

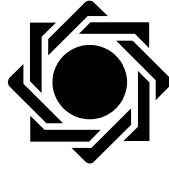


# **Annual Review**

**1387**  
**(2008/09)**

CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN

(BANK MARKAZI JOMHOURI ISLAMI IRAN)



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## ABBREVIATIONS

ATM	Automated Teller Machine
CBI	Central Bank of the Islamic Republic of Iran
CPI	Consumer Price Index
CPPs	Central Bank Participation Papers
4 <sup>th</sup> FYDP	4 <sup>th</sup> Five-Year Development Plan (2005-10)
GDP	Gross Domestic Product
kWh	Kilowatt-hour
mb/d	Million Barrels per Day
MCC	Money and Credit Council
NIOC	National Iranian Oil Company
OPEC	Organization of Petroleum Exporting Countries
OSF	Oil Stabilization Fund
POS	Point of Sale
PPI	Producer Price Index
Rls	Rials
SMEs	Small and Medium Enterprises
TEDPIX	Tehran Stock Exchange Dividend and Price Index
TEPIX	Tehran Stock Exchange Price Index
TEU	Twenty-foot Equivalent Unit
WPI	Wholesale Price Index

## SYMBOLS

—	Negligible fraction
..	Figures not available
*	The figure is not a significant decimal fraction
□	Figures are preliminary
▲	Figures are revised
∅	Calculation of percentage change is not possible
⊞	More than 500 percent increase
●	Figure has been rounded
○	Percentage change has been calculated from round figures

The Year 1387 corresponds to 2008/09 (starting from March 20).

In all tables, components may not sum to total because of rounding.

"Billion" means a thousand million; "trillion" means a thousand billion.

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*Part One*

*Economic Developments  
of Iran in 2008/09*

*In the Name of God,  
The Compassionate, The Merciful*

mortgage market and the housing sector of the US, this did not hold the crisis from spreading with an insurmountable speed to the financial markets all over the world.

The contagion of US mortgage market crisis into US largest and the most effective financial companies and institutions led to immense financial difficulties in other advanced and emerging market economies. The speed of contagion was so heightened and compelling that part of the dominant school of thought regarding the indispensable deregulation of financial markets was swiftly challenged and reversed. Soon after the emergence of the crisis, regulatory and supervisory authorities noted the loopholes in market regulation and weaknesses in risk mitigating methods in financial institutions which calls for more tightened financial market regulatory and supervisory framework.

### *Introduction*

The year 2008 was a turning point for the world economy, peculiar in many ways and nothing like what we had witnessed over the past decades. Prior to current global economic slowdown, the world economy went through one of its largest periods of economic prosperity and mild inflation which raised many questions for analysts and created too much anxiety about the likely emergence of a deep and entrenched economic crisis. This crisis disclosed itself as one of the most severe recessions over the past decades and not only eradicated the hardly gained achievements of continued growth and employment and the threat of an inflationary spiral but also caused a wide and deep recession in almost all national economies around the world. Although the current crisis sprang from the

Like many other open economies, Iranian economy was also affected by the difficult condition of financial markets. Although many Iranian analysts optimistically assessed the first round impact of the global financial crisis on the Iranian economy negligible, soon the depth and width of the world crisis hit all aspects of the financial market in Iran in a meaningful way. However, the weak connections of the capital and financial markets and institutions of Iran with their counterparts abroad proceeded to less impact on operational indices of securities market in Iran.

The most effective impact of the world economic and financial crisis on the Iranian economy took place in the oil sector as a result of the high dependence of country's foreign





exchange earnings on the oil revenue. This impact resulted in sharp changes in the main items of the external balance of payments of Iran in the second half of the fiscal year.

The first and most compelling transmission of the world economic crisis on the economy of Iran was related to the sharp fluctuation and then decline of oil prices in international market. With sharp oil price falls during the second half of 2008 and the consequent decline in Iran's oil production and export, the country experienced immense amounts of forgone foreign exchange earnings. As oil refinery and petrochemical products constitute a large portion of non-oil exports of Iran, the non-oil export of the country also suffered similarly at the second half of the year, leading to the assessment that non-oil exports cannot compensate for declines in oil exports at difficult conditions of international oil market. Of course the weaknesses in commodities international prices and markets lowered the import prices for tradeables which benefited the Iranian economy over the second half of the year.

Given the sluggish condition of international commodities market in the second half of 2008/09, the domestic price of certain commodities fell drastically during this period. Iron and steel, cereals, oil seeds, gasoline and gas oil were among these commodities. With the high share of these commodities in the import basket of goods, the importation of these commodities declined in the second half of 2008/09 in comparison with the first half.

### National Income

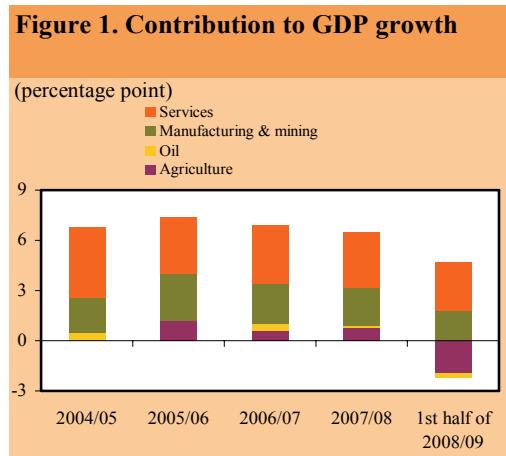
Based on preliminary estimates, gross domestic product at basic and current prices <sup>(1)</sup> increased from Rls. 1,416 trillion in the first half of 2007/08 to Rls. 1,926 trillion in the first half of 2008/09, showing 36.0 percent growth in nominal terms <sup>(2)</sup>. Given the changes in the general level of prices, the preliminary figures on the real sector of the economy indicate that GDP rose by 2.7 percent (at constant 1997/98 prices), in the first half of 2008/09. GDP growth in the same period previous year was 8.0 percent.

According to preliminary figures, "agriculture" and "oil", with respectively -1.9 and -0.3 percentage points, had the highest shares in the reduction of GDP at constant prices, in the first half of 2008/09. Conversely, "manufacturing and mining" and "services" had the greatest contribution to the economic growth, with 1.8 and 2.9 percentage points, respectively.

In the first half of 2008/09, final public and private consumption expenditures grew by 5.2 and -2.5 percent, respectively, at constant prices. Comparing expenditure growth figures of the first half of 2008/09 with those of the same period previous year is indicative of a rise in the growth rate of public consumption expenditures and a fall in that of private consumption expenditures.

In the first half of 2008/09, gross fixed capital formation indicated 10.2 and 8.3 percent

growth in machinery and construction, respectively. For construction, this increase was due to the growth in private sector investment in this sector. Comparing the data for the first half of 2007/08 with that of the first half of 2008/09 is indicative of a reduction in the growth rate of capital formation in construction by 14.1 percentage points during the review period. Growth rate of capital formation in machinery and equipment, however, increased from 5.9 percent in the first half of 2007/08 to 10.2 percent in the respective period of 2008/09. The upward trend in the gross fixed capital formation of machinery is mainly attributable to the remarkable growth in the imports of capital goods. Therefore, the overall gross fixed capital formation grew by 9.4 percent in the first half of 2008/09.



### Agriculture

Due to last winter's frostbite (affecting horticultural crops) as well as severe drought in the 2007/08 farming year, the production of agricultural products experienced a sharp decline. This in turn led to a dramatic fall in the value-added growth of the agriculture sector.

(1) In national accounts system, GDP at basic price equals GDP at market price less net indirect taxes (or net taxes on products). Current prices as against constant prices are based on a base year which is presently 1997/98 in Iran's national accounts system.

(2) Due to unavailability of data on large manufacturing establishments in the second half of 2008/09, estimates on national accounts cover only the first half of this year.



Based on preliminary data released by the Ministry of Agriculture Jihad, total farming and horticultural crops were estimated at 66.5 million tons for the 2007/08 farming year, down by 26.2 percent compared with the previous year. Of this amount, 54.1 million tons were farming and 12.4 million tons horticultural crops, showing respectively 26.5 and 24.5 percent fall compared with the previous farming year.

Total grain production including wheat, rice (paddy), barley, and corn was estimated at 13.5 million tons, indicating 10.6 million tons reduction compared with the year before. Among farming crops, the highest reduction was related to wheat (about 7.9 million tons), barley, sugar cane, sugar beet, and pulses. Meanwhile, the production of most horticultural crops decreased in this year.

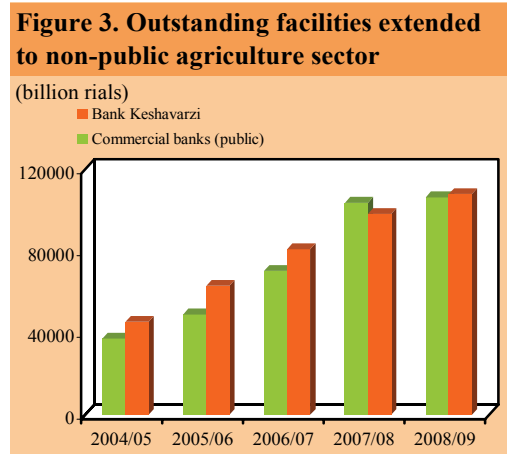
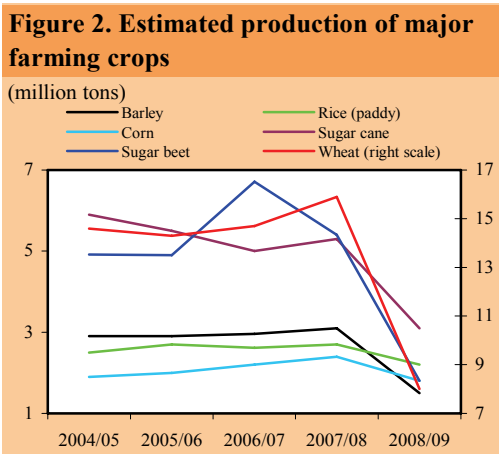
Decrease in the precipitation level in the review year compared with the previous farming year is the main factor for reduction in the production of agricultural products in 2008/09. According to Iran Water and Power Resources Development Company (IWPC), total precipi-

tation level amounted to 228 billion cubic meters (138.3 millimeters), showing 45 and 50 percent decrease compared with the long-term average and 2007/08, respectively.

Low precipitation and the ensuing drought, which negatively affected the production of farming and horticultural crops, led to a sharp decline of 10.2 percent in the value-added of the agriculture sector in 2008/09. Of special note is that the corresponding figure of 2007/08 showed 6.4 percent rise compared with 2006/07.

Based on preliminary data released by the Ministry of Agriculture Jihad, total livestock products (including red meat, poultry, milk, egg, and honey) were 11,975.8 thousand tons in 2008/09, up by 5.7 percent compared with the previous year.

At end-2008/09, the outstanding facilities (net) <sup>(1)</sup> extended by banks and credit institutions to the agriculture sector amounted to Rls. 218.7



(1) Less exchange rate differential, profit and commission receivables, receipts from Mozarebeh, civil partnership joint account (bank's share), overdue payment of profit and commission profit. It also includes facilities extended according to legal partnership and direct investment contracts.

trillion, indicating 4.9 percent growth compared with the previous year-end. Of this amount, about 50 percent were extended by Bank Keshavarzi (Agriculture Bank), 49.6 percent by public commercial banks, and a mere 0.4 percent by banks and credit institutions. Of total extended facilities, the share of non-public agriculture sector was about Rls. 215.2 trillion and that of public agriculture sector Rls. 3.5 trillion.

In the review year, the share of outstanding facilities (net) extended to the agriculture sector in total facilities extended by the banking system was 13.5 percent. Moreover, public banks extended Rls. 7,053.1 billion facilities for the expansion of Small and Medium Enterprises (SMEs) in the agriculture sector. Of total facilities extended to the SMEs, 65.8 percent were extended by commercial banks and 34.2 percent by Bank Keshavarzi.

By end-2008/09, the total amount of facilities extended by Bank Keshavarzi was Rls. 73,090.3 billion, representing 31.9 percent increase compared with the previous year. Of total credits paid by this bank, 94.6 percent were from non-statutory resources and the remainder from budget law notes, administered funds, and contracts, showing 55.4 percent increase and 63.7 percent decrease, respectively, compared with 2007/08.

In 2008/09, credits allocated to the acquisition of non-financial assets for development of "agriculture and natural resources" and "provision of water resources and establishments" amounted to Rls. 26,276.7 billion, showing 48.7 percent rise compared with the previous year.

In 2007/08 farming year, the guaranteed purchase price of various farming crops especially cereals indicated a remarkable growth. Accordingly, the guaranteed purchase price of various types of rice rose between 53.1 and 89.7 percent. Meanwhile, the guaranteed purchase price of ordinary wheat, durum wheat, and potatoes grew by 36.6, 48.8, and 62.7 percent, respectively. Surge in international prices of cereals and oil seeds in the review year and the year before as well as production reduction stemming from drought were major factors contributing to the increase in the guaranteed purchase price of agricultural products.

Average producer price index (PPI) of agricultural products increased by 34.1 percent compared with the previous year and the PPI general index rose by 21.8 percent on average. Average growth of consumer price index (CPI) of "food and beverages" was 30.2 percent, which was higher than the growth in CPI general index in urban areas by 25.4 percent (inflation rate).

By end-2007/08 farming year, Insurance Fund for Agricultural Products insured 1,397.8 thousand persons active in "farming and horticulture", "livestock and poultry", "aquaculture," and "natural resources" sub-sectors, down by 19 percent compared with the previous year.

In 2008/09, 173.5 thousand tons of agricultural goods were traded on Iran Mercantile Exchange, indicating 36.5 percent decline compared with the year before. The value of agricultural goods traded decreased by 16.7 percent to Rls. 643.7 billion. Agricultural goods offered and traded on the Agricultural Stock



Exchange in this year included rice, barley, corn, sugar, soybean meal, date, tea, different types of wheat, and wheat bran.

Based on preliminary data released by Iran's Customs Administration, 2,860.4 thousand tons of various agricultural products, valued at \$3,221.4 million, were exported in 2008/09, indicating 32.9 and 12 percent decrease in terms of weight and value, respectively, compared with the previous year. Furthermore, about 17,980.5 thousand tons of various agricultural products, worth \$9,087.3 million, were imported, showing 65 and 68 percent rise in terms of weight and value, respectively.

## Energy

In 2008, world primary energy consumption <sup>(1)</sup> grew by about 1.9 percent to 11.3 billion tons oil equivalent. Of this amount, 10.5 billion tons oil equivalent was consumed by non-OPEC and 0.7 billion tons oil equivalent by OPEC Member Countries. The highest amount of consumption was related to oil (34.8 percent) and the lowest to nuclear energy (5.5 percent). Iran's primary energy consumption amounted to 192.1 million tons oil equivalent, up by about 2.0 percent. Oil and natural gas are the primary energies consumed largely by Iran, while other energies are consumed sparingly.

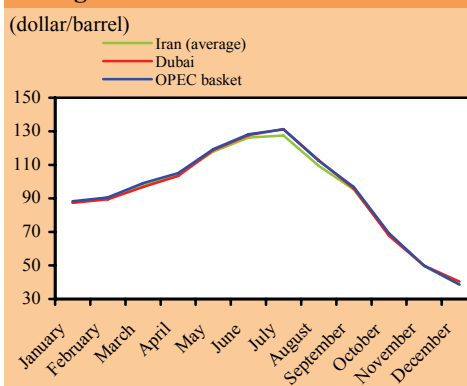
In the review year, world crude oil production reached 81.8 mb/d, indicating 0.5 percent rise compared with 2007. Crude oil pro-

duction by OPEC Member Countries, accounting for 44.9 percent of world crude oil production, increased by 2.8 percent and stood at 36.7 mb/d. Moreover, world crude oil consumption amounted to 84.5 mb/d, down by 0.5 percent compared with the preceding year.

In 2008, a host of factors such as reduction in US gasoline and crude oil inventory at the start of the driving season, depreciation of US dollar against other hard currencies, political and military tensions in the Middle East and Nigeria, distortions in the supply of crude oil by West African countries, and rise in speculation activities in the crude oil market contributed to sharp fluctuations in crude oil prices. In this year, the average price of each barrel of OPEC crude oil basket <sup>(2)</sup> reached \$94.08, up by 36.2 percent.

OPEC, in its 149<sup>th</sup> Conference in Vienna on September 10<sup>th</sup>, 2008, kept the production ceiling unchanged at 28.8 mb/d. The 150<sup>th</sup> (Extra-

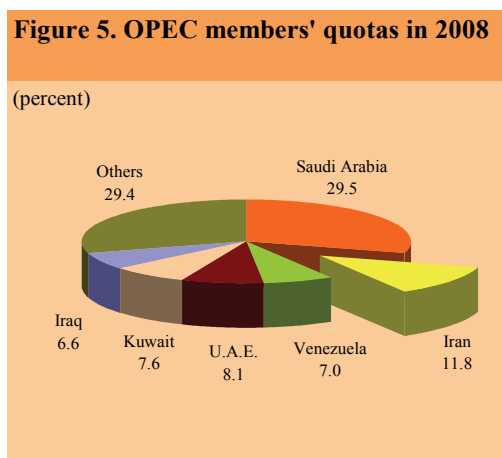
**Figure 4. Average spot prices of crude oil during 2008**



(1) Includes oil, natural gas, coal, nuclear energy and hydro-electricity.

(2) Includes eleven types of crude oil: Arab Light (Saudi Arabia), Basra Light (Iraq), BCF 17 (Venezuela), Bonny Light (Nigeria), Es Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Minas (Indonesia), Murban (UAE) and Saharan Blend (Algeria).

ordinary) Meeting of the OPEC Conference convened on October 24<sup>th</sup>, 2008 discussed the current global financial crisis, the world economic situation, and their impacts on the oil market. The state of worrying about a dramatic reduction in demand and oil prices made the OPEC decrease the current OPEC-11 production ceiling (excluding Iraq and Indonesia) by 1.5 mb/d, effective November 1<sup>st</sup>, 2008.



Having reviewed the oil market outlook, including overall demand/supply projections for 2009, in particular the first and second quarters, the Conference agreed to cut 4.2 mb/d from the actual September 2008 OPEC-11 (excluding Iraq) production, with effect from January 1<sup>st</sup>, 2009.

In 2008/09, Iran's average crude oil production, in adherence to the production quotas set by the OPEC, amounted to 3.9 mb/d. Crude oil exports fell by 4.4 percent to 2.4 mb/d. Moreover, exports of oil products plummeted by 50.8 percent to 98 thousand b/d compared with the previous year. The average spot price

of Iran's crude oil export grew by 3.0 percent to about \$80.36.

Electricity generation grew by 5.8 percent to 215.8 billion kWh. Of total generated electricity, 90.2 percent was generated by power plants affiliated to the Ministry of Energy and 9.8 percent by other institutions. In this year, the highest amount of electricity (94.6 billion kWh) was generated by gas and combined cycle power plants while hydroelectric and diesel power plants and wind turbines accounted for the lowest amount of generation (6.2 billion kWh). Meanwhile, the highest growth in generation of electricity belonged to gas and combined cycle power plants by 16.9 percent; however, the amount of electricity generated by hydroelectric and diesel power plants and wind turbines was lowered by 65.8 percent. In 2008/09, consumption of electricity rose by 4.1 percent to 162.0 billion kWh. The highest growth of consumption belonged to agriculture by 9.3 percent. Electricity consumption by industrial sector grew by 6.0 percent, commercial 5.2 percent, public 3.1 percent, and residential 1.7 percent. Consumption of electricity by street lighting sector fell by 9.2 percent. Residential and industrial sectors had the highest shares in the consumption of electricity by 32.9 and 32.4 percent, respectively.

### *Manufacturing and Mining*

In 2008/09, the spillover effects of global economic crisis and the slowdown in housing construction activities, which started in the first quarter of 2008/09 in Iran, gradually affected the manufacturing and mining activities.



Data related to the performance of large manufacturing establishments reveal that production index of these establishments indicated 6.3 percent rise in the first half of 2008/09 <sup>(1)</sup> compared with the same period previous year. The growth of this index was 11.4 percent in the first half of 2007/08. Moreover, in the first half of 2008/09, the employment index of large manufacturing establishments fell by 1.1 percent, compared with the same period previous year.

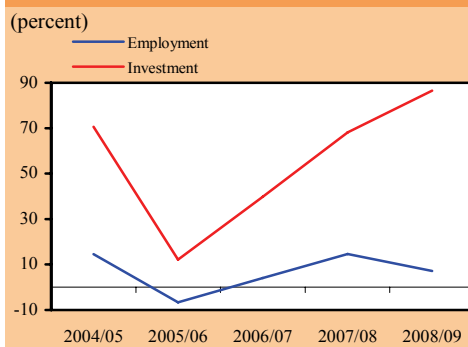
In the review year, production of petrochemicals grew by 26 percent, aluminum bar 22.2 percent, light and heavy automobiles 13.2 percent, crude steel 2.6 percent, and copper (cathode) 1.0 percent, compared with the year before. Despite 26 percent growth in petrochemical products, their domestic sale increased by a mere 3.8 percent.

According to the Ministry of Industries and Mines, 7,583 operation permits were issued for new manufacturing establishments, down by 6.8 percent compared with the previous year. Required investment and job opportunities based on operation permits grew by 86.5 and 7.1 percent, respectively. The remarkable growth in industrial investment is mainly attributable to the operation of large manufacturing projects in petrochemical, steel, and grey cement industries.

In this year, the Ministry of Industries and Mines issued 26.1 thousand establishment permits for new manufacturing units, showing 45.8 percent reduction compared with the pre-

vious year. Of the factors responsible for reduction in the number of establishment permits was the obligation to submit a feasibility report to general departments of the Ministry of Industries and Mines in some provinces. The amount of investment required for the establishment of the mentioned units and creation of job opportunities (in case of operation of manufacturing units) decreased by 34.3 and 44.7 percent, respectively, compared with the previous year.

**Figure 6. Investment and employment growth rates based on operation permits issued for manufacturing establishments**



The outstanding facilities extended by banks and credit institutions to the manufacturing and mining sector grew by 5.9 percent to Rls. 405.8 trillion, compared with end-2007/08. The outstanding facilities extended to the public manufacturing and mining sector declined by 25.2 percent and facilities extended to the non-public manufacturing and mining sector increased by 6.7 percent. Bank of Industry and Mine, as the sole specialized bank in the manufacturing and mining sector, paid Rls. 13.6 trillion to various manufacturing sub-sectors in the form of

(1) Data related to the second quarter of 2008/09 are not available.



domestic resources and administered funds, OSF, and other payments, showing 33.5 percent rise compared with the year before.

Based on the data released by the Treasury General, government development expenditures in the form of credits for the acquisition of non-financial assets in the manufacturing and mining sector and industrial research project amounted to Rls. 2,696 billion in 2008/09, indicating 5.9 percent growth compared with the previous year. The share of the mentioned sector and project in total acquisition of non-financial assets was only 1.3 percent. Out of Rls. 3,620.6 billion approved for the mentioned sector and project, only 74.5 percent was realized.

The producer price index in the two sectors of manufacturing and mining showed respectively 19.7 percent increase and 6.1 percent decrease compared with the year before. Decline in the PPI in the mining sector was mainly attributable to 27.9 percent reduction of PPI of metallic ores. Compared with 21.8 percent growth in the general index of the PPI, the PPI in the manufacturing sector showed a lower growth.

In 2008/09, the share price index of manufacturing companies (industrial index) decreased by 22.5 percent compared with the previous year-end, mainly owing to the reduction of the share price index of "exploitation of metallic ores" by 52.4 percent, "chemical products" by 46.2 percent, and "basic metals" by 45.8 percent. Moreover, Tehran Stock Exchange Dividend and Price Index (TEDPIX) showed 21 percent reduction. In this year, 6.6 million tons of metallic products, valued at Rls. 61.9 trillion,

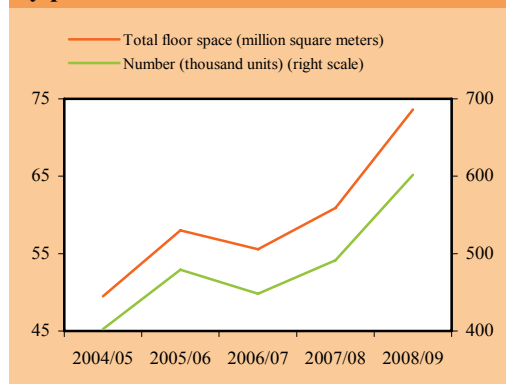
were traded on Iran Mercantile Exchange. Steel products accounted for 95 and 80.1 percent of total transactions on Iran Mercantile Exchange in terms of volume and value, respectively.

Based on preliminary data released by Iran's Customs Administration, industrial exports amounted to 23.5 million tons in terms of weight and \$14.3 billion in terms of value, showing 7.6 and 23.9 percent growth, respectively. The share of industrial exports in total non-oil exports reached 71.5 and 78.9 percent in terms of weight and value, respectively.

### Construction and Housing

Favorable conditions in housing and construction sectors, started since mid-2006/07, ran into the first half of 2008/09. In the second half, however, construction activities in building starts, affected by prevailing recession in housing market, declined. Nevertheless, the total floor space of completed buildings and building starts in urban areas showed 19.9 and 5.2 percent growth, respectively. Meanwhile, private sector investment in new buildings in urban areas grew by

**Figure 7. Residential buildings constructed by private sector in urban areas**







53.9 percent, at current prices, to Rls. 315.3 trillion, mainly attributable to private sector efforts to complete semi-finished buildings and rise in construction costs. Private sector investment in Tehran indicated a remarkable growth of 70.0 percent and amounted to Rls. 68.3 trillion, and in "large" and "small and medium-sized" cities, it increased by 46.2 and 52.0 percent, respectively.

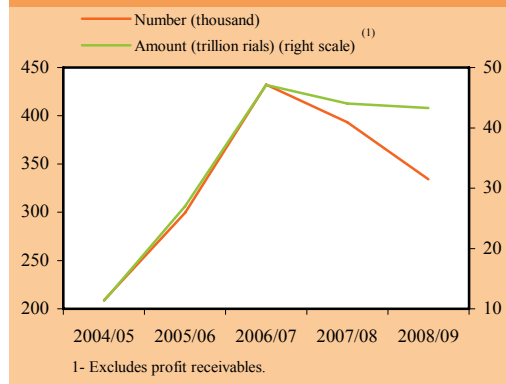
In 2008/09, the total number of residential buildings constructed by private sector in urban areas came to 601.9 thousand with a total floor space of 73.6 million square meters. This shows 22.5 and 20.8 percent growth in number and floor space, respectively, compared with the previous year.

Construction permits issued by municipalities indicated 15.4 and 5.5 percent reduction in terms of number and total floor space and amounted to 176.8 thousand and 99.4 million square meters, respectively. This indicates the continuation of recession in this sector in the coming months.

According to the Budget Law for 2008/09, a sum of Rls. 19.3 trillion was approved to be allocated to the acquisition of non-financial-national assets for the housing sector, urban and rural development, and support programs. Accordingly, based on the data released by the Treasury General, Rls. 12.8 trillion was paid by the government, indicating 66.2 percent realization compared with the approved figure.

Outstanding facilities (net) extended by banks and credit institutions to non-public housing sector increased by 17.2 percent to Rls. 334.0 trillion compared with end-2007/08. Meanwhile,

**Figure 8. Facilities extended by Bank Maskan**



based on the report released by Bank Maskan, in 2008/09, Rls. 43.3 trillion facilities (excluding profit receivables) were paid to 334.1 thousand applicants, showing respectively 1.6 and 15.0 percent decline compared with the previous year. At end-2008/09, facilities extended by Bank Maskan in the form of installment sale and civil partnership amounted to Rls. 27.2 and 14.4 trillion, indicating 21.5 percent decrease and 138.7 percent increase, respectively. The noticeable rise in civil partnership facilities is attributable to a boom in the construction activities and Bank Maskan's partnership in the construction of residential buildings.

In 2008/09, land price index rose by 42.4 percent. The growth of this index in Tehran was 46.5 percent. Moreover, construction services price index showed a remarkable increase of 34.7 percent. The highest growth in the subgroups of this index belonged to the "wage paid for well-digging" by 48.8 percent, "wage of skilled electrician" by 35.4 percent and "wage paid for cementing" by 34.8 percent. Meanwhile, PPI of metallic and non-metallic construction materials increased by 16.2 and 51.6 percent, respectively.

## Transportation

In 2008/09, a sum of Rls. 20,629.8 billion was approved for the implementation of acquisition of non-financial assets projects in the road and transportation sector, showing 22.5 percent increase compared with the approved figure for the previous year. According to the Treasury General, the government spent Rls. 16,634.1 billion for the implementation of transportation sector projects, indicating 22.4 percent rise compared with the previous year and a realization of 80.6 percent compared with the approved figure. The target of the 4<sup>th</sup> FYDP was fully realized in "air transport", "strategic plan for development of road transport", and "safety of air transport".

In 2008/09, the number of passengers carried by roads (public transport) grew by 6.5 percent to 845.8 million persons. Meanwhile, 511.5 million tons of goods (with or without bill of lading) were carried through roads, up by 5.5 percent compared with the previous year. Moreover, 4.7 million tons of goods (oil and non-oil) <sup>(1)</sup> were transited through roads, indicating 4.7 percent increase compared with the previous year. In this year, respectively 2 and 3.1 million tons of goods were imported and exported through roads, showing 11.1 and 0.4 percent rise compared with the previous year and bringing the share of road transport fleet in total goods transport to 5.8 percent.

In 2008/09, the average age of vehicles in the public transport system reached 13.2 years for road passengers and 17.9 years for cargo.

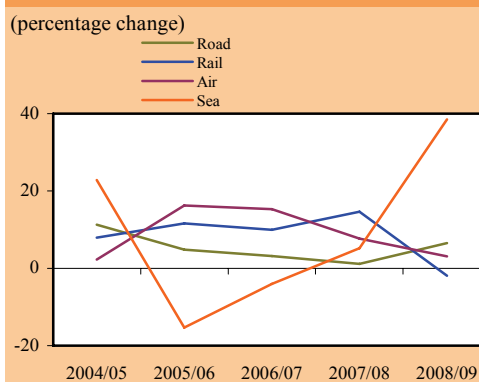
(1) Includes road transit, entrance through border roads, exit from ports, entrance into ports, exit from border roads, and port-to-port transit by trucks.

The length of main railroads reached 8,702 kilometers at end-2008/09. Railroads carried 20.5 billion ton-kilometers of goods and 14.1 billion person-kilometers of passengers, showing 1.5 and 1.3 percent rise compared with the previous year, respectively. Moreover, in the review year, 1.4 million tons of goods were transited through railroads, showing 6.7 percent fall compared with the previous year.

In the rail transport sector, 246 and 235 kilometers of railroads were put under renovation and improvement programs, indicating 132.3 and 123.7 percent realization of the target set in the 4<sup>th</sup> FYDP.

Total number of locomotives amounted to 645, showing 1.4 percent increase compared with the previous year and a realization of 84.9 percent compared with the target set in the 4<sup>th</sup> FYDP. Furthermore, the ratio of "locomotives in service to total locomotives", with 0.4 percentage point increase, reached 57.3 percent. The amount of goods (oil and non-oil), imported and exported through railroads, amounted to

**Figure 9. Number of carried passengers**





981.6 and 500.7 thousand tons, down by 0.3 and 10.7 percent, respectively, compared with the year before. The share of rail transport in total imported and exported goods was 1.7 percent.

In the review year, 73.2 million tons of commercial and 40.8 million tons of oil commodities were carried through ports, showing 5.4 and 1.3 percent growth, respectively. Container operations in ports amounted to 2,199 thousand TEU <sup>(1)</sup>, showing 12 percent rise compared with the previous year. The number of passengers embarking and disembarking at ports reached 5.4 million persons, up by 38.5 percent compared with the year before.

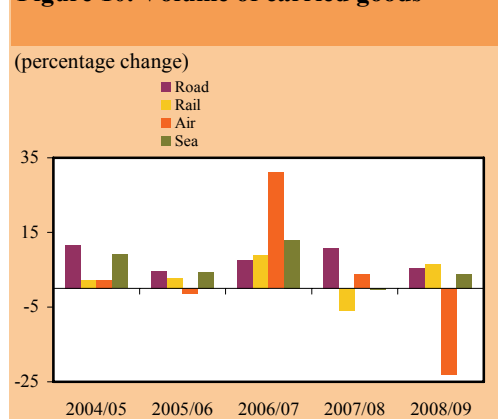
The number of cargo ships, with over 1,000 tons capacity, fell by 0.7 percent compared with the previous year to 9 thousand. The number of cargo ships, with less than 1,000 tons capacity, grew by 5.4 percent to 5.1 thousand. The amount of imported commodities (oil and non-oil) through sea was 51.8 million tons and the exported amount was 30.1 million tons, showing 6.6 percent growth and 2.7 percent fall, respectively. The share of sea transport in total imports and exports was 92.6 percent.

