



**NO EUROPEAN ENERGY CRISIS, NO  
PROBLEM? NOT SO FAST, SAYS THE  
ECONOMY**



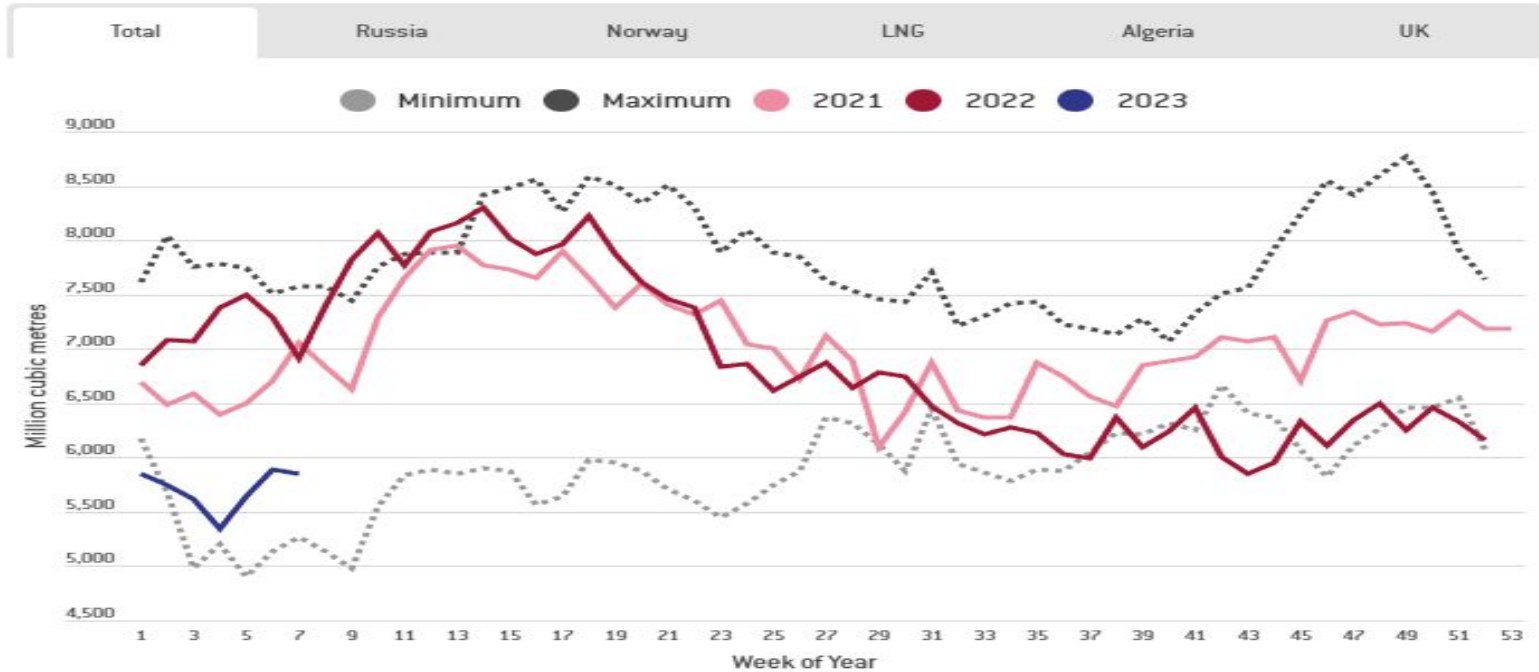
# Agenda

---

- Background
- Energy
- Euro
- Fundamentals
- Valuation
- Investment implications

# Energy

Last updated: 21/02/2023 (updated every Tuesday/Wednesday)



