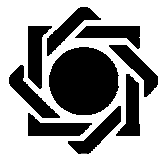


**CENTRAL BANK
OF THE
ISLAMIC REPUBLIC
OF IRAN**

**ECONOMIC REPORT
AND
BALANCE SHEET
1380
(2001/02)**



ECONOMIC REPORT
AND
BALANCE SHEET
1380
(March 20, 2002)

Approved at the Annual General Meeting
of Central Bank of the Islamic Republic of Iran

Held on

December 3, 2002

Prepared by:
Economic Research & Policy Department
CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN

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

SYMBOLS

—	Negligible fraction
..	Figure not available
...	Statistical data unavailable
*	Figure is not a significant decimal fraction
□	Figure is provisional
▲	Previous figure now revised
⊞	More than 500 percent increase
∅	Calculation of percentage change is not possible
●	Figure has been rounded
○	Percentage change has been calculated from round figures
3 rd FYDP	Third Five Year Development Plan
The Year 1380	corresponds to 2001/02 (starting from March 21)

CONTENTS

PART ONE

ECONOMIC DEVELOPMENTS OF IRAN IN 1380 (2001/02)

Chapter One	OVERVIEW	7
Chapter Two	NATIONAL PRODUCT, EXPENDITURE AND INCOME	10
	National Product	10
	National Expenditure	12
Chapter Three	AGRICULTURE	13
	Production	14
	Government Investment	17
	Banking Facilities	17
	Rural Cooperatives and Cooperative Unions	17
Chapter Four	ENERGY	19
	Iran Crude Oil Production	21
	Natural Gas	22
	Electricity	22
Chapter Five	MANUFACTURING AND MINING	23
	Production	24
	Government Investment	25
	Banking Facilities	26
Chapter Six	CONSTRUCTION AND HOUSING	29
	Government Investment	30
	Banking Facilities	31
	Construction Permits	32
	Construction Indices	34
Chapter Seven	SOCIAL AFFAIRS	35
	Population and Labor Force	35
	Key Measures Taken for Job Creation	36
	Education	37
	Health and Medical Care	39
	Social Security	39
Chapter Eight	FISCAL POLICY AND PERFORMANCE	41
	Revenues	42
	Expenditures	44
	Budget Deficit and Its Finance	46
Chapter Nine	FOREIGN EXCHANGE AND TRADE POLICY	49
	Balance of Payments	49
	Foreign Exchange Balance of the Banking System	50
	Foreign Exchange and Trade Policies	51

	Foreign Trade Performance	53
	Non Oil Exports	54
Chapter Ten	MONETARY AND BANKING POLICY AND PERFORMANCE	56
	Banking System Performance	57
	Banking System and the public Sector	58
	Banking System and the Non-public Sector	58
	Liquidity	60
	Sources and Uses of Commercial Banks Funds	63
	Sources and Uses of Specialized Banks Funds	64
	Banking Developments	64
Chapter Eleven	CAPITAL MARKET	66
	Share Tradings	67
Chapter Twelve	PRICE TRENDS	72
	Consumer Price Index	73
	Wholesale Price Index	74
	Producer Price Index	74

PART TWO
ADMINISTRATIVE ORGANIZATION, THE BALANCE SHEET
AND THE PROFIT AND LOSS ACCOUNT OF CENTRAL BANK
OF THE ISLAMIC REPUBLIC OF IRAN
AS AT THE END OF 1380 (March 20, 2002)

Executive Board	80
Money and Credit Council	81
Note-Reserve Control Board	82
Supervisory Board	82
The Balance Sheet	84
The Profit and Loss Account	86
Details of the Balance Sheet	88
Details of the Profit and Loss Account	91

PART THREE
STATISTICAL APPENDIX

List of Statistical Tables	94
----------------------------------	----

PART ONE

ECONOMIC DEVELOPMENTS
OF IRAN IN 1380
(2001/02)

CHAPTER ONE

OVERVIEW

Favorable developments in oil market in 1379 created a positive and a relatively balanced condition for Iranian economy in 1380. Considerable surplus of the OSF account despite fluctuations of crude oil prices in international markets, especially in the aftermath of September 11 events, and adoption of non-expansionary fiscal policy by the government strengthened public confidence in economic policies.

GDP growth was reduced to 4.7 percent, mostly affected by crude oil production cut, which in turn was due to reduction in Iran's quota according to OPEC approvals. However, increase in domestic demand resulting from public confidence led the non-oil GDP growth to rise by one percentage point as compared with 1379 to 5.8 percent in 1380.

Gross fixed capital formation kept its increasing trend as the previous year to reach 9.9 percent. This was mostly due to the remarkable growth of 20.8 percent in private sector gross fixed capital formation in construction.

The per capita income reached Rls. 8,526.4 thousand in 1380, up by 26.8 percent, as compared with the previous year. Moreover, the per capita income at constant 1369 prices enjoyed a rise of 2.7 percent, when compared with 1379.

In the review year, government support policies in agriculture sector were still adopted. With increase in rainfall, the area under cultivation of agricultural crops grew markedly. Production of cereals rose by 18.1 percent as compared with the previous year to reach 13,872 thousand tons, 29.1 percent less than the amount projected in the 3rd Plan. Therefore, government imported foodstuffs, which was reflected in increase in the weight of imported wheat by 22.6 percent. This was due to measures taken in the wake of September 11 events and its ensuing effects in the region. In 1380, the agriculture sector still was paid the highest amount of subsidy. This amount, with 22.5 percent rise compared with the previous year, reached Rls. 9,328.8 billion.

The average crude oil production, in the framework of Iran's production quota determined by OPEC, reached 3.6 mb/d, showing 2.4 percent fall compared with the previous year. Crude oil exports fell by 4.0 percent to reach 2.4 mb/d. Of this amount, 91 percent was related to crude oil export and 9.0 percent to oil products export. The average annual consumption of oil products reached 1,330 thousand b/d, showing 3.1 percent rise compared with the previous year. Moreover, according to the Budget Law for 1380, the average price of oil products went up by 10 percent.

Manufacturing and mining activities enjoyed an upturn in 1380. The value-added of manufacturing and mining sectors at constant 1369 prices grew by 10 and 9.6 percent, respectively. The performance figures of these sectors in comparison with the projected target figures for manufacturing (7.7 percent) and mining (5.1 percent) in the 3rd FYDP indicate the growing trend of production and private sector investment. In 1380, banks played an active role

in financing manufacturing and mining sectors. Thus, the outstanding facilities extended by banks and credit institutions to non-public manufacturing and mining sectors, with 45.8 percent rise compared with the previous year, amounted to Rls. 58.2 trillion. Production growth and investment resulted in a remarkable growth (11 million tons) in export of industrial products at \$ 2,282.6 million, showing 17.3 and 22.9 percent rise in terms of amount and value of export, respectively.

The trend of economic indicators in construction and housing sector indicates a boom in this market and a relative success in achieving the targets set in the 3rd Plan. The value-added of construction sector at constant 1369 prices grew markedly by 12.3 percent in 1380, as compared with 9.2 percent target set in the Plan. Due to the pivotal role of the private sector in construction and housing sector, the share of government activity declined in this year. The performance figures for government national development expenditures in construction, housing and urban development chapters fell by 7.6 percent compared with the previous year.

In order to assist low-income groups and government employees, back loaded repayment plan was approved by the Cabinet. According to the mentioned plan, the amount of installment is proportionate to the level of applicants' income and increases gradually during the period of repayment. Moreover, Rls. 228.3 billion was paid in the framework of "creditory and technical aid" to support mass construction. In the review year, the number and total floor space projected for constructions according to permits issued in Tehran grew by 22.8 and 27.6 percent respectively, as compared with the previous year.

Employment and job creation remained one of the most important priorities for economic policy makers in 1380. The total number of the employed increased from 15,581 thousand in 1379 to 15,957 thousand in 1380. This indicates creation of 376 thousand new job opportunities in this year, indicating 308 thousand job opportunities less than the target set in the Plan. Among the measures taken in the area of creating employment were extending directed facilities, allocating administered funds and extending facilities according to Article 56 of the 3rd Plan Law.

The General Budget for 1380 was designed without benefiting from banking system facilities. This was due to oil price rise in international markets and the recovery of economic indicators in 1379. Moreover, the rise in the OSF account, as before, offset the expansionary effects of oil revenues on the budget. However, despite the continued improvement in oil market in 1380, the budget law was designed conservatively. Thus, government general approved revenues and expenditures (excluding special revenues and expenditures) amounted to Rls. 134,768.9 and 141,154.9 billion, respectively. Government expenditures exceeded its revenues by Rls. 6,386 billion, and budget deficit was financed from other sources. However, Budget Law for 1380, owing to the underrealization of certain revenue items was revised in this year.

Government general revenues (excluding special revenues) amounted to Rls. 125,479.5 billion, showing 19.9 percent rise compared with the previous year, and 93.1 percent realization when compared with the approved figure. About 59.7 percent of government revenues was derived from crude oil export revenues, 30.9 percent from taxes and 9.4 percent from other revenues. In government general expenditures, 81.3 and 18.7 percent were respectively out of current and development expenditures. In 1380, government budget ran a deficit of Rls. 3,380.1 billion, which was mainly financed through the sale of participation papers. Moreover, the government repaid Rls. 1,000 billion of its indebtedness to the banking system. The government also repaid a portion of its indebtedness resulting from foreign exchange losses to the Central Bank. Thus, the outstanding balance of the OSF fell by \$ 2,347.6 billion.

Reform of tax system became the main concern of policy markers in 1380. On this basis, Direct Tax Law (dated end of 1369 and its revision in Ordibehesht, 1371) was revised in Bahman, 1380 and was approved by the Parliament. "Tax Affairs Organization" as a

governmental institution and under the auspices of the Ministry of Economic Affairs and Finance was established. Moreover, "Large Tax-payers Organization", with the aim of optimal allocation of resources, was established.

In the external sector, new foreign exchange and trade policies were pursued to meet the targets set in the 3rd Plan. In this year, facilitation in the repayment of external debts and improvement in the foreign reserves were the positive aspects of the balance of payments. Besides, deregulation policy was still implemented in the external sector. In this year, reduction in the price of crude oil led the export revenues to fall by 20.4 percent. However, non-oil exports, with 9.2 percent rise, reached \$ 4,565 million. Thus, despite reduction in export revenues by \$ 23,904 million, relaxation of trade regulation caused the imports to grow by 20.2 percent and trade surplus to reach a figure of \$ 5,775 million. External debts fell by 9.3 percent to reach \$ 7,215 million in 1380, against \$7,953 million in 1379. The change in the composition of obligations, with the predominant share of contingent obligations, increased the flexibility in foreign debts.

In 1380, liquidity faced a less growth as compared with the previous year. Thus, at the end of 1380, liquidity with a 28.8 percent growth reached Rls. 320,957.3 billion. The major factor responsible for liquidity growth during the past two years was increase in the monetary base, resulting from rise in the other items (net) of the CBI. Monetary base grew by 15.2 percent and money multiplier, with 11.9 percent growth, reached 3.303. Quasi-money with 55.5 percent share in the composition of liquidity grew more as compared with the previous year.

In 1380, according to Article 93 of the 3rd Plan Law, the CBI issued Rls. 5,000 billion participation papers to strengthen banks' capital base and increase Iranian banks' capacity worldwide. The CBI's supervisory methods, along with the establishment of private banks, underwent drastic developments, such as preparation of contingent regulations to control foreign exchange risks in banks.

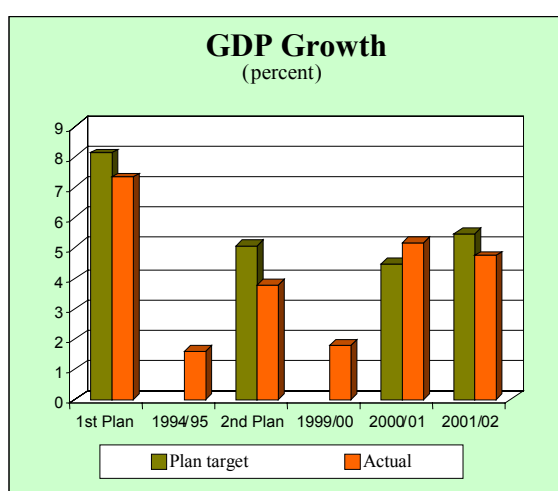
The Tehran Stock Exchange activities were limited, owing mostly to the issuance and sale of participation papers and investors' more familiarity with this new financial instrument. In 1380, the ratio of rial value of transactions to the average liquidity and GDP fell from 4.3 and 1.6 percent to 2.8 and 1.2 percent, respectively. These ratios were indicative of limited activities of TSE as compared with world capital markets.

Inflation rate was reduced to 11.4 percent in 1380. It was 20.1 and 12.6 percent in 1378 and 1379, respectively. Increase in government foreign exchange revenues, exchange rate stability, government observance of fiscal discipline, and rise in supply of consumer goods and services were among the major factors responsible for reduction of inflation rate during the past two years.

CHAPTER TWO

NATIONAL PRODUCT, EXPENDITURE AND INCOME⁽¹⁾

According to the preliminary data, the GDP growth fell in 1380 as compared with the previous year and reached 4.7 percent, which was less than 5.5 percent target set in the 3rd Plan. Lower growth was mainly due to reduction in the crude oil production as a result of adherence to quota set by the OPEC. The non-oil GDP, with one percentage point growth compared with 1379, reached 5.8 percent. Increase in the domestic demand as a result of the public confidence due to structural reforms and stability in the exchange market led to higher growth in almost all economic sectors.



GDP GROWTH BY ECONOMIC SECTORS (at constant 1369 prices)

	1376	1377	1378	1379	1380
Agriculture	9.1	6.2	-9.4	2.8	4.7
Manufacturing and mining	5.6	0	10.6	7.4	10.4
Oil and gas	-5.2	2.3	-5.8	8.2	-8.4
Services	5.5	4.1	4.1	4.6	4.6
GDP	5.1	3.7	1.8	5.2	4.7

National Product

On the basis of preliminary data, GDP grew by 4.7 percent in 1380 at constant 1369 (1990/91) prices and amounted to Rls. 55,183.0 billion. In this year, manufacturing and mining, agriculture, and services groups grew by 10.4, 4.7, and 4.6 percent at constant prices, respectively. The relative shares of these sectors in nominal GDP were 20.1, 13.4, and 53.2 percent, respectively.

Agriculture

On the basis of data released by the Ministry of Agriculture Jihad, favorable climatic condition, on the one hand, and provision of more banking facilities to agriculture sector, on the other, resulted in 4.7 percent increase in the value-added of the agriculture sector at constant 1369 prices.

(1) National accounts data have been revised since 1338 (1959/60) and the base year has been changed to 1369 (1990/91).

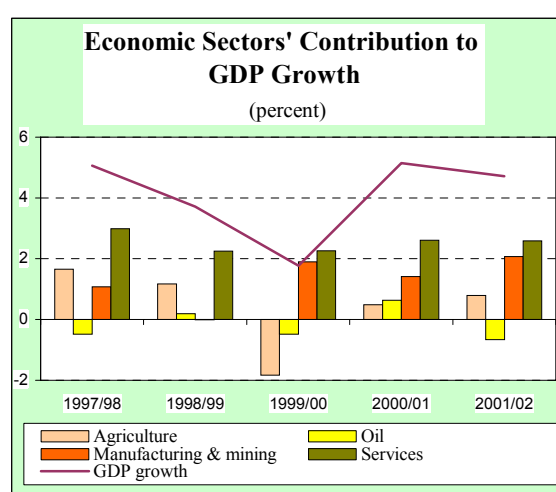
Moreover, increase in the area under cultivation of major farming crops and good precipitation level in the review year resulted in a 6.0 percent growth in real term in the value-added of farming subsector. This growth is much higher when compared with 0.2 percent growth in the previous year. Furthermore, with a rise in the production of livestock products, the value-added of this sector grew by 2.3 percent at constant 1369 prices. It is to be mentioned that forestry and fishing sectors each grew by 4.7 percent at constant 1369 prices. Farming, animal husbandry and hunting enjoyed the highest shares in this sector, respectively.

VALUE-ADDED IN THE AGRICULTURE GROUP

	(at constant 1369 prices)				(billion rials)	
			Percentage change		Share (percent)	
	1379	1380	1379	1380	1379	1380
Farming	5,398.5	5,722.3	0.2	6.0	60.8	61.5
Animal husbandry and hunting	3,026.3	3,095.6	8.2	2.3	34.1	33.3
Fishing	117.0	122.5	3.0	4.7	1.3	1.3
Forestry	102.1	106.9	11.3	4.7	1.2	1.2
Agricultural services	233.7	247.7	-5.2	6.0	2.6	2.7
Agriculture group	8,877.6	9,295.0	2.8	4.7	100.0	100.0

Oil

Given the international oil market developments, the OPEC cut its production and export to maintain crude price stability. As a result, crude oil production was reduced to 3,441 thousand b/d in 1380, from 3,661 thousand b/d in 1379. Moreover, crude oil export fell from 2,492 thousand b/d to 2,244 thousand b/d in 1380. Thus, the value-added of oil sector and crude oil fell 8.4 and 10.3 percent at constant 1369 prices, respectively.



Manufacturing and Mining

Preliminary data suggests that the value-added of manufacturing and mining sector enjoyed a growth of 10.4 percent in 1380 at constant 1369 prices. Thus, the share of this sector in GDP rose by 20.1 percent in the review year at current prices. The value-added of manufacturing sector, with the highest share of 14.3 percent in GDP at current prices, indicated a growth of 10.0 percent. Moreover, construction sector, with a 4.0 percent share in GDP at current prices in 1380, grew by 12.3 percent at constant 1369 prices. More contribution of private sector in investment in this sector and growth of banking facilities resulted in the higher growth of this sector, as compared with the previous year. The value-added of mining sector and the “electricity, gas and water” sector, with respective shares of 0.6 and 1.3 percent in GDP at current prices, grew by 9.6 and 6.6 percent at constant 1369 prices.

VALUE-ADDED IN THE MANUFACTURING AND MINING GROUP

	(at constant 1369 prices)				(billion rials)	
			Percentage change		Share (percent)	
	1379	1380	1379	1380	1379	1380
Manufacturing	6,737.3	7,411.0	8.0	10.0	64.0	63.8
Mining	523.2	573.4	4.8	9.6	5.0	4.9
Electricity, gas and water	619.1	660.1	5.5	6.6	5.9	5.7
Construction	2,645.0	2,970.3	6.2	12.3	25.1	25.6
Manufacturing & mining group	10,524.6	11,614.8	7.2	10.4	100.0	100.0

Services

Services sector, with 53.2 percent share in GDP at current prices, grew by 4.6 percent in 1380 compared with 1379. The value-added of “trade, restaurant, and hotel” sub-group, with 14.3 percent share in GDP, enjoyed a 6.7 percent growth at constant 1369 prices. The value-added of “transportation, warehousing and communication”, with 9.1 percent share in GDP at current prices, grew by 7.0 percent at constant 1369 prices. The monetary and financial institutions’ services, with a 2.2 percent share in GDP, rose by 6.8 percent at constant 1369 prices. Following adoption of fiscal discipline by the government aimed at reducing government consumption expenditures, public services growth declined by 1.8 percent at constant prices.

VALUE-ADDED IN THE SERVICES GROUP

(at constant 1369 prices)

(billion rials)

	1379	1380	Percentage change		Share (percent)	
			1379	1380	1379	1380
Trade, restaurant and hotel	8,242.6	8,791.6	8.1	6.7	27.9	28.5
Transportation, warehousing and communication	6,488.2	6,942.7	8.8	7.0	22.0	22.5
Monetary and financial institutions services	655.1	699.8	6.5	6.8	2.3	2.3
Real estate, professional and specialized services	9,105.0	9,441.9	0.8	3.7	30.8	30.5
Public services	3,881.6	3,811.0	-1.7	-1.8	13.1	12.3
Social, personal and household services	1,162.5	1,213.6	11.6	4.4	3.9	3.9
Services group	29,535.0	30,900.6	4.6	4.6	100.0	100.0

National Expenditure

Review of the gross domestic expenditure is indicative of growth in all its components in 1380. Thus, the gross domestic expenditure grew by 5.0 percent at constant 1369 prices. On the basis of the preliminary data, private consumption expenditures, with the highest share of 45.8 percent in the nominal gross domestic expenditure, indicated a rise of 4.4 percent at constant 1369 prices. It is to be mentioned that, food and housing expenses had the highest share in consumption expenditures in rural and urban areas.

As a result of the government fiscal discipline, public consumption expenditures fell by 1.3 percent in 1380. Gross fixed capital formation, as the major component of gross domestic expenditure, with 31.1 percent share in GDP at current prices, grew by 9.9 percent in the review year, at constant 1369 prices to reach Rls. 15,609.2 billion. Gross fixed capital formation for machinery registered a positive trend both in private and public sectors. However, in the construction sector it showed positive trend mainly in private sector, while in the public sector indicated a 5.1 percent reduction. Gross fixed capital formation in construction grew by 20.8 percent at constant 1369 prices in private sector.

In 1380, reduction in oil exports, on the one hand, and rise of imports of goods and services on the other, resulted in real net export of goods and services to decline by 25.5 percent. The export of goods and services, at constant 1369 prices, grew by 3.0 percent, while import of goods and services increased by 18.8 percent, compared with 1379.

In 1380, gross domestic expenditures grew by 5.0 percent at constant 1369 prices to reach Rls. 55,371.9 billion and with the inclusion of terms of trade effect, net factor income from abroad, and deduction of depreciation of fixed capital and net indirect taxes, the national income grew by 4.3 percent in real term.

It is worth mentioning that, per capita income at current prices amounted to Rls. 8,526.4 thousand, showing a growth of 26.8 percent compared with the previous year. Moreover, per capita income at constant 1369 prices amounted to Rls. 709.4 thousand, indicating a 2.7 percent growth, at constant 1369 prices, compared with the year before.

CHAPTER THREE

AGRICULTURE

Favorable climatic changes and the El-Nino event in 1380 increased the amount of rainfall. This resulted in the expansion of area under cultivation and amount of production. Therefore, grain production increased by 18.1 percent compared to the previous year. Livestock products also with 2.9 percent rise reached 7,957 thousand tons.

Government support policies in agriculture sector, including distribution of agricultural inputs at support prices, guaranteed purchase of major agricultural crops and extending banking facilities at preferential rates continued in the review year. In this regard, 226.3 thousand tons of improved seeds were distributed among farmers, indicating 13.5 percent growth compared to the previous year. Government new policies on price correction, applying market-oriented mechanism and optimizing inputs usage led to the increase in the price of chemical fertilizers by about 10 percent, on average. In the meantime, the guaranteed prices for agricultural crops increased within the range of 11.6 to 45.5 percent in 1380, which was higher than the inflation rate.

To provide the required foodstuff, regulate the market and control prices, government attempted to import foodstuffs. According to the data released by the Customs, import of wheat went up by 22.6 percent. This was affected by the September 11th events, and its ensuing effect in the region. In this year, import of sugar fell by 25.3 percent which was to support domestic products. Considering the previous year's drought, which had resulted in premature slaughter of livestock, red meat import increased with the aim of preventing premature slaughter.

Water Resources

On the basis of data released by the Ministry of Energy, average rainfall in the agriculture year 1379-80 amounted to 181.6 millimeters, indicating 22.5 percent increase over the previous period.

Water provision program through establishment of irrigation and drainage networks and repository dams continued in 1380. Although the objective of the Ministry of Energy was establishment of irrigation and drainage networks in 151.5 thousand hectares of land, in practice about 37 thousand hectares of land were covered with main networks and 12 thousand hectares with tributary networks. Besides, 25 thousand hectares of main network were repaired which showed realization of 48.8 percent of the targets, i.e. 7.5 percent decrease compared with previous year. In this year, the Ministry of Energy provided 87 million cubic meters water through small projects, which indicated 49.4 percent decrease compared to the previous year and realized by 48.1 percent of the targets of water provision program.

In review year, the total capacity of water regulated by dams reached 3,360.7 million cubic meters, which compared to program target (3,406.5 million cubic meters) showed 1.3 percent decrease. Due to better climatic condition and increase in the surface and dam waters, the volume of underground water, with 23.8 percent reduction, was limited to 977.9 million cubic meters.

Production

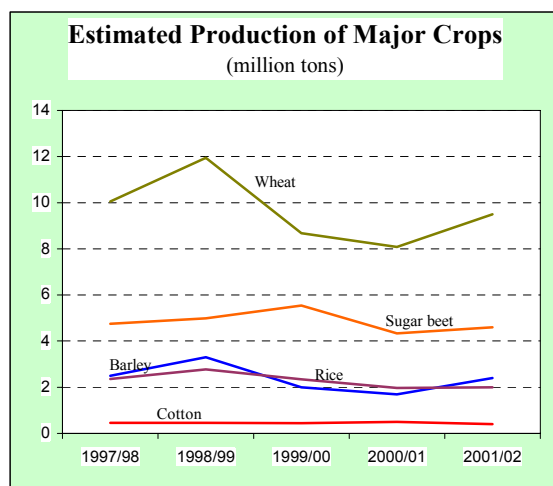
Farming Crops

According to the data released by the Ministry of Agriculture Jihad, total agricultural production amounted to 46.5 million tons in the agricultural year 1379-1380 covering an area of 11 million hectares. This shows 4.0 and 7.3 percent, rise in amount and area under cultivation, respectively as compared with the previous year. Out of total production, 88.2 percent (41,012 thousand tons) was from irrigated farming and 11.8 percent (5,478 thousand tons) from rainfed farming. Due to the increased precipitation level, cultivation of crops went up by 10.6 percent. Moreover, in 1,745 thousand hectares, 12.6 million tons horticultural produce were cultivated. This shows 2.4 percent rise in the area under cultivation and amount of production as compared with the previous year.

YIELD OF MAJOR FARMING CROPS
(kilogram-hectare)

	1379	1380	Percentage change
Wheat	1,586	1,703	7.4
Barley	1,412	1,629	15.4
Rice	3,691	3,864	4.7
Cotton	2,020	2,070	2.5
Sugar beet	26,577	27,029	1.7
Sugar cane	91,038	86,351	-5.1
Tea (green)	7,194	7,355	2.2
Oil seeds	1,188	1,265	6.5
Tobacco	1,050	1,000	-4.8
Pulses	553	487	-11.9
Potatoes	21,645	19,920	-8.0
Onions	30,545	30,191	-1.2
Pistachio	1,105	399	-63.9

Source: Ministry of Agriculture Jihad



Total production of grains (wheat, barley and rice) amounted to 13,872 thousand tons, showing 18.1 percent increase compared to the previous year. Production of wheat grew by 1.4 million tons to reach 9.5 million tons, which was mainly due to the rise in rainfed produce. The mentioned growth, in addition to favorable climatic condition, was due to the increase in the area under cultivation and yield per hectare by 8.9 and 7.4 percent, respectively. Although the area under cultivation of rice decreased by 3.6 percent, its production soared by one percent and amounted to 2 million tons, due to 4.7 percent increase in yield per hectare. Production of rice was 900 thousand tons less than the target set in the Plan.

ESTIMATED PRODUCTION AND AREA UNDER CULTIVATION OF MAJOR FARMING CROPS

(thousand hectares-thousand tons)

	1379		1380		Percentage change	
	Area	Production	Area	Production	Area	Production
Wheat	5,101	8,088	5,553	9,459	8.9	17.0
Barley	1,194	1,686	1,487	2,423	24.5	43.7
Rice	534	1,971	515	1,990	-3.6	1.0
Cotton	246	497	199	412	-19.1	-17.1
Sugar beet	163	4,332	172	4,649	5.5	7.3
Sugar cane	26	2,367	37	3,195	42.3	35.0
Tea (green)	31	223	31	228	0	2.2
Oil seeds	208	247	196	248	-5.8	0.4
Tobacco	20	21	20	20	0	-4.8
Pulses	1,016	562	1,145	558	12.7	-0.7
Potatoes	169	3,658	175	3,486	3.6	-4.7
Onions	44	1,344	47	1,419	6.8	5.6
Pistachio	275	304	281	112	2.2	-63.2

Source: Ministry of Agriculture Jihad

Production of industrial crops, except for cotton and tobacco, increased in 1380 and the overall production of this group i.e. cotton, sugar beet, oil seeds, sugar cane and tobacco grew by 14.2 percent over 1379, and reached 8,524 thousand tons. The area under cultivation of these crops was 624 thousand hectares, showing 5.9 percent reduction over the previous year. Production of pistachio declined dramatically by 63.2 percent and amounted to 112 thousand tons, due to the anomaly of unusually cold weather and frequency in production.

Livestock Products

On the basis of data released by the Ministry of Agriculture Jihad, production of red meat, poultry, milk and eggs increased by 2.9 percent and amounted to 7,957 thousand tons. Among these products, production of poultry and milk had the highest growths of 10.2 and 2.2 percent, respectively.

LIVESTOCK PRODUCTS

(thousand tons)			
	1379	1380	Percentage change
Red meat	729	743	1.9
Milk	5,623	5,748	2.2
Poultry	803	885	10.2
Egg	580	581	0.2

Source: Ministry of Agriculture Jihad

Fisheries Products

Fisheries products fell by 6 percent in 1380 as compared to the previous year, and amounted to 399 thousand tons. Out of total production, 15.6 percent was catches from Caspian Sea, 65.9 percent from Persian Gulf, and 18.5 percent from inland waters. In 1380, a total of 9.9 thousand tons of fisheries products, valued at \$67.4 million was exported, which registered 21.9 and 3.9 percent fall in weight and value, respectively, over the previous year.

FISHERIES PRODUCTS

(ton, million dollars)			
	1379	1380	Percentage change
Production (ton)	424,500	399,000	-6.0
Caspian sea	98,000	62,550	-36.2
Persian Gulf	260,500	262,805	0.9
Inland water	66,000	73,645	11.6
Export			
Value (million dollars)	70.1	67.4	-3.9
Amount (ton)	12,681	9,904	-21.9

Source: Fisheries Corporation

Import and Stock of Major Foodstuffs

In line with government support policies, import of major foodstuffs continued in 1380. In the review year, imports of wheat and sugar declined by 11.4 and 25.3 percent, respectively, while, import of red meat, which had a decreasing trend over the recent years (from 62 thousand tons in 1377 to 11 thousand tons in 1379), increased by 6 thousand tons and reached 17 thousand tons in 1380.

IMPORT AND STOCK OF MAJOR FOODSTUFFS

(thousand tons)						
	Import		Percentage change	Year-end Stock		Percentage change
	1379	1380		1379	1380	
Wheat	6,254▲	5,538	-11.4	1,710▲	2,476	44.8
Sugar (1)	849	634	-25.3	510	383	-24.9
Red meat	11	17	54.5	17	13	-23.5

Source: State Grain Organization, Organization for Expansion of Commercial Services, and Livestock Support Corporation

(1) Excludes sugar imported by the private sector.

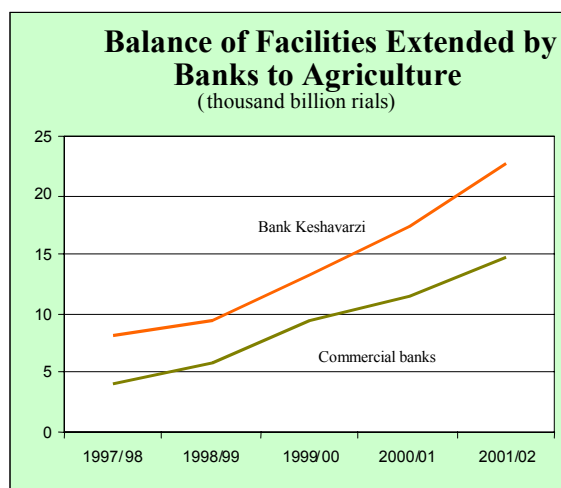
Guaranteed Purchase of Agricultural Products

The guaranteed purchase of major agricultural crops continued in 1380. In this year, the guaranteed prices (except for onions) increased within the range of 11.6 to 45.5 percent, which was higher than the inflation rate (11.4 percent).

