Influence Oil Price towards Economic Indicators in Russia

Anthony Msafiri Nyangarika1,2*, Bao-jun Tang1
1School of Management and Economics, Beijing Institute of Technology, Beijing 100081, P. R. China.
2 Institute of Adult Education, P.O. Box 20679 Dar sea Salaam, Tanzania.
*Email: nyangarikatz@gmail.com

Abstract. This paper examines the effect of oil price shocks on the Russian economic indicators using time series for the period 1991-2016 year to cover all of oil price shocks. We use the method of vector autoregressive (VAR) and the Dickey-Fuller test (ADF) were utilized to investigate the long-run and the short-run relationships between variables. From the results shows that one of the most important external impact factor is the world price of oil. This research work suggests a positive and significant long-term relationship between oil prices and Russian GDP dynamics. The study recommended a reducing the dependence of the Russian economy on energy resources, including oil, the transformation of the economy from industrial to innovative and improvement of the investment climate in the country for a foreign investor, the stabilization of foreign economic policy, which should lead to the abolition of anti-Russian sanctions. Apart from the fact that this will make the Russian economy more attractive for foreign investments, the opportunity will again become one of the main players in the oil market.

1. Introduction
Changing the price of crude oil, and especially the sharp fluctuations is definitely an important determinant that determines the world economic architecture. The supply and demand in the oil market, which is perhaps the key commodity nowadays, has a significant impact on world currencies in exporting countries. In 2014-2016 the oil market can be characterized by extreme volatility. The aggregate of the fundamental factors that determined its business environment is almost comprehensive: macroeconomic conditions, market conjectures, transformation of the regulatory component, change in the structure of cost, geopolitical confrontation. In this paper, theoretical and empirical aspects of the mutual influence of oil prices and exchange rates are investigated. Accordingly, if the prices for "black gold" in the world market tend to fall (in dollar terms), then the Russian economy begins to lose a certain part of the profit from the sale of oil, therefore it becomes necessary to devalue the national currency. It is oil and gas that are the main export products of Russia, half of the state budget revenues are their sale. In this regard, it is the size of foreign exchange earnings that depends on the price of oil.

In general, today there are three main marker grades of oil that correspond to three main exchanges: The New York Mercantile Exchange (NYMEX) is the major kind of West Light Oil (WTI); on the London Oil Exchange (IPE) - North Sea oil of Brent variety (Brent); at the Singapore International Commodity Exchange (SIMEX) - Middle Eastern oil of Dubai variety (Dubai) as found out [2]. Even earlier there was an OPEC basket, which included 12 grades of oil. In addition, each oil exporting country saves its own benchmarks of oil, which has certain stable parameters (Statfjord in Norway, Kirkuk in Iraq, two varieties in Iran - Iran Light and Iran Heavy).
The price of oil is fumigated by differentiation depending on the quality of oil and its location relative to consumers. The fall in oil prices during 2014-2015 was so rapid that it became almost the most determinant of the economic and geopolitical architecture of the world. In December 2014, West Texas Intermediate (WTI) oil prices dropped from $100 per barrel to 60; prices for Brent also headed for it. The fall continued in 2015, breaking the level of $40 a barrel after a minor recovery.

The main reasons for such a fall are called: the transformation of the conjuncture on the oil market (the United States was the world's first oil producer due to the hydro-fraction of the reservoir, providing 95% of its own needs and ceasing to generate a lion's share of world imports; Saudi production growth; the start of supply of black gold from Libya and Iraq, exports from Iran at dumped prices, sluggish economic growth, increased efficiency and the transition from oil to other fuels reduce demand), a change in the regulatory environment and geopolitical factors.

The market for oil is largely reflected in the currency market. In particular, (Figure 2) shows the mirror correlation between the dynamics of the dollar index and changes in the price of oil. The strengthening of the US dollar as one of the stimulating factors in reducing oil prices did not attract...
much attention. Since oil prices are determined in dollars, with the strengthening of the dollar - with all other equal conditions - oil prices for US consumers are reduced. But the purchase of petroleum products by consumers in most countries are determined not in dollars, so they do not feel the decline in oil prices in dollars to the same extent as Americans. These disregarded factors may have global implications for the economic growth of countries, their national budgets, and geopolitics.

