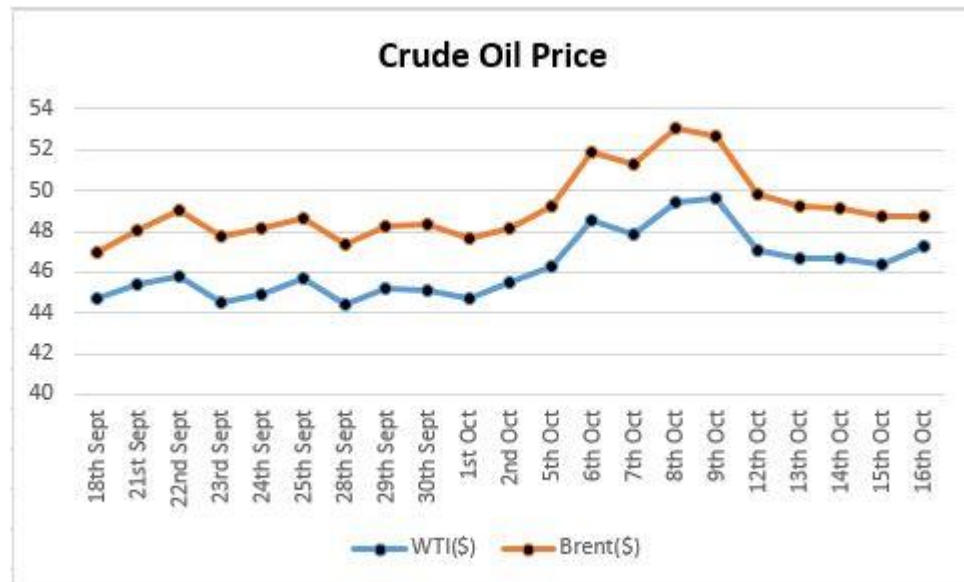


**Post 17<sup>th</sup> October, 2015**

Some of the news items doing the rounds this week are as follows:

1. The oil price dropped this week amidst concerns that the oil glut in the market is likely to extend well into 2016, and that the prices will remain low till that time.



2. According to the OPEC's monthly report, the OPEC members produced a total of 31.57 mbopd last month, which is the maximum since 2012.
3. The OPEC Secretary General Abdalla Salem El-Badri, said at a conference in Kuwait City on last Sunday that the oil industry's best days are yet to come, as the demand for oil is likely to grow to 110 md/d by 2040. He said non-OPEC production from some quarters has shrunk and resulted in a slight increase in demand growth. The gap in the oil supply and demand is due to close in the 3<sup>rd</sup> quarter of 2016. He hoped to see a more balanced market by that time in 2016.
4. According to ex-IEA (International Energy Agency) Chief, Nobuo Tanaka, the oil price may not rebound to \$100 a barrel any time soon. In the long term countries like China, India and others will drive up the demand. Also, the US shale production will gradually slow down by 2020 or 2025. At that time the oil price might go up again.
5. The US Attorney General announced a more than \$20 billion settlement of the federal and state claims against BP over the Macondo oil spill in the Gulf of Mexico five years ago.
6. The US Republican-controlled House of Representatives approved the bill to lift the 40 years oil ban on crude oil exports. The bill now goes to the Senate where its future is not clear. The White House had called the bill unnecessary and that it would get vetoed if it reaches President Obama's office.

So much for the industry news.

A couple of weeks ago I was teaching a course in London. There, while casually glancing through the newspaper one day, I came across a new word, 'staycation'. I have to admit I had not heard of this word before. As I read through the article, I realized what it meant. So, I am sharing that with you.

A staycation is the time that you as an individual or family spend at home and carry out your leisure activities, or you go out driving short distances to spend time at local sites, and get back home by the night. Such trips, could be visiting a local museum, or visiting a suburban tourist spot, or carry out fun activities with your friends. Such activities are planned ahead, are different from your routine, give you the feeling of vacation, and you get back home each night to sleep in your own bed.

Staycations became popular in the US during the 2008 recession. In the UK people found merit in saving money in 2009 as the lower value of the pound made overseas holidays quite expensive. There are several plus points with staycations. You save on the time that you spend on travelling. It is cheaper as you don't spend on air tickets. The children find it convenient. There is no tension of travel, packing or unpacking. The whole idea is to have fun and recreation by taking time from work and avoid all the routine work.

So, think of experiencing the joy of a staycation and having fun.

Later today, I head to New Orleans to attend the SEG Convention. Am looking forward to it.

So much for this week!

Till the next post, stay safe and happy!