Iran, Iraq Set to Enhance Trade Ties

TEHRAN (Dispatches) - **Iranian Ambassador to Iraq Iraj Masjedi and Baghdad's new Finance Minister Ali Abdul Ameer Allawi in a meeting on Monday discussed various ways to bolster economic and trade relations between the two countries.**

During the meeting with the Iraqi minister, Iraninan envoy congratulated on the Iraqi minister's appointment to the post and handed over to him and an invitation from Iranian Minister of Economic Affairs and Finance Farhad Dejpasand and to pay a visit to Iran.

Allawi, meantime, thanked his Iranian counterpart for the invitation and expressed the hope that he would pay a visit to the Islamic Republic of Iran in the near future at the head of a trade and economic delegation.

Economic relations between Iran and Iraq have expanded and the volume of trade has increased in recent years.

In late May, Masjedi in a meeting with Iraqi Minister of Transportation Nasser Hussein Al-Shibli had expressed his country's readiness to exchange experiences in transportation field with Iraq.

Masjedi expressed hope for promotion of mutual cooperation in the transportation field.

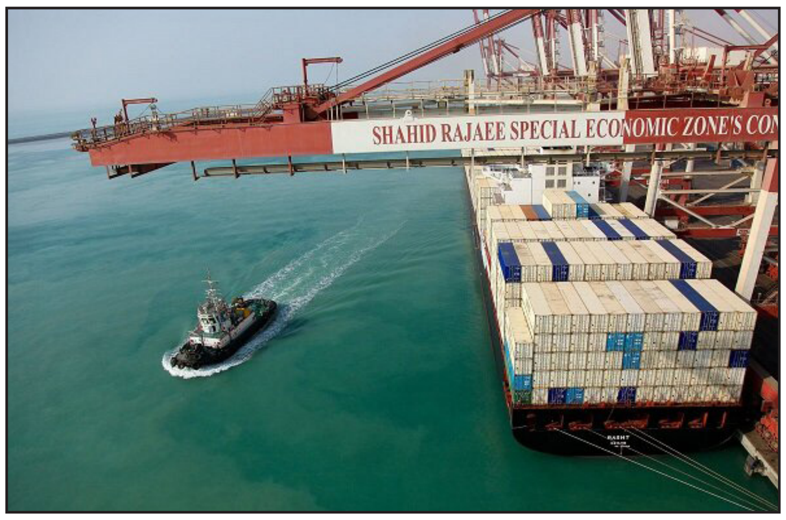
Referring to Iran's successes in transportation, he said the country is ready to present its experience to its friendly neighbor, Iraq.

Al-Shibli, for his part, welcomed Iranian envoy's suggestion.

He vowed to do his best for enhancement of transportation relations with Iran and to pursue joint projects.

Shahid Rajaee Port Exports Over 2mn Tons of Non-Oil Goods in Two Months

TEHRAN (Dispatches) – **The Director of Shahid Rajaee Port Special Economic Zone Allah-Morad Afifipour said on Monday that more than two million tons of non-oil products and commodities were exported from Iran's largest port, Shahid Rajaee, in the first two months of the current year [from March 21 to May 20].**



Afifipour said, "A number of 583 vessels entered into this port in 60 days."

In this period, 540,000 tons of goods was transshipped at the port and added, "1.7 million tons of various types of oil products were exported from Shahid Rajaee Port, showing a 32 percent growth as compared to the same period of last year."

Elsewhere in his remarks, he pointed to the 2-month performance of Shahid Rajaee Port Special Economic Zone and added, "In this period, 8,639,920 tons of volume of oil and non-oil products was transported at the port."

He put the total volume of non-oil products loaded and unloaded at the port in the same period at 4,180,592 tons.

In addition, 4,459,328 tons of various types of oil products was loaded and unloaded at the port in the first two months of the current year [from March 21 to May 20], showing a 10.9 percent hike as compared to the last year's corresponding period.

Afifipour put the export volume of these goods at the largest trade port of the country at 2,247,238 tons.

Official Urges Smart Development in Petrochemical Industry

The CEO of the National Petrochemical Company (NPC) Behzad Mohammadi

TEHRAN (Shana) – **The CEO of the National Petrochemical Company (NPC) Behzad Mohammadi says smart development of petrochemical industry is the only way to survive in the current global market.**

Mohammadi said that the only way to stay in the global market is to smarten the development of the petrochemical industry, adding, "We have to cast a global approach to the industry and implementing prolonged projects need to be put aside."

