

# Iran's Oil Exports Return to Pre-Sanction Levels at 2.2mn bpd



TEHRAN - National Iranian Oil Company (NIOC) figures has showed that the country's overall exports of crude oil, petroleum products, gas, condensates, liquids and LPG have reached 2.23 million barrels of crude oil per day (bpd), which is the same figure as before the sanctions.

They totaled \$14.35 billion in the first quarter of the current Iranian year which ends on March 20, averaging \$154 million a day.

"Assuming crude at \$80 a barrel, this amount of revenue is equivalent to the export of 1.92 million barrels of oil a day," it added.

According to customs statistics, Iran's total income from exports of liquefied petroleum gas in the nine

months of 2022 also amounted to \$6.8 billion, up 86% against the same period the year before. This translates to 313,000 barrels of crude oil per day.

Iran's draft state budget is based on shipments of 1.4 million bpd, the Fars news agency reported last week. On Sunday, Reuters news agency said Iranian oil exports hit new highs in the last two months of 2022 and are making a strong start to 2023 despite U.S. sanctions.

Following Trump's removal of the United States from the nuclear deal and reimposition of sanctions, Iran's crude exports fell back to as little as 100,000 bpd at times in 2020 from over 2.5 million bpd in 2018.

Exports have risen during the term of President Ebrahim Raisi, and hit the highest since 2019 on some estimates. This comes despite headwinds such as a stall in those talks and competition from discounted Russian crude.

Energy consultant SVB International, cited by Reuters, said Iran's crude exports in December averaged 1.137 million barrels per day, up 42,000 bpd from November and the highest 2022 figure.

"January exports are so far strong like previous months," Sara Vakhshouri of SVB told the news agency.

Asked to comment on the rise, Adrienne Watson, a National Security Council spokesperson at the White House, said the Biden administration's enforcement of the sanctions was robust, and that "Iran's macroeconomic figures clearly bear this out."

Consultant Petro-Logistics, which tracks oil supply, said it was also seeing an upward trend in Iranian crude exports which, in its view, in December reached their highest level since March 2019.

Kpler, a data intelligence firm, put Iranian crude exports at 1.23 million bpd in November, the highest since August 2022 and almost on a par with April 2019's rate of 1.27 million bpd.

## 'Made in Iran' Exhibition Opens in Pakistan's Karachi

TEHRAN - Islamic Republic of Iran has opened an exhibition to showcase its domestic products in the Pakistani city of Karachi.

The Governor of Sindh Kamran Tesori, the head of Iran's Trade Promotion Organization (TPO) Alireza Peyman-Pak and the Consul General of Iran in Karachi Hassan Noorian in addition to some other Iranian and Pakistani business officials attended the opening ceremony of the "Made in Iran" exhibition.

The exhibition is held at the Karachi Expo Centre, in Karachi, the capital of Sindh province located in southern Pakistan, and will last three days.

After the recent action of the Islamic Republic of Iran in removing the ban on the list of goods related to the preferential trade agreement signed between the two countries, holding an Iranian exclusive exhibition is an effective step for increasing cooperation and coordination between the business people on both sides.



Mohammed Reza Brahoui, the manager of Iran's exclusive exhibition, said on the sidelines of the opening ceremony in an interview with an Iranian media outlet, that about 50 companies from different Iranian provinces operating in the fields of industrial and commercial services, including plastic and polymer materials, food industry, steel industry, copper, services, power plants, construction, turbines, textile machinery, and the

construction industry are taking part in the event.

The planning of this exhibition has been done through the efforts of Iran's TPO to increase the trade balance between Iran and Pakistan, Brahoui said, adding, "The officials of the two countries are looking for establishing a constructive trade relationship and negotiations will be held on conducting transactions using a barter mechanism."

## China's GDP Report Set to Show Damage From Covid Zero Exit

LONODN (Bloomberg) -- China's key economic data this week will likely show a marked weakening in growth at the end of last year after the Covid Zero policy was abruptly ended, although attention is quickly shifting to a strong rebound in 2023.

A surge in infections in December took a toll on the economy, with official data Tuesday likely to show a slump in activity to levels comparable to when Shanghai was locked down in the spring last year.

That means gross domestic product growth in the final quarter of 2022 likely slowed to 1.6%, according to the median estimate in a Bloomberg survey of economists — less than half the pace recorded in the third quarter. Full-year GDP probably grew



just 2.7% last year, according to the survey, well below the government's ambitious goal of "around 5.5%" and slightly above the 2.2% increase posted in 2020, when the pandemic first hit. Much of China's economy was

bruised by Covid control measures in 2022, from full-scale lockdowns in places like Shanghai to restrictions that made it difficult for locals to travel and factories to move their goods when infections spiked.

