

No. 33
Second Quarter
1382
(2003/2004)

Key Economic Indicators

Real Sector

National Accounts

Energy

Industry

Construction

Price Trends

External Sector

Balance of Payments

External Debt

Exchange Rate

Foreign Trade

Facilities extended from OSF

Financial Sector

Government Budget

Monetary and Credit Aggregates

Bank Deposit and Lending Rates

Tehran Stock Exchange Activities

Appendices

Key Features of the Trade and Exchange System

Summary of the Current Foreign Exchange and Monetary Policies

3rd FYDP Objectives and Policies

Key Economic Indicators

Population & Labor Force (1381)

Population	66 million
Urban	42.9 million
Rural	23.1 million
Population Growth	1.7 percent
Population Density	40 per Sq Km
Active Population	19.8 million
Literacy Rate (1381):	
6 years and over	84.9 percent
6-29 years	95.6 percent

Real Sector (1381)

GDP Growth (1376=100)	7.4 percent
Non- oil GDP Growth	7.8 percent
GDP Growth (3 rd FYDP):	
Average period	6.0 percent
1382	6.7 percent
GDP (current prices)	Rls. 922,433.0 billion
Gross Fixed Capital Formation (current prices)	Rls. 259,142.5 billion
Private Consumption Expenditures	Rls. 405,033.3 billion
Public Consumption Expenditures	Rls. 131,463.6 billion
Per Capita Income (current prices)	Rls. 12,335 thousand

Inflation Rate (1376=100)

Twelve months (ending to Shahrivar 1382)	16.6 percent
3 rd FYDP (target) :	
Average period	15.9 percent
1382	14.0 percent

Gov't Fiscal Position (Q2, 1382)

Revenue	Rls. 44,760.5 billion
Expense	Rls. 73,907.0 billion
Disposal of Non-financial Assets	Rls. 35,826.7 billion
Acquisition of Non-financial Assets	Rls. 22,701.4 billion
Net Lending or Borrowing/GDP (1381)	-2.2 percent

External Sector (first six months, 1382)

Current Account Balance	US\$ 336 million
Trade Balance	US\$ 1,533 million
Exports	US\$ 16,681 million
Imports (FOB)	US\$ 15,148 million
Total Foreign Debts (end of the period)	US\$ 9,691 million
Exchange Rate (IRR/US\$)	
Interbank market (average)	8,270.41

Monetary Sector (first six months, 1382)

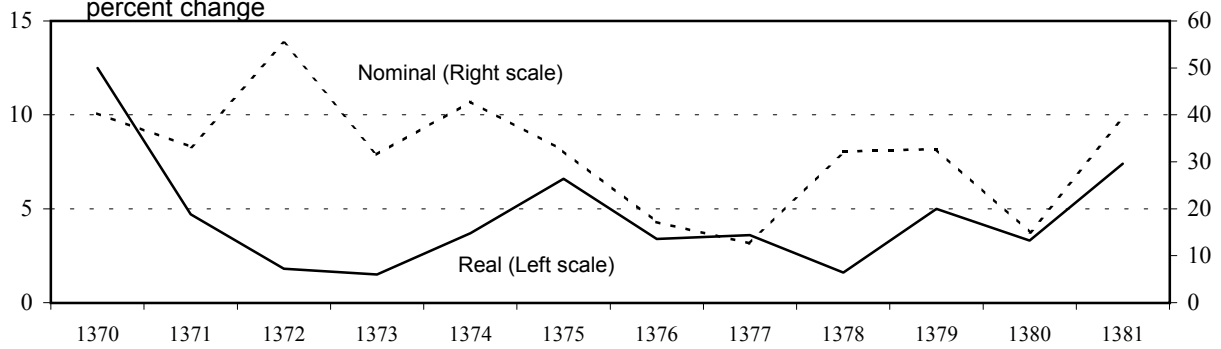
Liquidity Growth (M ₂)	11.1 percent
Money Growth (M ₁)	4.6 percent
Quasi-Money Growth (QM)	16.1 percent
Growth of Non-public Sector Deposits	13.3 percent

Tehran Stock Exchange (Q2, 1382)

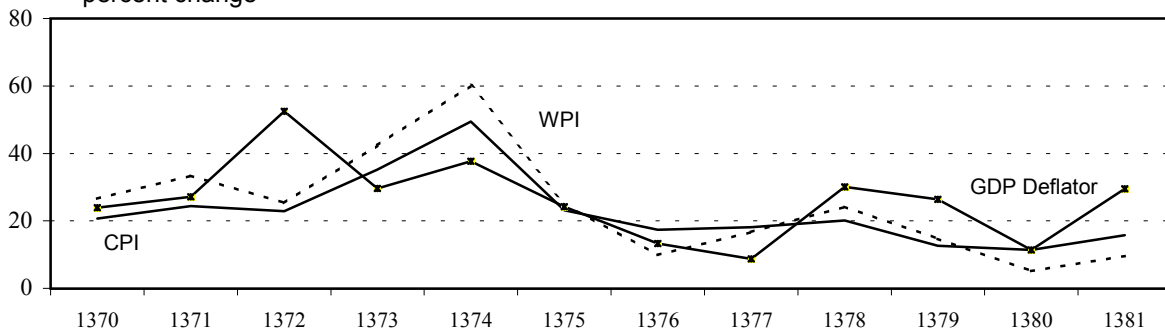
Share Price Index (end of the period)	8,993.0
Value of Shares Traded	Rls. 9,764.6 billion
Number of Shares Traded	1,501.2 million

Major Economic Trends

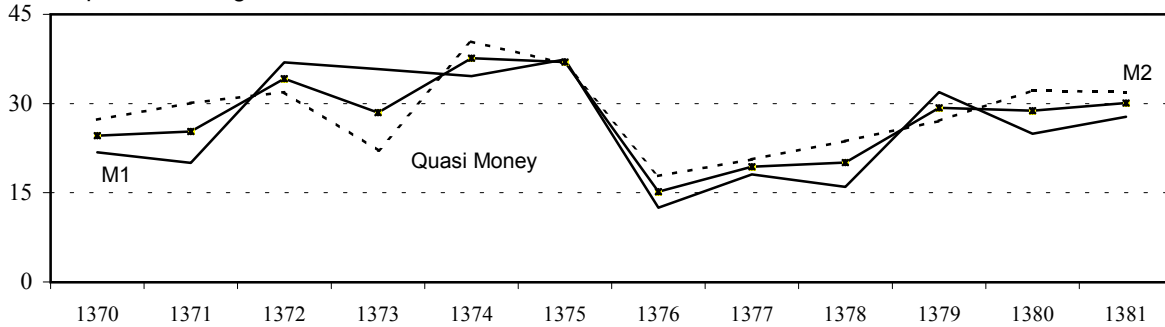
GDP Growth percent change



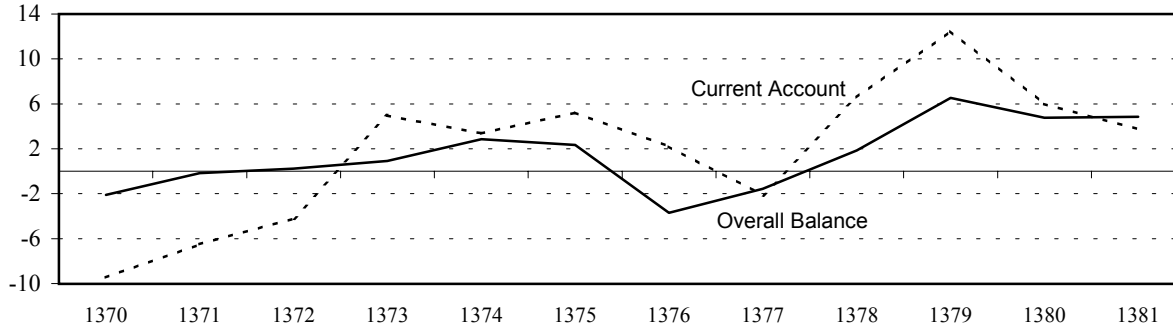
Inflation percent change



Monetary Aggregates percent change



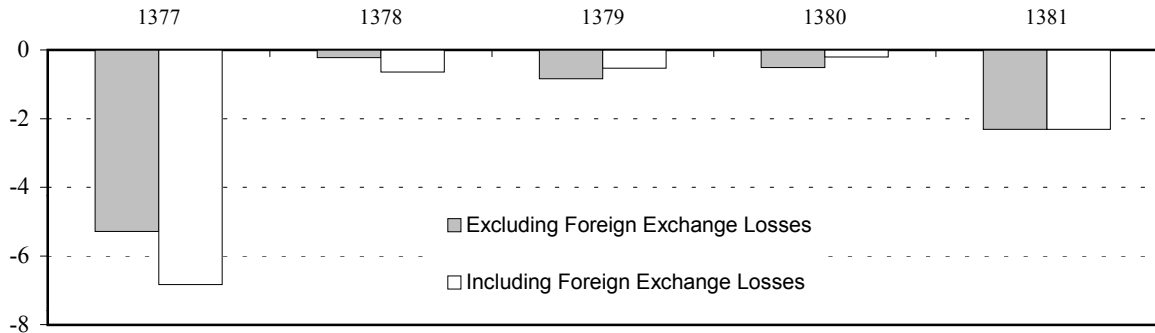
External Sector billion U.S.dollar



Major Economic Trends

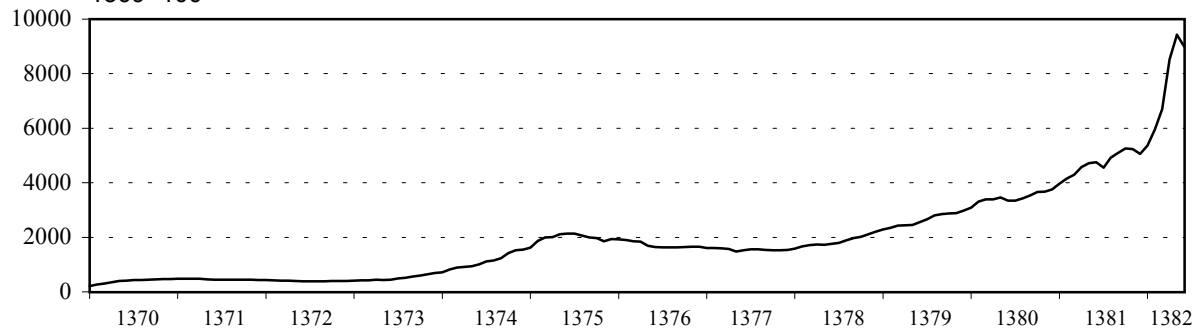
Government Budget Deficit

% of GDP



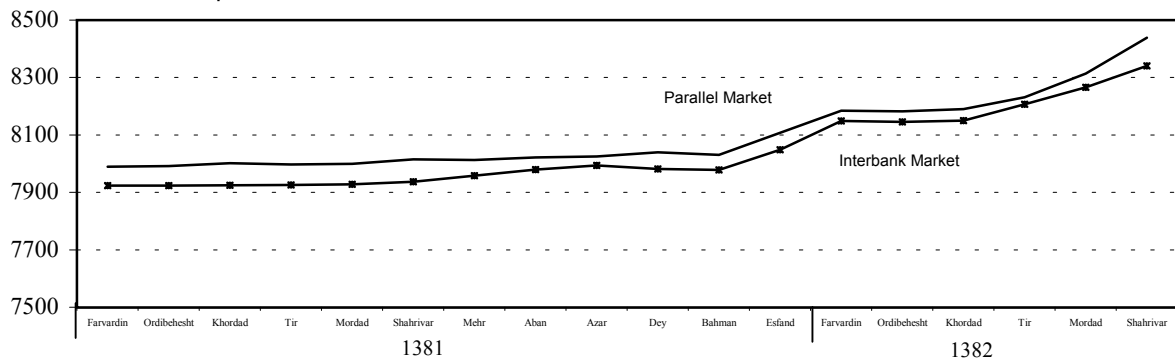
Share Price Index

1369=100



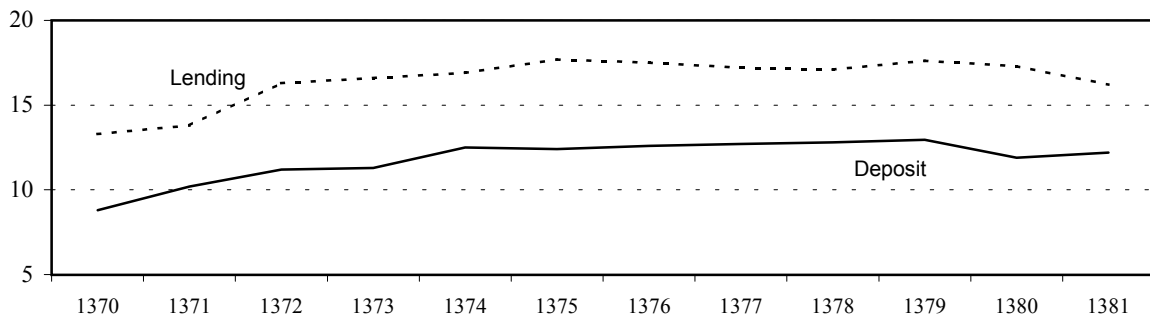
Exchange Rate

Iranian rial per U.S.dollar



Banks' Average Deposit & Lending Rates

Percent



National Accounts (at Current Prices)(1)

