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# TRADING IN COMMODITY DERIVATIVES - HOW TO TRADE THE GLOBAL PRICE BENCHMARK CRUDE PALM OIL FUTURES CONTRACT (FCPO)

14 FEBRUARY 2023 | 10.30AM - 12.00PM



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This initiative is supported by the **Capital Market Development Fund (CMDF)**

DERIVATIVES PROGRAMMES FOR STUDENTS

Join our **FREE webinar** and kick start your trading journey **NOW!**

## WHAT WILL YOU LEARN DURING THE PROGRAMME?

Upon completion of this programme, participants will be able to:

- describe commodity derivatives in Malaysian market
- identify the key features and contract specifications of FCPO
- explain the pricing and valuation of the futures contract
- select the appropriate trading strategies to trade in FCPO contracts
- calculate the profit and loss of the FCPO trading

## WHAT IS THE PROGRAMME ALL ABOUT?

Commodity derivatives is categorised into agriculture and precious metals. Crude Palm Oil Futures (FCPO) is one of the agriculture commodity derivatives which is actively traded on Bursa Malaysia Derivatives Exchange. It is the most liquid and successful crude palm oil futures contract in the world, consolidating Malaysia's position as the global centre for palm oil price discovery. In the year 2021, a total of 15.6 million FCPO contracts or 390 million tonnes of crude palm oil was traded, which is equivalent to more than five times the global production of crude palm oil.

FCPO is widely traded by fund managers and financial institutions for managing price fluctuations in the market. You can trade FCPO anywhere around the world via the CME GLOBEX® platform. However, having no experience and knowledge in trading FCPO can increase your potential risk and lead to potential losses. You may get into trouble by taking on risks that are poorly quantified. How much do you know about FCPO and why should you trade in FCPO?

Let's discover FCPO from its key features and the contract specifications to the trading strategies, specifically when to buy and sell the contracts and evaluate the risk and returns while trading FCPO. All these and many more will be covered in this webinar to equip you with the right knowledge and skills in becoming an informed FCPO trader.

## WHAT DO WE WANT TO ACHIEVE?

This programme is designed to equip university students with the right knowledge and skills in commodity derivatives specifically in crude palm oil futures (FCPO) trading and prepare them to become an informed FCPO trader.

## COMPETENCIES

- Foundational (Product) - Capital Market Products (Level 3)
- Foundational (Product) - Capital Market Fundamentals (Level 3)
- Functional (Process) - Derivatives dealing (Level 2)

## ABOUT THE SPEAKER



### Choong Ty'ng Ty'ng

She is the founder and managing director of Axcelearn Sdn. Bhd. She started her career as a Futures dealer in AmFutures of AmInvestment Bank Berhad and was subsequently promoted to be the Head of Futures Dealing. She was responsible in formulating and execution of Futures trading strategies for institutional, corporate and retail clients. She subsequently headed the advisory division in eBroking, AmInvestment Bank Berhad. Her role was to provide advisory services to clients investing in Equity and Futures markets

She is currently the CPE speaker for Securities Industry Development Corporation (SIDC) and Asia Banking School (ABS), providing training for fund manager, research analysts, remisiers and futures brokers. She has been a frequent speaker in various seminars and conferences organised by Bursa Malaysia and was also invited to speak in listed companies including Nestle Malaysia and Sunway Group. She is also the author of "Jumpstart your Stocks and Futures Trading" which was one of the national best-selling investment books. She passed all the modules required to be licensed in both equity and futures trading in Malaysia, administered by the Securities Commission Malaysia. She is an entrepreneur, trader, author and trainer.

## PROGRAMME OUTLINE

10.30am - 12.00pm

### Overview of Commodity Derivatives Market in Malaysia

- Agriculture
- Precious metals

### Trading in Crude Palm Oil Futures (FCPO)

- FCPO – the most actively traded commodity derivatives product
- Key features and the contract specifications of FCPO
- FCPO pricing and valuation

### Strategise Your FCPO Trading

- When to buy and sell?
- Understanding the market news affecting FCPO prices
- Risks and return of FCPO trading

### Activity: FCPO Trading Simulation

- Applying the appropriate trading strategy
- Determine the profit and loss of FCPO trading

### Q & A Session

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