

IRICA: Foreign Trade Tops \$15.4b in Two Months



TEHRAN – Head of the Islamic Republic of Iran Customs Administration Muhammad Rezvanifar said on Wednesday that the country's total foreign trade, excluding crude oil exports, reached 25 million tons worth \$15.45 billion during the first two months of the current fiscal year (March 21-May 21).

Rezvanifar said that the exports (excluding crude oil) hit 21 million tons worth \$7.51 billion, registering a 12.26% rise in terms of tonnage, but a 13.72% fall in value compared to the similar period of last year.

Liquefied propane worth \$592 million, liquefied natural gas worth \$538 million, liquefied butane worth \$411 million, methanol worth \$374 million and bitumen worth \$350 million were the main exported products during the period, together accounting for 30% of the total value of exports.

Exports to ECO States Surged to \$13bn

Iran exported \$13 billion worth of products to the Economic Cooperation Organization (ECO) member states in

2022, Rezvanifar said.

Speaking in a meeting with ECO Secretary General Khosro Nazeri, Rezvanifar also put the value of products imported to Iran from ECO member states at \$7.5 billion.

He noted that Iran's value of trade with ECO member states in 2022 hit \$20.5 billion.

Turning to the high capacities of ECO member states in various fields, the IRICA chief pointed out that Iran and ECO member states enjoy high capacities to increase their bilateral trade.

The Islamic Republic of Iran Customs Administration is ready to make necessary cooperation with ECO member states to materialize the objectives in line with boosting bilateral trade and economic activities, he underlined.

The deputy minister of economy further noted that developing transit and increasing the volume of goods transited from ECO member states are among the areas that these countries can take advantage of to facilitate, accelerate and increase the transit volume.

The ECO secretary general, for his part, pointed to the key role of Iran in

promoting trade between the member states and added that given the high capacities that exist among ECO member states, the eight percent share of trade among them is too little.

He added that effective steps should be taken in line with increasing this figure.

Reducing customs tariffs among member states and exchanging data electronically are among the moves that will greatly help facilitate trade among member states and increase bilateral transit exchanges, Nazeri added.

Annual Exports to Russia Rise 57%

IRICA also reported that, Iran exported 1.41 million tons of goods worth \$743.88 million to Russia in fiscal 2022-23 (ended March 20), registering a 25% and 57% rise in weight and value respectively compared with the year before.

Russia ranked 10th on the list of Iran's top export destinations during the period, IRICA reported.

The exports mainly included components and parts of turbojets or turboprops (except for the fixed and moving blades of gas turbines) with \$68.49 million, shrimp with \$57.76 million, kiwi with \$51.74 million, and pistachio with \$44.1 million, and capsicum and Pimenta pepper with \$34.07 million.

According to Iran Primer, trade between Iran and Russia fluctuated wildly in the three decades after the Soviet Union collapsed in 1991. It plummeted by 65% between 2010 and 2015 when the UN imposed sanctions on Iran, then nearly quadrupled by 2022 after international sanctions were lifted, a new trade route opened and a budding military alliance deepened.

"We in Iran have no limits for expanding ties with Russia," President Ebrahim Raisi told Russian President Vladimir Putin in 2022.

Brazil's Lula Proposes Common South American Currency

CNN — BRASILIA (CNN) - Brazilian President Luiz Inácio Lula da Silva have proposed creating a common currency in the region during a meeting with South American heads of state in Brasilia.

The single currency would apply to the Mercosur trade bloc, comprised of Argentina, Brazil, Paraguay, and Uruguay, in Lula's vision. Talk of creating a common currency there has periodically cropped up since its founding in 1991.

In his opening address on Tuesday, Lula proposed to "strengthen the South American identity in monetary policy, through better compensation mechanisms and the creation of a shared unit of transaction for trading," rather than relying on extra-regional currencies.

Lula also argued that regional development banks like the Andean Development Corporation (CAF), the Bank of the South and Brazil's development bank BNDES should do more to finance social and economic development in the region.



Brazilian President Luiz Inácio Lula da Silva speaks during a meeting with fellow South American leaders at the Itamaraty palace in Brasilia on May 30, 2023.

It's not the first time that regional leaders have floated the idea of creating a common currency in South America. However analysts are skeptical the project could take off anytime soon due to the differences in monetary policy across the region.

"If we compare the Eurozone, discussions over the common currency

started back in the 1950s. Then they developed free trade zones, customs agreements and a common market. Only then did they create a commission able to direct the work, together with a common council and a European tribunal," Brazilian jurist Ives Gandra told CNN affiliate, CNN Brasil.

Tehran, Muscat Set to Strengthen Trade, Economic Cooperation

TEHRAN – Chairman of the Iran-Oman Joint Chamber of Commerce said Jamal Razeghi has said that the golden opportunities have been created for Iran and Oman to expand their cooperation in the trade and economic fields,

Free- and special economic zones are considered as good opportunities for the development of cooperation between the two countries, Razeghi emphasized.

Turning to the investment capacities and economic interactions of country with the Sultanate of Oman, he said, "Given the trade and economic infrastructures, the

way has been paved for the two countries to broaden their activities in the trade and economic fields."

He went on to say that the volume of exports and bilateral trade exchanges between the two countries registered a 52 percent growth last year as compared to a year earlier.

Allowing a hundred-percent ownership of foreign investors of companies in each of two free- and special economic zones, no need for the least initial capital at Omani free zones, low price of land, the existence of the least

preferential tariffs and customs duties in these regions have caused foreign investors to welcome participating in these areas, he stated.

