

Iran to Import Shipbuilding Technology From South Korea: Official



TEHRAN (Tasnim) – The managing director of the Islamic Republic of Iran Shipping Lines (IRISL) said the Iran Shipbuilding and Offshore Industries Complex Company (ISOICO) has been introduced to import the technology of building giant ships from South Korea.

Speaking to reporters at a press conference in Tehran on Sunday, Mohammad Saeedi said one of the main plans of the IRISL is to revive contracts that had been suspended during the sanctions-era with the aim of renovating the IRISL's fleet and increasing the

country's competitiveness.

He added that before the sanctions, Iran signed a contract with South Korea's Hyundai Heavy Industries Co. (HHI) to build 17 giant ships for the IRISL and \$158 million was paid as a prepayment in 2008.

The contract was, however, suspended because of the sanctions in 2010, the official said.

He noted that the contract came into force again following a year of negotiations with the South Korean company.

Saeedi further pointed to the latest efforts to import the technology of building mega-size ships and said the ISOICO is planned to receive the technology from the HHI.

The IRISL signed a deal with the HHI to buy 10 ships from the world's largest shipbuilding company back in December 2016. It will be financed by South Korean banks.

Under the contract, valued at US\$650 million, Hyundai will build 14,500 TEU container ships and 50,000 DWT product tankers.

The contract has been part of the IRISL's plans to renovate its fleet through a total investment of \$2.5 billion.

The company operates about 115 oceangoing vessels, but many of the ships are old, have been deemed unsafe to travel and cannot be insured.

The agreement marks Iran's first deal with a foreign shipbuilder since the removal of the anti-Tehran sanctions.

The sanctions were lifted after Tehran and the Group 5+1 (Russia, China, the US, Britain, France, and Germany) on July 14, 2015, finalized a lasting nuclear deal and started implementing it on January 16, 2016.

Ankara Conference to Study Investment Opportunities in Iran

TEHRAN (Tasnim) – The Turkish capital of Ankara will soon play host to a conference on studying investment opportunities for Turkish investors in the Iranian market.

According to a report carried by Turkey's Anadolu Agency on Sunday, the conference, titled "A Study of Investment Opportunities in Iran", will be held on May 17 with Turkish businessmen and economic officials in attendance.

Iranian Ambassador to Turkey Mohammad Ebrahim Taherian will also attend the event, scheduled to be held at ATO Congressium in the capital.

Jointly organized by Turkey's Economy Ministry in cooperation with the country's Independent Industrialists and Businessmen's Association (MUSIAD) and Chamber of Commerce, the event is expected to focus on various subjects, including investment, trade, and bilateral cooperation between the

two neighboring countries.

Iran and Turkey have ramped up efforts to boost bilateral trade since the implementation of the Joint Comprehensive Plan of Action (JCPOA), a lasting nuclear deal between Iran and the Group 5+1 (Russia, China, the US, Britain, France and Germany).

In April last year, the two countries signed eight memorandums of understanding (MoUs) to strengthen bilateral cooperation in various areas.

RAI to Sign Deal for 6,000 Freight Wagons

TEHRAN (MNA) – Deputy head of Islamic Republic of Iran Railways Company (RAI) has said an agreement to purchase and build 6,000 freight wagons will be sealed in time with the 5th International Exhibition of Rail Transportation and Related Industries, Equipment.

Babak Ahmadi said as per the agreement, 4,900 freight wagons will be manufactured by three domestic companies with 100% foreign financing and added "The fund will be supplied through a 250-million-euro Russian investment."

He noted that a total of 1,100 wagons will be also imported to Iran after the manufacturing line of the three Iranian companies are launched.

The official pointed to holding of the

5th Iran RailExpo on May 15-18 in Tehran saying "The event marks the world's second largest rail exhibition during which 160 local and 130 foreign companies from 16 countries will showcase their latest achievements and products."

Foreign firms include from Sweden, Switzerland, Belgium, France, India, Ukraine, New Zealand, Turkey, Italy, Latvia, Spain, Russia, the Czech Republic, China, Germany and Serbia while railway authorities of Italy, China, Spain, France and Latvia will be present in specified pavilions.

Pointing to Iran's need of 8,000 freight wagons plus 4,000 passenger wagons in 2023 Iran Vision Plan, he said that the country also needed to buy 1,000 locomotives by then.

India's Politico-Economic Delegation Due in Tehran

TEHRAN (Dispatches) - A high-ranking Indian delegation is slated to pay an official visit to Iran in coming days.

India's politico-economic delegation will embark on a two-day official visit to Tehran on May 16.

The Indian delegation is to meet senior Iranian officials to exchange views on the expansion of political and economic cooperation between the two countries.

Last year, Iranian Foreign Minister Mohammad Javad Zarif visited India to attend conference named "Heart of Asia".

India is main buyer of Iran's oil and Indian companies play active role in Farzad oil field.

IME Weekly Trade Exceeds \$240mn



TEHRAN (Fars)- The Iran Mercantile Exchange (IME) has announced that around \$247mn of various commodities weighting over 404,997 tons were traded in its domestic trading and exports halls in the past working week

(May 06-11).

The IME said that over 229,567 tons of various oil and petrochemical products, including 87,243 tons of bitumen, 52,765 tons of polymer products, 34,300 tons of VB feed stock, 19,800

tons of lube cut-oil, 23,091 tons of chemical products, 11,400 tons of sulfur, 350 tons of insulation and 21 tons of base oil and slack wax oil with the total value of \$119mn were traded in its domestic and exports halls during the last week.

