

Iran Launches New Private Airline Despite Aviation Sanctions

TEHRAN - Iran has launched a new private airline despite American sanctions targeting the country's civil aviation sector.

Senior government officials from Iran's ministry of tourism attended a ceremony to celebrate the launch of Yazd Air, a private airline which will be based in Yazd, a historic city in central Iran.

The ceremony came after a first flight by Yazd Air from the capital Tehran landed at Yazd's Shahid Sadooghi airport.

The airline will use two Airbus A310s for flights to international destinations, which will include Najaf in Iraq, Dubai, Istanbul and Mumbai. Its fleet will also include two short haul British Aerospace



146 planes for flights on domestic routes.

The official IRNA news agency

said that private investors had provided some 10 trillion rials (nearly \$22 million) for the launch of

Yazd Air.

It said the company will rely on Iran's second largest airline Mahan Air for services in its first two months of operation and then will set up its own offices after recruiting some 70 staff members.

Head of Iranian parliament's tourism committee Mohammad Reza Dashti said Yazd Air has major expansion plans to become one of the most reliable airlines in Iran.

The launch of Yazd Air comes despite a series of unprecedented sanctions imposed by the US on the Iranian aviation industry.

The sanctions have barred Iranian airlines from buying new planes or parts needed for aircraft repair.

Turkmenistan, Iran Discuss Energy Deals



TEHRAN - An Iranian delegation from the Ministry of Petroleum, led by Vahidreza Zeidifard, deputy

minister of petroleum for engineering, research and technology affairs attended separate meetings with the

managers of Turkmengas, Turkmenneft and Turkmenchemistry companies on the second day of Iran's exclusive exhibition in Turkmenistan.

The Iranian officials met with Turkmen delegations on the sidelines of the 14th special exhibition of the Islamic Republic of Iran in the city of Ashgabat in the presence of executives from the companies under the Ministry of Petroleum in separate meetings.

In this showcase, while introducing the capabilities of Iranian companies in the oil industry, Zeidifard emphasized on the development and cooperation between the two countries.

He also referred to the manufacture of more than 70% of Iranian equipment and parts in oil projects and demanded cooperation in supplying the equipment needed by Turkmenistan's oil industry.

The Deputy Minister of Petroleum for Engineering, Research and Technology Affairs announced the readiness of Iran's oil industry to build a refinery, develop oil and gas fields, and supply parts and equipment of competitive quality and reasonable prices to the Turkmen parties, and invited the oil and gas officials of Turkmenistan to visit the capabilities of Iran's oil industry projects.

EU Bankruptcy Filings Jump to 8-Year High as Pandemic Aid Ends

LONDON (FT) - The number of EU businesses filing for bankruptcy rose to the highest level for at least eight years in the fourth quarter, indicating that more of the struggling "zombie" companies kept afloat by government aid during the pandemic are starting to collapse.

Eurostat, the EU statistics office, said that bankruptcy declarations by companies in the region rose almost 27 per cent compared with the previous quarter of 2022, reaching the highest level for any three-month period since the agency started collecting the data in 2015.

Economists said the shift, which follows two years of falling insolvencies across Europe, reflected worsening conditions for many European businesses because of slowing economic growth, soaring energy prices, rising wages and higher financing costs.

"There are a lot of companies that were given a free pass during all of 2020 and 2021 when they didn't even have to pay some of their creditors, such as social charges in France," said Ludovic Subran, chief economist at German insurer Allianz, which is forecasting an increase of almost 20 per cent in western European bankruptcy filings this year.

"These fallen angels, or companies that can barely manage, are now facing less support, with increased financing and wage costs and it is becoming completely untenable," he said. There was a particularly sharp increase in Spanish bankruptcy filings, which more than doubled in the second half of last year after changes to the country's insolvency law made it easier for companies to restructure their debt, prompting a surge in such court filings.

After governments across Europe introduced support measures for companies hit by the economic fallout of the pandemic in 2020, the number of bankruptcies fell sharply. This prompted criticism that state aid and low interest rates were keeping "zombie" companies afloat that would otherwise fold because their profits did not cover their interest costs.

As state support is being withdrawn, more companies are collapsing. Overall EU bankruptcy filings increased 35 per cent between the first half and second half of last year. But while this produced an annual increase of 16.5 per cent last year, the total remained almost 6 per cent below pre-pandemic levels in 2019.

The biggest increase in EU insolvencies in the fourth quarter was in the transport and storage and the accommodation and food services sectors, where they rose 72 per cent and 39 per cent respectively from the previous quarter, Eurostat said. French bankruptcy filings rose almost 16 per cent in the second half of last year after the government ended many pandemic relief measures. However, in some large economies, such as Germany and Italy, the number of company bankruptcies declined.

James Watson, chief economist at the EU employers' federation BusinessEurope, said: "There is clearly a factor of governments withdrawing support introduced during the pandemic and that is having an impact." But he added: "There is also something else going on, as it is becoming an increasingly difficult trading environment for many companies due to high inflation, weak growth and rising interest rates."

