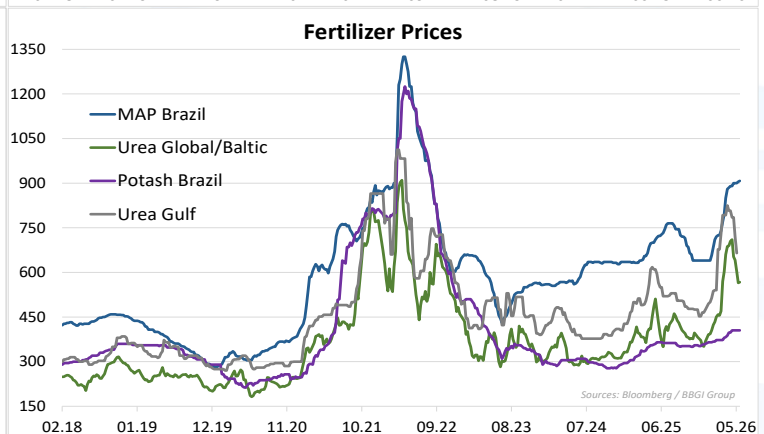
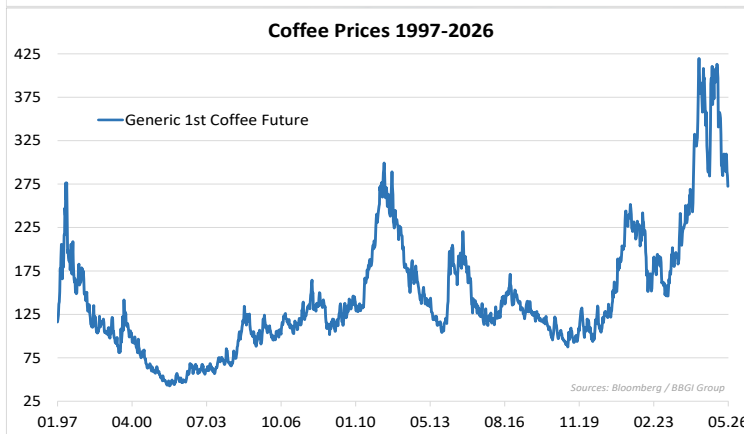
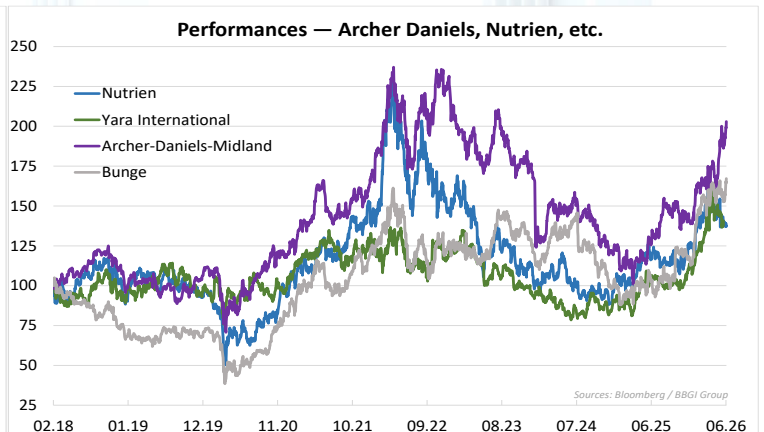
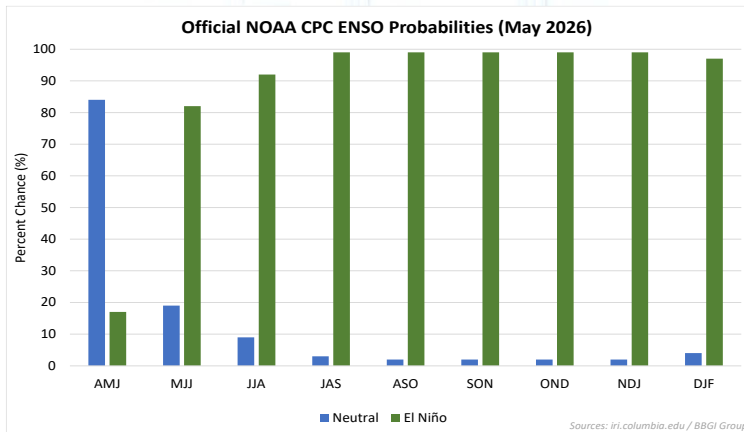


# Investments - Flash

## EL NIÑO : CATALYST FOR A WEAKENED AGRICULTURAL MARKET Rising tensions on commodities

The probability of an El Niño episode in 2026 is rising sharply according to leading international meteorological agencies. Historically, this phenomenon is associated with disruptions to rainfall patterns in Asia and Latin America, with potential consequences for several agricultural commodities such as rice, sugar, or coffee. However, history shows that El Niño is generally not the sole driver of major movements observed in agricultural markets. The sharpest price increases occur when climate disruptions strike an environment already marked by depleted stocks, high production costs, logistical constraints, or export restrictions. In other words, El Niño often acts as a catalyst rather than the primary driver of the trend. This is precisely what makes the current situation particularly interesting. Agricultural markets are entering a period marked by rising energy costs, increasing fertilizer prices, and global supply chain disruptions. Persistent tensions in the Middle East continue to cast significant uncertainty over maritime transport costs as well as

several inputs essential to global agriculture. In this context, the rice market appears particularly vulnerable due to its reliance on Asian monsoons, while sugar and coffee remain sensitive to episodes of drought and heat affecting several key producing regions. For investors, opportunities are not limited to the commodities themselves. Several players in the global agricultural supply chain could also benefit from an environment characterized by increased volatility and growing food security concerns. Among the main companies exposed are Nutrien, Mosaic, Archer-Daniels-Midland, and Bunge. Our conviction is that El Niño 2026 does not, on its own, constitute a strongly bullish scenario for agricultural commodities. The real risk lies in its occurrence within a global agricultural system already weakened by energy, geopolitical, and logistical tensions. As is often the case in the markets, shocks are the result of multiple factors coinciding.



Important information: This document is confidential and intended exclusively for its recipient and may not be transmitted or reproduced, even partially, without the express written consent of BBGI Group. It is provided for information purposes only and does not constitute an offer or solicitation to buy, sell or subscribe. BBGI Group cannot be held responsible for any decisions taken on the basis of the information provided. The figures are based on quantitative and judgmental analysis. The client remains fully responsible for the management decisions made in relation to this document. We endeavour to use information that is deemed reliable and cannot be held responsible for its accuracy and completeness. The opinions and all information provided are subject to change without notice. The data mentioned is indicative only and is subject to change without notice in the light of changing market conditions. Past performance and simulations are not indicative of future results.