

NEWS IN BRIEF

Electricity project inauguration



ECONOMY.PK – On his trip to Balochistan this week, Pakistani Prime Minister Shehbaz Sharif will officially launch the 100MW Iran-Gwadar electricity transmission project. Chief Secretary of Balochistan Abdul Aziz Aqeeli made the statement in his remarks at a meeting to examine the current uplift initiatives in Gwadar. Aqeeli stated that Gwadar will formally begin receiving electricity from Iran after the prime minister unveiled the initiative.

Cooperation in maritime projects



IRNA – Head of the Supreme Council of Marine Industries' Secretariat Saeid Jafari said China has expressed readiness to participate in Iran's maritime projects.

Considering the negotiations between the two sides during the recent visit of President Ebrahim Raeisi to China, the Chinese have expressed readiness to participate in all Iranian marine projects, Jafari said on Monday.

He noted that the main focus of the discussions between the two sides has been on technology transfer for manufacturing large-scale vessels.

TSE index up



TSETMC – TEDPIX, the main index of Tehran Stock Exchange (TSE), gained 4,840 points to 1.809 million on Monday. Over 20.821 billion securities worth 115.354 trillion rials (about \$288 million) were traded at the TSE.

TSE is one of the four Iranian stock exchanges, and the most important one. The other three ones are Iran Mercantile Exchange (IME), Iran Energy Exchange (IRENEX), and Iran's over-the-counter (OTC) market, known as Iran Fara Bourse (IFB).

CBI granted more authority to manage forex market

Heads of the three branches of the Iranian government approved a resolution based on which the Central Bank of Iran (CBI) is given complete authority to take the necessary measures for managing the foreign currency exchange market.

Following the recent fluctuations in the forex market, the CBI sent a proposal package to the government, requesting new authorities to be able to manage the market, Tasnim News Agency reported.

The package was assessed and approved in a meeting attended by President Ebrahim Raeisi and the heads of the government's two other branches on Sunday evening.

Iranian Finance and Economic Affairs Minister Ehsan Khandouzi told the press on Monday that based on the approved resolution, all the country's industries and exporting bodies, even the state-run ones, including the oil and gas industry, will follow the CBI's new policies for managing forex market.

"The central bank needed new authorities to be able to intervene effectively in the forex market, and to this end, the package was approved by the government at the meeting of the heads of the three branches," Khandouzi said.

Iran's rial currency has re-



bounded from historic lows reported in recent days after the CBI intervened to control the prices in the market. The rial closed at 550,000 against the U.S. dollar on Sunday hours after it reached an all-time low of 610,000 against

the greenback.

Some private exchange shops in Tehran had been offering the greenback for 525,000 rials on Monday.

IRNA said the rebound was a result of policies introduced in recent days by the CBI, includ-

ing the launch of a new foreign exchange center which helped satiate demand for hard currencies.

Another report by the Tasnim News Agency said many savers who had bought hard currencies in recent days were lining

up in front of exchange shops to sell.

"Market participants expect the reduction in the price of foreign exchange will continue," said the report, adding that new CBI directives would further impact the market in the coming days.



IRNA

Iran Khodro and SAIPA are undergoing certification in Russia which is studying imports of Iranian-made cars, the Ministry of Industry, Mine and Trade spokesman said.

SAIPA has signed an agreement with a Belarusian company to supply 45,000 Shahin and Quick model cars, with potential deliveries to the Russia market, Press TV reported.

The ministry's spokesman Omid Qalibaf did not clarify whether the Iranian carmaker would directly deliver the vehicles to Russia or via Belarus.

Many factories in Russia have suspended pro-

Iranian carmakers await certification for exports to Russia

duction and furloughed workers due to shortages of high-tech equipment because of sanctions and an exodus of Western manufacturers since the Ukraine war broke out in February 2022.

Russian Ambassador to Tehran Alexei Dedov was earlier cited by RIA Novosti news agency as saying that SAIPA had discussed exporting more than 20,000 cars per year to Russia.

Russia's Ministry of Industry and Trade, however, must certify any deliveries. Authorities in the country need to test Iranian cars, built on the basis of localized foreign platforms, in harsh Russian winter conditions.

Iran Khodro exported some of its vehicles to the Russian market between 2007 and 2009, but some buyers reportedly complained that they could not handle cold Russian winters.

According to data from Russia's Autostat agency, there were 10,400

Iran Khodro cars in Russia as of July 2022, which are represented by the Samand model – a Class C sedan car based on Peugeot 405. Iran Khodro and SAIPA participated in an auto parts exhibition in Moscow this past summer and held talks with their Russian partners.

Last November, president of the Association of Homogeneous Powertrain Industries and Parts Manufacturers Mohammadreza Najafi-Manesh announced that Moscow and Tehran had signed an MoU worth \$300 million for Iranian car exports to Russia.

The Ukraine war has upended car production in Russia which is the eighth-largest automotive market in the world. Several global manufacturers have halted deliveries to Russia, while others have been forced to pause production due to a lack of parts.

In May 2022, IRNA said a leading Russian au-

tomotive company had sounded out Iranian parts and equipment manufacturers on the possibility of supplying its production lines with required products.

Iran's auto sector has started standing on its own feet after years of reliance on imported car kits which foreign companies stopped supplying when the US reimposed sanctions on the Islamic Republic in 2018.

Iranian automakers picked up the slack after France's Peugeot and Renault exited Iran along with other international companies in the wake of US sanctions which created a supply crunch which saw car prices vault to unprecedented highs.

The crisis forced Iran Khodro, SAIPA and other companies to pool up local resources to produce Iranian-made vehicles, with the Defense Ministry joining in to manufacture some of the hi-tech parts which

Iran used to import. Iranian Ambassador to Russia Kazem Jalali has said the two countries are also considering joint production of automobiles.

Moreover, Russia has begun test imports of Iranian-made tractors as Moscow expands sourcing some of its needs previously reliant on Europe from the Islamic Republic amid Western sanctions.

Earlier this month, the first group of Russian technicians, consisting of 13 people from St. Petersburg and Krasnoyarsk oblasts, has completed training courses on service and maintenance of Iranian tractors at Iran Tractor Manufacturing Industrial Company (ITMCO) in Tabriz.

ITMCO Chief Executive Mostafa Vahidzadeh said Russia has already issued standard certificate for ITMCO products and imported the first batch of Iranian tractors.

Iran's non-oil exports up over 12% in 11 months

The figures do not cover Iran's exports of crude oil, mazut and kerosene as well as goods and products carried by passengers. Petrochemicals accounted

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for \$21.7 billion or 44.49% of all Iranian exports between March last year and February this year, said IRICA, adding that Iran had exported some \$6.8 billion worth liquefied petroleum

gas (LPG) over the same period.

China was the largest customer of Iranian exports in the 11 months to late February with some \$13.6 billion worth of purchases,

followed by Iraq at \$9.4 billion and Turkey at \$6.9 billion.

On imports into Iran, IRICA said that the country had taken delivery of 33.6 million tons of goods worth

\$53.7 billion between March last year and February this year, adding that the figure was an increase of 15.28% in value terms compared with the same previous period.