

Iran, CNPC to Discuss SP Phase 11 Deal



Iranian Minister of Petroleum Bijan Zangeneh

TEHRAN (Shana) - Iranian Minister of Petroleum Bijan Zangeneh is scheduled visit Chinese CNPC officials to negotiate completion of Phase 11 Project of South Pars.

According to Islamic Consultative Assembly News Agency (ICANA), Zangeneh is scheduled to accompany Parliament speaker Ali Larijani in his visit to Beijing later this week.

Iran oil minister said that he would consider the latest status of a 2017 deal with the Chinese company for development of the project in Persian Gulf waters.

The 11th phase of the South Pars contract was signed between National Iranian Oil Company (NIOC) and a consortium of France's Total, China's

CNPC International and Petropars Company in Tehran on July 3, 2017.

Based on the \$4.879 billion deal, Total was operator of the SP11 project with a 50.1% interest, in partnership with Chinese state-owned oil and gas company CNPC (30%), and NIOC subsidiary Petropars (19.9).

SP11 is to be developed in two phases. The first phase, set to cost around \$2 billion, comprises 30 wells and two wellhead platforms connected to existing onshore treatment facilities by two subsea pipelines.

Depending on reservoir conditions as production progresses, offshore compression facilities could be added, a first on the South Pars field.

Following U.S.'s imposition of

sanctions on Tehran following a May decision by Washington to pull out of the Iran nuclear deal, Total announced it would no longer stay in the SP. 11 contract and its stocks were automatically transferred to the Chinese side of the deal as it is stipulated in the contract.

Zangeneh said, since Total's pullout, the Chinese company had not done anything specific regarding the contract.

He also said that phase III of Persian Gulf Star Refinery would come on-stream by Monday this week.

The refinery is the largest consumer of gas condensate in Iran with a total production capacity of 36 million liters/day of gasoline.

New South Pars Platform Installed



TEHRAN (Shana) - The second offshore platform of South Pars Phase 22-24 Project was successfully installed on Thursday.

According to Pars Oil and Gas Company (POGC), the HL5000 barge installed the 24A satellite platform, weighing 2,300 tons, at its designated spot in the Persian

Gulf in a matter of two weeks.

Push-pull technology was used to transfer the platform to its designated spot by an FLB124 barge.

Once fully operational, the platform would supply 14.2 million cubic meters per day of natural gas.

Last month, the main platform of Phase 22 came online.

Farhad Izadjou, operator of phase 22-24 project at South Pars gas field, said Platform 24A was the most developed platform ever to be installed at the offshore gas field.

He said Iranian experts carried out designing, construction, installation and commissioning of the platform and domestic manufacturers supplied most of the items used for building the structure.

Phase 22-24 is being developed for production of 56 mcm/d of sour gas, 50 mcm/d of methane, 2,900 tons/d of liquefied petroleum gas (LPG), 2,750 tons of ethane, 75,000 barrels/d of gas condensate and 400 tons/d of sulfur.

The project is being carried out by a consortium of Petrosina Arya and Iran Marine Industrial Company (SADRA).

Copper Cathode Productions Up 60%

TEHRAN (Dispatches) - Iran has produced more than 200,000 tons of copper cathode in the first 10 months of the current local calendar year (started on March 21, 2018), indicating a 61% growth compared with corresponding period in last year.

More than 200,000 tons of copper cathode was produced in the country, recording a considerable 61 percent growth as compared to the last year's corresponding period.

Another statistical report showed that Sarcheshmeh Refinery Unit in Kerman province produced 117,643 tons of copper cathode in 10 months of current year, recording a significant 147 percent growth as compared to the same period of last year.

Sarcheshmeh Refinery Unit accounted for approx. 59 percent share of country's total copper production volume.

Likewise, copper anode production volume from March 21 - Jan. 21 hit 257,833 tons,



showing a considerable 68 percent growth as compared to the last year's corresponding period.

With regard to the copper concentrate output volume, about 997,535 tons of copper concentrate was produced in 10 months of the current year, registering a significant growth as compared to the same period of last year.

Statistics of 9-month performance of the National

Iranian Copper Industries Company (NICICO) show that copper production volume recorded a significant four percent growth in 10 months of the current year.

In this regard, a number of 13 development projects were put into operation in Sarcheshmeh, Khatounabad and Sirjan industrial units last year, costing over 35,000 billion rials.

Sponge Iron Production Exceeds 21mn Tons



TEHRAN (Dispatches) - Iran Sponge iron surpassed 21 million tons compared to the same period last year with 27% growth.

The statistical figures of the manufacturing units of this sector

show that the production of sponge iron in January exceeded 2,145,000, up 29 percent from the same period last year.

Sponge iron is a high grade source for making iron and steel that

comes from the recovery of natural or processed iron ore without reaching the melting temperature.

Earlier, deputy Minister of Mining and Mining Industries of the Ministry of Industry, Mines and Trade said, statistics show that in the current government, 66 million tons of steel products have been added to iron chain to reach a total of 189 million tons. These products include concentrate, pellet, sponge iron, ingot and rolling.

The World Steel Association also announced in February that Iran was the second-largest producer of sponge iron after India in 2018.

According to the statistics, in 2018, Iran produced more than 25.54 million tons of sponge iron, up 31.6 percent compared to 2017 performance, and over the same period Iran accounted for more than 30.3 percent of the world's total sponge iron production.

China Remains Largest Holder of U.S. Treasuries

WASHINGTON (Xinhua) - After decreasing for six consecutive months, China's holdings of U.S. Treasuries slightly rebounded to \$1.123 trillion in December, according to data released Friday by the U.S. Department of the Treasury.

China, which is still the



largest foreign holder of U.S. Treasuries, held \$1.121 trillion of U.S. Treasuries in November, down by \$17.5 billion from the previous month.

In the meantime, Japan's holdings of U.S. Treasuries increased to \$1.042 trillion in December, up from the \$1.036 trillion level in November.

Combined, China and Japan

hold more than a third of the total foreign holdings of U.S. Treasuries.

When aggregating net foreign acquisitions of long-term securities, short-term U.S. securities and banking flows, the result was a \$33.1 billion net foreign outflow of U.S. securities in December, the data showed.

U.S. Factory Output Drops, Autos Fall Most Since Recession



WASHINGTON (Reuters) - U.S. manufacturing output fell steeply in January as motor vehicle production posted its biggest fall since 2009, with declines in a broad range of goods likely to fuel fears of a sharp slowdown in factory activity.

The Federal Reserve has said manufacturing production slumped 0.9 percent last month, the deepest drop in eight months. Data for December was revised to show a smaller increase in output that month than initially reported.

Production of motor vehicles

and parts dropped 8.8 percent in January, the steepest decline since May 2009, when the United States was still mired in a deep recession. Output also fell last month for machinery, chemicals, electronics and aerospace equipment.

Economists polled by Reuters had forecast manufacturing output rising 0.1 percent in January.

Total industrial output - which includes factories, mining operations and utilities - dropped 0.6 percent during the month. It was the first decline since May 2018.