

Oil & Gas Trading Glossary

Over 70 key trading terms explained clearly for brokers, students, and international traders.

FOB (Free On Board)

The seller delivers the goods on board the vessel nominated by the buyer at the named port of shipment.

CIF (Cost, Insurance, and Freight)

The seller pays for the cost, insurance, and freight to bring the goods to the port of destination.

LOI (Letter of Intent)

A document that shows the buyer's intent to purchase goods under specified conditions.

FCO (Full Corporate Offer)

A formal document from a seller outlining the terms of a commodity offer.

ICPO (Irrevocable Corporate Purchase Order)

A commitment document from the buyer confirming intent to purchase.

MT103

A standardized SWIFT payment message used for international wire transfers.

SPA (Sales and Purchase Agreement)

A binding legal contract between buyer and seller outlining the full terms of the deal.

NCNDA

Non-Circumvention, Non-Disclosure Agreement; protects intermediaries in a transaction.

SGS Inspection

Third-party inspection service for quantity and quality verification.

TSR (Tank Storage Receipt)

Proof of storage of a product in a designated tank facility.

DTA (Dip Test Authorization)

Permission granted to a buyer to inspect fuel in the seller's tank.

TSA (Tank Storage Agreement)

Contract between buyer and tank farm for storing goods.

CPA (Charter Party Agreement)

A contract for the lease of a vessel between a ship owner and charterer.

ATSC

Authorization To Sell Certificate - Proof that the seller has authority to sell the product.

Trial Shipment

A small volume order used to test quality and procedure before the full contract.