

# Commodity Markets Winter Workshop

22-23 February 2018 - Nantes, France

## Program

**Audencia Business School  
Institute of Finance  
&  
University of Nantes  
LEMNA (Laboratoire d'Économie et de Management de  
Nantes-Atlantique)**



## ***Organizing Committee***

### **Emilios GALARIOTIS (AUDENCIA, INSTITUTE OF FINANCE)**



Emilios Galariotis is Professor of Finance at Audencia Business School (EQUIS, AMBA, AACSB), France. In the past, he worked at Durham University, UK and held other industry positions. He is the Founder and Director of the Institute of Finance (<http://finance.audencia.com/en/about/missions/>) and Head of the Finance Department, while he has created and managed other entities. He received his Doctorate in 2003 from Durham University, UK, and in 2013 the « *Habilitation à Diriger des Recherches Sciences Economiques* » from the University of Nantes, France. He serves on the boards of various journals as Associate Editor or Member, while he is Assistant General Secretary of the board of directors of the Financial Engineering and Banking Society, and a founding board member of the Hellenic Association for Energy Economics (affiliate of the IAEE). He has successfully co-led grand bids for above a million euros. His research has received best paper awards and it has been published in more than 35 articles in journals such as the: *European Journal of Operational Research*; *Energy Economics*; *Technological Forecasting and Social Change*; *Journal of Banking and Finance*; *Journal of Financial stability*; *Annals of Operations Research*; *Journal of Business Finance and Accounting*; *Journal of Development Studies*; etc. He has edited a Book in the Frank J. Fabozzi Series and written in Wiley Encyclopaedia of Management among other contributions.

### **Joëlle MIFFRE (AUDENCIA, INSTITUTE OF FINANCE)**



Joëlle Miffre is Professor of Finance at Audencia Business School. Prior to joining Audencia, she worked at Cass Business School, the ICMA Centre and EDHEC Business School. She holds a M.Sc. and a Ph.D. in Finance from Brunel University. Her research centers on the pricing and management of commodities and equities. It is published in the *Review of Finance* and the *Journal of Banking and Finance*, amongst other journals. As testimonies of the relevance of her research to the industry, her work was awarded grants from financial market participants and forms the basis of strategies followed in the industry. Over the years, she has acted as consultant to a CTA and to Barclays Bank on decisions pertaining to the structuring of commodity index products. She is Associate Editor of the *Journal of Banking and Finance*, the *International Review of Financial Analysis*, *Finance Research Letters* and the *Journal of Commodity Markets*.

**Benoît SEVI (UNIVERSITY OF NANTES, LEMNA)**



Dr. Benoît Sévi is an Associate Professor (Professeur des Universités) of Finance at the Université de Nantes and Director of the Research Centre LEMNA (<http://www.lemna.univ-nantes.fr/>). His research interests are in applied financial econometrics with an emphasis on the volatility of energy commodities and the use of high-frequency transaction data. Dr. Sévi received a Ph.D. in Economics in 2005 from the University of Montpellier I with a dissertation dedicated to the analysis of the newly created European electricity markets. He spent one year in London Business School, undertaking research in the Department of Management Science and Operations (MSO) on different topics related to energy financial markets. Dr. Sévi contributed to a number of research projects in French energy companies and developed an expertise in the field of competition in energy markets in the European area. He also published in a number of peer-reviewed journals such as the *Review of Finance*, the *Energy Journal*, the *European Journal of Operational Research*, *Environmental and Resource Economics*, *Energy Economics*, *Resource and Energy Economics*, *Ecological Economics* and *Annals of Finance*, among others.