Moreover, 21,870 tons of various commodities, 9,500 of wheat, 11,125 tons of sugar, 900 tons of crude vegetable oil and 354 tons of maize with total worth of \$12mn were traded by the customers in the agricultural trading hall of IME in last week.

Also, 151,750 tons of metal and mineral products, including, 145,440 tons of steel products, 5,370 tons of copper, 760 tons of aluminum and 120 tons of molybdenum concentrate, 60 tons of zinc with the total value of \$115mn were traded in the IME domestic and exports halls in the last week.

Official: Iran, Afghanistan Double Trade Exchanges

TEHRAN (Dispatches) - Tehran and Kabul have doubled their trade volume in a three-year time, a senior Afghan official announced. "The level of trade exchanges between Iran and Afghanistan reached \$2 billion over the past year Iranian Calendar (starting at March 21, 2016)," Spokesman for

Afghan Ministry of Commerce and Industries Musafer Qoqandi said.

He reiterated that there has been a considerable boost in Tehran-Kabul economic relations over past three years, specially after the nuclear deal between Tehran and major world powers.

"This shows a twofold rise in the

volume of trade exchanges between the two neighboring nations," Qoqandi added.

He reiterated that Iran and Afghanistan have also expanded their relations in other areas in the past three years, and said, "Construction of Khaf-Herat railway project is an example."

South African, Uzbekistan Officials Call for Expanding Ties With Iran

TEHRAN (Dispatches) - South African Ambassador to Iran William Whitehead and Uzbek President Shavkat Mirziyoyev have called for broadening of their country relations in different fields with Tehran.

"The implementation of the Joint Comprehensive Plan of Action (JCPOA) will help Iran and South Africa to expand their mutual cooperation," Whitehead said on Sunday, addressing Joint Iran-

South Africa Meeting in Tehran.

The South African ambassador said that Iran is an important economic power in the Middle East and it has access to the Central Asian and Eurasia countries as well as Silk Road.

And also, Uzbek President Shavkat Mirziyoyev in a message to his Iranian counterpart Hassan Rouhani called for the further expansion of mutual cooperation between the two countries.

"Deep historical relations between Uzbekistan and Iran are strong backups for the expansion of bilateral ties," President Mirziyoyev wrote in his message on the occasion of 25th anniversary of the establishment of bilateral ties between Tashkent and Tehran.

The Uzbek president also wished health and success for the Iranian government and people.

U.S. Fails to Reassure Europe, Japan Over 'Trumponomics'

WASHINGTON (Reuters) - The United States has said the world's other rich economies were getting used to the policy plans of President Donald Trump, but Europe and Japan showed they remained worried about Washington's shift.

Officials from the Group of Seven nations met in southern Italy hoping to hear more about Trump's plans which they fear will revive protectionism and set back the global approach to issues such as banking reform and climate change.

U.S. Treasury Secretary Steven Mnuchin said the United States reserved the right to be protectionist if it thought trade was not free or fair.

"We do not want to be protectionist but

we reserve our right to be protectionist to the extent that we believe trade is not free and fair... Our approach is for more balanced trade, and people have heard that," Mnuchin told reporters at the end of the two-day meeting.

"And as I say, people are more comfortable today, now that they've had the opportunity to spend time with me and listen to the president and hear our economic message."

Other ministers from the G7 countries made it clear they did not share his view.

"All the six others ... said explicitly, and sometimes very directly, to the representatives of the U.S. administration that it is absolutely necessary to continue with the same spirit of international cooperation," French Finance Minister

Michel Sapin told reporters.

Bank of France Governor Francois Villeroy de Galhau said there was a "light breeze" of optimism within the G7 about the recovering global economy after years of sluggish growth following the financial crisis that began nearly a decade ago.

But he said the continued uncertainty about the direction of U.S. policy represented a risk, echoing comments made on Friday by Japanese Finance Minister Taro Aso.

European G7 officials complain that no-one knows what the United States understands by "fair trade" and that the only way to establish fairness was by sticking to the rules of the World Trade Organization - a multilateral framework.

OPEC's Staring Down a Double-Barrel Cut

NEW YORK (Bloomberg) - OPEC is going to have to do much more than simply extend its current production deal when it meets next week if it's serious about addressing surplus inventory. In fact, its own figures show it needs to double the cut it made in January. That means finding another 1.2 million barrels a day to take out of production.

In its latest forecast, published last week, the producer group trimmed its estimate of the need for OPEC crude this year by 300,000 barrels a day. At that level of production -- 31.92 million barrels a day -- inventories will remain static, assuming demand and non-OPEC supply forecasts are correct.

OPEC produced 31.74 million barrels a day in April, according to secondary-source estimates published by the group. Simply rolling that level forward for another six months will exhaust the excess at an average rate of 722,000 barrels a day in the second half and will see about 120 million barrels removed from inventories in the nine months begun at the end of

March. That may seem like a lot, but OPEC puts the excess at the end of the first quarter at 276 million barrels -- and that's just in the developed countries of the OECD.

Merely extending the cuts won't bring oil inventories anywhere close to their five-year average level by the end of December. And let's set aside the fact that the five-year average has been inflated by two years of surplus, which means stockpiles will have to come down significantly below that to return to normal levels.

Implementation of the agreement so far has been better than expected, but that does more to highlight the deal's weakness than anything else.

Ensuring compliance in the second half will probably prove much harder. Several key producers have achieved their targets by simply bringing forward maintenance at oil fields and refineries. Extending the cuts will require real sacrifices, like shuttering production and reducing exports.

