

# **Hackett Agricultural Insiders Report**

## **Major Climate Pattern Change from La Nina Ahead for Back Half of 2022 into 2023**



**Publisher of The Hackett Agricultural Insiders Report and  
The Hackett Dairy Report  
HACKETTADVISORS.COM**

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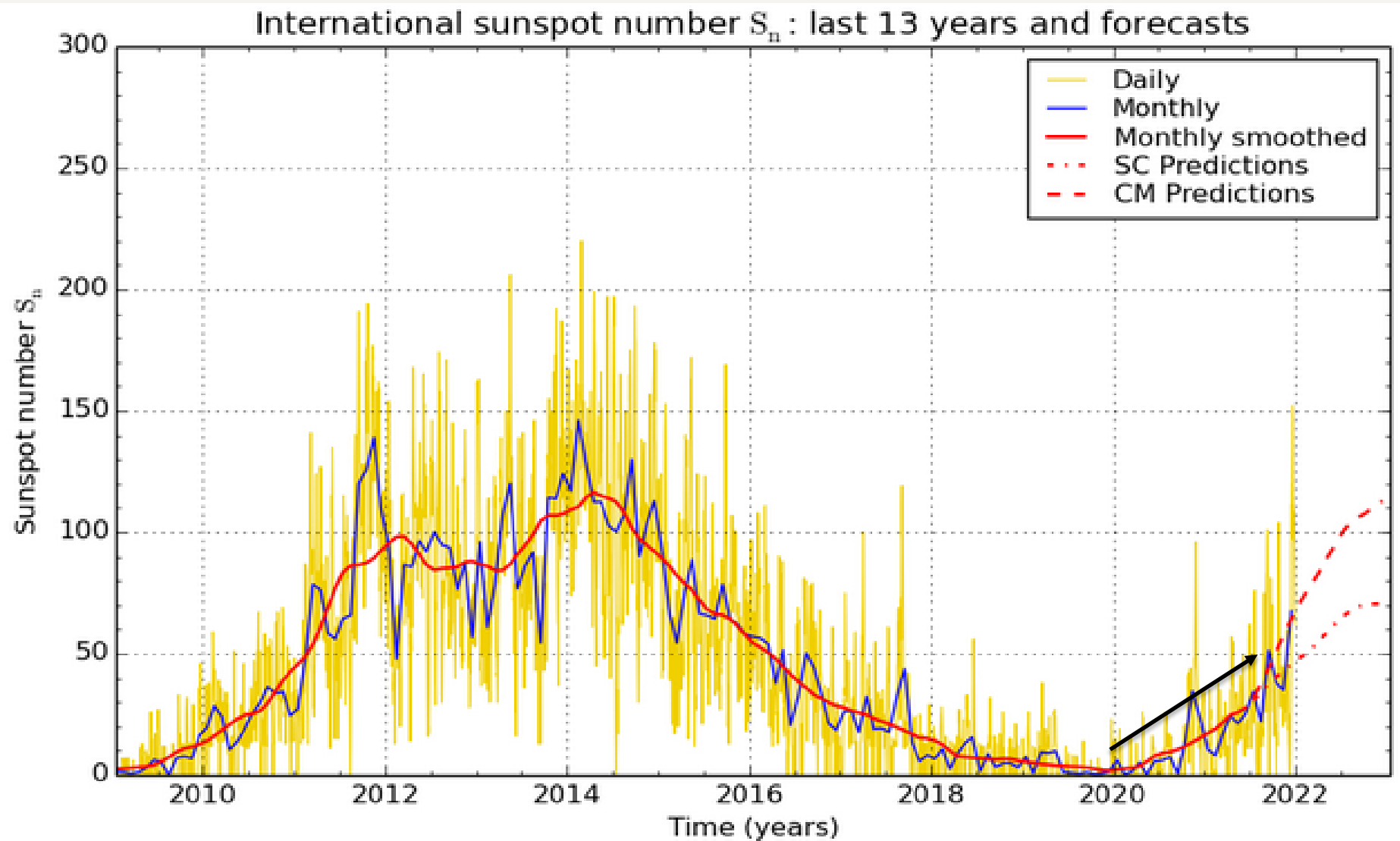
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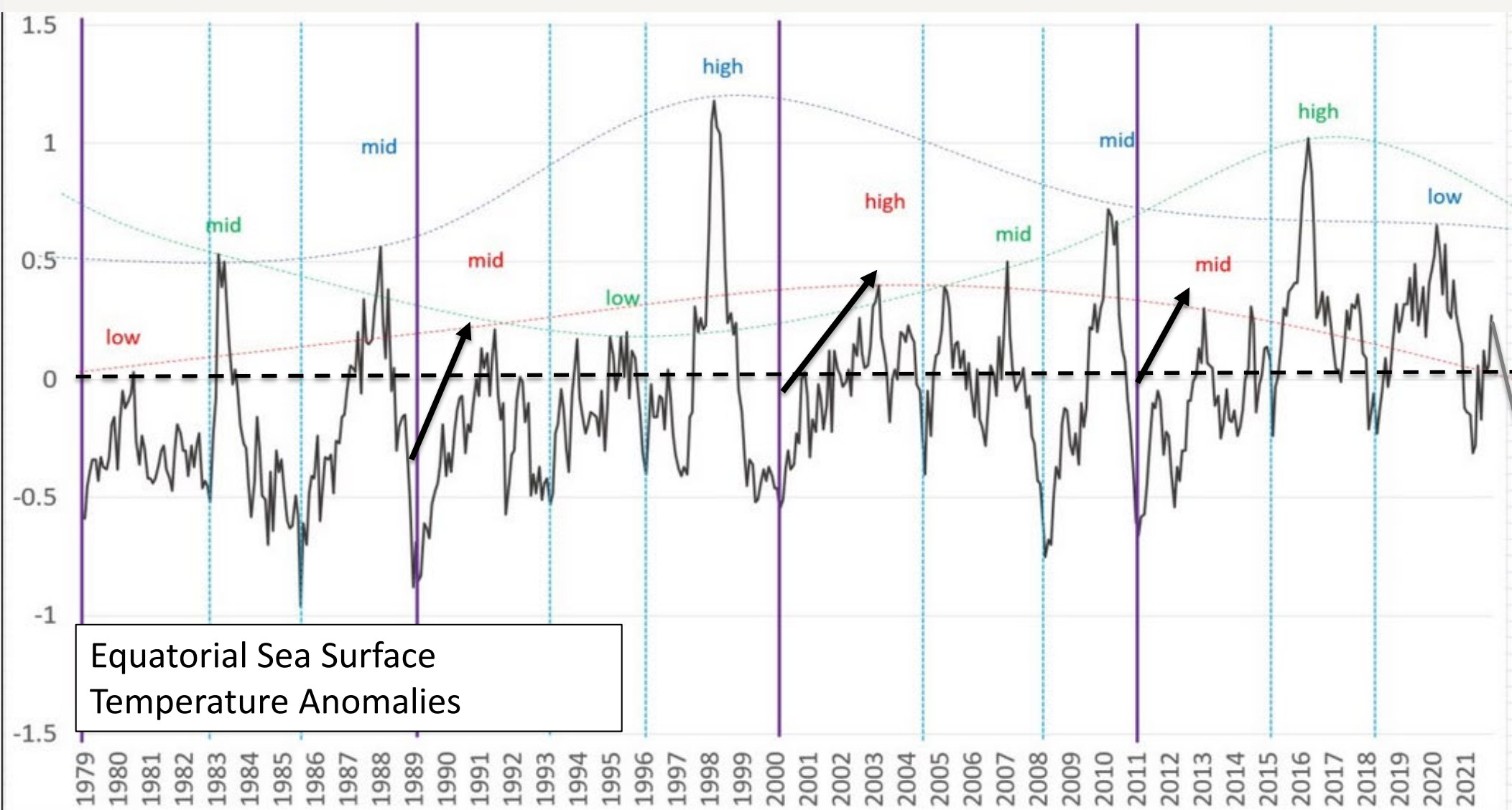
# The 11-Year Solar Cycle 25 Upswing Has Begun Which Projects a Move Towards El Nino in Back Half of 2022 into 2023



