

# EU must grasp world role as U.S. retreats, Juncker says



STRASBOURG (Reuters) – The European Union must flex its muscles as a world power, EU chief executive Jean-Claude Juncker said on Wednesday, as he spoke critically of U.S. President Donald Trump's retreat from international engagement.

In his annual State of the Union address to the European Parliament in Strasbourg, Juncker, who is entering his final year as president of the European Commission, urged EU states to bridge angry divisions over budgets, immigration and other issues in order to capitalize on a chance to shape the world.

"Whenever Europe speaks as one, we can impose our position on others," Juncker said, arguing that a deal he struck in July with Trump to stall a transatlantic tariff war and which won plaudits for the Commission should have come as no surprise.

"The geopolitical situation makes this Europe's hour: the time for European sovereignty has come," he said.

Juncker made no direct comment on Trump or U.S. policy but

aides said the geopolitical situation he spoke of was a U.S. retreat into what Juncker described elsewhere in the speech as “selfish unilateralism”. He also saw new opportunities to work with China, Japan and others to develop “multilateral” rules.

Some proposals to strengthen the EU’s effectiveness face an uphill battle against member state opposition, notably scrapping national vetoes in some foreign policy areas, such as where economic pressure from the likes of Russia or China on certain EU countries has blocked EU sanctions to defend human rights.

In repeating his support for deeper economic integration, he also pushed the idea that the euro should challenge the dollar as the world’s leading currency, calling it “absurd” that the EU pays for most of its energy in the U.S. currency despite buying it mainly from the likes of Russia and the Gulf states. He said airlines should also buy planes priced in euros not dollars.

Juncker renewed calls for states to push ahead in developing an EU defense capability independent of the U.S.-led NATO alliance and to embrace Africa through investment and a sweeping new free trade area – part of a strategy to curb the flow of poor African migrants which has set EU governments at each other’s throats and fueled a sharp rise in anti-EU nationalism.

## **EU DIVISIONS**

Without naming Hungarian Prime Minister Viktor Orban, Juncker blasted EU leaders who sought to undermine democracy and the rule of law and rejected complaints from lawmakers that the Commission has been lenient toward Hungary, Poland and other eastern states.

Later on Wednesday, the European Parliament voted to sanction Hungary for flouting EU rules on democracy, civil rights and

corruption in an unprecedented step that could lead to a suspension of Budapest's EU voting rights.

At the same time, the Commission put forward a plan to get even tougher on illegal economic migrants whose arrival has so angered Orban and others.

However, the idea of a fully federal European Border and Coast Guard, with its own 10,000-strong uniformed force run from Brussels may hit national resistance.

With an eye on elections next May to the European Parliament, Juncker proposed new vigilance, and penalties, for attempts to manipulate voters. As the centenary nears of the end of World War One, he recalled how Europeans were taken totally by surprise by its outbreak and urged more respect for the EU as a force for peace against nationalistic "poison and deceit".

He spoke of regret at Britain's impending withdrawal from the bloc which will mark his five-year mandate and warned Prime Minister Theresa May that the EU would not compromise its single market to let London pick and choose which rules to obey.

But as negotiators struggle to overcome problems about the future of the land border on the island of Ireland, Juncker also pledged that Britain would remain a very close partner. In the parliamentary debate which followed his hour-long address, Nigel Farage, of the UK Independence Party, accused him of failing to acknowledge the arrival of eurosceptics in government in Italy and a "populist revolt" across Europe that he said would resist Juncker's aim to centralize more power.

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# Global warming's paper trail



By Benjamin Franta Stanford

One day in 1961, an American economist named Daniel Ellsberg stumbled across a piece of paper with apocalyptic implications.

Ellsberg, who was advising the US government on its secret nuclear war plans, had discovered a document that contained an official estimate of the death toll in a pre-emptive “first strike” on China and the Soviet Union: approximately 300mn in those countries, and double that globally.

Ellsberg was troubled that such a plan existed; years later, he tried to leak the details of nuclear annihilation to the public.

Although this attempt failed, Ellsberg would later become famous for leaking what came to be known as the Pentagon Papers – the US government’s secret history of its military intervention in Vietnam.

America’s amoral military planning during the Cold War echoes the hubris exhibited by another cast of characters gambling with the fate of humanity.

Recently, secret documents have been unearthed detailing what the energy industry knew about the links between their products and global warming.

But, unlike the government's nuclear plans, what the industry detailed was put into action.

