

Major Rise in Foreign Investments in Iran

TEHRAN (Press TV) - **The Financial Times** says the latest figures show that the volume of Foreign Direct Investment (FDI) in Iran has reached the highest level in years following the removal of sanctions against the country in January.

The FT has emphasized in a report on Tuesday that figures show Iran was ranked 12th out of the 14 Middle East nations for FDI between January 2003 and December 2015, equating to a market share of 1.62 per cent.

Since sanctions were lifted this year, Iran has climbed to number three in the rankings, with a market share of 11.11 per cent, placed only behind regional powerhouses the United Arab Emirates and Saudi Arabia, it added.

Global investment into Iran has been steadily increasing since 2013, a year in which the country attracted just three FDI projects. This increased to eight in 2014

and nine in 2015, FT added.

It was in the first quarter of 2016, however, that the impact of sanction relief became evident. Iran won 22 FDI projects during the quarter, the highest rate of investment since fDi Markets, an FT service that monitors cross-border greenfield investment, began recording data in 2003.

Although 2015 showed a 48 per cent increase in capital expenditure overall, the first quarter was notable in failing to attract any FDI projects, in stark contrast to the same period this year.

Predictably, Tehran attracted 36 per cent of recorded investments into the country during the first quarter of 2016, and 40 per cent of all FDI into Iran since January 2013, the report added.

Since the sanctions were lifted the leading sector for investment into Iran has been financial services, which has attracted four investments from separate companies with capital expenditure

of \$60m.

The country has also attracted investments from the automotive sector, business services, consumer electronics and textiles, among others.

The principal countries investing in Iran during the period were South Korea and Germany, which together committed to capital expenditure of \$2.15bn.

South Korea-based steel producer Pohang Iron and Steel (POSCO) has been the single largest investor in Iran this year, with plans to invest \$1.6bn to build an integrated steel mill in the Chabahar Free Trade-Industrial Zone by March 2017.

The upward trend recorded by fDi Markets suggests the economic rebound Iran is experiencing is set to continue. Nineteen investors signaled an interest in future investments in the country, representing an increase of 90 per cent from 2015, the FT report concluded.

Tehran, Beijing to Bolster Banking Ties

TEHRAN (MNA) - **CBI governor has announced the plan to develop economic and trade relations with countries which backed Iran during sanction years including China.**

Valiollah Seif made the remarks during a meeting with the visiting Chinese delegation adding "Iran welcomes foreign investors and institutions as a prerequisite to economic development."

While meeting with Vice Chairman, President & Chief Investment Officer of China Investment Corporation (CIC) Lee Keping, the Iranian official pointed to the positive relations between the two countries voicing Iran's willingness to expand trade cooperation with China; "the Iranian president is eager to broaden relations and collaboration with countries which were friends in need for Iran during tough years of imposed sanctions."

"Accordingly, trade and economic relations with China will be further deepened," noted the governor of the Central Bank of Iran (CBI).

Seif enumerated the Iranian government's achievements in trade and economic arenas emphasizing the need to attract foreign investment; "since the incumbent government took office, economic policies and effective measures have

been taken to curb inflation, provide monetary and fiscal discipline, stabilize various markets including the foreign exchange one as well as that foreign investment would accelerate the process of economic growth."

"Correspondingly, Iran welcomes investments on the part of economic activists as well as China Investment Corporation (CIC)," underscored the official.

CBI governor outlined debt clearance by international insurance companies as a post-JCPOA measure maintaining "so far, effective steps have been taken for settlement of debts to Italian, Austrian, French and German insurance firms and important resolutions have been reached in launching banking relations with Asian and European countries."

CIC Vice Chairman Lee Keping, for his part, described the activities of his corporation expressing eagerness to participate in developmental plans of the Islamic Republic of Iran.

"We have commenced cooperation with the National Development Fund of Iran (NDFI) while we need to receive information from the CBI on fiscal policies, foreign investment as well as procedures for participation in the Islamic Republic of Iran," he asserted.

Mitsubishi Forecasts Huge Loss in Wake of Fuel Scandal

TOKYO (BBC) - **Mitsubishi Motors has forecast a net loss of 145bn yen (\$1.4bn, £900m) for the current business year in the wake of its fuel efficiency scandal.**

In April, the Japanese carmaker admitted it had been falsifying fuel efficiency tests for decades.

The expected loss marks the first fall in profit for the car firm since the 2008 financial crisis.

Mitsubishi had already reported a 39% drop in net profit in the year to the end of March due to the fuel scandal.

some \$3bn was wiped off its market value and in May fellow carmaker Nissan moved in to take a controlling stake.

Last week, Mitsubishi said it planned to give owners of four affected vehicles close to \$1,000 in compensation for overstating the fuel efficiency of the cars.

In total, the reimbursement costs are estimated at at least \$600m.

It also said it was setting aside as much as \$86m to reimburse customers for lost "eco car" tax breaks for affected models.

Scandal, resignation, takeover

Mitsubishi Motors admitted it had rigged tests for the past 25 years.

Regulations changed in 1991 to better reflect stop-start urban driving, but Mitsubishi failed to heed the change.

In May the firm's president, Tetsuro Aikawa, stepped down in the wake of the scandal and following the takeover by Nissan.

Before the scandal, the carmaker was the sixth biggest in Japan and the 16th largest worldwide.

Annual car production currently stands at around 1,200,000 vehicles.

