NEWS IN BRIEF

More renewable capacity for India

REUTERS – India will issue tenders for the installation of 250 gigawatts (GW) of green energy capacity by March 2028, according to a government memo released on Monday, as it looks to cut its emissions by 45% from 2005 levels.
After missing a target to install 175 GW in renewable energy capacity by 2022, India is now trying to boost non-fossil capacity - solar and wind energy, nuclear and hydro power, and bio-power - to 500 GW by 2030.

Yuan replaces dollar

BLOOMBERG – China's yuan has replaced the US dollar as the most traded currency in Russia.
The yuan surpassed the dollar in monthly trading volume in February for the first time, and the difference became more pronounced in March, according to data compiled by Bloomberg based on daily transaction reports from the Moscow Exchange.
Before the Ukraine war, the yuan's trading volume on the Russian market was negligible.

Official: Iran signs $80b in oil deals with foreign investors

Iran has signed over $80 billion worth in memorandums of understanding with foreign investors to participate in the financing of oil projects, of which more than $5 billion have been converted into contracts, Deputy Minister of Petroleum Houshang Falahatpour said.
"The policy of the Ministry of Petroleum in the 13th government has been to make maximum use of the financing capacity from within the country. Hence, we have directed the capital of banks and large holdings of the country to the oil industry. For example, we opened the door to steelmakers to invest in the development of gas fields," he told Fars News Agency.
"It is necessary to use the financial power of these industries to provide them with stable gas. As a result, if the steel company invests in the development of gas fields, it will be exempted from applying restrictions on the gas supply in the cold season, because it will receive its gas from the developed field," Falahatpour said.
The government also contacted large banks and holding companies to participate in the construction of oil refineries, including the Shahid Soleimani Oil Refinery.
"In addition, we have had detailed discussions with foreign countries to attract investment," he added.
"So far, we have signed more than $80 billion worth of memorandums of understanding with foreign investors to participate in the financing of oil projects, including the development of fields and the construction of refineries. More than $5 billion of this amount has been converted into contracts, and the rest, God willing, will be converted into contracts one after another."
Iran is the holder of the world's largest oil and gas reserves combined, and at current recovery rates, it can continue to produce hydrocarbon resources for another 100 years, according to state officials.
However, sustainable production in the industry requires investment and the use of modern equipment.
Falahatpour said the government is trying to make up for the backwardness in the field of investment by making maximum use of domestic capacities and developing relations with neighboring and Asian countries.
"God willing, good things will happen in the coming months and years," he said without elaboration.
Last week, the head of the National Iranian Oil Company (NIOC) said Iran plans to increase its oil and gas production capacity by 50%, for which it needs $160 billion of investments.
To achieve this, the country needs to invest $89 billion in the oil industry and $71 billion in the gas sector, Mohsen Khojasteh-Mehr said in an interview with IRNA.
"In order to increase the oil and gas production capacity in the country by 50%, we need an investment of $160 billion," Khojasteh-Mehr said. "With this investment, the oil production capacity will reach 5.7 million barrels and the gas production capacity will hit 1.5 billion cubic meters per day," he added.
The government is implementing 32 production maintenance projects signed by its predecessor. So far, seven plans to increase recovery and maintain production have come online and the rest are close to becoming operational.
Khojasteh-Mehr put the total value of contracts with Russians at $4.5 billion, which involve seven Iranian oil fields.
Moreover, a number of oil and gas fields have entered the study phase and in some cases, these studies have been completed by Russian companies.
The Islamic Republic has launched a campaign to localize products, under which 85% of goods needed in the oil industry is now being sourced domestically.
A variety of equipment is now being built in the upstream and downstream sectors. According to Khojasteh-Mehr, 10 widely-used items have been identified and introduced to domestic manufacturers to build them.

SHANA

IME weekly trade nears $474m

IRNA

The Iran Mercantile Exchange (IME) announced that over 2.42 million tons of commodities, worth near $474 million, were traded in its domestic trading and export halls in the week closing on March 31.
A total of 2.01 million tons of various products, worth over $235 million, were traded at IME's domestic and export metal and mineral trading hall, reported ime.co.ir on Monday.
Among the traded products were 264,037 tons of steel, 410,000 tons of iron ore, 109,000 tons of sponge iron, 250 tons of zinc, 3,000 tons of aluminum ingots, and 1.22 million tons of cement.
In addition, 406,986 tons of various commodities, valued at about $235 million, were traded at IME's domestic and export oil and petrochemical trading halls.
Other traded items were 93,254 tons of polymeric products, 97,000 tons of vacuum bottom, 85,000 tons of lube cut, 23,332 tons of chemical products, 660 tons of sulfur, 2,153 tons of base oil, 200 tons of insulation, 1,180 tons of petroleum products and 104,396 tons of bitumen.

