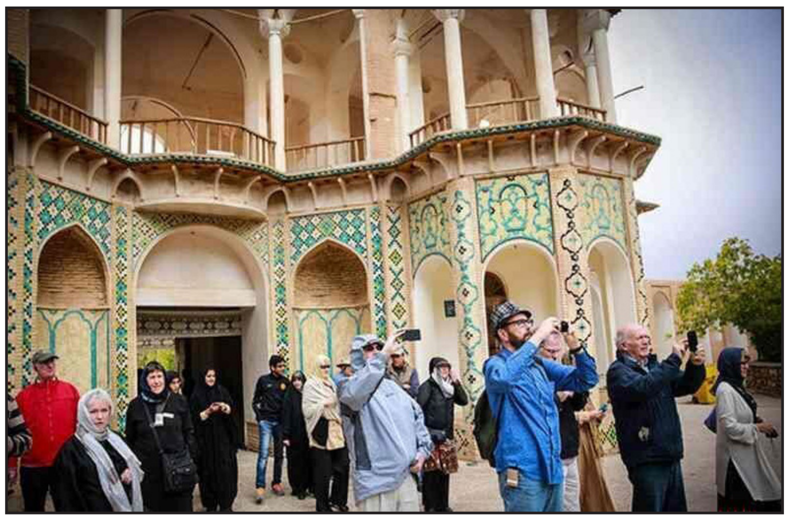
Iran Introduces Package to Support Coronavirus-Hit Tourism Industry



TEHRAN (IFP) - **The Iranian government has introduced a new package to support the tourism businesses affected by the COVID-19 crisis, which includes deferments and bank loans.**

The Ministry of Cultural Heritage, Tourism and Handicraft said in accordance with the instructions approved by the Economic Working Group to deal with the consequences of the coronavirus outbreak, new loans are to be paid to affected businesses in the tourism sector.

Deputy Minister, Vali Teimouri, announced on Monday that the working group decided to defer the payment of all expenses and debts of tourism activists (taxes of previous years, employer's insurance shares, repayment of bank installments, utility bills) until the end of the current Iranian year (to end in mid-March 2021).

All tourism industry activists can benefit from at least IRR 160 million to IRR 9 billion worth of bank loans with a breathing space of about six months.

"Based on this, hotels, hotel-apartments, guesthouses and traditional accommodation centers and eco-tourism centers will receive bank loans of up to IRR 9 billion, travel agencies get between IRR 1.5 and 3 billion and tourist guides receive IRR 200 million," noted Teimouri.

Tourism complexes, tourism training institutes, transportation companies, motels, tourism service evaluation companies and evaluators will also benefit from this package.

U.S. Exempts India's Work in Iran's Chabahar From Bans: Report

TEHRAN (Press TV) - **An Indian newspaper says the United States has offered fresh assurances to India that its involvement in the Iranian port of Chabahar would not be affected by Washington's sanctions on Iran.**

The Sunday Express said in a report that U.S. authorities had signaled India's exemptions from Iran sanctions in a diplomatic message conveyed to New Delhi earlier in October just after Washington imposed a series of new bans on Iran's financial sector.

The report said the message came as senior US officials prepare to hold days of high-profile meetings in New Delhi starting October 26.

It said that Washington's assurances on India's work in Chabahar falls within the framework of humanitarian exemptions given to entities and governments working on reconstruction and development of Afghanistan.

They are also linked to disputed assertions by U.S. authorities in the past claiming that the sale of food and medicine to Iran is exempt from the sanctions.

India has committed itself to major investment and development plans in Chabahar, a port on the Sea of Oman where Iran is seeking to set up a major hub of trade between the Indian Ocean and landlocked countries to its east and northeast.

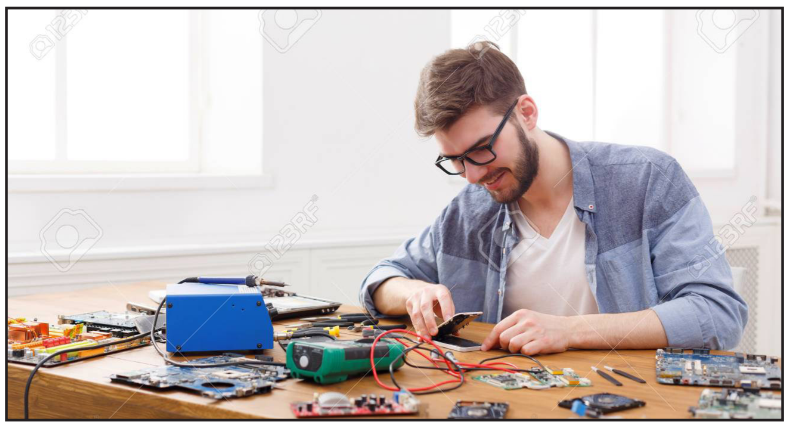
However, reports show that Iran has been generally unsatisfied with the degree of India's involvement in the port as New Delhi keeps blaming the US sanctions for a halt in various projects.

