

Samand Assembly Line in Senegal



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Samand's assembly line was inaugurated in Thies, Senegal's second largest city on Friday with Iranian Minister of Industries and Mines Ali Akbar Mehrabian in attendance.

Mehrabian, heading a high-ranking delegation, arrived in the capital city of Dakar on Thursday.

He signed a memorandum of understanding with Senegalese officials to expand mutual ties.

In a meeting with Senegalese President Abdoulaye Wade, Mehrabian introduced Iran's industrial and mining potentials, according to a fax sent to Iran Daily by Iran Khodro.

> Strategic Partner

Iran considers Senegal as a strategic partner, the minister pointed out, adding that Senegal is seen as a gateway for exporting Iranian commodities and industries to western Africa, including Ghana, Gambia, Nigeria, Togo, Mali, Sierra Leone, Benin, Guinea and the Ivory Coast.

The minister declared the country's readiness for expansion of all-out cooperation with Senegal.

He announced that Iran Khodro has designed a vehicle for Islamic nations.

The inauguration of Samand's assembly line in Senegal will strengthen mutual ties, he underlined.

Mehrabian also thanked the Senegalese president's support for implementing the of Iranian projects in that coun-

try. Abdoulaye Wade, for his part, said Senegal's market is open to Iranian firms, welcoming Iranian ventures.

Earlier, managing director of Iranian carmaker Iran Khodro Company (IKCO) stated that the Samand manufacturing plant would produce 10,000 units annually in Senegal, Fars News Agency wrote.

Manouchehr Manteqi added the plan has been funded with \$60 million, of which 60 percent will be paid by Iran Khodro, 20 percent by the Senegalese government and the rest by Senegal private sector.

"In a bid to equip Senegal's taxi fleet, some 2,000 units of Samand have been exported to this country," he said.

> Global Presence

Iran's state-owned Iran Khodro is the largest carmaker in the Middle East, Central Asia and North Africa, with an annual production of more than one million vehicles of various models, including cars, trucks, minibuses and buses.

The automaker opened a plant in Syria in April and is also readying a new plant in Turkey for 2009.

IKCO is also ramping up exports as it builds a global presence outside Iran.

The company builds more than half a million passenger vehicles a year, and officials have said they want to boost annual production to more than a million vehicles and hike exports to more

than 600,000 by 2016.

Iran Khodro Company has exported Samand sedan to Russia, Afghanistan, Belarus, Senegal, Armenia and Azerbaijan.

Samand is a compact sedan based heavily on the Peugeot 405 platform and with a price starting at about \$9,000. "Samand" is the Persian name for a local breed of horse.

Market observers believe that Samand could challenge future Chinese and Indian imports at the low end of the market.

Samand's trade name is now registered at the World Intellectual Property Organization (WIPO).

IKCO the Iranian car manufacturer and owner of Samand, is the first Iranian company whose product is registered at the WIPO.

Marketing researches have shown that given the financial capability of European and South Asian markets and the competitive advantage that Iran enjoys, Iran Khodro can gain a foothold in many world markets in a relatively short period of time.

The company has other automobile production ventures with foreign countries and companies in a bid to increase exports to regional markets.

> Long-Term Presence

Iran's deputy foreign minister for Arab and African affairs, Mohammad Reza Baqeri, said the Islamic Republic

is studying a long-term presence in the African continent, Fars News Agency reported.

Baqeri termed the trade links between Iran and African countries as expanding and "the ground is prepared for expansion of mutual ties", adding that Africa enjoys rich resources and the continent is a suitable hub for Iranian-made commodities, the report said.

As for examples of current trade links with some African countries, he referred to the construction of a tractor manufacturing plant in Uganda, dispatch of Iranian physicians to South Africa and establishment of an Iranian-made car (Samand) assembly line in Senegal.

The Croatian ambassador in Tehran said last year that the people of East Europe are waiting for the Iranian-made passenger car 'Samand'.

The official also said that after the launch of operation of Samand assembly line in Azerbaijan and Belarus, the manufacturing company, Iran Khodro, now has better chances for gaining access to the CIS and East European markets.

According to the diplomat, Iran Khodro's officials have announced that they would soon start exports of Samand to Poland, while the company is now studying other East European markets, including Romania and the republics of former Yugoslavia.

Iran started export of the latest model of Samand to 32 different countries in autumn 2007.

22m Tons of Commodities Exported

Some 21.8 million tons of commodities, worth \$13 billion, were exported abroad since the start of the current Iranian year on March 21, 2008.

Deputy head of Islamic Republic of Iran's Customs Administration (IRICA) for customs affairs

said that over 27.4 million goods, worth \$38.2 billion, were imported during the same period, IRNA reported.

Mohammad Reza Naderi added close to 3.5 million tons of commodities worth \$2.2 billion were exported from southwestern

Khuzestan province during the period.

Over 9.6 million tons of cargos worth \$7 billion were imported from the province to the country.

He also voiced IRICA's readiness to operate in the free trade zones.



Armenia Wants Broader Ties

Armenian Prime Minister Tigran Sarkisian said Armenia is keen to improve and broaden the scope of its relations with Iran.

He was discussing upgrading of these bilateral relations in a meeting with a delegation of the European Bank for Reconstruction and Development (EBRD) in Yerevan, Press TV wrote.

Sarkisian asserted that Iran provided a crucial route for export of goods to Armenia from other countries in the past four months. The transit of goods to Armenia from Russia was blocked as a result of the Georgia-Russia conflict over Georgia's South Ossetia breakaway province.

"Armenia is willing to improve its relations with all its neighboring coun-

tries," Novosti-Armenia news agency cited Sarkisian as saying.