Total number of passengers departing and arriving at airports reached 32.9 million,

showing 3.5 percent growth compared with the previous year and 114.6 percent realization compared with the target set in the 4<sup>th</sup> Plan.

The amount of cargo carried by air (domestically and internationally) decreased by 8.4 and 27.7 percent to 34.0 and 89.3 thousand tons, respectively. The number of national air fleet showed a remarkable growth of 57.1 percent and amounted to 132.

**Figure 10. Volume of carried goods**



## Population and Employment

Based on the Statistical Center of Iran (SCI) estimates, Iran's total population grew by 1.5 percent to 72.6 million persons in 2008/09, of whom 50.9 million dwelled in urban and the remainder

### Performance of Key Indices in Air Transport Sector

	Unit	Performance			Percentage change	
		2006/07	2007/08▲	2008/09	2007/08	2008/09
Airport capacity for departures and arrivals	million persons	67	73	73	9.0	0
Replacement and development of national air fleet	aircraft	76	84	132	10.5	57.1
Air fleet productivity	hours	7.4	7.2	7.0	-2.2	-2.8
Share of non-public sector in domestic flights <sup>(1)</sup>	percent	39.7	44.9	52.2	5.2	7.3
Share of non-public sector in international flights <sup>(1)</sup>	percent	49.8	53.4	49.6	3.6	-3.8

(1) Percentage change is in percentage point.

(1) One TEU equals a 20-foot container.

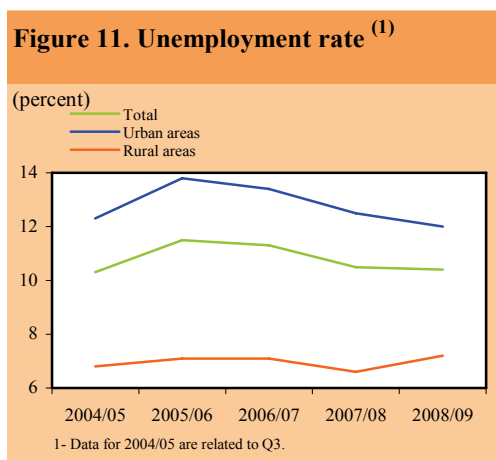
in rural areas. Meanwhile, 50.8 percent of the population were male.

Based on SCI data drawn from labor force census, active population was estimated at 22.9 million persons in 2008/09, showing 2.9 percent decline compared with the previous year. Of total active population, 82.3 percent were male. In this year, labor force participation rate reached 38.0 percent, down by 4.5 percent compared with the year before. Participation rates for men and women were 61.9 and 13.6 percent, indicating 63.5 and 15.6 percent decrease, respectively, compared with the previous year. The decline in participation rate takes place as a result of decline in active population, increase in inactive population, increased willingness among population for higher education, housewives' willingness for housekeeping activities and the unwillingness of the unemployed to seek a job. All these factors lead to a situation whereby a higher proportion of population would not actively seek employment in the labor market.

SCI announced the unemployment rate at 10.4 percent for 2008/09, showing 0.1 percentage point reduction compared with the year before. Urban and rural unemployment rates were 12.0 and 7.2 percent, indicating respectively 0.5 percentage point decrease and 0.6 percentage point increase compared with the preceding year. Unemployment rate for the young population of 15-24 years old stood at 23.0 percent, up by 0.7 percentage point compared with the previous year. Unemployment rate for the young pop-

ulation of 15-29 years old increased by 0.4 percentage point to 20.4 percent. It is expected that the retirement of government employees prior to the contractual due date would contribute to the government downsizing and this paves the way for absorbing the newly educated employees in required sectors.

Male and female unemployment rates were 9.1 and 16.7 percent, respectively, showing 0.2 percentage point fall for men and 0.9 percentage point rise for women.



It is expected that at the high level of unemployment, participation rate begins declining. Labor market studies denote this phenomenon as the "discouraged effect"<sup>(1)</sup>.

A review of employment by economic sectors reveals that of total 20.5 million persons active in various public and private economic sectors, the highest share was related to services and the lowest to agriculture. The shares of ag-

(1) The "discouraged effect" refers to a situation in the labor market whereby certain individuals, while vigorously searching for a job, cannot find a job and hence exit from active population.



riculture, manufacturing <sup>(1)</sup>, and services sectors in employment were 21.2, 32.2, and 46.5 percent, respectively, in 2008/09. Comparison of these figures with those of the previous year indicates that the share of agriculture sector fell and the shares of manufacturing and services sectors went up. Reduction in the share of agriculture sector was mainly attributable to the fall in the precipitation level. Meanwhile, the number of the employed indicates 2.9 percent decrease in 2008/09. The implementation of a retirement plan prior to due date for the government employees and the granting of five years bonus to the government employees with the aim of downsizing the government was an important factor for the reduction in the number of the employed in 2008/09.

In 2008/09, restrictions on banks' lending facilities and delays in government budget appropriations and disbursements led to a decline in growth of fund allocations from banks' administered funds for job creation purposes. In some instances, job creation facilities from banks' administered accounts declined in 2008/09. The performance of the mentioned facilities is as follows:

#### *Administered Funds*

Based on Note 29 of the Budget Law for 2001/02 and Note 3 of the Budget Law for 2002/03, by the end of 2008/09, a sum of Rls. 12,701.9 billion was allocated to agent banks. Accordingly, these banks approved Rls. 16,694.9 billion projects (131.4 percent of government disbursed funds) and concluded Rls. 15,488.6 billion con-

tracts (121.9 percent of disbursed funds). Performance of outstanding job creation facilities reveals that, in 2008/09, the government did not disburse funds to agent banks for job creation projects under administered funds scheme.

#### *Payment of Subsidy on Profit and Commission Extended by Banks*

Comparing the performance of administered funds for the financing of subsidy on profit and commission (subject of part of the credits under budgetary No. 503610, Budget Law for 2003/04) shows that the amount of subsidy paid in 2008/09 was Rls. 39.0 billion. Expected job opportunities out of the operation of projects was 950 persons, indicating 34.5 percent fall compared with 1,450 persons of the year before. The President Deputy for Strategic Planning and Control did not disburse any funds into the accounts of the agent banks and refunds were in the form of debt repayment.

#### *Technical and Credit Assistance to the Private and Cooperative Sectors*

In 2008/09, the ceiling for credits allocated out of banks' domestic resources amounted to Rls. 7,932.7 billion. Meanwhile, President Deputy for Strategic Planning and Control deposited Rls. 1,175.3 billion into banks accounts, showing a slight reduction compared with 2007/08 year-end. Therefore, by end-2008/09, a sum of Rls. 3,232 billion was allocated to projects in the form of concluded contracts. In case of the operation of these projects, 4,717 new job opportunities will be created.

(1) Manufacturing sector includes all manufacturing and mining activities and the extraction of oil and gas.

### *Facilities Extended by Banks to SMEs*

In 2008/09, the quota of SMEs as dispatched by the CBI increased by 17.6 percent to Rls. 467,680 billion. Of total Rls. 235,259.5 billion concluded contracts, 42.7 percent were related to enterprises with less than 10 employees and the remaining to enterprises with 10 to 49 employees. Total expected job opportunities based on concluded contracts is 1,627.2 thousand persons. By the end of 2008/09, total outstanding facilities extended by banks were Rls. 207,528.3 billion, with each job opportunity enjoying Rls. 127.5 million. Among various economic sectors, manufacturing and mining, with 51.3 percent, had the highest share in receiving these facilities. Moreover, the value of newly concluded contracts was Rls. 37,298.0 billion.

Comparing the performance of the mentioned account in 2008/09 with 2007/08 reveals that change in the outstanding facilities extended by the banking system was Rls. 38,708.4 billion, pointing to a notable decline compared with Rls. 94,556 billion of the previous year. This was mainly due to the adoption of contractionary policies that limited the extension of facilities. Change in the number of expected job opportunities was 168.4 thousand persons, down by 75.7 percent compared with the previous year.

### *Facilities Extended from the OSF*

Following reduction in foreign exchange revenues, facilities extended from the OSF were reduced. Therefore, \$3,590 million facilities were approved to be financed from the OSF, based on which \$966 million contracts were concluded, showing respectively 0.1 percent increase and

74.0 percent decrease compared with the previous year.

### *Government Budget and Finance*

Budget Law for 2008/09, as the fourth Budget Law during the course of the 4<sup>th</sup> Plan, was drawn up within the framework of the Twenty-Year Vision Plan, general policies of the government, the 4<sup>th</sup> Plan, as well as sectoral, trans-sectoral and provincial Development Plan Documents of the country.

Government general budget sources and uses (approved) amounted to Rls. 863,485.3 billion. Total government budget sources include revenues with a share of 39.2 percent, disposal of non-financial assets 35 percent, and disposal of financial assets 25.8 percent. Expenses, acquisition of non-financial assets, and acquisition of financial assets accounted for respectively 67.5, 28.3, and 4.2 percent of the approved uses out of these sources.

According to the 2008/09 Budget Supplement, the government was authorized to withdraw a total of Rls. 45 trillion out of the OSF, allocating to import of basic goods (Rls. 20 trillion) as well as compensation for drought and frost bite (Rls. 25 trillion).

Moreover, according to the "Law on Amendment to the Budget Law for 2008/09" the government was authorized to increase expenses up to Rls. 59.6 trillion, provided that the ceiling for general budget will not increase (Budget Law for 2008/09 and its Supplement). Of this figure, Rls. 10 trillion was financed through economization and reduction in ex-

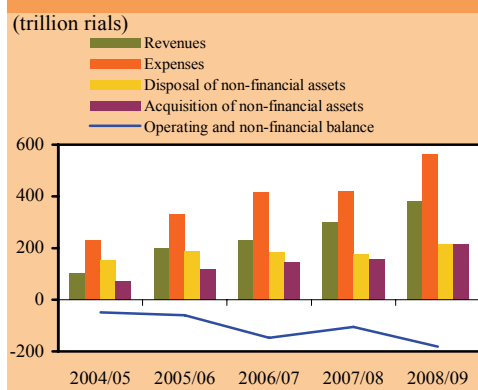




penses; Rls. 12 trillion was appropriated through decrease in the amount of credits for acquisition of financial assets; and Rls. 37.6 trillion through decline in the amount of credits for acquisition of non-financial assets.

Based on the Amendment to the Budget Law for 2008/09 and the Supplement thereto, the government general budget sources and uses (approved) reached Rls. 908,485.3 billion. Out of this amount, share of revenues was 37.3 percent, disposal of non-financial assets 33.2 percent, and disposal of financial assets 29.5 percent. On the uses side, expenses accounted for 73.8 percent, acquisition of non-financial assets 23.6 percent, and acquisition of financial assets 2.6 percent.

**Figure 12. Government budget**



Government general revenues totaled Rls. 379,338.5 billion in 2008/09, indicating 27.2 percent growth against the previous year and 12 percent excess-realization compared with the approved figure. Share of tax revenues in total revenues fell from 64.3 percent in 2007/08 to 63.2 percent in 2008/09. Government tax revenues reached Rls. 239,741.4 billion in 2008/09, showing 25 percent growth com-

pared with the previous year and 10.4 percent excess-realization compared with the approved figure. Direct tax revenues faced an excess-realization of 12.3 percent and indirect taxes 6.3 percent in the review year. The lion's share of tax revenues, 69.7 percent, belonged to direct taxes, as previous year.

Share of tax revenues out of government general revenues had a downward trend during the course of 2006-09. This share reached 63.2 percent in 2008/09, against 65.6 percent in 2006/07. Therefore, government reliance on tax revenues to cover current expenses has decreased.

In 2008/09, other government revenues grew by 31.2 percent to Rls. 139,597.1 billion, representing 14.8 percent excess-realization compared with the approved figure.

Revenues received from disposal of non-financial assets increased by 23.9 percent to Rls. 216,636.7 billion, indicating 71.7 percent realization compared with the approved figure. Of total disposal of non-financial assets, Rls. 215,650.3 and 986.5 billion were related to "sale of oil and oil products", and "sale of movable and immovable assets" respectively, showing a rise of 24.3 percent and a fall of 22.5 percent against the respective figures of the previous year. Receipts from "sale of movable and immovable assets" experienced 68.1 percent under-realization compared with the approved figure. Receipts from sale of crude oil grew by 5.1 percent to Rls. 146,865.6 billion, indicating 100 percent realization against the approved figure.

Disposal of financial assets, including domestic and foreign financing, increased by 31.4 percent to Rls. 218,260 billion compared with

2007/08, representing 81.5 percent realization against the approved figure. The 18.5 percent under-realization in disposal of financial assets was largely owing to 100 percent under-realization in sale of participation papers, 76.2 percent under-realization in foreign financing and 76.2 percent under-realization in privatization of public corporations. In 2008/09, withdrawals from the OSF rose by 58.1 percent to Rls. 184,223.5 billion, showing 90.2 percent realization compared with the approved figure. Of total sources for disposal of financial assets, 84.4 percent was financed through withdrawals from the OSF.

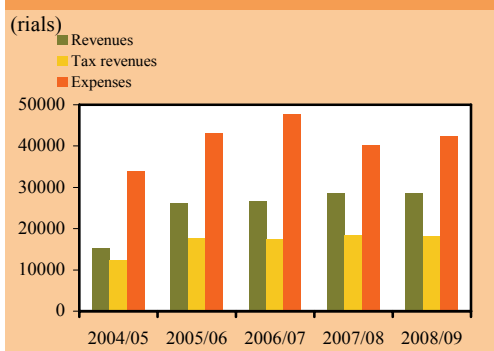
In 2008/09, the government expenses increased by 33.9 percent to Rls. 564,290 billion, showing 84.1 percent realization compared with the approved figure. Moreover, national government expenses and provincial expenses accounted for respectively 95.7 and 4.3 percent of government expenses.

Government paid Rls. 213,495.8 billion for the acquisition of non-financial assets, representing 35.8 percent growth against 2007/08 and 99.8 percent realization compared with the approved figure. Of total payments by the government for the acquisition of non-financial assets, 78.4 percent were in the form of national and 21.6 percent in the form of provincial expenses. Therefore, the government operating balance posted a deficit of Rls. 184,951.5 billion, representing 50.2

percent increase against the previous year. Net disposal of non-financial assets declined by 82.1 percent to Rls. 3,140.9 billion compared with the year before. Government operating balance deficit together with net surplus of disposal of non-financial assets brought about the Rls. 181,810.6 billion deficit of the operating and non-financial balance, indicating 72.2 percent growth against the preceding year deficit. This was mainly due to operating balance deficit and largely financed through withdrawals from the OSF.

Ratio of government revenues to GDP edged up by 0.1 percentage point to 10.4 percent in 2008/09 against 10.3 percent in the year before. Conversely, ratio of expenses to the mentioned variable rose from 14.6 percent in 2007/08 to 15.5 percent in the review year. Ratio of acquisition of non-financial assets to the

**Figure 13. Government per capita revenues, tax revenues and current expenses at constant 2004/05 prices**



**Government General Budget Revenues <sup>(1)</sup>**

(billion rials)

	2006/07	2007/08	2008/09	Share (percent)		
				2006/07	2007/08	2008/09
<b>Revenues</b>	<b>231,130.8</b>	<b>298,203.1</b>	<b>379,338.5</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Tax revenues	151,620.9	191,815.3	239,741.4	65.6	64.3	63.2
Other revenues	79,509.9	106,387.8	139,597.1	34.4	35.7	36.8

(1) Excludes special revenues and expenditures.





same variable increased to 5.9 percent in 2008/09 against 5.4 percent in the previous year. Ratio of operating balance deficit to GDP grew from 4.3 percent in 2007/08 to 5.1 percent in the review year. Ratio of operating and non-financial balance (total budget deficit) to the same variable reached 5 percent in 2008/09 from 3.7 percent in the preceding year, up by 1.3 percentage points. These trends reveal adoption of expansionary fiscal policies by the government in 2008/09.

Despite a slight reduction in the government per capita revenues (at constant prices), the government per capita expenses (at constant prices) rose by 5.3 percent in the review year.

#### Ratio of Selected Budget Items to Nominal GDP<sup>(1) (2)</sup> (percent)

	2004/05	2005/06	2006/07	2007/08▲	2008/09
Revenues	7.1	10.8	10.2	10.3	10.4
Expenses (current)	15.9	17.8	18.4	14.6	15.5
Acquisition of non-financial assets <sup>(3)</sup>	5.0	6.3	6.4	5.4	5.9
Operating balance	-8.8	-7.0	-8.2	-4.3	-5.1
Operating and non-financial balance	-3.4	-3.3	-6.5	-3.7	-5.0

(1) GDP figure for 2008/09 is estimated.

(2) In 2004/05 and 2005/06, it excludes the figure for transparency in the price (subsidy) of energy carriers.

(3) In 2007/08, it amounts to \$9,500 billion, by inclusion of Budget Supplement.

#### Government per Capita Revenues and Expenses at Constant 2004/05 Prices<sup>(1) (2) (3)</sup> (rials)

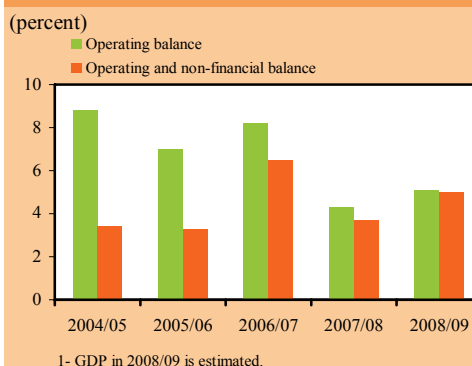
	2004/05▲	2005/06	2006/07▲	2007/08	2008/09	Average growth (2005-09)
<b>Revenues</b>	<b>15,157</b>	<b>26,168</b>	<b>26,558</b>	<b>28,511</b>	<b>28,510</b>	<b>17.1</b>
Tax revenues	12,352	17,575	17,422	18,339	18,018	9.9
<b>Expenses (current)</b>	<b>33,934</b>	<b>43,212</b>	<b>47,777</b>	<b>40,283</b>	<b>42,411</b>	<b>5.7</b>

(1) The CPI has been used to adjust the price change effect.

(2) For 2008/09, population was estimated by the Statistical Center of Iran (SCI).

(3) In 2004/05 and 2005/06, it excludes the figure for transparency in the price (subsidy) of energy carriers.

**Figure 14. Ratio of operating & operating & non-financial balance deficit to GDP<sup>(1)</sup>**



#### Balance of Payments

In light of positive developments in the global crude oil market during the first half of the review year as well as the rising trend of non-oil exports, external sector enjoyed a favorable performance in 2008/09. Regarding the major share of oil products in goods exported through customs, record oil prices during this year had a double impact on foreign exchange revenues. Despite negative effect of global financial crisis on country's foreign trade in the second half, total foreign trade of goods amounted to \$169 billion, indicating 8.5 percent growth compared with 2007/08.

According to the preliminary data released by the Islamic Republic of Iran's Customs Ad-

ministration, 32,914 thousand tons of goods worth \$18,146 million were exported in the review year, indicating respectively 2.5 and 18.5 percent growth in terms of weight and value compared with 2007/08. In this year, 43,984 thousand tons of goods valued at \$55,849 million were imported, up by 5.5 and 15.3 percent compared with the previous year.

Trade balance, therefore, by inclusion of non-customs imports and exports as well as adjustments related to statistical coverage of balance of payments, posted a surplus of \$32,039 million. This was mainly owing to oil and gas <sup>(1)</sup> exports surplus worth \$81,855 million, accounting for 81.4 percent of total exports. Trade balance surplus declined by 18.7 percent compared with the respective figure of the previous year.

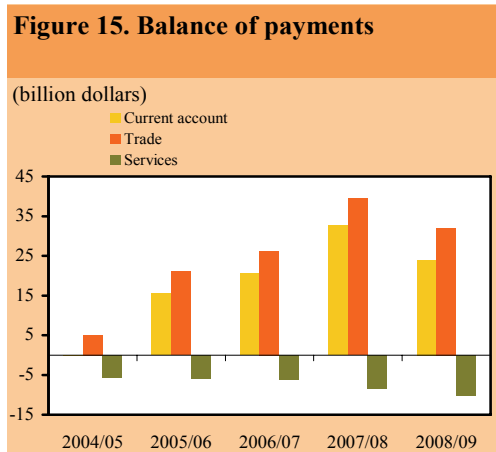
Balance of the services account constitutes a large part of foreign trade transactions of the economy. In 2008/09, export of services <sup>(2)</sup> rose by 7.3 percent to \$7,434 million. On the receipts side, transport, travel and construction services, with \$3,497, 1,908 and 1,330 million respectively, accounted for a large part of foreign exchange receipts of the services account. On the payments side, travel, transport and construction services, with respectively \$8,685, 4,095 and 2,251 million, enjoyed the highest share in the \$17,742 million foreign exchange payments of the services <sup>(3)</sup> sector.

By and large, due to the higher rise in import of services and the larger share of imports, services account (net) posted a deficit of

(1) Oil and gas export basket includes crude oil, natural gas, oil products and condensates.

(2) Includes rendering services to non-residents.

(3) Indicates payments for services rendered by non-residents.



\$10,307 million, indicating a rise of 22.3 percent compared with 2007/08.

Revenues account (net) rose by 58.1 percent to \$1,471 million. Investment income, with \$2,741 million, on the receipts side, and investment expenses, with \$1,661 million, on the payments side, had the highest shares in the account turnover.

Performance of trade, services, revenues and current transfers account, with a surplus of \$785 million, brought about \$23,987 million surplus of current account, indicating 26.4 percent reduction compared with the same figure previous year.

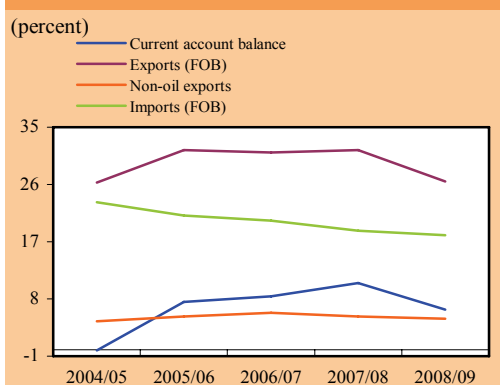
Capital account (net) posted a deficit of \$9,596 million, showing a fall of 32.3 percent compared with the previous year. This was largely due to the \$5,935 million deficit of the short-term account, which in turn was due to a rise in banks' foreign assets and the commercial credits allocated for exports as well as a decrease in LCs opened for imports <sup>(4)</sup>.

(4) Capital account deficit does not reflect an outflow of foreign exchange and capital.



Long-term account faced a deficit of \$3,662 million, mainly due to repayment of debts from buy-back contracts (largely oil and gas sector contracts), repayment of debts resulting from finance, project finance and loans extended from abroad without banking system guarantee, and new buy-back contracts. Therefore, international reserves were raised by \$8,229 million.

**Figure 16. Ratio of balance of payments to GDP**



### Volume of Foreign Exchange Transactions in the Interbank Market

The total value of interbank market transactions increased by 32.7 percent to \$56,438 million in

2008/09. The main <sup>(1)</sup> and the secondary <sup>(2)</sup> inter-bank markets accounted for respectively 33 and 67 percent of total transactions in the official exchange market. The expansion of international limitations and ease of transactions in the secondary market altered composition of foreign exchange transactions in favor of the secondary market.

The total value of main market transactions rose 10.9 percent to \$18,619 million in the review year from \$16,793 million in 2007/08. The CBI held 87.3 percent of total foreign exchange sales in this market worth \$16,252 million, much higher than the \$2,368 million foreign exchange sales by banks.

The total value of secondary market transactions increased by 46.9 percent to \$37,819 million in 2008/09. Sales of foreign exchange by the CBI amounted to \$36,363 million, accounting for 96.1 percent of total foreign exchange sales in the secondary market. On the other hand, banks sold \$1,456 million foreign exchange. In the review year, the CBI purchased \$172 million from the secondary market, much less than \$37,647 million foreign exchange purchased by banks.

### Foreign Exchange Transactions in the Main and Secondary Interbank Markets

	2004/05	2005/06	2006/07	2007/08	2008/09	(million dollars)
Main market	11,363	13,871	16,199	16,793	18,619	10.9
Share (percent)	50.1	46.9	46.9	39.5	33.0	
Secondary market	11,329	15,659	18,321	25,742	37,819	46.9
Share (percent)	49.9	53.1	53.1	60.5	67.0	
<b>Total</b>	<b>22,692</b>	<b>29,530</b>	<b>34,520</b>	<b>42,535</b>	<b>56,438</b>	<b>32.7</b>

(1) The main interbank market consists of banks operating in the mainland and licensed by the Central Bank to purchase and sell foreign exchange within the framework of regulations.

(2) The secondary interbank market consists of banks operating in Kish, Qeshm, and Chabahar Free Trade Zones as well as Iranian banks' branches abroad, which are engaged in purchase, sale, and transfer of foreign exchange at any amount, and everywhere within the framework of regulations.

### Composition of Foreign Exchange in the Interbank Market Transactions

The share of US dollar in foreign exchange transactions of Iran declined gradually, due to declining trends of the value of US dollar in 2007/08 and the restrictions related to financial sanctions tightening on Iran which made it difficult for Iranian banks' foreign exchange payments and dealings to be cleared and settled in major international financial institutions. The analysis of the structure of foreign exchange transactions in the interbank market over the past few years indicates that the share of US dollar in interbank market dealings has gradually declined such that dollar is almost eliminated from the said market. The dollar share in this market declined from 65.9 percent of total interbank foreign exchange transactions in 2006/07 to an insignificant level of 1.7 percent in 2008/09. On the contrary, the combined share of euro and United Arab Emirates dirham (AED) which followed sharp increasing trends over the past few years reached 83.0 and 14.3 percent of

total interbank market dealings in 2008/09, from 32.4 and 1.2 percent in 2006/07, respectively.

### External Competitiveness in the Economy of Iran

External competitiveness is a major target for macroeconomic policy making bodies in every country, as this target is highly related to the sustainability of macroeconomic policies. The basic issue in competitive analysis is for real exchange rate to follow an appropriate equilibrium trend. Therefore, real exchange rate analysis is the crux of external sector competitiveness assessment. Put in simply, competitiveness is a state of the national economy to be able to produce marketable goods and services at acceptable international quality standard levels, given the competitive edge that the domestic economy processes regarding importation and transportation costs. This simplified definition involves a large number of factors which can widely influence cost of production of goods and services. Competitiveness is in fact influenced and affected by a host of parameters and variables in the areas of micro and macroeconomic policy making and environment. In this regard, the fundamental equilibrium (real) exchange rate is the basic aspect of external competitive analysis, while other factors and parameters of domestic economy serve as supplementary and supportive elements in affecting real exchange rate.

### Composition of Foreign Exchange in the Interbank Market Transactions

(million dollars)

	2006/07	2007/08	2008/09
Dollar	22,759	2,829	966
Euro	11,181	36,785	46,820
AED	401	2,468	8,096
Other currencies	178	452	556
<b>Total</b>	<b>34,520</b>	<b>42,535</b>	<b>56,438</b>

### Dollar Real Exchange Movements and Major Determinant Factors

(percent)

	2004/05	2005/06	2006/07	2007/08	2008/09
Real value of dollar	-5.9	-2.9	-6.3	-11.9	-15.7
Nominal value of dollar	5.3	3.5	1.9	1.0	3.1
Price index in the US	3.0	3.5	2.9	3.3	2.8
Price index in the Islamic Republic of Iran	15.2	10.4	11.9	18.4	25.4



### Euro Real Exchange Movements and Major Determinant Factors (percent)

	2004/05	2005/06	2006/07	2007/08	2008/09
Real value of euro	0.3	-6.9	-1.8	-3.3	-13.9
Nominal value of euro	12.9	0.4	7.0	11.2	4.2
Price index in the European Union	2.5	2.4	2.6	2.9	3.6
Price index in the Islamic Republic of Iran	15.2	10.4	11.9	18.4	25.4

### Real Exchange Rate Parity of Rial versus Dollar and Euro

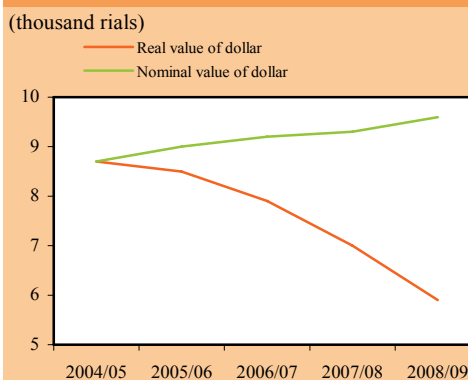
The exchange rate and exchange policy analysis of Iran over the past few years indicates that although the Iranian rial has experienced certain degree of nominal appreciation over these years, the real value of rial versus dollar and euro has constantly increased, leading to overvaluation of the local currency. The calculation techniques of real exchange rate movements are widely influenced by nominal exchange rate movements and domestic/international inflation differentials. A glimpse at the results of research studies indicates that higher inflation in Iran compared with international levels has had a more significant impact on rial overvaluation than any other factor over the past few years.

### Non-oil Trade Deficit and the RER

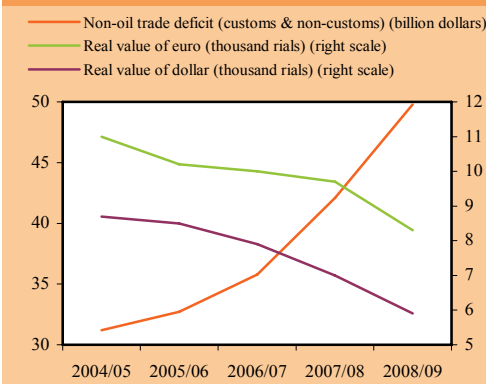
The analysis of non-oil trade deficit of Iran over the past few years indicates that there exists a strong negative relationship between trade deficit and real effective exchange rate of rial (vis-à-vis dollar and euro), in the sense that overvaluation of rial has constantly and intensively preceded the increasing trend of non-oil trade deficit. In fact, the weaknesses in competitiveness (of domestic products), rigidity in the structure of import, low growth of non-oil exports, rising inflation gap between Iran and its trade

partners, and inappropriate foreign trade and exchange regulation have constantly widened non-oil trade balance, resulting in higher deficit in recent years.

**Figure 17. Dollar real exchange movements**



**Figure 18. Non-oil trade deficit & changes in real value of currencies**



**Non-oil Trade Deficit and the RER of Rial (vis-à-vis dollar and euro)**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Real value of dollar (thousand rials)	9.3	8.7	8.5	7.9	7.0	5.9
Real value of euro (thousand rials)	10.9	11.0	10.2	10.0	9.7	8.3
Non-oil trade deficit (customs and non-customs) (billion dollars) <sup>(1)</sup>	23.5	31.2	32.7	35.8	42.1	49.8

(1) Calculated based on the subtraction of the value of crude oil, natural gas, condensates, and oil products exported by National Iranian Oil Company (NIOC) and National Iranian Gas Company (NIGC) from the total value of exports of goods

**Money and Banking**

**Liquidity and its Determinants**

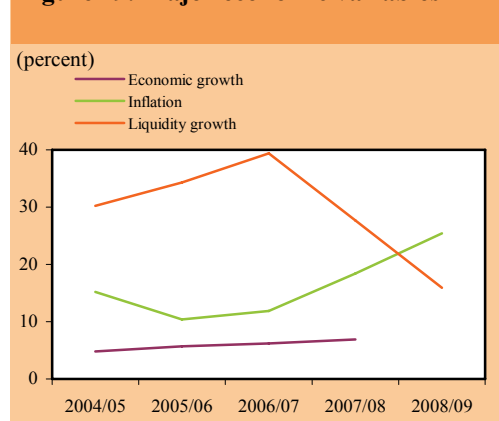
Liquidity growth reached 15.9 percent at end-2008/09, down by 11.8 percentage points compared with the preceding year. In 2008/09, net foreign assets of the banking system grew by Rls. 134.8 trillion, accounting for 8.2 percentage points of liquidity growth. This was due to Rls. 125.4 trillion rise in net foreign assets of the Central Bank (constituting 7.6 percentage points of liquidity growth) and Rls. 9.4 trillion increase in net foreign assets of banks and credit institutions (accounting for 0.6 percentage point of liquidity growth). Reduction in the share of net domestic assets against that of the previous year was the main reason behind reduction in liquidity growth in 2008/09 year-end compared with 2007/08.

In 2008/09, net domestic assets grew by a mere Rls. 126.2 trillion, raising liquidity by 7.7 percentage points. Slight increase in non-public sector indebtedness by 13.4 percent against its growth in 2007/08 by 37.7 percent, and reduction in net claims on government by Rls. 53.6 trillion were the main driving forces behind the fall in share of net domestic assets compared with the previous year. Net domestic assets had a decreasing effect on liquidity growth by 3.3 percentage points, representing a rise of 2.4 percentage points against the respective figure of 2007/08. This effect was owing to the

40.8 percent growth (Rls. 64.9 trillion) in government deposits with the Central Bank.

