

Bayesian Extreme Value Optimization Algorithm: Application to forecast the Rubber Futures in Futures Exchange Markets

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Abstract. This paper statistically investigated the extreme event statistics, which is valid across multiple time-period trends. The Nonstationary Extreme Value Analysis (NEVA) applied Bayesian inference was conducted. The series of RSS3 futures contracts traded in Japan's TOCOM, Singapore's SICOM, Chinese's SHFE and Thailand's AFET cover the period during 1990 to 2018. The findings indicate that the extreme values related to the RSS 3 future contracts exist and represent in the interval values. Existing scenarios of the RSS 3 futures exchanges informs that TOCOM provides explicitly evidence for of long-run constancy; while, SICOM, SHFE and AFET seem to be higher price volatility. Therefore, the unbiased prediction tool, especially for the RSS 3 futures contracts is very important for stakeholders to hedge against price uncertainty.