(billion rials)

	GDP at basic price(2)	Sectoral value-added								
		Oil	Non-oil	Agriculture	Industries & mining (3)	Manufacturing & mining	Construction	Services		
(Figures in parentheses indicate share percent)										
1378	434,384.6	63,292.8	371,091.8	65,420.6	81,223.4	59,104.0	17,885.2	231,027.7		
	(100.0)	(14.6)	(85.4)	(15.1)	(18.7)	(13.6)	(4.1)	(53.2)		
1379	576,493.1	101,705.3	474,787.8	79,120.9	110,105.0	78,934.2	22,616.1	295,101.4		
	(100.0)	(17.6)	(82.4)	(13.7)	(19.1)	(13.7)	(3.9)	(51.2)		
1380□	663,125.7	103,044.1	560,081.6	84,445.1	133,740.1	91,955.2	30,370.8	350,838.8		
	(100.0)	(15.5)	(84.5)	(12.7)	(20.2)	(13.9)	(4.6)	(52.9)		
1381*	922,433.0	203,786.3	718,646.7	107,892.9	170,631.7	116,418.2	40,556.1	451,523.6		
	(100.0)	(22.1)	(77.9)	(11.7)	(18.5)	(12.6)	(4.4)	(48.9)		
	Gross domestic expenditure	Consumption expenditures		Gross fixed capital formation				Net export	National income	Gross national savings
				Private		Public				
		Private	Public	Machinery	Construction	Machinery	Construction			
(Figures in parentheses indicate share percent)										
1378	436,625.0	225,769.9	55,997.6	56,560.6	22,234.7	15,849.7	29,556.5	28,578.0	368,586.6	157,918.0
	(100.0)	(51.7)	(12.8)	(13.0)	(5.1)	(3.6)	(6.8)	(6.5)		
1379	580,473.0	276,612.0	80,554.0	73,485.4	28,419.5	16,837.1	34,720.2	30,620.3	496,883.9	222,318.0
	(100.0)	(47.7)	(13.9)	(12.7)	(4.9)	(2.9)	(6.0)	(5.3)		
1380□	669,996.5	323,659.0	93,734.2	95,317.4	39,954.8	21,800.8	37,066.6	14,919.7	576,200.8	252,651.9
	(100.0)	(48.3)	(14.0)	(14.2)	(6.0)	(3.3)	(5.5)	(2.2)		
1381*	932,373.1	405,033.3	131,463.6	128,608.3	51,838.6	26,042.8	52,652.8	29,770.7	810,397.6	396,334.6
	(100.0)	(43.4)	(14.1)	(13.8)	(5.6)	(2.8)	(5.6)	(3.2)		

(1) Figures for 1338 onwards have been revised.

(2) Discrepancy in GDP and total value-added of sectors is related to bank service charges.

(3) Discrepancy in the total is due to value-added in "water, electricity and gas" sub-sector.

<i>National Accounts (at Constant 1376 Prices)(1)</i>										<i>(billion rials)</i>	
	GDP at basic price(2)	GDP deflator	Sectoral value – added							Construction	Services
			Oil	Non-oil	Agriculture	Industries & mining(3)	Manufacturing & mining				
(Figures in parentheses indicate percentage change over the previous period)											
1378	304,941.1	142.4	39,515.4	265,425.7	44,237.4	61,409.5	44,144.9	14,054.0	163,072.0		
	(1.6)	(30.0)	(-5.3)	(2.7)	(-7.3)	(9.2)	(8.4)	(12.6)	(3.6)		
1379	320,068.9	180.1	42,795.0	277,273.9	45,774.2	67,227.0	48,709.3	15,122.2	167,737.3		
	(5.0)	(26.5)	(8.3)	(4.5)	(3.5)	(9.5)	(10.3)	(7.6)	(2.9)		
1380□	330,623.6	200.6	39,347.0	291,276.6	45,462.5	73,320.8	53,687.2	16,042.4	175,799.2		
	(3.3)	(11.4)	(-8.1)	(5.1)	(-0.7)	(9.1)	(10.2)	(6.1)	(4.8)		
1381*	355,218.8	259.7	41,341.3	313,877.5	50,661.8	81,941.9	59,614.5	18,440.7	184,797.9		
	(7.4)	(29.5)	(5.1)	(7.8)	(11.4)	(11.8)	(11.0)	(14.9)	(5.1)		
	Gross domestic expenditure	Consumption expenditures		Gross fixed capital formation				Net export	Terms of trade effect	National income	Gross national savings
		Private	Public	Private		Public					
				Machinery	Construction	Machinery	Construction				
(Figures in parentheses indicate percentage change over the previous period)											
1378	306,513.9	154,730.1	37,150.3	40,356.0	16,913.4	11,308.8	22,927.1	14,995.0	3,048.8	259,203.6	120,468.7
	(1.9)	(2.8)	(-6.5)	(0.4)	(0.7)	(13.0)	(17.6)			(10.6)	(27.9)
1379	322,278.5	165,924.6	41,615.7	43,477.8	18,192.6	9,961.7	23,635.2	12,431.5	1,305.0	271,785.5	124,329.7
	(5.1)	(7.2)	(12.0)	(7.7)	(7.6)	(-11.9)	(3.1)			(4.9)	(3.2)
1380□	334,049.2	173,443.6	42,602.1	53,578.2	21,777.9	12,254.3	23,249.6	4,658.6	1,629.7	282,526.5	130,180.4
	(3.7)	(4.5)	(2.4)	(23.2)	(19.7)	(23.0)	(-1.6)			(4.0)	(4.7)
1381*	359,046.6	187,033.4	44,648.9	60,109.2	24,116.8	12,171.9	27,771.1	-5,344.3	13,818.1	317,877.7	158,388.5
	(7.5)	(7.8)	(4.8)	(12.2)	(10.7)	(-0.7)	(19.4)			(12.5)	(21.7)

(1) Figures for 1338 onwards have been revised and the base year has been changed to 1376.

(2) Discrepancy in GDP and the total value-added of sectors is due to imputed bank services charges.

(3) Discrepancy in the total is due to value-added in "water, electricity and gas" sub-sector.

<i>National Accounts</i> (1)						<i>(billion rials)</i>				
	Gross fixed capital formation in construction by economic sectors					Gross fixed capital formation in machinery by economic sectors				
	Total	Agriculture	Oil & gas	Industries & mining	Services	Total	Agriculture	Oil & gas	Industries & mining	Services
(at Current Prices)	(Figures in parentheses indicate share percent)									
1378	51,791.3	5,158.3	5,760.1	5,342.9	35,530.0	72,410.3	1,452.9	4,384.7	23,930.8	42,641.9
	(100.0)	(10.0)	(11.1)	(10.3)	(68.6)	(100.0)	(2.0)	(6.1)	(33.0)	(58.9)
1379	63,139.7	4,918.7	4,886.3	8,639.5	44,695.2	90,322.5	1,756.0	4,989.5	30,301.1	53,275.9
	(100.0)	(7.8)	(7.7)	(13.7)	(70.8)	(100.0)	(1.9)	(5.5)	(33.5)	(59.0)
1380□	77,021.4	5,343.8	6,300.3	7,156	58,221.3	117,118	2,270.3	5,993.5	35,722.4	73,131.9
	(100.0)	(6.9)	(8.2)	(9.3)	(75.6)	(100.0)	(1.9)	(5.1)	(30.5)	(62.4)
1381*	104,491.5	7,049.3	9,094.7	9,843.5	78,504	154,651	3,103.5	8,263.5	51,696.1	91,588
	(100.0)	(6.7)	(8.7)	(9.4)	(75.1)	(100.0)	(2.0)	(5.3)	(33.4)	(59.2)
(at Constant 1376 Prices)	(Figures in parentheses indicate percentage change over the previous period)									
1378	39,840.5	3,962.5	4,468.1	4,144.0	27,265.9	51,664.8	1,071.1	2,653.2	16,149.3	31,791.2
	(9.8)	(103.2)	(15.5)	(-23.1)	(8.7)	(2.9)	(9.0)	(120.5)	(-0.8)	(0.2)
1379	41,827.8	3,288.7	3,326.3	5,878.2	29,334.6	53,439.5	1,103.9	2,236.3	16,335.4	33,763.9
	(5.0)	(-17.0)	(-25.6)	(41.8)	(7.6)	(3.4)	(3.1)	(-15.7)	(1.2)	(6.2)
1380□	45,027.4	3,315.6	3,951.8	4,478.7	33,281.3	65,832.6	1,360.3	2,518.6	18,531.9	43,421.8
	(7.6)	(0.8)	(18.8)	(-23.8)	(13.5)	(23.2)	(23.2)	(12.6)	(13.4)	(28.6)
1381*	51,887.8	3,683.0	4,796.9	5,182.2	38,225.7	72,281.0	1,538.6	2,645.2	21,323.9	46,773.3
	(15.2)	(11.1)	(21.4)	(15.7)	(14.9)	(9.8)	(13.1)	(5.0)	(15.1)	(7.7)

(1) Figures for 1338 onwards have been revised and the base year has been changed to 1376.

Energy							
	Petroleum (thousand barrels per day)		Production of electricity (million kw/h) (1)				
	Production	Export(2)	Steam	Gas and combined cycle	Hydro- electric	Diesel	Total
(Figures in parentheses indicate percentage change over the previous period)							
1378	3,373	2,205	70,689	31,156	4,943	419	107,207
	(-8.0)	(-5.5)	(10.5)	(17.6)	(-29.5)	(12.0)	(9.5)
1379	3,661	2,492	78,332	33,365	3,650	361	115,708
	(8.5)	(13.0)	(10.8)	(7.1)	(-26.2)	(-13.8)	(7.9)
1380	3,574	2,383	81,102	37,787	5,056	329	124,275
	(-2.4)	(-4.4)	(4.2)	(13.5)	(39.0)	(-8.4)	(7.9)
1381	3,305	2,225	82,562	45,358	7,948	363	136,231
	(-7.5)	(-6.6)	(1.8)	(20.0)	(57.2)	(10.3)	(9.6)
(Figures in parentheses indicate percentage change over the previous period)							
1381:							
Q1	3,226	2,063	18,344	10,672	2,631	86	31,733
	(-6.1)	(-6.8)	(-4.7)	(43.3)	(51.4)	(45.8)	(11.4)
Q2	3,248	2,191	23,759	14,264	2,041	118	40,182
	(0.7)	(6.2)	(29.5)	(33.7)	(-22.4)	(37.2)	(26.6)
Q3	3,259	2,246	19,273	11,020	1,601	78	31,972
	(0.3)	(2.5)	(-18.9)	(-22.7)	(-21.6)	(-33.9)	(-20.4)
Q4	3,489	2,401	21,186	9,402	1,675	81	32,344
	(7.1)	(6.9)	(9.9)	(-14.7)	(4.6)	(3.8)	(1.2)
1382:							
Q1▲	3,726	2,593	19,361	12,401	2,898	79	34,739
	(6.8)	(8.0)	(-8.6)	(31.9)	(73.0)	(-2.5)	(7.4)
Q2	3,818	2,682	23,428	16,138	2,870	93	42,529
	(2.5)	(3.4)	(21.0)	(30.1)	(-1.0)	(17.7)	(22.4)

Source: Ministry of Petroleum, Ministry of Energy

(1) Excludes electricity generated by large manufacturing establishments and private institutions.

(2) Includes crude oil export and net export of oil products.