**GUARANTEED PURCHASE OF MAJOR
AGRICULTURAL CROPS**

(Rial/kilogram)

	1379	1380	Percentage change
Wheat	875	1,050	20.0
Barley	694	800	15.3
Rice (Khazar , Fajr and Sahel variety)	2,695	3,300	22.4
Rice (Sefidrood variety)	2,350	2,850	21.3
Rice (Neda and Ne'mat variety)	1,856	2,700	45.5
Corn	775	890	14.8
Sugar beet	225	252	12.0
Sunflower	1,818	2,035	11.9
Soya	1,586	1,770	11.6
Tea (green)	1,360 (1)	1,540	13.2
Lentil	1,905	2,285	19.9
Kidney bean	1,723	2,065	19.8
Navy bean	1,868	2,240	19.9
Pinto bean	1,868	2,240	19.9
Potatoes	380	437	15.0
Onions	327	337	3.1



Source: Ministry of Agriculture Jihad

(1) The basic figure approved by Council of Economy that factory managers were obliged to observe.

Subsidies

On the basis of data released by the Ministry of Economic Affairs and Finance and the Organization for Protection of Consumers and Producers, total subsidy payments increased by 24.8 percent and amounted to Rls. 10,468 billion. The bulk of subsidies were paid on major agricultural crops and with an increase of 22.5 percent amounted to Rls. 9,328.8 billion, yet its share in the total subsidy, with a slight reduction reached 89.1 percent, against 90.8 percent in the previous year. Except for the insurance of agricultural crops, for which no subsidy was considered in 1380, and some items like pesticides, seeds, and chemical fertilizers, whose share fell by 12.1 percent compared to the previous year, the total subsidy increased in 1380. The subsidy paid on wheat, with the greatest share of 65.1 percent in the total subsidy paid, rose by 16.9 percent and amounted to Rls. 6,818.7 billion.

SUBSIDY PAID ON MAJOR AGRICULTURAL CROPS

(billion rials)

	1379▲	1380	Percentage change	Share (percent)	
				1379	1380
Wheat	5,835.0	6,818.7	16.9	69.5	65.1
Rice, vegetable oil, sugar & cube sugar & tea	160.0	517.5	223.4	1.9	4.9
Milk and its products	623.0	844.6	35.6	7.4	8.1
Meat	323.6	328.2	1.4	3.9	3.1
Pesticides, seed & chemical fertilizer	601.1	528.4	-12.1	7.2	5.1
Oil seeds	0	137.0	0	0	1.3
Poultry	0	102.6	0	0	1.0
Export of poultry and eggs	0	14.0	0	0	0.1
Export of raisin	0	22.0	0	0	0.2
Export of tea	0	10.0	0	0	0.1
Losses of agricultural crops	0	5.8	0	0	0.1
Insurance of agricultural crops	75.0	0	-100.0	0.9	0
Total subsidy on agricultural crops	7,617.7	9,328.8	22.5	90.8	89.1
Total subsidy paid	8,390.5	10,468.0	24.8	100.0	100.0

Source: Ministry of Economic Affairs and Finance and Organization for Protection of Consumers and Producers

In 1380, in line with government policies aimed at price correction, moving toward market mechanism and optimization in consumption of production inputs, the price of chemical fertilizers increased by 10 percent. Thus, the subsidy paid on pesticides, seed and chemical fertilizers decreased by 12.1 percent and reached Rls. 528.4 billion. Consequently, the amount of fertilizer distributed in 1380 fell by 3.7 percent and reached 2,936 thousand tons.

Government Investment

Government development expenditures for expansion of “agriculture and water resources” decreased by 18.8 percent compared with the previous year and amounted to Rls. 3,651.1 billion. The share of development expenditures for expansion of “agriculture and natural resources” amounted to Rls. 1,067.5 billion, showing 28.2 percent reduction compared to the previous year.

In the review year, Rls. 313.7 billion was allocated to agriculture and natural resources research program, indicating a reduction of 11.3 percent.

Banking Facilities

The outstanding facilities extended by banks and credit institutions to agriculture sector increased in 1380 by 30.3 percent and amounted to Rls. 37,659.5 billion, of which 99.5 percent (Rls. 37,458.0 billion) was the outstanding of the private sector facilities. Part of increase in the balance of facilities was due to rescheduling of farmers’ debts owing to the drought. The Agricultural Bank rescheduled more than Rls. 810 billion overdue debts of 131,549 applicants in 1380.

Review of creditory performance of banks in agriculture sector indicates that the share of commercial banks out of total outstanding facilities declined slightly from 39.7 percent in 1379 to 39.2 percent in 1380.

Banks’ overdue claims on non-public agriculture sector increased by 72.6 percent over the previous year and amounted to Rls. 3,653.8 billion. The ratio of these claims to total outstanding facilities was 9.8 percent.

The composition of facilities extended by Agricultural Bank according to Islamic contracts showed that most of the facilities were in the form of installment sale by Rls. 5,993.4 billion. This constituted 36.3 percent of the total facilities. Civil partnership and Mozarebeh, with 108.8 and 41.3 percent growth, ranked after installment sale and amounted to Rls. 4,719.4 and 3,016.5 billion, respectively.

Insurance of Agricultural Products

In 1380, the Insurance Fund for Agricultural Products insured 1,656.4 thousand hectares of land under cultivation of major agricultural and horticultural products to compensate losses resulted from natural disasters. Despite increase in the number of insured products, the insured farmland decreased by 0.1 percent (1.4 thousand hectares) owing to the reduction of insured area under cultivation of rice, cotton and sugar beet. In this year, 209 thousand hectares of insured farmlands suffered loss, and the Fund paid Rls. 126.6 billion as compensation.

Rural Cooperatives and Cooperative Unions

Number of rural cooperatives and their members, with negligible change over the previous year amounted to 2,947 with 4.4 million members. In this year, rural cooperatives extended Rls. 302 billion loan to farmers, registering 13 percent decrease over the previous year. Number of rural cooperative unions remained unchanged, i.e. 255 unions, with a capital of Rls. 117.5 billion, showing 14.2 percent increase over the previous year.

RURAL COOPERATIVES AND COOPERATIVE UNIONS

	1379	1380	Percentage change
Rural cooperatives			
Number	2,948	2,947	*
Number of members (thousand persons)	4,423	4,444	0.5
Capital (million rials)	332,003	357,404	7.7
Loans paid (million rials)	346,723	301,540	-13.0
Rural cooperative unions			
Number	255	255	0
Number of member corporations	2,999	3,004	0.2
Capital (million rials)	102,883	117,504	14.2

Source: Central Organization of Rural Cooperation

Export of Agricultural Products

On the basis of data released by the Customs, a total of 1,647 thousand tons of agricultural products valued at \$ 1.1 billion was exported in the review year, indicating 13.9 and 12.7 percent growth in weight and value, respectively. Export of agricultural products constituted 10.2 percent of the weight and 26.1 percent of the value of non-oil exports.

In 1380 the unit value of agricultural exports amounted to \$ 668, which compared to \$ 675 in the previous year showed one percent reduction.

Import of Agricultural Products

During 1380, a total of 13,607 thousand tons of agricultural products valued at \$ 2.7 billion was imported, and indicated 9.9 and 2.9 percent increase in weight and value, respectively. Import of agricultural products constituted 15.2 and 49.5 percent of the value and weight of the total import, respectively. The unit value of the imported agricultural products was \$197, which compared to the last year (\$ 210) showed 6.2 percent reduction, which is a sign of improvement in terms of trade.

To support local tea producers and the allied industries, imports of tea faced highest reduction, i.e. 46 percent, in the review year. As a result of price liberalization and support of poultry raising industry, import of poultry came into a halt in 1380.

The trade balance of agricultural products with a deficit of \$ 1,576 million registered 3.0 percent reduction compared to that of the previous year (\$ 1,625 million).

CHAPTER FOUR

ENERGY

Iran's average crude oil production, according to quotas determined by the OPEC, reached 3.6 million barrels per day (mb/d in 1380), showing 2.4 percent reduction compared to 1379. In the review year, Iran's crude oil export decreased by 5.8 percent, while export of petroleum products increased by 20.4 percent and reached 218 thousand barrels per day.

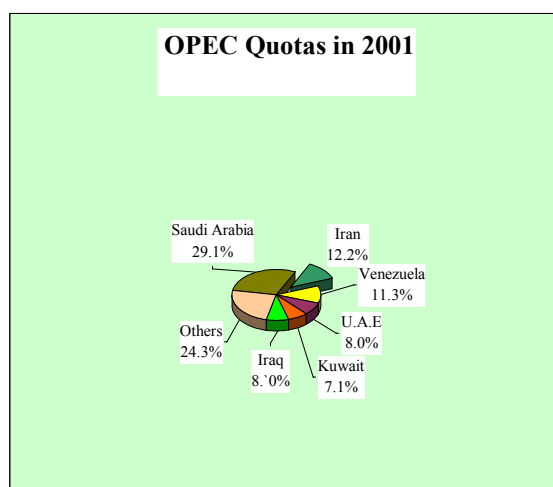
The increasing trend of crude oil prices which was started in the early 1999 stopped and kept a decreasing trend in December 2000. There were negligible fluctuations in the oil prices during first, second and third quarters of 2001. However, after September 11 events and the deepening of economic recession, especially in the United States, the crude oil prices started to decrease significantly. To picture this, the monthly average price of the OPEC basket, which was above the minimum range specified by the OPEC (\$ 22 per barrel) since November 1999, slipped in the last quarter of 2001 and in the first two months of 2002 to less than \$20. In March 2002, the average price of the OPEC basket increased to \$22.64 per barrel.

		AVERAGE SPOT PRICES FOR SELECTED CRUDES						(\$/barrel)
Specifications	Average 2000	2001					Q1 2002	
		Q1	Q2	Q3	Q4	Average		
Saudi Arabia	Light	26.85	23.63	25.39	24.56	18.66	23.06	20.54
	Heavy	25.20	22.21	24.21	23.34	17.86	21.90	19.71
UAE	Dubai	26.20	23.67	25.11	24.17	18.38	22.83	20.18
OPEC crude basket	-	27.55	24.39	25.58	24.16	18.27	23.10	19.95
England	Brent	28.39	25.77	27.23	25.43	19.31	24.43	21.14
U.S.A.	WTI	30.36	28.72	27.88	26.78	20.36	25.94	21.58

Source: OPEC Monthly Bulletin, May 2001 & April 2002

OPEC

The OPEC crude oil production, with 2.3 percent reduction reached 30.2 million barrels per day in 2001. At the same time, production of the OPEC's Middle East members fell by 3.6 percent and reached 20.2 million barrels per day, constituting approximately 67 percent of the OPEC crude oil production. Production of other OPEC members amounted to 10 million barrels per day, which showed 0.3 percent growth as compared to 2000.



In the review year, Saudi Arabia's crude oil production reached 8.8 mb/d, which indicated a reduction of 3.8 percent compared to 2000. The share of the Saudi Arabia production in the OPEC's total crude oil production was 29.1 percent. Iran and Venezuela with production shares of 12.2 and 11.3 percent, respectively, were the second and the third producer of the OPEC in 2001.

OPEC AVERAGE CRUDE OIL PRODUCTION				(thousand b/d)	
	2000	2001	Percentage change [○]	Share (percent)	
				2000	2001
Saudi Arabia	9,115	8,768	-3.8	29.5	29.1
Iran	3,772	3,688	-2.2	12.2	12.2
Iraq	2,624	2,414	-8.0	8.5	8.0
Kuwait	2,169	2,142	-1.2	7.0	7.1
United Arab Emirates	2,491	2,422	-2.8	8.1	8.0
Qatar	796	783	-1.6	2.6	2.6
Middle Eastern Members	20,966	20,217	-3.6	67.9	67.0
Venezuela	3,321	3,418	2.9	10.7	11.3
Nigeria	2,103	2,148	2.1	6.8	7.1
Indonesia	1,456	1,410	-3.2	4.7	4.7
Libya	1,475	1,425	-3.4	4.8	4.7
Algeria	1,579	1,563	-1.0	5.1	5.2
Other members	9,934	9,964	0.3	32.1	33.0
Grand Total	30,901	30,181	-2.3	100.0	100.0

Source: BP AMOCO for 2002

To stabilize the crude oil market and price of the OPEC basket within the target band, OPEC held several meetings in 2000 and 2001. In its 112th meeting which was held on November 12-13, 2000, in Vienna, members agreed on 26.7 mb/d production ceiling. This agreement was effective until the end of January 2001. The 113th meeting took place on January 17, 2001 in Vienna, aiming at curbing the decreasing trend of the crude oil prices. In this meeting the OPEC's production was reduced by 1.5 mb/d and set on 25.2 mb/d. The economic recession in industrial countries and the seasonal reduction in the demand for crude oil made the OPEC to reduce one million barrels of its production ceiling, limiting to 24.2 mb/d, on the 114th meeting which was held on March 16-17, 2001. In the 115th meeting, which was held in Vienna on June 5, 2001, OPEC didn't change its production ceiling due to the market condition. In 116th meeting, the OPEC reduced the production ceiling by one million barrels and it was limited to 23.2 mb/d. In 118th meeting on November 14, 2001, the production ceiling was reduced by 1.5 mb/d and reached 21.7 mb/d.

OPEC MEMBER'S CRUDE OIL PRODUCTION QUOTA						(thousand b/d)
	2001				2002	
	January	February and March	April to August	September to December	January to June	
Saudi Arabia	8,674	8,189	7,865	7,541	7,053	
Iran	3,917	3,698	3,552	3,406	3,186	
Venezuela	3,077	2,902	2,786	2,670	2,497	
UAE	2,333	2,201	2,113	2,025	1,894	
Nigeria	2,198	2,075	1,993	1,911	1,787	
Kuwait	2,141	2,021	1,941	1,861	1,741	
Libya	1,431	1,350	1,296	1,242	1,162	
Indonesia	1,385	1,307	1,255	1,203	1,125	
Algeria	853	805	773	741	693	
Qatar	692	653	627	601	562	
OPEC production ceiling (1)	26,700	25,201	24,201	23,201	21,700	

Source: www.opec.org

(1) Excludes Iraq crude oil production.

Iran Crude Oil Production

In 1380, Iran's average crude oil production, in adherence to the OPEC quotas, amounted to 3.6 mb/d, showing 2.4 percent reduction compared to 1379. In early 1380, Iran's production quota was 3.7 mb/d, which with a downward trend reached 3.2 mb/d in the last quarter of the year. In other words, Iran's crude oil production quota decreased more than 500 thousand barrels per day in the review year.

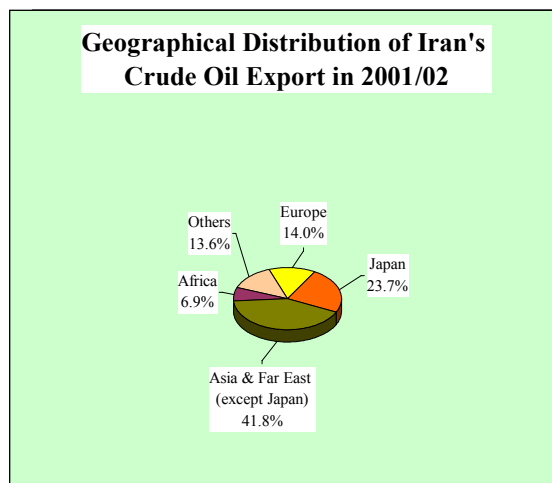
Exports

In 1380, Iran's petroleum exports (including crude oil and oil products) fell by 4 percent to reach 2.4 mb/d, 91 percent of which was related to crude oil and the remainder to export of oil products. In the review year, crude oil export with 5.8 percent decrease reached 2.2 mb/d. Meanwhile, export of oil products rose by 20.4 percent to 218 thousand barrels per day.

Geographical Distribution of Crude Oil Export

Crude oil exports to Asia equaled 65.5 percent of the total exports in 1380, 41.8 percent of which was exported to Asia and Far East and 23.7 percent to Japan.

The share of crude oil exports to European countries decreased to 14 percent. Meanwhile, crude oil export to Africa was 6.9 percent, and 13.6 percent was exported to other countries including Mediterranean countries.



Domestic Price of Oil Products

According to the 1380 Budget Law, the average price of oil products went up by 10 percent. Regular gasoline from Rls. 385 per liter increased to Rls. 450, gas oil from Rls. 110 per liter to Rls. 120, kerosene from Rls. 110 to Rls. 120, and fuel oil from Rls. 55 to Rls. 62.

Domestic Consumption of Oil Products

In 1380, consumption of oil products averaged 1,330 thousand barrels per day, indicating 3.1 percent rise as compared to 1379. Consumption of oil products (excluding kerosene) increased in this year. Consumption of other products and gasoline showed the highest rates of increase of 10.5 and 7.5 percent, respectively. In this year, gas oil consumption reached 421 thousand barrels per day, which constituted 31.6 percent of total oil product consumption. Although world oil consumption remained unchanged in 1380, oil product consumption increased by 3.1 percent in Iran, owing partly to the economic growth and development in the country, and partly to the relatively low prices which led to inappropriate consumption.

Investment in Oil Sector

Based on the Treasury data of the Ministry of Economic Affairs and Finance, development outlays to oil sector was estimated at Rls. 88.8 billion, showing 48.7 percent growth as compared to 1379.

In the review year total development expenditures allocated to oil sector was in the form of national expenditure, and to design and implement the government's policies in oil, gas, petrochemicals and allied industries. Apart from the mentioned expenditure, it is estimated that about Rls. 26.3 billion has been paid out in the form of national expenditure for Energy Research

Program. On the basis of data provided by the Ministry of Petroleum, total investment in oil sector equaled Rls. 5,546.2 billion in 1380.

Natural Gas

In 1380, natural gas production (excluding the gas injected into oil wells) with 3.7 percent growth compared to 1379, reached 86.3 billion cubic meters. Domestic consumption of natural gas grew by 5.9 percent to reach 66.6 billion cubic meters. The natural gas allocated for operational uses, liquefied and flared increased by 0.8 percent against 1379 and reached 23.8 billion cubic meters. In this year, a total of 4.5 billion cubic meters natural gas was imported and about 398 million cubic meters was exported. The volume of gas injected into oil wells, with 5.8 percent growth, reached 27.5 billion cubic meters. In 1380, in line with government policies to substitute natural gas for other fuels, the number of subscribers increased by 550 thousand and exceeded five million subscribers.

Electricity

In 1380, electricity production with 7.2 percent growth, reached 130 billion kw/h. Out of total electricity generated, 124 billion kw/h (95.6 percent) was generated by the power plants affiliated to the Ministry of Energy and 5.8 billion kw/h electricity (4.4 percent) was generated by other institutions.

In the review year, 81.1 billion kw/h (62.4 percent) of the electricity was generated by steam generators, about 37.8 billion kw/h (29.1 percent) by gas and combined cycle plants, 5.1 billion kw/h (3.9 percent) by hydropower plants and 0.3 billion kw/h (0.3 percent) by diesel plants. As a result of sufficient rainfall, electricity generated in hydropower plants increased by 38.5 percent (the highest growth) and in diesel power plants decreased by 9.1 percent (the highest reduction).

In 1380, electricity consumption with 7.5 percent growth, reached 97.2 billion kw/h. The highest share of growth in consumption was related to agriculture sector. Electricity consumption of this sector soared from 9.1 billion kw/h in 1379 to 11.1 billion kw/h, indicating 21.1 percent increase.

Average price of electricity went up from Rls. 88 per kw/h to Rls. 97 per kw/h, showing 10 percent increase. The per capita consumption of electricity was about 1,497 kw/h in 1380, which was about 66 percent of world per capita (2,272 kw/h).

	CONSUMPTION OF ELECTRICITY			(million kw/h)	
	1379	1380	Percentage change	Share (percent)	
				1379	1380
Household	31,266	32,891	5.2	34.6	33.9
Industrial	28,937	30,739	6.2	32.0	31.6
Commercial	17,262	18,345	6.3	19.1	18.9
Agriculture	9,147	11,079	21.1	10.1	11.4
Street lighting	3,754	4,117	9.7	4.2	4.2
Total	90,366	97,171	7.5	100.0	100.0

Source: Ministry of Energy

Investment

According to the estimates, development expenditures of the electricity sector increased by 47.9 percent with respect to the actual development expenditures of this sector in 1379, and reached Rls. 673.8 billion. The mentioned credits were totally allocated in the form of national credits. It is estimated that, out of the mentioned amount, Rls. 429.7 billion (63.8 percent) was allocated to electricity generation program and Rls. 244.1 billion to electricity distribution program.

At the end of 1380, the installed capacity of power plants reached 34,222 Mw and electricity was distributed among more than 45 thousand villages. In the review year, a total of 1,155 new villages, with 32.6 thousand households, were provided with electricity.

CHAPTER FIVE

MANUFACTURING AND MINING

Manufacturing and mining activities enjoyed an upturn in 1380. According to the estimates, the value-added of manufacturing and mining sectors at constant 1369 prices grew by 10 and 9.6 percent, respectively, in comparison with the previous year. The performance figures of these sectors in comparison with the projected target figures for manufacturing (7.7%) and mining (5.1%) in the 3rd FYDP show an increasing trend for production and private sector investment in these sectors. Thus, gross fixed capital formation in manufacturing and mining sectors at constant 1369 prices went up by 10.5 percent. Increase in banking facilities and implementation of monetary and credit policies aiming at financing the required resources underpinning growth, relative stability of foreign exchange and reducing inflation, together with stability in government fiscal position, increase in foreign exchange reserves and the relaxation of import restrictions for raw materials and intermediate goods were amongst the main factors responsible for the relative boom in manufacturing and mining sectors.

According to the Ministry of Industries and Mines, investment based on “establishment permits” and “operation permits” increased by 143.1 and 101.5 percent, respectively, compared with the previous year. Growth in investment helped improve employment indices in manufacturing and mining sectors. Thus, employment based on “establishment permits” and “operation permits” rose by 79.9 and 32 percent, respectively, compared with the previous year. Number of permits issued for mining sector also increased markedly in 1380. According to the Ministry of Industries and Mines, 254 mine exploring permits with estimated reserves of 645 million tons were issued. Furthermore, the number of mining operation permits reached 600, with an investment of Rs. 595.2 billion. The actual reserves of these mines amounted to 2,120.6 million tons and employment opportunities created reached 6,125 persons.

Investment in new industrial projects rose considerably in 1380, so that the average amount of investment for each new industrial project and employment based on establishment permits rose by 29.2 and 35.1 percent, respectively. Moreover, based on operation permits, the average amount of investment for each new industrial project and for creation of each new job opportunity went up by 85.3 and 52.6 percent, respectively, compared with the previous year. Valuation of foreign exchange component of investment for new projects at CD rate, and moving toward capital-intensive technologies are the main factors for the rise in per capita investment for each new employment.

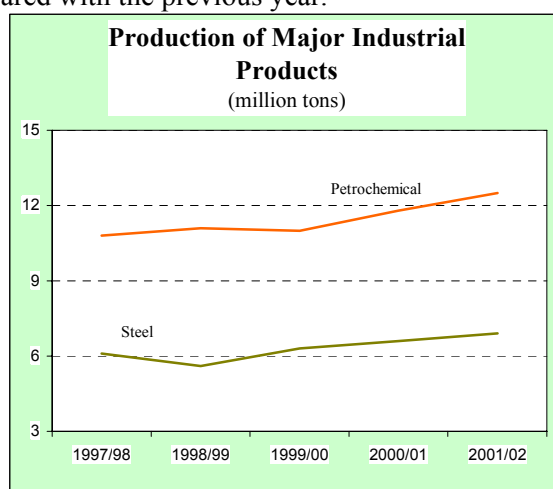
Most industrial products increased in the review year. The production index of large manufacturing establishments grew by 9.6 percent in comparison with the previous year. Despite unfavorable world market conditions, production of petrochemicals and basic metals including aluminum bar and raw steel increased by 6.3, 5.2 and 4.7 percent, respectively, compared with the previous year.

In 1380, facilities extended by banks and credit institutions to non-public manufacturing and mining sector with 45.8 percent rise compared with the year before, amounted to Rls. 58.2 thousand billion at the end of 1380. Government development expenditures in national projects of manufacturing and mining sector declined in this year. On the basis of the data released by the Treasury General Rls. 610.7 billion (equal to 60 percent of approved budget) was paid for national projects of the mentioned sectors and industrial research program in 1380.

The approval of the bill for “supporting renovation of textile industries”, approval of articles of association of “Privatization Organization” and “Small-scale Industries Organization” and reform of Direct Tax Law paved the way for structural reform and renovation of manufacturing sector. Furthermore, extensive deregulations were made in various areas including in foreign trade sector, which had an important role in timely provision of imports requirements of productive units, and prepared the ground for export of industrial products. This led to high positive growth of export of industrial products by 17.3 and 22.9 percent in weight and value, respectively despite the continued declining trend in international price of certain industrial products. Moreover, in spite of the conditions prevailing in the world economy in the aftermath of September 11 events, share price index of manufacturing companies kept its upward trend, registering 24.1 percent rise, compared with the previous year.

Production

In 1380, the production of most industrial and mining products increased, as compared with the previous year. The production index of large manufacturing establishments went up by 9.6 percent and amounted to 141.1 in this year. The employment index of large manufacturing establishments grew moderately by 0.3 percent.



MAJOR MANUFACTURING ESTABLISHMENTS INDICES (1) (1376=100)

	1378	1379▲	1380	Percentage change	
				1379	1380
Production	113.8	128.7	141.1	13.1	9.6
Employment	102.1	106.0	106.3	3.8	0.3
Wage, salary, and fringe benefits	156.9	201.4	244.4	28.4	21.4
Per capita wage, salary and fringe benefits (in nominal terms)	153.5	189.9	229.8	23.7	21.0
Per capita wage and fringe benefits (in real terms) (2)	108.2	118.9	129.2	9.9	8.7

(1) Includes establishments with 100 employees or more.

(2) Adjusted with CPI in urban areas.

The production of road construction machinery, raw steel, cement, tiles, pane glass, asbestos sheet and porcelain ware rose by 41.2, 4.7, 11.5, 9.1, 15.4, 11.3 and 5.8 percent, respectively, compared with the previous year. Moreover, the production of tractors, vans and agricultural motors required in agriculture sector, grew significantly by 47.5, 27.4 and 38.2 percent compared with the year before. In the industry group related to transportation sector, in addition to production of lorries and automobiles, some products such as various types of wagons, engine, four wheel drive, various types of gearboxes, spare parts of automobile and tires with growths of 47.9, 37.7, 29.6, 36.2, 20.1 and 6.3 percent resulted in the continued boom in activities and the provision of some of the requirements of the transportation sector.

In the review year, the production of mining sector increased. Over 9 million tons of cast iron were produced showing 7.7 percent growth, compared with the previous year. Moreover, the exploitation of copper ore with 7.9 percent rise, amounted to 15.6 million tons.

Petrochemical products reached 12.5 million tons, up by 6.2 percent, compared with the previous year. The capacity utilization ratio of petrochemical units reached 82.9 percent. The highest growth recorded in this period was at Khark, Shiraz and Arak Petrochemical Complexes where production respectively rose by 45.7, 11.2 and 10.4 percent. However, production in Isfahan and Khorasan Petrochemical Complexes fell moderately by 2.2 and 1.3 percent, respectively. Bandar Imam Petrochemical Complex, with a share of 36 percent out of total productions of National Petrochemical Industries Corporation is still the largest petrochemical unit in Iran. In this year, over 1,880 thousand tons of various types of chemical fertilizer were produced by petrochemical complexes. According to the National Petrochemical Industries Corporation, petrochemical exports, with 28.2 percent growth, reached 4,010.8 thousand tons (\$ 795 million). The average value of petrochemical exports was \$ 198.2 per ton, showing a fall of 25.2 percent in comparison with the previous year. Due to the recession prevailing the world market and the competitive condition, the demand for these products declined, resulting in a reduction in international price of certain petrochemical products.

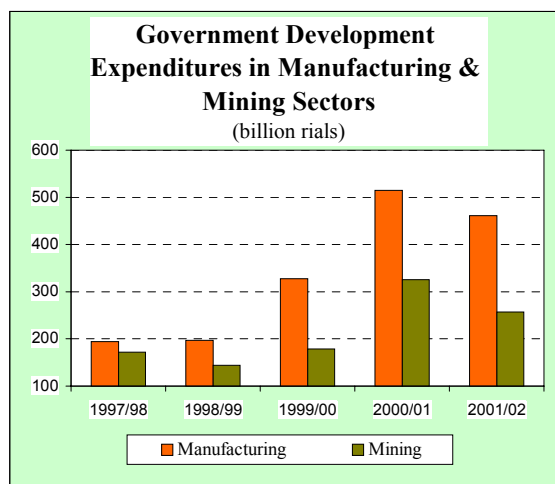
PETROCHEMICAL PRODUCTS

	1378	1379	1380	Percentage change	
				1379	1380
Production (thousand tons)	11,001.4	11,807.9	12,542.9	7.3	6.2
Actual production/Nominal capacity (percent)	80.8	75.7	82.9	-6.3	9.5
Actual production/planned production (percent)	89.9	89.2	90.9	-0.8	2.0
Exports					
Amount (thousand tons)	2,884	3,128	4,011	8.5	28.2
Value (million dollars)	579	829	795	43.2	-4.1

Source: National Petrochemical Industries Corporation

Government Investment

In 1380, government allocated an amount of Rls. 1,014.8 billion to manufacturing and mining sectors and industrial research program within the context of development expenditures. On the basis of the preliminary data released by the Treasury General, an amount of Rls. 610.6 billion, out of the total approved budget was paid to national programs in manufacturing and mining sector which declined by 20.3 percent compared with the previous year.



GOVERNMENT NATIONAL DEVELOPMENT EXPENDITURES IN MANUFACTURING AND MINING SECTORS

	1378	1379	1380 (1)	Percentage change		Share (percent)	
				1379	1380	1379	1380
Manufacturing	88.1	192.2	140.8	118.2	-26.7	25.1	23.1
Mining	172.3	310.6	233.4	80.3	-24.9	40.6	38.2
Industrial research program	211.3	263.0	236.4	24.5	-10.1	34.3	38.7
Total	471.7	765.8	610.6	62.4	-20.3	100.0	100.0

Source: General Budget Laws for 1379-81

(1) Figures are based on the data of Treasury General's payment.

Banking Facilities

Banks and credit institutions increased facilities to the manufacturing and mining sector by Rls. 75.9 thousand billion, showing a 37.6 percent growth compared with the end of 1379. In this year, the change in the outstanding facilities extended by banks and credit institutions to non-public manufacturing and mining sector was 88.1 percent, showing 45.8 percent growth. The share of the change in the outstanding facilities extended to non-public manufacturing and mining sector out of total change in outstanding facilities extended by banks and credit institutions to all economic sectors was 36.7 percent, the most portion of which was due to the performance of commercial banks. It is worth mentioning that the credit institutions also raised their facilities to non-public manufacturing and mining sector. Non-public manufacturing and mining sector's share out of total outstanding facilities extended by credit institutions to all economic sectors was approximately 52.9 percent to amount to Rls. 379 billion.

OUTSTANDING FACILITIES EXTENDED BY BANKS AND CREDIT INSTITUTIONS TO MANUFACTURING AND MINING SECTOR (1) (billion rials)

	Year-end		Change in outstanding 1380	Percentage change 1380	Share of change in outstanding (percent)	Total change in outstanding (2)	Relative share (percent)
	1379	1380					
Non-public sector	39,913.2	58,190.8	18,277.6	45.8	88.1	49,858.4	36.7
Commercial banks	36,350.4	54,376.4	18,026.0	49.6	86.9	38,203.1	47.2
Specialized banks	3,482.7	3,435.4	-47.3	-1.4	-0.2	11,090.1	-0.4
Credit institutions	80.1	379.0	298.9	373.2	1.4	565.2	52.9
Public sector	15,258.0	17,729.9	2,471.9	16.2	11.9	8,684.9	28.5
Total	55,171.2	75,920.7	20,749.5	37.6	100.0	58,543.3	35.4

(1) Excludes profit and revenue receivables.

(2) The change in the outstanding facilities extended by banks and credit institutions to all economic sectors.

In 1380, Rls. 322.9 billion was paid by Bank of Industries and Mines in the form of 986 facilities to the mentioned sectors, which shows 21.3 and 35.1 percent reduction in the amount and value, respectively compared with the previous year. This Bank allocated Rls. 631 billion in the form of administered funds to 1,883 applicants.

PAYMENTS BY THE BANK OF INDUSTRIES AND MINES (billion rials)

	1378	1379	1380(1)	Percentage change		Share (percent)	
				1379	1380	1379	1380
Direct investment and legal partnership							
Number	7	8	4	14.3	-50.0	0.6	0.4
Amount	194.1	89.8	42.2	-53.7	-53.1	18.1	13.1
Banking facilities (2)							
Number	807	1,245	982	54.3	-21.1	99.4	99.6
Amount	264.7	407.7	280.7	54.0	-31.2	81.9	86.9
Total							
Number	814	1,253	986	53.9	-21.3	100.0	100.0
Amount	458.8	497.5	322.9	8.5	-35.1	100.0	100.0

Source: Bank of Industries and Mines

(1) Excludes Bank's payments in the form of administered funds and facilities extended through Article 60 of the 3rd FYDP Law.

