

COVID-19 Toll in Iran: Over 53,000 Infections, 3,290 Deaths

Iran's death toll from the coronavirus pandemic rose by 134 to 3,294 in the past 24 hours, while the number of confirmed cases surged over 53,000, with 4,035 in critical condition, a health official said. "The number of those infected by the deadly virus increased by 2,715, to 53,183," Health Ministry Spokesman Kianoush Jahanpour said on Friday ...

FINANCIAL TRIBUNE

Year of Surge in Production

Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei named the new Iranian year, which started on March 20, the year of "Surge in Production" after congratulating all Iranians on the occasion.



SATURDAY

APRIL 4, 2020
FARVARDIN 16, 1399
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USD 165,000 Rial | EUR 179,000 Rial | GBP 202,000 Rial | AED 45,000 Rial | JPY 155,000 Rial | CNY 23,000 Rial | Coin 63,900,000 Rial

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Fiscal 2019-20

Consumer Inflation at 34.8%

The average goods and services Consumer Price Index in the 12-month period ending March 19, which marks the last day of the fiscal 2019-20, increased by 34.8% compared with the corresponding period of the year

before, latest data released by the Statistical Center of Iran show. SCI had put the average annual inflation rate for the preceding Iranian month, which ended on Feb. 19, 2020, at 37%.

The consumer inflation for the month under

review (Feb. 20-March 19, 2020) registered a year-on-year increase of 22% compared with the similar month of the previous Iranian year.

The overall CPI (using the Iranian year to March 2017 as the base year) stood at 200.5 last month,

indicating a 1.5% rise compared with the month before.

CPI registered a year-on-year increase of 22.2% for urban areas and 21.1% for rural areas in the month ending March 19 compared with the similar month of last year.

2020-21 Budget Scrutinized

The budget for the new Iranian year (2020-21), which started on March 20, was presented to the parliament in November but fell victim to the devastating coronavirus crisis and the election of the new, conservative parliament.

The deliberations of the parliament were accelerated on the order of Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei, and a slightly modified budget was submitted to the Guardians Council, which approved it on March 18, IRNA reported.

Iranian economist Djavad Salehi Isfahani has published an article on his weblog detailing the 2020-21 budget figures in three separate tables. Table 1 is the actual nominal numbers, Table 2 shows the real values and Table 3 presents their share in the budget. Excerpts follow:

The main change in 2020-21 compared to the recent past is the sharp decline in oil revenues (share down from 30 to 17 percent) and increase Islamic bonds (up by more than threefold), which is borrowing from the public (or the banks if the public is not willing to borrow).

Britain Facing Depression-Style Hit as Firms Slump

Britain's economy looks set for a slump that in the short term could be deeper than during the depression of the 1930s, as a survey showed the coronavirus crisis caused a record downturn among services and manufacturing firms in March.

The composite Purchasing Managers' Index covering the two sectors fell to 36.0 from 53.0 in February and was weaker than a preliminary 'flash' reading of 37.1, data firm IHS Markit and the Chartered Institute of Procurement and Supply said, Reuters reported.

The survey data were collected between March 12 and March 27, covering the period after Prime Minister Boris Johnson ordered the closure of bars, restaurants, gyms and other services businesses to slow the coronavirus outbreak on March 20.

Britain's dominant services industry suffered its sharpest fall by far since the survey began in 1996. Its index sank to 34.5 from February's 53.2, and was also weaker than the March flash reading of 35.7.

Sterling weakened almost half a cent against the dollar to its lowest since March 31 after the news, which was only a bit less bleak than the equivalent euro zone survey.

Andrew Wishart, an economist at Capital Economics, said the PMIs were probably underestimating the hit.

"We are forecasting a 15% fall in GDP in Q2, a larger fall in output than in the financial crisis or the Great Depression," he said.



COVID-19 Cases Surpass One Million Worldwide

Men and women wearing protective gears and facemasks prepare to sanitize at the center of La Paz, Bolivia.

Global coronavirus cases surpassed 1 million on Thursday with more than 52,000 deaths, as the pandemic further exploded in the United States and the death toll climbed in Spain and Italy.

Italy had the most deaths, more than 13,900, followed by Spain. The

United States had the most confirmed cases of any country, more than 240,000, the data showed, Business Insider reported.

Since the virus was first recorded in China late last year, the pandemic has spread around the world,

prompting governments to close businesses, ground airlines and order hundreds of millions of people to stay at home to try to slow the contagion.

Amid unprecedented government steps to prop up economies battered by the outbreak, US weekly jobless

claims jumped to a record 6.6 million, double the record from the previous week. That reinforced economists' views that the longest employment boom in US history probably ended in March, and that claims were expected to rise further.

Half of Humanity Now on Lockdown

More than 3.9 billion people, or half of the world's population, have now been asked or ordered to stay at home by their governments to prevent the spread of the deadly COVID-19 virus.

Data from an AFP database collated compulsory or recommended

confinements, curfews and quarantines in more than 90 countries or territories. Due to the introduction of a curfew in Thailand (effective from Friday), the threshold of 50% of humanity will be reached, Euronews reported.

Meanwhile, the number of dead in Spain from coronavirus has now risen above 10,000, according to the latest health authority figures published on Thursday. It's a new record for the

country, with 950 deaths in the last 24 hours. The total number of deaths stands at 10,003, with a total of 110,238 confirmed cases in Europe's worst affected nation after Italy.

However, the infection rate appeared to ease. Health authorities say contagion in Spain has dropped from a daily average of 20% until March 25 to less than 12% after that date, more than 10 days after

Spaniards were ordered to stay home.

There were reasons for optimism from Italy, too, late on Thursday afternoon. The number of new infections continues to fall, down to 4668, a slight fall on Wednesday's figures, and a drop of 1,500 compared with a week ago.

Italy's daily death toll was 760, a slight increase against yesterday, but down from the more than 9,000 fatalities announced last Friday.

After COVID-19 Working From Home Could Become Mainstream

Working from home finally goes mainstream as the coronavirus forces millions to telecommute, at least for now. It may be too soon to tell whether the pandemic will leave a lasting impact on how jobs are done.

Quarantines will end. Remote work could be here to stay. As the coronavirus pandemic forces millions of Americans to shelter in place, many are forced to do their jobs from home for the first time ever. And when all this is over, a lot of those workers would like it to stay that way, CNBC reported.

In recent years, employees have increasingly sought out positions with remote working capability in addition to flexibility and generous amounts of time off in order to achieve a better work/life balance, according to a poll of more than 1,500 working adults conducted in 2019 by employee benefits provider Unum.

Cuban Docs Fighting Pandemic Around World, Defy US

For two years the Trump administration has been trying to stamp out one of Cuba's signature programs -- state-employed medical workers treating patients around the globe in a show of soft power that also earns billions in badly needed hard currency. Labeling the doctors and nurses as both exploited workers and agents of communist indoctrination, the US has notched a series of victories as Brazil, Ecuador and Bolivia sent home thousands after leftist governments allied with Havana were replaced with ones friendlier to Washington.

The coronavirus pandemic has brought a reversal of fortune for Cuban medical diplomacy, as doctors have flown off on new missions to battle COVID-19 in at least 14 countries including Italy and the tiny principality of Andorra on the Spanish-French border, burnishing the island's international image in the middle of a global crisis, AP reported.

Gov't Announces Corona Rescue Package

The government has approved a large package to help low-income households and struggling businesses impacted by the rapidly spreading coronavirus.

An estimated 750 trillion rials (\$4.6 billion as per current exchange rates) will be on offer. The loans will be given to small and medium enterprises hit hard by the pandemic, according to the website of the Central Bank of Iran.

The lending rate will be 12% to be repaid within two years, Abdolnasser Hemmati, the CBI governor said. Commenting on the interest rate, Hemmati said it is reasonable given the high inflation rate the country.

"Even if banks set 18% interest on loans, the real interest rate would still be negative when compared to annual inflation.... Any rate below 12% would apparently impose further financial strain on banks," he noted.

EU Sells Medical Goods via INSTEX

European companies exported medical supplies to Iran as part of a mechanism set up to circumvent US sanctions.

The two sides have struggled over the past year to establish the barter system, known formally as the Instrument in Support of Trade Exchanges (INSTEX).

Europe and Iran completed their first transaction under a complicated barter system set up to dodge US sanctions, Deutsche Welle reported.

Germany's Foreign Ministry said Tuesday that creation of the INSTEX mechanism enables the export of medical devices from Europe.

Coronization and Powerlessness

AMIN SABOONI
FINANCIAL TRIBUNE

Perspective

One issue that is of serious concern to informed minds is if the corona virus hangs around for another six to eight months what will become of state and government institutions all over the world.

The disturbing response seems to be that these and other organizations we know so far will have become irrelevant, if not cease to exist, and will be lost to the coronavirus, which gives the image more of 'coronization'.

We need to look around to see the scale and scope of the disaster unfolding in countries hit hard by the contagious disease. As of this write-up (Friday evening) one million plus people are infected and 40,000 lives have been cut short. Tens of millions have been displaced and there is a shortage of almost everything hospitals need to attend to the sick and dying.

Insofar as Iran is concerned and according to the Health Ministry, the pandemic has killed 3,200 plus people while 53,000 have been diagnosed. Almost 18,000 people have been cured and released from hospital.

Schools, colleges, businesses, hotels, airlines, religious centers have been shut down indefinitely as COVID-19 asserts its disastrous power in more ways than one.

Index	Value	Change	Time												
DOW JONES IND	21,332.45	-0.38%	12:08AM FDT												
S&P 500	2,523.34	-0.14%	11:53AM FDT												
NASDAQ	7,478.20	-0.12%	12:08AM FDT												
FTSE 100	5,437.19	-0.79%	11:35AM FDT												
EURO STOXX 50	2,675.69	-0.48%	11:50AM FDT												
DAX	9,563.74	-0.07%	11:45AM FDT												
CAC 40	4,179.42	-0.98%	11:52AM FDT												
NIKKEI	17,820.19	+0.01%	2:15AM FDT												
HANG SENG	23,236.11	-0.19%	4:10AM FDT												
DFMGI	1,842.60	-6.15%	4:15AM FDT												
TEDPIX	136,816.41	+0.33%	16:44PM												
Crude Oil (Brent)	33.60														
Crude Oil (WTI)	27.15														
Gold (USD/t oz.)	1,639.00														
Silver	14.44														
Aluminum	1,448.50														
Copper	4,821.50														
Regional Indices															
Country	Index	Apr 3	Change(%)	Country	Index	Apr 3	Change(%)	Country	Index	Apr 3	Change(%)	Country	Index	Apr 3	Change(%)
Bahrain	All Share Index	1,329.78	-0.86	Jordan	Amman SE INDEX	1,668.18	-0.44	Russia	MICEX	2,580.64	+1.36	Qatar	QE	8,230.41	-4.45
Egypt	EGX30 INDEX	9,455.38	+0.32	Kuwait	KWSEIDX	2,928.35	-0.18	India	CNX NIFTY	8,083.80	-2.06	Pakistan	KSE 100	31,621.79	+2.73
												Oman	MSM 30	1,754.11	-2.38
												Turkey	Bist 100	95,605.22	+2.10

in brief

No One Fooled by US Disinformation Campaign

Iran's ambassador to the United Nations said nobody will be duped by Washington's campaign of disinformation against Tehran, after the US Secretary of State Mike Pompeo accused Iranian diplomats of "involvement" in an alleged assassination in Turkey.

"The US administration's Iran-bashing is limitless," Majid Takht-Ravanchi also tweeted on Thursday, adding that despite Washington's efforts to spread disinformation about Tehran, "no one is fooled".

Takht-Ravanchi's tweet came after Pompeo, US President Donald Trump administration's most notorious Iran hawk, leveled accusations against Iranian diplomats by calling them "agents of terror."

"While the world focuses on cooperation to defeat #COVID19—and calls on US to lift its #economic terrorism—@SecPompeo disregards this and instead spreads disinformation: this time against Iranian diplomats," he said.

