



## Drumbeat: August 17, 2013

Posted by [Leanan](#) on August 17, 2013 - 10:41am

### [Why car companies can't win young adults](#)

It's not just that cars have become less affordable for cash-strapped young adults, it's also that, well, driving simply doesn't seem as cool as it once was.

More than a third of young adults who don't drive say they are too busy to get a driver's license, and more than a fifth don't plan to ever learn to drive, according to a new study released Wednesday by the University of Michigan.

...A few other factors explain the trend: There's the growth of bike share programs in some major cities; many young adults have ditched the suburbs for urban areas with public transportation, according to the survey.

What's perhaps most striking, however, is that the Internet may have also made driving more of a hassle than a convenience. Why drive to work when you can work remotely from home; why drive to shopping centers when you can order virtually anything online?

"There's been a cultural shift," says Brandon Schoettle, one of three authors of the University of Michigan study.

### [Crude Caps Longest Streak of Gains Since April](#)

West Texas Intermediate crude capped the longest streak of gains since April as clashes in Egypt raised concern that Middle East supply will be cut.

Futures rose 13 cents. Thousands of people poured into the streets in Egypt today to protest the killing of supporters of ousted President Mohamed Mursi. Energy companies began evacuating personnel from platforms in the Gulf of Mexico as a storm threatened.

"We are seeing an escalation in Egypt and, obviously, that adds premiums to the market," said Rich Ilcyszyn, chief market strategist and founder of commodities trading firm Iitrader.com in Chicago. "We've got a potential storm developing in the Gulf of Mexico. It pushes the market higher."

### [Mexican Government Drafting Bill to Reduce Tax Burden on Pemex](#)

Mexico's government will send a bill to Congress in September to improve state-owned Petroleos Mexicanos's capacity to invest in projects by reducing the oil company's tax burden, Finance Minister Luis Videgaray said.

### [Mexican President Proposes Opening State Oil Company To Private And Foreign Investment; U.S. Corporations Line Up To Return](#)

Why is Peña Nieto now in a position to proceed with privatization where other PRI and PAN presidents have failed? First, Peña Nieto, as we have argued before, is on a roll. Even before becoming president, he succeeded in getting the major opposition parties to join his own in the "Pact for Mexico," a political compact based principally on a series of political and economic reforms which he then moved ahead to pass. Since being elected president he has succeeded in passing a Labor Law Reform bill, an Education Reform bill, and then a highly contested Telecommunications Reform Bill. He jailed on charges of embezzlement the controversial labor and political leader Elba Esther Gordillo, the head of the Mexican Teachers Union (el SNTE). He has also proposed to give pensions to all Mexican workers over 65 years of age, though that has yet to become a bill. These reforms and proposed reforms have been popular with large sections of the Mexican elite and middle class as well as with much of public at large, giving his administration tremendous momentum at this time.

### [Motiva Port Arthur Said to Run Hydrotreaters at Reduced Rates](#)

Motiva Enterprises LLC's Port Arthur, Texas, refinery will operate four hydrotreaters and three lube units at reduced rates while a sulfur recovery unit remains shut for repairs, according to a person familiar with operations.

The sulfur unit may be shut as long as two more weeks, said the person, who asked not to be identified because the information is not public.

### [Midwest Gasoline Climbs to Two-Week High on Coffeyville Repairs](#)

U.S. Midwest gasoline strengthened to the highest level in two weeks after CVR Energy Inc. (CVI)'s Coffeyville, Kansas, refinery was said to need more time to carry out fluid catalytic cracker repairs.

Conventional, 87-octane gasoline in the Group 3 region gained 3 cents to 3.5 cents a gallon below futures on the New York Mercantile Exchange at 2:34 p.m., the strongest since Aug. 1. Group 3 includes areas from Tulsa, Oklahoma north to North Dakota and Minnesota.

### [Ethanol Declines With Corn as Analyst Forecasts More Planting](#)

Ethanol fell after an analyst said corn planting may exceed U.S. estimates. The biofuel's discount to gasoline tightened for a third day.

Ethanol slipped as corn tumbled 1.6 percent after Christopher Narayanan, a Societe Generale (GLE) analyst in New York, said the grain used to make ethanol in the U.S. may be planted on more than the 88.8 million acres reported by the Agriculture Department's Farm Service Agency. The ethanol-gasoline spread narrowed 0.4 cent to 73.85 cents a gallon.