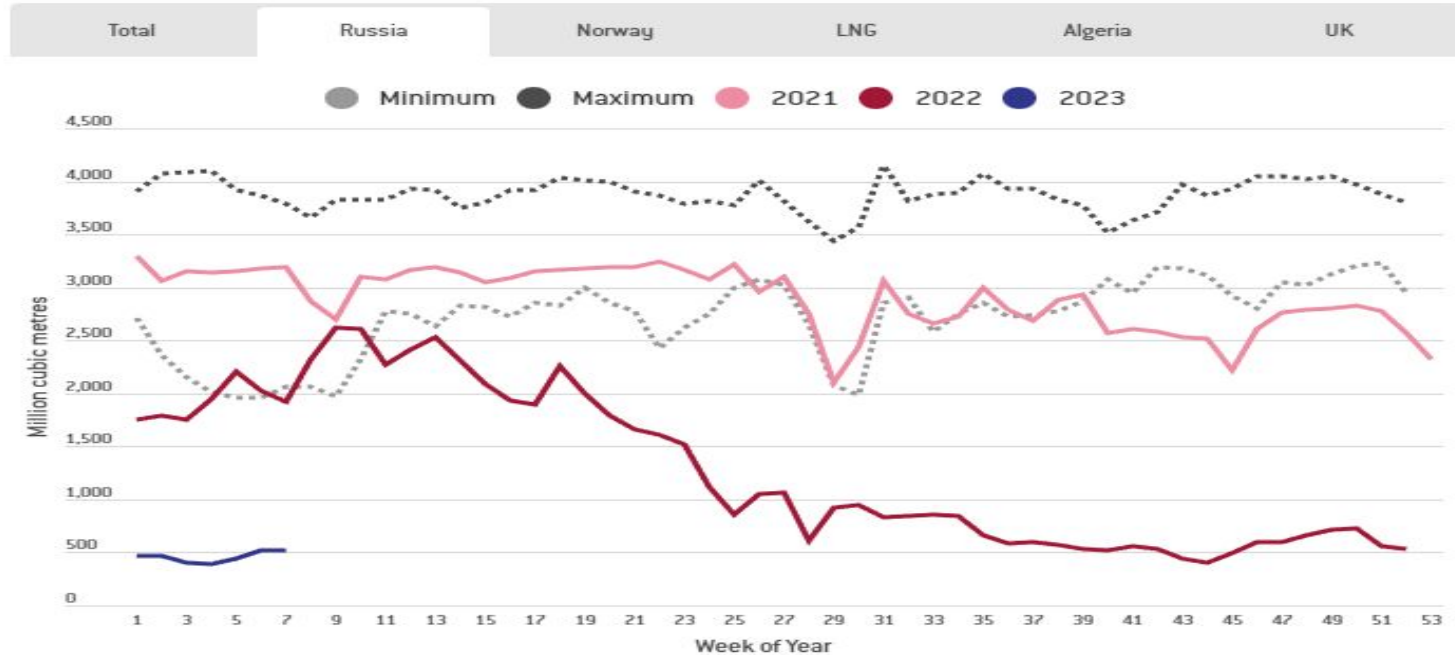
Source: ENTSO-G, <https://transparency.entsog.eu/#/map>

Note: Minimum and Maximum values are calculated from the period 2015-2020.

Data for the last week may be changed following updates to ENTSO-G points. UK data show the net imports from the UK into the EU27, in the csv file you can also find gross imports.

# Energy

Last updated: 21/02/2023 (updated every Tuesday/Wednesday)



Source: ENTSO-G, <https://transparency.entsog.eu/#/map>

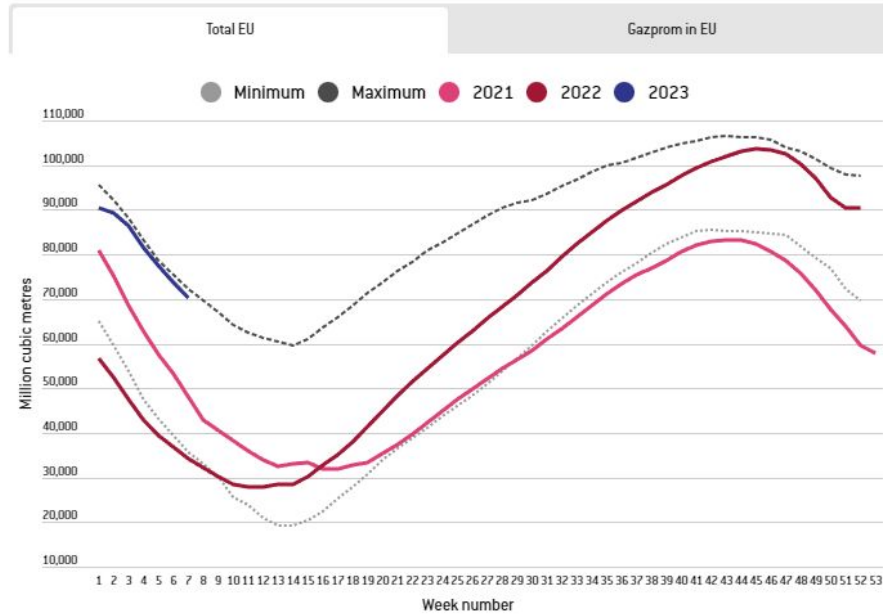
Note: Minimum and Maximum values are calculated from the period 2015-2020.