Among the constituents of net domestic assets of the banking system, claims on non-public sector (excluding profit), with a share of 12 percentage points, held the highest share in raising liquidity, showing 19.3 percentage points reduction against the previous year. This decline in liquidity growth was influenced by several factors; notable among them was the CBI's emphasis on banks in balancing their sources and uses of funds.

**Figure 19. Major economic variables**



The decline in banks' credit growth in 2008/09 compared with the years before took place in pursuit of objectives of preserving the health and soundness of banks and containment



of liquidity growth at an average annual rate of 18 percent for inflation control as envisaged in the 4<sup>th</sup> Plan. In this context, the CBI has constantly advised the banks to balance the credit expansion tantamount to deposit mobilization efforts and not to use CBI resources to the extent possible.

Moreover, other items (net) had also a decreasing effect of 0.8 percentage point on liquidity growth. Thus, the mentioned factors brought about the 7.7 percentage points share of net domestic assets of the banking system in liquidity growth.

### Share of Money in Liquidity

The share of money in liquidity at end-2008/09 was 27.6 percent, down by 5.1 percentage points against the preceding year. Meanwhile, the share of demand deposits in liquidity fell sharply by 8.5 percentage points from 27.8 percent at end-2007/08 to 19.3 percent in 2008/09 year-end. This was mainly due to a reduction in net amount of checks issued by banks, and their replacement with CBI Iran-Checks.

### Factors Affecting Monetary Base

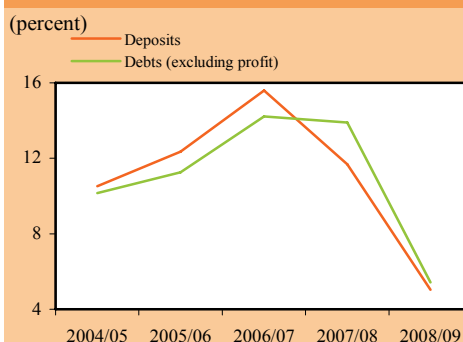
Monetary base rose by 48 percent in 2008/09, indicating a rise of 17.5 percentage points compared with the growth figure of the year before.

In 2008/09, net foreign assets of the Central Bank grew by 28.6 percent, constituting 18.5 percentage points of the monetary base growth by exclusion of neutral factors such as change in foreign exchange assets and liabilities revaluation reserve of the Central Bank and balance of banks' deposits with the CBI.

In the review year, CBI's claims on banks grew by 74.1 percent compared with 2007/08, accounting for 27.9 percentage points of monetary base growth. This figure indicated 1.7 percentage points reduction against the respective figure of the previous year. Among the factors constituting banks' indebtedness to Central Bank, balance of government revolving funds decreased by Rls. 16.4 trillion. Conversely, other accounts rose by Rls. 118.5 trillion. This was due to the rise in the credits extended by the CBI to banks within the framework of Mehr Housing Project, incomplete projects and working capital, CBI Iran-Checks, government participation papers, and banks' claims on the government.

In 2008/09, net claims of the Central Bank on public sector, with a decreasing share of 17.8 percentage points, was the major decreasing factor affecting monetary base, indicating 8.3 percentage points growth against the year before. This was mostly owing to the 1.1 percent reduction in public sector indebtedness to the Central Bank (Rls. 1.5 trillion) and the 36 percent rise in public sector deposits with the CBI (Rls. 63.5 trillion).

**Figure 20. Ratio of change in balance of non-public sector deposits and outstanding debts of non-public sector to GDP**





Besides these factors, other items (net) had an increasing effect of 3.6 percentage points on monetary base growth. Outstanding of the CBI Participation Papers as a component of other items (net) declined by Rls. 16.4 trillion to zero as compared with end-2007/08. Repurchase of CBI Participation Papers contributed to 4.5 percentage points growth of monetary base.

### *Components of Money Multiplier*

Money multiplier decreased by 21.7 percent, representing a fall of 19.5 percentage points against the previous year. This was due to the significant growth in its main components: the 183.7 percent rise in the ratio of excess reserves to total deposits (mainly due to increase in banks' demand deposits with the CBI and balance of banks' fund owing to rise in CBI Iran-Checks), which reduced money multiplier by 0.8804 unit, as well as the 76.8 percent increase in the ratio of notes and coins with the public to total deposits (due to CBI Iran-Checks), which reduced the mentioned variable by 0.4218 unit. On the other hand, collection of Iran-Checks issued by banks, (decrease in the net amount of banks' Iran-Checks) which lowered demand deposits and total deposits of non-public sector, as well as issuance of Iran-Checks by the Central Bank, which raised notes and coins with the public and excess reserves of banks <sup>(1)</sup>, had declining effects on money multiplier.

Decrease in the ratio of reserve requirement to total deposits by 14.5 percent, due to adjustment of the reserve requirement ratios based on the Supervisory-Policy Guideline of the

(1) Includes notes and coins with banks and banks' demand deposits with the CBI.

Banking System in 2008/09, as well as the release of 2 percentage points of banks' legal reserve requirement by the CBI resulted in 0.3298 unit increase in money multiplier.

### *Non-public Sector Deposits*

Balance of non-public sector deposits with banks and credit institutions grew by 11.7 percent to Rls. 1,743.6 trillion at end-2008/09. Of this growth, 6.8 percentage points was related to private banks and credit institutions. Share of these banks and institutions out of total deposits of non-public sector was 23.8 percent in 2008/09 year-end, indicating 4.8 percentage points growth against the previous year. This rise was mainly attributable to high (provisional) deposit rates of private banks against that of public banks, increase in public confidence in private banks, and low attractiveness of investment in other markets such as the Stock Exchange.

### *Overdue Claims and Non-performing Loans*

The ratio of overdue claims and non-performing loans extended to public and non-public sectors to total facilities extended by banks and credit institutions rose from 11.4 percent in 2007/08 to 17.5 percent at end-2008/09.

### *Payment System*

In 2008/09, the payment system in Iran witnessed great developments which include: issuance of Iran-Checks by the Central Bank and its replacement for those issued by banks; quantitative and qualitative growth of electronic payment instruments, facilities and services; and development of the Interbank Information Transfer Network (SHETAB) and the Real Time Gross Settlement





System (SATNA) as the center for interbank electronic settlement. The legal foundation of paperless securities settlement and the establishment of the center for credit control and oversight were carried out in this year.

### *Notes and Coins*

For facilitation of business transactions and trade settlements, CBI took the initiative in 2008/09 to print and issue CBI guaranteed checks and check notes. The CBI guaranteed checks and check notes were issued in pursuance of the Cabinet approval, dated March 11<sup>th</sup>, 2008, and were designed to replace guaranteed checks and notes that were issued by commercial and specialized banks and had been widely circulating in the hands of public. Central Bank issued Rls. 110 trillion Iran-Checks till end-2008/09. With inclusion of CBI Iran-Checks, total notes and coins issued in this year amounted to Rls. 207.3 trillion.

Notes and coins with the public (including CBI Iran-Checks) rose from Rls. 79,909 billion at end-2007/08 to Rls. 157,764 billion in 2008/09 year-end, showing 97.4 percent growth. Therefore, the share of notes and coins with the public in liquidity reached 8.3 percent at end-2008/09, up by 3.4 percentage points compared with the previous year-end.

### *Interbank Clearing House*

In the review year, 482 million ordinary checks, valued at Rls. 8,469 trillion, were channeled through the interbank clearing houses. The replacement of banks' guaranteed checks and check notes with those of CBI led to lower amount of check settlement in the nationwide interbank

clearing house which was due to longer durability of CBI checks in the hands of public for transaction purposes. The amount of CBI Iran-Checks channeled through this House decreased by 53.5 percent in terms of volume to 305 million and by 49.7 percent to Rls. 320 trillion in terms of value, as compared with 2007/08.

Ordinary checks include various kinds of checks excluding Iran-Checks, such as bank checks, interbank coded checks, guaranteed checks, traveler's checks, and personal checks. In the review year, the amount of ordinary checks delivered to the Interbank Clearing House declined by 31.7 percent in terms of volume, largely for the prevention of the issue of new notes and cancellation of check notes issued by banks. However, total value of transactions settled through ordinary checks increased by 10 percent to Rls. 8,149 trillion during this year. This is indicative of higher use of checks for large value payments as well as notes and coins, CBI Iran-Checks, and electronic payment instruments for small value payments.

### *Expansion of Electronic Payment Instruments*

In 2008/09, electronic payment instruments, equipment and systems in banks network expanded with an admissible growth. However, the pace of growth in the review year was lower than the years before as a great number of banks electronic facilities were installed in the years before. The number of cards issued by the banking system rose 55.7 percent to 60.1 million. Among these cards, the growth of debit cards was 80 percent (48.1 million), prepaid cards 19.5 percent (11.7 million), and credit cards 0.5 percent (328 thousand). The number of ATMs

reached 12,959, up by 30.7 percent. The number of Pin Pads grew by 24.6 percent. Moreover, the number of POSs (764 thousand) indicated a higher growth of 78.9 percent in this year. In fact, easy access to these instruments affects further expansion of electronic payments in the country.

### Development of Electronic Transactions

In 2008/09, along with the expansion of electronic payment technology and equipment, banks' electronic transactions grew sharply. Interbank electronic transactions processed by the banking system, in terms of volume and value, surged by 36.8 and 56.6 percent respectively, compared with the previous year. Therefore, the total settled transactions reached 928 million worth Rls. 682 trillion in the review year. Despite the high growth in the number of transactions processed in SHETAB through POSs by 162.9 percent, the lion's share in total electronic transactions still belonged to ATMs by 86.2 percent.

Share of POSs in total transactions was 9.6 percent, representing a rise compared with 5 percent in the previous year. It is expected that with the extensive use of credit cards, prepaid cards, and POSs, the number of transactions through POSs increases and the use of notes decreases.

The number of daily transactions through POSs went up from 92.6 thousand in 2007/08 to 243.5 thousand in the review year. Moreover, the number of transactions in each point of sale terminal reached 116.3 in 2008/09 against 79.1 in the preceding year, indicating a rise in the use of new payment instruments in daily transactions by the public.

### Electronic Payment Instruments

	Year-end		Percentage change
	2007/08	2008/09	
Bank cards	38,593,283	60,078,271	55.7
ATMs	9,917	12,959	30.7
POSs	427,082	763,938	78.9
Pin Pads	21,707	27,048	24.6

### Volume and Value of Transactions through Interbank Clearing House

	Volume (million)		Percentage change	Value (trillion rials)		Percentage change
	2007/08	2008/09		2007/08	2008/09	
Iran-Check	656	305	-53.5	636	320	-49.7
Ordinary check	259	177	-31.7	7,406	8,149	10.0
<b>Total</b>	<b>915</b>	<b>482</b>	<b>-47.3</b>	<b>8,042</b>	<b>8,469</b>	<b>5.3</b>

### Volume and Value of Electronic Transactions Processed through the Banking System

	Volume (thousand)		Percentage change	Value (billion rials)		Percentage change
	2007/08	2008/09		2007/08	2008/09	
<b>Total electronic transactions through the banking system</b>	<b>678,307</b>	<b>927,683</b>	<b>36.8</b>	<b>435,512</b>	<b>682,133</b>	<b>56.6</b>
ATMs	612,575	799,698	30.5	149,242	262,733	76.0
POSs	33,794	88,861	162.9	21,143	47,975	126.9
Pin Pads	31,938	39,124	22.5	265,127	371,425	40.0



### SHETAB

The Interbank Information Transfer Network (SHETAB) was further developed in 2008/09; Sina Bank and Credit Institution for Development joined this network in the review year. The number of interbank electronic transactions processed through ATMs and POSs rose 30.4 and 156 percent to 468 and 56 million, respectively in 2008/09. This raised total transactions through SHETAB to more than 0.5 billion per annum, indicating 81.4 percent growth in net value of interbank transactions cleared through SHETAB at Rls. 32 trillion compared with 2007/08.

Introduction of new means of electronic payment, i.e. cell phones and new POSs (such as Kiosks), were the main developments in this area in the review year. Moreover, development of the Retail Funds Transfer System (SAHAB) which helped daily transfer of up to Rls. 30 mil-

lion through ATMs and the Internet, and Rls. 150 million through banks round-the-clock was a major development in 2008/09. Thus, 8,621 thousand transactions were settled through SAHAB, indicating a remarkable rise against the preceding year (Rls. 2,061 thousand).

### SATNA

In 2008/09, a new strategy for providing a wide range of electronic services to banks customers, including the customer to customer real time electronic payment services was adopted. The customer to customer real time electronic payment service was added to the all inclusive service basket of RTGS (Real Time Gross Settlement) of banks electronic products. Through this improvement, all sorts of real time electronic payment and cash transfer services for

#### Net Volume and Value of Transactions Processed through SHETAB

	Volume (thousand)		Percentage change	Net value (billion rials)		Percentage change
	2007/08	2008/09		2007/08	2008/09	
<b>Total transactions through SHETAB</b>	<b>381,184</b>	<b>524,879</b>	<b>37.7</b>	<b>17,766</b>	<b>32,224</b>	<b>81.4</b>
ATMs	359,134	468,427	30.4	..	..	0
POSs	22,050	56,452	156.0	..	..	0

#### Volume and Value of Transactions Processed through SATNA

	Volume		Percentage change	Value (billion rials)		Percentage change
	2007/08	2008/09		2007/08	2008/09	
Bank-to-bank	8,416	20,408	142.5	435,143	391,080	-10.1
Customer-to-customer	1,493	228,646	□	55,431	148,330	167.6
Intra-day Liquidity Facility, Interbank Clearing House and SHETAB	14,536	18,507	27.3	1,073,664	2,432,415	126.6
<b>Total</b>	<b>24,445</b>	<b>267,561</b>	<b>□</b>	<b>1,564,238</b>	<b>2,971,825</b>	<b>90.0</b>

all categories and customers and for all sorts of accounts (centralized and non-centralized) were made possible. Moreover, given the fact that ordinary public should have incentives to use these electronic services more widely, the minimum threshold level of transactions (to be routed into the system) and the commission and fees of the RTGS (SATNA) services were eliminated. Therefore, it was made possible for all banks customers and account holders to transfer their money from different accounts without minimum threshold level restriction and service charge. All these factors led to a situation that banks payment and settlement system and electronic services attained a wide ranging development in terms of safety and speed of transactions resulting in a more advanced nationwide system of payments and settlement. The number of transactions through SATNA grew by 994.5 and 90 percent, to 268 thousand and Rls. 2,972 trillion respectively, in terms of volume and value, compared with the previous year.

## Capital Market

### Stock Exchange

The first half of 2008/09 witnessed positive developments in the TSE. This was due to slow-

down of housing activities and huge transfer of liquidity to the TSE. In the second half of 2008/09, TSE and capital market were also affected by the world financial crisis and its spillover on the Iranian economy. The global recession of 2008 led to decline in metal prices, including the price of steel, which along with other factors brought about sharp decline in metal producers' share prices in TSE and hence decline of TSE general indices in the same period.

In this year, "TEPIX", "financial index", "industrial index", "main floor index", and "50 top companies index" faced a decline. Conversely, "secondary floor index" rose by 13.7 percent.

Shares and rights traded in 2008/09 indicated 105 and 88 percent increase in the number and value of trading, respectively, compared with the preceding year. This was mainly attributable to the privatization of large public firms. However, due to the reduction in TEPIX, market capitalization fell by 2.8 percent compared with the previous year.

In the review year, 27,551 million shares of public corporations and institutions, valued at Rls. 75,828 billion, were offered by the Privati-

### Tehran Stock Exchange (TSE) Indices (1990/91=100)

	2006/07	2007/08	2008/09	Percentage change		
				2006/07	2007/08	2008/09
TEPIX	9,821.0	10,082.0	7,966.5	3.8	2.7	-21.0
Financial index	20,770.4	20,882.6	20,552.8	-0.8	0.5	-1.6
Industrial index	7,751.6	7,967.0	6,172.6	4.4	2.8	-22.5
50 top companies index	695.2	559.2	291.1	-0.3	-19.6	-47.9
Main floor index	9,781.5	9,016.0	6,383.7	7.1	-7.8	-29.2
Secondary floor index	9,164.2	11,046.3	12,563.5	-6.9	20.5	13.7

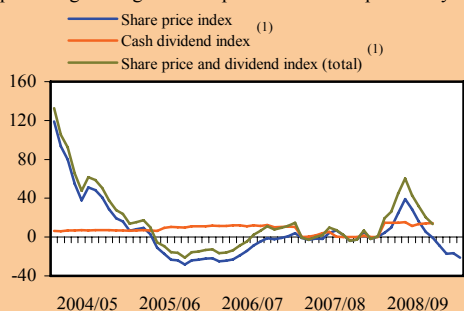
Source: Securities and Exchange Organization, and the TSE



zation Organization as well as specialized holding companies (including Justice (Edalat) shares and other share transfers). This shows 241.1 and 249 percent increase in terms of number and value, respectively <sup>(1)</sup>.

**Figure 21. Annual changes in share price and dividend indices**

(percentage change over respective month of previous year)



1- As of November 2008, TSE has not released data on these indices.

### Mercantile Exchanges

In the review year, 11,192.4 thousand tons of products, worth Rls. 82,685.9 billion, were traded on Iran Mercantile Exchange, growing by 64.4 and 39.7 percent in terms of volume and value, respectively, compared with the previous year.

The value and volume of metals traded on the Metal Products floor reached Rls. 61,850.6 billion and 6,641.1 thousand tons, showing 6.6 and 3.1 percent rise, respectively, compared with the year before. The number of metals traded in this year came to six. The highest share in terms of value and volume of traded shares belonged to steel.

(1) In 2008/09, the highest share of total value and number of offered shares belonged to Iranian Mines and Mining Industries Development and Renovation Organization (IMIDRO) by 52.2 percent and Telecommunication Company of Iran by 49.1 percent.

In this year, 173.5 thousand tons of agricultural products, worth Rls. 643.7 billion, were traded on Iran Mercantile Exchange, down by 16.7 and 36.5 percent in terms of value and volume, respectively, compared with the year before. Among them, the volume of trading of barley fell by 42.2 percent, corn 24.9 percent, sugar 83.7 percent, and soybean meal 55.7 percent. Rice was the only product the trading of which rose by 2,371.4 and 3,654.1 percent in terms of volume and value, respectively. The value of trading of barley declined by 36.1 percent, soybean meal 36.7 percent, and sugar 83.3 percent, compared with the year before. Corn accounted for the highest share of trading in terms of both value and volume.

With the inauguration of oil products floor in 2007/08, seven products including soot, bitumen, polyethylene, base oil, extract, gold, coal, and coke were traded. In 2008/09, eight other products were added to tradables. Moreover, 4,377.8 thousand tons of oil products, valued at Rls. 20,191.6 billion, were traded. The highest share in total trading belonged to bitumen by 61 and 79.6 percent in terms of value and volume, respectively.

Meanwhile, in the review year, the Securities and Exchange High Council approved two new financial instruments namely, Ijara (renting)-based securities (Ijara-Sukuk) and its executive regulations, as well as futures contracts.

### Participation Papers

According to the Budget Law for 2008/09, the government was authorized to issue participation papers, worth Rls. 14 trillion. Of this amount,

Rls. 4 trillion were in the form of governmental-budgetary <sup>(1)</sup> and Rls. 10 trillion, governmental-non-budgetary <sup>(2)</sup> participation papers. Furthermore, the Cabinet approved the issuance of Rls. 9.8 trillion participation papers for the implementation of water and power resources development projects.

Of total Rls. 23,800 billion participation papers approved for 2008/09, Rls. 11,800 billion were issued and Rls. 11,799 billion were sold. The first phase of issuance on December 21, 2008, was related to Iran Water and Power Resources Development Company (IWPC) by Rls. 5 trillion with a provisional profit rate of 18 percent, of which Rls. 4,999 billion were sold. On January 20, 2009, based on the Budget Law for 2008/09, Mashhad Municipality issued Rls. 2 trillion participation papers with a provisional profit rate of 18 percent, 100 percent of which were sold. Meanwhile, on February 28, 2009, Iran Power Development Company (IPDC) issued Rls. 4.8 trillion participation papers with a provisional profit rate of 18 percent, all of which were sold. All participation papers issued in this year were tax-exempt and redeemable prior to maturity, and their profit rate was on a daily basis.

At end-2008/09, the outstanding of participation papers with the banking system amounted to Rls. 41,951 billion, showing 25.9 percent growth compared with the previous year. The outstanding of "government" and "public corporations and institutions" participation papers

with the banking system was Rls. 16,450 and 21,470 billion, up by 23.8 and 51.4 percent, respectively, compared with the previous year. At the end of this year, Rls. 4,031 billion of non-public sector participation papers was held by banks, indicating 32.7 percent increase, compared with the year before.

### Price Trends

Consumer price index of goods and services and producer price index followed an upward trend during 2006-09. Exported goods price index, however, experienced a downtrend in 2007-09.

#### Price Indices Growth

(1997/98=100)

	Percentage change compared with the previous year		
	2006/07	2007/08	2008/09
Consumer price index (2004/05=100)	11.9	18.4	25.4
Producer price index	12.2	16.8	21.8
Exported goods price index	17.4	16.3	13.9

### Consumer Price Index of Goods and Services

In this year, CPI grew by 25.4 percent compared with the previous year. A review of CPI year-on-year indicates that this index advanced from 8.7 percent in July 2006 to 25.9 percent in December 2008 and January 2009, and 25.4 percent in February 2009. Meanwhile, changes of CPI in each month compared with the re-

(1) Repayment of principal and profit of these papers is projected in annual budget laws.

(2) Repayment of principal and profit of these papers is financed through domestic resources of issuing corporations.





spective month of the previous year indicate that this index was constantly on an upward trend as of March 2006 until October 2008 from 5.3 percent to 29.5 percent. The mentioned trend reversed as of October 2008 and stood at 17.8 percent in March 2009 (end of the review year).

A review of 359 items of goods and services in the CPI basket reveals that 23 items, accounting for 50 percent of the weight of the basket, constituted 53.1 percent of the rise in the general index. Among these items, "rental equivalence of owner-occupied houses" had the highest share in raising the general index by 22.5 percent. "Rental equivalence of owner-occupied houses" and "rent of residential houses" grew respectively by 28.2 and 28.6 percent compared with the year before.

Among the special groups, "goods", with 24.9 percent growth compared with the previous year, accounted for 53.7 percent of the rise in the general index. The main group of "food and beverages" rose by 30.2 percent compared with last year and had 35.4 percent contribution to raising the general index. Among minor groups, the price index of "bread and cereals" experienced the highest growth of 57.3 percent compared with the year before, mainly owing to the rise in the price of various types of bread.

In this year, "medical care" grew by 23.3 percent, "restaurants and hotels" 29.8 percent, "furnishings, household equipment, and routine household maintenance" 23.8 percent, "clothing and footwear" 21 percent, and "miscellaneous goods and services" 23.9 percent, compared with 17, 17, 16.1, 14.7, and 16.4 percent of the previous year, respectively.

### *Inflation in Provinces*

In 2008/09, the CPI of goods and services advanced by 27.6 percent in Tehran Province, 25.5 percent in Esfahan Province, and 23 percent in Khorasan Razavi Province. Due to a relative weight of 33.1 percent, Tehran Province accounted for 35.4 percent of the rise in the CPI of goods and services. In this year, Tehran Province, with 27.6 percent, and Hamedan Province, with 27.0 percent, had the highest and South Khorasan and Kerman provinces, with respectively 20.3 and 19.6 percent, the lowest rate of inflation.

### *Producer Price Index*

During 2008/09, average producer price index grew by 21.8 percent compared with the year before. Among the main groups, price index of "manufacturing" grew by 19.7 percent and raised

### **Inflation Rate in Provinces**

(2004/05=100)

	Relative weight in the base year	Inflation rate (percent)			Contribution to changes of CPI general index (percentage point)		
		2006/07	2007/08	2008/09	2006/07	2007/08	2008/09
Tehran	33.1	10.7	19.2	27.6	3.5	6.2	9.0
Esfahan	8.2	11.9	17.7	25.5	1.0	1.5	2.1
Khorasan Razavi	6.1	11.5	17.8	23.0	0.7	1.1	1.4
<b>Total</b>	<b>100.0</b>	<b>11.9</b>	<b>18.4</b>	<b>25.4</b>	<b>11.9</b>	<b>18.4</b>	<b>25.4</b>

the general index by 34.4 percent. "Agriculture, animal husbandry, and forestry" and "real estate, renting, and business activities" showed 27.9 and 28.7 percent growth and contributed to the rise in the general index by 30.1 and 19.2 percent, respectively. Average price index of "financial intermediations" and "electricity, gas, and water supply" increased by 5.8 and 3.9 percent, respectively. Price index of "mining and quarrying", however, decreased by 6.1 percent compared with the preceding year.

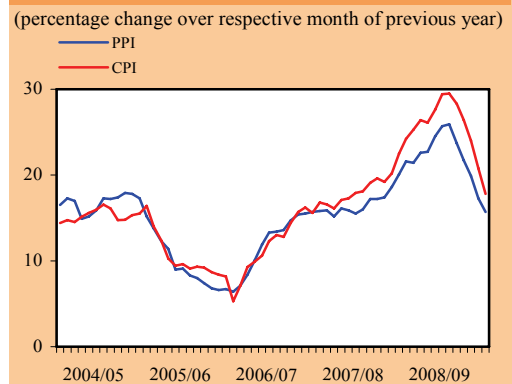
### Exported Goods Price Index

Exported goods price index advanced 13.9 percent in 2008/09. Among the constituents of exported goods price index, the price index of "animal or vegetable fats and oils" enjoyed the highest growth rate of 36.4 percent. "Products of the chemical or allied industries", with a growth rate of 35.3 percent and a relative weight of 15.6 percent, had the highest contribution (43.4 percent) to raising the general index.

In 2008/09, the price index of "mineral products" decreased by 11 percent and that of

"mechanical appliances and electrical equipment", by 0.4 percent compared with the year before. Decrease in the international price of metals as well as a reduction in domestic demand led to a sharp decline in the price index of "mining and quarrying" in the producer price index and "mineral products" in the price index of exported goods.

**Figure 22. Growth in price indices**





*Part Two*

*Statistical Appendix*

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### Gross National Product and Income by Economic Sectors (at current prices)

(billion rials)

Table 1

						Percentage change		Share (percent)	
	2004/05 ▲	2005/06 ▲	2006/07 ▲ □	2007/08 ▲ □	First half of 2008/09 □	2007/08	First half of 2008/09	2007/08	First half of 2008/09
	<b>Agriculture</b>	<b>156,697</b>	<b>171,811</b>	<b>207,037</b>	<b>267,679</b>	<b>230,463</b>	<b>29.3</b>	<b>13.4</b>	<b>9.3</b>
<b>Oil</b>	<b>350,801</b>	<b>522,119</b>	<b>613,213</b>	<b>805,986</b>	<b>568,563</b>	<b>31.4</b>	<b>60.8</b>	<b>27.9</b>	<b>29.5</b>
<b>Manufacturing and mining</b>	<b>263,408</b>	<b>323,716</b>	<b>396,979</b>	<b>528,389</b>	<b>327,977</b>	<b>33.1</b>	<b>38.0</b>	<b>18.3</b>	<b>17.0</b>
Mining	11,028	15,924	19,281	23,074	10,976	19.7	3.7	0.8	0.6
Manufacturing	165,534	208,023	252,901	316,127	187,422	25.0	32.5	10.9	9.7
Electricity, gas and water	20,840	25,099	32,051	37,093	21,458	15.7	20.1	1.3	1.1
Construction	66,006	74,670	92,746	152,095	108,121	64.0	59.7	5.3	5.6
<b>Services</b>	<b>721,200</b>	<b>886,024</b>	<b>1,097,052</b>	<b>1,355,096</b>	<b>843,086</b>	<b>23.5</b>	<b>29.4</b>	<b>46.9</b>	<b>43.8</b>
Trade, restaurant and hotel	174,987	210,440	245,381	302,271	182,051	23.2	29.6	10.5	9.5
Transport, storage and communication	123,309	151,017	194,968	246,175	148,982	26.3	24.4	8.5	7.7
Financial and monetary institutions services	44,152	49,129	59,023	79,576	50,255	34.8	44.5	2.8	2.6
Real estate, specialized and professional services	188,355	230,250	299,927	405,522	262,099	35.2	36.8	14.0	13.6
Public services	151,011	194,601	235,513	244,032	152,450	3.6	18.9	8.4	7.9
Social, personal and household services	39,386	50,588	62,241	77,520	47,249	24.5	28.6	2.7	2.5
<b>Less:</b>									
Imputed bank service charges	36,415	48,958	53,752	66,803	44,225	24.3	47.8	2.3	2.3
<b>Gross domestic product (at basic price)</b>	<b>1,455,690</b>	<b>1,854,711</b>	<b>2,260,530</b>	<b>2,890,347</b>	<b>1,925,864</b>	<b>27.9</b>	<b>36.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Non-oil gross domestic product (at basic price)</b>	<b>1,104,889</b>	<b>1,332,592</b>	<b>1,647,317</b>	<b>2,084,361</b>	<b>1,357,301</b>	<b>26.5</b>	<b>27.8</b>		
<b>Net factor income from abroad</b>	<b>-26,933</b>	<b>-28,333</b>	<b>-25,742</b>	<b>-28,347</b>	<b>-17,111</b>				
<b>Net indirect taxes</b>	<b>13,299</b>	<b>-22,974</b>	<b>-36,437</b>	<b>-8,111</b>	<b>-35,951</b>				
<b>Gross national product = Gross national income (at market price)</b>	<b>1,442,056</b>	<b>1,803,405</b>	<b>2,198,350</b>	<b>2,853,889</b>	<b>1,872,803</b>	<b>29.8</b>	<b>0</b>		
<b>Less:</b>									
Depreciation cost of fixed assets	154,022	172,383	205,601	249,981	..	21.6	0		
Net indirect taxes	13,299	-22,974	-36,437	-8,111	..				
<b>National income</b>	<b>1,274,736</b>	<b>1,653,996</b>	<b>2,029,186</b>	<b>2,612,019</b>	<b>..</b>	<b>28.7</b>	<b>0</b>		

**Gross National Product and Income by Economic Sectors**  
(at constant 1997/98 prices)

Table 2

(billion rials)

	2004/05 ▲	2005/06 ▲	2006/07 ▲ □	2007/08 ▲ □	First half of 2008/09 □	Percentage change	
						2007/08	First half of 2008/09
<b>Agriculture</b>	<b>53,488</b>	<b>58,389</b>	<b>61,134</b>	<b>65,062</b>	<b>43,216</b>	<b>6.4</b>	<b>-10.3</b>
<b>Oil</b>	<b>47,406</b>	<b>47,544</b>	<b>49,249</b>	<b>49,867</b>	<b>24,727</b>	<b>1.3</b>	<b>-3.3</b>
<b>Manufacturing and mining</b>	<b>99,925</b>	<b>111,471</b>	<b>121,954</b>	<b>132,901</b>	<b>67,653</b>	<b>9.0</b>	<b>7.4</b>
Mining	2,811	2,917	3,362	3,769	1,869	12.1	8.4
Manufacturing	73,493	83,515	92,485	100,161	49,954	8.3	6.3
Electricity, gas and water	4,608	4,899	5,331	5,726	3,083	7.4	4.9
Construction	19,012	20,140	20,776	23,246	12,747	11.9	12.1
<b>Services</b>	<b>214,889</b>	<b>228,539</b>	<b>243,832</b>	<b>259,333</b>	<b>138,045</b>	<b>6.4</b>	<b>5.9</b>
Trade, restaurant and hotel	68,826	75,097	78,002	82,981	42,626	6.4	5.6
Transport, storage and communication	41,484	46,183	54,027	61,909	35,225	14.6	14.0
Financial and monetary institutions services	7,541	8,399	10,096	10,976	4,661	8.7	-13.7
Real estate, specialized and professional services	52,059	53,558	55,352	56,758	30,691	2.5	4.5
Public services	32,916	32,172	32,659	32,175	17,206	-1.5	0
Social, personal and household services	12,063	13,130	13,697	14,534	7,637	6.1	8.2
<b>Less:</b>							
Imputed bank service charges	5,279	7,042	8,239	8,092	3,622	-1.8	-12.9
<b>Gross domestic product (at basic price)</b>	<b>410,429</b>	<b>438,900</b>	<b>467,930</b>	<b>499,071</b>	<b>270,020</b>	<b>6.7</b>	<b>2.7</b>
<b>Non-oil gross domestic product (at basic price)</b>	<b>363,023</b>	<b>391,356</b>	<b>418,681</b>	<b>449,204</b>	<b>245,292</b>	<b>7.3</b>	<b>3.4</b>
<b>Net factor income from abroad</b>	<b>-3,306</b>	<b>-3,167</b>	<b>-3,089</b>	<b>-3,434</b>	<b>-1,947</b>		
<b>Net indirect taxes</b>	<b>3,750</b>	<b>-5,437</b>	<b>-7,543</b>	<b>-1,400</b>	<b>-5,020</b>		
<b>Terms of trade effect</b>	<b>27,309</b>	<b>46,091</b>	<b>49,080</b>	<b>63,339</b>	<b>52,173</b>		
<b>Gross national product = Gross national income (at market price)</b>	<b>438,182</b>	<b>476,387</b>	<b>506,378</b>	<b>557,577</b>	<b>315,226</b>	<b>10.1</b>	
<b>Less:</b>							
Depreciation cost of fixed assets	56,600	60,032	63,742	67,881	..	6.5	
Net indirect taxes	3,750	-5,437	-7,543	-1,400	..		
<b>National income</b>	<b>377,832</b>	<b>421,792</b>	<b>450,179</b>	<b>491,096</b>	<b>..</b>	<b>9.1</b>	

### Gross National Expenditure (at current prices)

(billion rials)

Table 3

	2004/05 ▲	2005/06 ▲	2006/07 ▲□	2007/08 ▲□	First half of 2008/09 □	Percentage change		Share (percent)	
						2007/08	First half of 2008/09	2007/08	First half of 2008/09
<b>Private consumption expenditures</b>	<b>645,860</b>	<b>786,920</b>	<b>938,888</b>	<b>1,185,508</b>	<b>688,104</b>	<b>26.3</b>	<b>23.2</b>	<b>41.1</b>	<b>36.4</b>
<b>Public consumption expenditures</b>	<b>192,649</b>	<b>251,216</b>	<b>310,392</b>	<b>309,098</b>	<b>194,767</b>	<b>-0.4</b>	<b>21.1</b>	<b>10.7</b>	<b>10.3</b>
<b>Gross fixed capital formation</b>	<b>409,175</b>	<b>474,983</b>	<b>544,249</b>	<b>685,452</b>	<b>451,394</b>	<b>25.9</b>	<b>43.6</b>	<b>23.8</b>	<b>23.9</b>
Machinery	234,707	264,615	285,563	311,252	184,259	9.0	30.2	10.8	9.7
Private sector	179,168	188,901	205,008	230,903	..	12.6	..	8.0	..
Public sector	55,538	75,714	80,555	80,349	..	-0.3	..	2.8	..
Construction	174,469	210,369	258,686	374,200	267,135	44.7	54.6	13.0	14.1
Private sector	81,605	91,897	110,082	188,852	..	71.6	..	6.6	..
Public sector	92,864	118,472	148,604	185,347	..	24.7	..	6.4	..
<b>Change in stock <sup>(1)</sup></b>	<b>127,479</b>	<b>100,651</b>	<b>138,844</b>	<b>231,396</b>	<b>273,302</b>			<b>8.0</b>	<b>14.5</b>
<b>Net export of goods and services</b>	<b>32,531</b>	<b>171,866</b>	<b>208,662</b>	<b>337,500</b>	<b>282,346</b>			<b>11.7</b>	<b>14.9</b>
Export of goods and services	411,607	613,102	738,427	944,164	654,321	27.9	56.9	32.8	34.6
Import of goods and services	379,076	441,236	529,766	606,663	371,974	14.5	35.6	21.0	19.7
<b>Statistical errors</b>	<b>61,295</b>	<b>46,101</b>	<b>83,058</b>	<b>133,282</b>	<b>..</b>	<b>0</b>	<b>0</b>	<b>4.6</b>	<b>..</b>
<b>Gross domestic expenditure</b>	<b>1,468,989</b>	<b>1,831,737</b>	<b>2,224,093</b>	<b>2,882,236</b>	<b>1,889,913</b>	<b>29.6</b>	<b>36.3</b>	<b>100.0</b>	<b>100.0</b>
<b>Net factor income from abroad</b>	<b>-26,933</b>	<b>-28,333</b>	<b>-25,742</b>	<b>-28,347</b>	<b>-17,111</b>				
<b>Gross national expenditure = Gross national product (at market price)</b>	<b>1,442,056</b>	<b>1,803,405</b>	<b>2,198,350</b>	<b>2,853,889</b>	<b>1,872,803</b>	<b>29.8</b>			
<b>Less:</b>									
Depreciation cost of fixed assets	154,022	172,383	205,601	249,981	..	21.6			
Net indirect taxes	13,299	-22,974	-36,437	-8,111	..				
<b>National income</b>	<b>1,274,736</b>	<b>1,653,996</b>	<b>2,029,186</b>	<b>2,612,019</b>	<b>..</b>	<b>28.7</b>			

(1) It includes statistical errors in the first half of 2008/09.

