



Fueling Up

The Economic Implications of the American Oil & Gas Boom

Trevor Houser

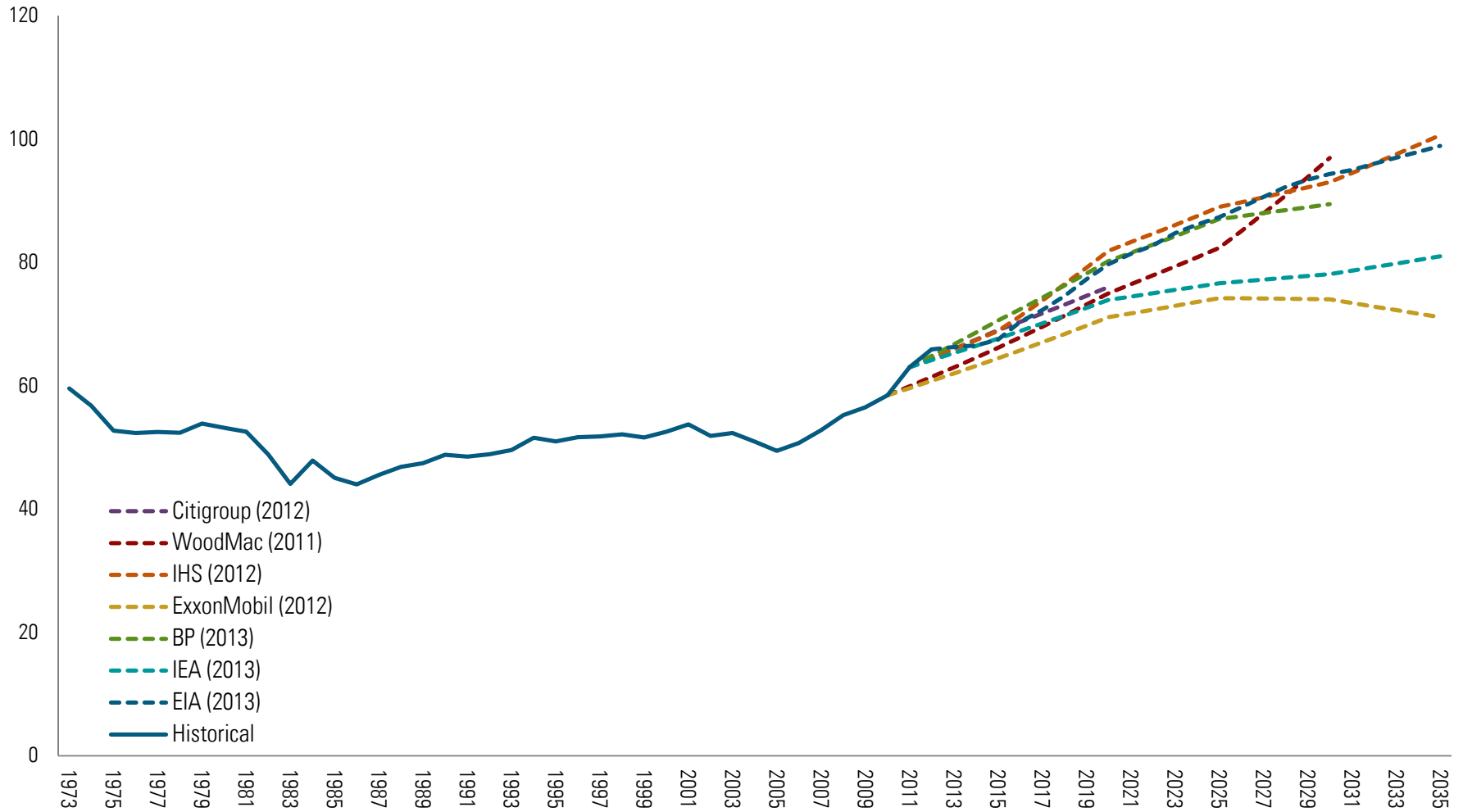
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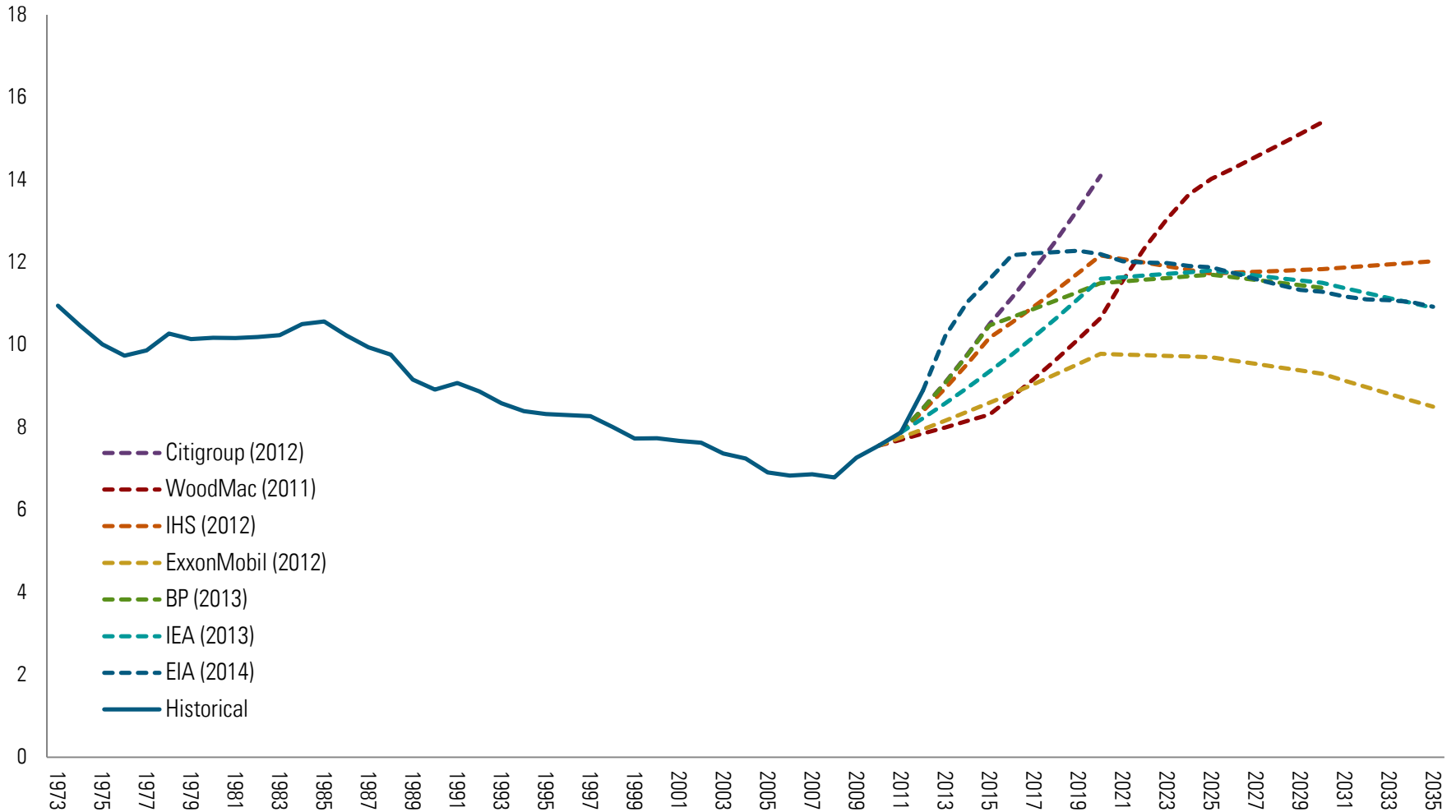
Recent natural gas production forecasts