Iran Steel Output Surge Boosts Ranking

TEHRAN (Press TV) - **The World Steel Association (world-steel) has announced that Iran's surge in production has pushed the country up on the list of global steel producers.**

The international trade body for the iron and steel industry has released its latest figures on global production, which shows a solid gain for Iran.

The new data shows Iran now ranks thirteenth on the list of 66 global steel producers after the country produced 1.645 million tonnes of the metal in May.

The figure indicates a rise from the same period last year,

when Iran had produced 1.455 million tonnes of steel.

Iran's 3.9-percentage point increase comes as the global output suffered a decline of 2.2 percent in the first five months of this year.

China, Japan and India topped the latest worldsteel list.

Iran is the biggest steel producer in the Middle East after Turkey, according to the World Steel Association. Output rose to 1.5 million tonnes in April from 1.3 million tonnes at the end of last year before the international sanctions were lifted in January.

The country has already devised serious plans to increase its steel production capacity to 55 million tonnes per year from the current level of roughly 17 million tonnes per year by 2025. The country's export capacity is also expected to rise to above 13 million tonnes per year.

Iran is also pushing ahead with the development of several major provincial steel production plans and is already forging ahead with serious plans to bring in foreign investors like Italy's Danieli and South Korea's POSCO to the same effect.

Crude Hits \$50 on Hopes U.S. Inventories Will Shrink

New York (MarketWatch) - **Oil prices rose on Wednesday on expectations of a decline in U.S. crude stockpiles.**

Brent crude, the global oil benchmark, rose 0.9% to \$51.07 a barrel on London's ICE Futures exchange. On the New York Mercantile Exchange, West Texas Intermediate futures were trading up 1.1% at \$50.40 a barrel.

U.S. crude likely fell 5.2 million barrels in the week ended June 17, according to data provided by the American Petroleum Institute. The group expects a 1.5-million-barrel decrease in gasoline stocks and a 1.7-million-barrel drawdown in distillates inventories.

The U.S. Energy Information Administration will release its closely watched inventory data later on Wednesday. The American Petroleum Institute, an industry group, said late Tuesday that U.S. crude stockpiles fell 5.2 million barrels last week. A survey of analysts by The Wall Street Journal expects a 1.6-million-barrel decrease.

"The API data supports oil prices and increases volatility ahead of this afternoon's official" data, said Michael Poulsen, oil analyst at Global Risk Management.

Analysts at Barclays said that while oil markets have recently been supported by a spate of production outages around the globe and strong demand out of China, "oil isn't out of the woods yet" due to fragile global growth and high inventory levels.

Large oil stockpiles have been a stumbling block for oil prices. The gradual resumption of Canada's oil-sand production after wildfires and rising output by Iran and Iraq all point to a growth in the global glut of crude.

In the near term, oil investors are keeping a close eye on the upcoming U.K. "Brexit" referendum that will decide on membership in the European Union.

Global Stocks Up as Investors Hopeful Britain Will Vote To Stay in EU

SINGAPORE/TOKYO (Reuters) - **Asian stocks edged up on Wednesday as investors were guardedly optimistic about a "Remain" vote in Britain's make-or-break European Union referendum, while Federal Reserve Chair Janet Yellen's cautious tone virtually ruled out a July rate hike.**

European markets were also poised for a positive start, with financial spread better CMC Markets expecting Britain's FTSE to gain 0.4 percent, France's CAC 0.5 percent and Germany's DAX 0.7 percent.

MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.4 percent. Japan's Nikkei trimmed its losses to 0.6 percent.

China's CSI 300 index and the Shanghai Composite both advanced about 0.4 percent, while Hong Kong's Hang Seng reversed earlier losses to climb 0.5 percent.

On Wall Street, U.S. S&P 500 Index gained 0.27 percent but was still below an 11-month high touched earlier this month.

Fed chief Yellen said on Tuesday the central bank's ability to raise interest rates this year may hinge on a rebound in hiring that would convince policymakers the U.S. economy isn't faltering.

The dollar slipped 0.2 percent against the yen to 104.57 yen, after a brief rally to 105.065 overnight as Yellen expressed general optimism about the U.S. economy.

Pound Surges Amid Apparent Support for U.K. to Remain in E.U.

LONDON (TIME) - **The pound and global stock markets surged Monday as both opinion polls and betting markets suggested an increase in support for Britain to remain in the European Union in the final crunch week of the vote.**

The death of a pro-Europe lawmaker in a gun and knife attack last week may have sapped some of the momentum of campaigners fighting to leave the 28-nation bloc in Thursday's vote. Nigel Farage, a leading figure in the "leave" camp, accused his opponents of trying to capitalize on Jo Cox's slaying for political advantage.

Backers of "leave" on Monday also lost the support of a former Conservative Party chair, who switched sides after expressing disgust for a poster depicting a crowd of migrants walking through Europe with a warning in capital letters that said:

BREAKING POINT. Sayeeda Warsi said Monday that moderate voices in the "leave" campaign have been drowned out in favor of campaign of xenophobia and hate.

The pound rose 1.8 percent to \$1.4619 Monday, rebounding from last week, when it hit its lowest levels since April. In stock markets, the FTSE 100 was up 2.6 percent and other indexes around the world were just a buoyant, with Germany's DAX 3.1 percent higher.

Opinion polls are now back to even, though the shifts are very small from earlier polls last week leaning to exit

But the shift in opinion was small, and it was unclear precisely what was behind the shift, said respected pollster Ben Page of Ipsos MORI. That said, three out of four polls taken since Cox's death show a shift to remain.

Kayhan International
Advertising Dept.
33110251-9
Ext. 2336