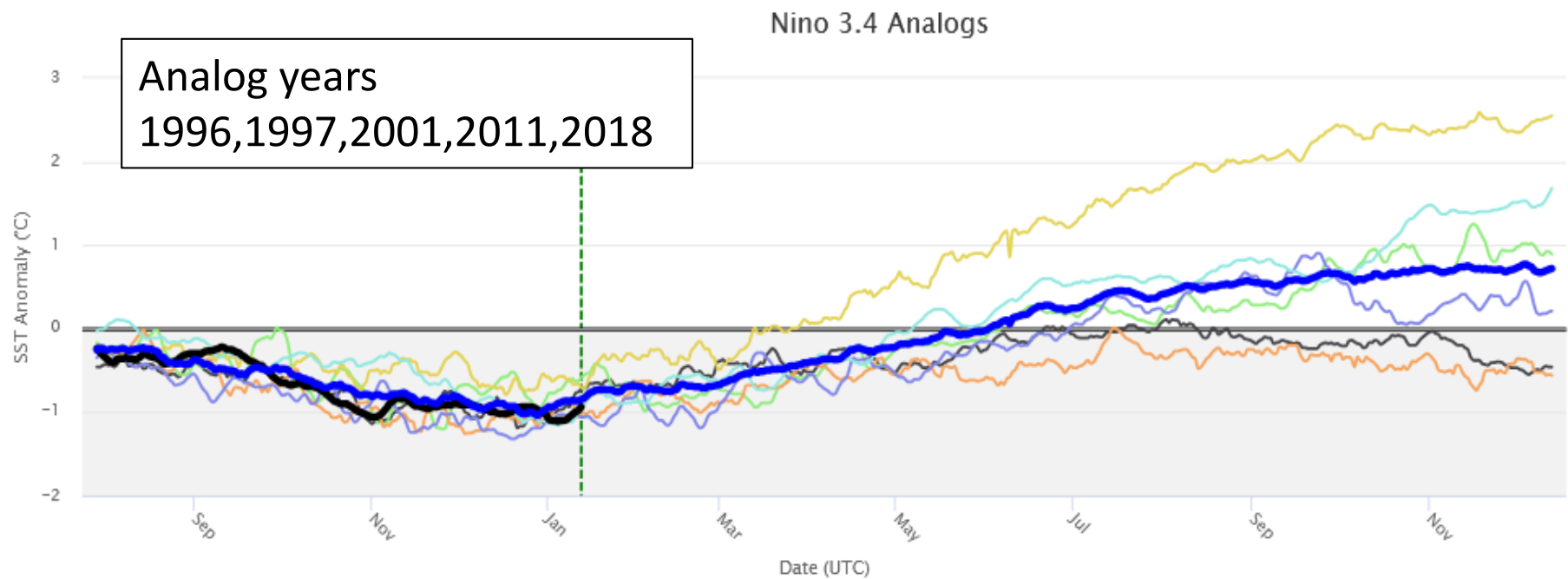
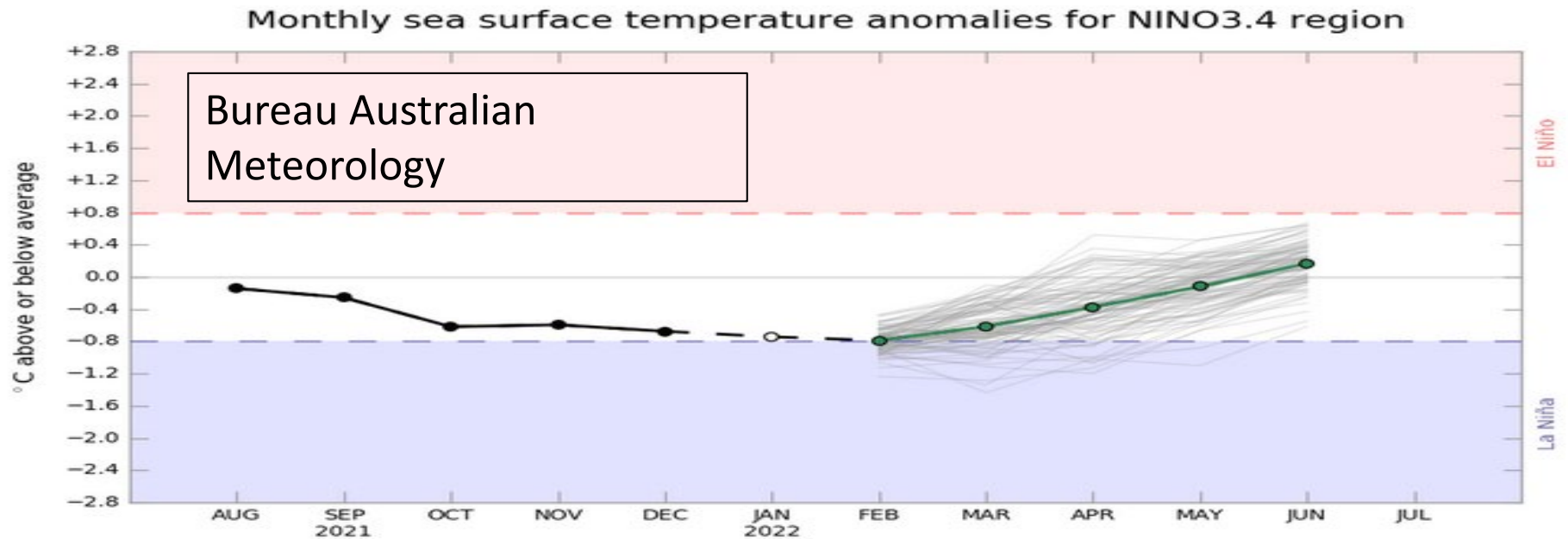
SILSO graphics (<http://sidc.be/silso>) Royal Observatory of Belgium 2022 January 3



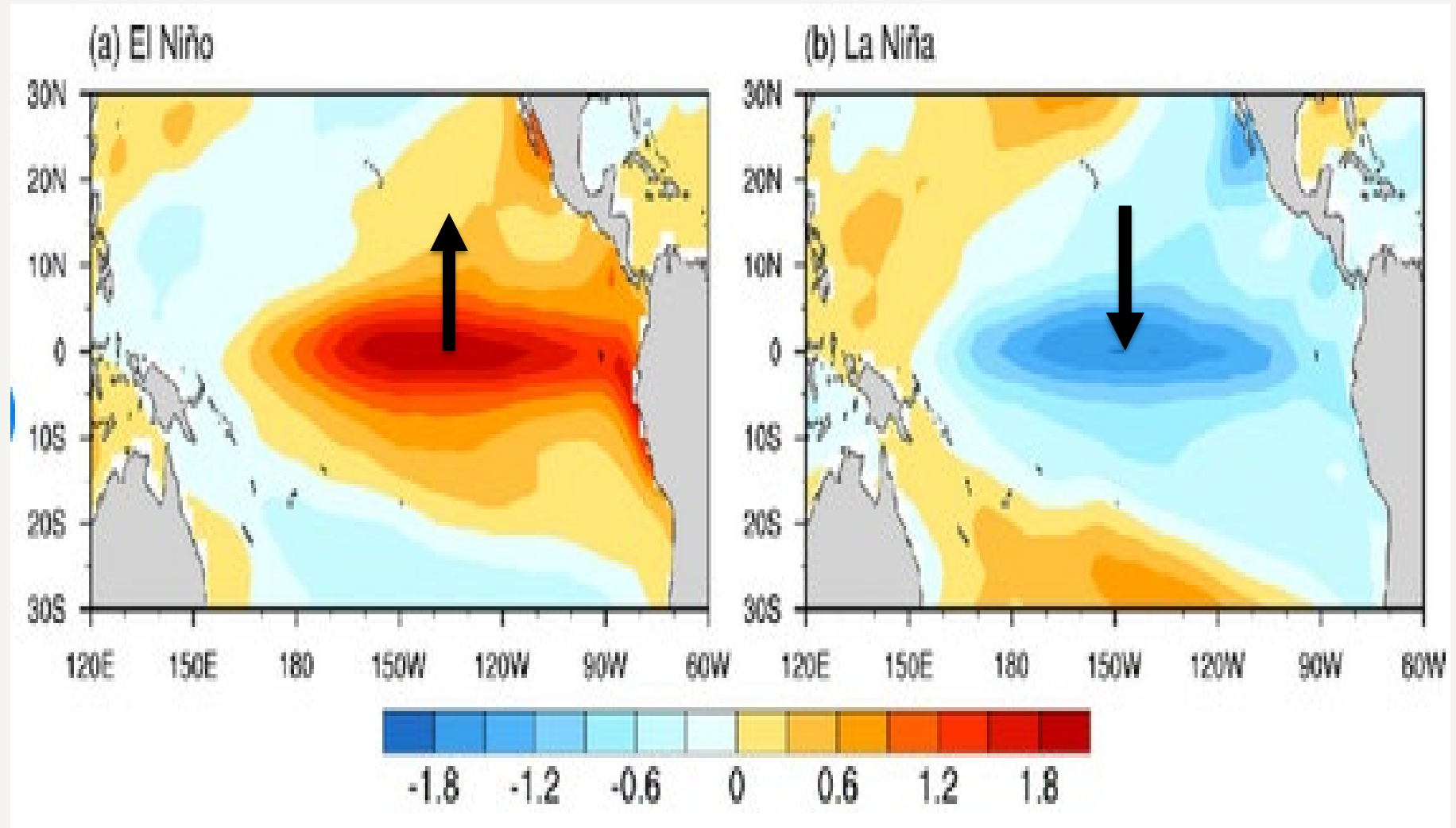
# The Thick Blue Lines Represent La Nina's 2 Years After the Trough of the Solar Cycle-Notice How Equatorial Sea Surface Temperature Anomalies Warm Towards El Nino the Following 2-Years



# Australian Models and Past Analog Models Both Support a Move Towards El Nino



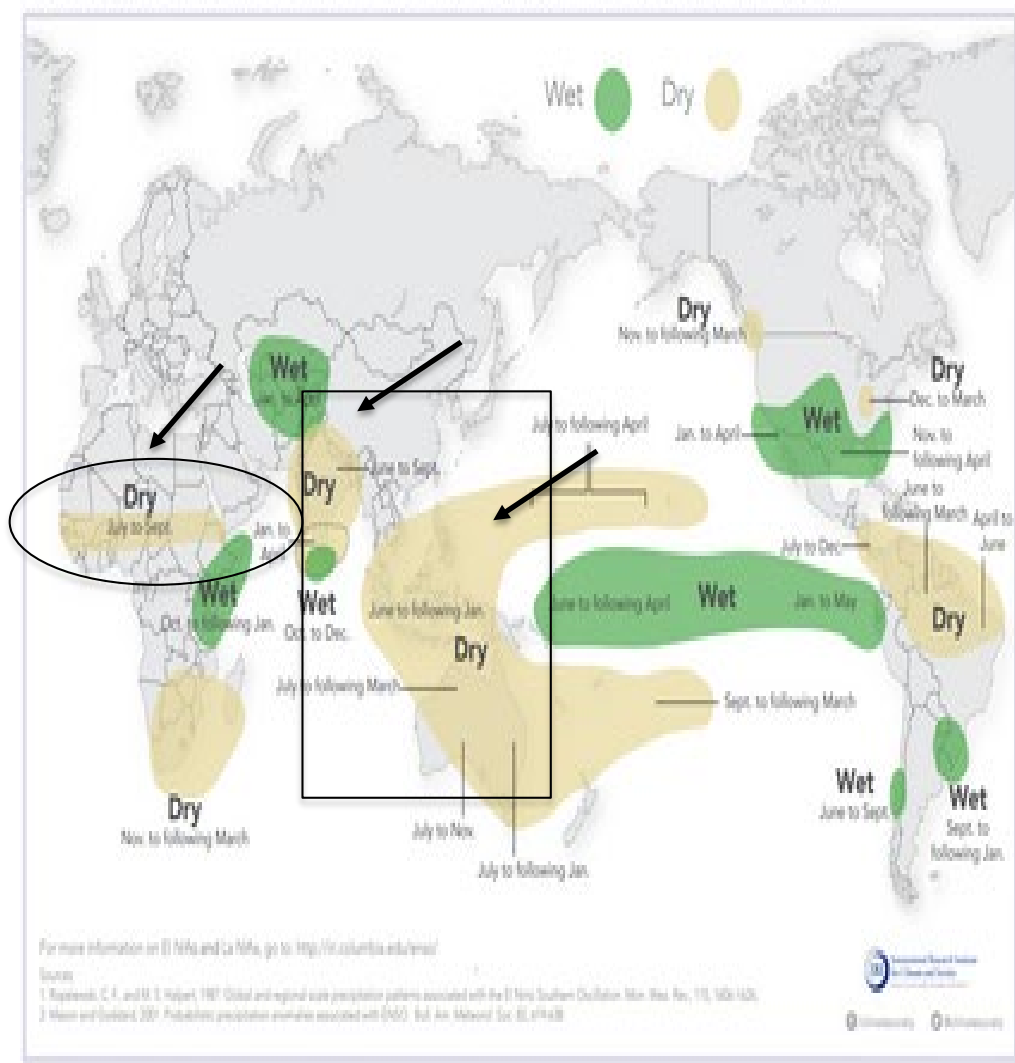
# La Ninas Cause Drought in North And South America While El Ninos Cause Drought in Asia Due to Walker Cycle



