



Welcome to this month's edition of the WeatherManager Canada.

Amazing to not see snow cover in the picture at left for this time of year. This edition we review the 3 month Environmental Canada (EC) Temperature and Precipitation outlooks, the current snow depth in Canada, the shorter term precip and medium term temp and precip outlooks with the continuing but unusual La Nina conditions. Headlines show the La Nina confounding forecasters and leading to dry Prairie conditions. This has been caused by extreme conditions in Alaska allowing warm and dry conditions across the Prairies and lack of snow cover leading to a significant portion of the winter wheat exposed to winter kill for any Polar outbreaks which we show a hedge for as well as drought and a cool summer.

With the longer term forecasts discussed today and the headlines, we are also suggesting drought and excess heat hedges for planting into the growing season be considered.

We encourage you to send the newsletter to your clients and friends so they can read about current and forecasted weather activities and how to manage that risk through *eWeatherRisk*.

Late January 2012 Moon - Alberta



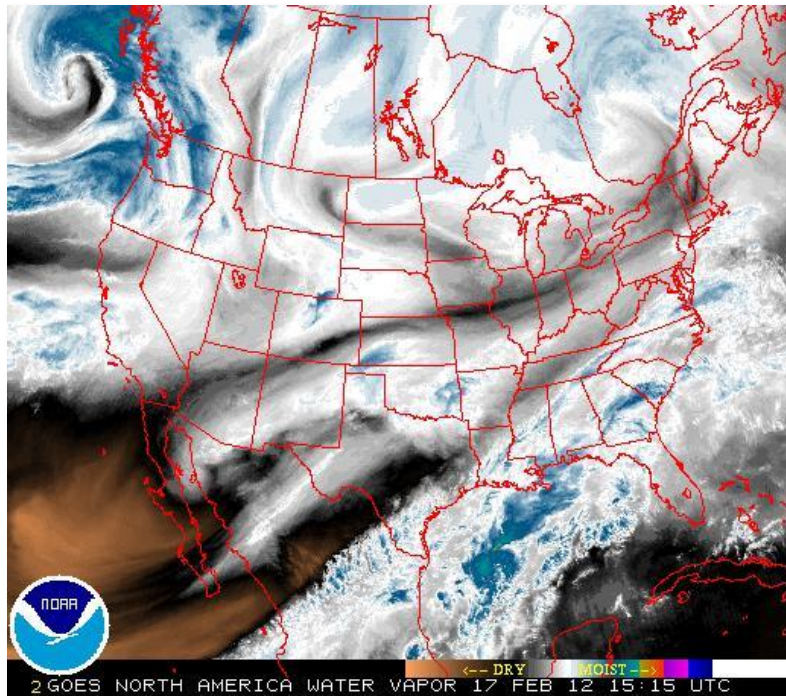
[Dry winter, lack of snow has some Peace Region producers concerned](#) Peace River Record Gazette - 1 day ago - According to Agriculture Financial Services Corporation (AFSC), the provincial Crown Corporation that administers *crop* insurance in *Alberta*, ...

[Low run-off forecast in Saskatchewan](#) - StarPhoenix - 2 days ago
By ANGELA HALL, Leader-Post February 13, 2012 REGINA — *Saskatchewan* residents are unlikely to be swamped by spring run-off if current *weather* conditions ...

[Weather patterns](#) - AG Week - 3 days ago
According to several meteorologists/weather experts, the La Nina ... Large portions of Alberta, Saskatchewan, and Manitoba have received 40 percent less of ...

