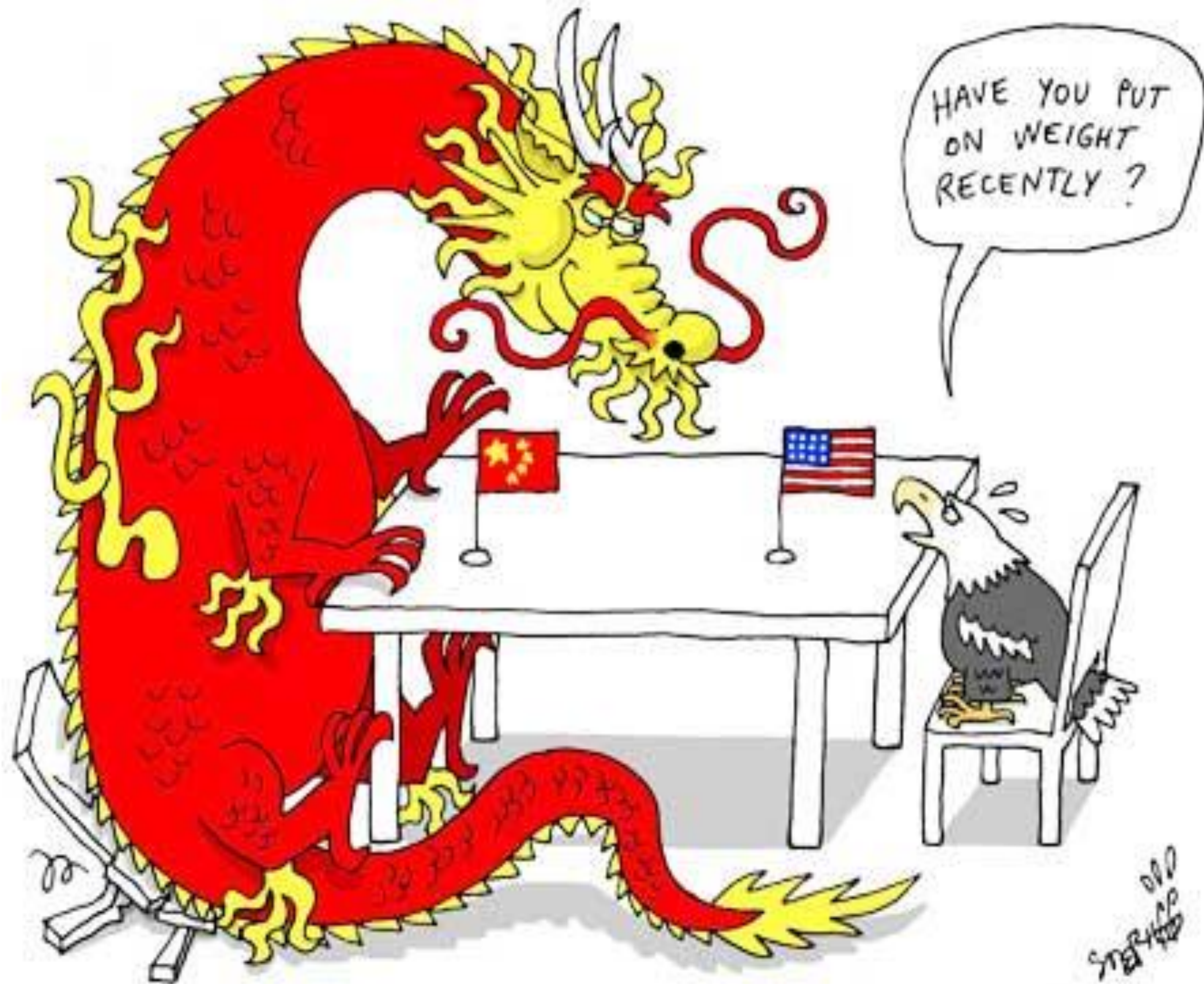




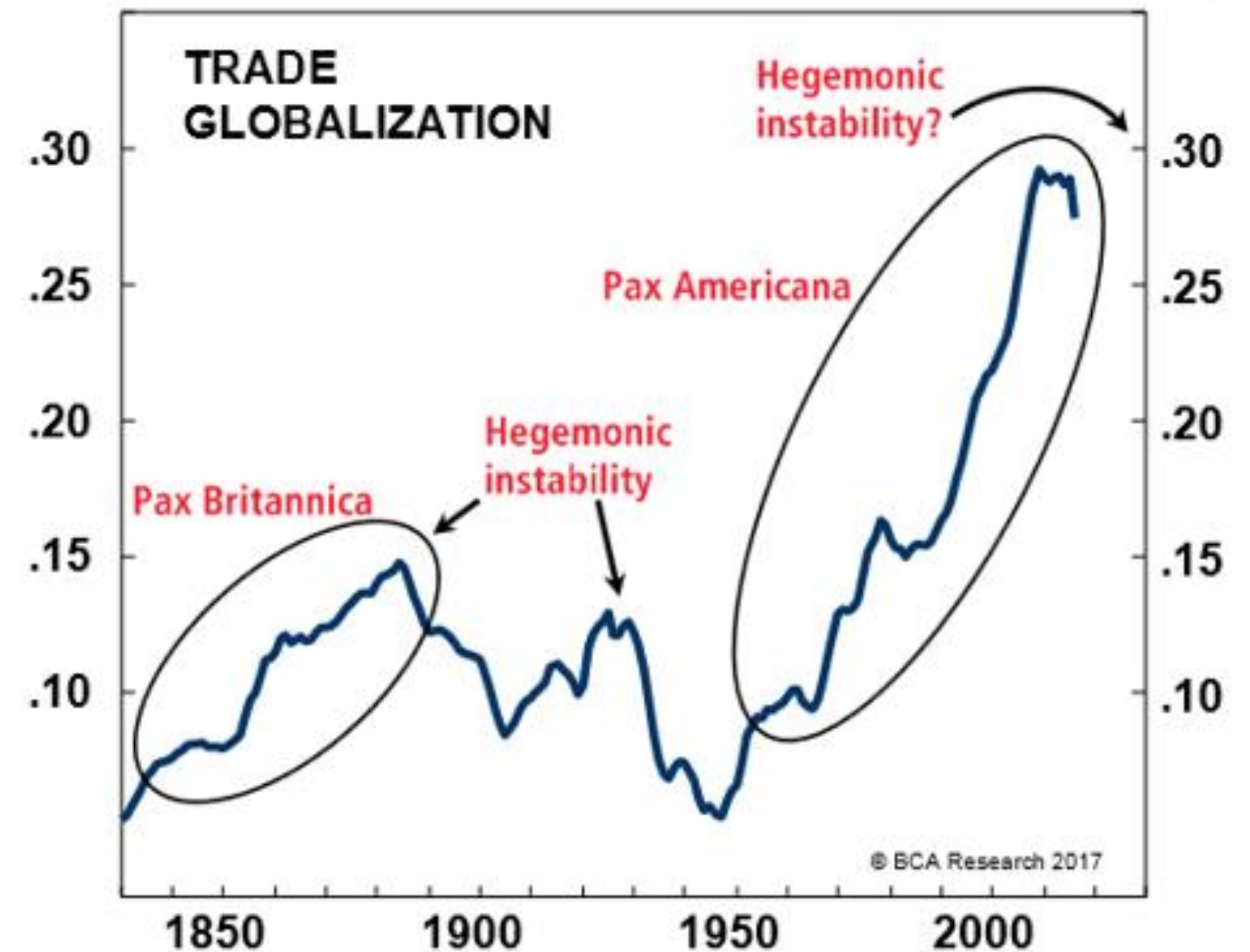
Elisabeth Holvik, Sjeføkonom

SpareBank **1**

Trade War and multipolarity



Multipolarity And De-Globalization Go Hand-In-Hand



TRADE GLOBALIZATION IS MEASURED BY IMPORTS AS PERCENTAGE OF GDP FOR 148 COUNTRIES WEIGHTED BY POPULATION. SOURCE: BCA CALCULATIONS AND CHASE-DUNN C., KAWANO Y., AND BREWER B., "TRADE GLOBALIZATION SINCE 1795: WAVES OF INTEGRATION IN THE WORLD SYSTEM," AMERICAN SOCIOLOGICAL REVIEW 65 1 (2000).

Kilde: BCA Research

Kina frykter Indo-Pacific NATO

New Delhi | The US military's regional commander believes the strength NATO has demonstrated in the face of Russia's invasion of Ukraine is "a good model" for the [Indo-Pacific](#).

China claims the "real goal" of America's Indo-Pacific strategy is to develop an Asian equivalent of the Northern military alliance. At the Raisina Dialogue in New Delhi on Wednesday, military and defence leaders from Japan, India, Australia, the United States and France emphasised the importance of increased co-operation in dangerous times.

Admiral John Aquilino, Commander of the US Indo-Pacific Command, said China's accusation was not valid but that there would "absolutely be increased multilateral events between partner nations".

"If nations want to come together to provide security and prosperity, then I don't think that is necessarily a bad thing. We have seen the benefit of when like-minded nations come together in the increased strength in NATO based on the Russian actions. That's a pretty good model for Indo-Pacific nations who value freedom."

Joe Biden waters down Indo-Pacific Economic Framework to win more support

US president dilutes wording on regional trade deal as he departs on first Asia trip



Joe Biden's trip to Asia is intended to reassure allies of the US commitment to security in the region © Geminu Amarasinghe/AP

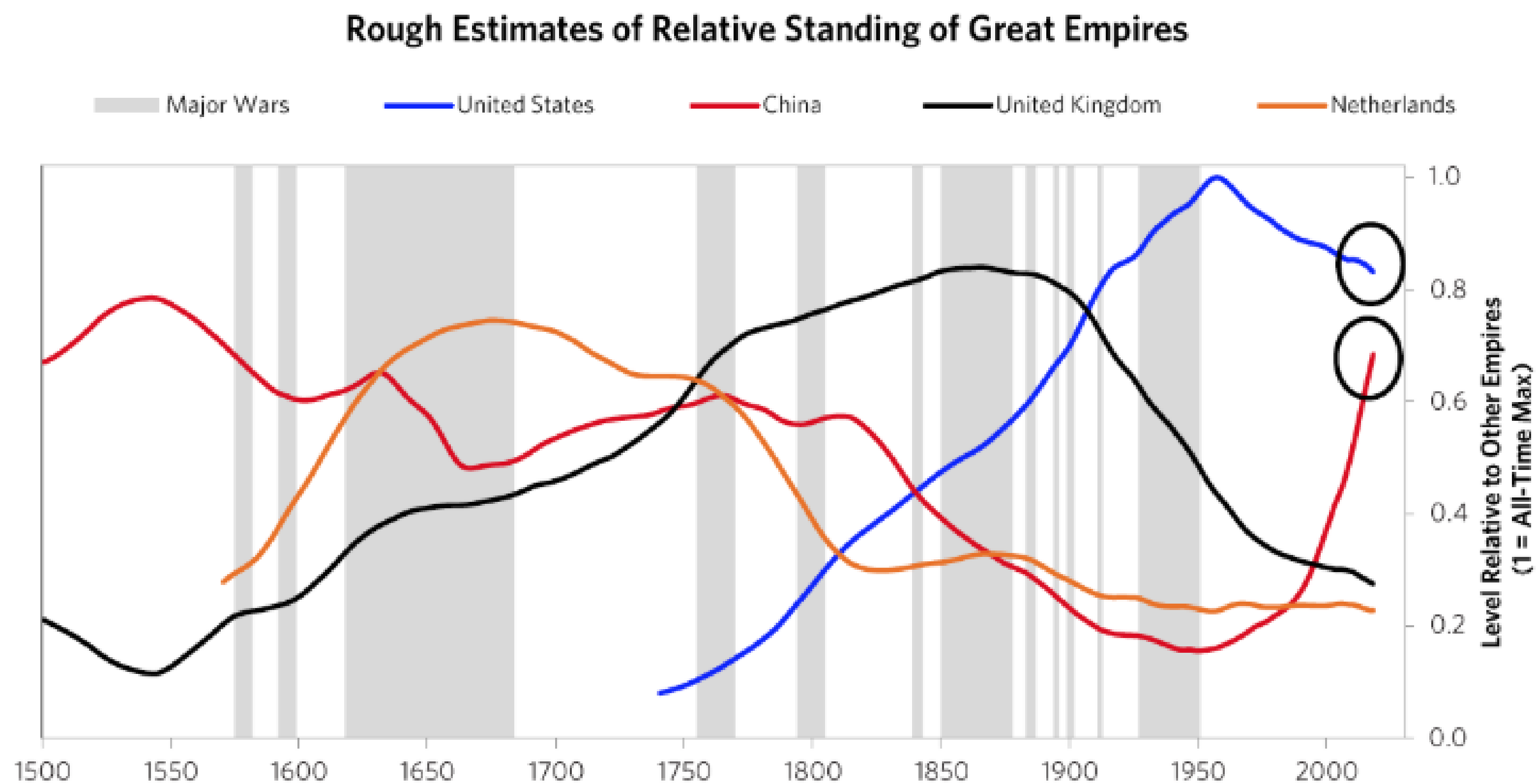
Demetri Sevastopulo in Washington and Kana Inagaki in Tokyo AN HOUR AGO



Joe Biden has decided to water down his Indo-Pacific Economic Framework in an eleventh-hour move to attract more countries to join the deal that he will unveil in Tokyo on Monday.

Biden is using his first trip to Asia as US president to launch the IPEF, which is intended to respond to criticism from allies and partners that his strategy in the region has been too focused on security and lacked an economic component.

