

EU Plans to Ditch Dollar for Iran Oil Payments: Report

MOSCOW (Dispatches) - The European Union is planning to switch payments to the euro for its oil purchases from Iran, eliminating U.S. dollar transactions, a diplomatic source told RIA Novosti.

Brussels has been at odds with Washington over the U.S. withdrawal from the Iran nuclear deal, which was reached during the administration of Barack Obama. President Donald Trump has pledged to re-impose sanctions against the Islamic Republic.

"I'm privy to the information that the EU is going to shift from dollar to euro to pay for crude from Iran," the source told the agency.

Earlier this week, EU foreign policy chief Federica Mogherini said that the foreign ministers of the UK, France, Germany, and Iran had agreed to work out practical solutions in response to Washington's move in the next few weeks. The bloc is reportedly planning to maintain and deepen economic ties with Iran, including in the area of oil and gas supplies.

Mogherini stressed that the sides should jointly work on the lifting of sanctions as an integral part of the historic nuclear deal. "We're not naive and know it will be difficult for all sides."

The Iran nuclear deal, known as



A Russian media report says the Europeans plan to eliminate the US dollar in oil payments to Iran.

the Joint Comprehensive Plan of Action (JCPOA), was sealed three years ago in Vienna between Tehran and the P5+1 powers (China, France, Russia, UK, U.S., plus Germany). The agreement saw decades-long international sanctions lifted. On January 16, 2016, the parties to the deal announced the beginning of its implementation.

The lifting of international sanctions gave Iran access to the world's markets for the first time in nearly four decades. Since then, Tehran has managed to significantly increase its exports of crude.

However, oil is pegged to the U.S. dollar on international markets, making it difficult for Iran's partners

to make payments for crude and for Tehran to receive them. With the dollar playing the leading role on international financial markets, re-imposing sanctions would mean cutting Iran off from the global financial system.

At the same time, dozens of contracts signed between European businesses and the Islamic Republic could be at risk of cancellation if Brussels obeys Washington's sanctions. This would damage Iran's economy and European firms would lose a huge market in the Middle East. Switching to alternative settlement currencies allows both sides to continue trading despite U.S. sanctions.

India to Study Construction of Ferroalloy Plant in Iran



The Chabahar port is located in the South-east province of Iran, Balochistan.

TEHRAN (IFP) - India is to conduct a feasibility study for the construction of an alloy-producing company in southern Iran.

That was announced during a visit to Iran's Port of Chabahar by Sandeep Jajodia, the president of the Associated Chambers of

Commerce and Industry of India.

During his visit, the Indian official met with investment and economic officials of the Chabahar Free Zone as well as Hamidreza Toosi, the representative of the Iranian Foreign Ministry.

One of the objectives of Jajodia's

trip is to review the possibility of constructing a ferroalloy plant as well as a steel mill, a report by Mizan News Agency said.

Jajodia said among the incentives which have prompted New Delhi to follow up on the construction of the factory is the existence of cheap energy and easy access to target markets through the Chabahar Free Zone as well the potential for investment in the area.

The Iranian side, in turn, touched upon the advantages of making investment in Chabahar, saying that recently discounts have applied to investment activities there, which could draw more investors.

India has, so far, managed its cooperation with Iran in the port of Chabahar through boosting reciprocal ties. Meanwhile, the two countries have been trying to reach common understanding on an alternative route to Central Asia via Chabahar.

Qatar, Iran Mull to Reach \$1bn Trade Volume

TEHRAN (Dispatches) - Adviser to the Minister of Industry, Mine and Trade for International Affairs Mohammad-Reza Fayyaz has said that Iran is planning to increase trade volume with Qatar to \$1 billion.

He put the trade volume between Iran and Qatar in the past Iranian fiscal year (ended March 20, 2018) at \$320 million and added, "After a 12-year hiatus, Iran and Qatar Joint Commission was held in Qatari capital Doha, during which an agreement was inked between the trade ministers of the two countries."

He added, "Iranian trade and economic delegation, headed by the minister of industry, was composed of 40 businessmen from

the private sector and 40 others from the public sector. During the expert-level meeting, the two sides discussed ways to expand trade and economic cooperation."

Although trade volume exchanged between the two countries already stood at a good level but such bilateral trade was not satisfactory, he said, adding, "With the coordination made in this regard, it has been envisioned that trade volume between the two countries will experience a considerable jump in 2018."

"The two sides also held constructive talks in facilitating entry of Iranian traders and merchants, easing visa issuance with regard to the economic, trade, business and banking fields,

making investment in transport, information technology (IT), free zones, agriculture and environment, oil, gas, petrochemicals and tourism," Fayyaz noted.

Moreover, the two sides exchanged their views in the field of export of technical and engineering services from Iran to Qatar and vice versa as well as making investment in the mining sector.

Fayyaz further pointed to the necessity of facilitating transportation between the two countries and said, "It is hoped that Iran and Qatar will take more giant strides in future to broaden trade and economic ties."

The next meeting of Iran and Qatar Joint Economic Commission will be held in Tehran.

Total Halts \$2bn Gas Project in Iran

WASHINGTON (CNN) - French oil giant Total is preparing to pull out of Iran to avoid risking U.S. sanctions.

The company said on Wednesday that it was unable to proceed with a \$2 billion project to develop the country's giant South Pars gas field.

