Iran Determined to Cut Dependence on Crude Revenues

TEHRAN (FNA) - **Head of Tehran Chamber Of Commerce Yahya Al-e Eshaq said that the country is resolved to cut the dependence of its economy on oil revenues based on the Supreme Leader's Resistance Economy Plan.**

Al-e Eshaq underlined Supreme Leader of Islamic Revolution Ayatollah Seyed Ali Khamenei's order to cut dependence on crude revenues stand atop the country's economic agenda.

He noted that cutting dependence on oil revenues is a big challenge for the country, because, the country should find alternative revenues.

Al-e Eshaq further said that collecting more taxes is a potential option.

In early March, Ayatollah Khamenei in a meeting with economic activists, elites and state officials in Tehran explained the root cause of Iran's turn to the Resistance Economy as well as the specifications, features and components of such an economic model.

Ayatollah Khamenei elaborated on the reasons and incentives for the adoption of the economy of resistance, and said, "Abundant material and non-material capacities of the country, treatment of chronic and lasting economic problems, confrontation against sanctions and immunizing the country's economy against global economic crises" are the reasons why such a model should be practiced in Iran.

He further noted that the components of the resistance economy are "creating movement and dynamicity in the country's economy and improving macroeconomic indicators", "ability to resist against threatening factors", "reliance on internal capacities", adoption of a "Jihadi approach", "people-centeredness", "reforming consumption patterns", "campaign against corruption" and adoption of "knowledge-based approach".

Ayatollah Khamenei referred to the sanctions imposed by the western powers against Iran due to its peaceful nuclear program, and said the country should strengthen its economy in a way that no boycott and embargo could ever leave a negative impact on it so easily.

Minister: Iran's Economy to Experience Single Forex System Soon

TEHRAN (FNA) - **Iranian Minister of Economy Ali Tayyebnia said that his ministry is resolved to unify forex rate to accelerate curbing trend of the country's inflation rate.**

"The conditions for unifying forex rate should be met to pave the ground for the materialization of predicted growth for the country's economy," Tayyebnia said.

He noted that Iran will be able to introduce a single forex rate system as early as next fiscal year, which starts on March 21.

"A single forex rate system will be possible only after financial markets witness relative calm," Tayyebnia underscored.

Earlier this month, Spokesman of the Iranian Government Mohammad Baqer Nobakht announced plans to increase the country's economic growth to %2 next year (March 2015-March 2016).

"You saw a negative economic growth in the last two years, but this year you will witness an economic growth of %2," Nobakht said, addressing a meeting with lawmakers on Iran's next year budget.

He also said that the government expects investment in the country to grow to 4% in the next Iranian year.

His remarks came after the International Monetary Fund (IMF) in its January report predicted a prosperous economic year for Iran in 2015.

In its latest report, the organization outlined the perspective for the Iranian economy in 2015, predicting seven improving infrastructure indicators for the country.

The IMF predicted a 2.2% real GDP growth for the Islamic Republic of Iran in 2015.

According to the purchasing power parities, Iran's Gross National Growth rate is predicted to increase by $53bln in 2015. Based on consumer price index in the previous year, the GNP rate which stood at $402bln in 2014 will rise to $417bln this year.

Iran's real GDP growth picked up in 2014 with 1.5% growth and is expected to grow further by 2.2% in 2015, after two years of negative economic growth, the IMF said.

Iran's 2013 GDP hit 39bln which led to -2.4 percent economic growth of the country.

The government of Iranian President Hassan Rouhani had promised to zero down the country's negative economic growth after taking power 2013, but now it is promising a %2 growth for the next year despite the sanctions and pressures exerted on Iran by the US-led West.

Survey: China Factory Activity Up But Export Orders Drop

HONG KONG (AP) — **China's manufacturing activity edged up to a four-month high in February although export orders decreased for the first time in nearly a year, in the latest sign of uncertainty for the world's No. 2 economy, according to a private survey Wednesday.**

HSBC's preliminary purchasing managers' index released Wednesday rose to 50.1 this month from 49.7 in January.

The reading comes in barely above the 50-point level that indicates no change on the 100-point scale.

The bank's chief China economist, Qu Hongbin, said the reading showed there was a "marginal improvement" in China's outsize manufacturing sector heading into the Lunar New Year period.

The holiday tends to distort China's economic data at the beginning of the year, with factories stocking up on raw materials and rushing to complete orders before shutting down for an extended break that begins at different times in Januar y or February.

"However, domestic economic activity is likely to remain sluggish and external demand looks uncertain," Qu said. "We believe more policy easing is still warranted at this stage to support growth."

The report said that new export orders contracted for the first time since April, a sign of waning demand as the global economy struggles to recover.

China's economy grew 7.4 percent last year, its slowest pace in nearly a quarter-century, and economists forecast growth to slow further in the coming years.

Earlier this month, policymakers acted to counter the deepening economic slowdown by cutting the minimum level of reserves banks are required to hold. The People's Bank of China said the reduction will free up more money for lending and will support small and rural enterprises, construction projects and other activity.

The HSBC survey, compiled with Markit, is based on 85-90 percent of responses from more than 420 purchasing managers. The final report is due March 2.

