

Iran's Steel Production Increases 30% in 2019: WSA



TEHRAN (Dispatches) -World Steel Association (WSA) in a report released on Sunday said that Iran's crude steel production increased by

30 percent in 2019 while the average global growth in this sector stood at 3.5 percent.

"Iran produced 31.9 million tons

of crude steel during 2019 compared to the last year's nearly 24 million tons," the report said.

Crude steel production in the world has risen 3.5 percent to reach 1.848 billion tons in 2019 and China was the world's top steel producer in 2019, with 996.3 million tons of production, according to WSA.

Earlier, WSA announced that Iran's steel production was at 23.648 million tons in the eleven-month period of 2019, rising 5.3 percent from 22,452 million tons in the same time span of the previous year.

According to the officials, Iran's annual steel production is planned to reach 45 million tons by the Iranian calendar year 1400 (March 2021-March 2022).

Exports to Iraq Through Mehran Border Up 35%

ILAM (Dispatches) - Director General of Ilam Customs Administration Ruhollah Gholami said Sunday that the exports to Iraq through Mehran's border terminal, located in the west of Ilam province, surpassed to 1.829 million tons during the ten months to January 20.

Gholami said the country's exports to Iraq through the major gate witnessed a 35% increase in volume, compared with the cor-



Oil Prices, Mideast Stock Markets Fall as Demand Takes a Hit From China Virus

ABU DHABI (Dispatches) - Oil prices and most Middle Eastern equity gauges dropped at the start of the trading week, following sustained pressure this week, from the coronavirus outbreak in China, which is hurting demand as a result of the country's lockdown on travel, analysts said.

Oil markets closed with Brent at \$60.69 (Dh222) and West Texas Intermediate (WTI) at \$54.19, with both benchmarks down for the week again.

China's lockdown has already had a significant impact, with the country's Ministry of Transport reporting traveller numbers down by 30 per cent in the country on the first day of the Chinese New Year, compared to the same period last year.

Fuel demand will most likely remain low, as long as the lockdown on 56 million people in the Chinese province of Hubei and the virus continue.

"Oil prices continued their steady drift lower last week as demand concerns increased on fears the coronavirus outbreak will threaten China's economy, particularly affecting segments that would boost demand for jet and gasoline [petrol]," said Edward Bell, commodity analyst at Emirates NBD.

Saudi Arabian stocks fell



the most among Persian Gulf peers. Energy giant Aramco traded at its lowest level on a closing basis since its listing in Riyadh during the session but pared some of the losses at close. The world's most profitable company dropped 0.4% to 34.30 riyals.

"There might be more to this downward trend" globally, Ali Malik, an investment adviser at Bank of Singapore Ltd., said in a Bloomberg TV interview on Sunday. But past viral outbreaks have shown that "as soon as the new instances stop getting reported, we see a bounce back," he said.

Saudi Arabia's Tadawul All Share Index slipped 0.7%

Saudi Basic Industries -1.2%; Al Rajhi Bank -0.6%

Dubai's main index dropped 0.6% while Abu Dhabi's ADX

General Index declined 0.3%. Emirates NBD was the biggest contributor to the loss in the DFM General Index as it slipped 0.7%, the most in six days.

Kuwait's stock market fell 0.5% while the QE Index in Doha dropped 0.4%.

"Brent futures closed 6.4 per cent lower on the week at \$60.69/barrel while WTI gave up 7.4 per cent to settle at \$54.19/b. Brent has now lost more than 8 per cent year-to-date while WTI is down nearly 11 per cent before even the end of January," he added.

"Our forecasts for average prices in Q1 [first quarter of 2020] is Brent at \$58/b and WTI at \$55/b. While average prices so far are still above our targets, they are converging consistently as weaker fundamentals drag

prices lower," he said. Ole Hanson, head of commodity strategy at Saxo Bank said the weak market fundamentals would most likely see Opec+ extending their production cuts beyond their March date.

