Iran Eyes Over $50bn Worth of Oil Contracts

TEHRAN (Tasnim) – **Iranian Oil Minister Bijan Namdar Zangeneh has said he would make efforts to pave the grounds for signing $50 to $60 billion worth of oil and gas contracts with foreign companies by the end of the current Iranian year (March 20, 2018).**

Speaking to the Islamic Republic of Iran Broadcasting (IRIB) on Sunday night, Zangeneh, who won the vote of confidence from lawmakers earlier in the day, highlighted his ministry's plans for attracting foreign investments in oil and gas sectors in his new term in office.

Zangeneh said he has submitted his general plans for the next four years to the parliament, adding that in the first step, he would pursue the short-term plans.

"We are trying to provide (the required conditions for signing) $50 to $60 billion worth of contracts this year," he stated.

The oil minister further pointed to the positive international atmosphere created after the 2015 nuclear deal between Iran and six world powers, known as the Joint Comprehensive Plan of Action (JCPOA), and said, "We should protect and maintain the international atmosphere."

There has been a new wave of interest in ties with Iran after Tehran and the Group 5+1 (Russia, China, the U.S., Britain, France, and Germany) on July 14, 2015 reached a conclusion over the text of the comprehensive 159-page deal on Tehran's nuclear program and started implementing it on January 16, 2016.

The JCPOA terminated all nuclear-related sanctions imposed on Iran.

Europe Becomes Iran's Petrochemicals Customer

TEHRAN (Dispatches) – **Iran says European countries, including Spain, Turkey, Romania and Belgium have become he customer of Iran petrochemical products in post-sanction era.**

After the implementation of Iran nuclear deal also known as Joint Comprehensive Plan of Action (JCPOA) Production and export of petrochemical products have chalked up 25% growth.

The total volume of petrochemical exports reached 7, 18,000 tons in weight and $3.4 billion in value since during four months comparing to 6,847,000 tons in weight and 3.2 billion dollar in value last year.

Moreover, the managing director of Mahabad Petrochemical Plant has said his company will start exporting polyethylene products to Belgium before the end of the current Iranian calendar year which began on March 21.

Mohsen Majidi said MPP has exported over 90,000 tons of petrochemicals since March 21, adding the exports have fetched the company over 85 million dollars in revenues so far.

The facility can supply 300,000 tons of linear light and high density polyethylene as well as 30,000 ton of butane-1.

India, Turkey, China and Belgium are the most important customers of Iran petrochemical products, according to the Managing Director of Mahabad Petrochemical Company Mohsen Majidi.

Britain's Current Account Deficit Was Bigger Than Thought in 2015 - ONS

LONDON (Reuters) - **Britain's current account deficit, the largest of any major economy last year, was even bigger in 2015 than previously thought, according to new estimates from the Office for National Statistics.**

The current account deficit has been in the spotlight since last year's vote on leaving the European Union, and although it has narrowed recently is not far off levels that would trigger a currency crisis in a less developed economy.

Bank of England Governor Mark Carney said in the run-up to the referendum that Britain was reliant on the "kindness of strangers", highlighting how the country needed tens of billions of pounds of foreign finance a year to balance its books.

The ONS said on Monday it now estimated the current account deficit was 98 billion pounds in 2015, equivalent to 5.2 percent of gross domestic product, compared with its previous estimate of 80 billion pounds or 4.3 percent of GDP.

Much of the increase stemmed from new methodology that showed British companies paid out more interest to foreign holders of corporate bonds than initially estimated, resulting in a larger current account deficit.

The revisions come more than a year after the government published a review of the ONS by former Bank of England deputy governor Charles Bean, who said many of its statistics were showing their age - especially in capturing the digital economy.

"As the UK has a large and complex financial sector, accurately measuring interest payments is difficult," said ONS chief economist Nick Vaughan said of Monday's revisions.

"However, by using better data sources, as part of our plans to transform the way we collect, produce and publish statistics, we are now able to give a much improved estimate of Britain's financial sector.

IME Weekly Trade Exceeds $429mn

TEHRAN (Dispatches) - **The Iran Mercantile Exchange (IME) has announced that around $429mn of various commodities weighting over 869,759mn tons were traded in its domestic trading and exports halls in the past working week (July 9-17).**

The IME said that over 869,759mn tons of various products, including 1,840 mn tons of aluminum, 261,345 mn tons of steel products, 6,230 mn ton of copper, 140 m tons of molybdenum concentrates as well as 12 mn tons of precious metal concentrates were traded were traded in its domestic and exports halls during the last week.

Moreover, 306,123 mn tons of bitumen, 49,140 mn tons of polymer products, 136,940 mn tons of VB feed stock as well as 19,500 mn tons of lube-cut oil, 17,971 mn tons of chemical products, 900 mn tons of sulfur, 506 mn tons of base oil and slack waxes, 1,515 mn tons of insulation and 30 mn tons of argon were traded in IME in last week.

