

As winter soon approaches, soaring gas prices threaten to increase fuel bills across the globe. According to Reuters, the gas market chaos has driven prices 280% higher in Europe this year and has led to a 100%-plus surge in the United States. The surge in prices is largely being blamed on reduced gas supply and rising demand. Fortunately, the impact we will experience in the United States should be limited as we have not only reduced our reliance on other countries for energy, but also have a very diverse mix of energy production (natural gas, solar, coal, nuclear, etc.). However, as a result of rising gas prices, we still run the risk of stagflation (high inflation and low growth).

- According to the Farmer’s Almanac, the 2021-2022 winter is going to be a particularly cold one and has been dubbed the “season of shivers”. With rising energy prices and possibly one of the longest and coldest winters we have seen in some time, it is undoubtedly setting us up for the “perfect storm.”
- It is no surprise that the current administration is focused on transitioning the United States to more clean energy dependence. Just recently, as natural gas prices soar overseas, the administration announced it is targeting solar energy to power close to half of the electric grid by the year 2050, which now only accounts for about 3% of the power supply.