***Workshop Secretariat***

**Chrystelle HUDD-SIMON (AUDENCIA, INSTITUTE OF FINANCE)**

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**Assisted by**

**Eleni ANGELAKI and Maria TSELIKA (AUDENCIA, INSTITUTE OF FINANCE)**

## ***Keynote Speaker***

***Professor James Smith PhD***



***Co-editor, *The Energy Journal*; President-elect of the United States Association for Energy Economics; Cary M. Maguire Chair of Oil and Gas Management, Edwin L. Cox School of Business, Southern Methodist University, Dallas***

James L. Smith holds the Cary M. Maguire Chair in Oil and Gas Management at Southern Methodist University. Having specialized in energy studies since receiving his Ph.D. in Economics from Harvard University in 1977, Dr. Smith has been a prolific researcher and author. His publications on OPEC, energy markets, real options, auction theory, and the oil and gas business have appeared in numerous academic and trade journals, including the *American Economic Review*, the *Journal of Economic Perspectives*, the *Quarterly Journal of Economics*, *Mathematical Geology*, and the *Oil and Gas Journal*. His 1995 article on Russian oil won *The Energy Journal's* Best Paper Award, and many of Dr. Smith's publications have been reprinted in anthologies of influential research.

Dr. Smith currently serves as the Immediate Past President the United States Association for Energy Economics (USAEE), and in 2007 he received the organization's Senior Fellow award. Since 2006, Dr. Smith has served as Co-Editor of *The Energy Journal*—the flagship publication of the International Association for Energy Economics.

In addition to his academic duties at Southern Methodist University, Dr. Smith has provided consulting services to numerous energy companies, regulatory agencies, and other organizations, in the U.S. and other countries.

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## *How to get to Audencia Business School?*

**Audencia Business School, Atlantic Campus**  
8 route de la Jonelière - BP 31222 - 44312 Nantes Cedex 3 France  
+33 (0) 240 37 34 34 <http://www.audencia.com/>



### **From the railway station**

A taxi from the railway station to Audencia takes about 20 minutes. You should always find a taxi (just in case, the number is 02 40 69 22 22). Tram line 1 is available from the north exit ("SORTIE NORD"). Board the tram in the direction of "François Mitterrand" and exit at the "Commerce" stop. Then, follow the instructions further below under the heading "From the city centre".

### **From the airport**

Taxis can take you directly to Audencia and they are available outside the main terminal. Another option is to board the TAN bus shuttle (navette aéroport TAN) to the city centre and exit at the stop called "Commerce" (cost: 9 euros). Then, follow the instructions below under the heading "From the city centre". The trip lasts about 45 minutes.

### **From the city centre**

Board tram line 2 (cost: 1.60 euros for tickets valid for one hour; tickets can be bought at all tram stops) in the direction of "Orvault Grand Val". Exit the tram at the "Ecole Centrale-Audencia" stop. Audencia will be visible at your right hand side as you descend. Follow the path indicated with red dots in the photo above to get to the main entrance where the conference reception desk will be situated (you can see the interior of the entrance [here](#)). Please note: all tram lines cross at the city centre. It is possible to change from any tram line to any other

tram line at the stop called "Commerce". For further information about buses and trams see <https://www.tan.fr/>  
or call 02 40 444 444.

## ***Program at a Glance***

### **Thursday 22 February 2018**

<b>08.00 – 08.25</b>	<b>Registration and Coffee - <i>Main Entrance &amp; "Salon des Professeurs"</i></b>
<b>08.25 – 08.30</b>	<b>Welcome and Opening Remarks - <i>"Amphi 70"</i></b>
<b>08.30 – 10.00</b>	<b>Plenary Session 1 [Investment] - <i>"Amphi 70"</i></b>
<b>10.00 – 10.15</b>	<b>Coffee Break - <i>"Salon des Professeurs"</i></b>
<b>10.15 – 11.45</b>	<b>Plenary Session 2 [Electricity Markets] - <i>"Amphi 70"</i></b>
<b>11.45 – 12.30</b>	<b>Key Note Speech - <i>"Amphi 70"</i></b> <i>Invited speech on "Oil Prices in the Long Term" by Dr. James L. Smith, Professor of Finance, Cary M. Maguire Chair of Oil and Gas Management, SMU, COX School of Business, co-editor of The Energy Journal.</i>
<b>12.30 – 13.45</b>	<b>Lunch - <i>"Salle 49"</i></b> <i>Seated Buffet with various cold options, beverages and coffee.</i>
<b>13.45 – 15.15</b>	<b>Plenary Session 3 [Economic Theory] - <i>"Amphi 70"</i></b>
<b>15.15 – 19.00</b>	<b>Social Activity - <i>"LES MACHINES DE L'ILE"</i></b>
<b>19.00 – 21.30</b>	<b>Dinner - <i>"Les Petits Saints"</i></b> <i>1 Rue Saint-Vincent, 44000 Nantes. Phone: 02 40 20 24 48.</i>

