
IRAQ ITCHING TO BOOST OIL EXPORTS, SEIZE IRANIAN MARKET SHARE

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Iraq is waiting in the wings, ready to increase its crude oil exports in anticipation of slipping Iranian oil exports waiting only on the go-ahead from OPEC, acting director-general of Iraqs state-run Oil Marketing Co. (SOMO), Alaa al-Yasiri, said on Wednesday during an interview with Reuters.

OPECs Joint Ministerial Monitoring Committee is expected to discuss an increase in oil production during the next meeting, which is now expected to take place on September 11, after it cancelled its Monday conference call, according to S&P Global Platts. There is also another OPEC meeting scheduled for September 23. OPECs Joint Technical Committee did hold a conference call on Monday.

The Ministerial Monitoring Committees production plans will likely include a plan for how to divvy up the increased production by country, and Iraq wants to make sure it is included in those plans.

Irans crude oil and condensates exports have tapered off to 1.68 million barrels per day from August 1 to August 16, which is 600,000 barrels per day off the July average of 2.32 million barrels per day, according to Platts cFlow software.

This shortfall, al-Yasiri, contends, will have a negative impact on oil prices.

And Iraq is not without customers. For starters, SOMO currently has on its desk for review a request from neighboring Jordan for truckloads of oil to the tune of 10,000-15,000 barrels per day, Yasiri said, cited by Reuters. And Iraqs oil shipments from Kirkuk to Iran has also resumed after a few days off due to logistical issues, and hopes to ship a total of 1 million barrels to Iran before sanctions kick in in November.

Iraqs oil production has been increasing according to OPECs Monthly Oil Market Report, averaging 4.476 million bpd in the first quarter of 2018, increasing to 4.556 million bpd for July, the last month for which there is data. But OPEC observed weak crude oil demand in Iraq during the first six months of 2018, as natural gas was used to some extent in place of fuel.

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