



## Introduction to Research Council Report

### Hilary Till

Solich Scholar, J.P. Morgan Center for Commodities, University of Colorado Denver Business School; and Contributing Editor, *Global Commodities Applied Research Digest*

The J.P. Morgan Center for Commodities (JPMCC) at the University of Colorado Denver Business School established a prestigious Research Council in early 2015. The Council is a selection of academics and practitioners, and its members are balanced across commodity segments. The group has met in April and December 2015, and is chaired by Professor Colin Carter, University of California, Davis, and is co-chaired by Dr. Margaret Slade, Professor Emeritus, Vancouver School of Economics, University of British Columbia.



Opening remarks by Dr. Sueann Ambron, Former Dean of the Business School and Senior Advisor, JPMCC and Ajeyo Banerjee, Ph.D., CMA, Associate Professor of Finance and Risk Management, Executive and Faculty Director, JPMCC, at the inaugural Research Council meeting on April 18, 2015.



## **Mission of the Research Council**

Excerpting from Casey (2015), the goal of the Council is “to encourage robust dialogue between researchers and practitioners as well as to drive research into wide-scope commodities issues, such as supply chain management, risk management and regulatory matters, said Ajeyo Banerjee, Ph.D., Center director. ‘There is really no organized research activity on commodities as a whole,’ Banerjee said. He noted that plenty of research is directed at various sectors — agriculture, metals and minerals, and energy — but ‘there is no organized group that looks across all commodities.’”

“That’s where the Research Council comes in. Twenty-six experts, a mix of renowned academics and business leaders from across the nation, met ... at the CU Denver Business School in April [2015]. Three sessions each involved an academic presentation of a study followed by discussion about the research by both academics and practitioners,” recounted Casey (2015).

## **Recognition of Support**

During the April inaugural meeting, Banerjee recognized Colin Fenton, who has been a leader of the JPMCC’s Advisory Council since its inception. Fenton and the Center’s principal sponsor, J.P. Morgan, have supported and encouraged the idea of a Research Council, which Banerjee and Professor Marcelle Arak, Research Director of the JPMCC, brought to fruition in early 2015.



Colin Fenton, Managing Partner and Head of Research at Blacklight Research LLC and Fellow, Columbia University, Center on Global Energy Policy; and Ajeyo Banerjee, Ph.D., Executive and Faculty Director of the JPMCC, at the Research Council meeting of April 18, 2015.

---

## The Value of the Research Council

### The Value to Industry

During the April 2015 Research Council meeting, Professor Vince Kaminski, Rice University, and member of the JPMCC's Research Council, provided a conceptual framework for the commodity markets. He compared the interaction between various parts of the commodity complex to a Rubik's cube. One dimension is the physical layer, the second dimension is the financial layer, and the third dimension is the geopolitical and social layer, with shocks in one layer propagating through other layers in an unpredictable fashion.

One concrete example of this complexity was provided at the Research Council by an agricultural expert who noted that soybean inventories in China may have been used as collateral for financing other entrepreneurial activities. The driver for soybean demand in this case would not have been food demand. There are similar anecdotes about copper, aluminum, and other metals, noted Kaminski.



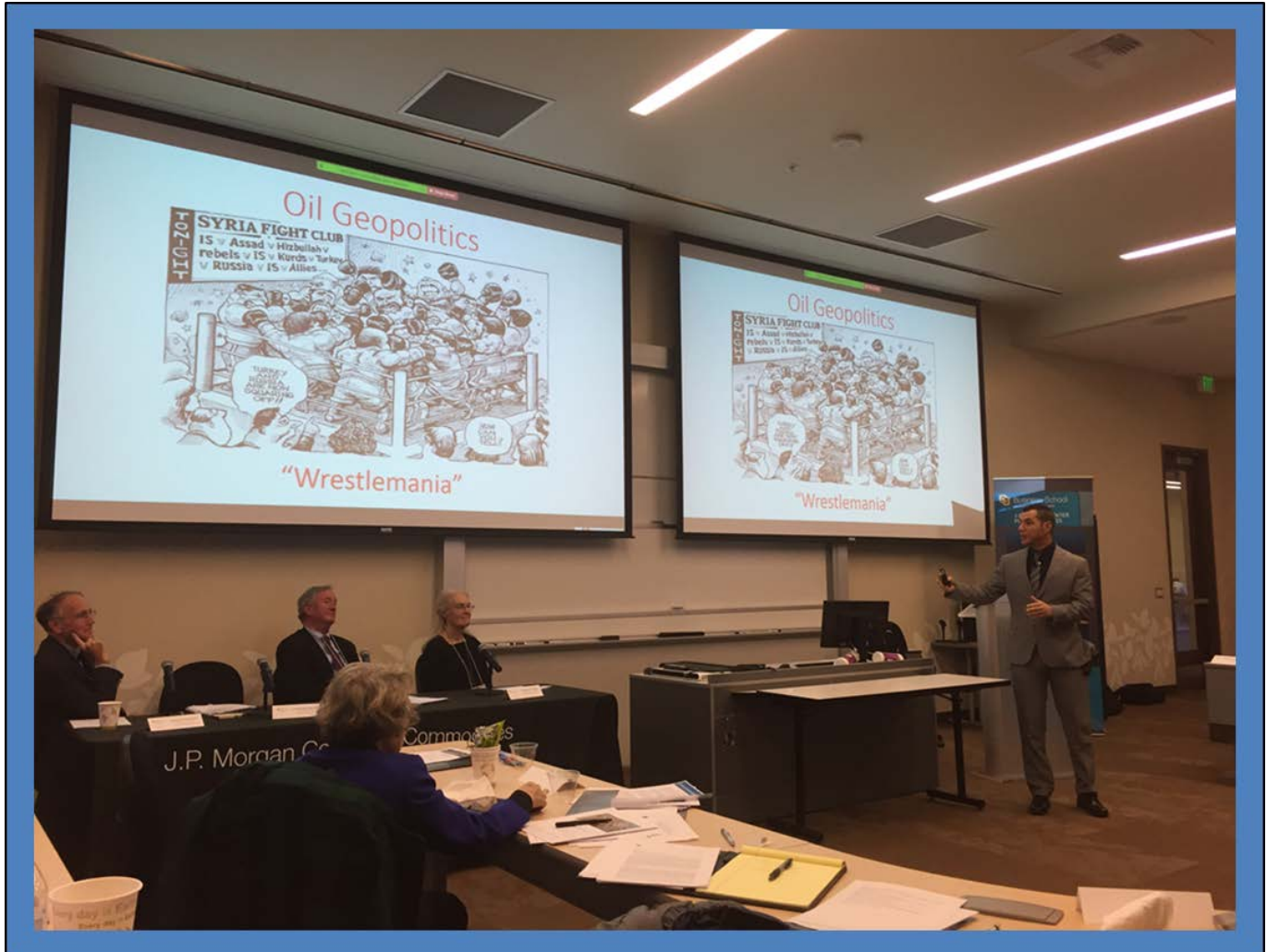
Left-to-right: Professor Graham Davis, Ph.D., Colorado School of Mines; Ms. Nancy DeVore, DHF Team; Dr. Benjamin Lee, Ph.D., Research Scientist, National Renewable Energy Laboratory; Professor Vince Kaminski, Ph.D., Rice University (with microphone), and Mr. Dan Kowalski, Knowledge Exchange, CoBank, at the JPMCC's inaugural Research Council meeting on April 18, 2015.