**Gross National Expenditure**  
(at constant 1997/98 prices)

Table 4

(billion rials)

	2004/05 ▲	2005/06 ▲	2006/07 ▲□	2007/08 ▲□	First half of 2008/09 □	Percentage change	
						2007/08	First half of 2008/09
<b>Private consumption expenditures</b>	<b>228,348</b>	<b>251,087</b>	<b>266,322</b>	<b>284,441</b>	<b>138,299</b>	<b>6.8</b>	<b>-2.5</b>
<b>Public consumption expenditures</b>	<b>48,209</b>	<b>51,107</b>	<b>54,063</b>	<b>49,461</b>	<b>25,838</b>	<b>-8.5</b>	<b>5.2</b>
<b>Gross fixed capital formation</b>	<b>151,806</b>	<b>164,954</b>	<b>169,837</b>	<b>181,020</b>	<b>94,656</b>	<b>6.6</b>	<b>9.4</b>
Machinery	95,278	100,501	103,034	105,213	54,256	2.1	10.2
Private sector	79,193	79,985	82,297	85,835	..	4.3	..
Public sector	16,085	20,516	20,737	19,378	..	-6.6	..
Construction	56,528	64,453	66,803	75,807	40,400	13.5	8.3
Private sector	26,534	29,135	28,345	35,546	..	25.4	..
Public sector	29,995	35,318	38,458	40,260	..	4.7	..
<b>Change in stock <sup>(1)</sup></b>	<b>5,329</b>	<b>-11,771</b>	<b>-5,635</b>	<b>13,905</b>	<b>24,823</b>		
<b>Net export of goods and services</b>	<b>-20,703</b>	<b>-18,981</b>	<b>-19,657</b>	<b>-24,026</b>	<b>-18,615</b>		
Export of goods and services	69,933	73,664	79,585	78,310	38,393	-1.6	-2.1
Import of goods and services	90,636	92,645	99,241	102,336	57,008	3.1	20.7
<b>Statistical errors</b>	<b>1,189</b>	<b>-2,933</b>	<b>-4,544</b>	<b>-7,129</b>	<b>..</b>	<b>0</b>	<b>0</b>
<b>Gross domestic expenditure</b>	<b>414,179</b>	<b>433,463</b>	<b>460,387</b>	<b>497,671</b>	<b>265,000</b>	<b>8.1</b>	<b>2.2</b>
<b>Terms of trade effect</b>	<b>27,309</b>	<b>46,091</b>	<b>49,080</b>	<b>63,339</b>	<b>..</b>		
<b>Net factor income from abroad</b>	<b>-3,306</b>	<b>-3,167</b>	<b>-3,089</b>	<b>-3,434</b>	<b>..</b>		
<b>Gross national expenditure = Gross national product (at market price)</b>	<b>438,182</b>	<b>476,387</b>	<b>506,378</b>	<b>557,577</b>	<b>..</b>	<b>10.1</b>	
<b>Less:</b>							
Depreciation cost of fixed assets	56,600	60,032	63,742	67,881	..	6.5	
Net indirect taxes	3,750	-5,437	-7,543	-1,400	..		
<b>National income</b>	<b>377,832</b>	<b>421,792</b>	<b>450,179</b>	<b>491,096</b>	<b>..</b>	<b>9.1</b>	

(1) It includes statistical errors in the first half of 2008/09.

### Estimated Production and Area under Cultivation of Major Farming and Horticultural Crops

Table 5

(thousand hectares-thousand tons)

	2007/08 ▲		2008/09		Percentage change ○	
	Area	Production	Area	Production <sup>(1)</sup>	Area	Production
Wheat	7,222.3	15,886.6	5,250.2	7,956.6	-27.3	-49.9
Barley	1,641.8	3,104.0	1,070.1	1,547.4	-34.8	-50.1
Rice (paddy)	615.9	2,664.2	526.9	2,184.0	-14.4	-18.0
Corn	307.0	2,361.3	239.7	1,763.5	-21.9	-25.3
Cotton	124.5	313.0	123.9	294.1	-0.5	-6.0
Sugar beet	159.8	5,407.2	54.0	1,829.3	-66.2	-66.2
Sugar cane	61.2	5,314.8	61.6	3,097.5	0.6	-41.7
Green leaflet tea	..	165.6	..	27.0	θ	-83.7
Oil seeds	325.4	628.5	272.2	516.5	-16.4	-17.8
Tobacco	8.4	11.6	10.8	16.7	θ	θ
Pulses	956.6	710.6	695.8	387.0	-27.3	-45.5
Potatoes	149.0	4,026.4	175.6	4,640.2	17.8	15.2
Onions	58.8	2,013.6	50.0	1,848.5	-14.8	-8.2
Pistachio	..	315.5	..	154.1	θ	-51.2

Source: Ministry of Agriculture Jihad

(1) Figures related to green leaflet tea and pistachio are forecast figures and other figures are preliminary.

### Facilities Extended by Bank Keshavarzi according to Islamic Contracts <sup>(1)</sup>

Table 6

(billion rials)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change	Share (percent)	
							2007/08	2008/09
Gharz-al-hasaneh	1,589.7	1,426.4	2,473.1	2,426.4	2,251.7	-7.2	4.4	3.1
Installment sale	16,397.0	22,368.6	22,950.7	26,486.3	44,448.9	67.8	47.8	60.8
Civil partnership	7,659.3	10,971.3	16,977.7	16,065.7	11,817.5	-26.4	29.0	16.2
Mozarebeh	5,638.3	8,331.4	3,099.3	3,208.3	5,937.7	85.1	5.8	8.1
Forward transactions	5,264.5	6,408.9	7,287.0	7,063.7	6,639.0	-6.0	12.7	9.1
Joaleh	72.9	104.0	75.9	139.9	1,901.4	⊞	0.3	2.6
Hire purchase	47.5	279.7	56.0	22.5	93.8	316.0	*	0.1
Debt purchase	27.5	3.6	1.0	0.6	0.2	-71.4	*	*
<b>Total</b>	<b>36,696.7</b>	<b>49,894.0</b>	<b>52,920.7</b>	<b>55,413.5</b>	<b>73,090.3</b>	<b>31.9</b>	<b>100.0</b>	<b>100.0</b>

Source: Bank Keshavarzi

(1) Includes statutory and non-statutory facilities.



Table 7

## Livestock Products

(thousand tons)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change ○	
						2007/08	2008/09
Red meat	785	800	829	866	870	4.4	0.5
Milk	6,720	7,179	7,741	8,251	8,772	6.6	6.3
Poultry	1,152	1,237	1,360	1,468	1,566	7.9	6.6
Eggs	655	758	677	703	727	3.9	3.4
Honey	29	35	36	47	41	30.3	-13.3
<b>Total</b>	<b>9,341</b>	<b>10,009</b>	<b>10,643</b>	<b>11,335</b>	<b>11,976</b>	<b>6.5</b>	<b>5.7</b>

Source: Ministry of Agriculture Jihad

Table 8

## Yield of Major Farming Crops (kilogram per hectare)

	2007/08	2008/09	Percentage change ○
Barley	1,891	1,446	-23.5
Rice (paddy)	4,326	4,145	-4.2
Corn	7,691	7,358	-4.3
Cotton	2,513	2,373	-5.6
Sugar beet	33,840	33,907	0.2
Sugar cane	86,875	50,317	-42.1
Green leaflet tea	..	..	0
Oil seeds	1,931	1,897	-1.7
Tobacco	1,383	1,543	11.6
Pulses	743	556	-25.1
Potatoes	27,014	26,429	-2.2
Onions	34,273	36,940	7.8
Pistachio	..	..	0

Source: Ministry of Agriculture Jihad

Table 9

## Guaranteed Purchase Price of Agricultural Crops

(rials per kilogram)

	Farming year		Percentage change
	2006/07	2007/08	
Wheat	2,050	2,800	36.6
Durum wheat	2,150	3,200	48.8
Barley	1,520	1,650	8.6
Rice (Khazar, Fajr and Sahel varieties)	6,800	12,500	83.8
Rice (Sepidrood variety)	5,800	11,000	89.7
Rice (Nemat and Neda varieties)	5,600	9,200	64.3
Rice (Amol, Cheram and Yasooj varieties)	4,900	7,500	53.1
Corn	1,620	2,400	48.1
Sugar beet	460	500	8.7
Sunflower (seed)	3,400	3,670	7.9
Soya	3,200	4,450	39.1
Colza	3,700	4,000	8.1
Green leaflet tea (Grade one)	3,400	4,500	32.4
Lentil	5,000	5,400	8.0
Kidney bean	4,500	4,850	7.8
Navy bean	4,500	4,850	7.8
Peas	5,000	5,400	8.0
Potatoes (fall harvest)	830	1,350	62.7
Cotton (raw)	5,000	5,400	8.0
Onions (fall harvest)	610	660	8.2

Source: Cabinet Approvals

Table 10

World Primary Energy Consumption <sup>(1)</sup>

(million tons oil equivalent)

	2007 ▲					2008						
	Oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Total	Oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Total
<b>North America</b>	<b>1,134.5</b>	<b>739.3</b>	<b>614.6</b>	<b>215.4</b>	<b>145.6</b>	<b>2,849.4</b>	<b>1,076.6</b>	<b>751.2</b>	<b>606.9</b>	<b>215.4</b>	<b>148.9</b>	<b>2,799.1</b>
U.S.A	942.3	595.4	573.2	192.1	56.6	2,359.6	884.5	600.7	565.0	192.0	56.7	2,299.0
Canada	102.8	87.0	32.3	21.0	82.9	326.1	102.0	90.0	33.0	21.1	83.6	329.8
Mexico	89.4	56.8	9.1	2.4	6.1	163.7	90.0	60.5	9.0	2.3	8.6	170.4
<b>Central and South America</b>	<b>239.9</b>	<b>124.1</b>	<b>22.5</b>	<b>4.4</b>	<b>152.6</b>	<b>543.5</b>	<b>270.3</b>	<b>128.7</b>	<b>23.3</b>	<b>4.8</b>	<b>152.5</b>	<b>579.6</b>
<b>Europe and Central Asia</b>	<b>947.6</b>	<b>1,024.5</b>	<b>528.9</b>	<b>276.4</b>	<b>179.6</b>	<b>2,956.9</b>	<b>955.5</b>	<b>1,029.6</b>	<b>522.7</b>	<b>276.7</b>	<b>180.2</b>	<b>2,964.6</b>
Commonwealth of Independent states	186.2	553.6	166.5	60.3	56.3	1,022.8	189.5	548.6	176.9	60.0	54.0	1,028.9
Norway	10.2	3.8	0.4	0	30.6	45.1	9.8	4.0	0.5	0	31.8	46.0
England	79.2	81.8	38.2	14.3	1.2	214.7	78.7	84.5	35.4	11.9	1.1	211.6
Others	672.0	385.2	323.7	30.1	91.5	1,502.5	677.6	392.4	309.9	204.8	93.3	1,678.1
<b>Middle East</b>	<b>290.1</b>	<b>273.0</b>	<b>9.3</b>	<b>0</b>	<b>5.2</b>	<b>577.6</b>	<b>306.9</b>	<b>294.4</b>	<b>9.4</b>	<b>0</b>	<b>2.8</b>	<b>613.5</b>
<b>Africa</b>	<b>129.9</b>	<b>80.3</b>	<b>105.7</b>	<b>3.0</b>	<b>22.1</b>	<b>341.0</b>	<b>135.2</b>	<b>85.4</b>	<b>110.3</b>	<b>3.0</b>	<b>22.2</b>	<b>356.0</b>
<b>Asia Pacific</b>	<b>1,177.4</b>	<b>411.2</b>	<b>1,913.5</b>	<b>123.3</b>	<b>190.7</b>	<b>3,816.0</b>	<b>1,183.4</b>	<b>436.8</b>	<b>2,031.2</b>	<b>119.8</b>	<b>210.8</b>	<b>3,981.9</b>
<b>World total</b>	<b>3,919.3</b>	<b>2,652.2</b>	<b>3,194.5</b>	<b>634.9</b>	<b>695.8</b>	<b>11,084.4</b>	<b>3,927.9</b>	<b>2,726.1</b>	<b>3,303.7</b>	<b>619.7</b>	<b>717.5</b>	<b>11,294.9</b>
<b>Non-OPEC total</b>	<b>3,595.4</b>	<b>2,328.5</b>	<b>3,164.0</b>	<b>634.9</b>	<b>668.2</b>	<b>10,378.8</b>	<b>3,584.4</b>	<b>2,381.6</b>	<b>3,271.5</b>	<b>619.7</b>	<b>690.8</b>	<b>10,548.0</b>
<b>OECD members</b>	<b>2,246.1</b>	<b>1,328.1</b>	<b>1,189.4</b>	<b>520.7</b>	<b>283.9</b>	<b>5,552.4</b>	<b>2,179.8</b>	<b>1,354.1</b>	<b>1,170.6</b>	<b>515.7</b>	<b>288.3</b>	<b>5,508.4</b>
<b>OPEC <sup>(2)</sup></b>	<b>323.9</b>	<b>323.7</b>	<b>30.5</b>	<b>0</b>	<b>27.6</b>	<b>705.6</b>	<b>343.5</b>	<b>344.5</b>	<b>32.2</b>	<b>0</b>	<b>26.7</b>	<b>746.9</b>
<b>Iran</b>	<b>81.3</b>	<b>101.7</b>	<b>1.3</b>	<b>0</b>	<b>4.1</b>	<b>188.4</b>	<b>83.3</b>	<b>105.8</b>	<b>1.3</b>	<b>0</b>	<b>1.7</b>	<b>192.1</b>

Source: BP Statistical Bulletin, 2009

(1) Figures less than 0.1 after rounding are considered as zero.

(2) Excludes Iraq, Libya, and Nigeria.

Table 11

## World Proven Oil Reserves

(billion barrels)

	1980 ▲	1990 ▲	2000 ▲	2007 ▲	2008	Percentage change		Share (percent)	
						2007	2008	2007	2008
<b>North America</b>	<b>92.4</b>	<b>96.3</b>	<b>68.9</b>	<b>71.3</b>	<b>70.9</b>	<b>1.9</b>	<b>-0.5</b>	<b>5.7</b>	<b>5.6</b>
U.S.A	36.5	33.8	30.4	30.5	30.5	3.6	-0.1	2.4	2.4
Canada	8.7	11.2	18.3	28.6	28.6	3.4	0	2.3	2.3
Mexico	47.2	51.3	20.2	12.2	11.9	-5.1	-2.7	1.0	0.9
<b>Central and South America</b>	<b>26.7</b>	<b>71.5</b>	<b>97.9</b>	<b>123.5</b>	<b>123.2</b>	<b>10.9</b>	<b>-0.2</b>	<b>9.8</b>	<b>9.8</b>
<b>Europe and Central Asia</b>	<b>98.3</b>	<b>80.4</b>	<b>108.5</b>	<b>144.6</b>	<b>142.2</b>	<b>0.5</b>	<b>-1.7</b>	<b>11.5</b>	<b>11.3</b>
Commonwealth of Independent States	82.0	63.3	87.7	129.2	127.8	1.1	-1.1	10.2	10.2
Norway	3.6	8.3	11.4	8.2	7.5	-3.5	-8.5	0.7	0.6
England	8.4	4.0	4.7	3.4	3.4	-5.6	0	0.3	0.3
Others	4.2	4.8	4.7	3.8	3.5	-3.2	-7.9	0.3	0.3
<b>Middle East</b>	<b>362.4</b>	<b>659.6</b>	<b>692.9</b>	<b>755.0</b>	<b>754.1</b>	<b>-0.2</b>	<b>-0.1</b>	<b>59.9</b>	<b>59.9</b>
<b>Africa</b>	<b>53.4</b>	<b>58.7</b>	<b>93.4</b>	<b>125.3</b>	<b>125.6</b>	<b>6.8</b>	<b>0.2</b>	<b>9.9</b>	<b>10.0</b>
<b>Asia Pacific</b>	<b>33.9</b>	<b>36.6</b>	<b>42.9</b>	<b>41.3</b>	<b>42.0</b>	<b>-1.2</b>	<b>1.7</b>	<b>3.3</b>	<b>3.3</b>
<b>World total</b>	<b>667.1</b>	<b>1,003.1</b>	<b>1,104.5</b>	<b>1,261.0</b>	<b>1,258.0</b>	<b>1.6</b>	<b>-0.2</b>	<b>100.0</b>	<b>100.0</b>
<b>Non-OPEC total</b>	<b>232.5</b>	<b>237.2</b>	<b>264.1</b>	<b>321.4</b>	<b>319.5</b>	<b>2.4</b>	<b>-1.0</b>	<b>25.5</b>	<b>25.4</b>
<b>OECD members</b>	<b>109.3</b>	<b>115.2</b>	<b>93.3</b>	<b>90.3</b>	<b>88.9</b>	<b>0.9</b>	<b>-1.6</b>	<b>7.2</b>	<b>7.1</b>
<b>OPEC</b>	<b>434.6</b>	<b>765.9</b>	<b>840.4</b>	<b>939.6</b>	<b>938.5</b>	<b>1.4</b>	<b>-0.1</b>	<b>74.5</b>	<b>74.6</b>
<b>Iran</b>	<b>58.3</b>	<b>92.9</b>	<b>99.5</b>	<b>138.2</b>	<b>137.6</b>	<b>-0.1</b>	<b>-0.4</b>	<b>11.0</b>	<b>10.9</b>

Source: BP Statistical Bulletin, 2009

Table 12

World Crude Oil Production <sup>(1)</sup>

(thousand b/d)

	1980▲	1990▲	2000▲	2007▲	2008	Percentage change		Share (percent)	
						2007	2008	2007	2008
<b>North America</b>	<b>14,063</b>	<b>13,856</b>	<b>13,904</b>	<b>13,638</b>	<b>13,131</b>	<b>-0.7</b>	<b>-3.7</b>	<b>16.7</b>	<b>16.0</b>
U.S.A	10,170	8,914	7,733	6,847	6,736	0.1	-1.6	8.4	8.2
Canada	1,764	1,965	2,721	3,320	3,238	3.5	-2.5	4.1	4.0
Mexico	2,129	2,977	3,450	3,471	3,157	-5.8	-9.0	4.3	3.9
<b>Central and South America</b>	<b>3,747</b>	<b>4,507</b>	<b>6,813</b>	<b>6,636</b>	<b>6,685</b>	<b>-3.3</b>	<b>0.7</b>	<b>8.1</b>	<b>8.2</b>
<b>Europe and Central Asia</b>	<b>15,088</b>	<b>16,106</b>	<b>14,951</b>	<b>17,819</b>	<b>17,591</b>	<b>1.3</b>	<b>-1.3</b>	<b>21.9</b>	<b>21.5</b>
Commonwealth of Independent States	12,116	11,566	8,014	12,799	12,821	3.9	0.2	15.7	15.7
Norway	528	1,716	3,346	2,556	2,455	-8.0	-4.0	3.1	3.0
England	1,663	1,918	2,667	1,638	1,544	0.1	-5.7	2.0	1.9
Others	780	906	924	826	771	-4.5	-6.7	1.0	0.9
<b>Middle East</b>	<b>18,882</b>	<b>17,540</b>	<b>23,516</b>	<b>25,168</b>	<b>26,200</b>	<b>-1.3</b>	<b>4.1</b>	<b>30.9</b>	<b>32.0</b>
<b>Africa</b>	<b>6,225</b>	<b>6,725</b>	<b>7,804</b>	<b>10,320</b>	<b>10,285</b>	<b>3.3</b>	<b>-0.3</b>	<b>12.7</b>	<b>12.6</b>
<b>Asia Pacific</b>	<b>4,943</b>	<b>6,726</b>	<b>7,874</b>	<b>7,862</b>	<b>7,928</b>	<b>0.7</b>	<b>0.8</b>	<b>9.7</b>	<b>9.7</b>
<b>World total</b>	<b>62,948</b>	<b>65,460</b>	<b>74,861</b>	<b>81,443</b>	<b>81,820</b>	<b>-0.1</b>	<b>0.5</b>	<b>100.0</b>	<b>100.0</b>
<b>Non-OPEC total</b>	<b>35,343</b>	<b>40,064</b>	<b>42,292</b>	<b>45,729</b>	<b>45,115</b>	<b>0.5</b>	<b>-1.3</b>	<b>56.1</b>	<b>55.1</b>
<b>OECD members</b>	<b>17,138</b>	<b>18,845</b>	<b>21,521</b>	<b>19,148</b>	<b>18,400</b>	<b>-1.6</b>	<b>-3.9</b>	<b>23.5</b>	<b>22.5</b>
<b>OPEC</b>	<b>27,605</b>	<b>25,396</b>	<b>32,569</b>	<b>35,714</b>	<b>36,705</b>	<b>-0.8</b>	<b>2.8</b>	<b>43.9</b>	<b>44.9</b>
<b>Iran</b>	<b>1,479</b>	<b>3,270</b>	<b>3,818</b>	<b>4,322</b>	<b>4,325</b>	<b>0.9</b>	<b>0.1</b>	<b>5.3</b>	<b>5.3</b>

Source: BP Statistical Bulletin, 2009

(1) Includes NGL, shale oil and oil sands.

Table 13

World Oil Consumption <sup>(1)</sup>

(thousand b/d)

	1980▲	1990▲	2000▲	2007▲	2008	Percentage change		Share (percent)	
						2007	2008	2007	2008
<b>North America</b>	<b>20,012</b>	<b>20,206</b>	<b>23,548</b>	<b>25,030</b>	<b>23,753</b>	<b>0.5</b>	<b>-5.1</b>	<b>29.5</b>	<b>28.1</b>
U.S.A	17,062	16,988	19,701	20,680	19,419	0	-6.1	24.4	23.0
Canada	1,915	1,762	1,937	2,323	2,295	3.4	-1.2	2.7	2.7
Mexico	1,034	1,456	1,910	2,027	2,039	2.9	0.6	2.4	2.4
<b>Central and South America</b>	<b>3,459</b>	<b>3,773</b>	<b>4,908</b>	<b>5,681</b>	<b>5,901</b>	<b>7.2</b>	<b>3.9</b>	<b>6.7</b>	<b>7.0</b>
<b>Europe and Central Asia</b>	<b>24,389</b>	<b>23,540</b>	<b>19,568</b>	<b>20,031</b>	<b>20,158</b>	<b>-2.1</b>	<b>0.6</b>	<b>23.6</b>	<b>23.9</b>
Commonwealth of Independent States	8,494	8,582	3,623	3,973	4,045	0.6	1.8	4.7	4.8
Norway	201	203	201	222	210	2.4	-5.4	0.3	0.2
England	1,672	1,762	1,697	1,714	1,704	-4.0	-0.6	2.0	2.0
Others	14,022	12,994	14,047	14,121	14,199	-2.7	0.6	16.6	16.8
<b>Middle East</b>	<b>2,047</b>	<b>3,319</b>	<b>4,602</b>	<b>6,084</b>	<b>6,423</b>	<b>4.6</b>	<b>5.6</b>	<b>7.2</b>	<b>7.6</b>
<b>Africa</b>	<b>1,361</b>	<b>1,958</b>	<b>2,432</b>	<b>2,776</b>	<b>2,881</b>	<b>3.0</b>	<b>3.8</b>	<b>3.3</b>	<b>3.4</b>
<b>Asia Pacific</b>	<b>10,371</b>	<b>13,837</b>	<b>21,073</b>	<b>25,277</b>	<b>25,339</b>	<b>2.7</b>	<b>0.2</b>	<b>29.8</b>	<b>30.0</b>
Japan	4,739	5,258	5,557	5,039	4,845	-3.3	-3.8	5.9	5.7
China	1,694	2,323	4,772	7,742	7,999	4.9	3.3	9.1	9.5
Others	3,938	6,256	10,744	12,496	12,495	3.9	0	14.7	14.8
<b>World total</b>	<b>61,638</b>	<b>66,633</b>	<b>76,132</b>	<b>84,878</b>	<b>84,455</b>	<b>1.3</b>	<b>-0.5</b>	<b>100.0</b>	<b>100.0</b>
<b>Non-OPEC total</b>	<b>59,197</b>	<b>62,963</b>	<b>71,031</b>	<b>77,998</b>	<b>77,180</b>	<b>0.9</b>	<b>-1.0</b>	<b>91.9</b>	<b>91.4</b>
<b>OPEC <sup>(2)</sup></b>	<b>2,441</b>	<b>3,670</b>	<b>5,101</b>	<b>6,880</b>	<b>7,275</b>	<b>5.8</b>	<b>5.7</b>	<b>8.1</b>	<b>8.6</b>
<b>Iran <sup>(3)</sup></b>	<b>625</b>	<b>951</b>	<b>1,301</b>	<b>1,693</b>	<b>1,730</b>	<b>0</b>	<b>2.2</b>	<b>2.0</b>	<b>2.0</b>

Source: BP Statistical Bulletin, 2009

(1) Includes domestic demand for oil, aviation and navy fuel, fuel for refineries and oil wastes.

(2) Excludes Iraq, Nigeria, Angola, and Libya.

(3) Estimations by the BP are more than those published by the Ministry of Petroleum.

**Table 14** **OPEC Crude Oil Production<sup>(1)</sup>** (thousand b/d)

	1980▲	1990▲	2000▲	2007▲	2008	Percentage change		Share (percent)	
						2007	2008	2007	2008
<b>Middle East members</b>	<b>18,384</b>	<b>16,205</b>	<b>21,511</b>	<b>23,673</b>	<b>24,737</b>	<b>-1.0</b>	<b>4.5</b>	<b>66.3</b>	<b>67.4</b>
Saudi Arabia	10,270	7,105	9,491	10,449	10,846	-3.7	3.8	29.3	29.5
Iran	1,479	3,270	3,818	4,322	4,325	0.9	0.1	12.1	11.8
Iraq	2,658	2,149	2,614	2,144	2,423	7.2	13.0	6.0	6.6
Kuwait	1,757	964	2,206	2,636	2,784	-2.0	5.6	7.4	7.6
U.A.E	1,745	2,283	2,626	2,925	2,980	-1.6	1.9	8.2	8.1
Qatar	476	434	757	1,197	1,378	7.9	15.2	3.4	3.8
<b>Other members</b>	<b>9,221</b>	<b>9,191</b>	<b>11,058</b>	<b>12,041</b>	<b>11,968</b>	<b>-0.5</b>	<b>-0.6</b>	<b>33.7</b>	<b>32.6</b>
Venezuela	2,228	2,244	3,239	2,613	2,566	-7.0	-1.8	7.3	7.0
Nigeria	2,059	1,870	2,155	2,356	2,170	-4.8	-7.9	6.6	5.9
Indonesia	1,577	1,539	1,456	969	1,004	-4.7	3.6	2.7	2.7
Libya	1,862	1,424	1,475	1,848	1,846	0.7	-0.1	5.2	5.0
Algeria	1,139	1,347	1,578	2,016	1,993	0.6	-1.1	5.6	5.4
Ecuador	206	292	409	520	514	-4.5	-1.2	1.5	1.4
Angola	150	475	746	1,720	1,875	21.0	9.0	4.8	5.1
<b>Total<sup>(2)</sup></b>	<b>27,605</b>	<b>25,396</b>	<b>32,569</b>	<b>35,714</b>	<b>36,705</b>	<b>-0.8</b>	<b>2.8</b>	<b>100.0</b>	<b>100.0</b>

Source: BP Statistical Bulletin, 2009

(1) Includes NGL, shale oil and oil sands.

(2) Based on the data in OPEC Monthly Oil Market Report, the NGL production in OPEC member countries was 4.0 mb/d in 2007 and 4.3 mb/d in 2008.