In the 1980s, oil companies like Exxon and Shell carried out internal assessments of the carbon dioxide released by fossil fuels, and forecast the planetary consequences of these emissions.

In 1982, for example, Exxon predicted that by about 2090, CO<sub>2</sub> levels would double relative to the 1800s, and that this, according to the best science at the time, would push the planet's average temperatures up by about 3°C.

Later that decade, in 1988, an internal report by Shell projected similar effects, but also found that CO<sub>2</sub> could double even earlier, by 2030.

Privately, these companies did not dispute the links between their products, global warming, and ecological calamity.

On the contrary, their research confirmed the connections.

Shell's assessment foresaw a 60-70cm rise in sea level, and noted that warming could also fuel the disintegration of the West Antarctic Ice Sheet, resulting in a worldwide rise in sea level of "5 to 6m." That would be enough to inundate entire low-lying countries.

Shell's analysts also warned of the "disappearance of specific ecosystems or habitat destruction," predicted an increase in "runoff, destructive floods, and inundation of low-lying farmland," and said that "new sources of freshwater would be required" to compensate for changes in precipitation.

Global changes in air temperature would also "drastically change the way people live and work." All told, Shell concluded, "the changes may be the greatest in recorded history."

For its part, Exxon warned of "potentially catastrophic events that must be considered." Like Shell's experts, Exxon's scientists predicted devastating sea level rise, and warned that the American Midwest and other parts of the world could become desert-like.

Looking on the bright side, the company expressed its confidence that "this problem is not as significant to mankind

as a nuclear holocaust or world famine.”

The documents make for frightening reading.

And the effect is all the more chilling in view of the oil giants’ refusal to warn the public about the damage that their own researchers predicted.

Shell’s report, marked “confidential,” was first disclosed by a Dutch news organisation earlier this year.

Exxon’s study was not intended for external distribution, either; it was leaked in 2015.

Nor did these companies ever take responsibility for their products.

In Shell’s study, the firm argued that the “main burden” of addressing climate change rests not with the energy industry, but with governments and consumers.

That argument might have made sense if oil executives, including those from Exxon and Shell, had not later lied about climate change and actively prevented governments from enacting clean-energy policies.

Although the details of global warming were foreign to most people in the 1980s, among the few who had a better idea than most were the companies contributing the most to it.

Despite scientific uncertainties, the bottom line was this: oil firms recognised that their products added CO<sub>2</sub> to the atmosphere, understood that this would lead to warming, and calculated the likely consequences.

And then they chose to accept those risks on our behalf, at our expense, and without our knowledge.

The catastrophic nuclear war plans that Ellsberg saw in the 1960s were a Sword of Damocles that fortunately never fell.

But the oil industry’s secret climate change predictions are becoming reality, and not by accident.

As the world warms, the building blocks of our planet – its ice sheets, forests, and atmospheric and ocean currents – are being altered beyond repair.

Who has the right to foresee such damage and then choose to fulfil the prophecy? Although war planners and fossil fuel companies had the arrogance to decide what level of



devastation was appropriate for humanity, only Big Oil had the temerity to follow through.

That, of course, is one time too many. – Project Syndicate

*\* Benjamin Franta, a former research fellow at the Belfer Centre for Science and International Affairs at the Harvard Kennedy School of Government, is a doctoral candidate at Stanford University, where his research focuses on climate politics and the manipulation of science.*

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## **Global oil demand may reach 98.83mn bpd in 2018: Opec**



The total global oil demand is anticipated to reach 98.83mn bpd in 2018; Opec's latest monthly bulletin has shown.

For 2019, Opec forecasts world oil demand to grow by 1.43mn bpd, but some 20,000 bpd lower than the Vienna-based organisation's July assessment.

This, it said, was mainly due to weaker-than-expected oil demand data from Latin America and the Middle East in the second quarter of this year.

Total world consumption is anticipated to reach 100.26mn bpd next year.

The OECD (Organisation for Economic Co-operation and Development) region will contribute positively to oil demand growth, rising by 0.27mn bpd year-on-year, yet with growth of 1.16mn bpd, non-OECD nations will account for the majority of growth expected.

The demand for crude from 15 members of the Organisation of the Petroleum Exporting Countries has been revised down by 0.1mn bpd in August compared to the previous month to stand at around 32.9mn bpd, the Vienna-based organisation said in its latest monthly market report.

The 2018 crude demand is 0.6mn bpd, lower than a year earlier, Opec said.

