



Commodity Weather Group



Commodity Weather Group, LLC

Summer Seminar Presentation

Matt Rogers

April 14, 2011



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Brief Intro

- Matt Rogers, President and Co-Founder of Commodity Weather Group
 - ~17 Years in Commodity Weather Support (Energy)
- Commodity Weather Group, LLC
 - Started in April 2009
 - Located in Bethesda, MD
 - Focus on Agriculture and Energy Commodities
 - 75+ Collective Years' Experience in Consulting





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Today's Agenda

- Latest Summer Outlook
- Key Arguments (and Risks)
- Atlantic Hurricane Season





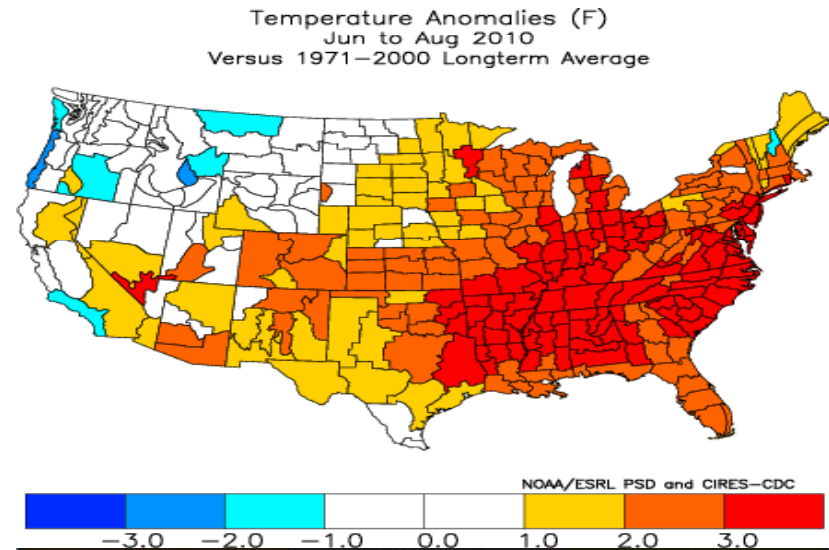
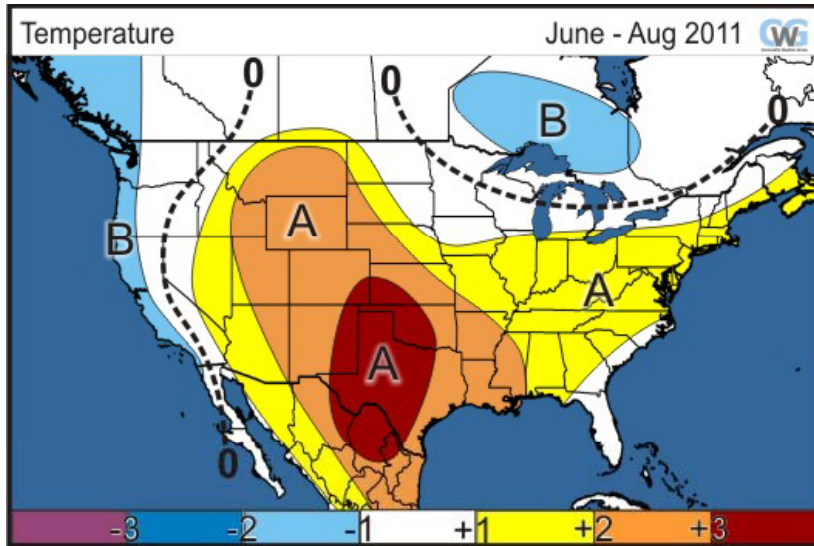
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Spring Predictability Barrier