(2) Includes other contracts except direct investment and legal partnership.

Performance of Industrial Stocks at the Tehran Stock Exchange

Tehran Stock Exchange indices indicate relative boom in industrial and producing activities in 1380. In spite of the relative recession prevailing the world markets in the aftermath of September 11 events, and difficulties of the domestic manufacturing units, industrial index increased by 24.1 percent compared with the previous year. According to Tehran Stock Exchange, the highest growth recorded was that of “Print and publication” industry (121.2 percent), “Non-metallic minerals” (106.2 percent), “Electrical devices” (100.6 percent), “Oil refined products” (58.7 percent) and “Fabricated metals” (32 percent).

Share price index and cash dividend yield index enjoyed 43.7 percent growth at the end of the year. This is due to the benign and optimistic investment outlook for industrial activities.

New Manufacturing and Mining Units

Rls. 13,023 billion was invested to establish new manufacturing and mining units and to expand the existing units. This shows 101.5 percent growth as compared with the previous year. Operation of new industrial units created 74.6 thousand job opportunities. To meet the quantitative targets set in the 3rd FYDP, new job opportunities in manufacturing and mining sectors were projected for 99.4 thousand persons in 1380.

In this year, the private sector’s tendency to investment in this sector increased markedly. The private sector requested establishment permits for more than 17.1 thousand new manufacturing units with Rls. 164.3 thousand billion investment. It is worth mentioning that, amongst the establishment permits issued, the establishment permits related to “textiles” industry, ranked the first. About 2,555 establishment permits were issued for “textiles”, “wearing apparel, dressing and dyeing of fur”, and “tanning and dressing of leather, manufacture of luggage, handbags and footwear”.

NUMBER, INVESTMENT AND EMPLOYMENT OF INDUSTRIAL PERMITS(1)

	1378	1379▲	1380(2)	Percentage change	
				1379	1380
Establishment permits					
Number	8,096	9,087	17,098	12.2	88.2
Investment (billion rials)	28,980	67,578	164,288	133.2	143.1
Employment (person)	208,962	269,905	485,522	29.2	79.9
Operation permits					
Number	3,387	3,264	3,550	-3.6	8.8
Investment (billion rials)	10,330	6,462	13,023	-37.4	101.5
Employment (person)	67,144	56,493	74,578	-15.9	32.0

Source: Ministry of Industries and Mines

(1) Since 1379, number of permits includes permits issued for mining sector as well.

(2) In 1380, figures of establishment permits include establishment notices which have been substituted for establishment permits, since Mordad.

The amount of investment for new industrial projects went up markedly, so that the average amount of investments projected for each new industrial project reached Rls. 9,609 million, showing a 29.2 percent growth compared with the previous year. The average amount of investment projected for each job (per capita capital) grew by 35.1 percent, compared with the previous year to reach Rls. 338.4 million. Valuation of investment for new projects at CD rates and moving towards capital-intensive technologies, are the main factors for the rise in per capita investment for each new employment.

In 1380, on the basis of data on operation permits issued, the average volume of investment for each new industrial project amounted to Rls. 3,668.5 million, up by 85.3 percent compared with the previous year. Moreover, the amount of investment for each new job

opportunity grew by 52.6 percent in comparison with the previous year to amount to Rls. 174.6 million. Operational delays in industrial projects were responsible for the rise in investment outlays in the recent years.

In the review year, 1,140 exploration permits with estimated reserves of 645 million tons were issued. Moreover, the number of mining operation permits reached 600. The actual reserves of these mines amounted to 2.12 billion tons, and employment created by these permits 6,125 persons. The amount of investment done for this purpose was approximately Rls. 595.2 billion.

According to the report released by the Ministry of Industries and Mines, the number of industrial projects being implemented reached 49,879 with an investment of Rls. 322.6 thousand billion, creating 1,509.7 thousand new job opportunities.

Export and Import of Manufacturing and Mining Products

In 1380, 11 million tons of industrial products valued at \$ 2,282.6 million were exported, showing 17.3 and 22.9 percent growth in amount and value, respectively, compared with the previous year. In the review year, export value of “transportation vehicles and their spare parts”, “chemical and petrochemical products” and “copper and aluminum bar, sheet and wire” rose by 86.9, 52 and 30.1 percent, respectively, enjoying the highest increase amongst export of industrial goods as compared with the previous year. The share of these products out of total value of industrial exports was 57.3 percent. Export of “copper and aluminum bar, sheet and wire”(by 87.7 percent), “cement, stones and construction materials” (by 49.5 percent) and “transportation vehicles and their spare parts” (by 28.9 percent) enjoyed the highest growth in amount among other industrial products.

In spite of the global price reduction of certain industrial commodities, the average unit value of industrial exports went up by 4.7 percent, to reach \$ 207.5 in comparison with \$ 198.1 in the year before.

In this year, the amount and value of import of major industrial goods rose by 23.3 and 30.5 percent, respectively. More than 60 percent of these imports was related to industrial equipment and machinery valued at \$ 5,732 million.

EXPORT AND IMPORT OF INDUSTRIAL PRODUCTS

	1378	1379	1380	Percentage change	
				1379	1380
Export					
Amount (thousand tons)	9,588.5	9,374.9	11,000.0	-2.2	17.3
Value (million dollars)	1,430.8	1,857.3	2,282.6	29.8	22.9
Unit value (\$ / tons)	149.2	198.1	207.5	32.8	4.7
Import (1)					
Amount (thousand tons)	3,512	5,499	6,778.4	56.6	23.3
Value (million dollars)	6,365	7,238	9,447.7	13.7	30.5
Unit value (\$ / tons)	1,812.4	1,316.2	1,393.8	-27.4	5.9

Source: Customs preliminary data

(1) Includes import of major industrial products.

CHAPTER SIX

CONSTRUCTION AND HOUSING

Trend of economic indices in the construction and housing sector indicates a boom in housing market and improvement in the activities of this sector, which helped realize the targets set for the second year of the 3rd FYDP. Based on the preliminary data for 1380, the value-added of construction sector, at constant 1369 prices, grew by 12.3 percent, showing a noticeable growth as regards the targeted growth of 9.2 percent in the Third Plan. Moreover, gross fixed capital formation in 1380, in the mentioned sector grew by 20.3 percent at constant 1369 prices.

In 1380, private sector, in addition to completing 169,000 semi-finished buildings, with a total floor space of 48.5 million square meters, started the construction of 168.6 thousand new buildings with a total floor space of 57.1 million square meters in urban areas.

In the review year, banks and credit institutions extended more facilities to the construction and housing sector. Thus, the outstanding facilities extended to construction and housing sector grew by 37.1 and 28.7 percent, respectively, compared with the previous year and reached Rls. 3.2 and 51.4 thousand billion. Moreover, the Money and Credit Council approved a total of Rls. 1,000 billion credit in Esfand 1380 for the financing of the “1380 Settlement Plan”.

The growth in volume of facilities extended by banks and in the liquidity, along with the boom in housing market and investors’ positive expectations on the continuation of the promising trend and profitability of activities in this sector, resulted in the private sector’s tendency to invest in housing sector. The relatively stable status in the foreign exchange, gold, automobile and cell phone markets was among other reasons for private sector incentive in construction and housing sector. In the year under report, in accordance with 3rd FYDP guidelines, a new payment mechanism, i.e. back loaded, was approved by the Cabinet for the repayment of housing facilities.

In 1380, government national development expenditures on construction, housing and urban development, declined by 7.6 percent, compared with the previous year. Moreover, amount of residential land transferred by the “Housing and Land Organization” with a decline of 79.2 percent reached 6 million square meters. During 1380, approximately 8.6 thousand rental residential units came on stream, which indicates a 20.3 percent growth as compared to the last year performance.

The price index of construction materials, especially urban land price index increased during the year under report, due to the growth of construction activities and the boom in the housing market. The urban land price index faced an increase of 20.2 percent compared with the previous year. Moreover, construction services index, which is indicative of labor force market

conditions, with an increase of 9.7 percent reached 156.1, while wholesale price index of construction materials faced a moderate growth of 3.8 percent.

Private Sector Investment in New Constructions in Urban Areas

Private sector investment in the newly-started constructions in urban areas, with an increase of 29.6 percent, reached Rls. 37.3 thousand billion in 1380, as compared with the previous year. In the year under review, Tehran attracted more than one third of the said investments and faced a growth of 47.4 percent compared to the previous year. Population density and centralizing of the administrative and economic activities in Tehran as a metropolitan, and the gap between supply and demand for housing, together with a boom in housing market all were among reasons for increase in the private sector investment.

Investment in the large cities grew by 46.9 percent in 1380, whose share out of total investment in the new buildings amounted to 33.5 percent. The relatively mild equilibrium in the supply and demand for housing in these regions and the rise in migration toward large cities were among reasons for the negligible growth in the private sector investment in these cities.

PRIVATE SECTOR INVESTMENT IN NEW BUILDINGS IN URBAN AREAS(1)

	(billion rials)						
	1378	1379	1380	Percentage change ○		Share (percent)	
				1379	1380	1379	1380
Tehran	6,020.0	9,384.8	13,836.5	55.9	47.4	32.6	37.1
Large cities	8,085.7	8,517.5	12,508.7	5.3	46.9	29.6	33.5
Other urban areas	7,963.4	10,879.9	10,947.4	36.6	0.6	37.8	29.4
All urban areas	22,069.1	28,782.2	37,292.6	30.4	29.6	100.0	100.0

(1) Excludes cost of land.

PRIVATE SECTOR INVESTMENT IN NEW BUILDINGS IN URBAN AREAS(1)

	BY CONSTRUCTION PHASES (at current prices)						
	(billion rials)						
	1378	1379	1380	Percentage change ○		Share (percent)	
1379				1380	1379	1380	
Newly-started buildings	6,377.0	8,504.5	11,341.9	33.4	33.4	29.5	30.4
Semi-finished buildings	10,944.6	14,157.7	18,809.4	29.4	32.9	49.2	50.4
Completed buildings	4,747.5	6,120.0	7,140.8	28.9	16.7	21.3	19.2
Total investment	22,069.1	28,782.2	37,292.6	30.4	29.6	100.0	100.0

(1) Excludes cost of land.

Government Investment

Government development expenditures in housing and construction sector amounted to Rls. 1,916.6 billion in 1380, showing 7.6 percent decrease, compared with the previous year. The highest share of the national expenditures by 68.1 percent (Rls. 1,305.6 billion) was allocated to urban development in 1380, which indicated a 6.7 percent increase compared to the previous year. In the review year, Rls. 228.3 billion was spent in the framework of “technical and creditary aids” program, focusing mainly on housing sector subsidies and supporting the downsizing and mass production policy.

**GOVERNMENT DEVELOPMENT EXPENDITURES IN CONSTRUCTION,
HOUSING AND URBAN DEVELOPMENT**

(billion rials)

				Percentage change ○		Share (percent)	
	1378	1379	1380 (1)	1379	1380	1379	1380
	National expenditures	1,577.2	2,074.0	1,916.6	31.5	-7.6	100.0	100.0
Government buildings and establishments	621.3	404.5	312.3	-34.9	-22.8	19.5	16.3
Provision of housing	370.5	432.3	286.8	16.7	-33.7	20.8	15.0
Urban development	574.9	1,223.2	1,305.3	112.8	6.7	59.0	68.1
Research on housing	10.5	14.0	12.2	32.9	-13.2	0.7	0.6
Provincial expenditures	756.7	1,170.9	..	54.7	0	100.0	..
Government buildings and establishments	140.3	198.6	..	41.5	0	16.9	..
Provision of housing	75.3	107.3	..	42.5	0	9.2	..
Urban development	541.1	865.0	..	59.8	0	73.9	..
Total	2,333.9	3,244.9	..	39.0	0		

Source: Budget Laws for 1379-1380 and Budget Bill for 1381

(1) Figures are Treasury payments.

In 1380, in accordance with the general budget law, the Ministry of Housing and Urban Development attempted to conclude contracts for the establishment of rental units. In this year, a total of 8.6 thousand rental units were established by the government and came to the phase of transfer. Meanwhile, mass producers, with the government participation, also completed a total of almost 6,000 rental units in the year under report.

Banking Facilities

Outstanding facilities extended by banks and credit institutions to non-public sector in housing and construction sector increased as compared with the previous year-end, and amounted to Rls. 3.2 and 51.4 thousand billion, respectively. Moreover, outstanding facilities extended to the public sector in construction sector faced 17.4 percent growth and amounted to Rls. 9.7 thousand billion, as compared with the end of 1379. Bank Maskan (Housing Bank) allocated 42.2 percent of changes in outstanding facilities to non-public housing sector.

OUTSTANDING FACILITIES EXTENDED BY BANKS AND CREDIT INSTITUTIONS

TO CONSTRUCTION AND HOUSING SECTORS(1)

(billion rials)

	End Esfand		Percentage change		Change in the outstanding		Share of change in outstanding facilities	
	1379	1380	1379	1380	1379	1380	1379	1380
	Construction	10,622.1	12,936.8	6.7	21.8	669.7	2,314.7	100.0	100.0
Non-public sector	2,354.0	3,227.4	-9.7	37.1	253.8	873.4	-37.9	37.7
Public sector	8,268.1	9,709.4	12.6	17.4	923.5	1,441.3	137.9	62.3
Housing	40,445.1	51,986.0	31.7	28.5	9,741.3	11,540.9	100.0	100.0
Non-public sector	39,912.9	51,363.6	32.1	28.7	9,701.3	11,450.7	99.6	99.2
Public sector	532.2	622.4	8.1	16.9	40.0	90.2	0.4	0.8

(1) Excludes profit and revenue receivables.

In 1380, a total of 239.5 thousand facilities were extended by Bank Maskan which amounted to Rls. 12.4 thousand billion (including profit receivables), indicating respective growths of 10.4 and 19.3 percent, as compared with the previous year. In the year under report, average facilities extended for purchasing housing units (excluding profit receivables), in the form of “installment sale” grew by 12.7 percent and amounted to Rls. 37.9 million. Facilities extended in the form of “civil partnership” fell by 10.4 percent in number and increased by 12.9 percent in amount. Increase in the ceiling of facilities to Rls. 70 million in the framework of “Settlement Plan”, targeted the mass-producers only, affected the growth of payments in the form of “civil partnership” contract.

DISTRIBUTION OF BANK MASKAN FACILITIES ACCORDING TO CONTRACTS(1)
(billion rials)

	1378	1379	1380	Percentage change		Share (percent)	
				1379	1380	1379	1380
Civil partnership	1,343.1	1,003.5	1,124.2	-25.3	12.0	16.9	16.0
Installment sale	3,528.1	4,572.5	5,275.4	29.6	15.4	77.1	75.1
Joaleh	114.0	65.7	126.6	-42.4	92.7	1.1	1.8
Gharz-al-hasaneh	59.9	30.7	175.4	-48.7	471.3	0.5	2.5
Other facilities	154.6	256.9	325.0	66.2	26.5	4.4	4.6
Total	5,199.7	5,929.3	7,026.6	14.0	18.5	100.0	100.0

Source: Bank Maskan

(1) Excludes profit receivables.

In 1380, in line with 3rd FYDP and to support the low income groups, repayment of housing facilities through “back-end loaded” mechanism was approved by the Central Bank and announced to the Housing Bank. On the basis of an agreement between Central Bank and the Ministry of Housing and Urban Development, Rls. 1,000 billion was allocated in the framework of the Settlement Plan, which was funded through interbank and Housing Bank resources for purchasing housing units from mass producers. Facilities extended through this mechanism were considered to be respectively Rls. 70 and 50 million for the applicants with and without down payment.

FACILITIES EXTENDED BY BANK MASKAN

	1378	1379	1380	Percentage change	
				1379	1380
Number of facilities (thousand)	258.2	217.0	239.5	-16.0	10.4
Amount of facilities (billion rials)(1)	9,452.7	10,445.6	12,456.6	10.5	19.3

Source: Bank Maskan

(1) Includes profit receivables.

Construction Permits

Construction permits issued by the municipalities in 1380 indicated the boom in construction activities in urban areas, particularly in Tehran. Number of permits and expected total floor-space grew by 22.8 and 27.6 percent, respectively in Tehran, as compared with the previous year. In the year under review, total floor-space registered in the construction permits in small and medium-size cities grew by 1.9 percent, as compared with the corresponding figure of the previous year (5.5 percent reduction).

CONSTRUCTION PERMITS ISSUED BY MUNICIPALITIES IN URBAN AREAS

	1378	1379	1380	Percentage change	
				1379	1380
Number of permits (thousand)	138.8	136.3	147.9	-1.8	8.5
Total floor-space (million square meters)	44.1	50.3	59.6	14.1	18.5
Average floor-space (square meters)	318.0	369.0	403.0	16.2	9.2

Building Starts by the Private Sector in Urban Areas

In 1380, a total of 168.6 thousand buildings with 57.1 million square meters floor-space were started by the private sector in urban areas. In this year, number of building starts, affected by a relatively mild decline in the private sector activities in small and medium size cities, and a tendency toward constructing buildings with more than one story, faced a 1.7 percent reduction. Tehran, as before, recorded the highest growth in building starts, so that the number of building starts and their total floor-space grew by 22.4 and 23.7 percent, respectively.

During the year under review, the average cost of constructing new buildings in urban areas was predicted to be Rls. 664 thousand per square meter, which indicates a 14.5 percent growth compared with the year before. The mentioned cost, with 7 percent increase amounted to Rls. 828 thousand in Tehran.

BUILDING STARTS BY THE PRIVATE SECTOR IN URBAN AREAS

	1378	1379	1380□	Percentage change○	
				1379	1380
Number (thousand)	171.9	171.5	168.6	-0.2	-1.7
Estimated total floor-space (million square meters)	42.4	49.4	57.1	16.9	15.1
Average floor-space (square meters)	247.0	289.0	339.0	17.1	17.2
Average cost per square meter (thousand rials)	501.0	580.0	664.0	15.8	14.5

Buildings Completed by the Private Sector in Urban Areas

The boom in housing market, being started since the second half of 1378, which continued during the years 1379 and 1380, was among the main incentives for completion of semi-finished buildings by the private sector within this period. During the year under review, a total of 169 thousand construction units with a total floor space of 48.5 million square meters were completed by the private sector. The mentioned indices indicated a decline of 5.6 percent and an increase of 8.1 percent, respectively, compared with the previous year. The average floor space of completed buildings grew by 14.5 percent and reached 287 square meters, compared with the previous year, affected mainly by 12.2 percent increase in this index in small- and medium-size cities.

BUILDINGS COMPLETED BY THE PRIVATE SECTOR IN URBAN AREAS

	1378	1379	1380	Percentage change	
				1379	1380
Number (thousand)	148.6	179.1	169.0	20.5	-5.6
Estimated total floor-space (million square meters)	39.6	44.9	48.5	13.3	8.1
Average floor-space (square meters)	266.0	251.0	287.0	-6.0	14.5
Average cost per square meter (thousand rials)	461.0	505.0	579.0	9.5	14.7

The average cost per square meter of completed buildings in urban areas increased by 14.7 percent, compared with the previous year. The growth of costs of construction in Tehran, other large cities and other urban areas were 6.8, 15.8 and 14.4 percent, respectively. Increase in the subscription costs of public utilities, issuance of permits and construction services were among reasons for growth of construction costs in 1380.

Residential Units Completed by the Private Sector in Urban Areas

In 1380, a total of 370.7 thousand residential units, with 44.1 million square meters total floor space were completed and came on stream by the private sector in urban areas. This figure was lower than the targeted figure for construction of urban housing by 380 thousand units, as set in the 3rd FYDP.

RESIDENTIAL UNITS COMPLETED BY THE PRIVATE SECTOR IN URBAN AREAS

	1378	1379	1380	Percentage change	
				1379	1380
Number (thousand)	291.0	339.7	370.7	16.7	9.1
Total floor-space (million square meters)	36.1	41.4	44.1	14.7	6.5
Average floor-space (square meter)	124.0	122.0	119.0	-1.6	-2.5

Urban Land

In 1380, the National Organization of Land and Housing provided the applicants with 6 million square meters of residential land, which shows 79.2 percent decline, as compared with the previous year. Cessions of urban land, within two years of implementation of the 3rd FYDP amounted to 34.8 million square meters.

In 1380, the National Organization of Land and Housing, in accordance with the 1380 Budget Law, concerning housing development, developed and leveled a total of 88.3 thousand pieces of land, of which 81 thousand pieces were accomplished by the said organization and the rest by the private sector.

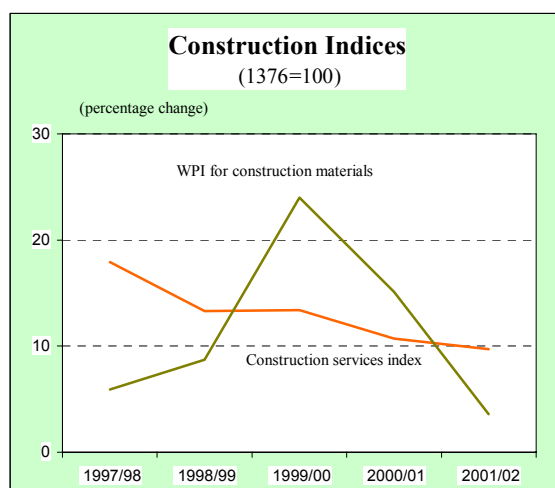
The boom in housing market and increase in new constructions, along with urban management policies regarding selling density were among other significant factors affecting the price of urban land. During the year under report, land price index in urban areas faced an increase of 20.2 percent as compared with the year before.

LAND PRICE INDEX IN URBAN AREAS (1376=100)

	1378	1379	1380	Percentage change	
				1379	1380
Tehran	106.9	141.3	171.4	32.2	21.3
Other large cities	113.1	144.8	174.4	28.0	20.4
Other urban areas	142.2	198.8	232.1	39.8	16.8
All urban areas	114.3	150.5	180.9	31.7	20.2

Construction Indices

In 1380, construction services index, which indicates the conditions prevailing labor market in housing and construction sector, registered 9.7 percent rise, compared with the previous year. Excess supply in labor force, was among the reasons for slight growth observed in mentioned indices. Moreover, in this year, wholesale price index of construction materials, faced an increase of 3.7 percent, compared with the previous year. Reduction in international steel prices in tandem with a remarkable supply of this commodity in the domestic market, were among the reasons responsible for moderate growth of this index.



CONSTRUCTION INDICES (1376=100)

	1378	1379	1380	Percentage change	
				1379	1380
Construction services index	128.5	142.3	156.1	10.7	9.7
Wholesale price index of construction materials	134.8	155.2	160.9	15.1	3.6

CHAPTER SEVEN

SOCIAL AFFAIRS

In 1380, Iran's population grew by 1.6 percent and reached 64.9⁽¹⁾ million, indicating a 0.1 percentage point reduction over the year before. The population under 20 and 25 years constituted 46.2 and 57.1 percent of the total population, respectively. The active population rose by 3.1 percent and reached 19.1 million. This significant rise was due to the baby boom during 1355-65 period.

The literacy rate increased in the population aged six and over in the review year, while the number of students was limited to 17,823 thousand, due to the noticeable reduction in the number of students at primary and guidance levels.

In the year under review, government current and development expenditures on social affairs rose by 6.4 percent, compared with 1379, and reached Rls. 52,929.1 billion⁽²⁾. About 36.9 and 24.3 percent of government expenditures on social affairs were, respectively, allocated to "public education" and "social security and welfare", registering 5.0 and 17.6 percent rise compared with the year earlier. Meanwhile, the highest growth of the mentioned expenditures (33.9 percent) belonged to "environmental protection" program.

Population and Labor Force

In 1380, 64.5 percent of the population dwelled in urban areas and 35.5 percent in rural areas, respectively, showing 0.6 percentage point increase in urban population compared to the previous year, which indicated the continued migration to urban areas.

Creating more employment opportunities has been one of the major policies envisaged in the 3rd FYDP to reduce unemployment, through providing incentives for investment and expanding employment-generating activities. A comparison of targets of the 3rd Plan for employment and job opportunities created in 1380 indicates a shortfall of 308 thousand job opportunities which was less than the figure projected in the Plan⁽³⁾.

According to the data released by the Management and Planning Organization, the number of employed grew from 15,581 thousand persons in 1379 to 15,957 thousand persons in 1380. However, the number of unemployed, with 6.9 percent rise over the previous year, reached 3,182 thousand and the unemployment rate increased from 16 percent in 1379 to 16.6 percent in 1380.

(1) Estimated by the Management and Planning Organization.

(2) Figures related to the realized percent of government current and development expenditures are rendered in figures approved for social affairs due to lack of figures related to the performance of current and development expenditures in social affairs.

(3) It was projected that in the second year of the 3rd Plan 684 thousand job opportunities be created.

Due to the baby boom in the past, it is not expected to achieve the plan target set for employment just by relying on higher investment and growth. To meet the target, other measures such as: reform of the Labor Law and Social Security System, adoption of suitable production technologies, creation of a competitive and flexible environment for the labor force, and expansion of professional and specialized training are needed.

Key Measures Taken for Job Creation

1. Extending Directed Facilities

On the basis of 1380 Budget Law, it was determined that out of total increase of Rls. 4,800 billion in the outstanding directed facilities, 70 percent be allocated to private and cooperative sectors and 30 percent to public sector. Out of total facilities allocated to private and cooperative sectors 60 percent was allocated to the job creation in less developed areas. The CBI was also assigned to allocate Rls. 100 billion to create employment for talented university graduates and prevention of brain drain.

2. Allocation of Administered Funds

To reduce unemployment, in addition to directed facilities, administered funds was considered as another source for extending facilities to job creation projects of non-public sector (private and cooperative).

In accordance with 1380 Budget Law and in order to provide the required financial resources for investment in job creating projects, government entities were authorized to disburse funds earmarked for “technical and creditary assistance program” as administered funds on the basis of criterion set by the Management and Planning Organization and contracts concluded with agent banks, Cooperative Fund or credit institutions authorized by the CBI.

It was also determined that equal to Rls. 4,500 billion out of excess foreign exchange resources be allocated in the form of administered funds to productive activities by giving priority to the provinces with higher unemployment rates.

In 1380, government approved to extend one billion dollars to the private sector from the Oil Stabilization Fund (OSF) by giving priority to job creating projects. The concluded contracts of foreign exchange facilities extended from the OSF numbered 201 projects and valued at \$ 536.9 million upto the end of 1380.

3. Support Fund for Creation of Job Opportunities

According to 1380 Budget Law, Rls. 405 billion was allocated to the “Support Fund for Creation of Job Opportunities” as the government contribution to the Fund’s capital. The Fund is used for extending facilities for self-employment projects with quick return.

Despite measures taken by the government, the number of unemployed increased in this year due to the excess supply of labor and existing impediments to investment and production.

The general activity ratio rose from 29.1 percent in 1379 to 29.5 percent in 1380. However, the dependency burden fell from 310 persons in 1379 to 304 persons in 1380.

In 1380, the minimum monthly nominal wage with 24.5 percent rise over the previous year reached Rls. 570,000. Considering the inflation rate for 1380 (11.4 percent), minimum monthly real wage increased by 11.7 percent, which is higher than productivity growth.

Education

In 1380, the literacy rate in the population aged 6 years and over rose by 1.1 percentage point and reached 85.1 percent. The enrollment rate for the age group of 6-14 years increased in different areas and reached 92 percent.

In 1380/81 academic year, the number of students at various educational levels amounted to 17.8 million, showing 2.4 percent decline compared with the year before. Number of students in primary schools fell by 5.7 percent due to decline in birth rate in recent years.

In 1380/81 academic year, the total number of students at high schools and pre-university levels reached 5 million. The ratio of female students at high school and pre-university levels was 49.3 and 61.7 percent, respectively.

LITERACY RATE IN THE POPULATION AGED SIX YEARS AND OVER

	(percent)		
	Total	Urban areas	Rural areas (1)
1379	84.4	88.3	76.4
1380	85.1	89.0	77.0

Source: Management and Planning Organization

(1) Includes unsettled population.

ENROLLMENT AND LITERACY RATES

	(percent)	
	1379	1380
Enrollment rate (6-14 years)		
Urban areas	95.2	96.0
Rural areas	85.0	85.5
Total	91.3	92.0
Literacy rate (6-29 years)		
Urban areas	97.8	98.0
Rural areas	82.9	84.0
Total	92.1	93.0

Source: Management and Planning Organization

The number of students in private schools rose by 1.5 percent over the previous year and amounted to 797.3 thousand persons. Despite reduction in the total number of students, the share of students in private schools out of the total students, increased slightly to 4.8 percent in 1380, which indicates further contribution of the private sector to educational activities in the recent years.

NUMBER OF STUDENTS IN PRIVATE SCHOOLS AT VARIOUS EDUCATIONAL LEVELS

	(person)					
	Academic year		Share in total students(percentage)		Percentage change	
	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Primary	283,629	284,636	3.6	3.8	2.7	0.4
Guidance school	260,889	266,098	5.2	5.4	2.5	2.0
High school (1)	241,094	246,572	5.9	6.2	4.2	2.3
Total	785,612	797,306	4.6	4.8	3.1	1.5

Source: Ministry of Education

(1) Includes students of old and new educational systems, but excludes pre-university level students.

NUMBER OF STUDENTS AT VARIOUS EDUCATIONAL LEVELS BY GENDER

	(person)					
	1379/80		1380/81		Percentage change	
	Female	Male	Female	Male	Female	Male
Primary	3,792,588	4,175,849	3,588,016	3,924,999	-5.4	-6.0
Guidance school	2,278,350	2,748,874	2,255,566	2,698,328	-1.0	-1.8
High school	1,998,449	2,065,265	1,964,854	2,020,296	-1.7	-2.2
Total	8,069,387	8,989,988	7,808,436	8,643,623	-3.2	-3.8

Source: Ministry of Education

COMPOSITION OF STUDENTS AT VARIOUS EDUCATIONAL LEVELS

IN URBAN AND RURAL AREAS

(percent)

	Academic year 1379/80		Academic year 1380/81	
	Urban	Rural	Urban	Rural
Primary	58.0	42.0	58.3	41.7
Guidance school	70.0	30.0	70.0	30.0
High school	86.7	13.3	86.4	13.6
Total	68.4	31.6	68.6	31.4

Source: Ministry of Education

In 1380/81 academic year, the number of schools grew by 3.2 percent and reached 125.7 thousand. Private schools constituted 6 percent of all schools at primary, guidance and general high school levels. The number of these schools, with an increase of 4.7 percent, compared to the year before, reached 6,738. The number of co-educational schools grew by 2.8 percent and amounted to 49,946 schools, however its share in the total number of schools fell from 39.9 percent to 37.6 percent in this academic year.

**NUMBER OF CO-EDUCATIONAL SCHOOLS
AT VARIOUS EDUCATIONAL LEVELS**

	Academic year		percentage change	
	1379/80	1380/81	1379/80	1380/81
Kindergarten	4,230	5,249	22.0	24.1
Primary	41,037	41,047	15.9	0
Guidance	3,255	3,584	5.6	10.1
High school	58	56	-10.8	-3.0
Pre-university	7	10	▣	42.8
Total	48,587	49,946	15.6	2.8

Source: Ministry of Education

In 1380/81 academic year, the number of teaching staff in urban areas grew by 0.4 percent and in rural areas declined by 1.9 percent compared to the previous academic year.

**SHARE OF CO-EDUCATIONAL SCHOOLS
OUT OF TOTAL SCHOOLS**

	Rural areas		Total	
	1379/80	1380/81	1379/80	1380/81
Kindergarten	78.7	77.7	57.3	54.8
Primary	80.5	81.0	59.3	59.6
Guidance	21.1	22.3	11.3	12.1
High school	1.0	1.0	0.4	0.4
Total	63.4	63.3	39.9	39.7

Source: Ministry of Education

In 1380/81 academic year, educational indices of “Student to school”, “Student to class” and “Student to teacher” was improved mainly due to the reduction in the number of students.

