TPOI: Iran Exports Over $25bn of Non-Oil Goods in Six Months

TEHRAN – Head of the Trade Promotion Organization of Iran (TPOI) Muhammad Ali Dehghan Dehnavi said that $25.8 billion worth of non-oil goods were exported from the country in the first half of the current Iranian calendar year (started March 21, 2024).

Dehghan Dehnavi said that 70 million tons of goods, valued at $25.8 billion, were exported from the country between March 21 and September 21, 2024, showing a 3.4 and 6.5 percent growth in weight and value, respectively compared to the last year's corresponding period.

He added that Iran's first five export markets including China, Iraq, the United Arab Emirates (UAE), Turkey and Afghanistan accounted for 75 percent of Iran's total exports value.

The deputy minister of industry pointed out that 18.3 million tons of non-oil goods, valued at $32.5 billion, were imported into the county from March 21 to September 21, 2024, showing a 2.8 percent growth compared to the same period last year.

In this period, Iran imported non-oil goods from the United Arab Emirates (UAE), China, Turkey, Germany and India, he said, adding that these countries accounted for 75 percent of the country's total imports value.

Turning to the situation of trade last year (2023), Dehghan Dehnavi added that $49.3 billion worth of non-oil goods was exported from the country in the previous Iranian calenda year (March 21, 2023 to March 20, 2024), showing a 9.8 percent and 8.9 percent growth in weight and value, respectively compared to the same period last year.

Yazd Exports Over 1,200 Tonnes of Non-Oil Goods

TEHRAN – The director general of Industry, Mine and Trade Organization of Yazd province Muhammad Kazem Sadeghian said that 1,279 tonnes of non-oil goods, valued at $226 million, were exported from the country in the first six months of the current year.

Metallic- and non-metallic minerals, oil lubricants and polymer products were of the main goods exported from the provincial customs office, Sadeghian added.

He went on to say that 56,000 tons of non-oil goods, valued at $147 million, were imported into the customs offices of this province between March 21 and September 21, 2024.

Industrial equipment and machinery, electronic parts and components, chemical, cellulose and polymer products were of the main products imported into the provincial customs offices in this period, he added.

These goods were imported into the country Sadeghian added.

France Rating Outlook Cut to Negative by Fitch on Wider Deficits

PARIS (Bloomberg) -- Fitch Ratings put France on negative outlook a day after the government presented its 2025 budget, delivering a rapid critique of Prime Minister Michel Barnier's efforts to deal with a sharp deterioration in public finances.

The ratings firm's reproach comes after it already downgraded France to AA- from AA in April last year, a credit assessment it shares with the UK and Belgium.

"Fiscal policy risks have increased since our last review," Fitch said in a statement Friday. "This year's projected fiscal slippage places France in a worse fiscal starting position, and we now expect wider fiscal deficits, leading to a steep rise in government debt towards 118.5% of GDP by 2028."

The alert on France's creditworthiness underscores the depth of the country's fiscal challenges. The situation has deteriorated rapidly in 2024 after weak tax receipts left a hole in the budget and President Emmanuel Macron triggered months of political uncertainty and policy inertia with a snap decision to dissolve parliament.

The episode has prompted investors to sell French bonds, driving up the premium the country pays over Germany on ten-year debt to close to 80 basis points from less than 50 earlier in the year.

In an effort to steady the situation, Barnier's minority government presented a 2025 budget plan on Thursday with €60 billion ($65.6 billion) of spending cuts and tax increases to bring the deficit to 5% of economic output from 6.1% this year. The previous administration initially targeted a 4.4% deficit in 2024.

The fiscal slippage and emergency measures have clouded Macron's reputation as a reformer capable of solving France's long term financial challenges with tax cuts and reforms to spur economic growth.

The country will run the gauntlet of more ratings reviews in the coming weeks from Scope, Moody's and S&P, which downgraded France earlier this year.

France's latest budget plans have also received criticism from the country's fiscal watchdog, the High Council of Public Finance. It said the draft bill is "fragile" due to an optimistic growth forecast given the extent of promised tax increases and spending cuts.

Fitch forecasts a deficit of 5.4% of GDP in 2025 and 2026, and said it doesn't expect the government to meet its pledge to get the gap within the EU's 3% limit by 2029.

RAJA Awards First Railway Infrastructure Contract to Private Investors

TEHRAN - CEO of Islamic Republic of Iran Railways (RAJA) Jabbar Ali Zakeri has said that the country has awarded a first contract to private investors for development of its railway infrastructure amid plans to expand the country's rail freight transport market.

Zakeri put his signature on a final contract that allows the contribution of a private investor to the construction of a new rail link between cities of Kerman and Sirjan in southeast Iran.