Opec+ agreed in December of last year to increase their production cuts to 1.7 million barrels per day (bpd) until March. "Crude oil began the week worrying about another potential big drop in supply — this time from Libya ... The short-lived rally in crude oil ... was halted once the impact of the coronavirus emerged.

"Given the latest developments and crude oil's inability to find support from geopolitical worries the Opec+ group will be forced to extend production cuts beyond March. Until either demand picks up or non-Opec production fails to deliver the expected barrels," he added.

"With geopolitical risks still a significant factor, we see the downside limited to \$60/b. Whether we get that low depends on further news from China and whether speculators have reduced positions to a more comfortable exposure," Hanson said, providing a price estimate range for Brent should the coronavirus crisis carry on.

More than half of the total oil production Brazil recorded in 2019 came from the prolific presalt zone off its coast. The contribution of the presalt zone stood at 633.98 million barrels, which was an annual improvement of 21.56 percent.

Brazil's crude oil production topped 3 million barrels per day for the first time ever in November 2019, the ANP reported last month, adding that total oil and gas production rose to 3.95 million barrels of oil equivalent daily - also a record-breaking figure.

The strong output result came on the back of ongoing ramp-up of production at eight new floating production, storage, and offloading facilities. The ramp-up added more than 100,000 bpd to the country's total production between October and November.

The presalt zone has become the center of attention of the Brazilian oil industry now that the government settled its dispute with Petrobras regarding the handling of an area that falls within the zone. The area could hold up to 15 billion barrels of untapped crude, which would double Brazil's total reserves to 30 billion barrels and make it the world's fifth-largest oil producer.

South Pars Condensate Storage Capacity Rises to 3.5mn Barrels

TEHRAN (Shana) -- Pars Oil and Gas Company (POGC) CEO Reza Forouzesh has said that the South Pars gas condensate storage increased in storage capacity of gas condensate in the field to 3.5 million barrels.

Forouzesh announced inauguration of Tanks B and C with a capacity of 500,000 barrels each, and said there were currently seven storage tanks with equal capacity in the field.

The gas condensate produced in the field is stored in the tanks.

He stated that three gas condensate storage tanks with a capacity of 1.5 million barrels have been



Shana/Photo: Received

put into operation over the past two months, bringing the field's storage capacity to 3.5 million barrels.

By launching the latest South Pars

gas condensate storage and metering project, the storage and loading capacity of gas condensate will reach 4 million barrels, he said.

U.S. Trade War Shifts to Europe, UK



WASHINGTON (CNBC) - With the China "phase one" deal and the United States-Mexico-Canada Agreement signed, the Trump trade team is now turning its attention to a deal with post-Brexit U.K. and the ongoing stalemate at the World Trade Organization.

Questions also remain over the direction of trade discussions between the U.S. and the European Union as the American trade front shifts to targets across the Atlantic. President Donald Trump highlighted the less-than-rosy relations earlier this week from the World Economic Forum in Davos, Switzerland.

Trump said that the European bloc has been "very tough to deal with" and had "taken advantage" of the U.S., but said the EU has "no choice" but to make a deal.

But separate and apart from the tricky talks between the Office of the United States Trade Representative, the EU and the WTO, many investors expect the U.S. to prioritize bilateral talks with the U.K.

At first, it might be tempting to believe the U.S. and U.K. could whisk through a comprehensive deal in contrast to the months of strenuous debate and tariff tit for tat with China. The two nations have for decades defended each other's interests, whether across military theaters in the Middle East or through generous trade dialogue.

But trade officials on both sides are starting to warn that there may be a few hurdles preventing London and Washington from sailing straight into a photo op.

Brazil Breaks Oil Production Record

BRASILIA (Dispatches) - Brazil produced more than 1 billion barrels last year, the first time it has breached the 1-billion-barrel mark, Reuters reports, citing the country's oil regulator, ANP.

The daily average stood at 3.106 million bpd, up 7.78 percent on 2018, ANP also said.

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