Data for the last week may be changed following updates to ENTSO-G points. UK data show the net imports from the UK into the EU27, in the csv file you can also find gross imports.

# Energy

Figure 7: EU27 Gas Storage

Last updated: 21/02/2023 (updated every Tuesday/Wednesday)



Source: AGSI: <https://agsi.gje.eu/#/>

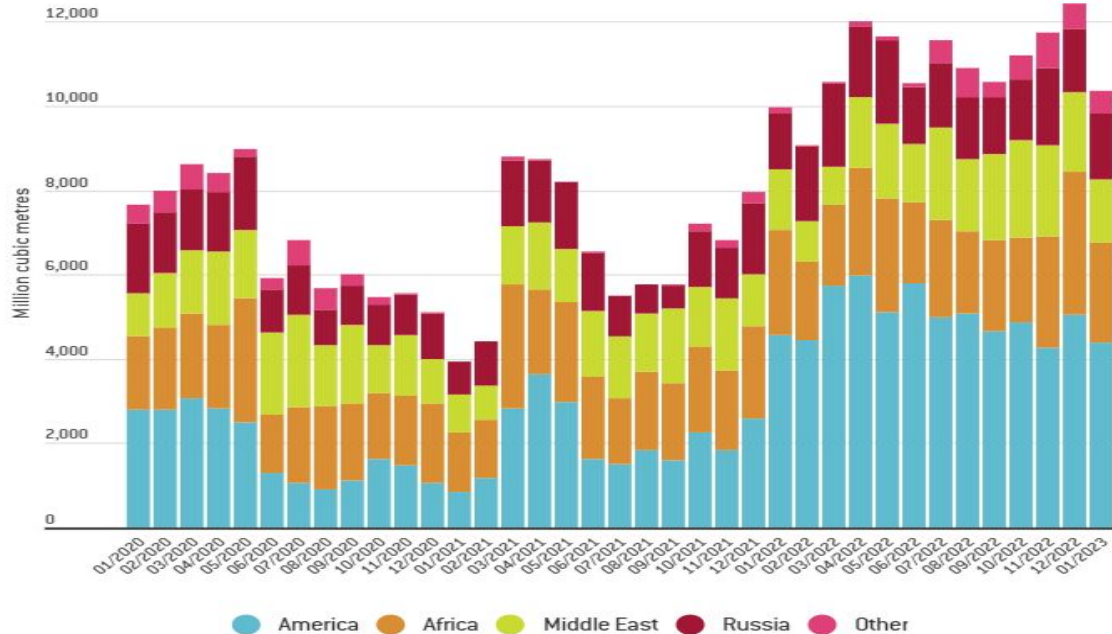
Note: Minimum and Maximum values are calculated from the period 2015-2020.

Note: On 15 December 2021 we improved the methodology for the aggregation of Gazprom storage and revised the data accordingly. On 6 July 2022 we added previously missing data for Jemgum (EWE) SSO to the Gazprom aggregate.