# Cocoa, Sugar and Rice Tend to Suffer Global Production Challenges During El Ninos

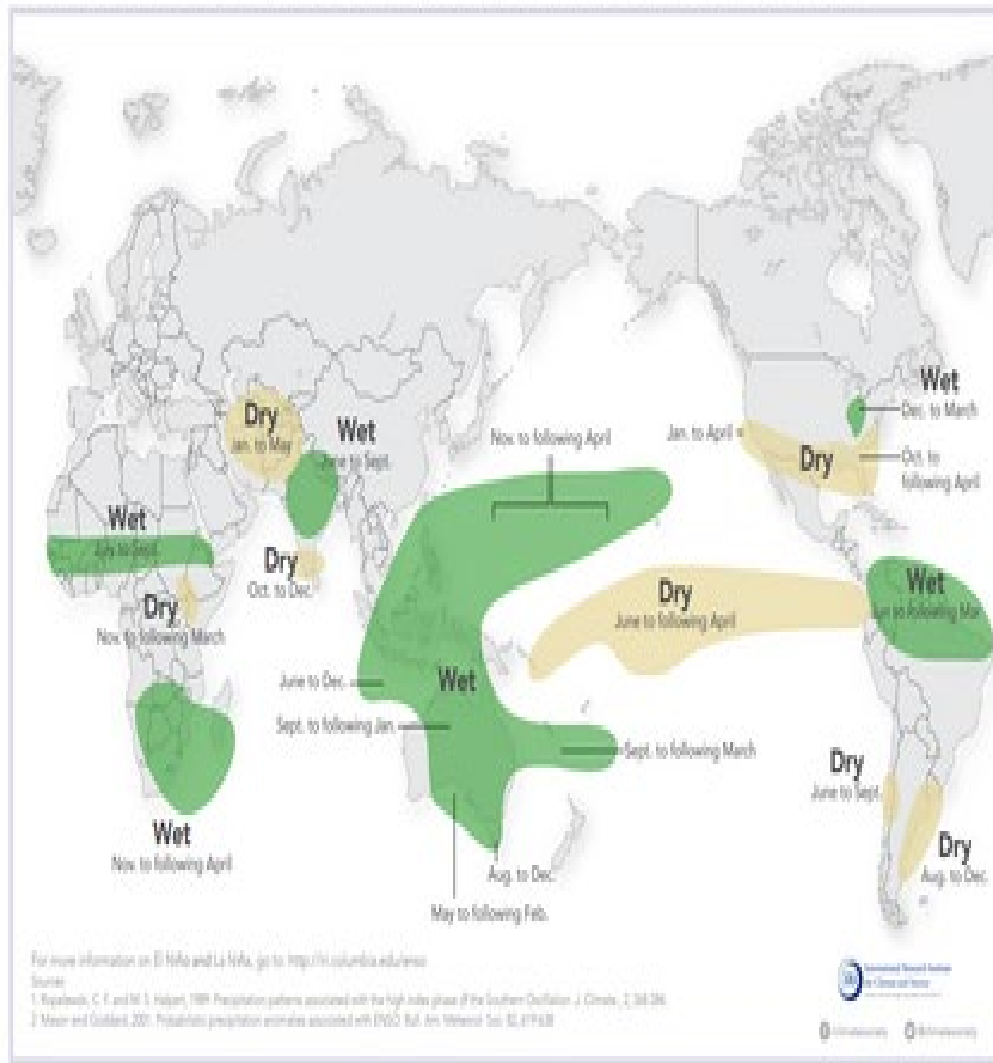
## El Niño and Rainfall

El Niño conditions in the tropical Pacific are known to shift rainfall patterns in many different parts of the world. Although they vary somewhat from one El Niño to the next, the strongest shifts remain fairly consistent in the regions and seasons shown on the map below.



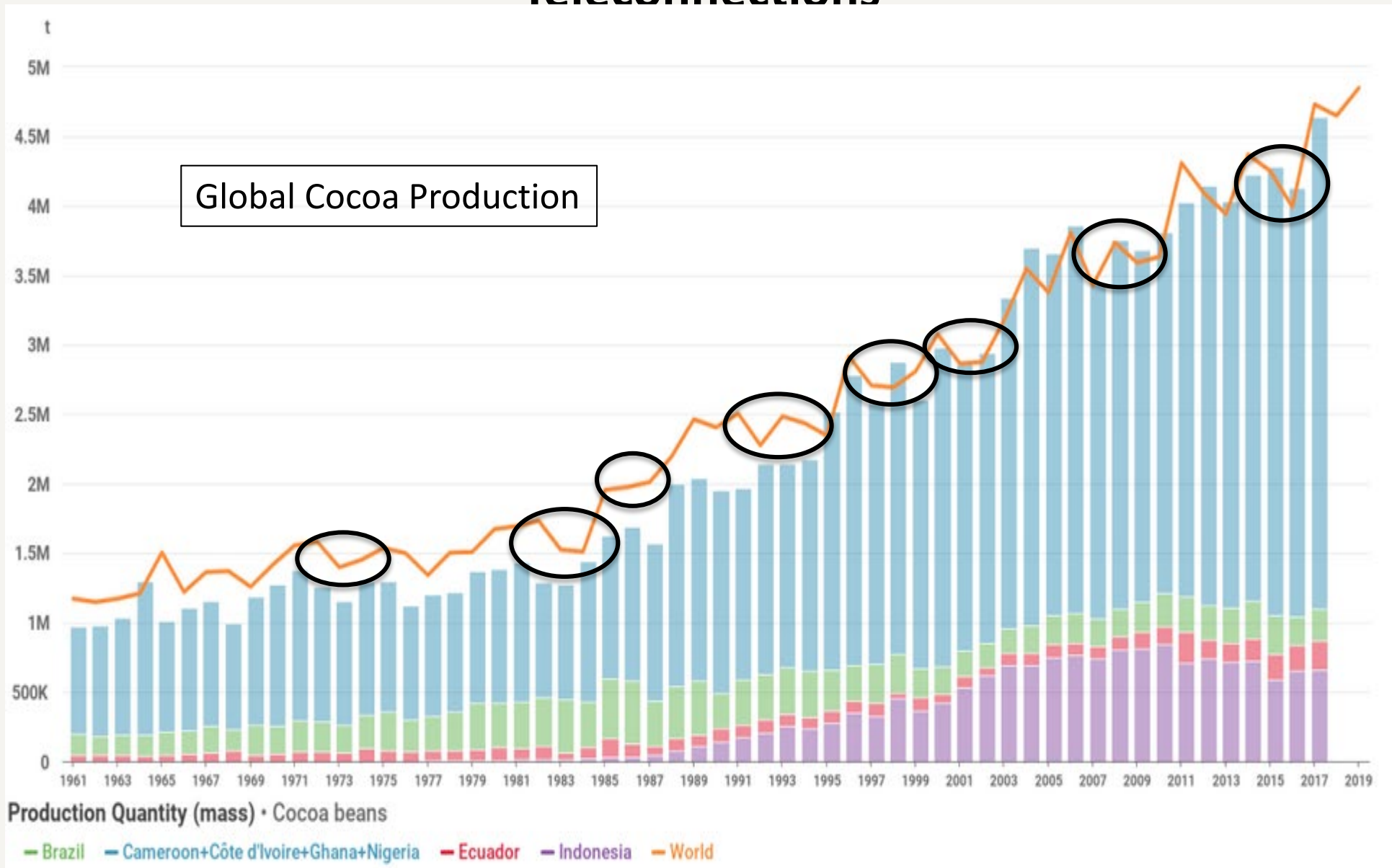
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# The Cocoa Market is Particularly Vulnerable Due to Highly Correlated Drought in West Africa Linked to El Nino Teleconnections



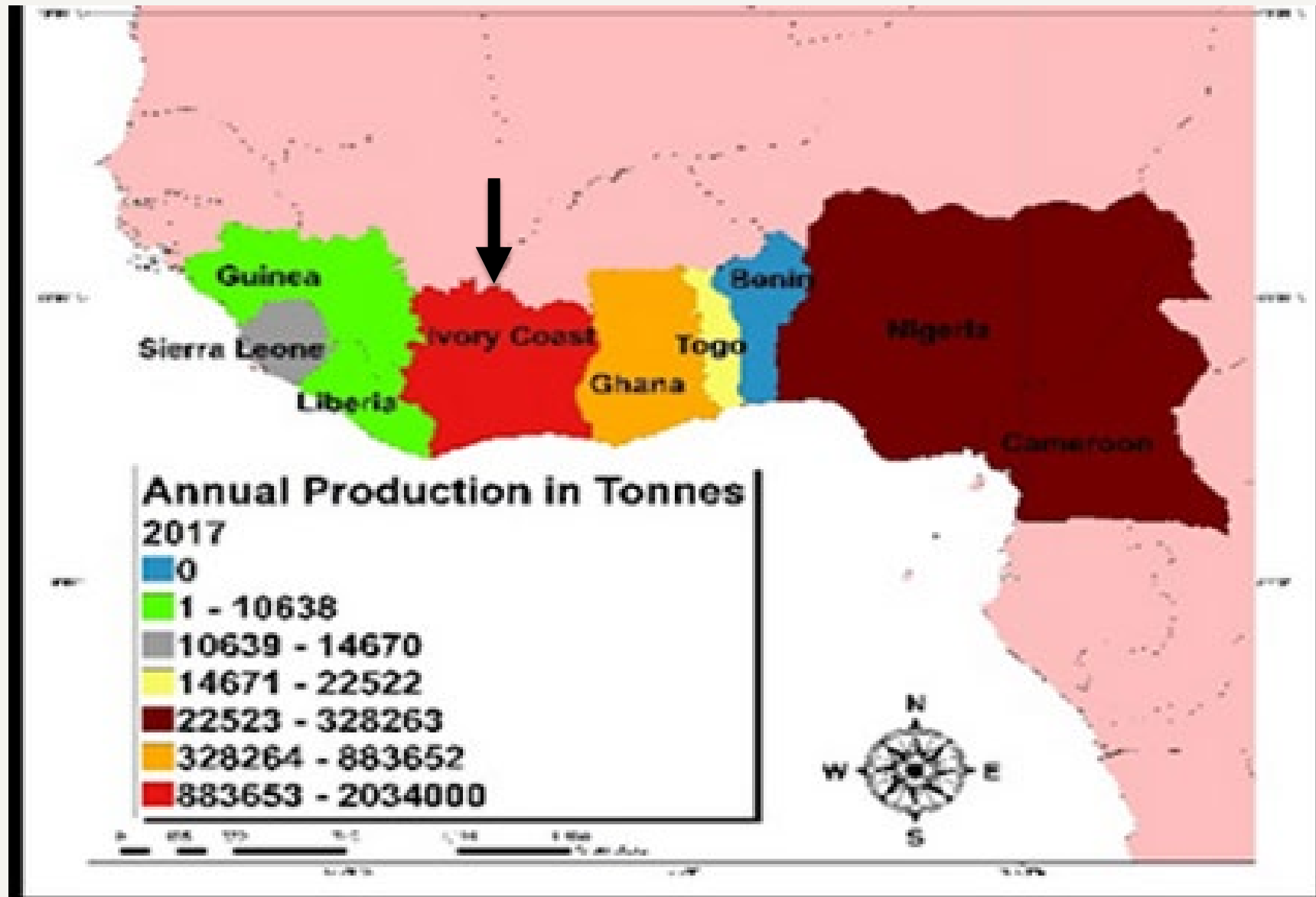
(Gro-Intelligence)