Industry					
	Production index of large manufacturing establishments (1) (1376=100)	Establishment of new industrial and mining units (2)		Operation of new industrial and mining units (2)	
		Number of permits	Investment (billion rials)	Number of permits	Investment (billion rials)
(Figures in parentheses indicate percentage change over the respective period of the previous year)					
1378	113.8 (12.5)	8,096 (18.1)	28,980 (21.7)	3,387 (29.5)	10,330 (62.2)
1379	128.7 (13.1)	9,087 (12.2)	67,578 (133.2)	3,264 (-3.6)	6,462 (-37.4)
1380	141.1 (9.6)	17,098 (88.2)	164,288 (143.1)	3,550 (8.8)	13,023 (101.5)
1381□	167.8 (18.9)	27,101 (58.5)	269,277 (63.9)	4,147 (16.8)	18,059 (38.7)
(Figures in parentheses indicate percentage change over the respective period of the previous year)					
1381□:					
Q1	134.8 (14.2)	4,758 (143.3)	26,897 (112.1)	710 (8.6)	4,553 (192.6)
Q2	161.6 (14.4)	6,753 (107.7)	54,879 (-21.1)	1,142 (35.1)	4,788 (2.8)
Q3	173.1 (19.2)	7,621 (48.7)	69,463 (107.1)	1,105 (25.9)	5,155 (95.6)
Q4	201.6 (21.2)	7,969 (17.8)	118,037 (143.3)	1,190 (1.4)	3,564 (-14.6)
1382□:					
Q1	165.7 (22.9)	6,848 (43.9)	79,830 (196.8)	917 (29.2)	3,197(3) (-29.8)
Q2	..	6,684.0 (-1.0)	127,401 (132.1)	1,197 (4.8)	6,036 (26.1)

(1) Since 1376 includes manufacturing establishments with more than 100 employees.

(2) Since 1379 includes mining industries.

(3) Reduction in investment according to operation permits in Q1, 1382 was due to the operation of Khorasan Steel Complex with Rls. 1,528 billion and Tabriz Oil Refining Company with Rls. 1,434 billion investment.

Construction

	Number of construction permits issued in urban areas				Estimated floor-space (million square meters) (1) (2)				Construction indices (1376=100)	
	Tehran	Other large cities	Other urban areas	All urban areas	Tehran	Other large cities	Other urban areas	All urban areas	Const. services price index	WPI for construction materials
(Figures in parentheses indicate percentage change over respective period of the previous year)										
1378	12,119 (73.2)	40,644 (6.3)	86,080 (-1.8)	138,843 (4.5)	10.1 (89.7)	15.1 (22.6)	18.9 (1.9)	44.1 (21.9)	128.5 (13.4)	134.8 (24.0)
1379	21,234 (75.2)	38,487 (-5.3)	76,586 (-11.0)	136,307 (-1.8)	17.2 (69.9)	15.3 (1.1)	17.8 (-5.5)	50.3 (14.1)	142.3 (10.7)	155.2 (15.1)
1380	24,215 (14.0)	45,776 (18.9)	76,042 (-0.7)	146,033 (7.1)	20.9 (21.3)	19.5 (27.4)	18.2 (1.9)	58.6 (16.3)	156.1 (9.7)	160.9 (3.7)
1381□	20,430 (-15.6)	53,002 (15.8)	87,854 (15.5)	161,286 (10.4)	15.1 (-27.6)	26.8 (37.2)	23.0 (26.8)	64.9 (10.9)	184.0 (17.9)	192.1 (19.4)
(Figures in parentheses indicate percentage change over respective period of the previous year)										
1381□:										
Q1▲	6,713 (17.2)	11,622 (17.6)	18,875 (3.5)	37,210 (9.9)	5.6 (4.5)	5.7 (26.5)	4.5 (6.6)	15.8 (12.1)	169.1 (12.8)	176.4 (13.8)
Q2	6,802 (0.2)	13,618 (-9.2)	22,174 (11.1)	42,594 (2.0)	3.7 (-31.2)	6.3 (23.7)	5.9 (24.5)	16 (4.5)	179.0 (15.4)	190.2 (19.1)
Q3	3,701 (-25.8)	11,563 (29.1)	19,081 (27.3)	34,345 (18.7)	3.0 (-22.8)	6.2 (42.8)	5.0 (41.5)	14.2 (20.5)	189.2 (19.2)	196.6 (20.3)
Q4	3,214 (-52.1)	16,199 (35.7)	27,724 (21.3)	47,137 (13.6)	2.7 (-55.9)	8.5 (54.1)	7.7 (34.3)	18.9 (8.9)	198.5 (23.4)	205.1 (24.0)
1382□:										
Q1	2,225 (-66.9)	14,947 (28.6)	24,994 (32.4)	42,166 (13.3)	1.8 (-67.9)	9.3 (63.7)	7.1 (57.7)	18.2 (15.0)	208.4 (23.2)	211.4 (19.8)
Q2	..	..	..	..	..	..	..	..	..	214.9 (13.0)

(1) Since 1378, percentage changes have been calculated from original figures.

(2) Discrepancies in total are due to rounding.

Construction
(billion rials)

Private sector investment in new buildings in urban areas (1)								
	by construction phases				by geographical distribution			
	Newly-started	Semi- finished	Completed	Total	Tehran	Other large cities	Other urban areas	All urban areas
(Figures in parentheses indicate percentage change over respective period of the previous year) ○								
1378	6,377 (28.2)	10,945 (16.6)	4,747 (32.2)	22,069 (22.9)	6,020 (24.3)	8,086 (38.7)	7,963 (9.4)	22,069 (22.9)
1379	8,504 (33.4)	14,158 (29.4)	6,120 (28.9)	28,782 (30.4)	9,385 (55.9)	8,518 (5.3)	10,880 (36.6)	28,782 (30.4)
1380	11,342 (33.4)	18,810 (32.9)	7,141 (16.7)	37,293 (29.6)	13,836 (47.4)	12,509 (46.9)	10,947 (0.6)	37,293 (29.6)
1381□	16,702 (47.3)	26,820 (42.6)	9,409 (31.8)	52,931 (41.9)	18,943 (36.9)	18,486 (47.8)	15,502 (41.6)	52,931 (41.9)
(Figures in parentheses indicate percentage change over respective period of the previous year) ○								
1381□:								
Q1	3,740 (39.6)	5,907 (46.5)	1,824 (1.0)	11,471 (34.7)	3,878 (32.3)	4,154 (39.4)	3,439 (31.9)	11,471 (34.7)
Q2	4,546 (44.0)	6,815 (39.0)	2,336 (24.2)	13,697 (37.8)	4,802 (27.9)	4,771 (46.0)	4,124 (41.4)	13,697 (37.8)
Q3	4,279 (54.7)	7,277 (46.6)	2,471 (30.8)	14,027 (45.8)	5,112 (39.6)	4,889 (51.2)	4,026 (47.9)	14,027 (45.8)
Q4	4,137 (51.0)	6,821 (38.9)	2,778 (77.5)	13,736 (49.0)	5,150 (47.7)	4,674 (54.3)	3,912 (44.8)	13,736 (49.0)
1382□:								
Q1	4,604 (23.1)	7,699 (30.3)	3,040 (66.6)	15,343 (33.8)	4,598 (18.6)	6,140 (47.8)	4,605 (33.9)	15,343 (33.8)
Q2	4,597 (1.1)	8,401 (23.3)	3,402 (45.7)	16,400 (19.7)	4,100 (-14.6)	6,654 (39.5)	5,647 (36.9)	16,400 (19.7)

(1) Figures are at current prices and exclude cost of land.

Price Trends (1376=100)								
<i>(percentage change)</i>								
	Wholesale price index				Consumer price index			
	General index	Domestically produced goods	Imported goods	Exported goods	General index	Goods	Services	Housing, fuel & lighting
(Percentage change over previous period)								
1378	24.2	22.8	22.0	60.7	20.1	20.2	22.9	18.7
1379	14.7	14.8	13.3	19.7	12.6	9.0	17.1	18.4
1380	5.1	6.8	0.8	-0.5	11.4	5.8	20.4	18.8
1381	9.6	11.1	4.2	10.3	15.8	13.6	16.3	19.6
(Figures in parentheses indicate percentage change over respective period of the previous year)								
1381:								
Q1	3.8 (7.7)	4.4 (9.6)	1.6 (2.5)	4.1 (1.4)	5.5 (14.0)	6.7 (11.7)	4.4 (18.5)	3.8 (16.3)
Q2	2.4 (9.5)	2.6 (11.4)	1.0 (3.8)	4.5 (5.9)	2.8 (15.5)	1.0 (13.8)	4.2 (16.3)	5.5 (18.3)
Q3	0.8 (10.0)	0.3 (11.2)	1.0 (5.0)	5.8 (14.0)	2.5 (16.0)	0.1 (13.3)	3.6 (14.0)	6.4 (21.7)
Q4	3.8 (11.2)	4.4 (12.2)	1.6 (5.3)	4.5 (20.4)	5.6 (17.5)	6.9 (15.3)	3.6 (16.8)	4.4 (21.6)
1382:								
Q1	3.3 (10.7)	4.2 (12.0)	0.7 (4.5)	0.2 (15.9)	4.9 (16.8)	4.9 (13.3)	6.8 (19.4)	4.1 (22.0)
Q2	2.1 (10.4)	2.5 (11.9)	1.6 (5.1)	-1.1 (9.6)	2.2 (16.0)	0.5 (12.7)	5.3 (20.7)	3.5 (19.7)
(Figures in parentheses indicate percentage change over respective month of the previous year)								
1382:								
Farvardin	1.7 (10.8)	2.3 (12.0)	0.4 (4.9)	-1.8 (17.3)	2.2 (17.8)	2.4 (15.0)	2.6 (18.6)	1.5 (22.4)
Ordibehesht	1.0 (10.4)	1.2 (11.6)	0.1 (4.1)	2.2 (18.3)	1.1 (16.3)	0.7 (12.4)	2.0 (19.6)	1.1 (22.2)
Khordad	1.2 (10.9)	1.7 (12.5)	0.9 (4.5)	-4.6 (12.2)	1.4 (16.2)	1.2 (12.6)	2.0 (19.9)	1.4 (21.2)
Tir	1.6 (11.2)	2.0 (13.0)	0.6 (5.1)	-0.1 (10.3)	0.8 (16.8)	0.4 (13.6)	1.3 (19.2)	1.2 (21.5)
Mordad	-0.6 (10.4)	-0.9 (11.8)	0.2 (5.0)	1.3 (11.0)	0.2 (16.7)	-0.7 (12.9)	2.0 (21.0)	1.0 (21.6)
Shahrivar	-0.6 (9.6)	-1.1 (10.9)	0.9 (5.2)	1.5 (7.7)	-0.2 (14.6)	-1.5 (11.8)	1.6 (21.8)	1.1 (16.3)

Price Trends (1376=100)		<i>(percentage change)</i>				
Producer price index						
	General index	Agriculture, animal husbandry, forestry & fishing	Industry	Mining	Water, electricity & gas	Services
(Percentage change over previous period)						
1378	22.9	24.5	24.5	6.2	27.0	19.1
1379	16.3	17.9	15.6	17.1	14.3	16.0
1380	10.9	8.3	5.2	-4.4	10.9	23.1
1381	13.4	12.4	10.2	3.5	6.8	19.5
(Figures in parentheses indicate percentage change over respective period of the previous year)						
1381:						
Q1	4.2 (11.5)	5.6 (6.1)	3.8 (7.6)	3.0 (25.7)	3.9 (6.2)	3.9 (22.2)
Q2	3.9 (12.9)	4.0 (11.1)	3.8 (9.9)	-11.7 (11.0)	2.3 (6.6)	4.5 (19.3)
Q3	2.7 (13.6)	1.8 (14.7)	1.9 (11.1)	-0.6 (-9.1)	0.9 (7.3)	4.5 (17.2)
Q4	4.0 (15.6)	5.3 (17.7)	2.3 (12.2)	1.5 (-8.2)	0 (7.3)	5.4 (19.6)
1382:						
Q1	3.9 (15.2)	2.8 (14.6)	3.5 (12.0)	3.0 (-8.2)	12.3 (16.0)	4.7 (20.5)
Q2	5.2 (16.6)	5.4 (16.2)	3.2 (11.3)	4.8 (8.9)	6.0 (20.1)	7.4 (23.9)
(Figures in parentheses indicate percentage change over respective month of the previous year)						
1382:						
Farvardin	1.4 (14.7)	0.9 (15.7)	1.6 (11.8)	1.9 (-8.3)	1.0 (6.3)	1.5 (19.1)
Ordibehesht	1.1 (15.0)	-0.7 (13.9)	1.1 (11.9)	0 (-8.3)	15.7 (20.8)	1.6 (20.1)
Khordad	1.7 (15.8)	2.7 (14.4)	1.0 (12.2)	0 (-8.2)	2.1 (20.5)	1.9 (22.2)
Tir	2.7 (16.8)	2.1 (14.5)	1.7 (12.2)	4.8 (8.5)	0 (20.4)	4.3 (24.6)
Mordad	1.5 (17.3)	2.7 (17.6)	0.9 (11.6)	0.1 (8.6)	-0.2 (20.1)	1.4 (24.7)
Shahrivar	-0.2 (15.8)	-0.6 (16.6)	-0.6 (10.3)	0 (9.6)	-0.3 (19.7)	0.7 (22.5)