In an era of very narrow specialization, continued Kaminski, it is very difficult to be aware of any such complexities. That is why the JPMCC's Research Council is so valuable. It brings together people of varied backgrounds, who can brainstorm in a very formal way; this can create a lot of value for the industry. This can also help traders and risk managers. A trader also wants to find someone who can "see around the corner." This is very difficult to do when one is in a very narrow academic or business discipline, explained Kaminski.

### The Value to Academia

At the December 2015 Research Council meeting, Professor Yosef Bonaparte, University of Colorado Denver Business School, added that one way of thinking about research is as a puzzle to solve. He welcomed industry members bringing up challenges that they face, which could provide interesting puzzles for innovative research.





Professor Yosef Bonaparte, Ph.D., University of Colorado Denver Business School, presenting at the Research Council meeting of December 4, 2015. From far-left-to-right: Professor James Hamilton, Ph.D., University of California, San Diego; Dr. Bluford Putnam, Ph.D., CME Group; and Professor Emeritus Margaret Slade, Ph.D., University of British Columbia and Co-Chair, Research Council, JPMCC.

### Research Panels in the *GCARD*

In this issue of the *Global Commodities Applied Research Digest (GCARD)*, we cover the agricultural panel's presentations from April 2015, which were delivered by distinguished academic and practitioner members of the Research Council. Future issues of the *GCARD* will cover academic panels on energy, metals-and-mining, and on renewable energy.



## Members of the Research Council

- Dr. Sueann Ambron, Former Business School Dean and Senior Advisor, JPMCC, University of Colorado Denver Business School
- Mr. Thorvin Anderson, CFA, Executive Director, J.P. Morgan Ventures Energy Corporation
- Professor Marcelle Arak, Ph.D., Research Director, JPMCC
- Dr. Thomas Brady, Ph.D., Chief Economist, Newmont Mining Corporation
- Professor Colin Carter, Ph.D., University of California, Davis; and Chair, Research Council, JPMCC
- Professor Graham Davis, Ph.D., Colorado School of Mines
- Ms. Nancy DeVore, Principal, DHF Team, LLC
- Mr. Colin Fenton, Managing Partner and Head of Research, Blacklight Research LLC; and Fellow, Columbia University, Center on Global Energy Policy
- Mr. Robert Gray, CFA, Chief Commodities Strategist, Resource Capital Funds
- Mr. Robert Greer, Scholar in Residence, JPMCC
- Professor, James Hamilton, Ph.D., University of California, San Diego
- Mr. Dave Hammond, Principal, Hammond International Group
- Professor Vince Kaminski, Ph.D., Rice University
- Professor Lutz Kilian, Ph.D., University of Michigan, Ann Arbor
- Mr. Dan Kowalski, Director, Knowledge Exchange, CoBank
- Dr. Benjamin Lee, Ph.D., Research Scientist, National Renewable Energy Laboratory
- Mr. Peter McCallum, Director, Global Agribusiness, Bunge Limited
- Mr. Mike Miller, Vice President, Risk Management, Ardent Mills
- Dr. Bluford Putnam, Ph.D., Chief Economist, CME Group
- Professor Forest Reinhardt, Ph.D., Harvard Business School



- Mr. Marco Sampaio, Head of Risk Management, JBS USA
- Professor Emeritus Margaret Slade, Ph.D., University of British Columbia; and Co-Chair, Research Council, JPMCC
- Ms. Hilary Till, Solich Scholar, JPMCC; and Contributing Editor, *Global Commodities Applied Research Digest*
- Mr. Lance Titus, Managing Director, Guzman Energy
- Dr. Robert Vigfusson, Ph.D., Board of Governors of the Federal Reserve System
- Professor Brian Wright, Ph.D., University of California, Berkeley

---

### Reference

Casey, C., 2015, "Global Leader in Commodities Research: Business School Launches International Research Council on Commodities and Innovative Digital Journal," *CU Denver Today*, October 22. Retrieved from: <http://cudenvertoday.org/global-leader-in-commodities-research/> on January 10, 2016.