**Table 15** **Average Spot Prices of Crude Oil during 2008 and Q1, 2009** (dollar-barrel)

	Iran			Saudi Arabia	U.A.E	OPEC basket	England	U.S.A
	Light (33.9°)	Heavy (31°)	Average	Light (34.2°)	Dubai (32.4°)	(1)	Brent (38°)	WTI (40°)
<b>2008</b>								
January	89.21	86.36	87.79	88.75	87.35	88.35	92.00	92.87
February	91.76	88.51	90.14	91.26	89.40	90.64	94.98	95.32
March	99.35	96.68	98.02	99.23	96.72	99.03	103.58	105.41
April	105.92	102.23	104.08	106.05	103.41	105.16	108.97	112.64
May	119.39	116.47	117.93	120.59	118.86	119.39	123.05	125.66
June	127.89	124.66	126.28	129.35	127.82	128.33	132.44	133.93
July	128.19	126.75	127.47	132.75	131.27	131.22	133.19	133.82
August	110.95	108.10	109.53	113.69	112.86	112.41	113.03	116.58
September	97.56	93.04	95.30	97.57	95.90	96.85	98.13	104.15
October	70.81	66.33	68.57	69.14	67.82	69.16	71.87	76.62
November	51.72	47.55	49.64	50.09	49.84	49.76	52.51	57.12
December	40.03	36.88	38.46	38.82	40.46	38.60	40.35	41.45
<b>Average of 2008</b>	<b>94.40</b>	<b>91.13</b>	<b>92.76</b>	<b>94.77</b>	<b>93.48</b>	<b>94.08</b>	<b>97.01</b>	<b>99.63</b>
<b>2009</b>								
January	42.33	39.93	41.13	41.23	43.94	41.54	43.59	41.50
February	41.31	39.91	40.61	40.87	43.09	41.41	43.07	39.08
March	46.10	44.52	45.31	46.39	45.59	45.78	46.55	48.00
<b>Estimated average of 2008/09<sup>(2)</sup></b>	<b>81.85</b>	<b>78.86</b>	<b>80.36</b>	<b>82.21</b>	<b>81.74</b>	<b>81.63</b>	<b>83.90</b>	<b>85.88</b>

Source: OPEC Annual Bulletin, 2009 and OPEC Monthly Bulletin, June 2009

(1) Includes eleven types of crude oil: Arab Light (Saudi Arabia), Basra Light (Iraq), BCF 17 (Venezuela),

Bonny Light (Nigeria), Es Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Minas (Indonesia), Murban (U.A.E) and Saharan Blend (Algeria).

(2) Average of the second, third and fourth quarters of 2008 and the first quarter of 2009

**Table 16** **Iran Oil Export** (thousand b/d)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Crude oil	2,548	2,602	2,433	2,481	2,371	2.0	-4.4	92.6	96.0
Oil products	261	245	266	199	98	-25.2	-50.8	7.4	4.0
<b>Total</b>	<b>2,809</b>	<b>2,847</b>	<b>2,699</b>	<b>2,680</b>	<b>2,469</b>	<b>-0.7</b>	<b>-7.9</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Petroleum

**Table 17** **Domestic Consumption of Oil Products** (thousand b/d)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Gas oil	348	417	500	525	541	5.0	3.0	34.3	33.4
Fuel oil	178	218	242	297	368	22.7	23.9	19.4	22.7
Gasoline	335	373	422	362	413	-14.2	14.1	23.6	25.5
Kerosene	174	169	142	146	157	2.8	7.5	9.5	9.7
LPG	54	64	43	59	44	37.2	-25.4	3.9	2.7
Other products	127	153	143	142	96	-0.7	-32.4	9.3	5.9
<b>Total</b>	<b>1,216</b>	<b>1,394</b>	<b>1,492</b>	<b>1,531</b>	<b>1,619</b>	<b>2.6</b>	<b>5.7</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Petroleum

**Table 18** **Geographical Distribution of Crude Oil Exports** (percent)

	2004/05	2005/06	2006/07	2007/08	2008/09
Europe	25.8	33.5	38.4	32.4	29.3
Japan	20.6	20.0	16.4	18.6	17.6
Asia and the Far East (except Japan)	35.8	39.4	38.8	43.3	47.2
Africa	7.4	7.1	6.1	5.7	5.9
Other countries <sup>(1)</sup>	10.4	0	0.3	0	0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Petroleum

(1) Includes Mediterranean countries.

**Table 19** **Production of Natural Gas** <sup>(1)</sup> (billion cubic meters)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Domestic consumption <sup>(2)</sup>	97.7	106.7	121.2	122.3	132.8	0.9	0	92.7	0
Flared	14.7	15.8	15.1	..	..	-100.0	0	0	0
Export	3.5	4.8	5.7	5.6	..	-1.8	0	4.2	0
Regional uses and wastes	9.4	7.4	5.0	7.3	..	46.0	0	5.5	0
<b>Total consumption</b>	<b>125.3</b>	<b>134.7</b>	<b>147.0</b>	<b>122.8</b>	<b>..</b>	<b>-16.5</b>	<b>0</b>	<b>93.1</b>	<b>0</b>
<b>Imports (net)</b>	<b>2.4</b>	<b>0.4</b>	<b>0.6</b>	<b>0.5</b>	<b>..</b>	<b>-16.7</b>	<b>0</b>	<b>0.4</b>	<b>0</b>
<b>Total production</b>	<b>122.9</b>	<b>134.3</b>	<b>146.4</b>	<b>131.9</b>	<b>..</b>	<b>-9.9</b>	<b>0</b>	<b>100.0</b>	<b>0</b>

Source: Ministry of Petroleum

(1) Excludes gas injected into oil wells.

(2) Includes residential, commercial, industrial, power plants and refineries consumption.

**Table 20** **Generation of Electricity** (million kWh)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Ministry of Energy</b>	<b>160,023</b>	<b>171,157</b>	<b>181,577</b>	<b>190,327</b>	<b>194,524</b>	<b>4.8</b>	<b>2.2</b>	<b>93.3</b>	<b>90.2</b>
Hydroelectric, diesel, and wind turbines	10,919	16,366	18,514	18,222	6,229	-1.6	-65.8	8.9	2.9
Steam	88,644	89,574	88,962	91,140	93,681	2.4	2.8	44.7	43.4
Gas and combined cycle	60,460	65,217	74,101	80,965	94,614	9.3	16.9	39.7	43.9
<b>Other institutions</b> <sup>(1)</sup>	<b>2,841</b>	<b>6,915</b>	<b>10,997</b>	<b>13,644</b>	<b>21,239</b>	<b>24.1</b>	<b>55.7</b>	<b>6.7</b>	<b>9.8</b>
<b>Total</b>	<b>162,864</b>	<b>178,072</b>	<b>192,574</b>	<b>203,971</b>	<b>215,763</b>	<b>5.9</b>	<b>5.8</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Energy

(1) Includes private sector and large industries.

**Table 21** **Consumption of Electricity** <sup>(1)</sup> (million kWh)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Residential	41,196	45,330	49,911	52,344	53,244	4.9	1.7	33.6	32.9
Industrial	40,681	42,583	45,549	49,517	52,488	8.7	6.0	31.8	32.4
Public	14,575	16,263	18,412	19,467	20,067	5.7	3.1	12.5	12.4
Commercial	7,846	8,706	9,403	10,261	10,799	9.1	5.2	6.6	6.7
Agricultural	17,195	17,060	19,471	19,240	21,032	-1.2	9.3	12.4	13.0
Street lighting	4,035	4,296	4,255	4,769	4,328	12.1	-9.2	3.1	2.7
<b>Total</b>	<b>125,528</b>	<b>134,238</b>	<b>147,001</b>	<b>155,598</b>	<b>161,958</b>	<b>5.8</b>	<b>4.1</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Energy

(1) Sale of electricity to customers

Table 22

## Investment based on Establishment Permits Issued for Manufacturing Units

(billion rials)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Food and beverages	66,013	73,378	135,198	169,642	109,878	25.5	-35.2	10.6	10.5
Tobacco products	3	2	375	936	402	149.3	-57.0	0.1	*
Textiles	14,258	18,081	45,949	34,519	15,839	-24.9	-54.1	2.2	1.5
Wearing apparel, dressing and dyeing of fur	902	1,607	2,626	2,727	1,399	3.9	-48.7	0.2	0.1
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	1,224	947	2,520	1,968	1,223	-21.9	-37.9	0.1	0.1
Wood and wood products except furniture	7,261	11,367	30,160	13,481	9,033	-55.3	-33.0	0.8	0.9
Paper and paper products	8,368	20,230	43,344	25,844	31,398	-40.4	21.5	1.6	3.0
Printing, publishing and reproduction of recorded media	950	1,076	2,637	1,762	646	-33.2	-63.3	0.1	0.1
Coke and refined petroleum products and nuclear fuels	71,736	54,372	191,128	346,049	213,114	81.1	-38.4	21.7	20.3
Chemical products	79,212	102,354	276,164	158,336	118,341	-42.7	-25.3	9.9	11.3
Rubber and plastic products	35,985	41,517	65,625	76,552	51,799	16.7	-32.3	4.8	4.9
Non-metallic mineral products	128,600	110,040	140,995	198,474	133,677	40.8	-32.6	12.4	12.7
Basic metals	253,357	373,710	305,531	350,902	215,544	14.8	-38.6	22.0	20.5
Fabricated metal products except machinery and equipment	21,438	36,534	45,180	76,824	45,497	70.0	-40.8	4.8	4.3
Machinery and equipment unclassified elsewhere	19,475	11,955	26,745	39,990	20,647	49.5	-48.4	2.5	2.0
Office and accounting machines	1,636	3,048	3,831	3,223	2,742	-15.9	-14.9	0.2	0.3
Electrical machines and electronic devices	8,708	9,759	21,026	21,403	16,592	1.8	-22.5	1.3	1.6
Radio, television and telecommunication instruments	951	1,602	3,326	10,313	1,984	210.0	-80.8	0.6	0.2
Medical and optical tools, precision instruments and clocks	1,632	1,989	2,938	4,711	2,133	60.3	-54.7	0.3	0.2
Motor vehicles, trailer and semi-trailer	31,753	18,046	43,568	32,599	26,964	-25.2	-17.3	2.0	2.6
Other transport equipment	4,566	3,571	17,207	8,422	11,287	-51.1	34.0	0.5	1.1
Furniture and artificial goods unclassified elsewhere	3,473	1,639	4,032	4,576	11,544	13.5	152.3	0.3	1.1
Recycling	2,487	4,051	13,410	14,386	7,469	7.3	-48.1	0.9	0.7
Computer and related activities <sup>(1)</sup>	..	..	..	11	33	0	199.8	*	*
<b>Total</b>	<b>763,986</b>	<b>900,874</b>	<b>1,423,515</b>	<b>1,597,648</b>	<b>1,049,184</b>	<b>12.2</b>	<b>-34.3</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction dated 26.06.2007, establishment permits have been issued for software production to improve information technology.

Table 23

## Investment based on Operation Permits Issued for Manufacturing Units

(billion rials)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Food and beverages	10,876	10,300	11,180	12,499	19,485	11.8	55.9	9.6	8.1
Tobacco products	0	0	0	4	132	0	□	*	*
Textiles	2,699	3,922	3,548	6,898	5,881	94.4	-14.7	5.3	2.4
Wearing apparel, dressing and dyeing of fur	62	104	122	205	727	67.5	255.3	0.2	0.3
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	175	150	245	519	460	111.8	-11.4	0.4	0.2
Wood and wood products except furniture	198	491	1,038	1,910	1,135	83.9	-40.5	1.5	0.5
Paper and paper products	419	844	970	2,860	2,662	194.9	-6.9	2.2	1.1
Printing, publishing and reproduction of recorded media	285	103	200	566	275	183.6	-51.4	0.4	0.1
Coke and refined petroleum products and nuclear fuels	253	1,061	657	15,372	24,214	□	57.5	11.8	10.0
Chemical products	2,868	5,795	19,781	29,142	51,675	47.3	77.3	22.5	21.4
Rubber and plastic products	3,330	6,016	7,158	8,167	8,629	14.1	5.7	6.3	3.6
Non-metallic mineral products	12,404	8,470	11,219	26,059	55,181	132.3	111.8	20.1	22.8
Basic metals	2,445	5,879	9,713	8,699	53,786	-10.4	□	6.7	22.2
Fabricated metal products except machinery and equipment	1,168	2,190	4,528	4,297	5,938	-5.1	38.2	3.3	2.5
Machinery and equipment unclassified elsewhere	4,798	972	1,660	3,433	2,831	106.8	-17.5	2.6	1.2
Office and accounting machines	156	584	253	791	78	212.5	-90.2	0.6	*
Electrical machines and electronic devices	1,816	3,849	1,921	1,887	1,924	-1.8	2.0	1.5	0.8
Radio, television and telecommunication instruments	836	108	158	328	756	108.0	130.4	0.3	0.3
Medical and optical tools, precision instruments and clocks	106	272	189	465	439	145.8	-5.6	0.4	0.2
Motor vehicles, trailer and semi-trailer	3,845	3,212	1,966	4,346	4,211	121.0	-3.1	3.3	1.7
Other transport equipment	277	536	342	272	517	-20.5	90.4	0.2	0.2
Furniture and artificial goods unclassified elsewhere	155	148	223	553	517	147.5	-6.5	0.4	0.2
Recycling	76	178	101	489	503	385.1	2.9	0.4	0.2
Computer and related activities <sup>(1)</sup>	..	..	..	..	..	0	0	0	0
<b>Total</b>	<b>49,248</b>	<b>55,181</b>	<b>77,173</b>	<b>129,760</b>	<b>241,958</b>	<b>68.1</b>	<b>86.5</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction dated 26.06.2007, operation permits have been issued for software production to improve information technology.



Table 24

## Number of Establishment Permits Issued for Manufacturing Units

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Food and beverages	5,178	5,750	9,849	8,855	4,711	-10.1	-46.8	18.4	18.1
Tobacco products	2	1	7	12	4	71.4	-66.7	*	*
Textiles	1,300	1,433	2,683	1,859	705	-30.7	-62.1	3.9	2.7
Wearing apparel, dressing and dyeing of fur	782	876	1,997	1,183	403	-40.8	-65.9	2.5	1.5
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	222	240	506	357	189	-29.4	-47.1	0.7	0.7
Wood and wood products except furniture	731	951	1,780	1,542	824	-13.4	-46.6	3.2	3.2
Paper and paper products	781	854	1,655	1,415	902	-14.5	-36.3	2.9	3.5
Printing, publishing and reproduction of recorded media	125	149	204	103	35	-49.5	-66.0	0.2	0.1
Coke and refined petroleum products and nuclear fuels	272	351	456	332	209	-27.2	-37.0	0.7	0.8
Chemical products	2,025	2,250	3,255	2,612	1,348	-19.8	-48.4	5.4	5.2
Rubber and plastic products	3,385	4,052	6,573	6,532	3,295	-0.6	-49.6	13.6	12.6
Non-metallic mineral products	5,123	5,233	8,674	9,303	5,921	7.3	-36.4	19.3	22.7
Basic metals	1,235	1,033	2,089	1,992	1,110	-4.6	-44.3	4.1	4.3
Fabricated metal products except machinery and equipment	3,000	2,690	4,558	3,945	2,388	-13.4	-39.5	8.2	9.2
Machinery and equipment unclassified elsewhere	2,000	1,956	3,572	2,762	1,414	-22.7	-48.8	5.7	5.4
Office and accounting machines	276	218	435	242	79	-44.4	-67.4	0.5	0.3
Electrical machines and electronic devices	878	751	1,495	1,247	674	-16.6	-46.0	2.6	2.6
Radio, television and telecommunication instruments	165	158	304	211	97	-30.6	-54.0	0.4	0.4
Medical and optical tools, precision instruments and clocks	229	231	372	348	193	-6.5	-44.5	0.7	0.7
Motor vehicles, trailer and semi-trailer	844	787	1,306	1,118	599	-14.4	-46.4	2.3	2.3
Other transport equipment	268	256	413	362	182	-12.3	-49.7	0.8	0.7
Furniture and artificial goods unclassified elsewhere	633	672	1,298	1,027	465	-20.9	-54.7	2.1	1.8
Recycling	184	313	807	801	328	-0.7	-59.1	1.7	1.3
Computer and related activities <sup>(1)</sup>	..	..	..	3	12	0	300.0	*	*
<b>Total</b>	<b>29,638</b>	<b>31,205</b>	<b>54,288</b>	<b>48,163</b>	<b>26,087</b>	<b>-11.3</b>	<b>-45.8</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction dated 26.06.2007, establishment permits have been issued for software production to improve information technology.

Table 25

## Number of Operation Permits Issued for Manufacturing Units

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Food and beverages	759	825	833	1,066	1,177	1.0	28.0	13.1	15.5
Tobacco products	0	0	0	2	2	0	0	*	*
Textiles	315	384	444	509	393	14.6	-22.8	6.3	5.2
Wearing apparel, dressing and dyeing of fur	125	108	115	140	107	21.7	-23.6	1.7	1.4
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	45	65	60	45	64	-25.0	42.2	0.6	0.8
Wood and wood products except furniture	83	144	223	240	209	7.6	-12.9	3.0	2.8
Paper and paper products	113	146	168	209	202	24.4	-3.3	2.6	2.7
Printing, publishing and reproduction of recorded media	38	32	28	31	21	10.7	-32.3	0.4	0.3
Coke and refined petroleum products and nuclear fuels	77	69	87	94	84	8.0	-10.6	1.2	1.1
Chemical products	440	522	522	534	482	2.3	-9.7	6.6	6.4
Rubber and plastic products	724	1,169	979	1,233	882	25.9	-28.5	15.2	11.6
Non-metallic mineral products	866	1,192	1,731	1,922	1,884	11.0	-2.0	23.6	24.8
Basic metals	153	193	208	317	289	52.4	-8.8	3.9	3.8
Fabricated metal products except machinery and equipment	354	353	438	606	635	38.4	4.8	7.4	8.4
Machinery and equipment unclassified elsewhere	318	316	399	466	500	16.8	7.3	5.7	6.6
Office and accounting machines	46	35	27	32	17	18.5	-46.9	0.4	0.2
Electrical machines and electronic devices	140	127	131	191	204	45.8	6.8	2.3	2.7
Radio, television and telecommunication instruments	24	17	20	23	22	15.0	-4.3	0.3	0.3
Medical and optical tools, precision instruments and clocks	32	40	34	59	43	73.5	-27.1	0.7	0.6
Motor vehicles, trailer and semi-trailer	133	133	136	172	150	26.5	-12.8	2.1	2.0
Other transport equipment	67	55	54	49	46	-9.3	-6.1	0.6	0.6
Furniture and artificial goods unclassified elsewhere	50	70	100	137	119	37.0	-13.1	1.7	1.6
Recycling	24	30	27	43	47	59.3	9.3	0.5	0.6
Computer and related activities <sup>(1)</sup>	..	..	..	15	4	0	-73.3	0.2	0.1
<b>Total</b>	<b>4,926</b>	<b>6,025</b>	<b>6,764</b>	<b>8,135</b>	<b>7,583</b>	<b>20.3</b>	<b>-6.8</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction dated 26.06.2007, operation permits have been issued for software production to improve information technology.

Table 26

## Employment based on Establishment Permits Issued for Manufacturing Units

(person)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Food and beverages	181,841	169,776	279,596	258,551	136,683	-7.5	-47.1	17.2	16.4
Tobacco products	41	16	502	554	215	10.4	-61.2	*	*
Textiles	39,228	43,470	74,649	58,755	27,919	-21.3	-52.5	3.9	3.4
Wearing apparel, dressing and dyeing of fur	13,428	17,768	30,799	25,114	8,841	-18.5	-64.8	1.7	1.1
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	7,854	5,387	11,438	8,267	3,714	-27.7	-55.1	0.5	0.4
Wood and wood products except furniture	18,321	21,539	35,770	28,860	15,281	-19.3	-47.1	1.9	1.8
Paper and paper products	21,762	25,607	46,080	39,141	27,352	-15.1	-30.1	2.6	3.3
Printing, publishing and reproduction of recorded media	2,290	2,375	5,047	1,679	697	-66.7	-58.5	0.1	0.1
Coke and refined petroleum products and nuclear fuels	13,074	12,308	33,099	47,048	20,185	42.1	-57.1	3.1	2.4
Chemical products	75,231	77,584	120,102	98,032	46,483	-18.4	-52.6	6.5	5.6
Rubber and plastic products	80,722	86,892	135,922	135,448	68,851	-0.3	-49.2	9.0	8.3
Non-metallic mineral products	139,090	123,278	187,803	251,893	159,331	34.1	-36.7	16.8	19.2
Basic metals	100,552	157,459	138,791	175,948	102,777	26.8	-41.6	11.7	12.4
Fabricated metal products except machinery and equipment	65,925	66,284	100,180	107,164	61,672	7.0	-42.5	7.1	7.4
Machinery and equipment unclassified elsewhere	53,053	55,218	91,817	88,446	41,812	-3.7	-52.7	5.9	5.0
Office and accounting machines	5,960	5,340	8,458	5,577	3,085	-34.1	-44.7	0.4	0.4
Electrical machines and electronic devices	31,926	25,699	43,478	35,534	22,901	-18.3	-35.6	2.4	2.8
Radio, television and telecommunication instruments	3,864	4,617	8,048	7,219	3,663	-10.3	-49.3	0.5	0.4
Medical and optical tools, precision instruments and clocks	11,665	7,240	9,108	8,906	5,403	-2.2	-39.3	0.6	0.6
Motor vehicles, trailer and semi-trailer	48,573	38,802	60,046	59,410	39,022	-1.1	-34.3	4.0	4.7
Other transport equipment	13,522	12,825	19,330	20,796	16,933	7.6	-18.6	1.4	2.0
Furniture and artificial goods unclassified elsewhere	17,386	12,264	22,286	19,750	11,032	-11.4	-44.1	1.3	1.3
Recycling	4,444	7,670	21,888	21,202	7,265	-3.1	-65.7	1.4	0.9
Computer and related activities <sup>(1)</sup>	..	..	..	66	140	0	112.1	*	*
<b>Total</b>	<b>949,752</b>	<b>979,418</b>	<b>1,484,237</b>	<b>1,503,360</b>	<b>831,257</b>	<b>1.3</b>	<b>-44.7</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction dated 26.06.2007, establishment permits have been issued for software production to improve information technology.

**Table 27** **Employment based on Operation Permits Issued for Manufacturing Units** (person)

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Food and beverages	27,430	21,031	19,762	24,623	25,176	24.6	2.2	17.0	16.3
Tobacco products	0	0	0	17	567	0	□	*	0.4
Textiles	11,094	8,917	10,275	9,442	6,401	-8.1	-32.2	6.5	4.1
Wearing apparel, dressing and dyeing of fur	1,758	1,822	1,477	1,914	2,068	29.6	8.0	1.3	1.3
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	1,069	866	834	780	717	-6.5	-8.1	0.5	0.5
Wood and wood products except furniture	1,105	1,989	2,764	2,671	1,994	-3.4	-25.3	1.8	1.3
Paper and paper products	1,919	2,304	2,860	3,147	3,067	10.0	-2.5	2.2	2.0
Printing, publishing and reproduction of recorded media	409	296	424	653	501	54.0	-23.3	0.5	0.3
Coke and refined petroleum products and nuclear fuels	1,188	1,546	1,218	2,522	5,952	107.1	136.0	1.7	3.8
Chemical products	8,827	9,563	10,485	10,398	12,499	-0.8	20.2	7.2	8.1
Rubber and plastic products	13,158	14,372	12,429	14,580	10,892	17.3	-25.3	10.1	7.0
Non-metallic mineral products	18,169	18,962	25,090	28,397	36,384	13.2	28.1	19.6	23.5
Basic metals	6,709	6,045	7,421	7,945	16,102	7.1	102.7	5.5	10.4
Fabricated metal products except machinery and equipment	6,503	6,566	9,038	11,289	9,519	24.9	-15.7	7.8	6.1
Machinery and equipment unclassified elsewhere	7,872	6,163	7,639	9,627	6,742	26.0	-30.0	6.7	4.4
Office and accounting machines	723	687	540	834	176	54.4	-78.9	0.6	0.1
Electrical machines and electronic devices	4,890	6,181	4,654	4,269	4,091	-8.3	-4.2	3.0	2.6
Radio, television and telecommunication instruments	1,417	1,947	762	615	1,733	-19.3	181.8	0.4	1.1
Medical and optical tools, precision instruments and clocks	704	1,013	486	1,434	541	195.1	-62.3	1.0	0.3
Motor vehicles, trailer and semi-trailer	11,208	7,187	4,557	5,258	5,904	15.4	12.3	3.6	3.8
Other transport equipment	1,982	2,552	1,804	1,076	814	-40.4	-24.3	0.7	0.5
Furniture and artificial goods unclassified elsewhere	1,284	924	1,300	1,777	1,906	36.7	7.3	1.2	1.2
Recycling	416	386	336	822	1,148	144.6	39.7	0.6	0.7
Computer and related activities <sup>(1)</sup>	..	..	..	516	12	0	-97.7	0.4	*
<b>Total</b>	<b>129,834</b>	<b>121,319</b>	<b>126,155</b>	<b>144,606</b>	<b>154,906</b>	<b>14.6</b>	<b>7.1</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction dated 26.06.2007, operation permits have been issued for software production to improve information technology.

**Government Acquisition of Non-financial–National Assets in Manufacturing and Mining Sector and Industrial Research Project**

Table 28

(million rials)

	2006/07	2007/08	2008/09	Percentage change		Share (percent)		2008/09	
				2007/08	2008/09	2007/08	2008/09	Approved	Performance (percent)
<b>National expenditures</b>	<b>2,715,236</b>	<b>2,545,971</b>	<b>2,695,666</b>	<b>-6.2</b>	<b>5.9</b>	<b>100.0</b>	<b>100.0</b>	<b>3,620,547</b>	<b>74.5</b>
<b>Manufacturing and mining</b>	<b>2,696,436</b>	<b>2,522,510</b>	<b>2,668,226</b>	<b>-6.5</b>	<b>5.8</b>	<b>99.1</b>	<b>99.0</b>	<b>3,580,547</b>	<b>74.5</b>
Manufacturing and mining infrastructures	259,865	509,745	662,193	96.2	29.9	20.0	24.6	956,408	69.2
Establishment and development of industries	1,371,490	811,068	1,064,713	-40.9	31.3	31.9	39.5	1,202,308	88.6
Geology	337,137	196,492	204,500	-41.7	4.1	7.7	7.6	309,400	66.1
Exploration and operation of mines	218,247	73,550	32,615	-66.3	-55.7	2.9	1.2	60,000	54.4
Quality improvement of manufacturing products	438,615	818,907	600,285	86.7	-26.7	32.2	22.3	910,831	65.9
Quality improvement of mining products	58,359	99,284	82,320	70.1	-17.1	3.9	3.1	120,000	68.6
Reinforcement of buildings	9,500	10,664	21,600	12.3	102.6	0.4	0.8	21,600	100.0
Organization, mechanization, and expansion of geology networks–exploration and mobilization	3,222	0	0	-100.0	0	0	0	0	0
Organization, mechanization, and expansion of information networks	0	2,800	0	0	-100.0	0.1	0	0	0
<b>Industrial research project in manufacturing and mining sector</b>	<b>18,800</b>	<b>23,461</b>	<b>27,440</b>	<b>24.8</b>	<b>17.0</b>	<b>0.9</b>	<b>1.0</b>	<b>40,000</b>	<b>68.6</b>

Source: Treasury General, Ministry of Economic Affairs and Finance

Table 29

**Payments by Bank of Industry and Mine**

(billion rials)

	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
				2007/08	2008/09	2007/08	2008/09
Domestic resources	6,739.8	8,041.4	12,185.9	19.3	51.5	78.7	89.4
Administered funds (in rial)	205.5	384.1	872.9	86.9	127.3	3.8	6.4
OSF	1,283.5	1,394.7	199.6	8.7	-85.7	13.7	1.5
Direct investment and legal partnership	4.9	311.5	333.2	▣	7.0	3.0	2.4
Others	346.6	81.1	37.6	-76.6	-53.7	0.8	0.3
<b>Total</b>	<b>8,580.3</b>	<b>10,212.8</b>	<b>13,629.1</b>	<b>19.0</b>	<b>33.5</b>	<b>100.0</b>	<b>100.0</b>

Source: Bank of Industry and Mine

Table 30

## Government Acquisition of Non-financial Assets in Housing Sector

(billion rials)

	2007/08	2008/09	2008/09			
			Percentage change	Share (percent)	Approved	Performance (percent)
<b>Housing, urban and rural development</b>						
Sewage system	621.2	3,034.9	388.5	23.8	4,813.8	63.0
Urban and rural water	94.5	235.6	149.3	1.8	551.3	42.7
Urban and rural transportation	5,505.2	7,604.3	38.1	59.6	11,000.0	69.1
Urban and rural services	337.2	361.0	7.1	2.8	519.1	69.5
Settlement of nomads	73.1	81.8	11.9	0.6	88.5	92.4
Housing	6,387.7	371.9	-94.2	2.9	600.7	61.9
Improvement of urban and rural structure	381.7	585.6	53.4	4.6	855.1	68.5
Reinforcement of buildings	20.1	39.2	94.5	0.3	64.0	61.2
Reorganization of special zones	887.0	377.7	-57.4	3.0	686.7	55.0
Buildings and equipment	32.0	34.0	6.2	0.3	47.4	71.7
Study and formulation of rules and regulations	5.9	6.0	1.1	0	8.4	71.4
<b>Total</b>	<b>14,345.6</b>	<b>12,731.9</b>	<b>-11.2</b>	<b>99.8</b>	<b>19,234.9</b>	<b>66.2</b>
<b>Welfare and Social Security</b>	<b>111.6</b>	<b>20.2</b>	<b>-81.9</b>	<b>0.2</b>	<b>29.6</b>	<b>68.4</b>
Affordable Housing Plan for the low-income groups	108.3	17.9	-83.5	0.1	26.7	67.1
Housing provision for the disabled	3.3	2.3	-29.4	0	2.9	80.3
<b>Grand Total</b>	<b>14,457.2</b>	<b>12,752.1</b>	<b>-11.8</b>	<b>100.0</b>	<b>19,264.5</b>	<b>66.2</b>

Source: Treasury General, Ministry of Economic Affairs and Finance

Table 31

Facilities Extended by Bank Maskan <sup>(1)</sup>

	2004/05	2005/06	2006/07	2007/08 ▲	2008/09	Percentage change	
						2007/08	2008/09
Number (in thousands)	208.8	299.4	432.4	393.3	334.1	-9.1	-15.0
Amount (billion rials)	17,584.3	43,446.8	73,143.5	69,444.8	65,885.5	-5.1	-5.1

Source: Bank Maskan (Housing Bank)

(1) Includes profit receivables.

Investment by Private Sector in New Buildings in Urban Areas <sup>(1)</sup>

(at current prices)

(billion rials)

	2004/05 <sup>(2)</sup>	2005/06	2006/07	2007/08 ▲	2008/09 □	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
Tehran	18,096.9	21,218.9	26,199.6	40,176.4	68,312.5	53.3	70.0	19.6	21.7
Other large cities	28,833.7	31,632.1	35,458.7	58,794.9	85,939.5	65.8	46.2	28.7	27.3
Other urban areas	44,321.7	50,319.9	51,911.2	105,930.3	161,053.7	104.1	52.0	51.7	51.1
<b>All urban areas</b>	<b>91,252.3</b>	<b>103,170.9</b>	<b>113,569.5</b>	<b>204,901.6</b>	<b>315,305.8</b>	<b>80.4</b>	<b>53.9</b>	<b>100.0</b>	<b>100.0</b>

Source: Economic Statistics Department, CBI

(1) Excludes the cost of land.

(2) Due to revisions in the statistical framework (clusters) in 2004/05, figures are not comparable with those calculated based on 1997/98.

Table 33

## Construction Permits Issued by Municipalities in Urban Areas

	2004/05	2005/06	2006/07	2007/08 ▲	2008/09 □	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Number</b>									
Tehran	12,570	10,833	14,642	24,930	20,745	70.3	-16.8	11.9	11.7
Other large cities	34,681	31,685	34,914	50,972	40,427	46.0	-20.7	24.4	22.9
Other urban areas	88,722	87,211	123,046	133,020	115,668	8.1	-13.0	63.7	65.4
<b>All urban areas</b>	<b>135,973</b>	<b>129,729</b>	<b>172,602</b>	<b>208,922</b>	<b>176,840</b>	<b>21.0</b>	<b>-15.4</b>	<b>100.0</b>	<b>100.0</b>
<b>Total floor space estimate (thousand square meters)</b>									
Tehran	11,620.9	9,968.1	13,435.6	23,397.2	20,613.6	74.1	-11.9	22.2	20.7
Other large cities	20,084.4	17,943.8	19,528.2	30,068.0	25,770.8	54.0	-14.3	28.6	25.9
Other urban areas	29,852.9	30,014.1	37,126.5	51,740.8	53,024.8	39.4	2.5	49.2	53.3
<b>All urban areas</b>	<b>61,558.2</b>	<b>57,926.0</b>	<b>70,090.3</b>	<b>105,206.0</b>	<b>99,409.2</b>	<b>50.1</b>	<b>-5.5</b>	<b>100.0</b>	<b>100.0</b>
<b>Average floor space (square meters)</b>									
Tehran	924	920	918	939	994	2.3	5.9		
Other large cities	579	566	559	590	637	5.5	8.1		
Other urban areas	336	344	302	389	458	28.9	17.9		
<b>All urban areas</b>	<b>453</b>	<b>447</b>	<b>406</b>	<b>504</b>	<b>562</b>	<b>24.0</b>	<b>11.6</b>		

Source: Economic Statistics Department, CBI

Table 34

## Building Starts by Private Sector in Urban Areas

	2004/05 <sup>(1)</sup>	2005/06	2006/07	2007/08 ▲	2008/09 □	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Number</b>									
Tehran	11,303	10,001	13,105	21,107	20,760	61.1	-1.6	7.2	8.5
Other large cities	65,060	51,348	53,945	69,177	62,504	28.2	-9.6	29.6	25.5
Other urban areas	120,028	114,828	115,330	173,207	162,223	50.2	-6.3	63.2	66.1
<b>All urban areas</b>	<b>196,391</b>	<b>176,177</b>	<b>182,380</b>	<b>263,491</b>	<b>245,487</b>	<b>44.5</b>	<b>-6.8</b>	<b>100.0</b>	<b>100.0</b>
<b>Total floor space estimate (thousand square meters)</b>									
Tehran	10,268	9,971	11,394	16,209	17,783	42.3	9.7	17.2	15.8
Other large cities	24,959	19,371	20,585	30,935	29,145	50.3	-5.8	31.1	26.0
Other urban areas	39,466	33,532	34,265	59,560	65,366	73.8	9.7	51.7	58.2
<b>All urban areas</b>	<b>74,693</b>	<b>62,874</b>	<b>66,244</b>	<b>106,704</b>	<b>112,294</b>	<b>61.1</b>	<b>5.2</b>	<b>100.0</b>	<b>100.0</b>
<b>Average floor space (square meters)</b>									
Tehran	908	997	869	768	857	-11.7	11.5		
Other large cities	384	377	382	447	466	17.2	4.3		
Other urban areas	329	292	297	344	403	15.7	17.2		
<b>All urban areas</b>	<b>380</b>	<b>357</b>	<b>363</b>	<b>405</b>	<b>457</b>	<b>11.5</b>	<b>13.0</b>		

Source: Economic Statistics Department, CBI

(1) Due to revisions in the statistical framework (clusters) in 2004/05, figures are not comparable with those calculated based on 1997/98.