Billion cubic feet per day



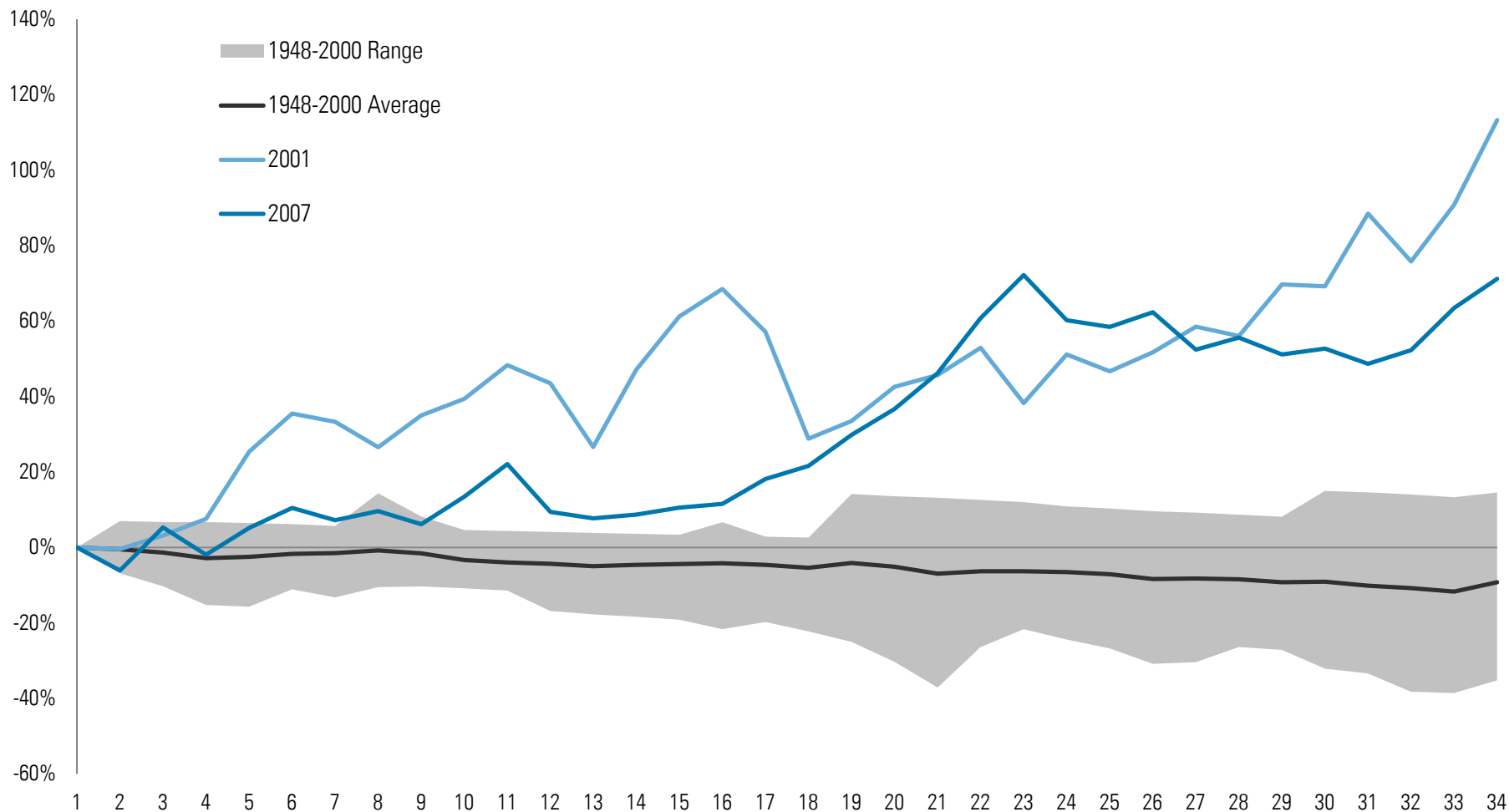
Recent oil production forecasts

Million bbl/d



Oil prices following a US recessions

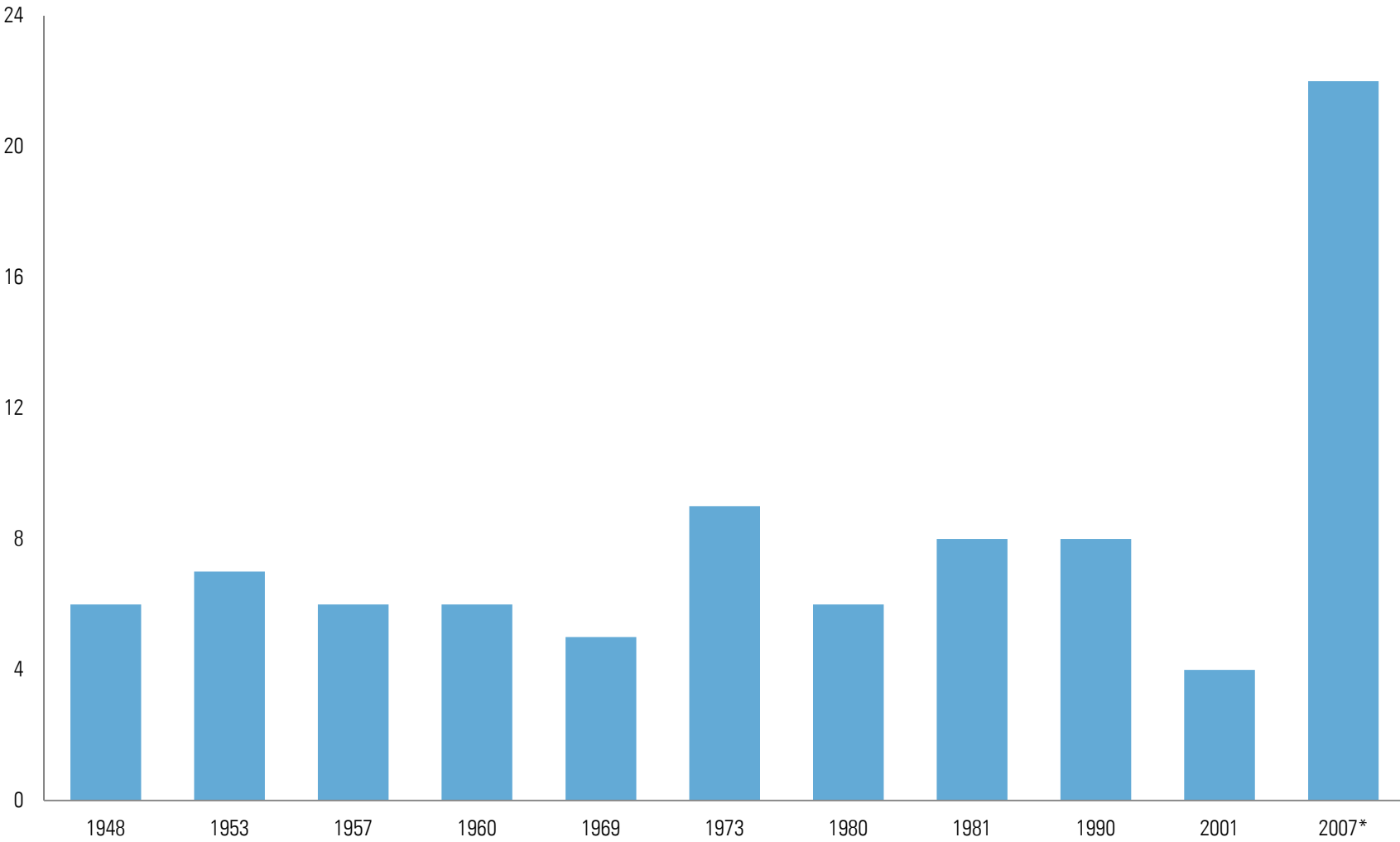
Months into the economic recovery



Source: EIA, BLS, BEA

Duration of post-war recession and recoveries

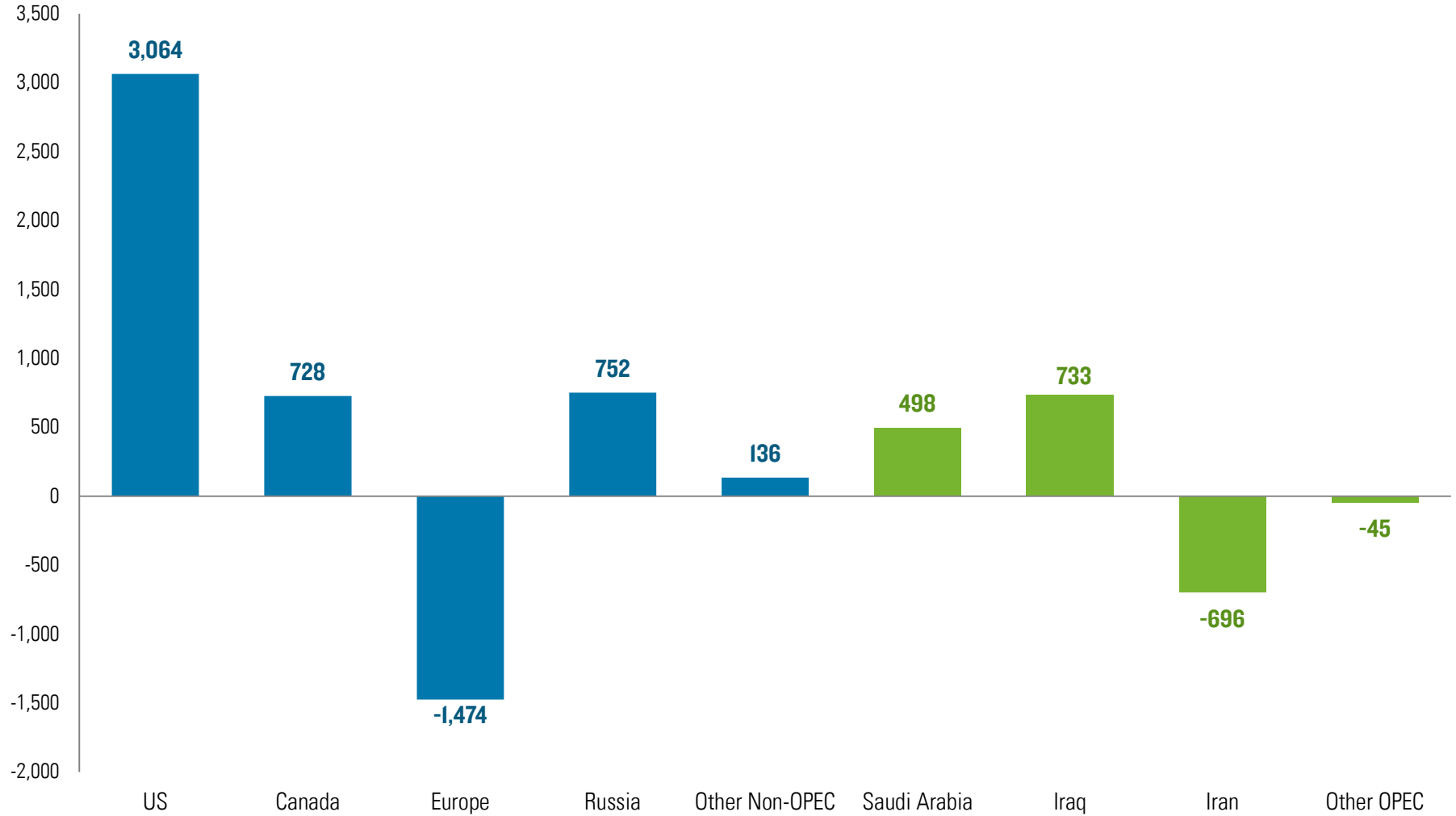
