

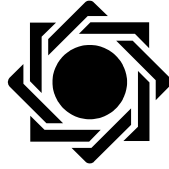


Annual Review

1388
(2009/10)

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
4 th FYDP	4 th Five-Year Development Plan (2005-10)
GDP	Gross Domestic Product
kWh	Kilowatt-hour
mb/d	Million Barrels per Day
MCC	Money and Credit Council
NIGC	National Iranian Gas Company
NIOC	National Iranian Oil Company
NIORDC	National Iranian Oil Refining and Distribution Company
OPEC	Organization of the 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
TSE	Tehran Stock Exchange

SYMBOLS

—	Negligible fraction
..	Figures not available
*	The figure is not a significant decimal fraction
□	Figures are preliminary
▲	Figures are revised
θ	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 1388 corresponds to 2009/10 (starting from March 21).

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 2009/10*

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

Introduction

The financial meltdown whose symptoms were being unveiled in the financial market from mid-2007, continued in the years 2008 and 2009. To handle and contain the financial disruptions which started first in US subprime mortgage market and spilled into other parts of world economy including the developing and emerging market economies, a coordinated relief program initiated from major financial actors in the US and Europe. The major approach for the containment of crisis was financial expansion and credit easing by US, European and Asian countries which involved enormous injection of financial resources into crisis hit financial and non-financial institutions, repurchase of their toxic assets, and sharp declines of key interest

rates. After two and a half years from the commencement of crisis, there are indications of improvement in the world economy from the end quarter of 2009. In particular, some major industrially advanced economies are showing return to stable non-inflationary growth path from the first quarter of 2010.

Weak interconnectedness of Iranian financial markets and capital market institutions with international financial centers allayed Iranian markets from the first phase impacts of the world financial crisis. However, the delayed impacts of the global financial crisis on the real sector of Iranian economy gradually damaged the real sector developments in a sensible dimension. The declines in crude oil prices and the prices of other commodities and raw materials were major transmission channels in affecting Iranian economy which occurred in 2009/10 and adversely affected macroeconomic performance of Iran. Sharp declines in export and foreign exchange earnings of Iran and in import prices were among unavoidable consequences of world recession, which combined with other internal and external factors in 2009/10, negatively affected the performance of the economy of Iran.

Up to the time of preparation of current report, there is no final estimate of GDP growth of Iran for the year 2009/10. However, given the better climatic condition and rainfalls for agriculture sector and good performance of leading manufacturing sectors like petrochemical and car producing companies and the high growth of non-oil exports in 2009/10, we expect that Iranian economy has already turned around the low growth figure of 2008/09.



Real Sector Developments

Energy

In 2009, world primary energy consumption¹ declined by about 1.3 percent to 11.2 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 crude oil (34.8 percent) and the lowest to nuclear energy (5.5 percent). Iran's primary energy consumption amounted to 204.8 million tons oil equivalent, indicating 4.9 percent increase compared with 2008. 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 79.9 mb/d, down by 2.5 percent compared with 2008. Crude oil production by OPEC Member Countries, accounting for 41.4 percent of world crude oil production, decreased by 7 percent and stood at 33.1 mb/d. Moreover, world crude oil consumption amounted to 84.1 mb/d, showing 1.4 percent fall compared with the preceding year.

In 2009, crude oil prices increased exponentially. This upward trend ran well into the first quarter of 2010 due to a host of factors inter alia, the G20 decision to inject \$1.1 trillion to economic system for the revival of the world economy, OPEC Members' commitment to reduce their production, depreciation of US dollar, forecasting of an improvement in the global economic situation, the relative rise in the global

demand for crude oil especially by China, and reduction in the inventory levels of the U.S. crude.

Figure 1. Average spot prices of crude oil during 2009

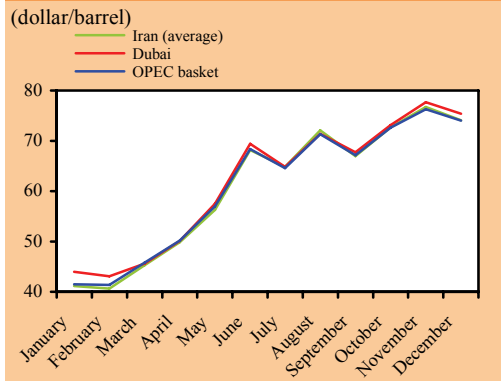
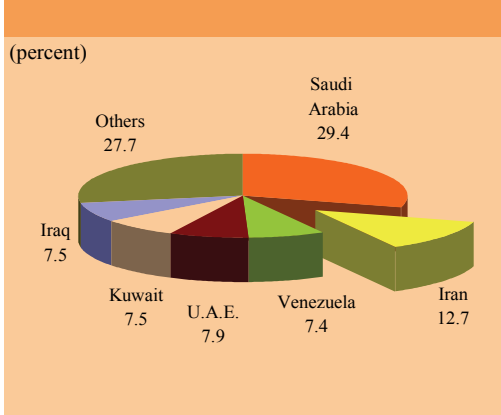


Figure 2. OPEC members' quotas in 2009



In 2009/10, Iran's average crude oil production, in adherence to the production quotas set by the OPEC, reached 3.6 mb/d. Average crude oil exports fell by 13.3 percent to 2.1 mb/d. However, exports of oil products rose

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

12.3 percent to 109 thousand b/d compared with the previous year. The average spot price of Iran's crude oil export declined by 14.2 percent to about \$68.96.

In the review year, natural gas consumption amounted to 141.2 billion cubic meters, up by 6.4 percent compared with the year before. The highest amount of consumption was related to residential, commercial, and industrial sectors by 72.5 billion cubic meters and the lowest to transportation (CNG) by 3.3 billion cubic meters.

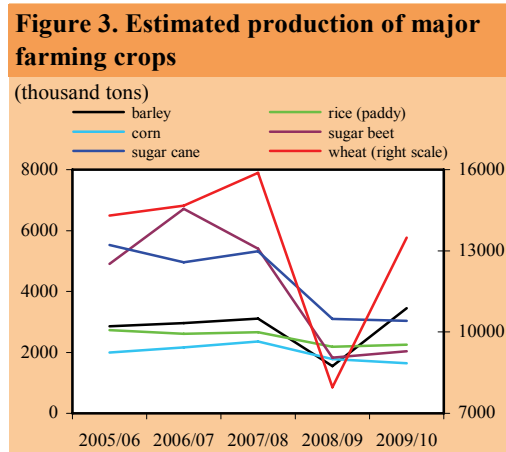
Electricity generation grew by 3.0 percent to 222.3 billion kWh. Of total generated electricity, 88.2 percent was generated by power plants affiliated to the Ministry of Energy and 11.8 percent by other institutions. In this year, the highest amount of electricity (95.5 billion kWh) was generated by gas and combined cycle power plants while hydroelectric, diesel and wind power plants accounted for the lowest amount of generation (7.8 billion kWh). Meanwhile, the highest growth in generation of electricity belonged to hydroelectric, diesel, and wind power plants by 25.5 percent; however, the amount of electricity generated by steam power plants was reduced by 1.1 percent.

In 2009/10, consumption of electricity rose by 4.4 percent to 169.0 billion kWh. The highest growth of consumption belonged to agriculture by 8.2 percent. Electricity consumption by public sector grew by 7.2 percent, residential 6.7 percent, industrial 1.6 percent, and commercial 0.2 percent. Consumption of electricity for street lighting fell by 10.5 percent. Residential and industrial sectors had the highest shares in the consumption of electricity by 33.6 and 31.5 percent, respectively.

Agriculture

Based on preliminary data released by the Ministry of Agriculture Jihad, total farming and horticultural crops were estimated at 80.3 million tons for the 2008/09 farming year, indicating 18.5 percent increase compared with the preceding farming year. Of this amount, 64.7 million tons were farming crops, up by 18.9 percent (10.3 million tons) compared with the year before. Meanwhile, total production of horticultural crops was projected at 15.6 million tons, showing an increase of 16.8 percent compared with the previous farming year.

Increased and well-distributed precipitation was the main factor behind the rise in the agricultural output in 2009/10. In 2008/09, however, production and value-added of the agriculture sector experienced a sharp fall due to the unprecedented drought and the frostbite which affected agricultural crops.



According to Iran Water and Power Resources Development Company (IWPC), total precipitation level amounted to 352.4 billion cubic meters (213.8 millimeters), showing 13.4



percent decrease compared with the long-term average (247 millimeters) and 54.6 percent increase compared with the previous farming year (138.3 millimeters).

Given the rise in the agricultural output and improvement in the agriculture sector, the value-added of this sector was projected to experience a remarkable increase in 2009/10.

Based on the data released by the Ministry of Agriculture Jihad, total livestock products (including red meat, poultry, milk, egg, and honey) were 12,861.4 thousand tons in 2009/10, up by 7.4 percent compared with the previous year.

At end-2009/10, the outstanding facilities (net)¹ extended by banks and credit institutions to public and non-public applicants in the agriculture sector amounted to Rls. 249.2 trillion, showing 13 percent growth compared with the previous year-end². Of this amount, about 49.4

and 50.1 percent were extended by Bank Keshavarzi (Agriculture Bank) and commercial banks, respectively, and a mere 0.5 percent was extended by private banks.

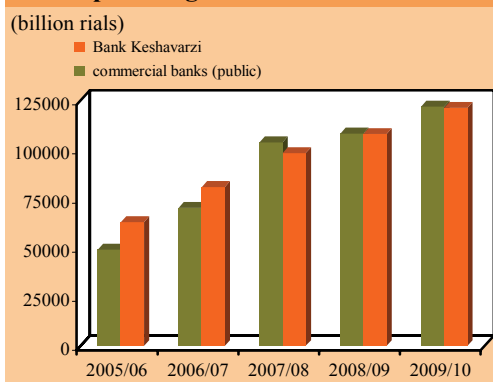
In the review year, the share of outstanding facilities (net) extended to the agriculture sector in total facilities extended by banks and credit institutions was 12.9 percent.

In 2009/10, public banks extended Rls. 52.8 trillion facilities for the expansion of Small and Medium Enterprises (SMEs) in the agriculture sector, up by 11 percent compared with the previous year. Of total facilities extended to the SMEs, 52 percent were extended by commercial banks and 48 percent by Bank Keshavarzi.

In this year, the total amount of facilities extended by Bank Keshavarzi to public and non-public agriculture sectors were Rls. 67.8 trillion, representing 9 percent decrease compared with the previous year. Of total credits paid by this bank, 75.5 percent were from non-statutory resources and the remainder from administered funds and contracts, showing 27.4 percent decrease and 318 percent increase, respectively, compared with 2008/09.

According to the Treasury General, Ministry of Economic Affairs and Finance, in 2009/10, credits allocated to the acquisition of non-financial assets (development expenditures) for "development of agriculture and natural resources" and "provision of water resources and establishments" amounted to Rls. 29 trillion, up by 10.4 percent compared with the previous year.

Figure 4. Outstanding facilities extended to non-public agriculture sector



¹ Less exchange rate differential and profit and commission receivables

² Figures are preliminary. Among commercial banks, Bank Melli Iran has not excluded claims on government account from facilities by economic sectors.

In this year, Rls. 3.2 trillion credits were allocated to the acquisition of non-financial assets for "development of agriculture and natural resources", showing 27.3 percent fall compared with the year before. Furthermore, credits for the acquisition of non-financial assets allocated to "provision of water resources and establishments" rose 18 percent to Rls. 25.8 trillion at end-2009/10, accounting for 89.1 percent of total credits for "development of agriculture and natural resources" and "provision of water resources and establishments".

In 2008/09 farming year, the guaranteed purchase price of most agricultural crops remained relatively unchanged or experienced growth.

Based on preliminary data, by end-2009/10 farming year, Insurance Fund for Agricultural Products insured 1,281.2 thousand persons active in "farming and horticulture", "livestock and poultry", "aquaculture," and "natural resources" sub-sectors, indicating 1.5 percent growth compared with the previous year. In this year, a sum of Rls. 182.9 billion was paid as compensation by the Fund, up by 49.8 percent compared with the preceding year.

In 2009/10, 175.2 thousand tons of agricultural goods, valued at Rls. 484.8 billion were traded on Iran Mercantile Exchange, indicating one percent increase and 24.7 percent decrease respectively, in terms of weight and value, compared with the year before. Agricultural goods offered and traded on the Agricultural Commodity Exchange in this year included corn, barley, soybean meal, tea, poultry, wheat, and wheat bran.

Average producer price index (PPI) of "agriculture, hunting, and forestry", with a relative weight of 21.35, increased by 11.7 percent to 200.6, which was 4.3 percentage points higher than the average growth of PPI general index. Meanwhile, average CPI of "food and beverages" increased by 9.9 percent to 218.6.

In this year, based on preliminary data released by the Customs, 3.1 million tons of various agricultural goods, worth \$4.3 billion were exported, indicating 8.6 percent fall in terms of weight and 23 percent rise in terms of value. Meanwhile, 18.4 million tons of various agricultural products, valued at \$8.5 billion were imported, showing 1.7 percent increase and 6.6 percent decrease, respectively.

The trade balance of the agriculture sector ran a deficit of \$4.2 billion in 2009/10, down from \$5.6 billion in the year before.

Manufacturing and Mining

Due to global recession and its impact on the economy of Iran, in addition to some other negative internal and external factors, the manufacturing and mining sector, like the year before, experienced a slow growth in 2009/10. However, initial estimates indicate that manufacturing and mining sector had a positive growth in 2009/10, while the achieved growth was well below the annual growth target set in the 4th Plan for the year under review (12.4 percent).

Given the delays in manufacturing and mining survey results and the performance report of the Ministry of Industries and Mines for 2009/10, we cannot provide a full analytical assessment on sectoral performance at this juncture.



However, we can make a preliminary analysis of the sector based on 2009/10 performance of companies listed on TSE.

The economic and financial performance of the top 22 manufacturing and mining companies in TSE, which comprise almost 25 percent of total output of large manufacturing establishments, suggests that sales value and the accumulated profit of these companies had 10.3 and 1.3 percent growth, respectively, on nominal basis in 2009/10 compared with the previous year. These growth rates, in real terms, showed 7.1 percent increase and 1.6 percent decrease, respectively¹. The "profit to sale" ratio of these establishments declined in 2009/10 to 14.9 percent from 16.2 percent in 2008/09, indicating a decline of 1.3 percentage points. The limited growth of manufacturing establishments' sales and moderate decline of profit to sale ratio were due to difficult competitive environment for local producers and increase in production costs of establishments, including rise in wages and salaries.

According to the National Petrochemical Company, petrochemical products² amounted to 34.4 million tons in 2009/10 (including the performance of privatized companies), indicating 14.6 percent increase. The corresponding growth figure of the previous year was 25.9 percent.

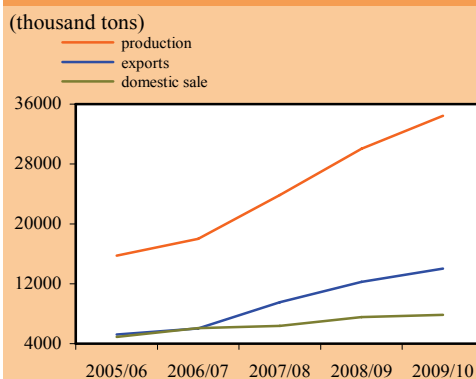
In 2009/10, petrochemical exports grew by 14.6 percent to 14.0 million tons. The value of petrochemical exports amounted to \$9.1 billion,

¹ The real value of these indices was derived from the nominal value of the same indices by applying the implicit deflator of the manufacturing sector.

² Due to the fact that part of the petrochemical sector production is used as intermediate consumption in the same industry, the production volume of this sector is higher than sum of the exports and domestic sale of the same products.

up by 16.6 percent compared with the previous year. Meanwhile, 7.9 million tons of petrochemical products valued at Rls. 47.0 trillion were sold in the domestic market, indicating 4.0 and 16.8 percent growth in terms of weight and value, respectively.

Figure 5. Performance of the petrochemical industry



According to the Supplying Automotive Parts Company (SAPCO), 1.42 million light and heavy vehicles were manufactured in the review year, showing 9.3 percent growth compared with the year before. Of total manufactured vehicles, 97.5 percent were light vehicles, of which 1.2 million were passenger cars, accounting for 83.7 percent of total vehicles manufacture and showing 12.2 percent growth compared with the previous year.

According to the periodic reports released by Iran Mercantile Exchange, the volume of crude steel production (by public sector) was 10,665 thousand tons, copper (cathode) 210.3 thousand tons, and aluminum bar 278 thousand tons, indicating 1.7, 2.1 and 12.1 percent growth, respectively.

Based on the Supervisory-Policy Package of the banking system for 2009/10, the share of

manufacturing and mining sector in total banking facilities is set at 35 percent. In 2009/10, banks and credit institutions provided sufficient credit facilities to manufacturing and mining sectors in accordance with government and Money and Credit Council approvals. Outstanding facilities (net) extended to public and non-public manufacturing and mining sectors (excluding profit and revenue receivables) amounted to Rls. 464.3 trillion at end-2009/10, indicating 13.0 percent growth compared with end-2008/09. Accordingly, share of change in the outstanding facilities extended to the non-public manufacturing and mining sector in total change in the outstanding facilities extended by banks and credit institutions to non-public sectors of the economy was 23.7 percent.

In 2009/10, about Rls. 21.0 trillion facilities were paid out of the executive bylaw for the expansion of Small and Medium Enterprises (SMEs). Total facilities paid to various economic sectors as of the implementation of this bylaw (2006/07) were Rls. 229.0 trillion. Share of the manufacturing and mining sector in total facilities paid based on this bylaw was 52 percent.

Bank of Industry and Mine, as the sole specialized bank in the manufacturing and mining sector, paid Rls. 20.9 trillion facilities to this sector, up by 41.0 percent compared with the year before.

According to the Budget Law for 2009/10, government approved Rls. 2.6 trillion for the implementation and completion of acquisition of non-financial assets projects in manufacturing and mining sector and industrial research

project. According to the Treasury General, Rls. 1.9 trillion was allocated to the mentioned sector and project, down by 29.3 percent compared with last year's performance. Share of approved development expenditures for the manufacturing and mining sector and industrial research project in total approved credits to be allocated to all economic sectors was 1.2 percent.

In the review year, the producer price index of the manufacturing sector (2004/05=100) increased by 3 percent to 171.7. Changes in manufacturing sector price index were lower than the changes in the general index (7.4 percent).

At end-2009/10, the share price index of manufacturing companies (industrial index) increased by 56.0 percent compared with the previous year-end. Growth of general index was 57.4 percent at the end of the review year.

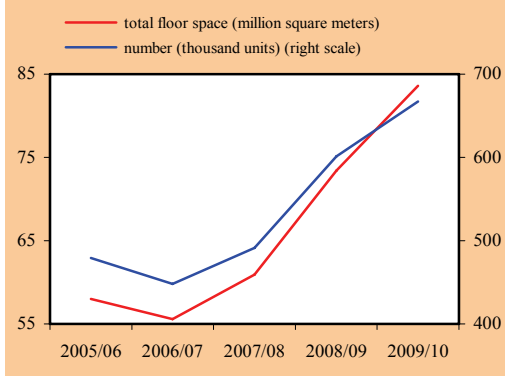
In this year, industrial exports amounted to 32.6 million tons in terms of weight and \$16.6 billion in terms of value, showing 35.2 and 12.9 percent growth, respectively. The share of industrial exports in total non-oil exports reached 77.6 percent in terms of value.

Construction and Housing

Following the recession in housing sector which began from the 2nd quarter of 2008/09 as well as decline in housing price, the construction activities also slowed down with a few months' delay all the way through 2009/10. Therefore, construction permits issued in urban areas indicated 21.7 and 17.8 percent reduction in terms of number and total floor space, respectively.



Figure 6. Residential buildings constructed by private sector in urban areas



In 2009/10, private sector investment in new buildings in urban areas reached Rls. 297.5 trillion at current prices, indicating 5.2 percent reduction compared with the year before. Private sector investment in Tehran fell by 11.7 percent to Rls. 60.3 trillion (20.3 percent of total investment in urban areas). Moreover, investment in new buildings of large cities and other urban areas declined by 5.1 and 2.5 percent, respectively. Reduction in investment in new buildings in urban areas in 2009/10 (at current prices) is attributable to the recession prevailing in the construction and housing sector as well as adjustment in construction costs, especially decrease in the price of construction materials. In this year, the total number of residential buildings completed by private sector in urban areas came to 667.0 thousand with a total floor space of 83.6 million square meters. This shows 10.9 and 14.0 percent growth in number and floor space, respectively, compared with the previous year.

Facilities Extended to the Housing Sector

Outstanding facilities (net) extended by banks and credit institutions to non-public housing sector

increased by 20.4 percent to Rls. 402.6 trillion compared with end-2008/09. Meanwhile, based on the report released by Bank Maskan, in 2009/10, Rls. 81.6 trillion facilities (excluding profit receivables) were paid in the form of 477.6 thousand contracts, showing respectively 88.3 and 43.0 percent rise compared with the previous year. In 2009/10, facilities extended by Bank Maskan in the form of civil partnership and installment sale amounted to Rls. 43.2 and 34.7 trillion, indicating 198.7 and 27.8 percent increase, respectively. Active participation of Bank Maskan in the extension of facilities to the Mehr Housing Program is the main factor behind the remarkable rise in civil partnership facilities.

Based on Central Bank proposal and the approval of the Money and Credit Council, a credit line facility of Rls. 35 trillion was made available for the year 2009/10. This facility will be used to extend credit to Mehr housing developers and contractors. Based on CBI guidelines, the Mehr housing developers and contractors will receive up to Rls. 250 million for each unit of housing during the construction period, of which a maximum of Rls. 180 million can be transferred to final purchasers under installment sale contracts. Moreover, under the monetary policy and Supervisory-Policy Package of CBI for 2009/10, banks and non-bank financial institutions (excluding Bank Maskan) were banned from providing mortgage credit facilities for housing purchase to their subsidiaries, as this would encourage speculative behavior in the housing market. On this basis, facilities paid to Mehr Housing Program on land preparation and housing construction amounted to Rls. 2.6 and 7.4 trillion, showing 282.4 and 1,593.2 percent growth compared with last year's performance.

(contracts)	Scheduled Facilities ¹				(billion rials)	
	Number		Amount		Percentage change	
	2008/09	2009/10	2008/09	2009/10	Number	Amount
Land preparation	90,303	285,942	692.1	2,646.7	216.6	282.4
Land allocation on a 99-year lease	10,681	138,752	439.8	7,446.9	▣	▣
Rental houses	16,947	15,160	1,402.9	1,631.3	-10.5	16.3
Construction of housing in old urban areas	11,633	14,183	1,143.8	1,817.8	21.9	58.9
New technologies and industrial construction	21,363	7,493	2,110.2	980.2	-64.9	-53.5
Renovation and refurbishment of rural housing	171,765	166,538	10,364.9	9,124.1	-3.0	-12.0
Special groups	22,674	20,509	2,627.7	2,656.2	-9.5	1.1
Total	345,366	648,577	18,781.4	26,303.2	87.8	40.0

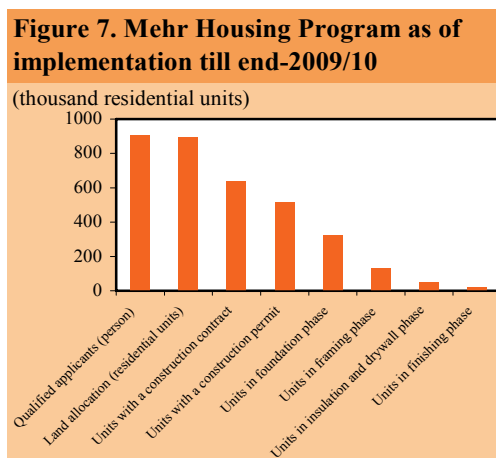
¹ These facilities are paid according to Paragraph 6, Budget Law for 2007/08, and the Law on Organization and Support for Production and Supply of Housing.

Government Performance in Acquisition of Non-financial Assets in the Housing Sector and Contribution to Mehr Housing Program

According to the Budget Law for 2009/10, a sum of Rls. 13.8 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. 12.1 trillion was paid by the government by end-2009/10, indicating 88.0 percent realization compared with the approved figure.