# Energy

**Figure 4: EU27 LNG monthly imports by region of origin**

Last updated: 14/02/2023 (updated every month)

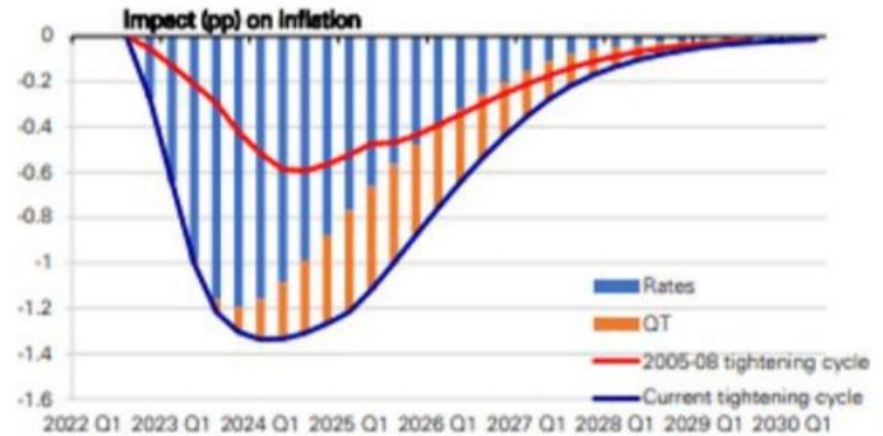
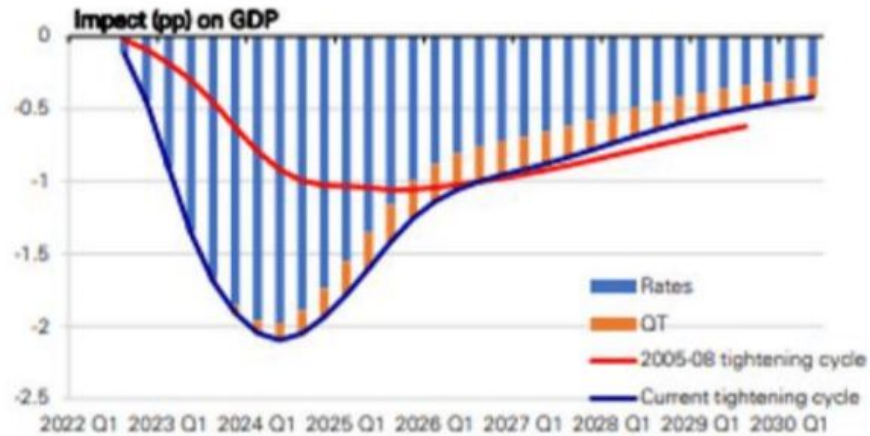


Source: Bruegel based on Bloomberg

Note: America represents the sum of the United States of America and Trinidad & Tobago. Africa is the aggregate of Algeria, Angola, Nigeria, Egypt, Cameroon and Equatorial Guinea. The Middle East displays the sum of Qatar, Oman and United Arab Emirates. The Other category is the sum of LNG from Argentina, Australia, Brazil, China, Indonesia, Jamaica, Malaysia, Norway, Peru, Singapore, South Korea and the United Kingdom.

# Credit

Simulation on the EA GDP impact from the current tightening cycle...



