

IMF: Iran to See Fastest Regional Growth of 3.4% in 2021



TEHRAN (Press TV) - The International Monetary Fund (IMF) says the double whammy of lower oil prices and reduced demand amid the coronavirus pandemic will cause the sharpest economic contractions this year among the major oil producers in the Middle East and Central Asia.

In its regional outlook, the IMF said real GDP for oil exporters including Iran and Persian Gulf Cooperation Council (GCC) members will shrink about 6 percent to 6.6 percent this year.

"Oil exporters will show a \$224-billion shortfall in oil revenue this year because of COVID-19," S&P Global Platts quoted director of the IMF's Middle East/Central Asia Department Jihad Azour as saying.

Next year, however, Iran and other oil exporters will see the fastest growth in the region of 3.4 percent compared with 2.3 percent for the

GCC, he added.

GCC includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. Other oil exporters of the region are Algeria, Iran, Iraq, Libya and Yemen.

According to Azour, GDP for the oil sector alone in the region will fall 7.7% in 2020. Saudi Arabia's economy will contract 5.4 percent this year.

The IMF also predicted that oil futures are likely to move higher after OPEC and Russia decided to stabilize the oil market with their historic output cuts starting in May.

"Oil futures curves indicate that prices are expected to increase toward \$48 per barrel in the medium term (from \$41 in 2020), remaining some 25% below the 2019 average," Azour said.

Iran's oil industry is at the forefront of an economic war with the United States which has pledged to

bring Tehran's crude exports down to zero. The Islamic Republic exported around one million bpd until May 2019, when the United States tightened its sanctions, banning all oil exports from Iran.

In July, the Organization of Petroleum Exporting Countries (OPEC) said Iran's revenue from total crude oil exports and oil products in 2019 was just over \$19 billion, less than a third of the previous year.

On the upside, the sanctions have helped Iran experiment life with little dependence on oil and diversify its sources of income.

Head of Iran's Plan and Budget Organization Mohammad Baqer Nobakht has said the fiscal budget for the Iranian year of 1399 which began on March 21 is the least dependent on oil.

The IMF has projected a 3.4% real GDP growth for the Islamic Republic of Iran in 2021.

Steel Output to Hit 55mn Tonnes by 2021



TEHRAN (Dispatches) - Deputy Minister of Industry, Mine and Trade Saeed Zarandi has said that Iran is planning to produce 55 million tonnes of crude steel by 2021.

"Given the domestic demand in

this sector, the export of 14 million tonnes of steel has been predicted in this period," Zarandi said.

"The Ministry has drawn up a comprehensive program to produce 55 million tonnes of crude

steel in 2021 Outlook Plan in cooperation with steel manufacturers of the country," he added.

"Regarding the shortage of iron ore, explorations of new mines are underway," the official went on to say.

In late September, former caretaker of Iran's Ministry of Industry, Mine and Trade Jafar Sarqini announced 8% growth in the country's production of steel in the first five months of the current Iranian year (March 20 to August 21).

"We have had a 6.3% growth in production of petrochemicals, 42.5% in home appliances, 50% in aluminum, 8% in steel, 15% in cement and 18.5 in vehicles in the first five months of the current year," Sarqini said on September 26.

'Pakistani Traders Able to Invest in Chabahar'

TEHRAN (FNA) - Deputy Governor of Sistan and Baluchestan province Mandana Zangeneh said on Wednesday that Iran is ready to accept Pakistani merchants and companies for investment in Chabahar Special Economic Zone, Mirjaveh and the new Rimdan border crossing.

Zangeneh made the remarks at a two-day meeting of the Pakistan-Iran Joint Border Trade Committee in Quetta, Pakistan.

"Chabahar, Mirjaveh and Rimdan of Iran are open to Pakistani investors," she said.

The official emphasized on launching of new border crossings between the two neighboring countries, especially "Rimdan-Gabd" gate next month.

"There are productive potentials between the two countries, especially Iran's Sistan and Baluchestan province and Pakistan's Balochistan province and we must seize these opportunities, especially in the areas of transport, trade and tourism," she noted.

Zangeneh, announcing her country's readiness to participate in formation of border markets in Pakistan, said, "Iran can share its experience in building and operating new border markets."

The head of the Pakistani delegation, Abdul Waheed Marwat, said for his part that Iran and Pakistan have more than 900 kilometers of common border, which is called the border of peace and friendship.