# **Not All El Niños Are the Same and Can Have Lesser or More Severe Drought Impacts Depending Upon Other Climate Cycle Variables-**

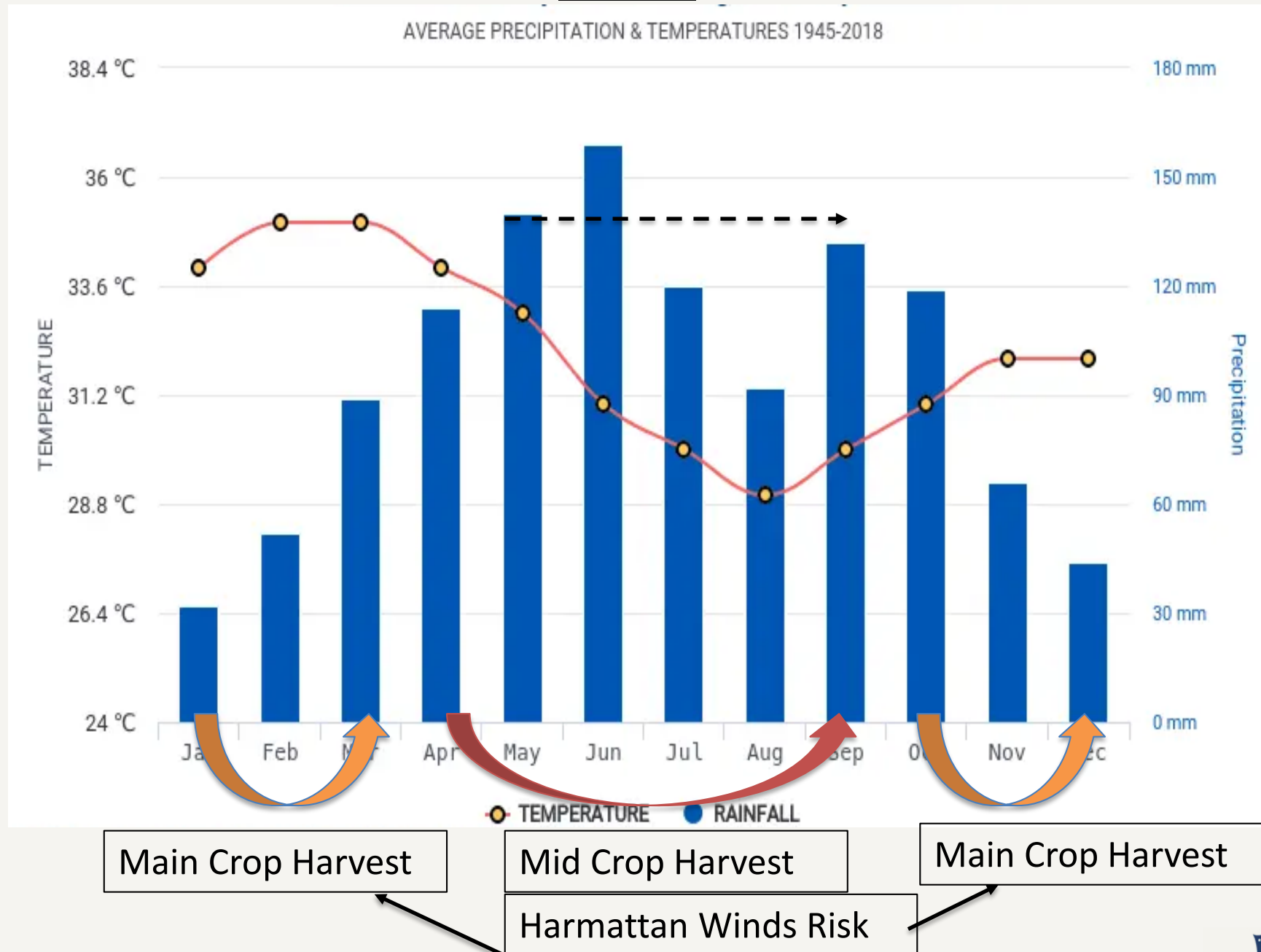
## **Pay Attention to the Following for Enhancing West African Drought During the June-September Timeframe:**

- 1) Cooling North Atlantic Sea Surface Temperatures (Falling AMO)**
- 2) Warming Pacific Decadal Oscillation (PDO)**
- 3) Cooling Tropical South Atlantic Index (TSA)**
- 4) Cooling Atlantic Meridional Model (AMM)**
- 5) Positive Indian Ocean Dipole (IOD)**

# ~70% of Global Cocoa Production is Grown in West Africa...Ivory Coast Dominates ~45% Come From the Ivory Coast

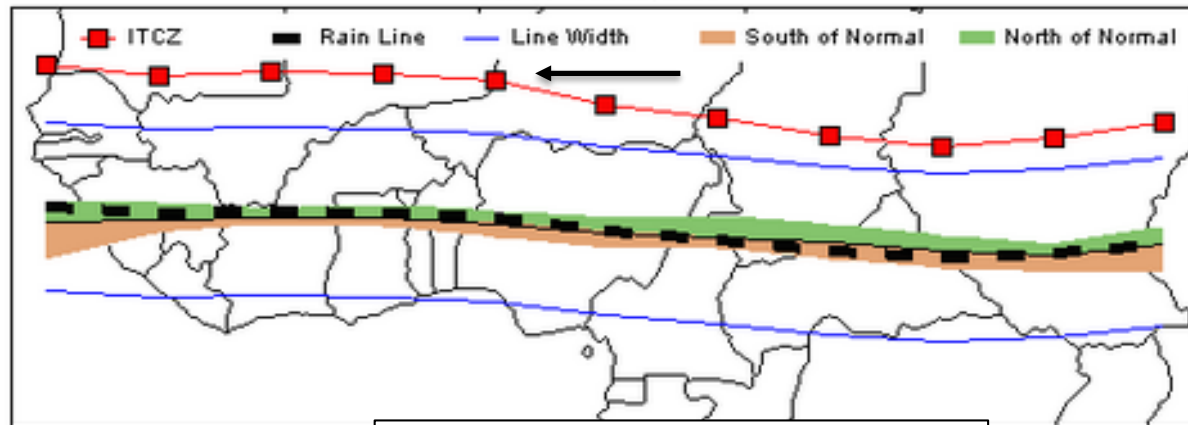


# May Through September Rainfall Key to Main Crop Cocoa Yields-Harmattan Winds Enhanced by El Nino Walker Cycle Also a Risk During the Nov-Mar Dry Season

