

# Iran to Tap Wealth Fund to Revive Stock Market



TEHRAN - The Iranian government plans to use resources from its sovereign wealth fund to help revive trade at a local stock market that suffered from the Israeli regime's recent aggression against the country.

A member of the Iranian parliament's Manufacturing and Mining Committee has said that the National Development Fund (NDF) and the Central Bank of Iran (CBI) will

soon provide emergency funding to support the local stock market.

"It has been agreed that the government and the CBI should act seriously to support the capital market," said Mostafa Pourdehghan.

Reports published in the local media on Tuesday said that trade in the Tehran Stock Exchange (TSE) had significantly dropped a week after Israel halted its 12-day ag-

gression against Iran as part of a ceasefire brokered by the U.S. and accepted by the Iranian government.

TSE's main index had dropped by more than 6% to below 2.8 million points in the past three days, according to the Tasnim news agency, which said that investors had withdrawn some 50 trillion rials (nearly \$55 million) from the market due to uncertainties caused by the war.

Business leaders said that the government had also agreed to provide special support for major manufacturing and petrochemical companies that lead the stock market in Iran.

Pourdehghan said the joint NDF and CBI funding would significantly boost trading in the TSE and other stock markets in Iran.

"It had been expected that the market would experience hysteria after the war ... but we are waiting for a return to the normal conditions," he said.

## SCI: Annual Manufacturing Inflation at 32.9% in May

THERAN - Figures by Iran's statistics agency (SCI) show the annual inflation rate for the country's manufacturing sector reached 32.9% in the calendar month to May 21.

SCI figures showed that the producer price index (PPI) in Iran's manufacturing sector had reached 1,716.4 in late May.

The rate represents the increase in price that was charged by manufacturers in Iran for goods and equipment they sold inside the country in the year to late May compared to the previous same period.

The SCI said that Iranian producers and bottlers of non-alcoholic drinks had the highest price rises in the year to late May, with an inflation rate of 47% while garment and textile producers had reported the lowest rate at 20.5%.

The manufacturing PPI reported in May was up 1.9% from the previous month and represented a 44.6% increase from May 2024, said the statistics agency.

It said the PPI reported for Iran's mining and metals sector had risen



to 2,930.1 in late May, an increase of 32.8% from the previous same period.

Mining inflation rate rose by 4% from April and by 47.6% from May last year, the SCI figures showed.

Coal mining activities had the lowest inflation rate in the year to May at 30% while "non-major mines" reported the highest rate at 36.1%, according to the figures.

Iran has seen a boom in its manufacturing and mining activities

since 2018, when the United States imposed sanctions on the country's oil exports, prompting the Iranian government to introduce economic diversification policies.

The relatively high rates of inflation in the Iranian manufacturing and mining sectors are consistent with a broader pattern of high but controlled inflation in the country, which many experts believe is a result of the U.S. sanctions and the dominant global inflation trends.

## U.S. Manufacturing Mired in Weakness as Tariffs Bite

ASHINGTON (Reuters) - U.S. manufacturing remained sluggish in June, with new orders subdued and prices paid for inputs creeping higher, suggesting that the Trump administration's tariffs on imported goods continued to hamper businesses' ability to plan ahead.

The Institute for Supply Management (ISM) said that its manufacturing PMI nudged up to 49.0 last month from a six-month low of 48.5 in May. It was the fourth straight month that the PMI was below the 50 mark, which indicates contraction in the sector that accounts for 10.2% of the economy. Economists polled by Reuters had forecast the PMI little changed at 48.8.

The survey joined weak data on the housing market, consumer spending and swelling unemployment rolls that have suggested the economy's underlying momentum slowed further in the second quarter even as gross domestic product probably rebounded as the drag from a record trade deficit faded due

to falling imports.

A measure of domestic demand grew at its slowest pace in more than two years in the January-March quarter. President Donald Trump's sweeping tariffs, which have led businesses and households to front-run imports and goods purchases to avoid higher prices from duties, have muddled the economic picture. Economists warned it could take time for the tariff-related distortions to wash out of the economic data.

The PMI last month was likely lifted by longer delivery times, which under normal circumstances would be related to strong demand. The extensive tariffs have caused bottlenecks in the supply chain, resulting in factories waiting longer for raw material deliveries.

The ISM survey's supplier deliveries index slipped to 54.2 from 56.1 in May, though it was still high with a reading above 50 indicating slower deliveries. The ISM has reported "ongoing delays in clearing goods through ports of entry."

The situation, however, appears to have improved slightly, with the survey's imports measure rising to a still-subdued 47.4 after slumping to 39.9 in May. Manufacturing is heavily reliant on imported raw materials.

Though production at factories picked up last month, it was probably the result of manufacturers working through backlog orders. The ISM survey's forward-looking new orders sub-index dropped to 46.4 from 47.6 in May. This measure has now contracted for five consecutive months.

Its gauge of prices paid by factories for inputs ticked up to 69.7 from 69.4 in the prior month.

With manufacturers facing weak demand and higher prices for inputs, employment declined further last month. The survey's measure of manufacturing employment fell to 45.0 from 46.8 in May. The ISM has noted an "acceleration of headcount reductions due to uncertain near- to mid-term demand."

