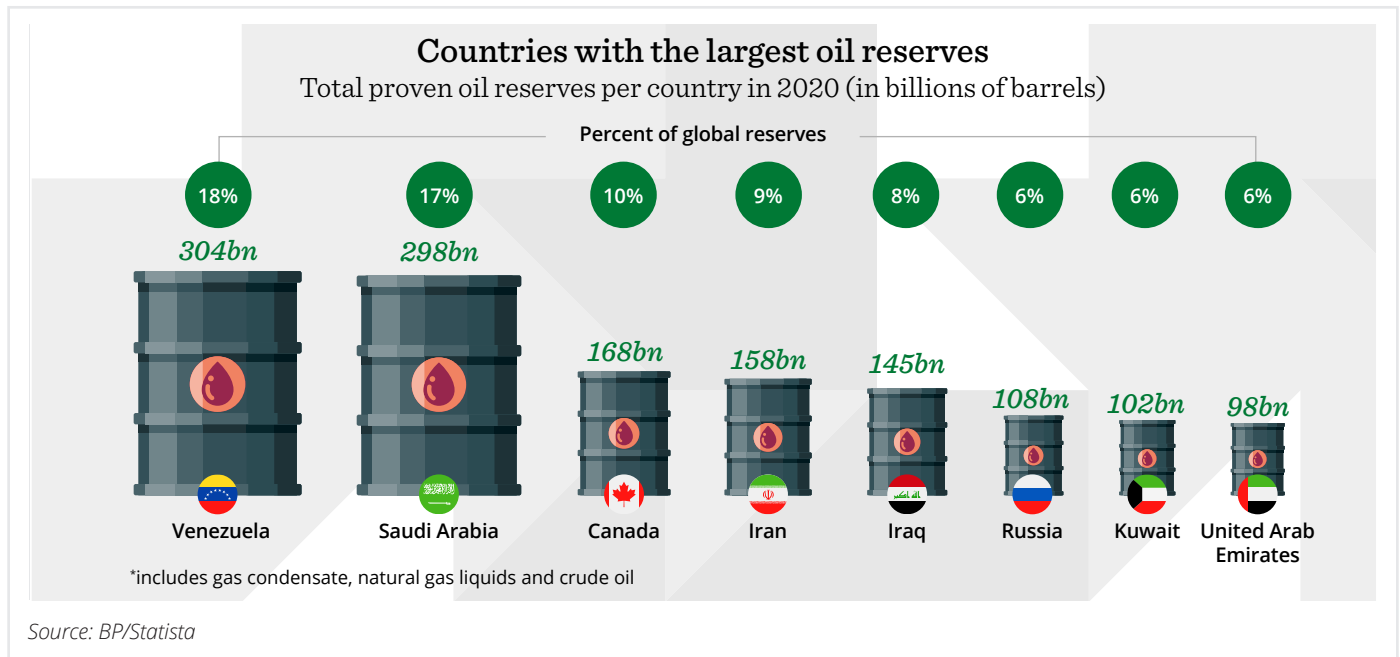


Between the lines

Week
11

Alternative suppliers of oil

The US has already banned Russian imports of oil, gas and coal but Europe has been more reluctant to impose energy restrictions, particularly on gas imports. However, while finding an alternative to Russian gas is difficult, there are plenty of alternative oil suppliers; Venezuela, Saudi Arabia, Canada, Iran and Iraq all had larger oil reserves than Russia in 2020.



Companies continue Russia 'self-sanctioning'

Almost 400 companies have now announced some form of withdrawal from Russia following its invasion of Ukraine last month.

The list compiled by the Yale School of Management details 380 companies that have suspended operations, halted shipments and/or withdrawn from the country completely. Names range from energy, mining and technology to transport, food and drink and financials.

Rishi Sunak, the UK Chancellor of the Exchequer, also took to Twitter to urge more British companies to disengage from Russia. "...there is no argument for new investment in the Russian economy. If firms or investors decide that they need to end their financial relationship with Russia, then the government fully supports you."

Quilter Investors is among those to have taken action already to prevent any increase of existing holdings in any company that is listed or located in Russia or Belarus, as well as any holdings, in both its own portfolios and its range of sub-advised funds.



VW boss warns of cloudy outlook over Ukraine

The full impact of the war in Ukraine on raw materials and supply chains means the outlook for Volkswagen (VW) remains uncertain, according to its chief executive Herbert Diess.

At its annual press conference following its results last week, the German carmaker noted that the lack of wiring harnesses from Ukraine has overtaken the shortage of semiconductors as its biggest supply-chain headache.

While VW has been resilient throughout the pandemic, on Friday (11 Mar) it announced it had doubled its operating profit in 2021 to just under €20bn, it acknowledged the war in Ukraine has called its "existing outlook into question".

Diess said that, under normal circumstances, VW would have reasons to "look optimistically into 2022". But if there is a stop on wire harnesses, which bundle up cables and are unique to each model, this could force the company to revise its outlook if it can't find alternative sources in the next few weeks.

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