Balance of Payments (Current Account)								<i>(million dollars)</i>
	Exports			Imports (fob)	Trade balance	Services (net)	Transfers (net)	Current account balance
	Oil & gas	Non-oil (1)	Total					
1378	17,089	3,941	21,030	13,433	7,597	-1,533	525	6,589
1379	24,280	4,181	28,461	15,086	13,375	-1,485	610	12,500
1380	19,339	4,565	23,904	18,129	5,775	-495	705	5,985
1381□	22,807	5,379	28,186	23,786	4,400	-1,865	1,196	3,731
1381□:								
First three months	4,665	1,096	5,761	4,635	1,126	-261	197	1,062
First six months▲	9,795	2,427	12,222	10,744	1,478	-1,471	452	459
Nine months	15,508	3,981	19,489	16,414	3,075	-1,341	651	2,385
Twelve months	22,807	5,379	28,186	23,786	4,400	-1,865	1,196	3,731
1382□:								
First three months	6,196	1,450	7,646	7,112	534	-494	207	247
First six months	13,562	3,119	16,681	15,148	1,533	-1,776	579	336
Balance of Payments (Capital Account)								<i>(million dollars)</i>
	Capital account (net)			Change in international reserves(2)				
	Short-term	Long-term	Total					
1378	-2,552	-3,342	-5,894	1,845				
1379	-1,355	-3,218	-4,573	6,529				
1380	-1,211	2,361	1,150	4,760				
1381□	-1,170	4,113	2,943	4,858				
1381□:								
First three months	-422	623	201	908				
First six months	-384	2,211	1,827	2,250				
Nine months	-918	3,622	2,704	2,334				
Twelve months	-1,170	4,113	2,943	4,858				
1382□:								
First three months	-573	670	97	345				
First six months	19	709	728	-309				

(1) Includes value of export of goods through cross border markets, shuttle trade and export of electricity since 1378.

(2) Since the first half of 1379 onwards also includes changes in OSF.

External Debt (at the End of the Period)(1)					<i>(million dollars)</i>
		Short-term	Medium- and long- term		Total
1378		3,618	6,739		10,357
1379		3,678	4,275		7,953
1380		2,652	4,562		7,214
1381		2,077	7,173		9,250
1381:					
First three months		2,718	4,768		7,486
First six months		2,546	5,792		8,338
Nine months		2,357	6,378		8,735
Twelve months		2,077	7,173		9,250
1382:					
First three months		1,769	7,389		9,158
First six months		2,512	7,179		9,691
External Debt Profile					<i>(million dollars)</i>
Maturity	1382	1383	1384	1385	1386 onwards
Amount	2,579	2,750	1,006	562	2,794
Exchange Rate (IRR/US\$)					
	Oil-notional rate (average selling and buying rates)	Non-oil export rate (2) (average selling and buying rates)	Interbank market rate (average selling rate) (3)		Parallel market rate (average selling rate)
1378	1,752.50	7,906.88	...		8,657.68
1379	1,752.50	8,077.65	...		8,188.13
1380	1,752.50	7,921.52	...		8,008.45
1381			7,958.05		8,018.94
1381:					
Q1			7,924.33		7,994.33
Q2			7,930.40		8,003.88
Q3			7,977.04		8,020.04
Q4			8,000.80		8,057.69
1382:					
Q1			8,148.13		8,185.63
Q2			8,270.41		8,325.32
1382:					
Farvardin			8,148.95		8,184.50
Ordibehesht			8,146.04		8,182.58
Khordad			8,149.46		8,189.78
Tir			8,206.56		8,231.27
Mordad			8,266.24		8,313.96
Shahrivar			8,340.73		8,438.58

(1) Excludes contingent obligations, i.e. opened letters of credit not yet consigned and future interests. Considering the mentioned obligations, the total external obligations (actual and contingent) amounted to \$ 29.4 billion at the end of Shahrivar, 1382. Moreover, classification of external debts according to short, medium and long-term is based on the original maturity.

(2) Includes export and import certificate rates during Mordad 1376 until the end of 1378, and since the beginning of 1379 it has been changed to certificate of deposit rate.

(3) Since the beginning of 1381, multiple exchange rates have been unified and thereafter reference exchange rate is determined in interbank market.

Foreign Trade

	Non-oil exports (1)			Imports (CIF)			
	Weight (thousand tons)	Value (million US\$)	Average value (US\$ per ton)	Weight (thousand tons)	Value (million US\$)	Average value (US\$ per ton)	
(Figures in parentheses indicate percentage change over respective period of the previous year)							
1378	17,567 (21.5)	3,362 (11.6)	191 (-8.2)	21,549 (32.2)	12,683 (-11.5)	589 (-33.0)	
1379	14,281 (-18.7)	3,763 (11.9)	263 (37.7)	25,981 (20.6)	14,347 (13.1)	552 (-6.3)	
1380	16,214 (13.5)	4,224 (12.3)	261 (-1.0)	27,464 (5.7)	17,627 (22.9)	642 (16.3)	
1381	13,362 (-17.6)	4,608 (9.1)	345 (32.4)	26,927 (-2.0)	22,275 (26.4)	827 (28.9)	
1381□:							
Q1	3,140 (-19.1)	965 (1.8)	307 (25.8)	6,248 (-13.3)	4,550 (7.6)	728 (24.2)	
Q2	3,639 (-11.1)	1,126 (9.9)	309 (23.6)	5,309 (-31.3)	6,009 (29.2)	1,132 (88.0)	
Q3	3,472 (-8.1)	1,360 (24.5)	392 (35.5)	6,112 (4.2)	5,622 (30.4)	920 (25.2)	
Q4	2,847 (-17.2)	971 (13.7)	341 (37.6)	6,408 (13.7)	4,999 (5.3)	780 (-7.4)	
1382□:							
Q1	3,308 (5.4)	1,158 (20.0)	350 (13.9)	7,925 (26.8)	6,447 (41.7)	813 (11.7)	
Q2	3,766 (3.5)	1,349 (19.8)	358 (15.7)	8,561 (61.3)	6,620 (10.2)	773 (-31.7)	
1382□:							
Farvardin	910 (0.2)	276 (-16.2)	303 (-16.4)	1,972 (-3.7)	1,336 (23.6)	677 (28.4)	
Ordibehesht	1,237 (7.8)	442 (43.1)	357 (32.7)	2,690 (31.1)	2,252 (13.6)	837 (-13.3)	
Khordad	1,161 (7.2)	440 (34.8)	379 (25.8)	3,263 (51.9)	2,859 (92.2)	876 (26.5)	
Tir	1,274 (-2.3)	445 (20.7)	349 (23.6)	3,491 (74.4)	2,285 (-11.0)	654 (-49.0)	
Mordad	1,213 (0.6)	443 (27.8)	365 (27.2)	2,480 (47.8)	2,227 (58.0)	898 (6.9)	
Shahrivar	1,278 (13.2)	461 (12.1)	361 (-1.0)	2,589 (58.7)	2,108 (3.7)	814 (-34.6)	
Facilities Extended From OSF							
<i>(million dollars)</i>							
	Approved projects	Contracts concluded by economic sectors					Total
		Manufacturing	Mining	Agriculture	Transportation	Technical and engineering services	
1380	1,195.0	417.5	1.3	1.9	50.0	62.0	532.7
1381▲	2,396.7	1,119.9	1.7	0.7	50.0	6.9	1,179.2
1381:							
Q3	445.2	309.9	0	0	0	0	309.9
Q4▲	1,506.5	502.3	1.7	0	0	0	504.0
1382:							
Q1	1,004.5	306.9	2.0	0	0	0	308.9
Q2	1,593.8	982.8	0	1.2	0	0	984.0

(1) Excludes export of electricity, export of goods through cross border markets and shuttle trade.

(2) Adjustments are not included in the fourth quarter figures.

Government Budget and Fiscal Data (1)(2)

(billion rials)

	Revenue			Expense (current exp.) (4)	Operating balance (5)	Disposal of non-financial assets			Acquisition of non- financial assets	Net disposal of non- financial assets
	Total	Taxes	Other revenue(3)			Total	Oil (6)(7)	Other		
(Figures in parentheses indicate percentage change over the previous period)										
1378	47,828.1 (54.3)	39,060.1 (109.0)	8,768.0 (-28.8)	68,219.3 (27.4)	-20,391.1	44,487.6 (96.7)	44,487.6 (96.7)	0	25,023.6 (43.6)	19,464.0 (274.7)
1379	44,846.6 (-6.2)	36,585.2 (-6.3)	8,261.4 (-5.8)	85,847.3 (25.8)	-41000.7	59,794.2 (34.4)	59,448.5 (33.6)	345.7	23,559.8 (-5.8)	36,234.4 (86.2)
1380	53,146.1 (18.5)	41,786.1 (14.2)	11,360.0 (37.5)	104,772.0 (22.0)	-51,625.9	72,333.4 (21.0)	71,957.1 (21.0)	376.3	24,087.6 (2.2)	48,245.8 (33.1)
1381 □	61,973.5 (16.6)	50,587.0 (21.1)	11,386.5 (0.2)	148,297.3 (41.5)	-86,323.8	103,183.2 (42.6)	102,626.8	556.4	37,212.5 (54.5)	65,970.7 (36.7)
1382 (approved budget)	204,508.4	74,780.6	129,727.8	285,749.9	-81,241.5	126,851.8	124,232.1	2,619.7	85,206.3	41,645.5
1381:										
Q1	11,387.1 (-30.8)	9,924.5 (-15.9)	1,462.6 (-68.5)	29,750.1 (-3.9)	-19,804.2	30,873.6 (74.8)	30,831.3 (78.4)	42.3	3,652.7 (-36.1)	27,220.9 (127.9)
Q2	14,787.7 (29.9)	12,515.7 (26.1)	2,272.0 (55.3)	44,106.8 (48.3)	-29,570.5	28,239.0 (-8.5)	28,140.1 (-8.7)	98.9 (133.7)	12,263.3 (235.7)	15,975.7 (-41.3)
Q3	15,874.0 (7.3)	13,455.5 (7.5)	2,418.5 (6.4)	33,235.8 (-24.6)	-16,433.4	25,974.5 (-8.0)	25,750.3 (-8.5)	224.3 (126.8)	11,713.2 (-4.5)	14,261.3 (-10.7)
Q4	19,924.8 (25.5)	14,691.3 (9.2)	5,233.5 (116.4)	41,204.6 (24.0)	-20,515.7	18,096.1 (-30.3)	17,905.2 (-30.5)	190.9 (-14.9)	9,583.3 (-18.2)	8,512.8 (-40.3)
1382:										
Q1	39,320.8 (97.3)	10,814.1 (-26.4)	28,506.7 (444.7)	66,074.6 (60.4)	-28,909.0	41,807.7 (131.0)	41,618.9 (132.4)	188.7 (-1.2)	7,203.2 (-24.8)	34,604.4 (306.5)
Q2	44,760.5 (13.8)	15,755.6 (45.7)	29,004.9 (1.7)	73,907.0 (11.9)	-28,229.0	35,826.7 (-14.3)	35,621.6 (-14.4)	205.1 (8.7)	22,701.4 (215.2)	13,125.3 (-62.1)
1382:										
Farvardin	12,735.4 (43.6)	3,150.2 (-47.9)	9,585.2 (239.3)	18,256.2 (-2.9)	-7,330.0	13,153.1 □	13,116.4 □	36.7 (-35.7)	37.3 (-99.1)	13,115.8 (-496.1)
Ordibehesht	12,632.2 (-0.8)	3,341.6 (6.1)	9,290.7 (-3.1)	25,043.4 (37.2)	-13,214.5	13,654.8 (3.8)	13,583.5 (3.6)	71.3 (94.1)	2,728.2 □	10,926.6 (-16.7)
Khordad	13,953.2 (10.5)	4,322.4 (29.4)	9,630.9 (3.7)	22,775.0 (-9.1)	-8,364.5	14,999.7 (9.8)	14,919.0 (9.8)	80.8 (13.3)	4,437.7 (62.7)	10,562.0 (-3.3)
Tir	15,795.9 (13.2)	6,097.7 (41.1)	9,698.2 (0.7)	29,142.8 (28.0)	-12,880.5	14,371.1 (-4.2)	14,284.3 (-4.3)	86.8 (7.5)	10,190.3 (129.6)	4,180.8 (-60.4)
Mordad	14,696.1 (-7.0)	5,039.0 (-17.4)	9,657.1 (-0.4)	21,282.6 (-27.0)	-7,395.9	10,738.7 (-25.3)	10,672.6 (-25.3)	66.0 (-24.0)	6,228.3 (-38.9)	4,510.3 (7.9)
Shahrivar	14,268.5 (-2.9)	4,618.9 (-8.3)	9,649.6 (-0.1)	23,481.7 (10.3)	-7,952.5	10,717.0 (-0.2)	10,664.6 (-0.1)	52.3 (-20.7)	6,282.8 (0.9)	4,434.2 (-1.7)

