

FUTURE FORECAST: ROUNDUP OF SCATTERED PROBABILITIES



[The Crystal Ball by John William Waterhouse, c. 1902]

While thinking about forecasting the future, I collected a few short-term predictions for the year ahead worth kicking around a bit. After gazing deeply into my crystal ball, I added a few predictions of my own.

The National Weather Service's Climate Prediction Center at NOAA forecasts below-average precipitation in the Pacific Northwest along with higher than average temperatures in the Southwest through Summer 2013. Looks like rainfall across areas stricken by drought in 2012 might be normal, but this will not overcome the soil moisture deficit.

My prediction: Beef, pork, and milk prices will remain high or increase – and that's before any weirdness in pricing due to changes in federal

regulations after the so-called "fiscal cliff." And the U.S. government, both White House and Congress, will continue to do even less than the public expects when it comes to climate change.

The European Commission predicted the UK will lead economic recovery in the EU with a meager 0.9% growth rate anticipated in 2013. The southern portion of the EU is expected to continue to struggle while the rest of the EU stagnates.

My prediction: *More mumbling about breaking up the EU, with just enough growth to keep at bay any action to that effect. Silvio Berlusconi will continue to provide both embarrassment and comedic relief to Italy and the EU. (What are they putting in that old freak's pasta? Or are they doping his hair color?)*

In September, the Federal Reserve Bank forecast slowish growth in the U.S. through 2013. Did they take into account the lame duck status of an already lethargic and incompetent Congress in this prediction? Did the Fed Reserve base this forecast on a Romney or an Obama win? This forecast seems oddly optimistic before November's election.

My prediction: *All bets are off now, since the over-long backbiting and quibbling over the so-called fiscal cliff has eroded public sentiment. Given the likelihood of increased food prices due to the 2012 global drought, the public will feel more pain in their wallet no matter the outcome of fiscal cliff negotiations, negatively affecting consumer sentiment. The only saving grace has been stable to lower gasoline prices due to lower heating oil demand—the only positive outcome of a rather warm winter to date.*

An analyst forecast Apple sales of iPads will equate nearly 60 percent of the total tablet market in 2013. As an owner of AAPL stock, I rather liked this. Unfortunately, that prediction was made in October, before the release of the iPad Mini. The stock market had

something entirely different to say about the forecast—more like a bitchslap to the tune of nearly \$200 decline per share between October and year-end. *Ouch!* Not all of that was based on the market's rejection of the forecast on iPad Mini sales, though; much of that fall was related to the gross failure of Apple's map application launched alongside the iPhone 5.

My prediction: I will continue to bemoan the failure to sell some AAPL stock in September 2012, while many of you will continue to buy Apple products. I thank you buyers in advance for trying so hard to boost my spirits and bolster my kids' college fund in the coming year. Oh, and Google Maps will continue to eat at market share; it's going to be a while before Apple recovers from its epic map failures. Conveniently, there's GOOG stock in the kids' college fund, too.

What about you? Are any of these predictions worth the pixels with which they're presented?

What do you predict for the year ahead? Do tell.