

Iran, Iraq Form Joint Oil Working Group



TEHRAN - The oil ministries of the Islamic Republic of Iran and Iraq have announced their agreement to establish a joint oil working group.

Following several meetings between the representative of the petroleum minister of the Islamic Republic of Iran and Iraqi oil officials, the two sides agreed to establish a joint working group.

This working group, which was established as a parent working group with the approach of increasing discussion

and exchange of views about joint cases in the field of energy in two neighboring countries, benefits from the help of several specialized working groups, including in the field of joint fields, education, etc.

So far, numerous meetings have been held between the Iranian and Iraqi members of this working group, and some common issues, including the joint oil fields of the two countries, have been discussed and exchanged in

these meetings.

Iraq to Import More Gas From Iran

The Iraqi Electricity Ministry spokesman Ahmad Musa said the Arab country reached an agreement with Iran on importing more gas.

Ahmad Musa said that the agreement was made during the Iraqi prime minister's recent visit to Tehran.

Iraq expects and hopes that more gas will be injected into its power plants, he said adding that the two sides have agreed to prepare to be prepared for winter and even summer.

He noted that the two sides have signed the agreements and contracts between the two parties regarding the injection of a certain level of gas in winter and summer.

Earlier, Iraqi Prime Minister Mohammed Shia' Al Sudani stressed that Iraq is trying to pay Iran's arrears through special mechanisms.

From Iraq's point of view, interaction is the best way to avoid problems, he said emphasizing the Iraqi government's commitment to cooperate with the Islamic Republic of Iran in all common fields.

Bou Ali Sina Petrochemical Plant Eyes 2mt/y Output

TEHRAN - The CEO of Bou Ali Sina Petrochemical Company Seyed Muhammad Ahmadzadeh said the company is planning to supply 2 million tons of products in the current year which began on March 21, 2022.

The plant's production capacity is 1.7 million tons per year and realization of 2mt/y would be translated into operating at 120% of its nameplate capacity.

According to Bou Ali Sina Petrochemical Company, Ahmadzadeh explained the company's policies in the integrated performance analysis meeting with capital market traders, and stated: "Marketing is not only limited to profit and the supply chain, production chain and distribution chain must



also be managed."

He added: "If we want to increase the profit of the company, we must solve the problems in the feedstock supply and change this

issue from a weakness to an opportunity and take advantage of it by changing the purchasing strategy at the level of the country and the region."

OPEC+ Heading for Oil Policy Rollover, Cut Not Ruled Out

LONDON/DUBAI (Reuters) - OPEC+ is likely to stick to its current oil output target, two OPEC+ sources said, although some say a further output cut is not completely off the table given concern about economic growth and demand.

The Organization of the Petroleum Exporting Countries (OPEC) and allies led by Russia, a group known as OPEC+, has switched its planned in-person meeting in Vienna on Dec 4 to a virtual one, which sources in the group say signals the likelihood of it leaving policy unchanged.

"It is unlikely there will be any change to the policy," an OPEC+ source said. Another source made similar remarks, also declining to be identified by name.

Talks begun on Saturday when

OPEC ministers held a virtual meeting at 1100 GMT. OPEC+ begins talks at the same time on Sunday with a meeting of the advisory Joint Ministerial Monitoring Committee (JMMC) panel, followed by the full ministerial conference.

With oil prices and the economic outlook weakening, the group agreed in October to cut its production target by 2 million barrels per day (bpd), about 2 percent of world demand, from November until the end of 2023.

OPEC+, sources told Reuters, now wants to assess the impact of the looming Russian oil price cap on the market and get a clearer picture of demand in China, the world's top crude importer.

The chief executive of Kuwait Petroleum Corporation, Sheikh

Nawaf Saud al-Sabah, said the oil market appeared to be well supplied at current levels and customers were not asking for more oil.

"We are asking our customers what they require for next year and the straight answer from all of them is we are not requiring more oil, we are actually demanding about the same, perhaps even less, just because of a fear of recession ... although now we may avoid it," he said at a conference in Rome.

Some OPEC+ delegates and analysts are not ruling out a surprise at Sunday's meeting.

JPMorgan, in a report this week, said OPEC+ was likely to hold the line at the meeting while leaving the door open to a cut of more than 500,000 bpd if demand deteriorates further.

IME Weekly Trade Exceeds \$550 Million

TEHRAN - The Iran Mercantile Exchange (IME) on Saturday reported that over 2,315,255 tonnes of commodities with total trading value of \$559 million were traded on its domestic and exporting halls, logging growths of 18% and 22% in terms volume and value respectively in the week.

The IME's report said that on its metals and minerals trading floor over 1,899,000 tonnes of commodities including 1,197,546 tonnes of cement, 284,000 tonnes of iron ore, 277,303 tonnes of steel, 106,500 tonnes of sponge iron, 25,350 tonnes of zinc, 5,975 tonnes of aluminum, 4,110 tonnes of copper, 2,000 tonnes of cast iron, 150 tonnes of molybdenum concentrate, 134 kg of gold bars and 2,118 vehicles with total value of \$336 million were traded in



the last week.

