

# DAILY ENERGY MARKETS FORUM

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# VIEWS YOU CAN USE

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**It costs \$11 in the US today to charge a Tesla, \$55 to fill a car with gasoline.** But the release from the US SPR of 50 million barrels is not going to make any difference to that and will be very shortlived. Moreover, OPEC will brush it off as it's an only an equivalent of 130,000 barrels a day.

### What's the outlook for the US economy and consumption?

We just had a very busy Thanksgiving travel weekend and retailers are enjoying record sales. But the Fed is still going to zero in on leading indicators such as unemployment claims. If those begin to trend down, then tapering will continue. And it will monitor whether inflation can get back to the two percent average. A lot of the inflation today has to do with constrained supply chains and with liquidity in the system. The Fed can control the liquidity by open market operations, and I don't think interest rates will be hiked till 2023. The new Covid variant does introduce a whole new level of risk for the Fed and OPEC will also need to monitor any indicators. I like what President Biden has said - that there's room for concern, but let's not panic. ■

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