# Credit

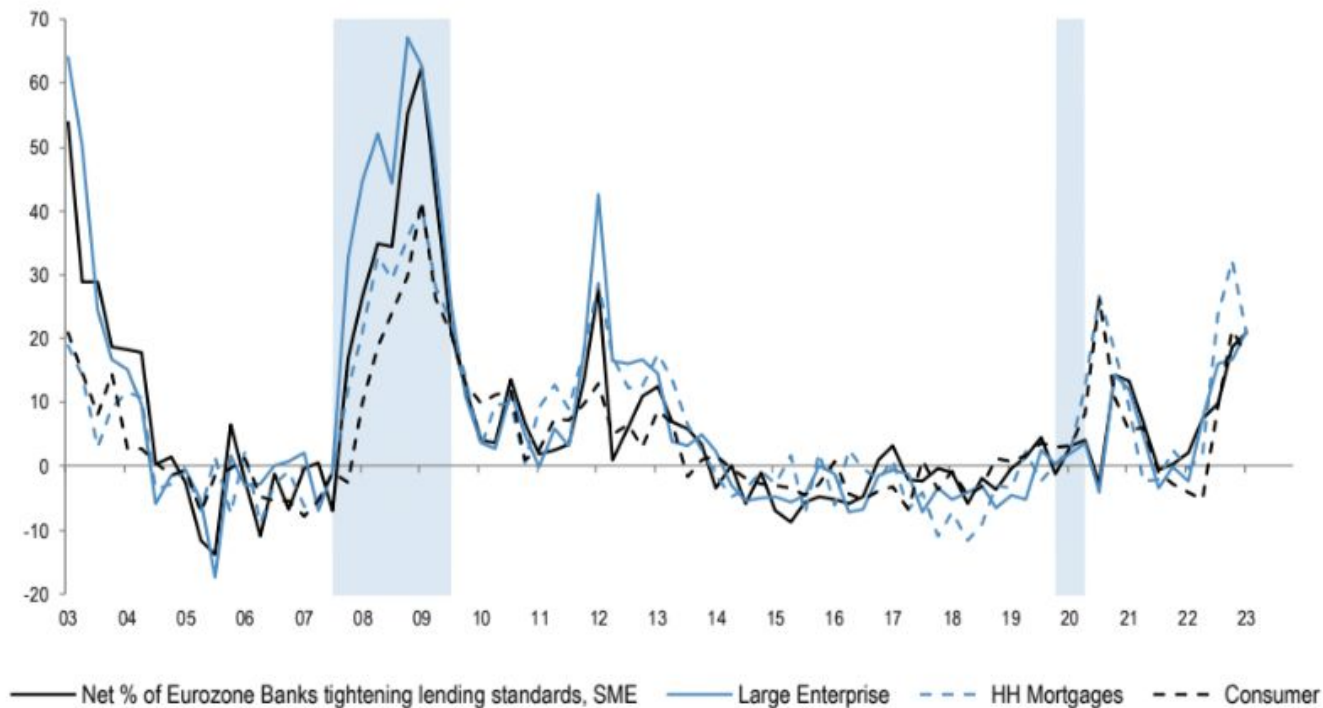
## Euro area: Credit impulse vs. BLS Credit conditions





