

Oil Ministry Plans to Boost Domestic Manufacturing of Equipment

TEHRAN (FNA) - The Iranian Oil Ministry plans to enhance domestic manufacturing of the equipment needed in the oil and gas industry, a deputy oil minister said.

Rokneddin Javadi, who is also the Managing Director of National Iranian Oil Company (NIOC), said 10 groups are to be established to indigenize manufacturing of

strategic commodities for the oil industry, the ministry's website reported.

He said that domestic manufacturing of petroleum industry equipment is enshrined in the Economy of Resistance directive instructed by Supreme Leader of the Islamic Revolution Ayatollah Seyed Ali Khamenei.

Javadi said Iranian companies capable of manufacturing equipment for the petroleum industry will be identified.

He expressed hope that the government and the parliament would hold a professional view of the petroleum industry issues in order to remove hurdles particularly in the way of domestic manufacturing.

New India Government Urges Changes to World Bank



World Bank president Jim Yong Kim (L) and Indian Finance Minister Arun Jaitley pose for a photograph during a meeting at the Ministry of Finance in New Delhi on July 22, 2014.

NEW DELHI (AFP) - India's new government has called for reforms to the World Bank structure to reflect the "emerging" clout of developing nations in a meeting with visiting bank chief Jim Yong Kim.

The government, which took office in May, said in a statement late Tuesday that Finance Minister Arun Jaitley stressed at an evening meeting with Kim the need for significant changes to the way the World Bank operates.

Jaitley told Kim that the Bank needs to play a "global role in poverty reduction and development" and also "reflect the emerging world order in its governance".

Kim was on an official visit to India that wrapped up Wednesday during which he was meeting members of the country's new right-wing government.

The call by India's finance

minister came on the heels of the BRICS group of nations -- Brazil, Russia, India, China and South Africa -- establishing earlier this month a development bank to rival the World Bank.

At a meeting in mid-July, BRICS leaders agreed on the set-up of a \$50-billion development bank by granting China its headquarters and India its first rotating presidency.

The move has been seen as a step away by developing nations from the traditional commanding role of Western nations in the global economy.

India and other developing nations have long faulted the World Bank for failing to give stronger voting rights to developing nations despite the fact they are home to some 40 percent of the global population.

The Press Trust of India news agency quoted Kim as saying late Tuesday that India had his-

torically been the World Bank's biggest borrower and its success hinged on the country achieving economic success.

"We pledged our financial support (to India) but we also spoke at great length about our knowledge partnership that we are going to build," Kim said, according to the news agency.

"We will bring innovations from all other countries in the world here as Prime Minister Narendra Modi's government embarks on an extremely ambitious mission to grow the economy," Kim said.

Modi was elected with his Bharatiya Janata Party winning the biggest majority in three decades on a platform of spurring India's sharply slowing economy.

India is the World Bank's highest cumulative borrower with a portfolio of 85 projects to which some \$24 billion has been committed.

Iran Gas Exports to Iraq to Start in 2015

TEHRAN (Press TV) - Iran is expected to start pumping gas to neighboring Iraq early next Persian calendar year, which starts on March 21, 2015, a deputy Iranian oil minister says.

"After the completion of infrastructure, pipe testing and the installation of measurement systems, Iran's gas will be exported to Iraq early next year," Deputy Oil Minister for International Affairs and Trade Ali Majedi said on Wednesday.

He added that Iran has agreed to export 25 million cubic meters (mcm) a day of gas to Iraq, adding that the gas delivery will start at seven mcm per day.

"The contract for Iran's gas exports to Iraq had been [initially] struck for four years, but under an agreement recently reached between the two country's energy ministers, the duration extended to 10 years," said Majedi.



This file photo shows pipe-laying operations along Iran's border with Iraq.

He noted that Iran has already built 80 percent of its 100-kilometer section of the 270-kilometer pipeline stretching from the village of Charmaleh, located in Iran's western province of Kermanshah, into the town of Naft Shahr on the border with Iraq.

The pipeline, which is estimated

to earn Iran USD 3.7 billion a year in revenues, will be fed by the massive offshore South Pars gas field in southern Iran.

The South Pars gas field, which Iran shares with Qatar in the Persian Gulf, is estimated to contain 14 trillion cubic meters of gas and 18 billion barrels of condensate.

Ramin Oilfield 3D Seismic Finalized

AHVAZ (NISOC) - 3D seismic operation at Ramin Oilfield has been successfully accomplished, the Head of Geology Department at National Iranian South Oilfields Company (NISOC) underlined.

Commenting on this outsize project, Farrokh Naseri said, 3D seis-

mic extracted data will be employed to discover oil potentials as well as drilling of new development wells within NISOC operational territory.

"3D seismic operation at Ramin Oilfield was implemented in an area measuring around 877 square kilometers", he said.

Located at some 30KM north east Ahvaz, this large - scaled oilfield is 40 kilometers long and 4 kilometers wide.

As the largest domestic oil producer, NISOC output accounts for 80% of total Iranian crude production.

