

President Rouhani:

# Iran's Oil, Gas Projects Under Way Despite Sanctions



Iran's Petropars Company has officially started operations to install the jacket of South Pars Phase 11 platform in the Persian Gulf.

"The foreign companies were in this phase for construction of a pressure boosting platform, which we intended to achieve more easily with the participation of large French and Chinese companies," Rouhani added.

The president stressed the need to maintain gas pressure in the South Pars joint field, and said: "Increasing pressure is one of the important projects that we must pursue."

Meanwhile, Iran's Petroleum Minister Bijan Namdar Zangeneh in comments through video conference said the country's extraction of natural gas from the South Pars gas field has outstripped Qatar's daily output from the joint field.

Zangeneh said Iran is going to extract 800 million cubic meters of gas from 27 conventional phases of the South Pars gas field.

Part of that output will be used

in the petrochemical industries, a section will be exported in the form of liquefied gas, and the rest will be consumed inside the country, the minister added.

He also said that the country's gas extraction from the South Pars stands at 700 million cubic meters at present, unveiling plans to raise the output to 750 mcm per day by the end of the current Iranian calendar year (March 2021).

South Pars, whose development has been divided into 28 phases, is located in the Persian Gulf straddling the maritime border between Iran and Qatar.

It covers an area of 9,700 square kilometers, of which 3,700 square kilometers belongs to Iran.

It is estimated that the Iranian section of the field contains 14 trillion cubic meters of gas and 18 billion barrels of condensates in place.

## Iran, Georgia Set to Resume Trade, Transit

TBILISI, Georgia (Dispatches) - Iran's Deputy Minister of Roads and Urban Development, Abdul-Hashem Hassannia, and Georgia's Deputy Minister of Economy Economy discussed the latest situation of transit and transportation of goods and passengers between the two countries and explored way to enhance mutual cooperation in a virtual meeting.

At the virtual meeting, which was also attended by Iran's ambassador to Tbilisi Seyyed Javad Ghavam Shahidi, the two sides presented a report on the latest measures taken to comply with health protocols at their borders with neighboring countries after the outbreak of the coronavirus and stressed the need to resume trade between the two countries by creating "green corridors".

Explaining the measures taken at Iran's borders with neighboring countries and the effective implementation of health care and services for reopening borders, Hassannia called for facilitating the entry of Iran's transit fleet into Georgia in compliance with health regulations.

The Iranian ambassador to Geor-



gia also stressed the importance of launching a "green corridor" for the two countries' trade and transit fleets as soon as possible and called on the two sides to work together to solve the problems of transporting goods, services, and passengers.

Emphasizing the importance of Iran's status for Georgia in trade and tourism, Deputy Minister of Economy and Sustainable Development of Georgia, Akaki Saghirashvili also referred to recent decisions made by the Corona Virus Coordination Headquarters to gradually reduce restrictions and said that the decision to lift restrictions on tourism and transit would be made in coordination with the country's ministry of health.

## U.S. Workers Seeking Jobless Aid Near 40mn

NEW YORK (Dispatches) - A further 2.4 million Americans sought unemployment benefits last week, despite hopes that easing lockdown restrictions would help restart the U.S. economy.

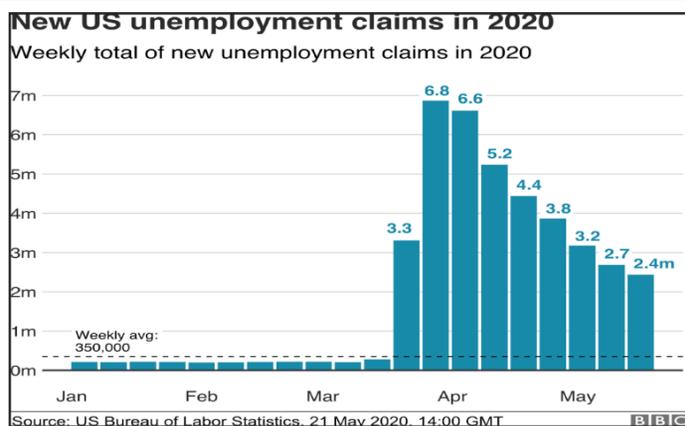
The new filings brought the total since mid-March to roughly 38.6 million - almost a quarter of the workforce.

The weekly figures have declined since peaking at almost 6.9 million at the end of March but remain high.

The number of people remaining on benefits also continues to grow.

Treasury Secretary Steven Mnuchin warned this week that the U.S. risked "permanent damage" if the lockdowns continued.

All 50 states in the U.S. have started to reopen but it is not clear



whether simply easing restrictions will prompt activity to rebound.

In the week ending 16 May, about 2.2 million people sought unemployment benefits under the government's pandemic relief program, which expanded eligibility to people such as gig economy workers.

Their numbers, which are re-

ported separately from the regular figures, are likely to grow as more states implement the program.

"This is so tragic it is almost unfathomable," Diane Swonk, chief economist at Grant Thornton, wrote on Twitter.

Employers in the U.S. cut more than 20 million jobs last month, sending the official unemploy-

ment rate to 14.7%, a sharp rise from 50-year lows of about 3.5% seen as recently as February.

