

## ICMA Executive Education

For many years ICMA has made investment in executive education for the financial markets a priority. ICMA courses are administered and overseen by the ICMA Centre at Henley Business School, University of Reading.

### ICMA Certification Programmes

- Financial Markets Foundation Certificate (FMFC)
- Operations Certificate Programme (OCP)
- International Fixed Income and Derivatives Certificate (IFID)
- Primary Market Certificate (PMC)

All are recognised as certificates of competence in the capital markets and are successfully completed by large numbers of international participants each year.

ICMA offer a number of specialist courses including:

- Collateral Management
- Commodities – An Introduction
- Commodities – Investment Solutions
- Corporate Actions
- Derivative Operations
- Global Custody
- Inflation-linked Bonds and Structures
- Investment Funds Administration
- Securities Lending and Borrowing
- Securitisation – Understanding the Mechanics
- Technical Analysis – An Introduction

### Contact Us

For more information please email [cint@icmacentre.ac.uk](mailto:cint@icmacentre.ac.uk)



ICMA Centre, Henley Business School  
University of Reading, Whiteknights  
Reading RG6 6BA UK

T: +44 118 378 8239  
F: +44 118 931 4741  
[www.icmacentre.ac.uk](http://www.icmacentre.ac.uk)

International Capital Market Association, Talacker 29  
PO Box CH-8022 Zurich Switzerland

T: +41 44 363 4222  
F: +41 44 363 7772

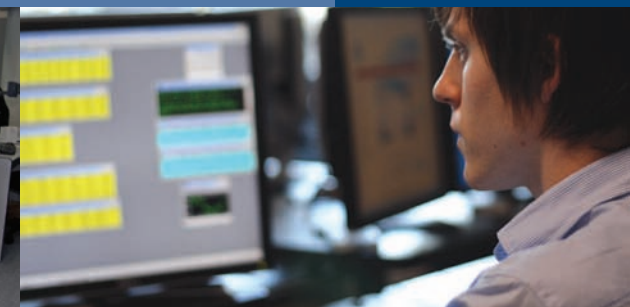
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## Commodities – An Introduction

### ICMA Executive Education

ICMA CENTRE THE BUSINESS SCHOOL  
FOR FINANCIAL MARKETS



## Objectives

The course aims to introduce a variety of commodity markets, the various participants and their particular motivations. It will attempt to define what is meant by a commodity, the patterns of demand and supply and the price drivers as well as giving examples of some of the more common structures. The course can be tailored to be an overview of all the commodity markets or can focus in on the individual markets.

## Target Audience

This course is suitable for anyone with an understanding of the fundamental concepts of finance but has an interest in understanding how commodities fit into financial markets.

## Length and Structure of the Course

The course consists of one day of lectures and case studies. The day typically consists of four 90 minute sessions with coffee breaks in the morning and afternoon and a lunch break in the middle. There is no exam for this course but candidates will receive a certificate of attendance.

## Course Tutor

*Neil Schofield* – Neil is a visiting fellow at the ICMA Centre, University of Reading and is a freelance training consultant. From 2001 to 2008, he was global head of financial markets training at Barclays Capital in London. He was responsible for the design and delivery of a large number of seminars in a variety of different asset classes to many different audiences. Previous to that he was a director at Chisholm Roth training in London and has also held positions at Chase Manhattan Bank as well as Security Pacific Hoare Govett (now trading as Bank of America). Neil has over 20 years of experience in financial markets. In 2007, he published his first book “Commodity Derivatives” and is currently in the process of writing a second “Relative Value in Financial Markets”.

## Course Outline

### Session 1

Commodity fundamentals

- Identify the links between different commodity markets
- The main traded commodity markets
- Why commodity markets are essentially forward markets

### Session 2

Forward pricing

- The concept of a forward price
- Why normal forward pricing conditions do not apply in commodity markets
- Conditions of contango and backwardation and the situations in which they are most likely to occur
- The main commodity participants and their likely activity along the forward curve

### Session 3

Physical market participants

- The nature of a supply chain for different commodities
- The nature of their associated price risks
- Demand and supply patterns for different commodity complexes (i.e. metals vs. energy vs. agriculture)
- The main price drivers of commodity prices

### Session 4

Financial market participants

- How market participants can invest in commodities (e.g. index funds vs. ETPs vs. MTNs)
- The main commodity indices used by the market
- The main sources of return from index investing (i.e. the concept of the roll yield)
- The main features of exchange traded products
- Structured commodity products