

### ▲ Who should attend?

All personnel in the gas or associated industries needing to improve their knowledge and understanding of gas trading and pricing mechanisms.

### ▲ Duration

**2 days**

### ▲ In-house Course

### ▲ Conditions

*To be agreed upon*

### ▲ Course Coordinator

**Guillaume Charon**

Ref. **EG/GAT**

# GAS TRADING

## OBJECTIVES

To provide a better understanding of the structure, the methods of operation, the uses and the impacts of gas physical, financial and paper trading.

At the conclusion of the course, participants will have:

- analyzed the fundamentals of gas supply and regional demands;
- reviewed the different gas trading markets and types of transactions;
- understood the basic structure of long term contracts;
- comprehended the hedging techniques available for protection against fluctuations in prices.

## COURSE CONTENT

### **GAS SUPPLY AND DEMAND**

**0.25 day**

Evolution of gas demand. Projections.  
Gas reserves and production.  
Gas producing countries. International supply projects.  
Regional gas demands.  
International Trade. LNG trading.

### **LONG TERM CONTRACTS**

**0.5 day**

Types of contracts.  
Features of long term contracts.  
Contractual quantities, nominations and Take-or-Pay.  
Gas pricing: indexation principle.  
Concepts of Market value and Cost plus.

### **SPOT AND FORWARD MARKETS**

**0.5 day**

Spot markets.  
Forward contracts.  
North American Hubs.  
Spot markets in UK and continental Europe.  
Price References and the role of reporting agencies.

### **FUTURES MARKETS**

**0.5 day**

Features of gas Future contracts.  
Exchanges and their organization: NYMEX, IPE.  
Hedging using Future contracts.  
Basis risk and hedging imperfections.

### **RISK MANAGEMENT**

**0.25 day**

Swaps: principles, basics and characteristics.  
Options (call, puts): principles, basics and characteristics.  
OTC derivatives: caps, floors, collars.