CORE
CONCEPT

Precious Metals Trading and Bullion Markets: Good Delivery, Leasing and Hedging

9 – 13 August 2027
London - Central London four-star

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Introduction:

Banks, refiners and jewellery manufacturers carry gold, silver, platinum and palladium as stock, collateral and customer liabilities, yet many price that metal on the day it is sold and leave lease costs, bar quality and counterparty exposure unmanaged. This Core Concept course gives bullion desk, treasury, refining and jewellery finance staff a working method for precious metals trading and bullion markets: reading price drivers, settling over-the-counter spot deals, handling Good Delivery bars, pricing lease and forward rates and hedging with futures, options and swaps. Participants build a Bullion Hedging Programme for a case jewellery manufacturer. The content is educational and is not investment advice.

Course Objectives:

- Explain how mine output, recycled scrap, jewellery, industrial, investment and central bank reserve demand move gold, silver, platinum and palladium prices
- Settle over-the-counter spot bullion trades using allocated and unallocated metal accounts, loco settlement and benchmark auction prices
- Check bars against Good Delivery fineness and weight rules and plan refining, assaying, vaulting and secure transport of physical metal
- Price metal leases, gold forward rates and consignment stock and calculate the carry cost of holding bullion inventory
- Construct hedges for miners, refiners and jewellers with bullion futures, options and swaps and set trading limits and stop-loss rules
- Assemble a Bullion Hedging Programme for a jewellery manufacturer covering exposure, instruments, limits, counterparties and sourcing controls

Target Audience:

- Bullion and precious metals desk staff who quote, execute and settle spot, forward and option deals in gold and silver
- Bank treasury and metal account staff who manage allocated and unallocated balances, leases and consignment lines
- Finance and purchasing staff in jewellery manufacturers and refiners who fix metal cost and protect gross margin on gold content
- Investment and portfolio staff who hold bullion through bars, coins, exchange-traded funds or exchange contracts
- Market, credit and operational risk staff who set limits and review counterparty, vault and sourcing exposures on precious metals

Course Outline:

Day 1: Precious Metals Price Drivers and Market Participants

- Gold, Silver, Platinum and Palladium Supply: Mine Output, By-Product Recovery and Recycled Scrap
- Demand Segments: Jewellery Fabrication, Industrial and Autocatalyst Use, Bar and Coin Investment
- Central Bank Reserve Holdings, Real Interest Rates, Currency Moves and Safe-Haven Flows
- Gold-to-Silver and Platinum-to-Palladium Ratios as Relative Value Indicators
- Precious Metals Exposure Map for a Bank, a Refiner and a Jewellery Workshop

Day 2: Bullion Market Structure, Benchmarks and Good Delivery

- Over-the-Counter Wholesale Spot Market, Loco Settlement and XAU and XAG Quotation Conventions
- Allocated Versus Unallocated Metal Accounts and Their Ownership and Credit Consequences
- LBMA Gold, Silver, Platinum and Palladium Benchmark Auction Prices at Overview
- Good Delivery Bar Specifications: Fineness, Fine Ounce Weight, Marks and Accredited Refiner Lists
- Exchange-Traded Funds, Bullion Futures Venues and Physical Bar and Coin Products Compared

Day 3: Physical Bullion Operations, Leasing and Forward Pricing

- Refining Flow from Doré and Scrap to Bars, Grain and Kilobars
- Fire Assay and Spectroscopic Fineness Testing with Assay Certificate Review
- Vaulting, Insurance, Bar Lists, Location Swaps and Secure Logistics
- Gold Lease Rates, Forward Offered Rates and Contango Pricing Worksheet
- Metal Loans, Consignment Stock and Unfixed Metal Pools for Jewellers

Day 4: Bullion Derivatives, Hedging Structures and Risk Controls

- Bullion Futures and Forwards for Producer Forward Sales and Fabricator Purchase Fixing
- Gold and Silver Options: Puts, Calls, Collars and Volatility Smile Reading
- Metal Swaps, Price Averaging and Gold-for-Currency Structures
- Sharia-Compliant Gold Products at Overview: Spot Delivery, Murabaha and Custody Certificates
- Bullion Banking Risks: Counterparty Exposure, Bar Fraud, Vault Reconciliation and Responsible Sourcing Programme Due Diligence

Day 5: Trading Strategy Review and Bullion Hedging Programme Build

- Trading Strategy Review: Trend, Mean-Reversion Ratio and Spot-Forward Arbitrage Cases
- Position Limits, Stop-Loss Rules and Scenario Stress Test Spreadsheet
- Jewellery Manufacturer Case: Gold Content Exposure, Order Book and Fixing Policy
- Bullion Hedging Programme Model: Instruments, Hedge Ratios, Lease Costs and Counterparty Limits
- Peer Challenge and Management Presentation of the Bullion Hedging Programme

CORE CONCEPT

Skills You Will Gain:

- Precious Metals Price Analysis
- Metal Account Structuring
- Good Delivery Bar Verification
- Lease and Forward Rate Pricing
- Bullion Options Structuring
- Counterparty and Vault Risk Review
- Responsible Sourcing Due Diligence
- Trading Limit Setting

Why Attend This Course:

- Return with a Bullion Hedging Programme built around the metal exposure of a case jewellery manufacturer and adaptable to your own book
- Know whether your organisation owns specific bars or holds a claim on a bank before a counterparty fails
- Explain to management how lease rates, forward rates and benchmark prices affect the cost of holding and fixing metal
- Compare bullion practice with peers from banks, refiners, jewellery houses and investment firms

Conclusion:

Precious metal exposure is controlled when price drivers, settlement terms, bar quality, lease costs and hedging instruments are managed as one programme. The week moves from supply, demand and relative value through over-the-counter structure, benchmark auctions and Good Delivery bars, to refining, assaying, vaulting, leasing and forward pricing, then to futures, options, swaps, Sharia-compliant products at overview and bullion banking risks. The final day applies these methods to a jewellery manufacturer case and produces a Bullion Hedging Programme reviewed by peers.