INDICES OF EDUCATIONAL QUALITY

	1376/77	1377/78	1378/79	1379/80	1380/81
Student to school	173.2	167.8	159.3	145.7	137.3
Student to class	29.3	28.9	28.4	27.3	25.8
Student to teacher	21.5	20.7	19.5	19.4	18.9

Source: Ministry of Education

The number of students in public universities and higher education institutes and also Payam-e-Noor university rose by 3.6 percent and reached 759.9 thousand, while the number of students in Islamic Azad University with 3.5 percent decline amounted to 806.6 thousand. The share of female students in total number of students increased by 1.7 percentage point.

NUMBER OF UNIVERSITY STUDENTS

	(person)					
	Academic year		Percentage change		Share (percent)	
	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Public universities and higher education institutes (1)	733,527	759,870	8.1	3.6	46.7	48.5
Female	346,342	378,365	15.7	9.2	22.0	24.1
Male	387,185	381,505	2.1	-1.5	24.7	24.4
Islamic Azad University	836,249	806,639	15.1	-3.5	53.3	51.5
Female	397,609	390,068	18.1	1.9	25.3	24.9
Male	438,640	416,571	12.6	-5.0	28.0	26.6
Total	1,569,776	1,566,509	11.7	-2.0	100.0	100.0

Source: Ministry of Science, Research and Technology, and Islamic Azad University

(1) Includes Payam-e Noor University students.

Health and Medical Care

According to data released by Medical Council Organization, the number of physicians, dentists and pharmacists with, respectively 8.7, 4.4 and 10.2 percent rises compared to the previous year reached 72,877, 13,498 and 10,769. The ratio of population to physician, dentist and pharmacist was 891, 4,809 and 6,027 persons respectively, which indicated an improvement in health indices as compared with the year before. Moreover, the ratio of population-to-hospital bed fell from 604 to 595 persons.

Government Current and Development Expenditures

Government current and development expenditures for social affairs grew by 6.4 percent in 1380 compared with the previous year and amounted to Rls. 52,929.1 billion. Of this amount, 86.7 percent was in the form of current and 13.3 percent as development expenditures. About 8.4 percent of government expenditures in social affairs was allocated to higher education, indicating dramatic rise of 20.7 percent over the previous year and totaled Rls. 4,448.9 billion. The per capita current expenditures for general and higher education affairs equaled Rls. 1,043.5 and 5,029.4 thousand, respectively. However, the per capita development expenditures for the same affairs were, respectively, Rls. 53.7 and 825.4 thousand.

Social Security

Non-Contributory Program

In the year under review, number of individuals supported by the “Imam Khomeini Relief Committee” rose by 7.5 percent over the previous year and reached 7.4 million persons.

The grants provided by this Committee increased by 23 percent and amounted to Rls. 4,676.4 billion. Disbursement made for ancillary services included construction and housing, insurance, medical care, employment, dowry provision, cultural and educational and other services provided to the targeted persons.

Contributory Program

The number of individuals insured by the Social Security Organization with a rise of 4.6 percent reached 6,375 thousand persons. Almost 98.6 percent of these individuals were employed, while 1.4 percent (about 93 thousand persons) were unemployed who benefited unemployment insurance, 21 thousand persons more than the year before. Only 3 percent of the unemployed were covered by unemployment insurance.

In this year, 13.1 percent of the insured were government employees and 86.9 percent non-government employees. The total number of insured and their dependents rose by 4.3 percent to number 24.2 million persons or 37.3 percent of the total population. The number of pensioners and their dependents increased by 6.5 percent to reach 2.3 million persons. The overall number of individuals covered by this organization including insured, pensioners and their dependents grew by 4.5 percent over the previous year and totaled 26.5 million persons.

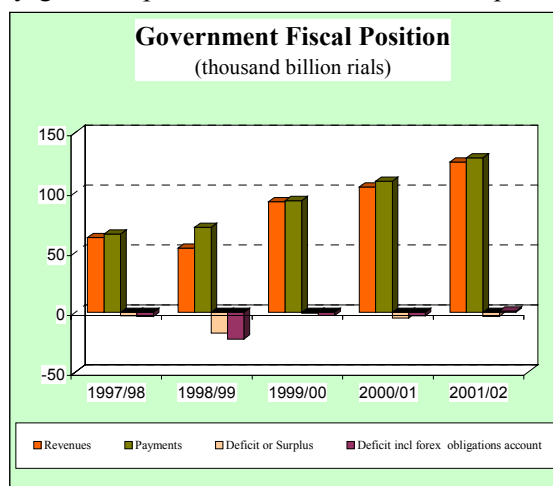
In the year under review, the number of insured by the Medical Services Insurance Organization increased by 1.8 percent and amounted to 31.6 million persons, covering 48.7 percent of the total population. Out of the total number of insured, 72.5 percent were rural dwellers and 20.7 percent were government employees and their dependents. In 1380, about 85 percent of the total population were insured and protected by Social Security Organization or Medical Services Insurance Organization.

CHAPTER EIGHT

FISCAL POLICY AND PERFORMANCE

The Budget Law for 1380 was designed in a condition that the implementation of policies aimed at increasing social participation, creating employment and providing sustainable economic growth were the main concerns. These objectives were pursued to reduce unemployment, expand human resources and technology and flourish the country's potentials and resources.

Increase in international crude oil prices and improvement in economic indicators in 1379 helped the government to design the 1380 Budget without borrowing from the banking system. Although it was expected that the improving trend in the oil market would continue in 1380, the budget was designed conservatively, projecting crude oil prices at \$ 16 per barrel. Moreover, it was determined that crude oil export proceeds in excess of the budgeted figure be deposited into Oil Stabilization Fund (OSF). Therefore, attempts were made to contain the expansionary effects of oil revenues on the government budget. Furthermore, the tax system was reformed in 1380. This was in line with the priority given to production, investment and exports, together with raising tax revenues. The reform included mostly revisions in the tax rates and restructuring of tax organization. Besides the division of tax rates according to legal and real persons⁽¹⁾, income tax rates for legal persons were also reduced markedly. To increase tax base rates exemptions and tax brackets, tax threshold raised to Rls. 1,300 thousand for the last two months of 1380 and was determined at Rls. 1,450 thousand for 1381. Increase in tax threshold on heritage, reduction in the cases subject to ex officio assessment, and the replacement of law for discretion are among the other amendments of Direct Tax Law.



In addition to the above mentioned reforms, the following measures were adopted and implemented in 1380 to improve the structure of tax system. Based on 3rd FYDP Law, to raise the efficiency of tax system and to centralize all tax-related affairs, State Tax Organization was

(1) Tax rate on salary of government employees who are subject to “unified system of payment to government employees” was determined at 10 percent, after deducting the tax threshold set in the law. In the case of other salaried, upto Rls. 42,000,000, tax rate is 10 percent, after considering tax threshold and for the amounts exceeding, the rate shall be in accordance with the rates set under Article 131.

established as a public institution under the supervision of the Ministry of Economic Affairs and Finance. Moreover, the Large Tax-payers Bureau was also established, through approval of the MPO in 1380. Expansion of cross-country mechanized tax information system aimed at increasing tax bases and finding new tax resources was among other measures adopted in the review period.

GOVERNMENT FISCAL POSITION		(billion rials)		
	1378	1379	1380	
Revenues	92,315.7	104,640.8	125,479.5	
Oil	44,487.6	59,448.5	74,957.1	
Taxes	25,831.3	32,842.1	38,796.6	
Other	21,996.8	12,350.2	11,725.7	
Expenditures	93,242.9	109,407.1	128,859.6	
Current	68,219.3	85,847.3	104,772.0	
Development	25,023.6	23,559.8	24,087.6	
Budget deficit	927.2	4,766.3	3,380.1	
Deficit (including changes in the balance of foreign exchange obligations account)	2,739.8	2,985.9	1,032.5	
in percent of GDP (at current prices)				
Revenues	21.5	18.4	18.9	
Oil	10.4	10.5	11.3	
Taxes	6.0	5.8	5.9	
Other	5.1	2.2	1.8	
Expenditures	21.7	19.3	19.4	
Current	15.9	15.1	15.8	
Development	5.8	4.1	3.6	
Budget deficit	0.2	0.8	0.5	
Deficit (including changes in the balance of foreign exchange obligations account)	0.6	0.5	0.2	

Revenues

Government general revenues (excluding special revenues) rose by 19.9 percent in 1380 compared with the previous year to reach Rls. 125,479.5 billion. This shows 93.1 percent realization as compared with the approved figure in the budget. Underrealization of tax revenues (by 14.5 percent) and other government revenues (by 33.9 percent) were major factors responsible for the underrealization of government general revenues. The crude oil export revenue was realized by 100 percent, and revenues received from sale of foreign exchange was realized by 106.7 percent, resulting in an excess realization of 4.6 percent in the total oil export revenues.

The composition of government general revenues changed moderately in the review year, in a way that it led to more dependence of government budget on oil revenues. While, the share of oil revenues in the general budget (including revenues received from sale of foreign exchange) rose from 56.8 percent in 1379 to 59.7 percent, the share of tax revenues decreased from 31.4 percent to 30.9 percent and other revenues fell from 11.8 percent in the previous year to 9.3 percent in this year. Increase in the revenues received from foreign exchange sales, which based on 1380 Amended Budget Law substituted for government unrealized budget revenues, was the major factor responsible for rise in the share of oil revenues in government general revenues.

According to 1380 Budget Law, crude oil export revenues was earmarked at Rls. 22,512 billion which remained unchanged in the amended budget law. In the review year, oil revenues realized more than the budgeted figure and the excess foreign exchange revenues resulting from crude export was deposited into the Oil Stabilization Fund (OSF) .

In 1380 Budget Law, the average price of each barrel of crude export was determined at \$ 16. According to data released by the Ministry of Petroleum, however, average price of each

barrel of crude export reached \$ 21.4. Thus, the total revenues received from crude export amounted to \$ 16,742.7 million and the average crude oil export was 2,076.3 thousand b/d in 1380.

According to the released data, the revenue received from export of oil products and liquefied gas totaled \$ 2,310.1 million, of which \$ 587.6 million was related to export of oil products for exchange. Therefore, foreign exchange revenues received from export of crude oil, oil products, gas and liquefied gas totaled \$ 19,052.8 million, showing 19.2 percent reduction compared with the previous year.

Non-oil revenues (including tax and other government revenues) grew by 11.8 percent in 1380 to reach Rls. 50,522.4 billion, showing 20 percent underrealization when compared with the approved figure of the budget. During the recent years, the share of non-oil revenues out of total government general revenues has declined, while the share of oil revenues (including revenues received from sale of foreign exchange) has gone up. Therefore, increase in revenues from sale of foreign exchange is the main reason for the rise in the share of oil revenue in the government general budget.

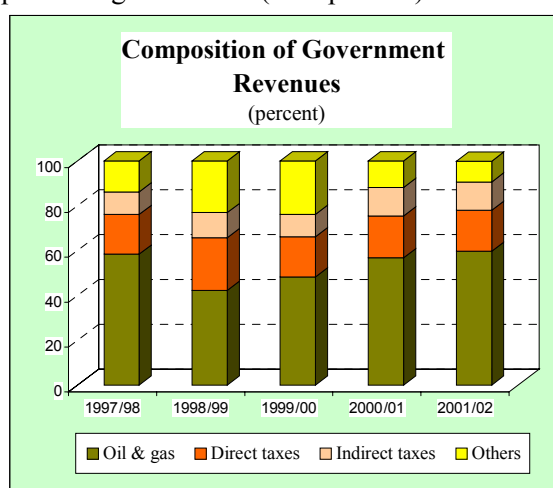
In 1380, the composition of non-oil revenues in the government general budget indicates that the share of tax revenues out of total non-oil revenues increased, while other revenues (including revenues received from government monopolies and ownerships, services and sale of goods, interest on loans and government investment abroad and miscellaneous revenues) declined.

GOVERNMENT GENERAL REVENUES

	(excluding special revenues)		Percentage change		Share (percent)	
	1379	1380	1379	1380	1379	1380
	(billion rials)					
Oil	59,448.5	74,957.1	33.6	26.1	56.8	59.7
Non-oil	45,192.3	50,522.4	-5.5	11.8	43.2	40.3
Tax	32,842.1	38,796.6	27.1	18.1	31.4	30.9
Other	12,350.2	11,725.7	-43.9	-5.1	11.8	9.3
Total	104,640.8	125,479.5	13.4	19.9	100.0	100.0

The ratio of tax revenues to GDP at current prices, as indicator of tax attempt, stood at 5.9 percent, showing a slight increase when compared to the respective ratio in the previous year (5.7 percent). Moreover, the ratio of taxes to government current expenditures equaled 37 percent, showing a reduction as compared with respective figure in 1379 (38.3 percent).

The composition of tax revenues in 1380 indicates that 59.2 percent of total tax revenues was received from direct taxes and 40.8 percent from indirect taxes. Receipts from corporate taxes grew by 9.5 percent, compared with the previous year, and amounted to Rls. 12,371.9 billion. However, it shows a 21.5 percent underrealization, as compared with the approved figure in the budget. Among the components of corporate taxes, tax on non-public legal persons, with 23.6 percent growth, compared with the previous year, amounted to Rls. 7,904 billion.



In the review year, revenues received from income tax grew by 27.4 percent to reach Rls. 8,703.7 billion, showing a 9.8 percent underrealization as compared with the previous year. Wealth tax enjoyed a growth of 31.3 percent in 1380 to reach Rls. 1,910.7 billion, while showing only 68.3 percent realization compared with the approved budget.

Among the components of indirect taxes, tax on imports registered 46.4 percent rise to reach Rls. 11,635.3 billion. This indicated 3.2 percent excess realization compared with the approved figure in the budget. Increase in the revenues received from commercial profit (owing to increase in the tariff rates) and order registration fee by 4.3 and 13.4 percent, respectively, compared with the approved figures of the budget is considered as a main reason for the excess realization of indirect taxes.

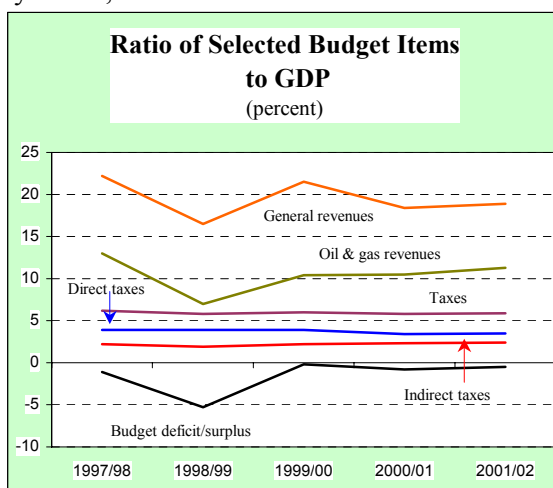
In the review year, receipt from consumption and sales tax fell by 21.4 percent to reach Rls. 4,175.0 billion, and indicated 29.2 percent underrealization as compared with the approved figure of the budget.

Out of total indirect taxes in the review year, 73.6 percent was related to tax on imports and 26.4 percent to consumption and sales tax. Moreover, out of the total tax revenues, 31.9 percent was received from corporate taxes, 22.4 percent from income taxes, 4.9 percent from wealth taxes, 30 percent from import taxes, and 10.8 percent from consumption and sales taxes.

Other government revenues, with 5.1 percent decrease compared with the previous year, amounted to Rls. 11,725.7 billion, showing only 66.1 percent realization compared to the figure approved in the budget. The main reason behind the underrealization of government other revenues was underrealization of revenue received from services and sale of goods by Rls. 3,578.1 billion and miscellaneous revenues by Rls. 2,449.5 billion.

Revenue received from government monopolies and ownerships equaled Rls. 621.1 billion in 1380. This shows 41.2 percent growth when compared with the corresponding figure of the previous year, and 4.4 percent excess realization as compared to the figure approved in the budget.

Revenue received from interest on loans and government investment abroad amounted to Rls. 0.3 billion, showing 100 percent realization as compared with the respective figure of the previous year.



Expenditures

Government general expenditures (excluding special expenditures) amounted to Rls. 128,859.6 billion in 1380, indicating 17.8 percent increase compared with the previous year's figure and 8.7 percent underrealization compared with the figure approved in the budget. In the review year, out of total government expenditures, 81.3 percent was allocated to current and 18.7 percent to development expenditures. Moreover, out of total credits paid, Rls. 95,637.5 billion (74.2 percent) was in the form of national and Rls. 33,222.1 billion (25.8 percent) in the form of provincial credits, showing 15.6 and 24.6 percent rise as compared with the corresponding figures of the previous year.

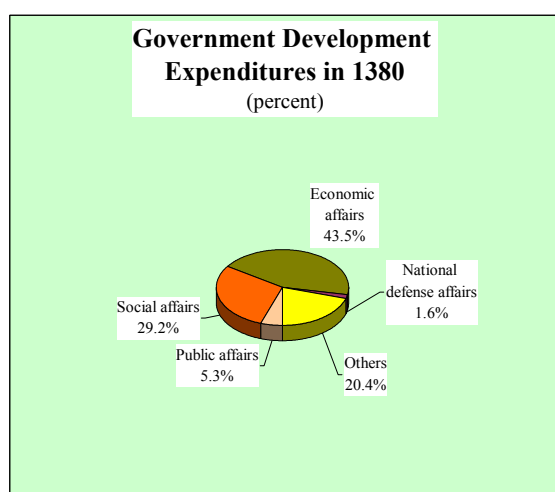
Current expenditures rose by 22 percent compared with the previous year, to reach Rls. 104,772 billion. This figure indicated 0.2 percent excess realization compared with the figure approved in the budget. Increase in the current expenditures was partly due to the 13 percent rise in the coefficient base of government employees' salaries.

Government subsidy payments amounted to Rls. 9,883.5 billion in 1380, which was earmarked for payments on certain essential goods and services, showing 21.7 percent growth compared with the previous year. Subsidy payments was realized by 90.9 percent when compared with the approved figure (Rls. 10,878.2 billion) in the budget. This figure equaled 9.4 percent of current expenditures and 7.7 percent of government total expenditures.

Out of government current expenditures i.e. Rls. 104,772 billion, 43.8 percent was related to social affairs, 19.8 percent to national defense, 13.6 percent to general affairs and 2.9 percent to economic affairs. Moreover, 19.9 percent of the total current expenditures included miscellaneous expenditures, guaranteed profit and commission, and repayment of loans and debts⁽¹⁾ and prepayments.

Government development expenditures rose by 2.2 percent in 1380 compared to previous year to amount to Rls. 24,087.6 billion, showing 34.2 percent underrealization when compared to the figure approved in the budget. The ratio of government development expenditures to total expenditures equaled 18.7 percent, which indicated a reduction, as compared with the corresponding figure of the previous year (21.5 percent).

According to the 1380 Budget Law, government was authorized to issue up to Rls. 2,400 billion participation papers to speed up the execution of development projects. Revenues from sale of participation papers amounted to Rls. 2,305.3 billion, realizing by 96.1 percent of the figure in the budget. This figure showed 12.5 percent growth when compared with the corresponding figure of the previous year.



Out of total government development expenditures, 43.5 percent was allocated to investment in economic affairs, 29.2 percent in social affairs, 5.3 percent in general affairs and 1.6 percent in national defense affairs. Moreover, the share of miscellaneous expenditures, guaranteed profit and commission, repayment of loans and debts and prepayments and provincial administered funds equaled 20.4 percent.

Budget Deficit and Its Finance

Government budget ran a deficit of Rls. 3,380.1 billion in 1380. Considering payment of Rls. 2,800 billion (\$ 1,600 million) for foreign exchange losses of previous years, the outstanding of foreign exchange obligations account fell by Rls. 2,347.6 billion, by the end of 1380. Thus, the adjusted budget deficit was limited to Rls. 1,032.5 billion, including reduction in the outstanding of foreign exchange obligations account. On this basis, the ratio of government general budget deficit to GDP fell down to 0.5 percent in 1380, against 0.8 percent in the previous year. The ratios of adjusted budget deficit to GDP were, respectively, 0.5 and 0.2 percent in 1379 and 1380.

In the review year, the outstanding balance of public sector funds and deposits with the banking system fell dramatically by 87 percent and reached Rls. 1,363.5 billion. On the contrary,

(1) Due to the unavailability of the figures related to the performance of government current and development expenditures in 1380 according to affairs and chapters, the percent realization of total current and development expenditures to the approved figures is generalized to all items.

the outstanding of banking system claims on the public sector grew by 176.5 percent to amount to Rls. 15,671.9 billion. This resulted in the increase of Rls. 14,308.4 billion in the banking system's net claims on the public sector.

BUDGET DEFICIT AND ITS FINANCE		(billion rials)		
	1378	1379	1380	
Government general budget deficit (-) / surplus (+)	-927.2	-4,766.3	-3,380.1	
Plus:				
Increase (-) / decrease (+) in the outstanding of foreign exchange obligations account	-1,812.6	1,780.4 ⁽¹⁾	2,347.6 ⁽¹⁾	
Increase (-) / decrease (+) in the outstanding of government bonds rewards	-2.8	2.8	0	
Adjusted budget deficit	-2,742.6	-2,983.1	-1,032.5	
Deficit financing (+) / surplus use (-)	2,742.6	2,983.1	1,032.5	
Domestic finance	2,570.9	2,807.4	802.9	
Use of Central Bank resources (2)	1,815.4	-1,783.2	-2,347.6	
Sales of participation papers	1,884.3	2,049.8	2,305.3	
Returns, prepayments and other accounts	640.0	1,287.2	615.8	
Principal and interest on loans of public corporations and institutions out of government guaranteed loans (3)	195.5	162.6	135.8	
Privatization proceeds	4.2	0.2	93.6	
Other	-1,968.5	1,090.8	0	
Foreign finance	171.7	175.7	229.6	
Principal of government loans abroad	17.7	0.7	0.7	
Receipts from foreign facilities	154.0	175.0	228.9	

(1) The outstanding (debit) of foreign exchange obligations account was reduced due to the repayment of part of CBI's claims on government.

(2) Includes use of Central Bank's resources for deficit financing of foreign exchange obligations account and rewards on bonds.

(3) The breakdown by interest and principal of loan is not available.

In the review year, the net foreign exchange receipts of the public sector, with 31.3 percent reduction, reached Rls. 13,539 billion. The net monetary expansion due to public sector operations was Rls. 27,847.4 billion, showing 87.2 percent growth compared with the previous year.

Performance of Off-budget Items

In 1380, a total of Rls. 52,445.1 billion was deposited into government general revenue account from the sale of foreign exchange. Total government off-budget revenues equaled Rls. 13,465.3 billion, showing 83.8 percent realization. The expenditures out of government off-budget revenues amounted to Rls. 13,015.3 billion.

It is to be mentioned that, since the end of 1379, the CBI purchased excess foreign exchange as royalty at CD rate to sell at the due time. On this basis, out of Rls. 65,926.2 billion revenues received from sale of foreign exchange in the budget and budgetary notes framework (by Rls. 52,445.1 and 13,481.1 billion, respectively) Rls. 23,710.8 billion (about 36 percent) was realized through sale of royalty to the CBI. This figure amounted to Rls. 24,671.2 billion (47.1 percent of total sale of foreign exchange in the market) in 1379.

The Oil Stabilization Fund

According to Article 60 of the 3rd FYDP Law, the OSF was established to insulate the budget from fluctuations in crude oil prices, to convert oil export proceeds into other reserves, to invest, and to support realization of projected activities during the course of the Plan.

Accordingly, oil revenues in excess of budgeted amount are deposited into an account kept with the CBI, namely OSF. In case, during the 3rd Plan period, the realized crude oil export is less than the projected figures of the budget, the government is authorized to withdraw from OSF account in 3-month intervals and transfer its equivalent in rials to the general revenue account.

The government is authorized to use up to 50 percent of OSF resources to extend facilities to non-public sector, through local banking network and Iranian banks abroad in productive and entrepreneurial projects in manufacturing, mining, agriculture, transportation, and technical and engineering services whose feasibility are approved by the respective ministries.

Utilization of OSF to finance government general budget expenditures is merely allowed in case of a drop in oil export revenues as compared with the approved budget and inability to compensate it from tax or other sources. However, its utilization for financing deficit resulted from government budget non-oil revenues is not authorized.

The executive by-law of Article 60 of the 3rd Plan was designed according to the proposal of the Management and Planning Organization, the Ministry of Economic Affairs and Finance and the Central Bank of Islamic Republic of Iran and was approved by the Cabinet. Selected items of the by-law, and the regulations for extending facilities approved by the OSF Board of Trustee are as follows:

a- A board, comprised of the head of Management and Planning Organization, the Minister of Economic Affairs and Finance, the Governor of the Central Bank and two members selected by the President, is established as "OSF Board of Trustees". The Board's Secretariat is in the Management and Planning Organization.

b- The maximum ceiling of facilities extended to each project is equivalent to the foreign exchange portion of investment of the project.

c- The OSF facilities are extended in foreign exchange and repayment of the principal and accrued interest shall be in foreign exchange.

d- The maximum period of OSF facilities is 8 years, of which 3 years are the maximum grace period.

e- Extending facilities to the projects approved in the framework of "Law for Attraction and Protection of Foreign Investment" (joint ventures) are authorized with the observance of this by-law.

f- The minimum expected rate of return of the project should not be less than the profit rate for financing facilities.

g- The profit rate for OSF facilities was set at LIBOR plus 2 percentage points. 60 percent of the profit is allocated to agent bank and the remainder shall be deposited into the OSF.

INITIAL EXPANSIONARY EFFECTS OF PUBLIC SECTOR OPERATIONS (billion rials)

	1378	1379	1380
Net expansion	22,626.4	14,876.8	27,847.4
Net foreign exchange receipts of public sector	19,488.2	19,696.1	13,539.0
Changes in net banking system claims on public sector	3,138.2	-4,819.3	14,308.4
Changes in balance of banking system claims on public sector	7,140.8	5,668.4	15,671.9
Government (1)	2,873.5	-2,155.7	5,136.0
Public corporations and institutions (2)	4,267.3	7,824.1	10,535.9
Less:			
Changes in the balance of funds & deposits of public sector with the banking system	4,002.6	10,487.7	1,363.5
Changes in balance of deposits of public sector	4,290.0	10,910.6	1,406.0
Changes in balance of LC prepayment of public sector	-287.4	-422.9	-42.5

(1) Includes changes in the deficit of foreign exchange obligations account.

(2) Includes facilities extended by the Central Bank to public corporations for financing foreign exchange losses.

Oil Stabilization Fund (OSF) Performance

Out of total foreign exchange revenues received from crude oil export, \$ 12,864 million was deposited into the Treasury to finance budget expenditures in rials. Moreover, in line with the implementation of Article 60 of the 3rd FYDP, and the 1380 Budget Law, the remainder of foreign exchange revenues (\$ 1,838.7 million) was deposited into the OSF, after payment of \$ 1,600 million for foreign exchange losses due to exchange rate unification in 1372.

PERFORMANCE OF THE OSF ACCOUNT (million dollars)

	1379	1380	Change
Outstanding at the beginning of the year	0	5,943.7	5,943.7
Total deposited amount	5,943.7	2,168.2	-3,775.5
Oil receipts	5,943.7	1,838.7	-4,105.0
Interest accrued to OSF account	0	312.1	312.1
Re-receipt of facilities extended (principal and interest)	0	17.4	17.4
Total withdrawn amount	0	814.1	814.1
According to amended budget law	0	380.9	380.9
Compensating losses incurred from drought	0	274.9	274.9
Facilities utilized under the bank-agency contracts	0	258.3	158.3
Balance at the end of the year	5,943.7	7,297.9	1,354.2

With the inclusion of deposited and withdrawn amounts, the balance of OSF account amounted to \$ 7,297.9 million at the end of 1380, showing 22.8 percent growth as compared with that of 1379.

CHAPTER NINE

FOREIGN EXCHANGE AND TRADE POLICY

The boom in crude oil prices in international markets during the past three years affected the balance of payments and helped the repayment of external debt and improvement in foreign reserves in 1380 (2001/02). However, signs of recession in the US economy at the end of 1999 and its aggravation in the aftermath of September 11 events, in tandem with recession in Japan economy reduced the global economic growth rate, and as a result the demand for energy. Thus, crude oil export price declined by 15.4 percent, as compared with the respective period of the previous year, and the trade balance surplus fell dramatically.

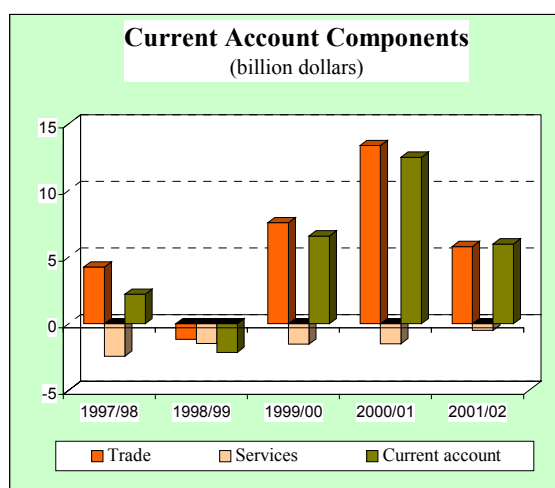
During the year under review, foreign exchange and trade policies were aimed at trade facilitation and deregulation of external sector. Elimination of banks' obligation to receive real estate collateral against issuing insurance and credit guarantees, reduction in the rate of extending foreign exchange facilities from OSF, extension of rewards and subsidies to exporters and expansion of public banks' activities in foreign exchange transactions were among the major developments in this area. Moreover, stability in foreign exchange market, despite international developments and regional threats, supported domestic economy against unprecedented shocks or events, and was considered as an effective factor to achieve economic growth (non-oil) by 5.8 percent.

Balance of Payments

Balance of payments was greatly affected by developments in international oil market. The 15.4 percent reduction in oil price and the decline in crude oil exports resulted in a slump of 20.4 percent in export revenues.

Non-oil exports, with 9.2 percent rise, reached \$ 4,565 million in 1380, against \$ 4,181 million in 1379. Despite reduction in the export revenues to \$ 23,904 million, relaxation in foreign trade regulations led the imports to grow by 20.2 percent, thus the trade balance enjoyed \$ 5,775 million surplus.

The balance of payments' receipts and payments from the services sector grew by 73.4 and 13.9 percent, respectively. The balance of services account registered \$ 495 million deficit in 1380.



Capital account, after two years of deficit, showed a \$ 1,150 million surplus. Government long-term account faced \$ 2,455 million surplus, owing to \$ 286 million new debt (net) in 1380. Moreover, a sum of \$ 300 million was allocated to the repayment of buy-back

contracts' obligations, and \$ 2,469 million new obligations were made in the form of contracts. Government short-term capital account also ran a deficit of \$ 1,211 million. The CBI's foreign assets and the OSF account rose by \$ 3,406 and \$ 1,354 million, respectively, showing \$ 4,760 million surplus in the overall balance of the BOP.

Foreign Exchange Obligations

Foreign exchange obligations, from \$20 billion (including interest and contingent obligations) at the beginning of 1380 reached \$ 21.8 billion by the end of the year, up by 8.5 percent⁽¹⁾. This increase led to changes in the composition of foreign exchange obligations, so that the share of contingent obligations rose from 56.8 percent at the end of 1379 to 63.2 percent at the end of 1380. The change in the composition of foreign exchange obligations and the higher share of contingent obligations provided more flexibility in foreign obligations than in the previous year. In this period, external debt reached \$ 7,215 million, against \$ 7,953 million in the previous year, registering 9.3 percent reduction.

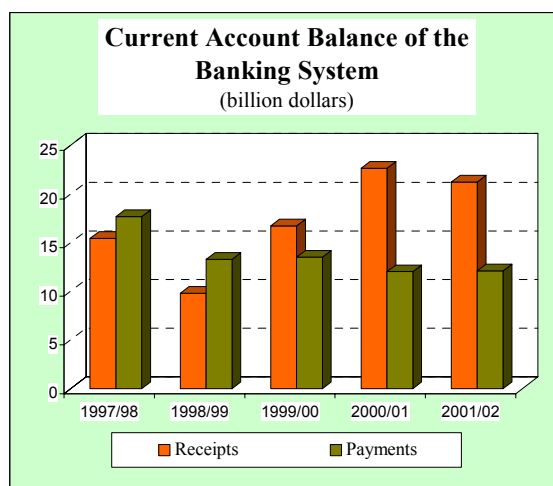
In 1380, short-term debts fell by \$ 1,026 million and medium- and long-term debts increased by \$ 288 million, which in sum led to a reduction in external debts to reach a maximum of \$ 7,215 million. In this period, net obligations of oil prefinance, with \$ 482 million rise, had the highest share in increasing long-term debts.

