



# Autopilot: Software Review

By: Lan H. Turner p. 3

A portrait of a man with short, light-colored hair, wearing glasses, a white shirt, a red tie with a white and blue pattern, and a dark green suit jacket. He is looking directly at the camera with a neutral expression. The background is a close-up of a gold coin with the words 'USA 20' repeated.

## How Hurricanes Affect Commodities

By: Jordanna Sheermohamed p. 7

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# Seasonal Impacts of Hurricanes on U.S. Commodity Markets

How weather affects daily lives is something that has fascinated individuals from various facets of our society for hundreds of years. From the clothes we wear on a daily basis to major preparations made on behalf of the global agricultural industries, weather, and more specifically climatic impacting factors, are nothing to be ignored.

This cannot be stressed enough when referencing the global hurricane seasons which tend to wreak havoc on agriculture areas worldwide on an annual basis. The safety of our populations and industries rely on the joint efforts of leading nations worldwide to share both information and knowledge of past and current climate and weather data. The U.S. Department of Commerce houses several facilities under the National Oceanic and Atmospheric Administration (NOAA), which produce and provide daily, monthly, and seasonal outlook forecasts of temperature and precipitation, just to name a few.

Although not limited to, several factors to weigh when considering the weather and/or climate in a given region would include the Pacific Decadal Oscillation (PDO), the current state of the Southern Oscillation (SO), and of course the annual ominous hurricane season.

The PDO is a decadal variability in climate that occurs roughly every 20-30 years. Affects of the PDO span the entire Pacific Ocean altering both wind patterns and sea surface temperatures. Although PDO forecasts have only gained notoriety as late as 1994, the current phase indicates negative anomalies or a “cold phase”, which exhibits warmer water temperatures in the Northern, Western, and Southern regions of the Pacific ocean, and cooler temperatures in the Eastern and Central Pacific ocean. Although the PDO can be considered a “large-scale” indicator of sea surface temperatures and wind patterns, modest time scales play just as an important role in global climate forecasting.

The Southern Oscillation, more commonly referred to as, El Niño/La Niña, has gained a stratospheric rise in pop culture as being the “bad guy” of weather phenomena. With careful planning and government interactions, agricultural industries can very well profit from the devastations of the SO by preparation. For instance, a forecasted drought in Brazil and Indonesia, both world leaders in coffee production, could allow for further investments in alternate crops.

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This would not only offset a potential loss for the drought-forecasted countries, but it would actually allow a profit to be made by alternate countries that might boost their own coffee production to meet current global demand. Current observations and computer model forecasts indicate that we have shifted out of a La Niña (cold phase) and into an El Niño (warm phase). Normal wind circulation patterns are disrupted and shifted eastward. The rain that would normally align itself in the western pacific over Indonesia and Australia shift eastward. The warmer waters in the eastern pacific that would normally shift westward as a result of strong trade winds now produce an above normal amount of rain along the western coasts of both Northern and Southern America. El Niño patterns are known to bring droughts to Indonesia, Brazil, East Africa, the extreme south of Africa, Southern India, and Australia, but increased precipitation to regions such as the gulf coast of the U.S. and Central Europe. As these conditions are expected to continue to intensify and last through the Northern Hemisphere winter of 2009-2010, crop produc-

tion worldwide might soon follow a shift to agree with what nature wants.

El Niño, although dynamically woven with several other factors tends to reverse upper level trade winds, essentially blowing the tops off the developing storms, before they can further develop. There are, on average, fewer hurricanes in the Atlantic Ocean Basin, the Caribbean Sea and the Gulf of Mexico during an El Niño event. This is not to say a hurricane can not make landfall. After all, this is forecasting, not fortune telling.

The following diagrams (Figure 1a, 1b), courtesy of the NOAA Climate Prediction Center (CPC) show the three-month (August, September, October) outlook of both precipitation and temperature for the continental United States. Figure 1a. indicates a forecast of above normal amounts of precipitation for Florida and the Central Plain states whereas a below normal forecast is in place for the upper sections of the Pacific Northwest. The temperature diagram exhibits an above normal temperature forecast for the entire Southern part of the contingent U.S. and the