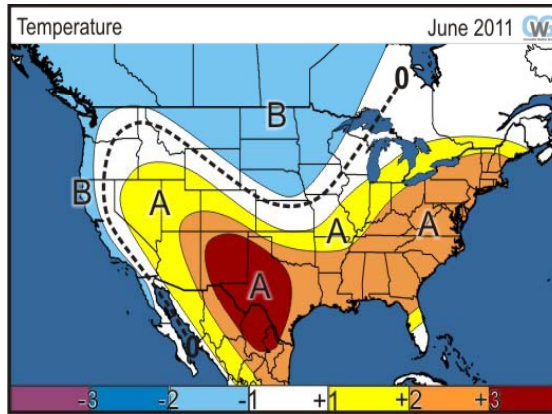
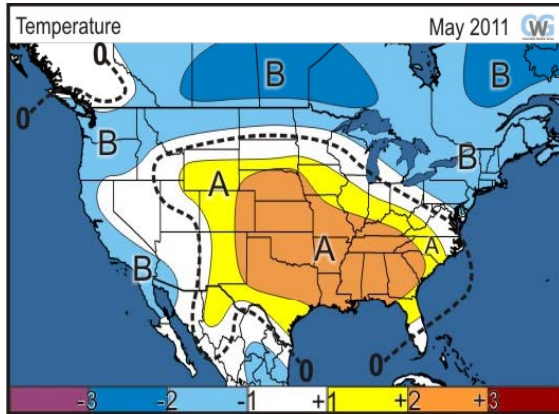
CWG Summer Outlook



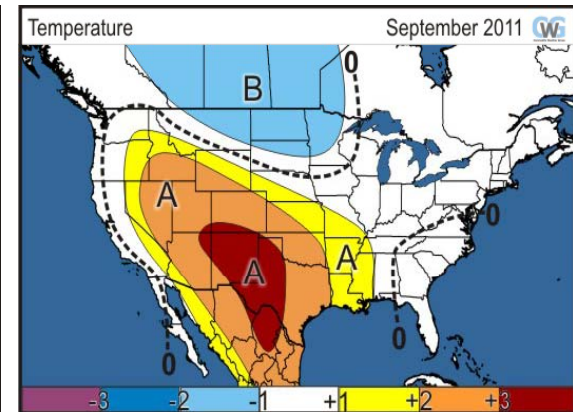
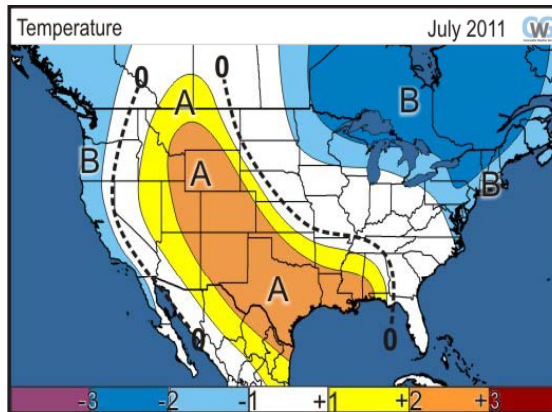
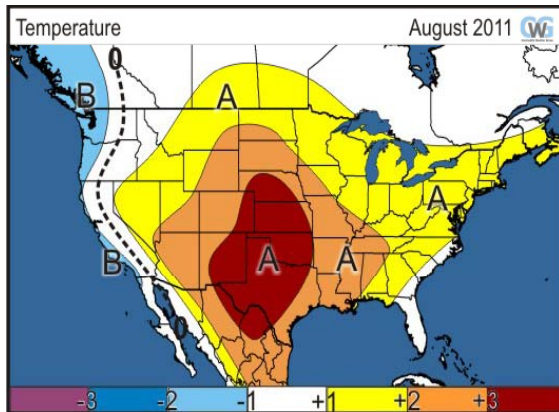
~1% warmer than running 10Y normal

13% cooler than 2010 (both JJA and MJJAS)

Month-by-Month



*Main Themes Focus
On South Central U.S.
Heat With Intermittent
Midwest/East Heat*

