



Update from the Research Director of the J.P. Morgan Center for Commodities (JPMCC)

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Professor Jian Yang, Ph.D., CFA, updated the J.P. Morgan Center for Commodities' (JPMCC's) Advisory Council members on the JPMCC's research goals and plans during the Advisory Council's meeting on March 8, 2018.

It is my great honor to serve as the first J.P. Morgan Endowed Chair and Research Director for the J.P. Morgan Center for Commodities (JPMCC), a role I have held since September 2017. In my opinion, the JPMCC is well positioned to be a leading commodities research center in the world for the following reasons.

First, the JPMCC has an excellent location in the U.S. The U.S. is the largest economy in the world, and we are the only research center focusing on commodities broadly as an asset class in the U.S.

Second, the JPMCC has unique international connections. In particular, the center has strong ties with China and some other Asian economies, and aims to be a thought leader in commodity research in Asia and beyond.



Third and most importantly, the JPMCC embraces contemporary perspectives. Different from programs specializing in agricultural, energy or mineral economics, the JPMCC has integrated perspectives in conducting research and education in commodities. In particular, we have (a) the integration of economic and financial perspectives, (b) the integration of fundamental and behavioral perspectives, and (c) a broad integration of economic/financial perspectives on the one side and politics/regulatory perspectives on the other side within our commodities research and education programs. We also adopt an international perspective with particular attention to major emerging markets.

To fulfill the vision of becoming a global leader in commodity research and education, the JPMCC is pursuing the following three goals with the advice and the support from the Advisory Council and the Research Council.

First, the JPMCC aims to be a center known for its innovative research in the commodities space. Having in-house faculty members devoted to delivering high quality commodities research is essential to the credibility and reputation of the JPMCC. In September 2017, the JPMCC Research Director participated in an invited paper presentation at the U.S. Energy Information Administration's (EIA's) Financial and Physical Oil Market Linkages' Annual Workshop. In December 2017, the Research Director made a keynote speech at the 3rd Derivatives Academic Forum, part of the 13th China International Derivatives Forum organized by the China Futures Association and all four futures exchanges in China that attracted 1,400 attendees and a dozen derivatives exchanges and about 100 companies from outside of mainland China. As a result, the JPMCC (and its Research Director) has made its "first show" in China, and was featured favorably in a dozen Chinese media articles, including an exclusive interview with *The Economic Daily*, the only newspaper sponsored by the State Council of China, and two other exclusive interviews with *Futures Daily* and *China Futures* magazine. Recently, the JPMCC also substantially expanded its already excellent Research Council, which now includes distinguished scholars from Harvard, MIT, Princeton, Yale, UC-Berkeley and other world top universities as well as industry leaders from Robert Bosch GmbH (Germany), CME Group, Encana Oil & Gas USA, J.P. Morgan and Newmont Mining. In 2018, the JPMCC is starting the Distinguished Visiting Fellow program in order to invite and host leading researchers in commodities, with the first award going to the famous energy economist (and econometrician) James Hamilton at University of California, San Diego. (We are grateful that Professor Hamilton agreed to be interviewed in this issue of the *GCARD*.) The center also plans to recognize younger active researchers in its new program of Research Associates and host their visits in the near future.

Second, the JPMCC will be a leading educator of cutting-edge knowledge in the commodities space. To provide talented practitioners for the commodity industry, we have developed formal degree-seeking programs at the graduate level with a commodities specialization and are undergoing an ongoing expansion at the undergraduate level. To this end, we provide many student scholarships sponsored by major companies in the commodities space to attract excellent students and invite distinguished lecturers from universities and the industry to speak to students.



In the spring of 2018, the JPMCC hosted two distinguished lecturers: Dr. John Baffes, Ph.D., Senior Economist at the World Bank, lectured in March while Dr. Hillard Huntington, Ph.D., Executive Director of Stanford University's Energy Modeling Forum, lectured in April.



Dr. John Baffes, Ph.D., Senior Economist at the World Bank, presented on “Commodity Markets: Developments and Outlook” at the JPMCC’s Advisory Council Meeting on March 8, 2018. [Dr. Baffes](#) is a member of the GCARD’s Editorial Advisory Board.

We have also continuously conducted various intensive courses for professional training and have offered the commodities certificate to business professionals since 2013.

Third, the JPMCC will become a major player in knowledge exchange in the commodities space. Specifically, building on the successful inaugural international commodities symposium in 2017, we will hold the second JPMCC international commodities symposium in August 2018. For the coming symposium, we will have a special issue from the *Journal of Futures Market*, a leading journal in derivatives, which includes highly relevant commodities research. Amongst the many top commodities scholars planning to attend the conference, Dr. Jeffrey Frankel, Ph.D., will deliver a keynote speech. Dr. Frankel is the James W. Harpel Professor of Capital Formation and Growth at Harvard University's Kennedy School. In addition, Dr. Frankel served on the U.S. President's Council of Economic Advisers



twice (and as the Chief Economist during 1996-1997) and is currently a Research Associate at the National Bureau of Economic Research, where he is on the NBER Business Cycle Dating Committee, which officially declares recessions. The JPMCC's August 2018 symposium is expected to receive local and international media attention, with the opportunity for many presenters' findings being shared with industry professionals internationally. The JPMCC is also exploring the possibility of co-organizing additional commodities conferences abroad to expand its global reputation, with two countries in different continents currently under consideration.

Furthermore, as mentioned above, JPMCC researchers also regularly participate and deliver speeches at various academic or industry conferences on commodities, and constantly entertain media interviews to share cutting-edge knowledge on commodities to different stakeholders and the general community. Since last September 2017 (and until April 2018), the Research Director of the JPMCC has been interviewed on various commodity futures topics, resulting in news articles in over 40 media outlets (primarily newspapers, magazines, TV broadcasts, and occasionally online news media) in several different languages (i.e., English, Chinese, Italian, and Indonesian) featuring the JPMCC and reaching out to audiences in several dozen countries (e.g., U.S., China, U.K., Germany, France, Italy, Belgium, Canada, Australia, India, Russia, Singapore, Malaysia, Greece, Indonesia, Qatar, Kenya, South Africa, Nigeria, Ethiopia, Tanzania and Ghana). These include the English-language media such as *Bloomberg*, *Forbes*, *China Daily USA*, Russian international television network RT, *China Daily-European Weekly* (based in the U.K.), *Australian Financial Review*, *The Business Times* (in Singapore), *China Daily-African Weekly* (based in Kenya), and major Chinese newspapers such as *Economic Daily* (of the State Council of China), *China Securities Journal* (of Xinhua News Agency), *Economic Information Daily* (of Xinhua News Agency), *Financial Times* (of People's Bank of China), among others. These articles are also further posted on numerous news websites internationally.

I am pleased with the fruitful efforts we have made thus far in advancing the vision and the mission of JPMCC, particularly in the research arena. With excellent input and strong support from various stakeholders, the JPMCC will become a leading center in commodities research and education in the world, despite challenges ahead.

Jian Yang, Ph.D.