

# Iranian Official Warns Trump of Oil Trap



Iran's OPEC Governor Hossein Kazempour Ardebili

VEINNA (Dispatches) - A senior Iranian oil official urged U.S. President Donald Trump not to use the nation's Strategic Petroleum Reserve to push prices lower, and instead drop sanctions on Iran's crude exports.

"My advice to you, Trump, is to avoid touching the SPR - to cool down and give up sanctioning Iranian oil," Hossein Kazempour Ardebili, Iran's representative to OPEC, said by email.

The Trump administration is actively considering tapping into the nation's emergency oil inventories as political pressure grows before congressional elections in November, according to people familiar with the matter. Trump is also trying to choke off Iran's oil exports after quitting a nuclear deal with the country.

## 'Trump Trying to Save Saudi Economy by Stopping Iran's Oil Exports'

TEHRAN (IFP) - An Arab news website says the U.S. President's bid to halt Iran's oil exports are mainly aimed at salvaging Saudi Arabia's sluggish economy.

That was the analysis offered by thenewkhalij.news regarding Trump's new policy geared to bringing Iran's oil sales to zero.

The website wrote that the Trump administration seems to be trying to raise the chances of Iran's rival, i.e. Saudi Arabia, by imposing an oil blockade on Iran, so that Riyadh would have the upper hand in the region.

Based on this report, Saudi Crown Prince Mohammed Bin Salman intends to increase petroleum output

to 11 million barrels per day to seize Iran's share of the global market.

According to the news website, the rise in crude output by Saudi Arabia, which has been coupled with a drop in crude prices and austerity measures over the past years, could be a ray of hope to save the country's economy and be an opportunity for Bin Salman to implement his reforms.

However, added the website, Trump's key objective is to give Saudi Arabia an economic edge which would weaken Iran's nuclear and military programs in the region as well.

Trump withdrew from the Iran

"Mr. President, as I have foreseen earlier, it seems you are resorting to the SPR due to the fact that there is no spare capacity to cover for Iranian exports - but there will be many repercussions," Kazempour said.

Trump is pressing Saudi Arabia and some other OPEC members to fill in any supply gap that will arise when U.S. sanctions curtail Iranian crude exports. Iranian flows could be slashed in half once American sanctions take effect on Nov. 4, according to the International Energy Agency. The country ships about 2.5 million barrels a day.

U.S. government teams visited Saudi Arabia recently to ensure that global markets remain adequately supplied after the deadline. Producers such as Saudi Arabia, the United Arab Emirates and Russia have announced their intention to increase supply.

"Saudi Arabia, the U.A.E and Russia pretended to be able to deliver 2.5 million barrels a day of Iranian exports," Kazempour said. "That was a miscalculation, Mr. President: you have fallen in their trap, and prices will go up."

It's not the first time the Iranian official has responded to Trump's policies. Earlier this month, Kazempour said that tweets by Trump criticizing the Organization of Petroleum Exporting Countries had pushed oil prices up by about \$10 a barrel.

"If we in Iran were to stop our exports for just one month to show what it can bring to the world economy, you would have thought twice," Kazempour said. "But we are a civilized nation, and a responsible government."

nuclear deal and reinstated sanctions against the country at the request of Saudi Arabia, Israel and other enemies of Iran, wrote the website.

By exerting economic pressure on Iran, Trump also seeks to make the country give up its arms programs and contain Iran's allies which are a threat to Tel Aviv and Riyadh, thenewkhalij.news added.

The Saudi heir to the throne had earlier told Wall Street Journal that the world has turned to economic pressure in order not to get involved in a direct military war with Iran.

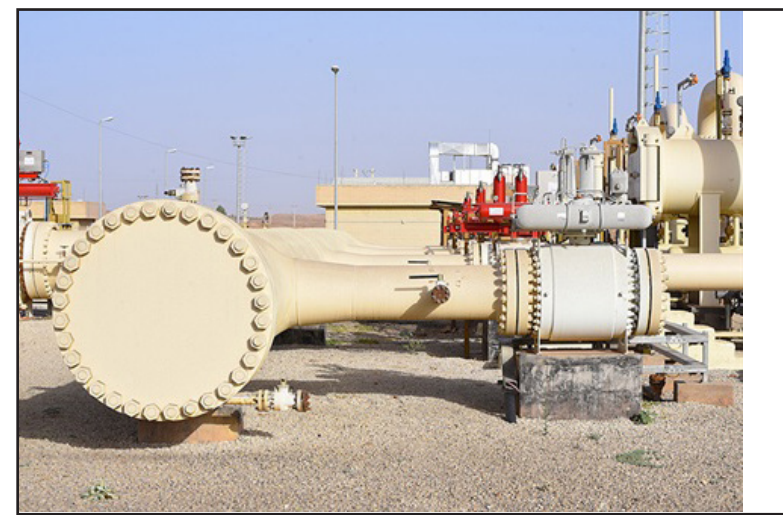
Saudi Arabia's oil production is expected to reach 10.8 to 10.9 million barrels per day by July.

## Oman, Iran to Form Strategic Gas Committee

TEHRAN (Shana) -- The CEO of the National Iranian Gas Export Company (NIGEC) Mehran Amir Moeini has said Iran and Oman were about to form a joint strategic committee to finalize a long-sought gas pipeline project.

Speaking to Shana, Moeini said an Iranian delegation was scheduled to visit Oman in order to finalize the framework of cooperation between the two countries.

Since 2004, Iran and Oman have been in talks to carry out a gas pipeline project in which Iran is expected to send its gas through a sea pipeline to the Persian Gulf country to have it converted into liquefied natural gas (LNG) and then receive it to be marketed by the National Iranian Oil Company (NIOC). The elongation of the talks is partly due to the lack of spare capacity in Iran to feed the pipeline until recently. With inauguration of several phases of the supergiant South Pars Gas Field,



the country can now inject sufficient gas volumes into the pipeline.