COMPOSITION OF FOREIGN DEBTS		(million dollars)	
	1379▲	1380	Percentage change
Contingent obligations	11,404	13,749	20.6
External debts	7,953	7,215	-9.3
Interest	713	803	12.6
Total obligations	20,070	21,767	8.5

Foreign Exchange Balance of the Banking System

The current foreign exchange receipts of the banking system, with a 6.3 percent fall, was limited to \$ 21,224 million, owing mostly to the reduction in the oil and gas export revenues. Foreign exchange current payments rose by 0.8 percent to reach \$ 12,100 million. Thus, the net current account of foreign exchange balance registered \$ 9.1 billion surplus.

In this year, the net capital account and unclassified items in the foreign exchange balance ran a deficit of \$ 5,097 million. Thus, the overall balance faced a surplus of \$ 4 billion.



(1) According to 3rd FYDP Law, Article 85, the ceiling of permitted obligations (net), (after deducting CBI's foreign exchange reserves), excluding buy-back contracts is \$ 25 billion.

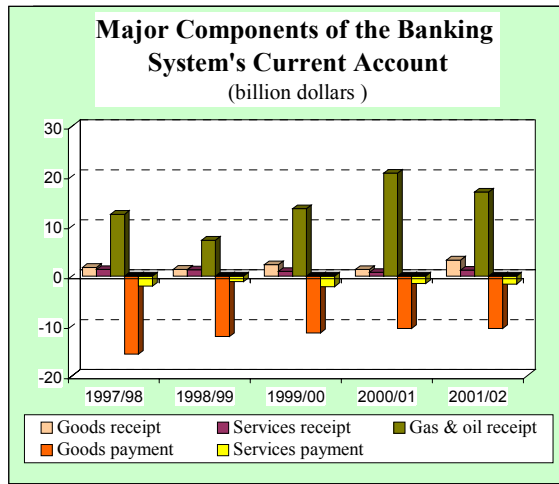
Current Receipts

The current foreign exchange receipts of the banking system, with \$ 1.4 billion decrease compared with 1379, was limited to \$ 21.2 billion in 1380. In this year, the reduction in oil prices in international markets and Iran's production cut according to OPEC decisions resulted in 18.4 percent reduction in oil export revenues to reach \$ 16,553 million.

In this year, due to adoption of certain policies in easing the export process, the foreign exchange purchased from export of non-oil items went up, so that the mentioned receipts, with 151.5 percent rise compared with the previous year, amounted to \$ 3,238 million. This constituted 70.9 percent of total value of non-oil exports for 1380. Foreign exchange receipts from the services sector reached \$ 1,233 million in 1380, against \$ 755 million in 1379, up by 63.4 percent. The banking systems' interest receipts increased by 79.6 percent to reach \$ 926 million.

Current Payments

In 1380, the foreign exchange current payments of the banking system went up by 0.8 percent compared with the previous year to reach \$ 12,100 million, 86.4 percent of which was related to import of goods. Foreign exchange payments for non-public sector imports fell by 8.8 percent to reach \$ 5,300 million in 1380, against \$ 5,812 million in 1379. In the review year, current payments for services, with 11.1 percent rise compared with the previous year, reached \$ 1,640 million. The public sector share of these payments was 51.3 percent. The amount of interest payments reached \$ 562 million in 1380.



Foreign Exchange and Trade Policies

The relatively stable value of rial, the favorable situation of foreign exchange reserves and positive outlook for international energy markets led the policymakers to adopt measures in deregulation and relaxation of administrative routines existed in foreign trade process as the main factor in paving the way for developments in external sector. Tariffication of non-tariff barriers and gradual reduction of tariffs, exemption of non-oil exports from any levies and charges, facilitation of opening LCs, and finally increase in the variety of hard currencies transacted on the TSE were among the major developments in this sector.

In order to promote non-oil exports and to enhance the role of private sector, the Cabinet approved the by-law recommended by the Ministry of Commerce concerning establishment of private export promotion funds, and the mechanisms of supporting such funds. The objective behind establishment of the mentioned funds is to render services in transportation, insurance, customs affairs, export guarantee, consultation, marketing, propagation and launching international exhibitions.

In order to consolidate policy making and planning of non-oil export affairs aiming at deregulating export activities, Articles of Association of the "High Council of Non-oil Export Promotion" was designed by the Ministry of Commerce and approved by the Cabinet.

Exports Policies

On the basis of the Cabinet approval, export of all goods and services was exempted from any levies and charges (direct and indirect) since the beginning of 1380. Moreover, banks and financial institutions were required to issue insurances and credit guarantees based on the average annual performance of exporters, without receipt of real estate collateral. The High Council of Exports, through its approval, exempted the export of all goods and services from foreign exchange surrender requirement. This was done to ease foreign trade and deregulate non-oil export process.

Imports Policies

Improvement in foreign exchange revenues from crude oil exports facilitated imports and led to its growth in 1380. Moreover, exchange rate stability and reduction in marginal exchange rate in official (TSE) and unofficial markets reduced the incentives to import out of customs entries. After noticeable reduction in the prepayment for opening LC for import of goods by the private sector in 1379, banks were authorized to open sight letters of credit without prior confirmation of the CBI, upto a ceiling of \$ 900 thousand⁽¹⁾. Endorsement of shipping documents of LCs opened at CD rate was also authorized⁽²⁾. The regulations for the depositing of 10 percent prepayment for opening LCs or order registration for bill was generalized to some government corporations and institutions⁽³⁾. In order to enhance transparency in commercial transactions, the conditions for importing goods and services to and from free-trade and industrial, and special economic zones to the mainland in the framework of opening LC, or order registration for bill was announced by the CBI⁽⁴⁾. Moreover, the CBI announced the conditions for opening LCs and issuing relevant guarantees out of short-term facilities extended by Islamic Development Bank at CD rate.

Foreign Exchange Policies

Following reduction in the number of exchange rates and in order to pave the way to implement exchange rate unification regime, two rates were applied in 1380, namely CD and negotiated rates. Attempts to control fluctuations and reduce the demand in parallel foreign exchange market resulted in the more depreciation of rial against dollar in unofficial market, and the standard deviation of dollar to be less than the corresponding period in the previous year. In 1380, foreign exchange market experienced a relatively stable situation. Utilization from the OSF account, and financial and budgetary discipline contributed greatly to this achievement.

The Board of Trustee of OSF facilitated the conditions for extending foreign exchange facilities, in view of developments in international economy after September 11 events and the economic slump during the past two years. On this basis, the lending rate (on foreign exchange facilities) was reduced from 7.5 percent per annum to LIBOR plus 2 percent.

Moreover, sale of foreign exchange to exporters of technical and engineering services to purchase tender documents and provide marketing expenses was authorized, subject to the confirmation of the Investment and Economic and Technical Aids Organization of Iran. At the beginning of this year, in order to facilitate foreign trade, transaction of CDs on the TSE was authorized to be traded in Swiss franc, Sterling pound, Japanese yen, and UAE dirham in addition to dollar and euro.

(1) Circular No. 60/1000 dated 7.1.1380 of the CBI

(2) Circular No. 60/1005 dated 29.1.1380 of the CBI

(3) Circular No. 60/1078 dated 19.6.1380 of the CBI

(4) Circular No. 60/1098 dated 16.7.1380 of the CBI

Foreign Trade Performance

Adoption of policies aimed at facilitating trade resulted in growth in imports and exports in 1380. The value of exports (excluding oil, gas and electricity) grew by 12.3 percent compared with the previous year to reach \$ 4,224.0 million. The weight of non-oil exports, with 13.5 percent growth compared with the previous year, reached 16,214.1 thousand tons. Thus, the unit value of exports with a negligible change amounted to \$ 261 per ton.

In 1380, the cif value of imported goods went up remarkably by 22.9 percent to reach \$ 17,626 million. This was largely due to improvement in foreign exchange revenues in the wake of favorable condition in international energy market, allocation of more foreign exchange to imports, and deregulation of foreign trade. The adjusted cif value of imports (after deduction of the cost of order registration fee) kept its upward trend and reached \$ 16,228 million in 1380, against \$ 13,187 million in 1379. The weight of imports also grew by 5.7 percent in the review period. The unit value of imported goods reached \$ 642 in 1380, against \$ 552 in 1379, up by 16.3 percent.

FOREIGN TRADE (excluding oil, gas and electricity)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Amount (million \$)									
1. Imports	14,196	14,323	12,683	14,347	17,626	13.1	22.9		
2. Adjusted imports (1)	13,633	13,708	11,972	13,187	16,228	10.1	23.1	77.8	79.3
3. Exports	2,876	3,013	3,362	3,763	4,224	11.9	12.3	22.2	20.7
Deficit (3-2)	-10,757	-10,695	-8,610	-9,424	-12,004				
Total (3+2)	16,509	16,721	15,334	16,950	20,452	10.5	20.7	100.0	100.0
Weight (thousand tons)									
1. Imports	21,845	16,297	21,549	25,980	27,464	20.6	5.7	64.5	62.9
2. Exports	8,690	14,460	17,567	14,281	16,214	-18.7	13.5	35.5	37.1
Total (1+2)	30,535	30,757	39,116	40,261	43,678	2.9	8.5	100.0	100.0

(1) In foreign trade statistics, the value of imports includes value of goods plus order registration fee; therefore, order registration receipts have been deducted from the value of imports and have come under adjusted imports.

Imports

In 1380, about 27 million tons of goods valued at \$ 17.6 billion were imported, showing 5.7 percent rise in weight and 2.9 percent increase in value, respectively.

The composition of imports indicates a decline in the share of import of raw materials and intermediate goods. However, imports of the mentioned items grew by 11.2 percent to reach \$ 8,228 million, and imports of capital goods rose by 47.4 percent to reach \$ 7,127 million, against \$ 4,834 million in 1379. In the review year, the share of consumer goods out of total imports declined, albeit a growth of 7.5 percent in its value.

According to international classification of goods, the value of machinery and transportation vehicles imports, with 42.9 percent share out of total imports in 1380, had the greatest weight of imports and grew by 46.2 percent to reach \$ 7,565 million. Second to this, imports of non-electric machinery with a share of 23 percent out of total non-oil imports and with 36.1 percent rise compared with the previous year reached \$ 4,051 million. Moreover,

imports of basic manufactured goods grew by 4.2 percent to reach \$ 3,319 million in 1380, against \$ 3,185 million in 1379 which constituted 18.8 percent of total imports.

Distribution of imports by countries shows that the top five exporting countries to Iran were Germany, United Arab Emirates, France, Italy and South Korea which together accounted for 37 percent of total imports in 1380.

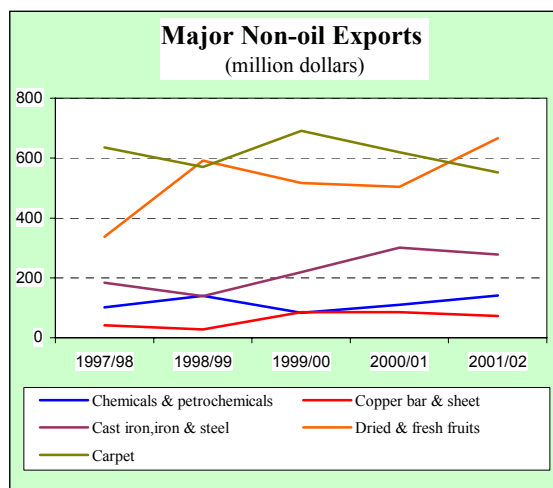
Distribution of imports according to continents indicates higher share for Europe and Asia as markets of origin for Iran. Thus, the total value of imports from these continents to Iran reached \$ 15,193 million, which constituted 86.2 percent of total imports.

Non-oil Exports

In 1380, a total of 16,214 thousand tons of non-oil goods valued at \$ 4,224 million were exported, showing 13.5 and 12.3 percent rise in weight and value, respectively, compared with the previous year. Taking into account the cross border and shuttle exports valued at \$ 173 million and \$ 64 million, respectively, the total value of non-oil exports (excluding oil, gas, and electricity) reached \$ 4,461 million. The share of export value of industrial products kept its upward trend in the review year.

The export value of agricultural and traditional goods grew by 9.4 percent compared with the previous year to reach \$ 1,603 million in 1380. The value of exported fresh and dried fruits, with a significant rise of 32.2 percent amounted to \$ 666 million.

The value of industrial goods grew by 12.6 percent to reach \$ 2,543 million, which constituted 60.2 percent of non-oil foreign exchange export earnings. The export of chemical and petrochemical products increased significantly, and export proceeds from these items amounted to \$ 1,052.7 million in 1380.



The geographical distribution of non-oil exports indicates that the first five trade partners of Iran (UAE, Azerbaijan, Germany, Japan and Italy) with \$ 1,697.4 million, acquired a share of 40.2 percent of total non-oil exports. The first two trade partners namely UAE and Azerbaijan had an increasing trend of imports from Iran. However, Qatar with \$ 63.3 million imports from Iran, had the highest amount of imports from Iran in 1380, and Turkey with a reduction of 64.8 percent in the value of imports from Iran, showed the highest decrease in the value of imports from Iran.

VALUE OF EXPORTS
(excluding oil, gas and electricity) (million dollars)

	1379	1380	Percentage change		Share (percent)	
			1379	1380	1379	1380
Agricultural & traditional goods	1,466	1,603	-0.8	9.4	39.0	38.0
Metallic mineral ores	38	77	3.9	105.0	1.0	1.8
Industrial goods	2,259	2,543	22.3	12.6	60.0	60.2
Total	3,763	4,224	11.9	12.3	100.0	100.0

The geographical distribution of exports according to continents indicates that the intensity of geographical concentration of exports is very high, in that 93.9 percent of Iran's exports went to Asia and Europe. The growth of exports to USA and Africa declined dramatically and in total these two continents only imported \$ 247 million from Iran.

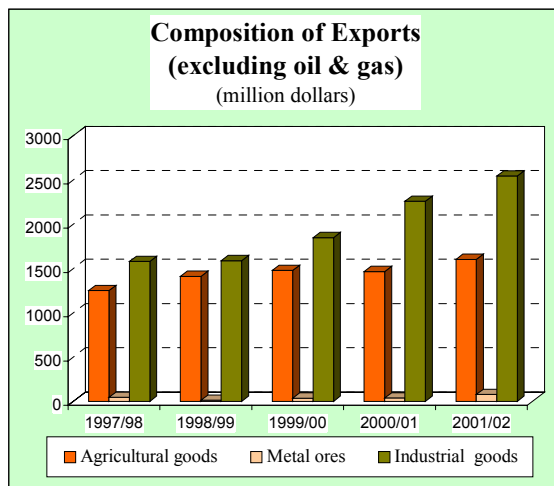
Bilateral Trade

Barter transactions in 1380 were carried out within the framework of clearing transactions, special account transactions and the Asian Clearing Union. In this year, receipts from special and clearing accounts amounted to \$166.0 million, \$119.2 million of which came from special account transactions, which showed a decline of 57.9 percent compared to the previous year. During this year, the total amount of barter transaction payments decreased by 76.7 percent to \$ 136.8 million.

In 1380, the volume of transactions through the Asian Clearing Union reached \$ 1,645.6 million, which included interest received and paid, registering a one percent increase compared to the previous year. Thus, in the framework of ACU transactions, Iran faced a trade surplus of \$ 1,207.1 million, which showed a one percent growth when compared to trade surplus of the previous year. This surplus was due to receipts of \$ 1,426.3 million from exports and \$ 219.3 million payment for imports. Iran stood first in terms of the amount of her trade surplus among the ACU member countries, while in terms of volume of total exports ranked second after India. In the review year, the member countries were permitted to carry out swap transactions up to a maximum of \$ 588.6 million, \$ 42.9 million of which belonged to Iran.

Transit Transactions

In 1380, a total of 3,044.6 thousand tons of goods transited into the country, showing 16.1 percent decrease compared with the previous year. Out of total transit goods, 2,672 thousand tons or 87.8 percent were transported by truck and rail, and the remaining 12.2 percent, consisting of 373 thousand tons of oil products, was transported through swap arrangements. The shares of oil and non-oil goods out of total transit goods entering the country (excluding the swap) were 12.3 and 87.7 percent, respectively. If the oil product swap arrangements were taken into account, the share of oil products transiting the country would increase to 23 percent. Transited goods entering the country excluding swap transactions were transported as follows: sea to land 38.6 percent, land to land 29.6 percent, and rail transport 20.9 percent.



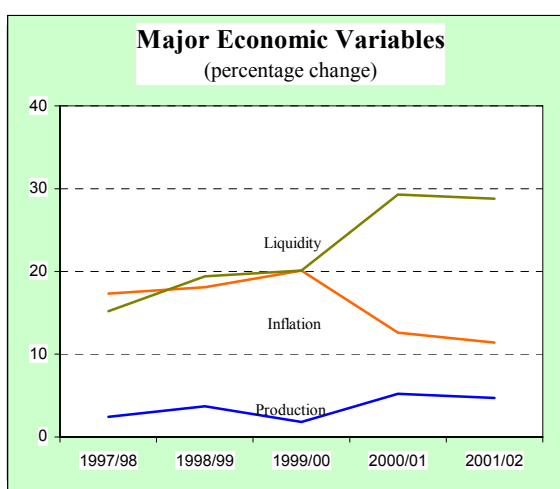
CHAPTER TEN

MONETARY AND BANKING POLICY AND PERFORMANCE

Following mild improvement in crude oil prices in international markets, the external sector of the economy and government's fiscal position enjoyed a relatively favorable situation in 1380. Exchange rate stability corrected the public inflationary expectations, which in tandem with rebounded economic growth, helped reduce inflation rate dramatically to an unprecedented level of 11.4 percent in the review year.

According to the 1380 Budget Law, the CBI was authorized to determine total rial credits and facilities of the banking system as well as the ratio of long-term credits and facilities to short-term, on the basis of current and term-investment deposits. This was done after deduction of banks' legal obligations to meet the targets set in the 3rd Plan. Moreover, according to the 3rd Plan Law, increase in the outstanding of banks' directed credits was authorized, upto a ceiling of RIs. 4,800 billion, observing obligations stipulated in the development plans, namely a 10 percent reduction in the increase in the balance of directed facilities over the approved budget figures for 1378. Public sector's share of this increase was determined at 30 percent, and that of cooperative and private sectors 70 percent.

During 1380, banks were authorized to extend 25 percent of the increase in the outstanding of non-public sector facilities, free from sectoral allocations, with the priority given to productive and exports sectors. The share of economic sectors out of total increase in the outstanding facilities of the non-public sector, on the basis of 75 percent of banks' uses are shown in the following table:



APPROVED SECTORAL ALLOCATION OF FACILITIES TO NON-PUBLIC SECTOR
(percent)

	1380	
	75%	100%
Economic sector	75.0	100.0
Agriculture	25.0	18.8
Manufacturing and mining	33.5	25.1
Construction and housing	29.0	21.8
Exports	8.0	6.0
Trade, services & miscellaneous	4.5	3.3
Other uses		25.0
Total	100.0	100.0

In 1380, the expected rate of return on facilities extended by banks to economic sectors was reduced by one percentage point, as compared to 1379.

MAJOR ITEMS IN THE ASSETS AND LIABILITIES OF THE BANKING SYSTEM ⁽¹⁾
(billion rials)

	Year-end balance			Percentage change	
	1378	1379	1380	1379	1380
Assets	396,355.4	500,097.3	633,186.6	26.2	26.6
Foreign assets	18,325.0	32,832.8	44,397.9	79.2	35.2
Central Bank	13,035.4	23,566.8	31,809.5	80.8	35.0
Banks	5,287.6	9,262.7	12,564.3	75.2	35.6
Non-bank credit institutions	2.0	3.3	24.1	65.0	▣
Claims on public sector	117,116.9	122,785.3	138,457.2	4.8	12.8
Claims on non-public sector	137,912.9	180,870.7	242,542.6	31.1	34.1
Others	123,000.6	163,608.5	207,789.0	33.0	27.0
Liabilities	396,355.4	500,097.3	633,186.6	26.2	26.6
Liquidity(M2)	192,689.2	249,110.7	320,957.3	29.3	28.8
Public sector deposits and funds	25,653.1	36,563.7	37,969.7	42.5	3.8
External debts	14,995.6	27,322.6	34,322.8	82.2	25.6
Central Bank	8,585.6	15,990.0	20,068.7	86.2	25.5
Banks (2)	6,408.0	11,329.6	14,247.0	76.8	25.8
Non-bank credit institutions	2.0	3.0	7.1	50.0	136.7
Others (3)	163,017.5	187,100.3	239,936.9	14.8	28.2

(1) Data are based on new headings of banks' general ledgers.

(2) Includes foreign exchange deposits of banks.

(3) Includes capital account of the banking system.

Banking System Performance⁽¹⁾

Banking system's assets and liabilities grew by 26.6 percent in 1380 to reach Rls. 633,186.6 billion. The major reason behind increase in the foreign assets of banking system was the remarkable growth of CBI foreign assets, owing to the inclusion of OSF account. Increase in the CBI foreign assets was due to purchase of part of government foreign exchange.

Increase in the non-public sector deposits and in the external debts were accounted for the rise in banking system liabilities. In 1380, banking system's external debts grew by 25.6 percent, indicating a lower rate of growth compared with the previous year (82.2 percent). Thus, during the review year, banking system's net foreign assets, with Rls. 4,564.9 billion increase, reached Rls. 10,075.1 billion.

**EXPECTED RATE OF RETURN ON
BANKING FACILITIES**
(percent per annum)

	1380
Agriculture	14-15
Manufacturing and mining	16-18
Housing and construction	
Housing savings fund of Bank Maskan (housing consumption pattern)	15
Housing savings fund of Bank Maskan (out of housing consumption pattern)	16
Other	17-19
Trade and services	23 (min.)
Exports	18

Banking System and the External Sector

Foreign exchange reserves of the CBI (including the OSF) went up in 1380. Accordingly, banking system's net foreign assets grew by 82.8 percent (Rls. 4,564.9 billion). This was due to rise of Rls. 4,164.1 billion in the CBI's net foreign assets and Rls. 400.8 billion rise in the net foreign assets of banks and non-bank credit institutions.

(1) Includes non-bank credit institutions.

Banking System and the Public Sector

The net claims of banking system on public corporations and institutions increased by Rls. 15,634.0 billion in 1380. Government's deposits with the CBI, grew by 22 percent in this period and reached Rls. 30,067.2 billion as a result of an increase in government's demand deposits. Government indebtedness to the banking system, also grew by Rls. 3,777.3 billion and amounted to Rls. 64,636.3 billion. Of this amount, Rls. 31,318.1 billion (48.5 percent) is related to deficit in the foreign exchange obligations account. It is to be noted that, according to the 3rd Plan, government issued Rls. 5,000 billion special participation papers to strengthen banks' capital base. Thus, the CBI, according to the related by-law, purchased these papers from the government, and the accrued funds was paid to banks as government's share in banks' capital.

Change in the net claims of commercial and specialized banks on public sector was Rls. 6,744.7 billion in 1380. Banks claims on the government on account of directed credits subsidy, with 21.9 percent rise reached Rls. 7,553.5 billion. Banking system claims on corporations grew by 17.1 percent, the major portion of which is related to banks' directed credits. By and large, the net claims of banking system on public sector increased by Rls. 14,265.9 billion.

In 1380, according to budget law, increase in the ceiling of banks' outstanding directed credits, observing other obligations stipulated in development plans was authorized upto Rls. 4,800 billion.

Banking System and the Non-Public Sector

Review of banks credit performance indicates that the outstanding facilities extended by banks and non-bank credit institutions, excluding profit and revenue receivables, grew by 34.5 percent in 1380 and amounted to Rls. 203,792.2 billion. This was due to banks' more access to free resources, owing to the reduction in the reserve requirement ratios, on the one hand, and high credit demand on the other. According to the executive by-law of the mentioned Note, the approved change in the outstanding of banks' directed credits to the non-public sector was determined at Rls. 2,329.8 billion, while in practice amounted to Rls. 1,100.8 billion.

CHANGES IN NET CLAIMS OF THE BANKING SYSTEM ON THE PUBLIC SECTOR

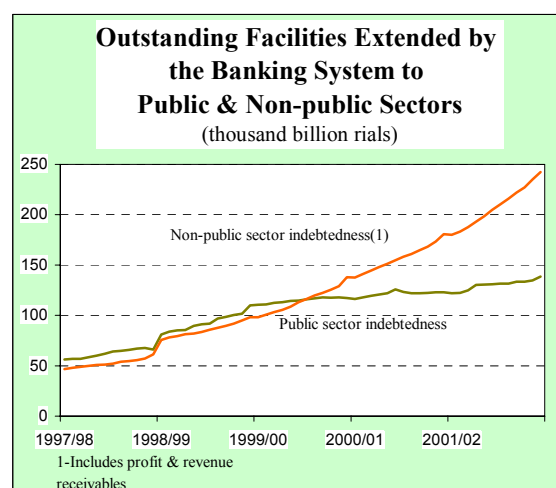
	(billion rials)	
	1379	1380
Public sector	-5,242.2	14,265.9
Central Bank (1)	-12,669.1	6,914.4
Commercial & specialized banks	7,297.4	6,744.7
Non-bank credit institutions	129.5	606.8
Government	-9,153.7	-1,368.1
Central Bank (2)	-9,207.3	-1,645.9
Commercial & specialized banks	-75.9	-329.0
Non-bank credit institutions (3)	129.5	606.8
Public corporations & agencies	3,911.5	15,634.0
Central Bank	-3,461.8	8,560.3
Commercial & specialized banks (4)	7,373.3	7,073.7
Non-bank credit institutions	0	0

(1) Excludes advance payment of public sector LCs.

(2) Includes deficit in foreign exchange obligations account.

(3) Includes government participation papers only.

(4) Includes indebtedness for exchange rate differential.



BANKS AND NON-BANK CREDIT INSTITUTIONS FACILITIES

EXTENDED TO THE NON-PUBLIC SECTOR (1)

(billion rials)

	Outstanding at the end of year			Percentage change		Share (percent)	
	1378	1379	1380	1379	1380	1379	1380
	Commercial banks	84,129.9	109,352.1	148,538.5	30.0	35.8	72.2	72.9
Specialized banks	31,525.0	41,800.2	54,294.8	32.6	29.9	27.6	26.6
Non-bank credit institutions	186.0	392.6	958.9	111.1	144.2	0.2	0.5
Total	115,840.9	151,544.9	203,792.2	30.8	34.5	100.0	100.0

(1) Excludes profit and revenue receivables.

In 1380, the MCC authorized banks to extend 25 percent of the increase in the outstanding facilities, free from sectoral allocations, with the priority given to productive and export sectors.

Banks' matured and overdue claims increased significantly by 49.5 percent, as compared with the previous year. Of this increase, 52.2 percent was related to matured claims and 47.8 percent to overdue claims. The share of matured and overdue claims on non-public sector out of total claims was 6.3 percent, increasing as compared with 1379.

**SECTORAL ALLOCATION OF BANKING FACILITIES
TO THE NON-PUBLIC SECTOR (1)**

(percent)

	1379					1380				
	Approved		Performance			Approved		Performance		
	80%	100%	Banks	Credit institutions	Total	75%	100%	Banks	Credit institutions	Total
Agriculture	25.0	20.0	18.3	0.1	18.2	25.0	18.8	19.0	0.6	18.7
Manufacturing & mining	33.5	26.8	28.9	26.7	28.9	33.5	25.1	38.9	52.9	39.1
Construction & housing	29.0	23.2	28.2	53.0	28.3	29.0	21.8	26.3	30.7	26.4
Exports	8.0	6.4	7.9	0	7.9	8.0	6.0	1.8	0	1.7
Domestic trade, services & miscellaneous (2)	4.5	3.6	16.7	20.2	16.7	4.5	3.4	14.0	15.8	14.0
Free uses	-	20.0	-	-	-	-	25.0	-	-	-
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(1) Excludes profit and revenue receivables.

(2) Excludes increase in outstanding of Gharz-al-hasaneh deposits extended to the non-public sector.

NON-PERFORMING CLAIMS

(percent)

	Percentage change			Share in total claims of banks on non-public sector		
	1378	1379	1380	1378	1379	1380
	Commercial banks	21.0	24.4	42.8	5.1	4.9	5.1
Specialized banks	-2.8	51.8	59.4	6.4	7.3	9.1
All banks	11.2	34.3	49.5	5.5	5.6	6.3

Composition of outstanding facilities extended by banks to the non-public sector according to Islamic contracts shows that a major portion of these facilities (62.5 percent) was extended through installment sale. All facilities extended for housing are categorized under this group.

COMPOSITION OF OUTSTANDING FACILITIES EXTENDED BY BANKS AND NON-BANK CREDIT INSTITUTIONS TO NON-PUBLIC SECTOR (1) (percent)

	Commercial banks		Specialized banks		Non-bank credit institutions		Banks and credit institutions	
	1379	1380	1379	1380	1379	1380	1379	1380
Installment sale	55.1	57.8	73.6	73.3	33.8	43.6	60.9	62.5
Mozarebeh	7.8	6.8	2.6	2.5	6.9	8.1	6.2	5.5
Civil partnership	10.8	9.3	8.0	7.1	5.0	3.8	9.9	8.6
Gharz-al-hasaneh	5.7	5.8	1.2	1.6	0.4	0.2	4.2	4.5
Hire purchase	0.6	0.7	0.7	0.6	0	2.4	0.6	0.7
Forward transactions	8.4	8.9	4.1	4.2	3.7	7.1	7.0	7.5
Legal partnership	2.7	1.9	1.2	1.0	3.1	2.0	2.2	1.6
Direct investment	1.5	1.2	0.5	0.4	0	0	1.2	0.9
Joalah	2.1	2.1	0.1	0	42.8	30.5	1.6	1.6
Others (2)	5.3	5.5	8.0	9.3	4.3	2.3	6.2	6.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(1) Includes profit and revenue receivables.

(2) Includes debt purchase and overdue and matured claims and properties under transaction.

Liquidity

Liquidity (M2) grew by 28.8 percent in 1380 (against 29.3 percent in 1379) to reach Rls. 320,957.3 billion, which was due to increase in monetary base and money multiplier. Among major factors affecting liquidity growth during the last two years was increase in monetary base due to the rise in other items (net). Money multiplier also faced a higher growth of 11.9 percent, compared with the previous year to reach 3.303.

LIQUIDITY ACCORDING TO ITS DETERMINANTS (1)

	Outstanding at the end of the year			Percentage change	
	1378	1379	1380	1379	1380
Monetary base (billion rials)	71,822.6	84,398.1	97,184.8	17.5	15.2
Money multiplier	2.683	2.952	3.303	10.0	11.9
Liquidity (billion rials)	192,689.2	249,110.7	320,957.3	29.3	28.8

(1) Based upon the new headings of banks' general ledgers and includes figures of non-bank credit institutions.

Review of factors affecting changes in liquidity based on domestic and external factors indicates that changes were mainly due to performance of domestic sector, in that 72.7 percent of changes in liquidity was due to change in net claims of banking system on non-public sector.

FACTORS AFFECTING LIQUIDITY ACCORDING TO DOMESTIC AND EXTERNAL SECTORS (billion rials)

	1378	1379	1380
Changes in liquidity	32,287.7	56,421.5	71,846.7
Effects of the domestic sector	34,905.9	30,884.7	66,555.7
Changes in claims of the banking system on non-public sector (1)	31,767.7	35,704.0	52,247.3
Changes in net claims of the banking system on public sector (2)	3,138.2	-4,819.3	14,308.4
Effects of the external sector	13,310.6	3,115.4	7,030.0
Net foreign exchange receipts of non-public sector	-6,177.6	-16,580.7	-6,509.0
Net foreign exchange receipts of public sector	19,488.2	19,696.1	13,539.0
Others (net)	-15,928.8	22,421.4	-1,739.0

(1) Excludes profit and revenue receivables.

(2) Includes prepayments on public sector LCs.

Banks' claims on non-public sector accounted for liquidity growth in 1380 as the most important factor which caused 21 percentage point of the growth by itself. Banking system's net claim on public corporations' and institutions' share of 6.3 percentage point in the liquidity growth, was among other significant factors.

Monetary Base

Monetary base grew by 15.2 percent to reach Rls. 97,184.8 billion in the review year, owing mostly to rise in CBI net claims on public sector and in other items (net). Since part of oil export revenues was not sold at CD rate on TSE, CBI purchased foreign exchange at CD rate, which in turn raised the monetary base. Therefore, the foreign exchange purchased at Rls. 1,750: 1US\$ has been included in the CBI foreign resources and its differential to CD rate was included in the CBI other assets.

