

RISK MANAGEMENT IN ENERGY TRADING

WORKSHOP, 1 DAY

Basic knowledge about risk management is essential in order to deal with the risks of energy procurement and energy sales. Knowledge of particular risks in the energy industry, such as price and volume risks as well as the liquidity risk, is necessary for the establishment of adequate reactions in business models. This seminar provides the fundamentals of risk management and the handling of risks - thereby building the groundwork so that risks will not become a problem in your future.

Possible content

Introduction to risk management

- What is risk?
- What kind of risks exist in the energy industry?
- Definition of risk and risk management
- Description of the risk management process
- Incorporation of risk management within a company

Risk assessment and risk indicators

- The efficient use of a risk map in order to assess risks
- Measuring risks

Deriving strategies for risk management

- Two sides of a coin - upside and downside risk
- Risk diversification in procurement
- Trading and procurement strategies
- Risk capital vs. risk premiums

Risk management with derivative trading products

- Hedging with derivatives
- Volume hedging vs. value-neutral hedging
- Dealing with liquidity, counter-party and market price risk
- Reasonable use of risk indicators such as VaR, CfaR

Implementation of risk management processes

- Risk control and compilation of risk management manuals
- The contents of a risk management manual
- Presentation of the escalation principle
- Roles within a company
- An exemplary risk management manual

Summary and concluding discussion



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TARGET GROUP

- Decision makers in risk management and trading departments
- Employees in portfolio management, finance and controlling, strategy and planning departments
- Investors and financial services providers

YOUR BENEFIT

After this seminar, you will be able to:

- calculate risk ratios and evaluate risks,
- assess your company's willingness to take risks,
- organize risk management as a process,
- draw up a simple risk manual and define strategies for risk avoidance.

Our **simulation game futures trading** supports the ideal learning effect by means of practical and playful application of the theoretically imparted knowledge.