

'World Businesses Support Trade Finance Mechanism With Iran'



ANKARA (Daily Sabah) - The chairman of the Foreign Economic Relations Board (DEİK) and the Turkey-Iran Business Council Ümit Kiler has said the establishment of a trade finance mechanism, one that is similar to INSTEX (Instrument in Support of Trade Exchanges), was discussed during Iranian Foreign Minister Javad Zarif's visit to Ankara last week.

Ümit Kiler said this would boost bilateral trade. He stressed that the new mechanism could unlock trade with Iran. "It could boost bilateral trade by a more than 100 percent

within a year, reaching \$20 billion," he said.

Recalling that the trade volume with Iran stood at \$10 billion in 2018, Kiler said they aim to push that number to \$12 billion this year.

Murat Akyüz, chairman of Istanbul Chemicals and Chemical Products Exporters' Association, said Iran could surely become one of their top 10 markets with this move.

Plastics Industry Foundation (PAGEV) Chairman Yavuz Eroğlu, on the other hand, pointed out that they aim to export \$250 million worth end products to Iran.

Germany, France and the U.K. jointly established INSTEX in non-dollar currencies at the beginning of this year to bypass the U.S. sanctions and trade with Iran.

This development has increased the expectation of Turkey's apparel sector in the Iranian market. Istanbul Apparel Exporters' Association (İHKİB) Chairman Mustafa Gültepe said they have gathered notable experience in the ruble-based trade with Russia. "Iran is a very appealing and high-potential market for our sector. The only inconvenience is Iran's import bans on our industry," he continued and suggested that regulation in this direction could increase sales.

In a joint press conference with Zarif, Foreign Minister Mevlüt Çavuşoğlu said Turkey is looking into establishing new trade mechanisms with Iran, similar to that of INSTEX, set up by European countries to avoid U.S. sanctions, reimposed last year on exports of Iranian oil.

Çavuşoğlu reiterated Turkey's opposition to the sanctions and said Ankara and neighboring Iran needed to keep working to raise bilateral trade to a target of \$30 billion, around triple the current levels.

World Markets Mixed, Oil Rises on Iran Concerns



NEW YORK (Dispatches) - World stock markets were mostly lower while oil prices surged for a second day Monday following reports Washington wants to block Iranian exports.

Benchmarks in Shanghai and India sank while Tokyo and Seoul were little changed. London, Frankfurt, Hong Kong and Sydney were closed for holidays.

On Wall Street, the future for the Standard & Poor's 500 index was off 0.3% and that for the Dow Jones Industrial Average was down 0.2%.

Investors looked ahead to U.S. quarterly gross domestic product due out Friday. Also this week, the United States reports new home sales Tuesday while Japan announces factory output on

Friday.

"The broad expectation is for U.S. indices to grind higher," Jingyi Pan of IG Markets said in a report.

"However, with prices nearing all-time highs, some sense of caution may be bound to set in," she said. "Earnings and the first reading of U.S. Q1 GDP at the end of the week would be key for markets."

The Shanghai Composite Index tumbled 1.7% to 3,215.04 and India's Sensex was off 0.9% at 38,799.71. Tokyo's Nikkei 225 closed up 17 points at 22,217.90 and Seoul's Kospi edged up 0.5 points to 2,216.65.

Benchmarks in Taiwan and Singapore rose while Jakarta retreated.

On Thursday, the S&P 500 gained 0.2% and the Dow rose 0.4%. The Nasdaq composite added less than 0.1%.

NIDC Drills 7 Oil Wells in March/April

TEHRAN (Shana) - The National Iranian Drilling Company (NIDC) has drilled 7 oil and gas wells over the course of the first month in the Iranian calendar from March 21 to April 20.

According to NIDC, Mohammad Ale-Khamis, deputy head of NIDC for drilling operations, said 4 of the wells were development and appraisal and the rest were workovers.

He said during the period, 14,466 meters of wells were spudded by NIDC rigs in the country.

The official further stated that drilling operations continued even on holidays, adding drilling of one of the wells came to an end 18 days prior to the planned deadline.



Ale-Khamis said 13 rigs were currently being transferred of which 7 were used for development

drilling and 6 others for workover projects.

Daily: Pakistani Exporters Suggest Using Chinese Bank for Trade With Iran

TEHRAN (Dispatches) - Pakistani exporters wish to use third party banking channels, especially the Chinese banks, to do trade with Tehran since Pakistan has a paltry \$35 million exports to Iran due to the U.S. sanctions imposed on the neighboring country.

As the existing bilateral trade is based on barter and cash transaction system, the exporters demand from the State Bank of Pakistan (SBP) to sign an agreement with the Chinese bank established in Karachi to facilitate the exports to Iran, Pakistan Today reported.

