Atchaporn Sincharoenmanee 2011: Information Flow in Commodity Futures Exchanges. Master of Science (Agro-Industry Technology Management), Major Field: Agro-Industry Technology Management, Department of Agro-Industry Technology. Thesis Advisor: Assistant Professor Tanachote Boonvorachote, D.B.A. 190 pages.

This paper observes the pattern of information flows consisting of permanent fundamental, transitory fundamental and non-fundamental shocks in well-developed and emerging commodity futures exchanges. We find positive relationship between absolute returns and volumes that supports the Mixture of Distribution Hypothesis of information flow and the Information Asymmetry model. We also find granger causality between lagged volumes and returns that supports the Sequential Arrival of Information model. The crucial results of this article are that information flows in both well-developed and emerging commodity futures exchanges consist of permanent fundamental, transitory fundamental and non-fundamental shocks. Nevertheless, non-fundamental shocks effect volatility in emerging commodity futures exchanges obviously. This evidence reports that futures contract trading in emerging futures exchanges is sensitive to noise trading risks.

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