### **Friday 23 February 2018**

<b>08.30 – 09.00</b>	<b>Coffee - <i>"Salon des Professeurs"</i></b>
<b>09.00 – 10.30</b>	<b>Plenary Session 4 [Advanced Econometrics for Commodity Markets] - <i>"Amphi 70"</i></b>
<b>10.30 – 11.00</b>	<b>Coffee Break - <i>"Salon des Professeurs"</i></b>
<b>11.00 – 12.30</b>	<b>Plenary Session 5 [Asset Pricing] - <i>"Amphi 70"</i></b>

## Detailed Program

Thursday 22 February 2018

- 08.00 - 08.25** | **Registration and Coffee - Main Entrance & "Salon des Professeurs"**  
*Registration is at the main entrance and coffee is served in the adjunct glass room "Salon des Professeurs" located right next to the registration desk.*
- 08.25 - 08.30** | **Welcome and Opening Remarks - "Amphi 70"**
- 08.30 - 10.00** | **Plenary Session 1 [Investment] - "Amphi 70"**  
An Analysis of Illiquidity in Commodity Market  
**Authors:** *Sungjun Cho, Chanaka Ganepola and Ian Garrett*  
**Presenter:** *Chanaka Ganepola (Alliance Manchester Business School and the Central Bank of Sri Lanka)*  
  
The Samuelson Effect and Seasonal Stochastic Volatility in Agricultural Futures Markets  
**Authors:** *Lorenz Schneider and Bertrand Tavin*  
**Presenter:** *Lorenz Schneider (EM LYON Business School)*  
  
Harvesting Commodity Styles: An Integrated Framework  
**Authors:** *Adrian Fernandez-Perez, Ana-Maria Fuertes and Joëlle Miffre*  
**Presenter:** *Joëlle Miffre (Audencia Business School)*
- 10.00 - 10.15** | **Coffee Break - "Salon des Professeurs"**
- 10.15 - 11.45** | **Plenary Session 2 [Electricity Markets] - "Amphi 70"**  
Determinants of Price Expectation Bias in Electricity Day Ahead Auctions  
**Authors:** *Ezgi Avci-Surucu, Derek Bunn, Wolfgang Ketter and Eric van Heck*  
**Presenter:** *Ezgi Avci-Surucu (Rotterdam School of Management, Erasmus University, The Netherlands)*  
  
An Empirical Analysis of the Bid-Ask Spread in the German Power Continuous Intraday Market  
**Authors:** *Clara Balardy*  
**Presenter:** *Clara Balardy (EPEX Spot, Université Paris-Dauphine, PSL Research University, LEDa, [SDFi])*  
  
Lease or Buy? Quality Differences and Asymmetric Information in California Solar Panels  
**Authors:** *Johannes Mauritzen*  
**Presenter:** *Johannes Mauritzen (BI Norwegian Business School)*
- 11.45 - 12.30** | **Key Note Speech - "Amphi 70"**  
**Presenter:** *Dr. James L. Smith, Professor of Finance, Cary M. Maguire Chair of Oil and Gas Management, SMU, COX School of Business, co-editor of The Energy Journal.*  
**Title:** *Oil Prices in the Long Term*
- 12.30 - 13.45** | **Lunch - "Salle 49"**



| We offer a seated Buffet with various cold options, beverages and coffee.