Quarters



Source: BEA

Change in global oil production, H1 2013 vs. H1 2008

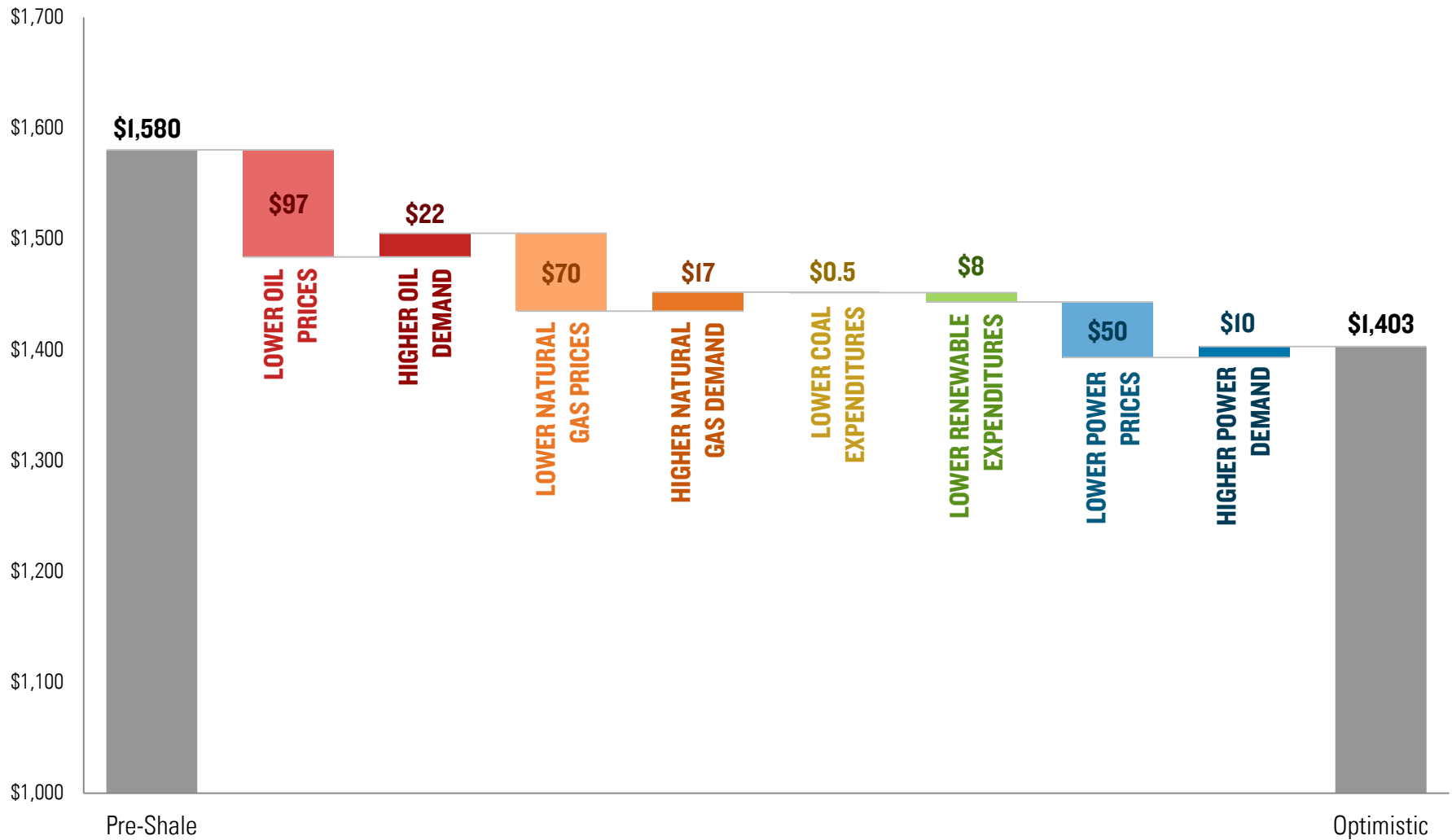
Thousand barrels per day



Source: EIA

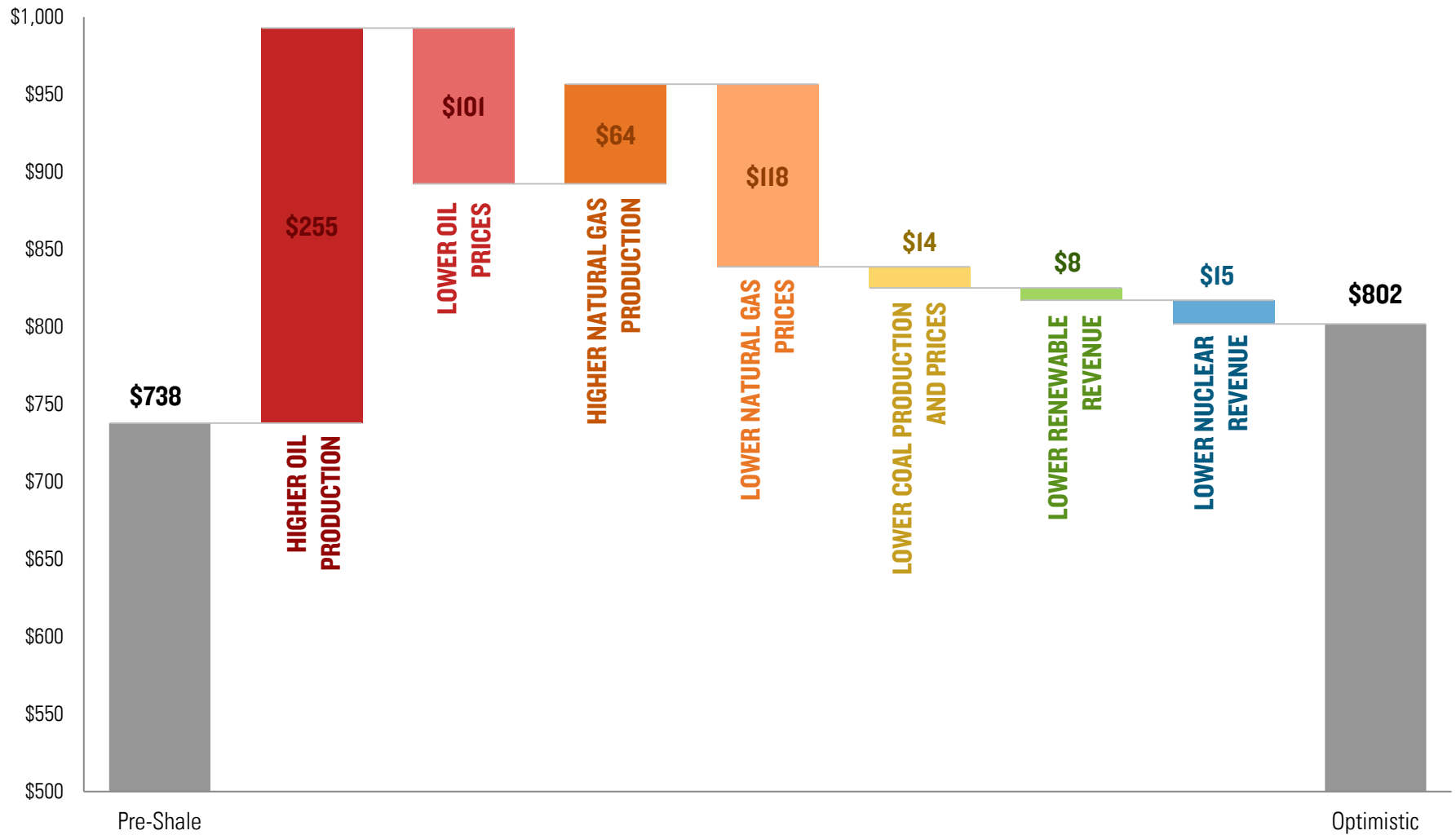
Change in consumer expenditures

Billion USD, 2013-2035 average



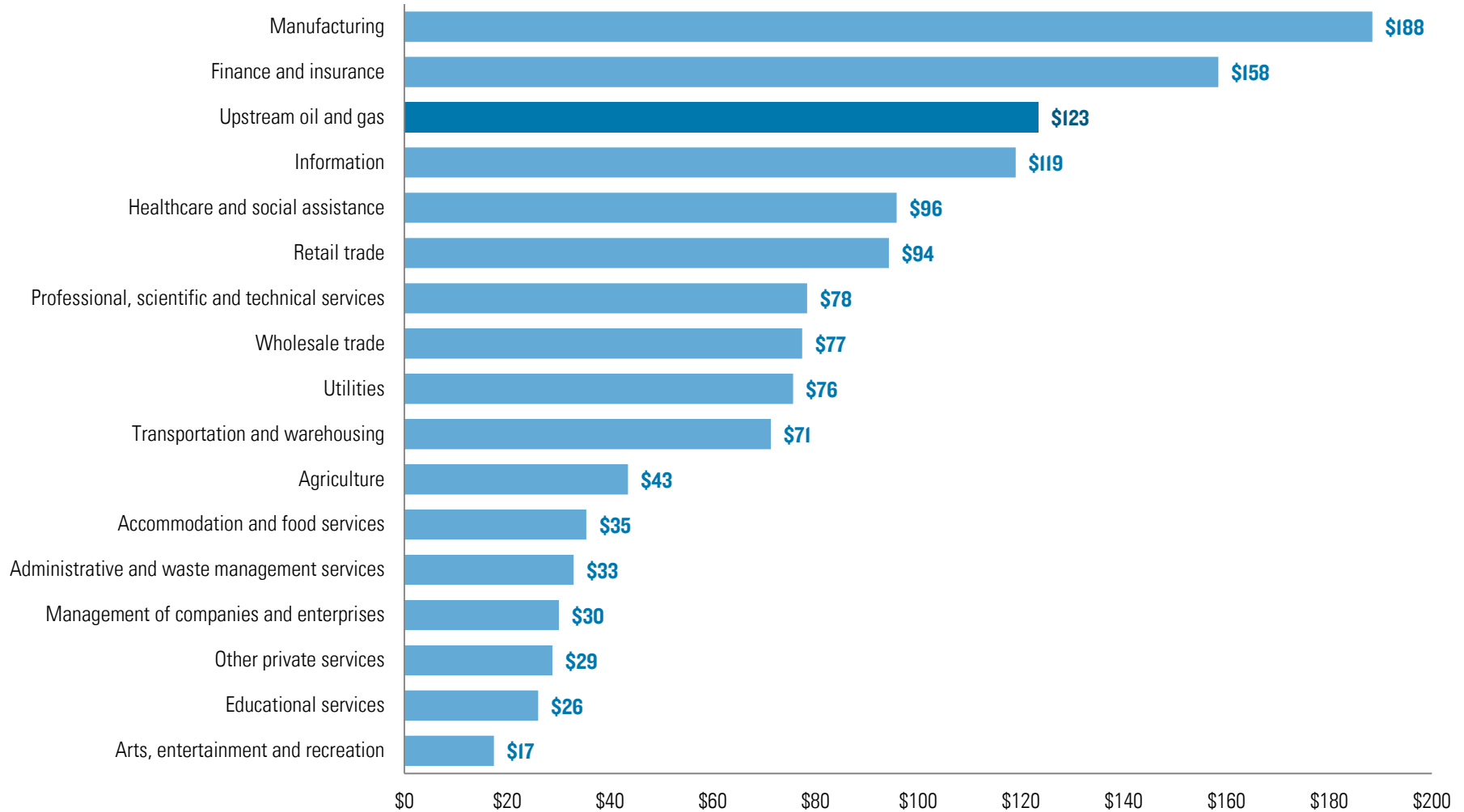
