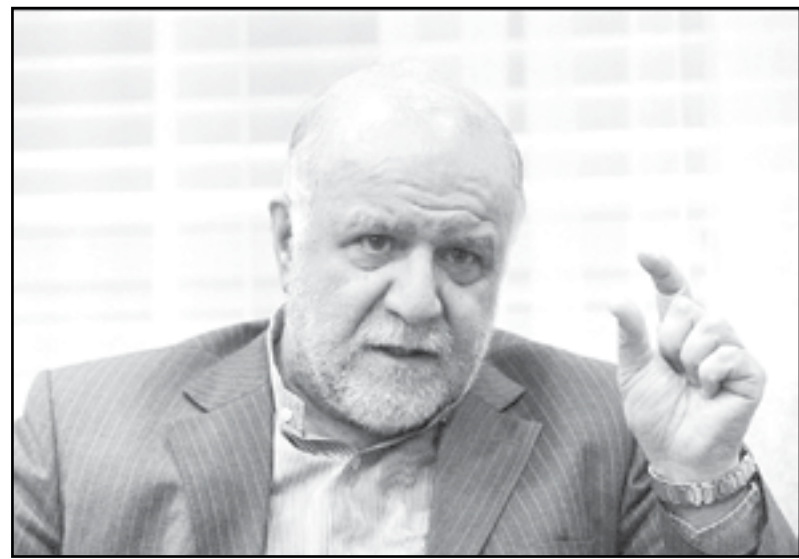


# Iran Blames High U.S. Output for Falling Oil Prices



Iranian Oil Minister Bijan Namdar Zanganeh said an unexpected rise in U.S. crude oil production is the reason behind recent drops in oil prices.

TEHRAN (press TV) - Iran has blamed a recent rise in U.S. oil production for the plunge in global prices of crude oil.

Iran's Petroleum Minister Bijan Zanganeh told reporters on Wednesday that the U.S. had increased its oil production by 900,000 barrels per day. This, he said, was way beyond what the Organization of the Petroleum

Exporting Countries (OPEC) had estimated.

Zanganeh said he was already discussing the role of high U.S. oil production in the decline of prices. However, he said it would be difficult to prepare the member states for any collective action on such issues.

The Iranian minister further spoke highly of OPEC's

performance in arriving at a consensus to cut output and help prop up prices.

He said the output cut plan was just to show its effects, adding that it was still too soon to judge its effectiveness.

OPEC in a meeting in May agreed to extend until March 2018 an oil output cut deal that was sealed last year to help shore up prices.

The cuts would lower the collective production of producers by 1.8 million barrels per day (mb/d).

A dozen non-members led by top oil producer Russia, which reduced output in tandem with OPEC, would also join the scheme.

OPEC members Nigeria and Libya would still be excluded from cuts as their output remained curbed by unrest.

Iran would also be allowed to keep its oil production by 3.8 mb/d over the next nine months. The country has been exempted from the existing six-month oil output cut deal.

## Iranian Banks to Establish Treasury Operations

TEHRAN (MNA) - Governor of the CBI for foreign exchange affairs, Gholamali Kamyab has said necessary conditions will be created for launching broker ties with the world's banks as a prerequisite to adopting uniform currency rates.

On recent decisions made by the U.S. Congress to extend sanctions against Iran, Kamyab said the bills passed by the U.S. will have no direct effect on banks.

"Although time will reveal possible effects of the new decision on Iran's banking relations with the

world, the assumption is that our position can be strengthened in case international standards are settled in both state and private banks," he continued.

The official described uniform currency rate a major tenet of Resistance Economy which is being meticulously pursued by the government. As such, the Central Bank of Iran is carrying out expert studies on the issue in a bid to remove possible barriers.

Two years ago, Iran was fully ready to adopt uniform currency

rates though the decision was intentionally postponed to a later time when broker ties reach a level that allows an easy-way performance of treasury operations.

He estimated that the path will have been paved for launch of broker relations with world banks by the end of the current Iranian calendar year (began March 21) though the issue is subject to Iran's position in Financial Action Task Force (FATF) which is expected to change from Non-Cooperative to Cooperative Country.

## Gold Gains as Oil's Plunge Dampens U.S. Rate Hike Expectations



LONDON (Reuters) - Gold rose on Wednesday from a five-week low in the previous session as a slump in oil prices pushed down stock markets and U.S. bond yields, while the U.S.

dollar weakened, making bullion cheaper for holders of other currencies.

Investors were betting that oil's tumble to seven-month lows would reduce inflationary

pressures and make it less likely that the U.S. Federal Reserve will push ahead with aggressive interest rate rises.

Gold is highly sensitive to rising rates, which lift the opportunity cost of holding non-yielding assets such as bullion while boosting the dollar, in which it is priced.

"The change in sentiment has helped gold," said ABN AMRO analyst Georgette Boele.

Spot gold was up 0.3 percent at \$1,246.86 an ounce at 1050 GMT, while U.S. gold futures were 0.4 percent higher at \$1,248.2 an ounce.

