

Part One

**Economic Developments
of Iran in 1390**

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

Gross Domestic Product

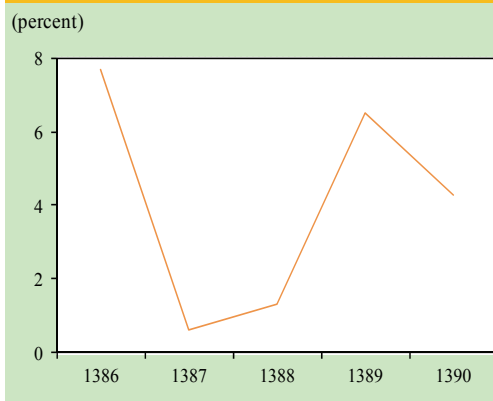
The Iranian economy had a relatively favorable performance in 1390. Based on preliminary estimates, GDP rose by 4.3 percent at constant prices and reached Rls. 6,246 trillion at current prices. Reviewing the value-added growth of different economic sectors reveals that the agriculture sector had a growth rate of -0.1 percent, oil -1.0 percent, manufacturing and mining 5.0 percent, and services 5.8 percent, at constant prices. The share of the agriculture sector in GDP was 5.9 percent, oil 25.0 percent, manufacturing and mining 21.4 percent, and services 50.3 percent, at current prices.

In 1390, non-oil GDP grew by 5.4 percent at constant prices, which was 1.1 percentage points higher than GDP growth. This was due to the low growth in the value-added of the oil sector (-1.0 percent), at constant prices.

Table 1.1. Gross Domestic Product by Various Economic Sectors (at constant 1383 prices) (percentage change)

	1388	1389	1390□
Agriculture	9.6	4.9	-0.1
Oil	-5.4	4.2	-1.0
Manufacturing and mining	4.2	7.9	5.0
Services	2.6	6.7	5.8
GDP	1.3	6.5	4.3
Non-oil GDP	2.8	7.0	5.4

Figure 1.1. GDP growth (1383=100)



The value-added of the agriculture sector was estimated at Rls. 367 trillion at current prices, in 1390. This was indicative of 0.1 percent fall at constant prices when compared with the year before. This decrease was mainly attributable to drought and unfavorable climatic conditions. Furthermore, the share of the value-added of this sector in GDP decreased from 6.9 percent in 1389 to 5.9 percent in 1390, at current prices.

According to preliminary data, the value-added of the oil sector decreased by 1.0 percent at constant prices, to Rls. 1,564 trillion at current prices in 1390. Share of the value-added of the oil sector in GDP rose from 20.1 percent in 1389 to 25.0 percent in 1390, at current prices.

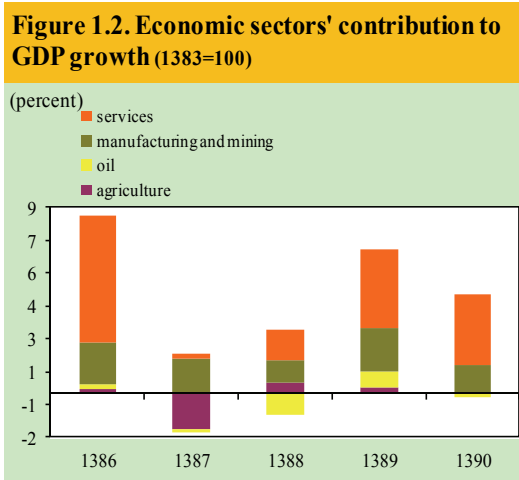
Based on preliminary estimates, the value-added of the manufacturing and mining sector experienced 5.0 percent growth in 1390, at constant prices. Moreover, the value-added of the "mining", "manufacturing", "electricity, gas, and water", and "construction" sectors increased by 20.1, 5.6, 0.3, and 2.5 percent, respectively, at constant prices.

Private sector investment in the buildings of urban areas (including Mehr Housing Program) went up 22.5 percent at current prices. This growth was adjusted to 1.9 percent at constant 1383 prices, given the value-added growth in the construction of buildings in rural areas. Considering this figure and rise in the value-added of government buildings, the growth rate of construction sector is 2.5 percent at constant prices.

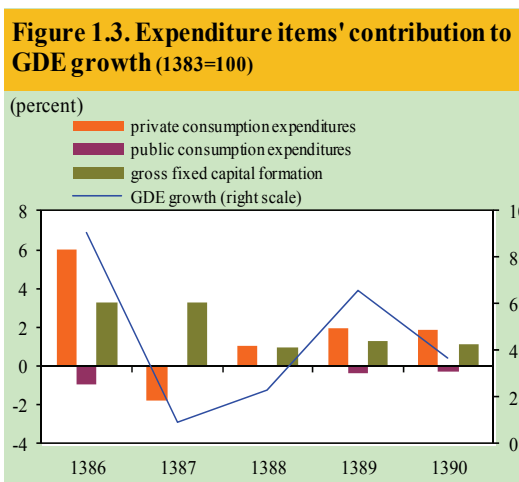
The value-added of the services sector, which had the highest share in GDP, grew by 5.8 percent, at constant prices, in 1390. The share of the value-added of the mentioned group in GDP was 50.3 percent at current prices. In this group, the share of "trade, restaurant and hotel" in GDP was 14.0 percent; "transport, storage, and communication" 8.2 percent; "financial and monetary institutions' services" 3.6 percent; "real estate, specialized and professional services" 13.2 percent; "public services" 8.3 percent; and "social, personal and household services" 3.0 percent, at current prices. The growth rates of these groups were respectively 4.4, 8.6, -2.9, 10.2, 5.7, and -6.5 percent, at constant prices.

Gross Domestic Expenditure

Based on preliminary data, GDE growth was 3.7 percent, at constant prices, in 1390. A review of the components of GDE reveals that private consumption expenditures accounted for the highest share in GDE by 44.2 percent at current prices. Furthermore, it rose by 4.2 percent at constant prices.



Public consumption expenditures in ministries and affiliated institutions, municipalities, and Social Security Organization (SSO) had 10.0 percent share of GDE at current prices, showing 3.4 percent decrease at constant prices. Gross fixed capital formation, with a share of 26.2 percent in GDE at current prices, amounted to Rls. 1,649 trillion. Moreover, it increased by 3.5 percent at constant prices.



In 1390, gross fixed capital formation for machinery grew by 6.6 percent, at constant

1383 prices, and for construction, it indicated 1.0 percent increase.

Imports of goods and services decreased by 9.4 percent, and exports of goods and services fell 0.3 percent at constant prices. Therefore, gross domestic expenditure reached Rls. 2,171.6 trillion at constant prices, indicating 3.7 percent growth.

Table 1.2. Gross Domestic Expenditure
(at constant 1383 prices) (percentage change)

	1388	1389	1390 □
Private consumption expenditures	2.3	4.2	4.2
Public consumption expenditures	0.1	-3.8	-3.4
Gross fixed capital formation	2.9	3.8	3.5
GDE	2.3	6.6	3.7
National income	-4.1	9.8	6.3