The performance of Mehr Housing Program showed great advancements until end-2009/10. Statistics indicate that by end-2009/10, 904.9 thousand applicants registered for housing under this program and the allocated land for the program reached the capacity of 892.4 thousand units. Meanwhile, 638.4 thousand construction contracts were concluded in this year. Therefore, the ratio of units with a construction contract to total qualified applicants was 70.5 percent. Moreover, 321.8 thousand units are in the foundation and subsequent phases. Accordingly,

35.6 percent of qualified applicants entered the phase of construction.



Housing Sector Price Indices

The land price index was affected negatively due to the slowdown of activities in the housing sector and declined 8.5 percent in the first nine months of 2009/10. The highest decrease in this index by 11.3 percent was related to Tehran. Construction services price index surged by 9.6



percent, which was lower than CPI growth (10.8 percent). The highest growth in the sub-groups of the mentioned index is related to "wage of skilled plumber" and "wage paid for cementing" by 17.3 and 12.2 percent, respectively. Meanwhile, the producer price index of construction materials fell by 5.4 percent compared with the year before, mainly due to decrease in "metallic construction materials" by 13.8 percent.

Transportation

In 2009/10, a sum of Rls. 34.6 trillion was approved for the implementation of acquisition of non-financial assets projects in the road and transportation sector, showing 67.7 percent increase compared with the approved figure for the previous year. According to the Treasury General, the government spent Rls. 27.1 trillion for the implementation of transportation sector projects, up by 62.7 percent compared with the previous year and indicating 78.3 percent realization compared with the approved figure. The target of the 4th FYDP was fully realized in "strategic plan for development of road transport", "reinforcement of buildings", and "applied research".

In 2009/10, the number of passengers carried by roads grew by 6.1 percent to 897.8 million persons. Meanwhile, 515.7 million tons of goods were carried and 5.8 million tons of goods were transited through roads, showing 0.8 and 22.3 percent increase, respectively, compared with the previous year.

In the review year, the average age of vehicles in the public transport system (passenger

and freight) reached 10.7 and 16.1 years, respectively, well below the target set for the year under the 4th FYDP (10.3 and 10 years, respectively).

Figure 8. Number of carried passengers

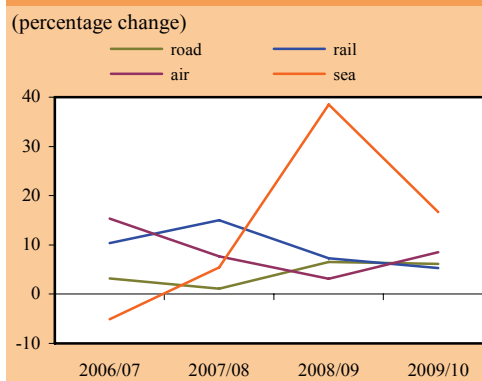
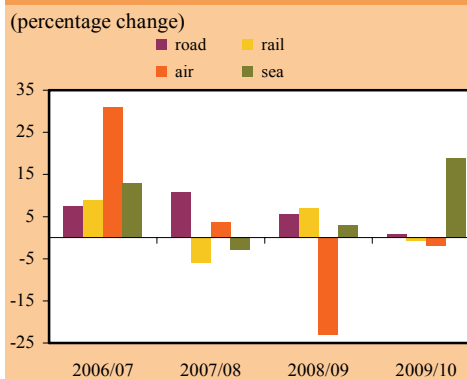


Figure 9. Volume of carried goods



In this year, total goods (domestic and transit) and passengers carried by rail amounted to 32.8 million tons and 27.7 million persons, indicating 0.9 percent fall and 5.3 percent rise, respectively, compared with the year before.

In the rail transport sector, 147.2 and 323 kilometers of railroads were put under renovation and improvement programs, showing 77.1

and 65.8 percent realization of the target set in the 4th FYDP.

Total number of locomotives rose by 2.2 percent to 659, indicating a realization of 79.3 percent compared with the target set in the 4th FYDP. Furthermore, the ratio of "locomotives in service to total locomotives", with 3.3 percentage points increase, reached 60.6 percent.

In the sea transport sector, the nominal capacity of commercial ports reached 150 million tons, showing 5.6 percent increase compared with the previous year and 100.8 percent realization compared with the target set in the 4th FYDP. Moreover, the capacity of the commercial sea transportation fleet was 5.4 million tons, up by 10.2 percent compared with the year before.

In this year, ports container capacity was raised by 10 percent to 4.4 million TEU¹. Container operations in commercial ports grew by 23.2 percent, from 2.2 million TEU in 2008/09 to 2.7 million TEU in 2009/10, indicating 61.5 percent utilization of ports capacity in container transport. The number of passengers embarking and disembarking at ports reached 6.8 million persons, showing a realization of 117.2 percent compared with the Plan target.

Total number of passengers departing and arriving at airports reached 36.3 million, showing 10.3 percent growth compared with the previous year and 118.6 percent realization compared with the target set in the 4th Plan.

The amount of cargo carried by air increased by 11.8 percent to 38 thousand tons domestically, and decreased by 7.1 percent to 83 thousand tons internationally.

Population and Employment

Based on the Statistical Center of Iran (SCI) estimates, Iran's total population grew by 1.5 percent to 73.6 million persons in 2009/10, of whom 50.8 percent were male. Rate of urbanization in this year increased to 71 percent compared with the previous year. Meanwhile, 52.3 million persons dwelled in urban and the remainder in rural areas.

According to the SCI data drawn from labor force census, active population was estimated at 23.8 million persons in the review year, up by 4.1 percent compared with the year before. This increase was due to the rise in the number of university graduates. The lion's share of population belongs to the age group of 15-25; therefore,

Performance of Key Indices in Air Transport Sector

	Unit	Performance			Percentage change	
		2007/08	2008/09	2009/10	2008/09	2009/10
Airport capacity for departures and arrivals	million persons	73	73	73	0.0	0.0
Air fleet productivity	hours	7.2	7.0	7.0	-2.8	0.0
Share of non-public sector in domestic flights ¹	percent	44.9	52.2	53.1	7.3	0.9
Share of non-public sector in international flights ¹	percent	53.4	49.6	57.2	-3.8	7.6

¹ Percentage change is in percentage point.

¹ Twenty-foot Equivalent Unit



the active population is expected to grow even further in the coming years. Of total active population, 81.5 percent were male.

In this year, labor force participation rate reached 38.9 percent, indicating 2.4 percent rise compared with the previous year. Participation rates for men and women rose to 62.8 and 14.5 percent, respectively, compared with the previous year. Increase in the number of university graduates¹ entering the labor market, who enjoy a high rate of participation, along with the preparation of appropriate grounds for the presence of women in the labor market are among factors that contribute to the surge in participation rate and the job-seeking population. One of the characteristics of the labor market over the recent years has been the growing trend of the supply of labor force.

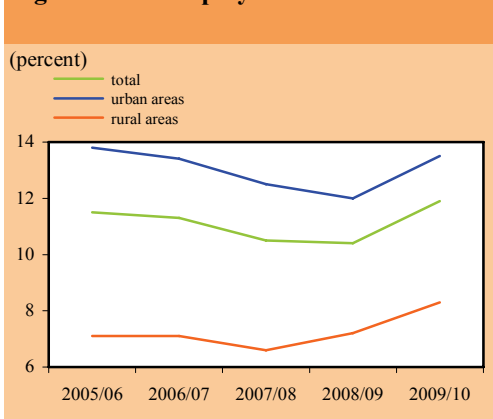
A review of employment by economic sectors reveals that the number of employed persons went up by 2.4 percent to 21.0 million persons in 2009/10. Of this figure, the highest share was related to services and the lowest to agriculture. The shares of agriculture, manufacturing², and services sectors in employment were 20.8, 31.8, and 47.4 percent, respectively, in 2009/10. Comparison of these figures with those of the previous year indicates that the shares of agriculture and manufacturing sectors fell and that of services sector went up.

Comparing supply and demand of labor force in recent years indicates that despite the rise

in the number of job opportunities, new job openings fell well below labor supply increases, resulting in rises in unemployment. The Iranian economy is facing the difficult challenge of the rising gap between supply and demand of labor which has led to rising unemployment rate over the past few years, particularly among youth, women, and newly graduated entrants into labor market.

According to the SCI, unemployment rate was 11.9 percent in 2009/10, indicating 1.5 percentage points rise compared with the year before. This rate was 13.5 percent in urban and 8.3 percent in rural areas, up by 1.5 and 1.1 percentage points, respectively. Meanwhile, unemployment rate among the population of 15-24 reached 24.7 percent, showing a rise of 1.7 percentage points and among the population of 15-29, it grew by 1.7 percentage points to 22.1 percent.

Figure 10. Unemployment rate



Male and female unemployment rates were 10.8 and 16.8 percent, showing 1.7 and 0.1 percentage points increase, respectively.

¹ The number of university students in 2005/06 was 2.4 million persons, a large number of whom are expected to enter the labor market in the review year.

² Manufacturing sector includes all manufacturing and mining activities and the extraction of oil and gas.

In the review year, financial resources required for employment creation out of Note 2, Budget Law for 2005/06 and the Small and Medium Enterprises (SMEs) Projects grew moderately compared with the previous year. The government stabilization policies with the aim of curbing inflation and decline in foreign exchange revenues following drop of international crude oil prices were responsible for the low performance of facilities extended for the creation of employment opportunities.

Technical and Credit Assistance to the Private and Cooperative Sectors

In 2009/10, in the framework of Note 2 to the Budget Law for 2005/06, outstanding credits for contracts concluded out of banks' domestic resources amounted to Rls. 7,937.4 billion, up by Rls. 4.7 billion compared with end-2008/09. Meanwhile, President Deputy for Strategic Planning and Control deposited Rls. 1,186.1 billion into banks accounts, showing a rise of Rls. 10.8 billion compared with end-2008/09. Therefore, outstanding paid facilities amounted to Rls. 2,839.8 billion at the end of 2009/10, up by 3.6 percent compared with the year before. The growth of past due loans and banks arrears has been noticeable in 2009/10. The ratio of total amount of past due loans and banks arrears to banks total outstanding loans was 10.4 percent at the end of 2009/10, up 1.6 times compared with the 6.5 percent of end-2008/09.

Facilities Extended by Banks to SMEs

By end-2009/10, the share of SMEs as allocated by the CBI remained relatively unchanged

at Rls. 467,680 billion. The government stabilization policy measures, the lack of availability of funds for some projects, limitation of banks' loans, high overdraft of banks from CBI, and large amount of banks credit arrears were the reasons behind the freezing of SMEs' facilities.

In this year, the value of projects referred to banks was Rls. 631,733.4 billion, of which Rls. 297,269.2 billion projects were approved, indicating 4.8 and 5.5 percent increase, respectively, compared with end-2008/09. Outstanding facilities paid by banks out of this source rose 10.2 percent to Rls. 228,573.6 billion, with each employment opportunity enjoying Rls. 131.1 million. A sum of Rls. 8,993.7 and 10,041.3 billion of the principal of these facilities were overdue and non-performing, respectively.

Facilities Extended from the OSF

Review of the performance of facilities extended by banks indicates that, in the first eight months of 2009/10, total outstanding facilities demanded and contracts concluded were \$22,591.0 and 15,315.0 million, showing \$418.0 and 1,028.0 million rise, respectively, compared with the previous year-end.

Outstanding foreign exchange facilities out of the OSF were \$9,722.0 million in November 2009, indicating 12.7 percent increase compared with end-2008/09 (\$8,601.9 million). Moreover, outstanding non-current foreign exchange claims reached \$5,003.2 million, up by 43.3 percent compared with end-2008/09. A large portion of foreign exchange facilities was paid from the OSF in this year.



Fiscal Sector Developments

Government Budget and Finance

Budget Law for 2009/10, as the last Budget Law during the course of the 4th Plan, was drawn up within the framework of the Twenty-Year Vision Plan, sectoral, trans-sectoral and provincial Development Plan Documents of the country, general policies of Article 44 of the Constitution as well as general policies of the government.

According to the 2009/10 Budget, total government budget sources including revenues, disposal of non-financial assets, and disposal of financial assets amounted to Rls. 892,132.8 billion. Expenses, acquisition of non-financial assets, and acquisition of financial assets totaled Rls. 977,132.8 billion. To balance sources and uses, Rls. 85 trillion was financed through "reduction in credit allocation during budget implementation". Out of the government budget sources, revenues accounted for 51 percent, disposal of non-financial assets 19 percent, and disposal of financial assets 30 percent. Expenses, acquisition of non-financial assets, and acquisition of financial assets constituted respectively 60.5, 29.1, and 10.4 percent of the approved uses.

According to the Amended Law of the Single Article and budgetary items of the Budget Law for 2009/10 (enacted on August 1, 2009), and the Law on the Amendment to the Budget Law for 2009/10 (enacted on January 26, 2010), total government budget sources and uses (approved) amounted to Rls. 892,132.8 billion. Out of this amount, share of revenues was 54.3 percent, disposal of non-financial assets 19.1 percent, and disposal of financial assets 26.6 percent of approved (amended) sources. Expenses, acquisition of non-financial assets, and acquisition

of financial assets accounted for respectively 68.2, 24.3, and 7.5 percent of the approved (amended) uses.

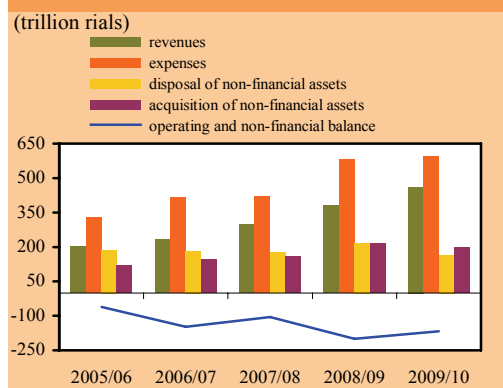
In this year, government general revenues totaled Rls. 460,737.1 billion, representing a rise of 21.5 percent compared with the preceding year and 95 percent realization against the amended approved figure. Share of tax revenues in total revenues increased from 63.2 percent in 2008/09 to 65.1 percent in the review year. Government tax revenues reached Rls. 300,035.5 billion in 2009/10, indicating 25.1 percent growth against the previous year and 3.9 percent under-realization compared with the amended approved figure. Direct tax revenues faced an excess-realization of 1.6 percent, and indirect taxes an under-realization of 14.5 percent. The highest share in tax revenues, 69.7 percent, belonged to direct taxes, as previous year.

Taxes to expenses ratio declined from 40.7 percent in 2005/06 to 36.5 percent in 2006/07, rose to 45.5 percent in 2007/08, decreased to 41.1 percent in 2008/09, and increased to 50.5 percent in the review year. Therefore, government reliance on tax revenues to finance expenses, which declined in 2008/09 as compared with the year before, rose again in 2009/10.

In the review year, other government revenues went up by 15.1 percent to Rls. 160,701.6 billion, showing a realization of 93.1 percent against the amended approved figure.

Revenues received from disposal of non-financial assets decreased by 24.1 percent to

Figure 11. Government budget



Rls. 164,422.3 billion, indicating 96.8 percent realization compared with the approved figure. Of total disposal of non-financial assets, Rls. 163,626.5 billion and Rls. 795.8 billion were related to "sale of oil and oil products", and "sale of movable and immovable assets", respectively, down by 24.1 and 19.3 percent compared with the previous year. Reduction in "sale of oil and oil products" was due to inclusion of the figures for transparency of energy carriers and gasoline imports in 2008/09. Therefore, by the exclusion of the mentioned figures, "sale of oil and oil products" rose 11.4 percent in 2009/10 against previous year. Receipts from "sale of movable and immovable assets" faced 7.8 percent realization against the approved figure. Receipts from sale of crude oil increased by 8.3 percent to Rls. 158,996.5 billion, representing 3.8 percent excess-realization compared with the approved figure.

Disposal of financial assets, comprising domestic and foreign financing, declined by 10.6 percent to Rls. 220,113.8 billion, indicating 92.7 percent realization compared with the amended approved figure. The 7.3 percent under-realization in disposal of financial assets was largely owing to 27.7 percent under-realization in privatization of public corporations.

In 2009/10, withdrawals from the OSF decreased by 37.3 percent to Rls. 133,117 billion, indicating 100 percent realization compared with the approved figure. Of total sources for disposal of financial assets, 60.5 percent was financed through withdrawals from the OSF.

Review of the sources of government general budget indicates that share of oil revenues was 49.3 percent. The corresponding figures for the previous year (with inclusion and with exclusion of the figure for transparency of energy carriers and imports of gasoline and gas oil) were 61.7 and 58.2 percent, respectively.

In the review year, the government expenses went up by 1.9 percent to Rls. 593,783.9 billion, signifying 97.6 percent realization compared with the amended approved figure. Expenses, excluding the figures for transparency in the subsidy of energy carriers and gasoline imports in 2008/09, rose 15.5 percent compared with the year before. Furthermore, national and provincial expenses constituted respectively 94.4 and 5.6 percent of the government expenses.

Government General Budget Revenues¹

(billion rials)

	2007/08	2008/09	2009/10	Share (percent)		
				2007/08	2008/09	2009/10
Revenues	298,203.1	379,338.4	460,737.1	100.0	100.0	100.0
Tax revenues	191,815.3	239,741.4	300,035.5	64.3	63.2	65.1
Other revenues	106,387.8	139,597.0	160,701.6	35.7	36.8	34.9

¹ Exclude special revenues and expenditures.



In 2009/10, government paid Rls. 198,173.1 billion for the acquisition of non-financial assets, representing a fall of 11.1 percent compared with the preceding year and 91.2 percent realization against the amended approved figure. Of total payments by the government for the acquisition of non-financial assets, 81.2 percent were in the form of national and 18.8 percent in the form of provincial expenses.

Thus, the government operating balance ran a deficit of Rls. 133,046.8 billion, down by 34.6 percent compared with 2008/09. Net disposal of non-financial assets posted a deficit of Rls. 33,750.8 billion, indicating 71.3 percent realization compared with the approved figure. Government operating balance deficit together with net deficit of disposal of non-financial assets brought about the Rls. 166,797.6 billion deficit of the operating and non-financial balance, down by 20.5 percent compared with the previous year deficit. Operating and non-financial balance deficit was largely financed through net disposal of financial assets. It should be noted that disbursements on the acquisition of financial assets by Rls. 53,316.2 billion, on the one hand, and government receipts for the disposal of financial assets by Rls. 220,113.8 billion, on the other, brought about the Rls. 166,797.6 billion surplus of net disposal of financial assets.

External Sector Developments

Foreign Trade

According to preliminary data released by the Islamic Republic of Iran's Customs Administration, trade through Customs, in terms of value and volume, increased by 2.9 and 27.0 percent,

respectively, compared with 2008/09. Share of exports in total, in terms of value and volume, rose by respectively 3.2 and 4.3 percentage points to 27.9 and 47.3 percent.

In 2009/10, value of exports went up by 16.3 percent to \$21,321 million compared with the corresponding figure of the previous year. Meanwhile, weight of exports amounted to 46,470 thousand tons, up by 39.8 percent compared with 2008/09. Rise in the value of exports was mostly due to rise in the volume (weight) of exported goods. In the review year, unit price of each ton of exported goods declined by 16.8 percent to \$459, compared with the year before.

Review of the exported goods, in terms of value, indicates that "oil and gas products" had the highest share in total by 18 percent, followed by "organic and inorganic chemicals" 13.1 percent, "plastic materials" 10.6 percent, "metals and articles thereof" 8.9 percent, as well as "fresh and dried fruits" 8.1 percent. Share of these goods in total exports decreased by 6.2 percentage points to 58.6 percent, compared with the preceding year. This was mainly owing to decline in export of "chemicals" and sharp fall in exports growth of "oil and gas products".

Review of the exported goods, in terms of volume, reveals that "metallic mineral ores" had the lion's share of 24.3 percent, followed by "soil and stone, cement, plaster, stone and ceramic products" by 21.1 percent, "chemicals" 17.8 percent, and "oil and gas products" 16.4 percent. Share of these goods in weight of exported goods, with 2.2 percentage points increase, reached 79.5 percent, compared with

previous year. This rise was largely due to growth in the export volume of "metallic mineral ores" by 76.2 percent, and "soil and stone, cement, plaster, stone and ceramic products" by 92.6 percent in the review year.

In 2009/10, value of imports (cif) decreased by 1.5 percent to \$55,189 million, against the corresponding figure of last year. Meanwhile, the volume of imports went up by 17.4 percent to 51,851 thousand tons, compared with 2008/09. Reduction in the value of imports was mostly due to fall in the price of imported goods in terms of US dollar. In the review year, unit price of each ton of imported goods decreased by 16.2 percent to \$1,064, compared with previous year.

Composition of imports by use indicates that share of consumer goods in total imports rose 1.6 percentage points to 15.3 percent, compared with the corresponding figure of the preceding year. Share of intermediate goods and capital goods decreased from respectively 67.5 and 18.8 percent in 2008/09 to 66.8 and 17.9 percent in the review year. This was mainly due to the fact that the data for the mentioned year is preliminary and GDP growth fell in recent years.

Review of the imported goods, in terms of value, reveals that the highest share belonged to

"machinery and transportation vehicles", "iron and steel", "gasoline and gas oil", and "grains and their derivatives" by respectively 32.6, 14.8, 9.7, and 6.4 percent. Share of these goods in total imports reached 63.5 percent, down by 2.6 percentage points.

Review of the volume of imports indicates that the highest shares belonged to "iron and steel", "grains and their derivatives", and "gasoline and gas oil" by 23.3, 22.2 and 17.9 percent, respectively. Share of these goods in total imports rose 2.9 percentage points to 63.5 percent. This was mainly owing to 98.5 percent increase in the import volume of "gasoline and gas oil" in the review year.

Balance of Payments

Continued rise in current account surplus, started in 2005/06 upon the surge in global price of crude oil, was reversed in 2008/09 and this decreasing trend ran into 2009/10. In the review year, current account surplus declined by 52.4 percent to \$10,908 million, largely due to decrease in surplus of goods account and foreign assets yields as well as increase in deficit of services account. Moreover, non-oil current account deficit after constant rise in previous years, reached \$52.3 billion, down by 5.3 percent.

Value of Imports by Main Components

(million dollars)

	2007/08	2008/09	2009/10	Percentage change		Share (percent)	
				2008/09	2009/10	2008/09	2009/10
Grains and their derivatives	1,201	4,434	3,514	269.1	-20.7	7.9	6.4
Gasoline and gas oil	3,946	4,081	5,379	3.4	31.8	7.3	9.7
Iron and steel	8,803	9,307	8,146	5.7	-12.5	16.6	14.8
Machinery and transportation vehicles	16,493	19,171	17,984	16.2	-6.2	34.2	32.6
Others	17,996	19,049	20,166	5.9	5.9	34.0	36.5
Total	48,439	56,042	55,189	15.7	-1.5	100.0	100.0



Current Account Balance

(million dollars)

	2007/08	2008/09	2009/10	Percentage change	
				2008/09	2009/10
Current account balance	32,594	22,903	10,908	-29.7	-52.4
Goods	39,427	31,090	20,936	-21.1	-32.7
Services	-8,429	-9,876	-10,442	17.2	5.7
Income	954	1,328	-9	39.2	0
Current transfers	642	362	424	-43.5	17.0
Current account balance (non-oil)¹	-45,663	-55,900	-52,317	22.4	-5.3

¹ Excludes value of exports and imports of crude oil, oil products, natural gas, condensates and natural gas liquids (Tariff codes: 2709, 2710 and 2711) by NIOC, NIGC, NIORDC, petrochemical companies, and others (customs and non-customs).

In 2009/10, surplus of goods account (trade balance) declined by roughly 32.7 percent to \$20.9 billion compared with previous year. This was largely due to reduction of exports by 13.6 percent and imports by 5.1 percent. Furthermore, in this year for the first time after a long period, non-oil deficit of goods account (trade balance) decreased by 11.4 percent to \$42.3 billion.

In 2009/10, total value of exports reached nearly \$87.5 billion, down by 13.6 percent compared with the year before. Moreover, oil exports¹ declined by 19.4 percent to \$69.8 billion. This was mostly due to fall in the global price

of oil products. Meanwhile, non-oil exports went up by 20.7 percent to almost \$17.7 billion.