Biden Urges Sanctions Relief for Tehran

Former US vice president, Joe Biden, on Thursday called on the Trump administration to ease economic sanctions against Iran, as the nation is combating the coronavirus pandemic.

"In times of global crisis, America should lead," the Democratic presidential candidate said in a statement, Politico reported.

"We should be the first to offer help to people who are hurting or in danger. That's who we are. That's who we've always been. And, in the midst of this deadly pandemic that respects no borders," he continued, "the United States should take steps to offer what relief we can to those nations hardest hit by this virus—including Iran—even as we prioritize the health of the American people."

Biden also repeated his criticism of US President Donald Trump for pulling the US out of the 2015 nuclear deal with Iran negotiated under the administration of former US president, Barack Obama. Since withdrawing from that multinational pact in 2018, the Trump administration has ramped up punishing sanctions on the country while hostilities with the US have reached a fever pitch.

Trump's campaign of "maximum pressure" against Iran "has badly backfired", Biden charged, and "it makes no sense, in a global health crisis, to compound that failure with cruelty by inhibiting access to needed humanitarian assistance".

"Whatever our profound differences with the Iranian government, we should support the Iranian people," he added.

Year of Surge in Production

The Leader says if the country can bring about a surge in production, economic problems will definitely end and the US sanctions will prove to be to the nation's advantage

Leaders of the Islamic Revolution Ayatollah Seyyed Ali Khamenei named the new Iranian year, which started on March 20, the year of "Surge in Production" after congratulating all Iranians on the occasion.

"Last year's slogan was 'Boosting Production' ... This year is the year of 'Surge in Production'... Officials should act in a way that production will witness a surge, God willing, and that there will be a tangible change in the lives of the people," he said during his New Year speech on March 20, Leader.ir reported.

To achieve this purpose, Ayatollah Khamenei said state entities such as the Plan and Budget Organization, parliament and judiciary, as well as private businesses and knowledge-based organizations have a role to play. Last year's slogan, according to the Leader, has been implemented and production in the country has moved forward, but what has been done is not even one-tenth of what the country needs.

"This means that we need to do 10 times more work—including research, work related to production and various other tasks—so that boosting production can influence the lives of people," he said.

Ayatollah Khamenei noted that although the



Ayatollah Seyyed Ali Khamenei delivered his Iranian New Year speech on March 20.

country is facing many economic issues, the role of production is substantial because its promotion will help address them.

"If we can move production forward, God willing,

economic problems will definitely come to an end and [the United States] sanctions imposed by them will prove to be to our advantage," he said.

The US imposed sweeping sanctions on the

Iranian economy after it withdrew unilaterally from the 2015 nuclear deal in 2018. The illegitimate economic restrictions have hampered the trade of humanitarian goods such as medical supplies that are particularly essential while the country is battling the new coronavirus pandemic.

"They [sanctions] have inflicted some damage until now, but they have also generated profits, because they have made us think about our own resources, about manufacturing products and about satisfying the needs of the country by relying on domestic resources," the Leader said.

► Gains Despite Hardships

Ayatollah Khamenei prayed to God that the Iranian nation will witness great victories in the new year.

He noted that the last Iranian year was tumultuous for the Iranian nation, as it began with floods and ended with the coronavirus.

Various incidents also took place throughout the year, the peak of which, according to the Leader, was the martyrdom of Major General Qasem Soleimani who was brutally assassinated by the US in the Iraqi capital Baghdad on Jan 3.

He pointed out, however, that despite the hardship, there were unprecedented achievements, because the Iranian people performed well in the face of the difficulties. People volunteered to help flood-stricken areas, their massive demonstrations in protest to US act of terrorism against an Iranian commander, and most recently, the medical staff's sacrifices during the viral pandemic were "a source of dignity" for the Iranian nation.

"I genuinely and sincerely thank all those whom I referred to and I want them to know that divine rewards—both worldly and otherworldly—await them," he said.

US Extends Iran Nuclear Sanctions Waivers

The Trump administration last Monday renewed several waivers on US sanctions against Iran, allowing Russian, European and Chinese companies to continue to work on Iran's civilian nuclear facilities without drawing American penalties.

US Secretary of State Mike Pompeo signed off on the waiver extensions but couched the decision as one that continues to restrict on Iran's atomic work, AP reported.

"Iran's continued expansion of nuclear activities is unacceptable [and] is among the greatest threats to international peace and security," US State Department Spokeswoman Morgan Ortogus contended in a statement.

Current and former US officials familiar with the matter said Pompeo had opposed extending the waivers, which are among the few remaining components of the 2015 Iran nuclear deal, which the US administration has

not canceled.

However, the officials said US Treasury Secretary Steven Mnuchin had prevailed in an internal debate on the subject last week by arguing that the coronavirus pandemic made eliminating the waivers unpalatable at a time when the US administration is being criticized for refusing to ease sanctions to deal with the outbreak.

The officials were not authorized to publicly discuss the decision and spoke on condition of anonymity.

Last week, the US administration slapped new sanctions on 20 Iranian people and companies for supporting militia groups in Iraq, which are accused by Washington of carrying out attacks on bases where US forces are located. At the same time, however, it intended

another sanctions waiver to allow energy-starved Iraq to keep importing Iranian power.

► Valuable Window

US President Donald Trump withdrew from the nuclear deal in 2018 and has steadily reimposed sanctions on Iran that had been eased or lifted under its terms. The so-called "civilian-nuclear cooperation" waivers allow foreign companies to do work at some of Iran's declared nuclear sites without becoming subject to US sanctions.

Deal supporters say the waivers give international experts a valuable window into Iran's atomic program that might otherwise not exist. They also say some of the work, particularly at the Tehran reactor on nuclear isotopes that can be used in medicine, is

humanitarian in nature.

But Iran hawks in US Congress have been pressing Pompeo to eliminate all the waivers, saying they should be revoked because they give Iran access to technology that could be used for weapons, an objective that Tehran says will never pursue.

The hawks most strenuously objected to the waiver that allowed work at Iran's Fordow facility, which is built into a mountain.

Pompeo canceled the Fordow waiver in mid-December but the others, which allow work at the Bushehr Nuclear Power Station, the Arak heavy-water plant and Tehran Research Reactor, were last extended in late January for 60 days.

On Monday, the waivers were extended for another 60 days.

The waivers allow Russian, European and Chinese companies to continue to work on Iran's civilian nuclear facilities without drawing American penalties

Coronization and Powerlessness

1 ►► The government, burdened with hostile US economic sanctions and assorted accusations about misinformation, delayed medical action, red tape and unhelpful confidentiality, has made announcements that seemingly fails to convince the people.

Things are reportedly being better managed by the Tehran government as time passes and health danger takes on bigger and more dreadful proportions. Authorities at different levels were colossally unprepared when corona hit the country six weeks ago. The lack thereof was conspicuous in the shortage of kits, disinfectants, masks, gloves, gowns, and medical equipment to fight coronization.

Our medical professionals and first responders were hit hard as large numbers approached hospitals and healthcare centers with symptoms of the disease. For understandable reasons, most of the sick were told to go home and quarantine themselves in a separate room for two weeks.

As the conditions became desperate, lockdowns came while social distancing and stay-home appeals were made only to fall on

deaf ears. As is usually the case, the measures were too little too late.

The inauspicious outcome of government dilly-dallying was that hospitals were, and are, overstretched and tens of exhausted doctors, nurses and other medical personnel have been lost to the covid -- a monumental setback for our medical industry. Moreover, hundreds of health workers have tested positive for the virus.

Another major danger was that the spread of the disease coincided with the eve of Norouz, the Persian New Year that began on March 20. As the two-week annual holiday season began, an estimated eight million Iranians left for other cities to meet friends and relatives despite the Health Ministry's persistent appeals to avoid travel. The stringent travel restrictions imposed by the government as the holidays came to a close in the last week of March had some impact, though, but the harm had already been done.

If anything, the indifference of millions of families who were holidaying and were openly indifferent to risks of spreading the novel virus, showed, among other things, that government policy is not resonating with the public.

Sociologists and those who really care for Iran's future, have long warned the corridors of political and economic power that one victim of all things gone

wrong in the country is the people's trust -- something statecraft can afford to lose at its own peril, especially in times of national crisis when harmony and cooperation is the best healer.

As for the world stage, as coronization takes its heavy toll, economies collapse and livelihoods are torn asunder, it becomes obvious that wealth, power and status are being degraded as the disease spares no one.

Nations rich and poor, developed and underdeveloped, dictatorships and democracies... are at the mercy of the new corona monster. Let's be clear: the covid pandemic is a phenomena that simply does not recognize national frontiers and does not take orders from powers that be. Nor does it care for caste, color and creed.

Time and again prominent physicians and researchers from top universities and higher centers of learning have come on TV in the past few weeks and have admitted that they "do not understand" this highly infectious disease and "know very little about it".

As economies fall into coma, economic pundits, social experts and highly-paid advisors to governments struggle to comprehend the fact that trillion-dollar stimulus packages have failed to deliver, control the rapid contagion and save lives. Has all the money spent so far by rich countries

been able to prevent, detect, control and contain the deadly disease?

The answer is apparent in the overflowing morgues, collapsing national economies, the quagmire the virus has created from Afghanistan to America and the shocking inability of governments, which not long ago, prided in claiming that they can respond to any major foreign threat or calamity. Most often said they have the best and brightest plus everything money can buy.

Whether we like it or not, major economic, political and social disruptions and dislocations are on their way the impact of which will be such that has not been seen since records were kept. How the virus will evolve and how many lives and families will be turned upside down is impossible to predict.

But what can and should be said with clarity of purpose, albeit with a lot of pain and anguish is that normal life, as we knew it before the new corona reared its ugly head, will not be the same again. As fear and panic spreads among billions of people across continents, COVID-19 has taken dysfunctional and inefficient governance to a whole new level. Unable to respond in a professional manner and at the right time has brought hubristic powerhouses and their coterie of sponsors to their lowest point.

COVID-19 Toll in Iran: Over 53,000 Infections, Nearly 3,300 Deaths

Iran's death toll from the coronavirus pandemic rose by 134 to 3,294 in the past 24 hours, while the number of confirmed cases surged over 53,000, with 4,035 in critical condition, a health official said.

"The number of those infected by the deadly virus increased by 2,715, to 53,183," Health Ministry Spokesman Kianoush Jahanpour said on Friday, as President Hassan Rouhani prepared the public for the possibility of a two-year-long battle with the disease, ISNA reported.

So far, 17,395 patients have recovered in Iran. Parliament Speaker Ali Larijani was the latest among a host of politicians to have contracted the infection. Larijani, 62, tested positive and is currently in self-quarantine.

During the 13-day New Year holidays known as Norouz, the government adopted the "Social Distancing Initiative" for implementing strict measures to contain the fast-spreading outbreak.

The initiative banned inter-city travel following the refusal of the public to cancel trips during the holidays that began on March 20. It also limited transport from airports, as well as bus and train stations. Non-native people are no longer allowed to enter cities. The government also imposed a penalty of \$33.5 for vehicles crisscrossing the country and threatened to impound the violator's car for one month.

Under the scheme, all universities, schools, parks, cultural and sport events or any other place of gathering remain closed. All non-essential workplaces are in shutdown until the end of the initiative. The measures, which were initially introduced for two weeks, have been extended until April 8.

The country's coronavirus taskforce will convene on Sunday to update its policies in regard with the fight against the coronavirus.

Rouhani on Friday ordered seven of its ministers and the head of the Central Bank of Iran to review the effects of the Social Distancing Initiative and prepare reports for Sunday's meeting to make new decisions accordingly.

According to the president, infections are down 30% since the implementation of the Social Distancing Initiative. The government continues to urge Iranians to stay at home in an attempt to slow the spread of the infection or "flatten the curve", granting hospitals some breathing space to avoid pushing the healthcare system to capacity.