Table 35

## Buildings Completed by Private Sector in Urban Areas

	2004/05 <sup>(1)</sup>	2005/06	2006/07	2007/08 ▲	2008/09 □	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Number</b>									
Tehran	7,938	11,144	10,472	13,308	20,517	27.1	54.2	6.7	9.0
Other large cities	35,670	57,095	53,906	52,774	64,453	-2.1	22.1	26.5	28.2
Other urban areas	58,319	100,354	101,224	133,038	143,339	31.4	7.7	66.8	62.8
<b>All urban areas</b>	<b>101,927</b>	<b>168,593</b>	<b>165,602</b>	<b>199,120</b>	<b>228,309</b>	<b>20.2</b>	<b>14.7</b>	<b>100.0</b>	<b>100.0</b>
<b>Total floor space estimate (thousand square meters)</b>									
Tehran	8,415	10,732	10,355	11,582	14,144	11.8	22.1	16.9	17.2
Other large cities	12,103	20,407	20,254	19,986	24,733	-1.3	23.8	29.2	30.1
Other urban areas	20,534	33,790	30,955	36,924	43,273	19.3	17.2	53.9	52.7
<b>All urban areas</b>	<b>41,052</b>	<b>64,929</b>	<b>61,564</b>	<b>68,492</b>	<b>82,150</b>	<b>11.3</b>	<b>19.9</b>	<b>100.0</b>	<b>100.0</b>
<b>Average floor space (square meters)</b>									
Tehran	1,060	963	989	870	689	-12.0	-20.8		
Other large cities	339	357	376	379	384	0.8	1.3		
Other urban areas	352	337	306	278	302	-9.2	8.8		
<b>All urban areas</b>	<b>403</b>	<b>385</b>	<b>372</b>	<b>344</b>	<b>360</b>	<b>-7.5</b>	<b>4.6</b>		

Source: Economic Statistics Department, CBI

(1) Due to revisions in the statistical framework (clusters) in 2004/05, figures are not comparable with those calculated based on 1997/98.

Table 36

## Construction Indices

	2005/06	2006/07	2007/08	2008/09	Percentage change	
					2007/08	2008/09
<b>Construction services (2004/05=100)</b>	<b>118.1</b>	<b>140.1</b>	<b>182.9</b>	<b>246.3</b>	<b>30.5</b>	<b>34.7</b>
Daily wage of bricklayer	116.9	136.8	181.9	242.2	33.0	33.1
Daily wage of unskilled construction worker	116.6	135.5	193.8	256.7	43.0	32.5
Wage of skilled plumber	113.2	132.4	163.6	215.7	23.6	31.8
Wage of skilled electrician	119.6	150.9	190.8	258.4	26.4	35.4
Wage paid for painting	117.9	140.9	184.1	247.8	30.7	34.6
Wage paid for roof-asphalting	118.6	137.1	178.2	229.6	30.0	28.8
Wage paid for well-digging	118.7	140.3	187.1	278.4	33.4	48.8
Wage paid for cementing	119.2	144.1	186.3	251.2	29.3	34.8
Wage paid for tile covering	116.5	135.1	175.3	233.7	29.8	33.3
Wage paid for plaster working	123.2	147.5	186.6	246.8	26.5	32.3
<b>Producer price index of construction materials (1997/98=100)</b>	<b>285.4</b>	<b>367.1</b>	<b>434.3</b>	<b>567.3</b>	<b>18.3</b>	<b>30.6</b>
Metallic	262.7	381.3	470.2	546.6	23.3	16.2
Non-metallic	316.9	349.8	390.7	592.4	11.7	51.6

Source: Economic Statistics Department, CBI



### Credits for Acquisition of Government Non-financial Assets in Transportation Sector

**Table 37**

(billion rials)

	2007/08	2008/09	Share (percent)		Percentage change	2008/09	
			2007/08	2008/09		Approved	Performance (percent)
Rail transport	4,154.4	5,054.8	30.6	30.4	21.7	6,196.3	81.6
Road transport	8,431.5	11,001.7	62.0	66.1	30.5	13,819.4	79.6
Air transport	471.6	91.0	3.5	0.5	-80.7	91.0	100.0
Sea transport	139.5	261.6	1.0	1.6	87.6	292.6	89.4
Applied research	257.5	49.0	1.9	0.3	-81.0	51.0	96.1
Strategic plan for development of road transport	3.0	3.0	*	*	0	3.0	100.0
Safety of air transport	108.0	165.0	0.8	1.0	52.8	165.0	100.0
Buildings and equipment	13.7	0	0.1	0	-100.0	0	0
Reinforcement of buildings	11.5	8.1	0.1	*	-30.0	11.5	70.0
<b>Total</b>	<b>13,590.7</b>	<b>16,634.1</b>	<b>100.0</b>	<b>100.0</b>	<b>22.4</b>	<b>20,629.8</b>	<b>80.6</b>

Source: Treasury General, Ministry of Economic Affairs and Finance

### Number of Students

**Table 38**

(thousand persons)

	Academic year					Percentage change		Share (percent)	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
Kindergartens	492	540	553	511	456	-7.5	-10.8	3.5	3.3
Primary schools	6,207	6,007	5,828	5,726	5,655	-1.8	-1.2	39.7	40.5
Junior high schools	4,371	4,146	3,939	3,708	3,478	-5.8	-6.2	25.7	24.9
High schools (day and night)	2,977	2,957	2,921	2,832	2,782	-3.1	-1.8	19.6	19.9
Technical and professional schools	350	352	341	330	314	-3.1	-4.9	2.3	2.2
Skill education centers	446	454	434	408	414	-6.0	1.5	2.8	3.0
Pre-university centers	413	419	421	439	447	4.1	2.0	3.0	3.2
Teacher training centers	9	10	14	19	10	38.0	-47.3	0.1	0.1
Others <sup>(1)</sup>	492	480	480	462	412	-3.7	-10.8	3.2	3.0
<b>Total</b>	<b>15,757</b>	<b>15,364</b>	<b>14,930</b>	<b>14,435</b>	<b>13,968</b>	<b>-3.3</b>	<b>-3.2</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Education

(1) Includes adult students in primary schools, junior high schools, high schools and pre-university centers.

**Table 39** **Number of Schools, Classrooms and Teaching Staff<sup>(1)</sup>**

	Academic year					Percentage change		Share (percent)	
	2004/05	2005/06 ▲	2006/07	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
<b>Number of schools</b>									
Urban areas	63,481	66,449	67,314	66,668	65,315	-1.0	-2.0	47.2	48.2
Rural areas	77,334	78,268	77,850	74,597	70,138	-4.2	-6.0	52.8	51.8
<b>Total</b>	<b>140,815</b>	<b>144,717</b>	<b>145,164</b>	<b>141,265</b>	<b>135,453</b>	<b>-2.7</b>	<b>-4.1</b>	<b>100.0</b>	<b>100.0</b>
<b>Number of classrooms</b>									
Urban areas	407,565	412,999	413,185	406,030	395,760	-1.7	-2.5	65.0	66.2
Rural areas	242,935	238,368	232,007	218,598	201,768	-5.8	-7.7	35.0	33.8
<b>Total</b>	<b>650,500</b>	<b>651,367</b>	<b>645,192</b>	<b>624,628</b>	<b>597,528</b>	<b>-3.2</b>	<b>-4.3</b>	<b>100.0</b>	<b>100.0</b>
<b>Teaching staff (person)</b>									
Urban areas	644,190	624,700	635,101	621,633	575,503	-2.1	-7.4	71.1	71.3
Rural areas	264,987	273,769	266,162	252,833	232,097	-5.0	-8.2	28.9	28.7
<b>Total</b>	<b>909,177</b>	<b>898,469</b>	<b>901,263</b>	<b>874,466</b>	<b>807,600</b>	<b>-3.0</b>	<b>-7.6</b>	<b>100.0</b>	<b>100.0</b>

Source: Ministry of Education

(1) Includes kindergartens, primary schools, junior high schools, high schools and pre-university centers.

**Table 40** **Composition of Students at Various Educational Levels in Urban and Rural Areas**

	(percent)					
	2007/08			2008/09		
	Urban	Rural	Total	Urban	Rural	Total
Primary schools	64.5	35.5	100.0	65.3	34.7	100.0
Junior high schools	69.6	30.4	100.0	70.8	29.2	100.0
High schools	84.1	15.9	100.0	84.2	15.8	100.0
<b>Total</b>	<b>71.3</b>	<b>28.7</b>	<b>100.0</b>	<b>72.0</b>	<b>28.0</b>	<b>100.0</b>

Source: Ministry of Education

**Table 41** **Students at Various Educational Levels by Gender** (thousand persons)

	2007/08 ▲		2008/09		Percentage change	
	Male	Female	Male	Female	Male	Female
Primary schools	2,952.1	2,773.6	2,912.3	2,742.7	-1.3	-1.1
Junior high schools	1,967.9	1,740.4	1,833.2	1,644.4	-6.8	-5.5
High schools	1,831.8	1,728.2	1,825.0	1,675.1	-0.4	-3.1
<b>Total</b>	<b>6,751.7</b>	<b>6,242.1</b>	<b>6,570.5</b>	<b>6,062.2</b>	<b>-2.7</b>	<b>-2.9</b>

Source: Ministry of Education

**Table 42** **Students in Private Schools at Various Educational Levels** (thousand persons)

	Academic year		Percentage change		Share in total students (percent)	
	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
Primary schools	393.6	401.7	4.9	2.1	6.9	7.1
Junior high schools	228.5	222.8	-5.8	-2.5	6.2	6.4
High schools <sup>(1)</sup>	262.6	257.2	-5.4	-2.1	7.4	7.3
<b>Total</b>	<b>884.7</b>	<b>881.7</b>	<b>-1.1</b>	<b>-0.3</b>	<b>6.8</b>	<b>7.0</b>

Source: Ministry of Education

(1) Includes students of high schools, technical and professional schools and skill education centers.

**Table 43** **Indices of Educational Quality** (person)

	Academic year					Annual average growth (percent)
	2004/05	2005/06	2006/07▲	2007/08	2008/09	2004/05-2008/09
Student to school	111.9	106.2	102.8	102.2	103.1	-1.6
Student to classroom	24.2	23.6	23.1	23.1	23.4	-0.7
Student to teacher	17.3	17.1	16.6	16.5	17.3	0

Source: Ministry of Education

**Table 44** **Minimum Monthly Wage** (rials)

	2004/05	2005/06	2006/07	2007/08	2008/09
Minimum nominal wage	1,066,000	1,266,784	1,500,000	1,830,000	2,196,000
Average consumer price index	100.0	110.4	123.5	146.2	183.3
Minimum real wage▲	1,066,000	1,147,969	1,215,067	1,251,539	1,197,971

Source: Social Security Organization

**Table 45** **Distribution of Population according to Urban and Rural Areas** (thousand persons)

	2004/05	2005/06	2006/07	2007/08	2008/09	Share (percent)	
						2007/08	2008/09
<b>Urban areas</b>							
Total	45,966	47,096	48,260	49,572	50,928	69.3	70.2
<b>Rural areas</b>							
Total	22,378	22,295	22,236	21,960	21,656	30.7	29.8
<b>Whole country</b>							
Active	21,568	23,293	23,484	23,579	22,892	33.0	31.5
Total	68,345	69,390	70,496	71,532	72,584	100.0	100.0

Source: Statistical Center of Iran (SCI)

### Number of Students in Public Universities and Higher Education Institutes

Table 46

(person)

	Academic year					Percentage change		Share (percent)	
	2004/05 <sup>(1)</sup> ▲	2005/06	2006/07	2007/08 <sup>(2)</sup>	2008/09	2007/08	2008/09	2007/08	2008/09
Education sciences	9,563	52,922	78,708	187,451	..	138.2	0	5.5	0
Humanities and arts	144,423	166,282	216,788	319,613	..	47.4	0	9.4	0
Social sciences, commerce and law	314,248	336,180	521,092	1,058,191	..	103.1	0	31.2	0
Basic sciences, mathematics and computer sciences	157,018	159,375	233,259	363,072	..	55.7	0	10.7	0
Manufacturing engineering	220,409	302,028	302,437	1,027,705	..	239.8	0	30.3	0
Agriculture and veterinary science	59,035	62,309	62,257	149,356	..	139.9	0	4.4	0
Health and welfare	89,722	85,205	86,347	217,355	..	151.7	0	6.4	0
Services	19,907	26,747	37,986	65,912	..	73.5	0	1.9	0
<b>Total</b>	<b>1,018,980</b>	<b>1,191,048</b>	<b>1,538,874</b>	<b>3,391,852</b>	<b>..</b>	<b>120.4</b>	<b>0</b>	<b>100.0</b>	<b>0</b>

Source: Ministry of Science, Research and Technology

(1) Total number of students during 2004/05 academic year includes 4,655 students of general education.

(2) Total number of students during 2007/08 academic year includes 3,197 students of other fields.

Table 47

### Number of Students in Islamic Azad University

(person)

	Academic year					Percentage change		Share (percent)	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
Medical sciences	41,528	43,085	44,019	42,124	45,002	-4.3	6.8	3.2	3.2
Humanities	498,739	541,679	552,958	539,608	552,051	-2.4	2.3	41.4	39.7
Basic sciences	95,473	102,799	106,141	98,595	101,607	-7.1	3.1	7.6	7.3
Technical and engineering fields	352,437	393,640	463,965	502,051	564,349	8.2	12.4	38.5	40.5
Agriculture and veterinary science	80,786	82,994	83,623	80,116	80,886	-4.2	1.0	6.2	5.8
Arts	29,528	33,324	38,931	40,075	47,979	2.9	19.7	3.1	3.4
<b>Total</b>	<b>1,098,491</b>	<b>1,197,521</b>	<b>1,289,637</b>	<b>1,302,569</b>	<b>1,391,874</b>	<b>1.0</b>	<b>6.9</b>	<b>100.0</b>	<b>100.0</b>

Source: Islamic Azad University

**Government Budget**  
(excluding special revenues and expenditures) <sup>(1)</sup>

Table 48

(billion rials)

	Performance					Percentage change		Share (percent)	
	2004/05	2005/06	2006/07	2007/08 ▲	2008/09	2007/08	2008/09	2007/08	2008/09
<b>Revenues</b>	<b>103,587.3</b>	<b>200,374.9</b>	<b>231,130.8</b>	<b>298,203.1</b>	<b>379,338.5</b>	<b>29.0</b>	<b>27.2</b>	<b>100.0</b>	<b>100.0</b>
Taxes	84,421.1	134,574.4	151,620.9	191,815.3	239,741.4	26.5	25.0	64.3	63.2
Others	19,166.2	65,800.5	79,509.9	106,387.8	139,597.1	33.8	31.2	35.7	36.8
<b>Expenses (current)</b>	<b>231,923.1</b>	<b>330,884.1</b>	<b>415,788.1</b>	<b>421,334.1</b>	<b>564,290.0</b>	<b>1.3</b>	<b>33.9</b>		
<b>Operating balance</b>	<b>-128,335.8</b>	<b>-130,509.2</b>	<b>-184,657.3</b>	<b>-123,131.0</b>	<b>-184,951.5</b>	<b>-33.3</b>	<b>50.2</b>		
<b>Disposal of non-financial assets</b>	<b>151,413.0</b>	<b>187,294.5</b>	<b>182,797.2</b>	<b>174,791.8</b>	<b>216,636.7</b>	<b>-4.4</b>	<b>23.9</b>	<b>100.0</b>	<b>100.0</b>
Sale of oil and oil products	150,413.3	186,342.4	181,881.2	173,519.1	215,650.3	-4.6	24.3	99.3	99.5
Sale of crude oil	138,356.3	163,044.4	131,922.1	139,699.1	146,865.6	5.9	5.1	79.9	67.8
Allocation of 2 percent of oil and gas exports revenue to oil-producing and deprived regions	0	0	6,000.0	0	0	-100.0	0	0	0
1.6 percent of value of crude oil production	0	10,198.0	0	0	0	0	0	0	0
Crude oil exports (out of 7.3 percent)	0	13,100.0	0	0	0	0	0	0	0
Transparency of energy carriers (subject of Paragraph 7, Single Article of Budget Law for 2008/09)	0	0	0	0	38,784.7	0	0	0	17.9
Imports of gasoline	10,827.6	0	43,959.1	33,820.0	30,000.0	-23.1	-11.3	19.3	13.8
Sale of fuel oil and oil products	1,229.3	0	0	0	0	0	0	0	0
Sale of movable and immovable assets	999.7	952.1	916.0	1,272.7	986.5	38.9	-22.5	0.7	0.5
<b>Acquisition of non-financial assets (development expenditures) <sup>(2)</sup></b>	<b>72,306.3</b>	<b>117,638.7</b>	<b>145,571.0</b>	<b>157,215.8</b>	<b>213,495.8</b>	<b>8.0</b>	<b>35.8</b>		
<b>Net disposal of non-financial assets</b>	<b>79,106.7</b>	<b>69,655.9</b>	<b>37,226.2</b>	<b>17,576.1</b>	<b>3,140.9</b>	<b>-52.8</b>	<b>-82.1</b>		
<b>Operating and non-financial balance <sup>(3)</sup></b>	<b>-49,229.2</b>	<b>-60,853.4</b>	<b>-147,431.2</b>	<b>-105,554.9</b>	<b>-181,810.6</b>	<b>-28.4</b>	<b>72.2</b>		
<b>Disposal of financial assets <sup>(2)</sup></b>	<b>80,693.7</b>	<b>83,320.7</b>	<b>161,061.2</b>	<b>166,114.0</b>	<b>218,260.0</b>	<b>3.1</b>	<b>31.4</b>		
<b>Acquisition of financial assets</b>	<b>31,464.6</b>	<b>22,467.3</b>	<b>13,630.0</b>	<b>60,559.2</b>	<b>36,449.4</b>	<b>344.3</b>	<b>-39.8</b>		
<b>Net disposal of financial assets</b>	<b>49,229.2</b>	<b>60,853.4</b>	<b>147,431.2</b>	<b>105,554.9</b>	<b>181,810.6</b>	<b>-28.4</b>	<b>72.2</b>		

Source: General Budget laws, and Treasury General, Ministry of Economic Affairs and Finance

(1) Figures for 2004/05 and 2005/06 exclude the figure for transparency in the price (subsidy) of energy carriers.

(2) In 2007/08, it includes Budget Supplement at Rls. 9,500 billion.

(3) It is the sum of operating balance and net disposal of non-financial assets.

### Tax Revenues (excluding special revenues)

Table 49

(billion rials)

	2004/05	2005/06	2006/07	2007/08 ▲	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Tax on legal entities</b>	<b>26,027.5</b>	<b>64,459.9</b>	<b>72,861.7</b>	<b>92,610.8</b>	<b>127,794.2</b>	<b>27.1</b>	<b>38.0</b>	<b>48.3</b>	<b>53.3</b>
Public legal entities <sup>(1)</sup>	11,046.9	46,953.0	50,412.5	65,230.1	94,656.8	29.4	45.1	34.0	39.5
Oil performance	0	31,869.0	26,134.0	29,236.5	36,700.4	11.9	25.5	15.2	15.3
Private legal entities	14,980.5	17,506.9	22,449.2	27,380.7	33,137.4	22.0	21.0	14.3	13.8
<b>Income tax</b>	<b>11,773.3</b>	<b>15,253.1</b>	<b>19,451.3</b>	<b>25,960.6</b>	<b>31,587.7</b>	<b>33.5</b>	<b>21.7</b>	<b>13.5</b>	<b>13.2</b>
Salary	5,902.9	8,311.1	11,061.3	15,189.7	19,570.0	37.3	28.8	7.9	8.2
Professions	5,289.1	6,289.0	7,515.6	9,726.5	10,881.1	29.4	11.9	5.1	4.5
Real estate	535.0	626.3	835.6	974.7	1,065.2	16.6	9.3	0.5	0.4
Others	46.3	26.8	38.7	69.7	71.4	80.1	2.5	*	*
<b>Wealth tax</b>	<b>4,096.1</b>	<b>4,316.6</b>	<b>5,378.3</b>	<b>7,762.3</b>	<b>7,770.6</b>	<b>44.3</b>	<b>0.1</b>	<b>4.0</b>	<b>3.2</b>
Heritage	274.6	336.4	447.1	719.0	883.6	60.8	22.9	0.4	0.4
Property transactions and goodwill	907.1	784.9	851.8	1,248.4	1,405.8	46.6	12.6	0.7	0.6
Stamp fee, check, draft, promissory note, ...	2,142.0	2,089.5	2,520.6	3,539.9	3,478.4	40.4	-1.7	1.8	1.5
Others	772.3	1,105.7	1,558.8	2,255.0	2,002.8	44.7	-11.2	1.2	0.8
<b>Total</b>	<b>41,896.9</b>	<b>84,029.6</b>	<b>97,691.3</b>	<b>126,333.6</b>	<b>167,152.5</b>	<b>29.3</b>	<b>32.3</b>	<b>65.9</b>	<b>69.7</b>
<b>Import tax</b>	<b>33,087.3</b>	<b>35,954.1</b>	<b>39,806.3</b>	<b>48,818.9</b>	<b>56,689.1</b>	<b>22.6</b>	<b>16.1</b>	<b>25.5</b>	<b>23.6</b>
Entrance duties	32,515.3	34,812.2	38,937.2	48,138.0	56,473.5	23.6	17.3	25.1	23.6
Others	571.9	1,141.8	869.2	680.9	215.6	-21.7	-68.3	0.4	0.1
<b>Tax on goods and services</b>	<b>9,437.0</b>	<b>14,590.7</b>	<b>14,123.3</b>	<b>16,662.7</b>	<b>15,899.8</b>	<b>18.0</b>	<b>-4.6</b>	<b>8.7</b>	<b>6.6</b>
Oil products	2,684.7	2,958.9	3,183.4	3,577.1	2,577.1	12.4	-28.0	1.9	1.1
Non-alcoholic beverages	247.7	206.4	239.2	256.4	151.7	7.2	-40.8	0.1	0.1
Sale of cigarettes	154.8	268.0	357.3	342.8	398.9	-4.0	16.4	0.2	0.2
Automobile transactions	682.1	849.5	854.0	1,032.0	1,201.9	20.9	16.5	0.5	0.5
Communication services	1,019.9	1,033.4	1,606.1	2,651.4	1,957.2	65.1	-26.2	1.4	0.8
Passport– exit duty charges	205.7	264.3	507.0	647.6	735.2	27.7	13.5	0.3	0.3
Sale of cell phone subscription	0	3,989.6	1,141.2	931.9	552.1	-18.3	-40.8	0.5	0.2
Others	4,442.0	5,020.6	6,235.1	7,223.5	8,325.5	15.9	15.3	3.8	3.5
<b>Total</b>	<b>42,524.2</b>	<b>50,544.8</b>	<b>53,929.6</b>	<b>65,481.7</b>	<b>72,588.9</b>	<b>21.4</b>	<b>10.9</b>	<b>34.1</b>	<b>30.3</b>
<b>Grand total</b>	<b>84,421.1</b>	<b>134,574.4</b>	<b>151,620.9</b>	<b>191,815.3</b>	<b>239,741.4</b>	<b>26.5</b>	<b>25.0</b>	<b>100.0</b>	<b>100.0</b>

Source: General Budget laws, and Treasury General, Ministry of Economic Affairs and Finance

(1) As of 2005/06, it includes tax on oil performance.

**Other Government Revenues**  
(excluding special revenues) <sup>(1)</sup>

**Table 50**

(billion rials)

	Performance					Percentage change		Share (percent)	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09	2007/08	2008/09
<b>Revenues received from government ownership</b>	<b>8,033.1</b>	<b>52,196.2</b>	<b>64,996.2</b>	<b>86,137.4</b>	<b>115,846.1</b>	<b>32.5</b>	<b>34.5</b>	<b>81.0</b>	<b>83.0</b>
Public corporations' dividend <sup>(2)</sup>	7,085.2	51,344.7	64,750.2	83,448.8	109,755.6	28.9	31.5	78.4	78.6
Provisional dividend of government share in value of crude oil production	0	28,682.0	23,520.6	26,312.9	58,720.6	11.9	123.2	24.7	42.1
Return on government loans	1.2	0.5	0.9	0.8	0.7	-11.1	-11.3	*	*
Receipts from rent	41.7	61.1	31.6	30.2	51.5	-4.4	70.6	*	*
Other revenues received from government ownership	904.9	790.0	213.4	2,657.6	6,038.2	▣	127.2	2.5	4.3
<b>Revenues received from services and sale of goods</b>	<b>5,794.3</b>	<b>9,638.8</b>	<b>7,974.1</b>	<b>10,325.1</b>	<b>11,347.0</b>	<b>29.5</b>	<b>9.9</b>	<b>9.7</b>	<b>8.1</b>
Receipts from services	5,496.7	9,547.0	7,878.5	9,917.5	10,849.9	25.9	9.4	9.3	7.8
Judicial and notary services	3,020.5	3,082.8	3,550.6	4,327.8	4,784.5	21.9	10.6	4.1	3.4
Military services <sup>(3)</sup>	379.7	885.2	420.2	311.3	350.4	-25.9	12.5	0.3	0.3
Educational and cultural services	267.9	238.6	252.4	466.4	477.6	84.8	2.4	0.4	0.3
Agricultural and industrial services	692.3	764.8	843.3	1,233.8	960.0	46.3	-22.2	1.2	0.7
Others	1,136.3	4,575.7	2,812.1	3,578.1	4,277.5	27.2	19.5	3.4	3.1
Receipts from sale of goods	297.6	91.8	95.6	407.6	497.1	326.5	22.0	0.4	0.4
<b>Receipts from fines and penalties</b>	<b>1,824.4</b>	<b>2,068.3</b>	<b>2,523.8</b>	<b>3,944.9</b>	<b>4,084.7</b>	<b>56.3</b>	<b>3.5</b>	<b>3.7</b>	<b>2.9</b>
Traffic offences	1,235.8	1,605.6	1,767.3	2,988.3	2,947.4	69.1	-1.4	2.8	2.1
Combating the smuggling of drugs	271.4	257.7	320.0	383.4	376.5	19.8	-1.8	0.4	0.3
Fines and penalties subject of Labor Act, illegal residence, etc.	191.0	25.6	32.9	19.9	2.0	-39.5	-89.9	*	*
Others	126.2	179.4	403.6	553.3	758.8	37.1	37.1	0.5	0.5
<b>Miscellaneous revenues</b>	<b>3,514.4</b>	<b>1,897.2</b>	<b>4,015.8</b>	<b>5,980.3</b>	<b>8,319.3</b>	<b>48.9</b>	<b>39.1</b>	<b>5.6</b>	<b>6.0</b>
Iran's Customs Administration	245.2	..	..	..	..	0	0	0	0
Consumers and Producers Protection Organization	181.1	..	..	..	..	0	0	0	0
Receipts from co-ownership of lands	0	1.0	26.0	63.0	25.6	142.4	-59.3	0.1	*
Receipts from implementation of roads and railway safety projects	0	1.5	60.7	52.7	68.7	-13.2	30.3	*	*
Others	3,088.2	1,894.7	3,929.1	5,864.6	8,225.0	49.3	40.2	5.5	5.9
<b>Total</b>	<b>19,166.2</b>	<b>65,800.5</b>	<b>79,509.9</b>	<b>106,387.8</b>	<b>139,597.1</b>	<b>33.8</b>	<b>31.2</b>	<b>100.0</b>	<b>100.0</b>

Source: General Budget laws, and Treasury General, Ministry of Economic Affairs and Finance

(1) Figures for 2004/05 and 2005/06 exclude the figure for transparency in the price (subsidy) of energy carriers.

(2) As of 2005/06, it includes "provisional dividend of government share in value of crude oil production."

(3) Includes exit duty charges and issuance of passport and driving license.

Table 51

## Disposal and Acquisition of Financial Assets

(billion rials)

	Performance					Percentage change		Share (percent)	
	2004/05	2005/06	2006/07	2007/08▲	2008/09	2007/08	2008/09	2007/08	2008/09
<b>Disposal of financial assets</b>	<b>80,693.7</b>	<b>83,320.7</b>	<b>161,061.2</b>	<b>166,114.0</b>	<b>218,260.0</b>	<b>3.1</b>	<b>31.4</b>	<b>100.0</b>	<b>100.0</b>
<b>Foreign financing</b>	<b>287.5</b>	<b>626.3</b>	<b>673.0</b>	<b>1,232.7</b>	<b>853.5</b>	<b>83.2</b>	<b>-30.8</b>	<b>0.7</b>	<b>0.4</b>
Foreign facilities	283.5	622.1	669.2	1,228.8	849.6	83.6	-30.9	0.7	0.4
World Bank facilities	283.5	622.1	669.2	1,059.1	787.0	58.3	-25.7	0.6	0.4
Other banks and foreign financing	0	0	0	169.7	62.6	0	-63.1	0.1	*
Principal of government loans abroad	4.0	4.2	3.8	3.9	4.0	1.2	3.0	*	*
<b>Domestic financing</b>	<b>80,406.3</b>	<b>82,694.4</b>	<b>160,388.2</b>	<b>164,881.4</b>	<b>217,406.4</b>	<b>2.8</b>	<b>31.9</b>	<b>99.3</b>	<b>99.6</b>
Sale of participation papers	12,340.6	6,834.9	4,986.1	4,893.3	0	-1.9	-100.0	2.9	0
Privatization proceeds	2,813.1	1,786.6	818.6	32,956.9	10,959.3	☐	-66.7	19.8	5.0
Government domestic loans	223.7	1,616.6	2,184.7	2,600.7	1,044.3	19.0	-59.8	1.6	0.5
Refunds carried over from previous years	1,276.8	3,073.0	9,825.7	7,936.3	21,179.4	-19.2	166.9	4.8	9.7
OSF utilization	63,752.1	69,383.4	142,573.0	116,494.3	184,223.5	-18.3	58.1	70.1	84.4
Implementation of development projects	15,787.8	42,289.1	100,320.7	77,681.0	130,598.1	-22.6	68.1	46.8	59.8
External obligations	23,739.0	14,553.5	8,407.6	12,373.0	9,768.5	47.2	-21.1	7.4	4.5
Others <sup>(1)</sup>	24,225.3	12,540.8	33,844.7	26,440.3	43,856.9	-21.9	65.9	15.9	20.1
<b>Acquisition of financial assets</b>	<b>31,464.6</b>	<b>22,467.3</b>	<b>13,630.0</b>	<b>60,559.2</b>	<b>36,449.4</b>	<b>344.3</b>	<b>-39.8</b>	<b>100.0</b>	<b>100.0</b>
Balance of the government general budget account (account No. 8001)	0	2,366.6	0	10,584.8	14,413.9	0	36.2	17.5	39.5
Repayment of external debts and obligations (out of OSF)	23,739.0	14,553.5	8,407.6	12,373.0	9,768.5	47.2	-21.1	20.4	26.8
Repayment of government debt to insurance and pension funds (transfer of shares)	0	3,813.0	0	27,627.0	0	0	-100.0	45.6	0
Others	7,725.6	1,734.3	5,222.4	9,974.4	12,267.0	91.0	23.0	16.5	33.7
<b>Net disposal of financial assets</b>	<b>49,229.2</b>	<b>60,853.4</b>	<b>147,431.2</b>	<b>105,554.9</b>	<b>181,810.6</b>	<b>-28.4</b>	<b>72.2</b>		

Source: General budget laws, and Treasury General, Ministry of Economic Affairs and Finance

(1) According to "Amended Law of Tables 4 and 8, 4<sup>th</sup> FYDP Law and Budget Law for 2007/08, for financing the deficit of gas supply to rural areas (approved on 28.11.2007), the government was authorized to withdraw Rls. 9,500 billion from the OSF.