Change in producer revenue

Billion USD, 2013-2035 average



Fixed asset investment by industry

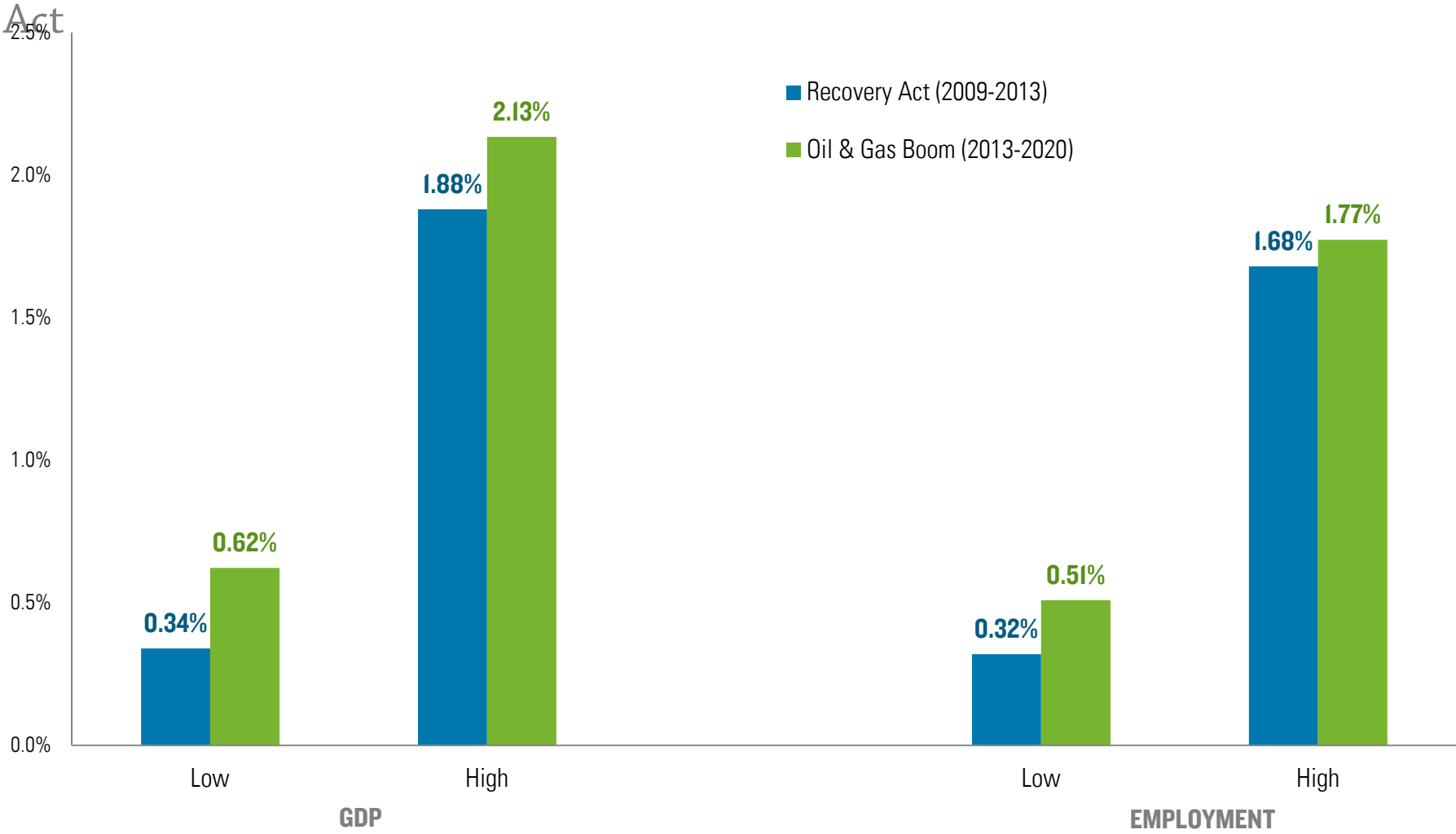
Billion 2005 chained dollars



Source: BEA

Textbook stimulus

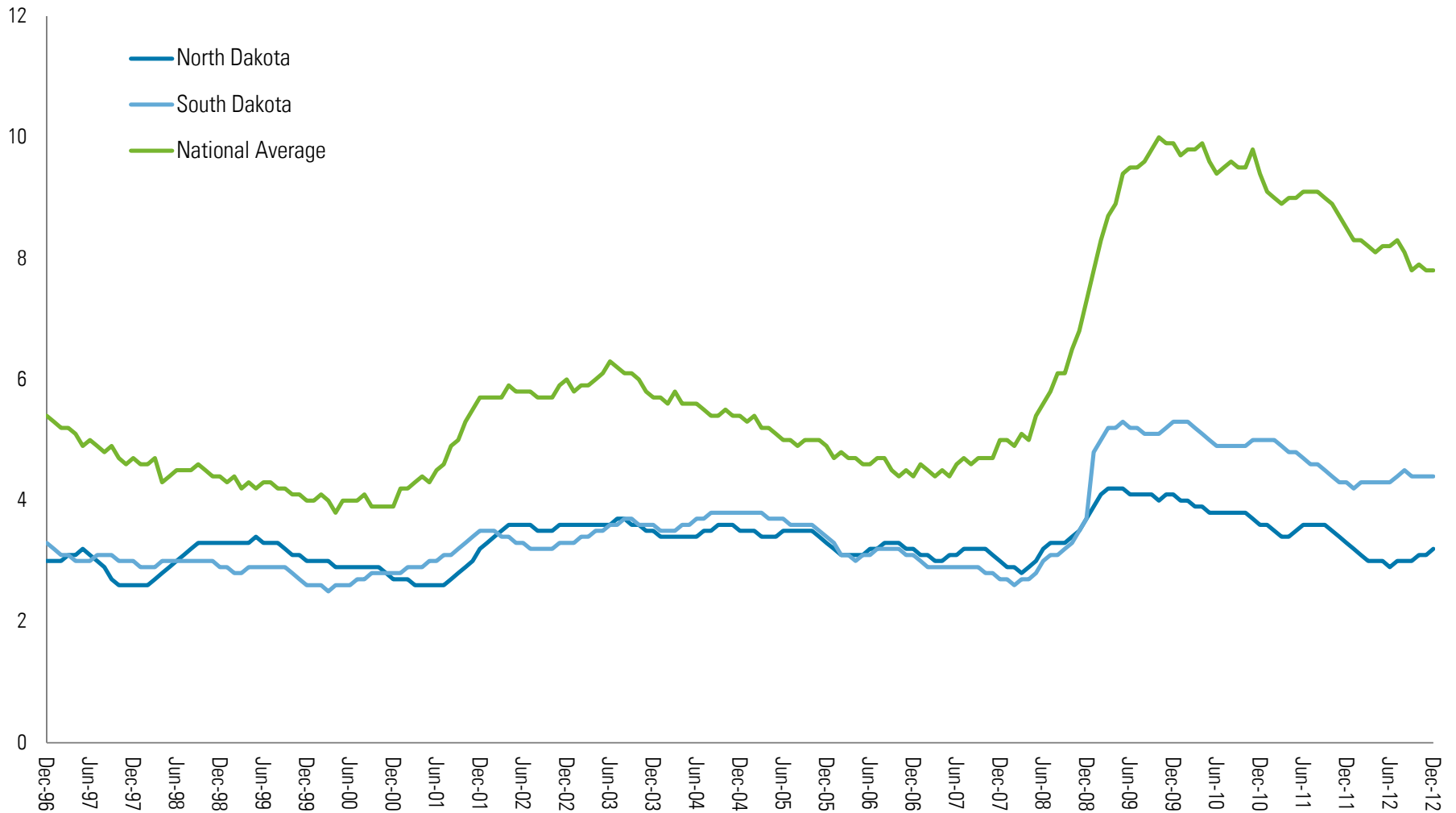
Impact of the oil and gas boom vs. the American Recovery and Reinvestment Act