Compared with the last monthly oil market report, the first quarter remained unchanged. The second and the third quarters were revised down by 0.2mn bpd each and the fourth quarter was revised down by 0.1mn bpd.

Compared with 2017, the first quarter was 0.1mn bpd higher than the same quarter last year, while the second and fourth quarters are expected to fall by 0.7mn bpd each.

The third quarter is also projected to fall by 0.1mn bpd, Opec said.

According to secondary sources, Opec crude production averaged 32.4mn bpd in the first quarter of 2018, which is 0.1mn bpd higher than the demand for Opec crude.

In the second quarter of 2018, the Opec-15 crude production stood at 32.2mn bpd, which is 0.2mn bpd lower than the demand for Opec crude.

According to the report, the demand for Opec-15 crude for 2019 was revised down by 0.1mn bpd from the previous report to stand at around 32mn bpd, 0.8mn bpd lower than the 2018 level. Compared to the last monthly report, the first quarter was revised down by 0.1mn bpd and the second and third quarters



were revised down by 0.2mn bpd each, Opec said.

The fourth quarter remained unchanged. Compared to the same quarter in 2018, the first and second quarters are forecast to fall by 0.6mn bpd and 0.4mn bpd, respectively.

The third and fourth quarters are expected to fall by 0.9mn bpd and 1.3mn bpd respectively, it said.

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## **Qatargas announces 22-year LNG pact with PetroChina**



QNA/Doha

Qatargas has announced a long-term sale and purchase agreement (SPA) with PetroChina International Company Limited to supply China with around 3.4 million tonnes of liquefied natural gas (LNG) per annum.

Under the 22-year agreement, which ends in 2040, Qatargas will supply LNG from the Qatargas 2 project, a joint venture between Qatar Petroleum, ExxonMobil and Total, to different

receiving terminals across China, with the first cargo to be delivered to China later this month.

Commenting on this landmark agreement, President and CEO of Qatar Petroleum and Chairman of the Qatargas Board of Directors Eng. Saad bin Sherida al-Kaabi said that the agreement underscores Qatar's trusted capability in ensuring energy security to countries around the world, particularly in Asia.

Al-Kaabi added that the agreement also highlights Qatar's unique position as the world's largest LNG producer, supplying safely and reliably across the globe, expressing pleasure to be of support to the People's Republic of China in its quest to secure LNG supplies to meet the country's growing energy requirements.

"As we announce this long-term SPA, we look forward to continuing to supply reliable and clean energy to China and to countries all over the world that seek to use the cleanest fossil fuel available to meet their energy needs," al-Kaabi said.

For his part, Qatargas chief executive officer Sheikh Khalid bin Khalifa al-Thani said that the agreement is an important milestone for Qatargas, expressing pleasure that LNG from Qatargas continues to contribute towards meeting the huge demand for energy in the world's second largest economy.

He noted that with China expected to become one of the world's largest gas markets, this SPA will further strengthen the existing relationship between Qatargas and PetroChina over the long term.

The SPA allows flexibility in delivering LNG to various receiving terminals across China, including the Dalian, Jiangsu, Tangshan and Shenzhen LNG receiving terminals, utilising Qatargas's fleet of 70 conventional, Q-Flex and Q-Max LNG vessels.

Qatargas is the world's largest LNG producing company with an annual production capacity of 77 million tonnes.

PetroChina is China's largest gas supplier, supplying 66% of China's domestic demand in 2017. It is anticipated that the

People's Republic of China will become one of the world's largest gas markets.

Chinese gas consumption grew by 15% in 2017 alone, with LNG imports growing by more than 40%.

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## **Crude futures stop their rally; Asian spot LNG prices firm**



[Www.Abhafoundation.Org](http://Www.Abhafoundation.Org)

### **Oil**

Benchmark crude futures stopped their rally last week by losing around 1% and 3% for Brent and WTI respectively. Prices were dragged down by US and Opec production increases, rising US refined product stocks, smaller-than-expected impact from the US Gulf tropical storm Gordon, weak equity markets and economic trade tensions.

Gordon was expected to become a hurricane which initially boosted prices, but the anticipation proved exaggerated as it finally weakened and caused relatively small impact. US gasoline and distillate stocks rose in the latest week by almost five million barrels (mbs) which more than offset the crude stock drawdown of 4.3 mbs. Equity markets were pressured in the US and Europe by rising trade tensions, and the surge in August of US job growth that strengthened the US dollar and fuelled concerns about a spike in US interest rates. Price losses were limited by supply worries in Iran and Venezuela, and by escalation in Iraq's protests and Syria's war.