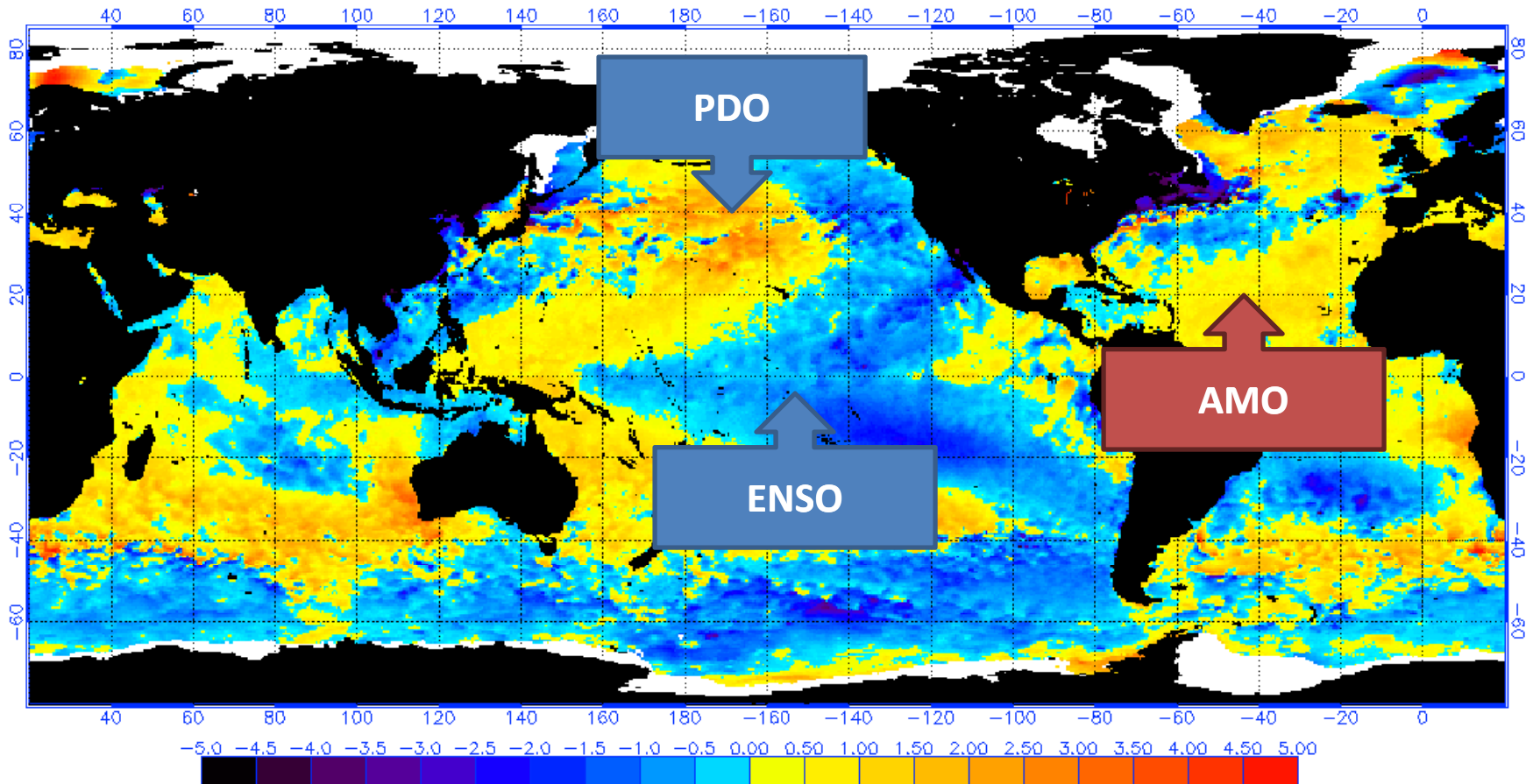


June and August are expected to be hottest overall months, but confidence at monthly granularity is still very low.



Key Arguments

NOAA/NESDIS 50 KM GLOBAL ANALYSIS: SST Anomaly (degrees C), 3/31/2011
(white regions indicate sea-ice)

