

Khalid Al-Falih with Key Takeaways from Davos 2015

- The world economy continues to face headwinds of low investment, heightened geopolitical uncertainty, elevated unemployment and lagging structural reforms.
- Low economic growth is a major cause of concern to CEOs around the world, and they are less optimistic about the global economy than they were a year ago.
- The downturn in the oil market has dual implications: on one hand, the lower price environment provides a boost for importing nations to help in economic recovery, but on the other, it carries negative consequences for producers and exporters who face major declines in revenue, which can discourage investment and eventually lead to supply shortages.
- The consensus view is that the oil market downturn is believed to be cyclical with the market balancing over time (ranging from nine months to three years).
- On the social front, income inequality is among the most worrisome global societal risks looming over the global horizon, exacerbated with the challenge of escalating youth unemployment.
- To many Davos participants, the atmosphere was overshadowed by the sad news of the passing of Saudi Arabia's King Abdullah. Everyone remembered his exceptional human touch while reflecting on his strength and wisdom as a leader.