Int'l Consortium Starts Operations to Develop South Pars Phase 11

TEHRAN (Dispatches) – **Deputy head of South Pars Oil and Gas Field for development projects Morteza Zarrin Gol on Monday said international consortium has equipped operational workshops to develop South Pars phase 11.**

National Iranian Oil Company (NIOC), Total, CNPC and Petropars on Monday, July 3, signed a 4.8-billion-dollar deal for development of South Pars Gas Field phase 11.

Total will operate the SP11 project with a 50.1 percent interest, while Iranian Petropars Company and the Chinese CNPC will have a share of 19.9 and 30 percents, respectively.

Bank Melli Opens Branch in Iraq's Najaf

TEHRAN (Fars) - **Bank Melli of Iran (BMI) has opened a branch in the city of Najaf in Iraq in a bid to resolve the problems of the Iranian pilgrims, a senior banking official said.**

The BMI's branch in Najaf will solve one of the major problems of the Iranian pilgrims who visit the holy shrine of Imam Ali (AS), the first Shiite Imam. Iran's Consul General Abderrahim Sadatifar said in the bank's opening ceremony on Monday.

Total to Buy Maersk Oil for 6.4bn Euros

BRUSSELS (Euronews) - Container shipping group Maersk is selling its oil and gas business to Total for 6.4 billion euros ($7.45 billion) in a deal which the French energy company said would strengthen its operations in the North Sea and boost earnings and cash flow.

For Danish company A.P. Moller Maersk, the sale of Maersk Oil, with reserves equivalent to around 1 billion barrels of oil, fits with a strategy of focusing on its core shipping and logistics businesses.

Under the terms of the deal, Maersk will get 4.2 billion euros in Total shares, and Total will assume 2.1 billion euros of Maersk Oil's debt.

Maersk said it plans to return a "material portion of the value of the received Total S.A. shares" to shareholders in 2018 and 2019 in the form of extraordinary dividend, share buyback or distribution of shares in Total.

Total promised to "maintain Maersk Oil's strong position in the North Sea," and its deal comes after it said last month it was ready to make acquisitions while global assets were still cheap.

Metals Shine as World Stocks Struggle

LONDON (Reuters) - **World stocks struggled at a 5-1/2-week low on Monday, though metals dazzled with zinc at its highest in a decade, copper hitting a nearly three-year high and iron ore's gains in the last three sessions stretching to nearly 15 percent.**

Traders were digesting the latest departure from Donald Trump's White House team, watching tensions around North Korea and waiting to see what the world's top central bankers would signal at the annual Jackson Hole gathering later this week.

Wall Street looked set for a steady start with only low key national activity data to distract investors from those bigger questions that had seen the S&P 500 drop below or close to a number of key technical levels on Friday.

European stocks clawed back most of an early 0.2 percent dip, as M&A activity helped shipping giant Maersk jump and the rally in metals sent Rio Tinto, BHP Billiton and Anglo American higher.

Zinc had hit its highest since October 2007 at $3,180.50 a tonne, bellwether industrial metal copper rallied to $6,593 a tonne, its highest since November 2014, and nickel, used in stainless steel, gained over 2 percent as it reached a 2017 peak.

China's iron ore futures soared more than 4 percent meanwhile, fuelled by concerns of shortages and before curbs on futures purchases which are touted to come into force in the next few months.

It also came amid hopes for Chinese infrastructure spending and a potential boost down the road from electric cars, though some analysts cautioned moves may be speculative too.

China's Debt Swaps Surpass $100bn

New York (Bloomberg) - **Almost a year after China rolled out steps to rein in soaring corporate leverage, concerns are rising that undeserving companies are benefiting while households are getting saddled with risks.**

China unveiled guidelines for debt-to-equity swaps in October, part of measures to trim the world's biggest corporate debt loads. The idea was that healthy firms would use the program to cut interest-bearing borrowings, while bloated companies would be shunned. But it hasn't always worked out that way, even as the total value of swaps reached 776 billion yuan ($116.3 billion) in the second quarter when volumes jumped to a record, according to Natixis SA.

While China's State Council said in October that zombie firms may not take part, 55 percent of the swaps last quarter were in the coal and steel industries, which are plagued by overcapacity, Natixis says. The stakes are high for lenders and even individual investors, some of whom buy wealth management products repackaged from the swaps.

The absence of a clear definition of "zombie" is part of the problem, according to Fitch Ratings. Views vary on whether further guidelines on the program released this month by the banking regulator will help address these issues.

The program is attracting bad companies because they see debt-to-equity swaps as a way to get a bailout, said Chi Lo, Greater China senior economist at BNP Paribas Asset Management. "You can imagine the zombie companies will be just like cancer cells that eat into the system."