

Peanut Blog

An ounce of information



‘Super’ El Niño could cause global food price shock lasting into 2028, analysts say

Weather cycle threatens harvests worldwide, adding to inflation already fuelled by the Iran war

Economists are warning that a “super” El Niño weather cycle this year could cause a severe shock to global food prices lasting into 2028. As the Iran war pushes up world food prices to the highest level in three years, economists said supply chains faced “two shocks at once” stoked by extreme weather linked to global heating. Scientists have said the 2026–27 El Niño – which forms when changes in wind patterns allow warmer water to spread across the central and eastern equatorial Pacific – has a historically unprecedented chance of developing into a “very strong” event fuelling heatwaves, flooding and stormier weather.

Informally described as a “super” or “Godzilla” El Niño, the US National Oceanic and Atmospheric Administration (NOAA) confirmed last month warming conditions were taking hold in the Pacific and that there was a 63% chance of sea surface temperatures exceeding 2C above normal later this year. At a time when households around the world are already feeling the pinch from soaring living costs, experts say an extreme El Niño could add further to the pressure. The prospect of a renewed inflation shock is also rattling central banks, adding to concern that interest rates could be kept at elevated levels.

“El Niño puts ‘climateflation’ back on the agenda,” analysts at the Italian bank UniCredit wrote in a research note. “Europe’s recent heatwaves are a reminder that the climate baseline is already shifting. El Niño could add a new layer of pressure later this year, as it amplifies the effects of global warming.”

The naturally occurring phenomenon has a history of affecting harvests and the food supply network. More than a century ago, an El Niño that would probably have been the most severe on record prompted catastrophic droughts across China, southern Africa, Brazil, Egypt and India. Causing famine conditions in a situation worsened by colonial rule, millions were killed, including more than 6 million people in India in 1876–78.

El Niño events in 1981–82, 1996–97, 2015–16 and 2023–24 have been some of the strongest on record. However, NOAA projections indicate the 2026–27 cycle could be even more severe – elevating the risk of droughts and flooding hitting harvests, and food supply worldwide.

Source: https://www.theguardian.com/business/2026/jul/12/super-el-nino-severe-shock-global-food-prices-lasting-into-2028-economists-warn?pnospid=o7KKipRX.a3l5a.qoBP_vvKW_k8d.3cqhlF4GkwzrlKVmpMcjw.IEQoSnJTlBv0k3NUvynX8