China's trade surplus with the US climbed to \$31bn in August, which will fuel the trade tension between the two countries even more. The rising trade tensions along with financial crises' in some emerging markets could impact oil demand negatively, that is expected to exceed 100mn bpd later this year, according to Opec estimates. Therefore, the drivers related to the supply could be of higher uncertainty, and thus of higher importance, in determining the prices in coming weeks.

## Gas

Asian spot LNG prices proved firm last week, holding at a four-year seasonal high. Prices continued to grow on the back of steady demand despite a thin trade in a usually off-demand period. Some traders consider that September's imports could be higher than usual, as Asian buyers have to rebuild their inventories for the upcoming winter and they are expected to have learnt from last year's shortages. South Korea's KOMIPO is seeking an LNG cargo for November delivery, while Sinopec is expected to ramp up winter gas purchases, and CN00C will open its terminals next month to third party access. On the supply side, the issue at Russia's Sakhalin-2 LNG plant has likely been resolved with production ramping up faster than expected, whereas feedgas at Cheniere's Sabine Pass LNG train 4 was lower last week due possibly to an outage.

In the US, Henry Hub natural gas futures dropped almost 5%

last week due to softer demand and near-normal storage build. The weak market situation was predominantly caused by tropical storm Gordon that forced power outages and brought cooler weather. In the UK, gas futures surged by 8% last week, making it the seventh weekly consecutive gain. Prices were mainly boosted by some outages, lower imports, and gas demand from the power sector. The closure of the Rough storage site last year, which represented 70% of UK's gas storage capacity, is forcing lower stock levels. The supportive market situation is expected, by analysts, to continue throughout the winter season.

\* This article was supplied  
by the Abdullah bin Hamad  
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**‘Qatar-Germany forum a  
reflection of distinguished  
partnerships’**





QNA/Berlin

HE the Minister of Public Health Dr Hanan Mohamed al-Kuwari said on Friday that the increasing momentum of the Qatar-Germany Business and Investment Forum was a reflection of the distinguished partnership of the two countries in all fields. Al-Kuwari added that the attendance of His Highness the Amir Sheikh Tamim bin Hamad al-Thani and German Chancellor Angela Merkel confirmed the strength of the partnership between the two countries. Al-Kuwari said that His Highness the Amir stressed in his speech on the strength of the partnership, and the promise of the Qatari economy and the expanding role of the private sector in investing in the country's projects. Her Excellency noted the reference of HH the Amir to the non-oil sector as the main driver of the Qatari economy in the coming period, which will be done through investing infrastructure, education, health, transport, and construction of projects related to the World Cup 2022.

HE the Minister of Transport and Communications Jassim Seif Ahmed al-Sulaiti said that the transport sector is the biggest gainer from the investments and the partnerships between Qatari and German companies. HE the Minister said the Ministry signed an agreement with German railway company Deutsche Bahn related to the safety of Doha Metro. Al-Kuwari added that the Ministry also witnessed Qatar Tourism Authority's (QTA) signing of a Memorandum of Understanding (MoU) with German Aida Cruises and Italian Costa Cruises to establish a partnership aimed at developing cruise tourism with the State of Qatar.

Al-Kuwari said that Qatar's ports were the best in the region, highlighting that Hamad port was the best-equipped of its peers. He noted that the port will also be capable to receive the biggest ships starting next month.

For his part, the second deputy-chairman of Qatar Businessmen Association (QBA) and the Managing Director of Qatar International Islamic Bank HE Sheikh Dr Khalid bin Thani bin Abdullah al-Thani stressed on the strength of ties between

Qatar and Germany, particularly in terms of economy.

He added that this year's forum is the latest indication of the strength of those ties and the commitment of both sides to increase them further. He added that His Highness the Amir's announcement that the State of Qatar will invest €10bn in Germany over the coming five years is a reflection of the importance of trade ties between the two sides. He added that QBA welcomed the opportunity to inform the German business community of the promising investment opportunities of the State of Qatar.

Mayor of Berlin Michael Muller said that ties between Doha and Berlin were strong, and that they have a lot of co-operation in the economy and cultural fields. He stressed on the importance of using this year's forum as a base of stronger bilateral co-operation in the future, particularly between SMEs.

The mayor said that it was important the two sides strengthen trade ties, especially due to the great future challenges and changes that lie ahead. He said that as urbanisation continue to gain traction, countries will face ever-increasing challenges like transport and climate change.

