



**SAHM ASHENA**  
Full Service Brokerage

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## **Weekly News Bulletin- April 2017(22-28)**

### **First week of Ordibehesht**



**Sahm Ashena Brokerage Co.**

- **No 27, ABCO Building, 8th Street (Yaghoubi), Saadat Abad, Tehran, Iran**
- **Po Box: 1998617486**

**EMAIL:** [Invest@abco.ir](mailto:Invest@abco.ir)

### **First Week Of Ordibehesht**

#### **Iran Alloy Steel**

- Exports of this unit is 45 thousand tons per year and are done to European countries such as Turkey, Europe and Germany. The company's managers are hoping this year to reach 100 thousand tons exports.

#### **Iran Glass Industry**

- In the glass industry, there is about 2 million and 400 thousand tons capacity in the country. The production amount of domestic units has reached to more than 2 million tons per year. The country's Exports are more than 500 thousand tons too. The country's production Surplus is exported to neighboring countries such as Afghanistan, Iraq, Turkey, India and...
- More than 95 percent of the glass industry raw materials which is silica, is supplied domestically. Despite silica mines in the country, producers are facing problems in supplying materials.
- In Construction and food glasses context, these areas is still in recession. But in the field of automobile glass, its market is in equilibrium mode, forecasts indicate a million and 500 thousand tons of automobile glass demand in the current year.

#### **Aluminum**

- China's aluminum production during first quarter of this year rose to 8 million 200 thousand tons. Also, Alumina production reached to more than 18 million tones.

### Gold

- Russian specialists reduced the cost of gold production by 40 percent with designing a new technology. In the traditional method, its Process Is very slow and expensive which takes At least 120 hours and 30 grams of gold obtained by using this method will cost about \$ 800. The New technology is four to eight times faster than the current standard method in efficiency and the resulting gold has more purity.
- Russia Central Bank bought 201 tones gold in 201 which is more than any other central bank in the world. In 2017, the total expected gold purchases by other central banks in the world is estimated to be about 250 tons. Russia with 1654.7 tons gold deposit has sixth rank in the world.

### Iron ore

- After its surprise rising, while in mid-February, Iron ore market reached to US \$ 94 border, During the past month, it reached To less than 65 dollars with 35 percent price reduction that is unprecedented.
- Over the past year, more than 32 million concentrate has been produced, while this amount was 25 million and 800 thousand tons in 94.
- **Norian, CEO of Chadormalu** emphasized on necessity of being real of iron ore price that now is delivered to steel industries with 50 percent of world's price.

- According to an Australian bank prediction, iron ore price will retreat to less than \$ 50 per ton Influenced by the increase in supply in the next year (A.D).

### **Real Estate Iran**

- Three million and 900 thousand residential units are in Tehran; so 13 million people may live in Tehran, this is while the Tehran population is 8.6 million.

### **Iran's automotive industry**

- Competitive pricing Council have left pricing of vehicles with prices over 40 million tomans to automakers because it believes that such vehicles are not exclusive and also there are domestic and importation competitors.
- Increase in car prices is inevitable because most raw materials had the rise in prices in 95 compared to 94, for example, steel sheets, aluminum, copper, Lead, synthetic rubber , natural rubber ad scrap iron for casting parts had 20%, 11%, 34%, 14%, 34%, 47% and 11% price increase respectively compared to last year.

### **Wheat**

- In 1394 and 1395 the wheat was harvested from every cubic meter of water to 750 grams. In 1368, 300 grams wheat was harvested Per cubic meter of water That this trend Faced with many changes and fluctuations In its path, As far as, In 1377 reached 530 grams and 630

- grams in 1383 and 1384. In 1394 and 1395, The harvested wheat amount from every cubic meter of water Reached 750 g.
- Wheat guaranteed purchase price in 96 was 1300 to 1330 per kilo so far.

### Water

- The virtual water trade amount in the world reached from 438 billion Cubic meters to 989 billion Cubic meters from 1986 to 2011 which America with 24 percent had the highest share in this business.
- The virtual water amount imported to Iran since 1350's to 1392 year reached from 12 billion cubic meters to 37 billion cubic meters and its exports has reached to 4 billion cubic meters.
- It is predicted that renewable water per capita decline to about 800 cubic meters until in 1400 which is less than the boundary of the water shortage (1,000 cubic meters). Renewable water volume of country has reached from 130 billion cubic meters to less than 100 billion cubic meters.
- Due to climate change, the country rains Type has changed And from continuous rains Has turned to Abundant rainfall But rainfall with low volume That upon rainfall, Large amounts of it evaporates; the country's Snow coverage is also dramatically reduced.
- In Iran, the cost per cubic meter of water is about 1000 tomans and the sales price is 400 tomans in average.

