

OPEC: Iran's Oil Output Grows 1.4% to 2.564mn bpd



TEHRAN - Iran's oil production rose slightly in April against the first quarter this year, OPEC figures show, as a media report claims Iran's crude export volumes remained stable last month despite reports suggesting that shipments to China had declined because of higher Russian exports to the East Asian country.

Figures by the Organization of Petroleum Exporting Countries published have showed that Iranian oil production had reached an average of 2.564 million barrels per day (bpd) in April, an increase of 1.4% against figures reported in the January-March quarter and up 7.2% against the similar quarter in 2021.

The figures are consistent with reports in recent months suggesting that Iran has been

selling more crude despite direct American sanctions targeting the country's exports.

Government authorities have indicated that Iranian oil exports reached an average of 1.6 million bpd in late 2021 and remained at the same levels in the first quarter this year.

China has been the dominant buyer of Iranian crude in recent months although some reports have suggested that Iranian crude exports to China declined in April by as much as 256,000 bpd as Russian shipments to East Asia increased after Western countries imposed sanctions on Moscow because of the war in Ukraine.

Citing the new OPEC figures, Iran's official IRNA news agency said the figures prove reports about dwindling Iranian oil exports to China were wrong.

The report said that Iran's domestic consumption of crude was flat in April, meaning that export figures had remained unchanged over that month.

It added that increased oil output in April as reported by OPEC means that Iran had either sold more crude to China or it had found a new market for its oil.

On Wednesday, Iranian Minister of Petroleum Javad Owji said that his country has its own customers in the oil market and continues selling oil at a good price, announced here.

New markets have been identified, Owji told reporters after the cabinet session today.

Asked about the government's plan for knowledge-based companies, the minister said that regulations have been planned to support the companies active in the areas of oil and gas.

Also about Arash Gas Field, the petroleum minister said consultations from Iranian Foreign Ministry with Kuwait and Saudi Arabia are underway to settle dispute over the issue.

In a related development, Iran's Petroleum Ministry announced on March 27 that it has undertaken necessary studies on developing and drilling in Arash field - a joint gas field between Iran, Kuwait, and Saudi Arabia.

Development and drilling in the joint fields should be done with solidarity, deputy petroleum minister for international and commercial Ahmad Assadzadeh said on the same date.

As Part of INSTC, Russia, China, India Seek Investment in Iranian Transit Routes

TEHRAN - Iran's deputy minister for roads and urban development Kheirollah Khademi said on Wednesday that Russia, China, and India have sought investment opportunities in an Iranian transit network that, once completed, would be part of the International North-South Transport Corridor (INSTC).

Khademi said that the three countries were seeking investment opportunities given the significance of the INSTC, a 7,200-kilometer-long multi-mode network of routes to moving freight between India, Iran, Afghanistan, Azerbaijan Republic, Russia, Central Asia, and Europe.

Despite their interest, Khademi said, Iranian financial sources were also investing in the project, sprawling infrastructure that he said was well under construction.

China is not a partner to the IN-



STC but is pursuing an ambitious transit program of its own known as the Great Silk Road.

The transit network envisioned in the INSTC would help boost Beijing's plan.

Iran and Russia signed a comprehensive railway transit agreement last month, preparing to significantly ratchet up bilateral ties in transportation.

Iran's Minister of Roads and

Urban Development Rostam Qassemi, who signed the agreement on behalf of Iran, said at the time that Russia viewed Iran as a "hub of commerce and transit" in the region and added that the completion of an Iranian railway route that would help connect Northern Europe to the Indian Subcontinent would give the countries in the region, including Russia, "many transit benefits."

Iran to Host SCO-Sponsored Conference

TEHRAN - An international conference and exhibition on economic cooperation opportunities available to the Shanghai Cooperation Organization (SCO) member states and partners is planned to be held in Tehran in early July.

