

business

Aramco 'stronger than ever': CEO

Reuters | Riyadh

Saudi Aramco has emerged from attacks on its oil facilities "stronger than ever", Chief Executive Amin Nasser told employees in a message, adding that full oil production would resume by the end of this month.

The Sept. 14 attacks on the Abqaiq and Khurais plants, caused raging fires and significant damage that halved the crude output, by shutting down 5.7 million barrels per day of production.

"The fires that were intended to destroy Saudi Aramco had an unintended consequence: they galvanised 70,000 of us around a mission to rebound quickly and confidently, and Saudi Aramco has come out of this incident stronger than ever," Nasser said in the internal message, on the occasion of the Saudi national day, to be celebrated on Sept. 23. "Every second counts in moments like these, and had we not acted quickly to contain the fires and undertake rapid restoration efforts, the impact on the oil market and the global economy would have been far more devastating."

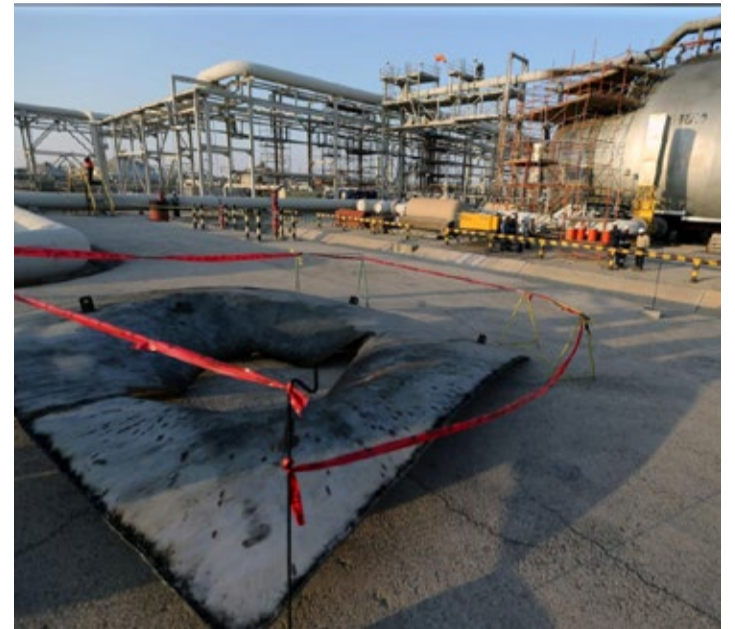
Six days after the assault, which hit at the heart of the Saudi energy industry, the state oil giant Aramco invited reporters on Friday to observe the damage and the repair efforts.

Thousands of employees and contractors have been pulled from other projects to work around the clock to bring pro-



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A metal part of a damaged tank is seen at the damaged site of Aramco facility in Abqaiq

duction back. Aramco is shipping equipment from the United States and Europe to rebuild the damaged facilities, Aramco officials told reporters.

Aramco already brought back part of the lost production and will return to pre-attacks level end of September, Nasser said.

"Not a single shipment to our international customers has been missed or cancelled as a result of the attacks, and we will continue to fulfil our mission of providing the energy the world needs," he said in the message. Energy Minister Prince Abdulaziz bin Salman said on Tuesday that Saudi Arabia had used its

reserves to maintain oil supply flows to customers abroad and inside the kingdom.

Yemen's Houthi group claimed responsibility for the attacks but a US official said they originated from southwestern Iran. Tehran, which support the Houthis, has denied any involvement in the attacks.

Saudi Arabia says 18 drones and three missiles were fired at Abqaiq, the world's largest oil processing facility, while the Khurais facility was hit by four missiles.

No casualties were reported at either site even though thousands of workers and contractors work and live in the area.

Aramco hires UBS, Deutsche as bookrunners

Reuters | London/Dubai

Saudi state oil company Aramco has hired UBS Group and Deutsche as bookrunners for its initial public offering, two sources familiar with the matter said, in a sign that the deal is moving ahead. Aramco has started informing banks about the bookrunners' roles, one of the sources said.

Aramco finalised nine banks for top roles as global coordinators in recent weeks. More banks are expected to

be named in junior roles, the sources said.