2. Literature review
Various research has been done examining the effect of oil price fluctuations on different economies driven by the importance of oil as a key player in the global economy. Specifically, a great deal of research has been written on the impact of oil prices on developed countries. [4] found evidence that oil price shocks resulted in a recession in the US economy. [3] assessed the impact of oil prices on the US’s GDP and consumer price inflation. In addition, [17], [10] examined oil price shocks and found that the shock on 1973-74 was the most affecting for the US economy, whereas other shocks had fewer disturbances. [7] explored the impact of oil price shocks on the Iranian economy. He found a positive nexus between oil prices and both the Iranian’s industrial output and the government expenditures. [1] found out that oil price shocks have no substantial effect on inflation and output on Nigeria, mitigated by tradable sector shrinking “Dutch Disease”. Moreover, [11] evaluated the impact of oil prices on the Nigerian’s economy by using a VAR model. Results show evidence that the oil prices rise government expenditure, increase inflation and unexpectedly increase the industrial output growth. In addition, it has been investigated the effect of oil prices on Qatar’s GDP, using the vector error correction model (VECM). They found that there is a substantial positive effect on Qatar’s GDP but with expenses of higher inflation. [16] empirically investigated the impact of oil price shocks on Nigeria economy using the VAR models. With the existence of cointegration and causality, the findings suggest that the fiscal policy (i.e., government stimulant) is the most driver of the economy with the absence of monetary policy. Finally, [6] tested the impact of oil on inflation in Kuwait and found that inflation is partly driven by high oil prices. [18] pointed to the key role of changing oil prices on the exchange rate, in particular, explicitly states that shock oil prices are the main source of the movement of the real exchange rate of the US dollar. The same conclusions came from the exchange rate of Russia. But this only applies to countries that are heavily dependent on oil exports or imports, for example, the Chinese exchange rate is not responding to the sharp fluctuations in the price of crude oil, one of the main reasons is the binding of the rate to the basket of currencies as found out [9].

The problem of analyzing the dependencies between oil prices and exchange rates is the possibility of a bilateral reciprocal causation of indicators. The main channels of influence (they are distinguished by two), through which fluctuations in oil prices are transmitted to exchange rates, are widely covered by [13], [15].

The first channel is based on trading conditions. For oil importing countries, the latter price increase leads to a deterioration of the trade balance and subsequent depreciation of the national currency. In this context, [4], [13] demonstrated that variations in oil prices determine the lion's share of variations in terms of trade.

The second channel of influence finds its implementation through the effect of wealth (effects of wealth). [8] have shown that higher oil prices lead to a welfare shift from importers to exporters, which leads to a change in the exchange rate of the importing countries due to the current account deficit and the outflow of investments. On the other hand, a negative correlation may be due to the fact that changes in the dollar also have a significant impact on the price of oil. In particular, the exchange rate can transform oil prices through its impact on demand and supply of oil and through financial markets. [12] found out that exchange rates can also affect the price of oil directly through financial markets or indirectly through financial assets, the rebalancing of investment portfolios and, in particular, hedging practices. Since oil prices are denominated in dollars, oil futures may be a good hedging instrument against the expected depreciation of the dollar. The importance of this financial channel may only increase over time as the volume of oil futures at NYMEX has increased fivefold since the beginning of the 2000s. Unlike literary sources devoted to the causality of exchange rates from oil prices, the empirical evidence of reverse dependence is not so numerous. An empirical
confirmation of the influence of oil prices on the exchange rate can be demonstrated by the example of fluctuations in oil prices and the rate of the Russian ruble on (Fig. 3).

In general, the rate of the Russian ruble, to a large extent, is a determinant of oil prices. This is especially evident when the price of oil in rubles is displayed (Fig. 3). Due to this feature, a decision was made to study the influence of the price of crude oil on the exchange rate of the Russian Federation.

![Crude oil price and USDRUB rate](source)

**Figure 3.** Crude oil price and USDRUB rate

**Source:** Thomson Reuters DataStream.

### 3. Methods

In this paper, the real exchange rate of Russia using the time series from 1991 till 2016, we used the vector model of autoregression (VAR-model), which is commonly used for prediction systems of related time series and for analyzing the dynamic effect of random perturbations on a system of variables. The approach to constructing VAR models is based on structural modeling, considering each endogenous variable in the system as a function of the lagged values of all endogenous variables.