Spanish authorities hope the country's new insolvency law, which was passed in September to implement an EU directive, will facilitate the sale of business units and put an end to lengthy restructuring processes that become bogged down in the courts by giving creditors more power. One of the first large Spanish companies to test the new law is steel producer Celsa, which has a financial restructuring plan going through a court procedure to reduce its €2.8bn debt.

IME Weekly Trade Exceeds \$800 Million



TEHRAN - Iran Mercantile Exchange (IME) on Sunday reported that over 2,018,658 tonnes of commodities and 8,106 vehicles with a total with value of nearly 800 million were traded on its physical market, posting growths of 5.68% in value of trades compared to the figures of the previous week.

The report said that over 1,575,264 tonnes of metal and mineral commodities including, 1,020,479 tonnes of cement, 320,000 tonnes of iron ore, 186,807 tonnes of steel, 29,400 tonnes of sponge iron, 10,375 tonnes of aluminum, 7,052 tonnes of copper, 1,900 tonnes of zinc, 190 tonnes of molybdenum concentrate and 8,106 vehicles with

total value of \$ 537 million were traded on its markets.

It added, over 439,689 tonnes of oil and petrochemical commodities, including 120,875 tonnes of bitumen, 108,592 tonnes of polymeric products, 97,000 tonnes of vacuum bottom, 56,000 tonnes of lube cut, 38,145 tonnes of chemicals, 13,800 tonnes of sulfur, 6,272 tonnes of base oil, 500 tonnes of petroleum products, 200 tonnes of insulation and 190 tonnes of feedstocks with total value of \$258 million were traded in the last week.

Commodities traded on this floor included The IME also traded within the same week 5,696 tonnes of commodities on its side market.

French Energy Giant EDF Posts Worst-Ever Results



PARIS (BBC) -Energy prices may have jumped to unprecedented highs, but for France's state-controlled power company EDF 2022 was a miserable year with record annual losses of €17.9bn.

A price cap on energy for French consumers hit EDF profits hard but so did the enforced closure of many of its nuclear power stations for repairs.

The losses are the third biggest in French corporate history and the worst for more than 20 years.

EDF's debts have spiralled to €64.5bn.

On an underlying basis, EDF's losses came in at €4.99bn. The figure was in marked contrast to EDF's UK-based business, which made an underlying profit of £1.12bn (€1.26bn) supplying electricity and gas to five million households.

In France, President Emmanuel Macron's government responded to Russia, Ukraine conflict by imposing a tariff "shield" for consumers, limiting energy companies to a 4% rise in 2022 followed by 15% in 2023, keeping inflation lower than in other European countries.

But it meant that EDF had to sell power to French consumers at a loss, while UK consumers paid far more for their energy. EDF has around 80% of France's electricity market.

French industry has not seen such poor results since 2002, when Vivendi Uni-

versal and France Telecom both posted losses above €20bn for the previous year.

EDF has never before reported such large losses.

"The 2022 results were significantly affected by the decline in our electricity output, and also by exceptional regulatory measures introduced in France in difficult market conditions," said Chief Executive Luc Remont, who said EDF's priority was now to put the company back on track. He said core earnings would be significantly higher in 2023.

EDF's nuclear output in France fell by 30% to its lowest since 1988 as more than half of its 56 ageing nuclear power stations went offline for repairs, which had been delayed because of the Covid-19 pandemic. France has the biggest fleet of nuclear plants in Europe.

The outages meant that France became a net importer of electricity for the first time in decades.

EDF's financial woes have various causes, but another major factor is an obligation it has to sell a quarter of its production at a fixed price to its competitors.

The system known as Arenh (Regulated Access to Historic Nuclear Electricity) was devised in 2010 in order to satisfy the EU, which was worried about EDF - with its massive nuclear capacity - becoming a monopoly provider.

China Keen on Investing \$50mn in Mahshahr Petrozone

TEHRAN - A delegation of Chinese investors visited Mahshahr Petrochemical Special Economic Zone with the aim of checking the existing infrastructure and the possibility of investing \$50 million to build a carbon-sulfur production plant.

According to the Special Petrochemical Economic Zone Organization, this Chinese investment delegation, which is applying for the

Petrochemical Special Economic Zone, during a meeting with the managers of the Razi Petrochemical Company, the Chinese investment delegation reviewed the status of the feedstock required for the proposed investment plan, and then held a meeting with the CEO of the Special Zone Organization, the director of the Oil Industry Science and Technology Park and the Director Gen-



construction of a carbon-sulfur production plant in the Petrochemical Special Economic Zone, held a meeting with the CEO and investment officials of the Petrochemical Special Economic Zone Organization to announce the willingness of Chinese companies to invest in Iran under the title of long-term cooperation document between Iran and China.

After visiting the facilities and infrastructure of the

eral of Finance of Khuzestan province, and discussed the initial feasibility of implementing the project in the special region.

These developments came immediately after the state visit of Iranian President Ebrahim Ra'isi to China.

It should be mentioned that the infrastructure created in the petrochemical special economic zone is welcoming to investors in Iran's first petrochemical hub.