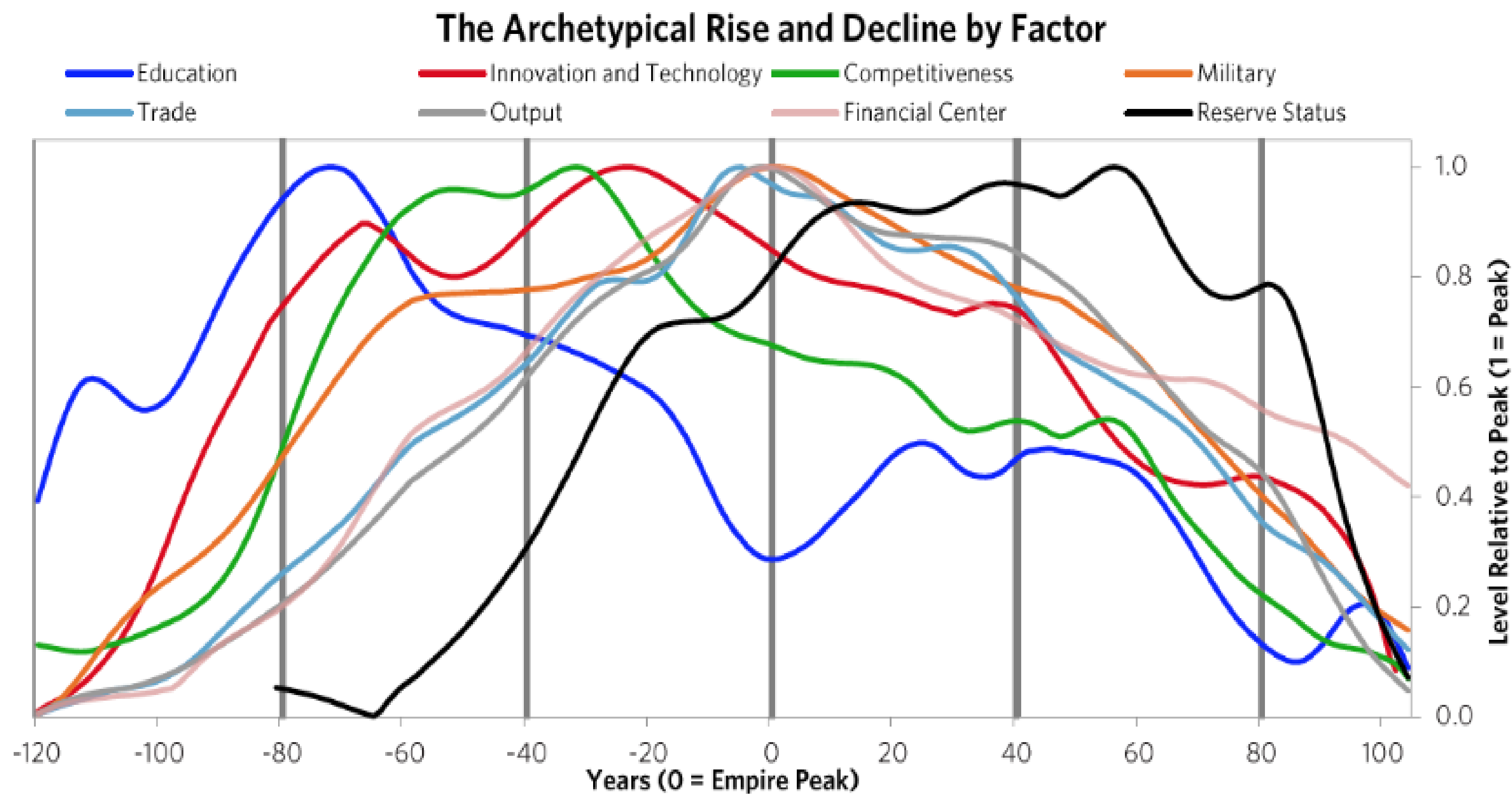
En verden i rask endring



Grå skravert felt markerer perioder med krig

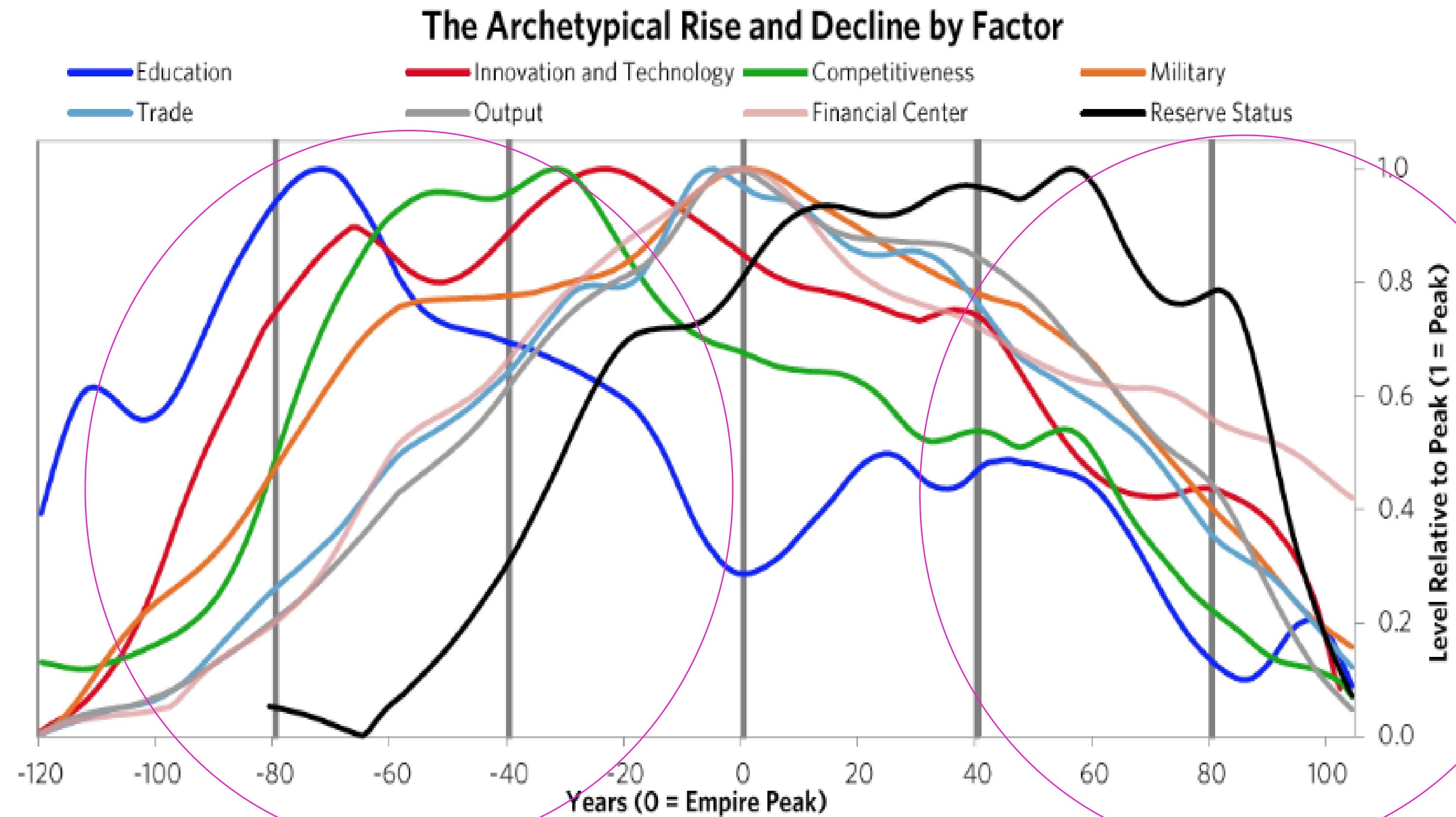
Kilde: Ray Delio

Geopolitisk maktkamp



Kilde: Ray Dalio

Geopolitisk maktkamp



Kina

USA

Russland tenker langsiktig strategisk

Russland har et spesielt forhold til Kina, Putin og Xi er bestevenner (møtes 5 ganger pr år)

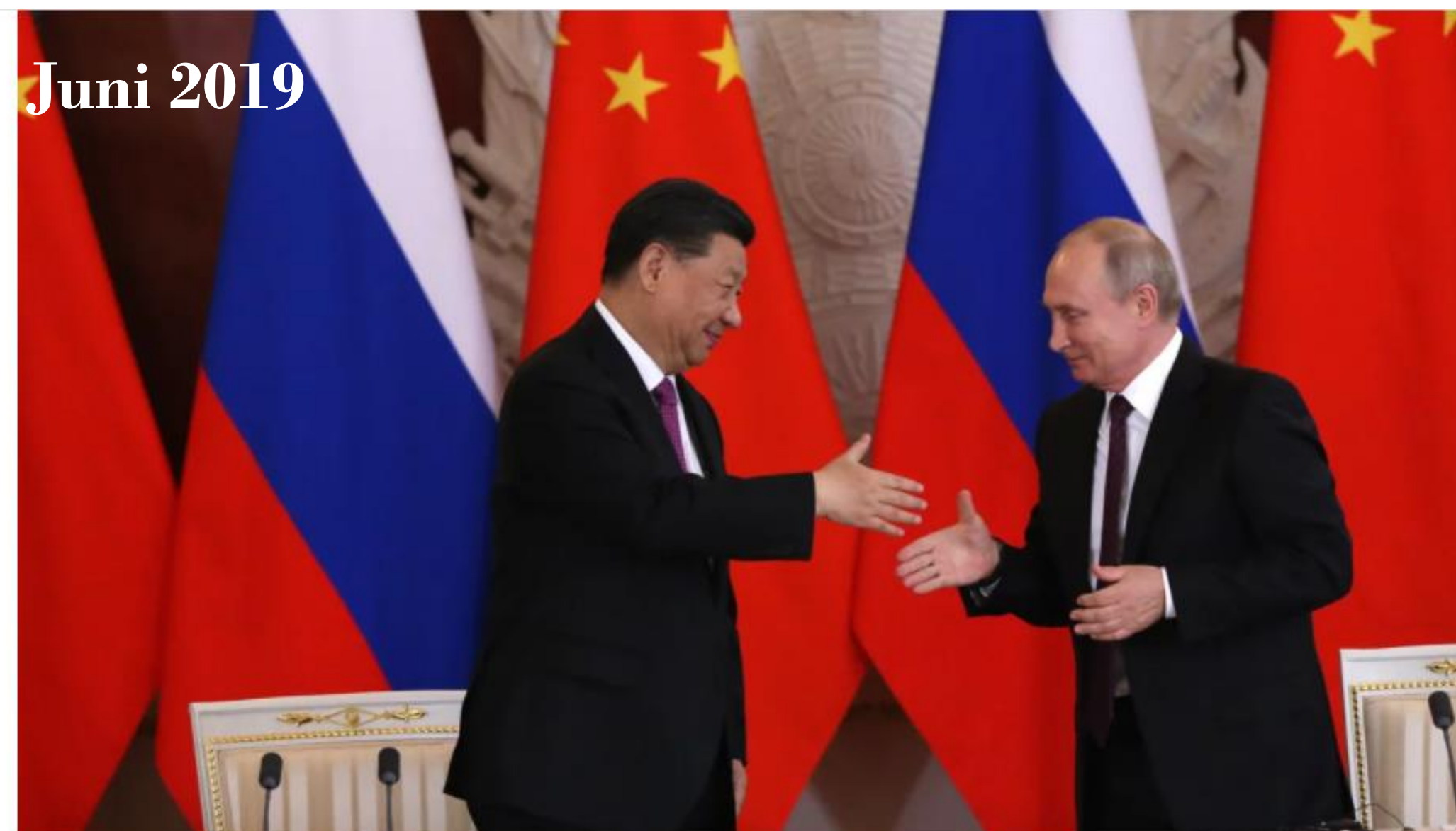
Russland har tett samarbeid med India, som nå har økt kjøp av russisk olje og gass og produserer og kjøper militært materiell

Russland hadde før krigen økt sine valutareserver til nesten 40% av BNP

Lav kortsiktig utenlandsgjeld, rundt 5% av BNP

Selvforsynt med energi, mat og mineraler/naturressurser

Juni 2019



Chinese President Xi Jinping and Russian President Vladimir Putin shake hands during their meeting at the Grand Kremlin Palace on Wednesday in Moscow.

Mikhail Svetlov/Getty Images

Chinese leader Xi Jinping described Russian President Vladimir Putin as his "best friend" as the two met in Moscow on Wednesday at a time when U.S. relations with both countries are increasingly strained.

"In the past six years, we have met nearly 30 times. Russia is the country that I have visited the most times, and President Putin is my best friend and colleague," Xi said at

Russia and the Curse of Geography

Want to understand why Putin does what he does? Look at a map.

TIM MARSHALL OCT 31, 2015



REUTERS / PRESIDENTIAL PRESS SERVICE

Vladimir Putin says he is a religious man, a great supporter of the Russian Orthodox Church. If so, he may well go to bed each night, say his prayers, and ask God: “Why didn’t you put mountains in eastern Ukraine?”

If God had built mountains in eastern Ukraine, then the great expanse of flatland that is the European Plain would not have been such inviting territory for the invaders who have attacked Russia from there repeatedly through history. As things stand, Putin, like Russian leaders before him, likely feels he has no choice but to at least try to control the flatlands to Russia’s west. So it is with landscapes around the world—their physical features imprison political leaders, constraining their choices and room for maneuver. These rules of geography are especially clear in Russia, where power is hard to defend, and where for centuries leaders have compensated by pushing outward.

Two of Russia’s chief preoccupations—its vulnerability on land and its lack of access to warm-water ports—came together in Ukraine in 2014. As long as a pro-Russian government held sway in the Ukrainian capital of Kiev, Russia could be confident that its buffer zone would remain intact and guard the European Plain. Even a neutral Ukraine, which would promise not to join the European Union or NATO and would uphold the lease Russia had on the warm-water port at Sevastopol in Crimea, would be acceptable. But when protests in Ukraine brought down the pro-Russian government of Viktor Yanukovych and a new, more pro-Western government came to power, Putin had a choice. He

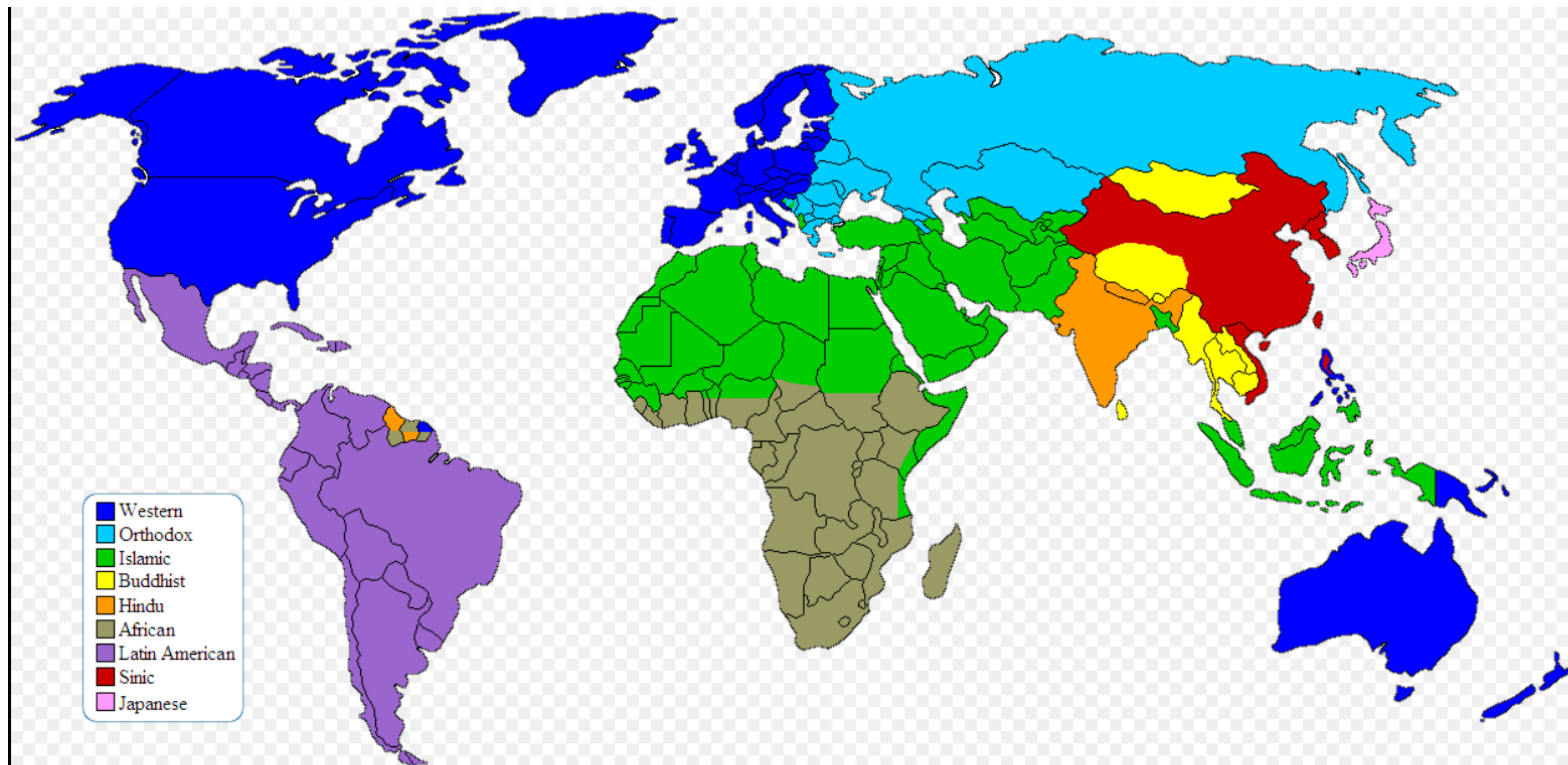
The same geographic preoccupations are visible now in Russia’s intervention in Syria on behalf of Putin’s ally, Bashar al-Assad. The Russians have a naval base in the port city of Tartus on Syria’s Mediterranean coast. If Assad falls, Syria’s new rulers may kick them out. Putin clearly believes the risk of confronting NATO members in another geographic sphere is worth it.

Ukraina: mulig utfall – stor usikkerhet

- Mest sannsynlig med en form for deling av Ukraina, og løfter om nøytralitet og aldri NATO/EU
- Eskalering: Andre viktige områder for Russland? Transnistria - utbryterdel av Moldova?
- Nye tilsvarende konflikter: Bosnia & Taiwan
- Hvor lurt er det egentlig å bruke økonomiske sanksjoner? Vil bidra kraftig til de-globalisering og todeling av verden i «the West and the Rest»



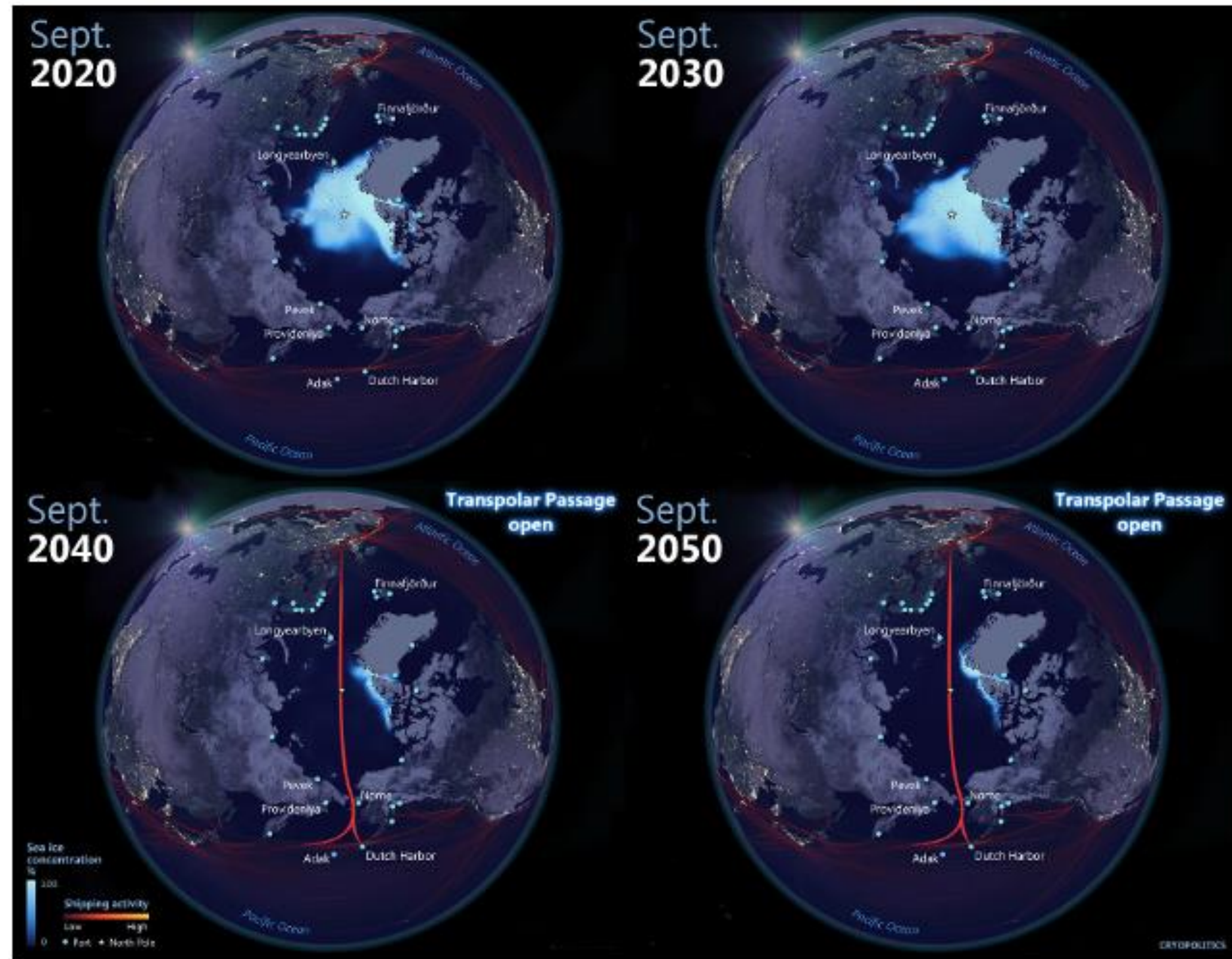
Clashes of civilizations?