The report by The Sunday Express suggested that Indian companies have been further pushed back from work in Chabahar by a U.S. government announcement on October 9 which expanded the sanctions to cover 18 Iranian banks. The new bans require all-non American entities with interests in the U.S. to wind down their engagement with the Iranian financial sector within 45 days.

Iran has been pressing ahead with its massive infrastructure projects in Chabahar despite India's poor progress in the port.

Experts believe activities in Chabahar will boom significantly once a 700-kilometer railway connecting the port to areas near the Afghan border comes fully on line by March 2022.

Over Half of Europe's SMEs May Be Bankrupt – McKinsey Poll



MOSCOW (RT) - **More than 50 percent of small and medium-sized businesses (SMEs) operating in Europe's top-five economic powerhouses fear they will have to close in 12 months as they're struggling to stay afloat amid the coronavirus crisis.**

The pandemic has pushed down the revenues of more than 70 percent of European companies, according to the results of the McKinsey survey of over 2,200 SMEs in five European countries: France, Germany, Italy, Spain, and the UK.

Covid-19 has hit businesses hardest in Italy and Spain, where 30 and 33 percent of SMEs respectively reported that their revenues dropped "greatly." Additionally, nearly a half of those polled in the two countries, which saw one of the strictest lockdowns, said their revenues were "somewhat" down.

The poll was conducted in August, before Europe faced the second wave of infections and governments started to re-enforce some of the restrictions. Even then, the vast majority of companies described the economy as weak.

At the current trajectory, one in 10 SMEs (or 11 percent) is expected to file for bankruptcy within half a year. The level may be nearly twice as high among the largest French companies, employing between 50 and 249 people. Among industrial sectors, logistics has by far the highest number of expected bankruptcies, followed by agriculture, accommodation providers, and food services, as well as retail and wholesale.

If the poll reflects business sentiment across all the European SMEs, nearly a third of jobs may be at risk within a year, as they account for more than two-thirds of the entire workforce in the region. Europe's economic rebound could also be hampered by massive closures, with SMEs generating more than half of the economic value added, according to the poll.

The pandemic triggered historic contractions in both the EU and the euro area, with seasonally adjusted GDP falling by 11.4 percent and 11.8 percent respectively in the second quarter.

Iran 7-Month Petrochemical Output Rises 8%

TEHRAN (Shana) – **The Director of Production Control at NPC Jalal Mirhashemi has said that Iran's petrochemical output rose by 8 percent year-on-year in the first 7 months of the current calendar year, which began on March 21.**

Mirhashemi said petrochemical companies were operating at an acceptable capacity in the country despite the problems they are faced with.

The official said given the performance of the plants, the petrochemical sector was expected to realize the year's motto, i.e. production leap.

Mirhashemi emphasizing that Iran's petrochemical industry as one of the parent industries is one of the most important pillars of development and the driving force of various sectors of the economy, said: "National Petrochemical Company's approach to completing the production chain, diversifying output, feeding domestic industries as well as enhancing the value of the product portfolio of the petrochemical industry."

Mirhashemi stated: "Considering the existing capacities and ongoing measures, conditions and infrastructure have been provided to achieve a leap in production in the petrochemical industry."

Stocks Losses Accelerate as U.S., Europe Battle Virus Resurgence

NEW YORK (Dispatches) - **Stocks pointed sharply lower Monday as new data showed a jump in COVID-19 cases in both the U.S. and Europe. Restrictions tightened across major countries overseas, raising the specter of a further pullback in business operations and deeper anchor on global economic activity.**

Losses accelerated around 11 a.m. ET, with the Dow dropping more than 650 points, or 2%. The S&P 500 and Nasdaq each also retreated sharply.

Shares of companies set to benefit from a broader economic reopening including airlines like American Airlines, cruise lines including Norwegian Cruise Line Holdings and hotels like Wynn Resorts sank. Shares of AstraZeneca, on the other hand, outperformed after the Financial Times reported that its COVID-19 vaccine candidate developed with the University of Oxford produced a robust immune response in elderly individuals.