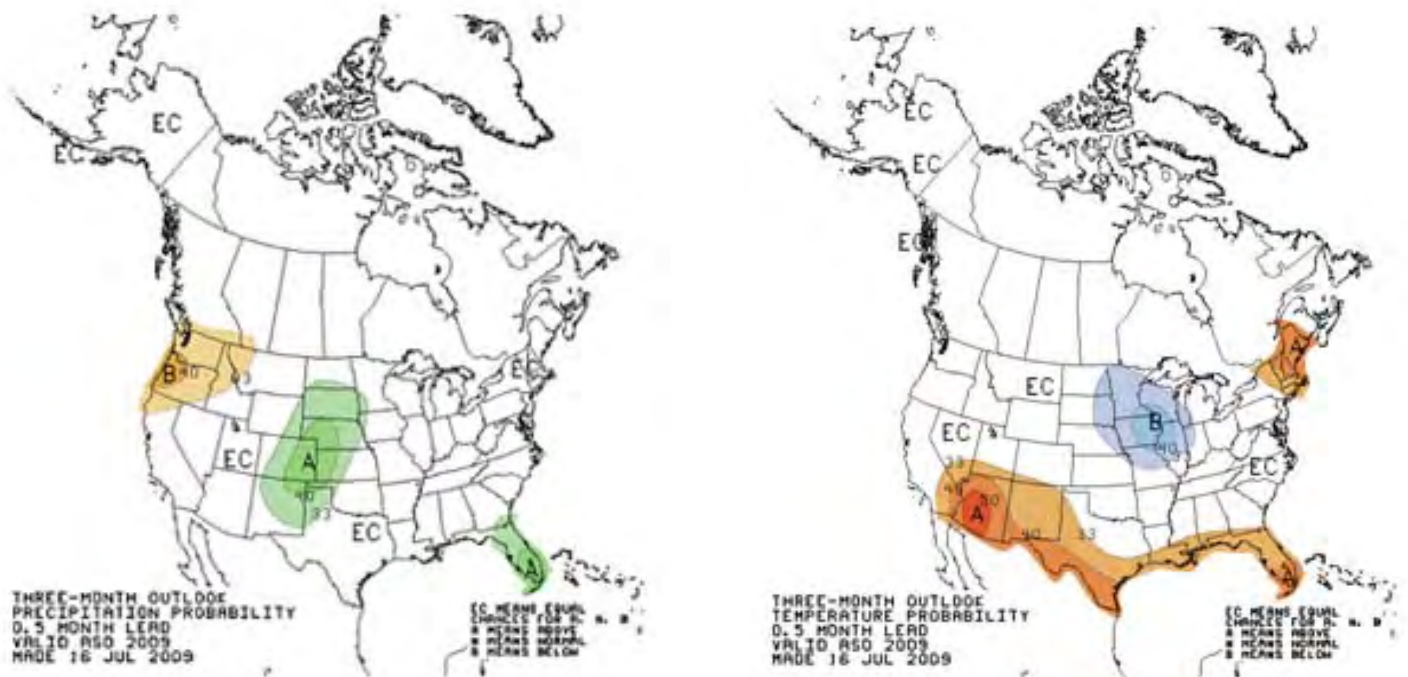


Figure 1(a)(b): 3 month precipitation (a) and temperature (b) forecast for the continental U.S.



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extreme Northeast. Below normal temperatures are forecasted for Midwest states just west of the Great Lakes. A careful examination of three gulf region crops (orange juice,

natural gas, and cotton) show that all three commodities are in favor of production, with regards to the climatic conditions predicted for the Fall season as seen in Table 1a.

| <u>Commodity</u>    | <u>Area Examined</u> | <u>Desired Factors</u>  | <u>Forecasted Factors</u>   | <u>Outcome</u> |
|---------------------|----------------------|---|---|----------------|
| <b>Orange Juice</b> | Florida              | <ul style="list-style-type: none"> <li>Minimal hurricane impact</li> <li>Warm temperatures</li> <li>Average precipitation</li> </ul>    | <ul style="list-style-type: none"> <li>Above normal temperatures</li> <li>Above normal precipitation</li> </ul> | FAVORED        |
| <b>Natural Gas</b>  | Gulf Coast           | <ul style="list-style-type: none"> <li>Minimal hurricane impact</li> </ul>  | <ul style="list-style-type: none"> <li>Below normal hurricane activity</li> </ul>                               | FAVORED        |
| <b>Cotton</b>       | SE U.S.              | <ul style="list-style-type: none"> <li>Minimal hurricane impact</li> <li>Average temperatures</li> <li>Average precipitation</li> </ul> | <ul style="list-style-type: none"> <li>Normal temperatures</li> <li>Normal precipitation</li> </ul>             | FAVORED        |

Table 1a. Three Gulf Coast commodities' desired weather factors are almost harmonious with temperature and precipitation predictions for the fall 2009 season.



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