According to Balance of Payments Manual, the value of exports and imports is registered at fob prices; however, the value of imports through Customs is registered at cif prices. Therefore, to adjust merchandise import figures from cif to fob, first insurance and transportation costs of imported goods are estimated and deducted from cif value of imports (customs) of goods to arrive at fob valuation. Then, regarding the concept of economic territory², and for the full coverage of imports data, non-customs imports

Value of Exports

(million dollars)

	2007/08	2008/09	2009/10	Percentage change	
				2008/09	2009/10
Export of goods	97,667	101,289	87,534	3.7	-13.6
Oil exports	84,505	86,619	69,825	2.5	-19.4
Customs	1,892	3,140	2,975	66.0	-5.3
Non-oil exports	13,162	14,670	17,709	11.5	20.7

¹ Includes sale of crude oil, oil products, natural gas, condensates and natural gas liquids (Tariff codes: 2709, 2710 and 2711) by NIOC, NIGC, NIORDC, petrochemical companies, and others (customs and non-customs).

² Based on the IMF Balance of Payments Manual (1993), an economic territory refers to: the geographical territory under the control of central government (air, land, sea); embassies, consulates, military bases, scientific centers, information and migration agencies, etc.; and free zones, customs warehouses and trade centers abroad which are controlled by the Customs.

(including imports through free zones, smuggled imports, import of ships and oil tankers, imports of gas and oil products not mentioned in customs, and import of electricity from neighboring countries) are added to the fob price to calculate total value of imports.

In 2009/10, imports (at fob prices) declined by 5.1 percent to almost \$66.6 billion, compared with the year before. This was largely owing to 15.6 percent reduction in import of natural gas and oil products (gasoline and gas oil) as well as fall in the global price of most imported goods.

Deficit in services account rose 5.7 percent to \$10,442 million compared with previous year. Meanwhile, export of services, in terms of value, decreased by 4.8 percent to \$7,628 million, and import of services, in terms of value, increased by one percent to \$18,070 million, compared with 2008/09. In the review year, share of services in international trade¹ rose 1.2 percentage points to 14.3 percent.

In 2009/10, "transportation", "travel", and "construction services" had the highest shares in export of services by respectively 50.8, 26.4, and 12.5 percent, constituting 89.7 percent of total exports of services. Moreover, in the review year, "travel", "transportation", and "construction services (technical and engineering)" had the highest shares in import of services by respectively 50.4, 28.7, and 4.4 percent, accounting for 83.5 percent of total imports of services.

Income account ran a deficit of \$9 million. The deficit of this account implies a sharp

¹ Total export and import of services divided by total export and import of goods and services

reduction of yields on foreign assets in the mentioned year. This was due to abrupt decline in interest rates in global markets as well as changes in the composition of foreign assets.

In 2009/10, current transfers account surplus increased by 17 percent to \$424 million, due to rise in credits by 11.5 percent and debits by 6.1 percent.

In the review year, capital and financial account deficit decreased by 66.1 percent to \$6,163 million, compared with the corresponding figure of previous year. This was largely due to financial account deficit, which declined by 67.6 percent to \$5,770 million². Increase in claims due to export credit facility³, intensification of restrictions on foreign financing, repayment of a part of foreign liabilities and rise in foreign assets of the banking system were the key driving forces behind the financial account deficit in 2009/10.

Total external obligations declined by 2.7 percent from \$45,671 million in 2008/09 year-end to \$44,427 million at end-2009/10. Actual external obligations rose 0.1 percent to \$21,527 million, while the contingent obligations fell by 5.3 percent to \$22,900 million, compared with end-2008/09. Share of long-term debts was about 59.2 percent in 2009/10 year-end, down by nearly 10 percentage points compared with the corresponding figure of previous year.

² Given that increase in foreign assets and decline in foreign liabilities are both reflected by negative sign in this account, hence note should be taken in interpretation of deficit or surplus.

³ A large portion of foreign exchange earnings of oil exports of the year 2009/10 is received in the year after. This delay in oil income receipt results in a claim on foreign entities and is usually treated as export credit facility and registered as a negative item in financial account of balance of payments.



Financial Sector Developments

Money and Banking

Liquidity and its Determinants

Liquidity growth reached almost 23.9 percent, up by 8 percentage points compared with previous year. In 2009/10, net foreign assets of the banking system increased by Rls. 121 trillion, constituting 6.4 percentage points of liquidity growth. This was owing to Rls. 92.7 trillion increase in net foreign assets of the CBI (accounting for 4.9 percentage points of liquidity growth), and Rls. 28.3 trillion rise in net foreign assets of banks and credit institutions (constituting 1.5 percentage points of liquidity growth).

In 2009/10, net domestic assets of the banking system went up by Rls. 333.6 trillion, raising liquidity by 17.5 percentage points. This was largely due to rise in non-public sector indebtedness (15.9 percent) and net claims on the government (101.6 percent), accounting for respectively 13.9 and 6 percentage points of liquidity growth, up by 1.9 and 9.3 percentage points compared with last year. Reduction in the government deposits with the CBI by Rls. 57.7 trillion was the main reason for the rise in the share of net claims on the government in liquidity growth. It is worth mentioning that net claims on the government had a negative growth in recent years, registering -22.4 percent in 2007/08 and -90.7 percent in 2008/09.

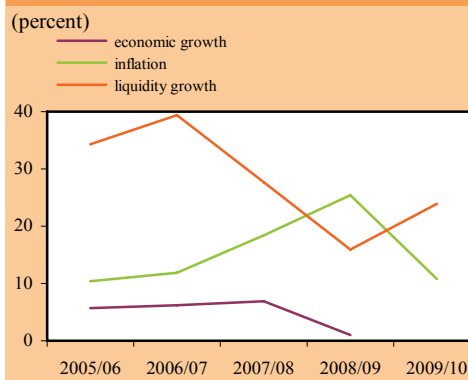
Furthermore, other items (net) had a decreasing effect of 2.2 percentage points on liquidity growth.

Share of Money in Liquidity

The share of money in liquidity at end-2009/10 was reduced by 2.1 percentage points to 25.5

percent compared with the year before. Meanwhile, the share of demand deposits in liquidity reached 17.4 percent at end-2009/10, down by 1.9 percentage points compared with end-2008/09. This was mainly due to a reduction in the net amount of checks issued by banks, and their replacement with CBI Iran-Checks.

Figure 12. Major economic variables



Factors Affecting Monetary Base

Monetary base rose by 11.9 percent in 2009/10, indicating a fall of 35.7 percentage points, compared with previous year.

In the review year, net foreign assets of the Central Bank grew by 16.5 percent compared with end-2008/09, accounting for 17.2 percentage points of the monetary base growth.

In 2009/10, net claims of the Central Bank on the public sector, with an increasing share of 11.4 percentage points, was among increasing factors affecting monetary base growth. This was mainly attributable to 3.6 percent rise in public sector indebtedness to the Central Bank

(Rls. 4.7 trillion), and 23.7 percent fall in public sector deposits with the CBI (Rls. 56.8 trillion).

In the review year, CBI's claims on banks, with a decreasing effect of 13.1 percentage points on the monetary base growth, declined by 29.5 percent (Rls. 70.8 trillion), indicating 41 percentage points reduction compared with last year (increasing effect of 27.9 percentage points). This was owing to short-term credit lines extended by CBI to commercial and specialized banks to settle claims of CBI emanating from repurchase of Iran-Checks by these banks. The CBI extended these lines to banks so that they do not contract lending operations to productive sectors.

Besides these factors, other items (net) had a decreasing effect of about 3.6 percentage points on the monetary base growth.

Components of Money Multiplier

Money multiplier went up by 10.7 percent to 3.902, compared with the 21.5 percent fall in the preceding year. This was due to the reduction in its three main components: the 13.3 percent fall in the ratio of excess reserves to total deposits (largely owing to fall in the balance of banks' funds), which raised money multiplier by 0.1502 unit, as well as the 13 percent decrease in the ratio of reserve requirement to total deposits, which brought about 0.2118 unit increase in money multiplier. On the other hand, 1.8 percent reduction in the ratio of notes and coins with the public to total deposits raised the mentioned variable by 0.0150 unit.

Non-public Sector Deposits

Balance of non-public sector deposits with banks and credit institutions reached Rls. 2,163.6 trillion

at end-2009/10, up by 24.1 percent compared with the previous year-end. Share of these banks and credit institutions out of total deposits of non-public sector was 62.4 percent at end-2009/10, indicating a rise of 38.6 percentage points compared with previous year. The increase in the said shares was due to a new classification of banks resulting from privatization of Bank Saderat Iran, Bank Mellat, Bank Tejarat, and Bank Refah.

Non-current Claims (overdue, non-performing, and doubtful assets)

The ratio of non-current claims on public and non-public sectors to total facilities extended by banks and credit institutions increased by 0.7 percentage point from 17.5 percent in 2008/09 to 18.2 percent in 2009/10 year-end.

Payment System

In 2009/10, banking system infrastructures for electronic payment and settlement experienced major changes and developments. The Automated Clearing House System (PAYA) as the main infrastructure for processing individual and multiple payment orders was put into operation in January 2010. Moreover, the legal foundation for the Scripless Securities Settlement System (TABAS) as the electronic infrastructure for issuance and settlement of various securities and one of the components of the comprehensive and integrated payment system was established in this year. For the facilitation and standardization of interbank transactions of the Iranian banks, Iran Bank Account Number (SHEBA) was established, and declared to banks for implementation.



Notes and Coins

For the 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 designed to replace those issued by commercial and specialized banks and had been widely used by the public. Central Bank issued Rls. 133.4 trillion Iran-Checks till 2009/10 year-end. With inclusion of CBI Iran-Checks, total notes and coins issued in the review year amounted to Rls. 238.4 trillion.

Notes and coins with the public (including CBI Iran-Checks) increased by 21.9 percent from Rls. 157.8 trillion at end-2008/09 to Rls. 192.3 trillion in 2009/10 year-end. Share of notes and coins with the public in liquidity at end-2009/10 declined by 0.1 percentage point to 8.2 percent, compared with the same period previous year.

Interbank Clearing House

In the review year, 107.5 million checks worth Rls. 7,852 trillion were channeled through the interbank clearing houses. The issue and circulation of CBI Iran-checks as substitutes for check notes issued by banks (including banks' guaranteed checks and banks' Iran-checks) in 2008/09 and the similarity of CBI checks with notes in circulation allayed the need for the settlement of these checks in clearing rooms.

The number of Iran-Checks channeled through this House reached only 516 thousand checks valued at Rls. 565 billion. In the review year, the amount of ordinary checks delivered to the Interbank Clearing House decreased by 39.5 percent, partly owing to replacement of CBI Iran-Checks for those issued by banks as well as collection and cancellation of banks' check notes. Therefore, total value of transactions settled through ordinary checks was Rls. 7,851.5 trillion, down by 3.7 percent. On the whole, total transactions settled through the Interbank Clearing House, in terms of volume and value, declined by respectively 77.7 and 7.3 percent. This was largely due to CBI's success in replacing and canceling check notes issued by banks during 2008/09 and the subsequent reduction in transactions settled through the Interbank Clearing House in 2009/10.

Electronic Payment Instruments

In 2009/10, electronic payment instruments, equipment, and systems in banks network expanded with an admissible growth. The number of cards issued by the banking system rose 45.5 percent to 87.4 million. Among these cards, 77.4 percent (67.6 million) were debit cards, 22.2 percent (19.4 million) prepaid cards, and 0.5 percent (424 thousand) credit cards. Moreover, about 12 thousand e-money cards were issued

Volume and Value of Transactions through Interbank Clearing House

	Volume (million)		Percentage change	Value (trillion rials)		Percentage change
	2008/09	2009/10		2008/09	2009/10	
Iran-checks issued by banks	305.4	0.5	-99.8	319.8	0.6	-99.8
Ordinary checks	176.9	107.0	-39.5	8,149.4	7,851.5	-3.7
Total	482.3	107.5	-77.7	8,469.2	7,852.0	-7.3

by banks till end-2009/10, indicating limited activity of banks in this respect.

Electronic Payment Instruments

	Year-end		Percentage change
	2008/09	2009/10	
Bank cards (thousand)	60,078	87,425	45.5
ATMs	12,959	17,133	32.2
POSSs	763,938	1,147,602	50.2
Pin Pads	27,048	31,853	17.8

In 2009/10, the number of ATMs went up by 32.2 percent to 17,133. The number of Pin Pads and POSSs rose 17.8 and 50.2 percent, respectively. Therefore, the number of POSSs was raised to more than one million by end-2009/10, revealing banks' favorable performance in expanding electronic payment devices.

Electronic Transactions

In 2009/10, along with the expansion of electronic payment technology and equipment, banks' electronic transactions increased remarkably. Interbank electronic transactions processed by the banking system, in terms of volume and value, grew by 78.7 and 127.9 percent, respectively. Despite the high growth in the number of transactions processed through POSSs by 138.7 percent, the highest share in total electronic

transactions still belonged to ATMs by 77.5 percent. Share of Pin Pads in total transactions was 12.8 percent, indicating a surge against the respective figure for previous year (9.6 percent). It is expected that by the extensive use of credit cards, prepaid cards, and POSSs, the share of transactions through POSSs increases and the use of notes decreases.

The number of daily transactions through POSSs rose by 138.7 percent from 89 million in 2008/09 to 212 million in the review year, raising total value of transactions through POSSs by 174.6 percent. Moreover, the number and value of transactions processed through Pin Pads went up by 311.1 and 131.1 percent, respectively, in 2009/10 compared with last year, indicating a rise in the use of new payment instruments in daily transactions by the public.

SHETAB

Interbank transactions, which account for a large number of electronic transactions processed through the banking system, are processed through Interbank Information Transfer Network (SHETAB). The number of interbank electronic transactions processed through ATMs and POSSs increased by respectively 38.2 and 191.3 percent to over 647 and 164 million in 2009/10. Further use of electronic payment

Volume and Value of Electronic Transactions Processed through the Banking System

	Volume (million)		Percentage change ○	Value (trillion rials)		Percentage change ○
	2008/09	2009/10		2008/09	2009/10	
Total electronic transactions through the banking system	928	1,658	78.7	682	1,555	127.9
ATMs	800	1,285	60.8	263	565	114.9
POSSs	89	212	138.7	48	132	174.6
Pin Pads	39	161	311.1	371	858	131.1



instruments raised total interbank transactions processed through SHETAB to 811.9 million, registering a rise of 128.4 percent in net value of interbank transactions cleared through SHETAB at Rls. 73.6 trillion compared with previous year.

In 2009/10, over 28.7 million transactions were settled by ATMs through Retail Funds Transfer System (SAHAB), indicating 244.5 percent growth compared with preceding year. Moreover, about 679 thousand transactions were settled via Pin Pads for interbank electronic transfer of funds through SAHAB. The number of transactions processed via the Internet for funds transfer went up 79.6 times compared with 2008/09; therefore, nearly 29.8 million interbank transactions worth Rls. 136.4 trillion were settled through SAHAB. Regarding this upward trend, it is expected that retail funds transfer increases in the future and the

use of interbank checks, Iran-Checks and notes relatively decreases.

SATNA

The positive trend of developing and extending the customer to customer real time electronic payment services through RTGS (Real Time Gross Settlement) by the CBI and the banking system in 2009/10 brought about a significant rise in the use of these services, in terms of volume and value, by respectively 19.1 and 9 times compared with the respective figures of last year. This upward trend was also witnessed for the bank to bank transactions, transactions channeled through the Interbank Clearing House and those processed through SHETAB, intraday liquidity facility, and transactions settled by the CBI. Thus, total transactions, in terms of volume and value, reached 4.7 million and Rls. 7,701 trillion, up 17.5 and 2.6 times compared with the corresponding figures of 2008/09.

Volume and Net Value of Transactions Processed through SHETAB

	Volume (thousand)		Percentage change ○	Net value (billion rials)		Percentage change ○
	2008/09	2009/10		2008/09	2009/10	
Total transactions through SHETAB ¹	524,879	811,937	54.7	32,224	73,590	128.4
ATMs	468,427	647,493	38.2	..	..	0
POSSs	56,452	164,444	191.3	..	..	0

¹ Includes transactions processed through SAHAB which were reflected in total electronic transactions processed through the banking system.

Volume and Value of Transactions Processed through SAHAB

	Volume (thousand)		Percentage change ○	Value (billion rials)		Percentage change ○
	2008/09	2009/10		2008/09	2009/10	
Total transactions through SAHAB	8,551	29,785	248.3	30,417	136,435	348.5
ATMs	8,346	28,748	244.5	26,655	117,011	239.0
Pin pads	201	679	238.2	3,746	17,901	377.9
Internet	4.5	358	□	16	11,523	□

Volume and Value of Transactions Processed through SATNA

	Volume		Percentage change	Value (trillion rials)		Percentage change ○
	2008/09	2009/10		2008/09	2009/10	
Bank-to-bank	20,408	258,701	▣	391	1,087	177.9
Customer-to-customer	228,646	4,375,838	▣	148	1,333	▣
Settlement of payment systems and interbank clearing houses	13,983	29,049	107.7	970	1,813	87.0
Intraday liquidity facility and transactions settled by the CBI	4,524	8,271	82.8	1,463	3,467	137.0
Total	267,561	4,671,859	▣	2,972	7,701	159.1

Asset Markets

Stock Exchange

Following the decline in TSE indices in the 2nd half of 2008/09, these indices started to improve from the beginning to mid-2009/10. The TSE indices declined afterwards for two consecutive months of November and December. Then they started to rise again from the month of December 2009 till March 2010. All in all, the TSE indicated profound improvements, largely due to improvement in international financial markets and rise in the price of raw materials, substantial supply of public enterprises shares under Privatization Act of Article 44 of the Constitution, prevailing recession in other domestic markets especially in money and housing markets, and diversification of financing instruments.

In 2009/10, all TSE price indices increased compared with previous year. In this year, "TEPIX" surged by 57.4 percent, "financial index" 63.7 percent, "industrial index" 56.0 percent, "main floor index", 61.9 percent, "secondary floor index" 41.0 percent, "50 top companies index" 88.7 percent, and "price and dividend index" 58.8 percent, compared with the year before.

Shares traded in 2009/10 indicated 78.5 and 34.1 percent growth in the number and value of trading, respectively, compared with last year. Moreover, market capitalization rose 45.1 percent compared with 2008/09. In the review year, 54,779.5 million shares of public corporations and

Tehran Stock Exchange (TSE) Indices

(1990/91=100)

	2007/08	2008/09	2009/10	Percentage change		
				2007/08	2008/09	2009/10
TEDPIX (price and dividend index)	36,193.1	32,117.3	51,006.0	17.6	-11.3	58.8
TEPIX	10,081.9	7,966.5	12,536.7	2.7	-21.0	57.4
Financial index	20,882.5	20,552.8	33,641.6	0.5	-1.6	63.7
Industrial index	7,966.9	6,172.6	9,629.5	2.8	-22.5	56.0
50 top companies index	559.2	291.1	549.2	-19.6	-47.9	88.7
Main floor index	9,016.0	6,383.7	10,336.5	-7.8	-29.2	61.9
Secondary floor index	11,046.3	12,563.5	17,710.4	20.5	13.7	41.0

Source: TSE



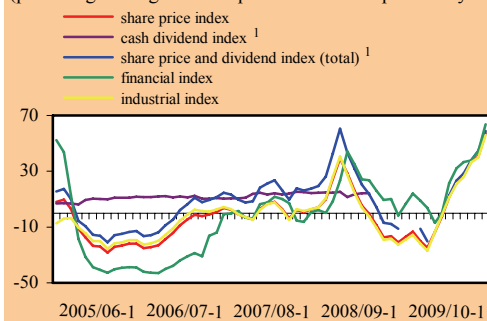
Stock Exchange Indices

	2007/08	2008/09	2009/10	Percentage change	
				2008/09	2009/10
Market capitalization (billion rials)	462,105.3	448,954.9	651,428.0	-2.8	45.1
Shares traded					
Volume (million)	23,400.9	47,975.4	85,625.0	105.0	78.5
Value (billion rials)	73,074.3	137,385.4	184,166.0	88.0	34.1
Shares offered by public sector and banks					
Volume (million)	8,076.8	27,542.7	54,779.5	241.0	98.9
Value (billion rials)	21,730.0	75,879.6	119,189.8	249.2	57.1

institutions worth Rls. 119,189.8 billion were offered by Iranian Privatization Organization as well as specialized holding companies, up by 98.9 and 57.1 percent, in terms of volume and value, respectively, compared with preceding year¹.

Figure 13. 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, 14,666.6 thousand tons of products, valued at Rls. 90,777.5 billion, were traded on Iran Mercantile Exchange, indicating respectively 31.0 and 9.8 percent growth, in terms of volume and value, compared with previous year.

¹ In 2009/10, the lion's share of total value and number of offered shares belonged to Telecommunication Company of Iran by 70.0 and 43.7 percent, respectively.

The value and volume of metals traded on the Metal Products floor reached Rls. 53,842.0 billion and 7,438.5 thousand tons, indicating a fall of 13.3 percent and a rise of 11.4 percent, respectively, compared with last year. The number of metals traded in the review year came to eight. The lion's share in terms of volume and value of traded shares belonged to steel.

In this year, 175.2 thousand tons of agricultural products, worth Rls. 484.8 billion, were traded on Iran Mercantile Exchange, showing one percent increase in terms of volume and 24.7 percent decrease in terms of value, compared with previous year. Among traded products, the volume of trading of barley rose 217.9 percent, tea 28.0 percent, and wheat 5,800 percent, while that of corn and soybean meal fell by 13.1 and 30.6 percent, respectively. The value of trading of barley increased by 105.5 percent and wheat 6,286.3 percent; however, that of corn, soybean meal and tea decreased by 29.7, 33.8 and 3.1 percent, respectively, compared with 2008/09. In June 2009, 10 tons of frozen chicken, valued at Rls. 228.5 million, were traded on the mercantile exchange for the first time. The highest share of trading in terms of volume and value belonged to corn by 59.4 and 55.5 percent, respectively.

Mercantile Exchange¹

	2007/08	2008/09	2009/10	Percentage change	
				2008/09	2009/10
Agricultural Commodity Exchange					
Volume (thousand tons)	273.0	173.5	175.2	-36.5	1.0
Value (billion rials)	772.6	643.7	484.8	-16.7	-24.7
Metal Exchange					
Volume (thousand tons)	6,443.8	6,679.7	7,438.5	3.7	11.4
Value (billion rials)	58,044.2	62,120.6	53,842.0	7.0	-13.3
Oil Products Exchange					
Volume (thousand tons)	89.7	4,339.2	7,052.9	▣	62.5
Value (billion rials)	352.7	19,921.0	36,450.7	▣	83.0
Grand Total					
Volume (thousand tons)	6,806.5	11,192.4	14,666.6	64.4	31.0
Value (billion rials)	59,169.4	82,685.3	90,777.5	39.7	9.8

¹ Including spot, credit and forward transactions

In the review year, 7,052.9 thousand tons of oil products worth Rls. 36,450.7 billion were traded on the mercantile exchange, up by respectively 62.5 and 83.0 percent, in terms of volume and value, compared with preceding year. Bitumen accounted for the lion's share in total trading in terms of volume and value by 63.8 and 43.2 percent, respectively.

Participation Papers

In the review year, of total Rls. 17,700 billion participation papers issued, Rls. 17,696.8 billion were sold. The first phase of issuance on September 28, 2009 was related to Tehran Regional Electric Company (TREC) by Rls. 500 billion, which were sold out. On October 3, 2009, Iran Water and Power Resources Development Company (IWPC) issued Rls. 3 trillion participation papers, Rls. 2,996.8 billion of which were sold. Moreover, on October 31, 2009, Iran Power Development Company (IPDC) issued Rls. 5 trillion participation papers and on February 7, 2010, IWPC issued Rls. 2 trillion participation papers, which were totally sold out. In the review year, Qom Municipality issued Rls. 4 trillion participation papers, Tehran Municipality Rls. 1 trillion,

Esfahan Municipality Rls. 200 billion and Mashhad Municipality Rls. 2 trillion, which were totally sold. The provisional profit rate for all participation papers was 16 percent, and except for participation papers issued by Qom and Tehran municipalities which were on a three-year basis, all other participation papers were on a four-year basis. In 2009/10, governmental-budgetary as well as CBI participation papers were not issued.

