



## Drumbeat: July 23, 2011

Posted by [Leanan](#) on July 23, 2011 - 7:30am

### [Iran says remains OPEC second-largest producer](#)

(Reuters) - Iran retains its position as the second-largest producer in OPEC despite the group's report that Nigeria has now obtained the rank, the students news agency ISNA quoted the country's OPEC governor Mohammad Ali Khatibi as saying on Saturday.

The Organization of Petroleum Exporting Countries' Annual Statistical Bulletin has put Nigeria ahead of Iran, adding that Iranian experts were examining the report.

### [Crude Oil Futures Advance in New York on U.S., Europe Debt Talk Optimism](#)

Crude oil climbed to a six-week high on optimism that the U.S. will increase its debt ceiling and as euro-region leaders worked to convince investors that plans to contain the debt crisis will be adequate.

Oil increased for a fourth week as President Barack Obama and House Speaker John Boehner, seeking to avert a U.S. default, are pursuing a broad agreement to boost the debt limit. German Chancellor Angela Merkel said government chiefs had widened the scope of their bailout fund to allow it to buy the bonds of debt-laden nations.

### [Chances for gas pump price breaks appear slim](#)

The chances for late-summer discounts at the gas pump are looking pretty slim.

Americans are paying about 15 cents more for a gallon of gas now than they did over the July Fourth weekend and nearly \$1 more than a year ago. The national average for a gallon of regular was \$3.695 a gallon Friday, up 0.6 cent overnight, according to AAA, Wright Express and the Oil Price Information Service.

In a rare twist, California drivers aren't paying the highest prices in the lower 48 states. That unwelcome distinction belongs to the Northeast. Refinery and import issues have tightened supplies there, while gas is more plentiful in California, according to Fred Rozell, retail pricing director at OPIS.

### [Could U.S. Gas Prices Rise Above \\$5 Per Gallon?](#)

No one knows precisely at what point oil begins to substantially hinder consumer spending and slow commercial activity - but this much is known: every \$1 per barrel rise in oil decreases U.S. GDP by about \$100 billion per year and every 1 cent increase in gasoline decreases U.S. consumer disposable income by about \$600 million per year.

To be sure, the flexible and resilient U.S. economy is more-energy efficient today than it was 10 years ago - even five years ago -- and it will likely become more efficient in the years ahead, but that doesn't blot-out the fact that the U.S. remains an oil-dependent economy. Most cars still run on gasoline, trucks on diesel, and oil is also a major fuel for heat. Hence, sustained, high oil prices translate in to bad things for U.S. GDP, corporate earnings growth, and by extension, for most U.S. stocks.

### [Mexico oil exports rise in June, output edges down](#)

MEXICO CITY (Reuters) - Mexico's oil production dipped slightly in June to 2.544 million barrels per day, while exports rose in the month compared to May, state-oil company Pemex said on Friday.

A top oil exporter to the United States, Mexico shipped 1.425 million bpd of crude in June, up 4 percent from the 1.368 million sent abroad a month earlier.

### [Nigeria's September Crude Oil Exports to Fall to Six-Month Low, Plans Show](#)

Nigeria, the largest oil producer in Africa, is scheduled to export 2 million barrels a day of 14 major crude grades in September, the lowest in six months, according to loading plans obtained by Bloomberg News.

The country will ship 65 consignments in September totaling 59.9 million barrels. This compares with next month's plan to export 71 cargoes amounting to 64.6 million barrels. The daily shipments for September will be 4.2 percent less than August.

### [China hungry for South China Sea oil: Philippines](#)

NUSA DUA - China's aggressive actions in the South China Sea appear to be motivated by a hunger to exploit the area's rich oil and gas resources, the Philippines' foreign secretary said Saturday.

Speaking on the sidelines of an Asian security forum in Indonesia, Albert del Rosario also said China's behavior in the disputed waters raised concerns about how it would treat its neighbors as it became more powerful.

### [Iran, Iraq, Syria to sign contract to transit natural gas to Europe](#)

Iran, Iraq and Syria will sign a contract for the transit of Iranian natural gas from the country's South Pars gas field to Europe, the English language satellite Press TV reported on Friday.

### [Beijing Looks to S. China Sea for Much-Needed Offshore Resources](#)

The South China Sea has been engulfed in territorial disputes for decades. Its rich oil and natural gas resources is one of the biggest reasons the area is so hotly disputed. China claims the entire South China Sea as its own and recently stepped up its efforts to harness and exploit resources there, deploying its first deep sea oil rig to the area.

In late May, China announced the launch of a massive, advanced deep sea oil rig, the CNOOC 981. The rig, which is as big as a football field, was built by China's State Shipbuilding Corporation for the country's flagship offshore oil and gas producer, China National Offshore Oil Corporation. It is capable of working at depths of 3,000 meters and extracting oil as deep as 12,000 meters.

### [Malawi President Blames Protesters for Violence](#)

CAPE TOWN — Facing international condemnation for his government's use of force against peaceful demonstrators, Malawi's president defiantly blamed protest organizers and political opponents on Friday for the violence that left 18 people dead this week. And he warned them against a return to the streets.

"This time I'll go after you," President Bingu wa Mutharika said at a police ceremony in the city of Zomba, according to The Associated Press. "Even if you hide in holes, I'll smoke you out."

### [Egypt's protests continue despite cabinet reshuffle](#)

CAIRO (BNO NEWS) -- Hundreds of protesters on Friday participated in a mass protest designated as "Friday of Decision" in Cairo's Tahrir square despite the latest government reshuffle, Ahram Online reported.

### [Jordanian protesters burn U.S. flag](#)

Hundreds of Jordanians held a demonstration Friday, where they burnt a U.S. flag and stressed rejection of America's interference in the region.

