

ECTFE Professional Energy Trader Training Short Program

Module 1. Crude Markets & Outlook

The world crude oil markets have witnessed one of the sharpest price declines in decades. This has come about mostly due to the supply response of the largest crude oil exporting bloc of countries, the Organisation of Petroleum Exporting Countries (OPEC), to growing United States crude output. The falling crude oil prices have put pressure on high cost crude producers such as the US and Brazil. However, can this downward trend be sustained? Would OPEC members, some of which are high cost producers such as Venezuela, remain united in their decisions to “manage” prices given their differing national objectives? This course will give students a historical perspective on the crude oil markets, the influence of geopolitics on them, the impact that crude oil’s properties have on its price, crude oil production economics, how policy changes have impacted the demand for crude oil and processing technologies and the role played by logistics and transportation to the cost of crude oil.

Course outline:

- I. Crude Oil Fundamentals
- II. Overview of crude production technology trends and economics
- III. Evolution of Crude Price
- IV. Clean fuels, climate change and their influence on crude S/D and price
- V. Crude shipping and trade flow
- VI. Shipping Crude and Freight