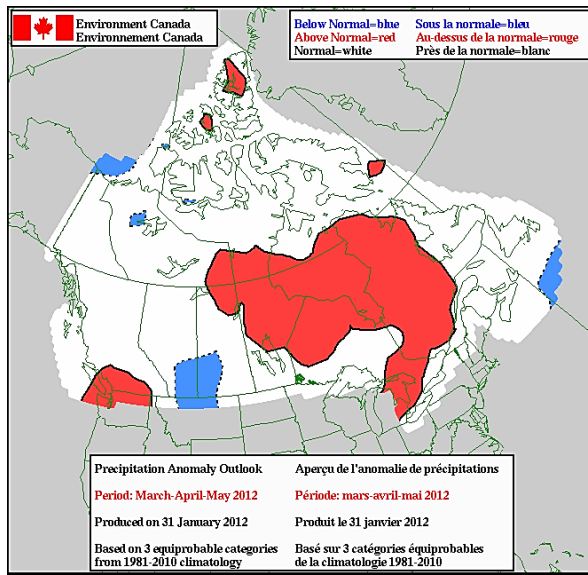
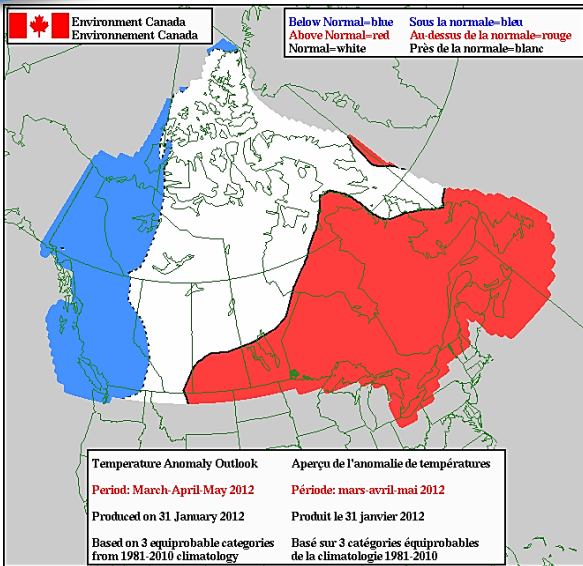
[Lack of snow prompts winter wheat worries](#)- Portage Online - 19 Jan 2012 - The question on many farmers' minds right now is what kind of weather can they ... bias in Southern Manitoba and Southeastern Saskatchewan," says Lerner.

[This year's La Niña a 'head-scratching enigma'](#) - Summit County Citizens Voice - 14 hours ago - By Bob Berwyn SUMMIT COUNTY — With the latest outlook calling for *La Niña* to fade away during the next few months, some climatologists are scratching their ...

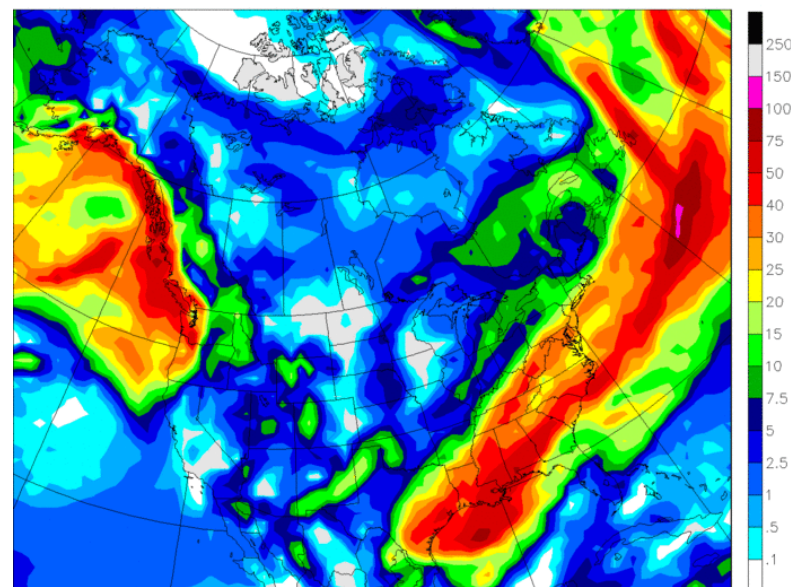


The map to the left is the 3 month temperature anomaly outlook for March, April and May released January 31st. Cold conditions are concentrated through all of BC and then up into the Northwest Territories where Alaska has been having an epic year of cold and snowfall. Some forecasters are recalling 1988 when Alaska had a similar winter and what it meant for the summer [Weather mimicking that of '88 drought](#). Alberta and Northern Saskatchewan and Manitoba are normal and warm conditions dominate the rest of Canada.

The map to the left is the 3 month precipitation anomaly outlook produced Jan 31 for March, April and May. The small section of red is above normal precip concentrated in southern BC and then a good portion of Eastern Canada. Most of the rest is normal except a small portion of below normal in SW Saskatchewan and SW Alberta which would worsen already dry planting conditions See [Weather patterns](#).