Iran's armed forces have built makeshift hospitals across the country and are perpetually disinfecting public places to help combat the infectious disease. The judiciary has also extended prison furloughs for 100,000 inmates until April 19. Many prisoners were temporarily released in Iran, as social distancing is nearly impossible in jails.

The number of those infected with the coronavirus passed the one million mark on Thursday. As of Friday, more than 53,000 have perished from COVID-19 worldwide.

Virus Cuts Gasoline Consumption

Daily consumption is now below 50 million liters, less than half five months ago

Gasoline sale in Iran during the Nowrouz (Persian New Year) holiday season fell significantly compared to the closing days of the last fiscal year (ended March 19), according to the National Iranian Oil Product Distribution Company.

The reason for the decline is the coronavirus, which forced most families to cancel their travel plans during the two-week annual holiday as the infectious disease gripped the world, IRNA reported.

Since mid-February, when it was officially announced that the virus had hit the country, people were advised by the Health Ministry to stay at home to help fight the deadly disease.

Gasoline consumption that was at 75 million liters per day in February dropped to 65 million liters/day in the first half of March. Daily consumption is now below 50 million liters, less than half five months ago.

Decline in fuel consumption had started even before the spread of the virus, when gasoline was rationed in Iran. Following the government's decision to raise prices at the pumps in November 2019 (when consumption was 110 million liters/day), fuel sales declined in December, reaching 95 million liters/d and 85 million liters/d in January of this year.

The declining trend in gasoline consumption from November 2019 until now is shown in the table:

Month	Consumption (million liters /day)
Nov-19	110
Dec-19	95
Jan-20	85
Feb-20	75
Mar-20	65
Apr-20	50

► Tehran Sales Halved

According to NIOPODC, Tehran had the largest decline in fuel sales among the total 31



As the deadly virus forced many people to self-quarantine, all provinces reported decline in gasoline sales.

Gasoline consumption in the capital halved during Nowrouz holiday season dropping to less than 10 million liters per day - a steep decline compared to the first half of March, when consumption was near 20 million liters/day

provinces. Gasoline consumption in the capital halved dropping below 10 million liters per day, indicating a steep decline compared to the first half of March, when consumption was near 20 million liters a day.

As the deadly virus forced many people to self-quarantine, other provinces also reported 30% decline in gasoline sales.

More than a million people have been diagnosed with COVID-19 worldwide and

the death toll has surpassed 53,000 while about 211,000 patients recovered, Aljazeera reported.

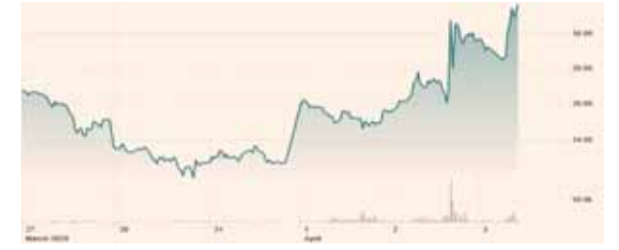
The US - the world's hardest-hit country - has reported more than 6,000 coronavirus deaths, according to data collected by Johns Hopkins University. It has confirmed more than 245,000 cases of the disease.

COVID-19, first emerged in central China three months ago. Now nearly a quarter

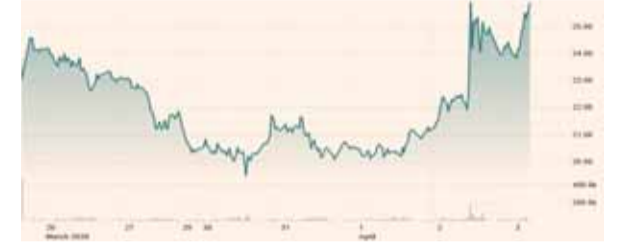
of cases have been registered in the US, while Europe accounts for around half with Italy, Spain, Germany, France, England, Switzerland and Turkey among the top 10 having the highest number of confirmed cases.

In Iran, the coronavirus outbreak started in Qom. Health officials in Tehran up until Friday afternoon confirmed 53,000 cases of infection with the novel virus, with 3,300 deaths.

Brent Price



WTI Price



Natural Gas Price



Goldman Sachs:

Shale Could Be Victor in Oil War

The bruised and battered US shale industry is poised to emerge from the oil crash a winner, according to Goldman Sachs Group Inc.

Shale's high-pressure wells and short drilling time mean the industry is well positioned to benefit if the current plunge in oil causes long-term damage to production capacity, resulting in a price jump when demand returns, Goldman analyst Damien Courvalin said, Bloomberg reported.



Shale's flexibility is similar to the spare capacity that OPEC stalwarts such as Saudi Arabia and the UAE keep on hand to be able to boost production on short notice, Courvalin said.

"This implies that the coronavirus-led demand collapse may ultimately benefit shale and low-cost producers alike."

The note of optimism runs counter to the steady drumbeat of bad news that's hit the shale patch since oil prices collapsed amid simultaneous supply and demand shocks.

The price plunge instantly made thousands of prospective shale sites money-losing propositions.

Shale wells' high initial pressure means that there is a strong likelihood that companies can shut them in and later resume production with limited lost capacity, Courvalin said.

That is not the case for many more mature wells that face being shut-in amid low prices and storage and logistics constraints, with production being potentially lost forever, he said.

"Shale's flexibility is likely to be finally monetized by producers once demand starts to recover to fill any global supply gap," Courvalin said.

Turkey's natural gas import from Iran was halted for the tenth time on March 31 following an explosion in a pipeline 1.5 km inside Turkey near the border with Iran, director of dispatching at the National Iranian Gas Company said.

"Gas flow to the neighboring country, which started in 2001, has been interrupted at least 10 times mostly due to terrorist attacks in Turkey," Mehdi Jamshidi Dana was quoted as saying by IRNA.

Sabotage is common on pipelines going into Turkey from Iran and Iraq, where the Kurdistan Workers' Party group or PKK is based. The outlawed group has waged an armed struggle against the Turkish state since 1984. Ankara has banned the Kurdish group as a terrorist organization.

No explosion was recorded during the first five years (2001 to 2005), but a series of bomb attacks started in 2006 and the pipeline was targeted three times in the same year, he added.

The pipeline was sabotaged five times in 2007, 2008, 2009 and 2011.

There were no attacks between 2012 and 2014. Nonetheless, gas export to Turkey discontinued again in 2016 because of another attack for which PKK claimed responsibility.

According to Jamshidi Dana, on March 31 the pipeline was exploded for the tenth time inside Turkish territory, halting the flow in a 40-inch pipeline.

Local authorities said the blast hit a section of the pipeline near the Gurbulak Border

10 Explosions in 15 Years Gas Export to Turkey Disrupted

Crossing in the eastern province of Agri.

"Repairs to the pipeline are expected to take around 10 days to complete and gas flow will resume once Turkey's Botas, the country's gas importing company, is ready to receive gas."

Turkey buys around a quarter of its 40 billion cubic meters of piped natural gas a

year from Iran, making its eastern neighbor the second biggest supplier after Russia. Natural gas is used for almost half of Turkey's electricity generation.

NIGC uses IGAT-9 with a length of 1,900 km to transfer gas from Asalouyeh, Bushehr Province, to Bazargan district in the northwestern province of West Azarbaijan,



Repairs to the pipeline are expected to take around 10 days to complete.

which then extends into Turkish territory.

IGAT is a series of nine large diameter pipelines built to supply gas from refineries in the south (Khuzestan and Bushehr provinces).

► No Guarantee

Omid Shokri Kalehsar, an independent expert on energy security in Washington, says for now Turkey will continue importing Iranian gas to meet its high demand in the cold winter seasons in the southern regions. However, there is no guarantee that the agreement with the Turks (valid until 2026) will survive long into the future.

Turkey has started importing gas from Azerbaijan via the Trans-Anatolian Natural Gas Pipeline and is due to import Russian gas from the land-based TurkStream gas pipeline soon.

Iran is the second largest gas supplier to the country after Russia, delivering close to 9 billion cubic meters annually.

NIGC signed a contract in 1996 to export up to 10 bcm of gas a year to Turkey over 25 years.

Iran reportedly sold \$14.2 billion worth of natural gas to Turkey between 2012 and 2016. Botas in 2016 appealed to the International Court of Arbitration saying that Tehran had overcharged.

The court ruled in 2017 that Iran should reimburse Turkey by \$1.9 billion, or about 13% of total sales.

The price of Iranian gas was not officially disclosed, but according to media reports, it was higher than the price of Russian and Azeri gas.

OPEC+ Debates Oil Cuts of 10 Million bpd

The OPEC+ crude oil exporter group is debating cutting global supply by 10 million barrels per day, an OPEC source said on Friday, adding that any further cuts must include producers from outside the alliance.

US President Donald Trump on Thursday said he had brokered a deal that could result in Russia and Saudi Arabia cutting output by 10 million to 15 million bpd, representing 10-15% of global supply. Trump said he made no offer to cut US output, Reuters reported.

Together those two countries produce about 23 million barrels per day, so cutting 10 million would nearly cut their production in half.

OPEC+ consists of OPEC, Russia and nine other allies, who have been coordinating a series of production cuts aimed at propping up the market since 2017. But the alliance was nearly terminated at its last meeting March 6, when Russia rejected a Saudi-led OPEC proposal for deeper cuts to combat the coronavirus outbreak's impact on the oil market.

Saudi Arabia, which had announced plans to surge its crude output by a third and export unprecedented levels of more than 10 million bpd after the meeting, softened its position Thursday.

It called for an "urgent" meeting of OPEC+ members and other major producers, saying it aimed to reach a fair agreement to stabilize oil markets that have crashed on the demand impact from the coronavirus pandemic.

The announcement of the meeting sent crude prices surging Friday, after a major rally Thursday. Brent crude futures climbed more than 30% and were trading at \$30.38 per barrel. West Texas Intermediate futures climbed 25% to \$25.32.



The energy ministry of non-OPEC producer Azerbaijan, meanwhile, said that an OPEC+ meeting is planned for April 6 and will be held as a video conference.

Upstream Pipeline Projects Take a Hit

The oil price crash has hit the upstream sector hard. Deep cuts are being made across the board, but it will have a dramatic impact on the industry's project pipeline.

Global natural resources consultancy Wood Mackenzie believes almost all pre-FID (final investment decision) projects will be deferred, Worldoil.com reported.

Of the 50+ projects identified with potential to go ahead this year, only 10 have a chance of proceeding, but all are at risk.

Rob Morris, from Wood Mackenzie's upstream research team, said: "\$110 billion of investment will almost certainly be deferred, with another \$100 billion at risk."

"New committed investment could be as low as \$22 billion if only the most advantaged projects progress. Corporate balance sheet strength and strategic drivers are much more important than project economics. Only those with the strongest balance sheets will even contemplate major project FIDs. The Majors and certain national oil companies (NOCs) will take the lead, while projects with financially stretched partners and at the higher end of the cost curve will struggle."

"Five years of cost-cutting and optimization means more than half of 2020's pre-FID projects generate 15% returns at \$50 per barrel. In 2015, less than half of pre-FID projects generated 15% at \$85 per barrel and almost none were economic below \$50 per barrel."

Projects which have clear strategic drivers, robust economics and operators with strong balance sheets are advantaged. Deepwater oil and LNG dominate the list.



Astrakhan Port to Launch Iran Export Terminal



Russia's Astrakhan Port plans to launch a terminal exclusively for exporting vegetable oil to Iran in May 2020. After a trial operation, it will tentatively deliver 10,000 tons of vegetable oil a month. The maximum monthly utilization of the terminal is projected to be 40,000 tons of vegetable oil, UkrAgroConsult reported.

Azerbaijan to Keep Iran Border Closed Until April 20

Azerbaijan has extended the closure of its border with Iran until April 20, Trend News Agency reported on March 25 with reference to the Operational Headquarters set up on the order of the Cabinet. The headquarters stated that in order to prevent the spread of coronavirus infection, the decision to temporarily close the state border between Azerbaijan and Iran is being extended on the basis of a restrictive regime until April 20. Azerbaijan's state border service closed the border with Iran for two weeks on Feb. 29. On March 12, it was extended for another two weeks to prevent the spread of COVID-19 in Azerbaijan.

