

Careers in Commodities: The Landscape and the Paths

By George H. Stein, CFA
Managing Director, Commodity Talent LLC

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The Peak: You Can Make a Lot of Money...

Andrew Hall bet big on long-term oil futures -- and won

By Daniel Trotta

NEW YORK, Aug 13, 2009 (Reuters- excerpt) - An oil trader who has rocked Wall Street and the White House over his nine-figure salary clings to a low profile, quietly making trades from a former dairy farm in Connecticut and emerging occasionally to satisfy his passion for art.

Andrew Hall, 58, a British-born naturalized American, has been phenomenally successful with the Citigroup unit Phibro, earning an estimated \$100 million this year while the parent company reported a net loss of \$18.7 billion in 2008 and took \$45 billion in taxpayer bailouts.

In the previous five years, Hall earned more than \$250 million, according to a Wall Street Journal analysis of securities filings and Hall's compensation structure.

That has allowed him to acquire a fabulous art collection including his favorites among the German neoexpressionists and the American Andy Warhol, and he displays his art in his 1,000-year-old castle in Germany.

The Valley: You Can Lose a Lot of Money

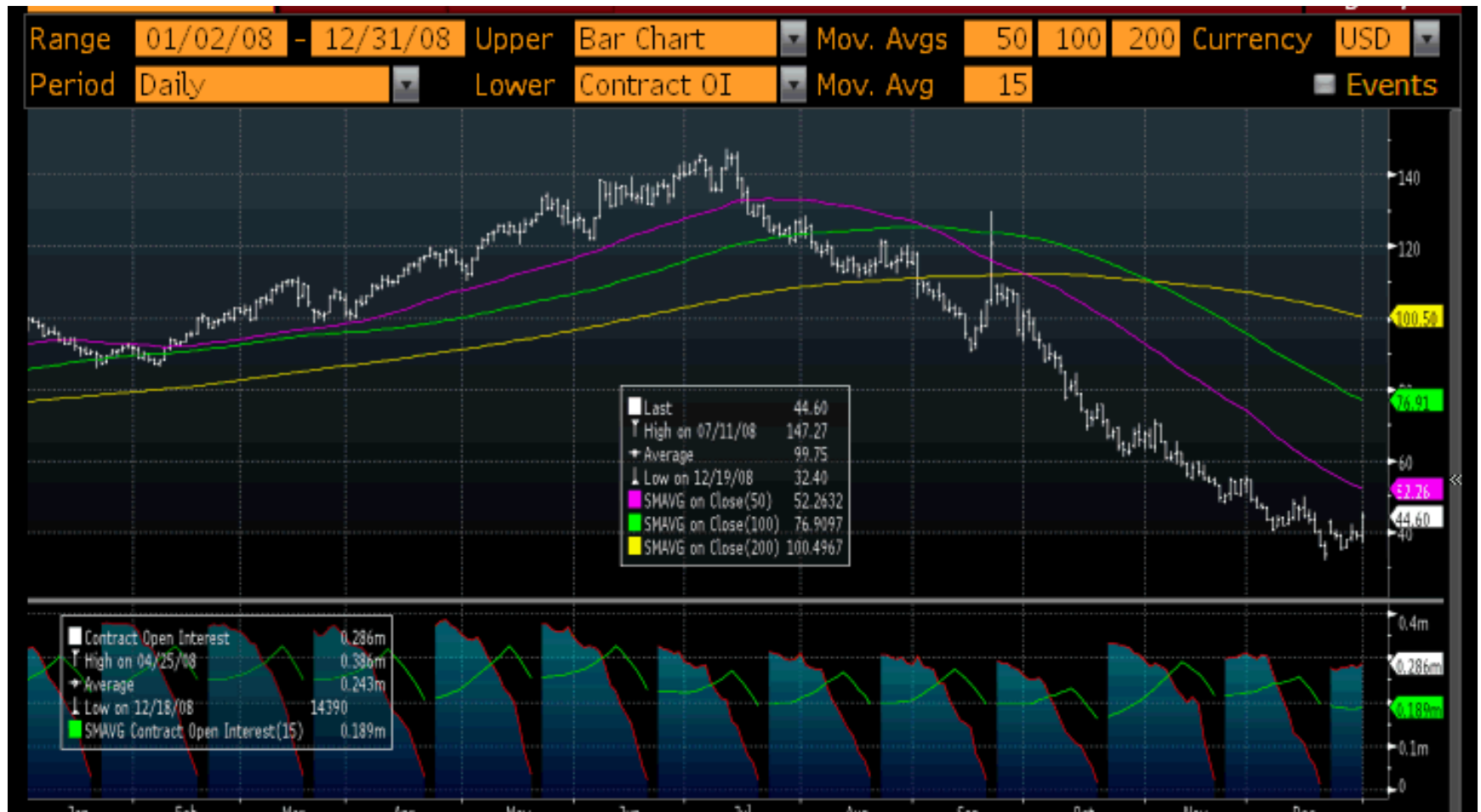
Investigations Subcommittee Releases Levin-Coleman Report on Excessive Speculation in the Natural Gas Market Finds Hedge Fund **Amaranth** Distorted Prices Last Summer
Monday, June 25, 2007

