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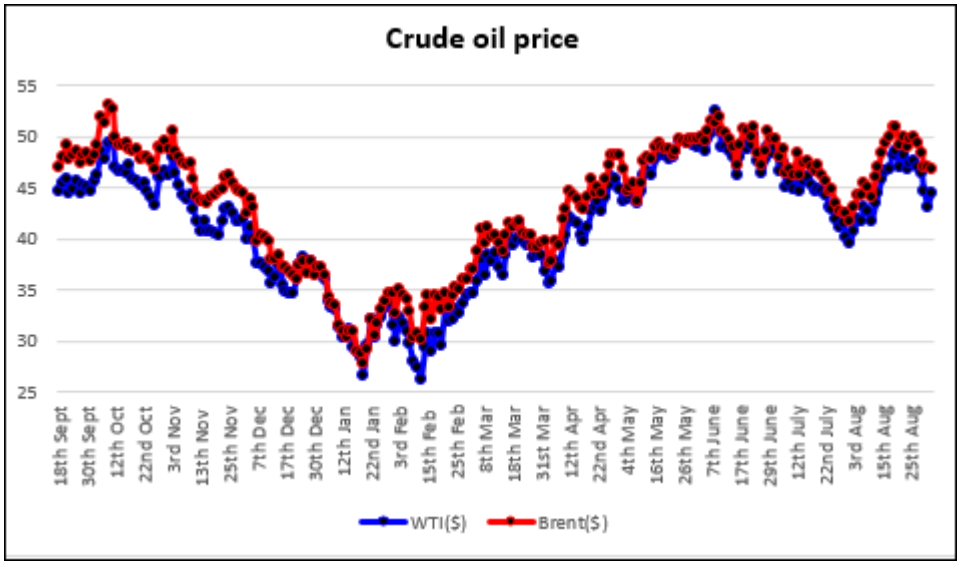
Some of the news items for this week are as follows:



- The oil prices this week fell somewhat due to various reasons. According to EIA, the US stockpiles grew by 2.3mb, which is 1.1 mb more than expected. A stronger US dollar, the rise in the number of active drilling rigs in the US, a remark by Iran that it is on target to reach its peak production before sanctions and worries about additions to the global oil glut were some of the other reasons. Iran has regained about 80% of the market share it held before sanctions.

- The number of active drilling rigs in the US reached 497 for the week ending September 2nd which is adding to the supply overhang in the market.

- The other factors that have kept the crude price at their current levels are the militant attacks in Nigeria, the civil war in Libya and the political crisis in Venezuela. Should these situations improve, which eventually they will, the crude oil prices will come under pressure as the market will tilt into surplus.

- The speculation about OPEC production freeze coming into force later this month is gradually dissipating as analysis have realized that it may not have any significant impact on the market.

- Saudi Arabia's Energy Minister, Khalid Al-Falih said his country won't boost output to capacity and flood the market. How this comes bout will be seen in the coming weeks.

- Russia's Energy Minister, Alexander Novak, who will be attending the OPEC meeting scheduled to be held in Algiers later this month, feels that there is no need for talks on crude oil output freeze with prices at $50 a barrel. Should the price fall, then discussion should be held. Following this President Putin said he would like OPEC and Russia to reach a deal for freezing production, and that he expects the dispute over Iran's participation could also be resolved.

- The operators in the Gulf of Mexico are gearing up for the storm season. The forecast is for an active season this year. The gulf has 750 manned platforms. Non-essential personnel have been or are being removed from some platforms, and shut in production is taking place. Some rigs have been moved off-location. Storm Hermine turned into a hurricane on Friday and slammed along Florida's northern Gulf Coast and moved along the Atlantic Coast.

- Schlumberger's Drilling Group is expecting a 'slightly lower' Q3 revenue due to declining deepwater activity in West Africa, Brazil and Asia.

- In 2015, the explorer around the world discovered only one-tenths of as much oil as they have annually discovered since 1960. In 2016, this could be even less. The global spending on exploration from seismic studies to drilling has been curtailed to $40 billion from $100billion in 2014. This is expected to be at similar levels till 2018. This is expected to have significant consequences in the coming years.

- In a recent interview, Daniel Yergin, the award winning author, made the following observations, many of which have been mentioned on this blog.

  - The persisting supply glut is responsible for the present level of the crude oil prices.

  - As the global demand has been rising and the oil companies have slashed their budgets, finding more oil and maintaining a supply will become an issue.

