



2024 Atlantic Hurricane Season Prediction Market Bulletin

JUNE 20, 2024

The first storm of the 2024 hurricane season has formed in the Gulf region. ALBERTO formed off the coast of Mexico and is currently classed as a tropical storm that has yet to achieve hurricane status.

The implied probability, according to prices in the CAHM24 expert prediction market, of more than 10 hurricanes has decreased in the last week from 44% to 37% while the chances of more than 12 hurricanes remains unchanged at 18%. The chances that the record of 15 hurricanes set in 2005 will be equaled or exceeded has increased to 7%.

Summary of the forecast implied by recent prices in the CAHM24 prediction market for the number of hurricanes during the 2024 Atlantic hurricane season compared with climatological values for different look-back periods.

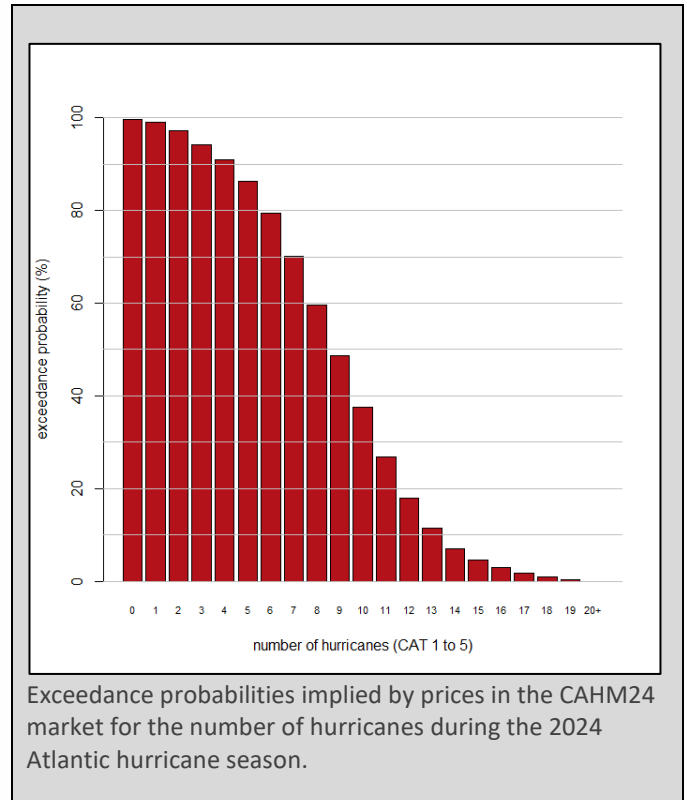
DATE: 2024-05-19					
STATISTIC	CAHM 24	CLIMATE			
		10yrs	20yrs	50yrs	100yrs
MEAN	9.3*	7.7	7.7	6.6	6.1
10 th PERCENTILE	5	5.8	3.9	3.0	3.0
MEDIAN	9	7.0	7.0	6.5	6.0
90 th PERCENTILE	14	10.4	12.2	10.0	9.1
PROB(> 10)	37%	10%	15%	8%	7%
PROB(> 12)	18%	10%	10%	4%	2%

*The CAHM24 mean places all probability weight in the ≥ 20 'tail' on 20. Hence the mean should be interpreted as " ≥ 9.3 ".

Weatherbug on June's hurricane history

Weatherbug points out that historically June is not an active month for hurricanes and, "Since modern weather records began, nearly half of all the Junes do not see any named storms."

<https://www.weatherbug.com/news/June-Hurricane-History>



Exceedance probabilities implied by prices in the CAHM24 market for the number of hurricanes during the 2024 Atlantic hurricane season.

What is CAHM24?

CAHM24 is a prediction market in which participants (individuals and teams) from academia and the private sector, with expertise relevant to seasonal hurricane forecasting, can buy and sell contracts whose pay outs depend on the number of hurricanes that occur during the 2024 Atlantic hurricane season (Jun. 1st to Nov. 30th 2024). Participants do not pay to take part, instead they are given credits with which to trade but, after the market has been settled, they will receive cash rewards based on the credits they accumulate. CRUCIAL is an initiative to demonstrate how prediction markets, with expert participants, can be used to forecast climate-related risks.

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