WASHINGTON On Monday, Senator Carl Levin (D-Mich.), Chairman of the Senate Permanent Subcommittee on Investigations, and Sen. Norm Coleman (R-Minn.), Ranking Minority Member, will hold a hearing and release a 130-page report entitled, Excessive Speculation in the Natural Gas Market, examining how trading by a single hedge fund, Amaranth LLC, led to high prices and extreme price volatility in the U.S. natural gas market in 2006.

Report - [Excessive Speculation in the Natural Gas Market \[PDF\]](#)

Appendix - [Excessive Speculation in the Natural Gas Market \[PDF\]](#)

Oil Goes Up. Oil Goes Down.



Oil Curve Goes BOING!

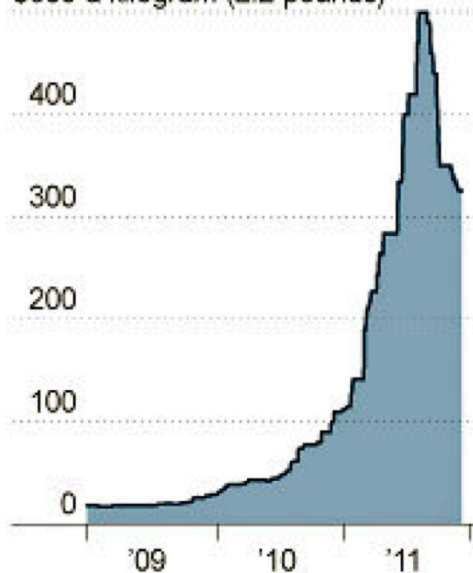


Rare Earth Metals Plummet

Falling Prices

Prices for neodymium and other rare earth metals have tumbled this autumn as supply has caught up with demand.

NEODYMIUM PRICE, OUTSIDE CHINA
World prices for 99 percent purity
\$500 a kilogram (2.2 pounds)



Source: Asian Metal

November 16, 2011 After nearly three years of soaring prices for rare earth metals, with the cost of some rising nearly thirtyfold, the market is rapidly coming back down. International prices for some light rare earths, like cerium and lanthanum, used in the polishing of flat-screen televisions and the refining of oil, respectively, have fallen as much as two-thirds since August and are still dropping.

Talent Market Ups and Downs

- Regulations Tighten: Volcker Rule, Basel III, Too Big to Fail, CFTC.
- Economy Overcast: Europe, Global Slowdown
- Banks Cut Bonus, Prop, Size: Barcap, SocGen, JPMorgan, Citigroup, BofA Merrill, Goldman, Morgan Stanley,, Credit Suisse, BNP Paribas,
- Hedge Funds, Merchant Firms Start, Expand

What Do I Do? Commodity Trading Roles

- Physical vs Paper (Exchange-Traded vs OTC)
- Prop vs Flow/Franchise
- Sector vs Index
- Directional, Spreads, Basis Vol
- Fundamental Sector vs Macro
- Sector: Broad – Energy, Metals, Ags
- Sector: Niche – Emerging – Carbon vs Rare Earths
- Merchant Model
- Supply/Purchase Trading, Asset Optimization
- Systematic vs Discretionary
- High Frequency/Quant

Off Desk: Commodity Trade Support Roles

- Client-Facing: Sales/Origination
- Analyst: Fundamental Supply/Demand Balance. Strategist – Tradeable Ideas
- Risk Management
- Trend-Following
- Macro
- Quant
- Mid-Office, IT

Beyond Commodities

- Long-Short or Directional Commodity-Related Equity PM/Analyst/Strategist
- L-S with Commodities, Rates, Currencies
- Commodity-Related Finance – Projects, Offtake-Linked, Reserve-Based
- Commodity-Related Private Equity

