

Current Intelligence Report Circular

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CMC Director: McKenzie Tsiantoulas
Report Author(s): Kevin Joyce and McKenzie Tsiantoulas

Global oil and gas export shipping times could triple in 2023

ON 28 SEP, United States (U.S.) Vice President Kamala Harris spoke at the U.S. Naval Base located in Yokosuka Japan. Before the speech, Vice President Harris was located below deck on the warship vessel. The conversation between an unnamed commander and Vice President Harris demonstrated the vessel's missile and anti-submarine capabilities. The commander proceeded to point out the hypothetical enemy, defining it as a "hostile country" without specific identification. During her speech, Vice President Harris condemned "disturbing" actions by China in the Pacific, pledging to strengthen "unofficial ties" with Taiwan. The relationship between Taiwan and the U.S. was reiterated by Vice President Harris regarding deterrence by U.S. defense military personnel. This was especially true concerning an unprovoked attack by China. U.S. military forces are ordered to operate based on actions of aggressiveness presented by China, in accordance with U.S. long-standing policy. Response by the spokesman at the Chinese Foreign Ministry, Wang Wenbin, demanded the U.S. to derive their focus based on the "One China" policy to clarify opposition of Taiwan separatist activities. U.S. President Joe Biden is scheduled to hold his first meeting with Chinese leader Xi JINPING in NOV during the Group of 20 (G20) meeting in Indonesia. END

CMCD Note

Given that the EU plans to cut off all Russian oil and gas by the end of 2022, we can report with high confidence that Germany will be susceptible to an economic recession in the early months 2023. Germany currently runs the route of the Nord Stream I and II pipeline to Russia. If a complete shut off is put in place, Germany will lose out on import and export expenses in 2023. This will lead to a minimum of a year-long economic recession. A Russian recession is inevitable, but it is difficult to estimate how long the recession will last. However, it is unlikely that the recession will recover soon. The EU is turning to the Middle East for its energy supplies. This could lead to the highly likely chance of Russia will become more aggressive in securing Middle Eastern customers such as Iran and Syria. Asian oil being shipped around Russia to the EU will have an immediate impact on the increasing oil prices which will also affect United States oil purchasing from the EU.

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