Source: Houser and Mohan

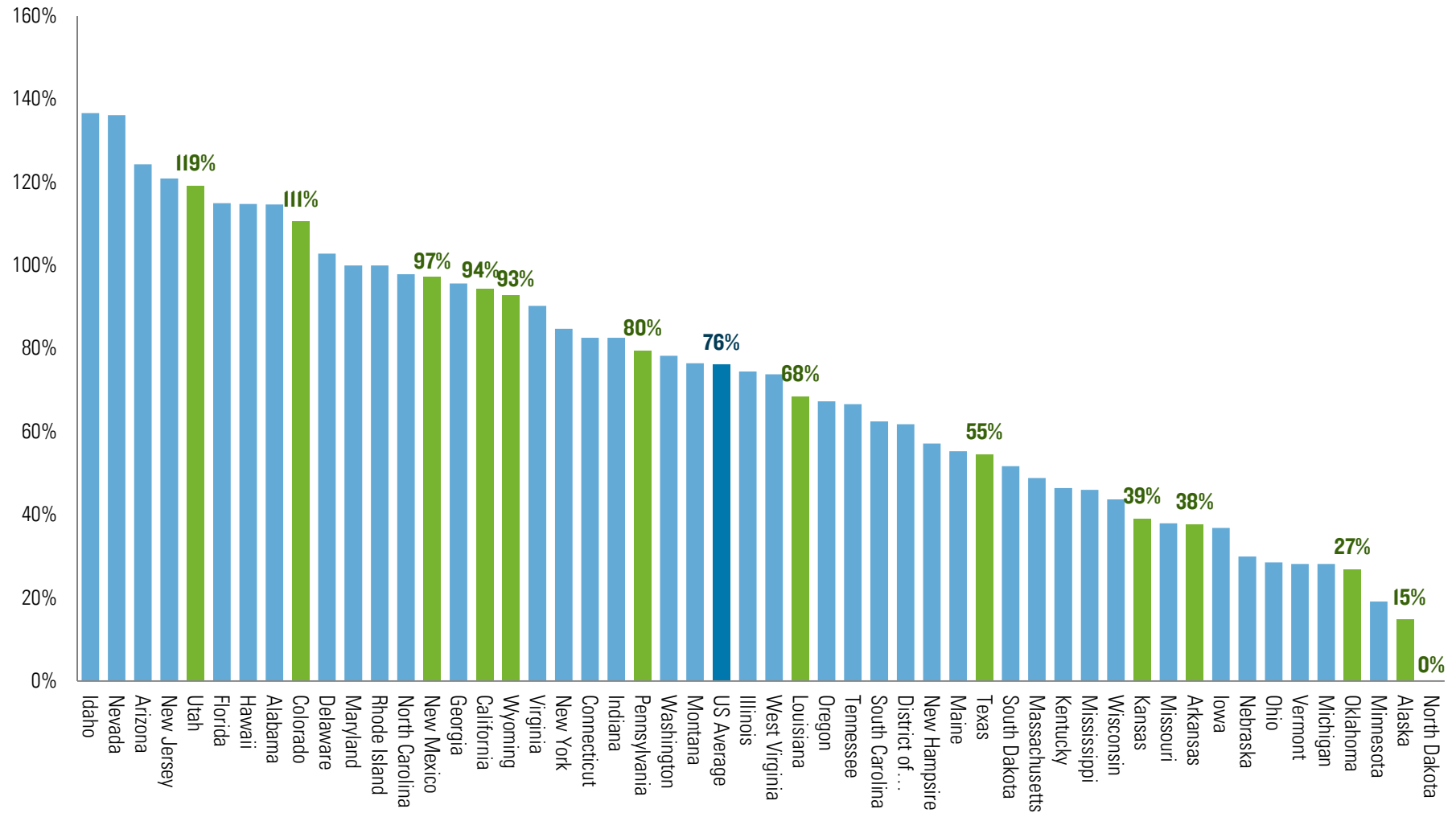
Unemployment rate – Dakotas vs. national

Percent



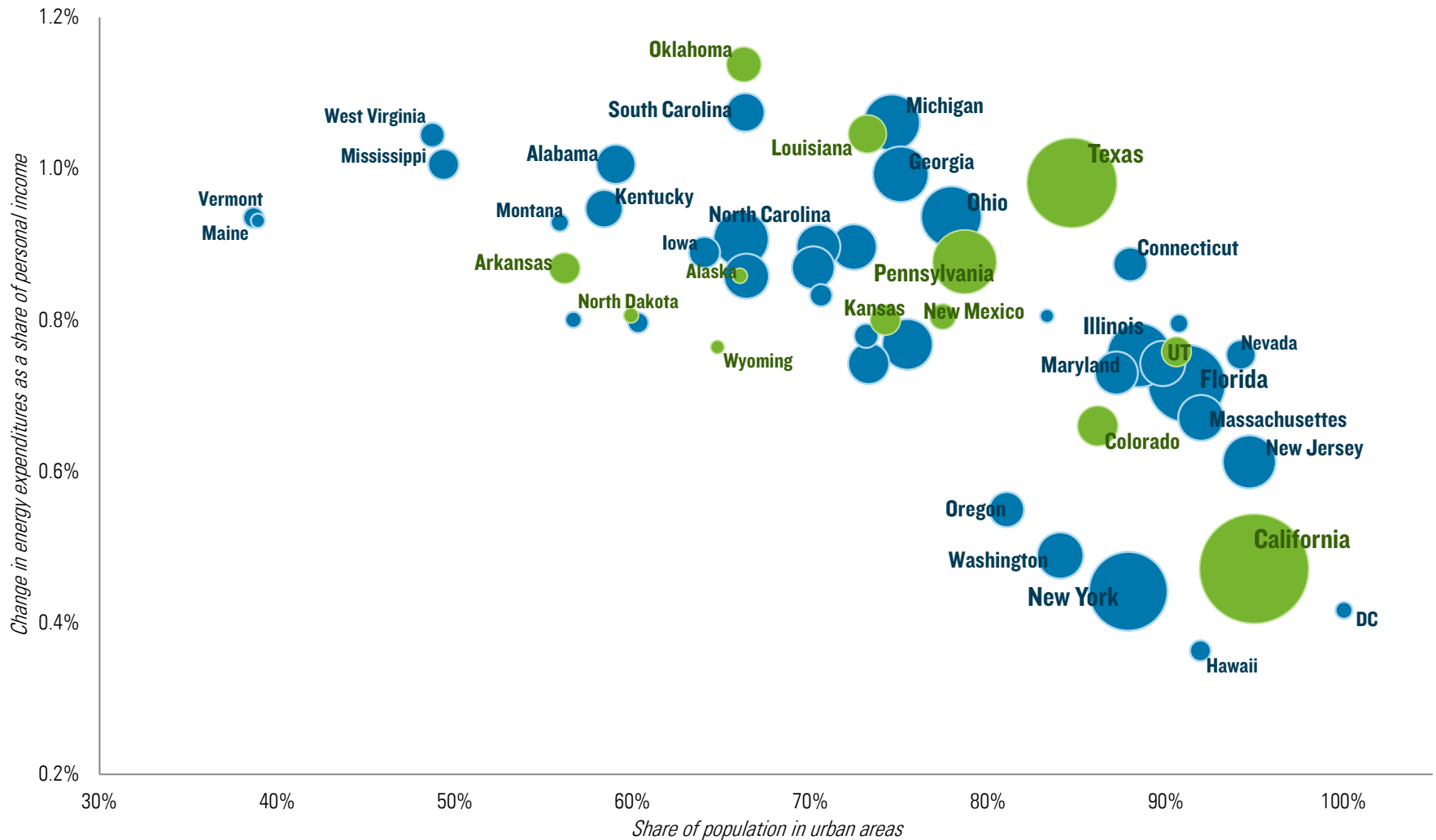
Change in unemployment rate

2012 vs. 2007



Change in energy expenditures by state

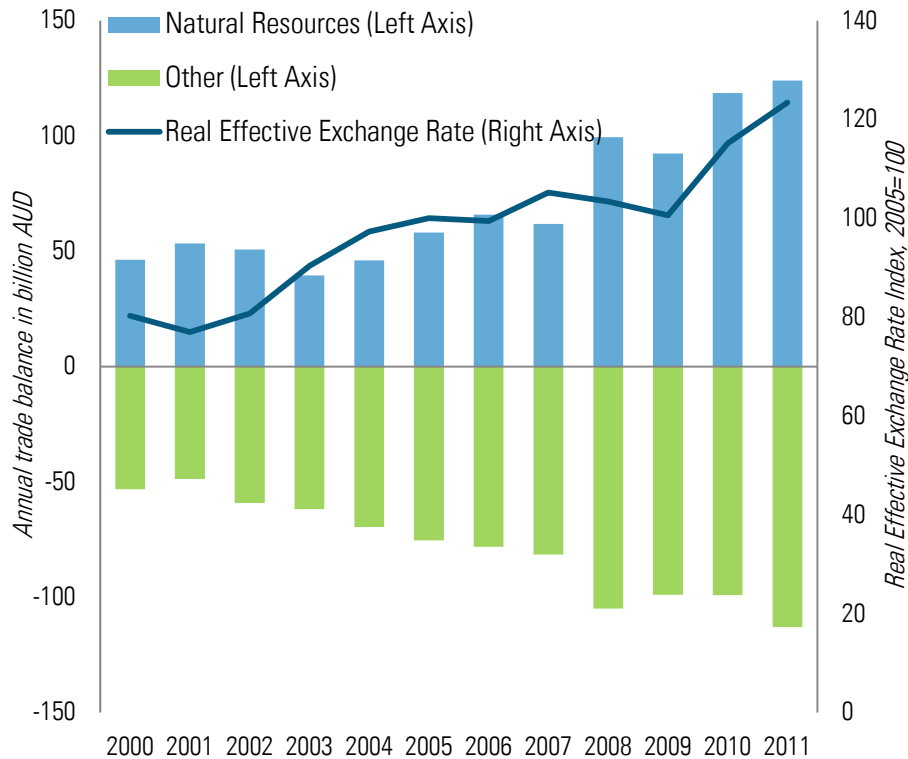
As share of personal income, relative to population



