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## IRAQ OIL EXPORTS SET TO RISE IN JULY, DESPITE LEAK

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Iraq's oil exports are set to rise in July, according to loading data and an industry source, putting supply growth from OPEC's second-largest producer back on track after two months of declines.

Iraq in 2015 provided OPEC's biggest rise in supply. The growth has slowed this year due to maintenance and technical problems, and Iraqi officials say seasonally higher domestic use has curbed volumes available for export.

Exports from southern Iraq in the first 21 days of July have averaged 3.28 million barrels per day (bpd), according to loading data tracked by Reuters and an industry source. That would be up from 3.18 million bpd in June.

The increase comes despite a pipeline leak that shipping and trade sources said prompted a brief suspension of loadings at two of the southern terminals.

The Iraqi oil ministry said on July 11 the leak was repaired.

I think they had only a small dip in exports, said another industry source, who added cargoes were facing loading delays of about 12 days in the south. They have an incentive to try to catch up on the delays. The south pumps most of Iraq's oil. Iraq also exports smaller amounts of crude from the north by pipeline to Turkey.

Northern shipments of crude from fields in the semi-autonomous Kurdistan region have risen to 550,000 bpd so far in July, according to loading data, from 514,000 bpd in June.

The shipments were running at 600,000 bpd at the start of the year but have slowed due to pipeline sabotage and a decision by the central government in Baghdad to suspend pumping Kirkuk crude into the line.

Iraq last year boosted production by more than 500,000 bpd, despite spending cuts by companies working at the southern fields and conflict with Islamic State militants. Iraqi officials say they expect slower growth in 2016.

This year, Iran has provided the biggest rise in supply from the Organization of the Petroleum Exporting Countries as it recovers from Western sanctions.