The U.S. posted back-to-back days of record-high new virus cases over the weekend, with new virus cases topping 80,000 for each of Friday and Saturday. States in the West and Midwest have been hardest hit by the latest jump in cases.

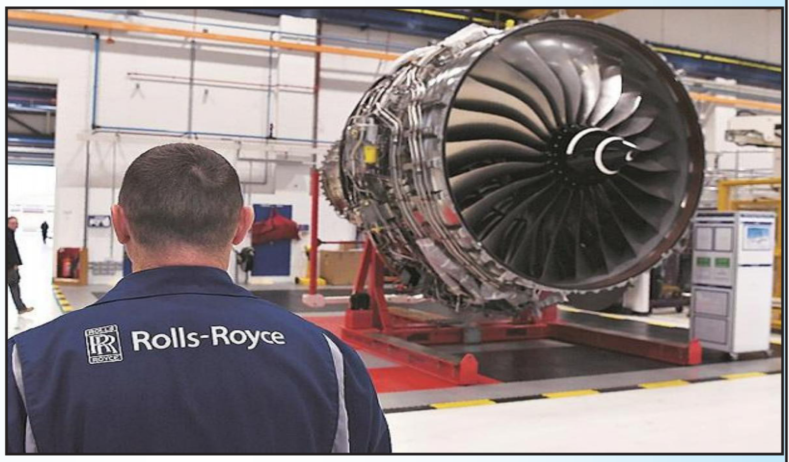
France endured its own record-high day for new coronavirus cases on Sunday, when the country reported more than 52,000 positive cases over a 24-hour period. Two-thirds of the country became subject to a previously announced 9 p.m. curfew starting Friday night. In Italy, which hit a record-high for new cases last week, new business restrictions came into effect Sunday. Spain declared a state of emergency over the weekend, which also included a country-wide curfew.

"Markets ultimately care about the economic impact of pandemic news," UBS economist Paul Donovan said in a note Monday morning. "Italy and Spain have followed France in adopting the 'Buffy the Vampire Slayer' approach (it is not safe to be out of doors after dark). This is obviously bad news for bars and restaurants, but more positive for supermarkets and home entertainment."

Elsewhere, shares of Boeing, Lockheed Martin and Raytheon Technologies came under pressure in early trading after China said it would impose sanctions on the defense units of both companies, following the U.S. approval of a $1.8 billion arms sale to Taiwan last week. China, which considers Taiwan to be part of its territory, has not yet specified the sanctions that will be put into place.

Rolls-Royce Seeks $2.6bn in Make-or-Break Share Issue

LONDON (Reuters) - **Aero-engine maker Rolls-Royce will ask shareholders on Tuesday for 2 billion pounds ($2.6 billion) in a make-or-break attempt to survive the COVID-19 pandemic, which has stopped planes flying and hammered its finances.**



At stake is the future of a company which has been at the heart of manufacturing in Britain for more than 100 years, making engines that powered World War Two bombers and still drive the country's fighter jets and nuclear submarines.

Investors are expected to back the rights issue, supporting CEO Warren East's plan to cut 9,000 jobs and close factories to adjust to a lower level of demand from airline customers that fly with Rolls engines on Boeing 787s and Airbus 350s.

Shareholder advisory groups Institutional Shareholder Services and Glass Lewis have both urged clients to back the fundraising.

"We find the terms of the proposed rights issue to be reasonable," Glass Lewis said in a note, while ISS said the rationale was "compelling".

Investors can buy 10 new shares for every three they own at 32 pence each, a 41% discount to the theoretical ex-rights price.

The company, which made a 5.4 billion pound loss in the first half of 2020, faces a cash crunch at the end of next year, when 3.2 billion pounds of debt needs to be repaid.

In a sign of Rolls's strategic importance, the UK government has guaranteed a 1 billion pound loan on top of the 2 billion pounds it backed in July through its UK Export Finance arm.

Rolls accounts for 2% of all UK goods exported and is one of the country's biggest spenders on research and development. It also buys from 2,300 smaller UK suppliers, and before the pandemic supported as many as 135,000 UK jobs.

But COVID-19 has shattered the company's finances because airlines only pay it when their planes fly, forcing it to seek a 5 billion pound debt and equity package to survive many more months of expected turmoil.

Rolls's market value has slumped from over 20 billion pounds in 2018 to 4.7 billion pounds, putting it broadly on a par with online clothing retailer ASOS ASOS.L.