2-Day Long Certification Course on COMMODITY DERIVATIVES

Objectives of the Course

The course offers more insight on the concept of commodity exchange and its operational aspects. Participants will learn about the commodity markets, derivative trading, standardized mechanism of commodity futures trading and investigate the strategic business implications of participating in commodity derivatives trading on a regulated and rules-driven platform like an Exchange. The participants of the course are expected to explore how commodity exchange can open-up new opportunities and drive toward a sustainable business return.

Who should attend?

Capital market participants, TREC Holders, financial market operators, private and public sector industry professionals, especially those involving commodities in their business activity and traditional spot market operators, academicians, university graduates etc.

Mode of Program:	Physical
Duration:	2-day course conducted through 5 modules; each module is of 1.5 hours
Resource Persons:	Experts from MCX and Stock Exchange
Fee:	BDT 8,000 (Eight thousand) only per participant (Net off VAT & Tax) [including refreshment and lunch]
Dates & Timings:	November 02 & 03, 2024 (10:00 am to 4:00 pm)
Venue:	Conference Hall, CSE Building, 1080 Sk. Mujib Road, Agrabad, Chattogram.
Recognition:	Certificate will be awarded to the successful participants.

Course Features:

- As a part of robust awareness complying the regulatory requirements, the course will emphasize on a solid introduction of commodity derivative market through a blend of empirical theories and rational examples.
- Each module of the course is being designed targeting to create competent professional to cope the new asset class (commodity derivatives) of Bangladesh.
- Speakers include officials from Chittagong Stock Exchange, Multi Commodity Exchange of India Ltd. (MCX).

Expected Benefits:

- An understanding of commodity exchanges eco-systems which benefit people, businesses, and the nation.
- Development of self-expertise as credible market participant of the commodity futures market for achieving operational efficiency in commodity futures trading.
- Award of certification which shall facilitate to conform the regulatory compliance to be a potential market intermediary or a professional in the upcoming commodity exchange of CSE.

Course Contents:

Modules	Topic	Main Features
1	Introduction to Derivatives and Commodity Market.	Concept of Derivatives & Commodity and key characteristics of commodity Exchange. Spot, Forward and Futures; Spot market versus derivatives market; features of Commodity futures; factors affecting commodity prices; Explanation of key terminologies – i.e.- expiries, contango, backwardation, cost of carry, convergence, convenience yield, etc.
	Perspectives of Commodity Derivatives trade	History of commodity futures trade; features of commodity exchange; detailed product features of futures market – contract specifications; role of commodity exchange in facilitating trading and clearing; prominent commodity exchanges of the world.
2	Mechanisms of Commodity Trade	Trading, Clearing and Settlement - Detailed explanation of the trading and clearing mechanism of commodity futures trade, including surveillance and Risk Management of Exchange. More insight on Mark to Market (MTM) settlement.
3	Economic functions of commodity futures	Use of commodity futures for price discovery and risk management; understanding 'Hedging' mechanism with examples; discussion on real case of hedging using commodity futures.
	Commodities as an asset class	Opportunities for investing using commodity futures. Types of investors in a commodity derivatives market.
4	Commodity Ecosystem	Ecosystem and support services around commodity markets – warehousing, assaying, quality testing services, etc; role of delivery in settlement of futures contract
	Regulatory framework for Market intermediaries and participants	Membership of exchange; types of members; eligibility, rights, and obligations of members; other types of market participants. Code of Conduct and other investor protection measures
5	Potential of commodity futures in Bangladesh	Socio-economic and business implications of commodity futures trade in Bangladesh; cross-country evidences of impact of commodity futures market
	Recapitulation and Assessment	Recap of the concepts learnt; Q&A and Assessment Test of participants