At end-2009/10, the outstanding of participation papers with the banking system amounted to Rls. 48,664 billion, up by 13.8 percent compared with the corresponding figure of last year. The outstanding of "government" participation papers with the banking system was Rls. 14,053 billion and "public corporations and institutions" Rls. 28,937 billion, indicating respectively a fall of 14.6 percent and a rise of 34.8 percent, compared with previous year. Moreover, despite non-issuance of participation papers by the CBI in 2008/09 and 2009/10, the outstanding of CBI participation papers¹ was Rls. 225 billion and

¹ These papers were settled by Bank Saderat and Bank Keshavarzi, but due to untimely registration are still reflected in these data.



that of non-public sector with the banking system was Rls. 5,449.0 billion, showing 72.7 percent decrease and 35.2 percent increase, respectively, compared with 2008/09 year-end.

Foreign Exchange and Gold Market

In 2008/09, rial parity against hard currencies was largely affected by developments of global foreign exchange markets; therefore, the annual average rate of Japanese yen, Swiss Franc, US dollar and euro against rial rose by 11.7, 6.9, 3.6 and 2.7 percent, respectively, while that of the pound declined by 4.4 percent, in the official market.

Coefficient of variation¹ of the reference rate of hard currencies indicates lower fluctuations of the rial parity against the said currencies (except Swiss franc) in 2009/10, compared with last year. Furthermore, the highest fluctuations belonged to the rial parity with Swiss franc and the pound, and the lowest to US dollar.

In 2009/10, gold prices in the domestic market were influenced by international gold price, domestic inflation and yields on the alternative assets. In this year, half Azadi gold coin had the highest price rise by 18.1 percent, and the full Azadi gold coin the lowest by 6.7 percent.

Figure 14. Developments of US dollar rate in the official market

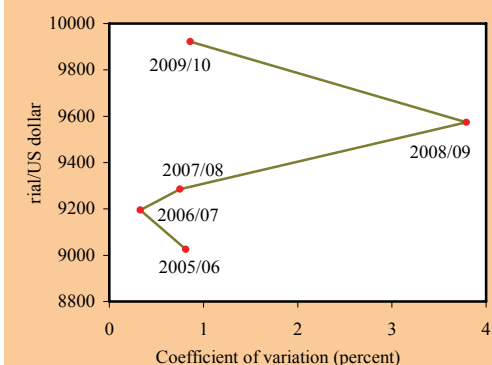
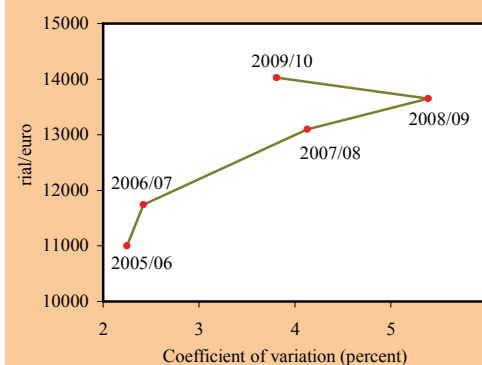


Figure 15. Developments of euro rate in the official market



Rate of Major Currencies in the Main Interbank Market

(rials)

	2007/08		2008/09		2009/10		Percentage change
	Annual average	Coefficient of variation	Annual average	Coefficient of variation	Annual average	Coefficient of variation	Annual average
US dollar	9,285	0.75	9,574	3.79	9,922	0.86	3.6
Euro	13,096	4.13	13,650	5.39	14,025	3.81	2.7
Pound	18,636	1.98	16,566	10.25	15,832	4.03	-4.4
Japanese yen	8,103	5.16	9,564	9.52	10,680	3.59	11.7
Swiss franc	7,986	4.97	8,727	2.76	9,327	4.58	6.9

¹ Standard deviation divided by mean

Average Price of Gold Coins

(thousand rials)

	Year-end			Percentage change
	2007/08	2008/09	2009/10	
One fourth	470	541	631	16.7
Half	883	1,051	1,241	18.1
Full	1,907	2,316	2,471	6.7
New design	1,729	2,055	2,418	17.7

Developments in the Official Exchange Market

The total value of official market transactions (in US dollar, euro, United Arab Emirates dirham (AED) and other currencies) amounted to \$53,344 million in 2009/10, down by 5.5 percent compared with last year. The share of the secondary market rose as previous years to 71.3 percent. Increase in foreign exchange cash transactions was due to restrictions imposed on foreign exchange transfers abroad and the facilitation of offshore market transactions which led to sharp increases in the share of the secondary foreign exchange market.

In 2009/10, the total value of transactions in the main market, in terms of US dollar, decreased by almost 17.7 percent to \$15,320 million. The CBI with over 77.6 percent (\$11,884 million) of foreign exchange sales in the main market, is still the sole provider of foreign exchange in this market.

In the review year, total value of transactions in the secondary market reached \$38,024 million, up by 0.5 percent compared with previous year. In this market, also the CBI with over 98 percent (\$37,303 million) sales is the main provider of foreign exchange.

Interbank Market Transactions

(million dollars)

	Year-end			Percentage change
	2007/08	2008/09	2009/10	
Main market	16,793	18,619	15,320	-17.7
Share (percent)	39.5	33.0	28.7	
Secondary market	25,742	37,819	38,024	0.5
Share (percent)	60.5	67.0	71.3	
Total	42,535	56,438	53,344	-5.5

Declines in euro versus other currencies and limitations on euro transactions for Iran led to sharp rise of the share of US dollar and UAE dirham in interbank foreign exchange transactions. In this year, the share of euro in interbank transactions decreased by almost 6 percentage points to 76.7 percent compared with the corresponding figure of last year, while total share of US dollar and AED rose 6.6 percentage points to 22.6 percent.

Price Trends

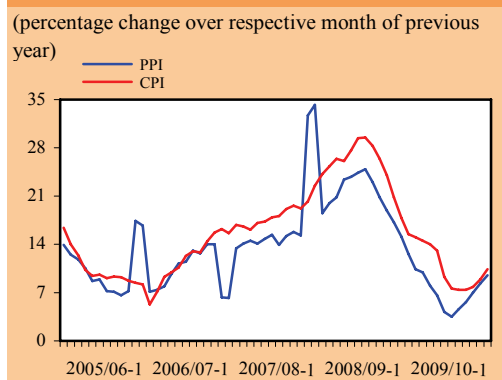
Consumer price index of goods and services and producer price index which had upward trend during the period 2006/07-2008/09, turned around and declined. CPI growth declined from 25.4 percent in 2008/09 to 10.8 percent in the review year, and PPI growth dropped from 20.9 percent to 7.4 percent within the same period. Exportable goods price index fell by 6.8 percent in 2009/10 compared with the 22.1 percent rise in the year before.

Price Indices (2004/05=100)

	Percentage change over previous year		
	2007/08	2008/09	2009/10
Consumer price index of goods and services (CPI)	18.4	25.4	10.8
Producer price index (PPI)	14.9	20.9	7.4
Exportable goods price index	23.3	22.1	-6.8



Figure 16. Growth in price indices



Consumer Price Index of Goods and Services

In 2009/10, CPI went up by almost 10.8 percent, on an annual basis. A review of CPI year-on-year indicates that this index increased from 8.7 percent in August 2006 to 25.9 percent in January and February 2009; however, from March 2009 till March 2010, it was on a downward trend. Changes of CPI in each month compared with the respective month of the previous year signify that this index was constantly on an upward trend as of March 2006 till October 2008 to reach 29.5 percent. The rising trend was reversed as of November 2008, reached 17.8 percent in March 2009, and stood at 10.4 percent in March 2010 (end of the review year).

A review of 359 items of goods and services in the CPI basket reveals that 20 items, constituting 37.5 percent of the expenditure weight of the basket, accounted for 64.4 percent of the rise in general index. Among these items, "imputed rental value of owner-occupied housing" had the highest share in raising the general index by 25.5 percent. "Imputed rental value of owner-occupied housing" and "rental value of non-owner

occupied housing" rose by 13.3 and 12.8 percent, respectively, compared with the preceding year. Changes in the price indices of these two groups were respectively 28.2 and 28.6 percent.

Among the special groups, "services", with a relative weight of 42.87 percent in household expenditure and 14.3 percent growth compared with last year, constituted 60.9 percent of the rise in general index. The main group of "housing, water, electricity, gas and other fuels", with 12.2 percent growth, accounted for 34.9 percent of the rise in general index. Among major groups and selected sub-groups, the price index of "tobacco", had the highest growth of 30.1 percent, compared with previous year. This group had a rise of 19.3 percent in 2008/09. Among sub-groups, the price index of "meat" had the highest growth of almost 20.4 percent, compared with the respective figure of previous year (25.4 percent). In 2009/10, the price index of "bread and cereals", "electricity, gas and other fuels" and "fats and oils" decreased by respectively 3.1, 3.4 and 6.6 percent, against the 57.3, 8.8 and 27.9 percent growth of previous year.

In the review year, price index of "medical care" rose by 18.9 percent, "education" 15.9 percent, "restaurants and hotels" 15.5 percent, "miscellaneous goods and services" 12.6 percent, "clothing and footwear" 10.3 percent, "recreation and culture" 8.8 percent, "transportation" 5.9 percent, "furnishings, household equipment and routine household maintenance" 4.2 percent, and "communication" 0.4 percent. The corresponding figures for previous year were 23.3, 14.7, 29.8, 23.9, 21.0, 10.2, 17.6, 23.8 and -0.2 percent, respectively. All in all, except for the price indices of "tobacco", "communication" and

"education", the growth rate of other main groups in this year was lower than 2008/09. Meanwhile, "food and beverages", "furnishings, household equipment and routine household maintenance", "housing, water, electricity, gas and other fuels" and "restaurant and hotels" witnessed a sharp fall in the price index growth.

Inflation in Provinces

In 2009/10, the CPI of goods and services increased by 11 percent in Tehran Province, 10.8 percent in Esfahan Province, 12.8 percent in Khorasan Razavi Province, and 8.2 percent in Fars Province. Tehran Province, with a relative weight of 33.1 percent, constituted 33.8 percent of the rise in CPI of goods and services. In the review year, Qom Province, with 14 percent, and Golestan Province, with 13.1 percent, had the highest and Bushehr, Khuzestan and Qazvin provinces, with 7.5, 7.9 and 8.0 percent, respectively, the lowest rates of inflation.

Producer Price Index

During 2009/10, average producer price index went up by 7.4 percent, on an annual basis. This index grew by 20.9 percent in 2008/09. Among the special groups, price index of "services" rose 11.1 percent, accounting for the highest share in the rise of general index by 43.5 percent. Moreover,

price index of "agriculture, hunting, forestry and fishing" grew by 11.8 percent, and "manufacturing" 3.0 percent, contributing to the rise in general index by 37.3 and 19.2 percent, respectively.

Among the main groups, price index of "agriculture, hunting and forestry" went up by 11.7 percent, "manufacturing" 3.0 percent, and "transport, storage and communications" 6 percent, constituting respectively 35.7, 19.2 and 15.1 percent of the rise in the general index in 2009/10.

In 2009/10, among the main groups, average price index of "other community, social, and personal services activities" had the highest rise by 24.1 percent. In this year, except "education", other main and special groups faced a decline compared with the respective figures of previous year. Meanwhile, "manufacturing" had a sharp fall from 22.3 percent in 2008/09 to 3.0 percent in the review year.

Exportable Goods Price Index

Exportable goods price index decreased by 6.8 percent against the 22.1 percent growth of last year. Among the constituents of exportable goods price index, the price index of "vegetable products" enjoyed the highest growth rate of 17.6 percent. Moreover, the price index of "textiles and articles thereof" grew by 7.1 percent.

Inflation Rate in Provinces¹

(2004/05=100)

	Relative weight in the base year	Inflation rate (percent)			Contribution to changes of CPI general index (percent)		
		2007/08	2008/09	2009/10	2007/08	2008/09	2009/10
Tehran	33.1	19.2	27.6	11.0	33.5	35.4	33.8
Esfahan	8.2	17.7	25.5	10.8	8.0	8.3	8.3
Khorasan Razavi	6.1	17.8	23.0	12.8	6.0	5.6	7.2
Fars	6.1	18.1	24.2	8.2	6.0	5.8	4.6
General index	100.0	18.4	25.4	10.8	100.0	100.0	100.0

¹ These provinces had the highest relative weight among all provinces based on 2004/05 base year.



The average price index of "prepared food-stuffs, beverages and tobacco" surged by 6.0 percent, "footwear" 3.8 percent, "articles of stone" 3.6 percent, "vehicles and transport equipment" 3.1 percent, "animal products" 1.4 percent, and "medical, precision and optical instruments" 1.4 percent. The price index of other groups experienced a negative growth. Meanwhile, the price index of "base metals and articles of base metals", "products of the chemical or allied industries" and "animal or vegetable fats and oil" had the highest decrease by respectively 34.9, 29.8 and 18.2 percent, against the 25.7, 27.7 and 36.9 percent growth in 2008/09.

Household Welfare and Expenditure

Based on the data released on household income and expenditure in 2009/10, annual average expenditure of an urban household was Rls. 127.1 million, up by 10.1 percent compared with previous year. The highest growth belonged to "health and medical care" by 24.9 percent, followed by "recreation and culture" 21.8 percent, and "clothing and footwear" 20.7 percent. Meanwhile, household expenditure for "communication" declined during the review year.

Comparison of average growth of household expenditure with CPI of goods and services in urban areas indicates that average household expenditure fell by 0.6 percent, in real terms, on an annual basis. According to preliminary estimates of Economic Accounts Department of the Central Bank in 2009/10, total private consumption, at 2004/05 constant prices, increased by almost 3.7 percent. Given the reduction of household members by 2.6 percent in the mentioned year and the rise in private consumption in real terms, it is expected that income distribution improves in 2009/10 as well.

Comparison of the rise in wage and salary indices in the review year reveals that increase in minimum nominal wage and salary coefficient of employees is higher than the inflation rate. Wage index of construction workers rose less than the inflation rate. The prevailing recession in the housing sector was a driving force behind the fall in demand for construction services and the meager rise of this index.

Considering the high share of government employees and workers in total employed population, it is expected that the average growth of household income stands above the inflation rate in 2009/10, registering real income growth.

Minimum Monthly Wage, Salary Coefficient of Employees, and Construction Services Index

	2005/06	2006/07	2007/08	2008/09	2009/10
Minimum nominal wage (thousand rials)	1,266.8 (18.8)	1,500.0 (18.4)	1,830.0 (22.0)	2,196.0 (20.0)	2,635.2 (20.0)
Average consumer price index of goods and services (2004/05=100)	110.35 (10.4)	123.50 (11.9)	146.20 (18.4)	183.30 (25.4)	203.00 (10.8)
Minimum real wage (thousand rials)	1,140.0 (7.6)	1,214.6 (5.8)	1,251.7 (3.1)	1,198.0 (-4.3)	1,298.0 (8.4)
Construction services index	118.1 (—)	140.1 (18.6)	182.9 (30.5)	246.3 (34.6)	269.8 (9.6)
Salary coefficient	380 (8.6)	430 (13.2)	454 (5.6)	490 (7.9)	600 (22.4)
Annual growth (percent)	3-5	3-5	3-5	3-5	3-5
Total increase	11.6-13.6	16.2-18.2	8.6-10.6	10.9-12.9	25.4-27.4

Source: Approvals of the Ministry of Labor and Social Affairs

Part Two

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Table 1

World Primary Energy Consumption¹

(million tons oil equivalent)

	2008 ▲						2009					
	Oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Total	Oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Total
North America	1,079.0	747.4	602.1	215.9	159.7	2,804.1	1,025.5	736.6	531.3	212.7	158.3	2,664.4
U.S.A	888.5	599.5	564.1	192.0	58.2	2,302.4	842.9	588.7	498.0	190.2	62.2	2,182.0
Canada	101.7	88.4	30.8	21.6	92.9	335.3	97.0	85.2	26.5	20.3	90.2	319.2
Mexico	88.9	59.4	7.2	2.3	8.6	166.4	85.6	62.7	6.8	2.2	6.0	163.2
Central and South America	258.8	126.9	24.0	4.8	154.4	568.9	256.0	121.2	22.5	4.7	158.4	562.9
Europe and Central Asia	956.7	1,024.6	516.7	276.8	181.0	2,955.8	913.9	952.8	456.4	265.0	182.0	2,770.0
Commonwealth of Independent states	192.3	544.2	177.2	60.0	53.1	1,026.7	184.1	503.2	153.3	58.6	55.3	954.5
Norway	9.9	3.9	0.5	0.0	31.8	46.1	9.7	3.7	0.3	0.0	28.8	42.5
England	77.9	84.4	35.5	11.9	1.2	210.9	74.4	77.9	29.7	15.7	1.2	198.9
Others	676.6	392.2	303.5	204.9	95.0	1,672.2	645.7	368.0	273.0	190.7	96.7	1,574.2
Middle East	324.8	298.7	9.2	0.0	2.8	635.5	336.3	311.0	9.2	0.0	2.4	659.0
Africa	143.0	86.5	111.1	3.0	22.3	365.9	144.2	84.6	107.3	2.7	22.0	360.8
Asia Pacific	1,197.5	433.2	2,023.4	119.7	211.1	3,985.0	1,206.2	446.9	2,151.6	125.3	217.1	4,147.2
World total	3,959.9	2,717.3	3,286.4	620.2	731.4	11,315.2	3,882.1	2,653.1	3,278.3	610.5	740.3	11,164.3
Non-OPEC total	3,664.7	2,403.5	3,284.5	620.2	707.5	10,680.3	3,575.3	2,329.5	3,276.2	610.5	717.3	10,508.9
OECD members	2,182.7	1,346.9	1,159.2	516.2	301.9	5,507.3	2,072.7	1,302.0	1,036.3	507.3	298.8	5,217.1
OPEC²	295.2	313.8	2.0	0.0	24.0	634.9	306.8	323.7	2.1	0.0	22.9	655.4
Iran	84.9	107.4	1.3	0.0	1.7	195.3	83.6	118.5	1.4	0.0	1.3	204.8

Source: BP Statistical Bulletin, 2010

¹ Figures less than 0.1 after rounding are considered as zero.² Excludes Iraq, Libya, Angola, Indonesia, and Nigeria.

Table 2

World Proven Oil Reserves

(billion barrels)

	1980▲	1990▲	2000▲	2008▲	2009	Percentage change○		Share (percent)	
						2008	2009	2008	2009
North America	92.5	96.3	68.9	73.4	73.3	3.7	-0.2	5.5	5.5
U.S.A	36.5	33.8	30.4	28.4	28.4	-6.8	0.0	2.1	2.1
Canada	8.7	11.2	18.3	33.2	33.2	17.7	0.0	2.5	2.5
Mexico	47.2	51.3	20.2	11.9	11.7	-2.6	-1.5	0.9	0.9
Central and South America	26.7	71.5	97.9	198.9	198.9	61.0	0.0	14.9	14.9
Europe and Central Asia	98.6	80.8	108.5	137.2	136.9	-0.7	-0.3	10.3	10.3
Commonwealth of Independent States	82.0	63.3	87.7	123.0	122.9	0.2	-0.1	9.2	9.2
Norway	4.0	8.6	11.4	7.5	7.1	-8.3	-5.5	0.6	0.5
England	8.4	4.0	4.7	3.1	3.1	-9.7	0.0	0.2	0.2
Others	4.2	4.9	4.8	3.7	3.8	-5.7	3.4	0.3	0.3
Middle East	362.4	659.6	696.7	753.7	754.2	-0.2	0.1	56.6	56.6
Africa	53.4	58.7	93.4	127.5	127.7	1.8	0.2	9.6	9.6
Asia Pacific	33.9	36.3	40.1	41.7	42.2	3.9	1.1	3.1	3.2
World total	667.5	1,003.2	1,105.5	1,332.4	1,333.1	6.3	0.1	100.0	100.0
Non-OPEC total	242.2	239.8	255.8	303.6	303.8	1.2	0.1	22.8	22.8
OECD members	109.6	115.2	93.3	91.3	90.8	2.4	-0.5	6.8	6.8
OPEC	425.4	763.4	849.7	1,028.8	1,029.4	8.0	0.1	77.2	77.2
Iran	58.3	92.9	99.5	137.6	137.6	-0.4	0.0	10.3	10.3

Source: BP Statistical Bulletin, 2010

Table 3 **World Crude Oil Production**¹ (thousand b/d)

	1980	1990	2000▲	2008▲	2009	Percentage change○		Share (percent)	
						2008	2009	2008	2009
North America	14,063	13,856	13,904	13,169	13,388	-3.4	1.7	16.1	16.7
U.S.A	10,170	8,914	7,733	6,734	7,196	-1.7	6.9	8.2	9.0
Canada	1,764	1,965	2,721	3,268	3,212	-1.6	-1.7	4.0	4.0
Mexico	2,129	2,977	3,450	3,167	2,979	-8.8	-5.9	3.9	3.7
Central and South America	3,747	4,507	6,813	6,678	6,760	0.6	1.2	8.1	8.5
Europe and Central Asia	15,088	16,106	14,950	17,572	17,702	-1.3	0.7	21.4	22.1
Commonwealth of Independent States	12,116	11,566	8,014	12,825	13,202	0.2	2.9	15.6	16.5
Norway	528	1,716	3,346	2,451	2,342	-3.9	-4.4	3.0	2.9
England	1,663	1,918	2,667	1,526	1,448	-6.8	-5.1	1.9	1.8
Others	781	906	924	770	711	-6.8	-7.7	0.9	0.9
Middle East	18,882	17,540	23,475	26,182	24,357	4.1	-7.0	31.9	30.5
Africa	6,225	6,725	7,804	10,219	9,705	-0.2	-5.0	12.5	12.1
Asia Pacific	4,943	6,726	7,874	8,175	8,036	2.6	-1.7	10.0	10.1
World total	62,948	65,460	74,820	81,995	79,948	0.7	-2.5	100.0	100.0
Non-OPEC total	36,920	41,603	43,748	46,427	46,872	-0.9	1.0	56.6	58.6
OECD members	17,138	18,845	21,521	18,414	18,390	-3.8	-0.1	22.5	23.0
OPEC	26,028	23,857	31,072	35,568	33,076	2.8	-7.0	43.4	41.4
Iran	1,479	3,270	3,855	4,327	4,216	0.1	-2.6	5.3	5.3

Source: BP Statistical Bulletin, 2010

¹ Includes NGL, shale oil and oil sands.

Table 4

World Oil Consumption¹

(thousand b/d)

	1980▲	1990▲	2000▲	2008▲	2009	Percentage change○		Share (percent)	
						2008	2009	2008	2009
North America	20,012	20,206	23,548	23,795	22,826	-4.9	-4.1	27.9	27.1
U.S.A	17,062	16,988	19,701	19,498	18,686	-5.7	-4.2	22.9	22.2
Canada	1,915	1,762	1,937	2,287	2,195	-1.5	-4.0	2.7	2.6
Mexico	1,034	1,456	1,910	2,010	1,945	-0.4	-3.2	2.4	2.3
Central and South America	3,391	3,661	4,855	5,681	5,653	2.7	-0.5	6.7	6.7
Europe and Central Asia	24,389	23,473	19,577	20,193	19,372	-0.1	-4.1	23.7	23.0
Commonwealth of Independent States	8,494	8,515	3,631	4,115	3,965	3.6	-3.6	4.8	4.7
Norway	201	203	201	214	211	-3.6	-1.8	0.3	0.3
England	1,672	1,762	1,697	1,681	1,611	-1.9	-4.2	2.0	1.9
Others	14,022	12,994	14,047	14,183	13,585	-0.8	-4.2	16.6	16.2
Middle East	2,050	3,493	4,838	6,864	7,146	6.1	4.1	8.1	8.5
Africa	1,386	1,997	2,484	3,045	3,082	3.9	1.2	3.6	3.7
Asia Pacific	10,341	13,862	21,126	25,662	25,998	0.8	1.3	30.1	30.9
Japan	4,739	5,258	5,557	4,846	4,396	-3.8	-9.3	5.7	5.2
China	1,694	2,323	4,772	8,086	8,625	4.1	6.7	9.5	10.3
Others	3,908	6,282	10,796	12,729	12,976	0.6	1.9	14.9	15.4
World total	61,569	66,693	76,428	85,239	84,077	-0.4	-1.4	100.0	100.0
Non-OPEC total	59,535	63,469	72,166	78,921	77,482	-1.0	-1.8	92.6	92.2
OECD members	40,853	41,308	47,653	47,353	45,327	-3.4	-4.3	55.6	53.9
OPEC²	2,034	3,223	4,262	6,318	6,595	6.4	4.4	7.4	7.8
Iran³	625	951	1,301	1,761	1,741	4.5	-1.2	2.1	2.1

Source: BP Statistical Bulletin, 2010

² Excludes Iraq, Nigeria, Angola, Indonesia, and Libya.¹ Includes domestic demand for oil, aviation and navy fuel, fuel for refineries and oil wastes.³ Estimations by the BP are more than those published by the Ministry of Petroleum.