All Kyrgyz Long-Haul Truckers Leave Iran

The last column of 12 Kyrgyz heavy trucks heading from Iran entered Kazakhstan on March 25, the Ministry of Foreign Affairs of Kyrgyz Republic reported. The trucks transited through the territories of Azerbaijan, Russia and Kazakhstan. Since March 20, at least 57 Kyrgyz trucks have moved through Kazakhstan, 24 kg reported on March 26. The transit corridor provided by the Kazakh side exclusively for Kyrgyz trucks heading from Iran was later closed. The Kyrgyz Foreign Ministry thanked the foreign affairs agencies of Iran, Azerbaijan, Russia and Kazakhstan for the opportunity of unhindered transit of Kyrgyz freight carriers through their territories.

Armenia Extends Restrictions on Cement Imports From Iran

The Armenian Parliament has extended restrictions on cement imports from Iran to Armenia. The amendments were supported by 91 MPs, with 18 against and four abstentions, NEWS.am reported on March 25. Armenia's Parliament had proposed to extend restrictions on the import of cement from Iran and several other countries because of the unprecedented collapse in prices in the cement and clinker markets.

Fiscal 2019-20 in Review

Consumer Inflation at 34.8 Percent

The overall Consumer Price Index (using the Iranian year to March 2017 as the base year) stood at 200.5 in the last month of the fiscal 2019-20, indicating a 1.5% rise compared with the month before and a year-on-year increase of 22%



The overall CPI reached 199.5 for urban households and 206.2 for rural households, indicating a month-on-month increase of 1.4% and 1.8% for urban and rural areas, respectively.

SCI put urban and rural 12-month inflation for the month under review at 34.4% and 37.3% respectively.

The highest monthly growth in the index among 12 groups of the basket of consumer goods and services purchased by households in the Iranian month ending March 19 was recorded for clothing and shoes with 3.1%, while the slowest inflation growth was posted for the education group with 0.1% month-on-month.

Food and Beverage

With a coefficient of 26.64%, the CPI of food and beverage stood at 229.9 in the month ending March 19, indicating a 1.9% increase compared with the month before. The food and beverage index registered a year-on-year increase of 14.8% compared with the similar month of last year. The CPI of food and beverage group in the 12-month period ending March 19 increased by 43% compared with last year's corresponding period.

Tobacco

CPI of tobacco stood at 292.4 last month, indicating a 2.1% rise compared with the month before. The tobacco index, which has the minimum impact on total inflation rate with a coefficient of 0.59%, registered a year-on-year increase of 8.4%. The annual CPI of tobacco group grew by 29.9% compared with the corresponding period of the year before.

Clothing and Shoes

With a coefficient of 4.78%, CPI of clothing and shoes stood at 220.9 in the last fiscal month, indicating a 3.1% increase compared with the month before. The clothing and shoes index registered a year-on-year increase of 29.7% during the month under review. The annual CPI of the group increased by 43.9% compared with last year's corresponding period.

Housing, Water, Electricity, Natural Gas and Other Fuels

CPI of housing, water, electricity, natural gas and other fuels stood at 166.7 last month, indicating a 0.4% increase compared with the month before. The group's CPI index, which has the biggest impact on total inflation rate with a coefficient of 35.5%, registered a year-on-year increase of 22%. The 12-month CPI of housing, water, electricity, natural gas and other fuels group increased by 23.7% compared with last year's corresponding period.



The CPI of food and beverage group in the 12-month period ending March 19 increased by 43% compared with last year's corresponding period

SCI: Income Decile Inflation Gap at 2.7%

The average annual inflation gap measured by the Statistical Center of Iran among income deciles stood at 2.7% in the last Iranian month (Feb. 20-March 19), indicating a 0.1 percentage point increase compared with the previous month.

Income decile groupings result from ranking either all households or all persons in the population in the ascending order according to income, and then dividing the population into 10 groups, each comprising approximately 10% of the estimated population.

The inflation gap in food, beverages and tobacco group among income deciles decreased by one percentage point and that of non-food and services group dropped by 0.9 percentage point month-on-month.

The average goods and services Consumer Price Index in the 12-month period ending March 19 increased 33.9% for the first decile (those with the

lowest income) while it grew 36.6% for the 10th decile (those with the highest income).

Average inflation rates grew by 34.6% for the second and third deciles compared with last year's corresponding period. The annual inflation rate for the fourth and sixth deciles increased by 34.7%, for the fifth decile 34.8%, for seventh decile 35%, for eighth 35.2% and for the ninth decile 35.6%.

The highest overall CPI (using the Iranian year to March 2017 as the base year) stood at 209.8 for the 10th decile and the lowest calculated was 196.5 for the first decile.

The year-on-year inflation rates increased by 19.5% for the first decile during the month under review, 20% for second, 20.4% for third, 20.6% for fourth, 20.9% for fifth, 21.2% for sixth, 21.9% for seventh, 22.2% for eighth, 23.1% for ninth and 24.4% for the 10th decile.

Furniture, Home Appliances and Their Maintenance

With a coefficient of 3.93%, CPI of furniture, home appliances and their maintenance stood at 245.1 last month, indicating a 2% increase compared with the month before. The group's CPI registered a year-on-year increase of 26.2%. The 12-month CPI of the group increased by 49.3% compared with last year's corresponding period.

Health and Treatment

CPI of health and treatment group stood at 169.8 last month, indicating a 0.6% increase compared with the month before. The index, with a coefficient of 7.14%, registered a year-on-year increase of 22.1%

compared with the similar month of last year. The health and treatment group's annual inflation during the month under review grew by 25.9% compared with last year's corresponding period.

Transportation

With a coefficient of 9.41%, CPI of transportation stood at 240.6% last month, indicating a 2.7% increase compared with the month before. The transportation index registered a year-on-year increase of 44.8%. The annual CPI of the group increased by 46.8% compared with the similar period of the year before.

Communications

CPI of communications stood at 149 last month,

indicating a 1.1% growth compared with the month before. The index, with a coefficient of 2.87%, registered a year-on-year increase of 3.3%. The communications group's annual inflation during the month under review grew by 15.4% compared with the previous year's corresponding period.

Leisure and Culture

CPI of leisure and culture group stood at 243.8 last month, indicating a 1.6% rise compared with the month before. The index, with a coefficient of 1.65%, registered a YOY increase of 26.6%. Leisure and culture group's annual inflation during the month under review grew by 45.5% compared with last year's corresponding period.

Education

With a coefficient of 1.86%, CPI of education group stood at 173.3 last month, indicating a 0.1% increase compared with the month before. The education group's CPI index registered a year-on-year increase of 20.6%. The annual CPI of the group increased by 21.8% compared with last year's corresponding period.

Hotels and Restaurants

CPI of hotels and restaurants stood at 194.6 last month, indicating a 0.6% growth compared with the month before. The index, with a coefficient of 1.44%, registered a year-on-year increase of 25.2%. The group's annual inflation during the month under review grew by 40.1% compared with last year's corresponding period.

Miscellaneous Items and Services

CPI of the goods and services categorized within the miscellaneous group stood at 214.8 last month, indicating a 2.1% growth compared with the month before. The index, with a coefficient of 4.18%, posted a year-on-year increase of 24.2%. The group's annual inflation during the month under review grew by 37.2% compared with last year's corresponding period.

Fiscal 2020-21 Budget Scrutinized



If you want to get a rough idea of these numbers in dollars, you can divide them by 20,000, which is my guess for the PPP exchange rate.

The proposed budget was very contractionary, allowing for only a 25% increase in total expenditures at a time when the economy is sinking under the burden of the coronavirus and pressure from sanctions.

Current expenditures were proposed to go up by 15% and wages and salaries by 19%, which are well below the rate of inflation this year (28%) and likely the same or higher in 2020-21.

Development expenditures, the one item that is the best fiscal instrument for creating jobs and boosting the economy, received the least attention, as it was proposed to increase by 13%.

The amended budget is slightly less contractionary. It raises current expenditures by 19%, most of which is because of adjustments to wage and salaries (which I have not seen separately reported), and development expenditures

by 42%, a major improvement if the allocated amount is actually spent on development projects, something that has not happened much in the past.

Even with the adjusted higher numbers, development expenditures are, in real terms, only two-thirds of their value in 2016-17. (see Table 2)

The revenue assumptions are very optimistic. According to press reports, oil prices were assumed to be around \$50. With a major global recession underway, \$30 per barrel seems more likely.

From the budget numbers, it is difficult

to guess what is the level of oil exports behind the 988 (or the 1,075) trillion rial values for oil and gas revenues. At 100,000 rials per USD, it would be close to 600,000 barrels per day, which sounds about right.

(I have not included in my calculations the 14.5% of oil and gas earnings that go to the Oil Ministry and the 20% deposits into the National Savings Fund. Shortfalls from predicted values of oil revenues can be withdrawn from this fund.)

In addition to the standard budget items, the government has proposed to pay 739 trillion rials in the coming year (428 trillion rials in monthly transfers according to the 2011 program of ex-

president Mahmoud Ahmadinejad and 310 trillion in new payments instituted after the November gasoline price hike), equivalent to 11% of the total budget expenditures. These figures do not include the new

"corona transfers" of up to 6000,000 rials to 3 million individuals, which were announced by the head of Plan and Budget Organization, Mohammed Baqer Nobakht, more recently.

Table 1. Budgets for 2016-2020 (trillion rials)

	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21 Law
Revenues	3,074	3,711	4,249	4,786	5,638	6,498
Taxes	1,011	1,127	1,287	1,536	1,950	n.a.
Oil	731	1,161	1,066	1,480	988	1,075
Sale of other assets	453	443	681	510	1,247	1,747
Other	879	980	1,215	1,260	1,453	n.a.
Expenditures	3,074	3,711	4,249	4,786	5,638	6,498
Current	1,972	2,364	2,764	3,207	3,672	4,360
Development	597	627	604	620	704	880
Other	505	720	881	959	1,262	1,258

Table 2. Budget numbers in real terms (2016 prices) show big contraction over time

	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21 Law
Revenues	3,073.6	3,383.8	3,050.5	2,643.2	2,594.8	2,990.5
Taxes	1,011.2	1,027.9	924.1	848.1	897.4	n.a.
Oil	730.5	1,058.9	765.0	817.5	454.9	494.7
Sale of assets	453.2	403.7	488.8	281.6	573.9	804.1
Other	878.7	893.3	872.6	695.9	668.6	n.a.
Expenditures	3,073.6	3,383.8	3,050.5	2,643.2	2,594.8	2,990.5
Current	1,971.7	2,155.2	1,984.5	1,771.0	1,690.0	2,006.7
Development	596.9	571.8	433.8	342.5	323.8	404.9
Other	504.9	656.8	632.1	529.7	580.9	578.9

Table 3. Budget shares show the dramatic shift in revenue sources from oil to sale of government property and financial assets

	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21 Law
Revenues	100.0	100.0	100.0	100.0	100.0	100.0
Taxes	32.9	30.4	30.3	32.1	34.6	n.a.
Oil	23.8	31.3	25.1	30.9	17.5	16.5
Sale of other assets	14.7	11.9	16.0	10.7	22.1	26.9
Other	28.6	26.4	28.6	26.3	25.8	n.a.
Expenditures	100.0	100.0	100.0	100.0	100.0	100.0
Current	64.2	63.7	65.1	67.0	65.1	67.1
Development	19.4	16.9	14.2	13.0	12.5	13.5
Other	16.4	19.4	20.7	20.0	22.4	19.4



TIR Boosts India-Iran-Afghanistan Intermodal Trade

The first intermodal transport, using the Convention on International Transport of Goods Under Cover of TIR Carnets from India via Chabahar Port in Iran, was completed last week, the International Transport Journal reported on March 20. Carrying factory line components, the operation took a total of seven days—five by sea and two by road from Chabahar Port in Iran to the final destination in Afghanistan. In comparison, the traditional route from Bandar Abbas port in Iran is three to four days longer. This was also the first TIR operation started from India and by an Indian TIR Carnet holder, the International Road Union said. Thanks to TIR and its IT tools, the risk management procedures were completed ahead of the journey. As a result, the containers were not opened for inspection at any of the borders crossed, including Chabahar Port, according to IRU.