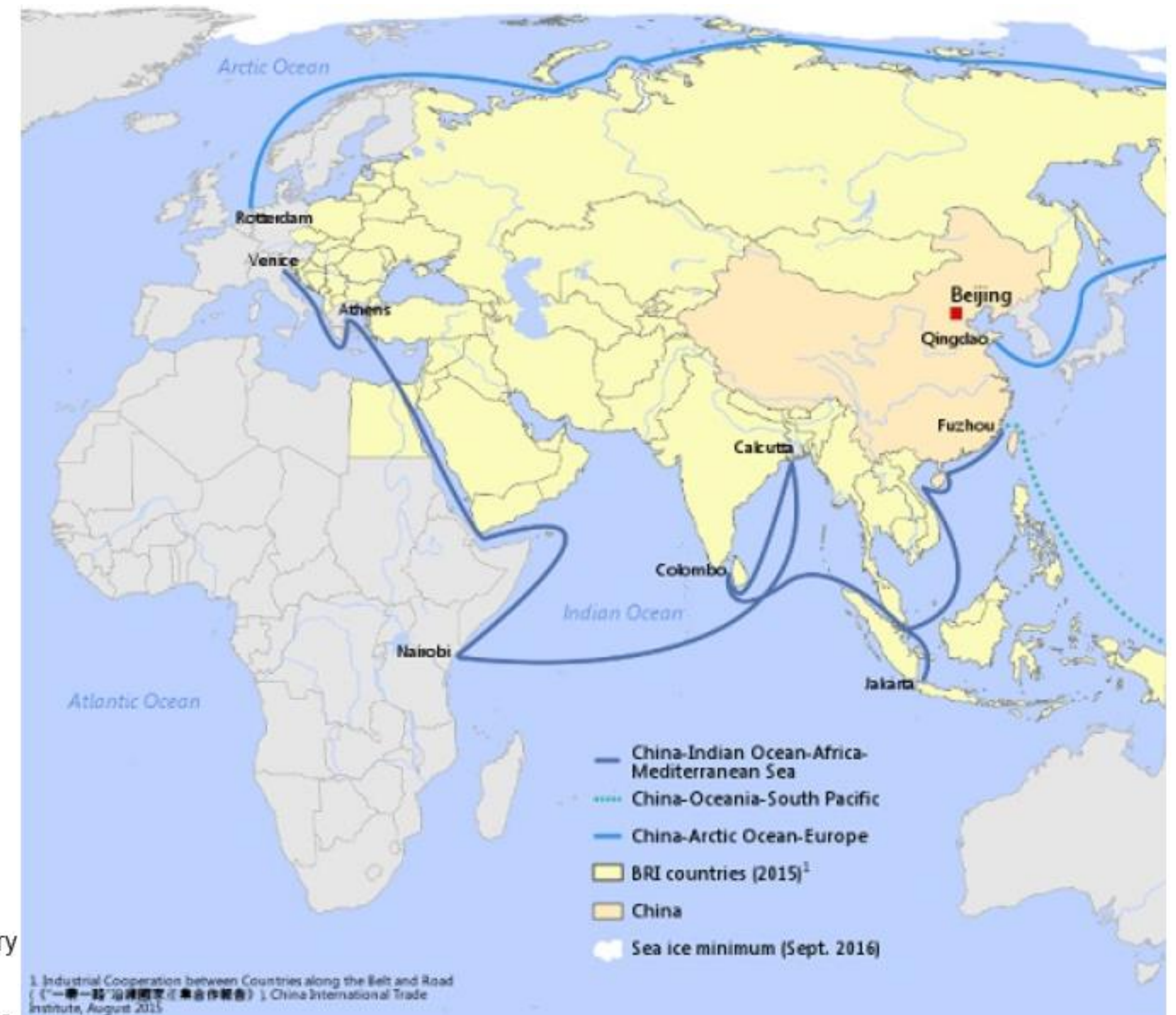
Kilde: Samuel Huntington «Clashes of Civilizations, 1996»

China: The Polar Silk Road

we don't appear to be doing much to limit our emissions, we are headed for a warmer world – one where the Arctic ice cap may be gone in summer by 2050, and possibly even sooner.



The only country that seems to be ready for that reality is China. In its [Arctic Policy](#), released in January 2018, China calls the trans-Arctic passage the “Central Passage.” It is not referenced in any dramatic way. In that matter-of-fact, this-is-how-the-world-is tone characteristic of Chinese policy documents, the policy notes, “The Arctic shipping routes comprise the Northeast Passage, Northwest Passage, and the Central Passage.” The strategy also mentions the Polar Silk Road, which is often viewed as synonymous with the Northern Sea Route. But keep in mind that the strategy notes that by cooperating with other stakeholders, China aims to “build a ‘Polar Silk Road’ through developing the Arctic shipping routes” – plural likely intentional.



China: The Digital Silk Road

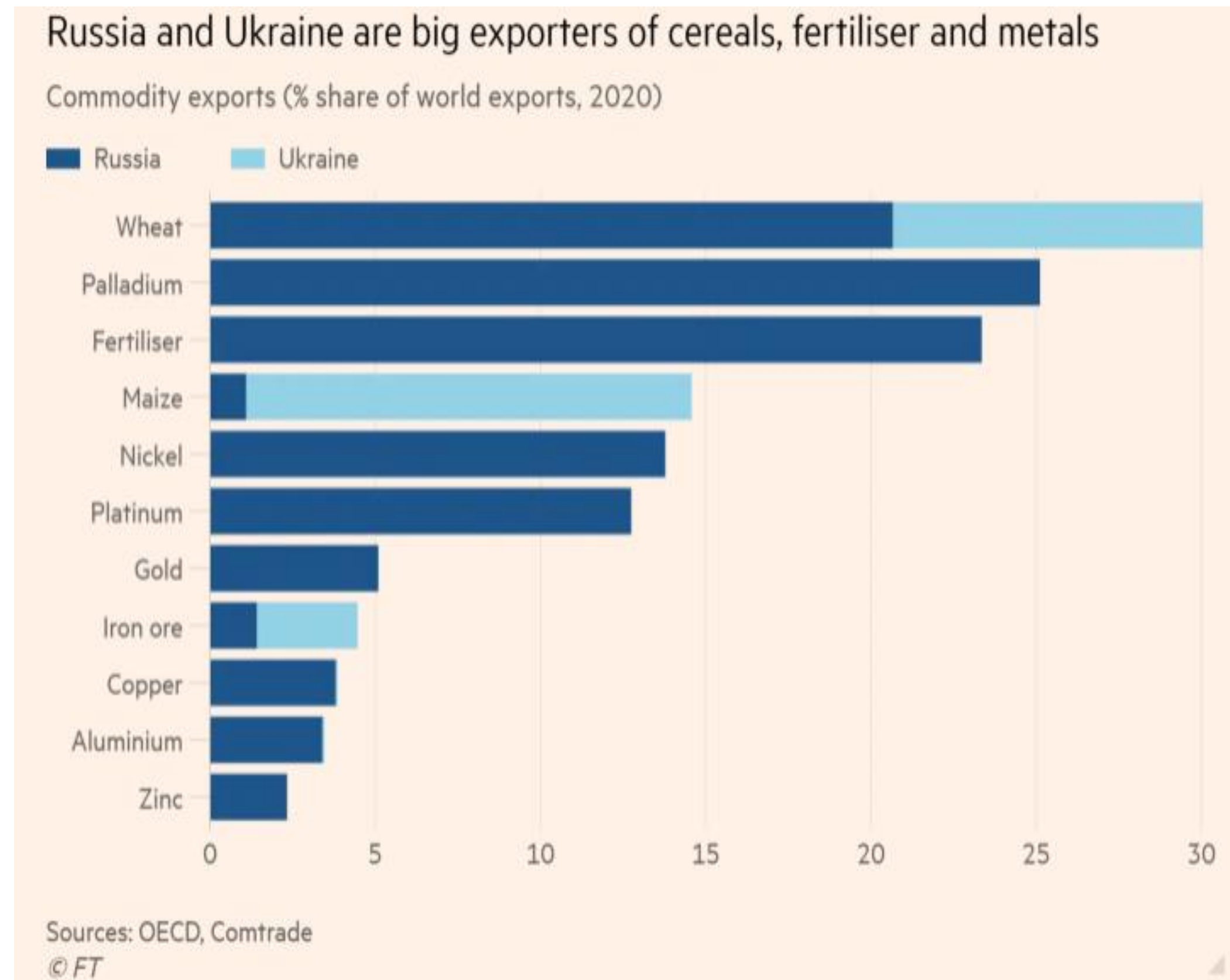
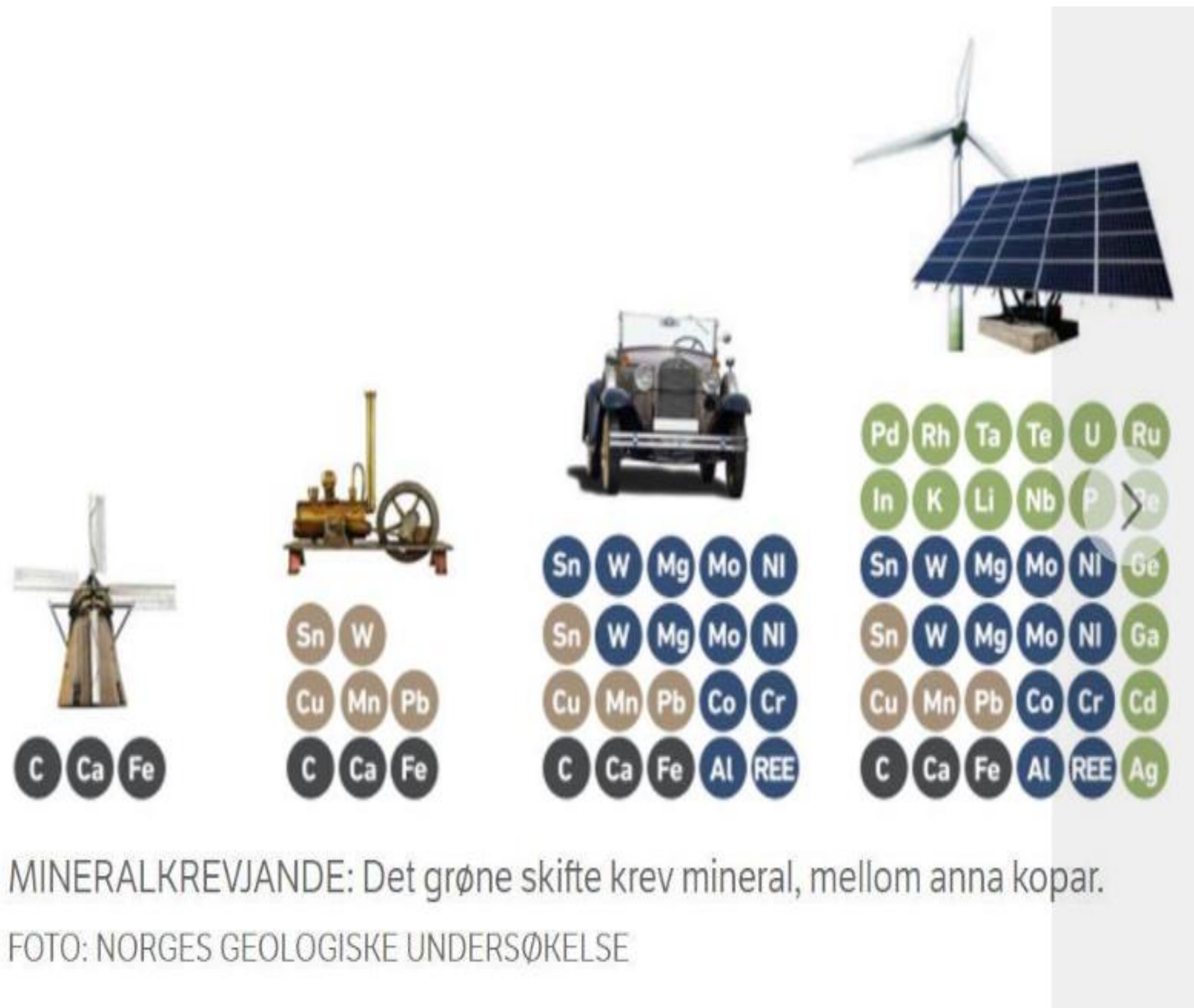


EXECUTIVE SUMMARY

Countries and cities worldwide now employ public security and surveillance technology platforms from the People's Republic of China (PRC). The drivers of this trend are complex, stemming from expansion of China's geopolitical interests, increasing market power of its technology companies, and conditions in recipient

This evidence also suggests that a one-size-fits-all message from U.S. policymakers about the risks of Chinese technology needs to be differentiated and adapted to each country in which such concerns are raised. These messages need to be paired with a nuanced understanding of the priorities and incentives of the officials making adoption decisions — often subnational officials rather than foreign policy

Russland og Kina dominerer innen metall og mineraler



Kina: smart ledende innen datateknologi?

Technology [+ Add to myFT](#)

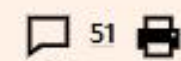
US rushes to catch up with China in supercomputer race

World's biggest economies battle to dominate advanced processing power that will affect defence and climate modelling



A US supercomputer at Oak Ridge national lab, where they are building an 'exascale' system. China is thought to have already built two advanced supercomputers © FT montage/ORNL/Flickr/CC

Richard Waters in San Francisco 6 HOURS AGO



The US is about to vault into a new era of [supercomputing](#), with a once in a decade leap forward in processing power that will have a big effect on fields ranging from climate change research to nuclear weapons testing.

But the national swagger usually prompted by such [breakthroughs](#) is likely to be muted. China passed this milestone first and is already well on the way to building an entire generation of advanced supercomputers beyond anything yet in use elsewhere.

What makes the advances all the more remarkable, according to US experts in the field, is that China's achievement was made with local technology, after Washington [blocked access](#) to the American hardware long considered to be critical to such systems.

The build-up in China's supercomputing program, which dates back more than two decades, has led to a "stunning situation" where the country now leads the world, said Jack Dongarra, a US supercomputing expert.

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The most advanced supercomputers are used to improve simulations of highly complex systems, for instance creating better models of climate change or the effects of nuclear blasts. But their secret use in classified areas, such as defeating encryption, is likely to also make them key tools in national security, according to Nicholas Higham, professor of mathematics at the University of Manchester.