Table 5 **OPEC Crude Oil Production¹** (thousand b/d)

	1980	1990	2000▲	2008▲	2009	Percentage change O		Share (percent)	
						2008	2009	2008	2009
Middle East members	18,384	16,205	21,470	24,692	22,836	4.4	-7.5	69.4	69.0
Saudi Arabia	10,270	7,105	9,491	10,846	9,713	3.8	-10.4	30.5	29.4
Iran	1,479	3,270	3,855	4,327	4,216	0.1	-2.6	12.2	12.7
Iraq	2,658	2,149	2,614	2,423	2,482	13.1	2.4	6.8	7.5
Kuwait	1,757	964	2,206	2,782	2,481	5.5	-10.8	7.8	7.5
U.A.E	1,745	2,283	2,547	2,936	2,599	1.3	-11.5	8.3	7.9
Qatar	476	434	757	1,378	1,345	15.2	-2.4	3.9	4.1
Other members	7,644	7,652	9,602	10,875	10,239	-0.7	-5.8	30.6	31.0
Venezuela	2,228	2,244	3,239	2,558	2,437	-2.1	-4.7	7.2	7.4
Nigeria	2,059	1,870	2,155	2,116	2,061	-8.2	-2.6	5.9	6.2
Libya	1,862	1,424	1,475	1,820	1,652	0.0	-9.2	5.1	5.0
Algeria	1,139	1,347	1,578	1,993	1,811	-1.1	-9.1	5.6	5.5
Ecuador	206	292	409	514	495	-1.2	-3.6	1.4	1.5
Angola	150	475	746	1,875	1,784	11.3	-4.9	5.3	5.4
Total²	26,028	23,857	31,072	35,568	33,076	2.8	-7.0	100.0	100.0

Source: BP Statistical Bulletin, 2010 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 6 **Average Spot Prices of Crude Oil during 2009 and Q1, 2010** (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°)
2009								
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
April	49.69	50.10	49.90	50.91	50.10	50.20	50.44	49.82
May	56.53	56.02	56.28	57.45	57.48	56.98	57.27	59.21
June	68.24	68.16	68.20	69.01	69.41	68.36	68.55	69.68
July	64.93	64.79	64.86	64.92	64.82	64.59	64.61	64.23
August	72.64	71.53	72.09	71.42	71.36	71.35	72.84	71.05
September	67.55	66.43	66.99	67.64	67.74	67.17	67.39	69.34
October	72.86	72.54	72.70	73.36	73.15	72.67	72.76	75.73
November	76.72	76.72	76.72	76.54	77.69	76.29	76.66	77.84
December	73.87	74.34	74.11	74.38	75.42	74.01	74.28	74.41
Average of 2009	61.06	60.42	60.74	61.18	61.65	60.86	61.50	61.66
2010								
January	75.62	75.72	75.67	76.46	76.69	76.01	76.19	78.30
February	72.87	72.54	72.71	73.32	73.40	72.99	73.64	76.34
March	77.70	76.93	77.32	77.24	77.31	77.21	78.90	81.25
Estimated average of 2009/10²	69.10	68.82	68.96	69.39	69.55	68.99	69.46	70.60

Source: OPEC Monthly Bulletin, January, February, and June 2010 ¹ Includes twelve types of crude oil: Arab Light (Saudi Arabia), Basra Light (Iraq), Merey (Venezuela), Bonny Light (Nigeria), Es Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Murban (U.A.E), Saharan Blend (Algeria), Oriente (Ecuador), and Girassol (Angola). ² Average of the second, third and fourth quarters of 2009 and the first quarter of 2010

Table 7 **Iran Oil Export** (thousand b/d)

	2005/06	2006/07	2007/08 ▲	2008/09	2009/10	Percentage change ○		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Crude oil	2,602	2,433	2,480	2,371	2,056	-4.4	-13.3	96.0	94.9
Oil products	245	266	200	98	109	-51.2	12.3	4.0	5.1
Total	2,847	2,699	2,679	2,468	2,165	-7.9	-12.3	100.0	100.0

Source: Ministry of Petroleum

Table 8 **Domestic Consumption of Oil Products** (thousand b/d)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change ○		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Gas oil	417	500	525	541	489	3.0	-9.6	33.4	32.4
Fuel oil	218	242	297	368	353	23.9	-4.1	22.7	23.4
Gasoline	373	422	362	413	402	14.1	-2.7	25.5	26.6
Kerosene	169	142	146	157	136	7.5	-13.4	9.7	9.0
LPG	64	43	59	44	29	-25.4	-34.1	2.7	1.9
Other products	153	143	142	96	102	-32.4	6.3	5.9	6.8
Total	1,394	1,492	1,531	1,619	1,511	5.7	-6.7	100.0	100.0

Source: Ministry of Petroleum

Table 9 **Geographical Distribution of Crude Oil Exports** (percent)

	2005/06	2006/07	2007/08	2008/09	2009/10
Europe	33.5	38.4	32.4	29.3	..
Japan	20.0	16.4	18.6	17.6	..
Asia and the Far East (except Japan)	39.4	38.8	43.3	47.2	..
Africa	7.1	6.1	5.7	5.9	..
Other countries ¹	0.0	0.3	0.0	0.0	..
Total	100.0	100.0	100.0	100.0	100.0

Source: Ministry of Petroleum

¹ Includes Mediterranean countries.

Table 10 **Consumption of Natural Gas** (billion cubic meters)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Residential, commercial, and industrial	49.5	59.1	69.5	69.7	72.5	0.3	4.0	52.5	51.3
Power plants	34.9	35.6	37.0	42.9	42.2	15.9	-1.6	32.3	29.9
Major industries	13.3	14.5	16.0	20.2	23.2	26.3	14.9	15.2	16.4
Transportation ¹	..	..	..	..	3.3	0	0	0	2.4
Total	97.7	109.2	122.5	132.8	141.2	8.4	6.4	100.0	100.0

Source: National Iranian Gas Company (NIGC)

¹ By end-2008/09, figures related to transportation (CNG) appeared under other items.**Table 11** **Generation of Electricity** (million kWh)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Ministry of Energy	171,157	181,577	190,327	194,524	195,978	2.2	0.7	90.2	88.2
Hydroelectric, diesel, and wind	16,366	18,514	18,222	6,229	7,820	-65.8	25.5	2.9	3.5
Steam	89,574	88,962	91,140	93,681	92,635	2.8	-1.1	43.4	41.7
Gas and combined cycle	65,217	74,101	80,965	94,614	95,523	16.9	1.0	43.9	43.0
Other institutions¹	6,915	10,997	13,644	21,239	26,278	55.7	23.7	9.8	11.8
Total	178,072	192,574	203,971	215,763	222,256	5.8	3.0	100.0	100.0

Source: Ministry of Energy

¹ Includes private sector and large industries.**Table 12** **Consumption of Electricity¹** (million kWh)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Residential	45,330	49,911	52,344	53,244	56,785	1.7	6.7	32.9	33.6
Industrial	42,583	45,549	49,517	52,488	53,303	6.0	1.6	32.4	31.5
Public	16,263	18,412	19,467	20,067	21,514	3.1	7.2	12.4	12.7
Commercial	8,706	9,403	10,261	10,799	10,824	5.2	0.2	6.7	6.4
Agricultural	17,060	19,471	19,240	21,032	22,748	9.3	8.2	13.0	13.5
Street lighting	4,296	4,255	4,769	4,328	3,872	-9.2	-10.5	2.7	2.3
Total	134,238	147,001	155,598	161,958	169,046	4.1	4.4	100.0	100.0

Source: Ministry of Energy

¹ Sale of electricity to customers

**Estimated Production and Area under Cultivation
of Major Farming Crops**

Table 13

(thousand hectares-thousand tons)

	2008/09▲		2009/10		Percentage change	
	Area	Production	Area	Production	Area	Production
Wheat	5,250.2	7,956.6	..	13,484.5	..	69.5
Barley	1,070.1	1,547.4	..	3,446.2	..	122.7
Rice (paddy)	526.9	2,184.0	..	2,253.0	..	3.2
Corn	242.7	1,777.5	..	1,643.0	..	-7.6
Cotton	124.4	295.7	..	254.0	..	-14.1
Sugar cane	61.6	3,097.5	..	3,035.0	..	-2.0
Sugar beet	54.0	1,829.3	..	2,041.0	..	11.6
Oil seeds	274.6	521.8	..	442.0	..	-15.3
Tobacco	10.8	16.7	..	11.0	..	-34.1
Pulses	697.3	388.1	..	508.0	..	30.9
Potatoes	177.5	4,706.7	..	4,108.0	..	-12.7
Onions	50.1	1,849.3	..	1,512.0	..	-18.2
Pistachio ¹	430.7	192.3	..	230.4	..	19.8

Source: Ministry of Agriculture Jihad

¹ Figures related to pistachio are preliminary.

**Facilities Extended by Bank Keshavarzi
according to Islamic Contracts¹**

Table 14

(billion rials)

	2005/06	2006/07	2007/08	2008/09▲	2009/10	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Gharz-al-hasaneh	1,426.5	2,473.1	2,426.4	2,251.7	4,744.9	-7.2	110.7	3.0	7.0
Installment sale	22,368.6	22,950.7	26,486.3	45,635.4	27,498.8	72.3	-39.7	61.3	40.5
Civil partnership	10,971.3	16,977.7	16,065.7	11,884.0	21,659.6	-26.0	82.3	16.0	31.9
Mozarebeh	8,331.4	3,099.3	3,208.3	5,937.7	6,773.6	85.1	14.1	8.0	10.0
Forward transactions	6,408.8	7,287.0	7,063.7	6,789.4	6,711.5	-3.9	-1.1	9.1	9.9
Joaleh	104.0	75.9	139.9	1,901.4	287.0	☐	-84.9	2.6	0.4
Hire purchase	279.7	56.0	22.5	93.8	142.9	316.0	52.4	0.1	0.2
Debt purchase	3.6	1.0	0.6	0.2	0.0	-71.4	-100.0	0.0	0.0
Total	49,893.9	52,920.7	55,413.5	74,493.5	67,818.4	34.4	-9.0	100.0	100.0

Source: Bank Keshavarzi

¹ Includes statutory and non-statutory facilities.

Table 15 Livestock Products (thousand tons)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
						2008/09	2009/10
Red meat	800	829	866	870	902	0.5	3.7
Milk	7,179	7,741	8,251	8,772	9,552	6.3	8.9
Poultry	1,237	1,360	1,468	1,565	1,610	6.6	2.9
Eggs	758	677	703	727	751	3.4	3.3
Honey	35	36	47	41	46	-13.4	14.0
Total	10,009	10,644	11,335	11,975	12,861	5.6	7.4

Source: Ministry of Agriculture Jihad

Table 16 Yield of Major Farming and Horticultural Crops¹ (kilogram per hectare)

	2008/09▲	2009/10	Percentage change
Barley	1,446	..	0
Rice (paddy)	4,145	..	0
Corn	7,327	..	0
Cotton	2,376	..	0
Sugar cane	50,317	..	0
Sugar beet	33,907	..	0
Oil seeds	1,900	..	0
Tobacco	1,543	..	0
Pulses	557	..	0
Potatoes	26,519	..	0
Onions	36,935	..	0
Pistachio	446	..	0

Source: Ministry of Agriculture Jihad

¹ Calculated based on the ratio of production to the area under cultivation**Table 17 Guaranteed Purchase Price of Agricultural Crops** (rials per kilogram)

	Farming year		Percentage change
	2007/08	2008/09	
Wheat	2,800	3,050	8.9
Durum wheat	3,200	3,200	0.0
Barley	1,650	2,700	63.6
Rice (Khazar, Fajr and Sahel varieties)	12,500	13,500	8.0
Rice (Sepidrood variety)	11,000	12,000	9.1
Rice (Nemat and Neda varieties)	9,200	10,500	14.1
Rice (Amol, Cheram and Yasooj varieties)	7,500	8,500	13.3
Corn	2,400	2,760	15.0
Sugar beet	500	620	24.0
Sunflower (seed)	3,670	5,700	55.3
Soya	4,450	4,450	0.0
Colza	4,000	6,200	55.0
Green leaflet tea (Grade one)	4,500	5,100	13.3
Lentil	5,400	6,480	20.0
Kidney bean	4,850	5,820	20.0
Navy bean	4,850	5,820	20.0
Peas	5,400	6,480	20.0
Potatoes (fall harvest)	1,350	1,350	0.0
Onions (fall harvest)	660	790	19.7
Cotton (raw)	5,400	6,480	20.0

Source: Cabinet Approval

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

Table 18

(million rials)

	2007/08	2008/09	2009/10	Percentage change		Share (percent)		2009/10	
				2008/09	2009/10	2008/09	2009/10	Approved	Performance (percent)
Total credits allocated to the manufacturing and mining sector and industrial research project	2,545,971	2,695,666	1,905,034	5.9	-29.3	100.0	100.0	2,591,534	73.5
Manufacturing and mining	2,522,510	2,668,226	1,886,879	5.8	-29.3	99.0	99.0	2,564,836	73.6
Manufacturing and mining infrastructures	509,745	662,193	502,580	29.9	-24.1	24.6	26.4	646,595	77.7
Establishment and development of industries	811,068	1,064,713	781,246	31.3	-26.6	39.5	41.0	978,919	79.8
Geology	196,492	204,500	143,286	4.1	-29.9	7.6	7.5	207,107	69.2
Exploration and operation of mines	73,550	32,615	26,470	-55.7	-18.8	1.2	1.4	42,866	61.8
Quality improvement of manufacturing products	818,907	600,285	368,420	-26.7	-38.6	22.3	19.3	590,421	62.4
Quality improvement of mining products	99,284	82,320	55,643	-17.1	-32.4	3.1	2.9	79,488	70.0
Reinforcement of buildings	10,664	21,600	9,234	102.6	-57.3	0.8	0.5	19,440	47.5
Organization, mechanization, and expansion of information networks	2,800	0	0	-100.0	0	0.0	0.0	0	0.0
Applied research and scientific development (industrial research project in manufacturing and mining sector)	23,461	27,440	18,155	17.0	-33.8	1.0	1.0	26,698	68.0

Source: Treasury General, Ministry of Economic Affairs and Finance

Payments by Bank of Industry and Mine

Table 19

(billion rials)

	2007/08	2008/09▲	2009/10	Percentage change		Share (percent)	
				2008/09	2009/10	2008/09	2009/10
Domestic resources	8,041.4	13,393.0	18,532.6	66.5	38.4	90.3	88.6
Administered funds (in rial) ¹	384.1	873.1	989.2	127.3	13.3	5.9	4.7
OSF ²	1,394.7	199.6	1,348.0	-85.7	▣	1.3	6.4
Direct investment and legal partnership	311.5	333.2	1.0	7.0	-99.7	2.2	*
Others ³	81.1	40.5	58.1	-50.0	43.3	0.3	0.3
Total	10,212.8	14,839.3	20,928.9	45.3	41.0	100.0	100.0

Source: Bank of Industry and Mine

¹ It also includes Note 55, 3rd FYDP Law.

² Includes facilities paid within the framework of Article 60, 3rd FYDP, and Article 1, 4th FYDP.

³ Includes miscellaneous payments.

Table 20

Performance of the Petrochemical Industry¹

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
						2008/09	2009/10
Production (thousand tons)	15,757	17,994	23,869	30,040	34,433	25.9	14.6
Exports							
Volume (thousand tons)	5,216	6,044	9,530	12,254	14,039	28.6	14.6
Value (million dollars)	2,323	3,299	6,060	7,843	9,147	29.4	16.6
Domestic sale							
Volume (thousand tons)	4,894	6,066	6,383	7,566	7,865	18.5	4.0
Value (billion rials)	16,052	26,520	32,307	40,056	46,766	24.0	16.8
Total value of industrial exports	7,760	9,388	11,548	14,662	16,551	27.0	12.9
Share of petrochemical exports value in total industrial exports (percent)	29.9	35.1	52.5	53.5	55.3	—	—

Source: National Petrochemical Company

¹ Includes productive centers affiliated to the National Petrochemical Company and privatized petrochemical centers.

Table 21

Government Acquisition of Non-financial Assets in Housing Sector

(billion rials)

	2007/08	2008/09	2009/10	2009/10			
				Percentage change	Share (percent)	Approved	Performance (percent)
Housing, urban and rural development	14,345.6	12,731.9	12,130.1	-4.7	99.9	13,774.4	88.1
Sewage system	621.2	3,034.9	3,631.5	19.7	29.9	4,297.7	84.5
Urban and rural water	94.5	235.6	234.3	-0.6	1.9	297.0	78.9
Urban and rural transportation	5,505.2	7,604.3	6,932.1	-8.8	57.1	7,542.0	91.9
Urban and rural services	337.2	361.0	285.9	-20.8	2.4	406.4	70.3
Settlement of nomads	73.1	81.8	46.5	-43.2	0.4	72.0	64.5
Housing	6,387.7	371.9	248.8	-33.1	2.0	316.5	78.6
Improvement of urban and rural structure	381.7	585.6	586.3	0.1	4.8	658.9	89.0
Reinforcement of buildings	20.1	39.2	36.9	-5.8	0.3	45.1	81.7
Reorganization of special zones	887.0	377.7	95.0	-74.8	0.8	100.0	95.0
Buildings and equipment	32.0	34.0	27.2	-19.9	0.2	32.9	82.6
Study and formulation of rules and regulations	5.9	6.0	5.7	-4.1	*	5.8	99.4
Welfare and social security	111.6	20.2	13.8	-31.8	0.1	19.3	71.3
Affordable Housing Plan for the low-income groups	108.3	17.9	12.2	-31.7	0.1	17.5	70.0
Housing provision for the disabled and the needy	3.3	2.3	1.6	-32.5	*	1.9	83.7
Grand Total	14,457.2	12,752.1	12,143.9	-4.8	100.0	13,793.7	88.0

Source: Treasury General, Ministry of Economic Affairs and Finance

Table 22

Facilities Extended by Bank Maskan¹

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
						2008/09	2009/10
Number (thousand)	299.4	432.4	393.3	334.1	477.6	-15.0	43.0
Amount (billion rials)	43,446.8	73,143.5	69,444.8	65,885.5	107,886.4	-5.1	63.7

Source: Bank Maskan (Housing Bank)

¹ Includes profit receivables.Investment by Private Sector in New Buildings in Urban Areas¹
(at current prices)

(billion rials)

	2005/06	2006/07	2007/08	2008/09 ▲	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Tehran	21,218.9	26,199.6	40,176.4	68,299.8	60,330.5	70.0	-11.7	21.8	20.3
Large cities	31,632.1	35,458.7	58,794.9	85,856.9	81,488.3	46.0	-5.1	27.4	27.4
Other urban areas	50,319.9	51,911.2	105,930.3	159,571.9	155,641.2	50.6	-2.5	50.9	52.3
All urban areas	103,170.9	113,569.5	204,901.6	313,728.6	297,460.0	53.1	-5.2	100.0	100.0

Source: Economic Statistics Department, CBI

¹ Excludes the cost of land.

Table 24

Construction Permits Issued by Municipalities in Urban Areas

	2005/06	2006/07	2007/08	2008/09 ▲	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Number									
Tehran	10,833	14,642	24,930	20,588	10,776	-17.4	-47.7	11.7	7.8
Large cities	31,685	34,914	50,972	40,427	30,950	-20.7	-23.4	22.9	22.4
Other urban areas	87,211	123,046	133,020	115,668	96,544	-13.0	-16.5	65.5	69.8
All urban areas	129,729	172,602	208,922	176,683	138,270	-15.4	-21.7	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	9,968.1	13,435.6	23,397.2	20,515.0	13,471.3	-12.3	-34.3	20.7	16.5
Large cities	17,943.8	19,528.2	30,068.0	25,770.8	22,514.1	-14.3	-12.6	25.9	27.6
Other urban areas	30,014.1	37,126.5	51,740.8	53,024.8	45,676.0	2.5	-13.9	53.4	55.9
All urban areas	57,926.0	70,090.3	105,206.0	99,310.6	81,661.4	-5.6	-17.8	100.0	100.0
Average floor space (square meters)									
Tehran	920	918	939	996	1,250	6.2	25.5		
Large cities	566	559	590	637	727	8.1	14.1		
Other urban areas	344	302	389	458	473	17.9	3.2		
All urban areas	447	406	504	562	591	11.6	5.1		

Source: Economic Statistics Department, CBI

Table 25

Building Starts by Private Sector in Urban Areas

	2005/06	2006/07	2007/08	2008/09 ▲	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Number									
Tehran	10,001	13,105	21,107	20,727	11,704	-1.8	-43.5	8.4	5.3
Large cities	51,348	53,945	69,177	62,662	54,388	-9.4	-13.2	25.5	24.8
Other urban areas	114,828	115,330	173,207	162,365	153,606	-6.3	-5.4	66.1	69.9
All urban areas	176,177	182,380	263,491	245,754	219,698	-6.7	-10.6	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	9,971	11,394	16,209	17,768	12,654	9.6	-28.8	15.8	12.7
Large cities	19,371	20,585	30,935	29,199	27,662	-5.6	-5.3	26.0	27.7
Other urban areas	33,532	34,265	59,560	65,230	59,516	9.5	-8.8	58.1	59.6
All urban areas	62,874	66,244	106,704	112,197	99,832	5.1	-11.0	100.0	100.0
Average floor space (square meters)									
Tehran	997	869	768	857	1,081	11.6	26.1		
Large cities	377	382	447	466	509	4.2	9.1		
Other urban areas	292	297	344	402	387	16.8	-3.6		
All urban areas	357	363	405	457	454	12.7	-0.5		

Source: Economic Statistics Department, CBI

Table 26

Buildings Completed by Private Sector in Urban Areas

	2005/06	2006/07	2007/08	2008/09 ▲	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Number									
Tehran	11,144	10,472	13,308	20,510	18,069	54.1	-11.9	9.0	8.1
Large cities	57,095	53,906	52,774	64,435	61,835	22.1	-4.0	28.3	27.6
Other urban areas	100,354	101,224	133,038	143,111	143,773	7.6	0.5	62.8	64.3
All urban areas	168,593	165,602	199,120	228,056	223,677	14.5	-1.9	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	10,732	10,355	11,582	14,136	14,739	22.1	4.3	17.2	15.6
Large cities	20,407	20,254	19,986	24,715	26,362	23.7	6.7	30.1	28.0
Other urban areas	33,790	30,955	36,924	43,184	53,160	17.0	23.1	52.6	56.4
All urban areas	64,929	61,564	68,492	82,035	94,261	19.8	14.9	100.0	100.0
Average floor space (square meters)									
Tehran	963	989	870	689	816	-20.8	18.4		
Large cities	357	376	379	384	426	1.3	11.1		
Other urban areas	337	306	278	302	370	8.7	22.5		
All urban areas	385	372	344	360	421	4.6	17.2		

Source: Economic Statistics Department, CBI

Table 27

Construction Indices

(2004/05=100)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
						2008/09	2009/10
Construction services index	118.1	140.1	182.9	246.3	269.8	34.7	9.6
Daily wage of bricklayer	116.9	136.8	181.9	242.2	259.3	33.1	7.1
Daily wage of unskilled construction worker	116.6	135.5	193.8	256.7	265.5	32.5	3.4
Wage of skilled plumber	113.2	132.4	163.6	215.7	253.1	31.8	17.3
Wage of skilled electrician	119.6	150.9	190.8	258.4	283.9	35.4	9.9
Wage paid for painting	117.9	140.9	184.1	247.8	275.7	34.6	11.2
Wage paid for roof-asphalting	118.6	137.1	178.2	229.6	241.2	28.8	5.1
Wage paid for well-digging	118.7	140.3	187.1	278.4	309.9	48.8	11.3
Wage paid for cementing	119.2	144.1	186.3	251.2	281.8	34.8	12.2
Wage paid for tile covering	116.5	135.1	175.3	233.7	255.3	33.3	9.3
Wage paid for plaster working	123.2	147.5	186.6	246.8	271.0	32.3	9.8
Producer price index of construction materials	111.6	134.0	157.7	204.7	193.6	29.8	-5.4
Metallic	111.6	145.3	178.7	218.5	188.3	22.3	-13.8
Non-metallic	111.5	114.7	121.7	181.0	202.6	48.7	11.9