### [U.S. Energy Rigs Gain 13 to 1,791, Baker Hughes Says](#)

Oil and gas rigs in the U.S. rose by 13 to 1,791 this week, reaching the highest level this year, according to Baker Hughes Inc. (BHI) The increase was the sixth in seven weeks.

Oil rigs rose 12 to 1,397, the Houston-based field services company said on its website. Gas rigs added two to 388. Miscellaneous rigs fell by one to six.

### [More refiners allowed to import oil](#)

The State Council, China's cabinet, will grant crude oil import quotas to "qualified" refineries, which experts say is a step forward in trimming large State-owned refiners' import monopoly.

### [Gulf Low-Pressure System Little Threat to Energy Areas](#)

A low-pressure system drifting in the western Gulf of Mexico will probably have little impact on offshore energy rigs and platforms, some of which have evacuated non-essential personnel.

The system has a 40 percent chance of organizing into a tropical depression or storm in the next two days, down from 50 percent earlier, the National Hurricane Center in Miami said in a weather outlook before 8 p.m. New York time yesterday.

### [Death toll rises to 173 in Friday's clashes in Egypt](#)

CAIRO — The death toll in Friday's clashes across Egypt has risen to 173, an Egyptian government spokesman said Saturday as authorities considered disbanding the Muslim Brotherhood group and witnesses reported gunfire at a Cairo mosque.

Egyptian government spokesman Sherif Shawki said Saturday that Prime Minister Hazem el-Beblawi assigned Ministry of Social Solidarity to study the legal possibilities of dissolving the Muslim Brotherhood group, which was founded in 1928. Shawki didn't elaborate on the comments.

### [Companies halt operations amid violence in Egypt](#)

Detroit: A number of international companies have suspended operations in Egypt as three days of violent street battles make the streets of Cairo unsafe.

General Motors Co, Electrolux AB, Royal Dutch Shell PLC, Heineken N.V., Toyota Motor Corp, Suzuki Motor Corp, BASF SE and others shut down facilities and told thousands of workers to stay at home during unrest that has left more 700 people dead as of late Friday.

### [Mosque at center of Egyptian clashes](#)

Cairo (CNN) -- Renewed clashes between protesters and security forces at a mosque in central Cairo threatened to pull Egypt into another day of widespread violence on Saturday.

### [Egypt's identity torn in two](#)

As the death toll from Wednesday's crackdown on Rabaa al-Adawiya and Nahda camps, and Friday's "Day of Rage," approaches 600, much more is at stake than the presidency. Egypt's very identity is being contested.

### [Bomb hits Iraq's main commodity port, traffic unaffected](#)

BASRA, Iraq (Reuters) - A truck bomb exploded at Iraq's main commodities port near the oil-exporting southern city of Basra, wounding four people on Saturday, but officials said shipping traffic at the Umm Qasr docks was not affected.

Umm Qasr port, near Iraq's border with Kuwait, sits at the top of the strategic Gulf waterway and does not export oil. Imports handled there include grain shipments and heavy equipment used in the energy industry.

### [Iraq-Turkey oil pipeline bombed, halting oil flow - officials](#)

BAGHDAD (Reuters) - A bomb attack halted the flow of crude oil through a pipeline running from Iraq's Kirkuk oil fields to the Mediterranean port of Ceyhan in Turkey, two Iraqi oil officials said on Friday.

### [India, Iran bid to resolve oil tanker dispute](#)

New Delhi and Tehran were Saturday working to resolve a dispute over the detention of an Indian oil tanker by Iranian naval guards for allegedly polluting sea waters in the Persian Gulf.

### [Libya threatens to break up oil sector strikes](#)

Libya is threatening to use military force to bring order to its oil sector, where a strike by guards has dealt a heavy blow to its fragile post-revolution economy.

Oil exports plunged by more than 70 percent at the end of July after guards, including rebels who helped topple dictator Moamer Kadhafi two years ago, forced terminals to shut.

### [US energy companies eye Brazil shale gas: US official](#)

BRASILIA: US energy companies want to use their experience to help Brazil tap into its vast shale gas reserves, US Energy Secretary Ernest Moniz said on a visit to the Brazilian capital.

Studies show that one-tenth of the world's known shale gas reserves are in Brazil, and if it decides to exploit them the South American giant -- currently a gas importer -- could be the world's second natural gas producer.

