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This market's going to go substantially higher

We've had sideways consolidation for a while and the longer the market consolidates, the stronger the breakout will be. There's no price discovery in the market so it's not about supply and demand - it's about basically managing the market. So, we could theoretically have a US recession and oil \$200 simultaneously. Inflation is the big game in town. We have problems with delivery dates, the euro is diving, gasoline retail prices are at never before new all-time highs. and because of where government debt is, there's no way out of it except with taxes. It's all a little bit unsustainable.

The USD is looking stronger by the day?

The perceived stronger dollar actually shows massive weakness in the Euro, GBP and Yen. Europe no longer has markets to sell its Euros to, such as Russia. There's no more bid for the Euro - it's going to dive against the dollar to sub \$1 and probably towards \$0.80. GBP will go the same way as it's connected with an umbilical cord to Europe in terms of energy and electricity. Meanwhile, the Ruble is strengthening against the dollar because commodities are being sold in that currency. We're going to see a dislocation between commodity prices and currencies - the traditional stuff that we've seen for a very long time, that's all finished.

Where is the EU at in terms of sanctioning Russian oil?

We can forget about Europe finding a replacement for Russian oil or gas. There will be absolute decimation if it stops taking those supplies. The market in general knows that they can't sanction or replace it. The risk is what Russia will do. If the EU says it's at war with the Russian economy, Russia will do something - the market will focus on that and that will be the fire that lifts us considerably higher. ■

**Paraphrased Comments*

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