Employers

- Wall Street – Goldman, Morgan Stanley
- International Banks – Macquarie, Rabobank
- Funds – Citadel, DE Shaw, Susquehanna
- Pension/Endowment: CalPers, Harvard
- Merchant Traders – Noble, Glencore
- Producers: Oil Majors, ABCD Ags, Metal Giants
- Consultants, Newsletters: Ernst & Young, McKinsey
- Private Equity – Blackstone, Carlyle
- CTAs
- Brokers – Newedge, ICAP, Tullett

The Path

- Training Programs
- Analyst to Strategist to Trader
- Desk Assistant to Trader
- Network – Friends, Relatives, Alumni
- Profile Matching
- Persistence, Resourcefulness

The Interview

- Market views
- Personality, Skills, Experience
- Best Trade
 - Anomaly, Mispricing
 - Putting on the Trade: Techniques
 - What if I'm Wrong: Risk Management
 - Exiting: When, How
- Worst Trade – What did I learn?

Appendix: Profiles

Recent Top Moves

Greg Agran - promoted to Global Co-Head of Commodities- Goldman Sach

Magid Shenouda - promoted to Global Co-Head of Commodities- Goldman

Martin Pennay- Head, Asia Commodity Sales, Structuring- retiring from Goldman

Leslie Biddle - Global Head of Commodity Sales- retiring from Goldman Sachs

Jeffrey Resnick - Global Head of Commodity Trading- retiring from Goldman Sachs

Maurizio Melzi - promoted to Head, EMEA, APAC Commodity Structuring BAML

Todd Edgar plus his team - Commodities Prop Trading- Barcap to ?

Jean Bourlot, UBS Global Head, Commodities, departing.

Ed Carroll, Hector Freitas named UBS Global Commodity Co-Heads

European Power/Gas 1

- Michael Pries - European Power Trader - EGL to Repower
- Bernd Dinauer - Head of Power Trading - EGL to ?
- Ed Blackmore - Head of Gas & Power Trading- Noble Group to ?
- Paul Massara - Chief Commercial Officer - RWE
- Sam Murray - UK Energy Trader - Nomura to Gazprom
- Frank Arnold - European Gas Origination - BP to Statoil
- Meindert Witteveen - Energy Prop Trader - Credit Suisse to Moore Capital
- Haakon Olafsson - Head of Power & Gas Trading - Credit Suisse to Credit Agricole

European Power/Gas 2

- Bela Gulacsi - CEE Power - Gunvor to ?
- Ulf Ek - Senior European Power & Gas Trader - Barclays Capital to ?
- Jason Singh - Gas Trader - BAML to ?
- Simon Thies - Gas Trader - BAML to ?
- Boris Kendra - CEE Power Trader - BAML to ?
- Marek Mansfield - Power Trader - CEZ to Repower
- Lindsey Gizienski - Power Trader - BAML to ?
- Amir Ghodsain - Head of Gas Trading - BP to ?
- Paul Western - Gas Trader - BP to ?
- Giampaolo Genovese - Director of Cross Commodities - Credit Suisse to Unicredit

European Power/Gas 3

- Ian Young - Senior UK Power Trader - Essent to Centrica
- Giuseppe Galata - Senior Power Originator - EGL to OMV
- Frank Ostermeier - Continental Gas Origination- Alpiq to ?
- Chris Murray - Senior Power Originator - Macquarie to Gazprom
- Wolfgang Krueger - Head of Energy Origination- Alpiq to ?
- Jonathan Smith - UK Power Originator - Morgan Stanley to First Utility
- Kelly Madden - Structured Gas Trader - BP to EDF Trading
- David Thomas - Head of Gas Trading - Centrica to ?

Oil 1

- Chris Gornall - Distillates Trader - BAML to ?
- Adrian Jacobs - Distillates Trader - Hess to PetroChina
- Max Dahan - Crude Oil Trader - Marathon Oil to Valero
- Stephanie Duranel - Oil Options Trader - Credit Suisse to Brevan Howard
- Andre Richardson - Naptha Trader - Mercuria to Noble
- Jon Therkleson - Senior Oil Marketer - Societe Generale to BP
- Michael Pokorski - Distillates Trader - Mercuria to Trafigura
- Elycia Sherman - Distillates Trader - Morgan Stanley to BNP Paribas
- Lionel Richardson - Head of Gasoline Trading - Glencore to Citi
- Andrew Hunt - Distillates Trader - Barclays Capital to Mercuria
- Hannu Koivusalo - Oil Products Trading Manager - Global Energy Trading to Kolmar