A real exchange rate model was constructed using five variables: consumer price index, gross domestic product, oil price, total country export, and a real effective exchange rate as a dependent variable. The real exchange rate model is specified as follows:

\[
\log \text{EXCH}_t = \alpha + \beta_1 \log CPI_t + \beta_2 \log OIL_t + \beta_3 \log GDP_t + \beta_4 \log EXPORT_t + \epsilon_t
\]

Where, \( \text{EXCH} \) - real effective exchange rate national currency per US dollar (RUB/USD), \( CPI \) - consumer price index; \( GDP \) - gross domestic product measured in millions of US dollars, \( OIL \) - oil price US dollar per barrel; \( EXPORT \) - total country export measured in millions of US dollars; \( \beta_1, \beta_2, \beta_3, \beta_4 \) - coefficients of the model, \( \alpha \) - intercept; \( \epsilon_t \) - coefficients of error.

We use time series of gross domestic product, real effective exchange rate, consumer price index, total export oil price from Thomson Reuters DataStream.

### 4. Results and discussion

Since the VAR methodology is used only for stationary rows, the first step in identifying a process is to check the time series for stationary. The need for time series to be stationary in modeling is due to the fact that these models are used for forecasting, and to predict the behavior of only those processes whose main characteristics (average, variance, and coefficients of autocorrelation) are independent of time.

It is impossible to predict the behavior of the process, based on which the non-stationary time series (mathematical expectation, variance, and autocorrelation of it vary depending on time). In this case, it is difficult to find constant averages and variances, we should look for possible transformations of the series, which can reduce it to the stationary one. To determine stationary, we used the ADF test. The test procedure for the ADF test is the same as for the Dickey-Fuller test, but it is applied to the model. We used E-view program to test the stationarity of variables to guarantee its non-stationarity in
order to examine the long-run equilibrium. Generally, the augmented Dickey-Fuller test was conducted to check whether a particular variable is stationary or not with relaxing the assumption that the error term is uncorrelated as follows:

$$\Delta y_t = \alpha + \beta t + \gamma y_{t-1} + \delta \Delta y_{t-1} + \epsilon_t$$ (2)

where $\alpha$ - constant, $\beta$ - coefficient of trend, $p$ - lag order of the autoregressive process, $y$ - data value. Imposing the constraints $\alpha = 0$ and $\beta = 0$ corresponds to modelling a random walk and using the constraint $\beta = 0$ to modeling a random walk with a drift.

**Table 1. ADF unit root test results for exchange rate model**

| VARIABLE       | 5% level | t-Statistic | Probability |
|----------------|----------|-------------|-------------|
| Log EXCH       | -3.603202| -2.226360   | 0.4557      |
| log CPI        | -1.159153| -3.673616   | 0.0514      |
| log OIL        | -3.603202| -3.673616   | 0.0570      |
| log GDP        | -3.612199| -2.002570   | 0.0570      |
| log EXPORT     | -3.603202| -3.5889008  | 0.0514      |

**Source:** Authors’ calculation

The result of the ADF (Table 1) indicates that all variables in the model are stationary because the value of the test statistic is rejected at the 5% significance level. Consequently, this series can be used to construct regression models. However, a positive long-run nexus between oil prices and economic growth exists referring to the error correction model’s results. The real GDP is impacting the government spending. Absolutely, a country like Russia with huge output would require higher government spending to assure sustainability of growth.

The real exchange rate is affecting the output as expected, shown in (Table 2). The higher exchange rate would trigger economic activity through higher demand. Finally, real trade balance is found to be moving real investment in the Russian economy.

After founding variables non-stationary and the long-run nexus between variables. This process is determined through two steps; the first one based on trace statistic and the second is based on the maximum eigenvalue statistic. Prior to the above, the optimal lag order for VAR model was determined. Based on the Akaike information criterion (AIC), shown in (Table 2 and Table 3). We examine the long-term relationship between the variables, we use cointegration analysis, the method proposed by Johansen (1991). Our VAR model generally can be re-written as follows:

$$\Delta y_t = \mu + \Pi y_{t-1} + \sum_{i=1}^{p-1} \Gamma_i \Delta y_{t-i} + \epsilon_t$$ (3)

Where

$$\Pi = \sum_{i=1}^{p} A_i - I \text{ and n x r}$$ (4)

If the coefficient matrix $\Pi$ has reduced rank $r < n$, then there exist n x r matrices $\alpha$ and $\beta$ each with rank $r$ such that $\Pi = a\beta'$ and $t\beta'y$ is stationary. The $r$ - number of cointegrating relationships, the elements of $\alpha$ are known as the adjustment parameters in the vector error correction model and each column of $\beta$ is a cointegrating vector. It can be shown that for a given $r$, the maximum likelihood estimator of $\beta$ defines the combination of $yt-1$.