He also said that Berlin was the perfect venue for the forum, given the important role the city plays in many fields that are tied to the economy. He also said that a new company is established in Berlin every 20 minutes.

For his part, CEO of Qatar Stock Exchange Rashid al-Mansoori said that the forum was held at a time when Qatar and Germany were growing their investment ties, referencing His Highness the Amir's announcement that Qatar will invest €10bn in Germany over the coming five years as the latest example. He added that the State of Qatar already invests in a number of sectors in Germany that includes auto, technology, financial services, and tourism. The opening of a German university in Qatar adds education to the list of investments in the education field, al-Mansoori added. He also added that Qatar Stock Exchange was always keen on being present in these events to promote investment into the Qatari market,

especially after it became a component of the MSCI index for emerging markets.

On the performance of Qatari stocks this year, he highlighted that they led the region, but maintained that they need more liquidity as it remains a challenge for many equity markets. He noted that work is being done to prepare more companies for IPOs.

The CEO of Qatar International Islamic Bank Abdul Basit Ahmed al-Shaibi said that ties between the State of Qatar and Germany go back decades. He highlighted that Qatar's investments in Germany are around €25bn.

He noted that the forum reflects the two sides' commitment to enhancing their partnership and attracting investments in each direction. He added that another goal was to increase trade volume given Germany's status as one of the strongest economies in the world. He added that there are many promising sectors in the German economy, led by the real estate and hospitality sectors.

He added that the industrial sector was also a known for its strength. He also said that the Qatari side is seeking a real partnership with its German counterpart that truly reflects the strength of their ties. He stressed that the attendance of His Highness the Amir and the German Chancellor to the forum reflects its importance.

The CEO of Al Fardan Group Omar Hussein al-Fardan said that the company participated in all the previous editions of the forum, saying that the current version is the biggest one of them all due to the attendance of His Highness the Amir and the German Chancellor. He added that the attendance of His Highness the Amir gave the forum a stronger momentum, especially after His Highness announced that the State of Qatar will invest €10bn over the next five years.

He said that the group had a strong presence in this year's forum, as it is celebrating the 25th anniversary of the special ties it has with BMW. The group also co-operate with Continental, which was one of the biggest tire companies in the world. He said that they agreed with the group to provide

its product straight to Hamad Port without having to go through its regional offices in Dubai.  
He added that they have more ideas that they seek to develop and explore with the German side during the event.

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## **Foreign Correspondent – President Trump has taken aim at the sanctity of democracy. Putin provided the gun**



WHAT'S THE MOST WORRISOME foreign intrusion into the United States: unauthorized immigrants, Chinese imports or interference in our democracy? For President Donald Trump, it's immigrants and imports. He doesn't care much about the third. "Border security is national security," Trump said on July 13 as he threatened a government shutdown if Congress didn't come up with money to build a wall along the Mexican border (at an estimated cost of between \$21 billion and \$80

billion). Meanwhile, Trump ordered his administration to consider raising tariff rates already proposed on \$200 billion of Chinese goods, from 10 percent to 25 percent, prompting China to threaten higher tariffs on \$60 billion more of American goods.

Yet Trump continues to assert that talk of Russian meddling in American elections is “a big hoax.” And his White House still has no plan for dealing with it. On August 1, Senate Republicans rejected a Democratic proposal to spend \$250 million to replace outdated election equipment and upgrade election security ahead of the midterms. House Republicans voted down a similar measure. Trump didn’t threaten to shut down the government over this. In fact, Trump has it backward. Illegal immigration isn’t the problem he makes it out to be. Illegal border crossings have been declining for years. And if the Chinese want to continue to send us cheap imports that we pay for with U.S. dollars and our own IOUs, that’s as much of a potential problem for them as it is for us. But Russian attacks on our democracy are a clear and present threat aimed at the heart of America. Facebook recently announced it had uncovered a major disinformation campaign with the hallmarks of the same Kremlin-linked Internet Research Agency responsible for election interference in 2016.

Trump’s own Department of Homeland Security found that in the 2016 presidential race, Russian hackers tried to breach election systems in at least 21 states, likely scanned systems in all 50 states, stole the private information of hundreds of thousands of people, and infiltrated a company that supplies voting software across the nation. These findings led to the July indictment of 12 Russian intelligence officers. The meddling continues. Kirstjen Nielsen, secretary of homeland security, sees Russia’s ongoing “willingness and a capability” to hack into the American election infrastructure, including voter rolls and voting machines. FBI Director Christopher Wray warns that “Russia ... continues to engage in malign influence

operations to this day.”