Source: Economic Statistics Department, CBI

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

Table 28

(billion rials)

	2008/09	2009/10	Share (percent)		Percentage change	2009/10	
			2008/09	2009/10		Approved	Performance (percent)
Rail transport	5,054.8	6,779.2	30.4	25.0	34.1	8,892.6	76.2
Road transport	11,001.7	19,131.1	66.1	70.7	73.9	24,164.4	79.2
Air transport	91.0	759.7	0.5	2.8	▣	1,072.5	70.8
Sea transport	261.6	242.7	1.6	0.9	-7.2	278.0	87.3
Applied research	49.0	37.7	0.3	0.1	-23.0	37.7	100.0
Strategic plan for development of road transport	3.0	7.2	*	*	140.0	7.2	100.0
Safety of air transport	165.0	101.1	1.0	0.4	-38.8	126.4	80.0
Reinforcement of buildings	8.1	9.4	*	*	16.3	9.4	100.0
Total	16,634.1	27,068.1	100.0	100.0	62.7	34,588.1	78.3

Source: Treasury General, Ministry of Economic Affairs and Finance

Table 29 **Distribution of Population according to Urban and Rural Areas** (thousand persons)

	2005/06	2006/07	2007/08	2008/09	2009/10	Share (percent)	
						2008/09	2009/10
Urban areas							
Total	47,096	48,260	49,572	50,928	52,325	70.2	71.0
Rural areas							
Total	22,295	22,236	21,960	21,656	21,326	29.8	29.0
Whole country							
Active	23,293	23,484	23,579	22,892	23,841	31.5	32.4
Total	69,390	70,496	71,532	72,584	73,651	100.0	100.0

Source: Statistical Center of Iran (SCI)

Table 30 **Minimum Monthly Wage** (thousand rials)

	2005/06	2006/07	2007/08	2008/09	2009/10
Minimum nominal wage	1,267	1,500	1,830	2,196	2,635
Average consumer price index	110.4	123.5	146.2	183.3	203.0
Minimum real wage	1,148	1,215	1,252	1,198	1,298

Source: Social Security Organization

Table 31 **Indices of Educational Quality** (person)

	Academic year					Annual average growth (percent)
	2005/06	2006/07	2007/08	2008/09	2009/10	2005/06-2009/10
Student to school	106.2	102.8	102.2	103.1	..	0
Student to classroom	23.6	23.1	23.1	23.4	..	0
Student to teacher	16.7	16.6	16.5	17.3	..	0

Source: Ministry of Education

Table 32

Number of Students

(thousand persons)

	Academic year					Percentage change		Share (percent)	
	2005/06	2006/07	2007/08	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
Kindergartens	540	553	511	456	..	-10.8	0	3.3	0
Elementary schools	6,007	5,828	5,726	5,655	..	-1.2	0	40.5	0
Junior high schools	4,146	3,939	3,708	3,478	..	-6.2	0	24.9	0
High schools (day and night)	2,957	2,921	2,832	2,782	..	-1.8	0	19.9	0
Technical and vocational schools	352	341	330	314	..	-4.9	0	2.2	0
Skill education centers	454	434	408	414	..	1.5	0	3.0	0
Pre-university centers	419	421	439	447	..	2.0	0	3.2	0
Teacher training centers	10	14	19	10	..	-47.3	0	0.1	0
Others ¹	480	480	462	412	..	-10.8	0	3.0	0
Total	15,364	14,930	14,435	13,968	..	-3.2	0	100.0	0

Source: Ministry of Education

¹ Includes adult students in elementary schools, junior high schools, high schools and pre-university centers.

Table 33

Number of Schools, Classrooms and Teaching Staff¹

	Academic year					Percentage change		Share (percent)	
	2005/06▲	2006/07	2007/08	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
Number of schools									
Urban areas	66,449	67,314	66,668	65,315	..	-2.0	0	48.2	0
Rural areas	78,268	77,850	74,597	70,138	..	-6.0	0	51.8	0
Total	144,717	145,164	141,265	135,453	..	-4.1	0	100.0	0
Number of classrooms									
Urban areas	412,999	413,185	406,030	395,760	..	-2.5	0	66.2	0
Rural areas	238,368	232,007	218,598	201,768	..	-7.7	0	33.8	0
Total	651,367	645,192	624,628	597,528	..	-4.3	0	100.0	0
Teaching staff (person)									
Urban areas	645,243	635,101	621,633	575,503	..	-7.4	0	71.3	0
Rural areas	274,058	266,162	252,833	232,097	..	-8.2	0	28.7	0
Total	919,301	901,263	874,466	807,600	..	-7.6	0	100.0	0

Source: Ministry of Education

¹ Includes kindergartens, elementary schools, junior high schools, high schools and pre-university centers.

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

Table 34 (percent)

	2008/09			2009/10		
	Urban	Rural	Total	Urban	Rural	Total
Elementary schools	65.3	34.7	100.0	..	..	100.0
Junior high schools	70.8	29.2	100.0	..	..	100.0
High schools	84.2	15.8	100.0	..	..	100.0
Total	72.0	28.0	100.0	..	..	100.0

Source: Ministry of Education

Table 35 (thousand persons)

Students at Various Educational Levels by Gender

	2008/09		2009/10		Percentage change	
	Male	Female	Male	Female	Male	Female
Elementary schools	2,912.3	2,742.7	..	..	0	0
Junior high schools	1,833.2	1,644.4	..	..	0	0
High schools	1,825.0	1,675.1	..	..	0	0
Total	6,570.5	6,062.2	..	..	0	0

Source: Ministry of Education

Table 36 (thousand persons)

Students in Private Schools at Various Educational Levels

	Academic year		Percentage change		Share in total students (percent)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
Elementary schools	401.7	..	2.1	0	7.1	0
Junior high schools	222.8	..	-2.5	0	6.4	0
High schools ¹	257.2	..	-2.1	0	7.3	0
Total	881.7	..	-0.3	0	7.0	0

Source: Ministry of Education

¹ Includes students of high schools, technical and vocational schools, and skill education centers.

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

Table 37

(person)

	Academic year					Percentage change		Share (percent)	
	2005/06	2006/07	2007/08 ¹	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
Education sciences	52,922	78,708	187,451	167,820	..	-10.5	0	5.0	0
Humanities and arts	166,282	216,788	319,613	348,467	..	9.0	0	10.4	0
Social sciences, commerce, and law	336,180	521,092	1,058,191	1,036,928	..	-2.0	0	31.0	0
Basic sciences, mathematics, and computer sciences	159,375	233,259	363,072	338,114	..	-6.9	0	10.1	0
Manufacturing engineering	302,028	302,437	1,027,705	1,078,822	..	5.0	0	32.2	0
Agriculture and veterinary science	62,309	62,257	149,356	146,896	..	-1.6	0	4.4	0
Health and welfare	85,205	86,347	217,355	156,208	..	-28.1	0	4.7	0
Services	26,747	37,986	65,912	76,486	..	16.0	0	2.3	0
Total	1,191,048	1,538,874	3,391,852	3,349,741	..	-1.2	0	100.0	0

Source: Ministry of Science, Research and Technology

¹ Total number of students during 2007/08 academic year includes 3,197 students of other fields as well.

Number of Students in Islamic Azad University

Table 38

(person)

	Academic year					Percentage change		Share (percent)	
	2005/06	2006/07	2007/08	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
Medical sciences	43,085	44,019	42,124	45,002	..	6.8	0	3.2	0
Humanities	541,679	552,958	539,608	552,051	..	2.3	0	39.7	0
Basic sciences	102,799	106,141	98,595	101,607	..	3.1	0	7.3	0
Technical and engineering fields	393,640	463,965	502,051	564,349	..	12.4	0	40.5	0
Agriculture and veterinary science	82,994	83,623	80,116	80,886	..	1.0	0	5.8	0
Arts	33,324	38,931	40,075	47,979	..	19.7	0	3.4	0
Total	1,197,521	1,289,637	1,302,569	1,391,874	..	6.9	0	100.0	0

Source: Islamic Azad University

Government Budget
(excluding special revenues and expenditures)

(billion rials)

	Performance					Percentage change		Share (percent)	
	2005/06 ¹	2006/07	2007/08▲	2008/09▲	2009/10	2008/09	2009/10	2008/09	2009/10
	Revenues	200,374.9	231,130.8	298,203.1	379,338.4	460,737.1	27.2	21.5	100.0	100.0
Taxes	134,574.4	151,620.9	191,815.3	239,741.4	300,035.5	25.0	25.1	63.2	65.1
Others	65,800.5	79,509.9	106,387.8	139,597.0	160,701.6	31.2	15.1	36.8	34.9
Expenses (current)	330,884.1	415,788.1	421,284.7	582,723.4	593,783.9	38.3	1.9		
Operating balance	-130,509.2	-184,657.3	-123,081.6	-203,385.1	-133,046.8	65.2	-34.6		
Disposal of non-financial assets	187,294.5	182,797.2	174,791.8	216,636.7	164,422.3	23.9	-24.1	100.0	100.0
Sale of oil and oil products	186,342.4	181,881.2	173,519.1	215,650.3	163,626.5	24.3	-24.1	99.5	99.5
Sale of crude oil	163,044.4	131,922.1	139,699.1	146,865.6	158,996.5	5.1	8.3	67.8	96.7
Allocation of 2 percent of oil and gas exports revenue to oil-producing and deprived regions	0.0	6,000.0	0.0	0.0	0.0	0	0	0.0	0.0
1.6 percent of value of crude oil production	10,198.0	0.0	0.0	0.0	0.0	0	0	0.0	0.0
Crude oil exports (out of 7.3 percent)	13,100.0	0.0	0.0	0.0	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	0.0	38,784.7	0.0	0	-100.0	17.9	0.0
Imports of gasoline	0.0	43,959.1	33,820.0	30,000.0	0.0	-11.3	-100.0	13.8	0.0
Sale of oil products and condensates	0.0	0.0	0.0	0.0	4,630.0	0	0	0.0	2.8
Sale of movable and immovable assets	952.1	916.0	1,272.7	986.5	795.8	-22.5	-19.3	0.5	0.5
Acquisition of non-financial assets (development expenditures)²	117,638.7	145,571.0	147,751.9	223,018.7	198,173.1	50.9	-11.1		
Net disposal of non-financial assets	69,655.9	37,226.2	27,040.0	-6,382.0	-33,750.8	-123.6	428.8		
Operating and non-financial balance³	-60,853.4	-147,431.2	-96,041.7	-209,767.0	-166,797.6	118.4	-20.5		
Disposal of financial assets²	83,320.7	161,061.2	156,614.0	246,227.4	220,113.8	57.2	-10.6		
Acquisition of financial assets	22,467.3	13,630.0	60,572.4	36,460.4	53,316.2	-39.8	46.2		
Net disposal of financial assets	60,853.4	147,431.2	96,041.7	209,767.0	166,797.6	118.4	-20.5		

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

¹ Figures for 2005/06 exclude the figure for transparency in the price (subsidy) of energy carriers.² In 2008/09, it includes Rls. 9,500 billion for financing the deficit of credits allocated to gas supply to rural areas.³ It is the sum of operating balance and net disposal of non-financial assets.

Tax Revenues
(excluding special revenues)

Table 40

(billion rials)

	Performance					Percentage change		Share (percent)	
	2005/06	2006/07	2007/08	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
Tax on legal entities	64,459.9	72,861.7	92,610.8	127,794.2	167,299.9	38.0	30.9	53.3	55.8
Public legal entities ¹	46,953.0	50,412.5	65,230.1	94,656.8	116,518.1	45.1	23.1	39.5	38.8
Oil performance	31,869.0	26,134.0	29,236.5	36,700.4	36,731.6	25.5	0.1	15.3	12.2
Private legal entities	17,506.9	22,449.2	27,380.7	33,137.4	50,781.8	21.0	53.2	13.8	16.9
Income tax	15,253.1	19,451.3	25,960.6	31,587.7	33,928.0	21.7	7.4	13.2	11.3
Salary	8,311.1	11,061.3	15,189.7	19,570.0	20,908.4	28.8	6.8	8.2	7.0
Professions	6,289.0	7,515.6	9,726.5	10,881.1	11,622.7	11.9	6.8	4.5	3.9
Real estate	626.3	835.6	974.7	1,065.2	1,330.1	9.3	24.9	0.4	0.4
Others	26.8	38.7	69.7	71.4	66.8	2.5	-6.4	*	*
Wealth tax	4,316.6	5,378.3	7,762.3	7,770.6	7,801.9	0.1	0.4	3.2	2.6
Heritage	336.4	447.1	719.0	883.6	1,020.4	22.9	15.5	0.4	0.3
Property transactions and goodwill	784.9	851.8	1,248.4	1,405.8	1,266.4	12.6	-9.9	0.6	0.4
Stamp duty, check, draft, promissory note, ...	2,089.5	2,520.6	3,539.9	3,478.4	3,657.5	-1.7	5.1	1.5	1.2
Others	1,105.7	1,558.8	2,255.0	2,002.8	1,857.6	-11.2	-7.2	0.8	0.6
Total	84,029.6	97,691.3	126,333.6	167,152.5	209,029.7	32.3	25.1	69.7	69.7
Import tax	35,954.1	39,806.3	48,818.9	56,689.1	62,554.4	16.1	10.3	23.6	20.8
Entrance duties	34,812.2	38,937.2	48,138.0	56,473.5	61,728.0	17.3	9.3	23.6	20.6
Others	1,141.8	869.2	680.9	215.6	826.4	-68.3	283.3	0.1	0.3
Tax on goods and services	14,590.7	14,123.3	16,662.7	15,899.8	28,451.3	-4.6	78.9	6.6	9.5
Oil products	2,958.9	3,183.4	3,577.1	2,577.1	5,424.9	-28.0	110.5	1.1	1.8
Non-alcoholic beverages	206.4	239.2	256.4	151.7	5.8	-40.8	-96.2	0.1	0.0
Sale of cigarettes	268.0	357.3	342.8	398.9	771.7	16.4	93.4	0.2	0.3
Automobile transactions	849.5	854.0	1,032.0	1,201.9	1,489.8	16.5	24.0	0.5	0.5
Communication services	1,033.4	1,606.1	2,651.4	1,957.2	-262.4	-26.2	-113.4	0.8	-0.1
Passport– exit duty charges	264.3	507.0	648.0	735.2	744.5	13.5	1.3	0.3	0.2
Sale of cell phone subscription	3,989.6	1,141.2	931.9	552.1	31.3	-40.8	-94.3	0.2	*
Value-added	0.0	0.0	0.0	2,448.8	16,154.4	0	0	1.0	5.4
Others	5,020.6	6,235.1	7,223.1	5,876.8	4,091.5	-18.6	-30.4	2.5	1.4
Total	50,544.8	53,929.6	65,481.7	72,588.9	91,005.8	10.9	25.4	30.3	30.3
Grand total	134,574.4	151,620.9	191,815.3	239,741.4	300,035.5	25.0	25.1	100.0	100.0

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

¹ It includes tax on oil performance.

Other Government Revenues (excluding special revenues)

Table 41

(billion rials)

	Performance					Percentage change		Share (percent)	
	2005/06 ¹	2006/07▲	2007/08▲	2008/09▲	2009/10	2008/09	2009/10	2008/09	2009/10
Revenues received from government ownership	52,196.2	65,697.9	87,299.8	116,769.8	134,722.2	33.8	15.4	83.6	83.8
Public corporations' dividend ²	51,344.7	64,750.2	83,448.8	109,755.6	123,850.5	31.5	12.8	78.6	77.1
Provisional dividend of government share in value of crude oil production	28,682.0	23,520.6	26,312.9	58,720.6	58,776.3	123.2	0.1	42.1	36.6
Excess dividend of the NIOC in 2008/09	0.0	0.0	0.0	0.0	24,194.0	0	0	0.0	15.1
Return on government loans abroad	0.5	0.9	0.8	0.7	1.0	-11.3	29.0	*	*
Receipts from rent	61.1	31.6	30.2	51.5	43.7	70.6	-15.1	*	*
Other revenues received from government ownership ³	790.0	915.2	3,819.9	6,962.0	10,827.0	82.3	55.5	5.0	6.7
Revenues received from services and sale of goods	9,638.8	7,974.1	10,325.1	11,347.0	12,988.6	9.9	14.5	8.1	8.1
Receipts from services	9,547.0	7,878.5	9,917.5	10,849.9	12,809.7	9.4	18.1	7.8	8.0
Judicial and notary services	3,082.8	3,550.6	4,327.8	4,784.5	6,109.9	10.6	27.7	3.4	3.8
Military services ⁴	885.2	420.2	311.3	350.4	356.1	12.5	1.6	0.3	0.2
Educational and cultural services	238.6	252.4	466.4	477.6	506.0	2.4	6.0	0.3	0.3
Agricultural and industrial services	764.8	843.3	1,233.8	960.0	1,042.4	-22.2	8.6	0.7	0.6
Others	4,575.7	2,812.1	3,578.1	4,277.5	4,795.2	19.5	12.1	3.1	3.0
Receipts from sale of goods	91.8	95.6	407.6	497.1	178.9	22.0	-64.0	0.4	0.1
Receipts from fines and penalties	2,068.3	2,523.8	3,944.9	4,084.7	4,697.7	3.5	15.0	2.9	2.9
Traffic offences	1,605.6	1,767.3	2,988.3	2,947.4	3,610.8	-1.4	22.5	2.1	2.2
Combating the smuggling of drugs	257.7	320.0	383.4	376.5	337.5	-1.8	-10.4	0.3	0.2
Fines and penalties subject of Labor Act, illegal residence, etc.	25.6	32.9	19.9	24.0	24.0	20.5	0.2	*	*
Others	179.4	403.6	553.3	736.9	725.4	33.2	-1.6	0.5	0.5
Miscellaneous revenues	1,897.2	3,314.1	4,818.0	7,395.4	8,293.1	53.5	12.1	5.3	5.2
Receipts from co-ownership of lands	1.0	26.0	63.0	25.6	93.4	-59.3	264.5	*	0.1
Receipts from implementation of roads and railway safety projects	1.5	60.7	52.7	68.7	84.1	30.3	22.4	*	0.1
Others ³	1,894.7	3,227.4	4,702.3	7,301.1	8,115.6	55.3	11.2	5.2	5.1
Total	65,800.5	79,509.9	106,387.8	139,597.0	160,701.6	31.2	15.1	100.0	100.0

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

¹ Figures for 2005/06 exclude the figure for transparency in the price of energy carriers.² During 2005/06-2009/10, it includes "provisional dividend of government share in value of crude oil production", and in 2009/10, it also includes "excess dividend of NIOC in 2008/09".³ Based on the Budget Law for 2009/10, "revenues received from increase in the price of cigarettes" is declassified from "miscellaneous revenues" and included in "revenues received from government ownership". This change in classification is also applied to years 2005/06 to 2008/09; therefore, the comparison of figures with previous years is possible.⁴ It includes exit duty charges and issuance of passport and driving license.

Table 42

Disposal and Acquisition of Financial Assets

(billion rials)

	Performance					Percentage change		Share (percent)	
	2005/06	2006/07	2007/08 ▲	2008/09 ▲	2009/10	2008/09	2009/10	2008/09	2009/10
Disposal of financial assets	83,320.7	161,061.2	156,614.0	246,227.4	220,113.8	57.2	-10.6	100.0	100.0
Foreign financing	626.3	673.0	1,232.7	853.5	933.8	-30.8	9.4	0.3	0.4
Foreign facilities	622.1	669.2	1,228.8	849.6	927.6	-30.9	9.2	0.3	0.4
World Bank facilities	622.1	669.2	1,059.1	787.0	927.6	-25.7	17.9	0.3	0.4
Other banks and foreign financing	0.0	0.0	169.7	62.6	0.0	-63.1	-100.0	*	0.0
Principal of government loans abroad	4.2	3.8	3.9	4.0	6.2	3.0	55.9	*	*
Domestic financing	82,694.4	160,388.2	155,381.4	245,373.8	219,180.0	57.9	-10.7	99.7	99.6
Sale of participation papers	6,834.9	4,986.1	4,893.3	0.0	0.0	-100.0	0	0.0	0.0
Privatization proceeds	1,786.6	818.6	32,956.9	10,959.3	62,936.2	-66.7	474.3	4.5	28.6
Government domestic loans	1,616.6	2,184.7	2,600.7	1,044.3	738.4	-59.8	-29.3	0.4	0.3
Refunds carried over from previous years	3,073.0	9,825.7	7,936.3	21,179.4	22,388.4	166.9	5.7	8.6	10.2
OSF utilization	69,383.4	142,573.0	106,994.3	212,190.9	133,117.0	98.3	-37.3	86.2	60.5
Implementation of development projects	42,289.1	100,320.7	77,681.0	130,598.1	112,955.7	68.1	-13.5	53.0	51.3
External obligations	14,553.5	8,407.6	12,373.0	9,768.5	3,847.4	-21.1	-60.6	4.0	1.7
Others ¹	12,540.8	33,844.7	16,940.3	71,824.3	16,313.9	324.0	-77.3	29.2	7.4
Acquisition of financial assets	22,467.3	13,630.0	60,572.4	36,460.4	53,316.2	-39.8	46.2	100.0	100.0
Balance of the government general budget account (account No. 8001)	2,366.6	0.0	10,598.0	14,424.9	0.0	36.1	-100.0	39.6	0.0
Repayment of external debts and obligations (out of OSF)	14,553.5	8,407.6	12,373.0	9,768.5	3,847.4	-21.1	-60.6	26.8	7.2
Repayment of government debt to insurance and pension funds (transfer of shares)	3,813.0	0.0	27,627.0	0.0	19,500.0	-100.0	0	0.0	36.6
Others	1,734.3	5,222.4	9,974.4	12,267.0	29,968.8	23.0	144.3	33.6	56.2
Net disposal of financial assets	60,853.4	147,431.2	96,041.7	209,767.0	166,797.6	118.4	-20.5		

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

¹ In 2008/09, it includes Rls. 9,500 billion for financing the deficit of credits allocated to gas supply to rural areas.