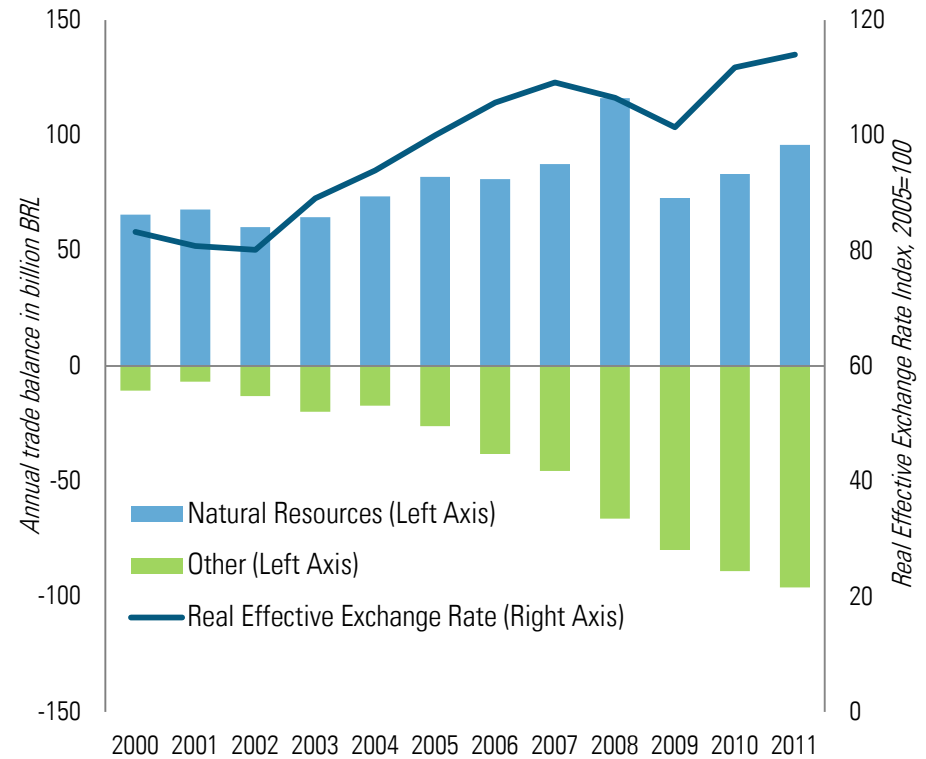
Dutch disease or Dutch sniffle?