### [How Anti-Fracking Activists Deny Science: Public Health](#)

Anti-fracking groups are increasingly focused on public health issues, specifically those that may or may not be related to shale development. Primarily based on air emissions, the "health issue" has also become incredibly emotional, with terms like "cancer" being tossed about recklessly — and often with no evidence to support them. Activists have instilled so much fear in certain segments of the public that policymakers have been utterly crippled. New York's moratorium on high-volume hydraulic fracturing, for example, has been repeatedly extended until a series of state-mandated "public health" assessments are completed.

### [Keystone XL Seen Harming 'Quality Night Skies' Near Parks](#)

Building the Keystone XL pipeline would lead to more manmade light and noise in sparsely populated regions, which may harm natural resources, wildlife and visitors to national parks, the U.S. Interior Department said.

### [Ottawa councillors concerned about Energy East pipeline](#)

Some Ottawa city councillors are raising concerns over TransCanada's proposed Energy East pipeline that would run through the west and south ends of Ottawa.

The pipeline proposal, which still needs regulatory approval, would send 1.1 million

barrels of oil per day from Western Canada to refineries and export terminals in Quebec and New Brunswick.

### [Chevrolet's Cheap Minicar, the Spark, Is a Surprisingly Strong Seller](#)

G.M.'s decision to market a minicar like the Spark was a logical one, analysts said. With gasoline routinely topping \$4 a gallon, many Americans are seeking better mileage. But automakers also need to make their fleets more efficient to meet strict new federal fuel economy standards that take effect in 2016, said Michelle Krebs, a senior analyst for Edmunds.com.

"Everybody's going in that direction," Ms. Krebs said, "but no one expected G.M. to do it as well as they have."

### [Saudi Arabia's large-scale renewable energy plan](#)

In 2012, Saudi Arabia unveiled its ambitious renewable energy capacity targets: 25 GW of CSP, 16 GW of solar PV, 9 GW of wind, 3 GW of waste-to-energy, and 1 GW of geothermal by 2032. In February 2013, the country released a White Paper detailing the proposed competitive procurement process of its K.A.CARE programme.

### [Barred From Malaysia, but Still Connecting With Critical Jobs](#)

HONG KONG — CLARE REWCASTLE BROWN is persona non grata in her native Malaysia, barred from entering the former British colony.

But that does not silence Ms. Rewcastle Brown, who is one of the most effective voices calling attention to deforestation in Malaysia. The booming economy there, she contends, has been fueled in part by the country's willingness to tap its natural resources in ways that have enriched the leadership of her native Sarawak, a vast state on Borneo Island long known for its stunning natural beauty and biodiversity.

### [Thriving in Cape Cod's Waters, Gray Seals Draw Fans and Foes](#)

Mr. Eldredge and many of his colleagues acknowledge the role overfishing and environmental change have played in the paucity of fish in the Gulf of Maine, but they say seals have prevented fish stocks from rebounding even as stiff new quotas are imposed on the fishermen's activities. Seals eat up to 6 percent of their body weight each day — which, for an 800-pound male, could be about 50 pounds of food, including prized fish like cod and flounder.

"It's devastating," said Tom Smith, who has been gill netting bluefish out of Provincetown and Hyannisport since 1981. "They're eating our fish we're trying to catch, they're eating them out of the nets."

## [Russia's Worst Flooding Prompts Emergency in Far East](#)

More than 300 millimeters (11.8 inches) of rain fell on the Amur, Khabarovsk and Primorye regions from July 1 through Aug. 12, causing floods there and in the neighboring Jewish Autonomous Region, according to data from the weather center. Some areas in the Far East received a year's rain in the period, the center said yesterday.

"We have never seen such a large-scale flood in our country's history," Alexander Frolov, chief forecaster at the center, said today on state television channel Rossiya 24. "The flood covers territory from Lake Baikal to the Pacific Ocean."

## [The Blame China Syndrome](#)

No nation has spewed more accumulated carbon into Earth's atmosphere in the industrial era than the United States – an historical reality that neither China nor India will breach anytime soon. The U.S. remains far and away the world's largest carbon-emitter on a per-capita basis. Individual U.S. citizens generate an average of 20 tons of carbon emission per year, nearly four times the rate of the average Chinese citizen.

No nation state has invested more heavily and powerfully in the political, ideological, and military promotion and defense of the at once carbon- and growth-addicted profits system than the United States.



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