Dan Coats, director of national intelligence, says that the “Russians are looking for every opportunity ... to continue their pervasive efforts to undermine our fundamental values.” Russia isn’t the only foreign source of danger to our democracy. The trial of Paul Manafort, Trump’s former campaign chairman, reveals another. Manafort is accused of hiring a small army of American lawyers and lobbyists from both parties to influence U.S. lawmakers on behalf of Viktor Yanukovich, a Kremlin-connected former Ukrainian strongman, and hiding the money. Another example occurred last spring after Chinese telecom giant ZTE was caught red-handed violating international sanctions on Iran. When the Commerce Department imposed penalties on the company, ZTE hired the big Washington law firm Hogan Lovells. The Trump administration then lifted the sanctions. The timing was curious. Just before Trump came to ZTE’s rescue, Chinese state enterprises agreed to give \$500 million in loans to a project in Indonesia that included Trump-branded hotels, residences and golf courses funneling millions of dollars into Trump’s pockets. When Congress threatened to reinstate the penalties on ZTE, Hogan Lovells turned its sights on lawmakers. The firm’s political action committee made fat donations to legislators who had the power to reduce the penalties. The strategy seems to have paid off. On August 1, the Senate passed a bill containing far weaker sanctions on ZTE than lawmakers originally intended. All this raises the fundamental question of what we mean by national security.

Yes, our borders should be secure, and yes, our trading partners should play fair. But the essence of America- the attribute we must hold most secure because it defines who we are and what we strive for- is a system of government “of the people, by the people, for the people,” as Lincoln put it. If Putin or a Kremlin-connected Ukrainian strongman or even a giant Chinese company undermines this, they rob us of our most



precious legacy. Trump seems to care more about unauthorized immigrants and Chinese imports than about the sanctity of our democracy. This is a tragic mistake. 1:1 • Robert Reich is the chancellor's professor of public policy at the University of California, Berkeley, and a senior fellow at the Blum Center for Developing Economies.

He served as secretary of labor in the Clinton administration, and Time magazine named him one of the 10 most effective Cabinet secretaries of the 20th century. His latest documentary, Saving Capitalism, is streaming on Netflix, and his new book, The Common Good, is available now

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## **Euro bulls may need to look beyond central bank's guidance for support**



Bloomberg/Athens

Mario Draghi may disappoint investors who are looking for the euro to go higher. Instead, he may do another balancing act at his press conference on Thursday when presenting new growth and inflation projections that could show the impact of trade wars on the euro-area recovery.

Soft German factory orders suggest escalating global trade tensions are beginning to be felt, and without any fresh economic catalyst, the euro may again struggle on a rally toward \$1.1750 resistance.

Option pricing suggests Draghi will keep forward guidance largely unchanged on September 13 and provide little, if any, reasoning for traders to add fresh upside exposure in the common currency. Slowing asset purchases that will eventually conclude this year is a notion already priced in as euro-dollar orbits the \$1.16 handle.

Economists forecast Draghi will increase the deposit rate by September next year, to minus 0.2% from minus 0.4%, earlier than current market pricing, according to a Bloomberg survey.

The cost to hedge against price swings in the spot market remains close to its year-to-date average and way below the levels seen before previous ECB meetings. Expectations that the euro may see a large move stay near their recent lows, as shown by the so-called butterfly ratio, which shows the demand for options that gain from outsized moves.

The euro's short squeeze since mid-August has resulted in a much more balanced positioning in the short to medium term.

The currency's inability to rise above resistance formed by a series of summer highs at \$1.1740-\$1.1750 suggests investors aren't ready yet to chase the market higher and turn this relief rally to a fresh bullish trend. Draghi is unlikely to provide ammunition for such a move higher and the dollar may stay in mean reversion mode. That may see the euro drop below the 21-daily moving average, currently at \$1.1552, which served as strong support recently. Downside risks to economic growth and uncertainty still surrounding the Italian budget may keep the euro on a pattern that has seen it dropping on the day of the past seven ECB decisions.

# قطر تهتم بسوق الطاقة الألماني



برلين - وكالات:

كشف سعد بن شريدة الكعبي الرئيس التنفيذي والعضو المنتدب لقطر للبترول عن مفاوضات مع شركتي RWE وUniper الألمانيتين من أجل بناء محطة للغاز المسال.. مؤكدا أن قطر تهتم كثيرا بالسوق الألمانية.