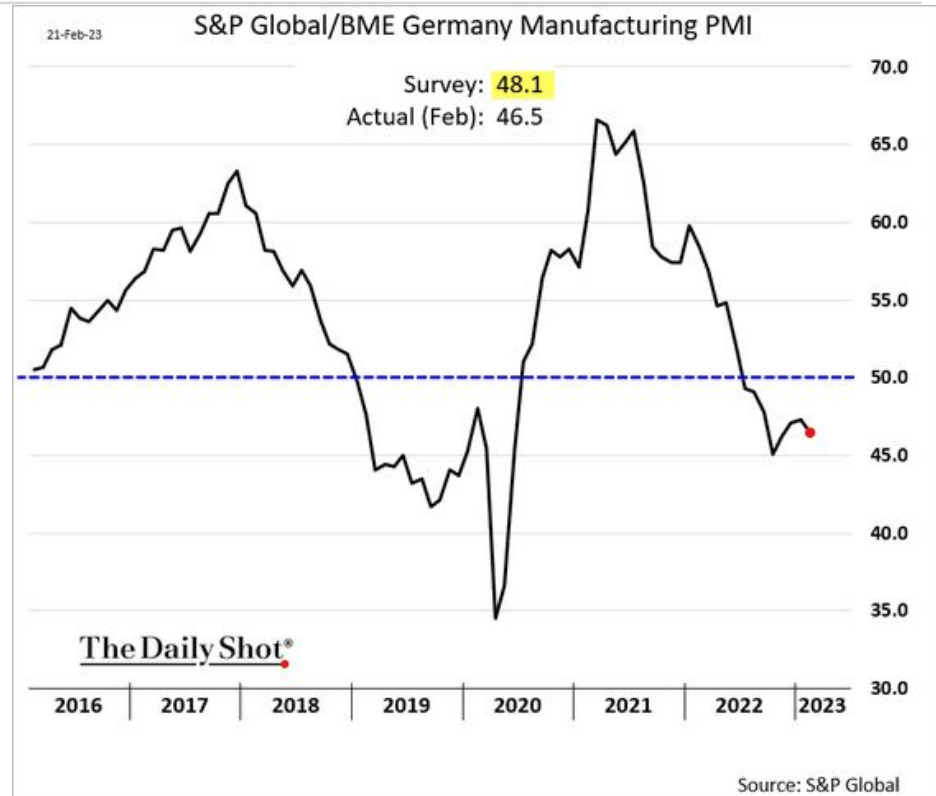
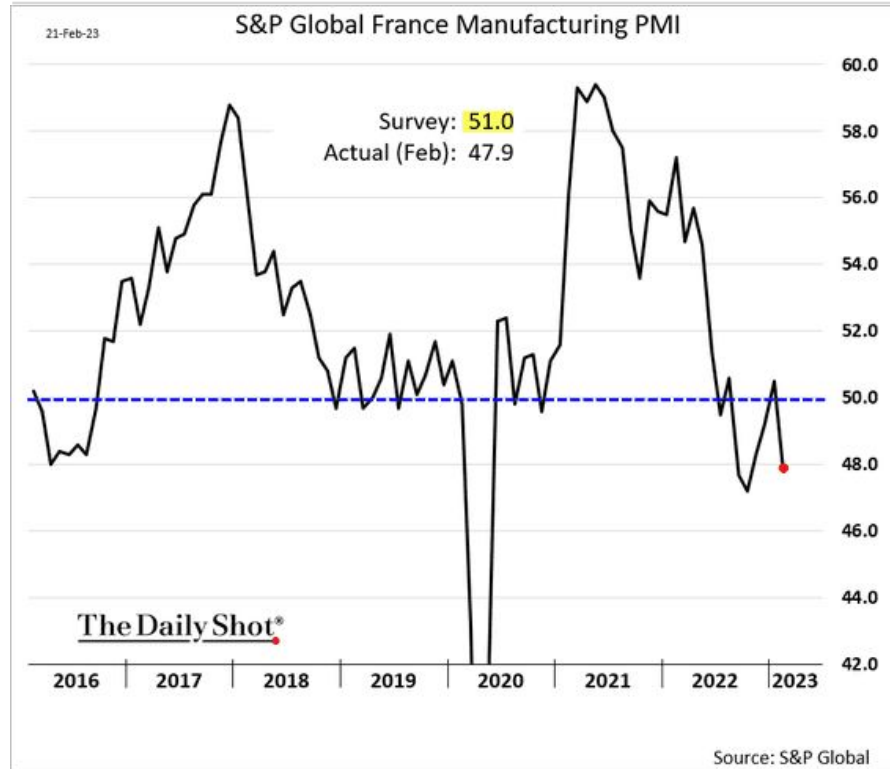
# Credit