The prime minister also expressed hope that the Azerbaijan-Armenia dispute over the Nagorno-Karabakh region could be resolved through dialogue.

EBRD has granted more than 100 million euros to the public and private sector in Armenia and is set to grant another 60 million euros to Armenia next year.

Economic ties between Iran and Armenia have a constructive nature. Economic cooperation entails benefits for both sides and this necessitates further efforts by businessmen to expand ties.

Given Iran's great economic potentials, the country could be considered a reliable partner for Armenia.

Energy Cooperation With Bulgaria

Iran's Deputy Oil Minister for International Affairs Hossein Noqrehkar Shirazi conferred with Bulgarian officials.

According to the report of Iran's Embassy in Sofia, Noqrehkar Shirazi pointed to Iran's high potentials and called for increasing cooperation between Iran and Bulgaria, IRNA reported.

Noqrehkar Shirazi welcomed the Bulgarian companies' presence in Iran's energy industry.

He called Bulgaria a gateway of energy into other European Union countries and expressed Iran's readiness to accept Bulgarian's active par-

ticipation in Iran's oil, gas and petrochemicals plans.

The deputy oil minister said development of economic ties, especially in the field of energy would be beneficial for both countries.

Bulgarian Minister of Economy and Energy Peter Dimitrov called security in supplying energy very important and named Iran as one of the important partners of Bulgaria.

He welcomed reciprocal investment of Iranian and Bulgarian companies in the oil and gas industry.

Noqrehkar Shirazi was in Bulgaria to attend the Third Joint Energy Committee between the two countries.

International News

Oil Below \$44

Oil prices have been steady at almost four-year lows below \$44 a barrel as demand continues to be hit by the slowing global economy.

US light crude rose 29 cents to \$43.96 a barrel in early Friday trading after falling more than 6 percent on Thursday to its lowest level since January 2005, BBC reported.

London Brent was up eight cents to \$42.30, also near a four-year low.

Analysts say oil prices are getting closer to the very important psychological level of \$40.

"We first hit \$40 in 2004 and prices then started accelerating up from there. We still have to find where the bottom line is for the prices," said fund manager Tetsu Emori at Astmax.

Oil prices are more than \$100 below their \$147 a barrel highs seen in July this year.

Investors are getting ready for new bad economic news from the US, as American November non-farm payrolls data will be released on Friday.

Many eyes are now on OPEC, as the oil organization decided not to cut production at its meeting last weekend.

OPEC President Chakib Khelil urged the group to cut output at its next meeting in Algeria on Dec. 17.

ECB Chief Under Pressure

European Central Bank President Jean-Claude Trichet is under pressure to outline a plan to revive the euro region's economy should he be "trapped" into pushing interest rates closer to zero.

Even as Trichet delivers the largest round of rate cuts in the ECB's history, he hasn't spelled out a specific approach should conventional tools fail to head off deflation, Bloomberg wrote.

While he acknowledged for the first time that unorthodox measures are an option, economists say the lack of detail is a concern.

"The ECB should lean against the wind as deflation talk inevitably becomes widespread," said Marco Annunziata, chief economist at Unicredit MIB in London. "This would be best achieved by taking the deflation risk seriously, and outlining a contingency plan against it."

The absence of a public strategy leaves Trichet lagging Federal Reserve Chairman Ben S. Bernanke, who said Dec. 1 he may turn to alternative policies such as buying Treasuries after cutting the benchmark rate to 1 percent. Bank of England Governor Mervyn King conceded last month that he may have to coordinate policies with the government if UK rates fall to zero.

US Employers Shedding Jobs

With the economy sinking faster, employers are giving more Americans dreaded pink slips right before the holidays.

The Labor Department released a new report on Friday that showed the employment market has deteriorated in November at an alarming clip as the deepening recession engulfed the country, AP reported.

After bolting to a 14-year high of 6.5 percent in October, the unemployment rate likely climbed to 6.8 percent last month, according to economists' forecasts. If they are right, that would mark the worst showing in 15 years.

Skittish employers, which have slashed 1.2 million jobs this year alone, probably axed another 320,000 last month, economists forecast. If that estimate is correct, it would represent the deepest cut to monthly payrolls since October 2001, when the economy was suffering through a recession following the Sept. 11 terrorist attacks.

Employers are slashing costs to the bone as they try to cope with sagging appetites from customers in the United States as well as in other countries, which are struggling with their own economic troubles.

The carnage—including the worst financial crisis since the 1930s—is hitting a wide range of companies.

PIMCO Sees Pound Bottom

The Bank of England's third interest-rate cut since the start of October is raising speculation that the pound's 26 percent slide may be coming to an end.

Pacific Investment Management Co., which said as recently as September the pound was "overvalued," and Millennium Asset Management have exited or cut bets the currency will weaken. The pound traded in a range of about \$1.47 and \$1.55 the past month, after dropping from \$2 in July, Bloomberg reported.

"If you were shorting the pound, now is the time to reduce those positions," said Nyles Bradshaw, a money manager in London at PIMCO manager of the world's largest bond fund. "The arguments to be overweight are not as strong anymore."

Bank of England Governor Mervyn King cut the nation's key rate to 2 percent, the lowest level since Winston Churchill was prime minister in 1951, to help bolster an economy on the brink of a recession. The rate is down from 5 percent as recently as Oct. 7.

After the decision, the currency rebounded to as high as \$1.4815 per dollar from \$1.4471. It was at \$7.07 pence per euro in London, after dropping to a record low of \$6.96 pence. The pound may gain 2 percent by April, according to the median forecast of 45 analysts and strategists surveyed by Bloomberg.

