

Iran Doesn't Expect Oil Customers to Get Sanctions Waivers



Iran's Oil Minister Bijan Namdar Zangeneh

VIENNA (Bloomberg) - Iran said it doesn't believe buyers of its oil will get waivers from the U.S. government that would allow them to continue purchasing cargoes after President Donald Trump's renewal of sanctions.

The Persian nation is facing tightening squeeze on its oil exports. American officials were said to have asked Japan to completely halt imports from Iran, going beyond the cuts demanded during previous Obama-era sanctions. Those curbs in 2012 removed about 1 million barrels a day of crude from the market, suggesting Trump's restrictions could have a big impact on the market.

"I don't believe they can receive waiver from the United States," Iranian Oil Minister Bijan Namdar Zangeneh said Friday in a Bloomberg television interview. "We are going to find some other way."

When Trump decided to re-impose restrictions on Iran last month, his administration gave buyers 180 days to curb their purchases. The request to halt Japanese imports signals a tougher stance than in 2012, when nations were allowed to continue buying at reduced levels in exchange for waivers from U.S. financial restrictions.

Most customers are still buying Iran's crude, "but some of them

have difficulty because of the pressure from the United States on bank transfers, transport insurance and so on," Zangeneh said. Oil majors Total SA and Royal Dutch Shell Plc are among those companies that have already stopped their purchases, he said.

"We are trying to find new customers," Zangeneh said.

There are many ways for Iran to try to preserve output and the ministry has prepared for a "worst scenario," Zangeneh said in Vienna after attending a meeting of the Organization of Petroleum Exporting Countries.

"I can not describe these other ways," Zangeneh said. "If the United States administration knows what we are going to do, they will block us." Iranian oil exports are close to 2.5 million barrels a day this month, he said.

The sanctions were a source of contention at the OPEC summit, where Iran initially resisted efforts by fellow members to raise production in a way that could take its market share. Zangeneh eventually agreed a compromise with his Saudi counterpart, although the vague wording of the final communiqué made the deal something of fudge.

China, Iran to Develop Economic Ties



Spokesman for the Chinese Ministry of Commerce Gao Feng

BEIJING (Dispatches) - Chinese Ministry of Commerce spokesman Gao Feng said on Saturday that Iran-China economic relations will be broadened without paying attention to third-party countries' internal rules, media reports.

"China will continue economic and trade ties with Iran," he said

adding that "U.S. withdrawal from Iran nuclear deal will have no effect on economic relations between the two countries," Islamic Republic News Agency (IRNA) quoted Feng as saying.

"China is against economic unilateralism of U.S. or any other country and its domestic regulations are not important for

China," he said

The Chinese official added "We are against U.S. withdrawal from Iran deal known as the Joint Comprehensive Plan of Action (JCPOA) and Washington's possible unilateral sanctions against Tehran."

"Promoting economic relations between Iran and China does not run counter to international regulations," he said adding that "both countries will continue ties in the future."

"The value of Iran-China trade stood at about \$37.3 billion in 2017 which showed a %19.3 growth compared to the same period in 2016," Feng said.

He went on to say that China is Iran's first trade partner, adding that both countries have preserved their relations in one decade in such a way that China is the biggest buyer of Iranian crude oil and customer of Iran's non-oil commodities.

Report: Iran's Steel Exports Grow by 129%



TEHRAN (Dispatches) - Iran's steel exports have grown by 129% over the first two months of the current Iranian calendar year (started March 21, 2018) compared to the same period last

year, Iran's Association of Steel announced on Saturday.

Iran's steel production has also grown by 21 percent year-on-year in a two-month period.

Iranian steel makers produced over 4.258 million tons of unprocessed steel in the period under question.

The figure used to be 3.526 million tons in the same period last year.

Iran is now the world's 13th main steel producer.

China, India, Japan, Russia and South Korea are the world's top five steel producers, respectively.

Oberbank Set to Finance Infrastructural Projects in Iran

TEHRAN (MNA) - Iranian Minister of Economic Affairs and Finance (MEAF) Masoud Karbasian has said the construction operation of several infrastructural projects in Iran with a credit line, worth €1 billion, which will be financed by Austria's Oberbank.

Karbasian, attending the 39th Ministerial Meeting of OPEC Development Fund in Austrian capital Vienna said, "Austria will construct a number of infrastructural projects in Iran using €1 billion worth of finance opened by Oberbank."

"Construction of an equipped hospital (special of 5th generation) in the field of treatment of cancer and also launch of an iron ore production line are of the salient projects that will be put into operation through Austria's Oberbank financing scheme," the minister maintained.

"Austria's 'Oberbank' was of the first European bank that resumed its banking cooperation with the Central Bank of Iran (CBI)



after the implementation of Joint Comprehensive Plan of Action (JCPOA)," economy minister said.