Work Permits of Foreign Nat'ls Extended

To help break the coronavirus transmission chain, the Ministry of Cooperatives, Labor and Social Welfare will automatically extend the work permits of foreign nationals in Iran. According to Mohsen Ebrahimi, an official with the ministry, work permits of foreign nationals, which are set to expire in the first Iranian month (March 20-April 19), will get an automatic extension for two months. "There's no need for the physical presence of applicants at Iranian provinces' Directorate General for Employment of Expatriates," IRNA quoted Ebrahimi as saying.

Russian Railways Withdraws From Iran Projects

Russian Railways (RZD) has halted the implementation of infrastructure projects in Iran, a press release of the holding said on Thursday. The Iranian side has been notified, the company said. RZD International, which is in charge of the holding's foreign projects, has stopped work on the electrification of the Garmsar-Inche Borun line and closes a branch in Tehran, Tass reported. "JSC RZD [Russian Railways] expresses confidence that the withdrawal of RZD International from the Garmsar-Inche Borun Project shall not affect the partnership between Russian Railways and Iranian Railways, which is carried out first of all in the field of international logistics, including the International North-South Transport Corridor development," the company wrote in a statement. Russian Railways continues to implement projects in India, Serbia and Cuba. The company is engaged in the construction of railroad infrastructure, electrification of lines and establishment of dispatch centers.

Economist: Tough Times Ahead

The new coronavirus pandemic could shave off 2-3% of Iran's gross domestic product and the economy could lose \$20-30 billion due to the virus, with the hardest-hit sector being services

The economic implications of the new coronavirus outbreak in Iran have yet to be precisely gauged, yet it is evident that the economy, already battered by years of punishing sanctions, is facing one of its toughest years in history.

The Iranian New Year holidays have come to an end, but many businesses remain shut as infections from the virus are on the rise. The outbreak is overshadowing almost all aspects of Iran's economy, from production to trade.

Oil price, which has long been a major source of revenue for the Iranian government, is down due to depressed demand and tensions between major producers Russia and Saudi Arabia.

Nonetheless, Saeed Leylaz, university professor and economic analyst, says the decline in oil prices won't hurt Iran as much as it will impact other petroleum exporting countries.

"Iran is not a consequential exporter of crude oil; we are strong on gas condensate and petrochemical exports rather than crude oil," he said.

"The decline in oil prices would cause \$10-12 million in losses for Iran compared with \$200-250 million for Saudi Arabia, which is almost 20 times greater. Iraq will also suffer losses eight to 10 times bigger than Iran."

Asked about the economic implications of the virus outbreak in Iran, Leylaz said the pandemic could shave off 2-3% of the country's gross domestic product.



The Iranian New Year holidays have come to an end, but many businesses remain shut as infections from the virus are on the rise.

"I believe Iran's economy could lose \$20-30 billion due to the virus. The hardest hit would be the services sector. The share of retail sales, transportation and industry in the GDP is high; they account for one-fourth of Iran's economy," he was quoted as saying by Naft Khabar news agency.

Noting that job holders in services, including tourism, retail, transportation and restaurants, usually come from the lowest social strata and therefore are on the brink of unemployment due to the spread of coronavirus, Leylaz said the virus has acted democratically [in infecting individuals from all classes, the poor as well as the rich], but when it comes to economic consequences, it would harm the poorest and most economically vulnerable members of the public the most.

"Coronavirus will place enormous strain on people of modest means and the working class, particularly self-employed laborers and non-union workers in

urban areas. Exhaustive research must be carried out to help shed light on the degree of the impact coronavirus outbreak will have on people's livelihoods. So, it is impossible to give an accurate estimate now. No let-up in coronavirus spread by May would bring about profound economic ramifications for the country," he said.

The Central Bank of Iran has released a list of businesses that have been directly affected by the outbreak of the novel coronavirus disease, COVID-19. These businesses can apply to receive support and facilities from banks.

The list includes food preparation and distribution centers, including restaurants, teahouses and other such centers; tourism centers, including hotels, inns, hostels, road recreation and service centers and other such businesses identified by the Ministry of Industries; air, rail and road transportation whether inter- or intra-city; travel agencies; apparel

production and distribution units; bags and footwear production and distribution units; distributors of nuts and dried fruit, confectionaries, ice cream and juice outlets; sport and recreational centers; cultural and educational centers; and handicraft production and distribution centers, ILNA reported.

"Inflation rates are typically the highest during spring in Iran's economy. Oil exports have hit their rock-bottom level in recent history; exports of dairy products and food have declined drastically; by and large Iran's non-oil exports have reduced by 20%," he said.

Leylaz noted that Iran will experience its toughest economic times in the next few months.

"The government needs to work out an immediate plan, but what is conspicuous is the lack of an integrated voice out there. The post-coronavirus era would definitely be different both socially and economically," he concluded.

The virus has acted democratically (in infecting individuals from all classes, the poor as well as the rich), but when it comes to its economic consequences, it would harm the poorest and most economically vulnerable members of the public the most

Indian Tea Exporters Remain Upbeat on Iran Market

India's tea exports to Iran have been gaining momentum since 2013, as they broke all records in 2019 to reach 53.45 million kg, with Iran replacing Russia as the largest buyer of Indian tea.

Can India repeat this success in 2020? It can, say tea industry sources, for valid reasons.

The challenge, however, is imminent. Iran is devastated by the dual attack of the COVID-19 outbreak and a crude oil price war, which limits consumption potential. Export activity has slowed down over the past two months, The Hindu Business Line reported.

Non-Tea Exports

But it's not just tea exports that are at stake for India. On the contrary, tea contributed a little over 4% to India's \$3.5-billion export bill in FY19.

Over the past two fiscal years, India's exports to Iran have risen 52%, riding on the efficient implementation of a bilateral rupee-rial mechanism. It allowed receivables for exports to be adjusted against the payables for India's huge crude imports (\$13.5 billion in FY19)

India's rice exports were the biggest gainer of the payment

mechanism, posting a 67% year-on-year growth to \$1.6 billion in FY19. This was followed by soya oilcake (\$210 million), organic chemicals and electric machinery, among others.

Rice Exports Down

Since then, though, the story has changed.

India stopped oil imports from Iran since May 2019, following fresh US sanctions.

According to the Indian Commerce Ministry, rice exports remained substantially lower in April-January 2019-20. On an annualized basis, India's total exports to Iran are down 4.3% this fiscal year.

But tea is an exception to this trend. In FY19, India exported tea worth nearly \$154 million to Iran. This fiscal, it reached \$173 million in the first 10 months. Sources say the figures are likely to rise by the end of this month, as exports under the old contracts are on.

Sujit Patra, secretary of the Indian Tea Association, is hopeful that India will end up exporting more tea to Iran in 2020. In the worst-case scenario, assuming Tehran is rationing its total imports, he expects tea to be the

least affected as it is listed as an essential item in Iran.

No Fluke

The underlying assumption is India's gains in the Iranian tea market came out of hard work and not by fluke.

The assumption has merit. Iranians require an abundant supply of good quality tea. The country consumes roughly 80 million kg of tea a year, of which 60-70 mkg are imported. The costlier orthodox variety is the most preferred, but they also consume some CTC (crush, tear, curl) tea.

Till 2012, Sri Lanka was the lead exporter of tea to Iran, with India's share hovering around 14 mkg. This changed in 2013, with the Indian industry making a strong pitch and exports to Iran reaching 23 mkg.

Since then, India's entire growth in total tea exports has come from Iran. Apart from cornering the lion's share of the orthodox market, India has also broken into Iran's high-quality CTC market, which was earlier the sole preserve of Kenya.

Sustained effort led to the creation of the perfect blend to

suit Iranian taste buds and the market is now flooded with Indian tea brands. A parallel effort at the backend has seen India's orthodox production increase a clear 29 mkg over the past seven years.

The best part is that Indian teas have also fetched better value. The average value Indian exports to Iran increased 5% to \$3.91 a kg in 2019.

Rupee-Rial Trade

But there is still a catch. The rupee-rial exchange is crucial to exports to Iran. It is seen to have offered some price advantage to Indian exporters in the past.

Now that India has stopped importing oil, will the account remain operational? Banking sources say it will.

India's Commerce Ministry does not publicly share any trade balance figure with Iran, and RBI keeps the balance in the rupee account confidential. But banking sources say there is enough balance in the pool to support Indian exports to Iran.

The domestic tea industry must be banking on this mechanism for its Iranian export plans, despite the disruption caused by the pandemic.

DISPATCH

President Hassan Rouhani: Many government employees will continue to work from home, but civil servants with sensitive jobs that are vital for the public will be allowed to work from office ... The aim is to keep more people at home. (IRIB)



Nasser Riahi, a senior member of Tehran Chamber of Commerce, Industries, Mines and Agriculture: The shipping of pharmaceuticals has now turned into a major concern for importers, as the transportation of such vulnerable products is mostly carried out by air. (ILNA)



Mohammad Akhlaqi, an official with Iran Post: Iran Post quarantines all overseas packages for 48 hours before delivery. Post offices, which provide services at the counters, are being disinfected twice a day to counter the spread of coronavirus and to ensure people's health. (IRNA)



Seyyed Rouhollah Latifi, the spokesperson of the Islamic Republic of Iran Customs Administration: The ban on export of masks has been enacted since Feb. 10. (Fars News Agency)



Karim Ahmadi Soume'eh, the head of Agriculture Ministry's Information and Communications Technology Center: A total of 117.7 million tons of agricultural products were produced in the country during the last Iranian year [March 2018-19], showing a 0.84% decrease compared with the previous year. (Mehr News Agency)



Shahrokh Shajari, an official with the Agriculture Ministry: Horticultural products accounted for 1.66 million tons worth \$2.37 billion, while agronomical products accounted for 4.02 million tons worth \$1.91 billion of Iran's total agrifood exports in the first 11 months of the current Iranian year [March 21, 2019-Feb. 19] (IANA)



Abolqasem Rahimi-Anaraki, the managing director of Bank Maskan: In the last fiscal year [March 2019-20], loan disbursements by Bank Maskan—the state-run agent bank of the housing sector—increased by 10% over the year before [March 2018-19]. (News.mrud.ir)



Iran's Ambassador to Belarus Saeed Yari: Expansion of cooperation within the Eurasian Economic Union is an important aspect in the new roadmap for cooperation between our countries ... The ratification of the preferential trade agreement between Iran and EEU last year, as well as Belarus' presidency in the EEU bodies in 2020, create good prospects for the expansion of Belarusian-Iranian economic ties ... Iran and Belarus possess complementary economic opportunities that have not yet been fully utilized. (BELTA)



Zahra Karimi, university professor and economist: Official statistics show a 0.3% decline in the number of insureds in the fiscal year ending March 2019, which suggest that the number of jobs offering insurance has decreased and instead the number of unofficial, temporary jobs has increased. The outbreak of coronavirus will raise unofficial employment and the government has little maneuvering room to tackle the negative effects of this crisis due to the financial restraints created by sanctions and FATF's blacklisting. (Iran Newspaper)



Mansour Pourian, the head of Iran's National Assembly of Livestock Exporters: Imports account for 30% of Iran's red meat market, as domestic production accounts for 70%. (ILNA)



Parham Janfeshan, the deputy head of Tehran Handicrafts Department: About \$73 million worth of handicrafts were exported from Tehran Province since the beginning of the current Iranian year [that ended on March 19]. The exports mainly included glass products, carpets, zilou [traditional floor covering], stones and ornaments. Turkey, Iraq and Persian Gulf littoral states were the main export destinations. (Mehr News Agency)