"Like other countries, we can also do trade with Iran if the Chinese bank's facility is provided by opening a branch of the same bank in Balochistan," said Pakistan-Afghanistan Joint Chamber of Commerce and Industry (PAJCCI) Vice President Haji Jamaluddin told the Pak news paper.

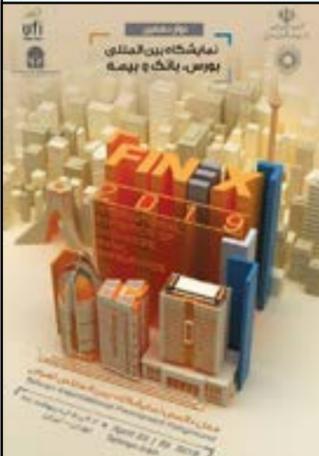
"There are many countries trading with Iran using third party banking channels. The Pakistani government is neglecting trade with the neighboring countries like Iran and Afghanistan and other countries are grabbing market shares in both these countries," he

said. "Chinese banks like Industrial and Commercial Bank of China Ltd in Karachi can help exporters here to resolve the transaction issue with Iran in case the SBP signs a memorandum of understanding with the bank as China has good trade with Tehran," he said, adding that a number of countries are doing business with Iran while carrying out their transactions in Dubai.

Sources told Pakistan Today that Pakistani banks are still shy of carrying out transactions with the Iranian banks and absence of banking channels is the single largest obstacle to enhancing the trade. Nonetheless, the SBP and the central bank of Iran are also in talks for payment arrangements through banking channels.

They said that unfortunately, the SBP, despite its repeated announcement of resolving the banking issue has failed to open a banking channel in Iran to facilitate the exporters. In 2017, SBP had announced that arrangements for establishment of banking channels between Pakistan and Iran have been finalized and soon central banks of both countries will sign an accord.

12th Iran FINEX 2019 Kicks Off in Tehran



TEHRAN (Dispatches) - International Exchange, Bank and Insurance Fair dubbed 'IRAN FINEX 2019' has kicked off at Tehran Permanent International Fairgrounds on Monday.

The International Exchange, Bank and Insurance Fair (IRAN FINEX) is the most prestigious event concentrating on finance industries in Iran. It is the most important event in this field in the region that brings together all the companies operating in the financial sector under the same roof.

All the products and services of this sector are exhibited in this event. The visitors therefore get a chance to get acquainted with the latest financial tools and services and the exhibitors get a huge exposure in the presence of a large number of potential customers.

The event was inaugurated today in the presence of Minister of Economic Affairs and Finance (MEAF) Farhad Dejpasand. Other senior officials attending the fair are Vice-President for Science and Technology Affairs Sorena Sattari, General Manager of Central Insurance of Iran (CII) Gholamreza Soleimani and Head of Securities and Exchange Organization (SEO) Shapour Mohammadi.

In this edition of the fair, the latest achievements of banking industry, insurance, and capital market will be showcased.

IRAN FINEX 2019 will run until April 25.

Nissan to Reject New Integration Proposal From Renault - Nikkei

TOKYO (Reuters) - Nissan Motor Co Ltd will reject a management integration proposal from French partner Renault SA and will call for an equal capital relationship, Nikkei said on Monday, citing sources.

Nissan's management feels the Japanese company has not been treated as an equal of Renault under existing capital ties, and a merger would make this inequality permanent, Nikkei said.

Renault has argued in its proposal that integration would

maximize synergies within the French-Japanese alliance, according to Nikkei.

The Financial Times had earlier reported in late March of Renault's intention to restart merger talks with Nissan within 12 months.

The alliance between Renault and Nissan was first set up in 1999 and was expanded in 2016 to include Mitsubishi Motors.

A Nissan spokesman declined to comment, while Renault was not immediately available for a comment.

Rupee Falls Sharply as U.S. Announces Iran Oil Buyers Have to End Imports



NEW DELHI (Indian Express) - The rupee fell sharply by 47 paise to 69.82 against the U.S. dollar in early trade Monday as a result of a rise in crude oil prices. Oil prices shot up after United

States announced on Monday that all buyers of Iranian oil will have to end their imports shortly, or be subject to U.S. sanctions. Brent crude futures, the global

oil benchmark, was trading higher by 2.53 per cent at \$73.79 per barrel.

Removing the sanctions exemptions would reduce oil supply from a market that is already tight because of U.S. sanctions against Iran and fellow OPEC-member Venezuela.

The U.S. reimposed sanctions in November on exports of Iranian oil after President Donald Trump unilaterally pulled out of a 2015 nuclear accord between Iran and six world powers. Washington, however, granted Iran's eight main buyers of oil, mostly in Asia, waivers to the sanctions which allowed them limited purchases for half-a-year.