

# INTRODUCTION TO FUTURES MARKET

SEMINAR, 1 DAY

This seminar focuses on various trading methods at the futures market. Detailed functionality of commonly used products (financial futures, physical futures, forwards, DS futures) and the different trading platforms are explained. In order to understand futures markets, a basic knowledge of fundamental relationships at the spot market is required. Therefore the offer and demand sides at the futures market are explained and the relevant motivations and strategies will be illustrated.

## YOUR CONTENT

### Liberalised energy markets and electricity trading

- Structure of the German energy sector
- Overview of the power plant park - application and characteristics

### Basics of electricity trading

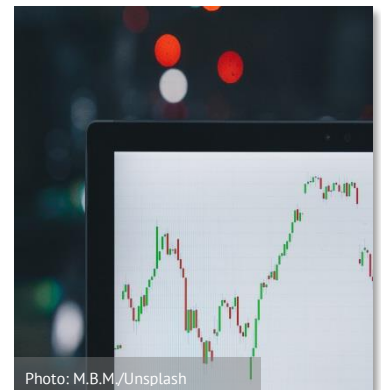
- Balancing group systems and balancing energy mechanisms
- Structured procurement vs. full supply
- Exchanges vs. OTC trading via EFET contracts
- Differentiation between spot market and futures market
- The Merit Order
- Day-ahead market as reference market

### Electricity trading at the futures market – buyer's side

- Trade motivation: hedging, arbitrage and speculation
- Futures trading products: forwards, futures, options
- Value-neutral hedge of customer load profiles by means of hPFC
- Tranche procurement
- Excursus – technical analysis

### Electricity trading at the futures market – seller's side

- Clean Dark Spread and Clean Spark Spread
- The assessment of the flexibility of a power plant
- Delta-hedging
- Portfolio management in power plant marketing



## TARGET GROUP

- Experts and executives with interfaces to energy trading, purchase, procurement and distribution
- Employees in portfolio and risk management as well as analysis
- Employees in industrial companies with significant electricity consumption

## YOUR BENEFIT

After this seminar, you will be able to:

- interpret the forward market price as an interaction between supply and demand side
- to explain the products on the derivatives market and their settlement, to assess the risks for buyers and sellers in futures trading.

Our **futures trading simulation game** supports the optimal learning effect through practical and playful application of the theoretical imparted knowledge.