
Guest editorial: Global energy and agricultural markets in times of uncertainty

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The volatility in agricultural and energy commodity markets over the past five years reflects the complex interplay between various global factors: the COVID-19 pandemic, the Russo–Ukrainian conflict, geopolitical crises in other regions of the world, hotter-than-usual summers and colder-than-usual winters. What is more, geopolitical crises and extreme and unpredictable weather are far from anomalies; they are becoming the norm. Their attendant uncertainties have profound implications for agricultural and energy markets, which may become progressively volatile.

The interconnectedness between energy and agricultural commodities has become increasingly evident as global markets grapple with the cascading effects of the pandemic and geopolitical tensions (Wu *et al.*, 2023). For example, the escalation of the conflict between Russia and Ukraine in February 2022 led to a sharp increase in natural gas prices, which, in turn, contributed to rising fertilizer prices (Vatsa *et al.*, 2023). Food prices soared in response, putting hundreds of millions at risk of food and nutrition insecurity (Arndt *et al.*, 2023). Policymakers, businesses and investors must understand the interconnections between agricultural and energy commodity markets and engage in an informed discourse about the risks and opportunities they present. This special issue of the *Journal of Financial Economic Policy* is a compilation of seven papers devoted to stimulating this discourse.

Collectively, these papers explore how shocks in one market can have ripple effects in others, examine the benefits of alternative commodity classes as safe havens for investors, and present the relationship between uncertainty and volatility in commodity markets. The response of energy and agricultural markets to climate disclosure risk mandates is also analyzed. The questions these papers pose and the answers they provide can help navigate the challenges ahead. Readers are encouraged to engage with this special issue with an eye to the future of agricultural and energy commodity markets. These are critical markets with existential implications – food and energy systems are vital to society. Readers are also encouraged to keep the broader implications for these markets in perspective. We may have already stepped into an era of heightened uncertainty – understanding how this uncertainty manifests itself is important for managing it moving forward.

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