

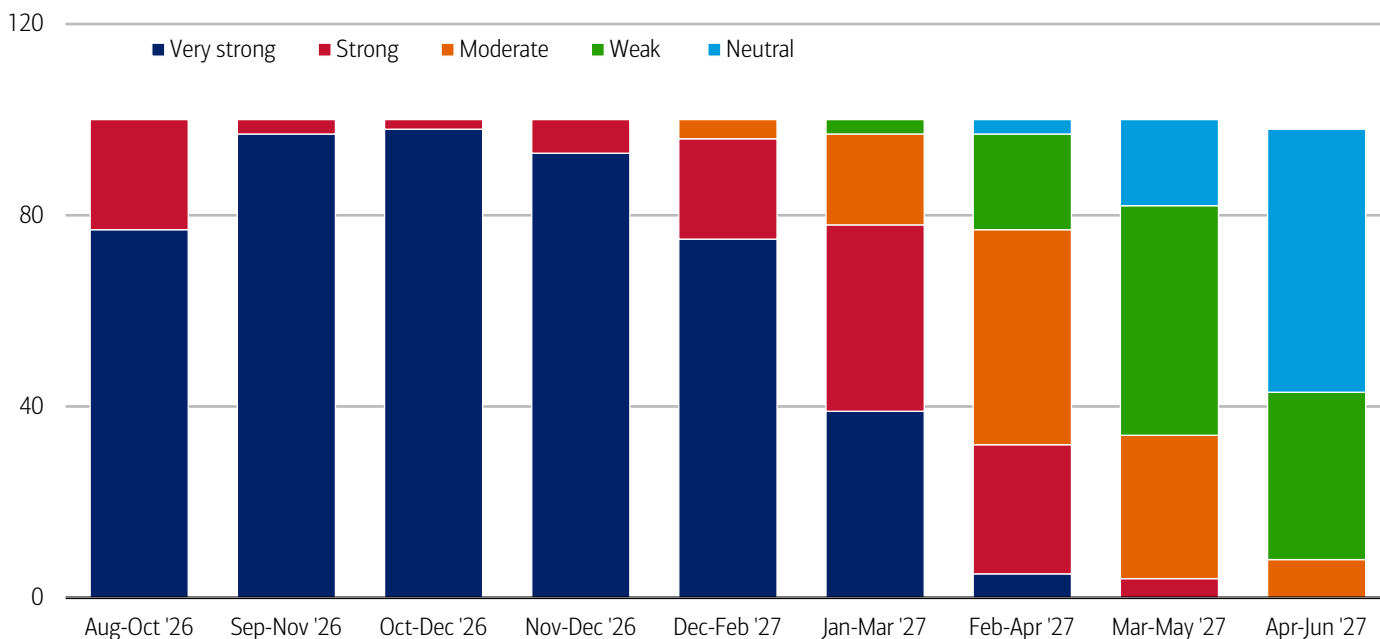
Daily Insights

El Niño: A consumer tailwind, but a weather risk

18 September 2026

The NOAA attaches a very high probability to a severe El Niño event over coming months

Likelihood of an El Niño event estimated by severity (%)



Source: NOAA

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The National Oceanic and Atmospheric Administration (NOAA) predicts a high probability of a very strong El Niño persisting through the rest of 2026. Its Relative Oceanic Niño Index points to unusually warm conditions in the central and eastern tropical Pacific, although the precise weather effects remain uncertain because no two El Niño events are the same.

For US consumers, the most likely effect is a warmer fall and winter, reducing heating demand and offering some relief on utility bills, with potential support for discretionary spending. However, heavier rainfall and storms – particularly in the South – could leave some households facing repair costs, while longer-term pressures from climate change and rising electricity demand may continue to push utility bills higher.

For the full outlook, read our publication: [Energy bills: Short-term relief, longer-term challenges](#).

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Disclosures

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