Yields $r$ largest canonical correlations of $\Delta yt$ with $yt-1$ after correcting for lagged differences and deterministic variables when present. Johansen (1991) proposes two different likelihood ratio tests of the significance of these canonical correlations and thereby the reduced rank of the $\Pi$ matrix: the trace test and maximum eigenvalue test, shown in equations (5) and (6) respectively.

$$J_{trace} = -T \sum_{i=r+1}^{n} \ln (1- \hat{\lambda}_i)$$ (5)

$$J_{max} = -T \ln (1- \hat{\lambda}_{r+1})$$ (6)
where $T$ - sample size and $\lambda_i$ - the largest canonical correlation. The trace tests the null hypothesis of $r$ cointegrating vectors against the alternative hypothesis of $n$ cointegrating vectors. The maximum eigenvalue test, on the other hand, tests the null hypothesis of $r$ cointegrating vectors against the alternative hypothesis of $r+1$ cointegrating vectors. Neither of these test statistics follows a chi square distribution in general.

**Table 2. Unit Root Test Results for RUBUSD Rate and Output**

| Source: Authors’ calculation |

**Table 3: Cointegration Test result (trace)**

| Hypothesized No. of CE(s) | Trace 0.05 | 
|---------------------------|------------|
|                           | Eigenvalue | Statistic | Critical Value | Prob.** |
| None *                    | 0.905738   | 129.8261  | 69.81889       | 0.0000 |
| At most 1 *               | 0.811322   | 73.14586  | 47.85613       | 0.0000 |
| At most 2 *               | 0.514332   | 33.12078  | 29.79707       | 0.0200 |
| At most 3 *               | 0.368634   | 15.78724  | 15.49471       | 0.0452 |
| At most 4 *               | 0.179575   | 4.750388  | 3.841466       | 0.0293 |

Trace test indicates 5 cointegrating eqn (s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values
We test here is that there are less than or equal to r cointegrating vectors and the alternative is the opposite, which is more or equal to as follows: H0: r ≤ 1 and H1: r ≥ 2. If the test statistic is greater than the critical value (i.e., probability is less than 5 %), then we reject Ho and accept H1. It is similar to the trace statistics but specifically tests whether r is equal to or not. We follow this procedure to determine how many cointegrating vectors are as follows: H0: r =1 and H1: r =2. If the test statistic is greater than the critical value (i.e., the probability is less than 5 %), then we reject Ho and accept H1. We choose 5% level of significance. Hence, two cointegrating vectors are found based on the max eigenvalue statistic. Johansen test indicate a long-term relationship between the variables consumer price index, gross domestic product, the oil price, total country export and real exchange rate (Table 3 and 4).

Table 4: Cointegration Test result (Maximum Eigenvalue)

| Hypothesized No. of CE(s) | Eigenvalue | Max-Eigen Statistic | Critical Value | Prob.** |
|---------------------------|------------|---------------------|----------------|---------|
| None *                    | 0.905738   | 56.68022            | 33.87687       | 0.0000  |
| At most 1 *               | 0.811322   | 40.02508            | 27.58434       | 0.0008  |
| At most 2                 | 0.514332   | 17.33354            | 21.13162       | 0.1568  |
| At most 3                 | 0.368634   | 11.03686            | 14.26460       | 0.1524  |
| At most 4 *               | 0.179575   | 4.750388            | 3.841466       | 0.0293  |

Max-eigenvalue test indicates 2 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values

Table 5: Normalized cointegration vector

| Normalized cointegrating coefficients (standard error in parentheses) |
|---------------------------|----------------|----------------|----------------|
| LGOILPRICE                | LGEXPORT       | ERATE          | LGCPI          | LGGDP         |
| 1.000000                  | 0.062451       | 0.139571       | 0.883733       | -0.758111     |
| (0.46237)                 | (0.03252)      | (0.11063)      | (0.39393)      |