(1) Discrepancy in total is due to rounding. (2) The 1381 Budget Law was formulated on the basis of GFSM 2001 methodology. Therefore, revenue includes taxes and other revenue, and sale of oil, which was previously classified under revenue, is transferred to "disposal of non-financial assets". In this classification, government expenditure is divided into two headings: expense (current expenditures) and acquisition of non-financial assets (development expenditures). As a result, the operating balance is the differential of revenue and expense, and the net disposal of non-financial assets is the differential of disposal and acquisition of non-financial assets. Thus, 1381 figures are not fully comparable with respective previous periods.

(3) In 1382, other revenue also includes transparency in price of energy bearers, Note 12, Budget Law for 1382. (4) Includes subsidy paid on energy bearers.

(5) Includes revolving funds of provinces. (6) Includes sale of foreign exchange until 1381.

(7) In 1381, oil revenue includes that part of crude oil revenue which is allocated to imported subsidized goods' exchange rate differential, while it is not transferred to the Treasury.

Government Budget and Fiscal Data (1)										<i>(billion rials)</i>
	Net lending (+) / borrowing (-) (2)	Transaction of financial assets and liabilities (3)	Disposal of financial assets						Acquisition of financial assets (6)	Change in foreign exchange obligations account (7)
			Sales of participation papers (4)	Foreign borrowing	Use of OSF	Privatization proceeds	Returns from previous years	Other (5)		
1378	-927.1	927.1	1,884.3	154.0	0	4.2	640.0	-1,755.4	0	-1,812.6
1379	-4,766.3	4,766.3	2,049.8	175.0	0	0.2	1,287.2	1,254.1	0	1,780.4
1380	-3,380.1	3,380.1	2,305.3	228.9	0	93.6	615.8	136.5	0	2,347.6
1381	-20,353.1	20,353.1	2,498.1	284.1	35,876.0	8,364.0	784.0	185.0	27,638.1	-215.4
1382 (approved budget)	-39,596.0	39,596.0	5,400.0	1,437.9	38,160.0	18,000.0	1,000.0	11,151.8	35,553.7	...
1382:										
Q1	7,416.8	-7,416.8	94.4	0	0	82.8	349.5	3,745.5	11,689.0	-26.6
Q2	-13,594.9	13,594.9	3.7	36.4	7,881.0	440.7	266.8	-3,117.8	-8,084.1	25.7
Q3	-2,172.1	2,172.1	0	0	10,920.0	148.0	98.0	3,150.2	12,144.2	175.0
Q4	-12,002.9	12,002.9	2,400.0	247.7	17,075.0	7,692.5	69.7	-3,592.9	11,889.1	41.3
1382:										
Q1	5,695.4	-5,695.4	0.5	0	1,790.8	270.3	800.1	36.5	8,593.6	-1,130.0
Q2	-15,103.6	15,103.6	0	0	22,264.9	163.8	392.4	57.7	7,775.0	-1,733.4
1382:										
Farvardin	5,785.8	-5,785.8	0.3	0	0	56.4	26.7	13.3	5,882.5	66.5
Ordibehesht	-2,287.9	2,287.9	0.2	0	0	122.0	307.5	23.2	-1,835.1	-1,068.6
Khordad	2,197.6	-2,197.6	0	0	1,790.8	91.8	465.9	0	4,546.1	-127.9
Tir	-8,699.7	8,699.7	0	0	16,036.5	24.8	187.8	14.7	7,564.1	-1,534.1
Mordad	-2,885.6	2,885.6	0	0	2,634.6	52.6	113.5	15.6	-69.4	-199.1
Shahrivar	-3,518.3	3,518.3	0	0	3,593.8	86.3	91.1	27.4	280.4	-0.2

(1) Discrepancy in total is due to rounding.

(2) Net lending/borrowing is the sum of operating balance and the net disposal of non-financial assets.

(3) The net disposal of financial assets is the differential of financial assets and acquisition of financial assets.

(4) An amount of Rls. 2,277 billion (Rls. 999.4 billion for the Ministry of Energy participation papers and Rls. 1,277.6 billion for Ministry of Road and Transportation participation papers) should be added.

(5) Use of revolving funds in monthly periods is included in this column. Moreover, in the approved figures for 1382, economization together with implementation of the budget (Rls. 10,955.5 billion) appeared under other section.

(6) In monthly figures it includes the outstanding of blocked account No. 513.

(7) In this column, (-) means increase in the stock and (+) means decrease in the stock of the account.

Government Budget and Fiscal Data (1)(2)
(billion rials)

(Figures in parentheses indicate percentage change over the previous period)	Tax revenues						
	Direct taxes				Indirect taxes		
	Total	Corporate tax	Income tax	Wealth tax	Total	Import tax	Tax on goods and services
1378	16,584.1 (30.8)	10,048.5 (26.8)	5,383.1 (38.1)	1,152.5 (34.7)	9,247.3 (53.9)	5,805.1 (31.0)	3,442.2 (118.1)
1379	19,584.6 (18.1)	11,295.5 (12.4)	6,834.0 (27.0)	1,455.1 (26.3)	17,000.6 (83.8)	8,093.2 (39.4)	8,907.4 (158.8)
1380	22,987.9 (17.4)	12,371.9 (9.5)	8,703.7 (27.4)	1,912.3 (31.4)	18,798.2 (10.6)	11,840.6 (46.3)	6,957.6 (-21.9)
1381	25,653.2 (11.6)	14,758.4 (19.3)	8,247.6 (-5.2)	2,647.2 (38.5)	24,933.8 (32.6)	16,409.3 (38.6)	8,524.5 (22.5)
1382 (approved budget)	35,311.0	19,226.0	11,800.0	4,285.0	39,469.6	32,462.6	7,007.0
1381:							
Q1	5,960.0 (8.2)	2,999.9 (5.8)	2,259.2 (3.8)	701.0 (40.4)	3,964.5 (-37.0)	2,998.5 (-17.3)	966.0 (-63.8)
Q2	6,701.2 (12.4)	4,173.0 (39.1)	1,926.4 (-14.7)	601.8 (-14.1)	5,814.5 (46.7)	3,750.8 (25.1)	2,063.7 (113.6)
Q3	6,464.0 (-3.5)	3,935.1 (-5.7)	1,957.4 (1.6)	571.5 (-5.0)	6,991.4 (20.2)	4,180.9 (11.5)	2,810.5 (36.2)
Q4	6,528.0 (1.0)	3,650.4 (-7.2)	2,104.6 (7.5)	773.0 (35.3)	8,163.4 (16.8)	5,479.1 (31.0)	2,684.3 (-4.5)
1382:							
Q1	6,178.7 (-5.4)	3,426.9 (-6.1)	2,157.4 (2.5)	594.3 (-23.1)	4,635.5 (-43.2)	3,682.1 (-32.8)	953.4 (-64.5)
Q2	9,309.6 (50.7)	6,269.1 (82.9)	2,384.9 (10.5)	655.6 (10.3)	6,446.0 (39.1)	5,097.1 (38.4)	1,348.9 (41.5)
1382:							
Farvardin	1,917.3 (-36.9)	1,033.4 (-48.8)	762.6 (0.8)	121.3 (-53.8)	1,232.9 (-59.0)	1,061.5 (-56.0)	171.5 (-71.2)
Ordibehesht	2,252.9 (17.5)	1,284.4 (24.3)	711.3 (-6.7)	257.2 (112.0)	1,088.7 (-11.7)	853.4 (-19.6)	235.4 (37.3)
Khordad	2,008.5 (-10.8)	1,109.2 (-13.6)	683.6 (-3.9)	215.8 (-16.1)	2,313.8 (112.5)	1,767.3 (107.1)	546.6 (132.2)
Tir	4,044.3 (101.4)	2,882.3 (159.9)	946.9 (38.5)	215.1 (-0.3)	2,053.5 (-11.3)	1,784.4 (1.0)	269.0 (-50.8)
Mordad	2,780.9 (-31.2)	1,850.6 (-35.8)	714.4 (-24.6)	216.0 (0.4)	2,258.0 (10.0)	1,742.4 (-2.4)	515.6 (91.7)
Shahrivar	2,484.4 (-10.7)	1,536.3 (-17.0)	723.7 (1.3)	224.5 (3.9)	2,134.5 (-5.5)	1,570.2 (-9.9)	564.3 (9.4)

(1) Discrepancy in total is due to rounding.

(2) According to the new budget classification in 1381 and revenue breakdown among tax and other revenue headings, figures for 1381 and 1381 onwards are not comparable with those of previous periods.

Monetary and Credit Aggregates (Outstanding at the End of the Period)(1)							
							<i>(billion rials)</i>
	Monetary base	Money (M1)	Currency with the public	Demand deposits	Non-sight deposits (Quasi – money)	Total non-public sector deposits	Liquidity (M2)
(Figures in parentheses indicate percentage change over the last month of the previous year)							
1378	71,822.6 (15.9)	86,751.0 (16.0)	22,119.3 (17.8)	64,631.7 (15.4)	105,938.2 (23.7)	170,569.9 (20.4)	192,689.2 (20.1)
1379	84,398.1 (17.5)	114,420.5 (31.9)	25,158.3 (13.7)	89,262.2 (38.1)	134,690.2 (27.1)	223,952.4 (31.3)	249,110.7 (29.3)
1380	97,184.8 (15.2)	142,956.7 (24.9)	29,188.7 (16.0)	113,768.0 (27.5)	178,000.6 (32.2)	291,768.6 (30.3)	320,957.3 (28.8)
1381	119,615.9 (23.1)	182,652.7 (27.8)	34,780.1 (19.2)	147,872.6 (30.0)	234,871.3 (31.9)	382,743.9 (31.2)	417,524.0 (30.1)
(Figures in parentheses indicate percentage change over the last month of the previous year)							
1381:							
Q1	97,093.1 (-0.1)	140,941.4 (-1.4)	23,959.6 (-17.9)	116,981.8 (2.8)	198,384.5 (11.5)	315,366.3 (8.1)	339,325.9 (5.7)
Q2	110,627.0 (13.8)	153,306.2 (7.2)	25,911.2 (-11.2)	127,395.0 (12.0)	211,880.0 (19.0)	339,275.0 (16.3)	365,186.2 (13.8)
Q3	106,086.0 (9.2)	161,543.6 (13.0)	25,635.4 (-12.2)	135,908.2 (19.5)	220,557.9 (23.9)	356,466.1 (22.2)	382,101.5 (19.1)
Q4	119,615.9 (23.1)	182,652.7 (27.8)	34,780.1 (19.2)	147,872.6 (30.0)	234,871.3 (31.9)	382,743.9 (31.2)	417,524.0 (30.1)
1382:							
Q1	110,733.5 (-7.4)	173,041.0 (-5.3)	28,546.6 (-17.9)	144,494.4 (-2.3)	254,046.7 (8.2)	398,541.1 (4.1)	427,087.7 (2.3)
Q2	115,407.6 (-3.5)	191,088.7 (4.6)	30,346.8 (-12.7)	160,741.9 (8.7)	272,740.3 (16.1)	433,482.2 (13.3)	463,829.0 (11.1)
(Figures in parentheses indicate percentage change over the respective month of the previous year)							
1382:							
Farvardin	114,860.8 (20.7)	168,369.4 (24.6)	27,987.1 (21.1)	140,382.3 (25.3)	244,286.6 (30.2)	384,668.9 (28.4)	412,656.0 (27.9)
Ordibehesht	111,994.7 (15.8)	169,310.7 (21.7)	27,718.6 (19.0)	141,592.1 (22.3)	247,681.6 (28.2)	389,273.7 (26.0)	416,992.3 (25.5)
Khordad	110,733.5 (14.0)	173,041.0 (22.8)	28,546.6 (19.1)	144,494.4 (23.5)	254,046.7 (28.1)	398,541.1 (26.4)	427,087.7 (25.9)
Tir	118,073.4 (13.6)	176,494.2 (21.0)	29,237.1 (19.7)	147,257.1 (21.3)	262,147.4 (28.4)	409,404.5 (25.7)	438,641.6 (25.3)
Mordad	116,032.7 (9.7)	182,564.7 (21.9)	30,186.3 (16.0)	152,378.4 (23.2)	268,089.9 (28.8)	420,468.3 (26.7)	450,654.6 (25.9)
Shahrivar	115,407.6 (4.3)	191,088.7 (24.6)	30,346.8 (17.1)	160,741.9 (26.2)	272,740.3 (28.7)	433,482.2 (27.8)	463,829.0 (27.0)

(1) Excludes commercial banks' branches abroad. Moreover, it includes non-public sector's deposits with private banks and non-bank credit institutions.