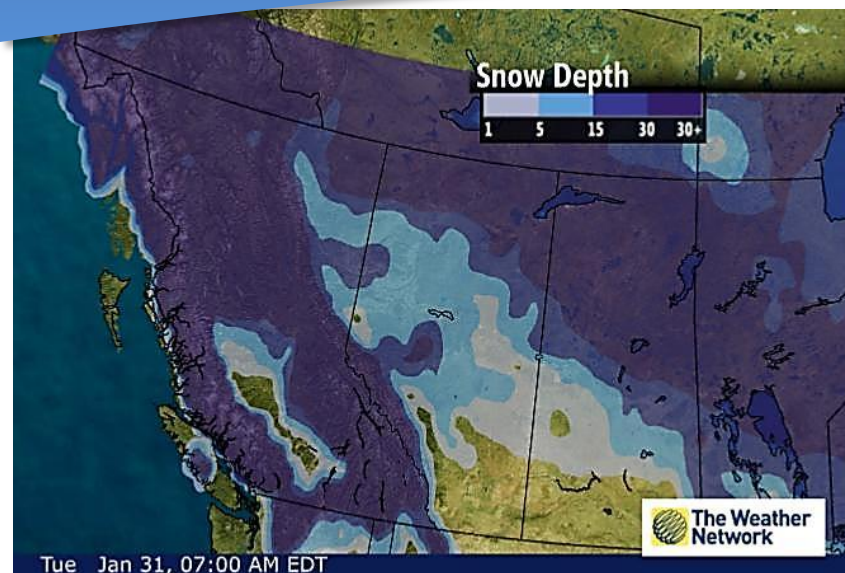


— Precip. Accum. (mm)

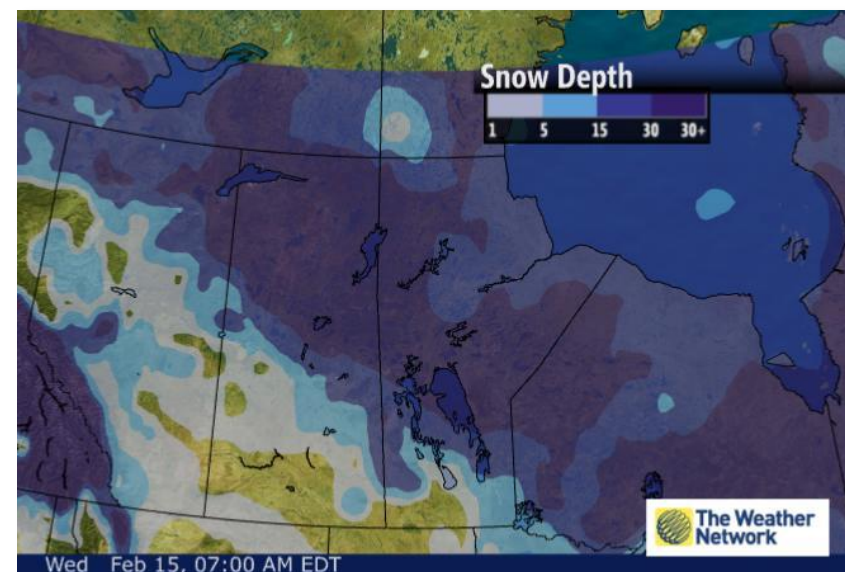


0-h Fcst Valid on Thu Feb 16 00:00:00 2012, Initialized on Thu Feb 16 00:00:00 2012
GFS 00Z <http://meteocentre.com/>

The map to the left is the 5 day precipitation outlook issued Feb 16. More rains continue to come into the PNW with the greatest amounts concentrated in BC and Alaska. The blue color is only 5mm and is through the northern part of the Prairie Provinces. No moisture is forecast for Southern Saskatchewan and SW Manitoba. Then there is a heavy band of rainfall in the US SE up into New England with excess moisture streaming in from the Gulf of Mexico.