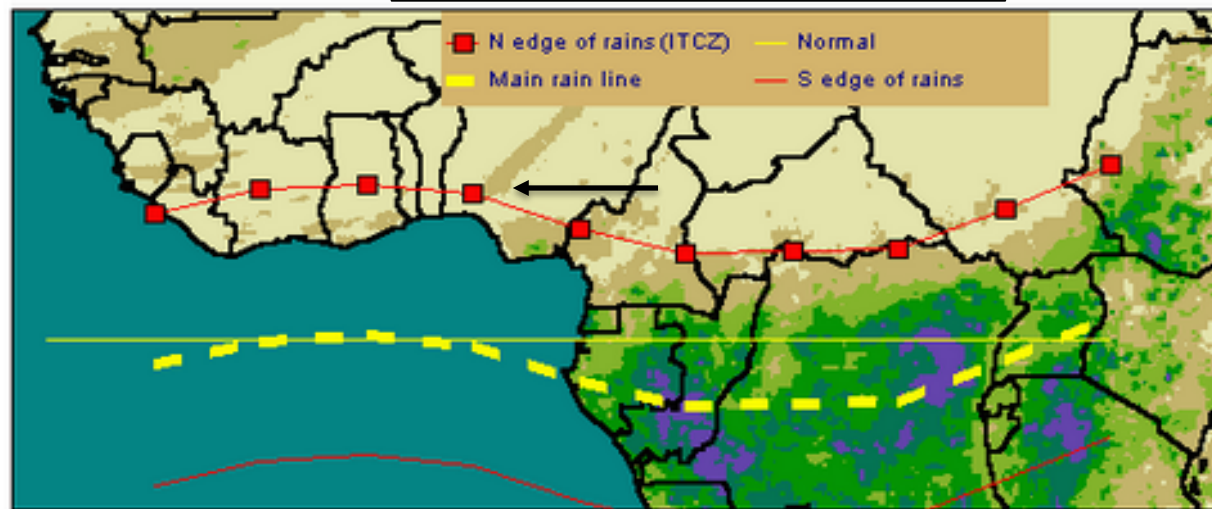


# The Inter-Tropical Convergence Zone is the Key Feature for the Wet and Dry Seasons

Typical Summer Location of ITCZ



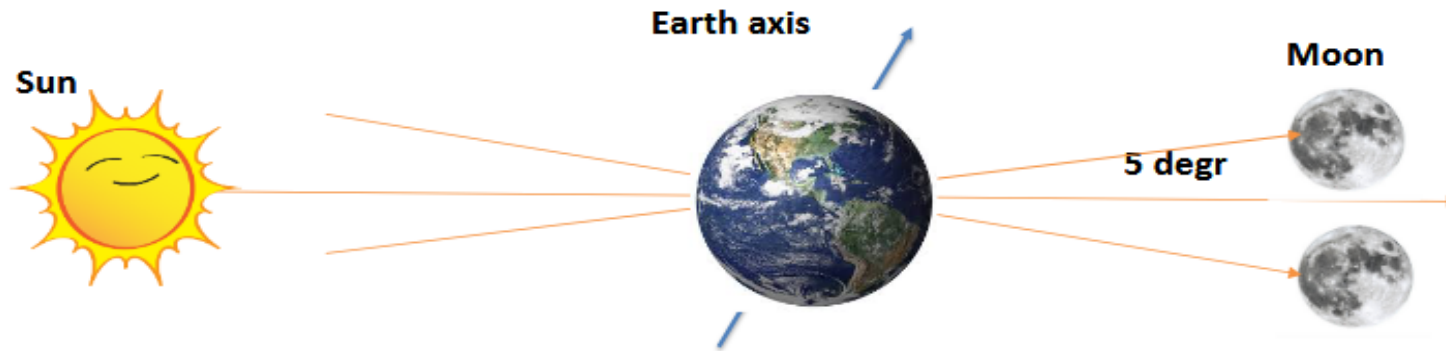
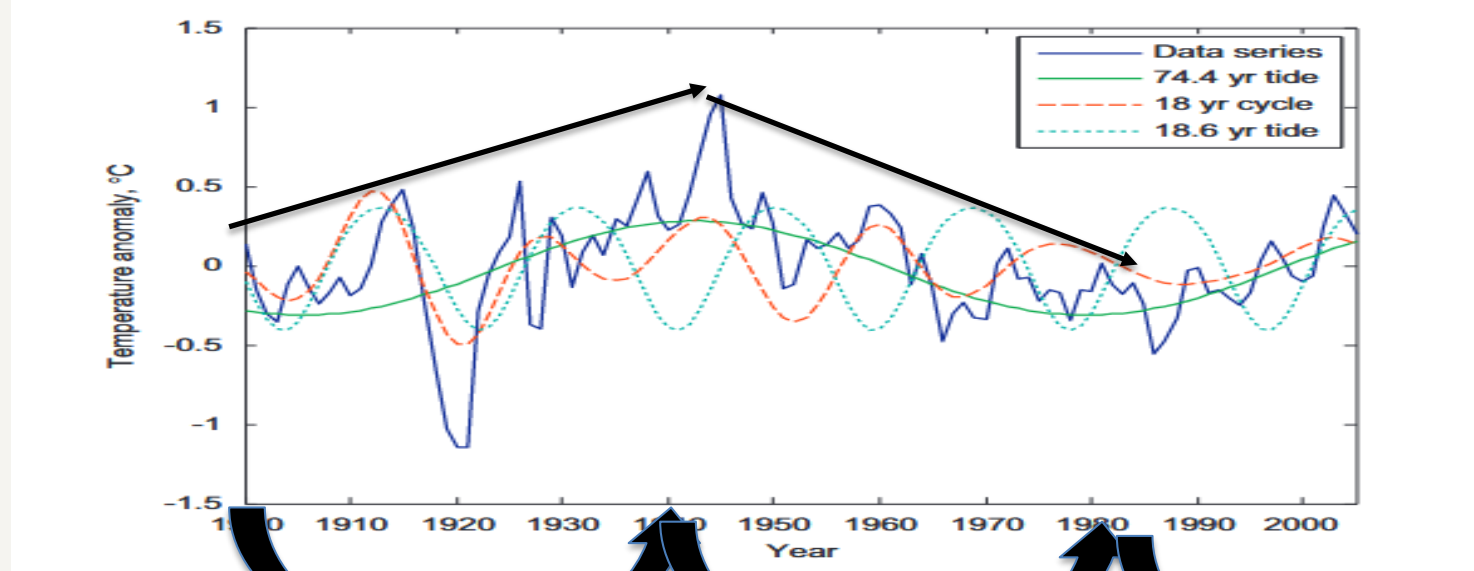
Typical Winter Location of ITCZ



Intertropical convergence zone (ITCZ) and rain location. *Source: ADDS, the African Data Dissemination Service*



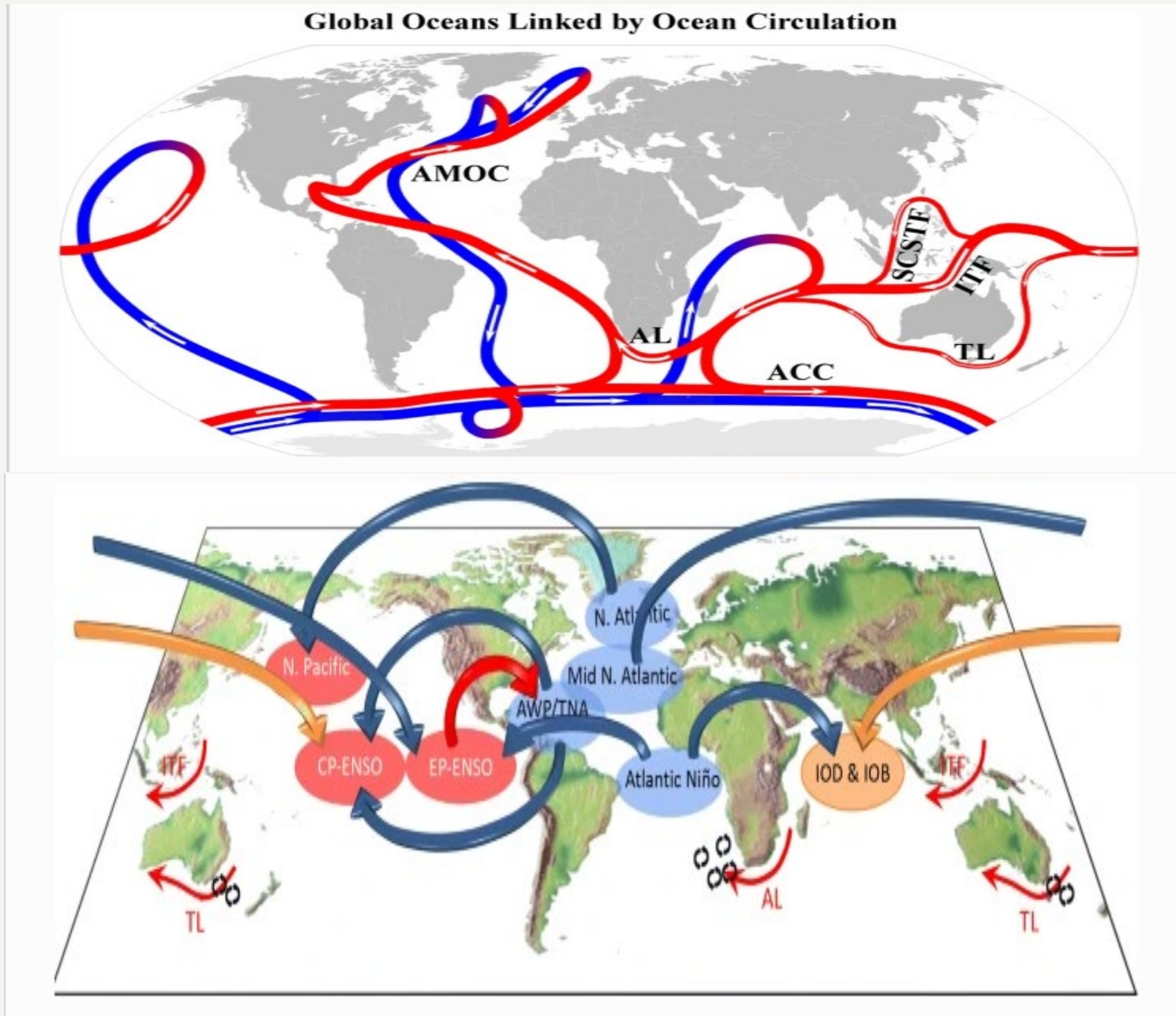
# The Sun/Moon/Earth Nutation Cycles Support a Cold Atlantic Ocean as Part of the 40-Year Cycle that Peaked in 2020 (-AMO, -AMM, -TSA) From Upwelling Ocean Currents-Cold Atlantic Ocean Enhances West African Drought



**Wobbling Earth Axis: 23.5 +/- 5 degrees**  
 Earth nutation: Dominant period of 18.6 years

(James Bradley (1693-1762))

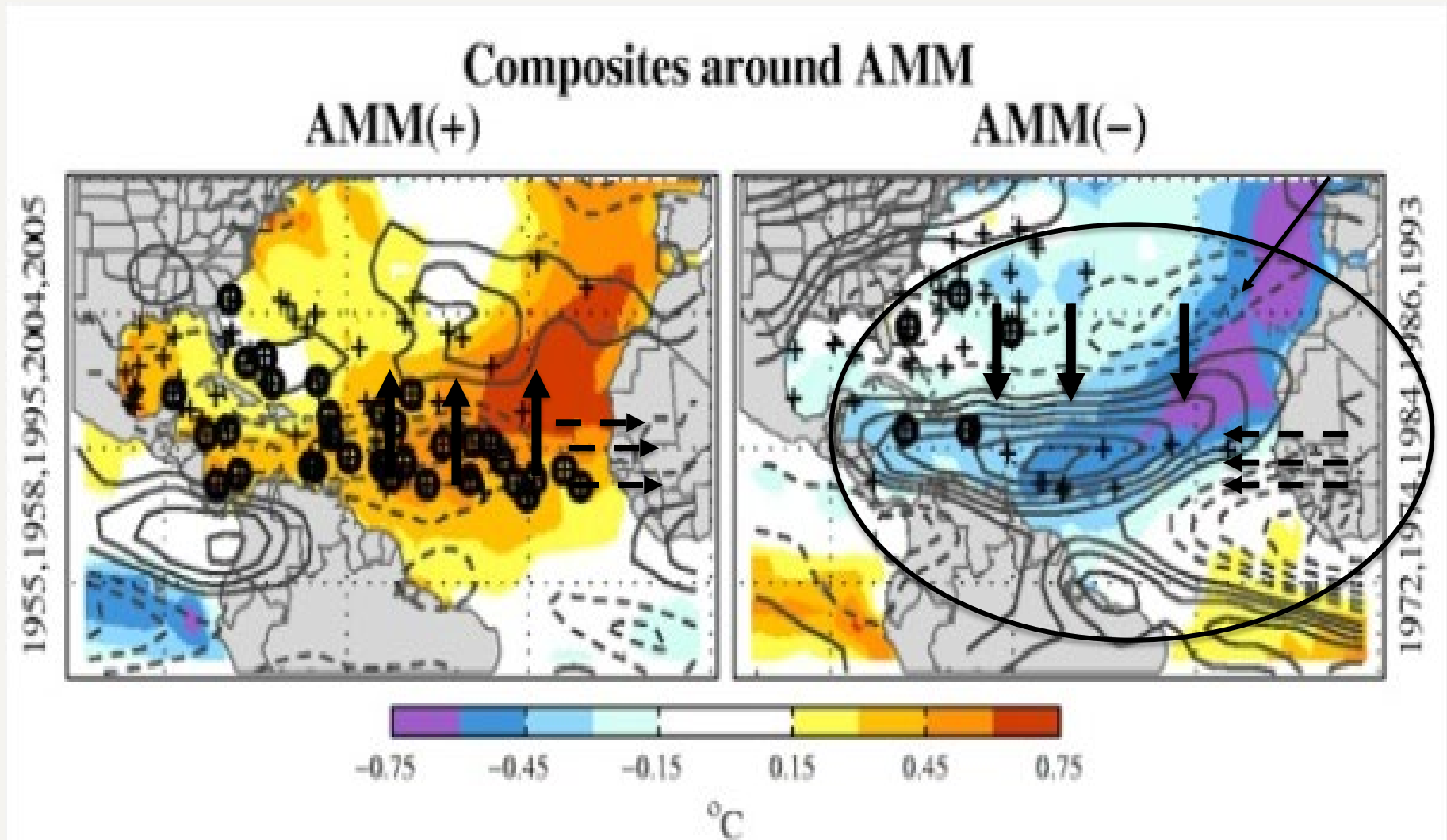
# All Oceans Are Linked to Each Other and Interact in a Complex Way to Upper Airflow Patterns Via the Atlantic Meridional Overturning Circulation (AMOC).