Behrouz Aqaei, director general of Ports and Maritime Organization of Sistan-Baluchestan Province: Fifty-three companies applied to make investment in Chabahar's Shahid Beheshti Port in the fiscal 2019-20. In addition, 170 delegations constituting domestic and foreign investors visited this largest oceanic port of Iran last year. (News.mrud.ir)



Akbar Fat'hi, the head of East Azarbaijan Agricultural Jihad Organization: East Azarbaijan exported \$334 million worth of agricultural products during the first 11 months of the current Iranian year. The export volume saw a 33% growth compared with last year's corresponding period. The northwestern Iranian province has a 4.5% share in Iran's total agricultural exports. (Donya-e-Eqtasad)



World Currencies

Currency Pair	Value	Change
EUR-USD	1.0790	-0.0068 (-0.63%)
USD-JPY	108.4600	+0.5500 (+0.51%)
GBP-USD	1.2297	-0.0099 (-0.80%)
AUD-USD	0.6011	-0.0050 (-0.82%)
USD-CAD	1.4127	-0.0011 (-0.08%)
USD-CHF	0.9779	+0.0043 (+0.44%)
EUR-JPY	117.0200	-0.1200 (-0.10%)
EUR-GBP	0.8785	+0.0026 (+0.30%)

Foreign Exchange Rates

Currency	IRR Market	IRR Official
US Dollar (USD)	165,000	42,000
Euro (EUR)	179,000	45,934
British Pound (GBP)	203,000	52,008
100 Japanese Yen (JPY)	152,000	39,083
Emirati Dirham (AED)	45,000	11,437
Turkish Lira (TRY)	24,000	6,261
Chinese Yuan (CNY)	23,000	5,912
Canadian Dollar (CAD)	117,000	29,620
Australian Dollar (AUD)	100,000	25,509
Swiss Franc (CHF)	167,000	43,388

Iranian Gold Coins

Denomination	Price (IRR)	Change
Bahar Azadi	62,500,000	0
Emami	63,900,000	0
Half Azadi	30,900,000	0
Quarter Azadi	17,900,000	0

Libor

Borrowing period	Latest	Week Ago	52-WK High	52-WK Low
Overnight	2.34088	2.35038	2.40275	1.91163
6 Month	2.30000	2.34163	2.90788	2.27738
1 Year	2.29775	2.33300	3.14413	2.24650
Euro Overnight	-0.46914	-0.47129	-0.43657	-0.47986
Pound Overnight	0.67738	0.67525	0.70500	0.45300
Yen Spot/Next	-0.08383	-0.9268	-0.3183	-0.13100

Interest Rates

***	Yield	1 Day	1 Month	1 Year
United States Government Treasuries				
6 month	2.04%	1.98	-37	-6
2 year	1.77%	100.66	-48	-76
10 year	2.02%	103.11	-40	-78
30 year	2.53%	107.17	-31	-51
United Kingdom Government Gilts				
2 year	0.57%	+0	-15	-14
5 year	0.60%	+1	-23	-42
10 year	0.82%	+1	-26	-46
30 year	1.42%	+0	-20	-32
German Government Bunds				
2 year	-0.76%	+1	-12	-7
5 year	-0.64%	+2	-15	-33
10 year	-0.30%	+2	-23	-63
30 year	0.28%	+3	-9	-64
Japanese Government Bonds				
2 year	-0.24%	+0	-8	-10
5 year	-0.27%	+0	-10	-15
10 year	-0.17%	+1	-11	-19
30 year	0.32%	+3	-21	-38
10-Year Government Bond Yields				
Europe				
France	0.04%	+3	-23	-63
Italy	2.13%	-1	-52	-60
Spain	0.42%	+4	-45	-91
Netherlands	0.13%	+0	-26	-62
Portugal	0.56%	+3	-47	-127
Greece	2.49%	-4	-85	-146
Switzerland	-0.45%	-1	-8	-44
Americas				
Canada	1.63%	-1	-20	-66
Brazil	8.80%	+1	-17	-204
Mexico	8.01%	+0	-7	+34

Government Announces Corona Rescue Package

The government has approved a large package to help low-income households and struggling businesses impacted by the rapidly spreading coronavirus

1» Hemmati said only businesses that did not lay off workers during the corona crisis would be eligible for the loans. He instructed banks to process the loans soon and cut red tape. Confirmed corona cases in Iran surpassed 53,000 on Friday with the death toll rising to at least 3,300. Health officials said an estimated 18,000 patients had recovered and went home.

» **Hit Hard**
 The pandemic has hit a wide range of businesses in Iran since its outbreak in mid-February. Conditions worsened after the government ordered mass closure of markets as part of its social distancing scheme enforced on March 27. The limitations will be in effect until April 8.
 Citing statements by the Labor Ministry about pandemic losses on various sectors, the government spokesman Ali Rabi'ie said the steepest downturn would be in the services sector.
 "Services sector accounts for 51% of our payroll providing jobs to more than 12 million people," he was quoted as saying by IRNA.
 Among other sectors, hospitality, tourism and transportation have borne the brunt. The infection is also taking a toll on restaurants and food businesses. Many companies have been forced to furlough workers, scale-down production or pull down shutters.



The pandemic has hit a wide range of businesses in Iran since its outbreak in mid-February.

» **Emergency Purchase Plan**
 First Vice-President Ishaq Jahangiri on Thursday announced guidelines based on which credits worth 10 and 20 million rials will be made available to four million vulnerable and low income households under the government's 'emergency purchase scheme'.
 As per the plan, the government will pay 10 million rials (\$62) in credit to a single-person household and 20 million rials to families with more than one member.
 People who do not have fixed incomes, such

as taxi drivers, street vendors and seasonal workers fall under the low-income strata.
 Low-interest loans are supposed to be repaid in 27 months with a 3-month grace period. Interest is 12%, but the government will pay 8% and the borrowers 4%.
 The central bank's financial aid is not limited to loans. In March, the bank told borrowers that they can delay their monthly installments by up to three months.
 Borrowers obliged to clear their debts in lump sum were also given a grace period of

three months.
 The CBI singled out ten businesses unable to meet their financial commitment as a result of the virus outbreak, namely:
 - food distributors, such as restaurants, reception halls, coffee shops, buffets and fast food eateries
 - businesses active in tourism and hospitality sector, such as hotels, self-catering apartments, lodges and boarding houses
 - transporter, including air, road, rail and shipping companies
 - apparel manufacturers and distributors
 - leather and footwear
 - confectionaries and shops selling dried fruits
 - gyms and recreational centers
 - education and cultural centers
 - craftsmen and handicraft shops.

Only businesses that did not lay off workers during the corona crisis would be eligible for the loans

Europe Sells Medical Goods via INSTEX

1» The ministry — speaking on behalf of Germany, France and the UK — said the mechanism would allow many other transactions to proceed.
 "France, Germany and the UK confirm that INSTEX has successfully concluded its first transaction, facilitating the export of medical goods from Europe to Iran. INSTEX and its Iranian counterpart STFI will work on more transactions and enhancing the mechanism," the ministry tweeted.
 The system was devised more than a year ago after Washington reimposed biting sanctions on Iran's oil industry after Donald Trump withdrew from Iran's landmark 2015 nuclear deal with six world powers.
 European firms had no option but to cease trading with Iran and cancel joint



venture projects fearing US penalties.

» **Limited Trade Ties**
 INSTEX aims to at least partially maintain trade with Iran and thereby save the nuclear agreement.
 Transactions can now be carried out via INSTEX, a protective shield that ensures that no money directly changes hands.

Under the nuclear agreement with the United States, China, Russia, Britain, France and Germany, Iran committed in 2015 to redesign its nuclear program so that it could not build a nuclear weapon. In return, many sanctions were lifted and trade with Tehran was promoted.
 Trump withdrew from the deal in May 2018 and a year later, Iran began to gradually move away from its obligations under the historic agreement.
 Tehran's struggle to bring the virus' spread under control has been made more difficult by the US sanctions. The number of cases in the country passed 53,000, while almost 3,300 people have died. The government in Tehran has warned that the epidemic could run for several more months.

OPEC Fund Extends Grant to Iran

OPEC Fund for International Development has approved \$500,000 in emergency grant to purchase and distribute medical equipment needed for combating COVID-19 in Iran.
 The grant is set to be channeled through World Health Organization, OFID's official tweeter account announced on Wednesday.
 In March, Iran's Ministry of Economy sent requests to multilateral development banks for financial and non-financial assistance to control, combat and treat the coronavirus.
 The requests along with a list of goods needed to fight the infectious disease were communicated to the World Bank, Islamic Development Bank, Asian Infrastructure Development Bank and OPEC Fund for International Development, on Wednesday.
 According to the Health Ministry, 53,000 plus people have been diagnosed with the highly contagious virus, up by 1,716 a day earlier. The death toll is north of 3,300.
 An estimated 18,000 people have been cured and sent home.
 US economic sanctions on Iran are seen as the main impediment in the comprehensive and effective fight against the deadly disease known as COVID-19.
 Tehran has urged the international community not to recognize the unilateral and illegal US penalties.
 Washington imposed sweeping sanctions on Iran in 2018 after it withdrew from the 2015 nuclear deal. The purpose

of its so-called "maximum pressure" campaign is to force Iran to renegotiate a new deal covering more areas of Iran's activities.
 » **IMF Loan**
 In March Iran informed the International Monetary Fund that it was seeking \$5 billion in emergency loans to help contain the contagious virus and mitigate its effects on the already struggling economy.
 Last week, lawmaker Alireza Rahimi said that the IMF had approved a considerable portion of the sum. He did not provide details.
 The IMF has confirmed that it is in talks with Iranian authorities after the loan request.
 According to Reuters, the IMF is in talks to understand Iran's needs and what is required for Iran's demand to be processed, Jihad Azour, director of the IMF's Middle East and Central Asia Department, said during a virtual panel discussion moderated by the Carnegie Middle East Center.
 The fund announced earlier that it had made available about \$50 billion through its rapid-disbursing emergency financing facilities for low income and emerging market countries that could potentially seek support.
 The Central Bank of Iran has said it has plans to extend more than \$4.5 billion in cheap loans to businesses impacted by the rapidly spreading virus.

Halkbank Pleads Not Guilty in Iran Sanctions Case

Turkey's state-owned Halkbank pleaded not guilty Tuesday (March 31) to US charges that the bank helped Iran evade sanctions on billions of dollars in oil funds.
 The plea, entered on behalf of the company by its lawyer, Robert Cary, comes after months of legal wrangling over the bank's response to allegations of fraud, money laundering and conspiracy.
 The arraignment was conducted by US District Judge Richard Berman in Manhattan by teleconference after many in-person hearings were halted over coronavirus fears, Bloomberg reported.
 Halkbank had previously refused to acknowledge an October indictment by a federal grand jury in New York. The bank challenged the authority of prosecutors and sought to have the case dismissed before entering a plea, but district and appellate courts rejected its legal argument.



The case is an outgrowth of earlier prosecutions of a money launderer and a senior Halkbank executive who aided the alleged scheme to allow Iran to secretly tap as much as \$20 billion in overseas oil revenue frozen in its accounts at Halkbank.
 The money launderer, Reza Zarrab, pleaded guilty and testified against the Halkbank executive, with evidence during trial showing they got help from Turkish government officials and senior bank managers -- including the former chief executive officer.
 Before the case was filed, Turkey spent more than a year urging the US through diplomatic channels to drop the investigation. Turkish President Recep Tayyip Erdogan made direct appeals to President Donald Trump and other US officials.
 Halkbank, which is owned by the Turkish government, was charged in October with helping Iran access billions of dollars in oil revenue that had been frozen in its accounts under US sanctions.
 US prosecutors announced fraud and money laundering charges in the case on Oct. 15, claiming Halkbank and its executives used money servicers and front companies in Iran, Turkey and the United Arab Emirates to evade sanctions.