The official, recapping the latest developments in Iran-Oman gas talks, said: "Following finalization of the cooperation framework between the two countries and its signature by the Iranian and Oman oil ministers, a call will be issued

for the selection of the [project's] contractor."

He said talks regarding legal aspects of the project were still ongoing, noting that such prolonged talks for legal matters of projects are natural.

An Omani delegation visited Tehran in April to discuss the gas pipeline.

## Erdogan: Turkey Using National Currencies to Trade With Iran



ANKARA (Dispatches) -The Turkish president says his country is determined to conduct trade with Iran, Russia and China using national currencies.

Recep Tayyip Erdogan said the move is aimed at countering the adverse effects of fluctuations in the exchange rates of foreign currencies usually used in international trade.

He said fluctuations in forex exchange rates are not an issue that only Turkey is facing, but is an international concern. Erdogan noted that one of the best ways to tackle the issue is to do trade with other countries using national currencies.

The Turkish president said the exchange rates for the greenback and the Euro keep fluctuating in different countries, bringing uncertainty upon exporters and importers. As a result, he added, talks are underway with Russia,

Iran and China on the implementation of an agreement to conduct trade using national currencies.

Erdogan stressed that doing trade using national currencies will minimize the effects of fluctuations in forex exchange rates.

Turkey's exports and imports stand at around \$160 billion and \$200 billion a year respectively. Turkey is among the key trade partners of Iran, Russia and China.

The value of Turkey's lira against the U.S. dollar has dropped by 30 percent this year. The lira has lost its value against the euro by 25 percent.

Erdogan says the plunge in the value of the Turkish monetary unit is a move aimed at challenging the country's economy, but underlines that Turkey will continue to move forward on its path.

## South Korea's June Crude Imports From Iran Fall

TEHRAN (Dispatches) - South Korea's imports of Iranian oil fell 40.3 percent in June from the same month a year ago to their lowest since January 2015.

South Korea, one of Asia's major Iranian oil customers, imported 686,849 tons of Iranian crude in June, or 167,820 barrels per day (bpd), compared with 1.15 million tons in June 2017, customs office data showed on Sunday.

That was down 9.5 percent from May, Reuters reported.

In the first half of this year, South Korea's intake of Iranian crude slid 33.9 percent compared with the same period last year to 6.13 million tons, or 248,367 bpd, according to the data.

The drop comes after U.S. President Donald Trump's administration pulled out of the 2015 nuclear deal between Tehran and world powers and announced plans to renew economic sanctions on Tehran.

Seoul has been in talks to get an exemption from the United States in a bid to avert any adverse impact from halting Iranian oil imports. In August, people familiar with the matter have said, South Korea's Iranian oil imports could be zero for the first time in six years.

South Korea mainly purchases an ultra-light form of crude oil, known as condensate, from Iran.

In 2012, South Korea managed to get a waiver on the previous round of sanctions by importing limited amounts of Iranian oil during that time. Those sanctions were lifted in 2016.

## Russia Speeds Up Dumping Dollar From Economy

MOSCOW (RT) - One of Russia's largest banks, VTB is seeking to decrease the share of U.S. dollar transactions at home as locals are choosing the Russian ruble over the greenback.

"There is one interesting thing I wanted to highlight. Since the beginning of this year, people seem to be less interested in making dollar deposits or taking out dollar loans, compared to ruble-denominated deposits and loans. We believe this to be an important step towards the de-dollarization of the Russian finance sector," said VTB head Andrey Kostin at a Kremlin meeting with President Vladimir Putin.

According to Kostin, VTB experts have drafted a package of proposals designed to further promote the ruble in international settlements. "I think that we need to create our own financial tools. This would serve as an additional safeguard for the Russian financial sector against external shocks, and would give a new impetus to its development," Kostin added.

The financial tools Kostin mentioned are floating Eurobonds, shares and other derivatives that are now used only in the West.

Russia has been seeking the



ways of decreasing the dependence on the U.S. currency after Washington and its allies imposed sanctions against Moscow in 2014. In May, President Putin said Russia can no longer trust the U.S. dollar-dominated

financial system since America is imposing unilateral sanctions and violates World Trade Organization (WTO) rules. Putin added that the dollar monopoly is unsafe and dangerous for the global economy.

## Iraq Overtakes Saudi Arabia in Oil Exports to India

Baghdad (Press TV) - Iraq has for the first time in many years been able to take over Saudi Arabia in exporting crude oil to India - the world's fastest-growing oil consumer.

The latest market figures show that India's oil imports from Iraq over the past fiscal year of 2017-18 stood at 45.7 million tonnes (MT) thus indicating a rise of 21 percent compared to the previous year when the figure stood at 37.7 MT.

In value terms, India imported \$17.5 tril-

lion worth of crude oil from Iraq last financial year, a huge 51 per cent increase over \$11.6 trillion worth of crude imported from that nation in the previous fiscal, according to a report published Energy World news website.

India imported 220 million tonnes (MT) of crude oil during the last financial year, 3 percent more than 214 MT imported in the previous fiscal (2016-17). In value terms, the country's crude oil imports rose 25 per

cent to \$87.8 billion in 2017-18.

Imports from Saudi Arabia in 2017-18 stood at 36.1 MT indicating a decline of around 8 percent from the previous year when the figure stood at 39.3 MT.

In value terms, India imported \$15,263 million worth of crude oil from Saudi Arabia last fiscal, a growth of 12 per cent as compared to \$13,674 million imported in 2016-2017, due to increase in international crude oil prices, the report added.