

**The Working Group on Risk**, with the support of the group BFA (SFdS) and Institut des Actuaire (IA), has the pleasure to invite you to the Seminar by:

**Prof. Carmen STEFANESCU**  
ESSEC Business school

**Thursday, December, 12, 2013 at 12:30 pm**  
**EEE - ESSEC La Défense – room 103**  
**The Dynamics of Trading in Commodity Futures**

We analyze the determinants and price effects of trading in commodity futures over 1986-2012. We find that speculator imbalances are positively autocorrelated and cross-autocorrelated with small investor imbalances. Both speculators and small traders sell after their long positions increase, especially when volatility is elevated. Second, imbalances have positive permanent price effects, which are larger for speculators. Finally, price volatility is related positively to lagged small trader imbalances, and negatively to lagged variability of speculator imbalances. Our findings are consistent with the view that speculators have limited risk-bearing capacity, and are short-term focused, with trades that are, in general, not destabilizing.



**YOU HAVE THE ANSWER**

*For any information, please contact  
Frédérique JEAN-LOUIS  
(01 34 43 32 49 / jeanlouis@essec.fr)*

<http://crear.essec.edu/working-group-on-risk/meeting-schedule-2013-2014>

**Prof. Carmen STEFANESCU**  
*ESSEC, Finance Department*

**ESSEC**  
BUSINESS SCHOOL

**Carmen STEFANESCU**, PhD in Finance from the University of Alberta, is Assistant Professor at ESSEC Business School since 2008. Her research focuses on empirical market microstructure and empirical asset pricing.

**CREAR**  
**ESSEC** | Research  
Center on Risk