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Crude Benchmark Assessment and Price Formula Design Training Course

15 – 19 February 2027
New York

Crude Benchmark Assessment and Price Formula Design Training Course

Ref: 2379_89351 **Date:** 15 – 19 February 2027 **Location:** New York **Fees:** 9500 GBP

Crude Benchmark Assessment and Price Formula Design is a 1-week training course for crude traders, commercial analysts and supply planners, in which each participant drafts a crude price formula proposal for a real or representative grade. Term and spot cargoes now rest on a few assessed marker prices, so organisations need staff who can test how those prices are built. Jupiter Prime Training treats Crude Benchmark Assessment and Price Formula Design as a shared discipline for commercial and planning desks.

Why Crude Benchmark Assessment and Price Formula Design Matters Now

Two forces shape crude pricing today. Assessment methods keep changing as marker baskets admit new grades and delivery points, which shifts the value of every linked cargo. Volatile light-heavy spreads also make fixed quality adjustments drift from refinery value. Careful formulas protect margin on every lifting; copied old terms leak value. The course rests on price reporting methodology, netback valuation and forward curve structure.

Who Gains Most from Crude Benchmark Assessment and Price Formula Design

- Crude marketing staff responsible for negotiating term contract pricing clauses and monthly differentials
- Commercial analysts responsible for tracking marker spreads, assessment changes and cargo valuations
- Refinery supply planners responsible for comparing delivered crude costs across competing grades
- Risk and contract staff responsible for pricing periods, exposure windows and formula audits
- Economics and strategy staff responsible for long-range crude price decks used in planning

A commercial desk gains most when marketer, analyst and planner attend together.

Crude Benchmark Assessment and Price Formula Design Capabilities

Participants trace a quoted crude price back to the deals behind it, then rebuild a formula that reflects cargo value.

- Assess how a price reporting agency builds a daily marker assessment — choice of reference price in a term contract
- Calculate quality adjustments for gravity, sulphur and metals against a marker grade — the monthly differential offered to buyers
- Build a netback comparison of competing grades into one refinery — supply planners choosing next month's slate
- Weigh pricing period options and their exposure to curve structure — risk staff setting hedge windows
- Test a formula against several market regimes before signing — contract negotiators
- Communicate formula logic clearly to partners and auditors — commercial leadership

Key Crude Benchmark Assessment and Price Formula Design Terms

- Marker crude — a widely traded grade whose assessed price is the reference for pricing other crudes.
- Price assessment — a daily value published from observed deals, bids and offers within a set window.
- Differential — the premium or discount added to a marker price to reflect a grade's quality, location and timing.
- Backwardation — a forward curve shape in which prompt delivery is priced above later delivery, signalling tight supply.
- Netback — a crude's value at loading, found by deducting freight and costs from its delivered product value.
- Pricing period — the run of days whose average marker price sets the invoice value of a cargo.

Crude Benchmark Assessment and Price Formula Design Day by Day

Day 1: Physical Markets and Marker Grades

- Light Sweet and Heavy Sour Marker Families — Reference Choice per Stream
- Crude Assay Properties and Refinery Yields — Why Quality Moves Value
- Term Contracts, Spot Cargoes and Tenders — How Each Sets Price
- Freight Routes and Delivery Points — Location Spreads Between Basins
- Marker Liquidity and Delivered Volumes — Reference Price Reliability

Day 2: How Prices Are Assessed

- Market-on-Close Assessment Windows — Which Deals Set the Daily Value
- Basket Markers and Delivery Grade Substitution — Hidden Quality Risk
- Partials, Cargoes and Bid-Offer Reporting — Signals Behind the Print
- Methodology Consultations and Grade Changes — Reacting to Assessment Revisions
- Exchange Futures Settlement and Physical Linkage — Paper Versus Wet Barrels

Day 3: Curves, Spreads and Quality Adjustments

- Forward Curve Shape and Calendar Spreads — Timing Cargo Liftings
- Exchange of Futures for Physical and Swaps — Converting Paper Prices
- Gravity and Sulphur Escalator Tables — Setting Quality Adjustments
- Gross Product Worth and Netback Models — Valuing a Grade Against Markers
- Inter-Marker Spreads Across Basins — Arbitrage and Destination Choice

Day 4: Designing the Price Formula

- Formula Structure and Marker Weighting — Choosing the Reference Mix
- Pricing Period and Bill of Lading Timing — Exposure Window Design
- Monthly Differential Setting Process — Retaining Buyers Without Discounting Value
- Price Exposure and Hedge Window Alignment — Risk Desk Coordination
- Formula Audit Trail and Clause Wording — Partner and Auditor Scrutiny

Day 5: Practising the Crude Price Formula Proposal

- Grade Valuation Case Across Two Refinery Configurations — Applying Netbacks
- Assessment Revision Scenario — Rebalancing Marker Weights Under Pressure
- Curve Regime Stress Test — Formula Behaviour in Contango and Backwardation
- Peer Challenge of Differential Assumptions — Strengthening the Case
- Crude Price Formula Proposal — Markers, Adjustments, Periods and Owners

Applying Crude Benchmark Assessment and Price Formula Design After the Course

- Rebuild the netback comparison for one current term grade and table the gap between its formula value and refinery value.
- Stress test an existing pricing clause across contango and backwardation months and share the exposure with the risk desk.

Crude Benchmark Assessment and Price Formula Design Questions FAQ

What is crude benchmark assessment and price formula design, and why does it matter now?

It is the practice of understanding how marker crude prices are assessed and turning them into fair pricing formulas for other grades. It matters now because assessment methods and quality spreads shift faster than contract terms are reviewed.

Which roles gain most from crude benchmark assessment and price formula design?

Crude marketers, commercial analysts, refinery supply planners and contract or risk staff gain most.

How does crude benchmark assessment and price formula design differ from a crude trading course?

It focuses on how reference prices and formulas are built rather than on trade execution or hedging strategy.

What do you bring back from crude benchmark assessment and price formula design?

You bring back a price formula proposal for a real or representative grade. It sets out marker weights, quality adjustments and the pricing period, drawing on refining and shipping cases.

Crude Benchmark Assessment and Price Formula Design: The Way Forward

The crude price formula proposal first informs the next monthly differential decision and the reference mix used in renewing term contracts. Marketers, analysts and planners use it as a common basis for valuing cargoes. After first use, revisit the quality escalator tables against actual refinery yields.