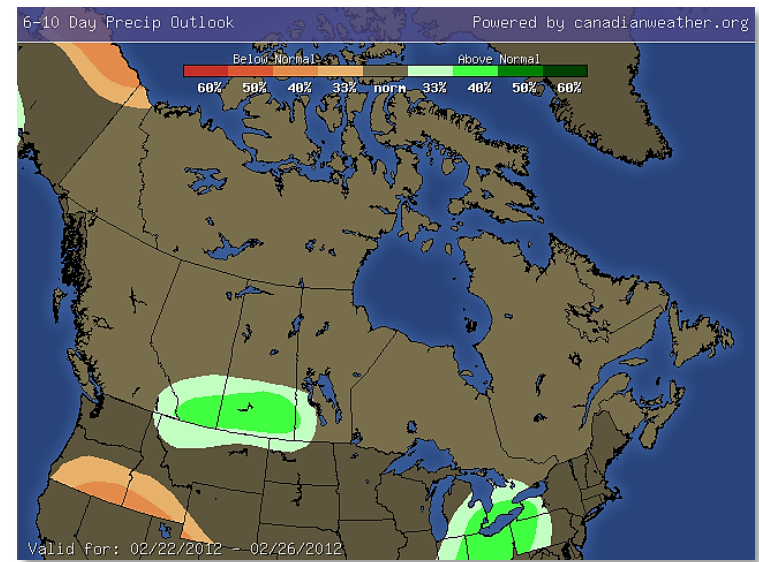
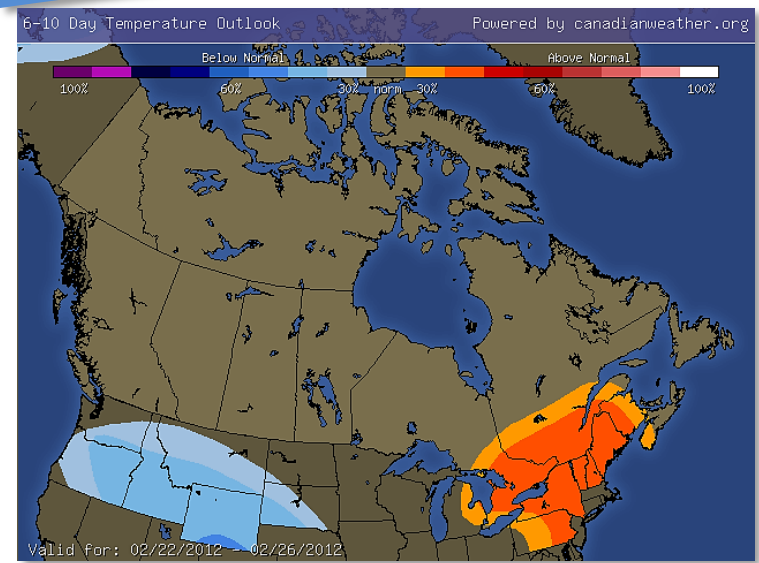
The upper map is the Snow Depth in Canada as of January 31st. Southern Alberta and Saskatchewan have NO snow cover and even the middle parts of these two provinces have very light cover. See [Alberta farms need snowfall 'badly](#).



The lower map is the snow depth as of February 15th, still little to no snow cover across an even greater part of Alberta with the warmer temperatures causing melting. SW Saskatchewan also has no snow cover with light conditions in the rest of Southern Saskatchewan. We continue to suggest hedges for winter kill, see [Lack of snow prompts winter wheat worries](#) “A cold snap in mid-late March always has the most potential to kill a winter wheat crop.” More so this year with the warm conditions likely to cause dormancy to break early and the dry conditions causing lower dew points and greater freeze risk.

The upper map is the 6-10 temperature outlook from canadianweather.org valid for Feb 22 to 26. This shows normal conditions throughout Canada other than the East. Below normals are south of the border.

