for supply and demand, the price of commodities is determined by a number of fundamental assumptions, which will be dealt with in detail. When discussing the pricing of commodities, we will assume the most important instrument of commodities trading, which are forwards and futures contracts.
- **Orderprocessing:**
 - What does the order process look like and what part plays collateral in this process?
- **Trading strategies:**
 - By combining physical trading and trading in derivatives, a number of trading strategies are possible, such as hedging, spread trading, arbitrage and crush trading. We will discuss the most important elements of these trading strategies.
- **Applications of commodities in an investment portfolio:**
 - This is an important part of the course. What is the added value of investing in commodities in relation to an investment portfolio and its risk and return characteristics? Except for considering theoretical aspects, such as understanding risk and return, we will look at practical applications of commodities investing.



Results

After completion of the course Commodities the participant will be able to:

- ✓ Place commodities as an asset class within the context of capital markets;
- ✓ Understand the history of commodities;
- ✓ Distinguish the several commodities and its characteristics as well as the markets where they are traded;
- ✓ Understand the pricing of commodities, based on a thorough understanding of the theory;
- ✓ Know how commodity orders are processed and what the importance of collateral is;
- ✓ Understand the importance and advantages of investing in commodities from a portfolio management point of view.

Course particulars

The course Commodities is offered in the English language. This means that the course is given by an English speaking trainer, with all materials and handouts and exams in English.

Literature

- Reader Commodities, ML Finance Academy (2014)

Study, Time and Preparation:	Hours
• Preparation (indication)	4
• Course 1 x 8 hours	8
• Exam preparation (indication)	10
• Exam	1
Total	23 hours

This workload equals **0,5 European Credits (EC)**.

Note: this time depends on the experience of the participant and is therefore only an indication.

Costs

Open enrolment costs are € 750 (ex VAT) per person. This includes the study material, one exam and the course, which is being held by a trainer of ML Finance Academy. Costs for the course on an in-company basis are on request.