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Any surprise at the proposed US budget figure of \$6 trillion?

It's no surprise that it has been blown up by both the stimulus program and the start of the longer-term investment program. One surprise though has been growth forecasts. After all these giant expenditures, we have decent growth for 2021 and 2022 but then it slows down and is no different from the trajectory we had before the pandemic.

Is that a disincentive for further capacity investment by corporates?

It could actually be that because of the underlying forces slowing down growth, inflation turns into a flash in the pan, and we get back to low growth rates and a high debt burden and secular stagnation, not only in the US, but in many of the advanced economies.

Can strong US travel numbers trump weakness we're seeing elsewhere?

We will continue to see a diverging but overall path of global recovery. US travel rates are now about 20% below 2019 levels. The EU is also trying to form a comprehensive travel regulation policy. But we still have outliers like Brazil where Covid has been totally mismanaged and India which has healthcare capacity restraints in handling the pandemic.

Expectations for the return of US shale?

We already see the US private shale sector responding. In March, production was up 14% and with prices since then hovering up at around \$65, we should see that growth sustain when April and May numbers are released.

Will US payrolls data this week give further direction to the recovery?

It's a matter of nuances and we do need to treat job creation records with caution because the statistics don't always reflect the reality on the ground but I would expect stronger numbers this time. What is also relevant is that many of the big economies in the EU also publish unemployment statistics this week. Everything seems to be in short supply and subject to bottlenecks there so the data should give us some clarity on where one of the biggest economies of the world is heading in terms of future growth, employment and travel. ■

**Paraphrased comments*

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