Figure 16: Net % of Eurozone banks tightening lending standards

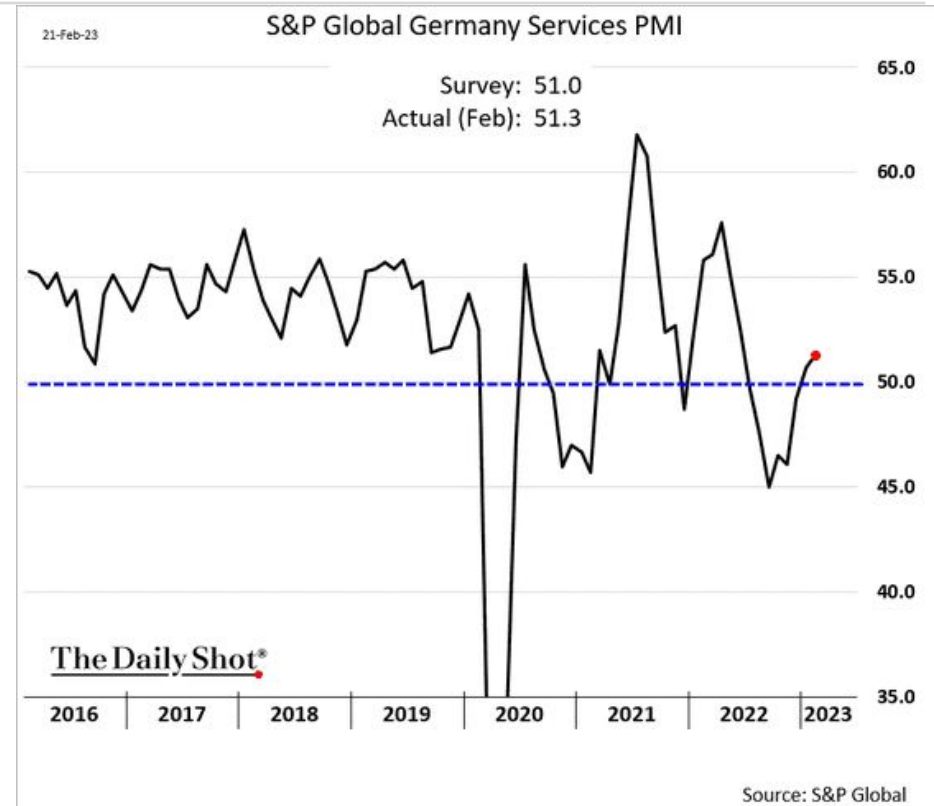
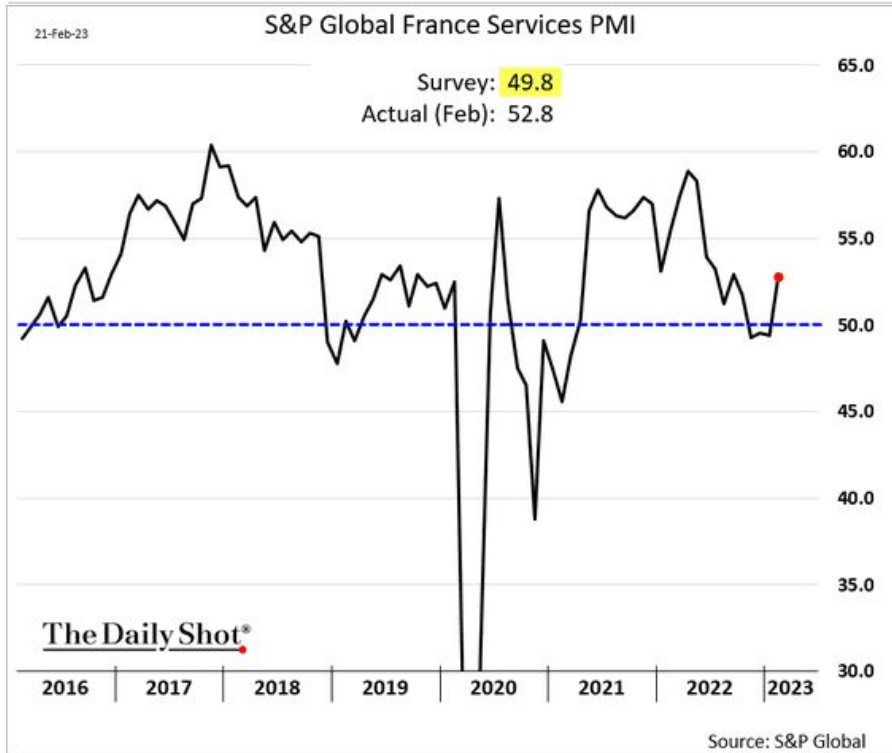