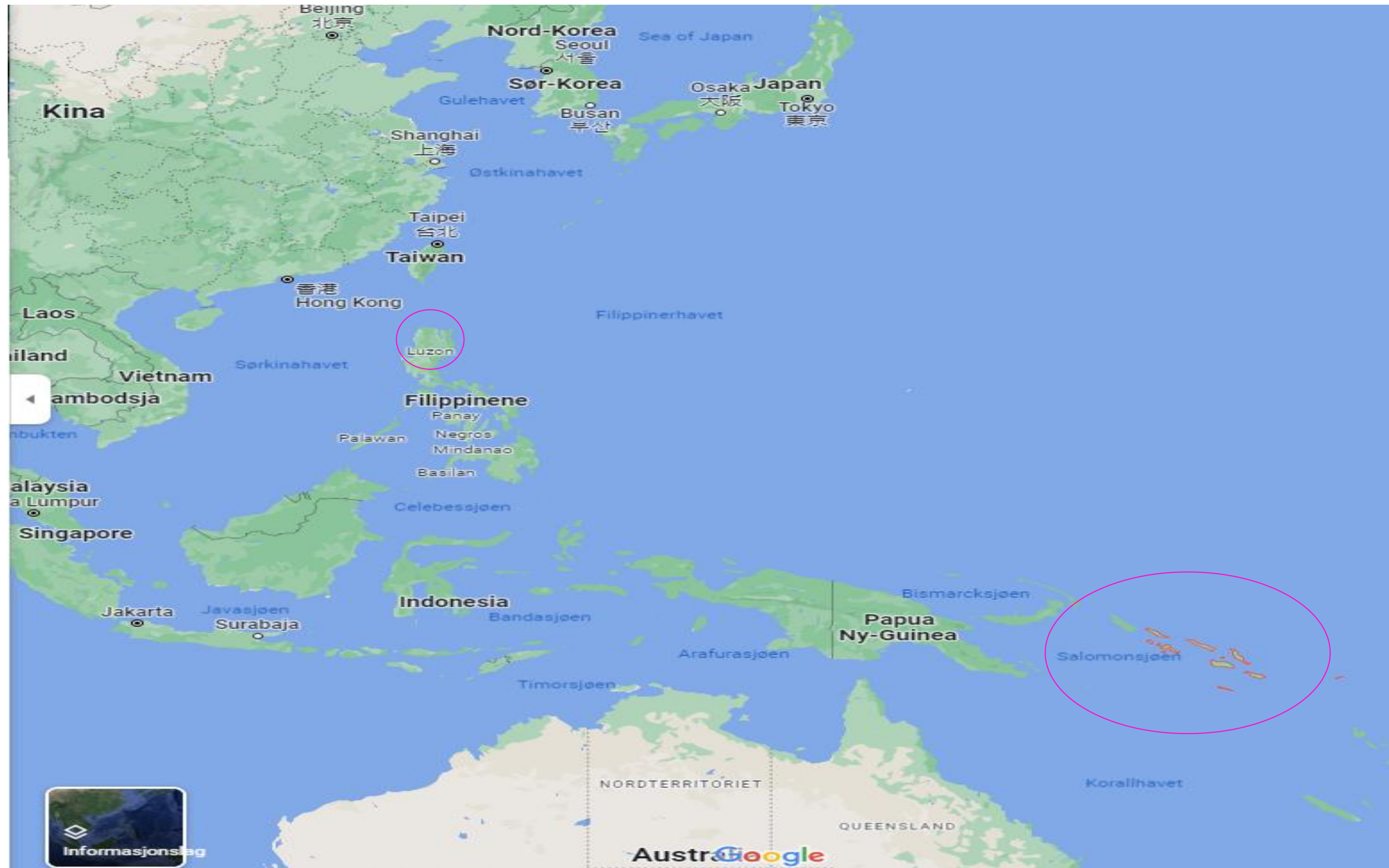
China already had more supercomputers on the [Top 500 list](#) of the world's most powerful computers than any other country — 186 compared with 123 in the US. Now, by [beating the US](#) to the next big breakthrough in the field and planning a spate of such machines, it is in a position to seize the high ground of computing for years to come.

The Chinese breakthrough has come in the race to build so-called exascale supercomputers, systems that can handle 10 to the power of 18 calculations per second. That makes them a thousand times faster than the first of the petaflop systems that preceded them more than a decade ago.

In recent months, work has been under way at the US Department of Energy's Oak Ridge national laboratory in Tennessee to assemble and test the first of three exascale systems planned in the country. If the inevitable "bugs" are ironed out, the arrival of exascale computing in the US could be confirmed at the end of May with the publication of the twice-yearly Top 500 listing, according to Dongarra who maintains the list.

By contrast, China's first exascale system has been running for more than a year and has since been joined by a second, according to a recent presentation by David Kahaner, director of the Asian Technology Information Program, whose research is widely cited as the most authoritative.

Kina: Utvider og kjøper inflytelse





NATIONAL STRATEGY for CRITICAL AND EMERGING TECHNOLOGIES

OCTOBER 2020



WORLD LEADER OF CRITICAL AND EMERGING TECHNOLOGIES

TECHNOLOGY LEADER

TECHNOLOGY PEER

TECHNOLOGY RISK
MANAGEMENT

PILLAR I PROMOTE THE NATIONAL SECURITY INNOVATION BASE

- Develop the highest-quality science and technology (S&T) workforce in the world
- Attract and retain inventors and innovators
- Leverage private capital and expertise to build and innovate
- Rapidly field inventions and innovations
- Reduce burdensome regulations, policies, and bureaucratic processes that inhibit innovation and industry growth
- Lead the development of worldwide technology norms, standards, and governance models that reflect democratic values and interests
- Support the development of a robust National Security Innovation Base (NSIB), to include academic institutions, laboratories, supporting infrastructure, venture funding, supporting businesses, and industry
- Increase priority of research and development (R&D) in developing United States Government budgets
- Develop and adopt advanced technology applications within government and improve the desirability of the government as a customer of the private sector
- Encourage public-private partnerships
- Build strong and lasting technology partnerships with like-minded allies and partners and promote democratic values and principles
- With the private sector, create positive messaging to increase public acceptance of critical and emerging technologies (C&ET)
- Encourage state and local governments to adopt similar actions

PILLAR II PROTECT TECHNOLOGY ADVANTAGE

- Ensure that competitors do not use illicit means to acquire United States intellectual property, research, development, or technologies
- Require security design early in the technology development stages, and work with allies and partners to take similar action
- Protect the integrity of the R&D enterprise by fostering research security in academic institutions, laboratories, and industry, while balancing the valuable contributions of foreign researchers
- Ensure appropriate aspects of C&ET are adequately controlled under export laws and regulations, as well as multilateral export regimes
- Engage allies and partners to develop their own processes similar to those executed by CFIUS
- Engage with the private sector to benefit from its understanding of C&ET as well as future strategic vulnerabilities related to C&ET
- Assess worldwide S&T policies, capabilities, and trends, and how they are likely to influence, or undermine, American strategies and programs
- Ensure secure supply chains, and encourage allies and partners to do the same
- Message to key stakeholders the importance of protecting technology advantage and offer practical assistance whenever possible

USA: økende fokus mot Asia og Kina

Spectre of 'Indo-Pacific Nato' accelerates China's decoupling from the west

US-led alliance is as much a threat to Beijing as Moscow, say Xi Jinping's diplomats



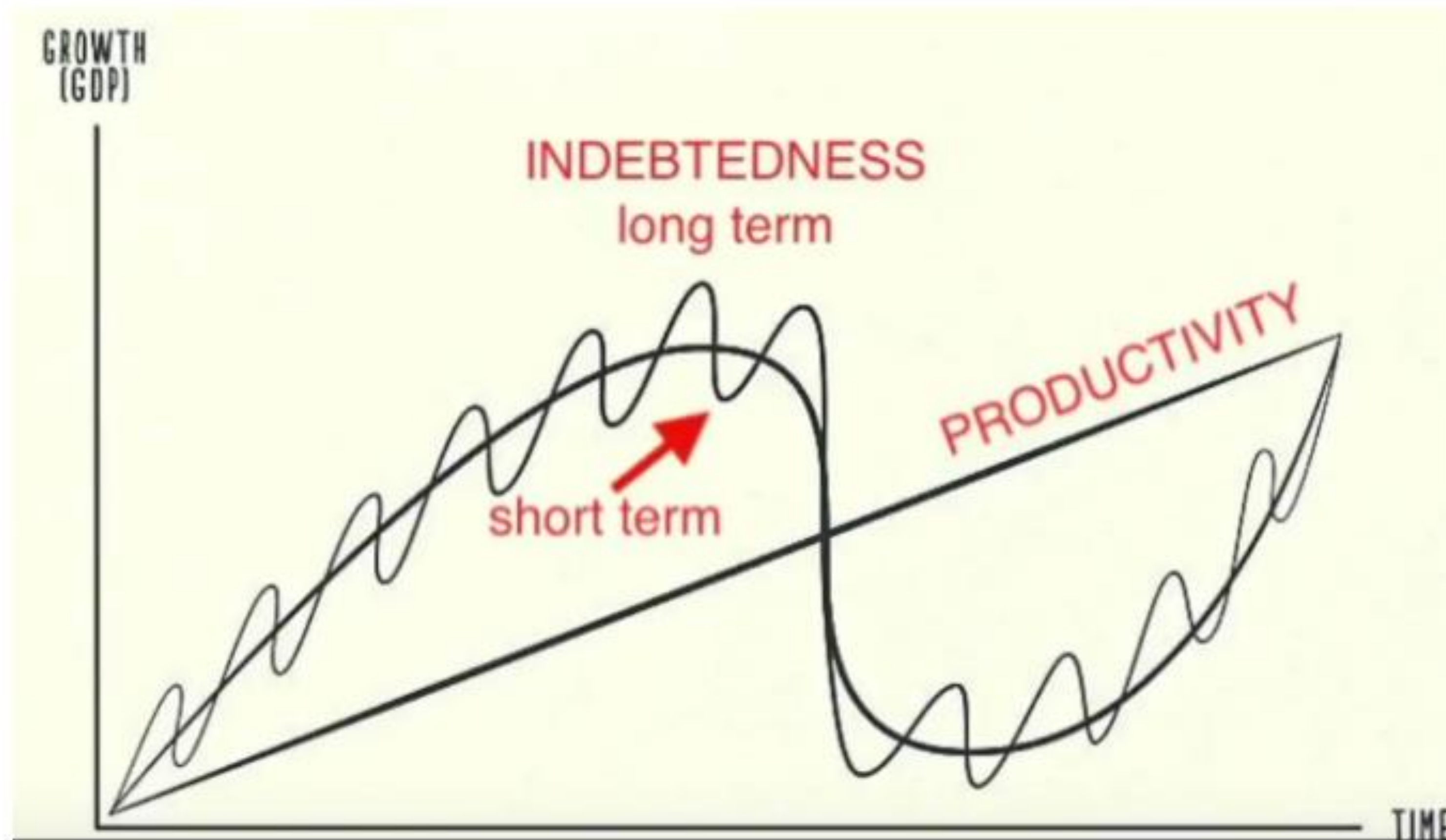
Royal Australian Navy guided-missile frigate HMAS Parramatta (L) sails with USS America, USS Bunker Hill and USS Barry in the South China Sea, April 18, 2020. © U.S. Navy via Reuters

“There has been a real vacuum in American trade policy towards Asia,” says Sheena Greitens, a China expert at the University of Texas in Austin. “Asia is moving ahead on regional trade integration, with some willingness to include China, while the US has been largely absent.”

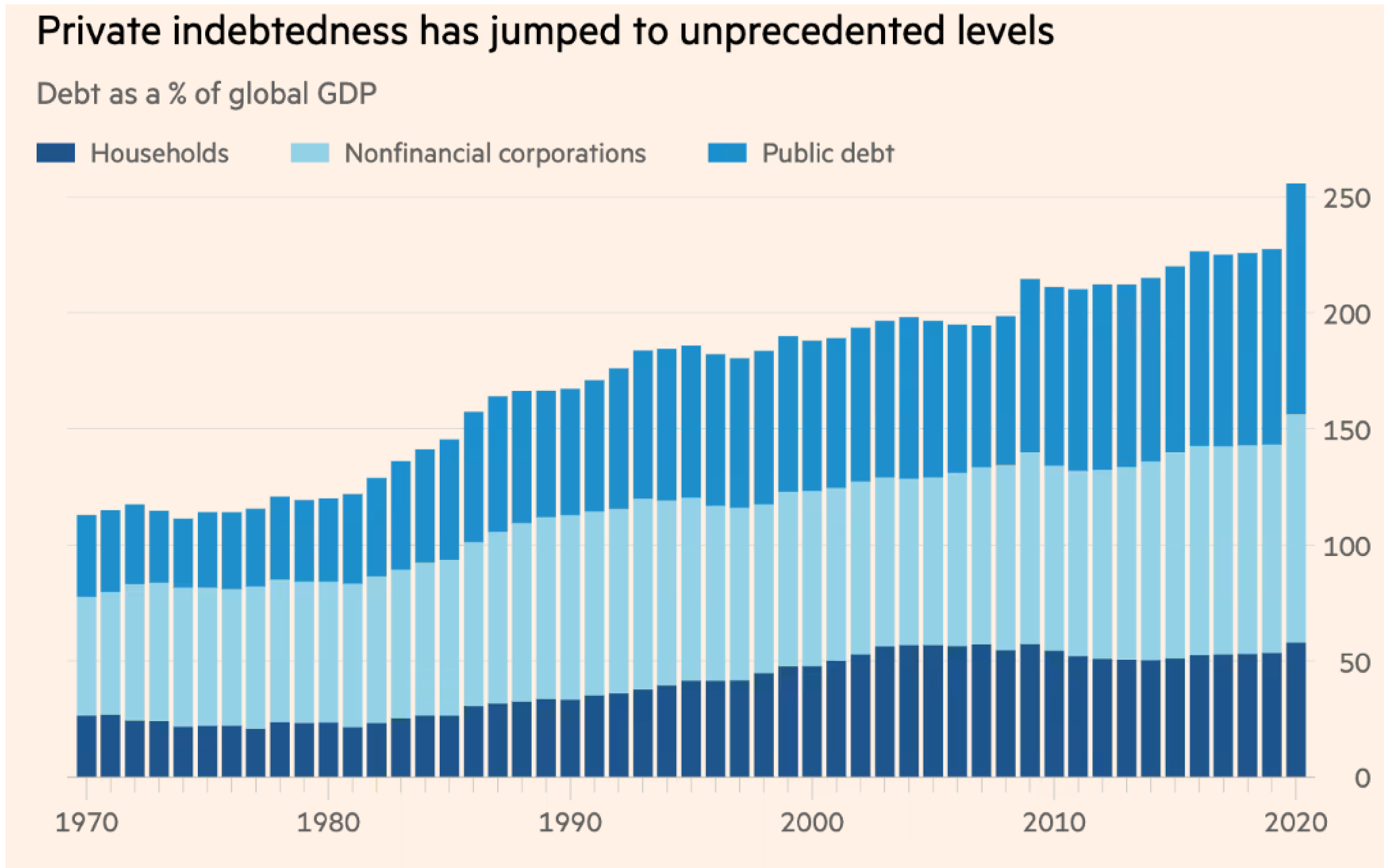
Biden is hoping to shrink that gap this summer with the launch of an Indo-Pacific economic framework (IPEF). The plan will contain include elements that range from fair trade — including labour and environmental issues — to secure supply chains, infrastructure, clean energy and digital trade.

According to an official from a country in the Indo-Pacific, some Asean countries are very interested, for example, in a digital trade agreement that would set rules for the road.

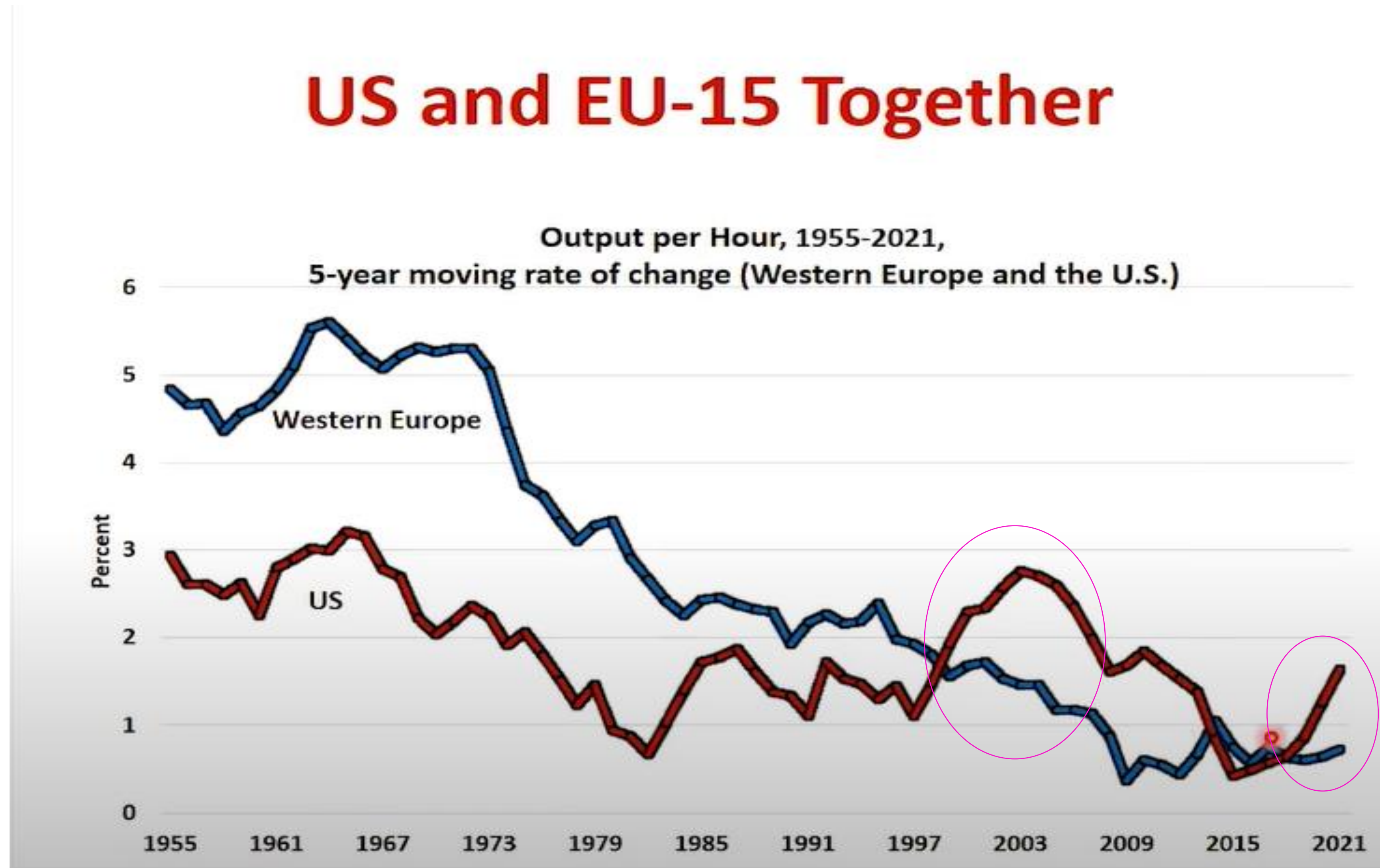
Vestens problem: Gjeld og svak produktivitetsvekst