Chunzai Wang

# The Negative Cold Phase of the Atlantic Meridional Model (AMM)

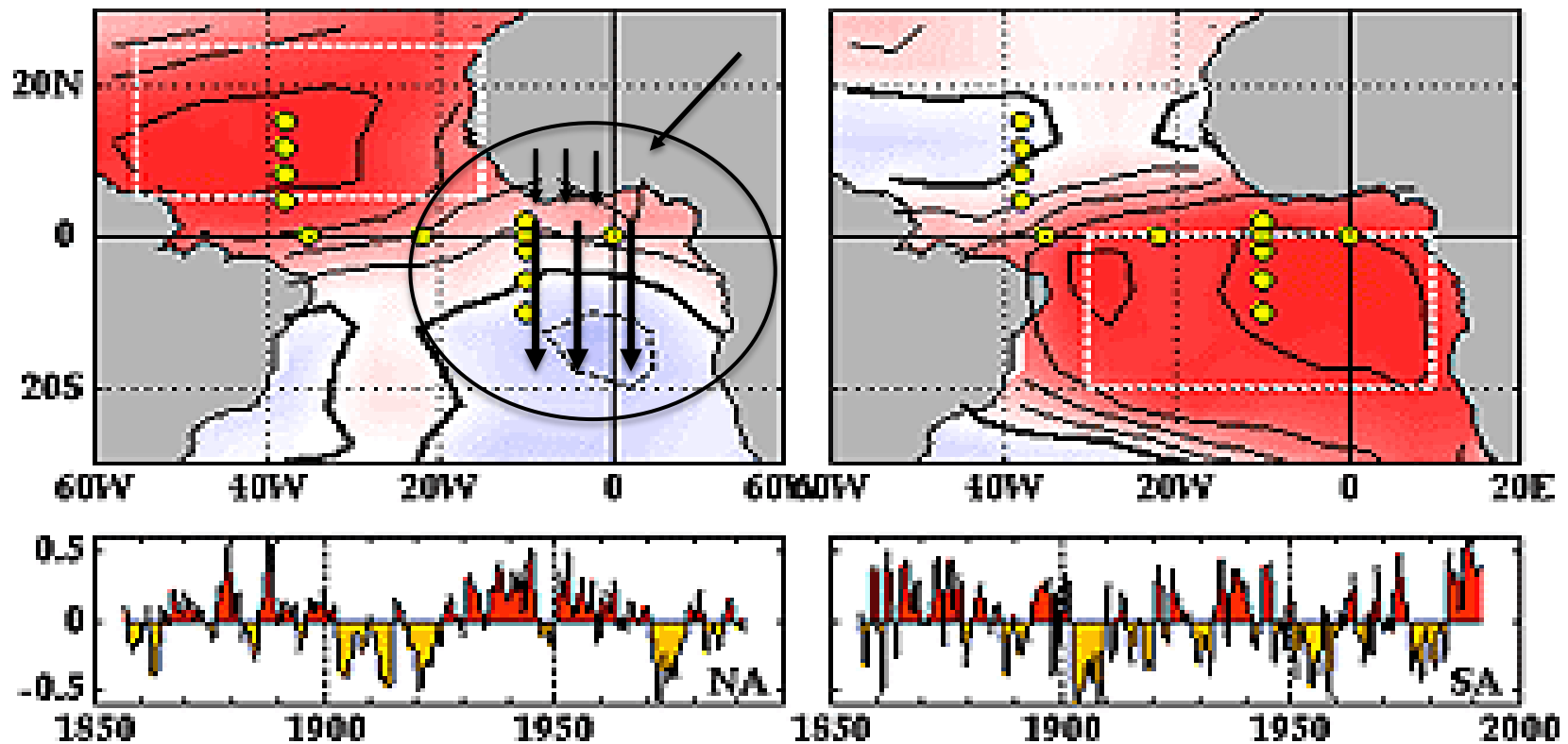
## Suppresses Convection Over the West African ITCZ



(Noaa)

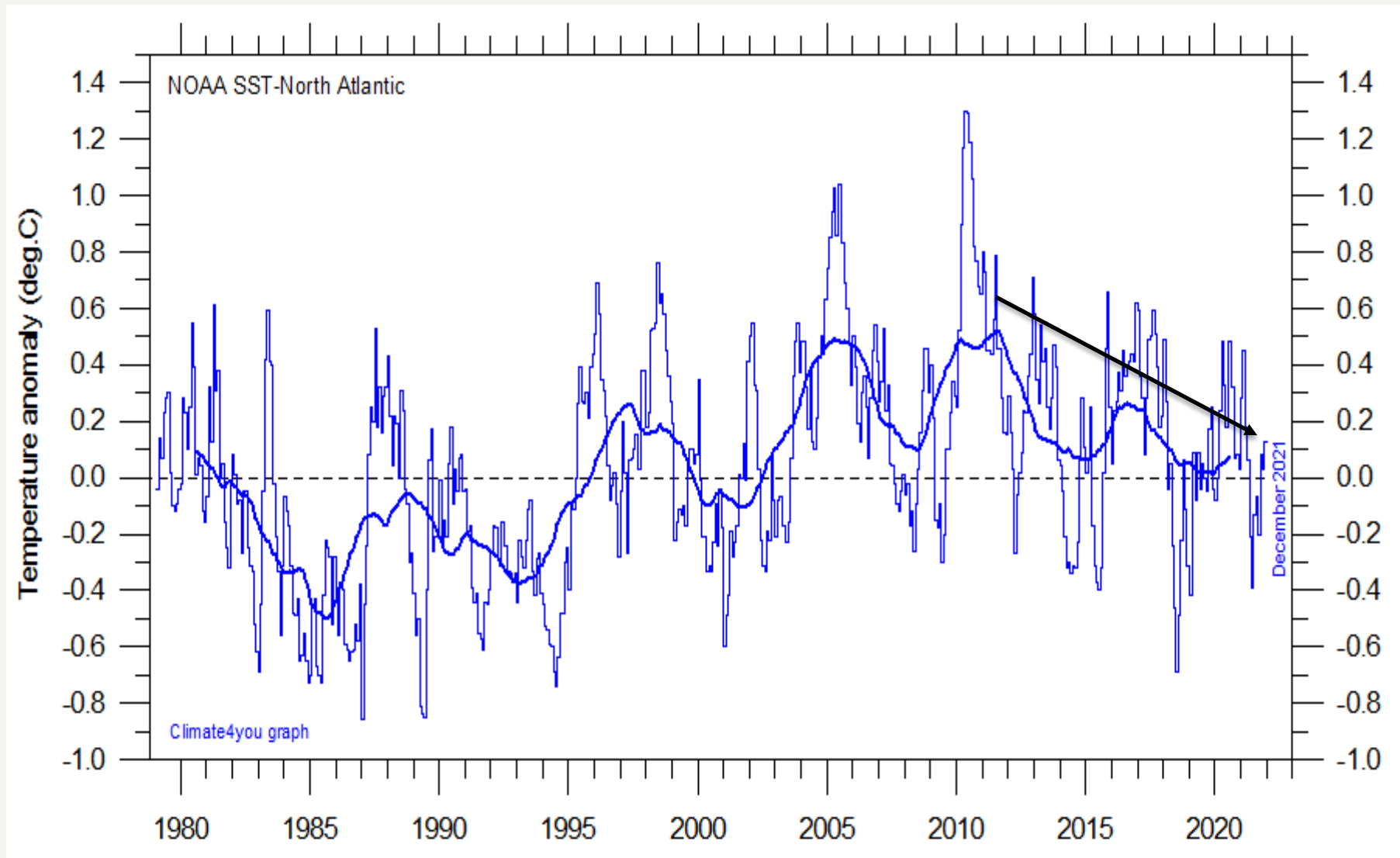
# The Negative Cold Phase of the Tropical Southern Atlantic (TSA)

## Helps Suppress Convection of the ITCZ



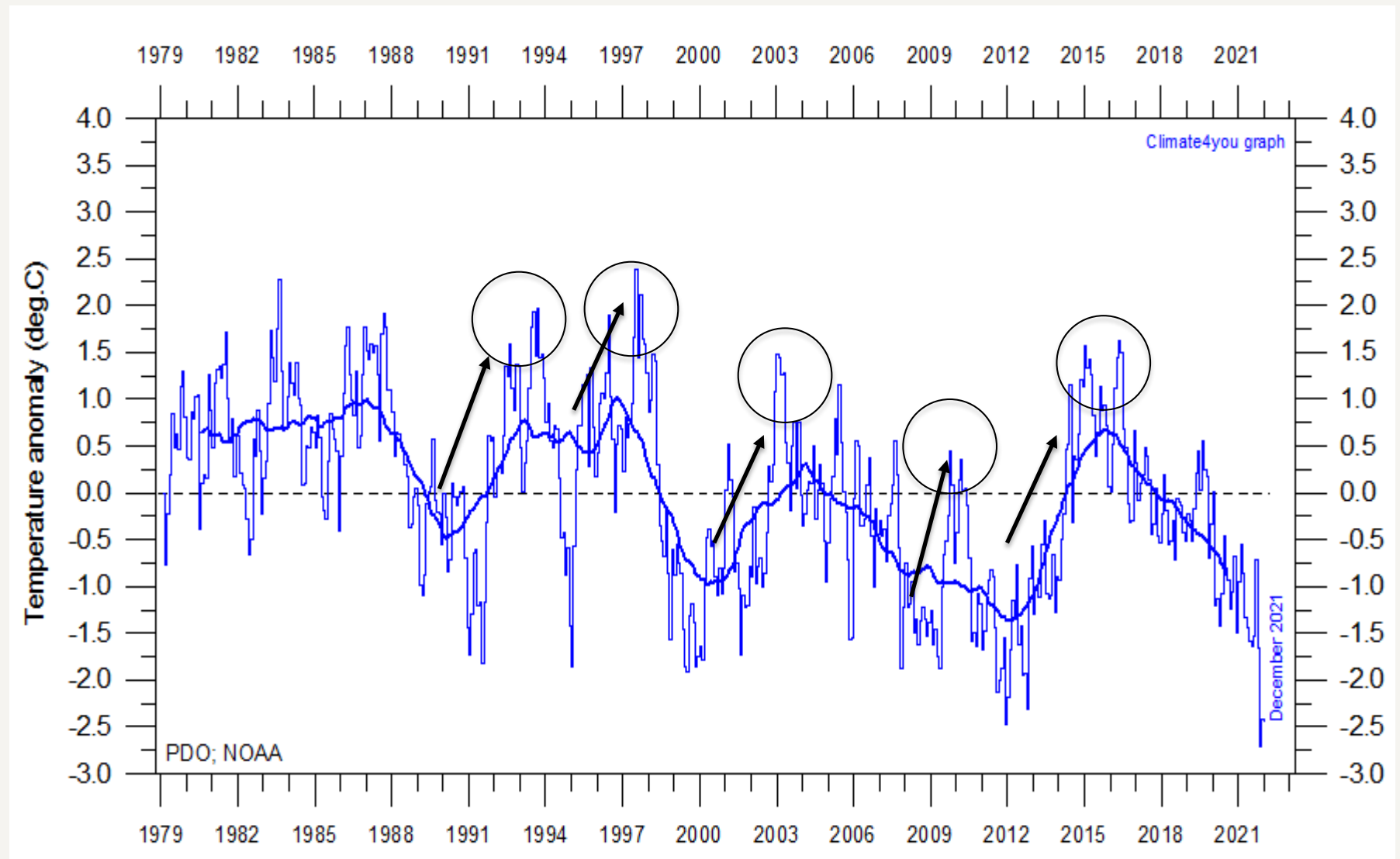
(NOAA)