Table 43

Weight of Exports¹

(thousand tons)

	2005/06	2006/07	2007/08	2008/09	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Agricultural and traditional goods	1,933	2,468	3,411	2,721	2,539	-20.2	-6.7	8.2	5.5
Fresh and dried fruits	914	1,089	1,267	1,029	1,045	-18.7	1.5	3.1	2.2
Pistachio	142	173	203	106	119	-47.9	12.4	0.3	0.3
Grapes and raisins	152	167	178	84	117	-52.8	39.7	0.3	0.3
Dates	124	145	125	105	87	-16.1	-17.2	0.3	0.2
Apple	194	222	280	342	320	22.1	-6.5	1.0	0.7
Handwoven carpets	16	14	11	8	8	-27.6	2.0	*	*
Live animals	68	10	50	58	28	16.6	-51.8	0.2	0.1
Vegetables and plants	497	755	783	1,121	1,047	43.3	-6.6	3.4	2.3
Saffron	0.2	0.1	0.1	0.1	0.1	-9.1	-6.4	*	*
All kinds of hide and leather	21	26	29	27	24	-5.8	-11.7	0.1	0.1
Casings	2	2	2	3	2	26.1	-23.7	*	*
Others	413	571	1,270	475	386	-62.6	-18.8	1.4	0.8
Metallic mineral ores	4,542	5,877	6,797	6,408	11,292	-5.7	76.2	19.3	24.3
Industrial goods	18,484	19,396	21,884	24,109	32,597	10.2	35.2	72.5	70.1
Oil and gas products	5,412	4,929	5,814	6,365	7,613	9.5	19.6	19.1	16.4
Petroleum gas and other petroleum hydrocarbons	2,848	2,642	3,247	4,326	4,861	33.3	12.4	13.0	10.5
Naphthalene and other aromatic hydrocarbons	731	698	1,057	99	164	-90.7	66.1	0.3	0.4
Light oils and products thereof	613	518	481	877	1,160	82.5	32.3	2.6	2.5
Cast iron, iron, steel and their articles	2,555	2,893	1,514	864	1,408	-42.9	63.0	2.6	3.0
Organic chemicals	1,876	2,072	3,871	5,728	6,057	48.0	5.7	17.2	13.0
Cyclic hydrocarbons (benzene, xylene, toluene, etc.)	535	471	686	1,100	1,172	60.3	6.5	3.3	2.5
Methanol (methyl alcohol) and ethylene glycol	923	1,086	2,240	3,106	3,683	38.7	18.6	9.3	7.9
Aluminum, copper, zinc and their articles	277	325	238	269	410	13.2	52.3	0.8	0.9
Plastic materials and their products	372	742	685	1,072	2,018	56.5	88.3	3.2	4.3
Soil and stone, cement, plaster, stone and ceramic products	4,628	4,219	4,567	5,088	9,800	11.4	92.6	15.3	21.1
Ready-made clothes, tricot and all kinds of fabric	41	39	31	31	33	1.0	4.6	0.1	0.1
Transportation vehicles and their spare parts	62	80	114	87	93	-23.5	6.5	0.3	0.2
Inorganic chemicals	1,208	1,379	2,258	2,124	2,192	-6.0	3.2	6.4	4.7
Metallic oxides and hydroxides	107	160	307	214	129	-30.3	-39.5	0.6	0.3
Ammonia	242	357	629	885	681	40.6	-23.1	2.7	1.5
All kinds of sulfur	586	649	1,067	691	1,103	-35.3	59.8	2.1	2.4
Machine-made carpets and other kinds of carpeting	48	41	41	39	38	-5.4	-3.1	0.1	0.1
Ornaments and jewelry	0	0	0	0	0	0	0	0.0	0.0
Soaps and other detergents	151	200	179	131	239	-26.8	82.8	0.4	0.5
Footwear	22	21	22	19	18	-15.6	-0.9	0.1	0.0
Others	1,832	2,457	2,551	2,293	2,678	-10.1	16.8	6.9	5.8
Goods not elsewhere classified	24	25	26	14	42	-47.1	197.5	*	0.1
Total	24,983	27,766	32,118	33,252	46,470	3.5	39.8	100.0	100.0

Source: Islamic Republic of Iran's Customs Administration

¹ Excludes the value of electricity export to neighboring countries and the exports of NIOC and NIGC.

Table 44

Value of Exports¹

(million dollars)

	2005/06	2006/07	2007/08	2008/09	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Agricultural and traditional goods	2,544	3,012	3,482	3,304	3,982	-5.1	20.5	18.0	18.7
Fresh and dried fruits	1,195	1,571	1,826	1,307	1,725	-28.5	32.0	7.1	8.1
Pistachio	817	1,073	1,264	727	928	-42.5	27.6	4.0	4.4
Grapes and raisins	122	142	170	139	262	-18.1	88.5	0.8	1.2
Dates	77	95	101	90	89	-11.1	-0.8	0.5	0.4
Apple	69	81	104	176	247	69.0	40.7	1.0	1.2
Handwoven carpets	467	413	398	422	494	6.1	16.8	2.3	2.3
Live animals	154	26	114	136	68	19.1	-50.3	0.7	0.3
Vegetables and plants	141	261	192	474	637	146.2	34.5	2.6	3.0
Saffron	95.2	75.7	50.5	91.6	179.5	81.3	95.9	0.5	0.8
All kinds of hide and leather	83	106	109	159	152	46.3	-4.3	0.9	0.7
Casings	66	74	72	120	63	65.6	-47.4	0.7	0.3
Others	344	485	719	596	664	-17.2	11.5	3.2	3.1
Metallic mineral ores	170	321	227	319	702	40.4	119.9	1.7	3.3
Industrial goods	7,702	9,550	11,548	14,662	16,551	27.0	12.9	80.0	77.6
Oil and gas products	1,924	2,237	2,956	3,819	3,835	29.2	0.4	20.8	18.0
Petroleum gas and other petroleum hydrocarbons	1,044	1,337	1,883	2,873	2,586	52.6	-10.0	15.7	12.1
Naphthalene and other aromatic hydrocarbons	311	331	590	17	24	-97.2	44.7	0.1	0.1
Light oils and products thereof	279	293	209	614	732	193.0	19.3	3.3	3.4
Cast iron, iron, steel and their articles	1,122	1,327	925	679	991	-26.6	46.1	3.7	4.6
Organic chemicals	776	694	1,820	3,130	2,437	72.0	-22.1	17.1	11.4
Cyclic hydrocarbons (benzene, xylene, toluene, etc.)	358	239	579	972	885	67.8	-9.0	5.3	4.1
Methanol (methyl alcohol) and ethylene glycol	235	195	637	1,041	831	63.3	-20.1	5.7	3.9
Aluminum, copper, zinc and their articles	400	840	667	778	898	16.6	15.4	4.2	4.2
Plastic materials and their products	438	852	859	1,411	2,258	64.3	60.1	7.7	10.6
Soil and stone, cement, plaster, stone and ceramic products	413	390	401	526	1,229	31.1	133.8	2.9	5.8
Ready-made clothes, tricot and all kinds of fabric	235	209	173	177	255	2.4	43.9	1.0	1.2
Transportation vehicles and their spare parts	235	345	574	456	469	-20.6	3.0	2.5	2.2
Inorganic chemicals	210	270	515	751	348	45.8	-53.7	4.1	1.6
Metallic oxides and hydroxides	82	94	158	88	62	-44.4	-29.7	0.5	0.3
Ammonia	66	120	167	402	180	140.7	-55.4	2.2	0.8
All kinds of sulfur	39	30	158	217	61	37.5	-72.1	1.2	0.3
Machine-made carpets and other kinds of carpeting	182	158	164	232	261	41.6	12.1	1.3	1.2
Ornaments and jewelry	137	80	44	68	116	53.7	72.3	0.4	0.5
Soaps and other detergents	89	117	103	84	168	-18.3	98.5	0.5	0.8
Footwear	81	84	87	92	120	5.0	30.9	0.5	0.6
Others	1,461	1,948	2,261	2,460	3,166	8.8	28.7	13.4	14.8
Goods not elsewhere classified	58	115	55	48	85	-11.8	76.8	0.3	0.4
Total	10,474	12,997	15,312	18,334	21,321	19.7	16.3	100.0	100.0

Table 45

Weight of Imports according to International Classification of Goods

(thousand tons)

	2005/06	2006/07	2007/08	2008/09	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Foodstuffs and live animals	6,446	10,455	8,120	15,921	15,862	96.1	-0.4	36.1	30.6
Dairy products and eggs	51	61	56	72	84	29.5	15.8	0.2	0.2
Grains and their derivatives	4,481	5,671	4,149	12,053	11,523	190.5	-4.4	27.3	22.2
Sugar, its derivatives and honey	719	2,539	1,253	1,118	913	-10.8	-18.3	2.5	1.8
Coffee, tea, cocoa, spices, etc.	60	63	87	84	92	-3.2	9.0	0.2	0.2
Fruits and vegetables	635	922	1,137	1,054	1,295	-7.3	22.8	2.4	2.5
Others	501	1,200	1,439	1,540	1,957	7.0	27.0	3.5	3.8
Beverages and tobacco	66	80	114	119	85	4.1	-28.5	0.3	0.2
Raw non-edible products (excluding petroleum fuels)	3,179	3,226	4,211	3,068	3,144	-27.1	2.5	7.0	6.1
Raw caoutchouc	90	107	108	99	124	-7.6	24.8	0.2	0.2
Textile fibers unlisted	195	274	340	245	268	-27.9	9.7	0.6	0.5
Various raw fertilizers and minerals	635	459	323	202	219	-37.4	8.1	0.5	0.4
Others	2,259	2,387	3,440	2,522	2,533	-26.7	0.5	5.7	4.9
Mineral products, fuels, industrial oils, and grease	7,922	9,489	7,047	5,667	10,236	-19.6	80.6	12.8	19.7
Gasoline	6,754	6,931	4,934	3,062	7,800	-37.9	154.7	6.9	15.0
Gas oil and other light oils	63	1,475	843	1,624	1,500	92.6	-7.6	3.7	2.9
Others	1,105	1,083	1,271	982	936	-22.8	-4.6	2.2	1.8
Vegetable and animal shortenings	1,253	1,255	1,226	1,025	1,156	-16.4	12.8	2.3	2.2
Vegetable shortenings	1,242	1,251	1,222	1,019	1,152	-16.6	13.0	2.3	2.2
Others	11	4	4	6	4	46.3	-33.8	*	*
Chemicals	3,449	5,025	3,829	3,024	3,358	-21.0	11.0	6.8	6.5
Chemicals and their compounds	907	1,716	1,206	903	980	-25.1	8.5	2.0	1.9
Materials for paints, dyes and tanning	81	85	100	89	109	-10.7	22.6	0.2	0.2
Medical and pharmaceutical products	20	30	24	30	31	26.1	1.1	0.1	0.1
Plastic, cellulose and artificial resins	838	776	996	890	1,121	-10.6	25.9	2.0	2.2
Other unlisted chemical products	183	188	208	210	253	0.8	20.3	0.5	0.5
Others	1,420	2,230	1,295	901	864	-30.4	-4.1	2.0	1.7
Goods classified according to their composition	10,850	12,001	14,950	12,994	15,684	-13.1	20.7	29.4	30.2
Paper, cardboard and their derivatives	804	925	1,049	961	1,205	-8.4	25.4	2.2	2.3
Various textile yarns and related products	223	238	264	265	314	0.6	18.1	0.6	0.6
Non-metallic mineral products	1,105	1,120	673	697	670	3.6	-3.9	1.6	1.3
Iron and steel	8,007	8,927	11,900	10,024	12,093	-15.8	20.6	22.7	23.3
Others	711	792	1,064	1,046	1,403	-1.7	34.1	2.4	2.7
Machinery and transportation vehicles	2,142	1,797	2,008	2,123	2,099	5.7	-1.1	4.8	4.0
Non-electrical machinery	998	852	956	1,007	1,067	5.3	6.0	2.3	2.1
Electrical machinery, tools and appliances	328	382	471	467	477	-0.9	2.2	1.1	0.9
Transportation vehicles	815	563	581	649	555	11.8	-14.6	1.5	1.1
Miscellaneous finished products	145	154	185	198	219	7.2	10.2	0.4	0.4
Scientific and professional tools	34	35	37	40	46	7.4	14.3	0.1	0.1
Artificial goods unlisted elsewhere	76	90	104	106	116	2.2	9.2	0.2	0.2
Others	36	30	44	53	57	18.9	9.2	0.1	0.1
Goods not classified according to their type	14	9	6	9	7	37.7	-16.4	*	*
Total	35,466	43,492	41,696	44,148	51,851	5.9	17.4	100.0	100.0

Source: Islamic Republic of Iran's Customs Administration

Table 46

Value of Imports according to International Classification of Goods

(million dollars)

	2005/06	2006/07	2007/08	2008/09	2009/10 □	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Foodstuffs and live animals	1,759	3,243	3,172	6,738	6,394	112.4	-5.1	12.0	11.6
Dairy products and eggs	124	141	174	292	246	68.0	-15.6	0.5	0.4
Grains and their derivatives	909	1,189	1,201	4,434	3,514	269.1	-20.7	7.9	6.4
Sugar, its derivatives and honey	204	1,026	448	345	344	-23.1	-0.4	0.6	0.6
Coffee, tea, cocoa, spices, etc.	114	112	176	183	211	4.0	15.8	0.3	0.4
Fruits and vegetables	207	305	390	429	688	9.9	60.3	0.8	1.2
Others	202	470	783	1,056	1,391	34.9	31.7	1.9	2.5
Beverages and tobacco	437	525	492	499	344	1.4	-31.0	0.9	0.6
Raw non-edible products (excluding petroleum fuels)	1,233	1,572	2,386	2,159	2,052	-9.5	-5.0	3.9	3.7
Raw caoutchouc	160	236	258	276	268	6.8	-2.5	0.5	0.5
Textile fibers unlisted	352	536	738	534	504	-27.7	-5.6	1.0	0.9
Various raw fertilizers and minerals	103	105	118	110	107	-6.1	-3.2	0.2	0.2
Others	618	694	1,272	1,239	1,172	-2.6	-5.4	2.2	2.1
Mineral products, fuels, industrial oils, and grease	4,198	5,356	4,406	4,656	5,752	5.7	23.5	8.3	10.4
Gasoline	3,851	4,335	3,412	2,737	4,579	-19.8	67.3	4.9	8.3
Gas oil and other light oils	30	768	534	1,344	800	151.7	-40.4	2.4	1.5
Others	317	252	460	575	372	24.8	-35.2	1.0	0.7
Vegetable and animal shortenings	645	693	1,000	1,150	988	15.0	-14.0	2.1	1.8
Vegetable shortenings	638	687	994	1,142	983	14.9	-13.9	2.0	1.8
Others	7	6	6	8	5	27.8	-33.8	*	*
Chemicals	4,151	4,853	6,256	6,343	6,023	1.4	-5.1	11.3	10.9
Chemicals and their compounds	921	1,155	1,477	1,344	1,247	-9.0	-7.2	2.4	2.3
Materials for paints, dyes and tanning	235	258	302	265	276	-12.2	4.0	0.5	0.5
Medical and pharmaceutical products	738	881	1,208	1,246	1,404	3.2	12.6	2.2	2.5
Plastic, cellulose and artificial resins	1,361	1,398	2,023	1,811	1,832	-10.4	1.2	3.2	3.3
Other unlisted chemical products	448	463	585	622	673	6.2	8.2	1.1	1.2
Others	448	698	661	1,055	591	59.6	-44.0	1.9	1.1
Goods classified according to their composition	8,155	8,924	12,672	13,364	12,559	5.5	-6.0	23.8	22.8
Paper, cardboard and their derivatives	669	819	1,041	1,065	1,087	2.3	2.1	1.9	2.0
Various textile yarns and related products	445	450	527	552	612	4.7	10.9	1.0	1.1
Non-metallic mineral products	402	404	525	582	576	10.9	-1.0	1.0	1.0
Iron and steel	5,412	5,935	8,803	9,307	8,146	5.7	-12.5	16.6	14.8
Others	1,225	1,316	1,777	1,857	2,138	4.5	15.1	3.3	3.9
Machinery and transportation vehicles	17,217	15,021	16,493	19,171	17,984	16.2	-6.2	34.2	32.6
Non-electrical machinery	9,228	7,923	8,224	9,015	9,509	9.6	5.5	16.1	17.2
Electrical machinery, tools and appliances	2,876	3,271	3,800	4,609	3,955	21.3	-14.2	8.2	7.2
Transportation vehicles	5,113	3,826	4,469	5,548	4,519	24.2	-18.5	9.9	8.2
Miscellaneous finished products	1,144	1,119	1,465	1,729	1,902	18.1	10.0	3.1	3.4
Scientific and professional tools	710	713	845	1,052	1,209	24.5	15.0	1.9	2.2
Artificial goods unlisted elsewhere	354	347	525	548	552	4.5	0.6	1.0	1.0
Others	80	59	95	129	141	35.4	9.5	0.2	0.3
Goods not classified according to their type	309	416	98	233	1,191	138.7	410.3	0.4	2.2
Total	39,248	41,723	48,439	56,042	55,189	15.7	-1.5	100.0	100.0

Source: Islamic Republic of Iran's Customs Administration

Table 47

Balance of Payments¹

(million dollars)

	2005/06	2006/07	2007/08	2008/09	2009/10 □	Percentage change	
						2008/09	2009/10
Current account	15,392	20,585	32,594	22,903	10,908	-29.7	-52.4
Goods	21,143	26,204	39,427	31,090	20,936	-21.1	-32.7
Exports (FOB)	64,525	76,190	97,667	101,289	87,534	3.7	-13.6
Oil exports ²	55,791	64,665	84,505	86,619	69,825	2.5	-19.4
Non-oil exports	8,734	11,525	13,162	14,670	17,709	11.5	20.7
Imports (FOB)	43,381	49,987	58,240	70,199	66,599	20.5	-5.1
Gas and oil products ³	4,093	6,155	6,248	7,815	6,600	25.1	-15.6
Other goods	39,289	43,832	51,992	62,384	59,999	20.0	-3.8
Services	-5,841	-6,212	-8,429	-9,876	-10,442	17.2	5.7
Credit	4,999	5,669	6,929	8,009	7,628	15.6	-4.8
Transportation	2,327	2,943	3,324	3,904	3,873	17.4	-0.8
Passenger	234	248	273	288	298	5.4	3.3
Freight	1,800	2,391	2,696	3,328	3,269	23.4	-1.8
Other	293	303	355	288	306	-18.8	6.3
Travel	791	1,216	1,677	1,914	2,012	14.1	5.1
Business	237	273	345	397	419	14.9	5.7
Personal	554	943	1,332	1,517	1,593	13.9	5.0
Communication services	46	41	58	73	74	27.0	0.3
Construction services	1,475	996	1,323	1,493	952	12.8	-36.2
Insurance services	35	39	43	32	45	-25.6	38.6
Financial services (other than insurance)	30	39	46	55	64	19.7	16.3
Computer and information services	35	45	54	74	82	37.4	10.8
Royalties and license fees	3	5	5	6	7	19.7	16.3
Other business services	114	149	175	210	244	19.7	16.3
Personal, cultural and recreational services	55	71	84	101	117	19.7	16.3
Government services, n.i.e	87	125	138	146	158	6.0	8.2
Debit	10,840	11,881	15,357	17,885	18,070	16.5	1.0
Transportation	2,324	2,951	3,698	4,268	5,181	15.4	21.4
Passenger	388	382	526	775	1,025	47.2	32.4
Freight	1,293	1,782	1,878	2,526	3,123	34.5	23.6
Other	643	787	1,294	967	1,032	-25.2	6.7

Travel	3,723	4,684	6,809	7,643	9,108	12.2	19.2
Business	740	907	1,260	1,383	1,536	9.8	11.1
Personal	2,984	3,777	5,550	6,259	7,572	12.8	21.0
Communication services	152	167	198	377	377	90.3	0.0
Construction services (technical and engineering)	2,956	2,267	2,468	3,062	799	24.0	-73.9
Insurance services	36	38	53	17	21	-68.0	23.5
Financial services (other than insurance)	157	167	194	280	331	44.6	18.2
Computer and information services	216	229	291	347	342	19.6	-1.5
Royalties and license fees	118	125	145	168	166	15.7	-1.5
Other business services	529	570	661	798	780	20.6	-2.2
Personal, cultural and recreational services	196	209	242	280	276	15.7	-1.5
Government services, n.i.e	433	474	597	645	690	8.0	7.0
Income	-407	111	954	1,328	-9	39.2	0
Credit	1,333	2,109	3,164	3,263	1,775	3.1	-45.6
Compensation of employees including border, seasonal workers	427	481	561	558	400	-0.6	-28.2
Investment income	906	1,628	2,603	2,705	1,375	3.9	-49.2
Debit	1,740	1,998	2,211	1,935	1,784	-12.5	-7.8
Compensation of employees including border, seasonal workers	349	267	276	324	347	17.1	7.2
Investment expenditure	1,391	1,731	1,934	1,612	1,438	-16.7	-10.8
Current transfers	496	482	642	362	424	-43.5	17.0
Credit	826	781	916	733	817	-20.0	11.5
General government	5	1	0	0	0	0	0
Other sectors	821	780	916	733	817	-20.0	11.5
Debit	330	299	274	370	393	35.0	6.1
General government	37	75	30	42	42	39.5	0.0
Other sectors	293	224	244	329	351	34.5	6.9
Capital and financial account	-14,731	-17,695	-28,851	-18,187	-6,163	-37.0	-66.1
Capital account	-117	-185	-249	-383	-393	53.4	2.6
Financial account ⁴	-14,614	-17,510	-28,601	-17,804	-5,770	-37.8	-67.6
Errors and omissions	-661	-2,890	-3,743	-4,717	-4,745	26.0	0.6

¹ Balance of Payments data for 1997/98-2009/10 have been revised based on the fifth edition of the IMF Balance of Payments Manual. Therefore, basis for classification and dissemination of data might be different.

² Includes value of exports of crude oil, oil products, natural gas, natural gas liquids and condensates (Tariff codes: 2709, 2710 and 2711) by NIOC, NIGC, NIORDC, petrochemical companies, and others (customs and non-customs).

³ Includes imports of oil products, natural gas, natural gas liquids and condensates (Tariff codes: 2710 and 2711) by NIOC, NIGC, NIORDC, and others (customs and non-customs).

⁴ Includes changes in the OSF and CBI foreign assets.

Table 48

BALANCE SHEET
AS AT THE END OF 1388 (March 20, 2010)

<u>March 20, 2009</u>	ASSETS	<u>March 20, 2010</u>
96,500,000	Note cover including gold, foreign exchange, and quota and subscription to international agencies	104,000,000
994,475	Notes and coins held at the Central Bank	7,349,481
16,632,793	Free gold holdings	29,516,907
735,744,306	Foreign exchange assets	703,825,127
	Loans and credits to:	
21,045,138	Government	19,255,603
38,835,900	Government institutions and corporations	42,731,531
239,757,659	Banks	168,997,970
299,638,697		230,985,104
7,684,433	Fixed assets (less accumulated depreciation)	7,972,499
1,767,304	Other assets	1,265,698
1,158,962,008		1,084,914,816
17,984,592	Customers' undertakings regarding opened letters of credit and guarantees	10,572,768
1,176,946,600		1,095,487,584
1,626,710	Assets of the Central Bank Employees' Pension Fund	1,862,068
99,887	Assets of the Central Bank Employees' Savings Fund	119,872
135,056	Assets of the Central Bank Employees' Cooperative Fund	174,008
1,178,808,253		1,097,643,532

Executive Board

Mahmud Bahmani
Governor

Seyed Hamid
Pour Mohammadi

Deputy Governor

Seyed Mahmoud
Ahmadi

Secretary General

Hamid
Borhani

Vice-Governor

Hossein
Ghazavi

Vice-Governor

Bahman
Mesgarha

Vice-Governor

**AMOUNT IN
MILLION RIALS**

<u>March 20, 2009</u>	LIABILITIES	<u>March 20, 2010</u>
96,500,000	Notes issued	104,000,000
110,004,078	Iran-Checks issued	133,364,078
842,581	Coins issued	1,039,119
	Deposits:	
358,513,632	Government: sight	194,006,251
21,514,911	Government institutions and corporations: sight	17,649,963
1,124,590	Non-government public institutions and corporations: sight	1,293,860
	Banks and credit institutions:	
225,191,588	Legal	243,284,455
176,155,212	Sight and term investment deposits, advance payments on banks' LCs, and other deposits	189,126,721
782,499,933		645,361,250
4,524,749	Income tax	3,922,386
11,692,653	Share of government in net profit	11,260,933
36,253,457	Other liabilities	54,445,026
172,136	Retirement benefits	193,217
15,000,000	Capital	20,000,000
7,019,469	Legal reserve	9,544,892
5,009,692	Contingency reserve	5,009,692
89,443,260	Foreign exchange assets' and liabilities' revaluation reserve	96,774,222
0	Net profit carried forward	1
1,158,962,008		1,084,914,816
17,984,592	Letters of credit and guarantees	10,572,768
1,176,946,600		1,095,487,584
1,626,710	Liabilities of the Central Bank Employees' Pension Fund	1,862,068
99,887	Liabilities of the Central Bank Employees' Savings Fund	119,872
135,056	Liabilities of the Central Bank Employees' Cooperative Fund	174,008
1,178,808,253		1,097,643,532

Table 49

PROFIT AND LOSS ACCOUNT
AS AT THE END OF 1388 (March 20, 2010)

<u>2008/09</u>		<u>2009/10</u>
16,066,112	Returns on deposits and investment abroad	7,417,704
7,968,510	Profit received from extended facilities	15,594,455
288,440	Commission received for banking services	193,673
8,030,307	Result of foreign exchange and gold transactions	6,106,831
1,861,065	Other incomes	1,974,641
<u>34,214,434</u>		<u>31,287,304</u>
25,927,441	Net profit	25,254,236
1	Net profit carried forward	0
<u>25,927,442</u>		<u>25,254,236</u>

Executive Board

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Bahman
Mesgarha
Vice-Governor