In (Table 5) above shows the normalized cointegration vector. The long run equation for the real exchange rate model can be written as:

\[
\text{Log EXCH} = 2.385934 + 2.385934 \text{log CPI} - 1.466842 \text{log GDP} - 1.666902 \text{log OIL} + 0.084569 \text{log EXPORT}
\]

The equation above shows that: the consumer price index and export have a long-run positive relationship with the real exchange rate while the GDP and oil price have a long-run negative relationship with the real exchange rate. An increase in the consumer price index by 1% will lead to a 2.38% increase in the national currency against the US dollar. This is due to rising inflation that grows with the consumer price index, which reduces the exchange rate. The growth of GDP by 1% leads to the strengthening of the national currency by 1.47%, this fact can be explained by the growth of the country's economy as a whole with GDP growth. The most fact is that with an increase of 1% of the price of oil - the national currency is strengthened by 1.66%, which again confirms the fact that the Russian economy depends on oil prices.
The increase in exports by 1% leads to ruble depreciation, as the flow of foreign currency, which leads to an increase in supply on the interbank market, increases.

From above (Table 5) explanation shows the long-term relationship between the variables namely consumer price index, gross domestic product, oil price, total country exports and real exchange rate, it's obligatory necessary to conduct a Granger Causality test.

The Granger approach to the question of whether \( x \) causes \( y \) is to see how much of the current \( y \) can be explained by past values of \( y \) and then to see whether adding lagged values of \( x \) can improve the explanation. \( y \) is said to be Granger-caused by \( x \) if \( x \) helps in the prediction of \( y \), or equivalently if the coefficients on the lagged \( x \)'s are statistically significant.

Note that two-way causation is frequently the case; \( x \) Granger causes \( y \) and \( y \) Granger causes \( x \).

It is important to note that the statement \( "x \) Granger causes \( y" \) does not imply that \( y \) is the effect or the result of \( x \). Granger causality measures precedence and information content but does not by itself indicate causality in the more common use of the term (Table 6).

| Variable         | F-stats.     |
|------------------|--------------|
| \( \sum \log CPI \) | 0.951094     |
| \( \sum \log GDP \)  | 1.795367     |
| \( \sum \log EXPORT \) | 0.632294     |
| \( \sum \log OIL \)   | 2.406444     |

**Source**: Authors’ calculation

The results of the F-statistics Granger Causality test for our model, from which it follows that the price of oil on a par with GDP has the greatest impact on the exchange rate in the short run see in appendix B (Figure 4). The results obtained as a result of Granger's cointegration and causality research show that world prices for crude oil directly affect the exchange rate of the Russian Federation, rising oil prices reduce the real exchange rate of the country. This, in its turn, positively affects the export opportunities of Russia, because the goods manufactured here "get cheaper" abroad. The reason for this dependence is likely to be the percentage of exports of petroleum products to total exports, and the floating exchange rate operating in the country. It can also be concluded that the Russian Federation is extremely dependent on world oil prices, and shocks in this market can become a real problem for the economy of this country.

**5. Conclusion**

The main goal of this work was to confirm the hypothesis of the impact of oil shocks on the exchange rate of the Russian Federation using time series with data from 1991 to the 2016 year. The methods proposed by Granger and Johansen in the VAR model were used, the statistical package E-view was used to obtain the results. The Johansen-Juselius cointegration result showed the relationship between changes in oil prices on the world market and the exchange rate of the Russian ruble. From the results of the study, it became known that one of the most important external factors that influences the ratio of the dollar to the ruble is the world price of oil. Russia is one of the world's largest suppliers of "black gold", its economy is mainly associated with oil production, the finding show that the slightest fluctuations in oil prices have the strongest impact on it. If oil prices on the world market grow, then, respectively, real exchange rate becomes stronger, but if prices fall, then there are problems. Thus, the result is the following: the higher the oil price, the lower the US dollar rate to the Russian ruble.

However, if the prices for "black gold" in the world market tend to fall (in dollar terms), then the Russian economy begins to lose a certain part of the profit from the sale of oil, therefore it becomes necessary to devalue the national currency. It is oil and gas that are the main export products of Russia, half of the state budget revenues are their sale. In this regard, it is the size of foreign exchange earnings that depends on the price of oil.

Proceeding from all of the above, as a recommendation, reducing the dependence of the Russian economy on energy resources, including oil. Translation of the economy from industrial to innovative. Improvement of the investment climate in the country for a foreign investor.