  - If OPEC and non-member states such as Russia agree on a production freeze later this month, it may not mean much for the market, as the concerned countries are producing at record levels, but given the political tensions between Saudi Arabia and Iran, such a formal freeze may not actually happen.

  - The supply and demand in the world oil market are rebalancing. The US is producing about 8.7 mb/d which is likely to shrink to 8.5 mb/d due to low oil prices.

  - Starting next year, the market will probably start working off the inventories, which is most likely expected.

So much for the industry news this week.

For the lighter side this week

As you travel around the world, you find that different countries have different styles of electric plugs, some good for 110V supply and other for 22V supply. The reasons for this disparity have to do with the historical developments, which I furnish below.

After Alessandro Volta, an Italian physicist demonstrated the production of electricity from chemical reactions in the year 1800, and subsequently its transmission (DC) by connecting positively and negatively charged connectors, it was Michael Faraday who in 1831 created an electric dynamo that could produce electricity in a continuous and practical way. American inventor Thomas Alva Edison then

invented the incandescent bulb in 1879, and by 1882 he was able to use the direct current and his filament lamps to light up the streets in New York.

This development was later advanced by Nikola Tesla, a Serbian American engineer and inventor, known for his work on alternating current (AC) motors in the early 1900s. With the introduction of the AC, the transmission of power became convenient. When electricity is transmitted across distances, there is some energy wasted as heat, and this wastage is more if the current is higher. If the voltage is increased, the current would be reduced, and thus there would be less wastage. Stepping up the voltage before transmission across distances and stepping it down at the locations where it has to be distributed can be done easily with AC. It is less efficient, not so convenient or practical to the same with DC, and thus the national grids make use of AC.

As stated above, electricity was first introduced for lighting purposes, i.e. street lights, homes and offices and simple two-pin plus and sockets were used for the appliances. Gradually electricity found applications for heating, which required a different kind of sockets. Also some electricity companies introduced different tariff rates for lighting and heating applications. This was followed by bringing in safety in the installations, and thus came the three-pin sockets, where the third pin provided an earth pin that is connected to the metal body of the equipment (electric iron, microwave, etc.). In the case of leakage of current on the metal body of the appliance being used, it is safely discharged to the ground, s that the user is prevented from the shock. The earth pin is made a little longer than the other two, so that it is the first pin to make the earth connection to the appliance on inserting the plug, and similarly is removed the last when the plus is removed. The earth pin is also made a little thicker so that it cannot be inserted into the socket in any other way.

Different countries use different voltages and also the plug and sockets for their power distribution. In North America 110 V AC supply is the standard for residential and commercial uses. Outside of North America it is by and large 220 V AC supply, but variations exist in different countries. In terms of energy wastage, 220 V AC has the advantage, but in case of an accident there would be a more intense electrical shock with a 220 V supply than a 110 V supply.

The regulators in different countries decide between safety and cost and settle down for a distribution configuration that they feel is good for them.

Thomas Edison's company was distributing 110 V DC in the US, but later Tesla first introduced three phase AC at 240 volts, which he later reduced to 110 V. Changing the voltage to 220 V would have proved to be costly, and so the US decided to continue with 110 V.

By the time people realized the advantage of using 240 V and started thinking of standardizing the plus, World War II diverted attention from the discussion and thus came the 1950s. By this time, different countries had the infrastructure in place and so changing it was unthinkable. The International Electrotechnical Commission (IEC) tried to standardize the power plug and indeed in 1986 it did finally recommend the standard plug (called type N) to the world, but different countries are not ready to make huge investments to change all that. That is the reason different countries follow somewhat different standards. The result is when we travel around the world, there is no uniformity in the distribution supply and thus the plugs and sockets used.

There are 12 different styles of plugs in use in different countries.

Did you know?

… that *people with lighter eye colours, such as blue, grey, hazel and green, are more tolerant to alcohol*?

Though the biological cause for this observation is known with certainty, but it is believed that to have to do with the melanin content in the eyes. Melanin is the dark pigment in the hair, skin and iris of the human body. Higher melanin translates into myelin, which is a fatty white substance that surrounds the human nerve cells as a sheath, and this higher production implies more protection of the nervous system. Hence the resistance to alcohol.

For more details check out at
http://www.emedicinehealth.com/myelin_and_the_central_nervous_system/page2_em.htm

I hope you find these interesting.

So much for this week! Till the next post, stay safe and happy!