I agree







Search...

All Content ▼



Advanced Search (/search/advanced-search)



Download 🚨

Modelling the Convenience Yield in Carbon Prices using Daily and Realized Measures

Modelling the Convenience Yield in Carbon Prices using Daily and Realized Measures

Author(s): Julien Chevallier Subject(s): Economy Published by: S.E.I.F at Paris

Keywords: Convenience Yield; Carbon Price; EU ETS; High-frequency Data;

Realized Volatility

Summary/Abstract: This article investigates the modelling of the convenience yield in the European carbon market by using daily and intradaily measures of volatility. The convenience yield stems from differences in spot and futures prices, and can explain why firms hold inventories. The main findings are that (i) a simple AR(4) process best describes the 2008 convenience yield, and (ii) there exists a non-linear relation between spot and futures prices. The approach developed in this article captures 74% of the explanatory power for the 2008 convenience yield variable in an autoregressive framework, with carbon spot price levels, moving

averages and carbon futures realized volatility measures as exogenous regressors. These results are of interest for energy utilities, risk-managers, and traders exposed to the variation of carbon prices.

Details

Contents

Journal: International Review of Applied Financial Issues and Economics (/search/journal-detail?id=1028)

Issue Year: 2009 Issue No: 1 Page Range: 056-073

Page Count: 18 Language: English

Back to list (https://www.ceeol.com/)

Related Content

About

CEEOL is a leading provider of academic eJournals, eBooks and Grey Literature documents in Humanities and Social Sciences from and about Central, East and Southeast Europe. In the rapidly changing digital sphere CEEOL is a reliable source of adjusting expertise trusted by scholars, researchers, publishers, and librarians. CEEOL offers various services to subscribing institutions (/for-librarians/CEEOL-for-libraries/new-to-ceeol) and their patrons to make access to its content as easy as possible. CEEOL supports publishers (/for-publishers-editors/CEEOL-for-publishers/new-to-CEEOL) to reach new audiences and disseminate the scientific achievements to a broad readership worldwide. Un-affiliated scholars have the possibility to access the repository by creating their their personal user account (/personal-user-account/new-to-CEEOL).

Contact Us

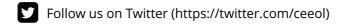
Central and Eastern European Online Library GmbH Basaltstrasse 9 60487 Frankfurt am Main Germany Amtsgericht Frankfurt am Main HRB 102056

VAT number: DE300273105 Phone: +49 (0)69-20026820 (tel:+49696860250)

Phone: +49 (0)69-20026820 (tel:+49696860250) Email: info@ceeol.com (mailto:info@ceeol.com)

Connect with CEEOL

Join our Facebook page (https://www.facebook.com/newceeol/?ref=hl)





2024 © CEEOL. ALL Rights Reserved. Privacy Policy (/help/privacy-policy) | Terms & Conditions of use (/help/terms-and-conditions)

ver2.0.902