Union Chief Says U.S. Refinery Strike Could Spread

HOUSTON (Reuters) - **The largest U.S. refinery strike in 35 years could spread if talks over improved safety conditions do not resume soon, United Steelworkers Union (USW) International President Leo Gerard said on Tuesday.**

A total of 6,550 USW members are on strike at 15 plants, including 12 refineries accounting for one-fifth of U.S. capacity. Union members work at more than 200 oil terminals, pipelines, refineries and chemical plants in the U.S.

The USW has said it is seeking to retain safety provisions from previous contracts and tighten fatigue standards for workers, as well as win back daily maintenance jobs now done by non-union contractors.

"(The strike spreading) depends on what happens in the next round of negotiations and that those negotiations resume fairly quickly," Gerard in a telephone news conference from Atlanta.

Gerard, who is attending the AFL-CIO winter conference in Atlanta, said no date has been set for resuming negotiations.

A Shell spokesman also said a resumption of talks had not been scheduled as of Tuesday morning. Shell Oil Co, the U.S. arm of Royal Dutch Shell Plc [RDSa.L], is the lead oil company negotiator.

Talks broke off on Friday, after which the USW ordered workers at three Motiva refineries, including the nation's largest, which are co-owned by Shell, to walk off their jobs on Saturday and Sunday.

Sources familiar with the talks told Reuters on Monday that face-to-face negotiations may not resume this week. That was a change from the weekend, when sources said meetings might resume by the middle of this week.

Gerard also said a "handful" of USW members have crossed picket lines to return to their jobs at refineries and other plants.

Tesoro Corp, which owns three West Coast refineries where workers are on strike, said some workers have returned to their jobs at all three plants. It declined to say exactly how many workers have returned to their jobs.

Gerard said fires or explosions have occurred every eight days on average since an April 2010 blast at Tesoro's refinery in Anacortes, Washington, which claimed the lives of seven workers.

"From 2010 to now, there have been 27 people who have been killed," Gerard said, referring to deaths from accidents at refineries.

European Stocks Decline as Energy, Auto Losses Offset Axa Gain

BRUSSELS (Bloomberg) - **European stocks fell from a seven-year high as declines in energy companies and automakers outweighed Axa SA's advance.**

Eni SpA and Royal Dutch Shell Plc led oil companies lower before U.S. government data forecast to show crude stockpiles grew. Auto-related stocks posted the worst performance of the 19 industry groups on the Stoxx Europe 600 Index. Valeo SA slid 1.7 percent after reporting lower-than-expected full-year operating profit. Continental AG retreated 2.5 percent.

The Stoxx 600 lost 0.3 percent to 386.16 at 3:06 p.m. in London. The equity gauge rose 0.6 percent on Tuesday, pushing its gains this year to 13 percent, as Greece reached a bailout deal and the Federal Reserve pledged patience on raising interest rates. The ASE Index slid 1.5 percent today, for the biggest drop among 18 western-European markets, as National Bank of Greece SA and Piraeus Bank SA tumbled more than 10 percent.

"It's not a real decline; it is more a flattening or stabilization of the high levels which we have recently reached," said Christian Stocker, a strategist at UniCredit Bank AG in Munich. "We have decreasing tensions with the Greek problem and now the market is looking for new positive drivers, but we do not really have any, so I expect more or less a breather in the next few days and some consolidation moves."

Among stocks moving on corporate news, Axa advanced 2.7 percent. France's largest insurer posted a 12 percent jump in full-year profit, buoyed by higher earnings at its life and savings division.

A.P. Moeller-Maersk A/S rallied 9.2 percent after saying it will divest its stake in Danske Bank A/S as it focuses on developing its oil and shipping businesses.

Kuehne & Nagel International AG gained 3.3 percent. The world's biggest sea-freight forwarder raised its dividend after its overland shipping activities returned to profit.

Apple Investors Eye $1tn Valuation Target

CALIFORNIA (Financial Times) - **Apple's valuation has reached heights markets have never seen before, at least in nominal terms, with the iPhone maker's market capitalization eclipsing $770bn.**

Now worth more than the entire S&P 600 small-cap index, or two Berkshire Hathaways, the question for some investors is whether the Cupertino-based technology behemoth can even surpass the $1tn mark.

Other technology groups, such as Microsoft and IBM, have enjoyed rocketing valuations only to fall to earth. Yet Apple bulls have thus far been in the ascendant, sending its shares to a new all-time high this week.

Analysts, too, have taken the view that Apple will if anything go higher, lifting price targets at a heady clip. Goldman Sachs increased its target to $145 a share last week — worth $845bn based on current share counts. The highest target, at $165 from First Shanghai Securities, would see Apple's market valuation rise to $960bn.

Accelerating iPhone sales, rising earnings forecasts, the largest buyback and dividend program in the US and the prospect of new products — including a car — have propelled Apple's shares up 19 per cent this year, adding more than $110bn to its market valuation.

By contrast, valuations for the next 10 largest businesses on the S&P 500 have dropped by $67bn this year, including $10bn-plus haircuts to ExxonMobil, Microsoft, Procter & Gamble and Johnson & Johnson.

A $1tn valuation is "possible in the next couple of years, and the reason I think it has this potential is really because the multiple investors are willing to pay for [Apple] is expanding," says James Gautrey, a Schroders portfolio manager.