"We seek to improve the lives of the border residents of the two countries, help develop employment and find mechanisms to strengthen bilateral trade," Marwat added.

He stressed that the holding of the latest meeting of the Joint Committee on Border Trade shows Pakistan's inclination and commitment to develop cooperation with Iran.

The Pakistani official agreed to allow Iranian trucks to enter Quetta and continue on to other parts of Pakistan after obtaining permission from the federal government, and to form a committee between the Zahedan and Quetta chambers to resolve financial and legal disputes.

Parliament Discusses New Trade Policies

Speaker:

TEHRAN (Dispatches) - Iranian Parliament speaker Mohammad Baqer Qalibaf said that new decisions have been made on goods swap, foreign exchange supply and imports and exports procedure.

"At the Wednesday session, attended by the Industry Minister Alireza Razm Hosseini, we discussed economic issues including the priorities of the ministry, setting the goods prices, goods supply and distribution, and issues related to steel companies," Qalibaf said, adding, "New decisions about the swap of goods, reforming exports and imports and supply of foreign exchange currencies were made," he added.

The speaker expressed hope



that the decisions will stabilize the domestic stock market and reduce the forex rates.

After a long period of soaring,

the foreign exchange rates and gold prices declined on Tuesday, after the Central Bank of Iran (CBI) intervened.

Official: Iran Exports Over \$30 Billion Worth of Goods in 6 Months



BOJNOURD (Dispatches) - Director General of Provincial Affairs of the Ministry of Industry, Mines and Trade Iraj Hassanpour has said that over 30 billion dollars worth of goods,

including gasoline and methanol as major export items, were exported from Iran over the first six months of the current Iranian year (March 20, 2020-September 21, 2020).

Hassanpour added over 74 percent of the items were exported to China, UAE, Iraq, Turkey and Afghanistan, he said, noting that the amount of exports from the country reached 36 billion dollars by October 13, 2020.

Referring to some of the adverse impacts of sanctions and economic problems, he said, "The enemy is trying to close all the economic breathing holes of the country with sanctions."

Hassanpour hailed surge in producing sanitary items in Iran, saying, "With the outbreak of coronavirus, we faced a shortage of hygienic items, but now the production of face masks has increased from 200,000 a day to 14 million."

Persian Gulf Star Refinery Leading Exporter of Oil Products

TEHRAN (Shana) -- The CEO of Persian Gulf Star Oil Company Mohammad Ali Dadvar said on Wednesday that his company is the leading exporter of petroleum products in Iran, announcing a 120-percent increase in the plant's exports in the first half of the current calendar year, which began on March 21.

Dadvar said: "The Persian Gulf Star Oil Company, as the main supplier of the country's fuel mix, plays a key role in the region's energy balance."

Dadvar said that the export achievements of his company had made the effects of the sanctions less visible, and add-



ed: "In the first six months of this year, the refinery managed to export more than 800,000 metric tons of light naphtha

products, medium naphtha, heavy cut and 402 solvent, which shows a growth of 120% year-on-year."

UK Job Losses 'Could Be Larger Than Forecast': BoE Official



LONDON (Dispatches) - UK unemployment could climb higher than current forecasts as the pandemic continues to hit jobs, a Bank of England policymaker has said. Gertjan Vlieghe, a member of the Bank's Monetary Policy Committee, warned the jobless rate could rise above the Bank's predicted peak of 7.5%.

In a speech, he said not all of the current two million furloughed workers would return to their jobs.

"The risks are skewed towards even larger job losses," he said.

"Even though the headline rate of unemployment has moved up only moderately so far, evaluating unemployment accurately during the pandemic is a phenomenal challenge," Vlieghe said.

At the height of the pandemic earlier this year more than 30% of the private sector workforce was on furlough, he pointed out.

"The fact that redundancies are rising sharply and the number of vacancies is only at around 60% of its level at the start of this year makes it difficult to see a scenario where all of the remaining furloughed workers are reintegrated seamlessly into the labor force," he said.

There is huge uncertainty about the scale of job losses, in both directions, he added, "but in my view, the risks are skewed towards even larger losses, implying even more slack in the economy than in our central projection."

He predicted the economy may need further financial stimulus, "given that virus prevalence has been increasing again recently" and "it appears that the downside risks to the economic outlook are starting to materialize".