Monetary and Credit Aggregates (Outstanding at the End of the Period)(1)							(billion rials)
	Net foreign assets(2)			Banks claims on non-public sector			Banking system claims on public sector
	Central Bank	Banks	Banking system	Commercial banks	Specialized banks	All banks(3)	
(Figures in parentheses indicate percentage change over the last month of the previous year)							
1378	4,449.8 (80.5)	-1,120.4 (63.9)	3,329.4 ▣	95,199.9 (36.9)	42,505.0 (48.3)	137,912.9 (40.4)	117,116.9 (6.5)
1379	7,576.8 (70.3)	-2,066.6 (-84.5)	5,510.2 (65.5)	124,118.9 (30.4)	56,313.2 (32.5)	180,870.7 (31.1)	122,785.3 (4.8)
1380	11,740.8 (55.0)	-1,665.7 (19.4)	10,075.1 (82.8)	168,932.7 (36.1)	72,513.3 (28.8)	242,542.6 (34.1)	138,457.2 (12.8)
1381	81,387.5 ▣	-20,352.7 ▣	61,034.8 ▣	230,292.2 (36.3)	92,757.7 (27.9)	327,072.9 (34.9)	206,216.9 (48.9)
(Figures in parentheses indicate percentage change over the last month of the previous year)							
1381:							
Q1	63,908.8 (444.3)	-2,495.9 (-49.8)	61,412.9 ▣	177,054.0 (4.8)	76,371.5 (5.3)	254,647.5 (5.0)	151,026.6 (9.1)
Q2	81,933.9 ▣	-6,698.2 (-302.1)	75,235.7 ▣	190,056.4 (12.5)	82,235.1 (13.4)	274,256.6 (13.1)	158,206.5 (14.3)
Q3	69,325.0 (490.5)	-8,640.6 (-418.7)	60,684.4 ▣	206,970.4 (22.5)	88,257.1 (21.7)	297,880.4 (22.8)	185,095.4 (33.7)
Q4	81,387.5 ▣	-20,352.7 ▣	61,034.8 ▣	230,292.2 (36.3)	92,757.7 (27.9)	327,072.9 (34.9)	206,216.9 (48.9)
1382:							
Q1	91,888.6 (12.9)	-18,447.9 (9.4)	73,440.7 (20.3)	240,764.3 (4.5)	95,249.6 (2.7)	341,134.9 (4.3)	214,476.4 (4.0)
Q2	95,379.3 (17.2)	-26,218.1 (-28.8)	69,161.2 (13.3)	265,929.0 (15.5)	100,108.4 (7.9)	373,024.4 (14.0)	212,363.3 (3.0)
(Figures in parentheses indicate percentage change over the respective month of the previous year)							
1382:							
Farvardin	82,776.0 (42.9)	-18,413.7 ▣	64,362.3 (12.0)	229,074.3 (35.5)	92,935.8 (26.6)	326,096.7 (33.9)	211,400.1 (48.6)
Ordibehesht	88,439.6 (48.6)	-18,245.7 ▣	70,193.9 (16.9)	234,348.3 (35.8)	94,055.7 (25.4)	332,960.5 (33.9)	212,146.3 (43.9)
Khordad	91,888.6 (43.8)	-18,447.9 ▣	73,440.7 (19.6)	240,764.3 (36.0)	95,249.6 (24.7)	341,134.9 (34.0)	214,476.4 (42.0)
Tir	102,623.8 (42.8)	-22,338.4 ▣	80,285.4 (24.9)	249,096.9 (37.3)	97,448.2 (24.0)	352,206.7 (34.8)	210,259.8 (40.5)
Mordad	101,150.0 (26.5)	-23,406.0 (-233.1)	77,744.0 (6.6)	257,678.2 (39.4)	98,878.9 (23.3)	362,887.6 (36.2)	209,400.4 (37.7)
Shahrivar	95,379.3 (16.4)	-26,218.1 (-291.4)	69,161.2 (-8.1)	265,929.0 (39.9)	100,108.4 (21.7)	373,024.4 (36.0)	212,363.3 (34.2)

(1) Excludes commercial banks' branches abroad.

(2) Since 1381, banking system's foreign assets and liabilities have been valued at unified exchange rate.

(3) Discrepancy is due to the inclusion of non-bank credit institutions and private banks.

Monetary and Credit Aggregates (Outstanding at the End of the Period)(1)								<i>(billion rials)</i>
	Government indebtedness to		Public corporations & institutions indebtedness to		Banking system claims on public & non-public sectors	Public sector deposits with banking system		
	Central Bank	Banks	Central Bank	Banks		Government	Public corporations & institutions	
(Figures in parentheses indicate percentage change over the last month of the previous year)								
1378	62,058.5 (5.9)	7,151.0 (-7.6)	13,808.4 (-3.5)	34,099.0 (16.3)	255,029.8 (22.5)	20,402.5 (19.0)	5,250.6 (24.3)	
1379	60,859.0 (-1.9)	6,194.8 (-13.4)	14,259.1 (3.3)	41,472.3 (21.6)	303,656.0 (19.1)	27,400.5 (34.3)	9,163.2 (74.5)	
1380	64,636.3 (6.2)	7,553.5 (21.9)	17,721.4 (24.3)	48,546.0 (17.1)	380,999.8 (25.5)	33,904.6 (23.7)	4,065.1 (-55.6)	
1381	111,620.3 (72.7)	17,318.2 (129.3)	19,948.7 (12.6)	57,329.7 (18.1)	533,289.8 (40.0)	64,058.9 (88.9)	5,262.2 (29.4)	
(Figures in parentheses indicate percentage change over the last month of the previous year)								
1381:								
Q1	69,392.3 (7.9)	8,717.5 (15.4)	22,881.4 (27.0)	50,035.4 (3.1)	405,674.1 (6.5)	54,080.3 (59.5)	5,261.9 (29.4)	
Q2	75,772.3 (17.2)	12,386.2 (64.0)	19,663.1 (11.0)	50,384.9 (3.8)	432,463.1 (13.5)	65,365.0 (92.8)	4,308.9 (6.0)	
Q3	101,691.8 (57.3)	11,079.5 (46.7)	17,175.1 (-3.1)	55,149.0 (13.6)	482,975.8 (26.8)	70,220.4 (107.1)	5,401.0 (32.9)	
Q4	111,620.3 (72.7)	17,318.2 (129.3)	19,948.7 (12.6)	57,329.7 (18.1)	533,289.8 (40.0)	64,058.9 (88.9)	5,262.2 (29.4)	
1382:								
Q1	116,716.5 (4.6)	21,714.1 (25.4)	17,892.4 (-10.3)	58,153.4 (1.4)	555,611.3 (4.2)	81,319.4 (26.9)	6,564.2 (24.7)	
Q2	111,110.9 (-0.5)	23,251.9 (34.3)	17,456.9 (-12.5)	60,543.6 (5.6)	585,387.7 (9.8)	78,684.8 (22.8)	6,398.5 (21.6)	
(Figures in parentheses indicate percentage change over respective month of the previous year)								
1382:								
Farvardin	116,415.7 (87.3)	17,499.0 (109.1)	20,160.6 (-13.2)	57,324.8 (18.1)	537,496.8 (39.3)	69,714.4 (70.6)	5,350.7 (29.9)	
Ordibehesht	116,950.5 (76.9)	19,427.9 (117.4)	18,458.9 (-21.0)	57,309.0 (17.0)	545,106.8 (37.6)	79,023.7 (60.7)	6,426.2 (30.0)	
Khordad	116,716.5 (68.2)	21,714.1 (149.1)	17,892.4 (-21.8)	58,153.4 (16.2)	555,611.3 (37.0)	81,319.4 (50.4)	6,564.2 (24.7)	
Tir	111,587.7 (62.9)	22,350.4 (130.2)	17,831.9 (-15.8)	58,489.8 (16.4)	562,466.5 (36.9)	79,233.8 (46.7)	6,447.2 (30.4)	
Mordad	109,386.2 (55.5)	22,740.8 (104.1)	17,558.4 (-16.5)	59,715.0 (20.5)	572,288.0 (36.7)	78,981.2 (31.4)	7,051.1 (48.9)	
Shahrivar	111,110.9 (46.6)	23,251.9 (87.7)	17,456.9 (-11.2)	60,543.6 (20.2)	585,387.7 (35.4)	78,684.8 (20.4)	6,398.5 (48.5)	

(1) Excludes commercial banks' branches abroad.

Monetary and Credit Aggregates (Outstanding at the End of the Period)(1)
(billion rials)

	Notes & coins issued	Notes & coins with banks	Banks deposits with Central Bank		Central Bank claims on	
			Legal	Sight(2)	Commercial banks	Specialized banks
(Figures in parentheses indicate percentage change over the last month of the previous year)						
1378	24,133.6 (18.6)	1,794.4 (28.4)	45,377.4 (19.9)	2,531.5 (-36.1)	13,009.3 (53.5)	7,801.7 (58.4)
1379	27,555.4 (14.2)	2,072.8 (15.5)	51,830.4 (14.2)	5,336.6 (110.8)	14,539.2 (11.8)	9,014.2 (15.5)
1380	31,790.1 (15.4)	2,346.5 (13.2)	50,842.6 (-1.9)	14,807.0 (177.5)	10,116.8 (-30.4)	1,959.9 (-78.3)
1381	37,517.3 (18.0)	2,395.8 (2.1)	62,568.6 (23.1)	19,871.4 (34.2)	20,246.6 (100.1)	4,061.8 (107.2)
(Figures in parentheses indicate percentage change over the last month of the previous year)						
1381:						
Q1	31,793.6 *	5,532.3 (135.8)	53,221.5 (4.7)	14,379.7 (-2.9)	8,285.3 (-18.1)	2,096.0 (6.9)
Q2	32,303.9 (1.6)	5,087.1 (116.7)	56,509.3 (11.1)	23,119.4 (56.1)	10,966.2 (8.4)	1,802.2 (-8.0)
Q3	32,311.7 (1.6)	5,305.8 (126.1)	58,588.3 (15.2)	16,556.5 (11.8)	17,731.6 (75.3)	2,024.6 (3.3)
Q4	37,517.3 (18.0)	2,395.8 (2.1)	62,568.6 (23.1)	19,871.4 (34.2)	20,246.6 (100.1)	4,061.8 (107.2)
1382:						
Q1	37,525.1 *	6,121.5 (155.5)	65,122.8 (4.1)	10,942.6 (-44.9)	16,126.6 (-20.3)	3,798.2 (-6.5)
Q2	37,533.0 (0)	5,800.0 (142.1)	69,016.0 (10.3)	10,244.8 (-48.4)	19,336.8 (-4.5)	4,296.8 (5.8)
(Figures in parentheses indicate percentage change over the respective month of the previous year)						
1382:						
Farvardin	37,519.4 (18.0)	6,863.2 (11.1)	63,801.5 (25.4)	16,209.0 (8.3)	17,257.7 (58.8)	3,822.6 (132.3)
Ordibehesht	37,520.9 (18.0)	6,509.4 (13.0)	63,684.0 (24.4)	14,082.7 (-14.4)	17,424.8 (72.0)	4,240.7 (133.2)
Khordad	37,525.1 (18.0)	6,121.5 (10.7)	65,122.8 (22.4)	10,942.6 (-23.9)	16,126.6 (94.6)	3,798.2 (81.2)
Tir	37,528.9 (18.0)	5,935.8 (12.0)	66,562.6 (22.4)	16,337.9 (-17.5)	16,167.9 (78.8)	3,690.0 (144.0)
Mordad	37,531.0 (18.0)	5,505.8 (26.6)	68,355.3 (24.1)	11,985.3 (-41.1)	17,314.0 (127.7)	3,708.5 (170.0)
Shahrivar	37,533.0 (16.2)	5,800.0 (14.0)	69,016.0 (22.1)	10,244.8 (-55.7)	19,336.8 (76.3)	4,296.8 (138.4)

(1) Excludes commercial banks' branches abroad.