The report added that over 393,337 tonnes of oil and petrochemical commodities including, 90,443 tonnes of polymeric products, 123,000 tonnes of vacuum bottom, 42,500 tonnes of lube cut, 36,636 tonnes of chemicals, 7,340 tonnes of sul-

fur, 270 tonnes of argon, 4,668 tonnes of base oil, 200 tonnes of insulation and 86,579 tonnes of bitumen with total value of \$219 million were traded on its trading halls.

Last but not least was the IME's side market with 22,642 tonnes of commodities traded on it.

World Food Prices Ease Further in November, Says FAO

PARIS (AFP) - The United Nations food agency's world price index fell marginally in November, marking an eighth straight monthly fall since a record high in March after the conflict in Ukraine started.

The Food and Agriculture Organization's (FAO) price index, which tracks the most globally traded food commodities, averaged 135.7 points last month, down from 135.9 for October, the agency said.

The October figure was unchanged from the FAO's previous estimate.

Lower readings for cereals, meat and dairy products in November offset higher prices for vegetable oils and sugar, the FAO said.

Last month's agreement to prolong an UN-backed grain export channel from Ukraine for another 120 days has tempered worries



about disruption to massive Black Sea trade.

The slight decrease in November meant that the FAO food index is now only 0.3 percent above its level a year earlier, the agency said.

The indicator, however, remains at historically high levels after

reaching a 10-year peak in 2021 owing to harvest setbacks and brisk demand.

The FAO warned last month that expected record food import costs in 2022 would lead the poorest countries to cut back on shipped volumes.

Heathrow Faces Pre-Christmas Baggage Handlers Strike



Tens of thousands of workers have downed tools this year in UK to request pay deals that keep up with the rising cost of living.

LONDON (BBC) - Pre-Christmas travellers using Heathrow airport later this month face disruption after baggage handlers voted to strike from 16 December.

The 72-hour strike action will affect flights operated by 10 major airlines from Heathrow Terminals 2, 3 and 4.

The dispute centres around a pay offer made to cargo workers but

which has not been extended to baggage handlers.

The Unite union said ground-handling workers at Menzies Aviation have not received a "fair" pay offer.

"Menzies has made a fair pay offer to one group of its workers but isn't prepared to make a similar offer to its ground handlers," said Unite general secretary Sharon Graham.

Miguel Gomez Sjunnesson, execu-

tive vice president Europe at Menzies Aviation said: "We are well prepared for further industrial action and are working closely with key partners to put in place robust contingency plans."

"We remain committed to seeking a resolution on the pay talks in our ground handling operations so our employees can receive their increase now, and hope to be able to reach an agreement which is workable for both the business and our employees during our meeting with unions on Tuesday."

Airlines that are likely to be affected by the three-day strike are Air Canada, American Airlines, Lufthansa, Swiss Air, Air Portugal, Austrian Airlines, Qantas, Egypt Air, Aer Lingus and Finnair.

The dispute involves 350 workers employed by Menzies who were offered a lower pay deal than cargo workers employed by the company.

Cargo workers were offered a 9.5% pay increase backdated to May 2022 and a further 1% from January 2023, the union said.

Venezuela, Chevron Sign Oil Production Contracts

Caracas (Reuters) - Venezuela's state oil company PDVSA has signed contracts with the American oil company Chevron.

Venezuela's oil minister Tarek El Aissami and top representatives of state-run company PDVSA signed contracts with U.S. oil firm Chevron Corp with the aim of reviving the nation's oil output and expanding operations, Reuters re-

ported.

The U.S. granted permission for Chevron to start pumping oil in Venezuela last week.

The report stated that U.S. President Joe Biden authorized Chevron to sign a six-month license eyeing talks between the government of Venezuelan President Nicolas Maduro and the Venezuelan opposition ahead of the elections.

But, in light of the recent decision adopted by OPEC+ to cut oil production, defying the White House's demands, it is likely that this move may be owed to energy security concerns.

Contracts signed by Venezuela and U.S.-based Chevron Corp. include the PDVSA-Chevron joint ventures Petrosocan and Petropiar, according to officials.

In this way, Petropiar and Petrosocan are authorized by the license mainly to produce and extract oil, and activities related to maintenance, repair, or service; sell, export, or import to the United States, through Chevron; and purchase and import into Venezuela products associated with the above, including diluents, condensates, oil, or natural gas.

The U.S. has been depleting its own strategic reserves to manage oil prices that were hit hard by U.S. and EU sanctions against Russia and their failed attempt to pressure OPEC+ into increasing production.

In a previous report by the agency, Reuters said the other day, "Chevron is a minority partner in four oil joint ventures in Venezu-

ela with PDVSA, which have produced this year between 60,000 and 100,000 barrels per day (bpd) of crude."

A formal meeting took place earlier today at PDVSA's Caracas headquarters in the presence of El Aissami, Chevron's President for Venezuela, Javier La Rosa, and PDVSA President, Asdrubal Chavez.