The annual production of the petrochemical industry has been almost the same as in the preceding year in Iran, as no new plans were added to the country's petrochemical complexes last calendar year which ended on March 19; Out of about 31 million tons of final products in the year, 23 million tons were exported and 8 million tons were sold on the domestic market, of which 2 million tons were urea and about 6 million tons were supplied to the country's stock exchange and industries, Mohammadi said in an exclusive interview with Shana.

"Given that the price of petrochemical products fell by an average of 30 percent last year, the total revenue of the petrochemical industry was $14.5 billion, of which $9.5 billion came from exports and $5 billion from the domestic market."

The industry's biggest challenge with the tightening of sanctions was the increase in export costs, especially in the transportation sector, he added.

Gold Gains as Weaker Dollar, U.S. Riots Lift Demand

NEW YORK (Reuters) - **Gold prices rose on Monday as the dollar weakened and jitters over riots in U.S. cities, as well as rising tensions between Washington and Beijing, boosted demand for the safe-haven metal.**

Spot gold was up 0.5% to $1,735.47 per ounce at 0946 GMT, having surged 1% earlier. U.S. gold futures eased 0.2% to $1,748.40.

"Higher tensions between China and U.S. is bringing safe-haven buying. Tensions within the U.S. are not helping the cause, while the dollar is pretty much on its lows," said Afshin Nabavi, senior vice president at precious metals trader MKS SA.

The dollar fell to its lowest since mid-March, making gold less expensive for holders of other currencies.

China's state media and the Hong Kong government lashed out on Sunday at U.S. President Donald Trump's pledge to end Hong Kong's special status if Beijing imposes new national security laws on the city.

Meanwhile, looting broke out on Sunday in southern California, a tanker truck drove into marchers in Minneapolis and demonstrators clashed with police in Boston and Washington, D.C. as the United States struggled to contain protests over race and policing.

Gold is seen as a safe-haven asset during times of political and economic uncertainty.

Saudi Reserves Plunge, as Kingdom Struggles With Oil-Market Rout

MOSCOW (Dispatches) - Saudi Arabia's foreign reserves fell sharply in April, after it transferred 150 billion riyals ($40 billion) to the sovereign-wealth fund to provide investment opportunities amid the pandemic-triggered financial fallout.

According to the country's central bank, known as the Saudi Arabian Monetary Authority, total foreign reserve assets shrank by $24.7 billion in April to about $448.6 billion. The decline followed a $27 billion plunge in March, which has become the largest single-month drop for two decades.

Saudi Finance Minister Mohammed al-Jadaan has explained that the $40 billion transfer was a one-off transaction to seize investment opportunity. "This procedure was taken after comprehensive study and taking into consideration the sufficient level for foreign-currency reserves," the minister said.

In the first quarter of 2020, the Public Investment Fund (Saudi Arabia's sovereign wealth fund) has invested billions of dollars in companies such as BP, Boeing, Citigroup, Facebook, and cruise operator Carnival.

The kingdom has also turned to austerity measures and tripled value-added tax in an attempt to cope with the impact of the Covid-19 pandemic and the oil-price rout.

According to the International Monetary Fund, Saudi Arabia's fiscal deficit this year is set to widen to nearly 13 percent of gross domestic product. The IMF projects gross official reserves will drop to around $456 billion in 2020, with the downward trend set to continue into 2021. At the end of April, the central bank's net foreign assets stood at almost 1.7 trillion riyals ($453 billion).

China Halts Some U.S. Farm Imports

LONDON (Bloomberg) - Chinese government officials told major state-run agricultural companies to pause purchases of some American farm goods including soybeans as Beijing evaluates the ongoing escalation of tensions with the U.S. over Hong Kong, according to people familiar with the situation.

State-owned traders Cofco and Sinograin were ordered to suspend purchases, according to one of the people, who asked not to be identified discussing a private matter. Chinese buyers have also canceled an unspecified number of U.S. meat orders, one of the people said. Private companies haven't been told to halt imports, according to one of the people.

The halt is the latest sign that the hard won phase-one trade deal between the world's two biggest economies is in jeopardy. While Chinese Premier Li Keqiang last month reiterated a pledge to implement the agreement that was inked in January, tensions have continued to escalate since then amid a standoff over Beijing's move to tighten its grip on Hong Kong.

Beijing's move eroded the risk-on sentiment that had been prevailing over markets. S&P 500 Index futures gave up gains to trade 0.6% lower, while U.S. 10-year bonds erased declines. The onshore yuan reversed its advance, while soybean futures in Chicago, which had been as much as 1% higher, were little changed.