Gold was on track for its biggest gain since June 6. The metal has fallen nearly 4 percent from a high of \$1,295.97 early this month.

But traders were sceptical that gold had hit bottom.

## Drilling Operations Complete at 3 South Pars Platforms

TEHRAN (Shana) - Drilling operations at platforms 22, 24A and 24B of the supergiant South Pars Gas Field are 100% complete, operator of the projects has said.

Operator of SP. 22, 23 and 24 projects Farhad Izadjou said the drilling operations at platform 23 have made 80.4% progress so far.

He said now that the drilling operations are over the projects are waiting for the delivery of CRA pipes for installation at the platforms.

He said platforms 24A and 2 and 24B are satellite platforms and are connected to platforms 22 and 23 of the gas field, adding drilling of

11 wells at platform 22 and 8 wells at the satellite platform 24A.

Izadjou further said the topside of Phase 22 has made 89% progress and will be installed as the first platform of the phase.

### NIOC Culls Free Data on Iran Oilfields

Meanwhile, an official with the National Iranian Oil Company (NIOC) says the company gains updated information about Iran's oil and gas fields for free by signing MoUs with international oil companies for carrying out studies over the fields.

Addressing a ceremony

to sign a memorandum of understanding (MoU) for studies over development of two Iranian oil and gas fields with the ENI, Gholamreza Manouchehri, NIOC's deputy of development and engineering, said by considering the result of the studies carried out by major oil and gas developers over Iran's fields, NIOC will be able to receive valuable information about the fields without having to pay any prices.

Such information like the volume of the reserves, and the rate of recovery from the fields can be gained from the studies, he said.

## Sukhoi Civil Aircraft Looking at Opening Office in Iran



TEHRAN (Dispatches) - The manufacturer of Russia's Sukhoi SuperJet (SSJ-100) planes, Sukhoi Civil Aircraft, is looking at opening

an office in Iran, the company's president, Vladislav Masalov, has told TASS.

"We are looking at possible

opening of an office in Iran jointly with the United Aircraft Corporation (UAC). We have agreements with two companies. There is a big demand a big interest in regional planes in that country," he said.

According to Masalov, the office may be opened by 2018. "Probably, we will open the mission earlier than 2018," he added.

Earlier, Sukhoi Civil Aircraft planned to open a mission in China but, according to the company's CEO, the sides have decided to postpone the implementation of the framework agreement to analyze the terms and prospects of the project more thoroughly.

## Airbus Scoffs at Boeing Wins, Plays Down Bounce-Back Hopes

PARIS (Dispatches) - Airbus sales chief John Leahy scoffed at Boeing's claims about the efficiency of a new 737 jet that has been grabbing orders and headlines at the Paris Airshow, but played down expectations of a last-minute comeback to win the event.

Speaking to media on day three of the June 19-25 show, Leahy said: "We will

have some orders today, but today's isn't going to be one of our record air shows."

Regarding orders that Airbus could get over the rest of the show, Leahy added that such deals would be "nothing big, but real stuff" - an indirect reference to conversions from existing models that account for more than half of the orders

announced so far for Boeing's newly launched 737 MAX 10.

Boeing leads the race for net new orders at the air show.

Industry watchers said the veteran Airbus sales chief could pull off a signature last-minute deal to avoid an unusual defeat at the European company's home event.

## Wheat Eases After Rally as Weather Damage Assessed

SYDNEY (Reuters) - U.S. and European wheat futures fell on Wednesday, easing back from their highest in close to a year as traders assessed the extent to which hot, dry weather would dent a global market laden with record inventories.

Corn edged higher, rebounding from a near three-week low, while soybean prices also rose slightly after Tuesday's slide in a broad retreat on international oilseed markets.

Wheat markets have been fired up in the past week by deteriorating conditions for U.S. spring wheat in the parched northern plains and concerns over the impact of a heatwave in top European Union producer France.

However, the prospect of another large harvest in Russia and Ukraine this year was underlining a backdrop of ample global supplies. "The reality is we will need to see widespread production losses to change the fundamentally bearish supply picture (for prices)," said Phin Ziebell, agribusiness economist at National Australia Bank.



The most active wheat futures on the Chicago Board of Trade were down 1.3 percent at \$4.71 a bushel at the end of the overnight session. On Tuesday prices hit their highest since June 23 last year at \$4.75-3/4 a bushel. Minneapolis Grain Exchange (MGEX) spring futures also eased, with spot prices down 1.3 percent at \$6.48 after setting a 2-1/2 year high at \$6.60 earlier in the session.

In Europe, December milling wheat on the Paris-based Euronext market

slipped by 0.7 percent to 178.75 euros, having closed lower on Tuesday in a pullback from an 11-month high of 183 euros earlier in the day.

Traders were digesting weather projections for some rain in the northern U.S. and in western Europe next week. Rain and cooler temperatures in northwest Europe next week were expected to help corn but come too late for wheat after yield losses this week, Commodity Weather Group said.