According to above conclusion several suggestions have been provided;
1) The stabilization of foreign economic policy, which should lead to the abolition of anti-Russian sanctions. Apart from the fact that this will make the Russian economy more attractive for foreign investments, the opportunity will again become one of the main players in the market.

2) The second step is the diversification of exports. The task is to turn this wealth from oil revenue into a tool that enhances the quality of the development of the Russian economy and the life of society as a whole.

3) The Russian oil brand the Urals must be recognized in the world as one of the world's oil brands.

4) The calculations for Russian oil and gas in rubles. The real convertibility of the Ruble largely depends on its attractiveness as a means used for settlements and savings. In particular, the ruble should become a more universal means for international settlements and should gradually expand its zone of influence. For the same purposes, it is necessary to organize exchange trade in oil, gas, and other goods on the territory of Russia.

6. References

[1] Akpan, O. O. (2009), Oil price shocks and Nigeria’s macro economy. A Paper Presented at the Annual Conference of CSAE Conference. Economic Development in Africa. Retrieved from http://www.csae.ox.ac.uk/conferences/2009-EDIA/Papers/252-Akpan.Pdf

[2] Amano, R. A. and Van Norden, S. (1998), Exchange Rates and Oil Prices. Review of International Economics, 6: 683–694. doi:10.1111/14679396.00136

[3] Baumeister, C., & Peersman, G. (2008), Time- varying effects of oil supply shocks on the US economy. http://dx.doi.org/10.2139/ssrn.1093702

[4] Backus, D. K. and M. J. Crucini (2000), Oil Prices and the Terms of Trade. Journal of International Economics, 50, 185-213

[5] Buetzer, S., Habib, M. and L. Stracca (2012), Global Exchange Rate Configurations: Do Oil Shocks Matter? Working Paper, European Central Bank.

[6] Eltony, M. N., & Al-Awadi, M. (2001), Oil price fluctuations and their impact on the macroeconomic variables of Kuwait: A case study using a VAR model. International Journal of Energy Research, 25(11), 939-959.

[7] Farzanegan, M. R., & Markwardt, G. (2009), The effects of oil price shocks on the Iranian economy. Energy Economics, 31(1), 134-151. http://10.1016/j.eneco.2008.09.003

[8] Ferraro D., Rogoff K. and B. Rossi (2015), Can Oil Prices Forecast Exchange Rates? Available at: http://www.econ.upf.edu/~brossi/OilAndExchangeRates.pdf

[9] Huang, Y. and F. Guo (2007), The role of oil price shocks on China's real exchange rate. China Economic Review, 18: 403-416.

[10] Hooker, M. (1996), Oil prices and the rise and fall of the US real exchange rate. Journal of Monetary Economics, 25, 195-213.

[11] Iwayemi, A., Fowowe, B., (2011). Impact of oil price shocks on selected macroeconomic variables in Nigeria. Energy Policy 39, 603–612. doi:10.1016/j.enpol.2010.10.033

[12] Johansen, Søren (1991), Estimation and Hypothesis Testing of Cointegration Vectors in Gaussian Vector Autoregressive Models. Econometrica 59 (6), 1551–1580. JSTOR 2938278.

[13] Mikhailov A. Y. (2014), Faktory razvitiya ekonomiki Rossii v 2015 godu [Factors of development of the Russian economy in 2015]. Voprosy regulirovaniya ekonomiki = Questions of economic regulation, 4, pp. 62-69.

[14] Mikhailov A. (2018), Pricing in Oil Market and Using Probit Model for Analysis of Stock Market Effects. International Journal of Energy Economics and Policy, 4, pp. 43–53.

[15] Mikhailov, A. (2018), Volatility Spillover Effect between Stock and Exchange Rate in Oil Exporting Countries. International Journal of Energy Economics and Policy, 2018, 8(3), 321-326.

[16] Olomola, P. A., & Adejumo, A. V. (2006), Oil price shock and macroeconomic activities in Nigeria. International Research Journal of Finance and Economics, 3(1), 28-34.

[17] Singer, E. (2007), Oil Price Volatility and the US Macroeconomy: 1983-2006. Working paper, Minnesota of USA: Carleton College.

[18] Tuzova, Y., & Qayum, F. (2016), Global oil glut and sanctions: The impact on Putin’s Russia. Energy Policy, 90, 140–151. https://doi.org/10.1016/j.enpol.2015.12.008