Aramco's planned meeting with analysts, ahead of the expected IPO in late November, is also scheduled for early next week, two other sources said. Aramco was not immediately available to comment.

Deutsche Bank declined to comment and UBS did not respond to a request for comment over the weekend.

Aramco's Riyadh listing is the first step toward an even-

tual sale of up to 5 per cent, sources have told, with another 1pc expected to be sold domestically next year, followed by an international listing.

Aramco had said the delay was due to its deal to acquire a 70pc stake in petrochemicals maker Saudi Basic Industries Corp. Although Crown Prince Mohammed put a \$2 trillion valuation on the company in early 2016, bankers and company insiders say Aramco's value is closer to \$1.5 trillion.

After 'Howdy Modi,' Trump and Modi could sign trade deal

● **Trump and Modi will meet today in Houston at an Indian-American rally dubbed "Howdy Modi!"**

● **India is likely to allow some US dairy imports**

Reuters | Washington/New Delhi

The United States and India are racing to negotiate a limited trade deal that US President Donald Trump and Indian Prime Minister Narendra Modi can sign at the United Nations General Assembly in New York at the end of September, people familiar with the talks said.

A deal between the world's most populous democracies would be a welcome victory for Trump, whose administration has made little headway negotiating an end to its prolonged trade war with China. Trump is also expected to sign a deal with Japanese Prime Minister Shinzo Abe next week that lowers Japanese farm tariffs.

The deal under discussion with India would lower some tariffs on US produce and restore preferential treatment for some Indian exports to the United States, the sources said.

Trump and Modi will meet



G7 summit in Biarritz (file)

today in Houston at an Indian-American rally dubbed "Howdy Modi!" in a 50,000-seat stadium -- a sign of their warming relations, which are contributing to expectations for a "mini-deal."

"There's a push to get something done with India, with an eye for UNGA," said a Washington-based source familiar with the discussions.

Trump has demanded better terms of trade from most of the top commercial partners of the United States, and blames previous deals for the loss of millions

of US manufacturing jobs.

US-India trade relations have been fraught. Trump has repeatedly complained about India's high tariff rates, including a 50 per cent tariff on Harley-Davidson motorcycles.

The United States has also taken issue with India's new investment rules on e-commerce that limit how companies like Amazon.com Inc and Walmart-backed Flipkart can do business in a rapidly growing online market set to touch \$200 billion by 2027.

"We've been talking to the

Americans, we have engaged them for many months now," Indian Foreign Minister Subrahmanyam Jaishankar said at a news conference this week. "My expectation is that some of the sharper edges, they would be addressed in some forms in the not too distant future."

Modi, like Trump, has used tariffs to try to boost investment in manufacturing, a key part of his "Make-In-India" campaign to attract foreign cash and create factory jobs for millions of youth entering the workforce.

Apple Inc supplier Foxconn

recently expanded production of iPhones in India to avoid a 20pc import tariff and diversify its supply chain from China.

Tariffs

The United States in June ended duty-free access for about \$5.7 billion worth of Indian exports under its Generalised System of Preferences (GSP) programme, including chemicals, plastics, leather and rubber goods, and auto parts. India was the largest beneficiary of the GSP, which was designed to help developing countries that dates from

the 1970s. India responded with higher retaliatory tariffs on 28 US products, including almonds, apples and walnuts.

Dairy, Nuts

The talks are focused on US demands that India reduce agricultural tariffs, including those for almonds, pork, dairy products, cherries, apples and other commodities, people familiar with the talks in both Washington and New Delhi said.

India is likely to allow some US dairy imports, the official said. Another Indian official said the United States was pushing India to remove high pricing barriers on imported US medical devices including cardiac stents.

In return, India wants the GSP restored for a few more years, as Modi struggles to boost exports dampened by sluggish global demand made worse by the US-China trade war. New Delhi also wants market access for some of its farm products such as grapes to export to the United States.

The United States is also seeking lower tariffs on high-end electronics products, one of the Indian officials said.

Both sides are discussing revising India's domestic content rules on ethanol to allow more imports of the US fuel additive, two US sources said.



India is the largest buyer of US almonds, paying \$543 million for more than half of US almond exports in 2018, according to the US Department of Agriculture. It is the second largest buyer of US apples