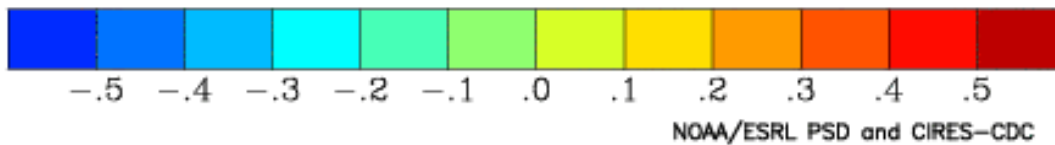
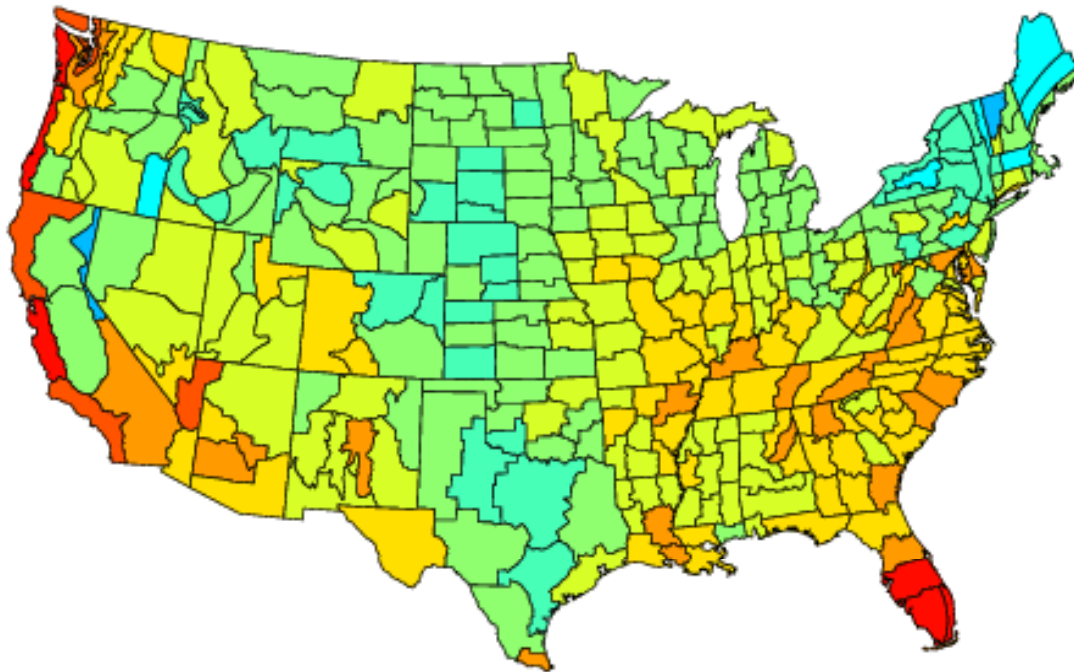




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Key Correlations: PDO*

Correlation Temperature Jun to Aug
With Jun to Aug PDO
1948 to 2009



**PDO is Most
Highly Correlated
to West Coast**

**Jan-Feb 2011:
-1.6**

***Pacific Decadal
Oscillation**



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PDO



Q1 PDO < 0.0

Sample Size: 30

What Percentage Stays Negative for the Summer?

A: 43%

B: 63%

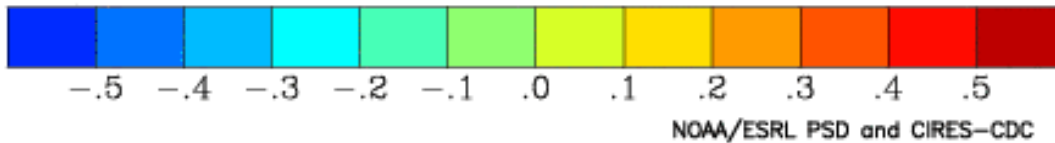
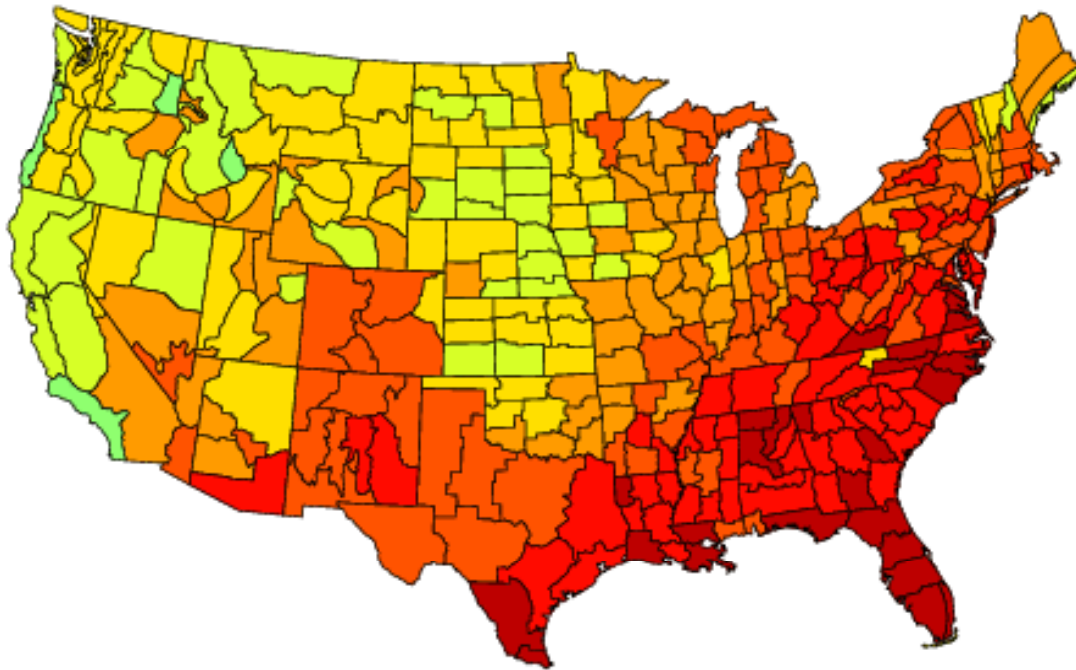
C: 83%