Global gjeld

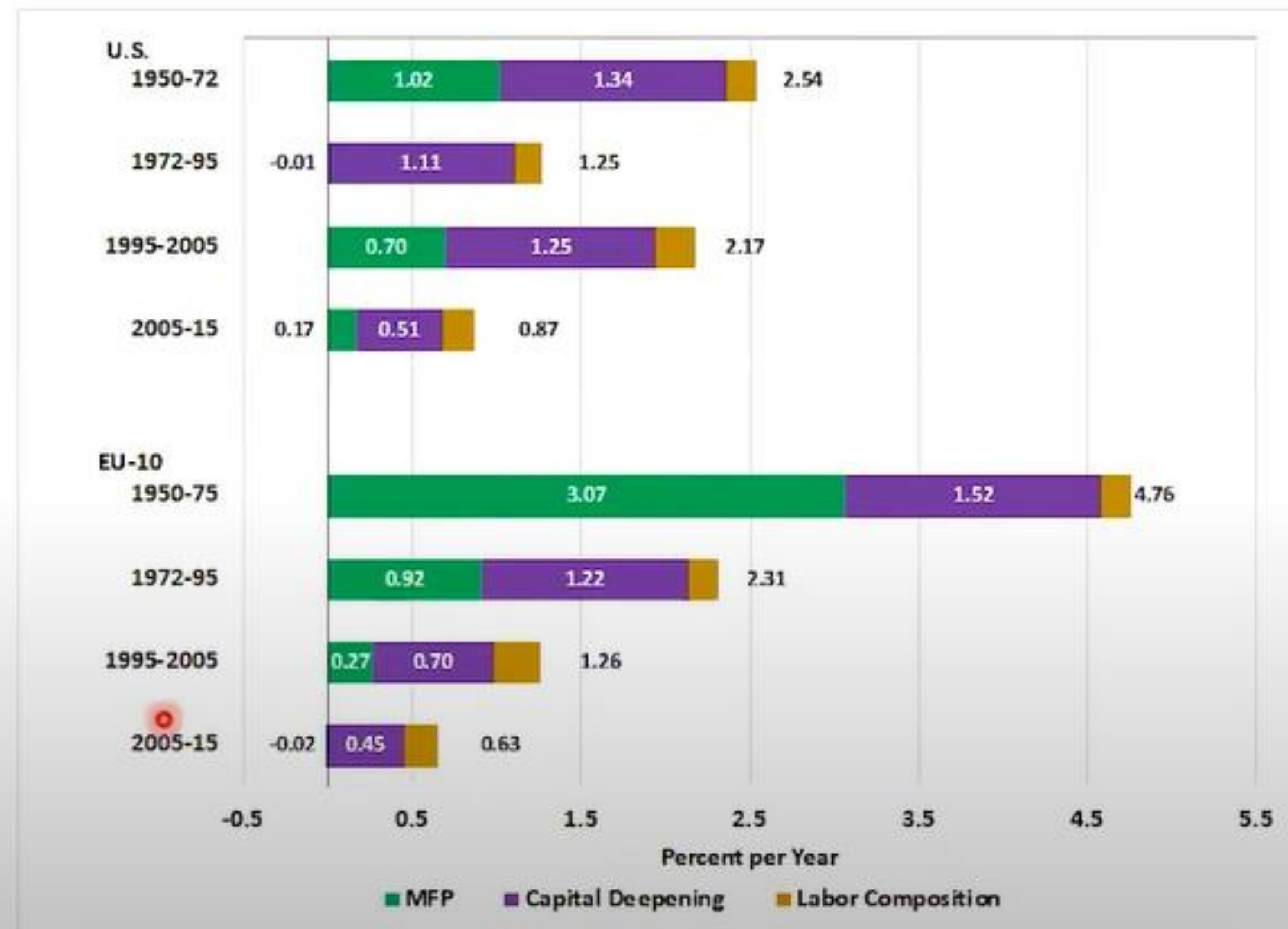


Svak produktivitsvekst siden 1970-tallet, stigende trend i USA de siste årene



Svak produktivitetsvekst

Sources of Growth, MFP vs. Capital Deepening vs. Labor Comp.



- Produktivitetsvekst deles i 3 komponenter:
 - Økt kapital pr arbeider
 - Kompetanse arbeidsstokken
 - Innovasjon

Krig og pandemi øker faren for stagflasjon

- Energikrise og råvarekrise
- Brudd i handel
- Brudd i verdikjeder
- Økte kostnader og redusert produksjon
=> Økt fare for stagflasjon
- I tillegg til at: Økte offentlige investeringer/utgifter må finansieres eller lånes, med høyere renter reduseres offentlig handlingsrom til produktive investeringer

Apple Inc

Apple forecasts up to \$8bn hit from supply chain problems

iPhone maker's shares fall after it warns of 'substantially larger' impact from constraints and shortages

Amazon earnings weighed down by falling sales and high costs

Intel downbeat as Ukraine war and China lockdowns threaten PC sales

Kinas zero-covid politikk svekker veksten

- Shanghai lock-down på 7 uke.
- 3. dag på rad med null nye smittede
- Portforbud slutt 21. mai og estimert full gjenåpning 1. juni
- Forbud for ikke-esensielle reise ut av landet
- Detaljhandel ned 11% y/y
- Industriproduksjon ned 2,9% y/y
- Eiendomsinvesteringer falt 2,7% y/y
- Arbeidsledighet økt til 6,1% - nest høyeste nivå siden 2016
- Svak kredittvekst har ført til rentekutt

China's economic activity plummets as Covid lockdowns hit growth

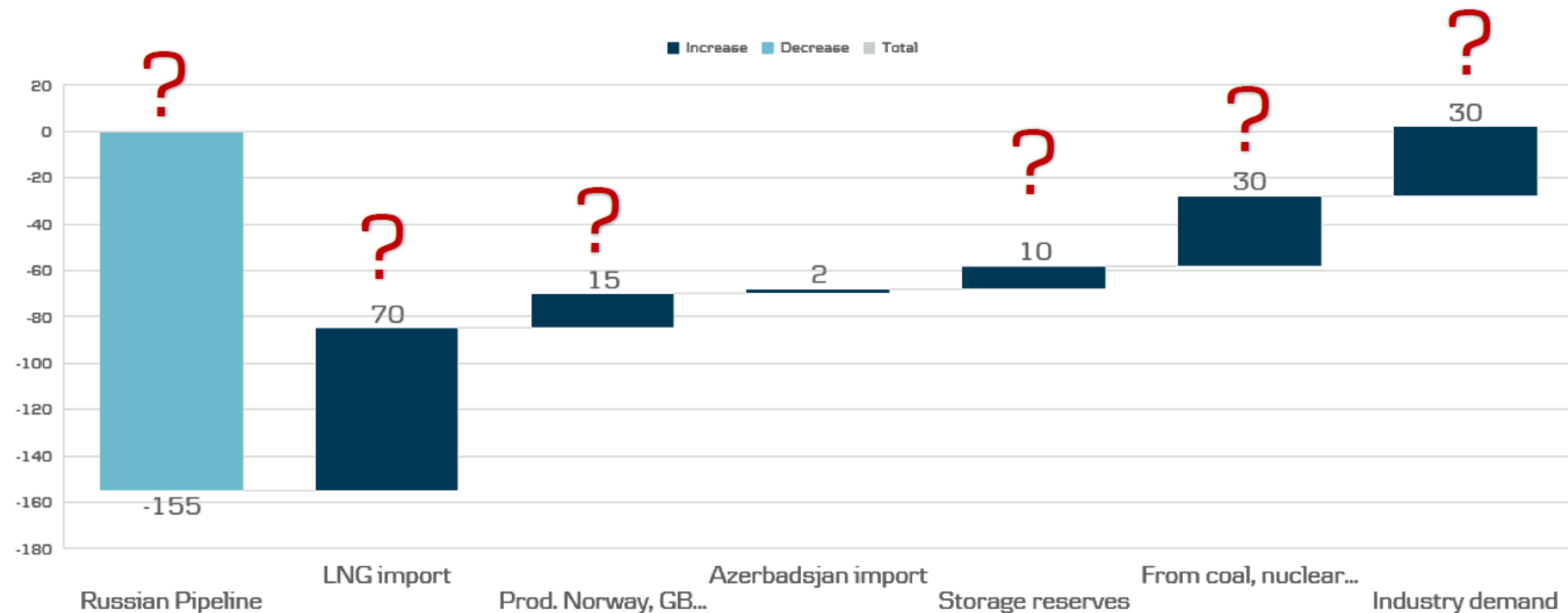
Consumer and industrial output plunge as country counts cost of Xi Jinping's coronavirus strategy



China has launched a mass testing and quarantine campaign across swaths of the country to combat its latest Covid-19 outbreak © Kevin Frayer/Getty Images

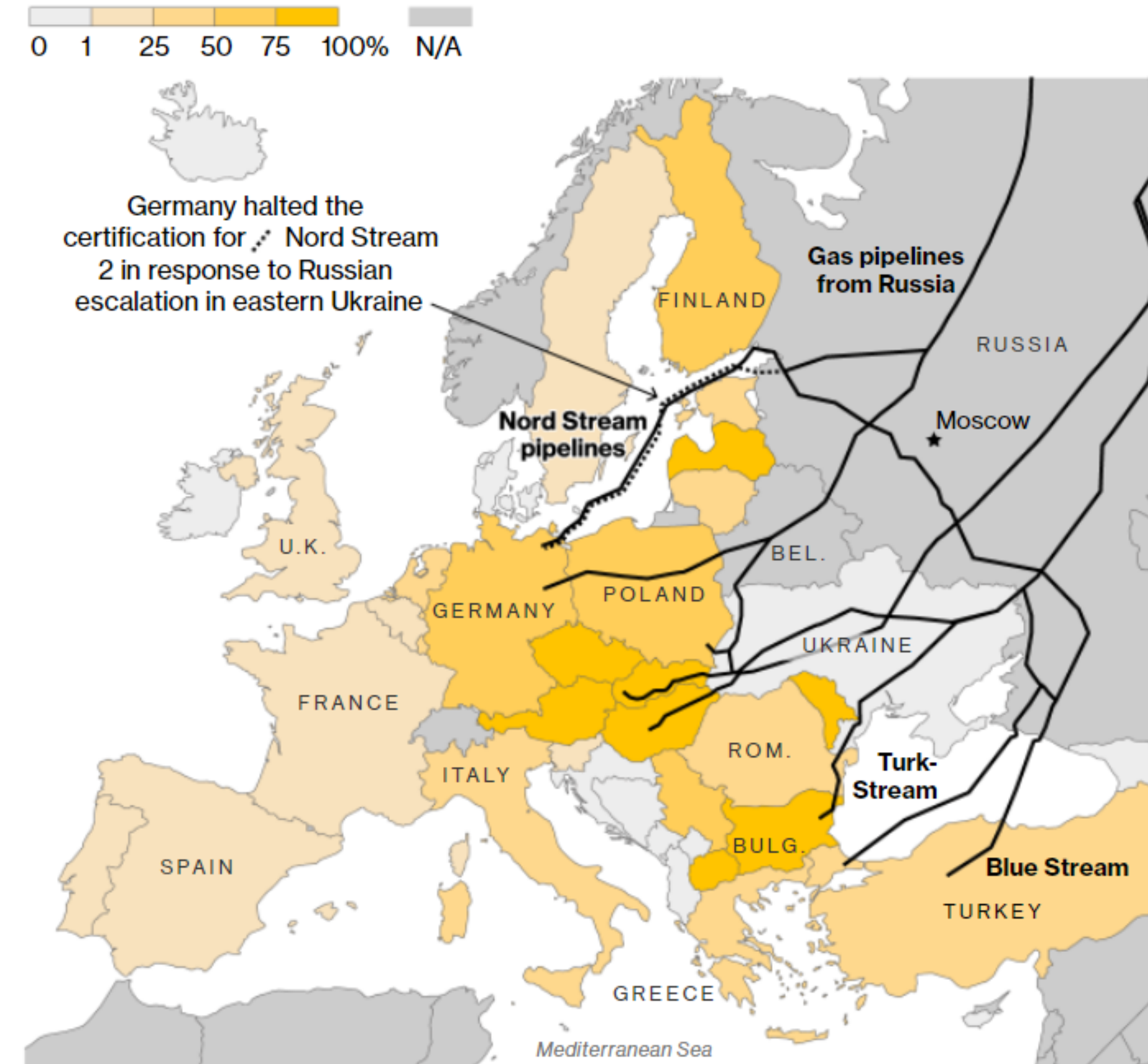
Europa: mulig å erstatte russisk gass?

Rystad Energy's «solution to potencial gas sanction» is very demanding



Europa: tar tid å bygge ny infrastruktur for energi

Share of natural gas imports coming from Russia, 2020



Sources: Eurostat, U.S. Energy Information Administration, Austria's Ministry of Climate Protection
Note: Data for 2020 are not available for the U.K. and Bosnia-Herzegovina, 2019 data are shown in those countries. Norway imported 10 million cubic meters of gas from Russia in 2020, but as a net exporter is not dependent on Russian imports.

Ukraina: produksjon og eksport av mat begrenset



Ukraine accounts for 80 per cent of Lebanon’s imports and is a leading supplier for countries including Somalia, Syria and Libya. Russia also provides its Black Sea neighbour Turkey with more than 60 per cent of its wheat imports. In March, [food inflation](#) in Turkey jumped to 70 per cent.

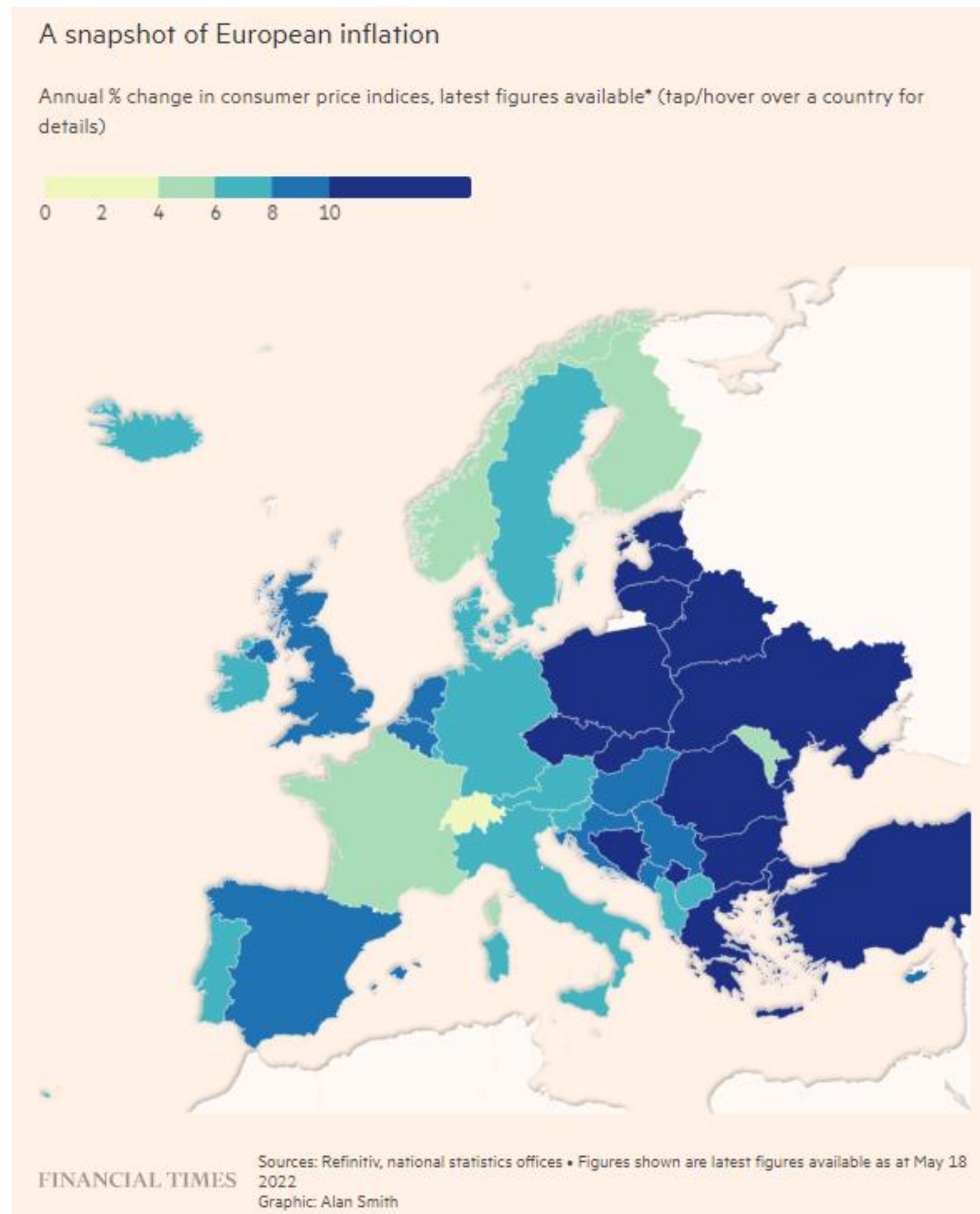
Egypt buys almost two-thirds of the wheat it consumes from international markets, making it the world’s largest wheat importer. It relies on Russia and Ukraine for more than 80 per cent of the wheat it imports, and last month [turned to the IMF](#) for support after the war sent prices of wheat, cooking oil and fuel soaring.

