

www.chopraseismic.com
Calgary, Canada

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

- The price of crude oil fluctuated somewhat around the \$45 a barrel. The price looked up a bit in response to a statement by Saudi Arabia's Energy Minister, that he was optimistic about Russia and some OPEC members reaching an agreement on production cuts, when they meet in Doha this week. The price of the barrel slid a bit on receiving the news from EIA that the crude stocks in the US increased by 5.3mb last week, which was more than what analysts had projected.
- The US President-elect, Donald Trump is expected to reverse President Obama's environmental initiatives, such as the Clean Power Plan or the Paris Agreement to combat climate change. Trump is also expected to put the shrinking energy sector back to work that might require, amongst others, again tapping into coal, increasing hydraulic fracturing to reduce dependence on foreign energy supplies. Besides this, the two areas that have been put off limits for offshore drilling for the near future by the Obama administration are the Atlantic and the Arctic, and could be targeted by Trump. During his election campaign, Trump had mentioned that he would like to see the Keystone pipeline project (for shipping crude from Hardisty, Alberta to Nebraska and onward delivery to Cushing, Oklahoma) revived. This might become a reality. It would be interesting to see how these developments unfold in the coming months.
- Last Sunday, Saudi Arabia's Energy Minister, Khalid Al-Falih said that OPEC members must agree to implement crude production cuts. At their Algiers meeting, some OPEC members (Libya and Nigeria) were exempted from their voluntary production cuts, Iran and Iraq have been insisting on their exemption as well, and have been boosting their production lately. A recent report says Iran has boosted their production from three of its western oilfields from 65000 b/d to 250,000 b/d.
- Russia held discussions with OPEC representatives in Doha on Nov 17th and 18th. OPEC Secretary, General, Mohammed Barkindo recently met Saudi Arabia's Energy Minister and the Venezuelan President, Nicolas Maduro, and held talks with Ecuador's President, Rafael Correa. He will be travelling to Iran for holding discussions. So, efforts are in full swing to try and reach some agreement.
- Since the US began exporting shale gas (LNG) in February this year, from Cheniere Energy Inc.'s Sabine Pass terminal, 40 cargoes have been exported totaling about 6.5 MMcmg. It is expected that the number of cargoes to be exported will go up this month.
- If the OPEC does not unite and reach a deal on production cuts, the group could become irrelevant to global oil markets. If they reach some agreement at their meeting at the end of this month in Vienna, the market could see a reduction of about 500,000 b/d over the first half of 2017. As a result then the market could start rebalancing.
- According to Hedge fund manager, Pierre Andurand, despite disputes, OPEC is likely to agree on an output freeze at their meeting later this month. Should an agreement be reached, the price of the barrel could start inching its way to above \$60 or even to \$70 by the end of 2017.

- It is interesting to note that Libya, which produces 600,000 b/d plans to boost its production to 900,000 b/d by the end of 2016, and to 1.1mb/d by next year. Before leader Qaddafi's ouster, the country was producing 1.6 mb/d.

So much for the industry news this week.

For the lighter side this week

What is the difference between **cleverness** and **intelligence**?

To get to distinguish these terms, we need to understand them well.

Cleverness is associated with inventive ways to get around a problem, i.e. identifying the problem and finding a solution for it by applying knowledge and skill, and not necessarily with experience, which others may not have done. Cleverness is reactive. It requires imagination, curiosity and creativity and to accomplish tasks in ways that aren't common.

Intelligence may be associated with identification of a problem with what a person knows or has learnt, but not necessarily solving it. Intelligence tends to be proactive. It is the ability of a person to reason and gauge meaning out of chaos in a broader sense.

Many examples have been cited to explain the difference between intelligence and cleverness. The horsepower of a car engine may be intelligence, whereas its steering wheel which allows change of direction or follow an innovative change of course when there are problems on the route is cleverness.

Another example is that knowing tomato is a fruit is intelligence, but if a fruit salad has tomatoes, not eating them with the salad is cleverness.

More often, clever people are problem solvers, as they know 'how', and intelligent people understand problems, for they always ask 'why'.

I hope you will find this interesting.

Did you know?

Q: What is the size of the world's largest cockroach on record?

Answer: The world's largest cockroach on record is the one that measured 3.81 inches in length and 1.75 inches across. It is preserved in the collection of Akira Yokokura of Yamagata, Japan. Large winged cockroaches are found in Peru, Ecuador and Panama.