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Key Correlations: AMO*

Correlation Temperature Jun to Aug
With Jun to Aug AMO
1948 to 2009



**AMO is Most
Highly Correlated
to the Eastern and
Southern U.S.**

**Jan-Feb 2011:
+0.17**

***Atlantic Multi-
Decadal Oscillation**

AMO



Q1 AMO > 0.0

Sample Size: 21

What Percentage Stays Positive for the Summer?

A: 51%

B: 61%

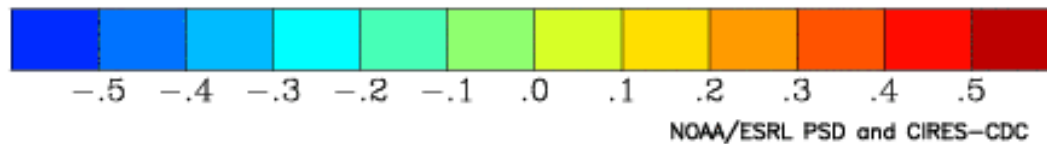
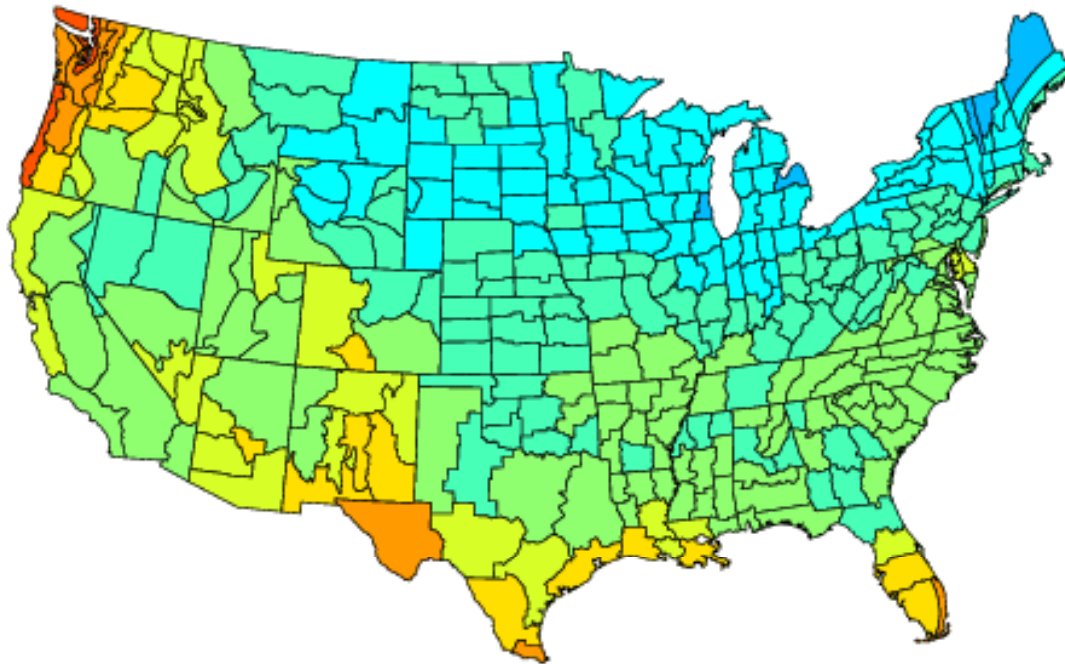
C: 71%



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Key Correlations: ENSO*

Correlation Temperature Jun to Aug
With Jun to Aug Nino3.4
1948 to 2009



**ENSO (NINO 3.4) is
Inversely Correlated
To the Midwest**

**Jan-Feb 2011:
-1.5C**

***El Niño/Southern
Oscillation**

ENSO



Q1 Niño 3.4 < 0.0

Sample Size: 29

What Percentage Stays Negative for the Summer?