وقال في حوار مع صحيفة هاندلسبلات «Handelsblatt» الألمانية الاقتصادية اليومية: لدينا اهتمام جدي بالشراكة في مرفأ ألماني للغاز الطبيعي المسال، ونجري مباحثات مع يونيبر وآر.دبليو.إي.

وأشار إلى أن هناك طريقتين للمشاركة في مرفأ للغاز الطبيعي المسال، إما عن طريق تأمين سعة تخزينية لمزيد من الإمدادات، أو تملك حصة في البنية التحتية للمرفأ.

مضيفا بأنه سيتعين على بناء المرفأ التفكير بشأن الخيارات التي يريدونها ويتعين أن نقرر نحن أفضل ما يناسبنا.

هنا تفاصيل الحوار:

• تريد ألمانيا إنشاء محطة للغاز الطبيعي المسال قريبا في شال ألمانيا، ماذا تقول في هذا الأمر؟

- ترتبط ألمانيا ارتباطا وثيقا بخطوط أنابيب الغاز وترتبط أيضا بمحطات الغاز الطبيعي المسال في بلجيكا وهولندا، بيد أن ألمانيا سوق ناضجة وتعد أكبر بلد صناعي في أوروبا، لذلك من السليم أن يكون لديها محطة استيراد للغاز الطبيعي خاصة بها، لا سيما أن هذا يرفع من أمن التوريد، كما أن التنوع في قطاع الطاقة يعتبر مهما جدا لبلد مثل ألمانيا.

السوق الألماني

• هل قطر مستعدة إذن للمشاركة في بناء محطة للغاز الطبيعي المسال على نهر الألب أو في بحر الشمال؟

- نحن نتحدث مع شركتي Uniper و rwe اللتين تخططان لبناء محطة كهذه في موقعين مختلفين شمال ألمانيا لأننا مهتمون جدا بالسوق الألمانية.

خياران للتفاوض

• هل أنتم مهتمون بالحصول على حصة من ذلك؟

- هناك خياران: يمكن لنا التعاقد على جزء من سعة المحطة وبالتالي فتح خيارات التوريد، أو يمكن الاستثمار كأحد المساهمين في محطة كهذه.

• لكن هل سيتم توصيل الغاز القطري المسال إلى هناك أم أن هذه المحطة لم يتم بناؤها إلا لتخفيف ضغط الرئيس الأمريكي ترامب من خلال شراء الغاز المسال الأمريكي في ألمانيا؟

- نحن لا نرى أنفسنا كموردين قطريين للغاز الطبيعي المسال بل إننا نستثمر في شتى أنحاء العالم ونوسع قدراتنا عالميا في الولايات المتحدة وغيرها، إذن فالأمر يتعلق بتوريد الغاز المسال إلى بلد مهم مثل ألمانيا، ونحن نريد أن نصبح جزءا من حل مشكلة إمدادات الغاز لألمانيا وإذا كانت ألمانيا ترغب في الحصول على محطة خاصة بها فنحن جاهزون للتوريد من قطر وكقطر للغاز من دول أخرى أيضا.

قطر للبترول

• هل تنمو «قطر للبترول» من خلال التوسع في الإنتاج في قطر أو

## من خلال البيع للخارج؟

- لقد أتقنا توطيدنا داخل قطر والآن نستثمر في إنتاج الغاز في قبرص، وبالإضافة إلى ذلك نحن نشيطون في جنوب إفريقيا والكونغو والبرازيل وفي الولايات المتحدة أيضا من خلال دخولنا إلى الأرجنتين، ونحن مشتركون في بناء محطتين للغاز المسال في أوروبا في إيطاليا مع أكسون موبيل وفي ويلز مع توتال وإكسون موبيل.

## سعر النفط

▪ دعنا نتحدث عن سوق النفط، فعلى الرغم من أن قطر لديها أكبر حصة من إنتاج الغاز فإنها تنتج النفط أيضا، أين يذهب سعر النفط؟

- أي شخص بإمكانه أن يقول لي ذلك حقا أدعوه إلى لاس فيغاس.

▪ لكن سيكون لديك توقعاتك وحساباتك؟

- بالطبع ولكن الشيء المهم هو إن يكون لديك أفضل تكاليف الإنتاج حتى بالمقارنة مع المنافسة وإذا استطعت فعل ذلك يمكنني البقاء على قيد الحياة في أي سعر للنفط، ونحن فخورون أننا استطعنا مبكرا جدا أن نكون في أسفل منحنى التكلفة، كما أن كل المشاريع التي نتبعها يتم حسابها بعناية بحيث يمكن العمل في أسعار النفط المخفضة، فقط إذ تم ضمان ذلك اتبع هذه الاستثمارات.