## Minister: No Disruptions to Iran's Oil Exports

TEHRAN - Petroleum Minister Mohsen Paknejad said Wednesday that Iran's oil exports are continuing unchanged in volume and terms, adding, "at present, we have no concerns in this regard."

Paknejad made the remarks after a cabinet meeting chaired by President Masoud Pezeshkian, stating, "Oil exports are proceeding as before, with no change in quantity or conditions, and we currently have no worries about this issue."

Ship-tracker Vortexa, in its latest report said that the world's top oil importer and biggest buyer of Iranian crude brought in more than 1.8 million barrels per day from June 1-20, a record high based on the firm's data, Marine Link website reported.

Kpler's data put the month-to-date average of China's Iranian oil and condensate imports at 1.46 million bpd as of June 27, up from one million bpd in May.

The rising imports were fuelled in part by an increase in available supplies from floating storage after export loadings from Iran reached a multi-year high of 1.83 million bpd in May, Kpler data showed.

It typically takes at least one month for Iranian oil to reach Chinese ports.



Robust loadings in May and early June mean China's imports from Iran are poised to remain elevated, Kpler and Vortexa analysts said.

Independent Chinese "teapot" refineries, the main buyers of Iranian oil, also showed strong demand as their stockpiles depleted, said Xu Muyu, Kpler's senior analyst.

A possible relaxation of U.S. sanctions on Iranian oil could further bolster Chinese buying, she added.

U.S. President Donald Trump said on Wednesday that Washington had not given up its maximum pressure campaign on Iran - including restrictions on Iranian oil sales - but signalled a potential easing in enforcement to help the country rebuild.

For this week, Iranian Light crude oil was being traded at around \$2 a barrel below ICE Brent for end-

July to early-August deliveries, two traders familiar with the matter said, compared to discounts of \$3.30-\$3.50 a barrel previously for July deliveries.

Narrower discounts were spurred by worries that oil flows could be disrupted through the Strait of Hormuz, a critical waterway between Iran and Oman, traders said.

Market fears for a closure of the choke-point escalated after last weekend's U.S. attack on Iranian nuclear sites but eased after Iran and Israel on Tuesday accepted a ceasefire.

Tighter discounts for Iranian oil come amid a retreat in futures prices. ICE Brent crude futures hovered at \$68 per barrel on Friday, their level before the Israel-Iran conflict began and down 19% from Monday's five-month peak.

## Official: Iran to Develop Air Taxi, Clean Marine Fuel

TEHRAN - The secretary of the Aerospace, Transportation and Urban Development of Iran's Knowledge-Based Economy Development Headquarters announced plans to develop air taxis and production of low-sulfur fuel by using modern technology.

"On the fuel issue, we are also pursuing the development of a low-sulfur fuel production project in cooperation with the energy sector. Of course, at present several companies in Iran produce this fuel, but there is a need to increase the production capacity and quality of the technologies used so that in addition to meeting domestic needs, exports can also be carried out," Hussein Shokri said.

"The capacity of the country's existing airports has provided a very suitable basis for the development of air taxis," he added.

"Around 300 companies are active in this field, many of which cooperate with each other in a chain in the field of design, manufacture,



and maintenance of aircraft, satellites, and related systems. Our plan is to increase the number of these companies and expand the knowledge-based economy in this industry," Shokri said.

Low-sulfur fuel refers to fuels, typically diesel or marine fuel, with a significantly reduced sulfur content compared to conventional fuels. This reduction is crucial for meeting environmental regula-

tions, improving air quality, and enabling the use of advanced emission control technologies.

Low-sulfur fuels contain a much lower percentage of sulfur by weight compared to standard fuels.

Low-sulfur fuels contribute to cleaner air by reducing sulfur dioxide (SO2) and particulate matter (PM) emissions, which are harmful to human health and the environment.

## Eurozone Inflation Rises to ECB's 2% Target

BRUSSELS (CNBC) - Euro zone inflation rose slightly to 2% in June, according to flash data from statistics agency Eurostat on Tuesday, meaning consumer prices in the single currency area are now in line with the European Central Bank's target of 2%.

Economists polled by Reuters had expected the reading to come in at 2% in the twelve months to June. Euro zone inflation had fallen by more than expected to 1.9% in May.

Core inflation, which excludes

energy, food, tobacco and alcohol prices, was unchanged at 2.3% in June.

The closely watched services inflation print picked up to 3.3% in June, after cooling significantly in May to 3.2%, down from a 4% reading in April.

Individual inflation prints released in the last week by major euro zone economies showed an easing in the harmonized inflation rate in Germany, a small rise in France and Spain, but no change in Italy in June — indi-

cating that the wider euro area reading would have likely edged toward the 2% level targeted by the ECB.

That has further stoked expectations that the central bank will opt to leave its key rate, the deposit facility rate, unchanged at 2% when it next meets in late July, before making a final 25-basis-point cut in September.

The euro picked up after the data release and was last seen trading around 0.3% higher against the dollar.