

PalArch's Journal of Archaeology
of Egypt / Egyptology

HEDING THE PRICES OF BASRA CRUDE OIL TO MANAGE VOLATILITY RISKS IN MACROECONOMIC

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¹Lect. Dr. Ali Qasim Khafeef, ²Asst. Prof. Naeem Sabah Jarrah, ³Asst. Prof. Zahid Q. Badan; Hedging the prices of Basra crude oil to manage volatility risks in Macroeconomic-Palarch's Journal Of Archaeology Of Egypt/Egyptology 17 (07), 1673-1691. ISSN 1567-214x. Published October, 2020.

Keywords: heading instruments, price discovery, vector error correlation.

ABSTRACT

The oil sector represented by its revenues plays an important role in the structure of the Iraqi economy, so that fluctuations in the prices of crude oil are not limited to the provision of foreign currency from the oil source in the Iraqi economy when financing imports of goods and services, as the subject is larger than that, The research dealt with the issue of hedging in crude oil prices by relying on the formulation of a model that can control the fluctuations in the prices of Basra crude, for that purpose used a series of monthly and annual data for crude oil prices with an emphasis on the independent variable The spot and future of WTI, which considered to be influential in the dependent variable, and based on the methods of economic measurement to know the amount of significant changes that affect the oil revenues and therefore on the GDP by estimating the relationship between the variables, and because of the high degree of dependence