Quality differences, location, and coffee price returns networks: Insights from a high-dimensional CoVaR-copula analysis

INTERNATIONAL REVIEW OF FINANCIAL ANALYSIS
Número:
104537
DOI:
https://doi.org/10.1016/j.irfa.2025.104537
Publicado:
Sábado, 1 Noviembre 2025
Authors:
Luis Fernando Melo-Velandia,
Jesús Otero
Clasificación JEL:
C3, C4, Q11
Resumen:

This paper analyses daily coffee price returns over a two-decade period for 17 varieties across the United States, Germany, and France. We examine the coffee price relationships considering coffee quality, origin, and trade location, using a high-dimensional CoVaR-copula network approach. By exploring CoVaR connectedness, we assess patterns of risk co-movement and potential spillovers, particularly during periods of market stress. Our findings suggest that higher-quality coffees tend to exhibit stronger within-market connections, with distinct clusters emerging across different markets. The United States appears as a central node within the risk network, with notable spillover effects from both Germany and France — likely reflecting its position as the world's largest coffee importer. Additionally, trade location is associated with varying connectedness patterns, with marked differences observed across the US, German, and French markets.

Descargar documento

Lo más reciente

Subsidios a la nómina para las pymes en mercados laborales informales
Leonardo Fabio Morales, Leonardo Bonilla-Mejía, Didier Hermida-Giraldo, Francisco Javier Lasso-Valderrama, José Pulido
Uso de vacantes publicadas en línea para analizar el retorno de habilidades y conocimientos en el mercado laboral formal
Leonardo Fabio Morales, Juan Chaparro-Cardona, Eleonora Dávalos, Nataly Corredor-Martinez
Transmisión del riesgo global a las condiciones financieras locales y la participación de inversionistas extranjeros en los mercados de deuda soberana de economías emergentes: el caso de Colombia

Óscar Botero-Ramírez, Andrés Murcia, Hernando Vargas-Herrera