**AMOUNT IN
MILLION RIALS**

<u>2008/09</u>		<u>2009/10</u>
74,852	Cost of receiving credit and overdraft from foreign banks	36,865
815,735	Profit paid on foreign exchange accounts	5,181
2,261,386	Rewards paid on banks' legal deposit	2,296,551
1,211,888	Profit paid on Central Bank's participation papers	0
1,338,375	Profit paid on banks' special deposits	599,291
613,478	Commission paid on banking services	542,057
1,183,843	Personnel and administrative expenditures	1,581,237
700,697	Money issue and miscellaneous printing expenditures	523,047
84,859	Depreciation cost of fixed assets	85,946
1,880	Other expenditures	362,893
<u>8,286,993</u>		<u>6,033,068</u>
25,927,441	Net profit	25,254,236
<u>34,214,434</u>		<u>31,287,304</u>

APPROPRIATION ACCOUNT

6,511,808	Income tax	6,341,057
2,592,745	Transfer to legal reserve	2,525,424
5,000,000	Transfer to contingency reserve	5,000,000
11,692,653	Share of government in net profit	11,260,933
130,236	0.5 percent of net profit allocated to low-income groups for housing provision	126,821
0	Net profit carried forward	1
<u>25,927,442</u>		<u>25,254,236</u>

Summary of the Assets and Liabilities of the Banking System ¹

Table 50

(billion rials)

	Year-end balance					Percentage change	
	2005/06	2006/07	2007/08	2008/09 ▲	2009/10	2008/09	2009/10
Assets							
Foreign assets	770,170.4	928,552.5	1,184,385.1	1,216,237.0	1,331,223.8	2.7	9.5
Claims on public sector	235,607.7	256,219.8	280,636.7	291,539.4	364,633.9	3.9	25.1
Government	135,794.5	160,269.3	188,723.6	206,925.9	284,906.4	9.6	37.7
Public corporations and institutions	99,813.2	95,950.5	91,913.1	84,613.5	79,727.5	-7.9	-5.8
Claims on non-public sector	865,315.4	1,226,201.0	1,663,725.7	1,866,550.9	2,137,363.8	12.2	14.5
Others	488,302.9	671,235.9	952,428.0	1,208,160.7	1,338,016.0	26.9	10.7
Sub-total	2,359,396.4	3,082,209.2	4,081,175.5	4,582,488.0	5,171,237.5	12.3	12.8
Below the line items	445,191.6	599,812.1	767,501.1	810,382.2	921,688.9	5.6	13.7
Total assets = total liabilities	2,804,588.0	3,682,021.3	4,848,676.6	5,392,870.2	6,092,926.4	11.2	13.0
Liabilities							
Liquidity	921,019.4	1,284,199.4	1,640,293.0	1,901,366.0	2,355,889.1	15.9	23.9
Money	317,919.4	414,544.9	535,707.3	525,482.5	601,697.0	-1.9	14.5
Quasi-money	603,100.0	869,654.5	1,104,585.7	1,375,883.5	1,754,192.1	24.6	27.5
Deposits and loans of public sector	167,667.4	220,621.4	265,256.0	335,620.6	300,025.1	26.5	-10.6
Government	156,378.9	208,532.4	247,774.9	319,542.4	283,130.4	29.0	-11.4
Public corporations and institutions	11,288.5	12,089.0	17,481.1	16,078.2	16,894.7	-8.0	5.1
Capital account	120,191.3	173,603.7	209,138.9	252,251.8	263,105.0	20.6	4.3
Foreign loans and credits and foreign exchange deposits	471,435.8	503,521.7	713,605.6	611,986.1	606,006.0	-14.2	-1.0
Import order registration deposits of non-public sector	2.0	2.0	2.0	2.0	2.0	0.0	0.0
Advance payments on letters of credit by public sector	1,275.1	1,194.2	549.8	662.7	578.0	20.5	-12.8
Others	677,805.4	899,066.8	1,252,330.2	1,480,598.8	1,645,632.3	18.2	11.1
Sub-total	2,359,396.4	3,082,209.2	4,081,175.5	4,582,488.0	5,171,237.5	12.3	12.8
Below the line items	445,191.6	599,812.1	767,501.1	810,382.2	921,688.9	5.6	13.7

¹ Excludes commercial banks' branches abroad. As of end-2009/10, Bank Saderat Iran, Bank Mellat, Bank Tejarat, and Bank Refah were classified as private banks.

Banks and Credit Institutions Claims on Non-Public Sector ¹

Table 51

(billion rials)

	Year-end balance					Percentage change	
	2005/06	2006/07	2007/08	2008/09	2009/10	2008/09	2009/10
Banks and credit institutions	865,315.4	1,226,201.0	1,663,725.7	1,866,550.9	2,137,363.8	12.2	14.5
Facilities ²	804,361.1	1,146,843.5	1,579,009.7	1,773,427.1	2,057,601.6	12.3	16.0
Loans and credits ³	32,483.7	46,478.5	48,001.7	52,079.8	32,667.2	8.5	-37.3
Direct investment and legal partnership	28,470.6	32,879.0	36,714.3	41,044.0	47,095.0	11.8	14.7
Commercial banks	556,380.1	775,113.0	1,061,536.0	1,120,155.9	519,069.2	5.5	-53.7
Facilities	511,217.5	714,982.1	995,372.3	1,054,767.7	494,750.5	6.0	-53.1
Loans and credits	25,295.9	37,776.4	38,662.8	38,034.4	7,243.5	-1.6	-81.0
Direct investment and legal partnership	19,866.7	22,354.5	27,500.9	27,353.8	17,075.2	-0.5	-37.6
Specialized banks	203,760.0	281,621.6	345,364.4	399,368.1	503,405.7	15.6	26.1
Facilities	191,228.9	272,260.5	339,855.4	392,915.9	494,935.3	15.6	26.0
Loans and credits	6,098.8	3,181.8	1,682.9	2,157.9	2,413.3	28.2	11.8
Direct investment and legal partnership	6,432.3	6,179.3	3,826.1	4,294.3	6,057.1	12.2	41.0
All private banks	105,175.3	169,466.4	256,825.3	347,026.9	1,114,888.9	35.1	221.3
Facilities	101,914.7	159,600.9	243,782.0	325,743.5	1,067,915.8	33.6	227.8
Loans and credits	1,089.0	5,520.3	7,656.0	11,887.5	23,010.4	55.3	93.6
Direct investment and legal partnership	2,171.6	4,345.2	5,387.3	9,395.9	23,962.7	74.4	155.0

¹ As of end-2009/10, Bank Saderat Iran, Bank Mellat, Bank Tejarat, and Bank Refah are classified as private banks.

² 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.

³ 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.

Table 52

Liquidity¹

(billion rials)

	Year-end balance					Percentage change	
	2005/06	2006/07	2007/08	2008/09	2009/10	2008/09	2009/10
Money (M1)	317,919.4	414,544.9	535,707.3	525,482.5	601,697.0	-1.9	14.5
Notes and coins with the public	50,675.6	61,451.6	79,909.2	157,764.2	192,313.9	97.4	21.9
Sight deposits	267,243.8	353,093.3	455,798.1	367,718.3	409,383.1	-19.3	11.3
Public banks	262,119.6	341,719.1	436,521.5	344,982.4	163,120.8	-21.0	-52.7
Private banks	5,124.2	11,374.2	19,276.6	22,735.9	246,262.3	17.9	☐
Quasi-money	603,100.0	869,654.5	1,104,585.7	1,375,883.5	1,754,192.1	24.6	27.5
Public banks	504,191.5	689,666.2	828,017.0	984,217.9	649,956.9	18.9	-34.0
Private banks	98,908.5	179,988.3	276,568.7	391,665.6	1,104,235.2	41.6	181.9
Gharz-al-hasaneh savings deposits	93,230.1	133,522.4	152,305.0	153,946.7	180,114.3	1.1	17.0
Public banks	92,850.3	132,237.7	148,917.0	150,125.2	105,133.4	0.8	-30.0
Private banks	379.8	1,284.7	3,388.0	3,821.5	74,980.9	12.8	☐
Term investment deposits	489,693.2	707,100.5	915,984.5	1,177,644.1	1,522,321.8	28.6	29.3
Public banks	392,653.0	530,461.7	646,318.0	795,128.9	516,518.2	23.0	-35.0
Private banks	97,040.2	176,638.8	269,666.5	382,515.2	1,005,803.6	41.8	162.9
Short-term	223,291.6	353,666.8	495,608.7	567,458.6	673,365.3	14.5	18.7
Long-term	266,401.6	353,433.7	420,375.8	610,185.5	848,956.5	45.2	39.1
Miscellaneous deposits ²	20,176.7	29,031.6	36,296.2	44,292.7	51,756.0	22.0	16.8
Public banks	18,688.2	26,966.8	32,782.0	38,963.8	28,305.3	18.9	-27.4
Private banks	1,488.5	2,064.8	3,514.2	5,328.9	23,450.7	51.6	340.1
Liquidity (M2)	921,019.4	1,284,199.4	1,640,293.0	1,901,366.0	2,355,889.1	15.9	23.9

¹ As of end-2009/10, Bank Saderat Iran, Bank Mellat, Bank Tejarat, and Bank Refah are classified as private banks.

² 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 53

Tehran Stock Exchange (TSE) Activities

(1990/91=100)

	2005/06	2006/07	2007/08	2008/09▲	2009/10	Percentage change	
						2008/09	2009/10
Shares traded							
Number (million shares) ¹	14,502.9	15,839.5	23,400.9	47,975.4	85,625.0	105.0	78.5
Value (billion rials) ¹	56,528.8	55,711.6	73,074.3	137,385.4	184,166.0	88.0	34.1
Number of buyers ²	1,196,545	987,404	1,095,359	..	..	θ	θ
Number of tradings ²	2,115,244	1,866,192	2,112,065	1,875,372	3,030,379	-11.2	61.6
Public sector's shares offering³							
Number (million shares)	157.6	2,878.4	8,076.8	27,542.7	54,779.5	241.0	98.9
Value (billion rials)	652.2	7,795.3	21,730.0	75,879.6	119,189.8	249.2	57.1
TSE price indices (end of period)							
TEPIX	9,459.4	9,821.0	10,081.9	7,966.5	12,536.7	-21.0	57.4
Financial	20,941.4	20,770.4	20,882.5	20,552.8	33,641.6	-1.6	63.7
Industrial	7,427.3	7,751.6	7,966.9	6,172.6	9,629.5	-22.5	56.0
Price and dividend index	26,849.8	30,786.5	36,193.1	32,117.3	51,006.0	-11.3	58.8
Cash dividend index	4,692.2	5,182.0	5,934.4	..	..	θ	θ
Market capitalization (end of period) (billion rials)	325,727.8	395,028.2	462,105.3	448,954.9	651,428.0	-2.8	45.1
Number of trading days	244	239	242	238	244	-1.7	2.5
Number of companies listed on the TSE	413	416	413	346	337	-16.2	-2.6

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 54

Summary of Participation Papers Issuance in 2009/10

	Date of issuance	Issued amount (billion rials)	Sold amount (billion rials)	Term maturity (year)	Provisional profit rate (% per annum)
Government participation papers					
Governmental – budgetary¹		0	0.0		
Governmental – non-budgetary²		10,500	10,496.8		
Tehran Regional Electric Company (TREC)	28.09.2009	500	500.0	4	16
Iran Water and Power Resources Development Company (IWPC)	03.10.2009	3,000	2,996.8	4	16
Iran Power Development Company (IPDC)	31.10.2009	5,000	5,000.0	4	16
Iran Water and Power Resources Development Company (IWPC)	07.02.2010	2,000	2,000.0	4	16
Municipalities of provincial capitals and metropolitan cities					
Qom Municipality	24.10.2009	4,000	4,000.0	3	16
Tehran Municipality	30.01.2010	1,000	1,000.0	3	16
Esfahan Municipality	15.02.2010	200	200.0	4	16
Mashhad Municipality	20.02.2010	2,000	2,000.0	4	16
Total		17,700	17,696.8		

Source: Budget Law for 2009/10

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.

Annual Average Consumer Price Index in Urban Areas

(2004/05=100)

Table 55

	Relative weight in the base year	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
							2008/09	2009/10
Special groups								
Goods	57.13	108.6	119.3	140.0	174.9	188.5	24.9	7.8
Services	42.87	112.7	129.0	154.5	194.5	222.3	25.9	14.3
Housing, water, electricity, gas, and other fuels	28.60	111.6	126.6	153.4	196.2	220.2	27.9	12.2
General index	100.00	110.4	123.5	146.2	183.3	203.0	25.4	10.8
Major groups and selected sub-groups								
Food and beverages	28.49	111.1	125.6	152.8	198.9	218.6	30.2	9.9
Meat	6.74	104.8	118.9	142.9	179.2	215.8	25.4	20.4
Fish and seafood	0.79	111.5	127.3	153.6	192.8	219.9	25.5	14.1
Bread and cereals	4.56	111.5	121.3	148.0	232.8	225.5	57.3	-3.1
Fats and oils	0.97	108.7	117.6	156.8	200.6	187.4	27.9	-6.6
Fruit and nut	5.26	117.4	128.3	161.8	207.8	246.3	28.4	18.5
Vegetables, pulses and vegetable products	3.87	116.9	146.7	173.2	212.8	215.2	22.9	1.1
Dairy products and eggs	3.47	104.9	119.3	144.0	177.6	192.9	23.3	8.6
Tobacco	0.52	105.7	114.8	140.7	167.8	218.3	19.3	30.1
Clothing and footwear	6.22	108.4	117.5	134.8	163.1	179.9	21.0	10.3
Housing, water, electricity, gas, and other fuels	28.60	111.6	126.6	153.4	196.2	220.2	27.9	12.2
Rental value of non-owner occupied housing	5.80	111.6	126.9	153.9	197.9	223.3	28.6	12.8
Imputed rental value of owner-occupied housing	19.17	111.9	127.4	154.1	197.6	223.8	28.2	13.3
Maintenance and repair services	1.82	118.1	140.1	182.9	246.3	269.8	34.7	9.5
Water	0.44	102.6	102.9	114.0	127.7	132.0	12.0	3.4
Electricity, gas, and other fuels	1.37	102.6	104.6	116.3	126.5	122.2	8.8	-3.4
Furnishings, household equipment, and routine household maintenance	6.26	111.8	124.6	144.6	179.0	186.6	23.8	4.2
Transportation	11.97	104.6	111.6	126.7	149.0	157.8	17.6	5.9
Communication	1.63	98.1	97.3	97.1	96.9	97.3	-0.2	0.4
Medical care	5.54	115.7	131.7	154.1	190.0	226.0	23.3	18.9
Recreation and culture	3.80	106.0	112.0	121.2	133.6	145.3	10.2	8.8
Education	2.07	118.7	143.4	163.5	187.5	217.4	14.7	15.9
Restaurants and hotels	1.72	111.7	124.4	145.6	189.0	218.3	29.8	15.5
Miscellaneous goods and services	3.18	111.0	127.8	148.7	184.3	207.6	23.9	12.6

Table 56 **Annual Average Producer Price Index** (2004/05=100)

	Relative weight in the base year	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
							2008/09	2009/10
Special groups								
Agriculture, hunting, forestry and fishing	21.98	103.6	116.9	141.2	179.5	200.7	27.1	11.8
Manufacturing	48.06	108.2	120.5	136.3	166.7	171.7	22.3	3.0
Services	29.96	113.5	126.0	143.5	163.7	181.8	14.1	11.1
General index	100.00	108.8	121.4	139.5	168.6	181.1	20.9	7.4
Main groups								
Agriculture, hunting and forestry	21.35	103.2	116.6	141.2	179.7	200.6	27.3	11.7
Fishing	0.63	115.7	127.3	142.4	173.3	203.8	21.7	17.6
Manufacturing	48.06	108.2	120.5	136.3	166.7	171.7	22.3	3.0
Hotels and restaurants	0.88	112.1	125.3	148.0	192.1	225.8	29.8	17.5
Transport, storage and communications	21.04	111.9	121.5	136.2	149.1	158.1	9.5	6.0
Education	2.43	118.7	143.4	163.5	187.5	217.4	14.7	15.9
Health and social work	3.95	118.6	136.9	162.9	201.2	243.7	23.5	21.1
Other community, social and personal services activities	1.66	115.1	132.6	158.1	209.7	260.2	32.6	24.1

Table 57 **Annual Average Index of Exportable Goods** (2004/05=100)

	Relative weight in the base year	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change	
							2008/09	2009/10
Animal products	2.07	97.9	109.9	123.0	131.2	133.0	6.7	1.4
Vegetable products	15.50	108.1	124.3	170.7	244.9	288.1	43.5	17.6
Animal or vegetable fats and oils	0.61	104.2	113.3	163.9	224.3	183.4	36.9	-18.2
Prepared foodstuffs, beverages and tobacco	2.98	117.0	123.9	135.9	180.4	191.2	32.7	6.0
Mineral products	19.02	131.2	155.9	204.9	218.8	212.3	6.8	-0.3
Products of the chemical or allied industries	12.29	105.6	121.1	147.6	188.5	132.3	27.7	-29.8
Plastic and articles thereof, rubber and articles thereof	3.78	103.0	115.9	124.0	140.3	127.6	13.1	-9.1
Raw hides and skins, leather and articles thereof	1.46	90.2	85.9	111.7	122.7	118.4	9.8	-3.5
Wood and articles of wood	0.13	96.5	105.5	153.3	187.7	171.8	22.4	-8.5
Textiles and articles thereof	13.69	120.9	145.5	162.8	201.3	215.6	23.6	7.1
Footwear	0.72	100.6	106.2	113.0	125.6	130.4	11.2	3.8
Articles of stone	2.85	101.3	108.3	115.2	129.1	133.8	12.1	3.6
Base metals and articles of base metals	19.12	106.2	130.7	157.0	197.4	128.6	25.7	-34.9
Mechanical appliances and electrical equipment	3.11	121.0	134.6	168.7	180.3	159.1	6.9	-11.8
Vehicles and transport equipment	2.37	96.2	102.8	121.1	127.6	131.6	5.4	3.1
Medical, precision, and optical instruments	0.30	107.3	108.1	129.9	159.7	161.9	22.9	1.4
Special groups								
Petrochemical products	21.86	118.3	131.8	174.2	193.1	155.7	10.8	-19.4
General index	100.00	113.0	131.9	162.6	198.5	185.1	22.1	-6.8

Annual Average Gross Expenditure per Urban Household by Expenditure Groups

Table 58 (at current prices) (thousand rials)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Food and beverages	15,915.1	18,586.5	23,144.3	27,475.2	30,098.8	18.7	9.5	23.8	23.7
Tobacco	295.2	311.8	388.3	452.6	526.6	16.5	16.3	0.4	0.4
Clothing and footwear	3,750.7	4,036.7	4,988.4	5,358.8	6,466.7	7.4	20.7	4.6	5.1
Housing, water, electricity, gas and other fuels	18,511.5	22,690.2	31,462.3	38,211.2	40,039.5	21.5	4.8	33.1	31.5
Furniture, furnishings and household equipment and operation	3,850.9	4,054.1	5,329.6	5,811.7	6,697.2	9.0	15.2	5.0	5.3
Health and medical care	2,867.3	3,411.4	4,308.7	5,208.8	6,508.3	20.9	24.9	4.5	5.1
Transportation	10,574.2	11,325.6	12,165.5	13,365.2	14,566.3	9.9	9.0	11.6	11.5
Communication	1,233.1	1,636.5	2,586.8	2,983.0	2,940.9	15.3	-1.4	2.6	2.3
Recreation and culture	2,034.2	2,167.0	2,546.1	2,824.0	3,440.8	10.9	21.8	2.4	2.7
Education	1,428.8	1,765.5	2,192.5	2,650.5	2,840.0	20.9	7.1	2.3	2.2
Restaurants and hotels	1,504.7	1,728.1	2,192.4	2,481.8	2,860.1	13.2	15.2	2.1	2.2
Miscellaneous goods and services	5,063.3	5,990.6	7,512.0	8,622.6	10,130.5	14.8	17.5	7.5	8.0
Total	67,029.1	77,704.0	98,816.9	115,445.4	127,115.6	16.8	10.1	100.0	100.0

Annual Average Real Expenditure (Gross) per Urban Household by Expenditure Groups

Table 59 (2004/05=100) (thousand rials)

	2005/06	2006/07	2007/08	2008/09	2009/10	Percentage change		Share (percent)	
						2008/09	2009/10	2008/09	2009/10
Food and beverages	14,325.0	14,798.2	15,146.8	13,813.6	13,768.9	-8.8	-0.3	21.9	22.0
Tobacco	279.3	271.6	276.0	269.7	241.2	-2.3	-10.6	0.4	0.4
Clothing and footwear	3,460.1	3,435.5	3,700.6	3,285.6	3,594.6	-11.2	9.4	5.2	5.7
Housing, water, electricity, gas and other fuels	16,587.4	17,922.8	20,510.0	19,475.6	18,183.3	-5.0	-6.6	30.9	29.0
Furniture, furnishings and household equipment and operation	3,444.5	3,253.7	3,685.7	3,246.8	3,589.0	-11.9	10.5	5.2	5.7
Health and medical care	2,478.2	2,590.3	2,796.1	2,741.5	2,879.8	-2.0	5.0	4.4	4.6
Transportation	10,109.2	10,148.4	9,601.8	8,969.9	9,230.9	-6.6	2.9	14.2	14.7
Communication	1,256.9	1,681.9	2,664.1	3,078.4	3,022.5	15.6	-1.8	4.9	4.8
Recreation and culture	1,919.1	1,934.8	2,100.7	2,113.8	2,368.1	0.6	12.0	3.4	3.8
Education	1,203.7	1,231.1	1,341.0	1,413.6	1,306.3	5.4	-7.6	2.2	2.1
Restaurants and hotels	1,347.1	1,389.1	1,505.8	1,313.1	1,310.2	-12.8	-0.2	2.1	2.1
Miscellaneous goods and services	4,561.5	4,687.5	5,051.7	4,678.6	4,879.8	-7.4	4.3	7.4	7.8
Total	60,714.8	62,918.2	67,590.2	62,981.7	62,618.5	-6.8	-0.6	100.0	100.0

Correspondence of Iranian¹ and Gregorian Calendars

Table 60

Month	1384		1385		1386		1387			1388	
		<u>2005</u>		<u>2006</u>		<u>2007</u>		<u>2008</u>		<u>2009</u>	
Farvardin	1	March	21	March	21	March	21	March	20	March	21
	31	April	20	April	20	April	20	April	19	April	20
Ordibehesht	1	April	21	April	21	April	21	April	20	April	21
	31	May	21	May	21	May	21	May	20	May	21
Khordad	1	May	22	May	22	May	22	May	21	May	22
	31	June	21	June	21	June	21	June	20	June	21
Tir	1	June	22	June	22	June	22	June	21	June	22
	31	July	22	July	22	July	22	July	21	July	22
Mordad	1	July	23	July	23	July	23	July	22	July	23
	31	Aug	22	Aug	22	Aug	22	Aug	21	Aug	22
Shahrivar	1	Aug	23	Aug	23	Aug	23	Aug	22	Aug	23
	31	Sept	22	Sept	22	Sept	22	Sept	21	Sept	22
Mehr	1	Sept	23	Sept	23	Sept	23	Sept	22	Sept	23
	30	Oct	22	Oct	22	Oct	22	Oct	21	Oct	22
Aban	1	Oct	23	Oct	23	Oct	23	Oct	22	Oct	23
	30	Nov	21	Nov	21	Nov	21	Nov	20	Nov	21
Azar	1	Nov	22	Nov	22	Nov	22	Nov	21	Nov	22
	30	Dec	21	Dec	21	Dec	21	Dec	20	Dec	21
Dey	1	Dec	22	Dec	22	Dec	22	Dec	21	Dec	22
	30	Jan	20	Jan	20	Jan	20	Jan	19	Jan	20
Bahman	1	Jan	21	Jan	21	Jan	21	Jan	20	Jan	21
	30	Feb	19	Feb	19	Feb	19	Feb	18	Feb	19
Esfand	1	Feb	20	Feb	20	Feb	20	Feb	19	Feb	20
	29/30	March	20	March	20	March	19	March	20	March	19

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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P.O. Box: 15875/7177

TEHRAN – IRAN

Telex: (98)(21) 213965-8

Fax: (98)(21) 29954870

Email: g.secdept@cbi.ir

Internet: <http://www.cbi.ir>