

Using Transfer entropy to measure the information flow in Sugar, Ethanol and Crude Oil price series

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Abstract: We study the information flow between Brazilian ethanol and sugar prices and international crude oil prices using the Transfer entropy. We find stronger information transfer from crude oil to sugar and ethanol for return and volatility, while for original series the net information transfer was in opposite direction.

Keywords: Transfer Entropy; Information flow; Agricultural market; Biofuel Market; Crude oil Market.

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