But it will not be just countries, which buy directly from the two countries, that are affected. Global trade has been built around the expectation of uninterrupted supply flows, and the impact of the war has rippled throughout the international grain and vegetable oil markets.

Many governments in developing countries, where food costs make up a larger portion of household spending, are on high alert to avert social unrest. Protests have already erupted in several countries, [including Sri Lanka](#), where the war has further pushed up already high food prices, especially for imported commodities such as wheat, pulses and sugar.

“Policymakers are facing this very unpalatable trade-off because they are under pressure to continue or even increase subsidies on food in a situation where public finances are already under strain,” says Beata Javorcik, the European Bank for Reconstruction and Development’s chief economist.

Inflasjonen stiger mest i Øst-Europa



The most extreme inflation, however, is in Turkey, where a collapse in the value of the lira and the fallout from the Ukraine war has sent prices up 70 per cent in the year to April.

Other countries faced with surging inflation are also heavily reliant on Russia for their energy. Almost all of Lithuania's energy imports come from Russia, while in Slovakia and Greece it is close to half.

Energy accounted for more than half the overall rise in eurozone inflation to record levels of [7.4 per cent](#) in the past year, according to Eurostat. But other products are also becoming more costly, notably food, alcohol and tobacco, which made up almost a fifth of annual price growth.

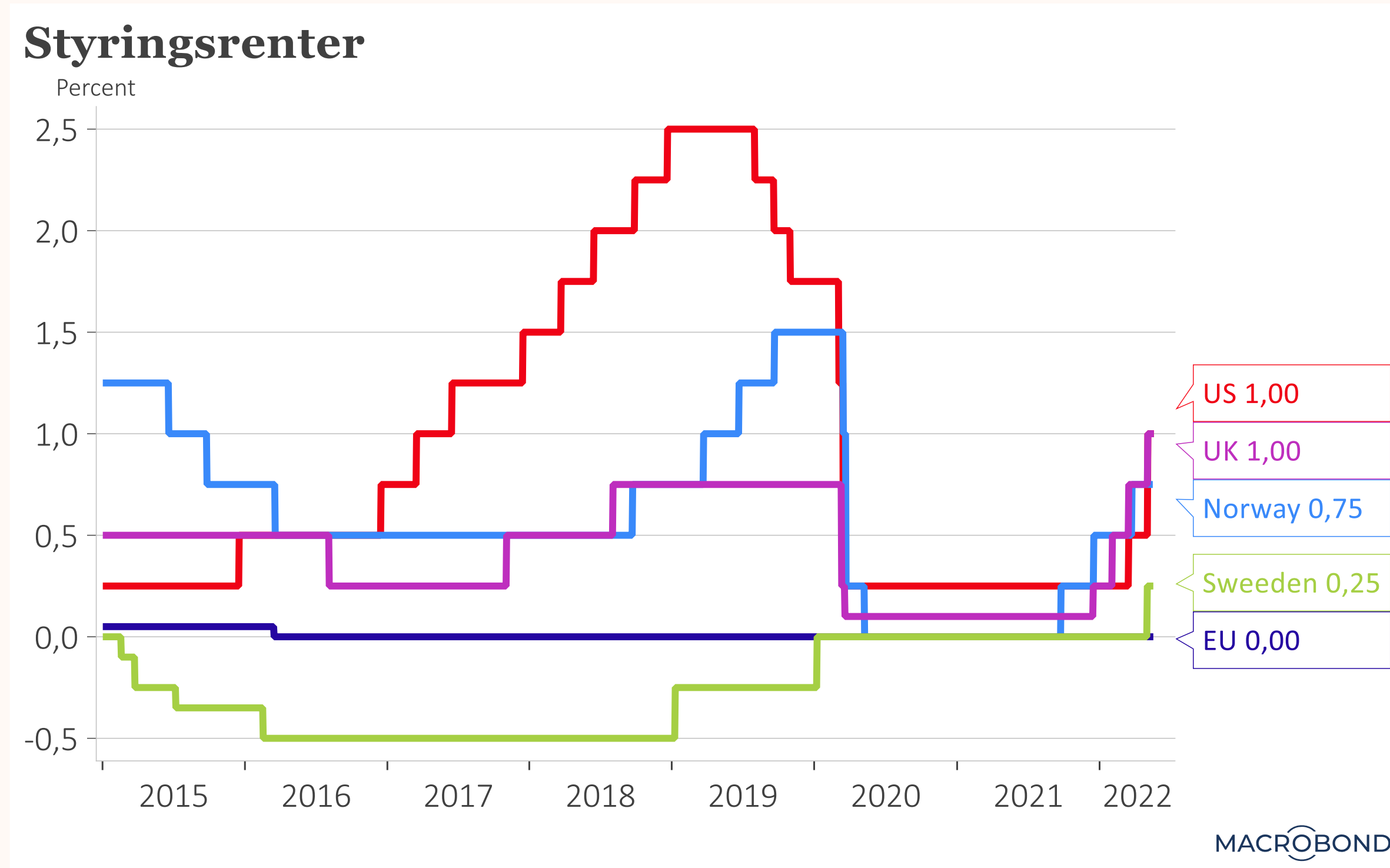
In the US, inflation has been higher than in the eurozone, hitting 8.3 per cent in April. But much less of this is because of energy, which only accounts for a third of US price growth over the past year. This illustrates how the US is more energy self-sufficient than Europe but also that its economy has overheated more, leading to sharp rises in the price of non-energy goods, services and wages.

Sentralbanker øker endelig rentene

- Covidkrisen, som krisen i 2008, ble løst av ekstremt kraftige stimuleringsiltak som nullrenter, pengetrykking og massive finanspolitiske krisepakker.
- Reguleringer og grønn omstilling gir høye priser på råvarer, mineraler og energi
- Økt geopolitisk spenning øker hjemflagging av kritisk teknologi (**Friend-shoring**)
- Fra **Just in Time** til **Just in Case**
- Naiv globalisering og drøm om rask grønn energi har skapt ustabilt strømmarked
- **Resultat: økt inflasjon & økt sårbarhet**



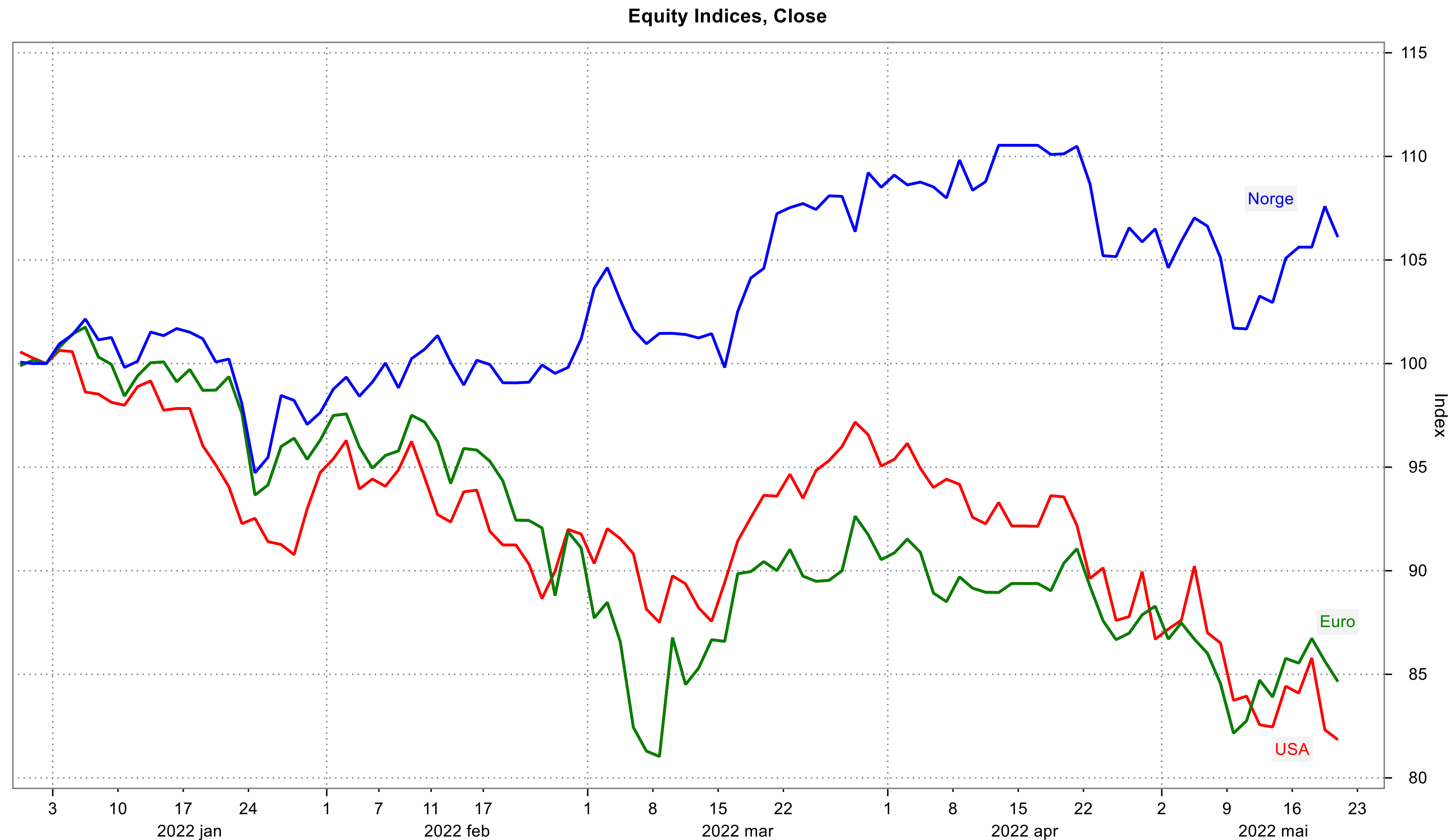
Økte styringsrenter og nedskalering av sentralbankbalanser



USA: forventet at renten skal settes videre opp med 0,5 %-poeng i både juni og juli

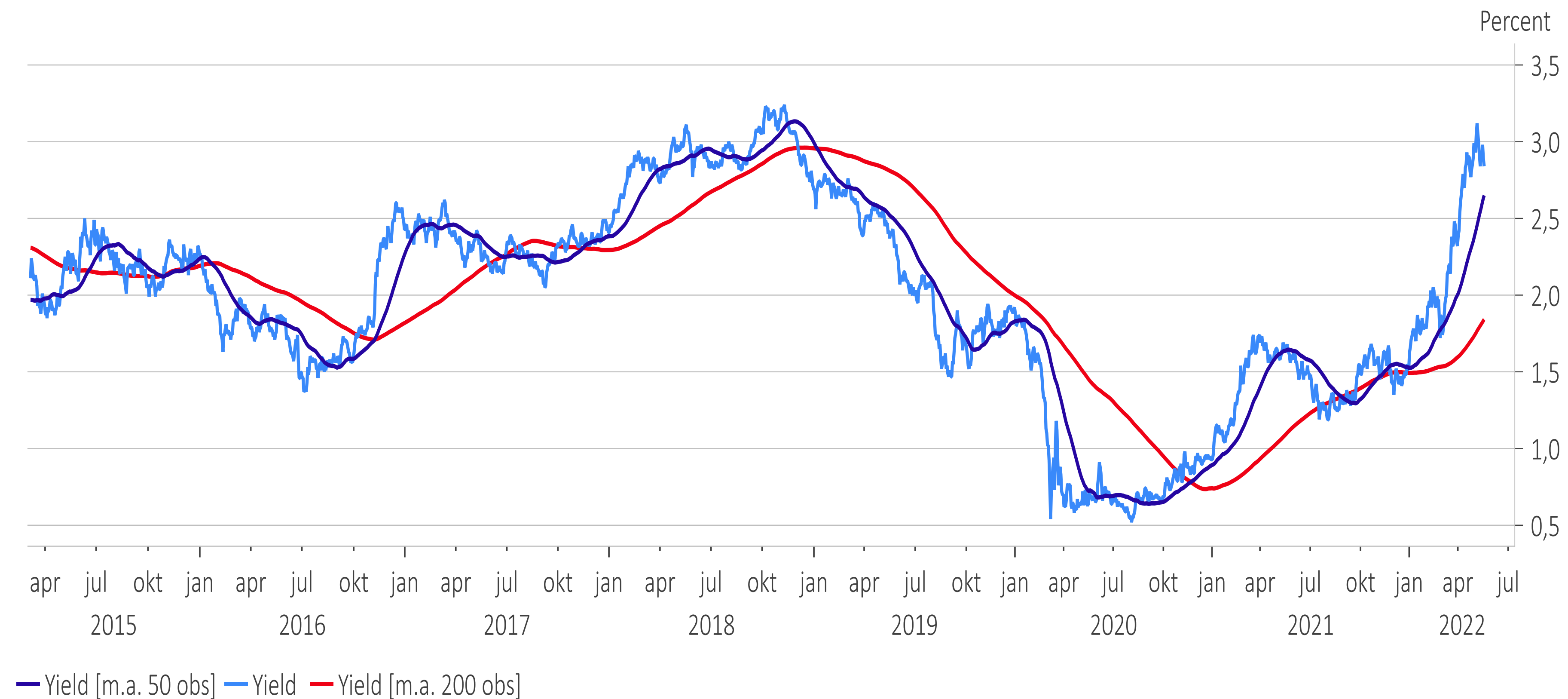
USA: sentralbanken reduserer balansen fra 1. juni med 47.5mrd i måneden (30mrd i statspapirer og 17.5mrd i MBS) før de etter 3 måneder vil øke forfallene til 95mrd pr måneden (60mrd TRSY og 35mrd MBS)