CBI claims on banks had a negative effect of 13.6 percent on the monetary base. This was due to the banks' resources freed as a result of reduction in reserve requirement ratio, and repayment of part of CBI claims on banks, from the said sources.

	MONETARY BASE AND ITS COMPONENTS (billion rials)				
	Year-end outstanding			Percentage change	
	1378	1379	1380	1379	1380
Monetary base	71,822.6	84,398.1	97,184.8	17.5	15.2
CBI net foreign assets	4,449.8	7,576.8	11,740.8	70.3	55.0
CBI net claims on public sector	53,980.1	41,311.0	48,225.4	-23.5	16.7
CBI net claims on banks	20,811.0	23,553.4	12,076.7	13.2	-48.7
Other items (net)	-7,418.3	11,956.9	25,141.9	261.2	110.3

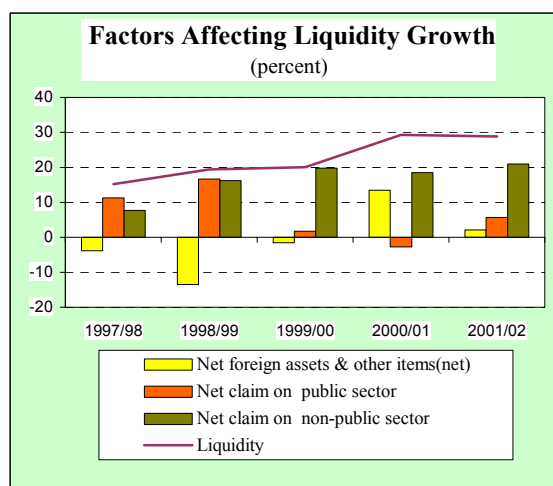
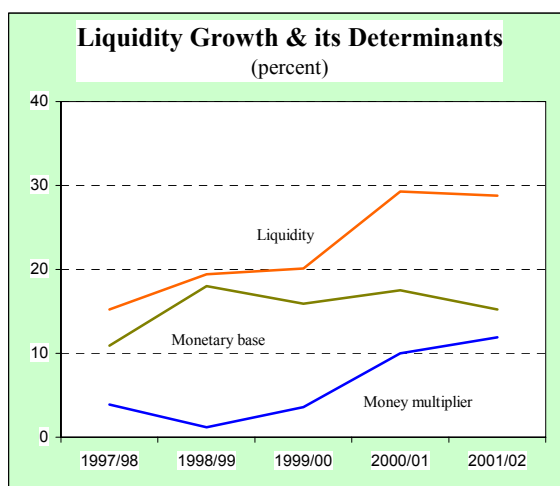
In 1380, all factors affecting monetary base growth, except for CBI claims on banks, had an increasing effect. It is noteworthy that, the trend of CBI claims on banks' and public sector's impact in raising monetary base reversed, and share of OIN was also reduced in the review period.

	CONTRIBUTION OF FACTORS AFFECTING MONETARY BASE GROWTH (percent)		
	1378	1379	1380
Monetary base	15.9	17.5	15.2
CBI net foreign assets	3.2	4.4	4.9
CBI net claims on public sector	-0.1	-17.6	8.2
CBI net claims on banks	12.0	3.8	-13.6
Other items (net)	0.8	26.9	15.7

Money Multiplier

The money multiplier grew by 11.9 percent in 1380 and reached 3.303, showing a noticeable rise, compared with the previous year.

	FACTORS AFFECTING MONEY MULTIPLIER			
	1378	1379	1380	Contribution to growth in 1380
Money multiplier	2.683	2.952	3.303	0.3509
Currency in circulation/sight deposits	0.342	0.282	0.257	0.0605
Reserve requirement/total deposits	0.266	0.231	0.174	0.5034
Excess reserves/total deposits	0.025	0.033	0.059	-0.2263
Non-sight deposits/sight deposits	1.639	1.509	1.565	0.0133



A review of the factors affecting changes of money multiplier indicates that reduction in the reserve requirement ratio has been the major factor for increase in money multiplier. Moreover, reduction in the notes and coins with the public ratio to sight deposits also raised the money multiplier.

Composition of Liquidity

The volume of money growth slowed down compared with the previous year, while the growth pace of quasi-money went up in 1380. Thus, the share of money in liquidity reached 44.5 percent, while that of quasi-money reached 55.5 percent, due to increase in the share of term-investment deposits.

	COMPOSITION OF LIQUIDITY						(billion rials)	
	Outstanding at the end of the year			% change		Share (%)		
	1378	1379	1380	1379	1380	1379	1380	
Money	86,751.0	114,420.5	142,956.7	31.9	24.9	45.9	44.5	
Notes & coins with the public	22,119.3	25,158.3	29,188.7	13.7	16.0	10.1	9.1	
Sight deposits	64,631.7	89,262.2	113,768.0	38.1	27.5	35.8	35.4	
Quasi-Money	105,938.2	134,690.2	178,000.6	27.1	32.2	54.1	55.5	
Gharz-al-hasaneh savings deposits	16,296.0	22,014.4	29,847.5	35.1	35.6	8.8	9.3	
Term investment deposits	79,532.0	103,363.6	141,066.5	30.0	36.5	41.5	44.0	
Other deposits	10,110.2	9,312.2	7,086.6	-7.9	-23.9	3.8	2.2	
Liquidity	192,689.2	249,110.7	320,957.3	29.3	28.8	100.0	100.0	

Non-public sector's deposits with banks and non-bank credit institutions, with 30.3 percent rise, reached Rls. 291,768.5 billion in the review year. Of this amount, Rls. 178,000.6 billion was in the form of non-sight deposits.

Money

The volume of money grew by 24.9 percent in 1380 and reached Rls. 142,956.7 billion. The growth of this variable was 31.9 percent in the previous year. The share of notes and coins held with the public declined from 22 percent in 1379 to 20.4 percent in 1380, owing mostly to the use of traveler and banking checks as preferred alternatives in transactions. The volume of notes and coins issued, with 15.4 percent growth, reached Rls. 31,790.1 billion, 91.8 percent of which was held with the public, 7.4 percent with banks and 0.8 percent with the CBI.

COMPOSITION OF MONEY			(percent)
	1378	1379	1380
Notes and coins with the public	25.5	22.0	20.4
Sight deposits	74.5	78.0	79.6
Total	100.0	100.0	100.0

Quasi-Money

Quasi-money grew by 32.2 percent to reach Rls. 178,000.6 billion, showing a higher growth rate, compared with the previous year. The shares of gharz-al-hasaneh savings and term investment deposits in the quasi-money went up, while share of miscellaneous deposits fell in 1380. Other deposits faced 23.9 percent reduction, which was greater than that in the previous year. This was mostly due to reduction in the ratio of LC prepayments.

COMPOSITION OF QUASI-MONEY			(percent)
	1378	1379	1380
Gharz-al-hasaneh savings deposits	15.4	16.3	16.8
Term-investment deposits	75.1	76.8	79.2
Short-term	36.9	36.9	37.0
Short-term (special)	0.5	0.6	0.6
Long-term	37.7	39.3	41.6
Miscellaneous deposits (1)	9.5	6.9	4.0
Total	100.0	100.0	100.0

(1) Includes LC prepayments, letters of guarantee deposits, prepayment of transactions, bank employees' retirement fund and savings fund.

The profit rates on short-term investment, one-year and five-year deposits were reduced by one percentage point in 1380. Moreover, banks were authorized to determine the rate of return on 2-year, 3-year, and 4-year investment deposits in the range of 13-17 percent.

	PROFIT RATE OF TERM-INVESTMENT DEPOSITS(1)		
	(% per annum)		
	1378	1379	1380
Short-term	8	8	7
Short-term (special)	10	10	9
Long-term			
One-year	14	14	13
Two-year	15	15	13-17
Three-year	16	16	13-17
Four-year	17	17	13-17
Five-year	18.5	18.5	17

(1) According to MCC approval, profit rate of short-term, short-term (special) and one-year deposits with Bank Maskan (Housing Bank) are higher by one percent.

	COMPOSITION OF LONG-TERM INVESTMENT DEPOSITS(1)		
	(percent)		
	1378	1379	1380
One-year	14.9	15.0	13.3
Two-year	3.2	2.8	3.7
Three-year	3.0	2.9	3.6
Four-year	...	0.2	0.4
Five-year	78.9	79.1	79.0
Total	100.0	100.0	100.0

(1) Includes non-bank credit institutions.

The composition of long-term investment deposits indicates that five-year deposits' share in comparison to other term-investment deposits was still increasing, due mainly to the higher profit rate offered.

Sources and Uses of Commercial Banks Funds

In 1380, non-public sector deposits with commercial banks rose by Rls. 57,526.6 billion (29.1 percent). Of this increase, 39.8 percent was in sight deposits and 60.2 percent in non-sight deposits.

In this year, banks' blocked resources as reserve requirement, and 60 percent of LC prepayments with the CBI declined by Rls. 1,665.0 billion, owing to reduction in the reserve requirement ratio and LC prepayments.

Commercial banks' capital account and public sector deposits and funds with these banks increased by Rls. 5,670.2 billion and Rls. 1,056.0 billion, respectively. Thus, total commercial banks' free resources went up by Rls. 65,917.8 billion. Out of these resources, commercial banks' claims on non-public sector increased by Rls. 39,186.4 billion, and commercial banks' claims on public sector rose by Rls. 6,719.2 billion. Therefore, commercial banks' deficit fell by Rls. 20,012.2 billion, compared with the previous year. This amount was mostly allocated to depositing with the CBI and also repayment of CBI claims on these banks.

Sources and Uses of Specialized Banks Funds

In 1380, non-public sector deposits with specialized banks rose by Rls. 9,114.9 billion, 17.5 percent of which was due to increase in sight deposits and 82.5 percent to increase in non-sight deposits. Thus, the share of reserve requirement out of these deposits increased by Rls. 810.3 billion.

Free resources out of non-public sector deposits with specialized banks increased by Rls. 8,301.1 billion, taking the change in other sources such as capital account by Rls. 3,319.1 billion into account, specialized banks total free resources amounted to Rls. 13,600.9 billion. Of this figure, specialized banks' claims on non-public sector increased by Rls. 12,494.6 billion, and their claims on public sector went up by Rls. 1,106.3 billion. The share of non-public sector deposits in financing the required sources for extending facilities, increased from 45 percent in 1379 to 46.8 percent in 1380. Furthermore, the 89.2 percent growth in specialized banks' capital account contributed effectively to the improvement of the sources and uses of banks and reduced their dependence on commercial banks and CBI.

Banking Developments

In 1380, the CBI adopted measures to enhance the banks and supervise their performance more effectively. Amongst these was the increase in banks' capital. Out of the total projected capital increase of Rls. 5,000 billion, Rls. 4,000 billion was allocated to commercial banks and the remainder to specialized banks.

With the establishment of private banks in 1380 and increased role of non-bank credit institutions working successfully along with public banks, CBI supervisory mechanisms changed dramatically. Among the important measures taken in 1380, along with the unification of exchange rate and establishment of foreign exchange inter-bank market, was the design of contingency regulations for foreign exchange risk management in banks.

The individual ceiling for extending banking facilities to legal and real persons changed in 1380 in a way that the individual exposure ceiling to a real person, without reference to the CBI was determined at Rls. 900 million. Moreover, the total facilities that could be extended to a legal person was determined at Rls. 9 billion and for companies accepted on the TSE Rls. 13.5 billion.

To pursue the implementation of structural reforms, particularly in monetary and financial areas, and to achieve a sustainable economic growth, the CBI issued the establishment permit for three private banks namely, Eghtessade-Novin, Parsian, and Karafarin. Their capital was Rls. 250, 310, and 200 billion, respectively. In this year, certain regulations pertaining private banks were designed and announced, the most important of which are:

1- The ceiling of facilities extended by private banks to each legal person equals 10 percent of capital base and to each real person was determined at one percent.

2- The reserve requirement ratio on sight deposits and Gharz-al-hasaneh savings deposits with private banks was set at 20 percent, for short-term and one-year investment deposits 15 percent, for 2-year and over long-term 10 percent, and for other deposits 25 percent.

3- Setting deposits' provisional rate of return and expected rate of return on facilities are vested with private banks. However, it was suggested that they set the rates at the maximum of 2-3 percent above the profit rates approved by the MCC for public banks.

Number of Banking Units

The total number of bank units, including branches, counters and representative offices grew by 5.1 percent to 16,533 units in 1380. Bank Saderat Iran and Bank Melli Iran with 19.9 percent of these units each, accounted for the most domestic banking units.

In the review year, number of banks' employees grew by 4.6 percent to reach 162,967 persons. Number of commercial and specialized banks' employees grew by 4.6 and 4.0 percent, respectively.

BANKING UNITS			
	1378	1379	1380
Domestic branches	14,849	15,676	16,476
Commercial banks	12,480	13,204	13,896
Specialized banks	2,369	2,472	2,580
Foreign branches	56	56	57
Melli Iran	21	20	20
Saderat Iran	22	23	23
Tejarat	3	3	3
Mellat	5	5	6
Sepah	5	5	5
Total	14,905	15,732	16,533

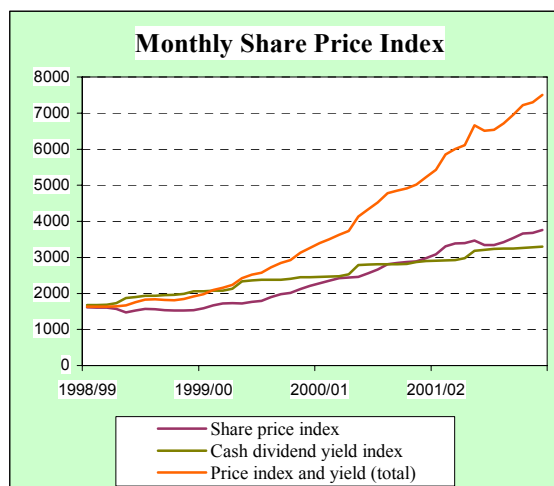
The average number of employees at each banking outlet was 9.9 persons. In this period, the ratio of population to each banking unit was 3,939 persons, showing 3.4 percent reduction compared with the previous year.

Generally, the average educational level of bank employees is rising in that the number of employees holding undergraduate and graduate degrees is on the rise while those with less than high school diplomas is decreasing. The majority of employees remain those with high school diplomas.

CHAPTER ELEVEN

CAPITAL MARKET

The Tehran Stock Exchange (TSE) faced a relatively sluggish market in 1380, as compared with the previous year. The pace of growth of most TSE indices, enjoying a noticeable increase in 1379, either reduced or slipped in the review year. Large issuance and sales of participation papers and further familiarity of investors with the said instrument, having more liquid nature, with guaranteed rate of return and relatively lower risk as compared to alternative instruments can be considered as reasons for reduction in the value, number and times of share trading. Moreover, the consequences of September 11 events on reducing the TSE trading in the second half of 1380, on the one hand and the time lag for the establishment of specialized holding companies on the other, are among factors which acted as impediments to rise of TSE activities.



The rial value of trading ratio to average liquidity (M2) and GDP declined from 4.3 and 1.6 percent to 2.8 and 1.2 percent in 1380, respectively. These reductions were due to decrease in the value of tradings, on the one hand and increase in liquidity and GDP on the other.

With the commencement of the 3rd FYDP the TSE Organization, aiming at revitalizing the capital market and establishing the fundamentals of an integrated, efficient and dynamic market, attempted to take measures to achieve the following objectives. Although, some were not realized in this year, the ground has been paved for their realization in the coming years.

- Establishment of regional stock markets
- Implementation of new regulation for listing companies on the TSE
- Opening a new floor for foreign exchange trading
- Operation of basic metals market
- Operation of TSE information network
- Revision and finalizing the criteria for acceptance of participation papers on the TSE, and tailoring mechanism for participation papers and CD trading
- Designing regulation for execution of electronic trading in TSE
- Designing regulation for absorption of foreign investments in TSE

TSE SHARE TRADINGS

	Number of shares traded (million share)			Value of tradings (billion rials)			Number of active days of TSE in the year	Average number of shares traded per day (million shares)	Average value of shares traded per day (billion rials)
	Shares	Priority	Total	Shares	Priority	Total			
1376	485.3	70.9	556.2	1,894.0	123.6	2,017.6	242	2.30	8.34
1377	1,133.6	69.1	1,202.7	2,992.0	124.7	3,116.7	244	4.93	12.77
1378	1,056.2	125.7	1,181.9	5,137.1	106.5	5,243.6	243	4.86	21.58
1379	1,606.7	74.8	1,681.5	9,118.8	57.9	9,176.7	241	6.98	38.08
1380	1,621.6	84.0	1,705.6	7,702.5	128.4	7,830.9	243	7.02	32.23

Source: TSE, monthly reports of various years

Share Tradings

The number and value of shares and priority shares traded in the TSE faced 1.4 rise and 14.7 percent fall in 1380 respectively as compared with the previous year. A total of 1,705.6 million shares (including priority shares) valued at Rls. 7,830.9 billion were traded in this period. Reduction in the value of shares and priority shares traded against positive growth in the number of shares and priority share trading indicate that the average share price slumped in this period.

The TSE was open for business for 243 days in 1380. The average daily number of shares traded reached 7.02 million shares and the average value of daily shares and priority shares transactions reached Rls. 32.23 billion, showing 0.6 percent rise and 15.4 percent fall, respectively compared with the previous year.

	SHARE TRADING ON TSE (1)				(share percent)	
	Number		Value			
	1 st half	2 nd half	1 st half	2 nd half		
1376	57.8	42.2	53.5	46.5		
1377	26.1	73.9	26.5	73.5		
1378	28.9	71.1	20.6	79.4		
1379	45.2	54.8	39.2	60.8		
1380	47.9	52.1	47.8	52.2		

Source: Tehran Stock Exchange

(1) Includes priority shares.

Review of the data on share trading on the TSE by industry indicates that “financial intermediaries”, with 45.3 and 27.1 percent share in number and value enjoyed the highest share. In 1380, shares and priority shares were traded 616,283 times. The number of trading fell by 12.8 percent compared with the previous year.

	NUMBER OF TRADINGS AND BUYERS			
	1378	1379	1380	Percentage change in 1380
Number of trading	431,142	707,065	616,283	-12.8
Number of buyers	234,761	342,764	315,918	-7.8
Average number of buying per person (share)	5,034.3	4,906.0	5,399.0	10.0
Average value of buying per person (million rials)	22.3	26.8	24.8	-7.5

At the end of the review year, the current value of stock market reached Rls. 81,681.8 billion, registering 30.7 percent growth compared with the previous year. Moreover, at the end of 1380, the total share price index grew by 26.2 percent compared with the previous year to reach 3,758.77 units from 2,978.29 in the year before. The turnover ratio⁽¹⁾ fell from 17.1 percent in 1379 to 10.6 percent in 1380 (38 percent reduction). Review of this ratio during the past five years indicates that it kept an increasing trend during 1376-79, however, it declined in 1380 due to significant fall in the current value of trading and stood at a lower level than in 1377.

The ratio of shares traded to total shares issued fell from 10.7 percent in 1379 to 9.1 percent in 1380. The comparison between this ratio and the turnover ratio indicates that the ratio of the number of traded shares to total issued shares was less than the turnover ratio during the recent years. This in turn is indicative of higher average share price to average market price.

**CURRENT VALUE OF SHARES, TURNOVER RATIO,
AND THE RATIO OF SHARES TRADED TO TOTAL SHARE ISSUED** (billion rials)

	Current value of shares at the end of the year	Value of transactions	Current value of stock market (average)	Turnover ratio (percent)	Ratio of shares traded to total shares issued
1376	27,128.8 (-12.9)	2,017.6 (-54.0)	27,944.6 (-5.9)	7.2	7.6
1377	26,584.6 (-2.0)	3,116.7 (54.5)	26,000.8 (-7.0)	12.0	13.7
1378	43,743.5 (64.5)	5,243.6 (68.2)	34,715.8 (33.5)	15.1	9.6
1379	62,486.6 (42.8)	9,176.7 (75.0)	53,769.2 (54.9)	17.1	10.7
1380	81,681.8 (30.7)	7,830.9 (-14.7)	74,127.3 (37.9)	10.6	9.1

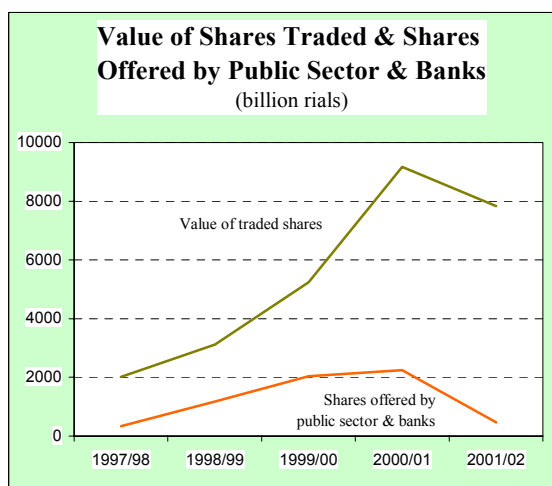
Source: Tehran Stock Exchange, monthly reports of various years

Figures in parentheses indicate percentage change over the previous year.

Stock Market Indices

Study of the stock market indices in the TSE indicates that the total price and cash dividend index, with 43.7 percent rise, reached 7,501.99 in 1380. The cash dividend and price indices grew by 13.8 and 26.2 percent, respectively, to reach 3,299.32 and 3,758.77. In this year, investors enjoyed not only a favorable dividend, but gained a good investment return which compensates for the reduction in purchasing power, although the growth rate of dividend and investment return declined compared with the previous year.

Amongst the components of share price index, the financial index enjoyed a relatively high growth of 33.9 percent. The industrial index fell from 34.7 percent in 1379 to 24.1 percent in the review year. Increase in the growth rate of financial price index as compared with industrial price index (33.9 percent against 24.1 percent) can be attributed to more demand on shares of investment companies owing to their diversified portfolios, which reduce investment risk.



(1) The turnover ratio is the ratio of trading value during the year to average current value of shares in the same year.

TSE INDICES

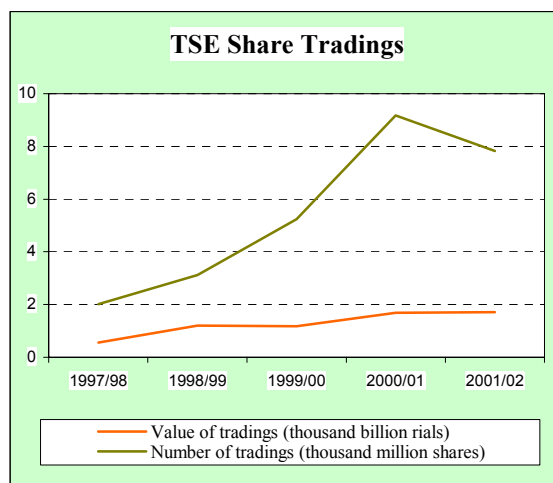
(1369=100)

	1377	1378	1379	1380	Percentage change	
					1379	1380
Price and cash dividend index	1,911.88	3,266.27	5,221.35	7,501.99	59.9	43.7
Cash dividend index	2,054.98	2,447.39	2,898.09	3,299.32	18.4	13.8
Share price index	1,537.96	2,206.19	2,978.29	3,758.77	35.0	26.2
Financial index	4,048.17	4,683.57	6,347.29	8,497.87	35.5	33.9
Industrial index	1,275.81	1,945.89	2,621.80	3,254.84	34.7	24.1

Source: Tehran Stock Exchange, monthly reports of various years

Shares Offered by Public Sector and Banks

The total shares offered by public corporations and institutions, foundations and banking system faced a dramatic decline in 1380. The time lag in the establishment process of specialized holding companies and non transferring of public corporations' share to private sector were among the major factors responsible for reduction in public sector and banks share offerings in 1380.



SHARES OFFERED BY THE PUBLIC SECTOR AND BANKS

	Number (million shares)		Value (billion rials)		Percentage change		Share (percent)	
	1379	1380	1379	1380	Number	Value	Number	Value
Public corporations and institutions	190.2	75.2	1,489.8	315.1	-60.5	-78.8	55.1	67.3
Foundations	22.3	9.2	37.2	11.3	-58.7	-69.6	6.7	2.4
Banking system	114.5	52.1	721.1	142.1	-54.5	-80.3	38.2	30.3
Central Bank	0	0	0	0	0	0	0	0
Commercial banks	21.2	14.3	120.9	30.3	-32.5	-74.9	10.5	6.5
Specialized banks	93.3	37.8	600.2	111.8	-59.5	-81.4	27.7	23.9
Total	327.0	136.5	2,248.0	468.5	-58.3	-79.2	100.0	100.0

Source: TSE, monthly reports for 1379 and 1380

Capital Increase and Number of Listed Companies

In the review year, out of the total companies listed on the TSE, 81 companies increased their capital by Rls. 2,978.5 billion. This capital increase was financed through following mechanisms: 39.9 percent (48 companies) from cash assets and claims, 40.3 percent (26 companies) from reserves and accumulated profit and the remaining 19.8 percent (7 companies) from cash assets, claims, reserves and accumulated profit.

In 1380, the total number of companies listed on the exchange board rose to 318. With the inclusion of 3 companies on suspension, the total number of listed companies reached 321.

FINANCIAL RESOURCES OF CAPITAL INCREASE OF

LISTED COMPANIES

(billion rials)

	Out of reserves and accumulated profit	Out of claims and cash assets	Out of reserves, accumulated profit and claims and cash assets	Total	Percentage change
1376	158.8	548.1	0	706.9	-72.7
1377	111.4	924.2	18.7	1,054.3	49.1
1378	784.1	1,463.0	15.5	2,262.6	114.6
1379▲	1,216.9	1,658.1	514.8	3,389.8	49.8
1380	1,199.6	1,189.8	589.1	2,978.5	-12.1

Source: Tehran Stock Exchange

NUMBER OF LISTED COMPANIES

	Year-end			Change in 1380
	1378	1379	1380	
Listed companies	295	307	318	11.0
Investment companies	18	19	19	0
Other companies	277	288	299	11.0
Companies on suspension	3	3	3	0
Conditionally listed companies	13	8	22	14.0
Total	311	318	343	25.0

Source: Tehran Stock Exchange, monthly reports of various years

Participation Papers

In the review year, Rls. 16,100 billion worth of participation papers were issued by the government, Central Bank and corporations, Rls. 15,543.3 billion of which was sold out. This figure represents that the amount of papers sold out in this year was three times more than that of the previous year. The provisional profit rate fell from 19 percent in 1379 to 17 percent in the review year. The high profit rate of papers as compared with bank deposit rates and enjoying a higher liquid nature and lower risk, together with further familiarity of investors with this new instrument resulted in the fact that investors purchased the great portion of the said papers, despite the 2 percentage point reduction in profit rate.

In accordance with the 1380 Budget Law, government issued Rls. 2,000 billion worth of participation papers with a validity of 5 years, which were almost totally sold out. Moreover, the Ministry of Energy issued Rls. 1,500 billion participation papers in Tir to complete electricity sector's projects and Rls. 500 billion participation papers at the end of Mehr to complete water projects, which were totally sold out. In the review year, the Ministry of Road and Transportation, Agriculture Jihad and Housing and Urban Development issued Rls. 1,100 billion participation papers, which were totally sold out.

In accordance with Article 91 of the 3rd FYDP Law and in line with the implementation of monetary policies, Central Bank issued Rls. 10,000 billion participation papers with a validity of one-year, Rls. 9,443.6 billion of which was sold. In 1380, Iran Khodro Company issued Rls. 1,000 billion participation papers with a validity of 4 years, which were totally sold out.

PARTICIPATION PAPERS UPTO THE END OF 1380

(billion rials)

	Number of projects	Times of issuance	Total approved amount	Issued amount	Sold amount	Provisional profit rate (percent per annum)	Participation papers at the end of 1380	
							Matured	Not matured
1373	1	4	250.0	250.0	250.0	20	250.0	0
1374	2	2	100.0	100.0	100.0	20	100.0	0
1375	2	5	593.1	593.1	593.1	20(1)	563.1	30.0
1376	3	3	2,460.3	2,335.0	2,259.0	20	2,259.0	0
1377	5	5	3,150.0	3,100.0	3,100.0	20	3,030.0	70.0
1378	5	8	2,530.0	2,530.0	2,457.0	19(2)	0	2,457.0
1379	3	5	10,300.0	10,300.0	5,216.0	19	2,916.0	2,300.0
1380	11	12	16,100.0	16,100.0	15,543.3	17	0	15,543.3
Total	32	44	35,483.4	35,308.1	29,518.4		9,118.1	20,400.3

(1) Excludes the first phase of Iran khodro participation papers with 24 percent profit rate.

(2) Excludes Acrylic participation papers with 20 percent profit rate.

Foreign Exchange Certificate of Deposit (CD)

During 1380, a total of Rls. 33,462.9 billion foreign exchange CDs were traded on the TSE, which included, Sterling pound, Swiss franc, UAE dirham and Japanese yen, in addition to dollar and euro. This shows 54.7 percent growth compared with the previous year, owing mostly to the further utilization of CD in imports.

The dollar CD trading made up 85.9 percent of total trading, valuing at \$ 3,627.3 million (Rls. 28,734.4 billion). Moreover, the euro CD trading made up 12 percent of total CD trading, so that €571.4 million valued at Rls. 4,002.1 billion was traded.

The average price of dollar equaled Rls. 7,921.7 and the average price of euro reached Rls. 7,004 in 1380. These rates were Rls. 8,069 and 7,205.4 respectively, in 1379.

CERTIFICATE OF DEPOSIT TRADINGS

	1379	1380	Percentage change
Dollar			
Amount traded (million dollars)	2,545.8	3,627.3	42.5
Rial value of trading (billion rials)	20,542.0	28,734.4	39.9
Average exchange rate (rial)	8,069.0	7,921.7	-1.8
Euro			
Amount traded (million euros)	151.9	571.4	276.2
Rial value of trading (billion rials)	1,094.5	4,002.1	265.7
Average exchange rate (rial)	7,205.4	7,004.0	-2.8
Other currencies			
Rial value of trading (billion rials)	0	726.4	0
Total (billion rials)	21,636.5	33,462.9	54.7

Source: Tehran Stock Exchange, Monthly Reports

CHAPTER TWELVE

PRICE TRENDS

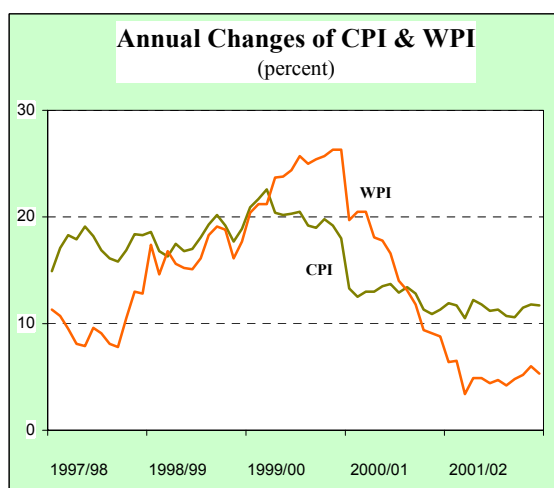
Inflation rate declined for the second consecutive year and limited to 11.4 percent in 1380. Increase in government foreign exchange revenues due to the improvement in international crude oil prices and improvement in BOP accordingly, government observance of fiscal discipline, exchange rate stability, administered pricing according to the 3rd Plan Law, and increase in the supply of consumer goods and services owing to production capacity utilization during the 2nd and 3rd Plans were among factors effective in curbing inflation rate during the past two years. Therefore, the stabilizing effect of these factors, despite the adverse effects of demographic profiles and liquidity growth during the recent two years, reduced inflation rate in 1380.

In the review year, major portion of the rise in the consumer price index was due to the group under the heading of “housing, fuel and lighting”. In this group, price of “housing” which includes rental housing units’ index, privately owned houses’ rental value and construction services had the highest share in the rise of “housing, fuel and lighting” group and consumer price index by 94.4 and 44.6 percent, respectively.

The downward trend of changes in consumer price index (inflation rate) appeared since the first four months of 1378 and continued with slight fluctuations during the next eight months and during the years 1379 and 1380. In the review year, the inflation rate peaked at 11.9 percent in Farvardin, while reached its lowest level in the nine months, ten months and eleven months of this year at 11.3 percent. In 1380, inflation rate with 1.2 percentage point reduction over 1379 reached 11.4 percent.

