

OIL PRICE FORECASTS AND TRENDS

Milan, 23-24 May 2013

Fondazione Eni Enrico Mattei
Corso Magenta 63

Agenda

Introduction

With benchmark crudes persistently at high levels, worldwide interest in the future trends and the determinants of oil prices is still very high.

According to the World Energy Outlook 2012, the global demand for oil will increase by 14 percent in 2035, and fossil fuels will continue to meet the bulk of the world's energy needs. Given the current as well as perspective relevance of the international oil markets for the global economy, it is of utmost importance that economic research provide the answers to relevant issues, such as: the evolution of the price of oil and its main drivers; the effects of oil price shocks on the global economy; the transmission mechanisms through which structural macroeconomic shocks affect the oil price; the definition, measurement and role of financial speculation in the oil and commodity derivatives markets; the impact of speculation on spot and futures oil prices, and on oil price volatility.

Although political sensitivities about the impact of commodity derivatives markets on the price of oil remain, recent research, presented in January 2012 at the FEEM workshop on "Financial Speculation in the Oil Market and the Determinants of the Oil Price", has shown that financial speculation is not the major determinant of the oil price level and its associated volatility, that prices are driven primarily by market fundamentals, and that, among market fundamentals, the demand from China and other Asian economies plays a crucial role.

Sixteen months later, FEEM organizes an international conference on "Oil Price Forecasts and Trends", aiming at gathering together both scholars in the field of energy economics and professionals from international financial and energy institutions to discuss:

- Alternative approaches to predict oil and energy commodity prices;
- Oil price volatility models and analyses;
- Characteristics and recent trends in the oil market;
- Interconnections between the oil market and the commodity derivatives markets;
- Links between the price of oil and the global economy;
- Informational role of spot prices and inventories in commodity markets.

Day 1. Thursday, 23 May 2013

h. 14.00 – Registration

14.30 Welcome address and introduction

Giuseppe **Sammarco** - Executive Director, Fondazione Eni Enrico Mattei

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

14.45 Session 1. The oil market and the global economy

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

Claudio **Morana** - Professor of Economics, University of Milano-Bicocca

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

Diego **Valiante** - Research Fellow, Centre for European Policy Studies

General discussion

h. 16.00 - 16.30 - Coffee break

16.30 Session 2. Predicting the price of oil and oil price volatility

Chair: Vincent **Kaminski** - Rice University

Julien **Chevallier** - Associate Professor of Economics, Université Paris Dauphine

Leo **Drollas** - Director and Chief Economist, Centre for Global Energy Studies

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

General discussion

Closure of the first day

Day 2. Friday, 24 May 2013

9.30 Session 3. Oil and financial trading

Chair: Charles F. **Mason** - University of Wyoming

James **Smith** - Maguire Chair in Oil & Gas Management, Southern Methodist University
Bahattin **Buyuksahin** - Research Adviser Commodities, Bank of Canada
Marcella **Nicolini** - University of Pavia and FEEM

General discussion

h. 11.00 - 11.30 - Coffee break

11.30 Session 4. Oil and commodities prices

Chair: James **Smith** - Southern Methodist University

Matteo **Manera** - Professor of Econometrics, University of Milano-Bicocca and FEEM
Saud **Al-Fattah** - King Abdullah Petroleum Studies and Research Center
Charles F. **Mason** - Jr. Chair in Petroleum and Natural Gas Economics, University of Wyoming

General discussion

12.45 Conclusions and closing of the workshop

Giuseppe **Sammarco** - Executive Director, Fondazione Eni Enrico Mattei

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

h. 13.00 - Light lunch
