

EAEU, Iran to Enhance Trade Ties Via FTA Activation



TEHRAN (Dispatches) – Iran's Deputy Foreign Minister for Economic Diplomacy Rasoul Mohajer has said that the trade exchanges between Iran and the Eurasian Economic Union (EAEU) will grow and added that Tehran will start negotiations with the EAEU to implement the free trade agreement (FTA).

He said despite pandemic talks

with the EAEU for the implementation of the free agreement will begin soon.

Mohajer said in the past year, Iran's trade volume with Russia was standing at \$350 million, about 90% of which was agricultural trade."

Noting that Iran shares many trade advantages with Eurasian countries in many areas, Mohajer added "The

growth of trade between Iran and the Eurasian Union countries is due to the preferential tariff agreement that was implemented from November 2019 to November 2020."

"Although economic growth in many countries has been stagnant over the past year due to the coronavirus pandemic, our trade relations with Eurasian countries have grown," the Iranian official said.

He announced the agreement of the leaders of the EAEU member states for a free trade agreement with the Islamic Republic of Iran and added that "Our negotiations with the member states of this union for the implementation of the free trade agreement will begin soon to discuss tariffs on goods."

Mohajer expressed hope that with the implementation of this free trade agreement, the economic cooperation between Iran and EAEU member states will increase.

Oil Prices Surge as OPEC, Allies Extend Production Cuts



NOE YORK (CNBC) - Oil prices jumped more than 2% on Friday, hitting their highest in nearly 14 months after OPEC and its allies agreed not to increase supply in April as they await a more substantial recovery in demand.

Brent crude futures were up \$1.75, or 2.6%, at \$68.49 a barrel by 1250 GMT and West Texas Intermediate (WTI) crude futures climbed \$1.49,

or 2.3%, to \$65.32 as both remained on track for weekly gains.

Both contracts surged more than 4% on Thursday after the Organization of the Petroleum Exporting Countries and allies, together known as OPEC+, extended oil output curbs into April, granting small exemptions to Russia and Kazakhstan.

"OPEC+ settled for a cautious

approach ... opting to increase production by just 150,000 barrels per day (bpd) in April while market participants looked for an increase of 1.5 million bpd," said UBS oil analyst Giovanni Staunovo.

Investors were surprised that Saudi Arabia had decided to maintain its voluntary cut of 1 million bpd through April even after the oil price rally of the past two months on the back of COVID-19 vaccination programs around the globe.

Analysts are reviewing their price forecasts to reflect the continued supply restraint by OPEC+ as well as U.S. shale producers, who are holding back spending to boost returns to investors.

Goldman Sachs raised its Brent crude price forecast by \$5 to \$75 a barrel in the second quarter and \$80 a barrel in the third quarter of this year. UBS raised its Brent forecast to \$75 a barrel and WTI to \$72 in the second half of 2021.

U.S. Debt on Track to Double by 2051, CBO Says

WASHINGTON (Fox News) -The federal debt is poised to double to 202% of gross domestic product over the next 30 years, according to the Congressional Budget Office, heightening the risk of a financial crisis in the U.S.

The nonpartisan office projected that federal debt will be 102% of GDP by the end of this year and will nearly double that by 2051. Such high debt levels could increase borrowing costs, slow economic output and increase the danger of a financial crisis, the CBO said.

The outlook does not take into account the additional spending that Congress is expected to approve this year, including President Biden's \$1.9 trillion coronavirus relief package that Democrats hope to enact in the coming weeks, as well as an expensive infrastructure bill.

Republican lawmakers unanimously oppose the latest stimulus measure, criticizing the size and scope of the legislation and pointing to the nation's ballooning deficit — which hit \$3.1 trillion in fiscal year 2020 — as a reason to avoid extraneous spending when they say the economy is already poised for



a strong recovery from the pandemic.

"The risk of a fiscal crisis appears to be low in the short run despite the higher deficits and debt stemming from the pandemic," the CBO said. "Nonetheless, the much higher debt over time would raise the risk of a fiscal crisis in the years ahead."

The federal budget deficit, the gap between what the U.S. spends and what it collects in taxes and other revenue, is expected to reach 10.3% of GDP this year, the second-highest level since 1945. The budget deficit could balloon to 13.3% of GDP in 2051 after dropping slightly in 2031 as the economy rebounds from the pandemic-induced recession.

Driving the deficit surge, the CBO said, is the increasing cost of serving the debt: Net spending on interest will triple relative to GDP in the two decades leading up to 202. Spending on programs like Social Security and Medicare is also expected to rise.

"High debt levels will slow income and wage growth, increase interest payments, place upward pressure on interest rates, reduce the fiscal space available to respond to a recession or other emergency, place an undue burden on future generations, and heighten the risk of a fiscal crisis," the Committee for a Responsible Federal Budget, a non-partisan group, said in a statement.

Iran-Made OSRV Vessel Launched in Persian Gulf

TEHRAN (Press TV) - Iran's ports authority has launched a major home-made Oil Spill Response Vessel (OSRV) to boost environment protection efforts in the Persian Gulf waters.