## Report: Manufacturing Activity Rises in Iran

TEHRAN - Islamic Consultative Assembly's Research Center has reported that the manufacturing activity in the country rose to a nine-month high in December last year.

The report showed that the manufacturing index of major companies registered in the Iranian stock market had risen by 12.9% in December last year compared to the same month in 2021.

Sales of major Iranian factories also rose by 15.7% year on year in December 2022, said the report.

The report put the month-on-month rise in December of the manufacturing and sales indices of the Iranian factories at 2.7% and 3.6%, respectively.

The figures showed that manufacturing index at Iranian automotive companies, including parts makers, had risen by 48.4% year on year in December last year, adding that vehicles and parts



sales in the country had also risen by 86.7% over the same period.

Iranian pharmaceutical companies saw their output increase by 25.6% in December last year compared to the same month in 2021, the highest in two years, said the report, adding that December output figure reported in the sector was an increase of 7% from November.

Production and sales of industrial machinery and equipment in

Iran rose by 35.5% and 95%, year on year in December, respectively, said the report.

Iran has reported increased activity in its manufacturing sector since the country came under American sanctions in 2018.

The growth has helped the Iranian government better cope with the impacts of U.S. sanctions on its oil exports while enabling it to boost jobs for the country's youth population.

## Italian Energy Company Says New Gas Discovered Off Egypt

ROME (Reuters) -- Italian energy giant Eni has announced a significant gas discovery offshore of Egypt in the eastern Mediterranean.

Eni said the discovery at the Nargis-1 exploration well was made in the Nargis offshore area concession.

Eni said it would further develop the offshore area thanks to a recent award of several exploration blocks. The concession area measures some 1,800 square kilometers (about 700 square miles).

## Oil's Advance Takes Breather as Investors Assess China Reopening

LONODN (Bloomberg) -- Oil fell for the first time in eight sessions as traders took stock of the outlook for worldwide demand, with China's reopening delivering a lift while other parts of the global economy slow.

West Texas Intermediate fell toward \$79 a barrel after rallying more than 8% last week. China ditched Covid-19 curbs in late 2022 after years of strict lockdowns. That's set to improve economic activity and mobility, with analysts forecasting oil demand in the top crude importer will likely hit a record.

Crude has had a bumpy start to the year, collapsing in the opening week before rebounding. In addition to China's swift pivot, support for crude prices in recent sessions has come from growing expectations that the Federal Reserve is

now nearing an end to rate hikes, and a weaker dollar. Traders are also tracking the impact of sanctions on Russian oil and product flows.

The drop in oil is "probably a temporary pause after a strong rally last week," said Giovanni Staunovo, an analyst at UBS AG. Market outlooks this week from the Organization of Petroleum Exporting Countries as well as the International Energy Agency "have the potential to support prices on stronger Chinese demand," he said.

The cartel turns in its analysis on Tuesday, with the IEA's the next day. Extra commentary may come from the World Economic Forum in Davos. Trading activity may be lower than usual on Monday, with some U.S.-based investors away during a federal U.S. holiday.

## Global Recession Seen Likely in 2023 - WEF Survey

BERLIN (RTE) - Two-thirds of private and public sector chief economists surveyed by the World Economic Forum (WEF) expect a global recession in 2023, the Davos-organizer said on Monday as business and government leaders gathered for its annual meeting.

Some 18% considered a world recession "extremely likely" - more than twice as many as in the previous survey conducted in September 2022.

Only one-third of respondents to the survey viewed it as unlikely this year.

"The current high inflation, low growth, high debt and high fragmentation environment reduces incentives for the investments needed to get back to growth and raise living standards for the world's most vulnerable," WEF Managing Director Saadia Zahidi said in a statement accompanying the survey results.

The organization's survey was based on 22 responses from a group of senior economists drawn from



international agencies including the International Monetary Fund, investment banks, multinationals and reinsurance groups.

The survey comes after the World Bank last week slashed its 2023 growth forecasts to levels close to recession for many countries as the impact of central bank rate hikes intensifies, Russia's war in Ukraine continues, and the world's major economic engines sputter.

Definitions of what constitutes recession differ around the world but generally include the prospect of shrinking economies, possibly with

high inflation in a "stagflation" scenario.

On inflation, the WEF survey saw large regional variations - the proportion expecting high inflation in 2023 ranged from just 5% for China to 57% for Europe, where the impact of last year's rise in energy prices has spread to the wider economy.

A majority of the economists see further monetary policy tightening in Europe and the US (59% and 55% respectively), with policymakers caught between the risks of tightening too much or too little.