Signaler om høyere renter skremmer aksjemarkedet



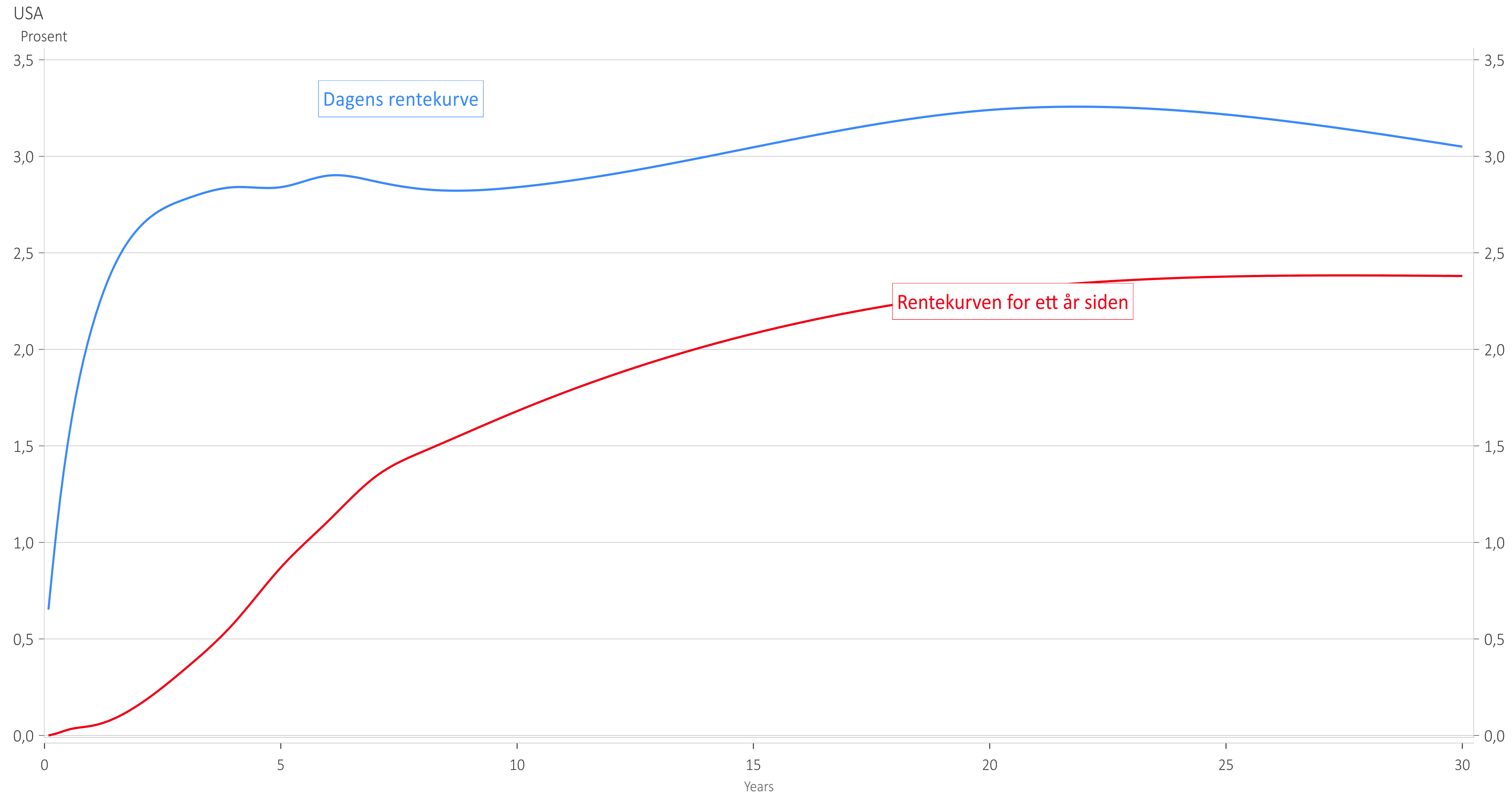
USA: stigende trend, 10 års rente

United States, Government Benchmarks, Federal Reserve, 10 Year



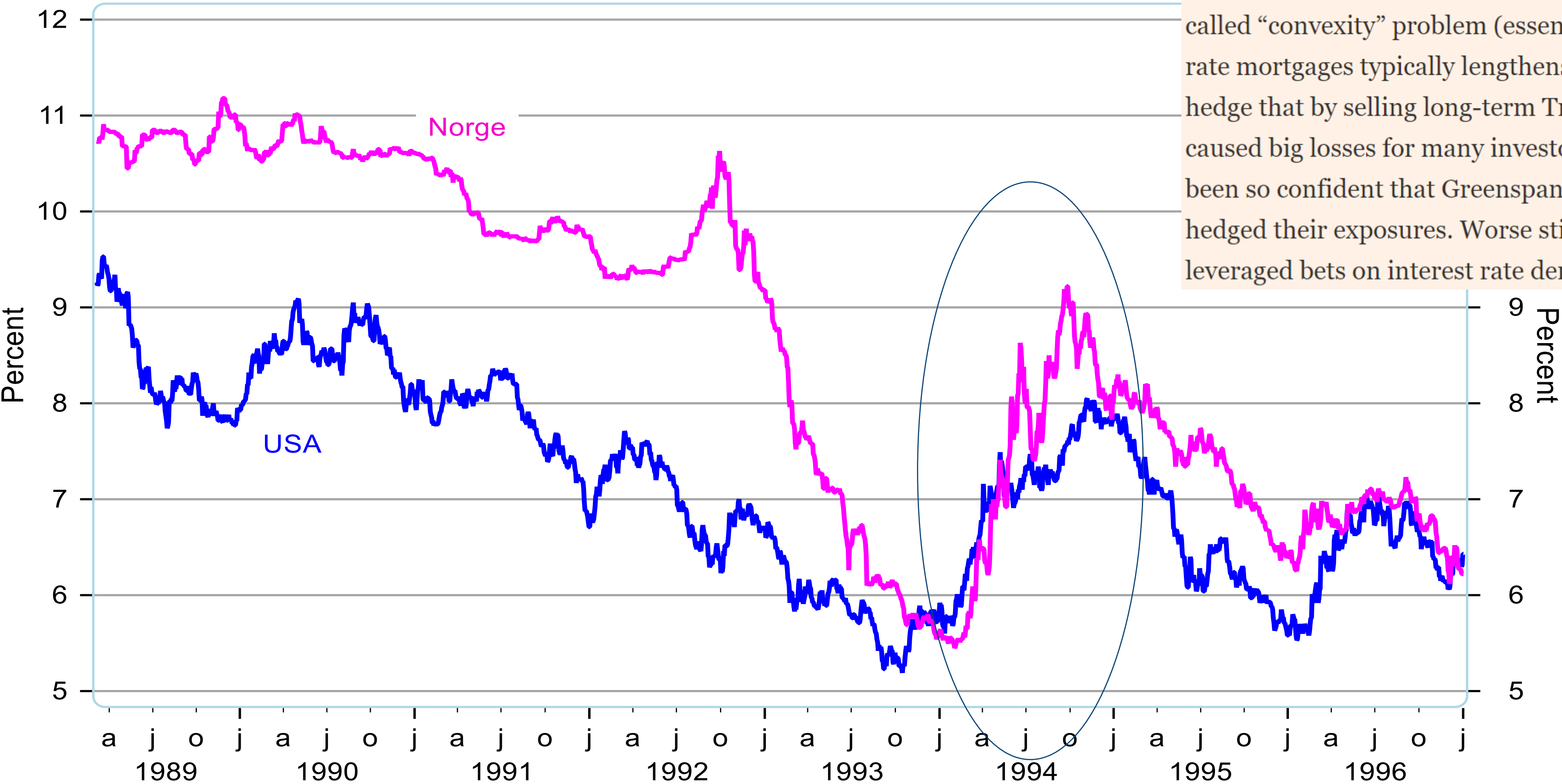
MACROBOND

USA: delvis invertert rentekurve



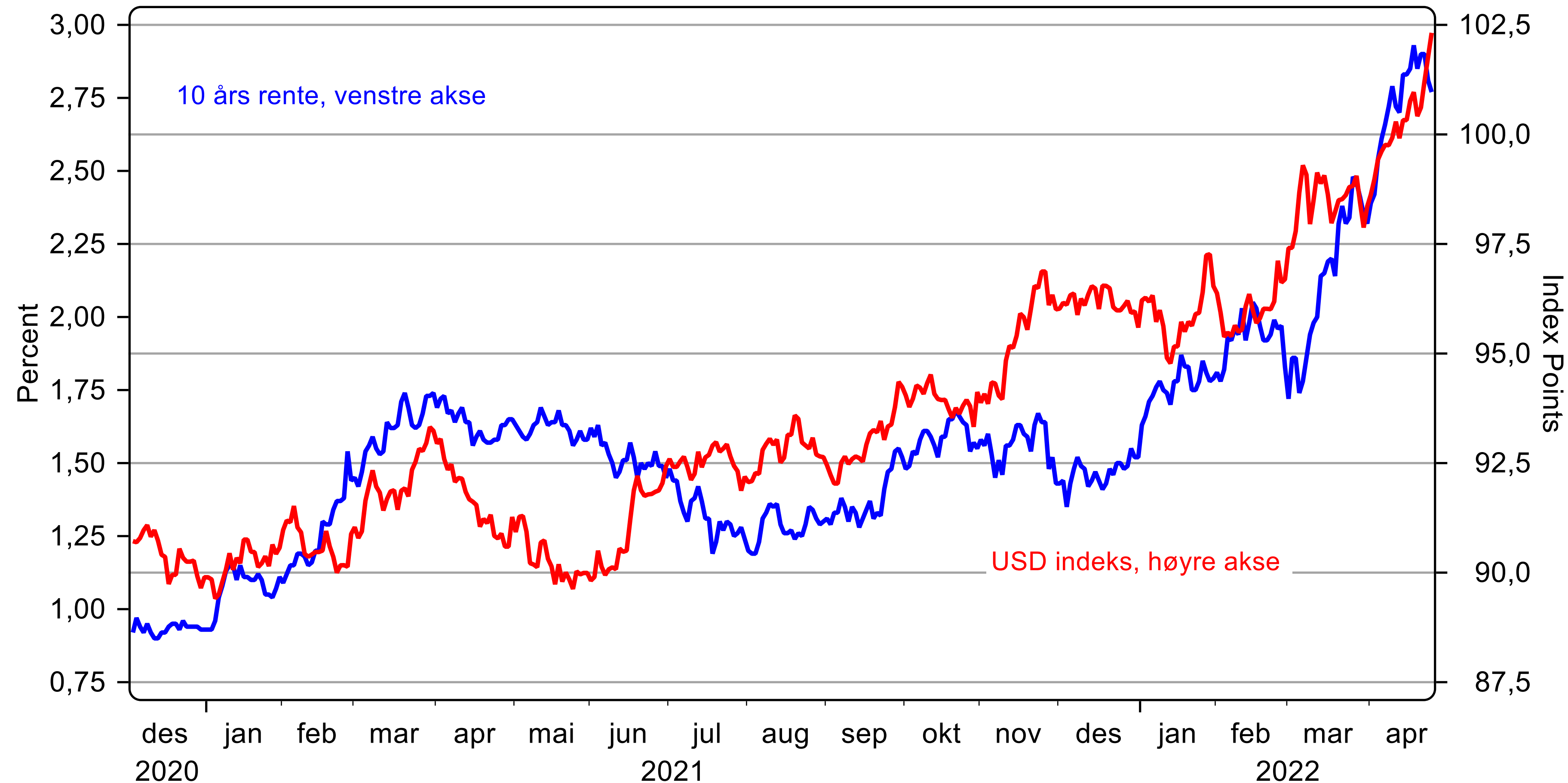
USA: i 1994 doblet Fed styringsrenten på 1 år til 6%

10 års rente på statslån



1994 the US bond markets suffered one major shock, when Alan Greenspan, the US Federal Reserve chairman, unexpectedly doubled short-term interest rates to 6 per cent in a year. That caused long-term rates to leap from 6 to 8 per cent, partly because the structure of the US mortgage market created a so-called “convexity” problem (essentially when rates rise, the duration of fixed-rate mortgages typically lengthens, and in 1994 portfolio managers tried to hedge that by selling long-term Treasuries, fuelling panic). The swing also caused big losses for many investors and banks, because these had previously been so confident that Greenspan would keep rates low that they had not hedged their exposures. Worse still, many investors were exposed to highly leveraged bets on interest rate derivatives; Orange County alone lost some

USA: stigende rentetrend, sterkere USD



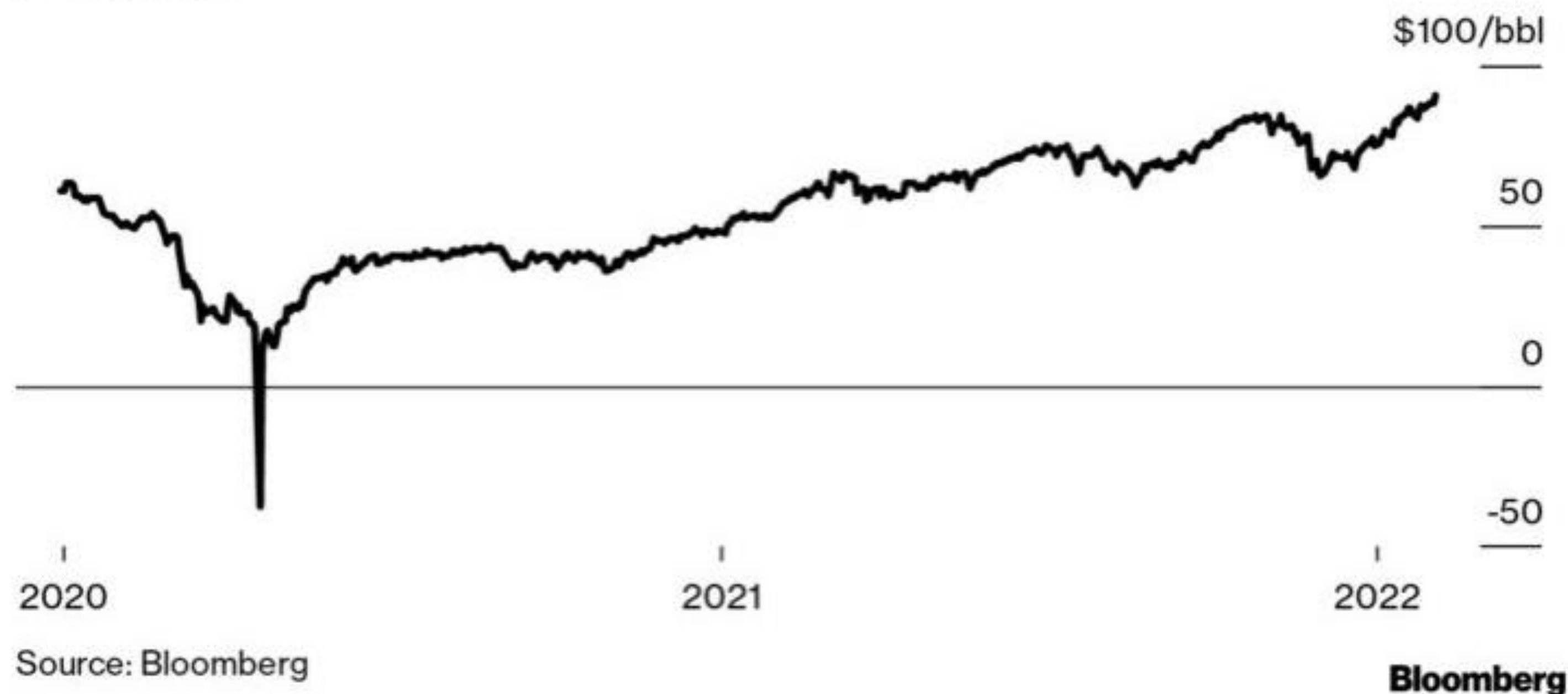
— USD indeks, høyre akse — 10 års rente, venstre akse

Olje: underinvestering etter priskollaps i 2020 og sanksjon mot Russland gir høy pris

