



Testing the Monthly Effect of Agricultural Futures Markets with Stochastic Dominance

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Abstract: This study uses a bootstrap-based test of Linton, Maasoumi and Whang (2005) (LMW test) based on stochastic dominance (SD) theory to examine the monthly effects for four active agricultural futures in the U.S. markets: corn, soybeans, soybean meal and wheat. We find returns in October for corn, April for soybeans and August for soybean meal and wheat futures dominate returns of other months. In addition, allocating part of investors' portfolio in riskless assets enables us to distinguish better the performance among months for various futures.

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