A: 56%

B: 66%

C: 76%

Q1 Niño 3.4 < -0.5

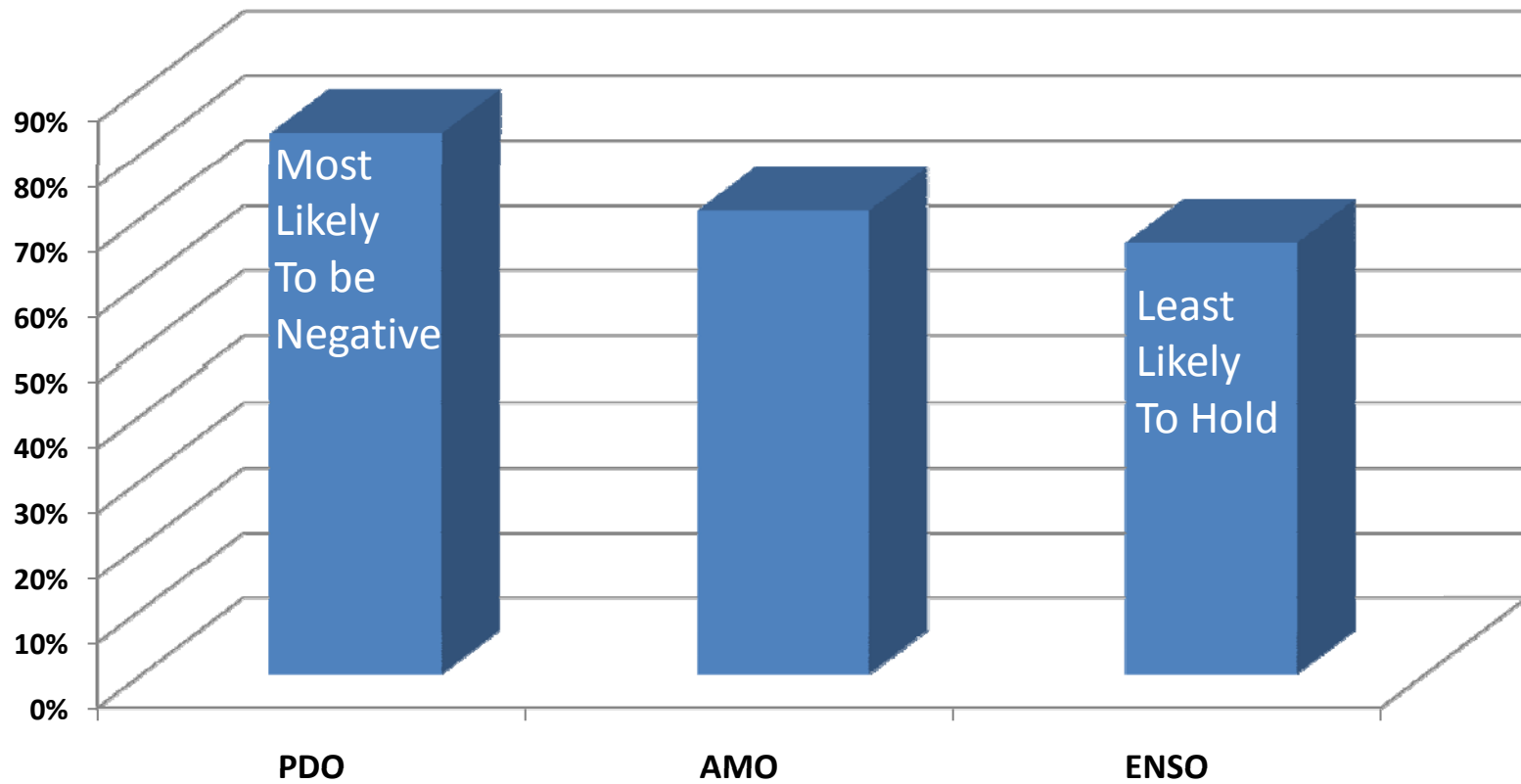
Sample Size: 20

70% Stay Negative

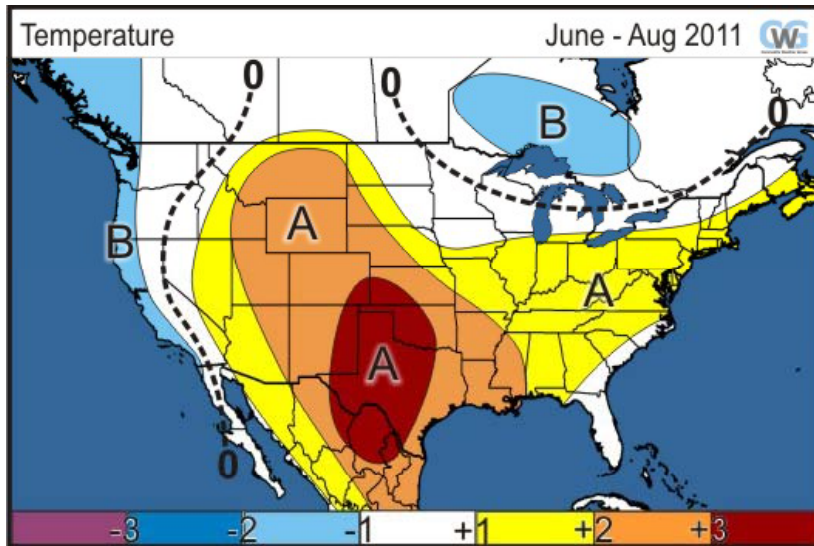


Conclusion

Probability of Keeping the Same Sign



Conclusion



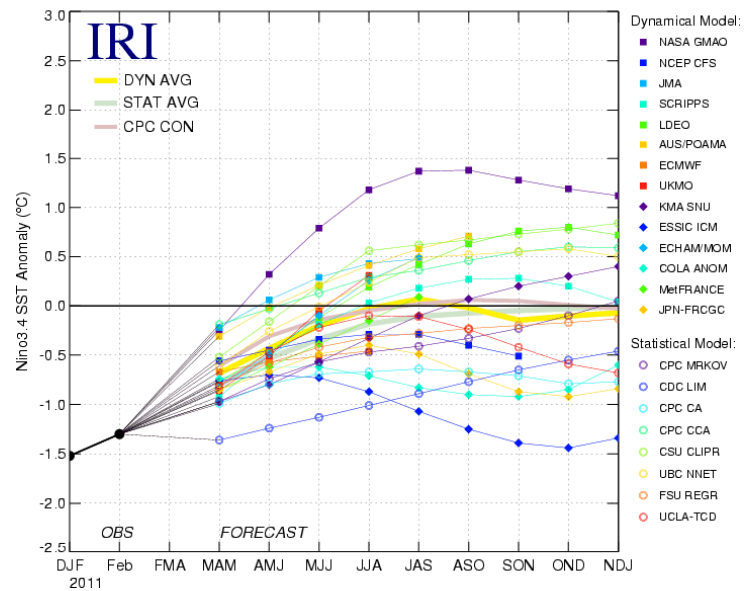
Highest Confidence:

- (1) Cool West Coast
- (2) Hot Texas area

