

## Big Oil's Short-Lived Victory

August 7, 2022 • Vol. 8



Oil prices fall as easing demand and recession fears take a toll

**+0.36%**

### Index Recap

The index rose this week on strong earnings reports from vaccine makers, and declining oil prices.

## Our top 3 scoops this week

### 1. Crude oil tumbles to below pre-Ukraine crisis levels

Consumers strapped for cash can breathe a sigh of relief - crude oil lost all its gains brought on by the Russia-Ukraine war, dipping to less than \$90/barrel. Good thing big oil already cashed in on higher prices earlier this week, hitting a record \$50 billion in quarterly profits. Oil prices recently exceeded \$120 per barrel, but due to rising oil supply, waning demand, and broader recession fears, prices have been progressively declining. OPEC's decision to raise outputs by 100,000 barrels a day in September only fuelled the price decline. But all is not lost. The S&P500 recouped half of its losses for this year thanks to lower oil prices and some positive earnings announcements, while the Nasdaq is up 20% from its June lows.

[Will oil prices continue to fall into the winter?](#)

### 2. Pelosi talks CHIPS Act with TSMC

US House speaker Nancy Pelosi's visit to Taiwan has brought attention to the disputed island's crucial position in the global supply of semiconductor chips. TSMC, the world's largest chip provider, manufactures chips for some of the world's biggest tech companies including Apple and AMD. During her visit, Pelosi dined with two of TSMC's top executives to discuss the company's \$12 billion manufacturing plant in Arizona and the CHIPS Act, which provides \$52 billion to support the expansion of chip manufacturing in the US. The discussions highlight the importance of computer chips for the US's national security. China retaliated by conducting military drills and missile testing close to the island. Markets initially reacted to the visit with a sharp fall in prices, only to brush this off and close the week near highs.

[Did Pelosi ignite a new China-Taiwan tension escalation?](#)

### 3. Blackrock is tying up with Coinbase to facilitate institutional investors

Government investigations and sharp price declines are crushing the cryptocurrency market, but Blackrock is not worried. The world's biggest asset manager is partnering with cryptocurrency exchange Coinbase to make Bitcoin trading easier for its top clients. Aladdin, Blackrock's investment management system, will connect to Coinbase to provide institutional clients access to crypto trading, custody, prime brokerage, and reporting capabilities. The deal reveals investors are considering allocations in digital assets despite their turbulent performance this year.

[Is the crypto winter slowly coming to an end?](#)

[Pasiv can help you invest.](#)

## How this can impact your portfolio

**If you want to access the energy market**

Here are three top oil and gas ETFs to get you started

**If you want to invest in Taiwan**

These ETFs maintain significant exposure to Taiwan's stocks

**If you're looking to get in on the DeFi action**

Here are five crypto assets to watch out for

[Build a long-term portfolio in Pasiv.](#)

## This week's poll

**Why did Pelosi land in Taiwan despite being advised it would cause tensions?**

To strengthen US-Taiwan relations

To assert US dominance over China

To ensure mutual security

To show support for Taiwan

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