### [Tripoli struggles for a sense of normalcy 5 months into civil war](#)

While rebels may be no more than 60 miles away and opposition to Moammar Gadhafi seethes in shadows of the capital, Tripoli does not have a feeling of city under siege, as

its 1 million residents adapt and carry on getting married, going shopping and strolling by the sea.

### [Survivor of Attack Leads Nuclear Effort in Iran](#)

WASHINGTON — Eight months after he narrowly survived an assassination attempt on the streets of Tehran, Fereydoon Abbasi, the nuclear physicist whom Iran's mullahs have put in charge of the country's Atomic Energy Organization, is presiding over what intelligence officials in several countries describe as an unexpected quickening of Iran's production of nuclear material.

### [Japan Trade Min: Tepco Should Share Cost Of Cesium-Tainted Beef](#)

TOKYO -(Dow Jones)- Japan's trade minister said on Saturday that Tokyo Electric Power Co. Inc (9501.TO), the operator of the crippled Fukushima nuclear plant, should share with the government the cost of purchasing beef containing radioactive cesium, public broadcaster NHK reported.

"Because purchases of contaminated beef are part of damages caused by the nuclear crisis (at the Fukushima Daiichi power plant), we are going to ask Tepco in what way the utility can pay compensation," Economy, Trade and Industry Minister Banri Kaieda was quoted as saying.

### [EPA releases 2 draft permits for offshore projects](#)

JUNEAU, Alaska - The U.S. Environmental Protection Agency has released draft air quality permits necessary for exploratory drilling projects in Alaska's Arctic waters to proceed.

### [ExxonMobil not cooperating, Schweitzer says](#)

Three weeks after polluting the Yellowstone River, ExxonMobil continues to withhold information key to cleaning up the mess, Montana Gov. Brian Schweitzer said Thursday.

### [Exxon cleans up 4 sites in Yellowstone oil spill](#)

BILLINGS, Mont. – ExxonMobil Pipeline Co. crews have finished initial cleanup work on four sites contaminated when a pipeline carrying crude oil broke underneath the Yellowstone River three weeks ago.

### [US State Dept to assess Canada oil pipe next month](#)

WASHINGTON (Reuters) - The U.S. State Department said Friday it expects to issue next month a final environmental assessment on TransCanada Corp's proposed \$7 billion pipeline that would take petroleum from Canada's oil sands to refineries to Texas.

### [NRC Releases Study of Yucca Waste-Site Application](#)

The Nuclear Regulatory Commission released a technical study of the U.S. application for a waste dump at Yucca Mountain as Republicans demand information on the halted Nevada project.

### [Heat wave sends Con Ed electric use to new high](#)

(Reuters) - Power company Consolidated Edison said its peak electric use hit an all-time high on Friday as a brutal heat wave enveloped New York City.

### [Walgreen Pledges to Host 800 E.V. Chargers by End of 2011](#)

Walgreen describes itself as the nation's largest drugstore chain, and the company has another superlative to promote. On Thursday, it vowed to become the country's biggest host for public electric vehicle charging stations by the end of the year. In total, stores will have about 800 chargers.

### [Solar Mirages Bring Muddy Waters Concerns to Panel Makers](#)

Investors are starting to doubt profit estimates for China's solar manufacturers as concerns about accounting practices first spotted at a forestry company spread nationwide.

### [10,000 Buildings Get the Word on 'Dirty' Fuel](#)

In April, Mayor Michael R. Bloomberg announced new heating oil regulations for thousands of buildings across the city. Now those buildings — most of them apartment houses — are reviewing their heating systems.

The new rules require that by 2015, about 10,000 buildings switch from No. 6 heating oil, the cheapest but also the dirtiest fuel available, to No. 4 heating oil. Some buildings need to make the change as early as next July. But since buildings will be required to use either No. 2 oil or natural gas by 2030, many building owners are contemplating making the larger change now to avoid two separate conversions. Natural gas currently costs about 30 percent less than fuel oil.

### [Preparing for Hendersonville's Future](#)

Nicole Foss, a world renowned economic analyst, focused her discussion on financial bubbles. According to Foss, what financial bubbles do is not create real wealth but the perception of real wealth, such as the rise in housing values over the past decade. Every credit expansion in history has been followed by an enormous debt deflation. Given that credit is more than 95 percent of the effective money supply, the effect is there's excess claims for underlining real wealth. A comparison was made between the roaring '20s in America during the height of a credit expansion and the contraction of the '30s, which lead to the Great Depression. Looking at the credit expansion currently underway, Foss explained that what we are currently facing is the largest credit expansion in human history, which is bound to fall in proportion to the excesses that preceeded it.

### [UN Emission Traders Start Abandoning 2012 Credits on Price, Surplus](#)

Interest in United Nations emission credits for 2011 and 2012 has waned after prices dropped to a two-year low and traders began to transfer positions into later years to avoid an oversupply exacerbated by the recession.

### [Say goodbye to Colombia's glaciers](#)

Colombia's greenhouse gases pale compared to emissions from the United States and other industrial giants. That's why Ceballos says there's little the Colombian government can do to slow the melting of the glaciers. Instead, he's focused on documenting their disappearance.

### [Alpine glacier retreat pushing Europe closer to water crisis](#)

Future glacier retreat in the Alps could affect the hydrology of large streams more strongly than previously assumed, a new study shows.

### [Flood-Prone Land Likely to Increase by 45% -- a Major Challenge to Federal Insurance Program](#)

CHICAGO -- A three-year study to determine the possible impacts of climate change on federal flood insurance will warn of huge increases to the amount of land that could be inundated by rising sea levels, heavier downpours and stormier coastlines.



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