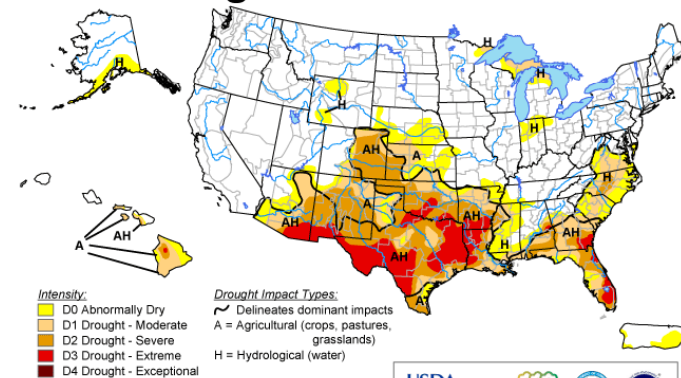
Lowest Confidence:

- (1) Midwest Heat
- (2) Northeast Heat

Model Predictions of ENSO from Mar 2011



U.S. Drought Monitor March 29, 2011 Valid 8 a.m. EDT

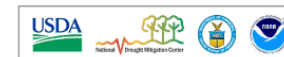


Intensity:
 D0 Abnormally Dry
 D1 Drought - Moderate
 D2 Drought - Severe
 D3 Drought - Extreme
 D4 Drought - Exceptional