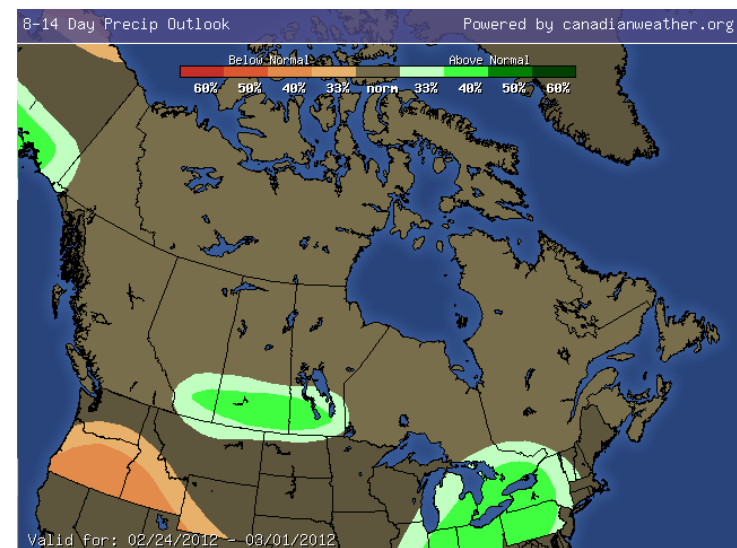
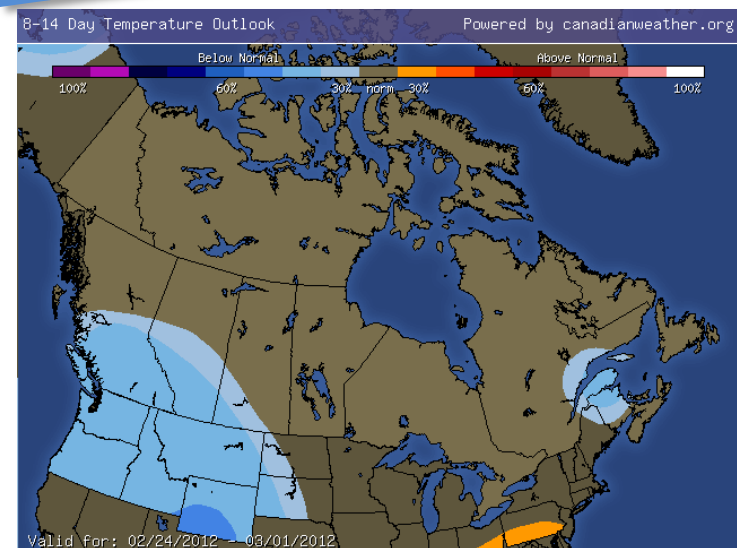
The lower map is the 6 to 10 day precipitation projection for the same period. The above normal precipitation is where it is needed most in Southern Alberta and Saskatchewan. If it doesn't deliver, drought hedges at planting would be in order



The upper map is the 8-14 day temperature outlook valid for Feb 24 to March 1st. Below normal conditions are concentrated in the Pacific Northwest and extending up into areas with the driest conditions and most lack of snowfall. Remember eWeatherRisk has a 15 day advance purchase requirement so we can't cover this period but we can cover March into April when the greatest risk of winterkill exists. The rest of Canada is "normal" but remember this is still the heart of winter.

The lower map is the 8-14 day precipitation outlook for the same period. Again, it looks like some relief for the southern prairies and then as we've talked about all winter, excess precipitation around the Great Lakes that never froze over because of the warm conditions lending themselves to Lake effect precip even in the winter.

Let us know if we can work any hedges up for your area and risk.





eWeatherRisk's weekly case studies, articles and discussions are to assist you in weather risk strategy development and provide ideas that can further your understanding of how to structure, price and purchase a weather risk instrument.

This issue we look at some winter kill hedges for end of March into April in Saskatchewan, hot and dry planting conditions in Alberta and a cool early summer in Manitoba that has shown interest for growers across the border.

These are all examples of weather hedges that can be used effectively in your area.

You can call or email us with your ideas that are specific to your area and client concerns to hedge risk in Agriculture, Agri-business and any enterprise that has weather risk.