TM Offers to Help Virus-Hit Startups, Tech Companies

Iranian officials are increasing their support to help restore the operations of startups and knowledge-based companies that have been severely hit by the virus outbreak

Tehran Municipality has offered to help startups affected by the rapid spread of the novel coronavirus in Iran. TM's Information and Communication Technologies Organization announced on Wednesday that Tehran Mayor Pirouz Hanachi has called on urban managers to help startups and fledgling tech firms affected by the COVID-19 outbreak.

As part of the measures, the firms are to be allowed to use residential buildings as workplaces. The municipality also plans to roll out more incentives for the firms in the near future, Mehr News Agency reported.

Noting that TM is authorized to define the functional purpose of buildings and issue permits based on Article 55 of Municipal Law, Hanachi said tech units can settle in residential buildings provided their activities do not cause inconvenience to neighbors.

"The startups will be allowed to continue their work in the residential buildings for three months at most, until the COVID-19 emergency ends," he added.

Prior to the implementation of the plan, urban managers in the metropolis should reach an agreement over the details, Hanachi said. He did not mention if any discount will be offered to tech units leasing the apartments.

First reported in China's Wuhan Province in December 2019, the coronavirus has infected 1,016,128 people around the world, claiming the lives of 53,069. The number of recovered cases has reached 211,000, according to Reuters reporting on Friday.

Iran reported the virus outbreak in mid-February, which has so far taken the lives of 3,160 people out of a total of 50,468 infected people.

According to Iran's Health Ministry, 16,711 patients have so far recovered from the disease.

More Support

Startups, tech firm and knowledge-based companies have been severely hit by the negative effects of the outbreak. Iranian authorities are increasing support to help restore their businesses.

In mid-March, the government-backed Iran National Innovation Fund announced that it is planning to pay 50 trillion rials (\$301.2 million) in loans to knowledge-based companies and tech firms to boost their operations.

With the COVID-19 outbreak distorting the Iranian startup ecosystem's prospects, the state fund is extending an aid package to the sector.

According to INIF chief Ali Vahdat, some 200 firms expressed interest in receiving the fund, although the most



Iran has 4,800 knowledge-based companies that employ 300,000 people.

The government-backed Iran National Innovation Fund had announced plans to pay 50 trillion rials (\$301.2 million) in loans to help restore the Iranian startup ecosystem

eligible will be selected for financial help, the institution's website Inif.ir reported.

"The move is aimed at increasing the production of health-protective items needed during the pandemic, including N95 respirator and surgical masks, hand sanitizers, alcohol-based disinfectants, medical air disinfectant machines, antibacterial fabrics and covers for hospital use, as well as test kits and simulators," he said.

Dozens of Iranian startups and knowledge-based companies are active in the production of healthcare products and medical supplies.

To receive the loan and start production, the applicant knowledge-based company should be certified by all the institutions involved, including Iran's Food and Drug Administration and Health Ministry.

Vahdat noted that the Vice Presidential Office for Science and Technology and Iran Nanotechnology Innovation Council have agreed to scrutinize the credentials of applicants and introduce the final list of eligible firms.

Referring to the spread of novel coronavirus in the country, Vahdat said the pandemic cannot be controlled without utilizing the potentials of the domestic tech ecosystem.

"The country's knowledge-based economy, which has currently grown significantly, is being helped by young entrepreneurs and tech teams to withstand the negative effects

of the disease," he added.

Panic buying by the public and hospitals' soaring demand for the health-protective products have emptied drugstores and supermarket shelves of masks and sanitizers.

Officials say a rise in domestic production can help accelerate the replenishment of stocks.

Central Bank Steps In

The Central Bank of Iran had also announced its full support for tech firms, which could help them weather the current tough conditions.

During a meeting with senior INIF officials in mid-March, CBI Governor Abdolnasser Hemmati said the bank is willing to allocate financial support to help the tech ecosystem flourish.

Pointing to INIF's endeavors in the past several years, Hemmati said that in order to strengthen startups and knowledge-based companies, support centers will be established in all provinces, which will ease startups' access to legal and financial support.

Besides the provincial funding centers, plans are under consideration to set up offices for offering specialized services to firms active in the fields of nanotechnology, social innovative services and the internet of things, he added.

According to INIF, 4,800 knowledge-based companies are currently active nationwide and employing over 300,000 people.

Sales of the latest videogames have smashed records, as millions are stuck at home after governments around the world locked down entire cities and pushed for social distancing measures to stop the coronavirus from spreading.

Nintendo's latest installment of its Animal Crossing franchise, titled New Horizon, was released on March 20 and sold more than 1.8 million copies in its first three days in Japan, according to videogame publication Famitsu.

In the UK, the title sold more copies in its first week on the shelves than the launch sales of all previous entries in the series combined, CNBC reported.

The social simulation game allows players to create their own avatar and engage in activities such as fishing and gathering resources across islands, with the aim of building new tools and expanding their virtual homes.

A game like Animal Crossing is an antithesis to the difficulties that many people are suffering from the coronavirus outbreak.

Piers Harding-Rolls, research director for games at Ampere Analysis, told CNBC in an email that the early sales figures were "an

Global Sales of Videogames Soar

outperformance on prior expectations".

"Animal Crossing as a Nintendo [intellectual property] has never been a tier-one seller," Harding-Rolls said. "This latest release has shifted the franchise to the big league."

Niko Partners' senior analyst Daniel Ahmad was less surprised. He said the game was "expected to be a strong seller out of the gate" but acknowledged its initial sales performance was "beyond expectations".

Both analysts agreed that the coronavirus outbreak likely had a part to play in the sales spike. In a bid to slow the spread of the virus, major cities in the world have gone into lockdown as people are asked to stay at home and avoid going outside unnecessarily, with some authorities even going as far as shuttering certain businesses that are not deemed "essential". Millions around the world have been cooped up at home as a result of these measures.

"COVID-19 has ultimately helped boost sales as more people are under lockdown

and gaming is a safe and low cost form of entertainment," said Ahmad.

Harding-Rolls said the sales spike was likely partially fueled by "the fact that a lot of gamers have more time on their hands at home at the moment."

He added: "A game like Animal Crossing is an antithesis to the difficulties that many people are suffering from the coronavirus outbreak, so has appealed to a lot of people because of that."



Gamers line up for a copy of Animal Crossing videogame outside a store in downtown Toronto, Canada.

Animal Crossing is not the only title that gaming enthusiasts are flocking to. Multiple reports surfaced last week that first-person shooter, Doom Eternal, launched on March 20, had the best launch weekend in the franchise's history.

Beyond those examples, both Harding-Rolls and Ahmad said online service-based games were likely to see a boost during this period, as people seek ways of connecting with others while at home.

"A lot of existing online service-based games are seeing more usage and records broken," said Harding-Rolls.

He said one of the reasons is that those who did not play as often before now have "more time on their hands at home".

Another category of people who could return to games are those who have "lapsed" and are now looking for some familiarity, Harding-Rolls said. With this group returning to games, they "may have played a lot in the past but have since dropped".

Games will become a place to socialize with friends in a virtual world when the real world is off limits.

Google Releases Location Data to Show If Lockdowns Working

Alphabet Inc's Google has published reports for 131 countries showing whether visits to shops, parks and workplaces dropped in March, when many governments issued stay-at-home orders to rein in the spread of the novel coronavirus.

Google's analysis of location data from billions of users' phones is the largest public dataset available to help health authorities assess if people are abiding with shelter-in-place and similar orders issued across the world, Reuters reported.

Its reports show charts that compare visits in recent weeks to subway, train and bus stations, grocery stores and other broad categories of places with a five-week period earlier this year. For some countries, Google charts regional data, such as at the county-level within the United States.

Facebook Inc, which like Google has billions of users, has shared location data with non-governmental researchers that are producing similar reports for authorities in several countries. But the social media giant has not published any findings.

The coronavirus has infected more than 1 million people globally, and COVID-19, the respiratory illness it causes, has killed 52,000, according to a Reuters tally.

Infectious disease specialists have said analyzing travel across groups by age, income and other demographics could

help shape public service announcements.

Google, which infers demographics from users' internet use as well as some data given when signing up to Google services, said it was not reporting demographic information. The company said, though, it was open to including additional information and countries in follow-up reports.

"These reports have been developed to be helpful while adhering to our stringent privacy protocols and policies," Dr. Karen DeSalvo, chief health officer for Google Health, and Jen Fitzpatrick, senior vice president for Google Geo, wrote in a blogpost.

Google said it published the reports to avoid any confusion about what it was providing to authorities, given the global debate that has emerged about balancing privacy-invasive tracking with the need to prevent further outbreaks.

Mobile Phones

Model	Price in Rials	Free Market Price (USD)
Apple		
iPhone XS Max - 512 GB	230,000,000	1,523
iPhone XS Max - 64 GB	191,000,000	1,265
iPhone XS - 512 GB	190,000,000	1,258
iPhone XS - 64 GB	160,000,000	1,060
iPhone X - 256 GB	167,000,000	1,106
iPhone X - 64 GB	145,000,000	960
iPhone 8 Plus - 256 GB	155,000,000	1,026
iPhone 8 Plus - 64 GB	110,000,000	728
iPhone 8 - 256 GB	120,000,000	795
iPhone 8 - 64 GB	108,000,000	715
iPhone 7 - 256 GB	81,000,000	536
iPhone 7 - 32 GB	45,000,000	333
Samsung		
Galaxy S9 Plus - 256 GB	87,000,000	576
Galaxy S9 - 256 GB	79,000,000	523
Galaxy S8 Plus	64,000,000	424
Galaxy S8	57,000,000	377
Galaxy Note 8	88,000,000	583
Galaxy J7 Core	28,000,000	185
Galaxy A8 Star	52,000,000	344
Galaxy A7	39,000,000	258
Galaxy J7 Pro	32,000,000	212
Galaxy J5	26,000,000	172
LG		
V30	64,000,000	424
Q6	21,000,000	139
K10	17,900,000	119
HTC		
U12 Plus	102,000,000	675
U11 Plus	81,000,000	536
U Ultra	39,000,000	258
Desire 10 pro	33,000,000	219
U Play	26,000,000	172
Sony		
XZ1	64,000,000	424
XA2	44,000,000	291
XA1	37,000,000	245
L1	20,700,000	137
Nokia		
X6 2018	36,000,000	238
6.1	25,000,000	166
8	36,000,000	238
7 plus	42,000,000	278
2.1	15,900,000	105
Huawei		
P20 Pro - 256 GB	115,000,000	762
P20 Lite	35,000,000	232
P10 Lite	23,000,000	152
Mate 10	59,000,000	391
Honor 10 lite	31,000,000	205
Honor 9	36,000,000	238
Mate 10 lite	32,000,000	212
Honor 8x	46,000,000	305
Xiaomi		
Mi Mix 2s	67,000,000	444
Pocophone F1	50,000,000	331
Redmi Note 6 Pro	30,000,000	199
Mi 8 Lite	38,900,000	258
Mi 8	66,500,000	440
Mi 8 SE	41,000,000	272
Redmi S2	22,000,000	146
Mi Max 3	42,000,000	278
Redmi 6A	18,000,000	119
Mi A2	28,000,000	185
Redmi Note 7	41,000,000	272
Lenovo		
Tab 3 7	10,000,000	66
Tab 4 8	21,000,000	139
Tab 4 10 Plus	23,100,000	153
ASUS		
Zenfone 4	31,000,000	205
ZenPad 8.0 Z380KL	28,700,000	190
Zenfone Max Plus	27,000,000	179
Zenpad 3S 10 Z500M	59,000,000	391
ZenPad 3 8.0 Z581KL	53,500,000	354

Tablet

Model	Price in Rials	Free Market Price (USD)
Apple		
iPad Pro 11	180,000,000	1,192
iPad 9.7	59,000,000	391
iPad mini 4	70,000,000	464
iPad 9.7 2018	49,000,000	325
iPad Pro 10.5	155,000,000	1,026
iPad Pro	97,000,000	642
Microsoft		
Surface RT	81,000,000	536
Surface Pro	22,000,000	146
Samsung		
Galaxy Tab S3 9.7	61,000,000	404
Galaxy Tab S4 10.5	92,500,000	613
Galaxy Tab A 9.7	40,000,000	265
Galaxy Tab A 8.0	27,000,000	179
Galaxy Tab E 9.6	23,000,000	152
ASUS		
ZenPad 8.0 Z380KL	21,000,000	139

Indonesian Firms Face \$4b Debt Wall

A plunge in the rupiah could leave Indonesian firms exposed to \$4 billion in debt next year, after credit ratings agencies hit some companies this week with another round of credit downgrades, as the coronavirus pandemic chokes economic activity. Indonesia's increase in private sector debt has outstripped the global average, according to the World Bank, while French bank Natixis sees Southeast Asia's largest economy as among the most exposed to a dollar credit crunch in the Asia Pacific, Yahoo News reported. Outstanding foreign private debt was \$203 billion as of January, according to Bank Indonesia data. Fitch Ratings has put Indonesian homebuilders Lippo Karawaci on a negative outlook for its B-rating amid "unprecedented weakening in domestic demand" as the coronavirus outbreak hits economic growth. The rupiah is emerging Asia's worst performing currency after losing 15% so far this year to its weakest since the 1998 Asian financial crisis.