The growth rate of wholesale price index and producer price index markedly declined for the second consecutive year, and stood at 5.1 and 10.9 percent in 1380, respectively. The growth rate of these indices in 1379, with 9.5 and 6.6 percentage point decrease compared with 1378, had been limited to 14.7 and 16.3 percent, respectively.

The ration system for the distribution of certain essential goods continued in this year⁽¹⁾ and subsidy paid on goods and services amounted to Rs. 10,468 billion, showing 24.8 percent rise compared with the previous



(1) According to the 3rd Plan Law, paragraph A, Article 46, the policy of subsidy payment for basic goods such as wheat, rice, vegetable oil, sugar and cube sugar, cheese, pharmaceuticals, and powder milk will continue as in the 2nd Plan.

year. The ratio of subsidy to GDP rose from 1.5 percent in 1379 to 1.6 percent in 1380. Out of total subsidy, Rls. 6,818.7 billion (65.1 percent) was paid for wheat purchase, Rls. 428.4 billion (4.1 percent) for fertilizers, and Rls. 439 billion (4.2 percent) for essential goods.

AVERAGE ANNUAL CHANGES IN PRICE INDICES							(percent)
	Base year	1376	1377	1378	1379	1380	
Consumer price index in urban areas	1376	17.3	18.1	20.1	12.6	11.4	
Wholesale price index	1376	9.9	16.7	24.2	14.7	5.1	
Producer price index	1376	15.6	18.7	22.9	16.3	10.9	
Exported goods price index	1376	..	22.2	59.8	17.7	1.3	
GDP deflator (base price)(1)	1369	12.6	9.5	29.7	26.1	11.5	
Non-oil GDP deflator (base price)	1369	15.6	16.4	20.4	21.8	13.9	

(1) Figure for 1380 is preliminary.

Consumer Price Index

1. Urban Areas

The consumer price index (CPI) grew by 11.4 percent in 1380 on average showing 1.2 percentage point decrease compared to the previous year. A review of the constituents of this index by special groups indicates that the price index of “goods” declined, while those of “services”, and “housing, fuel and lighting” increased.

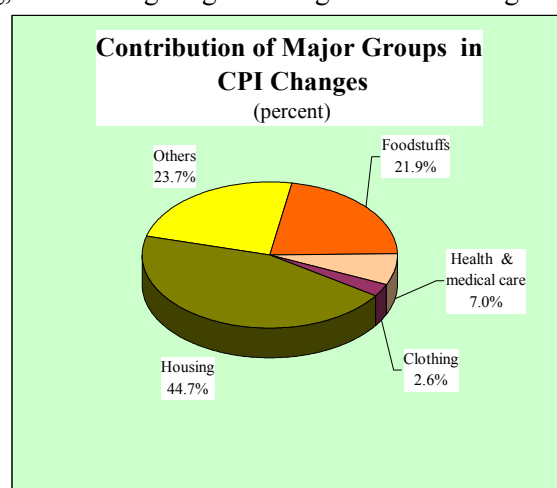
In 1380, the main group under “housing, fuel and lighting” heading showed the highest share in the rise of the general index. This group, with 27.04 percent relative weight and 18.8 percent growth rate, compared with the previous year, resulted in a 5.4 percentage point (47.4 percent) rise in the general index. Increase in the “housing” price index was the major reason for the rise in “housing, fuel and lighting” group.

The two main groups of “housing, fuel and lighting”, and “food, beverages and tobacco”, with total relative weight of 59.49 percent in the general index accounted for 69.1 percent of inflation rate. Thus, 7.9 percentage point of inflation rate (11.4 percent) was due to the rise in the mentioned groups.

Average changes in consumer price index, seasonally adjusted, is shown in the respective table. Although, a great portion of liquidity growth appears in the fourth quarter of each year, due to the lagged effect of liquidity growth on inflation, its effect on CPI appears in the first and second quarters of the next year.

2. Rural Areas⁽¹⁾

The CPI for rural areas rose by 14.8 percent on average in the review year, compared with the previous year. The growth rate of this index was 19.3 percent in 1379. A review of the



AVERAGE CHANGES IN CPI AFTER SEASONAL ADJUSTMENT (each period over previous period)▲

	(percent)		
	1378	1379	1380
Q1	5.8	2.1	2.3
Q2	3.9	3.2	3.4
Q3	3.8	3.4	2.7
Q4	3.5	2.0	2.7

(1) Data are derived from Iran Statistical Center and the base year is 1374.

CPI for rural households according to two special groups indicates rise of price index for “goods” by 13.4 percent (against 18.3 percent in 1379) and “services” by 20.1 percent (against 23.6 percent in 1379) in the review year. The two special groups with relative weights of 83.4 and 16.6 percent in general index, accounted for 71.7 and 28.3 percent rise of the general index, respectively.

Comparison of two groups, i.e., “food, beverages and tobacco” and “non-edible goods and services” in the CPI for rural households indicates that the latter faced higher growth of 16 percent when compared with the 13.6 percent growth in price index under the heading of “food, beverages and tobacco” group. In 1380, over half of CPI increase for rural areas was due to the rise in the price index for the “non-edible goods and services” group.

During 1380, the growth rate of eight main groups constituting CPI for rural households declined as compared with the previous year. Reduction in the rate of growth of groups under “health and medical care” and “household furnishings, goods and services used at home” have been higher than in other groups.

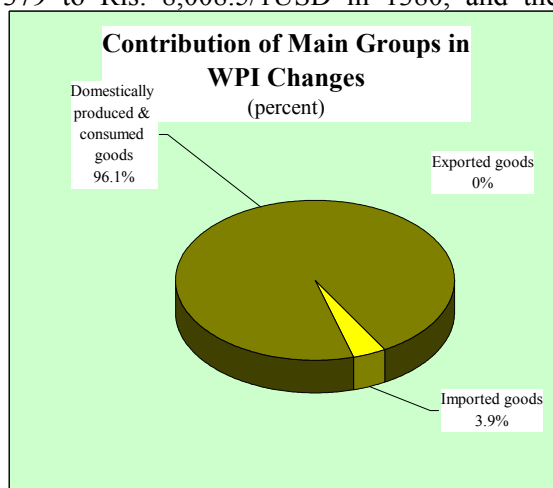
In 1380, the price index for “foodstuffs, beverages and tobacco”, with a rise of 13.6 percent compared with the previous year, accounted for 43.6 percent of the growth of this index, owing to the remarkable relative weight (50.6 percent) in the general index.

Wholesale Price Index (WPI)

The wholesale price index declined dramatically in 1380 for the second consecutive year. The growth rate of this index which had decreased from 24.2 percent in 1378 to 14.7 percent in 1379, faced a decline of 5.1 percent in 1380. This reduction was mostly due to fall in growth rate of price index for “domestically produced and consumed goods”, from 14.8 percent in 1379 to 6.8 percent in 1380.

The “imported goods” price index fell sharply from 13.3 percent in 1379 to 0.8 percent in 1380. This reduction was the result of low international prices, and dollar depreciation in the parallel market, from Rls. 8,188.1/1USD in 1379 to Rls. 8,008.5/1USD in 1380, and the relaxation of import regulations which helped reduce the transaction expenditures. It is to be noted that, since 1379, the “exported goods” price index has been calculated on the basis of price of 86 items of goods separately⁽¹⁾.

Among the main constituent groups of WPI, “foodstuffs” with 8.4 percent rise and remarkable relative weight of 35.4 percent in the general index made up 62.3 percent share in the rise of the mentioned index. The growth in the price index of the three main groups accounted for 87.6 percent of growth in WPI in 1380.



Producer Price Index (PPI)

The producer price index grew by 10.9 percent in 1380 as compared with the previous year. Among the special constituent groups of PPI, the price index for “services” group grew remarkably from 16 percent in 1379 to 23.1 percent in 1380.

(1) Due to 1379 revisions in WPI, the total number of goods under “exported goods” group rose from 20 items to 86.

Among the main constituents of this index, the highest share of growth was related to “industrial products”, “transportation, warehousing and communication”, “real estate, renting and business activities”, and “agriculture, animal husbandry and forestry”. The price index for “industrial products” grew by 5.2 percent compared with the previous year, while enjoying a remarkable relative weight of 45.17 percent in general index had a 21.5 percent share in the growth of this index.

Among the main constituents of PPI, the price index for “financial intermediations” grew by 70.9 percent compared with the previous year. The main reason behind this growth was increase in automobile insurance premium and TSE commission in 1380.

Exported Goods Price Index

The calculation of exported goods price index commenced in Tir, 1379, using 1376 as the base year. Calculation of this index was previously done within the context of one of major constituents of WPI. In revising WPI in 1379, total number of goods under this index coverage rose from 20 to 86 goods and classified under 17 main headings.

In 1380, the exported goods price index grew by 1.3 percent compared with the previous year. The growth rate of this index was 59.8 and 17.7 percent in 1378 and 1379, respectively. Among the constituent groups in exported goods index, the index for “hide, leather, and leather products” enjoyed the highest growth of 30.8 percent compared with the previous year.

Among the main constituent groups of the general index, “hide, leather and leather products”, and “chemical industries and allied industries products” groups registered the highest share in raising general index. The diminishing effect of other nine constituent groups in general index, however, offset the increasing effects of these two groups.

PART TWO

ADMINISTRATIVE ORGANIZATION
THE BALANCE SHEET
AND
THE PROFIT AND LOSS ACCOUNT
OF
CENTRAL BANK OF THE
ISLAMIC REPUBLIC OF IRAN

As at the end of 1380

(March 20, 2002)

EXECUTIVE BOARD
In 2001/02

Mohsen Nourbakhsh

Governor

Mohammad Javad Vahhaji

Deputy Governor

Ebrahim Sheibany

Secretary General

Mohammad Jaafar Mojarrad

Vice-Governor

Akbar Komijani

Vice-Governor

Bijan Latif

Vice-Governor



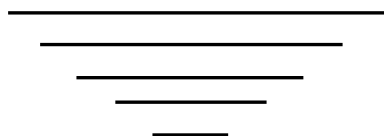
Ali Saghafi

(until 13.9.2001)

Vice-Governor

MONEY AND CREDIT COUNCIL
In 2001/02

<i>Tahmasb Mazaheri</i>	<i>Minister of Economic Affairs and Finance</i>
<i>Mohsen Nourbakhsh</i>	<i>Governor of the Central Bank</i>
<i>Mohammad Sattari Far</i>	<i>Vice-President and Head of Management and Planning Organization</i>
<i>Mohammad Shariatmadari</i>	<i>Minister of Commerce</i>
<i>Seyyed Safdar Hosseini</i>	<i>Minister of Labor and Social Affairs</i>
<i>Morteza Haji</i>	<i>Minister of Education</i>
<i>Ebrahim Sheibany</i>	<i>Bank Expert (selected by the President)</i>
<i>Ahmad Azizi</i>	<i>Bank Expert (selected by the President)</i>
<i>Mohammad Jaafar Montazeri</i>	<i>Deputy Attorney General</i>
<i>Seyyed Alinaghi Seyyed Khamooshi</i>	<i>Head of Iran's Chamber of Commerce, Industries and Mines</i>
<i>Seyyed Jamal Hashemi Arabi</i>	<i>Chairman, Board of Directors, Iran Chamber of Cooperative</i>
<i>Mohammad Bagher Noubakht Haghighi</i>	<i>Member of Parliament</i>
<i>Iraj Nadimi</i>	<i>Member of Parliament</i>



<i>Hossein Namazi</i>	<i>(until 22.8.2001)</i>	<i>Minister of Economic Affairs and Finance</i>
<i>Mohammad Reza Aref</i>	<i>(until 26.8.2001)</i>	<i>Vice-President and Head of Management and Planning Organization</i>
<i>Mahmood Hojjati</i>	<i>(until 22.8.2001)</i>	<i>Minister of Agricultural Jihad</i>
<i>Morteza Haji</i>	<i>(until 22.8.2001)</i>	<i>Minister of Cooperative</i>
<i>Hassan Fakheri</i>	<i>(until 3.12.2001)</i>	<i>Deputy Attorney General</i>

NOTE-RESERVE CONTROL BOARD
In 2001/02

<i>Mohsen Nourbakhsh</i>	<i>Governor of the Central Bank</i>
<i>Seyyed Abolfazl Fatemizadeh</i>	<i>Deputy Minister of the Minister of Economic Affairs and Finance and Treasurer General</i>
<i>Mohammad Jaafar Montazeri</i>	<i>Deputy Attorney General</i>
<i>Seyyed Kazem Mirvalad</i>	<i>Director of the Government Auditing Bureau</i>
<i>Seyyed Rasoul Hosseini</i>	<i>Chairman of the Supervisory Board</i>
<i>Abbasali Allahyari</i>	<i>Member of Parliament</i>
<i>Hassan Zahmatkesh</i>	<i>Member of Parliament</i>

<i>Hassan Fakheri</i>	<i>(until 11.12.2001)</i>	<i>Deputy Attorney General</i>
-----------------------	---------------------------	--------------------------------

SUPERVISORY BOARD
In 2001/02

<i>Seyyed Rasoul Hosseini</i>	<i>Chairman</i>
<i>Mahmood Reza Abaei Koopaei</i>	<i>Member</i>
<i>Mohammad Nabovvati</i>	<i>Member</i>

THE BALANCE SHEET
AND
THE PROFIT AND LOSS ACCOUNT
OF
CENTRAL BANK OF THE
ISLAMIC REPUBLIC OF IRAN

As at the end of 1380

(March 20, 2002)

**CENTRAL BANK OF THE
BALANCE
AS AT END OF ESFAND 1380
AMOUNT IN**

<u>March 20, 2001</u>	ASSETS	<u>March 20, 2002</u>
	Note cover:	
27,280,000,000,000	Gold, foreign exchange, quota & subscription to international agencies and government obligations	31,500,000,000,000
324,323,803,860	Notes and coins held at the Central Bank	254,895,444,102
1,077,643,169,193	Free gold holdings	589,120,229,667
15,669,117,362,678	Foreign exchange assets	23,345,408,023,708
	Loans and credits to:	
37,763,549,802,227	Government	33,375,795,138,302
14,259,146,989,754	Public institutions & corporations	17,471,411,782,930
0	Public institutions and foundations	250,000,000,000
17,498,266,060,953	Banks	5,249,531,003,340
6,055,125,226,713	Government revolving funds kept with banks	6,827,154,919,124
2,635,524,220,000	Government securities	7,635,524,220,000
458,688,474,409	Fixed assets (less depreciation cost)	610,157,709,924
25,355,034,378,567	Other assets	49,247,656,394,928
148,376,419,488,354		176,356,654,866,025
5,400,784,406,779	Customers' undertakings regarding opened letters of credit and guarantees	4,372,359,497,771
153,777,203,895,133		180,729,014,363,796
93,928,280,268	Assets of the Central Bank Employees' Retirement Fund	102,418,732,498
17,592,663,590	Assets of the Central Bank Employees' Savings Fund	22,500,450,185
12,742,869,102	Assets of the Central Bank Employees' Cooperation Fund	14,528,638,109
153,901,467,708,093		180,868,462,184,588

Executive Board

**Mohsen Nourbakhsh
Governor**

Mohammad Javad Vahhaji	Ebrahim Sheibany	Mohammad Jaafar Mojarrad	Akbar Komijani	Bijan Latif
Deputy Governor	Secretary General	Vice-Governor	Vice-Governor	Vice-Governor

**ISLAMIC REPUBLIC OF IRAN
SHEET
(March 20, 2002)
RIALS**

<u>March 20, 2001</u>	LIABILITIES	<u>March 20, 2002</u>
27,280,000,000,000	Notes issued	31,500,000,000,000
275,421,106,999	Coins issued	290,059,958,609
1,593,054,000,000	Central Bank's Participation Papers	9,443,601,000,000
	Deposits:	
35,970,262,226,421	Government: sight	44,085,143,118,912
9,662,733,358,621	Government institutions & corporations: sight	4,103,917,245,708
675,231,267,256	Non-government public institutions & corporations: sight	827,889,269,280
	Banks and credit institutions:	
47,142,468,451,000	Legal	47,531,410,754,000
5,343,520,997,192	Sight	9,813,967,671,739
0	Special term deposits	0
4,099,500,721,328	Advance payment on letters of credit	3,304,169,267,000
0	Special	5,000,000,000,000
56,585,490,169,520		65,649,547,692,739
3,345,954,511,485	Other deposits	4,671,098,360,671
180,150,484,673	Income taxes	6,182,777,629
63,399,000,000	Government's share of net profit	7,220,000,000
12,063,891,022,208	Other liabilities	15,088,783,516,495
350,000,000,000	Capital	400,000,000,000
276,169,440,736	Legal reserves	277,755,607,815
54,662,555,116	Contingent reserves	5,455,638,656
345,319	Net profit carried forward	679,511
148,376,419,488,354		176,356,654,866,025
5,400,784,406,779	Letters of credit and guarantees	4,372,359,497,771
153,777,203,895,133		180,729,014,363,796
93,928,280,268	Liabilities of the Central Bank Employees' Retirement Fund	102,418,732,498
17,592,663,590	Liabilities of the Central Bank Employees' Savings Fund	22,500,450,185
12,742,869,102	Liabilities of the Central Bank Employees' Cooperation Fund	14,528,638,109
153,901,467,708,093		180,868,462,184,588

Supervisory Board

Seyyed Rassul
Hosseini
Chairman

Mahmood Reza
Abaei Koopaei
Member

Mohammad
Nabovvati
Member

**CENTRAL BANK OF THE
PROFIT AND
1380
AMOUNT**

<u>2000/01</u>		<u>2001/02</u>
41,216,786,885	Cost of receiving credit and overdraft from foreign banks	86,086,777,672
358,925,437	Profit paid on foreign exchange deposits	163,963,082
406,642,379,507	Rewards paid on banks' legal deposit	522,424,361,565
12,359,443,950	Profit paid on Central Bank's Participation Papers	968,468,762,260
8,630,136,986	Profit paid for banks' special deposits	210,062,465,753
180,806,063,132	Commission paid on banking services	221,727,436,998
309,392,169,907	Result of foreign exchange valuation-adjustment rate	280,030,968,580
171,368,151,025	Administrative and personnel expenditures	280,560,056,771
71,303,891,378	Money issue and miscellaneous publication expenditures	89,183,352,839
24,633,077,996	Depreciation cost of fixed assets	34,136,025,308
4,193,913,883	Other expenditures	12,988,883,813
327,987,798,081	Net profit	15,861,670,794
<u>1,558,892,738,167</u>		<u>2,721,694,725,435</u>
180,150,484,673	Income taxes	6,182,777,629
32,798,779,808	Transfer to legal reserve	1,586,167,079
50,000,000,000	Transfer to contingency reserve	793,083,540
63,399,000,000	Government's share in net profit	7,220,000,000
1,639,938,990	0.5% allocated to low-income groups for housing provision	79,308,354
345,319	Net profit carried forward	679,511
<u>327,988,548,790</u>		<u>15,862,016,113</u>

**ISLAMIC REPUBLIC OF IRAN
LOSS ACCOUNT
(2001/02)
IN RIALS**

<u>2000/01</u>		<u>2001/02</u>
635,551,512,471	Returns on deposits and investment abroad	588,197,180,669
617,197,503,961	Profit received from facilities extended	1,117,560,734,431
127,971,726,741	Commission received for banking services	174,674,386,710
122,595,496,174	Result of foreign exchange and gold transactions	588,512,389,318
0	Profit paid on special participation papers	185,220,000,000
55,576,498,820	Other incomes	67,530,034,307
<u>1,558,892,738,167</u>		<u>2,721,694,725,435</u>

APPROPRIATION ACCOUNT

327,987,798,081	Net Profit	15,861,670,794
750,709	Net profit carried forward	345,319
<u>327,988,548,790</u>		<u>15,862,016,113</u>

**DETAILS OF THE BALANCE SHEET
AS AT THE END OF 1380
(March 20, 2002)**

A. ASSETS

NOTE ISSUE AND NOTE COVER

On the basis of the currency needs of the country and according to the monetary and banking regulations, Rls. 4,220,000 million worth of new notes were issued and the total notes in circulation amounted to Rls. 31,500,000 million by Esfand 29, 1380.

NOTES AND COINS HELD AT THE CBI

Notes and coins held at the CBI as compared to the corresponding figures of the previous year is as follows:

NOTES AND COINS HELD AT THE CBI (million rials)		
	Year end	
	1379	1380
Notes	323,876.6	254,494.9
Coins	<u>447.2</u>	<u>400.6</u>
Total	<u>324,323.8</u>	<u>254,895.5</u>

LOANS AND CREDITS

Total loans and credits extended to the government, its affiliated corporations and institutions, public enterprises and banks amounted to Rls. 56,346,737.9 million. This was after deducting Rls. 20,132,187.6 million as note cover and taking into account other adjustments.

**LOANS AND CREDITS EXTENDED
(million rials)**

	Year end	
	1379	1380
Government	54,587,400.6	53,507,982.8
Less blocked debt in note cover	<u>(16,823,850.8)</u>	<u>(20,132,187.6)</u>
	37,763,549.8	33,375,795.2
Public corporations and institutions	14,259,147.0	17,471,411.7
Banks	17,498,266.1	5,249,531.0
Public enterprises	<u>0</u>	<u>250,000.0</u>
Total	<u>69,520,962.9</u>	<u>56,346,737.9</u>

**GOVERNMENT REVOLVING FUND
KEPT WITH BANKS**

On the basis of the agency contracts between the CBI and other banks, 12 percent of the balance of governmental accounts with each bank is kept as a revolving fund. The total amount of the revolving fund was Rls. 6,827,154.9 million at the end of Esfand, 1380.

GOVERNMENT SECURITIES

Government securities at the end of Esfand, 1380 was Rls. 7,635,524.2 million, which increased by Rls. 5,000,000 million compared with the previous year. This increase was due to the purchase of government special participation papers, which are issued for the strengthening of banks' capital base (Article 93, 3rd Plan Law), by the Central Bank.

FIXED ASSETS

Fixed assets at the end of 1380 are as follows:

FIXED ASSETS (million rials)						
	1379			1380		
	Before depreciation	Depreciation allowance	After depreciation	Before depreciation	Depreciation allowance	After depreciation
Immovable assets	485,438.9	42,617.7	442,821.2	655,210.0	66,465.7	588,744.3
Movable Assets	<u>44,124.6</u>	<u>28,257.3</u>	<u>15,867.3</u>	<u>58,974.7</u>	<u>37,561.3</u>	<u>21,413.4</u>
total	<u>529,563.5</u>	<u>70,875.0</u>	<u>458,688.5</u>	<u>714,184.7</u>	<u>104,027.0</u>	<u>610,157.7</u>

OTHER ASSETS

Other assets held at the CBI at end of 1380 amounted to Rls. 49,247,656.4 million, as follows:

	OTHER ASSETS	
	(million rials)	
	Year end	
	1379	1380
Silver holdings	967.3	946.2
Stamp holdings	5.7	5.5
Coin holdings	12,368.6	5,028.5
Investment in other institutions	101,139.9	113,379.0
Ashkanian Dynasty coins	8.7	8.7
Miscellaneous assets	24,671,169.1	48,381,978.2
Revolving funds	1,852.3	2,417.4
Prepayments	21,007.9	26,247.2
Temporary debtors' suspense account	352,997.6	218,477.2
Projects to be completed	193,517.3	160,117.7
Claims for long-term facilities	0	339,050.8
Total	<u>25,355,034.4</u>	<u>49,247,656.4</u>

CUSTOMERS' UNDERTAKING FOR OPENED LETTERS OF CREDIT & GUARANTEES

The total customers' undertaking for opened letters of credit and guarantees was Rls. 4,372,359.5 million at end of 1380, as follows:

CUSTOMERS' UNDERTAKING FOR OPENED LETTERS OF CREDIT AND GUARANTEES

	CUSTOMERS' UNDERTAKING FOR OPENED LETTERS OF CREDIT AND GUARANTEES	
	(million rials)	
	Year end	
	1379	1380
Foreign exchange LCs in rials	4,140,687.9	3,454,931.3
Guarantees received from correspondents	24,627.1	102,527.6
Guarantees issued for rescheduled contracts	748,798.7	142,464.1
Opened LCs in foreign exchange	<u>486,670.7</u>	<u>672,436.5</u>
Total	<u>5,400,784.4</u>	<u>4,372,359.5</u>

B. LIABILITIES

NOTES ISSUED

New notes issued in 1380 totaled Rls. 4,220,000 million. Thus, total issued notes amounted to Rls. 31,500,000 million at the end of 1380.

COINS ISSUED

Rls. 14,638.8 million coins was issued in 1380, bringing the total coins issued to Rls. 290,059.9 million at the end of 1380.

According to the Monetary and Banking Law and the advisory letter of the Ministry of Economic Affairs and Finance, the ceiling for the issuance of coins was determined at Rls. 300 billion.

CBI'S PARTICIPATION PAPERS

Following the approval of the MCC on 14.12.1379, and in accordance with implementation of the monetary policies as stipulated in the 3rd FYDP Law, the CBI was authorized to issue participation papers which commenced on 17.12.1379.

At the end of 1380 (March 20, 2002) the sum total of participation papers sold was Rls. 9,443,601 million.

DEPOSITS

Total sight deposits of the government, public corporations and institutions, non-governmental public enterprises and institutions, banks and non-bank credit institutions, together with other deposits amounted to Rls. 119,337,595.7 million at the end of 1380, as is shown in the respective table.

	DEPOSITS	
	(million rials)	
	Year end	
	1379	1380
Government	35,970,262.2	44,085,143.1
Public corporations and institutions	9,662,733.4	4,103,917.2
Non-governmental public enterprises & institutions	675,231.3	827,889.3
Banks and non-bank credit institutions:	56,585,490.2	65,649,547.7
Legal	47,142,468.5	47,531,410.7
Sight	5,343,521.0	9,813,967.7
Special time	0	5,000,000.0
Letters of credit	4,099,500.7	3,304,169.3
Others	<u>3,345,954.5</u>	<u>4,671,098.4</u>
Total	<u>106,239,671.6</u>	<u>119,337,595.7</u>

According to Amended Article 60 of the 3rd FYDP Law, the government deposited Rls. 12,771,238.6 million into the OSF, sum of which equalled \$ 7,297.9 million.

INCOME TAX

Income tax of the CBI on the basis of amended direct tax law approved in 1380 was Rls. 6,182.8 million for 1380.

SHARE OF GOVERNMENT IN NET PROFIT

According to the Monetary and Banking Law, the remainder of profit, after profit appropriation according to Article 25 of the said Law belongs to the government. The government's share in the net profit of the CBI in 1380 amounted to Rls. 7,220.0 million.

OTHER LIABILITIES

Other liabilities of the CBI amounted to Rls. 15,088,783.5 million at end of 1380, as follows:

	OTHER LIABILITIES	
	(million rials)	
	Year end	
	1379	1380
Documents payable	3,626,505.4	3,484,574.8
SDR allocations	543,317.5	535,290.5
Foreign exchange drafts (payable in rials)	3,886.3	3,697.3
Sight deposits of departments within the bank	371,487.8	1,166,386.9
Creditors' suspense account in foreign exchange	765,501.6	2,781,551.9
Creditors' suspense account in rial	3,176,396.3	1,750,528.9
CBI's receipts in connection with the Algerian Decree	369,662.5	271,474.8
Liabilities related to projects to be completed	22,892.4	21,973.2
Short-term facilities extended by foreign banks	2,702,394.5	2,306,283.2
Prepayment in foreign exchange	480,206.8	677,891.9
Long-term facilities extended by foreign banks	0	339,050.8
Foreign exchange facilities	0	1,750,000.0
	12,062,251.1	15,088,704.2
0.5% allocated to low- income groups for provision of housing	1,639.9	79.3
Total	<u>12,063,891.0</u>	<u>15,088,783.5</u>

CAPITAL

The CBI's capital amounted to Rls. 400,000 million at the end of 1380, showing a Rls. 50,000 million rise compared with the previous year.

LEGAL RESERVE

Based on Monetary and Banking Law, 10 percent of net profit of CBI is required to be held in a legal reserve account, so that the total legal reserve will equal the CBI's capital. The legal reserve for 1380 is Rls. 1,586.2 million, which in addition to the Rls. 276,169.5 million held as legal reserve at the end of the previous year, brought the total legal reserve to Rls. 277,755.7 million at the end of 1380.

CONTINGENCY RESERVE

According to the Monetary and Banking Law, each year an amount is to be held in the contingency reserve account based on proposal of the CBI and approval of the General Assembly. The contingency reserve out of net profit in 1380 is Rls. 793.1 million.

**DETAILS OF THE PROFIT AND LOSS
ACCOUNT
(Esfand 29,1380)**

A. REVENUES

**REVENUE RECEIVED FROM DEPOSITS
AND INVESTMENT ABROAD**

The income received from returns on deposits and investment abroad amounted to Rls. 588,197.2 million, as follows:

**REVENUE RECEIVED FROM DEPOSITS AND
INVESTMENT ABROAD**

	(million rials)	
	Year end	
	1379	1380
Foreign exchange term deposits	509,149.9	459,969.6
Foreign exchange sight deposits & special & clearing accounts	63,640.7	78,426.6
Foreign bonds	116,533.3	410,386.4
Gold depositing	20,878.6	21,643.6
Algerian Decree	0	52,848.9
SDR	24,714.9	17,704.2
Profit of OSF account	(99,365.9)	(452,782.1)
Total	<u>635,551.5</u>	<u>588,197.2</u>

**PROFIT RECEIVED FROM EXTENDED
FACILITIES**

The profit received from extended facilities in 1380 amounted to Rls. 1,117,560.7 million, as follows:

**PROFIT RECEIVED FROM
EXTENDED FACILITIES**

	(million rials)	
	Year end	
	1379	1380
Government	32.0	917.3
Public corporations & institutions	171,590.2	200,126.6
Banks	436,885.8	823,599.8
Algerian Decree	5,020.5	92,917.0
Non-governmental public institutions & corporations	3,669.0	0
Total	<u>617,197.5</u>	<u>1,117,560.7</u>

**BANKING FEES AND COMMISSIONS
RECEIVED**

Banking fees and commissions received totaled Rls. 174,674.4 million, as follows:

**BANKING FEES AND COMMISSIONS
RECEIVED (million rials)**

	Year end	
	1379	1380
Letters of credit	37,775.5	42,749.9
Foreign exchange bills	4,423.9	313.1
Foreign exchange drafts	8,932.2	15,915.2
Local usance	76,530.5	115,023.2
Miscellaneous (rials)	309.5	673.0
Miscellaneous (foreign exchange)	0.1	0
Total	<u>127,971.7</u>	<u>174,674.4</u>

**RESULT OF FOREIGN EXCHANGE AND
GOLD TRANSACTIONS**

The income received from foreign exchange and gold transactions amounted to Rls. 588,512.4 million as follows:

**RESULT OF FOREIGN EXCHANGE AND
GOLD TRANSACTIONS**

	(million rials)	
	Year end	
	1379	1380
Foreign exchange losses	111,852.1	89,960.5
Profit derived from international bonds transactions	10,743.4	239,147.0
Profit derived from gold transactions	0	5,670.5
Profit and loss derived from foreign exchange transactions	0	253,734.4
Total	<u>122,595.5</u>	<u>588,512.4</u>

PROFIT OF SPECIAL PARTICIPATION PAPERS

An amount of Rls. 185,220 million was projected as profit of government special participation papers purchased by the Bank in 1380 and included in the accounts.

OTHER INCOMES

Other incomes of the CBI amounted to Rls. 67,530.0 million as is shown in the following table:

OTHER INCOMES

	(million rials)	
	Year end	
	1379	1380
Profit from investment in other institutions	21,541.9	7,969.9
Miscellaneous revenues of the Print and Mint Organization	17,392.1	27,725.9
Revenue received from sale of gold and jewelry	12,450.0	21,286.3
Revenue from sale of building No.6	0	8,178.1
Miscellaneous	4,192.5	2,369.8
Total	<u>55,576.5</u>	<u>67,530.0</u>

B. EXPENDITURES

COST OF RECEIVING CREDIT AND OVERDRAFT FROM FOREIGN BANKS

The cost of receiving credit and overdraft from foreign banks amounted to Rls. 86,086.8 million as follows:

COST OF RECEIVING CREDIT AND OVERDRAFT FROM FOREIGN BANKS (million rials)	Year end	
	1379	1380
Correspondents	15,769.7	571.8
Overdraft	23,170.6	16,129.4
Bonds	79.0	0
Clearing	2,197.5	69,385.6
Total	41,216.8	86,086.8

PROFIT PAID ON FOREIGN EXCHANGE DEPOSITS

The profit paid on foreign exchange deposits in 1380 was Rls. 164.0 million which was deposited with Export Development Bank for the profit accrued to its term foreign exchange deposits.