Southern Alberta Insufficient Cumulative Precipitation

Weather Station Information for this Contract

Station Name	Station ID	Weight
Monarch	8172306	100%

Contract Value \$ **100,000**

Date Start **4/24/2012**

End Date **6/11/2012**

**Historical (60 yr) Average
Precip** **90.00**

Historical Min Precip **19.00**

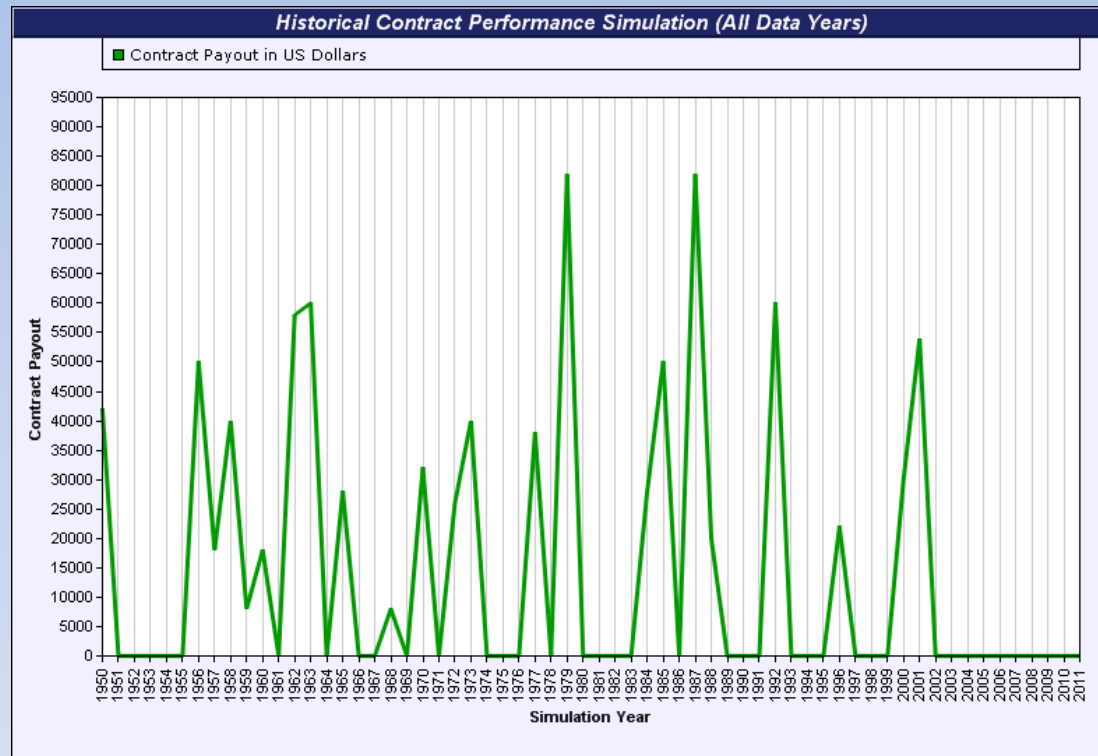
Damage Begins at **60.00**

Total Damage **10.00**

Payout per MM \$ **2,000**

Premium \$ **20,510**

Indicative Rate **20.51%**



Saskatchewan Freeze

Weather Station Information for this Contract

Station Name	Station ID	Weight
Claydon	8193069	100%

Contract Value \$ **100,000**

Date Start **3/25/2012**

End Date **4/10/2012**

Historical (60 yr) Average

Low Temperature **-12.00**

Historical Minimum Low

Temperature **-23.00**

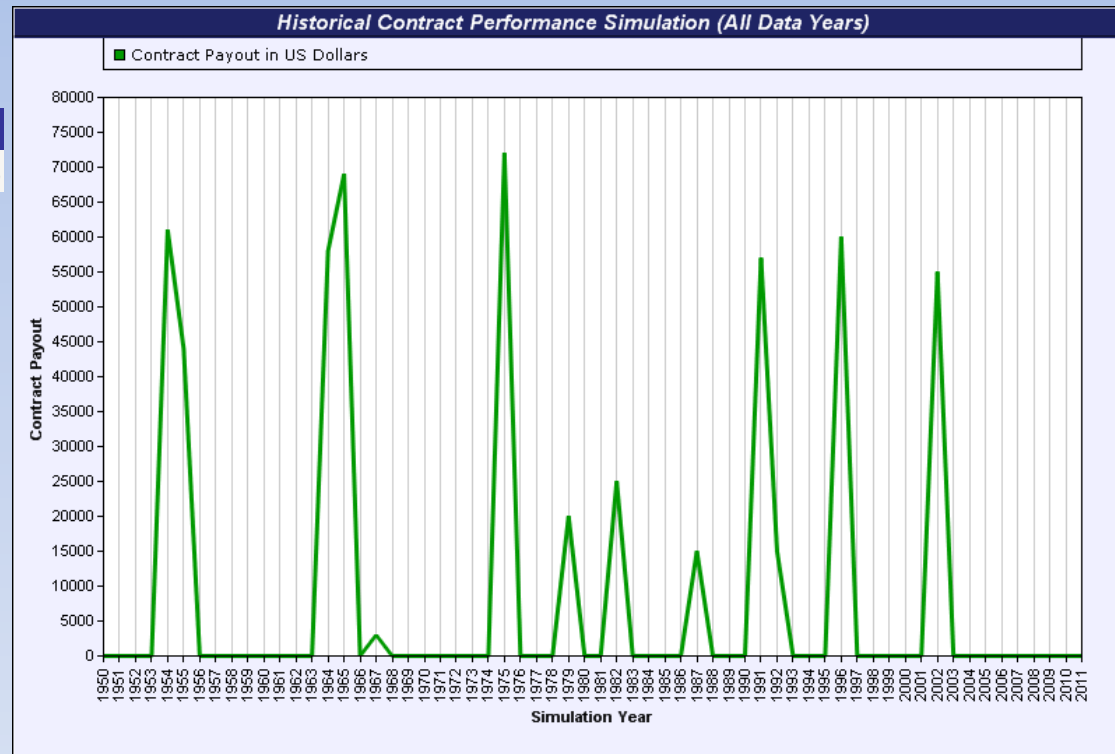
Damage Begins at **-15.00**

Total Damage **-25.00**

Payout per Degree C \$ **10,000**

Premium \$ **16,580**

Indicative Rate **16.58%**



WeatherManager Weekly

South-Central Manitoba
Insufficient DD Above 10C daily AVG temp

Weather Station Information for this Contract

Station Name	Station ID	Weight