Recent precedents

AUSTRALIA



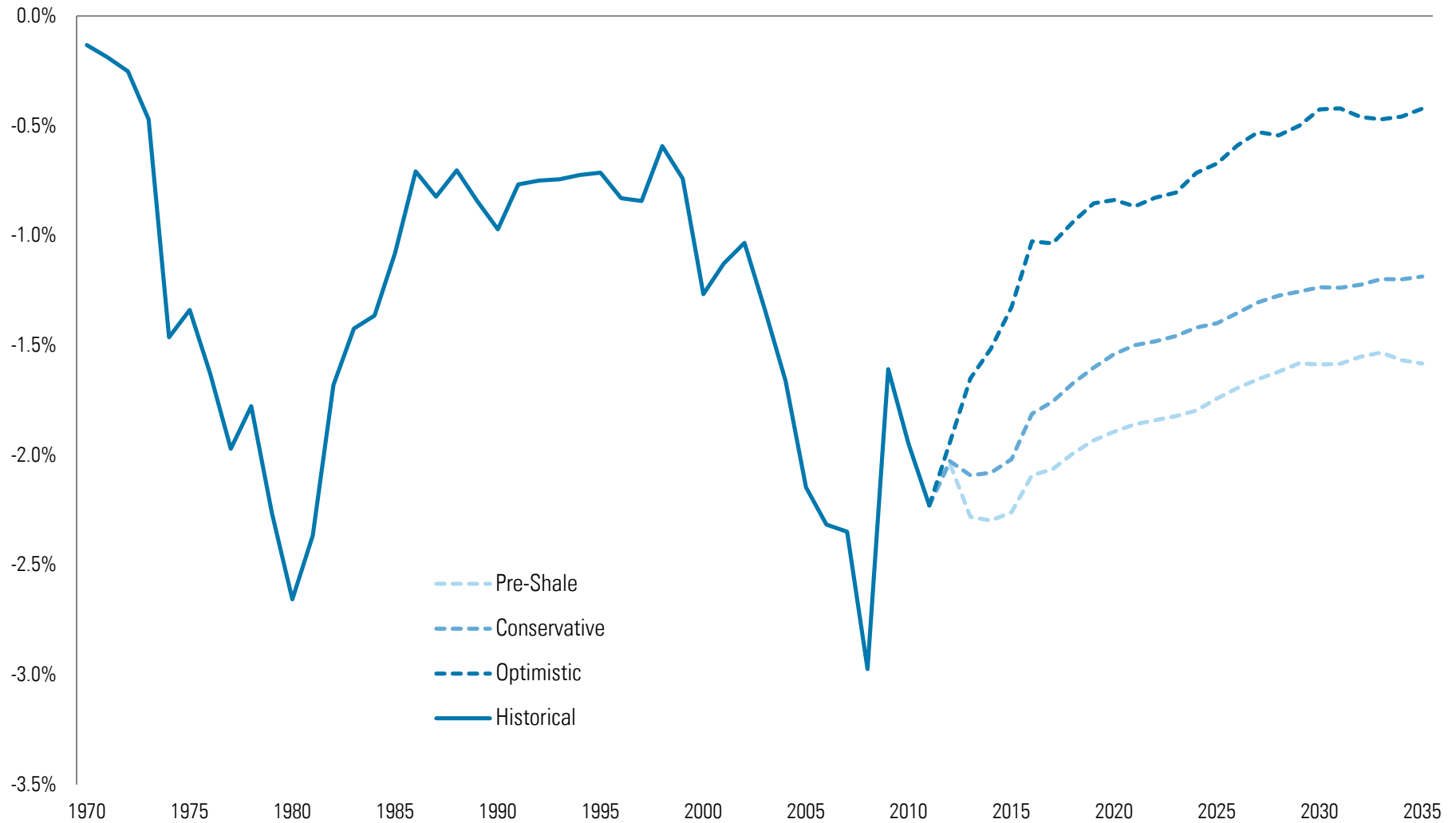
CANADA



Source: IMF, UN Comtrade

Energy trade deficit

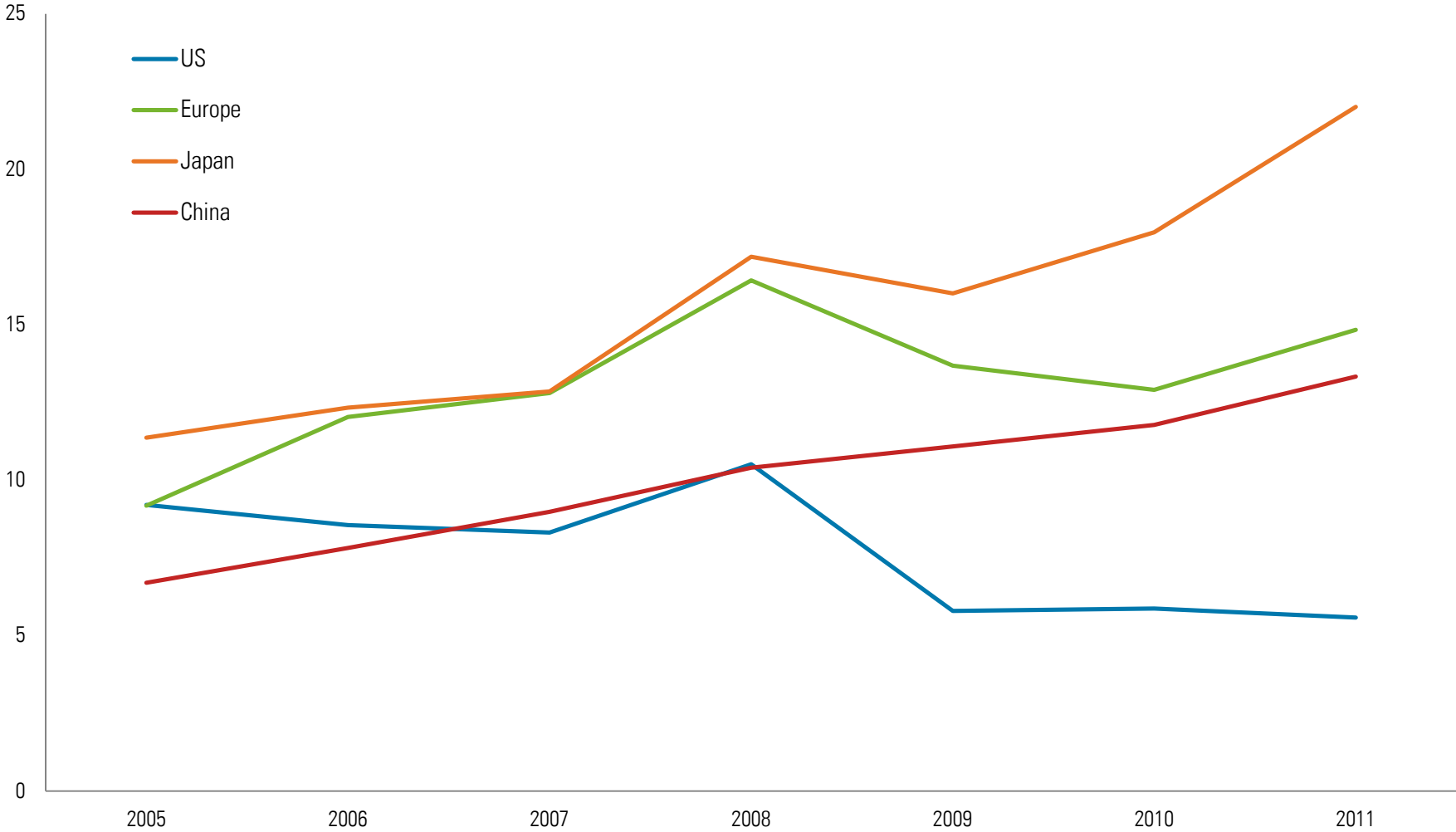
As a percent of GDP



Source: Houser and Mohan

Natural gas prices for industrial consumers

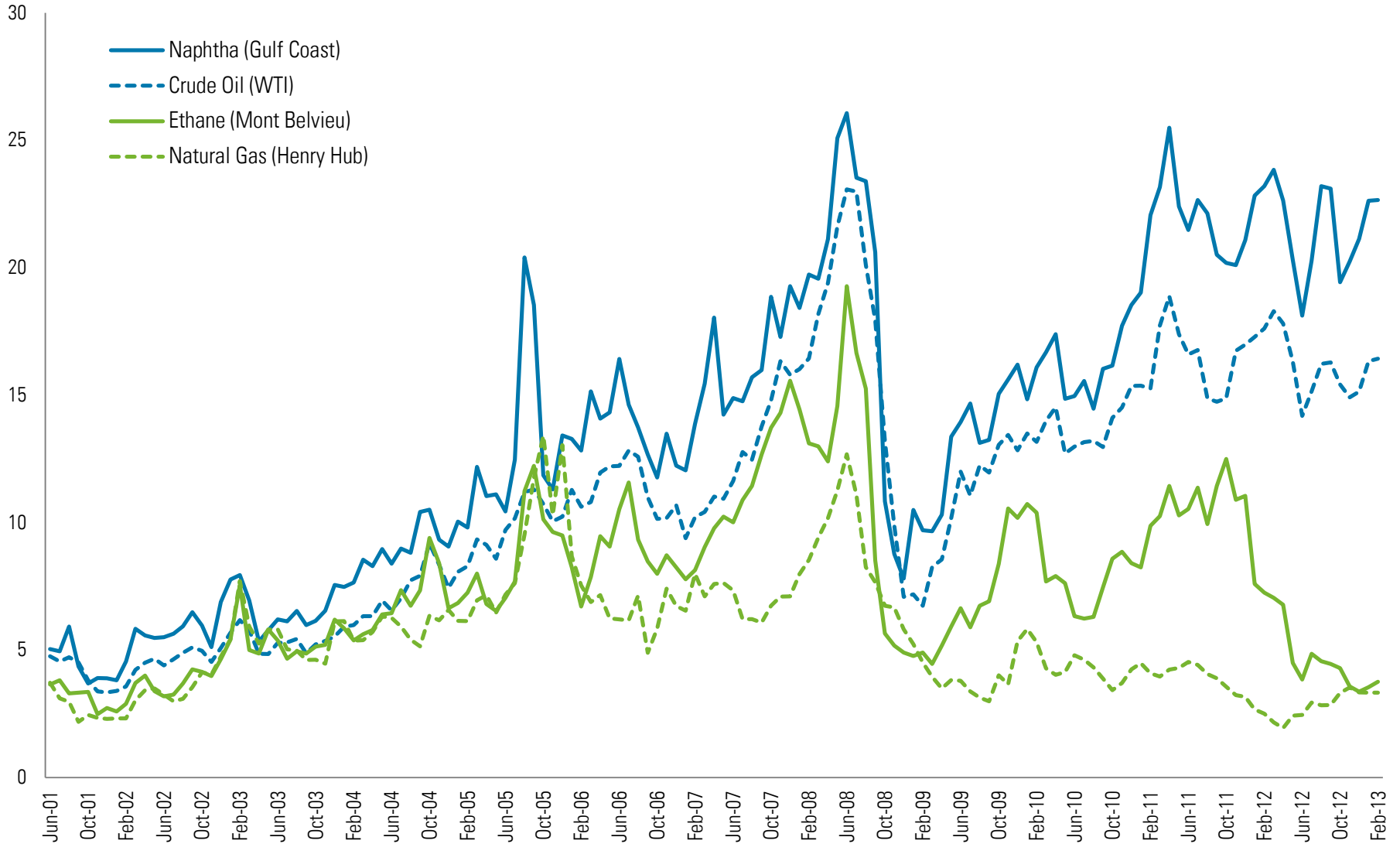
USD per MMBTU



Source: EIA, IEA

A boon to US chemicals production

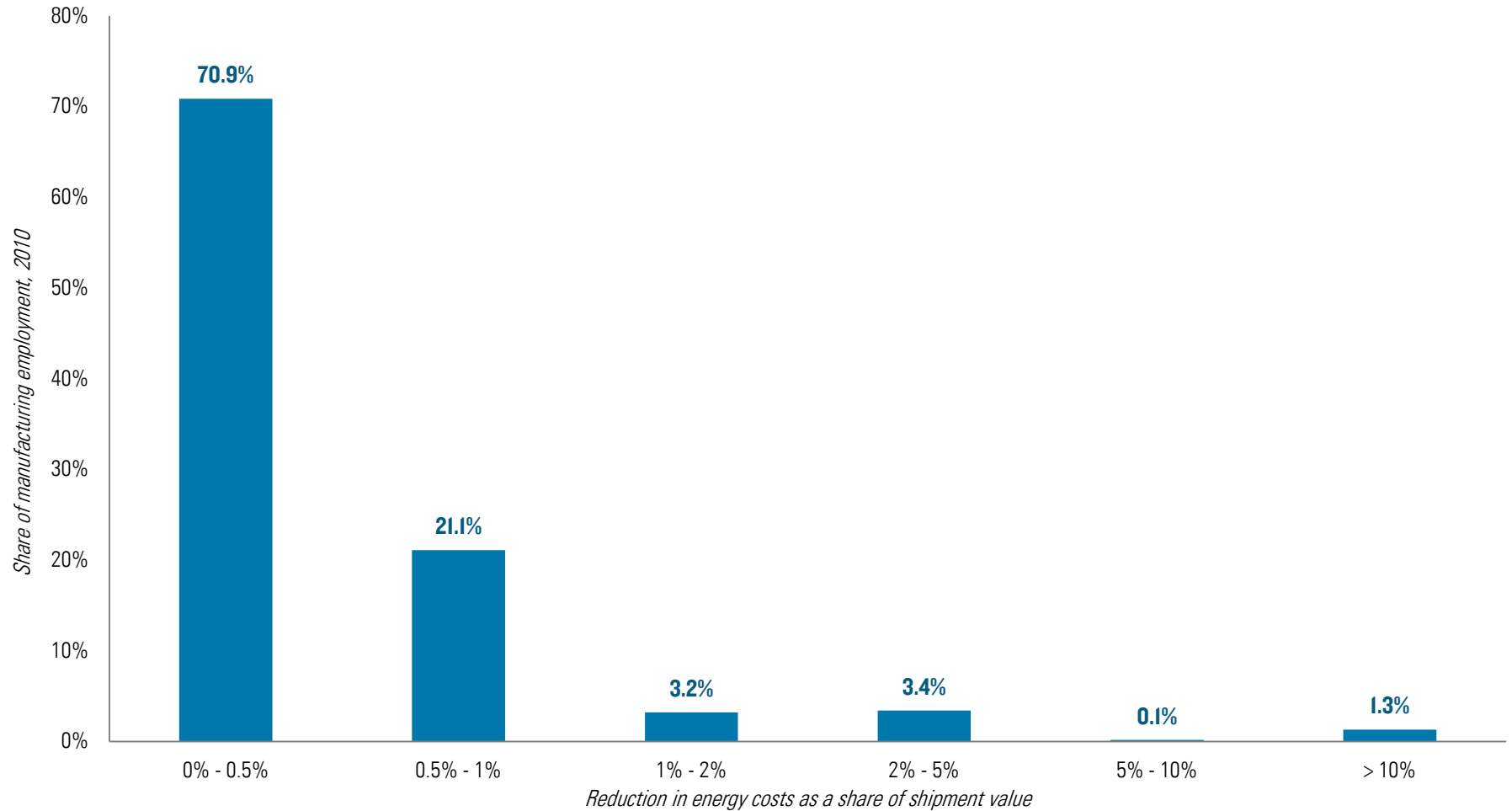
Feedstock cost, USD per MMBTU



Source: EIA, Bloomberg

Energy-intensive industry in perspective

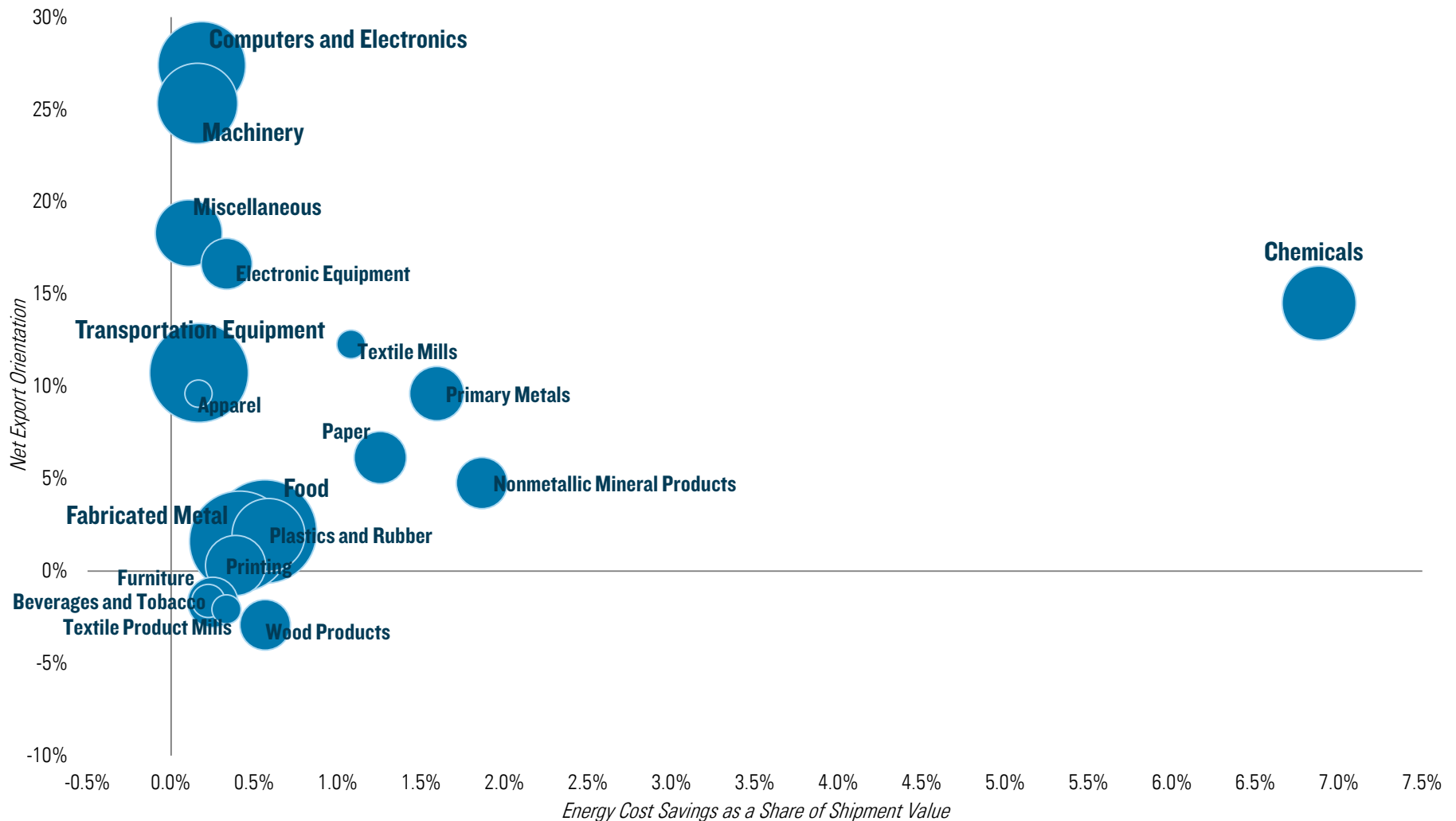
Potential reduction in energy costs as a share of shipment value