U.S. Housing Turning the Corner, Inflation Creeping Up

WASHINGTON (Reuters) - U.S. home resales hit an eight month-high in June, suggesting the housing market was gradually regaining momentum and would help the economy to stay on a higher growth path this year.

The third straight month of home sales gains, reported by the National Association of Realtors on Tuesday, added to employment and retail sales data that have indicated economic growth ended the second quarter on a firmer note. A separate report showed inflation moving slightly higher.

"The economy is normalizing from

whatever went wrong in the first quarter. Growth is up and running," said Chris Rupkey, chief financial economist at Bank of Tokyo-Mitsubishi UFJ in New York.

Existing home sales rose 2.6 percent to an annual rate of 5.04 million units last month, with the median house price hitting its highest level since 2007.

The housing market stumbled in the second half of last year, raising concerns it could undermine the economy's recovery. Now, its rebound is bolstering forecasts for stronger

growth.

Growth is expected to have accelerated to above a 3.0 percent annual rate in the second quarter and is forecast maintaining an even stronger pace for the rest of the year.

Housing had been stymied by higher interest rates, a shortage of properties for sale and slow wage growth. With the labor market tightening, mortgage rates easing and the pace of house price increases moderating as supply improves, the foundation is being laid for further gains in home sales.

Japan Cuts Growth Outlook as Exports Hit, Imports Rise



Cranes load containers onto cargo ships at a pier in Tokyo on July 8, 2014.

Tokyo (AFP) - Japan on Tuesday cut its fiscal year growth forecast for the world's number three economy, blaming weak exports and rising imports as well as the impact of April's sales tax hike on consumer spending and business confidence.

The Cabinet Office said it now expects expansion of 1.2 percent in the year to March, compared with a previous estimate of 1.4 percent.

The announcement comes a week after the Bank of Japan also lowered its outlook to 1.0 percent from an earlier 1.1 percent.

Japan has seen widening trade imbalances since the Fukushima nuclear crisis in March 2011 forced it to switch off its atomic reactors and turn to pricey fossil fuel imports to plug the energy gap.

"The latest forecast was based on weak demand overseas and stronger-than-expected imports," a Cabinet Office official said of the downward revision.

The cut was also "due to weak domestic demand following the consumption tax increase in April", the official said.

However, the government said growth would bounce back to 1.4 percent in the following fiscal year as Prime Minister Shinzo Abe's policy blitz takes hold.

Abe last year launched a three-pronged plan to kickstart the economy, announcing huge public spending, largely on public works, while the Bank of Japan embarked on an unprecedented monetary easing plan to fight off debilitating deflation.

The moves stoked growth and drove a stock market rally, but Abe has so far made little progress on the so-called third prong -- promised economic reforms, including shaking up rigid labor markets and convincing more women to join the workforce.

Last week, the central bank held fire on fresh stimulus measures, saying Japan's economy was still holding up despite the tax rise, even as a closely watched BoJ report this month showed business confidence suffered its first deterioration in six quarters.

The levy hike was aimed taming Japan's massive national debt, one of the heaviest burdens among rich nations.

Commercial Jets Push Boeing Profits Up 52 Percent

WASHINGTON (Washington Post) - Increased production of passenger jets helped push up Boeing's profit by 52 percent in the second quarter, topping Wall Street's expectations.

The Chicago-based company said net income increased to \$1.65 billion, or \$2.24 per share, from \$1.09 billion, or \$1.41 per share, in the same quarter a year ago.

Earnings, adjusted for non-recurring costs, came to \$2.42 per share. The average estimate of analysts surveyed by Zacks Investment Research was for earnings of \$2.02 per share.

Boeing Co. (BA) said Wednesday that revenue climbed 1.1 percent to \$22.05 billion from \$21.82 billion in the same quarter a year ago. Analysts expected \$22.32

billion, according to Zacks.

Revenue at Boeing's Commercial Airplanes division increased 5 percent to \$14.3 billion on higher deliveries — 181 new jets, compared to 169 during the same period last year.

Those gains were partially offset by a 5 percent drop in the company's defense, space and security division's revenues to \$7.7 billion. The largest problem for that division was fewer deliveries of its C-17 and P-8 military planes, and a pre-tax charge related to its KC-46A tanker program.

"While challenges resolving engineering and systems installation issues on our tanker test aircraft are resulting in higher spending to maintain schedule, the issues are well understood and we re-

main on path to begin flight testing fully provisioned tankers the first part of next year," CEO Jim McNerney said in a statement.

Boeing also increased its earnings guidance for the year to \$6.85 to \$7.05 per share, up from a range of \$6.10 to \$6.30. Its annual revenue guidance remains the same at \$87.5 billion to \$90.5 billion.

Boeing shares have declined \$6.75, or 4.9 percent, to \$129.74 since the beginning of the year, while the Standard & Poor's 500 index has climbed 7.3 percent. However, the stock has climbed \$21.95, or 20 percent, in the last 12 months.

Shares of the company fell \$2.22, or 1.7 percent, to \$127.52 in early trading.