Iran's transportation minister Muhammad Eslami travelled to the southern port city of Bushehr on Thursday to inaugurate a series of port projects which included the launch of "Darya Pak 1".

Iran's Ports and Maritime Organization (PMO) has spent 21 million euros (\$25.27 million) to build Darya Pak, which literally translates as clean sea. The ship is 55.5 meters long, 13 meters wide and six meters tall. It has a draft of four meters and a storage capacity of 550 cubic meters for recovered oil.

A local PMO official in Bushehr said that the ship has been designed to improve oil spill management capacity in regions located to the westernmost of the Persian Gulf where a bulk of Iran's crude production and ex-



port facilities are located.

The PMO was involved in a clean-up operation for a major oil leak in the Persian Gulf in late 2019.

Darya Pak is the first OSRV fully designed and delivered by Iranian shipbuilders, said a report on PMO's website, which added that the vessel is equipped with some of the most advanced devices and gadgets to improve PMO's response to sporadic oil spills that

occur in southern Iranian waters.

The vessel is equipped with a 350-meter drum oil skimmer, a dispersant system, a powerful pump and an electronically controlled diesel engine that allows it to sail with a speed of 16 knots.

Iran has increasingly relied on its home-grown shipbuilding sector to modernize its maritime fleet since the country came under a series of US sanctions in 2018.

CBI Imposes Indefinite Ban on Cryptocurrency Platforms

TEHRAN (Dispatches) - Iran's state-run regulator for online payment platforms has imposed an indefinite ban on websites that offer cryptocurrency trading services.

Shaparak, a Central Bank of Iran (CBI) agency, said that all payment processing applications and websites in the country should immediately ban transactions involving selling and buying of cryptocurrencies, including bitcoin.

The decree came a day after Iran's National Virtual Space Center announced that cryptocurrency trading platforms had no legal permission to operate in the country.

It also came after the CBI reiterated that cryptocurrencies mined

through legal channels inside Iran could only be used to fund imports into the country. The CBI said that no form of trading for those currencies is allowed under current regulations and laws.

Reports last month suggested that around 20 websites had been offering cryptocurrency trading service in Iran amid an international surge in the prices of major digital currencies like bitcoin.

Daily trading volume for various cryptocurrencies had amounted to \$200 million for the 24 hours to February 21. It said the largest cryptocurrency trading platform in Iran had 600,000 registered users.

Digital currencies have been the subject of heated debate in Iran over the past months, especially because of their impact on the country's electricity supplies.

Iran has authorized several cryptocurrency mining companies to use electricity at a premium price that is used to charge foreign customers.

That comes amid an ongoing crackdown on miners who use the heavily subsidized electricity in certain locations to run their ASIC machines.

Bitcoin soared to record highs of \$58,000 early in February before its value dropped to below \$50,000 later that month.

Lufthansa Posts Record \$8.10 Billion Annual Loss

BERLIN (Reuters) - Lufthansa may permanently ground more jets to emerge leaner from the coronavirus pandemic, the German airline group said, as it reported a record 6.7 billion euro (\$8.10 billion) loss for 2020.

The group, which also owns Austrian Airlines, Swiss and Eurowings, trimmed its 2021 capacity plans as COVID-19 disruption drags on, but held out hope for a summer upturn.

"We are examining whether all aircraft older than 25 years will remain on the ground permanently," Chief Executive Carsten Spohr said, pledging to make 2021 "a year of redimensioning and modernization" for the company.

He also confirmed the expected retirement of Lufthansa's eight remaining Airbus A380 superjumbos - a younger but fuel-thirsty model that is harder to fill in a downturn.

Lufthansa reported a 1.14 billion-euro (\$1.38 billion) fourth-quarter net loss with a 1.29 billion deficit in adjusted earnings before interest and tax (EBIT). Revenue fell 71% to 2.59 billion euros.

Its shares were down 2.3% at 12.49 euros as of 1230 GMT in Frankfurt, after gaining nearly 15% since the start of the year on recovery hopes.



Planes of German air carrier Lufthansa are seen at the airport in Frankfurt, Germany, February 12, 2019.

Bernstein analyst Daniel Roeska said that despite "tangible progress" on cost-cutting at its airline subsidiaries, "Lufthansa mainline is still stuck at step one" with short-term crisis union agreements. "More needs to happen - and faster," Roeska said.

Lufthansa cut its global workforce by 20% to 110,000 in 2020 and is seeking to eliminate another 10,000 German jobs or equivalent wage costs.

The group, which received a government-backed 9 billion euro bailout last June, said it will operate at 40-50% of pre-crisis capacity this year, lowering its earlier 40-60%

ambition. Summer travel will nonetheless pick up swiftly whenever restrictions are eased, Spohr said, and Lufthansa stands ready to restore 70% of its schedule "in the short term".

The group's full-year net loss of 6.73 billion euros was on 13.59 billion euros in revenue, down 63%. The company predicted a narrower 2021 EBIT loss than last year's 5.45 billion euros.

Analysts had expected losses of 6.63 billion euros for 2020 and 1.24 billion euros for the last three months, according to Lufthansa's consensus polling.