

Weather risk management is becoming crucial to weather dependent companies, given the increased climate variability. Weather protections help to reduce weather related earnings volatility and increases the value of the company.

What we do:

Commodity Broking Services (CBS) offers companies and retail clients solutions to protect their bottom line from negative effects of adverse weather. The protection certificates are based on measurements of official weather stations, with premiums starting at AUD 5000.

We offer our clients a variety of services through our online platform, such as: online price calculation, weather statistics and analysis.

Your advantage:

Following the predictions of IPCC* there is a trend to warmer temperatures as well as to more extreme weather. This is particularly crucial for weather dependent businesses, exposed to profit fluctuations due to adverse weather. The increase in weather risk demands sustainable weather risk management strategies. Protections with weather derivatives help to mitigate weather risk in a very transparent and easy way.

Commodity Broking Services Pty Ltd holds the Australian Financial Services Licence No: 280372

Our clients:

Energy Distributors: Gas, Power, Heating Oil, Pellets
-> Protection against: warm winter

Energy Producers: Wind, Solar, Hydro
-> Protection against: little wind or radiation, drought

Theme Parks und Openair Events:
-> Protection against: rain, cold

Farmers:
-> Protection against: drought, frost, rain

Ski Lifts and Leisure Ferries:
-> Protection against: little snow, rain

Winterservice:
-> Protection against: frost and snow

Travel and Leisure:
-> Protection against: rain

Retail and Wholesale:
-> Protection against: unseasonal weather

As well as other weather sensitive industries.



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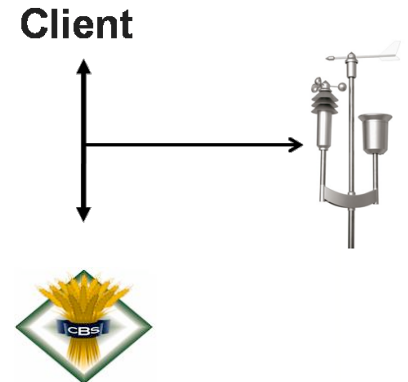
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Function of a weather hedge

A weather certificate or weather derivative is a contract between the client and CBS. The contract is linked to weather conditions at a specific weather station, a period and payout amounts. If the defined weather conditions are met, the payout is triggered automatically. Unlike traditional insurance, no claim needs to be filed.

CBS offers a variety of standard contracts for defined weather conditions. We offer contracts on precipitation, temperature, snow, sun hours, wind, solar radiation and other weather parameters.



Measurements of weather stations as contract basis

Commodity Broking Services offers weather protection for over 100 weather stations across Australia. New weather stations are added based on client requests. The measurements of the national weather stations are the basis for price calculations, contract specifications and payout conditions.

Weather stations certified by the World Meteorological Organisation (WMO) serve as reference stations given they report the specific weather parameter and have a long measurement history.

Online price calculation and execution

Prices for standard certificates can be calculated online.

Weather protections must be purchased at least 20 days prior to the start date of the risk period and paid at the latest 15 days prior to the start date of the risk period. The payout amount of the certificate will be wired to the client 15 days after the end of the risk period.

After purchasing a certificate, the client can track the weather measurements and the value of the certificate online. The values are updated on a daily basis.

Tailored weather sensitivity analysis and hedge solutions are offered upon request.

Quote

STEP 1: Select your industry:

STEP 2: Select your weather station:

STEP 3: Select your contract:

STEP 4: Select the time frame you want protection for:
 From To (dd.mm.yyyy) i
 Total: 3 Days.

STEP 5: Define your contract terms:
 Pay me EUR i
 for every day when rainfall is above mm i
 Only start paying me after rainy days i
 and only pay me a maximum of EUR i

16'133.00 EUR Get Price Buy
Clear

Contact us now to customize your own specific weather protection certificate.



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