(2) It includes special term deposits.

Bank Profit Rates													(% per annum)	
Term-investment deposit rates								Expected rates of return on facilities						
	Short-term	Special short-term	One-year	Two-year	Three-year	Four-year	Five-year	Construction & Housing (1)			Agriculture	Trade & services	Exports	
								Manufacturing & mining	Housing savings fund	Others				
1378	8	10	14	15	16	...	18.5	17-19	15-16	18-19	13-16	22-25	18	
1379	8	10	14	15	16	17	18.5	17-19	15-16	18-19	13-16	22-25	18	
1380	7	9	13	13-17	13-17	13-17	17	16-18	15-16	17-19	14-15	23(min.)	18	
1381	7	9	13	13-17	13-17	13-17	17	15-17	14-15	16-18	13-14	22(min.)	17	
1382 (provisional)(2)	7	9	13	13-17	13-17	13-17	17	16	15	18	13.5	21(min.)	16	
Tehran Stock Exchange (TSE) Activities														
	Share price index (end of the period) (1369=100)			Cash dividend yield index (end of the period)	Current value of stock market (end of the period) (billion rials)	Number of working days	Number of accepted companies (end of the period)							
	Total	Financial	Industry											
1378		2,206.19	4,683.57	1,945.89	2,447.39	43,743.5	243	295						
1379		2,978.26	6,347.29	2,621.80	2,898.09	62,486.6	241	307						
1380		3,758.77	8,497.87	3,254.84	3,299.32	81,681.8	243	318						
1381		5,062.76	8,985.96	4,642.94	3,704.65	117,772.9	243	334						
1381:														
Q1		4,294.06	8,947.69	3,800.47	3,348.47	93,784.5	56	319						
Q2		4,756.68	9,256.64	4,273.59	3,615.93	104,710.1	65	322						
Q3		5,096.97	9,523.62	4,621.17	3,635.62	115,574.5	61	324						
Q4		5,062.76	8,985.96	4,642.94	3,704.65	117,772.9	61	334						
1382:														
Q1		6,703.06	10,536.35	6,313.54	3,727.52	161,148.4	58	339						
Q2		8,993.00	14,660.94	8,407.05	3,883.62	225,068.9	65	351						
1382:														
Farvardin		5,368.56	9,234.18	4,956.78	3,705.25	126,155.2	17	334						
Ordibehesht		5,948.30	9,685.17	5,561.82	3,716.84	140,126.5	21	334						
Khordad		6,703.06	10,536.35	6,313.54	3,727.52	161,148.4	20	339						
Tir		8,521.01	12,991.81	8,079.18	3,799.55	210,942.5	23	344						
Mordad		9,422.96	14,537.09	8,912.83	3,876.29	235,715.6	20	349						
Shahrivar		8,993.00	14,660.94	8,407.05	3,883.62	225,068.9	22	351						

Source: Tehran Stock Exchange

(1) In 1382, the expected rate of return on facilities in construction sector was determined at 21 percent per annum.

(2) Banks are authorized to determine the provisional rate of return on 2-4 year investment deposits within the range of 13-17 percent per annum.

Tehran Stock Exchange (TSE) Activities(1)

	Share tradings				Public share offerings	
	Number (1,000 shares)	Value (billion rials)	Number of buyers	Number of tradings	Number (1,000 shares)	Value (billion rials)
1378	1,181,863.7	5,243.6	234,761	431,142	242,716.0	2,034.8
1379	1,681,491.6	9,176.7	342,764	707,065	326,971.5	2,248.0
1380	1,705,558.5	7,830.9	315,918	616,283	136,499.4	468.5
1381	4,145,347.8	22,776.1	359,751	812,316	967,026.9	4,418.3
1381:						
Q1	641,668.8	3,613.1	123,435	203,394	111,562.6	475.3
Q2	990,691.9	6,491.4	123,059	236,540	216,995.0	1,377.6
Q3	749,447.6	4,438.5	49,376	176,735	122,828.6	527.1
Q4	1,763,539.5	8,233.1	63,881	195,647	515,640.7	2,038.3
1382:						
Q1	883,107.5	6,408.7	120,746	228,248	147,168.5	1,331.8
Q2	1,501,191.6	9,764.6	145,951	300,080	66,238.6	370.3
1382:						
Farvardin	224,598.0	1,394.7	32,163	45,167	39,267.8	193.2
Ordibehesht	347,564.0	2,603.9	53,221	82,049	90,705.7	1,052.1
Khordad	310,945.5	2,410.1	64,661	100,332	17,195.1	86.5
Tir	773,563.1	3,919.7	71,617	119,641	24,384.5	109.9
Mordad	319,361.6	2,704.8	64,850	98,455	40,141.1	245.0
Shahrivar	408,267.0	3,140.1	47,848	80,343	1,713.0	15.4

Source: Tehran Stock Exchange

(1) Discrepancies are related to figures released by Tehran Stock Exchange.

APPENDIX I

Key Features of Trade and Exchange System

The currency of the Islamic Republic of Iran is the Iranian Rial, and the exchange system is based on a unified market exchange rate structure. Prior to March 21, 2002, the exchange rate system consisted of two official rates, the "oil-notional rate" which used to be applied for government budget purposes and some priority sector's external transactions. The second rate called "non-oil export" or "certificate of deposit" rate was effectively equivalent to market exchange rate (the so called, Tehran Stock Exchange TSE rate) and applied to non-oil export receipts and non-priority import transactions.

Active preparations were made to unify the exchange rates from the beginning of 1381 Iranian fiscal year (March 21, 2002), leading to a unified managed float system. The unification of exchange rates was launched along with elimination of all exchange restrictions on current account transactions which existed prior to March 2002. Therefore all foreign exchange transactions that formerly took place in TSE market were shifted to a newly established interbank market. The basic official rate (oil-notional) was eliminated, and the exchange rate was unified at the rate prevailing at TSE market before the unification.

Imports and exports are governed by regulations proposed by the Ministry of Commerce and approved by the Cabinet. According to these regulations, import goods are divided into "authorized", "conditional" and "prohibited" goods. "Authorized" goods require no special license or permits for importation, while importation of "conditional" goods requires licensing by respective authorities. "Prohibited" goods are those which are forbidden by Islamic Sharia, or respective laws. But it should be noted that in view of elimination of certification procedures for almost all import items, the number of goods under conditional categories was reduced to a minimum.

APPENDIX II

Summary of the Current Foreign Exchange and Monetary Policies During 1382

A. Foreign Exchange and Trade Policies

The country's foreign exchange system underwent notable development as the unified rate of exchange was applied since the beginning of 1381 (March 21, 2002). On this basis, the CB introduced the managed float regime. Thus, all foreign exchange regulations in the areas of transactions of goods, services, and banking operations were revised with the aim of complying to the new regime. Other policy and regulation developments in this area are as follows:

1. In order to facilitate and regulate foreign exchange transactions, transactions of foreign exchange CDs on the TSE were eliminated as of beginning of 1381 and currencies are transacted at reference rate in interbank market. In this market, in addition to the CB, other banks can buy and sell foreign currencies. Thus, exporters are availed with full options in managing their foreign exchange resources.

2. To further liberalize the non-oil export process, and on the basis of the approval of the High Council of Export Promotion, export of all goods and services was exempted from surrender requirement as of beginning of 1381.

3. To maintain coordination between foreign exchange and trade policies, the Ministry of Commerce revised the regulations pertaining to duties and tariffs, based on the Cabinet approval. In this regard, downward adjustments were put into effect by a ratio of 5/22 as of beginning of 1381.

4. To compensate losses incurred by the exporters owing to exchange rate fluctuations, likely drastic fall of world prices of exported goods and also finance of export rewards, the Cabinet envisaged certain measures in this context. It was also stipulated that the mentioned incentives be financed through Export Guarantee Fund.

5. To promote private sector activities and accelerate non-oil exports, the by-law for the establishment of private Export Promotion Funds was approved by the Cabinet.

6. New conditions were set for using short-term credit lines (refinance) for importers. On the basis of the CB circular, import of spare parts and manufacturing machinery by the private sector was authorized through these facilities.

7. The new Law for Attraction and Protection of Foreign Investment was approved on Khordad 4, 1381. In this Law, the maximum share of foreign investment in each economic sector is set at 25 percent and in each activity at 35 percent. The oil sector is exempted from mentioned ceilings. Furthermore, the executive by-law for the said law was approved by the Cabinet.

8. Central Bank announced the guidelines for the issuance of establishment permits of exchange bureaus (a similar guideline for free trade zones was also issued).

The main foreign exchange and trade policies (before and after the implementation of exchange rate unification) are presented in the following table:

Major Changes in Foreign Exchange and Trade Policies and Regulations(Revised)

	Pre-unification	Post -unification(as of 1381-2002/03)
A.Forex regulations		
1.Prepayment on LCs for imports	Minimum 10% for private sector	At banks' discretion for private sector
2.Import of goods using forex with external origin	Financed through forex with external origin and 100% prepayment on LC	Regardless of the origin of forex, LC prepayment subject to banks' discretion
3.Import of goods from FTZs	Banks (domestic network) were authorized to open LC	Banks in the mainland can open LC for imports, prepayment subject to banks' discretion and market rate will be applied in opening LC
4.Transportation	Opening petty cash LC for freight up to \$1,000,000	Without any limitation or ceiling
5.Insurance cost for import of goods	Purchase of foreign exchange paid on insurance costs for import of goods through: forex quotas of organizations, purchase from TSE, non-oil export proceeds, or forex accounts with external origin	Through banking system
6.Inspection	Submission of inspection certificate was mandatory for forex quotas	Submission of inspection certificates subject to owner of goods' discretion
7.Purchasing of forex	At negotiated rate	At bank's market rate
8.Selling forex to passengers	Maximum \$2,000 per passport and \$1,000 for four persons (accompanied)sold three times a year at negotiated rate	Maximum \$2,000 per passport and \$1,000 per accompanying persons at bank's market rate without any restriction on number of travel
9. Selling forex for medical treatment	Receipt of promissory note as collateral a Rls. 2,500 per U.S. dollar up to certain ceilings as determined by High Council of Health	At banks' market rate against creditable documents, upto \$ 30,000, and through confirmation of High Council of Health for amounts in excess of \$ 30,000.
10.Selling forex for missions abroad	On the basis of rates stipulated in forex quotas of organizations	At banks' market rate
11. Sabbatical leave	Up to maximum ceiling of forex quota of organizations	No ceiling, as allocated by the respective organizations
12.Repatriation of salary of foreign workers	In public sector, up to \$ 500 at CD rate	At banks' market rate for both public and private sectors
13.Financing marketing expenses, lawyer's fee, principal and return of foreign investments, revenues of Embassies' consulate section, bank commission fees, settlement of forex commitments of exporters and importers	At preferential rate for executive bodies having forex quota (budget); CD rate for TSE transactions; negotiated rate for other purposes.	At banks' market rate and confirmation of competent bodies in certain cases
14. Opening forex accounts	Distinced into forex with internal and external origins, minimum amounts for opening an account: saving account: \$100, current account: \$ 10,000, term-investment account: \$1,000.	Elimination of the condition for origin of the forex, the minimum amounts and interest rate will be determined by banks
B. Trade policies		
15.Import of goods		Changing non-tariff barriers to tariff ones, through increasing customs tariffs base, reducing centers issuing import licenses to one ministry (Ministry of Commerce), changing the base rate for conversion of dollar value of imports for collection of customs duties and commercial benefits from Rls. 1,750 /US dollar to Rls. 8,000 (approximately), increasing the list of permitted imports
16.Export of goods		Elimination of surrender requirements

Source: The Central Bank of I.R.I.

