

## Did You Know?



SpaceX's billionaire CEO Elon Musk has said that he named his spacecraft "Dragon" after the fictional "Puff the Magic Dragon," from the hit song by music group Peter, Paul and Mary. Musk said he used the name because many critics considered his goals impossible when he founded SpaceX in 2002.

# Oil earnings surge but investments dwindling

## New York

Rising crude prices drove huge profits for US oil industry giants, but key figures in the sector have raised concerns about low investments in exploration and production.

They warn that continued tepid oilfield investment creates the threat of a supply crunch down the road.

As petroleum prices have stabilized over the last year following actions by OPEC, oil companies have ramped up investment in key US shale regions such as the Permian Basin in Texas.

But activity outside of the US has remained sluggish, evidence of what the International Energy Agency called a "two-speed" oil market that it warns could lead to a supply crunch.

The investment restraint "brings an additional cause of concern for global energy security at a time of heightened geopolitical risks in some major producer countries, such as Venezuela," the IEA said this week.

Oil majors ExxonMobil and Chevron on Friday reported strong first quarter earnings as they reaped the benefit of higher crude prices.

Exxon's earnings more than doubled to \$4.0 billion on strong profit growth in its exploration and production business.

And Chevron reported \$2.7 billion in profits, a far cry from the loss of \$725 million in the year-ago period when the industry was mired in a two-year slump. Chief executive John Watson said the company remains in belt-tightening mode.

The results came as President Donald Trump signed an executive order aimed at opening up more offshore territory to development, including in the arctic. Industry officials praised the action, but said any new leasing would not be available until 2019 at the earliest and that production would likely not hit markets for at least a decade.

The improved profits were largely expected as US oil prices were above \$50 a barrel for most of the first quarter, after hovering below \$40 a barrel for most of the comparable period of 2016.

However, the IEA, which represents governments of oil consuming countries, said oil discoveries declined in 2016 and final investment decisions on major projects have slipped to the lowest level since the 1940s.

"The key question for the future of the oil market is for how long can a surge in US shale supplies make up for the slow pace of growth elsewhere in the oil sector," IEA executive director Fatih

Birol said.

## Shaky oil prices

Analysts say increased US shale activity was the first to be triggered by higher prices because projects are smaller in scale and require shorter cycle times compared with ventures in remote areas or offshore.

At the same time, the very speed in which shale production can ramp up has acted as a ceiling on oil prices, because of concerns runaway output will flood the market.

ExxonMobil vice president Jeff Woodbury said there were "a lot of variables" behind the company's investment restraint.

While underlying energy demand growth remains solid and OPEC has generally complied with its production limits, Woodbury said, strong growth in North American output and lofty global inventories also factor in to investment decisions.

Woodbury cited a series of discoveries offshore of Guyana on the northern coast of South America as evidence the company remains active in exploration.

The company also has taken advantage of low costs from suppliers in 2016 to shoot 60,000 kilometers of seismic data, the first stage in exploration. (AFP)

# SpaceX to launch classified payload

## Miami

SpaceX today is scheduled to make its first military launch, with a classified payload for the National Reconnaissance Office, which makes and operates spy satellites for the United States.

No details were made public about the payload, known only as NROL-76, which was first announced last year.

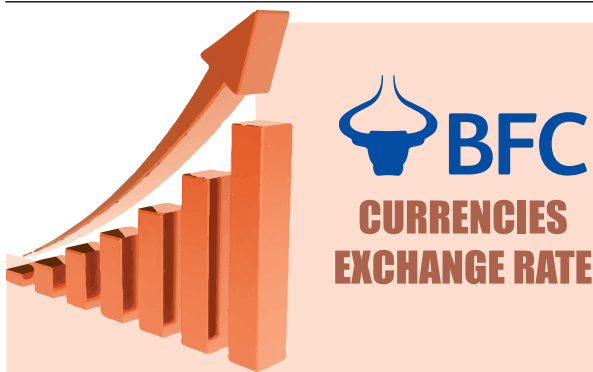
A SpaceX Falcon 9 rocket is poised to blast NROL-76 into space from Cape Canaveral, Florida during a two-hour launch window which opens Sunday at 7 am (1100 GMT).

