

EU cuts growth, inflation forecasts for 2024

The European Commission cut both its growth and inflation forecasts for the eurozone in 2024, as it warned geopolitical tensions spelled rising uncertainty for the single-currency area's economy.

The forecasts by the EU's executive arm demonstrate the impact of the European Central Bank's interest rate-hiking campaign last year: a welcome fall in inflation, predicted to drop to 2.7 percent, but also worryingly sluggish growth, expected to reach just 0.8 percent, AFP wrote.

Although the Frankfurt-based ECB has held rates steady so far in 2024, it is widely expected to begin cutting rates later this year in the face of slowing consumer prices and a weakening eurozone economy.

Reflecting lower energy prices, the commission revised its inflation forecast sharply down from 3.2 percent – although it still remains above the ECB's two-percent target.

"Lower energy commodity prices, weaker economic momentum and recent inflation outturns set inflation on a lower path, lower than was anticipated last autumn," the EU's economy commissioner, Paolo Gentiloni, told reporters in Brussels.

The commission's 2024 growth forecast for the 20-country eurozone, at 0.8 percent, also marks a sharp downward revision from the previous forecast of 1.2 percent.

"After narrowly avoiding a technical recession in the second half of last year, prospects for the EU economy in the first quarter of 2024 remain weak," it said.

But Gentiloni tempered the gloomy outlook by stressing that "the conditions for a gradual acceleration of economic activity this year are still in place."

Brussels expects growth to reach 1.5 percent next year, with Gentiloni pointing to "a strong labour market, easing inflation, rising wages, the expected gradual easing of credit conditions" as factors likely to support growth.

For now, however, EU officials consider that the eurozone is underperforming compared to the rest of the world. The United States' full-year economic growth accelerated to 2.5 percent last year.

The reason for this, Gentiloni said, was that US consumers benefited from a larger pandemic stimulus than in Europe, adding that the bloc was also hit harder by the impact of the war in Ukraine on energy prices.

"The EU underperformed the US in 2023 and is set to do so again this year," he said.



Iran resumes gas supply to Iraq: *Envoy*

Iran's ambassador in Baghdad announced the resumption of exporting natural gas to Iraq under the current agreement on a daily supply of 40 million to 50 million cubic meters (mcm). Recently, Iran carried out annual maintenance operations on gas pipelines used for exports to Iraq, as there was a drop in gas flow, but the flow did not reach zero, and has now returned to its normal state. Mohammad Kazem Al-e Sadeq said that Iran always supports Iraq in the energy field and pro-

vides its services to the Arab country whether through the export of gas or the direct export of electricity. Iran emphasizes that there will be an increasing trend of gas flow to Iraq next year (to start March 20, 2024), the envoy added. Earlier, a member of the Presiding Board of the Iran-Iraq Joint Chamber of Commerce said that Iran's exports of products to neighboring Iraq will reach \$12 billion by the end of the current Iranian year (March 19, 2024). In May 2023, Iran and Iraq

signed a major petroleum cooperation agreement amid expanding ties between the two energy-rich neighbors. Iraq's Prime Minister Mohammad Shia al-Sudani watched on as Iranian and Iraqi oil ministers signed a deal in the Iraqi capital Baghdad to facilitate bilateral cooperation on petroleum industry projects. Iranian Oil Ministry's news service Shana said that a joint working group will pursue the implementation of the agreement during regular meetings

in the future.

It said Oil Minister Javad Owji had held extensive talks with premier Sudani earlier to discuss an array of petroleum industry issues ranging from oil fields shared between the two countries to Iraq's access to technical and engineering services from Iranian companies. A separate report said that Sudani and Iraqi oil minister Hayan Abdul Ghani had emphasized in their meetings with Owji the need for increased cooperation with Iran on the issue

of natural gas.

Iran is a major supplier of natural gas to Iraq as the Arab country, which is the third largest crude oil exporter in the world, still struggles with rising demands for natural gas in its power plants.

Recent reports have suggested there has been an increase in the supply of natural gas from Iran to Iraq.

Iranian authorities say Iraq has settled a part of the huge debts it owed to Iran for previous gas supplies.

Iran-UK trade hits \$105m in 2023: Statistics



The UK Department of Trade and Industry announced a boom in trade with Iran in 2023, saying the two countries' trade exchanges reached \$105 million last year. In its latest report, the department put the value of the trade exchanges between Iran and the UK in 2023 at £83 million (\$105 million), showing a four-percent growth compared to a year earlier, reported Tasnim News Agency.

Iran and the UK had exchanged over £80 million from January to December 2022.

According to the report,

the UK imported £16 million (\$20 million) from Iran in 2023. The country had imported £1 million worth of non-oil products from Iran between January and December 2022.

Regarding the export of

products, the UK exported £67 million (\$85 million) to Iran in 2023, registering a 6% hike compared to a year before. The UK had exported £63 million worth of products to Iran from January to December 2022.

Tehran, Havana keen to expand collaboration in agricultural sector



Tehran and Havana are keen to expand collaboration in the field of agriculture, an official at Iran's Ministry of Agriculture said in a joint meeting held between members of the Board of Directors of the Agricultural Support Services Company (ASSC) and the Iran-Cuba Agricultural Cooperation Development Group.

Deputy CEO of the ASSC for Trade Affairs Ali Alizadeh noted that given the high capacities of Iran for exporting urea fertilizers to other countries and also the export-based approach of most companies producing bio- and organic fertilizers, the ground

has been set for the country to expand its cooperation with the agricultural sector of Cuba in this area, reported Mehr News Agency.

During the meeting, the Iran-Cuba Agricultural Cooperation Development Group presented a comprehensive report on the situation of agriculture in the Latin American country and called on ASSC to pave the way for the expansion of bilateral cooperation.

The Iranian side hailed the determination of the Cuban officials to expand cooperation with Iran in the field of trading agricultural products.

Over \$731m tons of commodities traded at IME

The Iran Mercantile Exchange (IME) witnessed trade of 3.18 million tons of commodities with a total trading value of more than \$731 million on its physical market.

The exchange saw on its metals and minerals trading floor trade of 2.7 million tons of commodities valued at nearly \$506 million, reported ime.co.ir on Saturday.

On this floor the IME sold

1,210,277 tons of cement, 745,000 tons of iron ore, 392,000 tons of sponge iron, 344,103 tons of steel, 8,660 tons of copper, 7,880 tons of aluminum and 250 tons of molybdenum concentrate.

Moreover, the IME witnessed on both domestic and export rings of its oil and petrochemical trading floor 469,613 tons of commodities worth more than 219 million USD.

Commodities traded on this floor included 167,000 tons of vacuum bottom, 101,918 tons of polymeric products, 100,342 tons of bitumen, 53,000 tons of lube cut, 33,608 tons of chemicals, 9,150 tons of sulfur, 4,133 tons of oil, 260 tons of feedstocks and 100 tons of waterproofing materials.

The IME also traded within the same week 2,861 tons of goods on its side market.

