Geneva, November 10, 2010

# Investing in Commodities

## Topic

In recent years the commodities market has become increasingly more influential as an investment vehicle/instrument. Due to its nature, it is characterised by very different features than those of other investment instruments.

## Content

- Seasonal and Stochastic Features in Commodity Spot and Forward prices
- Should Mean - Reversion be present in the representation of Commodity Spot Prices
- Electricity: its central role in all commodity markets
- Agricultural Commodities and their growing importance in a situation of land scarcity
- Plain Vanilla Options on Commodity Spot and Forward markets
- Volatility smile/skew in Commodities

Investing in Commodities:

- the different vehicles (ETFs, indexes, stocks)
- the main indexes and their specificities: Reuters CRB; DJ- UBS and UBS – Bloomberg indexes; DB Liquid Mean-Reverting indexes; RICI indexes
- the choice of the components , the weights and the rebalancing rules
- the crucial importance of the roll yield in the total yield

## Case study

- IPOs in the commodity industry
- Investing in mining and oil companies versus in the commodity

## Who should attend?

Members who have an understanding of the fundamentals and characteristics of commodity markets and who are interested in investing in the corresponding financial instruments.

## Speaker

**Helyette Geman** is a Professor of Finance at Birkbeck, University of London where she is the Director of the Commodity Finance Centre and ESCP Europe. She is a graduate of Ecole Normale Superieure in Mathematics, holds a Masters degree in Theoretical Physics and a PhD in Probability from the University Pierre et Marie Curie and a PhD in Finance from the University Pantheon Sorbonne.

Professor Geman has been a scientific advisor to major financial institutions, insurance companies and energy, commodity and mining companies for the last 21 years, covering the spectrum of interest rates, catastrophic risk, credit, then crude oil, natural gas and electricity, metals and agriculturals. She was previously the Head of Research at Caisse des Depots in Paris. Professor Geman was the first president of the Bachelier Finance Society and has published more than 106 papers in top international finance and insurance Journals including the Journal of Finance, Mathematical Finance, Geneva Papers on Insurance, Journal of Financial Economics. She was named in 1993 Member of Honour of the French Society of Actuaries. Professor Geman's research includes interest rates and catastrophic insurance, asset price and commodity forward curve modeling, hedge funds and alternative investments, as well as exotic option pricing for which she won the first prize of the Merrill Lynch Awards in 1995. Her pioneer work on extreme events and CAT bonds received in 1994 the first Prize of the AFIR (Actuarial Approach to Financial Risk) awards. Prof Geman was named in 2004 in the Hall of Fame of Energy Risk and received in July 2008 the medal for Sciences of the Institute for Advanced Studies of the Alma Mater University of Bologna for the CGMY model, a pure jump Levy process widely used in finance since 2002 and in insurance since 2004.

Her book Commodities and Commodity Derivatives: Energy, Metals and Agriculturals published by Wiley Finance in January 2005 has become a reference book in the field.

Prof Geman is a Member of the Board of the UBS-Bloomberg Commodity Index. She edited in 2009 the book Risk Management in Commodity Markets: from Shipping to Agriculturals and Energy and became in 2010 the first Wilmar International Invited professor of Commodities at Singapore Management University.

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# Investing in Commodities

**Language**
French

**Time and Venue**
09:30 – 12:30 and 14:00 – 17:00

Société de Lecture, 11, Grand-Rue, 1204 Genève
(For map details: www.societe-de-lecture.ch)

**Seminar fees**
SFAA members´attendance is free of charge.

For non SFAA members the fee is CHF 540.– and includes documentation and refreshments.

**Registration**
Register online (www.azek.ch/campus) or apply with the Registration form on the reverse.

**Information**
For more information please contact the secretariat of AZEK at:

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☐ Je m'inscris au séminaire **« Investing in Commodities »** de l'AZEK Campus du 10 novembre 2010 à Genève

☐ Je suis membre* de la SFAA

* Les membres de la SFAA doivent seulement indiquer leur nom, prénom et email.

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* La documentation et les boissons consommées pendant le séminaire sont comprises dans le prix.

☐ Je souhaite devenir membre de la SFAA ; veuillez me contacter

☐ Madame ☐ Monsieur

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