About 10 minutes after launch, the tall portion of the rocket, known as the first stage, will power its engines and fly back toward Earth to make a controlled landing on solid ground at SpaceX's Landing Zone 1 at Cape Canaveral.

The attempt is part of SpaceX's effort to make rocket parts recyclable, rather than jettisoning the costly components after each launch.

The California-based company, headed by internet entrepreneur Elon Musk, has already made several successful landings on solid ground and on platforms floating in the ocean. Until now, the US military has spent billions per year exclusively with United Launch Alliance, a joint operation of aerospace giants Boeing and Lockheed Martin, to launch government satellites.

SpaceX in 2014 filed suit against the US Air Force, saying it unfairly awarded billions of dollars to a single company for national security launches. (AFP)



COUNTRY/CURRENCIES	BUY	SELL
AUSTRALIA	0.2901	0.2877
BANGLADESH	0.00494	0.00461
CANADA	0.2826	0.2794
DENMARK	0.0585	
EGYPT	0.0241	0.0219
EURO	0.4185	0.4164
HONGKONG	0.04983	0.04943
INDIA	0.00599	0.00599
INDONESIA	0.00003016	0.00002895
IRAN TUMAN	0.00010959	
IRAQI DINAR	0.000294	
JAPAN	0.003550	0.003480
JORDAN	0.5346	0.5350
KOREA	0.00038225	
KUWAIT	1.2580	1.242
MALAYSIA	0.089100	0.0890
NEW ZEALAND	0.2639	0.2598
NORWAY	0.0459	
NEPAL	0.00391	0.00368
OMAN	0.97962	0.98262
PAKISTAN	0.00369	0.00360
PHILIPPINES	0.00779	0.00757
QATAR	0.10381	0.10376
SAUDI ARABIA	0.10061	0.26810
SINGAPORE	0.2740	0.2720
SOUTH AFRICA	0.02980	0.02970
SRI LANKA	0.00273	0.00248
SWEDISH	0.0458	
SWITZERLAND	0.3871	0.3846
SYRIA	0.001740	0.0123
TAIWAN	0.012700	
THAILAND	0.011110	0.011110
TURKEY	0.1120	
UNITED KINGDOM	0.4974	0.4945
UNITED ARAB EMIRATES	0.102810	0.102810
UNITED STATES OF AMERICA	0.37800	0.37805
YUAN	0.058500	0.0585

Rates are for indication purpose only. For firm rates or for currencies not listed above please call Bahrain Financing Company. Telephone: 17228888, Website: www.bfc.com.bh

## GULF INTERBANK RATES

COUNTRY	1 US DLR	1 UK STG	1 SFR	100 YEN
BAHRAIN	0.3770	0.4863	3.7943	0.3397
KUWAIT	0.2855	31.6876	2.8734	0.2572
OMAN	0.3849	0.0382	3.8738	0.3468
QATAR	3.6420	0.3619	36.6546	3.2814
UAE	3.6730	0.3649	36.9666	3.3093
SAUDI	3.7500	0.3726	37.7415	3.3787

# China-Britain freight train arrives back

## Beijing

The first freight train traveling from Britain back to China reached its destination in eastern China's Yiwu city on Saturday after a 19 day journey, according to the China Railway Corporation (CRC).

The trans-continental freight train, loaded with 32 containers, mainly carrying maternity products and soft drinks, departed from London on April 10. Having traveled more than 12,000 kilometers, it passed through seven countries before reaching the Chinese manufacturing and trade hub where small goods such as homeware, garments and

souvenirs are made.

London is the 15th city in Europe added to China-Europe freight train services. The first Chinese freight train arrived in London in January.

The China-Britain freight service paves a safe and efficient trade route by land, strengthening bilateral trade ties and better serving the China-proposed Belt and Road Initiative, according to the CRC.

China now has express freight services to 28 European cities. Since March 2011, more than 3,500 trips have been made. The figure should rise to 5,000 by 2020. (Xinhua)

