

< [The Economics of Food Price Volatility](#)

Bubbles, Food Prices, and Speculation: Evidence from the CFTC's Daily Large Trader Data Files

Nicole M. Aulerich, Scott H. Irwin & Philip Garcia

SHARE

PUBLISHED DATE October 2014

COPYRIGHT 2014

ISBN 9780226128924

CONFERENCE HELD [AUGUST 15-16, 2012](#)

BOOK: [THE ECONOMICS OF FOOD PRICE VOLATILITY](#)

BOOK EDITORS: [JEAN-PAUL CHAVAS](#), [DAVID HUMMELS](#) & [BRIAN D. WRIGHT](#)

PUBLISHER: [UNIVERSITY OF CHICAGO PRESS](#)

The "Masters Hypothesis" claims that unprecedented buying pressures from new financial index investors created a massive bubble in agricultural futures prices at various times in recent years. This chapter analyzes the market impact of financial index investment in agricultural futures markets using non-public data from the Large Trader Reporting System (LTRS) maintained by the U.S. Commodity Futures Trading Commission (CFTC). The LTRS data is superior to publicly-available data because commodity index trader (CIT) positions

are available on a daily basis, positions are disaggregated by contract maturity, and positions before 2006 can be reliably estimated. The null hypothesis of no impact of aggregate CIT





positions on daily returns is rejected in only 3 of the 12 markets. Point estimates of the cumulative impact of a one standard deviation increase in CIT positions on daily returns are negative and very small, averaging only about two basis points. The null hypothesis that CIT positions do not impact daily returns in a data-defined roll period is rejected in 5 of the 12 markets and estimated cumulative impacts are negative in all 12 markets; the opposite of the expected outcome if CIT rolling activity simultaneously pressures nearby prices downward and first deferred prices upward.

[!\[\]\(0f848bbd71cef6b345273b16f905912a_img.jpg\) Download](#)[Purchase Book](#)[Acknowledgements and Disclosures](#)[Citation and Citation Data](#)[Comments and Discussions](#)

Related

TOPICS

Microeconomics

Economics of Information

Financial Economics
Portfolio Selection and Asset Pricing
Financial Markets
Environmental and Resource Economics
Agriculture
Energy

Published From Paper

Bubbles, Food Prices, and Speculation: Evidence from the CFTC's Daily Large Trader Data Files

MAY 2013 - WORKING PAPER

The "Masters Hypothesis" is the claim that unprecedented buying pressure from new financial index investors created a...

More from the NBER

In addition to [working papers](#), the NBER disseminates affiliates' latest findings through a range of free periodicals — the [NBER Reporter](#), the [NBER Digest](#), the [Bulletin on Health](#), and the [Bulletin on Entrepreneurship](#) — as well as online [conference reports](#), [video lectures](#), and [interviews](#).



Martin Feldstein Lecture, Summer Institute 2025
The Fiscal Future

N. Gregory Mankiw, Harvard University and NBER
July 10, 2025

2025, 17th Annual Feldstein Lecture, N. Gregory Mankiw, "The Fiscal Future"

FELDSTEIN LECTURE

PRESENTER: [N. GREGORY MANKIW](#)

N. Gregory Mankiw, Robert M. Beren Professor of Economics at Harvard University, presented the 2025 Martin Feldstein...



Methods Lecture, Summer Institute 2025
**Uncovering Causal Mechanisms:
Mediation Analysis and
Surrogate Indices**

Raj Chetty, Harvard University and NBER
Kosuke Imai, Harvard University
July 24, 2025



2025, Methods Lecture, Raj Chetty and Kosuke Imai, "Uncovering Causal Mechanisms: Mediation Analysis and Surrogate Indices"

PRESENTERS: [RAJ CHETTY](#) & [KOSUKE IMAI](#)

SlidesBackground materials on mediationImai, Kosuke, Dustin Tingley, and Teppei Yamamoto. (2013). "Experimental Designs...



2025, International Trade and Macroeconomics, "Panel on The Future of the Global Economy"

PANEL DISCUSSION

PRESENTERS: [OLEG ITSKHOKI](#), [PAUL R. KRUGMAN](#) & [LINDA TESAR](#)

Supported by the Alfred P. Sloan Foundation grant #G-2023-19633, the Lynde and Harry Bradley Foundation grant #20251294...

National Bureau of Economic Research

[Contact Us](#)

1050 Massachusetts Avenue

Cambridge, MA 02138

[617-868-3900](tel:617-868-3900)

info@nber.org

webaccessibility@nber.org

[HOMEPAGE](#)

[Accessibility Policy](#)

[Diversity Policy](#)

[Privacy Policy](#)

FOLLOW



© 2026 NATIONAL BUREAU OF ECONOMIC RESEARCH. ALL RIGHTS RESERVED.