### **Iran Debt securities**

- Head of the Securities and Exchange said: from the beginning of issuing securities in the capital market until now, \$ 14.5 billion dollars financing securities have been released.
- Issuing Foreign Exchange Bonds are waiting for central bank's order. In Negotiations with South Korea capital market, about a billion euros was discussed and negotiated which was not practical Previous year.

### **Electrical industry and Iran Accessory goods**

- At 94, about 1,500 MW of new power plant entered into circuit and At 95, This number increased to 2,200 MW. At 96, more than 4 thousand megawatts new power plant entered into circuit. In 89, which is the year of implementing the subsidy purposefulness, 4,000 MW of new power plants entered into the circuit, After implementing the subsidy purposefulness, This number decreased year to year so that up to 93, entering new power plant to the circuit reduced to 800 to 900 MW.

### **Rapeseed**

- Deputy Minister of Agriculture declared guaranteed purchase price of rapeseed from farmers as 2783 tomans per kg in 96.

### **Iran's telecommunications industry**

- By Referring to the opening of the telecommunications fiber optic project in eight provinces with a capacity of one million ports for

connecting places to fiber-optic, Telecommunication Company of Iran CEO reported placing it instead of phone wire until 5 years future.

### **Iran's sugar industry**

- Government has reduced sugar import tariffs from 26 percent to 20 percent. Government has issued 550 thousand tons import permission for 96.
- Sugar stocks inventory is 750 thousand tons and the country sugar inventory by the end of Khordad will be one million and 650 thousand tons by taking imported sugars into account and there will not be price stress in this area.

### **Iran's shipping industry**

- Cost of constructing each kilometer railway is 7 million tomans, i.e., for developing the rail system from the current 11 thousand kilometers to 25 thousand kilometers, one of the Fourth Development Plan objectives, 28 to 30 billion tomans investment is needed.
- Now, merchant ships traveling time period from India to Central Asia from the Mumbai-Suez-Moscow with 16 thousand 129 kilometers takes 40 days, but after the completion of north-south corridor, just 14 days is needed and transport costs also will be reduced significantly.
- Amount of cargo transported by the railways in the 70s was about 25 million tons per year and in 80's it reached to 30 million tons in the 90's it reached to 34 million tons per year; according to the Fourth Development Plan, 76 million tons cargo should be transported by railways until 1404 annually.

### **Iran Electrical Industry**

- This year, first F-class power plant with 55 percent efficiency will enter the global grid by the end of 96.

### **Counter**

- Smart-making of 360 thousand counters will be in agenda which 120 thousand counters become smart until now and it should be tried to equip rest of high-consumption subscribers to smart counters in a short time.

### **Khorasan Steel**

- Shams production project by application in the steel sections production as put into operation with the production capacity of 720 thousand tons. This project was launched with a total investment of 720 million tomans which provides direct employment for 700 people.

### **Ethylene**

- Ethylene price has risen from \$ 60 in early April and has already reached \$ 1,200 per ton CFR China.



### **Damavand Petrochemical**

- Representative of the German company, Linde was willing to invest and participate in Damavand Petrochemical in meeting with Director of National Petrochemical Company.

### **The world steel industry**

- According to New prediction of World Steel Association, demand in 2017 has grown by 1.3 percent and reached to 1.535 billion tons and in 2018, it will be 1.549 billion tons.
- China's demand for steel in 2017 due to the weakening of the impact of the government fiscal stimulus measures has remained unchanged and reaches 681 million tons And in 2018, it will be reduced Two percent and become 667.4 million tons. It is Expected that demand for steel in emerging and developing economies except China will grow 4 percent this year and reach to 452.7 million tons and in next year (A.D) it will be developed 4.9 percent and reach to 474.9 million tons.

### **Iran Khodro (IKCO1)**

- Iran Khodro reported beginning to export automatic products to Iraqi Kurdistan which is scheduled to issue 1500 to 2000 vehicles in the first phase. By having fixed sales network and after-sales services in Soleymaniyeh and Arbil, Iran Khodro is ready to develop the market in this country and compete with existing products in it.