9. In order to ease the foreign trade procedures, the Cabinet eliminated surrender requirement in exports and authorized exporters in using their export proceeds in the following ways:
- Export proceeds are convertible to rial in interbank market and banks are required to purchase exporters' foreign exchange resources.
 - Export proceeds can be deposited with the domestic banks and remunerated at international market level.
 - Export proceeds can be used for import and order registration.
10. To ease trade restrictions and combat with smuggling of goods, Ministry of Commerce announced the list of those intermediate and capital goods which are importable without foreign exchange transfer. Import of these goods is permitted after order registration and payment of commercial profit.
11. In order to promote non-oil export by the private sector, Ministry of Commerce announced the by-law for the payment of export rewards for 1381. According to this by-law, goods with 10 to 100 percent of their value-added from domestic origin, receive a reward of 1 to 3 percent of their export values. In addition, equal to 1 to 3 percent of the value of export shall be rewarded for marketing and export of new commodities.
12. Since Dey 1381, subsidiary foreign exchange interbank market has been allowed in Kish Free Trade Zone.
13. For the import of goods all import duties, taxes, and charges (except commercial profit tax) were unified since the beginning of 1382 (March 21, 2003) and a 4 percent duty rate is levied as the base customs duty.

B. Monetary and Credit Policies

The banking system constitutes the core of the financial sector in Iran and plays a critical role in transmitting monetary policy impulses to the entire economic system. Each year after the approval of government's annual budget by the Islamic Consultative Assembly, the Central Bank presents a detailed monetary and credit policy to the Money and Credit Council for approval. Thereafter, certain core elements of monetary and credit policy need to be approved by the Cabinet. This procedure is followed in accordance with Article 19 of Usury-Free Banking Act of 1983 which stipulates that short-term credit policies need to be approved by government and long-term credit policies have to be incorporated within the Five Year Development Plan documents and approved by the Parliament.

The Money and Credit Council (MCC) approved the following policy decisions to be implemented in 1382 (2003/04):

1. Banks are authorized to extend 35 percent of increase in the outstanding of non-public sector facilities free from sectoral allocations. The share of various sectors out of total increase in the outstanding facilities of the non-public sector after deducting the share of free uses and facilities out of Gharz-al-hasaneh deposits to meet urgent needs are shown in the following table:

2. The accelerated rate of growth of liquidity in the last two years and its ensuing effect on prices, required the CB to be vested with the necessary instrument. As a result, the MCC authorized the CB to substitute the new issuance of participation papers for the issued papers in 1381 in this year, and gave the permission for issuance of new papers upto Rls.10000 billion at its own discretion.

3. According to the law for the issuance of participation papers, the ceiling for the papers issued by the private sector was determined at Rls. 5,000 billion.

4. The provisional profit rate of bank deposits for short-term deposits was determined at 7 percent and for long-term deposits was set at 13-17 percent per annum. To raise competition, banks having more flexibility are authorized to set the rates on 2, 3, and 4-year deposits within the said range.

5. Rates of return on banking facilities were set as shown in the respective table:

Sectoral Allocation of Banking Facilities Extended to Non-public Sector (1)	
	(percent)
Agriculture	25.0
Manufacturing and mining	33.0
Housing	20.0
Construction	8.5
Export	9.5
Domestic trade, services and miscellaneous	4.0
Total	100.0

(1) Private banks and non-bank credit institutions are not subject to sectoral allocation.

Rate of Return on Banking Facilities	
	(percent)
Agriculture	13.5
Manufacturing and mining	16
Housing (housing savings fund)	15
Housing (without depositing)	18
Exports	16
Commerce, services, construction and miscellaneous	21

C. Policies Approved in the Budget Law for 1382

In accordance with the 1382 Budget Law, the Central Bank is obliged to design and implement all credits and facilities (in rial) extended by the banking system in 1382 and the ratio of long-term to short-term credits and facilities, and credit and facilities plans of the banking system on the basis of current and term-investment deposits, after deducting reserve requirements. Thus, the targets of the 3rd FYDP for economic growth and curbing inflation shall be

realized. The mechanism of sectoral allocation of the credits and facilities as recommended by the MCC shall be approved by the Cabinet till the end of Farvardin 1382 (April 2003).

Banks are required to allocate credits as approved by the government at most till the end of Dey 1382 (January 2004).

According to the budget law, increase in the ceiling of the outstanding of banking facilities in 1382, observing other objectives stipulated in the development plans, was authorized upto Rls. 3,600 billion. The share of public sector out of this increase was 25 percent and of cooperative and private sectors was 75 percent.

At least 65 percent of the share of cooperative and private sectors shall be distributed among provinces to be extended to projects aiming at job creation in less developed regions, on the basis of indices set by the Cabinet with the suggestion of Management and Planning Organization and the High Council of Employment, to be given to applicants through agent banks.

According to the budget law, for regulating foreign exchange commitments and maintaining BOP equilibrium, the Central Bank is obliged to observe the conditions mentioned in this Note in the framework of Money and Banking Law and monetary and foreign exchange policies in creating new foreign exchange obligations and fulfilling previous obligations.

As is mentioned in the law, the Central Bank is responsible for regulating and creating equilibrium in foreign exchange market and management of BOP with the supervision of the committee named in Article 86 of the 3rd FYDP Law.

To speed up the implementation and completion of projects scheduled for 1382 and 1383, the Cabinet is given the authority to finance credit and guarantee repayment of Rls. 18,285 billion through the OSF account or through selling participation papers, with the priority given to agriculture, water resources, manufacturing and mining, environment, transportation, electricity, urban development (sewage system) and natural resources which were stipulated in the appendix I and II of this Law. Moreover, any expenses from this source out of the content of this paragraph is totally forbidden.

The government is authorized to issue upto Rls. 5,400 billion participation papers to accelerate the implementation of acquisition of non-financial assets and deposit the revenues received as is determined in the third part of the 1382 Budget Law appendix. Moreover, the Ministry of Energy and its affiliated organizations are authorized to utilize upto Rls. 1,600 billion through issuing participation papers for completing the executive operations of acquisition of non-financial assets of the electricity sector.

APPENDIX III

Third Five Year Development Plan 1379-83 (2000/01-2004/05)

The Third Five Year Development Plan is formulated with a view to various aspects of the existing realities of the country, the challenges that the economy faces and the emphasis on having a comprehensive and balanced plan.

The 3rd FYDP is a package of articles, policies, and guidelines covering 26 sectoral and intrasectoral areas and provides a comprehensive framework for resolving structural impediments and economic difficulties during the Plan period.

The core elements of the general policy framework of the Plan are as follows:

1. The "High Council of Administrative" will be established in order to reform administrative system and human resource management.
2. The financial position of all public enterprises will be assessed with the aim of either liquidating, privatizing, merging or restructuring them.
3. "State Tax Affairs Organization" will be established as a public institution under the supervision of the Minister of Economic Affairs and Finance with the objective of raising the efficiency of the tax system and eliminating the existing organizational bottlenecks.
4. "Oil Stabilization Fund" will be created for reducing budget reliance on oil revenue and ensuring the sustainability and preservation of national wealth.
5. The net increase in scheduled banking facilities will be reduced by 10 percent on an annual basis, taking 1378 approved figure as the benchmark. Government's support for economic activities in the form of preferential lending rates and loan repayment guarantees will become transparent and taken care of within the government's annual budgets.
6. The amount of official external obligations will be regulated, so that net present value of these obligations will not exceed US\$25 billion and debt service ratio (excluding buy-back agreements) will not exceed 30 percent of government foreign exchange receipts at the final year of the Plan period.
7. Government will issue upto Rls. 5,000 billion specific participation papers for recapitalization of the banks. The proceeds from the sale of these papers will be used for strengthening financial position and government capital investment of the undercapitalized banks.
8. The Central Bank will prepare the condition for the operation of private banks and private non-bank credit institutions.

9. The government is authorized to extend facilities to investors who participate in job creating plans and small-scale industries in proportion to their financial contributions in projects.

10. In order to achieve the export targets during the 3rd FYDP:

- a. The customs duties and tariff of imported raw material and intermediate goods used in production of exportable goods will be refunded after the export of goods.
- b. The exported goods and services are exempted from any tax or levy.
- c. The export of goods and services is exempted from any permits except the mandatory standards and the certificates commonly applicable in international trade.
- d. In order to promote the export of non-oil commodities and technical and engineering services, a portion of surplus revenue received from oil exports will be allocated to increase the working capital of Export Development Bank.

11. The government is required to remove the non-tariff barriers, in order to promote foreign trade.

12. In order to design export strategies and determine the facilities to be extended to export sector, the High Council of Non-oil Export Promotion will be established under the chairmanship of the President.

**Quantitative Targets in 3rd FYDP
1379-83 (2000/01-2004/05)**

(percentage change)

	1379	1380	1381	1382	1383	Annual Average
GDP	4.5	5.5	6.5	6.7	6.8	6.0
Non-oil/gas GDP	5.9	7.0	7.2	6.8	7.1	6.8
Total investment	6.0	6.9	7.3	7.8	7.9	7.1
Private	6.1	9.5	9.7	9.6	7.6	8.5
Public	5.6	2.8	3.3	4.7	8.4	5.0
Private consumption expenditures	3.3	3.4	3.5	3.6	3.7	3.5
Public consumption expenditures	6.1	0.3	1.5	3.5	1.9	2.5
Liquidity (M ₂)	20.8	18.0	15.7	14.2	13.1	16.4
Inflation	19.9	17.4	15.3	14.0	13.0	15.9

—	Negligible fraction
..	Figures not available
...	Statistical data unavailable
*	Figures are estimated
□	Figures are provisional
⊞	More than 500 percent increase
▲	Previous figures now revised
*	The figure is not a significant decimal fraction
∅	Calculation of percentage change is not possible
●	Figure has been rounded
○	Percentage change has been calculated from round figures
FYDP	Five Year Development Plan

Correspondence of Iranian and Gregorian Calendars⁽¹⁾

Month		1378		1379		1380		1381		1382	
Farvardin	1	<u>1999</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>		<u>2003</u>	
	31	March	21	March	21	March	21	March	21	March	20
		April	20	April	20	April	20	April	20	April	20
Ordibehesht	1	April	21	April	21	April	21	April	21	April	21
	31	May	21	May	21	May	21	May	21	May	21
Khordad	1	May	22	May	22	May	22	May	22	May	22
	31	June	21	June	21	June	21	June	21	June	21
Tir	1	June	22	June	22	June	22	June	22	June	22
	31	July	22	July	22	July	22	July	22	July	22
Mordad	1	July	23	July	23	July	23	July	23	July	23
	31	Aug	22	Aug	22	Aug	22	Aug	22	Aug	22
Shahrivar	1	Aug	23	Aug	23	Aug	23	Aug	23	Aug	23
	31	Sept	22	Sept	22	Sept	22	Sept	22	Sept	22
Mehr	1	Sept	23	Sept	23	Sept	23	Sept	23	Sept	23
	30	Oct	22	Oct	22	Oct	22	Oct	22	Oct	22
Aban	1	Oct	23	Oct	23	Oct	23	Oct	23	Oct	23
	30	Nov	21	Nov	21	Nov	21	Nov	21	Nov	21
Azar	1	Nov	22	Nov	22	Nov	22	Nov	22	Nov	22
	30	Dec	21	Dec	21	Dec	21	Dec	21	Dec	21
Dey	1	Dec	22	Dec	22	Dec	22	Dec	22	Dec	22
	30	<u>2000</u>		<u>2001</u>		<u>2002</u>		<u>2003</u>		<u>2004</u>	
		Jan	20	Jan	20	Jan	20	Jan	20	Jan	20
Bahman	1	Jan	21	Jan	21	Jan	21	Jan	21	Jan	21
	30	Feb	19	Feb	19	Feb	19	Feb	19	Feb	19
Esfand	1	Feb	20	Feb	20	Feb	20	Feb	20	Feb	20
	29/30	March	20	March	20	March	20	March	20	March	20

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

Published in: December 2003

Prepared by: Economic Research and Policy Department

Publisher: Public Relations Department

Central Bank of Islamic Republic of Iran

P.O.Box: 15875/7177

TEHRAN – IRAN

Telex: 213965-8

Fax: 29954853

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