Crude Collapse

The pandemic price crash was unlike anything seen before in the industry

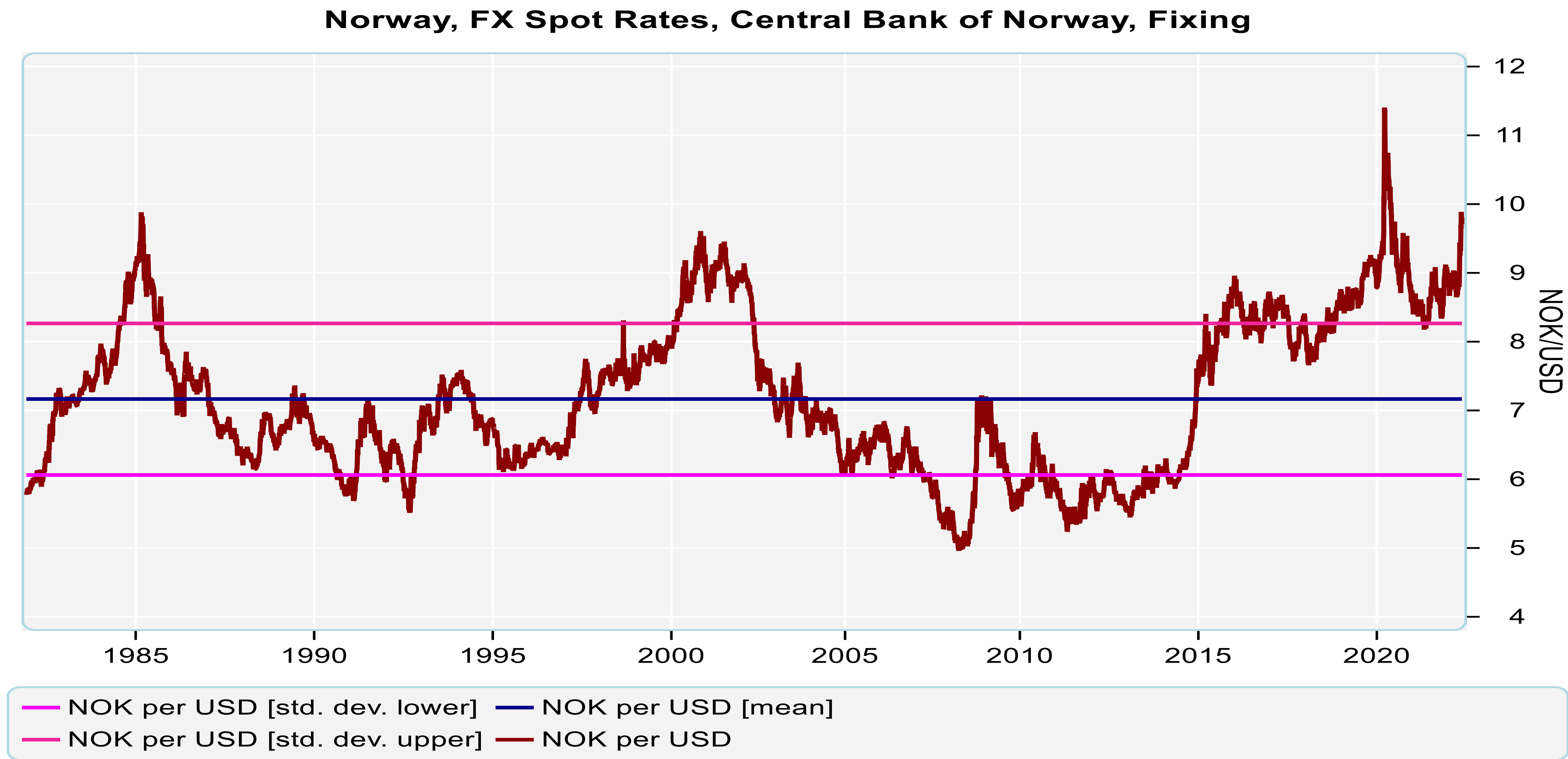
WTI crude



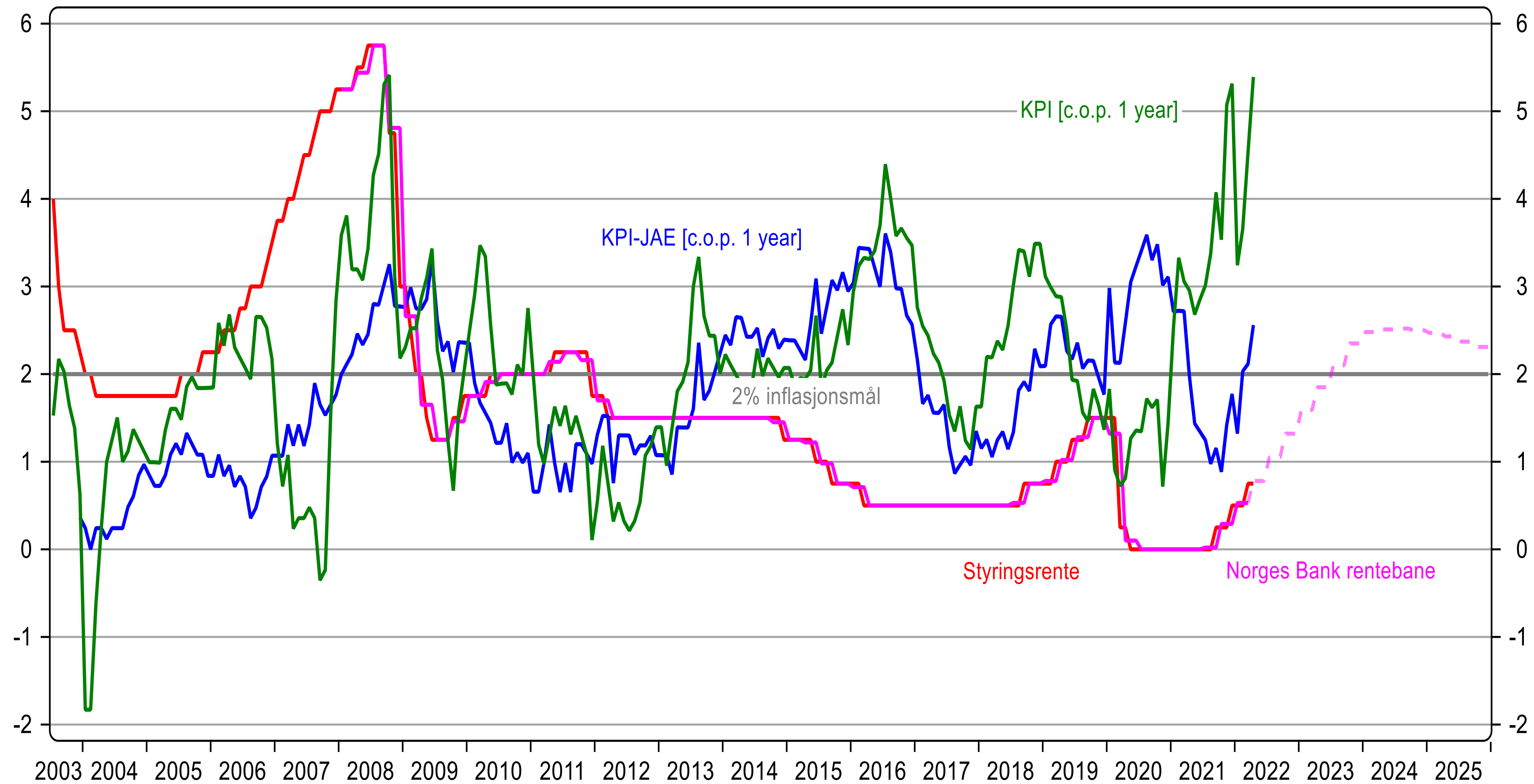
When Oil Prices Went Subzero

The defining moment of the slump—an event many market veterans would scarcely believed they were seeing—came on April 20, 2020. West Texas Intermediate crude, the U.S. benchmark, dropped to minus \$40 a barrel. In places, oil had become akin to a waste product, something you had to pay people to take away.

Norge: svakere krone gir økte importpriser



Norges Bank varsler rentetopp på 2,5%



Økt pengebruk over statsbudsjettet kan bidra til enda høyere renter

Jon Nicolaisen

Jon Nicolaisen,
samfunnsøkonom, Civita

Kronikk

Kronikk: Revidert galskap

Til syvende og sist må gildet gjøres opp. Hvis regjeringen og Stortinget ikke vil gjøre den jobben nå, må fremtidens næringsliv, skattebetalere og låntagere ta regningen for galskapen.

🕒 2 min Publisert: 14.05.22 — 09:56 Oppdatert: 2 dager siden

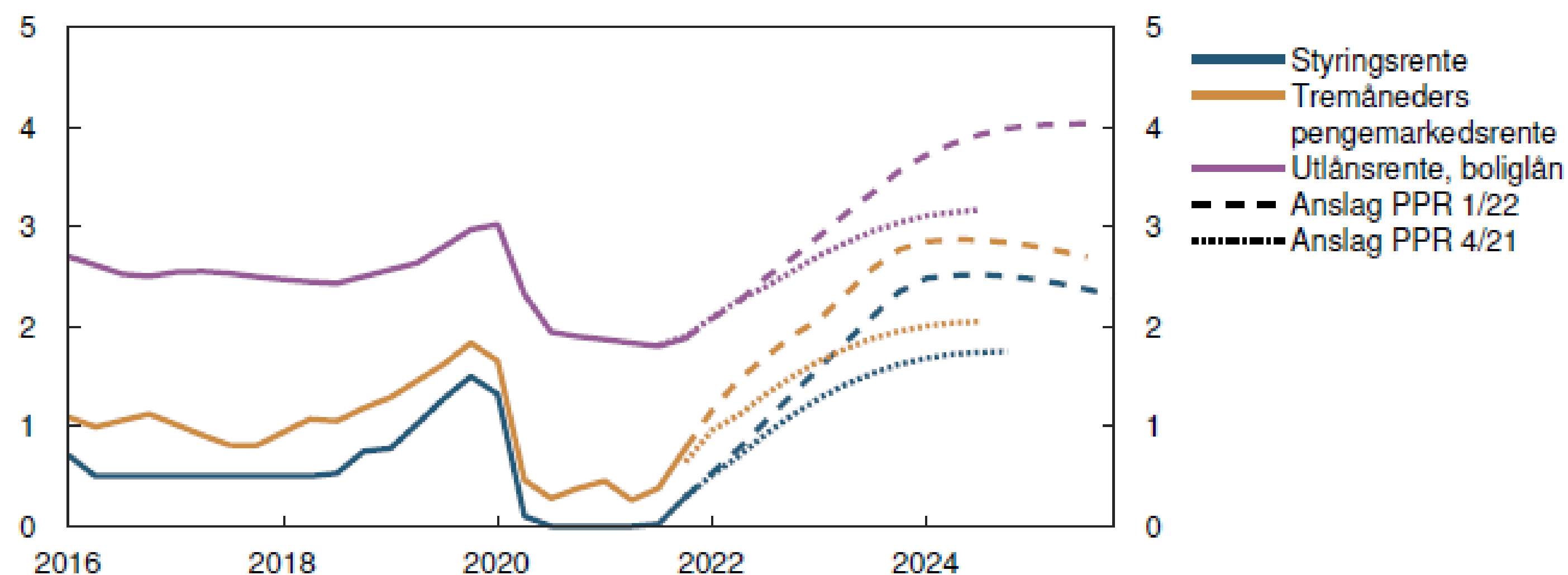


Finansminister Trygve Slagsvold Vedum (Sp) burde redusert pengebruken i revidert budsjett, skriver Nicolaisen. (Foto: Håkon Mosvold Larsen / NTB Scanpix)

Boliglånsrenten vil doubles fra dagens nivå

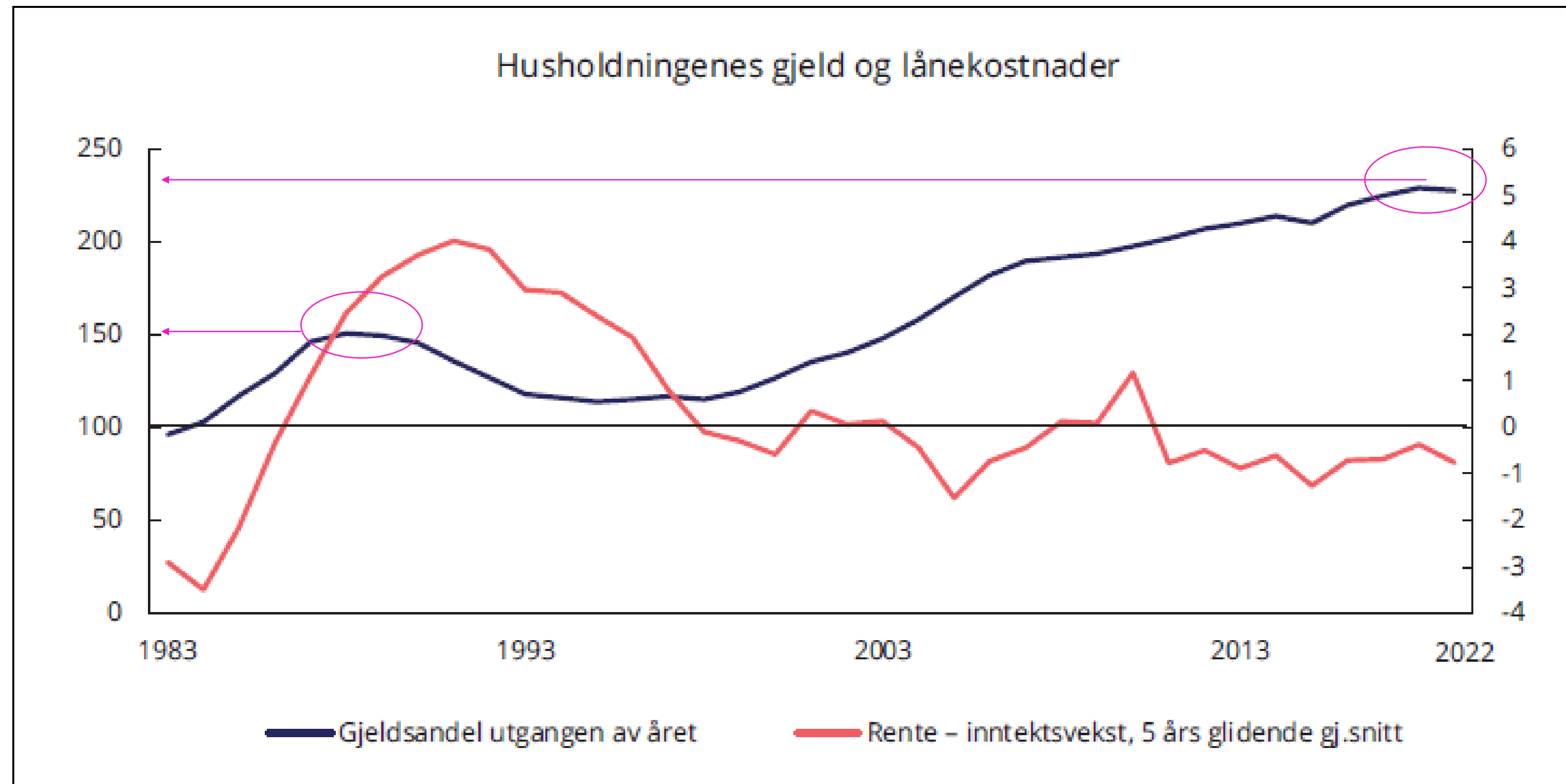
De neste årene venter vi at boliglånsrenten vil øke, men noe mindre enn oppgangen i styringsrenten. Vi anslår at renten på boliglån vil stige til rundt 4,0 prosent mot slutten av prognoseperioden. Vi venter at renten på innskudd vil stige noe mindre enn renten på boliglån. Det vil innebære at marginen på innskuddsfinansierte utlån øker og gradvis nærmer seg nivået fra før pandemien.

Figur 2.1 Utsikter til høyere utlånsrenter
Prosent



Kilder: Refinitiv Datastream, Statistisk sentralbyrå og Norges Bank

Norge: kraftig økning i gjeld i husholdningene vil gjøre det vanskelig å heve renten altfor høyt. Motsyklisk bufferkrav økt til 2,5%

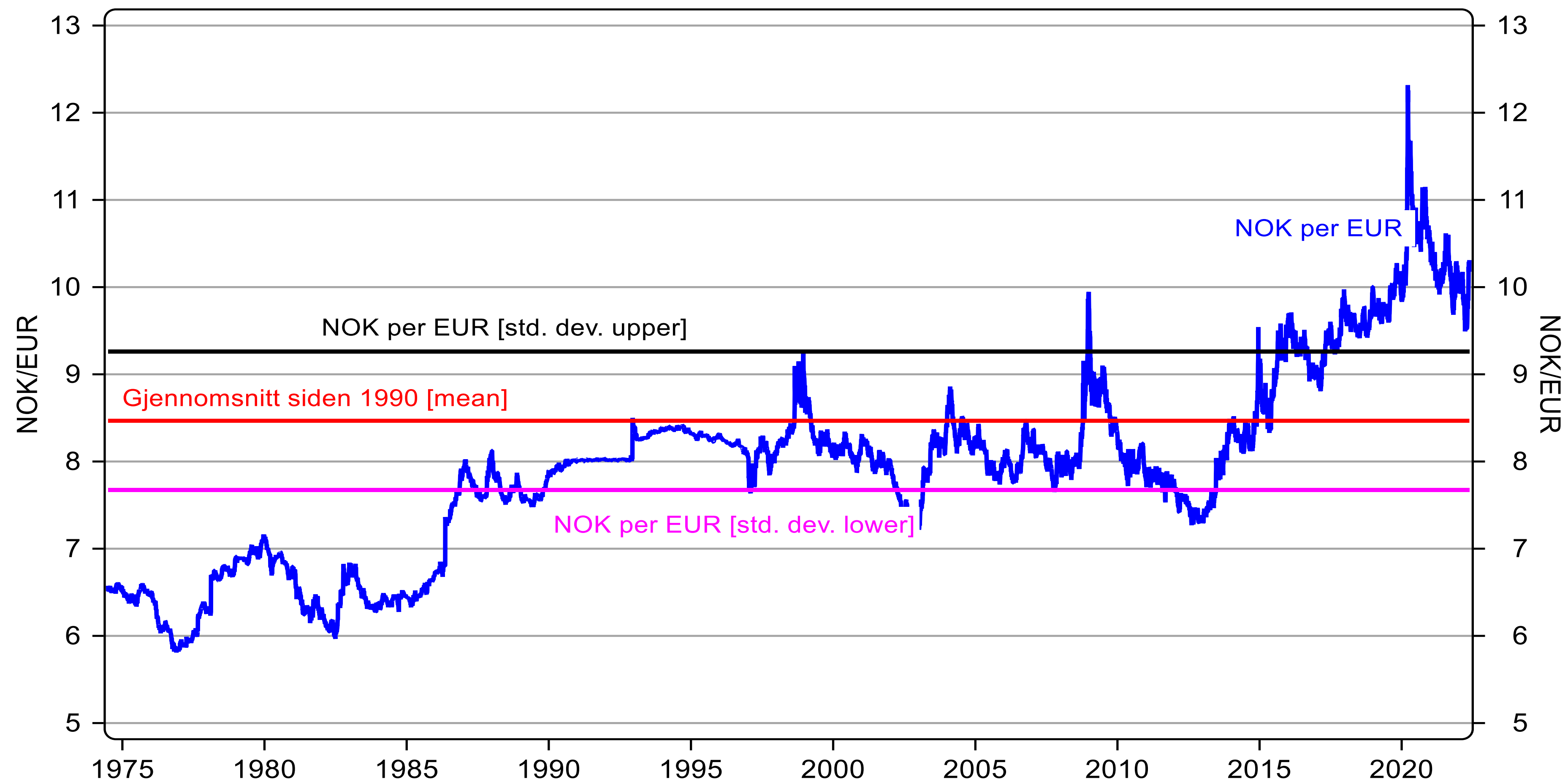


Figur 5.11 Husholdningenes gjeld og forskjellen mellom rente etter skatt og inntektsvekst. 1983–2019. Prosentenheter¹

¹ Gjeldsnivået er her målt som samlet gjeld som andel av disponibel inntekt ved utgangen av året. Realrenteindikatoren viser et femårs glidende gjennomsnitt av differensen mellom gjennomsnittlig bankrente etter skatt og vekst i disponibel inntekt per person.

Kilder: Finansdepartementet og Statistisk sentralbyrå.

Kronen er fortsatt relativt svak også mot euro





Takk for meg 😊

Elisabeth Holvik
Sjeføkonom

SpareBank

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