

Kritika Lakmas 2014: Unexpected Volume and Open Interest in Commodity Futures Exchanges. Master of Science (Agro-Industrial Technology Management), Major Field: Agro-Industrial Technology Management, Department of Agro-Industrial Technology. Thesis Advisor: Assistant Professor Tanachote Boonvorachote, D.B.A. 102 pages.

This paper empirically investigates the impact of trading activity including trading volume and open interest in Commodity Future Exchange and Index Future Exchange such as Rubber futures contracts, Gold futures contracts and Index futures contracts. Trading volume and open interest an effect on price volatility and on market information for investor received. This study uses three different period of volatility; 1) daily volatility measured by close-to-close returns 2) non-trading volatility measured by close-to-open returns 3) trading volatility measured by open-to-close returns. The impact of trading volume and open interest are investigated. Following Bessembinder and Senguin (1993), volume and open interest are divided into expected and unexpected components. This research is investigated by augmented GARCH model where expected and unexpected components of trading activity (volume and open interest) are used as explanatory variables. The results show that Rubber futures contracts, Gold futures contracts and Index futures contracts have unexpected open interest and unexpected volume for all periods at 1% significant level.

---

Student's signature

---

Thesis Advisor's signature

---

/ /