Malaysia to Brace for Negative Growth

Malaysia's central bank predicts the economy could shrink up to 2% this year due to the coronavirus outbreak in the Southeast Asian country, which has infected more than 3,100 people so far—the most confirmed cases in the region. In an economic monetary review issued on Friday, the bank suggests Malaysia's gross domestic product might hover from 0.5% to negative 2%, which would be the country's worst performance since 2009 in the wake of the global financial crisis. Since the negative 1.5% contraction recorded in 2009, the economy had been expanding comfortably at above 4.4% annually, thanks to heavy inflows of investments and then-high commodity prices, Nikkei Asian Review reported. "The domestic economy is also facing the economic effects from the necessary actions taken to contain COVID-19 locally and continued supply disruptions in the commodities sector," the central bank said.

Luckin Coffee Slumps on 'Fake' Data News

Shares in Luckin Coffee have slumped after the company said one of its top executives and other employees had faked sales figures. The Chinese coffee chain has now suspended its chief operating officer, Jian Liu, and staff reporting to him, BBC reported. It comes after the company appointed a special committee to investigate issues in its financial statements for 2019. Luckin, which competes with Starbucks, had been one of China's few successful US stock market listings last year. The Nasdaq-listed company said its investigation had found that fabricated sales from the second quarter of last year to the fourth quarter amounted to about 2.2 billion yuan (\$310 million). That equates to about 40% of its estimated annual sales.

Central European FX Could Begin Slow Rebound

Central Europe's currencies could be over the worst of their pounding as a result of the global coronavirus pandemic, as Hungary's forint is seen recovering from record lows and the Czech crown gradually firming in the next year, a Reuters poll showed on Friday. The poll is the first since the pandemic worsened and since investors' flight to safety pushed central Europe currencies into losses of 6-8% in March. In the poll, only Romania's leu and Serbia's dinar, which have avoided sharp falls, were expected to

depreciate over the next year. The forint, crown and Polish zloty should return back to an appreciation path, just on a weaker course.

The forint, already around record lows before the outbreak, was seen regaining 7% from Wednesday's closing levels to 340 to the euro over the next 12 months—weaker than the 12-month median forecast of 335 a month ago.

After hitting an all-time low of 369.54 on Wednesday, the forint bounced back after the central bank announced a new one-week deposit tender available to banks at its 0.9% base rate, which analysts called an implicit rate hike.

The bank said the move could reduce commercial banks' stock of overnight deposits and manage liquidity in the market better.

"It is very hard to predict what is going to happen to

the forint's exchange rate once the pandemic is over and the economy starts to revive," Gergely Suppan, senior economist at Magyar Takarek, said. "The new deposit tender... somewhat stabilized the forint. But it is hard to predict its long-term effect."

Hungary has long had the loosest policy in the region, although the other central banks are shifting heavily into easing mode to cushion the blow from the virus.

Government measures to contain the spread have limited daily life limited to essential shopping and going to work. Factories, including major car plants, have idled, shocking the region's economies and putting them on course for declines in 2020.

The Czech central bank cut its main rate by 125 basis points, to 1%, in March. The bank has said it was ready to defend excessive crown moves. It holds

foreign reserves equal to 60% of gross domestic product.

The poll, though, sees the crown firming 7.8% to 25.50 to the euro—where it stood before the outbreak.

Similarly, the Polish zloty was seen rising again over the next 12 months, with the median forecast expecting a 5.8% gain to 4.35 to the euro, close to where it started March.

Romania's leu was seen depreciating 1.7% as the government fights to contain a swelling budget deficit, which already had investors concerned before the outbreak.

"The leu has limited space to rally after the virus-related market stress fades, as old structural problems remain relevant," Jakub Kratky from Generali Investments CEE said.

COVID-19 Cases Cross 1 Million Worldwide

Since the virus was first recorded in China late last year, the pandemic has spread around the world, prompting governments to close businesses, ground airlines and order hundreds of millions of people to stay at home to try to slow the contagion

1» Morgues and hospitals in New York City, the epicenter of the US outbreak, bent under the strain on Thursday and struggled to treat or bury casualties, as New York state's Governor Andrew Cuomo offered a grim prediction the rest of the country would soon face the same misery.

Staff at one medical center in Brooklyn were seen disposing of their gowns, caps and other protective wear in a sidewalk trash can after wheeling bodies out of the hospital and loading them into a refrigerated truck.

In hard-hit Spain, the death toll rose to more than 10,000 on Thursday after a record 950 people died overnight, but health officials were encouraged by a slowdown in daily increases in infections and deaths.

Spain has shed jobs at a record pace since it went into lockdown to fight the coronavirus, social security data showed on Thursday, with some 900,000 workers having lost their jobs since mid-March.

Appearing for the first time since recovering from the virus himself, Britain's Health Minister Matt Hancock promised a tenfold increase in the number of daily tests for the coronavirus by the end of the month after the government faced criticism for failing to roll out mass checks for health workers and the public.

Britain initially took a restrained approach to the outbreak but UK Prime Minister Boris Johnson, who tested positive for the virus himself, changed tack and imposed stringent social distancing measures after modeling showed a quarter of a million people in the country could die.

In Italy, which hit a daily peak of 6,557 new cases on March 21 and accounts for around 28% of all global



Global coronavirus cases surpassed 1 million on Thursday with more than 52,000 deaths.

fatalities, the death toll climbed to 13,915 on Thursday. But it was the fourth consecutive day in which the number of new cases stayed within a range of 4,050-4,782, seeming to confirm government hopes that the epidemic had hit a plateau.

Italy was the first western country to introduce sweeping bans on movement and economic activity, having first confirmed the presence of coronavirus almost six weeks ago.

In Russia, President Vladimir Putin prolonged until April 30 a paid non-working period across the country, just a week after the Kremlin said there was no epidemic.

Struggling Nations

There has been particular concern about the spread of the virus in countries that are already struggling with insecurity and weakened health systems.

In Iraq, three doctors involved in the testing, a health ministry official and a senior political official said there were thousands of cases of COVID-19, many times more than it has publicly reported. The health ministry denied it.

In Latin America, Ecuador said it was building a "special camp" for coronavirus victims in the country's largest city, Guayaquil, where more than 80 people have died.

Brazilian President Jair Bolsonaro further played down the pandemic, telling church ministers it is "not all it's being made out to be" and denying that any hospital in the country had reached full capacity.

But with his closest aides refusing to support his plan to relax coronavirus rules to keep the economy going, according to sources with knowledge of the dispute, Bolsonaro was looking increasingly isolated.

The first 100,000 cases worldwide of COVID-19, the respiratory disease caused by the coronavirus, were reported in around 55 days and the first 500,000 in 76 days.

Germany Using Familiar Weapon to Prevent Massive Layoffs

contracts," Stefan Schneider, chief German economist with Deutsche Bank, said in a phone interview.

It is a proven tool from the last crisis. When German economic output contracted by 5% in 2009, an average of 1.1 million workers were affected over the year, costing Berlin around €10 billion (\$10.9 billion). But by the end of that year, the unemployment rate stood at 7.6%—lower than it was in 2008.

This time, the government expects some 2.35 million people to be drawing "Kurzarbeitergeld"—a short-term allowance—which could cost the German Federal Labor Office more than €10 billion. But Germany, traditionally frugal with its cash, is well-equipped to deploy these funds and has saved during the good years. Even the labor office itself has built up reserves of €26 billion, which now can be used to

support companies and employees. "Unlike in the last crisis, where predominantly industrial companies were tapping the scheme, now it's also small service companies like restaurants and consultants who make use of Kurzarbeiter," explained Schneider.



German Chancellor Angela Merkel

The who's who of the German corporate world have sent staff on shorter working hours—the likes of Lufthansa, BMW, Volkswagen and Daimler have all made use of the labor market instrument to keep their well-trained staff during the coronavirus pandemic.

And this time it could also get used by other countries. President of the European Commission Ursula von der Leyen has floated the idea of introducing the scheme in other countries, backed by as much as €100 billion that the commission would have to raise.

The funds would need to be guaranteed by EU member states, which means Germany might have to shoulder as much as 25% of that bill.

Instead of going down the way of "corona bonds", issuing joint debt instruments across the eurozone, solidarity could come instead via this instrument to prevent massive job losses in countries like Spain and Italy that have been worst affected by the virus so far.

Coronavirus Could Trigger Biggest Fall in Carbon Emissions Since World War II

Carbon dioxide emissions could fall by the largest amount since World War II this year, as the coronavirus outbreak brings economies to a virtual standstill, according to the chair of a network of scientists providing benchmark emissions data.

Rob Jackson, who chairs the Global Carbon Project, which produces widely-watched annual emissions estimates, said carbon output could fall by more than 5% year-on-year—the first dip since a 1.4% reduction after the 2008 financial crisis, Euronews reported.

"I wouldn't be shocked to see a 5% or more drop in carbon dioxide emissions this year, something not seen since the end of World War II," Jackson, a professor of Earth system science at Stanford University in California, wrote in an email.

"Neither the fall of the Soviet Union nor the various oil or savings and loan crises of the past 50 years are likely to have affected emissions the way this crisis is."

The prediction—among a range of new forecasts being produced by climate researchers—represents a tiny sliver of good news in the midst of crisis: Climate scientists had warned world governments that global emissions must start dropping by 2020 to avoid the worst impacts of climate change.

But the improvements are for all the wrong reasons, tied to a world-shaking global health emergency that has infected more than 950,000 people—while shuttering factories, grounding airlines and forcing hundreds of millions of people to stay at home to slow the contagion. Commercial aviation accounts for about 2% of global carbon emissions.

Experts warn that without structural change, the emissions declines caused by coronavirus could be short-lived and have little impact on the concentrations of carbon dioxide that have accumulated in the atmosphere over decades.

"This drop is not due to structural changes so as soon as confinement ends, I expect the emissions will go back close to where they were," said Corinne Le Quere, a climate scientist at the University of East Anglia in eastern England.

After world greenhouse gas emissions dipped in the aftermath of the 2007-08 global financial crisis, they shot back up a whopping 5.1% in the recovery, according to Jackson.

The pattern of a swift rebound has already begun to play out in China, where emissions fell by an estimated 25% as the country closed factories and put in place strict measures on people's movement to contain the coronavirus earlier this year, but have since returned to a normal range.

That kind of resilience underscores the magnitude of the economic transformation that would be needed to meet the goals of an international deal brokered in Paris in 2015 to try to avert the most catastrophic climate change scenarios.

A UN report published in November found that emissions would have to start falling by an average of 7.6% per year to give the world a viable chance of limiting the rise in average global temperatures to 1.5C, the most ambitious Paris goal.

"I don't see any way that this is good news, except for proving that humans drive greenhouse gas emissions," said Kristopher Karnauskas, associate professor at the Department of Atmospheric & Oceanic Sciences at the University of Colorado Boulder.