SMU launches course in commodities trading

A NEW course that teaches physical and commodities trading to Singapore Management University (SMU) undergraduates was launched yesterday in response to the scarce supply of local talent in Singapore’s trading industry.

This dearth of talent has led to firms fighting among themselves to retain their staff, to the point of “hefty pay increases in recent years” and the regular poaching of “experienced traders amongst companies”, said the Minister of State for Trade and Industry, S Iswaran, at the yesterday’s launch.

According to industry experts, trading is no longer a simple “middleman” business where traders merely buy and sell commodities such as oil and rubber, but an increasingly complex business of handling logistics as well as risk management. As a result, under the new “International Trading” programme that will start in the coming semester next month, students will be required to learn topics such as shipping economics and do internships with the nine international trading firms that are partnering SMU. Up to 40 students will be able to take part in the new programme.

Firms, which include BP Singapore and Stemcor (South-east Asia), have committed a total of $810,000 to provide scholarships, networking visits and others.

“Having to hire people from overseas affects costs and our competitiveness,” said Mr Gerard Craggs, managing director of Stemcor (South-east Asia). “An expatriate would cost about 50 per cent more than a local, including housing allowance and other additional costs.”

The company, which trades in steel products, has 20 staff here. — JOYCE CHEN