



Please note that the workshop takes place in US Eastern Standard Time (EST)

Galvanized Steel Hedging: Galvanizing against Basis Risk - Steel Premium Futures and Potential Applications for Hedgers

12:30 PM – Introduction to Course, Instructors and Attendees

12:50 PM – CME Workshop

- Brief intro to CME Group and to its ferrous contracts
- Contract specs of the Galv premium contract and how to trade it on our Exchange
- A look at historic prices – price levels, volatility, correlation to related products

1:06 PM – Live Q&A

1:16 PM – Break

1:25 PM – Session 1: What are Galvanized Premium futures and why do they exist?

- Product specifications
- Premium contracts in theory and practice
- Do I need a premium/basis contract?

2:00 PM – Live Q&A

2:20 PM – Break

2:30 PM – Session 2: Basis Dilemmas and How to Approach Basis Risk

- What is basis risk?
- How can you quantify basis risk?
- What are the most common ways it is managed?
- Correlation studies and regression analysis

2:52 PM – Live Q&A

3:10 PM – Break

3:20 PM – Session 3: Basic Hedge Case Studies for Galvanized Hedgers

- Embedding a fixed premium with your supplier
- Hedging the base price with a fixed premium
- Hedging the base price and the premium together

4:05 PM – Live Q&A

4:20 PM – Break

4:30 PM – Session 4: CRU's US Midwest HRC and HDG indices

4:47 PM – Live Q&A and Recap of Course

5:00 PM – End of Day