## دمج شركتي الغاز

▪ في بداية السنة قمتم بدمج شركتي قطر غاز وراس غاز وهما شركتان للغاز كانتا تحت سيطرة قطر للبترول ولكن يديرهما شركاء آخرون في مشاريع مشتركة، ماذا ستفعلون في المستقبل؟

- قبل كل شيء كان الأمر يتعلق بجعل الشركة أكثر كفاءة وأكثر أمنا وموثوقية وارتفاع الربح في النهاية، لقد كان هناك انخفاض كبير في سعر النفط والغاز ولحسن الحظ أننا قد بدأنا بالفعل برنامج إعادة الهيكلة والشيء المهم هو أن تكون فعالة من حيث التكلفة من أجل البقاء في أي سوق.

# **‘Can electric vehicles really threaten future energy demand?’**



The subject of peak oil and gas demand has recently risen to prominence. From concerns over ‘peak supply’ in the early 2000s, there is now debate over whether the demand for oil and gas is set to decline and, if so, when and how quickly. In its latest research report, the Abdullah bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development looked at a number of major forecasts that assumed there will be a slowing of demand growth, and a shift away from coal and oil towards gas and renewables, driven by demographic change, economic maturity, and environmental concerns.

Most forecasts generally show rising but slowing oil demand up to 2050, but there are credible scenarios with a peak in the mid-2030s, driven particularly by electric vehicles (EV).



Currently, passenger vehicles make up the single largest category of oil use, with road freight second. The IEA's forecasts show that this remains true to up to 2040, in their New Policies scenario, but that the focus of growth shifts.

The decline in energy demand could be driven by the adoption of electric vehicles, improvements in efficiency, and the substitution of gas by renewable energy. Underlying these trends is the connection between technological advances and a policy push from governments to reduce oil use, primarily because of concerns over climate change. If energy consumption was to peak, it would have major investment consequences for oil and gas producing countries and require urgent efforts at diversification. In the report, the Al-Attiyah Foundation analysed a number of leading energy organisations' forecasts for future oil and gas demand including oil companies: BP, ExxonMobil and Statoil; governmental agencies: International Energy Agency, Energy Information Administration (US), and Opec; environmental NGOs (Greenpeace); and consultancies and think-tanks: Wood Mackenzie and RethinX.

All major forecasts show energy demand growth slowing down over time, as economies mature and become more oriented to services, population growth slows, and efficiency improves. However, none apart from Greenpeace and Statoil's 'Renewal' case has an actual fall in primary energy demand by 2050. The main forecasts suggest about a 40% increase in primary energy demand by 2050, or around 1% per year from now on.

In contrast, primary energy demand grew 2.2% per year on average during 2000- 2016, despite the global financial crisis. No forecast identified shows the opposite is possible, but demonstrated a continuation or even acceleration of energy demand growth, which might come from new technologies, namely: robotics, hypersonic flight, space travel, etc. Nevertheless, within a general trend of increasing energy demand, the distribution between the three fossil fuels and renewables can vary greatly depending on the scenario with

nuclear energy's share remaining at a fairly low and flat level in most scenarios researched. Except in very aggressive scenarios of environmental policy, oil demand is predicted to peak in the mid-2030s at the earliest, or more likely the 2040s or beyond.

Petrochemicals, aviation and shipping, and road freight will support demand, while use in power and industry falls. The key uncertainty is the speed and size of the deployment of electric vehicles (EVs). The share of EVs today is so small that predictions are very difficult. It should become clearer in the early 2020s; EVs will anyway take a significant time to penetrate the existing vehicle fleet. In summary, major oil producers and companies must watch carefully the competitiveness and deployment of non-oil technologies, including EVs but also battery trucks, LNG shipping and non-oil petrochemical feedstocks. Gas demand is more confidently predicted to continue rising, but it faces competition from cheap coal and cleaner renewables.

Thus, it remains essential for major gas producers to continue improving the environmental performance of their fuel, and develop new markets. Read the full article on the Al-Attiah Foundation website [https://www.abha-foundation.org/energy\\_html](https://www.abha-foundation.org/energy_html). In support of their members and stakeholders, the Al-Attiah Foundation gathers up-to-the minute data and forecasts, which are particularly relevant in the ever-changing energy landscape. The article released by the Al-Attiah Foundation is as an extract from its recent research paper.