Oil 2

- Maarit Makinen - Senior Oil Operator - Global Energy Trading to Kolmar
- Stanley Wee - Oil Trader - Koch to Barclays Capital
- Benoit Bosc - Crude Oil Trader - Barclays Capital to Goldman Sachs
- Aidan Shilling - Senior Oil Marketer - Standard Bank to Citi
- Mitch Rubenstein - Head of Energy Trading - BAML to Unipecc America
- Morten Buur-Jensen - Senior Crude Oil Trader - HETCO to Citi
- David Teed - Oil Strategist & Trader - Credit Suisse to Hetco
- Tomas Prokop - Fuel Oil Trader - Stasco to JP Morgan
- Matthew Hastings - Global Head of Oil Options Trading - Barcap to Mercuria
- Edward Campbell Gray - Senior Energy Options Trader - BAML to ?

Oil 3

- Mark Tinkler - Global Head of Trading - Global Energy Trading to Fortrec Chemicals & Petroleum
- James Burleigh - Oil Trader- IPG to ?
- Angela Cranmer - Distillates Trader - RWE to PetroChina
- Tom O'Brien - Head of Trading - retired from Trafigura
- Shunji Miyakoshi - Senior Oil Distillates Trader - retired from Trafigura
- Massimiliano McGuire - Crude Oil Derivative Trader - Eni to ?
- Hala Tayyarah - Energy Marketer - Nomura to Deutsche Bank

Metals

- Amrik Sandhu - Global Head of Metals Trading - BAML to Morgan Stanley
- Thomas Wilson - Head of Commodities - Klesch to Marex
- Jason Tudor - Head of EMEA Trading - Nomura to Citi
- Andrew Kluft - Senior Metals Marketer- Societe Generale to ?
- Jimmy Gordon - Co-Head of Metals Trading- Deutsche Bank to Credit Suisse
- Richard Toller - Metals Trader- JP Morgan to ?
- Brian Flaherty - Metals Trader- JP Morgan to ?

Dry Bulk 1

- Henry Liew - Senior Coal Originator - Gunvor to JP Morgan
- David Gambacurta - Senior Dry Bulk Analyst - rejoined Cargill
- Lionel Herzberg - Associate Iron Ore Steel Trader - Ocean Freight to Citi
- Glenn Huniche- Freight Trader- Goldman Sachs to Noble
- Andre Richardson - Freight Trader - Mercuria to Noble
- Jonathan Gould - Coal Analyst - BAML to ?
- Geoffrey de Reneville - Coal Trader - Total to Transammonia
- Glenn Huniche - Freight Trader - Goldman Sachs to Noble

Dry Bulk 2

- Andrew Arthur - VP Coal Derivatives Trading - Societe Generale to ?
- Simon Goslar - Physical Coal Trader - Morgan Stanley to Mercuria
- Carlos Sacristan - Senior Coal Trader - Noble to EON Energy
- Matt Ferguson - Senior VP Coal Marketing & Trading - BHP Coal Marketing to Southern Arc Minerals
- Marc Lu- Senior Chinese Coal Marketer - Rio Tinto to Noble
- Katherine Saw - Director of Coal Origination - Credit Suisse to Credit Agricole/EDF Trading

Agriculturals

- Paul Bloemendal - Director, Asian Ags Trader - Noble to Citi
- Doug Whitehead - Ags Trader - Rabobank to Citadel
- Gregory Adams - Head of Metals & Agri Marketing - Societe Generale to Morgan Stanley
- Steve Jesse - Agricultural Sales - Goldmans Sachs
- Lorenzo Savi - Head of EMEA OTC Ags Sales & Marketing - JP Morgan to ?
- Ben Cawdron - Senior Sugar Trader - Vitol to Gunvor
- Alberto Peixoto - Head of Sugar Trading - Bunge to ADM

Institutional Sales

- Tim Woodward - Global Head of On-Exchange Commodities - UBS to ?
- Patricia Flakus - US Head of Exchange-Traded Commodities- UBS to ?
- David Cunningham - EU Head of Exchange-Traded Commodities - UBS to ?

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--Where Talent Is Not a Commodity

George H. Stein, CFA, Managing Director

Commodity Talent LLC

349 Fifth Ave., 7th Flr., New York, NY 10016

T: +1 646 205-3557 C: +1 917 545-9850

Skype/Twitter: georgehstein

www.CommodityTalent.com