The first edition of the international conference and exhibition of economic cooperation opportunities available to member states, supervisors and dialogue partners of the SCO and Iran's neighbors will be held in Tehran on July 3-6.

The event, known as "Iran SCO-COEX", provides an opportunity for economic cooperation among Iran and the SCO members in various fields such as industry, mining sector, trade, agriculture, artificial intelligence, knowledge-based activities, ICT, as well as oil, gas, petrochemical and energy services.

The exhibition will be held at the International Conference Center of

Iran here in the capital with 26 SCO member states in attendance.

The proposed themes of Iran SCO-COEX will be "prosperous future for the development of cooperation among SCO states", "joint cooperation and investment in the development of oil and energy projects", "challenges and strategies for developing joint economic cooperation", as well as "technological and industrial cooperation in various fields such as food industry, medicine, automobile, steel, knowledge-based companies, artificial intelligence, and IT".

The main objectives that Iran pursues in the efforts to join the Shanghai Cooperation Organization and in hosting the SCOCOEX are to maintain, create and expand a large and sustainable consumer market for its oil and non-oil exports, meet the country's technology needs and required raw materials, and take ad-

vantage of China's economic power and capabilities.

Iran has also plans to reach an agreement on tariff exemptions, strengthen trade ties with the East Asian countries, seize the opportunities provided by the 'energy club' of the SCO members, enhance its capacity in the field of transit and international transportation, facilitate cooperation in the field of special medicines and knowledge-based activities, increase foreign investment and attract resources in the SCO interbank consortium, and take the initiative to establish a joint international bank with the presence of the SCO countries and Iran's neighbors.

The formation of a free trade zone with the SCO member countries as well as Iran's neighbors and the establishment of the International Trade Development Organization among those countries are among the other purposes Iran tries to achieve.

Oman Hosts Iranian Delegation for Discussing Trade Ties

TEHRAN - A senior Iranian delegation has traveled to Oman to discuss bilateral trade ties before a planned trip by Iranian President Ebrahim Raisi to the Arab Sultanate.

The delegation led by deputy trade minister, Alireza Peymanpak, had traveled to Oman a day earlier to hold talks with senior government officials and to attend major trade and investment events in the country.

Reports in the Omani media showed Peymanpak holding talks with officials from Oman's Ministry of Commerce, Industry and Investment Promotion.

The report said that representatives from 30 Iranian companies as well as officials from Iran's ports authority and the Export Guarantee Fund of Iran have been accompanying Peymanpak in his trip to Oman.

It said a high-ranking government delegation led by President Raisi is expected to travel to Oman soon without elaborating on any exact date.



Since taking office in August, Raisi has emphasized the need for more trade and economic cooperation with Arab countries in the Persian Gulf.

His administration has reached major agreements with Qatar while trade delegates have been dispatched to the United Arab Emirates and Oman in re-

cent months to explore increased economic ties with those states.

Figures by the Iranian customs office show trade between Iran and Oman reached \$1.336 billion over the Persian calendar year to late March, a record high and an increase of 53% against the previous year.

Slovakia, Iran Call for Strengthening Economic Ties

TEHRAN - Iran's Deputy Foreign Minister for Economic Diplomacy Mehdi Safari and visiting State Secretary of the Ministry of Foreign and European Affairs of the Slovak Republic Ingrid Brocková have explored avenues for bolstering and reinvigorating mutual cooperation.

The two officials stressed the need to broaden bilateral relations in all fields, specially in economic areas.

During the meeting, Safari point-

ed to Iran's high capacities in the fields of energy, petrochemical and food industries, modern technologies and knowledge-based and voiced readiness of the country to enhance cooperation with Slovakia.

The two countries enjoy high potentials in pharmaceutical and medical industries including production of coronavirus vaccine, he emphasized.

State Secretary of the Ministry of Foreign and European Affairs of

the Slovak Republic, for her part, stated that holding joint economic commission between the two countries would be an important step in developing trade and economic cooperation between the two countries.