Zakeri said the private investor will contribute to 65% of the funds needed to complete the new Kerman-Sirjan railway project which he said is worth 7,200 trillion rials ($120 million).

It is a first time Iran allows private investors to have a share in railway infrastructure projects in the country.

Private companies have already been involved in operational task and passenger services in the Iranian railway system.

Zakeri said the 169-kilometer railway between Kerman and Sirjan will cut the travelling time between the two cities by 320 kilometers and will increase the freight transport capacity on the route by 9.5 million metric tons per year.

He said the project will also lead to increased revenues for the government from passenger and freight transport between north and south of Iran.

The new RAJA chief said the Iranian government's policy is to reduce freight transport on the roads and move it to the country's railway system.

"Connecting to cargo hubs is a key objective of RAJA and it is why we are specially focused on industrial railways," said Zakeri while referring to a type of railway that is usually not available for public transportation and serves a particular industrial or logistics purpose.

Iran has invested heavily in its road and railway networks in recent years as part of a government plan to increase revenues from international cargo transit.

That has come as demand for freight transport via the Iranian territory has increased, especially from countries like Russia and India.

Figures released last month by the Iranian transportation ministry showed the country was building some 2,800 kilometers of new railways.

Chinese Stocks Climb as Traders See Hope in Beijing's Promises

LONDON (Bloomberg) - Chinese stocks overcame a bout of early volatility to post their biggest gain in a week on Monday, suggesting that investors are hopeful the government will deliver on its promise of more fiscal support.

At a much-anticipated briefing on Saturday, Finance Minister Lan Fo'an vowed new steps to support the property sector and hinted at greater government borrowing. While authorities refrained from giving a headline dollar figure that investors had sought, Goldman Sachs Group Inc. saw the latest measures as a sign of increased policy focus on growth. It upgraded its forecasts for China's economic expansion in 2024 and 2025.

The CSI 300 Index closed 1.9% higher, taking its advance from a September low to 25%. The move helped resuscitate China's historic stock rally after it stumbled last week. A Shanghai Stock Exchange gauge of property stocks surged 4.7%. Early trading in the U.S. didn't confirm the risk-on move, with the Nasdaq Golden Dragon China Index losing 0.7% at 9:46 a.m. in New York.

Revved up fiscal spending is still seen as holding the key to sustaining the rebound ignited by the central bank's stimulus blitz in late September. Traders are betting that the Standing Committee of the National People's Congress, China's top legislature, will approve extra budget funding at its meeting later this month.

"The Ministry of Finance's forward guidance worked to a degree by hinting at a substantial new package on the horizon at the central government level," said Homin Lee, senior macro strategist at Lombard Odier. "Onshore retail investors will probably maintain their hopeful mode in the very near-term, but that might not be sustained if the government delays its stimulus delivery further to December."

China's latest economic data is underscoring the need for authorities to do more. Figures released on Sunday showed deflationary problems became more entrenched in September, with consumer prices still weak and factory gate prices continuing to fall. Trade data released after Monday's market close showed exports — which have been a rare bright spot — rose much less than expected last month.

In Hong Kong, an index of Chinese shares closed 0.5% lower, adding to a 6.6% slide last week. It surged more than 30% in the previous three weeks.

Trio Win Nobel Prize in Economics for Research in Global Inequality

STOCKHOLM (Euronews) - Daron Acemoglu, Simon Johnson and James A. Robinson were picked for their studies on how institutions shape the economic success of nations.

The 2024 Nobel Prize for Economics was awarded on Monday to Daron Acemoglu, Simon Johnson and James A. Robinson for their studies into why some countries succeed and others fail.

Acemoglu, Johnson, and Robinson are highly influential economists and political scientists, particularly known for their collaborations on the relationship between political institutions, economic development, and long-term prosperity.

The trio studied how societies with bad institutions fail to generate sustainable growth.

Acemoglu and Johnson are professors at the Massachusetts Institute of Technology (MIT), while Robinson works for the University of Chicago.

"Reducing the vast differences in income between countries is one of our time's greatest challenges. The laureates have demonstrated the importance of societal institutions for a country's prosperity," Jakob Svensson, Chair of the Committee for the Prize in Economic Sciences said.

"Societies with a poor rule of law and institutions that exploit the population do not generate growth or change for the better," the award organizers added on their website.

Acemoglu and Johnson recently published the book 'Why Nations Fail,' which looks at wealth inequality between nations. The pair surveyed technology through the ages and demonstrated how some technological advances were better at creating jobs and spreading wealth than others.

Addressing the news conference by phone from Athens, Greece, Acemoglu said he was "surprised and shocked" at the win.