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The Editors
Ecological Economics

Dear Professor James Kahn:

I am writing in reference to manuscript ECOLEC_2018_447 titled “*The Impact of El Nino-Southern Oscillation on Agricultural Stock Returns*” that was submitted to Ecological Economics in 2018. First off, let me express my sincere gratitude to you for sending the paper out for review, and for the comments from the reviewers. While the paper was rejected, you gave me the opportunity to revise and resubmit the paper as a new submission. We have revised the paper, and addressed all the concerns raised by both reviewers, and are resubmitting the paper as a new submission for consideration for publication in Ecological Economics.

The revised paper is titled “Exploring Asymmetries in the Effects of El Niño-Southern Oscillation on U.S. Food and Agricultural Stock Returns”. State-dependent local projection (Jorda, 2005) methods have become the state-of-the-art technique for investigating asymmetric or nonlinear responses to economic (and other) shocks. We apply this methodology to examine whether El Niño-Southern Oscillation (ENSO) has asymmetric impacts on U.S. food and agricultural stock returns. Using weekly data from 1990:01 to 2019:04, we find support for the hypothesis that food and agricultural stock returns respond asymmetrically to ENSO shocks. In particular, we provide evidence that El Niño shocks typically decrease or have no effects on U.S. food and agricultural stock returns, whereas La Niña shocks generally increase returns. The analysis, thus, emphasizes the need to consider asymmetries in the impacts of ENSO, as failure to do so might result in misleading conclusions about the effect of ENSO on U.S. food and agricultural stock returns.

Sincerely,

Bebonchu Atems