Ingrid Brocková said that Slovakia attaches great importance to its relations with Iran.

During the meeting, the two sides explored avenues for broadening trade and economic ties between the two countries.

UK Inflation Hits 40-Year High of 9% as Energy Bills Soar

LONDON (The Guardian) - Prices are rising at their fastest rate for 40 years as higher energy bills hit millions of households.

UK inflation, the rate at which prices rise, jumped to 9% in the 12 months to April, up from 7% in March.

The surge came as millions of people saw an unprecedented £700-a-year increase in energy costs last month.

Higher fuel and food prices,

driven by the Ukraine war, are also pushing the cost of living up, with inflation expected to continue to rise this year.

Citizens Advice said "the warning lights could not be flashing brighter" for the government to offer more support for households, and debt charities urged anyone finding it difficult to pay bills to seek help earlier rather than later in the year.

Around three quarters of the rise in inflation in April came from

higher electricity and gas bills, according to the Office for National Statistics (ONS).

"It's a battle and it seems like there's not really much more that I can do."

Up until now households of all incomes had faced similar rates of inflation, but the poorest are now being hit hardest by rising prices because they have to spend far more of their household budgets on gas and electricity, think tank the Institute for Fiscal Studies said.

TOKYO (Reuters) - Japan's economy shrank for the first time in two quarters in the January-March period as COVID-19 curbs hit the service sector and surging commodity prices created new pressures, raising concerns about a protracted downturn.

The decline presents a challenge for Prime Minister Fumio Kishida's drive to achieve growth and wealth distribution under his "new capitalism" agenda, stoking fears of stagflation - a mix of tepid growth and rising inflation.

The world's No. 3 economy fell at an annualized rate of 1.0% in January-March from the previous quarter, gross domestic product (GDP) figures showed, slower than a 1.8% contraction expected by economists. That translated into a quarterly drop of 0.2%, the Cabinet Office data showed, versus market forecasts for a 0.4% drop.

The weak reading may pressure Kishida to release even more stimulus with upper house elections pencilled in for July 10, following the 2.7 trillion yen (\$20.86 billion) in extra budget spending compiled on Tuesday.

"The economy will return to growth in the coming quarters but it won't be a dramatic recovery, leaving the possibility of further spending wide open as elections draw near," said Hiroshi Shirashi, senior economist at BNP Paribas Securities.

"The lockdown in China and U.S. rate hikes as well as the Ukraine crisis could weigh on external demand. Declines in household and corporate real income due to worsening terms of trade may hamper recovery in domestic demand."



Private consumption, which makes up more than half of the economy, was little changed, the data showed, better than a 0.5% fall expected by economists but below the upwardly revised 2.5% growth seen in the December quarter.

Many analysts expect Japan's economy to rebound in coming quarters, helped by easing coronavirus curbs.

However, doubts remain over whether the recovery will be V-shaped, with surging energy and food prices boosted capping consumption.

Adding to the gloom, business optimism among Japan's manufacturers hit a more than one-year low as firms struggled with rising import costs due to a weak yen and higher raw material prices, the Reuters Tankan poll showed.

Japan's export-reliant economy got little help from external demand, with net exports knocking 0.4 percentage

point off GDP growth, a tad larger than the negative contribution of 0.3 percentage point seen by economists.

The weak yen and surging global commodity prices helped imports of goods and services including cellphone and medicine grow 3.4%, overwhelming export growth of 1.1%.

Capital spending rose 0.5% versus an expected 0.7% increase and following a 0.4% rise in the previous quarter, driven by general-purpose machinery and research and development payments. That helped domestic demand contribute 0.2 of a percentage point to GDP growth.

For the whole of fiscal 2021 to March, the economy grew 2.1%, posting the first gain in three years.

Economy minister Daishiro Yamagawa said the economy has not returned to pre-pandemic levels but that further downside would likely be limited.