Source: Houser and Mohan

Balancing energy savings against exchange rate effects

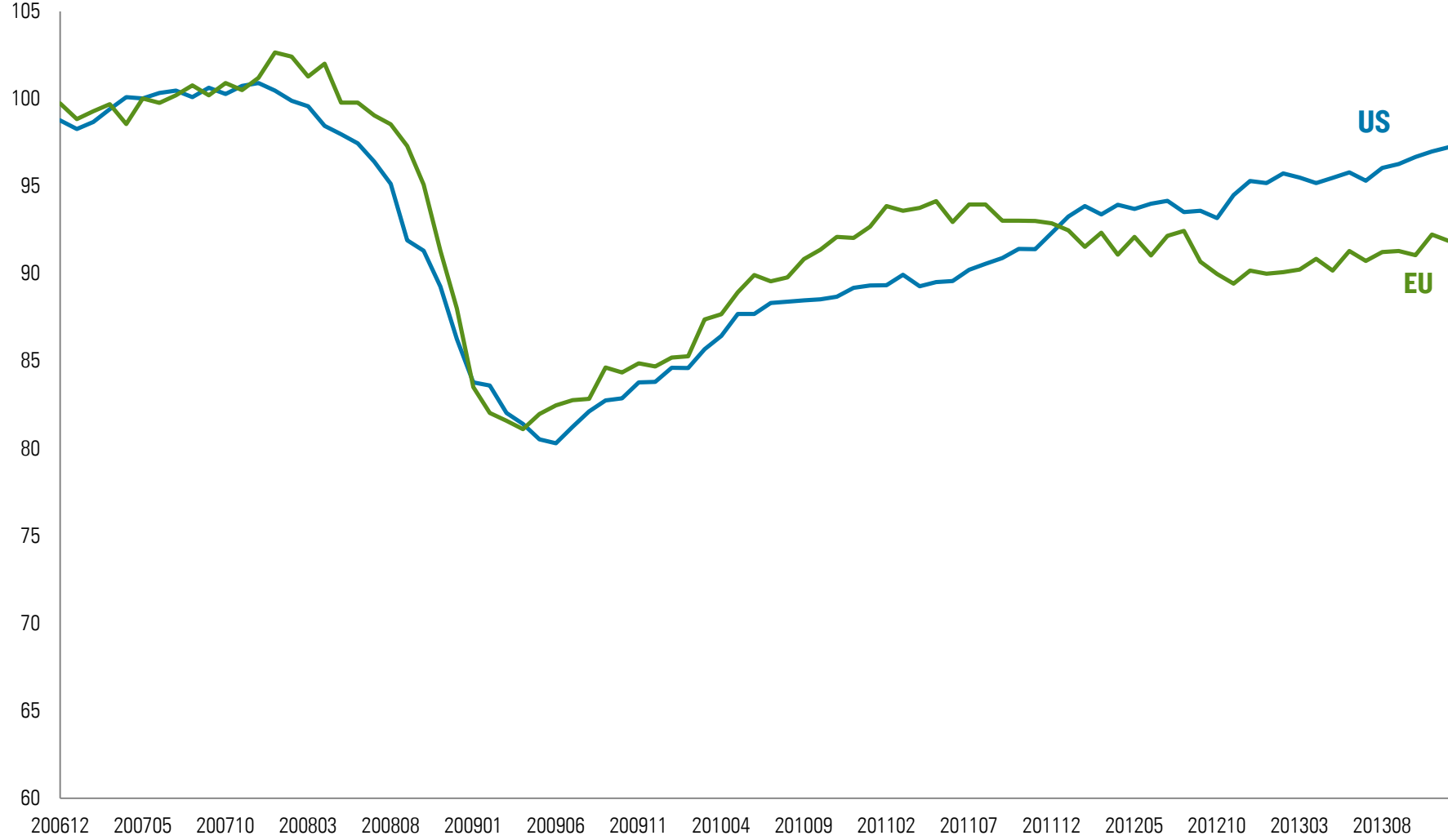
Potential cost reductions vs. net export exposure



Source: Houser and Mohan

Industrial production

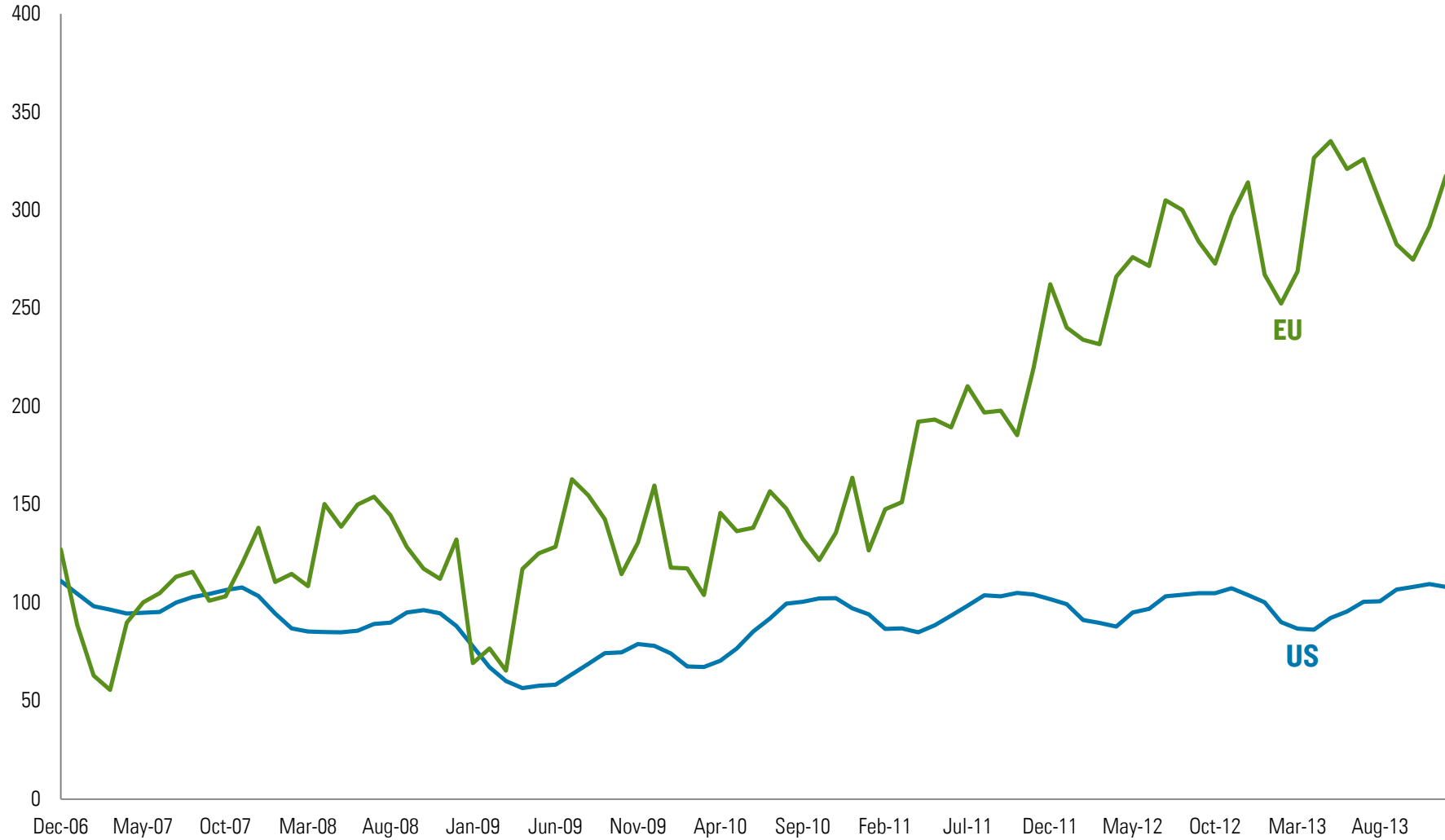
Index, 2007=100



Source: CEIC

Manufactured goods trade balance

2007=100



Source: CEIC

US trade balance

% of GDP



Source: BEA



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