Table 52

## Value of Exports

(million dollars)

	2004/05	2005/06	2006/07	2007/08	2008/09 □	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Agricultural and traditional goods</b>	<b>1,892</b>	<b>2,545</b>	<b>3,012</b>	<b>3,482</b>	<b>3,060</b>	<b>15.6</b>	<b>-12.1</b>	<b>22.7</b>	<b>16.9</b>
Fresh and dried fruits	718	1,198	1,571	1,826	1,198	16.2	-34.4	11.9	6.6
Pistachio	548	817	1,073	1,264	721	17.8	-42.9	8.3	4.0
Grapes and raisins	112	119	142	170	134	19.4	-20.9	1.1	0.7
Dates	38	77	95	101	79	6.6	-21.5	0.7	0.4
Apple	20	69	81	104	111	29.0	6.6	0.7	0.6
Handwoven carpets	489	466	413	398	419	-3.6	5.3	2.6	2.3
Live animals	20	154	26	114	129	331.1	12.9	0.7	0.7
Vegetables and plants	88	141	261	192	402	-26.3	108.9	1.3	2.2
Saffron	95	95	76	51	90	-33.2	77.1	0.3	0.5
All kinds of hide and leather	91	94	106	109	159	2.4	46.2	0.7	0.9
Casings	53	66	74	72	117	-1.8	61.7	0.5	0.6
Others	338	330	485	719	547	48.4	-24.0	4.7	3.0
<b>Metallic mineral ores</b>	<b>96</b>	<b>170</b>	<b>321</b>	<b>227</b>	<b>299</b>	<b>-29.1</b>	<b>31.4</b>	<b>1.5</b>	<b>1.6</b>
<b>Industrial goods</b>	<b>4,860</b>	<b>7,760</b>	<b>9,664</b>	<b>11,603</b>	<b>14,787</b>	<b>20.1</b>	<b>27.4</b>	<b>75.8</b>	<b>81.5</b>
Oil and gas products	1,056	1,924	2,237	2,956	3,787	32.1	28.1	19.3	20.9
Petroleum gas and other petroleum hydrocarbons	409	1,044	1,337	1,883	2,833	40.8	50.5	12.3	15.6
Naphthalene and other aromatic hydrocarbons	199	311	331	590	17	78.0	-97.2	3.9	0.1
Light oils and products thereof	263	279	293	209	625	-28.6	198.4	1.4	3.4
Cast iron, iron, steel and their articles	926	1,122	1,327	925	657	-30.3	-29.0	6.0	3.6
Organic chemicals	372	776	694	1,820	3,104	162.5	70.5	11.9	17.1
Cyclic hydrocarbons (benzene, xylene, toluene, etc.)	232	358	239	579	971	142.4	67.8	3.8	5.4
Methanol (methyl alcohol) and ethylene glycol	31	235	195	637	1,015	226.4	59.3	4.2	5.6
Aluminum, copper, zinc and their articles	332	482	840	667	767	-20.6	15.0	4.4	4.2
Plastic materials and their products	202	438	852	859	1,374	0.8	60.0	5.6	7.6
Soil and stone, cement, plaster, stone and ceramic products	245	427	390	401	501	2.8	24.9	2.6	2.8
Ready-made clothes, tricot and all kinds of fabric	184	235	209	173	166	-17.2	-4.1	1.1	0.9
Transportation vehicles and their spare parts	155	235	345	574	452	66.1	-21.2	3.7	2.5
Inorganic chemicals	154	210	270	515	754	90.9	46.4	3.4	4.2
Metallic oxides and hydroxides	30	78	94	158	87	68.9	-44.7	1.0	0.5
Ammonia	58	66	120	167	402	39.2	140.7	1.1	2.2
All kinds of sulfur	39	39	30	158	207	434.1	31.5	1.0	1.1
Machine-made carpets and other kinds of carpeting	127	182	158	164	212	3.8	29.1	1.1	1.2
Ornaments and jewelry	60	137	80	44	62	-44.9	41.6	0.3	0.3
Soaps and other detergents	57	89	117	103	82	-11.6	-20.7	0.7	0.5
Footwear	47	81	84	87	84	4.4	-3.2	0.6	0.5
Others	943	1,422	2,062	2,316	2,786	12.3	20.3	15.1	15.4
<b>Total</b>	<b>6,847</b>	<b>10,474</b>	<b>12,997</b>	<b>15,312</b>	<b>18,146</b>	<b>17.8</b>	<b>18.5</b>	<b>100.0</b>	<b>100.0</b>

Source: Iran's Customs Administration

Table 53

## Balance of Payments

(million dollars)

	2004/05	2005/06	2006/07	2007/08	2008/09 □	Percentage change
<b>Current account</b>	<b>-210</b>	<b>15,400</b>	<b>20,585</b>	<b>32,571</b>	<b>23,987</b>	<b>-26.4</b>
<b>Goods</b>	<b>5,073</b>	<b>21,143</b>	<b>26,204</b>	<b>39,427</b>	<b>32,039</b>	<b>-18.7</b>
<b>Exports (FOB)</b>	<b>43,835</b>	<b>64,525</b>	<b>76,190</b>	<b>97,667</b>	<b>100,571</b>	<b>3.0</b>
Oil and gas	36,315	53,820	62,011	81,567	81,855	0.4
Exports of goods in trade statistics	6,847	9,977	12,997	15,312	18,146	18.5
Adjustments	673	728	1,182	788	570	-27.6
<b>Imports (FOB)</b>	<b>38,762</b>	<b>43,381</b>	<b>49,987</b>	<b>58,240</b>	<b>68,533</b>	<b>17.7</b>
Imports of goods in trade statistics	35,389	39,247	41,723	48,439	55,849	15.3
Adjustments	3,373	4,134	8,264	9,801	12,684	29.4
<b>Services</b>	<b>-5,701</b>	<b>-5,841</b>	<b>-6,212</b>	<b>-8,428</b>	<b>-10,307</b>	<b>22.3</b>
<b>Credit</b>	<b>4,441</b>	<b>4,999</b>	<b>5,669</b>	<b>6,929</b>	<b>7,434</b>	<b>7.3</b>
Transportation	2,106	2,327	2,943	3,324	3,497	5.2
Passenger	194	234	248	273	288	5.4
Freight	1,653	1,800	2,391	2,696	2,832	5.0
Other	260	293	303	355	377	6.3
Travel	784	791	1,216	1,677	1,908	13.7
Business	221	237	273	345	385	11.5
Personal	564	554	943	1,332	1,523	14.3
Communication services	65	46	41	58	66	14.7
Construction services	1,213	1,475	996	1,323	1,330	0.5
Insurance services	31	35	39	43	52	20.2
Financial services (other than insurance)	21	30	39	46	54	18.5
Computer and information services	24	35	45	54	64	18.5
Royalties and license fees	2	3	5	5	6	18.5
Other business services	78	114	149	175	208	18.5
Personal, cultural and recreational services	38	55	71	84	100	18.5
Government services, n.i.e	79	87	125	138	149	8.2
<b>Debit</b>	<b>10,142</b>	<b>10,840</b>	<b>11,881</b>	<b>15,357</b>	<b>17,742</b>	<b>15.5</b>
Transportation	1,891	2,324	2,951	3,698	4,095	10.7
Passenger	328	388	382	526	797	51.4
Freight	756	1,293	1,782	1,878	1,969	4.8
Other	807	643	787	1,294	1,330	2.8
Travel	3,848	3,723	4,684	6,809	8,685	27.5
Business	794	740	907	1,260	1,592	26.4
Personal	3,055	2,984	3,777	5,550	7,093	27.8
Communication services	117	152	167	198	218	10.1
Construction services (technical and engineering)	2,740	2,956	2,267	2,468	2,251	-8.8
Insurance services	38	36	38	53	56	5.1
Financial services (other than insurance)	142	157	167	194	223	15.3
Computer and information services	195	216	229	291	335	15.3
Royalties and license fees	106	118	125	145	168	15.3
Other business services	477	529	570	661	766	15.8
Personal, cultural and recreational services	177	196	209	242	279	15.3
Government services, n.i.e	412	433	474	597	666	11.5

<b>Income</b>	<b>-298</b>	<b>-398</b>	<b>111</b>	<b>930</b>	<b>1,471</b>	<b>58.1</b>
<b>Credit</b>	<b>1,247</b>	<b>1,323</b>	<b>2,091</b>	<b>3,130</b>	<b>3,423</b>	<b>9.4</b>
Compensation of employees including border, seasonal workers	509	427	481	561	682	21.5
Investment income	738	896	1,610	2,569	2,741	6.7
<b>Debit</b>	<b>1,545</b>	<b>1,721</b>	<b>1,980</b>	<b>2,200</b>	<b>1,952</b>	<b>-11.3</b>
Compensation of employees including border, seasonal workers	251	349	267	276	291	5.3
Investment expenditure	1,293	1,373	1,713	1,924	1,661	-13.6
<b>Current transfers</b>	<b>717</b>	<b>496</b>	<b>482</b>	<b>642</b>	<b>785</b>	<b>22.4</b>
<b>Credit</b>	<b>979</b>	<b>826</b>	<b>781</b>	<b>916</b>	<b>1,097</b>	<b>19.8</b>
General government	13	5	1	0	0	0
Other sectors	966	821	780	916	1,097	19.8
<b>Debit</b>	<b>262</b>	<b>330</b>	<b>299</b>	<b>274</b>	<b>312</b>	<b>13.7</b>
General government	33	37	75	30	55	85.1
Other sectors	229	293	224	244	257	5.0
<b>Capital account (net)</b>	<b>7,388</b>	<b>-184</b>	<b>-4,383</b>	<b>-14,165</b>	<b>-9,596</b>	<b>-32.3</b>
<b>Long-term</b>	<b>1,659</b>	<b>990</b>	<b>35</b>	<b>-2,375</b>	<b>-3,662</b>	<b>54.2</b>
<b>Public</b>	<b>1,262</b>	<b>658</b>	<b>-181</b>	<b>-2,821</b>	<b>-4,108</b>	<b>45.6</b>
Liabilities	1,265	661	-172	-2,815	-4,102	45.7
Assets	-2	-3	-9	-6	-6	0
<b>Others<sup>(1)</sup></b>	<b>396</b>	<b>332</b>	<b>216</b>	<b>446</b>	<b>446</b>	<b>0</b>
Foreign investment <sup>(2)</sup>	283	366	468	640	640	0
<b>Short-term</b>	<b>5,730</b>	<b>-1,174</b>	<b>-4,418</b>	<b>-11,791</b>	<b>-5,935</b>	<b>-49.7</b>
Public	89	-173	-31	-533	427	-180.2
Banks and others	5,640	-1,001	-4,387	-11,258	-6,362	-43.5
<b>Foreign exchange changes</b>	<b>1,213</b>	<b>-1,000</b>	<b>3,102</b>	<b>9,155</b>	<b>-11,199</b>	<b>-222.3</b>
<b>Statistical errors</b>	<b>460</b>	<b>-535</b>	<b>-4,759</b>	<b>-3,159</b>	<b>-6,163</b>	<b>95.1</b>
<b>Overall balance (change in international reserves)</b>	<b>7,518</b>	<b>14,574</b>	<b>11,384</b>	<b>15,246</b>	<b>8,229</b>	<b>-46.0</b>

(1) Net investment abroad and foreign investment in Iran except buy-back contracts

(2) Only foreign investment based on Foreign Investment Promotion and protection Act

### Foreign Trade<sup>(1)</sup> (excluding oil, gas and electricity)

Table 54

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change		Share (percent)	
						2007/08	2008/09	2007/08	2008/09
<b>Amount (million dollars):</b>									
1. Imports	35,389	39,248	41,723	48,439	55,849	16.1	15.3	76.0	75.5
2. Exports	6,847	10,474	12,997	15,312	18,146	17.8	18.5	24.0	24.5
Deficit (2-1)	-28,542	-28,774	-28,726	-33,127	-37,702	15.3	13.8		
<b>Total (1+2)</b>	<b>42,236</b>	<b>49,722</b>	<b>54,720</b>	<b>63,751</b>	<b>73,995</b>	<b>16.5</b>	<b>16.1</b>	<b>100.0</b>	<b>100.0</b>
<b>Weight (thousand tons):</b>									
1. Imports	34,448	35,466	43,492	41,696	43,984	-4.1	5.5	56.5	57.2
2. Exports	18,077	24,983	27,766	32,118	32,914	15.7	2.5	43.5	42.8
<b>Total (1+2)</b>	<b>52,525</b>	<b>60,449</b>	<b>71,258</b>	<b>73,814</b>	<b>76,898</b>	<b>3.6</b>	<b>4.2</b>	<b>100.0</b>	<b>100.0</b>

(1) Imports and exports through customs

**Summary of the Assets and Liabilities  
of the Banking System <sup>(1)</sup>**

Table 55

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Assets</b>							
<b>Foreign assets</b>	<b>592,646.9</b>	<b>770,170.4</b>	<b>928,552.5</b>	<b>1,184,385.1</b>	<b>1,216,175.6</b>	<b>27.6</b>	<b>2.7</b>
<b>Claims on public sector</b>	<b>235,940.9</b>	<b>235,607.7</b>	<b>256,219.8</b>	<b>280,636.7</b>	<b>291,539.4</b>	<b>9.5</b>	<b>3.9</b>
Government	148,723.7	135,794.5	160,269.3	188,723.6	206,925.9	17.8	9.6
Public corporations and agencies	87,217.2	99,813.2	95,950.5	91,913.1	84,613.5	-4.2	-7.9
<b>Claims on non-public sector</b>	<b>625,714.9</b>	<b>865,315.4</b>	<b>1,226,201.0</b>	<b>1,663,725.7</b>	<b>1,866,550.9</b>	<b>35.7</b>	<b>12.2</b>
<b>Others</b>	<b>332,997.8</b>	<b>488,302.9</b>	<b>671,235.9</b>	<b>952,428.0</b>	<b>1,208,222.0</b>	<b>41.9</b>	<b>26.9</b>
<b>Sub-total</b>	<b>1,787,300.5</b>	<b>2,359,396.4</b>	<b>3,082,209.2</b>	<b>4,081,175.5</b>	<b>4,582,487.9</b>	<b>32.4</b>	<b>12.3</b>
<b>Below the line items</b>	<b>425,441.7</b>	<b>445,191.6</b>	<b>599,812.1</b>	<b>767,501.1</b>	<b>810,382.2</b>	<b>28.0</b>	<b>5.6</b>
<b>Total assets = total liabilities</b>	<b>2,212,742.2</b>	<b>2,804,588.0</b>	<b>3,682,021.3</b>	<b>4,848,676.6</b>	<b>5,392,870.1</b>	<b>31.7</b>	<b>11.2</b>
<b>Liabilities</b>							
<b>Liquidity</b>	<b>685,867.2</b>	<b>921,019.4</b>	<b>1,284,199.4</b>	<b>1,640,293.0</b>	<b>1,901,366.0</b>	<b>27.7</b>	<b>15.9</b>
Money	252,815.1	317,919.4	414,544.9	535,707.3	525,482.5	29.2	-1.9
Quasi-money	433,052.1	603,100.0	869,654.5	1,104,585.7	1,375,883.5	27.0	24.6
<b>Deposits and loans of public sector</b>	<b>97,773.4</b>	<b>167,667.4</b>	<b>220,621.4</b>	<b>265,256.0</b>	<b>335,620.6</b>	<b>20.2</b>	<b>26.5</b>
Government	90,764.3	156,378.9	208,532.4	247,774.9	319,542.4	18.8	29.0
Public corporations and agencies	7,009.1	11,288.5	12,089.0	17,481.1	16,078.2	44.6	-8.0
<b>Capital account</b>	<b>58,770.2</b>	<b>120,191.3</b>	<b>173,603.7</b>	<b>209,138.9</b>	<b>244,659.0</b>	<b>20.5</b>	<b>17.0</b>
<b>Foreign loans and credits and foreign exchange deposits</b>	<b>385,919.7</b>	<b>471,435.8</b>	<b>503,521.7</b>	<b>713,605.6</b>	<b>610,550.4</b>	<b>41.7</b>	<b>-14.4</b>
<b>Import order registration deposits of non-public sector</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0</b>	<b>0</b>
<b>Advance payments on letters of credit by public sector</b>	<b>1,187.9</b>	<b>1,275.1</b>	<b>1,194.2</b>	<b>549.8</b>	<b>662.7</b>	<b>-54.0</b>	<b>20.5</b>
<b>Others</b>	<b>557,780.1</b>	<b>677,805.4</b>	<b>899,066.8</b>	<b>1,252,330.2</b>	<b>1,489,627.2</b>	<b>39.3</b>	<b>18.9</b>
<b>Sub-total</b>	<b>1,787,300.5</b>	<b>2,359,396.4</b>	<b>3,082,209.2</b>	<b>4,081,175.5</b>	<b>4,582,487.9</b>	<b>32.4</b>	<b>12.3</b>
<b>Below the line items</b>	<b>425,441.7</b>	<b>445,191.6</b>	<b>599,812.1</b>	<b>767,501.1</b>	<b>810,382.2</b>	<b>28.0</b>	<b>5.6</b>

(1) Excludes commercial banks' branches abroad.

**Summary of the Assets and Liabilities of Central Bank  
of the Islamic Republic of Iran**

Table 56

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Assets</b>							
<b>Foreign assets</b>	<b>299,677.9</b>	<b>428,172.1</b>	<b>563,869.5</b>	<b>747,284.2</b>	<b>778,498.7</b>	<b>32.5</b>	<b>4.2</b>
Notes and coins	416.2	821.2	619.9	1,200.5	994.5	93.7	-17.2
<b>Claims on public sector</b>	<b>132,361.5</b>	<b>123,212.3</b>	<b>131,432.2</b>	<b>131,759.9</b>	<b>130,259.3</b>	<b>0.2</b>	<b>-1.1</b>
Government	111,930.0	101,254.9	104,094.8	97,842.0	91,423.4	-6.0	-6.6
Public corporations and agencies	20,431.5	21,957.4	27,337.4	33,917.9	38,835.9	24.1	14.5
<b>Claims on banks</b>	<b>21,493.2</b>	<b>35,916.2</b>	<b>54,887.3</b>	<b>137,694.0</b>	<b>239,757.7</b>	<b>150.9</b>	<b>74.1</b>
Government revolving funds payment	6,046.1	10,385.9	14,846.6	16,444.6	0	10.8	-100.0
Others	15,447.1	25,530.3	40,040.7	121,249.4	239,757.7	202.8	97.7
<b>Others</b>	<b>3,302.2</b>	<b>3,192.6</b>	<b>9,923.0</b>	<b>10,660.8</b>	<b>11,438.9</b>	<b>7.4</b>	<b>7.3</b>
<b>Sub-total</b>	<b>457,251.0</b>	<b>591,314.4</b>	<b>760,731.9</b>	<b>1,028,599.4</b>	<b>1,160,949.1</b>	<b>35.2</b>	<b>12.9</b>
<b>Below the line items</b>	<b>16,344.7</b>	<b>15,949.3</b>	<b>19,402.5</b>	<b>12,757.0</b>	<b>17,984.6</b>	<b>-34.3</b>	<b>41.0</b>
<b>Total assets = total liabilities</b>	<b>473,595.7</b>	<b>607,263.7</b>	<b>780,134.4</b>	<b>1,041,356.4</b>	<b>1,178,933.7</b>	<b>33.5</b>	<b>13.2</b>
<b>Liabilities</b>							
<b>Notes and coins</b>	<b>48,893.5</b>	<b>56,502.2</b>	<b>68,109.0</b>	<b>89,247.5</b>	<b>207,346.7</b>	<b>31.0</b>	<b>132.3</b>
With the public	44,772.0	50,675.6	61,451.6	79,909.2	157,764.2	30.0	97.4
With banks	3,705.3	5,005.4	6,037.5	8,137.8	48,588.0	34.8	497.1
With the Central Bank	416.2	821.2	619.9	1,200.5	994.5	93.7	-17.2
<b>Deposits of banks and credit institutions</b>	<b>102,722.7</b>	<b>164,860.4</b>	<b>212,486.0</b>	<b>277,452.0</b>	<b>334,494.4</b>	<b>30.6</b>	<b>20.6</b>
Legal	94,573.3	128,002.2	184,827.7	235,840.6	225,227.8	27.6	-4.5
Sight <sup>(1)</sup>	8,149.4	36,858.2	27,658.3	41,611.4	109,266.6	50.4	162.6
<b>Deposits of public sector</b>	<b>66,366.8</b>	<b>114,560.2</b>	<b>149,866.1</b>	<b>176,674.3</b>	<b>240,210.3</b>	<b>17.9</b>	<b>36.0</b>
Government	59,357.7	103,271.7	137,777.1	159,193.2	224,132.1	15.5	40.8
Public corporations and agencies	7,009.1	11,288.5	12,089.0	17,481.1	16,078.2	44.6	-8.0
<b>Capital account <sup>(2)</sup></b>	<b>3,324.8</b>	<b>5,173.2</b>	<b>13,692.7</b>	<b>19,436.5</b>	<b>19,436.4</b>	<b>41.9</b>	<b>0</b>
<b>Foreign exchange liabilities</b>	<b>116,398.5</b>	<b>170,605.1</b>	<b>192,674.1</b>	<b>308,654.0</b>	<b>214,460.7</b>	<b>60.2</b>	<b>-30.5</b>
Foreign loans and foreign exchange deposits	111,849.3	166,113.5	188,005.7	303,815.2	209,611.3	61.6	-31.0
Clearing foreign exchange	1,252.4	1,291.1	1,288.2	1,250.2	1,354.3	-2.9	8.3
Special Drawing Right allocations	3,296.8	3,200.5	3,380.2	3,588.6	3,495.1	6.2	-2.6
<b>Import order registration deposits of non-public sector</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>0</b>	<b>0</b>
<b>Advance payments on letters of credit by public sector</b>	<b>1,187.9</b>	<b>1,275.1</b>	<b>1,194.2</b>	<b>549.8</b>	<b>662.7</b>	<b>-54.0</b>	<b>20.5</b>
<b>Others</b>	<b>118,354.8</b>	<b>78,336.2</b>	<b>122,707.8</b>	<b>156,583.3</b>	<b>144,335.9</b>	<b>27.6</b>	<b>-7.8</b>
<b>Sub-total</b>	<b>457,251.0</b>	<b>591,314.4</b>	<b>760,731.9</b>	<b>1,028,599.4</b>	<b>1,160,949.1</b>	<b>35.2</b>	<b>12.9</b>
<b>Below the line items</b>	<b>16,344.7</b>	<b>15,949.3</b>	<b>19,402.5</b>	<b>12,757.0</b>	<b>17,984.6</b>	<b>-34.3</b>	<b>41.0</b>

(1) Includes banks' special term deposits.

(2) Includes legal reserve and contingency reserve.

### Summary of the Assets and Liabilities of Banks and Credit Institutions <sup>(1)</sup>

Table 57

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Assets</b>							
<b>Foreign assets</b>	<b>292,969.0</b>	<b>341,998.3</b>	<b>364,683.0</b>	<b>437,100.9</b>	<b>437,676.9</b>	<b>19.9</b>	<b>0.1</b>
Notes and coins	3,705.3	5,005.4	6,037.5	8,137.8	48,588.0	34.8	497.1
<b>Deposits with the Central Bank</b>	<b>102,722.7</b>	<b>164,860.4</b>	<b>212,486.0</b>	<b>277,452.0</b>	<b>334,494.4</b>	<b>30.6</b>	<b>20.6</b>
Legal	94,573.3	128,002.2	184,827.7	235,840.6	225,227.8	27.6	-4.5
Sight <sup>(2)</sup>	8,149.4	36,858.2	27,658.3	41,611.4	109,266.6	50.4	162.6
<b>Claims on public sector</b>	<b>103,579.4</b>	<b>112,395.4</b>	<b>124,787.6</b>	<b>148,876.8</b>	<b>161,280.1</b>	<b>19.3</b>	<b>8.3</b>
Government <sup>(3)</sup>	36,793.7	34,539.6	56,174.5	90,881.6	115,502.5	61.8	27.1
Public corporations and agencies	66,785.7	77,855.8	68,613.1	57,995.2	45,777.6	-15.5	-21.1
<b>Claims on non-public sector</b>	<b>625,714.9</b>	<b>865,315.4</b>	<b>1,226,201.0</b>	<b>1,663,725.7</b>	<b>1,866,550.9</b>	<b>35.7</b>	<b>12.2</b>
<b>Others</b>	<b>201,358.2</b>	<b>278,507.1</b>	<b>387,282.2</b>	<b>517,282.9</b>	<b>572,948.5</b>	<b>33.6</b>	<b>10.8</b>
<b>Sub-total</b>	<b>1,330,049.5</b>	<b>1,768,082.0</b>	<b>2,321,477.3</b>	<b>3,052,576.1</b>	<b>3,421,538.8</b>	<b>31.5</b>	<b>12.1</b>
<b>Below the line items</b>	<b>409,097.0</b>	<b>429,242.3</b>	<b>580,409.6</b>	<b>754,744.1</b>	<b>792,397.6</b>	<b>30.0</b>	<b>5.0</b>
<b>Total assets = total liabilities</b>	<b>1,739,146.5</b>	<b>2,197,324.3</b>	<b>2,901,886.9</b>	<b>3,807,320.2</b>	<b>4,213,936.4</b>	<b>31.2</b>	<b>10.7</b>
<b>Liabilities</b>							
<b>Deposits of non-public sector</b>	<b>641,095.2</b>	<b>870,343.8</b>	<b>1,222,747.8</b>	<b>1,560,383.8</b>	<b>1,743,601.8</b>	<b>27.6</b>	<b>11.7</b>
Sight	208,043.1	267,243.8	353,093.3	455,798.1	367,718.3	29.1	-19.3
Term investment	349,149.3	489,693.2	707,100.5	915,984.5	1,177,644.1	29.5	28.6
Gharz-al-hasaneh <sup>(4)</sup>	69,806.2	93,230.1	133,522.4	152,305.0	153,946.7	14.1	1.1
Other	14,096.6	20,176.7	29,031.6	36,296.2	44,292.7	25.0	22.0
<b>Claims of the Central Bank</b>	<b>21,493.2</b>	<b>35,916.2</b>	<b>54,887.3</b>	<b>137,694.0</b>	<b>239,757.7</b>	<b>150.9</b>	<b>74.1</b>
<b>Loans and deposits of public sector</b>	<b>31,406.6</b>	<b>53,107.2</b>	<b>70,755.3</b>	<b>88,581.7</b>	<b>95,410.3</b>	<b>25.2</b>	<b>7.7</b>
Government	31,406.6	53,107.2	70,755.3	88,581.7	95,410.3	25.2	7.7
Public corporations and agencies	0	0	0	0	0	0	0
<b>Capital account</b>	<b>55,445.4</b>	<b>115,018.1</b>	<b>159,911.0</b>	<b>189,702.4</b>	<b>225,222.6</b>	<b>18.6</b>	<b>18.7</b>
<b>Foreign exchange loans and deposits</b>	<b>269,521.2</b>	<b>300,830.7</b>	<b>310,847.6</b>	<b>404,951.6</b>	<b>396,089.7</b>	<b>30.3</b>	<b>-2.2</b>
<b>Others</b>	<b>311,087.9</b>	<b>392,866.0</b>	<b>502,328.3</b>	<b>671,262.6</b>	<b>721,456.7</b>	<b>33.6</b>	<b>7.5</b>
<b>Sub-total</b>	<b>1,330,049.5</b>	<b>1,768,082.0</b>	<b>2,321,477.3</b>	<b>3,052,576.1</b>	<b>3,421,538.8</b>	<b>31.5</b>	<b>12.1</b>
<b>Below the line items</b>	<b>409,097.0</b>	<b>429,242.3</b>	<b>580,409.6</b>	<b>754,744.1</b>	<b>792,397.6</b>	<b>30.0</b>	<b>5.0</b>

(1) Excludes commercial banks' branches abroad.

(2) Includes banks' special term deposits.

(3) Includes public sector participation papers.

(4) Includes deposits in Bank Maskan's Saving Fund.

**Summary of the Assets and Liabilities of  
Commercial Banks (Public)<sup>(1)</sup>**

Table 58

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Assets</b>							
<b>Foreign assets</b>	263,549.7	292,133.2	305,021.5	346,677.8	324,987.6	13.7	-6.3
<b>Notes and coins</b>	2,880.7	3,885.6	4,442.5	6,219.3	39,890.0	40.0	☐
<b>Deposits with the Central Bank</b>	87,523.2	132,949.6	165,330.6	184,353.1	249,104.5	11.5	35.1
Legal	79,896.1	101,163.4	139,253.8	170,310.2	148,908.8	22.3	-12.6
Sight <sup>(2)</sup>	7,627.1	31,786.2	26,076.8	14,042.9	100,195.7	-46.1	☐
<b>Claims on public sector</b>	95,676.5	102,728.6	109,098.4	138,220.8	138,725.4	26.7	0.4
Government <sup>(3)</sup>	30,407.3	25,917.1	40,964.8	83,042.7	95,395.4	102.7	14.9
Public corporations and agencies	65,269.2	76,811.5	68,133.6	55,178.1	43,330.0	-19.0	-21.5
<b>Claims on non-public sector</b>	434,493.9	556,380.1	775,113.0	1,061,536.0	1,120,155.9	37.0	5.5
<b>Others</b>	153,451.3	191,663.7	268,714.3	338,931.3	326,586.9	26.1	-3.6
<b>Sub-total</b>	1,037,575.3	1,279,740.8	1,627,720.3	2,075,938.3	2,199,450.3	27.5	5.9
<b>Below the line items</b>	357,287.0	349,777.2	466,065.5	582,793.1	572,780.2	25.0	-1.7
<b>Total assets = total liabilities</b>	1,394,862.3	1,629,518.0	2,093,785.8	2,658,731.4	2,772,230.5	27.0	4.3
<b>Liabilities</b>							
<b>Deposits of non-public sector</b>	502,697.7	634,890.0	850,729.2	1,062,801.6	1,117,431.5	24.9	5.1
Sight	187,584.4	242,533.7	313,771.4	402,584.4	313,971.9	28.3	-22.0
Term investment	264,953.8	329,809.2	449,536.8	552,016.6	684,805.1	22.8	24.1
Gharz-al-hasaneh	41,037.9	49,404.8	68,596.7	83,765.1	89,575.6	22.1	6.9
Other	9,121.6	13,142.3	18,824.3	24,435.5	29,078.9	29.8	19.0
<b>Claims of the Central Bank</b>	16,955.4	27,965.0	37,271.6	83,479.6	158,032.7	124.0	89.3
<b>Loans and deposits of public sector</b>	23,673.6	37,635.0	52,209.0	63,712.9	68,625.7	22.0	7.7
Government	23,673.6	37,635.0	52,209.0	63,712.9	68,625.7	22.0	7.7
Public corporations and agencies	0	0	0	0	0	0	0
<b>Capital account</b>	30,609.1	74,732.2	108,270.7	105,673.0	99,467.0	-2.4	-5.9
<b>Foreign exchange loans and deposits</b>	248,635.7	267,498.2	274,342.2	342,044.2	315,838.8	24.7	-7.7
<b>Others</b>	215,003.8	237,020.4	304,897.6	418,227.0	440,054.6	37.2	5.2
<b>Sub-total</b>	1,037,575.3	1,279,740.8	1,627,720.3	2,075,938.3	2,199,450.3	27.5	5.9
<b>Below the line items</b>	357,287.0	349,777.2	466,065.5	582,793.1	572,780.2	25.0	-1.7

(1) Excludes commercial banks' branches abroad.

(2) Includes banks' special term deposits. As of February 2007, it includes banks' foreign exchange sight deposits with the CBI.

(3) Includes public sector participation papers.

