

**FEEM Workshop on****OIL AND COMMODITY PRICE DYNAMICS****Milan, 5-6 June 2014**

Fondazione Eni Enrico Mattei

Corso Magenta 63

**Agenda****Introduction**

The 2014 FEEM International Workshop on “Oil and Commodity Price Dynamics” is intimately related to the oil conferences organized by the FEEM research programme “Energy: Resources and Markets” in the last two years, namely the 2012 Conference on “Financial Speculation in the Oil Markets and the Determinants of the Oil Prices” and the 2013 Conference on “Oil Price Forecasts and Trends”.

The ambition of this year’s workshop is to provide participants with updated and high-quality perspectives on a number of issues which are crucial to understand the complexity and the evolution of the international oil markets, the dynamics of the price of oil, the financialization and the interconnections of oil, energy and non-energy commodity derivatives markets.

This aim is accomplished by gathering together internationally distinguished scholars, professionals from energy and financial institutions, as well as FEEM researchers to discuss:

- The effects of aggregate and market-specific economic shocks on commodity markets;
- The determinants of the price of oil and the ability to provide the industry with plausible forecasts of where oil prices are heading next;
- Price discovery among the price benchmarks in the market for crude oil, and issues related to the practice of using reference prices in the oil market;
- The dynamics of the link between spot and futures prices in the oil market and the determinants of its intensity over time;
- Recent trends in oil production in specific oil markets;
- The tight oil revolution and its implications for exporting crude oil from the US;
- Financialization and speculation in energy, commodity and environmental markets;
- The relationship between oil price increases and high food prices, and the role of speculative activity in explaining co-movements between food and equity price variations.

## Day 1. Thursday, 5 June 2014

*h. 13.30 - Registration*

### 14.00 Welcome address and introduction

Giuseppe **Sammarco** - Executive Director, FEEM

Matteo **Manera** - Professor of Econometrics, University of Milano-Bicocca and FEEM

### 14.15 Session 1. Oil price dynamics and forecasts

*Chair:* Matteo **Manera** - University of Milano-Bicocca and FEEM

*"Predicting Oil Prices: How Close Can We Really Get?"*

Leo **Drollas** - Energy Consultant

*"Price Discovery in Crude Oil Futures"*

John **Elder** - Professor of Finance, Colorado State University

*"Causes and Implications of Shifts in Financial Participation in Oil Markets"*

Bassam **Fattouh** - Director, Oxford Institute for Energy Studies

*"A Double Correlated Three Factor Model for a Crude Oil Market"*

Gaetano **Fileccia** - eni MidStream - Quants

General discussion

*h. 16.15 - 16.45 - Coffee break*

### 16.45 Session 2. Oil markets

*Chair:* Leo **Drollas** - Energy Consultant

*"The Marginal Cost of Oil Production in the Bakken"*

Vincent **Kaminski** - Professor in the Practice of Executive Education, Rice University

*"Issues in the Practice of Using Reference Prices: Fundamentals, Liquidity and Other Factors"*

Robert **Levin** - Managing Director Energy Research & Product Development, CME Group

*"The Tight Oil Revolution: Implications for Exporting Crude Oil from the US"*

Charles F. **Mason** - Professor of Economics, University of Wyoming

*"Oil Price Benchmarks - Implications and Opportunities"*

Mike **Davis** - Director, Market Development, ICE Futures Europe

General discussion

*Closure of the first day*

**Day 2. Friday, 6 June 2014**

**9.30 Session 3. Oil and commodity prices**

*Chair:* Anna **Cretì** - Université Paris Dauphine

*"Commodity-Price Comovement and Global Economic Activity"*

Ron **Alquist** - Policy Adviser, Bank of Canada

*"The Financialization of Food?"*

Bahattin **Buyuksahin** - Research Adviser of Commodities, Bank of Canada

*"Do Oil Price Increases Cause Higher Food Prices?"*

Lutz **Kilian** - Professor of Economics, University of Michigan

General discussion

*h.11.00 - 11.30 - Coffee break*

**11.30 Session 4. Financial speculation and price volatility**

*Chair:* Lutz **Kilian** - University of Michigan

*"Oil Shocks and Stock Market Volatilities"*

Andrea **Bastianin** - Researcher, University of Milano and FEEM

*"Financialization and Speculation in Energy, Commodity and Environmental Markets"*

Anna **Cretì** - Professor of Economics, Université Paris Dauphine

*"Big Fish: Oil Market and Speculation"*

Elisa **Scarpa** - Head of Market Analysis, Forecasting & Structuring, Edison Trading S.P.A.

General discussion

**13.00 Conclusions and closing of the workshop**

Giuseppe **Sammarco** - Executive Director, FEEM

Matteo **Manera** - Professor of Econometrics, University of Milano-Bicocca and FEEM

*h. 13.15 - Light lunch*