

### Headlines:

- **Saudi Arabia's Oil Reversal is a Win for American Shale**
- **US War on Terror Kills nearly 500,000 in Afghanistan, Iraq, Pakistan**
- **Singapore PM says Asean may need to Choose between U.S. and China**

### Details:

#### **Saudi Arabia's Oil Reversal is a Win for American Shale**

American oil executives will sleep a bit better tonight after Saudi Arabia signaled it's coming to the rescue of the battered crude market. Saudi Arabia announced plans on Sunday to cut shipments by half a million barrels per day in December. And the kingdom threw its weight behind OPEC and its allies reducing supply further next year. It's a big reversal. Just months ago Saudi Arabia, under pressure from President Donald Trump, was opening up the taps in a bid to prevent \$100 oil. Saudi Arabia's 180 is good news for US shale companies, especially high-debt frackers that are sensitive to price swings. It signals that the world's largest oil exporter won't stand for crude crashing any further. "If you are a producer in Texas, you have to be happy with the fact that there is a swing supplier in the market that wants to keep prices supported," said Matt Smith, director of commodity research at ClipperData. Fears about oversupply sent US oil prices plunging into a bear market last week. Those concerns were driven in part by developments in the United States. First, US shale companies ramped up production faster than anyone anticipated. US output topped 11 million barrels per day in August for the first time ever. Second, the Trump administration granted temporary waivers to China, India and other countries to keep buying oil from Iran. The softer-than-expected approach prevented sanctions from knocking too many Iranian barrels offline. US oil prices declined 10 straight days through Friday. "We need a floor! It's been quite a month," Dan Eberhart, CEO of oilfield services company Canary LLC, told CNN Business. Saudi energy minister Khalid Al Falih suggested the kingdom wants to do just that. "The consensus among all members is that we need to do whatever it takes to balance the market," Al Falih said at a conference in Abu Dhabi Monday. "If that means trimming supply by a million [barrels per day], we will do it." The odds are "fairly high" that OPEC and its allies will announce next month a production cut of about 1 million barrels per day, according to Helima Croft, global head of commodity strategy at RBC Capital. US oil prices initially jumped around 1% on Monday, defying a selloff in the stock market. However, the rally faded and crude settled below \$60 a barrel. The 11-day slump is the longest slump since futures trading began in 1983. While the Dow dropped nearly 2%, some oil companies with shale exposure, including Hess (HES) and Pioneer Natural Resources (PXD), outperformed. "For oil companies, whether shale or anywhere else, obviously the higher the better as far as prices go," said Pavel Molchanov, an energy analyst at Raymond James. Molchanov cautioned that companies make their investment decisions based on long-term oil price forecasts, not short-term moves. Saudi Arabia has its own reasons for defending prices. Brent crude needs to fetch around \$89 a barrel in order for the kingdom to balance its 2018 budget, according to Bank of America Merrill Lynch. That's well above current prices. In 2014-2015, Saudi Arabia took a much different approach aimed at easing a supply glut. At the time the kingdom flooded the market with excess oil in a bid to drown out high-cost producers, including shale companies in the United States. Cheap oil -- crude dropped to \$26 a barrel in early 2016 -- caused dozens of oil companies to file for bankruptcy and led to countless layoffs. But shale oil companies emerged from the crash with stronger balance sheets and better technology. It seems that Saudi Arabia doesn't have a desire to fight that war against US shale again. [Source: CNN]

**After the killing of Khashoggi, the Saudi regime is desperate for America to bail it out. The Saudis are doing everything in their power to help the American shale oil industry boom even if it undermines their own industry.**

## US War on Terror Kills Nearly 500,000 in Afghanistan, Iraq, Pakistan

A study released Thursday says the U.S.-led war on terrorism has killed about 507,000 people in Iraq, Afghanistan and Pakistan during its 17 years and is showing a 22 percent increase in deaths in the past two years. The death toll includes U.S. and allied troops, civilians in the war zones, local military and police forces, as well as militants, who have died from war violence, according to the report by Brown University's Costs of War Project. The report said the number of indirect deaths was several times larger than deaths caused by direct war violence, bringing the total death count to well over 1 million people. Fatalities in Afghanistan, as of October 2018, stood at about 147,000 people, including Afghan security forces, civilians and opposition fighters. The figure also included the deaths of 6,334 American soldiers and contractors, as well as more than 1,100 allied troops. The report said that war-related violence had killed 65,000 people in neighboring Pakistan, including 90 American contractors, nearly 9,000 local security personnel and more than 23,000 civilians. The rest of the casualties were anti-government fighters. The rest of the deaths, between 268,000 and 295,000, occurred in Iraq, where the U.S.-led military intervention began in 2003. "Though the war on terror is often overlooked by the American public, press and lawmakers, the increased body count signals that, far from diminishing, this war remains intense," the report said. It also lamented that the U.S. wars have displaced millions of people in Afghanistan, Iraq and Pakistan. "This update just scratches the surface of the human consequences of 17 years of war," the report warned in its concluding lines. While the casualties in Pakistan have dropped by more than 80 percent in the past few years, intensified hostilities in Afghanistan continue to inflict record levels of casualties on civilians and pro-government forces. The year 2018, observers say, appears to be the deadliest so far since the conflict began 17 years ago. [Source: Voice of America].

**The figures prove that America is the pre-eminent terrorist that kill innocent civilians for political purposes.**

## Singapore PM says Asean may need to Choose between U.S. and China

Singaporean Prime Minister Lee Hsien Loong warned that Southeast Asian nations might be forced to choose between the U.S. and China, as concerns deepen about a Cold War-style conflict between the world's two biggest economies. "The circumstances may come where Asean will have to choose one or the other," Lee said on Thursday night at the close of a regional summit hosted by the 10-member Association of Southeast Asian Nations. "I hope it does not happen soon." Lee's remarks reflect fears among smaller nations that the U.S.-China trade war could disrupt supply chain integration throughout Asia, leading to different sets of rules for operating with either powerhouse. Earlier this month, former U.S. Treasury Secretary Hank Paulson warned of an "Economic Iron Curtain" dividing the world, if the two countries couldn't reach a deal. Southeast Asian countries have long sought to balance the world's major powers to avoid getting caught in another conflict like the Vietnam War. That strategy has underpinned stability, leading to increased trade with China, as well as closer security ties with the U.S. to hedge against Beijing's expansive territorial claims in the South China Sea. In another sign of regional realignment, Australia, India, Japan and the U.S. -- a group informally known as the "Quad" -- met Thursday in Singapore to reaffirm their "shared commitment to maintain and strengthen a rules-based order in the Indo-Pacific in which all nations are sovereign, strong, and prosperous," the U.S. said in a statement. It was that same rules-based order that Lee warned was "fraying" as China's rise and Trump's "America First" policies encourage nations to pick a side. He called for greater economic integration and said Asean must understand where it might need to make a choice between one of the other. [Source: Bloomberg]

**The spectacular rise of China threatens America's primacy in the Asian Pacific region. Singaporean Prime Minister Lee's candid admission points to potential shifting of alliances in the not too distant future.**