**Summary of the Assets and Liabilities of  
Specialized Banks (Public)<sup>(1)</sup>**

Table 59

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Assets</b>							
<b>Foreign assets</b>	25,815.5	31,791.6	44,726.6	67,254.1	84,842.2	50.4	26.2
<b>Notes and coins</b>	633.2	634.2	673.9	870.1	3,316.0	29.1	281.1
<b>Deposits with the Central Bank</b>	7,982.6	14,886.0	14,590.0	43,317.6	18,944.5	196.9	-56.3
Legal	7,544.9	10,009.7	13,887.0	16,456.5	14,056.0	18.5	-14.6
Sight <sup>(2)</sup>	437.7	4,876.3	703.0	26,861.1	4,888.5	☐	-81.8
<b>Claims on public sector</b>	6,458.6	4,980.3	6,643.1	9,637.0	18,050.1	45.1	87.3
Government <sup>(3)</sup>	4,942.1	3,936.0	6,163.6	6,819.9	15,602.5	10.6	128.8
Public corporations and agencies	1,516.5	1,044.3	479.5	2,817.1	2,447.6	487.5	-13.1
<b>Claims on non-public sector</b>	141,988.9	203,760.0	281,621.6	345,364.4	399,368.1	22.6	15.6
<b>Others</b>	39,518.8	62,752.3	70,681.9	98,484.3	113,439.2	39.3	15.2
<b>Sub-total</b>	222,397.6	318,804.4	418,937.1	564,927.5	637,960.1	34.8	12.9
<b>Below the line items</b>	43,028.0	55,759.8	58,053.1	104,341.0	123,376.6	79.7	18.2
<b>Total assets = total liabilities</b>	265,425.6	374,564.2	476,990.2	669,268.5	761,336.7	40.3	13.8
<b>Liabilities</b>							
<b>Deposits of non-public sector</b>	93,686.8	131,421.1	180,656.1	201,736.9	211,768.8	11.7	5.0
Sight	16,562.0	19,585.9	27,947.7	33,937.1	31,010.5	21.4	-8.6
Term investment	44,572.4	62,843.8	80,924.9	94,301.4	110,323.8	16.5	17.0
Gharz-al-hasaneh <sup>(4)</sup>	28,555.6	43,445.5	63,641.0	65,151.9	60,549.6	2.4	-7.1
Other	3,996.8	5,545.9	8,142.5	8,346.5	9,884.9	2.5	18.4
<b>Claims of the Central Bank</b>	4,537.8	7,951.2	17,615.7	52,390.7	74,810.5	197.4	42.8
<b>Loans and deposits of public sector</b>	7,733.0	15,472.2	18,546.3	24,868.8	26,751.9	34.1	7.6
Government	7,733.0	15,472.2	18,546.3	24,868.8	26,751.9	34.1	7.6
Public corporations and agencies	0	0	0	0	0	0	0
<b>Capital account</b>	20,704.4	27,914.3	31,820.8	59,989.1	77,304.4	88.5	28.9
<b>Foreign exchange loans and deposits</b>	17,247.2	16,891.9	21,032.5	30,849.3	36,252.8	46.7	17.5
<b>Others</b>	78,488.4	119,153.7	149,265.7	195,092.7	211,071.7	30.7	8.2
<b>Sub-total</b>	222,397.6	318,804.4	418,937.1	564,927.5	637,960.1	34.8	12.9
<b>Below the line items</b>	43,028.0	55,759.8	58,053.1	104,341.0	123,376.6	79.7	18.2

(1) As of February 2009, it includes Gharz-al-hasaneh Mehr Iran Bank.

(2) Includes banks' special term deposits. As of February 2007, it includes banks' foreign exchange sight deposits with the CBI.

(3) Includes public sector participation papers.

(4) Includes deposits in Bank Maskan's Savings Fund.



## Summary of the Assets and Liabilities of Private Banks and Credit Institutions <sup>(1)</sup>

Table 60

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Assets</b>							
<b>Foreign assets</b>	3,603.8	18,073.5	14,934.9	23,169.0	27,847.1	55.1	20.2
<b>Notes and coins</b>	191.4	485.6	921.1	1,048.4	5,382.0	13.8	413.4
<b>Deposits with the Central Bank</b>	7,216.9	17,024.8	32,565.4	49,781.3	66,445.4	52.9	33.5
Legal	7,132.3	16,829.1	31,686.9	49,073.9	62,263.0	54.9	26.9
Sight <sup>(2)</sup>	84.6	195.7	878.5	707.4	4,182.4	-19.5	491.2
<b>Claims on public sector</b>	1,444.3	4,686.5	9,046.1	1,019.0	4,504.6	-88.7	342.1
Government <sup>(3)</sup>	1,444.3	4,686.5	9,046.1	1,019.0	4,504.6	-88.7	342.1
Public corporations and agencies	0	0	0	0	0	0	0
<b>Claims on non-public sector</b>	49,232.1	105,175.3	169,466.4	256,825.3	347,026.9	51.5	35.1
<b>Others</b>	8,388.1	24,091.1	47,886.0	79,867.3	132,922.4	66.8	66.4
<b>Sub-total</b>	70,076.6	169,536.8	274,819.9	411,710.3	584,128.4	49.8	41.9
<b>Below the line items</b>	8,782.0	23,705.3	56,291.0	67,610.0	96,240.8	20.1	42.3
<b>Total assets = total liabilities</b>	78,858.6	193,242.1	331,110.9	479,320.3	680,369.2	44.8	41.9
<b>Liabilities</b>							
<b>Deposits of non-public sector</b>	44,710.7	104,032.7	191,362.5	295,845.3	414,401.5	54.6	40.1
Sight	3,896.7	5,124.2	11,374.2	19,276.6	22,735.9	69.5	17.9
Term investment	39,623.1	97,040.2	176,638.8	269,666.5	382,515.2	52.7	41.8
Gharz-al-hasaneh	212.7	379.8	1,284.7	3,388.0	3,821.5	163.7	12.8
Other	978.2	1,488.5	2,064.8	3,514.2	5,328.9	70.2	51.6
<b>Claims of the Central Bank</b>	0	0	0	1,823.7	6,914.5	0	279.1
<b>Deposits and funds of public sector</b>	0	0	0	0	32.7	0	0
Government	0	0	0	0	32.7	0	0
Public corporations and agencies	0	0	0	0	0	0	0
<b>Capital account</b>	4,131.9	12,371.6	19,819.5	24,040.3	48,451.2	21.3	101.5
<b>Foreign exchange loans and deposits</b>	3,638.3	16,440.6	15,472.9	32,058.1	43,998.1	107.2	37.2
<b>Others</b>	17,595.7	36,691.9	48,165.0	57,942.9	70,330.4	20.3	21.4
<b>Sub-total</b>	70,076.6	169,536.8	274,819.9	411,710.3	584,128.4	49.8	41.9
<b>Below the line items</b>	8,782.0	23,705.3	56,291.0	67,610.0	96,240.8	20.1	42.3

(1) As of August 2006, it includes Bank Sarmaye and the Credit Institution for Development and as of February 2009, it includes Sina Bank.

(2) Includes banks' special term deposits. As of February 2007, it includes banks' foreign exchange sight deposits with the CBI.

(3) Includes public sector participation papers only.

### Banks and Credit Institutions Claims on Non-Public Sector

Table 61

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Banks and credit institutions</b>	<b>625,714.9</b>	<b>865,315.4</b>	<b>1,226,201.0</b>	<b>1,663,725.7</b>	<b>1,866,550.9</b>	<b>35.7</b>	<b>12.2</b>
Facilities <sup>(1)</sup>	597,324.3	804,361.1	1,146,843.5	1,579,009.7	1,773,427.1	37.7	12.3
Loans and credits <sup>(2)</sup>	17,307.4	32,483.7	46,478.5	48,001.7	52,079.8	3.3	8.5
Direct investment and legal partnership	11,083.2	28,470.6	32,879.0	36,714.3	41,044.0	11.7	11.8
<b>Commercial banks</b>	<b>434,493.9</b>	<b>556,380.1</b>	<b>775,113.0</b>	<b>1,061,536.0</b>	<b>1,120,155.9</b>	<b>37.0</b>	<b>5.5</b>
Facilities	415,609.5	511,217.5	714,982.1	995,372.3	1,054,767.7	39.2	6.0
Loans and credits	14,836.1	25,295.9	37,776.4	38,662.8	38,034.4	2.3	-1.6
Direct investment and legal partnership	4,048.3	19,866.7	22,354.5	27,500.9	27,353.8	23.0	-0.5
<b>Specialized banks</b>	<b>141,988.9</b>	<b>203,760.0</b>	<b>281,621.6</b>	<b>345,364.4</b>	<b>399,368.1</b>	<b>22.6</b>	<b>15.6</b>
Facilities	134,338.5	191,228.9	272,260.5	339,855.4	392,915.9	24.8	15.6
Loans and credits	1,847.0	6,098.8	3,181.8	1,682.9	2,157.9	-47.1	28.2
Direct investment and legal partnership	5,803.4	6,432.3	6,179.3	3,826.1	4,294.3	-38.1	12.2
<b>Private banks <sup>(3)</sup></b>	<b>49,232.1</b>	<b>105,175.3</b>	<b>169,466.4</b>	<b>256,825.3</b>	<b>347,026.9</b>	<b>51.5</b>	<b>35.1</b>
Facilities	47,376.3	101,914.7	159,600.9	243,782.0	325,743.5	52.7	33.6
Loans and credits	624.3	1,089.0	5,520.3	7,656.0	11,887.5	38.7	55.3
Direct investment and legal partnership	1,231.5	2,171.6	4,345.2	5,387.3	9,395.9	24.0	74.4

(1) Facilities are extended by banks based upon the Law for Usury (Interest) Free Banking (excluding direct investment and legal partnership), debt purchase and machinery and housing units transacted under Islamic contracts.

(2) Includes customers' indebtedness for letters of credit, debtors for domestic LCs and paid guarantees, customers' indebtedness for exchange rate differential, participation papers, former claims, and protested promissory notes.

(3) Includes credit institutions.

Table 62

## Uses of Liquidity

(billion rials)

	Year-end balance					Percentage change	
	2004/05	2005/06	2006/07	2007/08	2008/09	2007/08	2008/09
<b>Money (M1)</b>	<b>252,815.1</b>	<b>317,919.4</b>	<b>414,544.9</b>	<b>535,707.3</b>	<b>525,482.5</b>	<b>29.2</b>	<b>-1.9</b>
Notes and coins with the public	44,772.0	50,675.6	61,451.6	79,909.2	157,764.2	30.0	97.4
Sight deposits	208,043.1	267,243.8	353,093.3	455,798.1	367,718.3	29.1	-19.3
Public banks	204,146.4	262,119.6	341,719.1	436,521.5	344,982.4	27.7	-21.0
Private banks	3,896.7	5,124.2	11,374.2	19,276.6	22,735.9	69.5	17.9
<b>Quasi-money</b>	<b>433,052.1</b>	<b>603,100.0</b>	<b>869,654.5</b>	<b>1,104,585.7</b>	<b>1,375,883.5</b>	<b>27.0</b>	<b>24.6</b>
Public banks	392,238.1	504,191.5	689,666.2	828,017.0	984,217.9	20.1	18.9
Private banks	40,814.0	98,908.5	179,988.3	276,568.7	391,665.6	53.7	41.6
Gharz-al-hasaneh savings deposits	69,806.2	93,230.1	133,522.4	152,305.0	153,946.7	14.1	1.1
Public banks	69,593.5	92,850.3	132,237.7	148,917.0	150,125.2	12.6	0.8
Private banks	212.7	379.8	1,284.7	3,388.0	3,821.5	163.7	12.8
Term investment deposits	349,149.3	489,693.2	707,100.5	915,984.5	1,177,644.1	29.5	28.6
Public banks	309,526.2	392,653.0	530,461.7	646,318.0	795,128.9	21.8	23.0
Private banks	39,623.1	97,040.2	176,638.8	269,666.5	382,515.2	52.7	41.8
Short-term	159,867.9	223,291.6	353,666.8	495,608.7	567,458.6	40.1	14.5
Long-term	189,281.4	266,401.6	353,433.7	420,375.8	610,185.5	18.9	45.2
Miscellaneous deposits <sup>(1)</sup>	14,096.6	20,176.7	29,031.6	36,296.2	44,292.7	25.0	22.0
Public banks	13,118.4	18,688.2	26,966.8	32,782.0	38,963.8	21.6	18.9
Private banks	978.2	1,488.5	2,064.8	3,514.2	5,328.9	70.2	51.6
<b>Liquidity (M2)</b>	<b>685,867.2</b>	<b>921,019.4</b>	<b>1,284,199.4</b>	<b>1,640,293.0</b>	<b>1,901,366.0</b>	<b>27.7</b>	<b>15.9</b>

(1) Includes advance payments for letters of credit, guarantees' cash deposits, unused administered funds, advance payments for facilities, and pension and savings funds of banks' and government employees.

Table 63

**BALANCE SHEET**  
**AS AT THE END OF 1387 (March 20, 2009)**

<u>March 19, 2008</u>	ASSETS	<u>March 20, 2009</u>
88,500,000	Note cover including gold, foreign exchange, and quota and subscription to international agencies	96,500,000
1,200,445	Notes and coins held at the Central Bank	994,475
11,601,590	Free gold holdings	16,632,793
713,016,500	Foreign exchange assets	735,744,306
	<b>Loans and credits to:</b>	
32,008,139	Government	21,045,138
33,917,935	Government institutions and corporations	38,835,900
121,249,369	Banks	239,757,659
187,175,443		299,638,697
16,444,624	Government revolving funds kept with banks	0
7,633,122	Fixed assets (less accumulated depreciation)	7,684,433
3,027,674	Other assets	3,754,363
<b>1,028,599,398</b>		<b>1,160,949,067</b>
12,756,956	Customers' undertakings regarding opened letters of credit and guarantees	17,984,592
<b>1,041,356,354</b>		<b>1,178,933,659</b>
1,349,212	Assets of the Central Bank Employees' Pension Fund	1,626,710
86,404	Assets of the Central Bank Employees' Savings Fund	99,887
104,436	Assets of the Central Bank Employees' Cooperative Fund	135,056
<b>1,042,896,406</b>		<b>1,180,795,312</b>

**Executive Board**

**Mahmud Bahmani**  
**Governor**

Hossein  
Ghazavi  
  
Deputy Governor

Reza  
Raei  
  
Vice-Governor

Ramin  
Pashaei Fam  
  
Vice-Governor

Seyed Mahmoud  
Ahmadi  
  
Vice-Governor

**AMOUNT IN  
MILLION RIALS**

<u>March 19, 2008</u>	<b>LIABILITIES</b>	<u>March 20, 2009</u>
88,500,000	Notes issued	96,500,000
0	Iran-Checks issued	110,004,078
747,519	Coins issued	842,581
16,371,658	Central Bank's participation papers	0
	<b>Deposits:</b>	
372,074,447	Government: sight	358,513,632
17,505,094	Government institutions and corporations: sight	21,514,911
2,017,949	Non-government public institutions and corporations: sight	1,124,590
	Banks and credit institutions:	
236,995,926	Legal	225,191,588
122,213,192	Sight and term investment deposits, advance payments on banks' LCs, and other deposits	176,155,212
750,806,608		782,499,933
4,956,536	Income tax	6,511,808
8,866,259	Share of government in net profit	10,370,976
41,141,789	Other liabilities	36,253,457
158,421	Retirement benefits	172,136
11,200,000	Capital	15,000,000
4,426,725	Legal reserve	7,019,469
3,809,692	Contingency reserve	6,331,369
97,614,190	Foreign exchange assets' and liabilities' revaluation reserve	89,443,260
1	Net profit carried forward	0
<b>1,028,599,398</b>		<b>1,160,949,067</b>
12,756,956	Letters of credit and guarantees	17,984,592
<b>1,041,356,354</b>		<b>1,178,933,659</b>
1,349,212	Liabilities of the Central Bank Employees' Pension Fund	1,626,710
86,404	Liabilities of the Central Bank Employees' Savings Fund	99,887
104,436	Liabilities of the Central Bank Employees' Cooperative Fund	135,056
<b>1,042,896,406</b>		<b>1,180,795,312</b>

Table 64

**PROFIT AND LOSS ACCOUNT**  
**AS AT THE END OF 1387 (March 20, 2009)**

<u>2007/08</u>		<u>2008/09</u>
18,097,976	Returns on deposits and investment abroad	16,066,112
7,043,974	Profit received from extended facilities	7,968,510
208,783	Commission received for banking services	288,440
4,310,754	Result of foreign exchange and gold transactions	8,037,059
2,264,234	Other incomes	1,861,065
<u>31,925,721</u>		<u>34,221,186</u>
19,665,650	Net profit	25,927,441
1	Net profit carried forward	1
<u>19,665,651</u>		<u>25,927,442</u>

**Executive Board**

**Mahmud Bahmani**

**Governor**

Hossein  
Ghazavi  
Deputy Governor

Reza  
Raei  
Vice-Governor

Ramin  
Pashaei Fam  
Vice-Governor

Seyed Mahmoud  
Ahmadi  
Vice-Governor

**AMOUNT IN  
MILLION RIALS**

<u>2007/08</u>		<u>2008/09</u>
139,157	Cost of receiving credit and overdraft from foreign banks	74,852
724,129	Profit paid on foreign exchange accounts	815,735
2,035,138	Rewards paid on banks' legal deposit	2,261,386
4,164,968	Profit paid on Central Bank's participation papers	1,211,888
3,079,343	Profit paid on banks' special deposits	1,338,375
390,024	Commission paid on banking services	613,478
30,686	Result of foreign exchange revaluation-adjustment	6,752
948,554	Personnel and administrative expenditures	1,183,843
648,392	Money issue and miscellaneous printing expenditures	700,697
84,870	Depreciation cost of fixed assets	84,859
14,810	Other expenditures	1,880
<u>12,260,071</u>		<u>8,293,745</u>
19,665,650	Net profit	25,927,441
<u><b>31,925,721</b></u>		<u><b>34,221,186</b></u>

**APPROPRIATION ACCOUNT**

4,956,536	Income tax	6,511,808
1,966,565	Transfer to legal reserve	2,592,745
3,777,159	Transfer to contingency reserve	6,321,677
8,866,259	Share of government in net profit	10,370,976
99,131	0.5 percent of net profit allocated to low-income groups for housing provision	130,236
1	Net profit carried forward	0
<u><b>19,665,651</b></u>		<u><b>25,927,442</b></u>

Table 65

## Tehran Stock Exchange Activities

	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change	
						2007/08	2008/09
<b>Shares traded</b>							
Number (million shares) <sup>(1)</sup>	14,171.5	14,502.9	15,839.5	23,400.9	47,975.4	47.7	105.0
Value (billion rials) <sup>(1)</sup>	103,705.0	56,528.8	55,711.6	73,074.3	137,385.5	31.2	88.0
Number of buyers <sup>(2)</sup>	1,570,492	1,196,545	987,404	1,095,359	..	10.9	0
Number of tradings <sup>(2)</sup>	2,340,647	2,115,244	1,866,192	2,112,065	1,873,638	13.2	-11.3
<b>Public sector's shares offering <sup>(3)</sup></b>							
Number (million shares)	682.6	157.6	2,878.4	8,076.8	27,550.9	180.6	241.1
Value (billion rials)	6,795.1	652.2	7,795.3	21,730.0	75,828.4	178.8	249.0
<b>TSE price indices (end of period) (1990/91=100)</b>							
TEPIX	12,113.0	9,459.4	9,821.0	10,082.0	7,966.5	2.7	-21.0
Financial	34,205.1	20,941.4	20,770.4	20,882.6	20,552.8	0.5	-1.6
Industrial	9,215.0	7,427.3	7,751.6	7,967.0	6,172.6	2.8	-22.5
<b>Price and dividend index</b>	<b>30,762.0</b>	<b>26,849.8</b>	<b>30,786.5</b>	<b>36,193.1</b>	<b>..</b>	<b>17.6</b>	<b>0</b>
<b>Cash dividend index</b>	<b>4,198.1</b>	<b>4,692.2</b>	<b>5,182.0</b>	<b>5,934.4</b>	<b>..</b>	<b>14.5</b>	<b>0</b>
<b>Market capitalization (end of period) (billion rials)</b>	<b>387,547.2</b>	<b>325,727.8</b>	<b>395,028.2</b>	<b>462,105.3</b>	<b>448,955.0</b>	<b>17.0</b>	<b>-2.8</b>
<b>Number of trading days</b>	<b>243</b>	<b>244</b>	<b>239</b>	<b>242</b>	<b>238</b>	<b>1.3</b>	<b>-1.7</b>
<b>Number of companies listed on the TSE</b>	<b>408</b>	<b>414</b>	<b>417</b>	<b>415</b>	<b>346</b>	<b>-0.5</b>	<b>-16.6</b>

Source: Securities and Exchange Organization, and Tehran Stock Exchange (TSE)

(1) As of 2006/07, it includes trading on the unofficial board.

(2) Figures are based on total shares traded and participation papers.

(3) As of 2006/07, the number and value of shares offered by public sector include Justice (Edalat) and Preferred (Tarjihi) shares.

Table 66

## Summary of Participation Papers Issuance in 2008/09

	Approved amount (billion rials)	Date of issuance	Issued amount (billion rials)	Sold amount (billion rials)	Provisional profit rate (% per annum)
<b>Government participation papers <sup>(1)</sup></b>	<b>23,800</b>		<b>11,800</b>	<b>11,799</b>	
<b>Governmental – budgetary <sup>(2)</sup></b>	<b>4,000</b>				
Ministry of Economic Affairs and Finance (Budgetary No. 310101)	4,000				
<b>Governmental – non-budgetary <sup>(3)</sup></b>	<b>19,800</b>		<b>11,800</b>	<b>11,799</b>	
<b>Governmental–non-budgetary approved by the Cabinet</b>	<b>9,800</b>		<b>9,800</b>	<b>9,799</b>	
Iran Water and Power Resources Development Company (IWPC)	5,000	21.12.2008	5,000	4,999	18
Iran Power Development Company (IPDC)	4,800	28.02.2009	4,800	4,800	18
<b>Paragraph 23, Single Article of Budget Law for 2008/09</b>	<b>10,000</b>		<b>2,000</b>	<b>2,000</b>	
Mashhad Municipality	2,000	20.01.2009	2,000	2,000	18
<b>Total</b>	<b>23,800</b>		<b>11,800</b>	<b>11,799</b>	

Sources: Budget Law for 2008/09, and the CBI

(1) The issuance of these papers was approved by the Parliament.

(2) Repayment of principal and profit of these papers is projected in annual budget laws.

(3) Repayment of principal and profit of these papers is financed through domestic resources of issuing corporations.



## Annual Average Consumer Price Index in Urban Areas

(2004/05=100)

Table 67

	Relative weight in the base year	2005/06	2006/07	2007/08	2008/09	Percentage change	
						2007/08	2008/09
<b>Special groups</b>							
Goods	57.13	108.6	119.3	140.0	174.9	17.4	24.9
Services	42.87	112.7	129.0	154.5	194.5	19.8	25.9
Housing, water, electricity, gas, and other fuels	28.60	111.6	126.6	153.4	196.2	21.2	27.9
<b>General index</b>	<b>100.0</b>	<b>110.4</b>	<b>123.5</b>	<b>146.2</b>	<b>183.3</b>	<b>18.4</b>	<b>25.4</b>
<b>Main and selected minor groups</b>							
<b>Food and beverages</b>	<b>28.49</b>	<b>111.1</b>	<b>125.6</b>	<b>152.8</b>	<b>198.9</b>	<b>21.7</b>	<b>30.2</b>
Meat	6.74	104.8	118.9	142.9	179.2	20.2	25.4
Fish and seafood	0.79	111.5	127.3	153.6	192.8	20.6	25.6
Bread and cereals	4.56	111.5	121.3	148.0	232.8	22.1	57.3
Fats and oils	0.97	108.7	117.6	156.8	200.6	33.4	27.9
Fruits and nuts	5.26	117.4	128.3	161.8	207.8	26.2	28.4
Vegetables, pulses and vegetable products	3.87	116.9	146.7	173.2	212.8	18.0	22.9
Dairy products and eggs	3.47	104.9	119.3	144.0	177.6	20.7	23.3
<b>Tobacco</b>	<b>0.52</b>	<b>105.7</b>	<b>114.8</b>	<b>140.7</b>	<b>167.8</b>	<b>22.6</b>	<b>19.2</b>
<b>Clothing and footwear</b>	<b>6.22</b>	<b>108.4</b>	<b>117.5</b>	<b>134.8</b>	<b>163.1</b>	<b>14.7</b>	<b>21.0</b>
<b>Housing, water, electricity, gas, and other fuels</b>	<b>28.60</b>	<b>111.6</b>	<b>126.6</b>	<b>153.4</b>	<b>196.2</b>	<b>21.2</b>	<b>27.9</b>
Rent of residential houses	5.80	111.6	126.9	153.9	197.9	21.2	28.6
Rental equivalence of owner-occupied houses	19.17	111.9	127.4	154.1	197.6	20.9	28.2
Maintenance and repair services	1.82	118.1	140.1	182.9	246.3	30.6	34.6
Water	0.44	102.6	102.9	114.0	127.7	10.8	12.0
Electricity, gas, and other fuels	1.37	102.6	104.6	116.3	126.5	11.2	8.7
<b>Furnishings, household equipment, and routine household maintenance</b>	<b>6.26</b>	<b>111.8</b>	<b>124.6</b>	<b>144.6</b>	<b>179.0</b>	<b>16.1</b>	<b>23.8</b>
<b>Transportation</b>	<b>11.97</b>	<b>104.6</b>	<b>111.6</b>	<b>126.7</b>	<b>149.0</b>	<b>13.5</b>	<b>17.7</b>
<b>Communication</b>	<b>1.63</b>	<b>98.1</b>	<b>97.3</b>	<b>97.1</b>	<b>96.9</b>	<b>-0.2</b>	<b>-0.2</b>
<b>Medical care</b>	<b>5.54</b>	<b>115.7</b>	<b>131.7</b>	<b>154.1</b>	<b>190.0</b>	<b>17.0</b>	<b>23.3</b>
<b>Recreation and culture</b>	<b>3.80</b>	<b>106.0</b>	<b>112.0</b>	<b>121.2</b>	<b>133.6</b>	<b>8.2</b>	<b>10.2</b>
<b>Education</b>	<b>2.07</b>	<b>118.7</b>	<b>143.4</b>	<b>163.5</b>	<b>187.5</b>	<b>14.0</b>	<b>14.7</b>
<b>Restaurants and hotels</b>	<b>1.72</b>	<b>111.7</b>	<b>124.4</b>	<b>145.6</b>	<b>189.0</b>	<b>17.0</b>	<b>29.8</b>
<b>Miscellaneous goods and services</b>	<b>3.18</b>	<b>111.0</b>	<b>127.8</b>	<b>148.7</b>	<b>184.3</b>	<b>16.4</b>	<b>23.9</b>

Table 68

## Annual Average Producer Price Index

(1997/98=100)

	Relative weight in the base year	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change	
							2007/08	2008/09
<b>Special groups</b>								
Agriculture, animal husbandry, forestry and fishing	23.61	299.2	312.5	353.5	420.7	538.2	19.0	27.9
Mining and quarrying, manufacturing, and electricity, gas and water supply	47.91	249.2	271.7	302.5	347.3	412.3	14.8	18.7
Services	28.48	345.2	392.0	441.3	518.9	628.9	17.6	21.2
<b>General index</b>	<b>100.00</b>	<b>288.3</b>	<b>315.6</b>	<b>354.0</b>	<b>413.5</b>	<b>503.7</b>	<b>16.8</b>	<b>21.8</b>
<b>Main groups</b>								
Agriculture, animal husbandry and forestry	23.19	298.6	311.2	352.6	420.6	537.8	19.3	27.9
Fishing	0.42	334.3	385.3	404.0	429.3	563.3	6.3	31.2
Mining and quarrying	0.94	170.6	198.8	268.1	288.4	270.7	7.6	-6.1
Manufacturing	45.17	248.2	271.4	302.6	349.2	417.9	15.4	19.7
Electricity, gas and water supply	1.80	315.1	317.7	317.7	332.5	345.4	4.7	3.9
Repairing of motor vehicles	0.32	280.2	323.9	376.5	433.9	519.3	15.2	19.7
Hotels and restaurants	0.73	335.9	377.9	425.6	503.6	651.2	18.3	29.3
Transport, storage and communication	10.53	304.7	342.3	376.1	432.4	480.6	15.0	11.1
Financial intermediations	1.17	801.4	848.9	845.6	886.6	938.3	4.8	5.8
Real estate, renting and business activities	11.19	331.7	380.6	441.4	538.9	693.8	22.1	28.7
Education	0.59	409.9	494.3	605.4	700.1	804.7	15.6	14.9
Health and social work	2.23	350.9	422.0	498.3	605.7	761.9	21.6	25.8
Other community, social and personal services activities	1.72	357.6	405.1	453.5	516.4	683.4	13.9	32.3

Table 69

Annual Average Index of Exported Goods <sup>(1)</sup>

(1997/98=100)

	Relative weight in the base year	2004/05	2005/06	2006/07	2007/08	2008/09	Percentage change	
							2007/08	2008/09
Animal products	1.85	551.2	522.5	547.8	594.4	684.1	8.5	15.1
Vegetable products	11.40	270.7	287.2	292.6	331.8	441.6	13.4	33.1
Animal or vegetable fats and oils	0.43	244.1	253.7	272.4	393.6	536.7	44.5	36.4
Prepared foodstuffs, beverages and tobacco	8.87	300.4	382.9	442.4	491.4	623.0	11.1	26.8
Mineral products	9.69	738.2	1,016.1	1,271.1	1,558.5	1,386.7	22.6	-11.0
Products of the chemical or allied industries	15.57	414.6	443.8	514.0	614.8	831.8	19.6	35.3
Plastic and articles thereof, rubber and articles thereof	3.63	320.6	327.9	346.8	357.4	378.5	3.1	5.9
Raw hides and skins, leather and articles thereof	3.49	414.9	375.8	363.1	470.2	512.5	29.5	9.0
Wood and articles of wood	0.29	261.3	289.8	325.2	630.9	839.9	94.0	33.1
Textiles and articles thereof	27.73	200.0	245.2	286.9	319.0	394.1	11.2	23.5
Footwear	2.09	290.4	303.5	311.2	312.4	343.9	0.4	10.1
Articles of stone	1.56	258.4	278.1	296.4	321.9	359.4	8.6	11.7
Base metals and articles of base metals	9.82	470.7	514.2	669.8	757.3	846.5	13.1	11.8
Mechanical appliances and electrical equipment	0.72	271.6	310.0	520.1	661.9	658.9	27.3	-0.4
Vehicles and transport equipment	1.12	201.4	195.6	198.4	209.0	211.6	5.3	1.3
Medical, precision, and optical instruments	0.76	329.4	348.5	350.5	418.3	498.1	19.3	19.1
<b>General index</b>	<b>100.00</b>	<b>352.7</b>	<b>409.9</b>	<b>481.1</b>	<b>559.5</b>	<b>637.4</b>	<b>16.3</b>	<b>13.9</b>

(1) Due to the exclusion of some groups, the sum of groups' relative weights is slightly different from the total relative weight.

**Correspondence of Iranian <sup>(1)</sup>  
and Gregorian Calendars**

Table 70

Month	1383		1384		1385		1386		1387		
		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>		<u>2008</u>	
Farvardin	1	March	20	March	21	March	21	March	21	March	20
	31	April	19	April	20	April	20	April	20	April	19
Ordibehesht	1	April	20	April	21	April	21	April	21	April	20
	31	May	20	May	21	May	21	May	21	May	20
Khordad	1	May	21	May	22	May	22	May	22	May	21
	31	June	20	June	21	June	21	June	21	June	20
Tir	1	June	21	June	22	June	22	June	22	June	21
	31	July	21	July	22	July	22	July	22	July	21
Mordad	1	July	22	July	23	July	23	July	23	July	22
	31	Aug	21	Aug	22	Aug	22	Aug	22	Aug	21
Shahrivar	1	Aug	22	Aug	23	Aug	23	Aug	23	Aug	22
	31	Sept	21	Sept	22	Sept	22	Sept	22	Sept	21
Mehr	1	Sept	22	Sept	23	Sept	23	Sept	23	Sept	22
	30	Oct	21	Oct	22	Oct	22	Oct	22	Oct	21
Aban	1	Oct	22	Oct	23	Oct	23	Oct	23	Oct	22
	30	Nov	20	Nov	21	Nov	21	Nov	21	Nov	20
Azar	1	Nov	21	Nov	22	Nov	22	Nov	22	Nov	21
	30	Dec	20	Dec	21	Dec	21	Dec	21	Dec	20
Dey	1	Dec	21	Dec	22	Dec	22	Dec	22	Dec	21
	30		<u>2005</u>		<u>2006</u>		<u>2007</u>		<u>2008</u>		<u>2009</u>
Bahman	1	Jan	19	Jan	20	Jan	20	Jan	20	Jan	19
	30	Jan	20	Jan	21	Jan	21	Jan	21	Jan	20
Esfand	1	Feb	18	Feb	19	Feb	19	Feb	19	Feb	18
	29/30	Feb	19	Feb	20	Feb	20	Feb	20	Feb	19
		March	20	March	20	March	20	March	19	March	20

(1) There are 31 days in each of the first six months of the Iranian calendar, 30 days in each of the next 5 months, 29 days in the last month, except in leap year when it has 30 days.

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