Gretna (AUT)	8183428	100%

Contract Value \$ **100,000**

Start Date **6/1/2012**

End Date **7/31/2012**

**Threshold Temperature in
Daily AVG Temp** **10**

**Historic (60yr) Avg DD AVG
10C** **511.42**

**Historic (60yr) Minimum DD
Above 10C** **331.15**

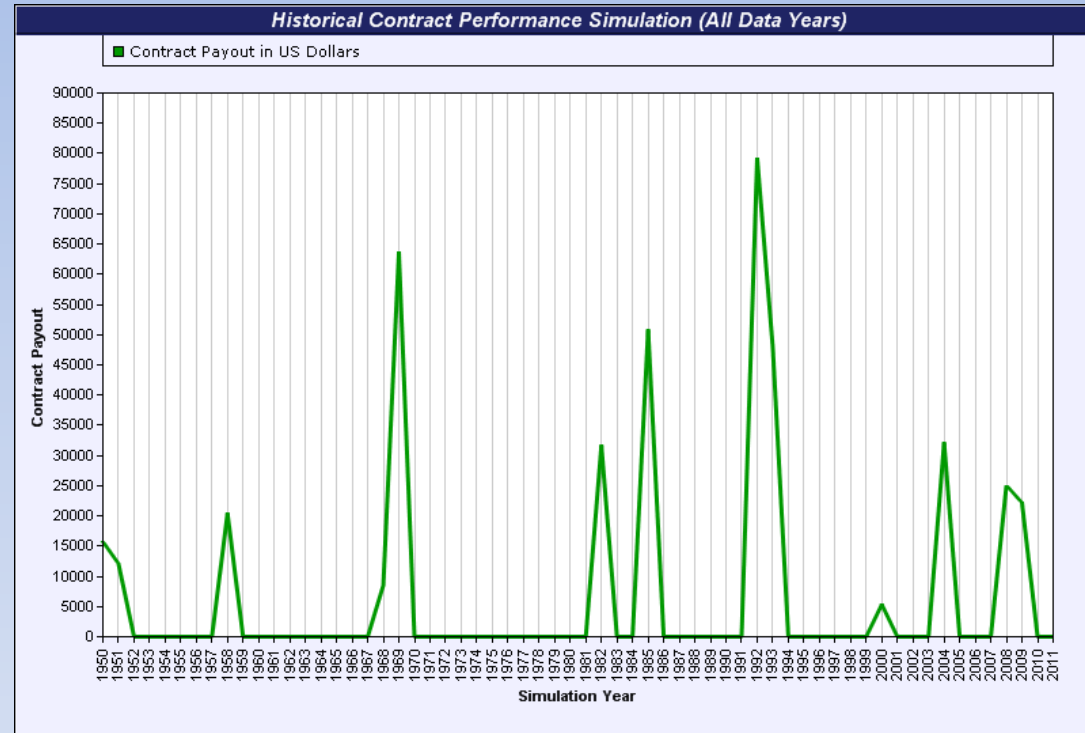
Damage Begins at **450**

Total Damage **300**

Payout per Cumulative Degree \$ **667**

Premium \$ **14,640**

Premium Rate **14.64%**





Points to Consider...

- Risk strategies can be tested using indices you and your client design;
- Geographic locations are not a consideration when developing your weather risk instrument, there are over 256 weather stations that can be available with more being added;
- Immediate pricing allows you to see what possible outcomes may occur for your client;
- Contract purchase at the desktop or through structure support means fast turnaround on contracts and includes the referral fee.
- Your counter-party is backed by a “A” Standard and Poor’s rated multi-national reinsurer.
- Contact us for specific needs at 800-603-3605 or email:

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