Source: J.P. Morgan

# Manufacturing PMIs



# Service PMIs



# Bankruptcies

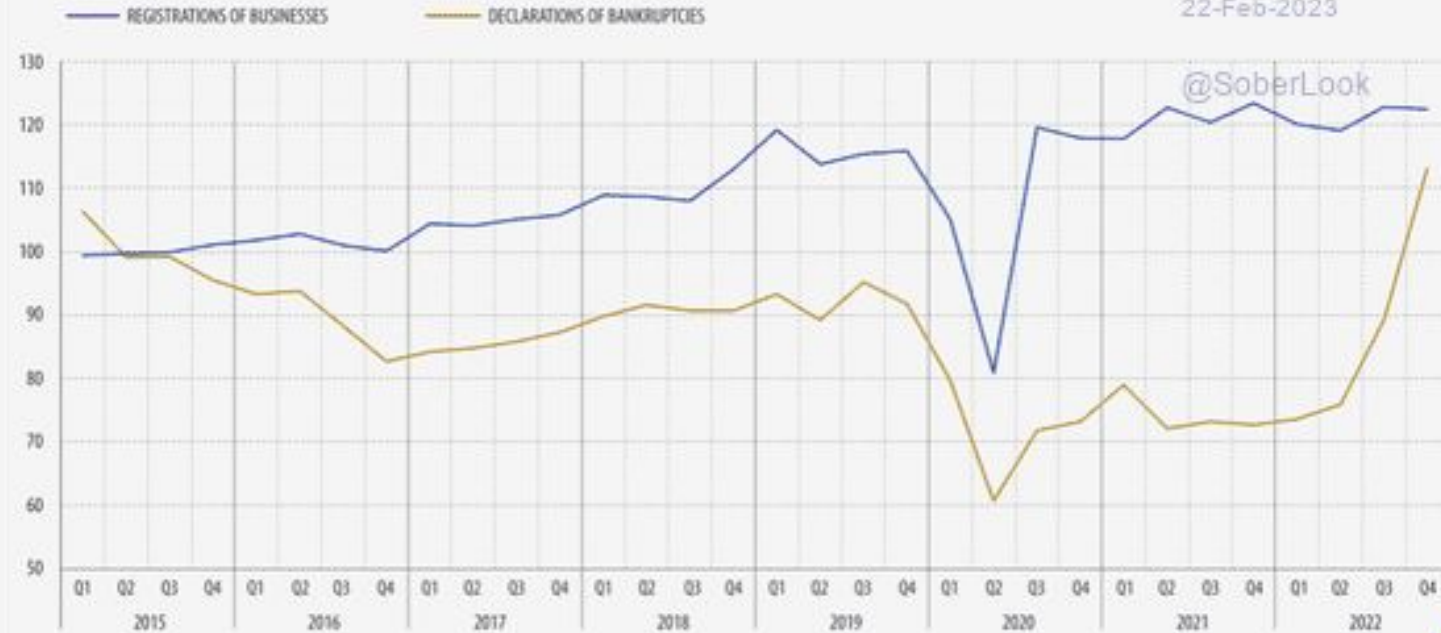
## Registrations of businesses and declarations of bankruptcies in the EU

Q1 2015 - Q4 2022, seasonally adjusted (2015=100)

Posted on

The Daily Shot

22-Feb-2023



@SoberLook

# Euro

## EUR/USD Overview



1

5

15

30

1H

5H

1D

1W

1M



Technical Chart »

EUR/USD - Euro US Dollar ▲ 1.0609 +0.0008 (+0.08%)



Investing.com

# Fundamentals

---

- Exposure to China
- Weak domestic demand
- High unemployment still in south
- Central bank playing catchup, split between north and south
- Companies suffering from energy
- Current fillup on lower energy prices

# Valuation

## Europe ex Banks, Mining, Energy, Insurance



# Valuation



Source: Nucleus Wealth, S&P Capital IQ



## Viewer question of the week:

---

**Does the pricing match the outlook in Europe?**

**Drop your answers in the comments**

# Agenda: Implications for markets

---

- Inverted yield curve signalling recession
- Stocks expensive given declining earnings prospects
- Inflation has lowered level of Fed “put” and needs a commodities bust
- DXY bull market to make it worse. AUD to continue falling
- Eventual capitulation of stocks

# More from Nucleus Wealth:

---

Content: [Nucleuswealth.com/content](https://nucleuswealth.com/content)

**Have a guest or topic suggestion for the show?  
Leave a comment on YouTube**

**Find us on all major (and minor) podcast platforms:**



## Social media:



[Facebook.com/nucleuswealth](https://Facebook.com/nucleuswealth)



[Linkedin.com/company/nucleuswealth](https://Linkedin.com/company/nucleuswealth)



[Instagram.com/nucleus\\_wealth](https://Instagram.com/nucleus_wealth)



[Twitter.com/nucleuswealth](https://Twitter.com/nucleuswealth)