# The North Atlantic Is Cooling as Part of the 40-Year Atlantic Sea Surface Temperature Cycle

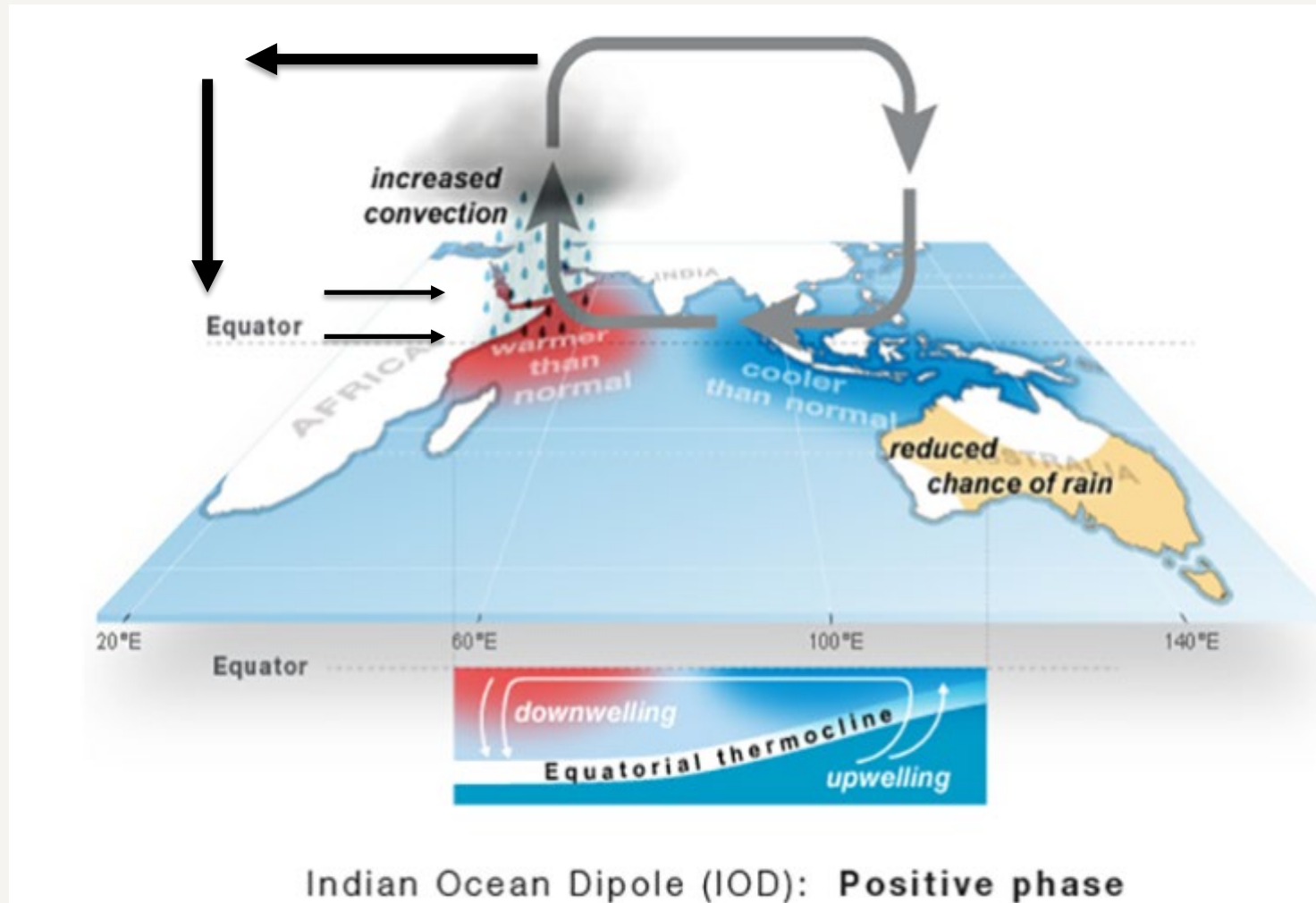




# The PDO Warms During El Nino Formation (El Nino Events Circled)



# A Positive Indian Ocean Dipole Draws Moisture Away from West Africa Via the Micro Walker Cycle

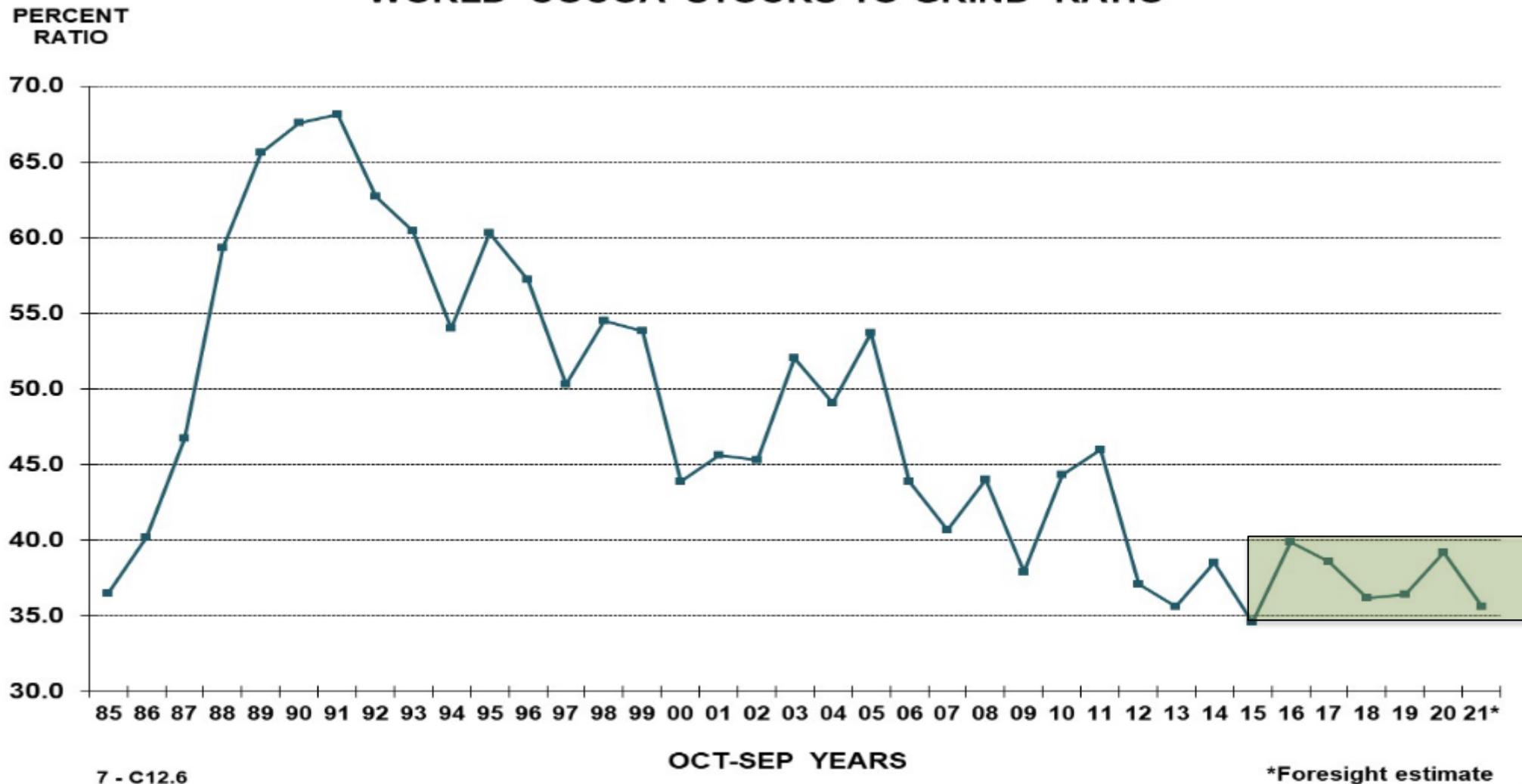


# Our West African Drought Index Algorithm Over Past Major Droughts (AMO,IOD,PDO,ENSO,AMM,TSA)

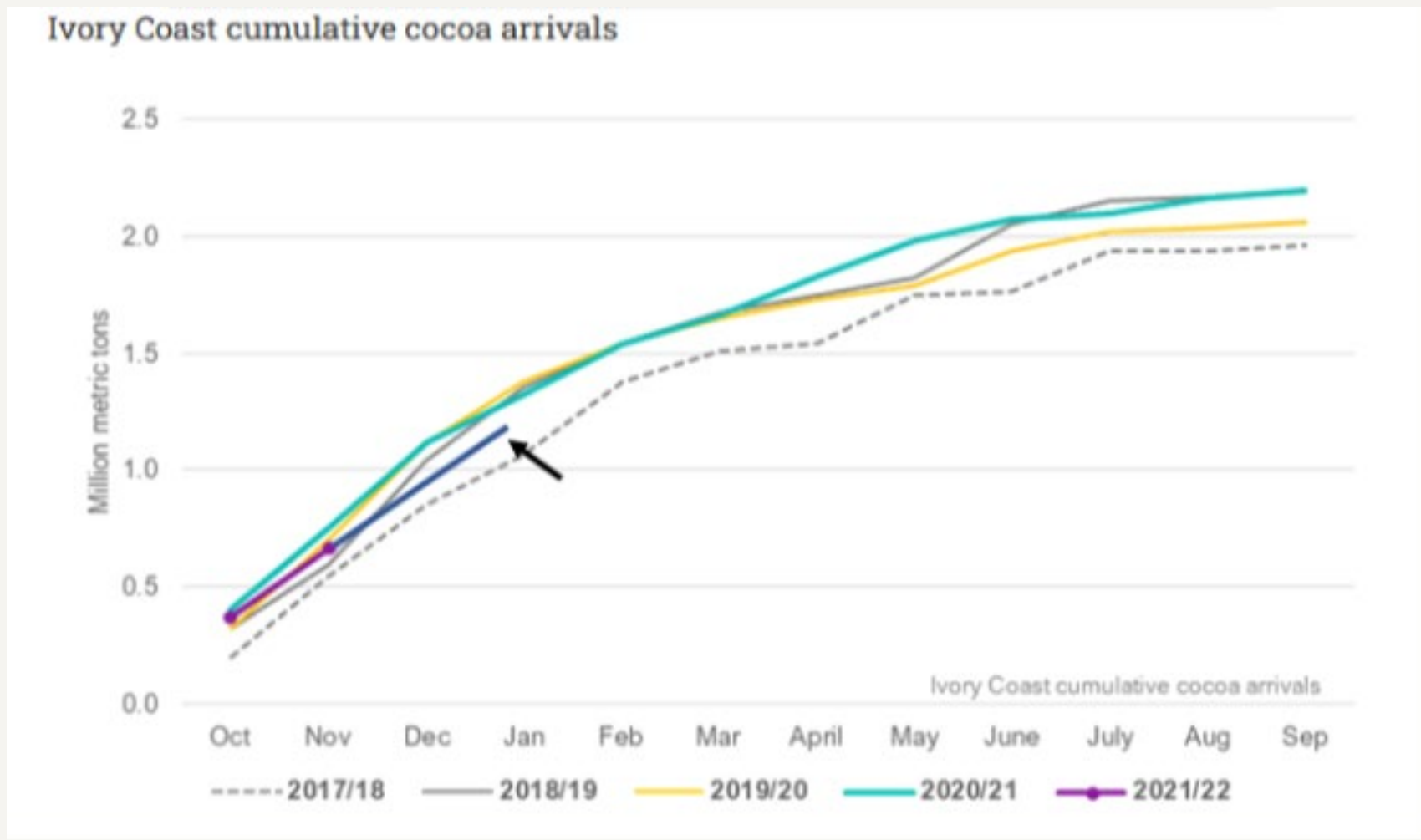
	west africa drought index	
1972	-13.09	
1987	-1.65	
1977	-4.36	
1982	-9.55	
1991	-6.46	
1997	-9.53	
2002	0.31	
2009	-1.12	
2015	-2.69	
	-5.348888889	

# Despite No Droughts the Past 5-Years and Demand Destruction from Covid Restrictions the Global Stocks to Usage Ratio Remains Near All Time Lows

WORLD COCOA STOCKS-TO-GRIND RATIO



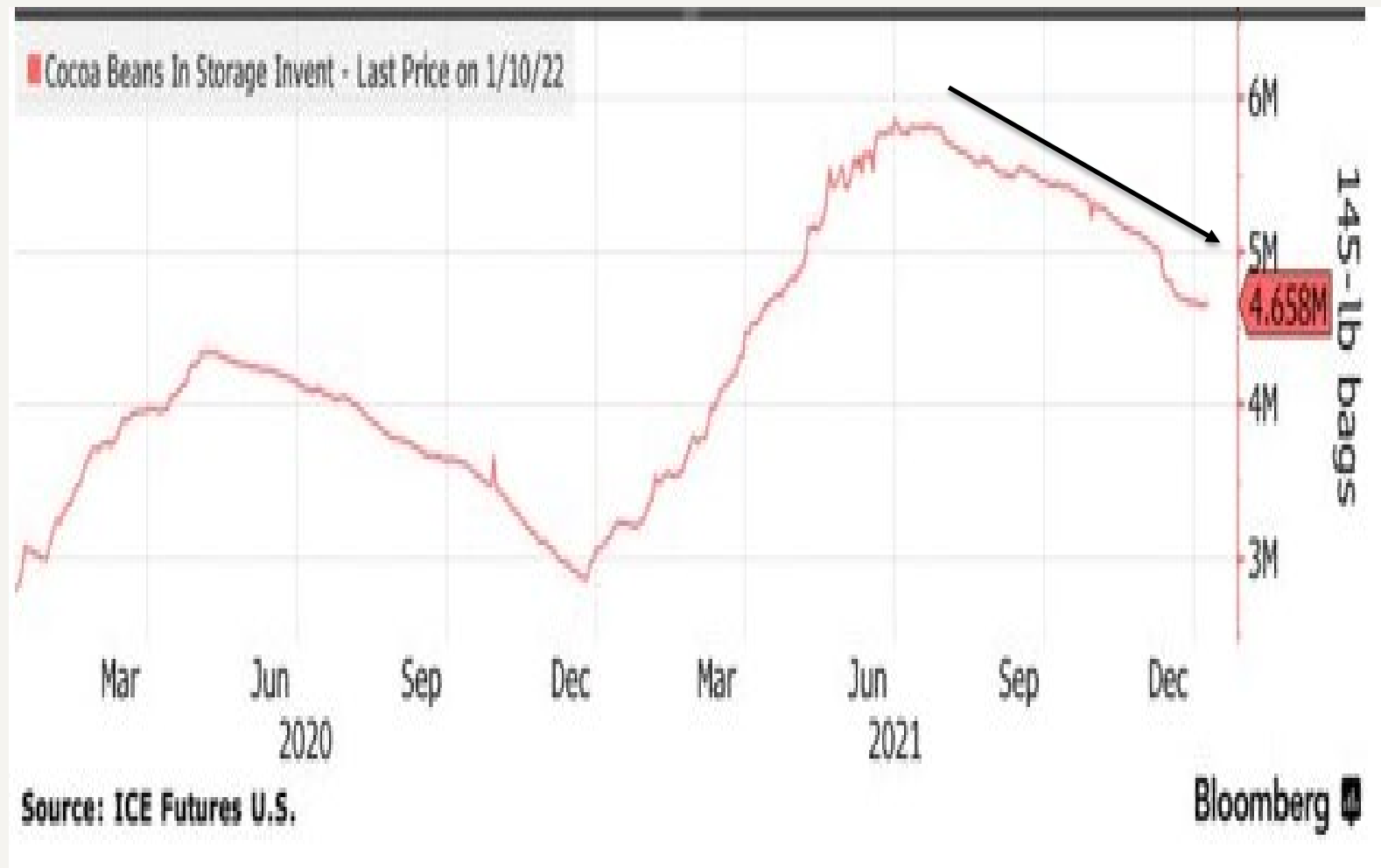