Karbasian emphasized suitable ways have been provided between the two central banks of Iran and Austria for broadening and enhancing banking cooperation.

He also praised Austrian government's support on Iran in the field of re-improvement of country's

credit rating in the international level.

In conclusion, Economy Minister Karbasian pointed to the upcoming visit of Iranian President to Austria and said, "In a get-together meeting held in the presence of ministers, President Rouhani has always stressed for broadening and enhancing cooperation between Iran and Austria."

EU Warns of 'Severe Disruption' as Trump Threatens Car Tariffs



NEW YORK (Bloomberg) - The introduction of U.S. tariffs on European Union automobiles and car parts could affect \$300 billion in trade and damage nearly all of the bloc's 28 member states, according to an EU report.

Duties of 25 percent "could be expected roughly to reduce U.S. imports of car and car parts in half," the European Commission wrote in a memo obtained by Bloomberg. "An introduction of U.S. tariffs would be met with equivalent penalties imposed by affected trading partners."

President Donald Trump said on Twitter that he would impose a 20 percent levy on all cars imported from the EU unless the bloc removes import duties and trade barriers. This comes on the same day that the EU triggered tariffs on 2.8 billion euros (\$3.3 billion) of American products in response to U.S. duties on its steel and aluminum exports that were justified on national security grounds.

EU and U.S. auto-related trade accounts for some 10 percent of total commerce between the two regions, according to the European Automobile Manufacturers' Association. The U.S. is the number one destination of EU car exports both in terms of volume --

making up around a fifth of all exports -- and revenue with just under a third of total export value.

The pain wouldn't just be felt by the EU, according to the report prepared for governments ahead of a meeting of EU leaders next week. The trade barrier would also hit the U.S. economy and could result in "upwards of 180,000 jobs lost" and the impact could be doubled by countermeasures, the commission said in the memo.

There were 294 billion euros worth of automobiles and car parts imported into the U.S. last year, 58 billion euros of which originated in the EU, according to the commission report. An escalation in the trade dispute would hit Germany especially hard, which ships about 600,000 autos to the U.S. every year, Arndt Ellinghorst, a London-based analyst at Evercore ISI, said in a note to clients.

A 20 percent tariff on imported cars would be a "terrible" scenario for Germany, wrote Ellinghorst, who estimated that the country's manufacturers -- Volkswagen AG, Daimler AG and BMW AG -- would suffer a financial hit of about 4.5 billion euros. "Not a single car could be shipped with a profit to the U.S."

Iraq: Oil Swap With Iran to Remain Unaffected by Sanctions

TEHRAN (Dispatches) - Iraqi Oil Minister Jabbar al-Luiebi has underlined that the U.S. sanctions will have no effect on Tehran-Baghdad oil swap agreement, media reports said.

"The crude oil exported from Iraq to Iran has been calculated as the price of electricity received from Iran and has not yet been swapped as yet; hence we will continue swap with the country," the Arabic-language al-Forat news agency quoted al-Luiebi as saying on the sidelines of the 174th Meeting of the OPEC Conference in Vienna.

"We have just started transferring small amount of oil to Iran's refineries, but this is not the basis for the exchange," the Iraqi oil minister added.

Iran started swapping oil with Iraq's Kirkuk on June 3.

According to the CIF-based swap deal, Iran receives 30,000 to 60,000 bpd of oil from Kirkuk oilfields in northern Iraq to an Iranian refinery across the border via tanker trucks, in exchange for oil for southern Iraq.

Decreasing costs of transporting oil to refineries in Western and Northern Iran and also receiving transit rights are among advantages of implementing the swap plan.

Serbia Keen to Enhance Housing Cooperation With Iran

BELGRADE (Dispatches) - The Serbian minister for infrastructure Zorana Mihajlovic has expressed her country's willingness to cooperate with Iran in the housing sector and urban development.

In a meeting with Iranian Minister of Industry, Mine and Trade Mohammad Shariatmadari in Belgrade, the Serbian minister said, "We are ready to enhance our economic cooperation with Iran in various fields, particularly in the sector housing and urban development."

She added that urban development and housing construction could be two new sectors for cooperation between the two countries.

The Serbian minister further called for closer ties between the two nation's educational systems in the field of urban development.

Shariatmadari, for his part, voiced Iran's readiness to expand ties with Serbia in various arenas, particularly transportation. He said Tehran is ready to share its experience with Belgrade in the field urban development.

In 2017, the government of Serbia announced that in order to improve bilateral relations as well as to attract tourists and investors to Serbia, it had passed a legislation to abolish visa requirements for citizens of Iran and India intending to travel to the country.

The level of trade between Iran and Serbia stands at \$20 million.

Earlier in February, Iran's Foreign Minister Mohammad Javad Zarif visited Belgrade to explore the avenues for expanding economic relations between the two countries.