Economists have warned that the rate is likely to worsen and remain elevated for several years.

While many of the unemployed said they believed their layoffs were temporary, a recent study estimated that more than 40% of recent pandemic job cuts are likely to be permanent.

Companies such as Uber are among the firms that have announced significant job cuts in recent weeks, as they prepare for a prolonged slowdown.

Retailers have also unveiled scores of permanent shop closures, with Victoria's Secret this week saying it would close some 250 locations in North America, with more expected.

## China Scraps Annual Economic Growth Target for First Time

BEIJING (Dispatches) - China will not set an economic growth goal for this year as it deals with the fallout from the coronavirus pandemic.

It is the first time Beijing has not had a gross domestic product (GDP) target since 1990 when records began.

The announcement was made by Premier Li Keqiang at the start of the country's annual parliament meeting.

The world's second largest economy shrank by 6.8% in the first quarter from a year ago as lockdowns paralyzed businesses.

"This is because our country will face some factors that are difficult to predict in its development due to the great uncertainty regarding the Covid-19 pandemic and the world economic and



trade environment," Premier Li said.

The country's leadership has promised to boost economic support measures amid growing concerns that rising unemployment could threaten social stability.

The move comes as tensions between Beijing and Washing-

ton are becoming increasingly strained over the coronavirus pandemic, trade and Hong Kong.

On Thursday, President Donald Trump stepped up his attacks on China, suggesting that the country's leader, Xi Jinping, is behind a "disinformation and propaganda attack on the United States and Europe."

Meanwhile, The Chinese government has unveiled a fiscal stimulus package of nearly 3.6 trillion yuan (\$506 billion), as Beijing tries to offset the economic shock caused by the coronavirus pandemic and prepare for an "unpredictable" path ahead.

Premier Li Keqiang announced details of the plan in his work report at the National People's Congress on Friday, including an increase of the budget fiscal deficit to a record high of 3.6 per cent of gross domestic product (GDP), up from 2.8 per cent last year.

It is the first time the ratio has exceeded 3 per cent - a red line for decades - and will add an extra 1 trillion yuan to the budget to bolster the economy after it was slashed by the pandemic.

## Renault Could 'Disappear' Without Aid, Lufthansa Aid Talks Stall



A worker in protective gear earlier this month after production restarted at Renault's factory in Flins, France.

PARIS, BERLIN (Dispatches) - French Finance Minister Bruno Le Maire said that Renault could go out of business if it does not get help very soon to cope with the fallout from the coronavirus crisis, while adding that the automaker also needed to adapt to the situation.

In an interview on Europe 1 radio on Friday, Le Maire also said that Renault's plant in Flins outside of Paris must not close and that automaker should try to keep as many jobs as possible in France, but should also remain competitive.

"Yes, Renault could disappear," Le Maire. Renault is due to present details of a cost-cutting plan to save 2 billion euros (\$2.2 billion) in expenses in the next two years. First-quarter revenue fell 19 percent to 10.1 billion euros, with sales in Europe falling 36 percent as the effects of coronavirus lockdowns started to be felt.

Le Maire added that Renault Group Chairman Jean-Dominique Senard was working hard on the new strategy plan, and that Senard had the support of the French government.

Meanwhile, talks over a 9-billion euro government bailout for German flagship carrier Lufthansa have stalled over a row on how to deal with the airline's ordered Airbus jets, German business daily Handelsblatt reported on Friday.

The German government is demanding Lufthansa accept all orders with Airbus, making the airline's recovery practically impossible, Handelsblatt cited sources as saying.

The ailing carrier would have to pay more than 5 billion euros (\$5.5 billion) in the coming three to four years for the planes, the paper said, adding that a Lufthansa supervisory board meeting had been postponed to Monday.

## Oil Prices Tumble Alongside Global Equities

NEW YORK (Market Watch) - Oil prices were set to break the longest winning streak since February on Friday over worries about China growth and fresh friction between Beijing and Hong Kong.

July West Texas Intermediate oil CLN20, -5.63% CL.1, -5.63% dropped \$2.46, or 7.3%, to \$31.47 a barrel. On Thursday, the contract rose 1.3% to settle at \$33.91, which was the highest since March 10, based on the front-month contracts, according to Dow Jones Market Data. It also marked the sixth straight positive session for oil.

Global benchmark Brent crude for July delivery BRN.1, -4.68% BRNN20, -4.68% dropped \$1.98, or nearly 5.4%, to \$34.10 a barrel. The contract rose 0.9% to settle at \$36.06 a barrel on Thursday, the highest settle-

ment since March 10.

Losses for oil came as global equities and U.S. stock futures fell. Dow futures YM00, -0.22% dropped nearly 200 points to 24,179 on Friday, after a losing day on Wall Street, driven by concerns about trade tensions between Washington and Beijing. Investors may also be wary of holding onto perceived riskier assets such as stocks and oil ahead of the long holiday weekend in the U.S. and U.K.

Investors were also rattled by concerns of fresh unrest in Hong Kong after news the Chinese government is considering a sweeping national security law that could rein in the territory's autonomy. Last year saw increasingly violent protests in the financial hub, though the coronavirus outbreak slowed some of that activity.