# Ivory Coast Cocoa Arrivals Down in Excess of 5% Despite Greenhouse Conditions Over the Last Year From Poor Economics and Lack of Investment in Cocoa Tree Plantations



(McKeany-Flavell)



# ICE Certified Cocoa Stocks Showing a Steady Drawdown Suggesting A Supply Demand Mismatch Despite Great Weather in West Africa



# A Major Long Term Wedge Pattern Nears Completion for Spot Cocoa Prices-A 90-Year Higher Low Uptrend Line Exists



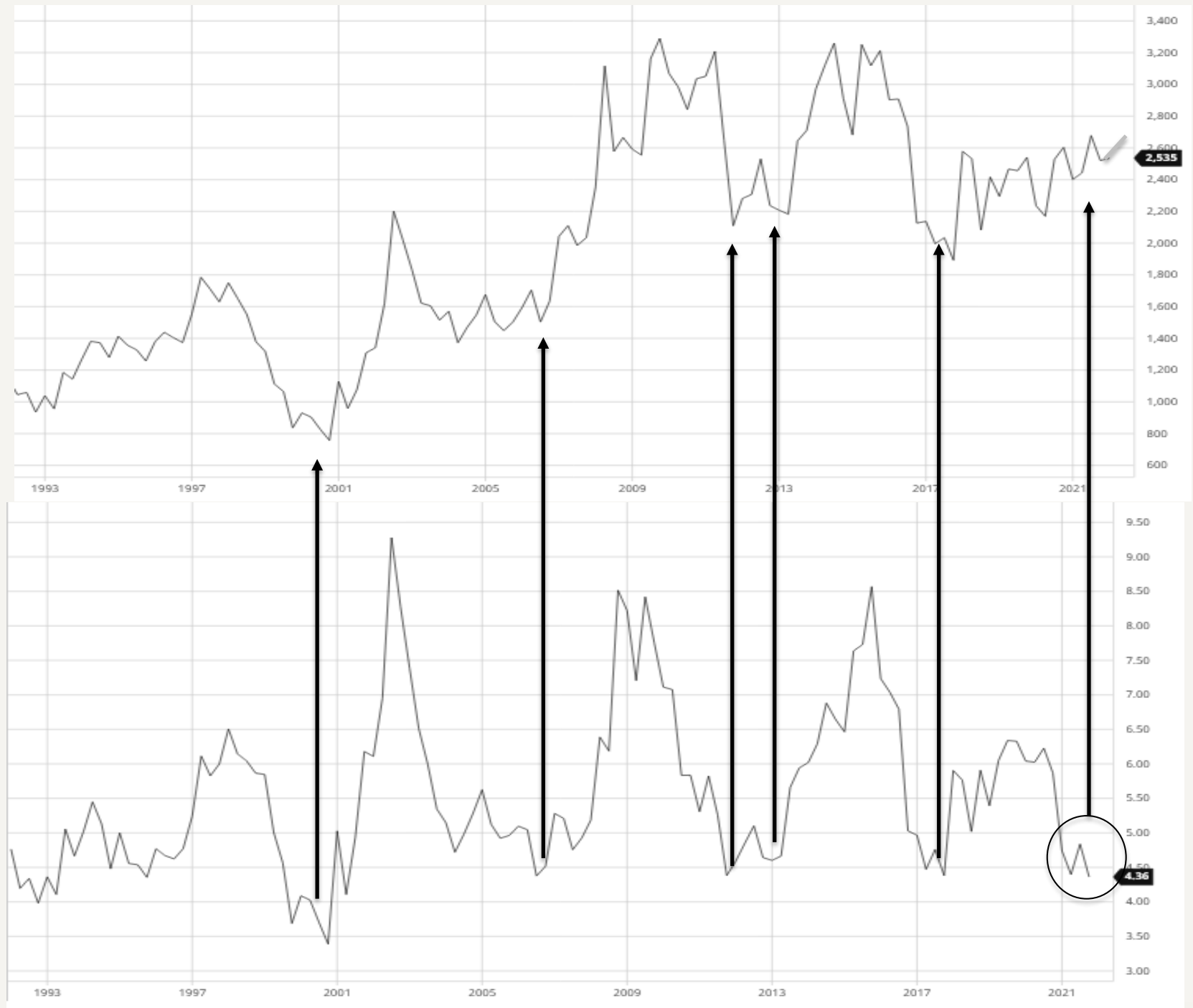
# A Shorter-Term Wedge Pattern Nears Completion for Spot Cocoa Prices



# The 95% Cocoa Confidence Interval Chart Has Been Holding Support for Last 4 Years



# Cocoa Relative Value of Prices to All Other Commodities Historically Undervalued





# Our Smart Money Insiders Long-Term Oscillator Triggered a Bullish Reading in December 2021





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