

How The Russian Conflict Affects Commodities Worldwide - Global Energy Overview

As the world's third largest exporter of oil and third largest wheat producer, Russia is a global provider of key commodities. The imposed sanctions on Russia affects these markets since essential payment methods have been restricted, thus not allowing Russia to fulfill ongoing transactions.

Ukraine is also a significant source of valuable commodities used for electronics, automobiles, and food products worldwide. In addition to wheat and corn exports, Ukraine also supplies the global markets with rare gasses such as neon, which is used in the production of semiconductors. It also supplies two essential metals for automobile catalytic converters, aluminum and palladium.

According to Eurostat, European countries import about 30% of their petroleum products and about 40% of its natural gas from Russia. Major gas lines make their way across Ukraine from Russia to European countries in the western part of Europe.

The International Energy Agency noted that global oil markets were already tight before the Russian invasion and commercial inventories have been at their lowest levels since 2014, thus compounding global supply constraints.

Sources: Eurostat, IEA

PlanRock offers investment due diligence services for Investment professionals. PlanRock offers Exchange Traded Funds on the New York Stock Exchange. See prospectus for more details. Please contact 800-677-6025 or go to www.PlanRock.com for more information about how we can help you reach your goals.

© PlanRock Investments, LLC. The content above is available for use only by authorized subscribers, clients and where permissible as such. This content is not authorized for resale. Past performance does not guarantee future results. The sources we use are believed to be reliable, but their accuracy is not guaranteed.