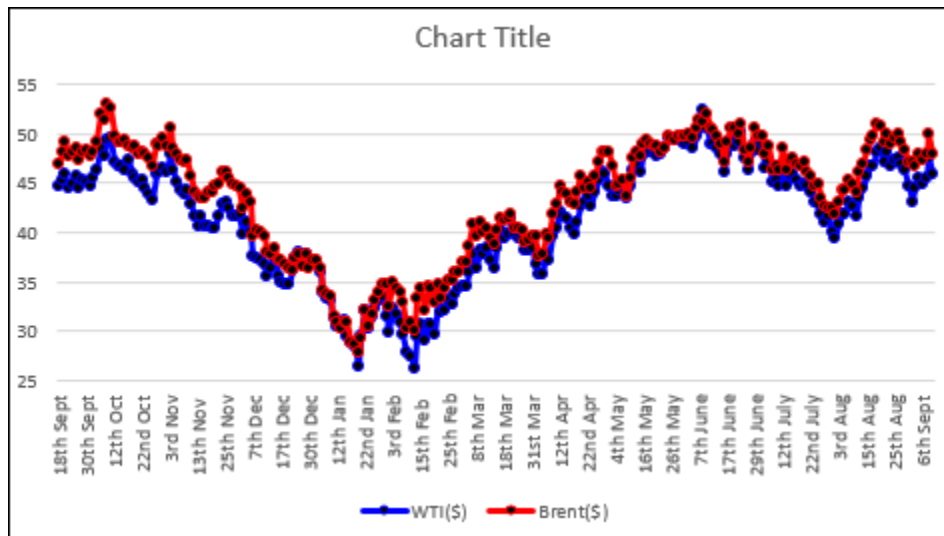


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Calgary, Canada

Some of the news items for this week are as follows:



- The price of crude oil this week looked up due to a number of reasons. The US crude oil stockpiles fell by 14.5 mb to 511.4 mb for the week ended September 2nd, 2016, according to EIA. The Gulf Coast imports fell as the ships delayed offloading cargo in Texas and Louisiana due to Tropical Storm Hermine. The US dollar also declined over the last few days. Both these facts coupled with the speculation that Saudi Arabia and Russia will reach some kind of agreement on freezing production of crude oil as the OPEC and non-OPEC leaders meet at Algiers later this month. Iran continues to keep analysts guessing if it would be part of any such agreement. On Friday as the traders realized that the US inventories were down because the storm, and was temporary, the prices dropped 4%.
- Meanwhile, the EIA revised its crude production outlook from 8.31 mb/d to 8.51 mb/d for 2017, and also raised its forecast for 2016 from 8.73 mb/d to 8.77 mb/d.
- The US rig count crossed over the 500 mark and reached 508 units for the week ended September 9, as per the Baker Hughes Inc. data. The Canadian rig count was 134 in all, with 74 rigs targeting oil and 59 drilling for gas.
- Agreement on a freeze at current levels of production may seem a bit difficult at the Algiers meeting later this month, as the unrest in Libya and the militant attacks in Nigeria are preventing these countries from producing at their normal production capacities. Iran is pursuing its goal of reaching pre-sanction levels of production (4mb/d), and may not agree to any production freeze before it gets to that point. Also, Iraq and Venezuela are producing below their January levels of production. If allowance is made for these countries to get their production capacities that would raise the OPEC production to 36.2 mb/d, about 2.7 mb/d more than the IEA's estimate for 2017. The crude oil prices could collapse due to this.

- As per a report, the oil traders and executives interviewed at the recent Asia-Pacific Petroleum in Singapore expected the crude oil price to remain between \$40 and \$60 over the next 12 months. Some of the reasons put forth for this are the ones that have been mentioned before – the market not being balanced and the prevailing glut needing time to dry up, no outcome expected at the Algiers meeting, or little impact of any agreement reached, if at all, and the US drillers scrambling to produce more as the crude oil price goes up.
- Petrobras, Brazil's national oil company had introduced a voluntary dismissal program some time back to reduce debt, and to adjust to the lower oil prices. The last date for employees to sign up in this program was August 31st, and 11,704 employees came forward. Though the severance cost is estimated at \$1.25 billion, the company expects to save over \$10 billion by 2000.

So much for the industry news this week.

For the lighter side this week

Sometimes when we wish to bring in some practical wisdom, or a message into our writings, or wish to emphasize on our point, we like to cite *idioms, phrases, proverbs* or *quotes* in there. Many times I find these terms being used the wrong way, i.e. an idiom being called a proverb and vice-versa. Have you ever wondered what the differences between each of these terms are?

An *idiom* is a set of words that may not constitute a complete sentence on their own, and have a meaning that is not deducible from the individual words. In fact, their literal meaning may not make sense.

Examples: *run someone the wrong way* (or irritate someone); *by the skin of the teeth* (means barely), *off the top of my head*.

A *proverb* is a popular saying that is meant to give advice, or may express a belief about life, philosophy, wisdom, a moral or a practical value.

Examples: *Don't cry over spilt milk*; *a stitch in time saves nine*; *when the cat is away the mice will play*; *the pen is mightier than the sword*.

A *phrase* is a meaningful collection of words that may form part of a sentence, but make sense even otherwise.

Examples: *Knowing what I know now*, I may not have taken it up; He was *between a rock and a hard place*; after losing the match, they came back *with their heads hanging down*; *in the dead of the night*, you can ...

A *quote* is a phrase or a sentence that is a repeat from other text or speech, and carries an attribution to the famous or well-regarded person.

Examples:

Necessity is the mother of invention – Plato

Where there is love, there is life - Mahatma Gandhi

Ask not what your country can do for you; ask what you can do for your country - John F. Kennedy

That's one small step for a man, a giant leap for mankind – Neil Armstrong

Reading maketh a full man, conference a ready man, and writing an exact man – Sir Francis Bacon

The best way to become acquainted with a subject is to write a book about it – Benjamin Disraeli

A *saying* is a short well-known expression or a remark of wisdom or general advice.

So what is the difference between a quote and a saying?

They are close, the quote states the exact words of someone and attributed to him/her. For a saying you may not know who said it.

Examples:

When cobwebs are plenty, kisses are scarce.

Don't throw the baby out with the bathwater.

Take the bull by the horns.

Did you know?

Sleeping through winter is '*hibernation*'. What is sleeping through summer known as?

It is known as '*estivation*'.

I hope you find these interesting.

So much for this week! Till the next post, stay safe and happy!