Oil prices, oil stocks ...

Central banks have raised interest rates rapidly in the past year in an effort to bring rampant inflation under control.

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The oil producers' move spread through stock markets. Oil majors BP, Shell, TotalEnergies and Eni all rose over 4%, sending the European Oil & Gas index up 3.9%, set for its biggest one-day gain since November.
Energy-sensitive stocks dropped, including airlines like British Airways parent IAG and low cost carrier Wizz Air while tech shares, which struggle in a higher rate environment, also lost some ground, as markets saw higher oil prices leading to stickier inflation, and, in turn higher-for-longer interest rates.
Britain's commodities-heavy FTSE 100 rose 0.7%. On a regional and global basis the various moves cancelled each other out with the European STOXX 600 and MSCI's 47-country all world index trading a whisker above flat.
The surge in energy costs somewhat overshadowed Friday's slower reading for core U.S. inflation, which had seen Wall Street end the month on a strong note.
S&P 500 futures slipped 0.1% on Monday, while Nasdaq futures lost 0.6%. MSCI's broadest index of Asia Pacific shares outside Japan was flat.
OPEC+'s move also played out in currency and rate markets at least first thing, as, said ING FX strategist Francesco Pesole, it had "fueled fears that inflation will prove to be a longer-lasting problem for central banks."
"The ultra-volatile market pricing for the Fed's rate path is once again set to be one of the most impacted," he added.
The yield on U.S. two-year Treasuries rose as much as 7.7 basis points before dropping back to trade a touch higher on the day at 4.0895%, while Fed fund futures pared back expectations for rate cuts later in the year.
The market nudged up the probability of the Federal Reserve hiking rates by a quarter point in May, with around a 60% chance according to the CME's Fedwatch tool, up from a probability of 48% on Friday.
That in turn helped the dollar gain as much as 0.7% on the Japanese yen, before falling back to trade flat at 132.98. The rise in oil prices is bad news for Japan's trade balance given it imports most of its energy, while the yen typically underperforms when U.S. rates are rising.
The euro initially lost ground, but was last up 0.3% at $1.0874.
The outlook for U.S. rates could be impacted by data on ISM manufacturing and several pieces of employment data out this week, most significantly Friday's non-farm payrolls report.
The impact of that report could be muted by the Easter holidays.

REUTERS

Iran's economic revamp

Building on preparations and the groundwork laid in the previous calendar year, the government will be implementing new decisions this year that will revolutionize the economy.

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The forthcoming 7th development plan bill, which will be presented to the parliament next month, will reveal the structural changes the government has in store. The Ministry of Economy, leveraging the expertise of elite and young professionals, is sanguine that this year's economic policies will be more coherent. The government has proposed a written plan to ensure food security for the people.
Meanwhile, in the banking and monetary sector, revolutionary measures are deemed necessary to address the current situation.
In terms of non-performing banks and ending the interest rate race, we have submitted proposals for changes to President Raeisi, which have been generally approved. The government expects the Central Bank to adopt a serious and unorthodox approach to these issues.
The Ministry of Economy aims to disseminate information about facilitating business without turning a blind eye and ensure transparency in matters such as bank super-debtors and the financial status of state-owned companies. The government intends to take a rigorous stance towards wrongdoings committed by tax chiefs and state bank managers, with dismissal being the least punitive measure.
The government aspires to increase the proportion of pollution and value-added taxes returning from the capital to the provinces, while also overseeing the market and taxation of traders.
The government seeks to discontinue the ineffective methods of the past regulatory system and hopes that the comprehensive trade system and support organization will succeed in this path.
Additionally, the government aims to harness the capacity of the stock market for micro-investment options available to the populace.
While ill-wishers may endeavor to hinder the realization of these efforts and fuel inflationary and currency expectations, the government remains vigilant and attuned to the needs of the nation.
With the government's unwavering determination and the people's resilience, Iran will triumphantly overcome these hurdles.