Drought Impact Types:
 ~ Delineates dominant impacts
 A = Agricultural (crops, pastures, grasslands)
 H = Hydrological (water)

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

<http://drought.unl.edu/dm>

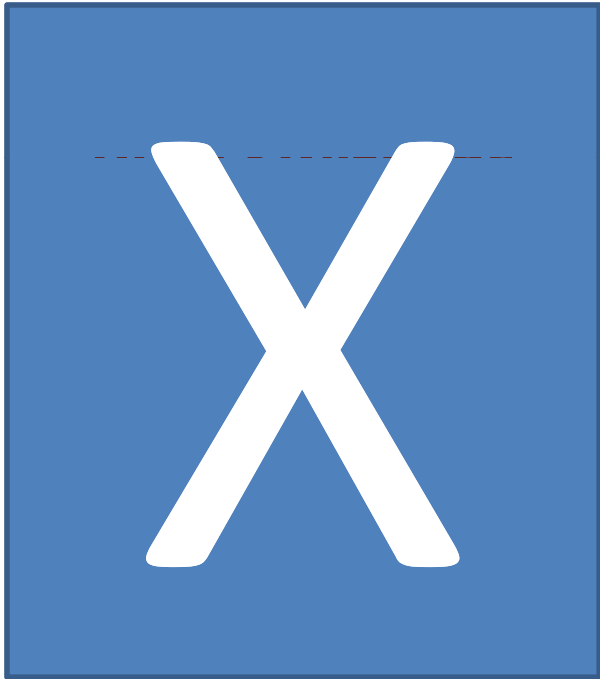


Released Thursday, March 31, 2011
 Author: Eric Luebbehusen, U.S. Department of Agriculture



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Risks to Forecast



Atlantic Tropics

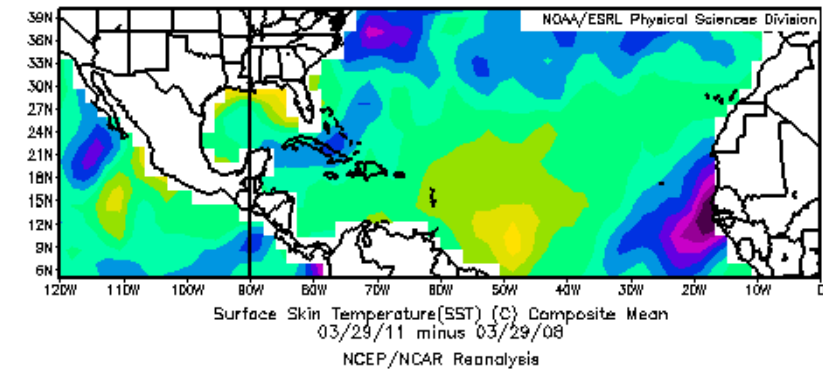
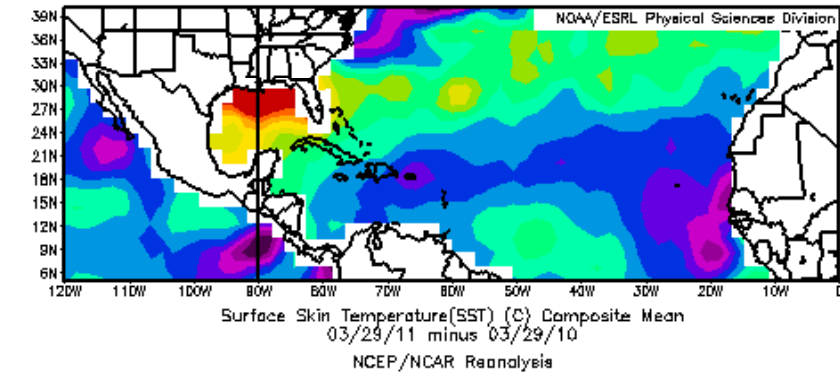
FORECAST	2010	2009	NORMAL
NAMED	17	19	10
HURRICANE	11	12	6
MAJOR	4	5	2

Gulf Major: One

(1) La Niña background state should favor reduced wind shear

(2) Should be earlier, more active start to the season

(3) Tracking still very elusive





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Thank You