**13.45 - 15.15** | **Plenary Session 3 [Economic Theory] - "Amphi 70"**

Strategic Advance Sales, Demand Uncertainty and Overcommitment

**Authors:** Sébastien Mitraille and Henry Thille

**Presenter:** Sébastien Mitraille (Toulouse Business School)

Hedging Pressure and Speculation in Commodity Markets

**Authors:** Ivar Ekeland, Delphine Lautier and Bertrand Villeneuve

**Presenter:** Delphine Lautier (Université Paris-Dauphine, PSL Research University)

Investing in Time-to-Build Projects with Uncertain Revenues and Costs: a Real Options Approach

**Authors:** Lauri Kauppinen, Ahti Salo and Afzal Siddiqui

**Presenter:** Afzal Siddiqui (University College London)

**15.15 - 19.00** | **Social Activity - "LES MACHINES DE L'ILE"**

*Right after the last session, we will use the tram to visit the Machines de l'Île. We will offer you a guided tour and experience first-hand the functioning of weird creatures that only fantasy can limit. We will then enjoy the Sea World Carousel. See the last page of the program for more information.*

**19.00 - 21.30** | **Dinner - "Les Petits Saints"**

*Address 1 Rue Saint-Vincent, 44000 Nantes. Phone: 02 40 20 24 48. See the last page of the program for more information*

**Friday 23 February 2018****08.30 - 09.00****Coffee - "Salon des Professeurs"**

Coffee is served in the "Salon des Professeurs" glass room located in the main entrance

**09.00 - 10.30****Plenary Session 4 [Advanced Econometrics for Commodity Markets] - "Amphi 70"**

Currency Collapses and Output Dynamics in Commodity Dependent Countries

**Authors:** V. Bodart and Jean-François Carpentier

**Presenter:** Jean-François Carpentier (Aix-Marseille University, CERGAM)

Oil Price Risk and Financial Contagion

**Authors:** Khaled Guesmi, Anna Creti, Julien Chevallier and Ilyes Abid

**Presenter:** Khaled Guesmi (IPAG Business School, Paris)

Time-Varying Persistence in Real Oil Prices and its Determinant

**Authors:** Robinson Kruse and Christoph Wegener

**Presenter:** Christoph Wegener (IPAG Business School, Paris and Center for Risk and Insurance, Hannover)

**10.30 - 11.00****Coffee Break - "Salon des Professeurs"****11.00 - 12.30****Plenary Session 5 [Asset Pricing] - "Amphi 70"**

Carry Trades and Tail Risk: Evidence from Commodity Markets

**Authors:** Daniele Bianchi

**Presenter:** Daniele Bianchi (Warwick Business School)

Commodity Return Predictability

**Authors:** Regina Hammerschmid

**Presenter:** Regina Hammerschmid (University of Zurich, Swiss Finance Institute)

Curve Momentum

**Authors:** Raphael Paschke, Marcel Prokopczuk and Chardin Wese Siemen

**Presenter:** Chardin Wese Siemen (ICMA Centre, Henley Business School, University of Reading)

## Social Events

*(All events are at no extra charge)*

### LES MACHINES DE L'ILE (22 February, 2018)

We will arrive by tram together to the location of our social event at 15.50 to commence our experience with a guided tour of the Machines Gallery and the chance to set in motion the strange creatures. Then at 17.20 we will discover the Marine Worlds interactive Carrousel that stands 25m high and 20m wide. We will explore the seas and meet 35 creatures from the ocean floor, the depths and the surface of the seas. At 18.00 we will make our way to the dinner restaurant.



### Dinner "Les Petits Saints" (22 February, 2018)



The workshop dinner will take place in the restaurant "Les Petits Saints" that is situated in the city centre, 1 place Saint Vincent, 44000, Nantes.



The amazing cuisine and the beautiful interior architecture of this old chapel invite you to a daring culinary adventure under its gothic arches dating from the sixteenth century. The restaurant is quite strategically placed between landmark sites such as the Château des Ducs de Bretagne, the St. Peter and St. Paul Cathedral, and the old city offering a variety of culinary delights to cater for all tastes. Save your appetite for an interesting gastronomic adventure. The dinner will start at 19.00 and will end around 21.30.



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