In a statement, Total said it "will have to unwind all related operations" before November 4, unless it's granted a specific waiver by U.S. authorities that would protect it against secondary sanctions.

The company said it had spent

less than €40 million (\$47 million) on the project so far.

In a deal signed in late 2016, Total agreed to operate the South Pars project with a stake of 50.1%. Its partners in the project are Chinese state oil company CNPC, and Iran's Petropars.

Tehran to Host 7th Int'l Innovation, Technology Exhibition



TEHRAN (IFP) - The Iranian capital of Tehran is to host the 7th edition of International Innovation and Technology Exhibition (INOTEX) 2018 from July 5 to 7.

The event is expected to be attended by Iranian and foreign startups and technology companies.

In a press conference, Secretary of the INOTEX 2018, Akbar Qanbarpour, said the first round of INOTEX was held in Tehran in 2012 with more than 50 companies from such fields as ICT, oil and gas, energy, biotechnology and infrastructures in attendance, Iran's domestic media reported.

He went on to say that over the past six rounds of the exhibition, more than 750 technology companies from 25 countries attended it and over 130 memorandums of understanding were signed in various areas.

Qanbarpour said companies from Russia, Canada, India, Germany, China, South Korea, Azerbaijan, Kazakhstan, Pakistan, Sweden, Belarus, the UK and many others took part in the past six rounds of the exhibition.

Elaborating on the upcoming exhibition, he added 350 booths have been erected for startups and companies from various fields.

"Up to 150 startups, 50 inventors, 20 investment funds, 20 accelerators, 40 business funds and 120 technology companies will take part in the INOTEX 2018," he noted.

Qanbarpour said the exhibition is set to be held in four sections and added the three-day event is to host a large number of delegations from different countries.

He predicted that about six thousand people will visit the three-day exhibition.

The Secretary of the INOTEX 2018

also said some states like Georgia, Kazakhstan, Oman, Iraq, Turkey, Pakistan, Poland and Indonesia whose technological level is lower than that of Iran will attend the exhibition with the aim of making some international interactions.

He said 350 foreign technology companies from 20 countries will attend INOTEX 2018.

Supported by Iran's Vice-Presidency for Science and Technology, the event will be hosted by the Pardis Technology Park (PTP) and Iran National Technomart.

He said that Export Development Bank of Iran provides facilities for foreign customers and Iranian companies which want to trade with foreigner parties.

Addressing reporters in the same presser, Head of PTP Innovation Acceleration Centre Ali Hezaveh talked about the startup ecosystem, which will be promoted during INOTEX 2018.

"The exhibition will host 150 startups, which have the main role at the exhibition, incubators, accelerators and investors," he said.

In coming edition of the exhibition, a special part will be dedicated to the introduction of Iranian startups to visitors. At this section, startups and their functions in everyday life are introduced to the visitors.

Smart environment, energy management in smart cities, smart Internet of Things (IoT) based devices, smart infrastructure and smart healthcare are some of the sections of INOTEX 2018.

Gold Extends Losses After Biggest Tumble Since 2016

LONDON (Reuters) - Gold prices continued to lose ground on Wednesday, falling to their lowest since December as the dollar rallied to 2018 highs and U.S. bond yields sat near multi-year peaks.

The metal had suffered its biggest single-day loss since November 2016 when it fell 1.7 percent on Tuesday after strong U.S. retail sales data sent the dollar and yields soaring.

Gold's declines were accelerated by technical selling as it crashed below its 200-day moving average and the psychologically significant level of \$1,300 an ounce.

By 1227 GMT spot gold was down 0.2 percent at \$1,287.61 an ounce, having gone as low as \$1,286.20, its weakest since Dec. 27.

U.S. gold futures for June delivery were 0.3 percent down at \$1,287.

"The most important driver (for gold) is the dollar and yields," said ABN AMRO analyst Georgette Boele.

A stronger dollar hurts gold by making it more expensive for holders of other currencies, while higher bond yields make non-yielding bullion less attractive to investors.

The strong U.S. retail data also suggested that the Federal Reserve will be confident about raising U.S. interest rates. That is bad for gold because higher rates push up bond yields and tend to boost the dollar.

Gold is likely to fall to \$1,275 by the end of June and \$1,250 by the end of



the year as U.S. yields and the dollar strengthen, said Boele. That is below the \$1,310-\$1,360 range gold has inhabited since January.

"It held up for so long on such a high level. Now you are below \$1,300 and the 200-day moving average; people who hold long positions are a little bit nervous," she said.

Technical and momentum indicators suggested that gold could fall to about \$1,278, ScotiaMocatta analysts said. Fibonacci support for the metal was at \$1,287, they added.

Gold is traditionally used as a safe place to park assets during times of uncertainty,

but investors largely disregarded news that North Korea had called off high-level talks with South Korea on Wednesday, less than a month before a planned summit between Kim Jong Un and U.S. President Donald Trump.

"There are lot of geopolitical risks, but people are just used to it. Therefore it has not become a big driver for gold," said Argonaut Securities analyst Helen Lau.

In other precious metals, silver was down 0.2 percent at \$16.20 an ounce after falling 1.6 percent on Tuesday.

Platinum eased by 0.3 percent to \$890.60 and palladium lost 0.3 percent to \$979.20.