Elsewhere in his remarks, Razeghi referred to the legal advantages and exemptions existing in free zones and added that foreign investors and producers can embark on packaging their products in Oman using raw materials with relatively cheap and reasonable prices.

Given the tough and cruel sanctions imposed against Iran, setting up joint free- and special economic zones can help thwart the adverse effects of sanctions, he added.

Report: Turkey's Iran Imports Exceed \$820 Million

TEHRAN – The Turkish Statistical Institute (TURKSTAT) in its latest report announced that Iran exported about \$820 million worth of non-oil products to Turkey in the first four months of 2023.

Iran's export of non-oil products to Turkey registered a 23 percent decline compared to last year's corresponding period, the report said.

Iran-Turkey trade exchanges in the same period hit \$1.725 billion, the value of which stood at \$2.173 billion in the first four months of the previous year in 2022, it added.

The more than 40 percent decline in gas prices has been cited as the most important factor behind the drop in the value of trade between the two countries in the first four months of the current



year.

According to this report, Turkey's export of products to Iran from January to April 2023 hit \$904 million, showing a four percent decline compared to a year earlier.

Turkey had exported \$942 million worth of products to Iran from January to April 2022.

Turkey had imported \$1.231 billion worth of non-oil products from Iran in the first four months of 2022.

ECB Warns Financial EU Markets Vulnerable to a Sharp Sell-Off

BRUSSELS (CNBC) - Financial markets could face a sharp downturn in the event of any further shocks to the global economy, European Central Bank Vice-President Luis de Guindos said on Wednesday.

Earlier on Wednesday, the ECB published its May Financial Stability Review, saying that the euro area's stability outlook remained fragile in the aftermath of recent turmoil in the banking sector, which saw the failure of several U.S. regional banks and the emergency takeover of Credit Suisse by UBS.

Although it determined that bank resilience in a higher interest rate environment was not a concern in the euro area, with fundamentals remaining solid and regulatory intervention proving effective, the ECB said it is "possible that these events could lead to a reassessment



of the profitability and liquidity outlooks for euro area banks."

Global stock markets made a robust start to 2023, given falling energy prices, China's reopening and the surprising resilience of the euro zone economy — driving equity valuations back above historical averages, the ECB highlighted.

This reversed abruptly in late February and March as a hawkish tone from central banks and unexpected stress in the banking sector roiled investors around the world. De Guindos said current market positioning rendered stocks vulnerable to any further macro surprises.

Americans Owe \$1 Trillion in Credit Card Debt

WASHINGTON (The Hill) - America's credit card balance has passed \$1 trillion, or it's about to, depending on whom you ask.

The average interest rate on a new card is 24 percent, the highest figure since the Reaganomics era.

A typical American household now carries \$10,000 in credit card debt, by one estimate, another record.

If that doesn't sound like a lot of debt, try paying it off. At \$250 per month, with 24 percent interest, you'll be making payments until 2030, and you'll spend a total of \$20,318, twice what you owed. And that assumes you never use the card again.

"It's hard to build wealth when you're paying 20 percent interest every month," said Ted Rossman, a senior industry analyst at Bankrate.com. The nation's credit card debt stands

at \$986 billion, according to the Federal Reserve. The figure has climbed by \$250 billion in two years.

Some other estimates range higher. A WalletHub report put total card debt at \$1.2 trillion at the end of 2022.

Just two years ago, the national credit card narrative seemed headed in the opposite direction. Card balances declined from about \$850 billion at the start of 2020 to less than \$750 billion in the spring of 2021, a time of pandemic penny-pinching and federal stimulus-payment largesse.

"In 2021, we saw people paying off a record amount of debt," said Jill Gonzalez, a senior analyst at WalletHub. "People had been saving through 2020, without much to do."

And then, everything changed. Spending picked up. Saving slowed down. The Federal Reserve com-

menced an unprecedented campaign of interest rate hikes.

Credit card debt rose by \$86 billion in the fourth quarter of 2022, the largest increase on record.

The average credit card interest rate stands at 20.92 percent. Just last spring, the average card rate was 16.65 percent.

Older Americans tend to owe more card debt. A New York Life survey found that the average Generation X consumer with a balance owes just over \$7,000, compared to an overall average debt of \$6,321 per cardholder.

Credit card debt isn't like a student loan or home equity line. It can sneak up on you. And it carries a stigma of fiscal irresponsibility. A recent NerdWallet survey found that one-third of married Americans with card debt haven't told their spouses how much they owe.

Gold Heading for First Monthly Loss in Three as Dollar Dominates

NEW YORK (Reuters) - Gold prices steadied on Wednesday yet was headed for its first monthly decline in three as the U.S. dollar climbed on expectations the Federal Reserve would keep interest rates higher for longer than previously thought.

Spot gold was largely unchanged at \$1,958.69 per ounce by 1123 GMT. It has lost nearly 1.6% so far this month and \$120 from its near-record highs earlier in May.

U.S. gold futures held steady at \$1,976.30. "The strong U.S. dollar is likely to remain a headwind for gold prices. With the banking crisis on the back burner and the debt ceiling debacle all but resolved,

the focus turns back to the inflation fight," Ilya Spivak, head of global macro at TastyLive, said.

Global shares fell ahead of a vote in Washington on the U.S. debt ceiling, while the U.S. dollar hit a more than two-month high after data showed China's recovery is stalling.

"Gold will probably remain at its current level over the next few days as safe haven demand related to uncertainty about the debt ceiling persists," said Edward Gardner, commodities economist at Capital Economics.

In the near term, gold faces headwinds from a stronger dollar and expectations of the Fed raising rates and holding them at a high, Gardner added.