

The European Journal of Finance >
Volume 14, 2008 - Issue 6: FORECASTING FINANCIAL MARKETS


239 Views | 15 CrossRef citations to date | 0 Altmetric

Original Articles

Trading futures spread portfolios: applications of higher order and recurrent networks

Christian L. Dunis, Jason Laws & Ben Evans 

Pages 503-521 | Published online: 27 Aug 2008

 Cite this article  <https://doi.org/10.1080/13518470801890834>
Sample our
Area Studies
Journals
>> **Sign in here** to start your access
to the latest two volumes for 14 days Full Article  Figures & data  References  Citations  Metrics Reprints & Permissions

Read this article

Abstract

This paper investigates the modelling and trading of oil futures spreads in the context of a portfolio of contracts. A portfolio of six spreads is constructed and each spread forecasted using a variety of modelling techniques, namely, a cointegration fair value model and three different types of neural network (NN), such as multi-layer perceptron (MLP), recurrent and higher order NN models. In addition, a number of trading filters are employed.

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings



Notes

1. See, for example, Tucker [\(2000\)](#) and Ross [\(2003\)](#).
2. See, for example, Girma and Paulson [\(1998\)](#) and Salcedo [\(2004a, 2004b\)](#).
3. See, for example, MacKinlay and Ramaswamy [\(1988\)](#), Yadav and Pope [\(1990\)](#), Chung [\(1991\)](#), and among others.
4. Notable exceptions include Billingsley and Chance [\(1988\)](#), Board and Sutcliffe [\(1996\)](#), Butterworth and Holmes [\(2002\)](#), and Butterworth and Holmes [\(2003\)](#).
5. Leg_1 being the first contract under consideration.
6. Leg_2 being the second contract under consideration.
7. NYMEX Europe has traded the Brent crude oil contracts since September 2005.
8. It has been decided that for ease of calculation, any round turn commission ($\sim 0.03\%$) be ignored.
9. Associative recall is the act of associating two seemingly unrelated entities, such as smell and colour. For more information, see Karayiannis and Venetsanopoulos [\(1994\)](#).
10. Unfiltered – is the model statistics without the application of a filter; Threshold – is the model statistics with the application of the threshold filter, optimized in-sample; Correlation – is the model statistics with the application of the correlation filter, optimized in-sample; Transitive – is the model statistics with the application of the transitive filter, optimized in-sample; Ann. Return – is the annualized percentage

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings



Trading futures spreads: an application of correlation and threshold filters >

C.L. Dunis et al.

Applied Financial Economics

Published online: 20 Nov 2006

Information for

Authors

R&D professionals

Editors

Librarians

Societies

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

Help and information

Help and contact

Newsroom

All journals

Books

Keep up to date

Register to receive personalised research and resources
by email



Sign me up



About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

Copyright

Access

Registered
5 Howick Pl

or & Francis Group
orma business