REWARDS PAID ON BANKS' LEGAL DEPOSITS

As approved at the 788th session of MCC in 15.12.1371, Rls. 522,424.4 million was paid as rewards on legal deposit in 1380.

PROFIT PAID ON CBI'S PARTICIPATION PAPERS

The profit accrued to CBI's participation papers, including the tax thereon, in 1380 amounted to Rls. 968,468.8 million and this was considered in the accounts.

PROFIT PAID ON SPECIAL TERM DEPOSITS

The profit paid on banks' special term deposits amounted to Rls. 210,062.5 million in 1380, Rls. 185,220 million of which was projected as banks' special term deposit (on the basis of implementation of Article 93 of 3rd Plan Law) and Rls. 24,842.5 million was related to Bank Tejarat special term deposits.

COMMISSIONS PAID ON BANKING SERVICES

The commission paid on banking services by the CBI amounted to Rls. 221,727.4 million, as shown in the following table:

COMMISSIONS PAID ON BANKING SERVICES (million rials)	Year end	
	1379	1380
Paid to banks for government accounts	180,000.0	220,000.0
Purchase of notes from abroad	506.8	763.4
Commission paid to correspondents	299.3	964.0
Total	180,806.1	221,727.4

RESULT OF FOREIGN EXCHANGE AND GOLD TRANSACTIONS-RATE ADJUSTMENT

The balance of foreign exchange and gold transactions account resulted in Rls. 280,031.0 million deficit, owing to adjustment rates of Bank's foreign exchange accounts at the year end rate, which appeared under profit and loss account.

PERSONNEL AND ADMINISTRATIVE EXPENDITURES

Personnel and administrative expenditures in 1380, and its comparison with the approved budget figures are shown in the following table:

PERSONNEL AND ADMINISTRATIVE EXPENDITURES (million rials)	1380	
	Approved budget	Performance
Personnel expenditures	221,350.0	205,843.8
Administrative expenditures	102,836.4	74,716.2
Total	324,186.4	280,560.0

CURRENCY ISSUANCE EXPENDITURES

The total currency issuance (notes and coins) expenditures was Rls. 89,183.4 million in the review year.

DEPRECIATION COST

In 1380, a sum of Rls. 34,136.0 million was allocated as depreciation cost for movable and immovable assets, as follows:

DEPRECIATION COST

(million rials)

	1379	1380
Depreciation cost of movable assets	5,827.2	8,843.7
Depreciation cost of immovable assets	<u>18,805.9</u>	<u>25,292.3</u>
Total	<u>24,633.1</u>	<u>34,136.0</u>

OTHER EXPENDITURES

Other expenditures amounted to Rls. 12,988.9 million as follows:

OTHER EXPENDITURES

(million rials)

	Year end	
	1379	1380
Paid to Treasury "Law for compensation of drought related losses"	4,080.8	0
Paid to Treasury "Law for preventing drought related losses"	0	9,373.7
Gold transportation and insurance	3	3,615.2
Price differential of jewelry purchased in Tehran market and world market	<u>110.1</u>	<u>0</u>
Total	<u>4,193.9</u>	<u>12,988.9</u>

PROFIT APPROPRIATION

The net profit of the CBI in 1380 amounted to Rls. 15,861,670,794. The net profit of Rls. 345,319 was carried forward and added to the above figure, bringing the total amount to Rls. 15,862,016,113 which was proposed to be appropriated as follows:

PROFIT APPROPRIATION

(rials)

Income tax	6,182,777,629
Transfer to legal reserve	1,586,167,079
Transfer to contingency reserve	793,083,540
Share of the government from the net profit	7,220,000,000
0.5% allocated to low-income groups for provision of housing	79,308,354
Balance of net profit carried forward	<u>679,511</u>
Total	<u>15,862,016,113</u>

PART THREE

STATISTICAL APPENDIX

LIST OF STATISTICAL TABLES

Table 1	Gross National Product and Income by Economic Sectors (at current prices)	96
Table 2	Gross National Product and Income by Economic Sectors (at constant 1369 prices)	97
Table 3	Gross National Expenditure (at current prices)	98
Table 4	Gross National Expenditure (at constant 1369 prices)	99
Table 5	Estimated Production of Major Farming Crops	100
Table 6	Facilities Extended by Bank Keshavarzi According to Islamic Contracts	100
Table 7	Government Fixed Investment out of Development Expenditures for Expansion of Agriculture & Natural Resources	101
Table 8	Livestock Products	101
Table 9	Government Fixed Investment out of Development Expenditures for Provision and Expansion of Water Resources	102
Table 10	Direct Payments by Bank Keshavarzi from Bank Resources	102
Table 11	Development Plans Performance of Forests and Pastures (national and provincial)	103
Table 12	World Crude Oil Production	104
Table 13	World Oil Consumption	105
Table 14	Average Spot Prices of Crude Oil During 2001	106
Table 15	Average Spot Prices of Crude Oil During 1997-2001	107
Table 16	OPEC Crude Oil Production	107
Table 17	Export of Crude Oil and Oil Products	108
Table 18	Crude Oil Delivered to Domestic Refineries	108
Table 19	Domestic Consumption of Oil Products	108
Table 20	Geographical Distribution of Crude Oil Exports	109
Table 21	Production of Natural Gas	109
Table 22	Production of Electricity	109
Table 23	Consumption of Electricity	110
Table 24	Government Fixed Investment out of Development Expenditures in Oil, Gas and Electricity Sectors	110
Table 25	Investment Based on Establishment Permits Issued for Newly Established Industrial Units and Expansion of Existing Units	111
Table 26	Investment Based on Operation Permits Issued for Newly Established Industrial Units and Expansion of Existing Units	112
Table 27	Number of Establishment Permits Issued for Newly Established Industrial Units and Expansion of Existing Units	113
Table 28	Number of Operation Permits Issued for Newly Established Industrial Units and Expansion of Existing Units	114
Table 29	Employment Based on Establishment Permits Issued for Newly Established Industrial Units and Expansion of Existing Units	115
Table 30	Employment Based on Operation Permits Issued for Newly Established Industrial Units and Expansion of Existing Units	116
Table 31	Employment Index of Large Manufacturing Establishments	117
Table 32	Wage and Fringe Benefits Index of Large Manufacturing Establishments	118
Table 33	Production Index of Large Manufacturing Establishments	119
Table 34	Government Development Expenditures for Manufacturing and Mining Sectors and Industrial Research Program	120
Table 35	Investment by the Private Sector in New Buildings in Urban Areas	121
Table 36	Investment by the Private Sector in New Buildings in Urban Areas by Construction Phases	121
Table 37	Facilities Extended by Bank Maskan (Housing Bank)	121
Table 38	Government Development Expenditures for Construction, Housing and Urban Development	122
Table 39	Construction Permits Issued in Urban Areas	123
Table 40	Construction Indices	123
Table 41	Building Starts by the Private Sector in Urban Areas	124
Table 42	Constructions Completed by the Private Sector in Urban Areas	124
Table 43	Outstanding Facilities Extended by Banks and Credit Institutions to the Construction and Housing sector.....	125
Table 44	Distribution of Population According to Active and Employed	126

Table 45	Government Current and Development Expenditures in Social Affairs	126
Table 46	Number of Students	127
Table 47	Number of Schools, Classes and Teaching Staff	127
Table 48	Number of Students in Public Universities and Higher Education Institutes	128
Table 49	Number of Students in Islamic Azad University	128
Table 50	Number of the Insured and Pensioners Supported by Social Security Organization	129
Table 51	Minimum Monthly Wage	129
Table 52	Enrollment and Literacy Rates	130
Table 53	Number of Physicians, Dentists, Pharmacists and Hospital Beds	130
Table 54	Composition of the Insured by the Social Security Organization	130
Table 55	Number of People Covered by Medical Care Services Insurance Organization	130
Table 56	Government Budget (excluding special revenues and expenditures)	131
Table 57	Government Budget (excluding special revenues and expenditures) Comparison of Approved and Performance Figures of the 1380 Budget Law	132
Table 58	Tax Revenues (excluding special revenues)	133
Table 59	Government Current Expenditures According to Affairs and Chapters of the Budget	134
Table 60	Government Development Expenditures According to Affairs and Chapters of the Budget	135
Table 61	Subsidy Paid on Goods and Services	136
Table 62	Foreign Exchange Balance of the Banking System	137
Table 63	Balance of Payments	138
Table 64	Value of Exports (excluding oil, gas, electricity and oil products)	139
Table 65	Composition of Exports According to Uses (excluding oil, gas, electricity and oil products)	140
Table 66	Distribution of Exports by Group of Countries	140
Table 67	Distribution of Exports by Continents	141
Table 68	Distribution of Exports by Countries (excluding oil, gas, electricity and oil products)	141
Table 69	Value of Imports According to International Classification of Goods	142
Table 70	Composition of Imports by Use	143
Table 71	Distribution of Imports by Group of Countries	144
Table 72	Distribution of Imports by Continents	144
Table 73	Distribution of Imports by Countries	145
Table 74	Summary of the Assets and Liabilities of the Banking System	146
Table 75	Summary of the Assets and Liabilities of Central Bank of the Islamic Republic of Iran	147
Table 76	Summary of the Assets and Liabilities of Commercial Banks	148
Table 77	Summary of the Assets and Liabilities of Specialized Banks	149
Table 78	Summary of the Assets and Liabilities of Banks and Non-public Credit Institutions	150
Table 79	Summary of the Assets and Liabilities of Private Banks and Non-bank Credit Institutions	151
Table 80	Banks and Non-bank Credit Institutions Claims on Non-public Sector	152
Table 81	Liquidity	152
Table 82	Changes in the Balance of Commercial Banks' Sources & Uses of Funds	153
Table 83	Changes in the Balance of Specialized Banks' Sources & Uses of Funds	153
Table 84	Share Price Index by Industries	154
Table 85	Transactions of Shares by Industries on the TSE	155
Table 86	Shares Offered by Public Sector and Banks	156
Table 87	Issuance of Participation Papers in 1380	157
Table 88	Average Annual Producer Price Index	158
Table 89	Monthly Producer Price Index	159
Table 90	Average Annual Consumer Price Index in Urban Areas	159
Table 91	Monthly Consumer Price Index in Urban Areas	160
Table 92	Average Annual Consumer Price Index of Rural Households	160
Table 93	Average Annual Consumer Price Index in Urban Areas of Provinces	161
Table 94	Average Annual Wholesale Price Index	162
Table 95	Monthly Wholesale Price Index	162
Table 96	Average Annual Index of Exported Goods	163
Table 97	Monthly Price Index of Exported Goods	163
Table 98	Correspondence of Iranian and Gregorian Calendars	164

GROSS NATIONAL PRODUCT AND INCOME BY ECONOMIC SECTORS

(at current prices)

(billion rials)

Table 1						Percentage change		Share (percent)	
	1376	1377	1378	1379 □	1380 *	1379	1380	1379	1380
Agriculture	42,742.5	56,364.0	64,140.1	77,159.2	89,125.4	20.3	15.5	13.6	13.4
Oil	40,763.5	28,266.6	63,292.8	101,416.1	100,873.4	60.2	-0.5	17.8	15.2
Manufacturing and mining	56,153.5	62,080.5	82,010.7	107,688.4	133,546.1	31.3	24.0	19.0	20.1
Mining	1,522.2	1,914.0	2,397.7	2,943.1	3,667.1	22.7	24.6	0.5	0.6
Manufacturing	38,950.9	43,959.6	57,923.8	75,758.0	94,773.3	30.8	25.1	13.3	14.3
Electricity, gas and water	2,833.2	3,400.7	4,193.6	7,219.0	8,591.9	72.1	19.0	1.3	1.3
Construction	12,847.2	12,806.2	17,495.6	21,768.3	26,513.8	24.4	21.8	3.8	4.0
Services	149,049.3	182,232.1	227,685.8	291,468.4	353,077.1	28.0	21.1	51.3	53.2
Trade, restaurant and hotel	43,272.8	53,639.9	67,035.7	82,960.0	94,787.1	23.8	14.3	14.6	14.3
Transportation, storage & communications	24,021.4	26,109.3	32,222.3	47,552.4	60,145.9	47.6	26.5	8.4	9.1
Financial & monetary institutions services	3,090.6	4,693.5	7,006.0	10,455.5	14,501.7	49.2	38.7	1.8	2.2
Real estate, specialized & professional services	40,271.4	50,203.9	62,499.4	74,756.2	91,875.4	19.6	22.9	13.2	13.8
Public services	31,700.3	39,316.8	47,718.0	61,739.7	75,479.6	29.4	22.3	10.9	11.4
Social, personal and household services	6,692.8	8,268.7	11,204.4	14,004.6	16,287.3	25.0	16.3	2.5	2.5
Less:									
Imputed bank service charges	3,365.6	4,049.3	6,579.9	9,539.4	13,231.1	45.0	38.7	1.7	2.0
Gross domestic product (at basic price)	285,343.2	324,893.9	430,549.5	568,192.6	663,390.9	32.0	16.8	100.0	100.0
Non-oil gross domestic product (at basic price)	244,579.7	296,627.3	367,256.7	466,776.5	562,517.5	27.1	20.5		
Net factor income from abroad	-1,292.2	580.7	-426.7	-4,609.9	-3,412.1				
Net indirect taxes	165.8	438.1	440.8	606.7	2,265.5				
Gross national product = gross national income (at market price)	284,216.8	325,912.7	430,563.6	564,189.4	662,244.3	31.0	17.4		
Less:									
Depreciation of fixed capital	52,435.7	59,883.7	76,471.3	94,717.5	106,613.8	23.9	12.6		
Net indirect taxes	165.8	438.1	440.8	606.7	2,265.5				
National income	231,615.3	265,590.9	353,651.5	468,865.2	553,365.0	32.6	18.0		

GROSS NATIONAL PRODUCT AND INCOME BY ECONOMIC SECTORS

(at constant 1369 prices)

(billion rials)

						Percentage change		Share (percent)	
	1376	1377	1378	1379□	1380 *	1379	1380	1379	1380
Agriculture	8,979.1	9,536.3	8,636.0	8,877.6	9,295.0	2.8	4.7	16.8	16.8
Oil	3,995.6	4,085.6	3,847.8	4,164.3	3,815.1	8.2	-8.4	7.9	6.9
Manufacturing and mining	8,888.1	8,883.9	9,817.6	10,524.6	11,614.8	7.2	10.4	20.0	21.0
Mining	401.1	410.6	499.1	523.2	573.4	4.8	9.6	1.0	1.0
Manufacturing	5,677.1	5,731.7	6,240.4	6,737.3	7,411.0	8.0	10.0	12.8	13.4
Electricity, gas and water	508.7	544.5	586.7	619.1	660.1	5.5	6.6	1.2	1.2
Construction	2,301.2	2,197.1	2,491.4	2,645.0	2,970.3	6.2	12.3	5.0	5.4
Services	26,043.8	27,115.8	28,228.7	29,535.0	30,900.6	4.6	4.6	56.0	56.0
Trade, restaurant and hotel	7,217.9	7,589.3	7,627.6	8,242.6	8,791.6	8.1	6.7	15.6	15.9
Transportation, storage & communications	5,101.4	5,428.3	5,962.1	6,488.2	6,942.7	8.8	7.0	12.3	12.6
Financial and monetary institutions services	520.0	593.9	615.2	655.1	699.8	6.5	6.8	1.2	1.3
Real estate, specialized & professional services	8,173.6	8,462.5	9,031.7	9,105.0	9,441.9	0.8	3.7	17.3	17.1
Public services	4,110.8	4,100.0	3,950.0	3,881.6	3,811.0	-1.7	-1.8	7.4	6.9
Social, personal and household services	920.0	941.8	1,042.1	1,162.5	1,213.6	11.6	4.4	2.2	2.2
Less:									
Imputed bank service charges	427.2	376.2	415.1	404.6	442.5	-2.5	9.4	0.8	0.8
Gross domestic product (at basic price)	47,479.3	49,245.4	50,115.0	52,696.9	55,183.0	5.2	4.7	100.0	100.0
Non-oil gross domestic product (at basic price)	43,483.7	45,159.8	46,267.2	48,532.6	51,367.9	4.9	5.8		
Net factor income from abroad	470.4	562.0	150.5	-117.3	261.9				
Net indirect taxes	27.6	66.4	51.3	56.3	188.9				
Terms of trade effect	228.2	-2,404.8	-867.5	-948.3	-1,656.4				
Gross national product = gross national income (at market price)	48,205.5	47,469.0	49,449.3	51,687.7	53,977.4	4.5	4.4		
Less:									
Depreciation of fixed capital	6,869.4	7,065.0	7,268.2	7,486.7	7,749.4	3.0	3.5		
Net indirect taxes	27.6	66.4	51.3	56.4	188.9				
National income	41,308.5	40,337.6	42,129.8	44,144.6	46,039.1	4.8	4.3		

GROSS NATIONAL EXPENDITURE

(at current prices)

(billion rials)

Table 3

	1376	1377	1378	1379 □	1380 *	Percentage change		Share (percent)	
						1379	1380	1379	1380
Private consumption expenditures	140,807.4	181,172.4	220,832.2	262,021.5	304,570.4	18.7	16.2	46.1	45.8
Public consumption expenditures	40,127.7	50,166.3	61,384.9	79,801.5	97,219.2	30.0	21.8	14.0	14.6
Gross fixed capital formation	84,977.1	99,209.8	131,506.9	171,980.6	206,901.0	30.8	20.3	30.2	31.1
Machinery	48,415.4	61,474.1	81,014.1	111,737.9	136,909.9	37.9	22.5	19.6	20.6
Private sector	37,589.5	50,664.4	66,642.8	96,835.1	119,426.2	45.3	23.3	17.0	17.9
Public sector	10,825.9	10,809.7	14,371.3	14,902.8	17,483.7	3.7	17.3	2.6	2.6
Construction	36,561.7	37,735.7	50,492.8	60,242.7	69,991.1	19.3	16.2	10.6	10.5
Private sector	17,177.8	17,744.1	22,234.7	28,450.0	37,897.2	28.0	33.2	5.0	5.7
Public sector	19,383.9	19,991.6	28,258.1	31,792.7	32,093.9	12.5	0.9	5.6	4.8
Change in stock	8,254.1	-1,658.1	-10,422.0	8,522.1	16,758.8			1.5	2.5
Net export of goods and services	6,456.8	-6,420.4	29,898.0	34,566.9	10,912.7	15.6	-68.4	6.1	1.6
Export of goods and services	51,006.6	44,856.8	93,508.6	131,810.7	133,144.5	41.0	1.0	23.2	20.0
Import of goods and services	44,549.8	51,277.2	63,610.6	97,243.8	122,231.8	52.9	25.7	17.1	18.4
Statistical errors	4,886.0	2,861.9	-2,209.7	11,906.8	29,294.2			2.1	4.4
Gross domestic expenditure	285,509.1	325,331.9	430,990.3	568,799.4	665,656.3	32.0	17.0	100.0	100.0
Net factor income from abroad	-1,292.2	580.7	-426.7	-4,609.9	-3,412.1				
Gross national expenditure = gross national product	284,216.9	325,912.7	430,563.6	564,189.5	662,244.2	31.0	17.4		
Less:									
Depreciation of fixed capital	52,435.7	59,883.7	76,471.3	94,717.5	106,613.8	23.9	12.6		
Net indirect taxes	165.8	438.1	440.8	606.7	2,265.5				
National income	231,615.2	265,590.8	353,651.5	468,865.3	553,364.9	32.6	18.0		

GROSS NATIONAL EXPENDITURE
(at constant 1369 prices)

Table 4

(billion rials)

	1376	1377	1378	1379 □	1380 *	Percentage change		Share (percent)	
						1379	1380	1379	1380
Private consumption expenditures	26,400.8	28,159.4	28,572.0	29,943.2	31,259.7	4.8	4.4	56.8	56.5
Public consumption expenditures	5,495.6	5,804.1	5,700.5	5,808.9	5,731.3	1.9	-1.3	11.0	10.4
Gross fixed capital formation	11,733.8	12,260.5	13,135.0	14,201.8	15,609.2	8.1	9.9	26.9	28.2
Machinery	5,623.2	6,351.3	6,595.4	7,447.0	8,296.7	12.9	11.4	14.1	15.0
Private sector	4,442.1	5,291.4	5,391.2	6,346.8	7,097.5	17.7	11.8	12.0	12.8
Public sector	1,181.1	1,059.9	1,204.2	1,100.2	1,199.2	-8.6	9.0	2.1	2.2
Construction	6,110.6	5,909.2	6,539.6	6,754.8	7,312.6	3.3	8.3	12.8	13.2
Private sector	3,164.0	3,166.3	3,230.5	3,482.1	4,205.5	7.8	20.8	6.6	7.6
Public sector	2,946.7	2,743.0	3,309.1	3,272.7	3,107.1	-1.1	-5.1	6.2	5.6
Change in stock	1,665.2	469.9	-1,868.9	-2,182.4	-1,457.0			-4.1	-2.6
Net export of goods and services	584.0	1,539.0	3,559.6	3,124.3	2,329.1			5.9	4.2
Export of goods and services	6,302.0	7,251.2	8,853.4	8,771.7	9,036.6	-0.9	3.0	16.6	16.3
Import of goods and services	5,718.0	5,712.2	5,293.8	5,647.4	6,707.5	6.7	18.8	10.7	12.1
Statistical errors	1,627.5	1,079.0	1,068.1	1,857.4	1,899.6			3.5	3.4
Gross domestic expenditure	47,506.9	49,311.9	50,166.3	52,753.2	55,371.9	5.2	5.0	100.0	100.0
Terms of trade effect	228.2	-2,404.8	-867.5	-948.3	-1,656.4				
Net factor income from abroad	470.4	562.0	150.5	-117.3	261.9				
Gross national expenditure = gross national product	48,205.5	47,469.1	49,449.3	51,687.7	53,977.5	4.5	4.4		
Less:									
Depreciation of fixed capital	6,869.4	7,065.0	7,268.2	7,486.7	7,749.4	3.0	3.5		
Net indirect taxes	27.6	66.4	51.3	56.3	188.9				
National income	41,308.5	40,337.7	42,129.8	44,144.7	46,039.2	4.8	4.3		

Table 5 ESTIMATED PRODUCTION OF MAJOR FARMING CROPS (thousand tons)

	1376	1377	1378	1379	1380	Percentage change	
						1379	1380
Wheat	10,045	11,955	8,673	8,088	9,459	-6.7	17.0
Barley	2,499	3,301	1,999	1,686	2,423	-15.7	43.7
Rice (paddy)	2,350	2,771	2,348	1,971	1,990	-16.1	1.0
Cotton	451	460	441	497	412	12.7	-17.1
Sugar beet	4,754	4,987	5,548	4,332	4,649	-21.9	7.3
Sugar cane	2,059	1,970	2,236	2,367	3,195	5.9	35.0
Tea (green)	309	270	275	223	228	-18.9	2.2
Oil seeds	267	329	271	247	248	-8.9	0.4
Tobacco	24	23	22	21	20	-4.5	-4.8
Pulses	546	577	471	562	558	19.3	2.3
Potatoes	3,284	3,430	3,433	3,658	3,486	6.6	-0.7
Onions	1,157	1,210	1,677	1,344	1,419	-19.9	-4.7
Pistachio	112	314	131	304	112	132.1	-63.2

Source: Ministry of Agriculture Jihad

Table 6 FACILITIES EXTENDED BY BANK KESHAVARZI ACCORDING TO ISLAMIC CONTRACTS(1) (billion rials)

	1376	1377	1378	1379	1380	Percentage change	Share (percent)	
							1379	1380
Gharz-al-hasaneh	277.1	295.6	285.0	57.3	474.5	⊖	0.5	2.9
Installment sale	1,265.6	1,921.4	2,596.4	4,349.9	5,993.4	37.8	40.8	36.3
Civil partnership	2,242.8	2,171.4	1,857.3	2,260.3	4,719.4	108.8	21.2	28.6
Mozarebeh	830.8	1,127.9	1,659.6	2,134.4	3,016.5	41.3	20.0	18.3
Forward transaction	668.1	1,260.4	1,641.3	1,519.6	2,247.5	47.9	14.3	13.6
Joaleh	3.8	6.6	1.7	0	8.4	⊖	0	0.1
Hire purchase	-	7.7	13.8	342.5	28.4	-91.7	3.2	0.2
Total	5,288.2	6,791.0	8,055.1	10,664.0	16,488.1	54.6	100.0	100.0

Source: Bank Keshavarzi

(1) Includes directed and unscheduled credits.

**GOVERNMENT FIXED INVESTMENT OUT OF DEVELOPMENT EXPENDITURES FOR
EXPANSION OF AGRICULTURE AND NATURAL RESOURCES**

Table 7

(billion rials)

	1376	1377	1378	1379	1380	Percentage change	Share (percent)	
							1379	1380
National credits	553.1	538.9	801.7	1,132.4	753.8	-33.4	100.0	100.0
Water and soil	141.1	127.5	165.2	241.0	163.4	-32.2	21.3	21.7
Forests and pastures	81.6	107.9	137.7	198.2	88.0	-55.6	17.5	11.7
Farming	141.7	107.1	129.0	172.2	129.7	-24.7	15.2	17.2
Animal husbandry and poultry	15.4	16.2	20.2	29.4	19.2	-34.7	2.6	2.5
Fisheries and aquatics	38.5	46.5	54.1	53.9	54.1	0.4	4.7	7.2
Maintenance of yielding water	32.5	31.1	43.7	86.9	26.7	-69.3	7.7	3.6
Propagation and studies on agriculture and natural resources	29.4	31.8	30.1	71.1	49.9	-29.8	6.3	6.6
Commercial and cooperative credits	30.0	31.5	157.2	50.5	40.0	-20.8	4.4	5.3
Animal care and veterinary	22.5	19.9	32.3	44.9	46.2	2.9	4.0	6.1
Gardening	20.4	19.4	32.2	46.2	21.7	-53.0	4.1	2.9
Technical and creditory assistance	0	0	0	138.1	114.9	-16.8	12.2	15.2
Provincial credits	323.3	290.6	382.2	677.1	..	..	..	..
Research on agriculture and natural resources	221.8	230.9	268.8	353.7	313.7	-11.3		
Total	1,098.2	1,060.4	1,452.7	2,163.2	..	..

Source: Figures related to 1376-1379 are based on general budget laws and data related to 1380 is based on preliminary figures of Treasury General of Ministry of Economic Affairs and Finance.

LIVESTOCK PRODUCTS

Table 8

(thousand tons)

	1376	1377	1378	1379	1380	Percentage change	
						1379	1380
Red meat	720	763	721	729	743	1.1	1.9
Milk	4,895	5,105	5,564	5,623	5,748	1.1	2.2
Poultry	712	720	725	803	885	10.8	10.2
Egg	470	625	570	580	581	1.8	0.2

Source: Ministry of Agriculture Jihad

**GOVERNMENT FIXED INVESTMENT OUT OF DEVELOPMENT EXPENDITURES
FOR PROVISION AND EXPANSION OF WATER RESOURCES**

Table 9 (billion rials)

	1376	1377	1378	1379	1380	Percentage change	Share (percent)	
							1379	1380
National credits	1,630.4	1,236.0	1,981.0	3,008.4	2,583.6	-14.1	100.0	100.0
Provision of water	745.2	496.8	713.0	1,151.0	1,069.4	-7.1	38.3	41.4
Irrigation networks and drainage	418.6	299.4	472.7	753.6	571.0	-24.2	25.0	22.1
Irrigation of cities and industries	371.8	343.3	653.2	757.4	633.3	-16.4	25.2	24.5
River and coast engineering	32.4	43.8	62.4	111.6	82.0	-26.5	3.7	3.2
Optimization improvement and maintenance of water resources	33.9	24.6	41.7	70.6	80.2	13.6	2.4	3.1
Water resources' expansion study	28.5	28.1	38.0	52.5	42.4	-19.2	1.7	1.6
Technical and creditory assistance	0	0	0	111.7	105.3	-5.7	3.7	4.1
Provincial credits	211.9	191.6	371.7	644.6	..	..	..	..
Total	1,842.3	1,427.6	2,352.7	3,653.0	..	..

Source: Figures related to 1376-1379 are based on general budget laws and data related to 1380 is based on preliminary figures of Treasury General of Ministry of Economic Affairs and Finance.

Table 10 (million rials)

DIRECT PAYMENTS BY BANK KESHAVARZI FROM BANK RESOURCES (1)

	1376	1377	1378	1379	1380	Percentage change	Share (percent)	
							1379	1380
Farming	755,320	1,177,379	1,196,862	2,419,424	3,843,282	58.9	34.4	32.9
Horticulture	200,575	200,847	218,087	523,201	890,948	70.3	7.4	7.6
Animal husbandry	486,861	672,122	722,531	936,234	1,601,747	71.1	13.3	13.7
Poultry raising	341,583	493,974	527,129	660,336	1,000,718	51.5	9.4	8.6
Honeybee and silkworm raising	6,031	12,682	11,932	13,661	40,142	193.8	0.2	0.3
Agricultural industries	49,872	76,093	118,093	152,241	252,200	65.7	2.2	2.2
Handicrafts and carpet-weaving	56,524	67,066	86,375	101,871	147,569	44.9	1.4	1.3
Fish raising, fishing and shrimp preying	15,241	20,120	27,786	58,082	145,150	149.9	0.8	1.2
Agricultural services	236,493	381,790	500,548	676,944	927,075	37.0	9.6	7.9
Others (2)	317,259	620,673	1,030,586	1,497,136	2,843,757	89.9	21.3	24.3
Total	2,465,759	3,722,746	4,439,929	7,039,130	11,692,588	66.1	100.0	100.0

Source: Bank Keshavarzi

(1) It is also called as direct payments and unscheduled payments.

(2) Includes exploitation of forests, pastures and seed and shoot development stations.

**DEVELOPMENT PLANS PERFORMANCE OF FORESTS AND PASTURES
(NATIONAL AND PROVINCIAL)**

Table 11

	Physical performance				Fiscal performance (million rials)		
	Unit	1379	1380	Percentage change	1379	1380	Percentage change
National plans							
Design and implementation of desertification plans	hectare	250,785	289,118	15.3	15,558	4,690	-69.9
Pasturing, management of balance between livestock and pastures, revivification of pastures and prevention of drought	thousand hectare	1,663	1,049	-36.9	28,955	11,341	-60.8
Afforestation and reforestation of northern forests	hectare	40,360	23,200	-42.5	26,903	11,290	-58.0
Exploitation of northern forests	1,000 cubic meters	1,341	1,320	-1.6	3,807	3,040	-20.1
Provision of conclusive plans of northern forests	hectare	90,000	228,250	153.6	4,131	4,760	15.2
Protection of northern forests	livestock unit	150,324	75,009	-50.1	37,000	23,961	-35.2
Land auditorship and distinction of exceptions	thousand hectare	5,542	4,274	-22.9	28,933	16,835	-41.8
Protection and combat pests of forest & pasture diseases	percent	32	36	12.5	40,839	9,899	-75.8
Management & planning of forest resources (except north)	thousand hectare	47	133	183.0	19,265	4,520	-76.5
Study of natural resources and its management	thousand hectare	613	5,412	□	2,762	2,967	-56.1
Construction of forest and pasture didactic centers	percent	4	0	-100.0	1,360	510	-62.5
Tuba Plan	hectare	36,935	5,960	-83.9	5,919	9,386	58.6
Yielding water plan	hectare	–	311,235	θ	–	28,121	θ
Sub-total					219,432	131,320	-40.2
Provincial plans							
Protection and support of forests and pastures	person	–	724	θ	–	15,850	θ
Construction and completion of northern forest roads	kilometer	38	28	-26.3	9,032	4,663	-48.4
Pasturing and production of forage	hectare	113,190	164,945	45.7	22,253	33,508	50.6
Others	hectare	92,344	188,348	104.0	89,490	124,343	38.9
Sub-total					120,775	178,364	47.7
Total					340,207	309,684	-9.0

	1997	1998	1999	2000	2001	Percentage change		Share (percent)	
						2000	2001	2000	2001
OPEC	29,553	30,821	29,368	30,901	30,181	5.2	-2.3	41.5	40.5
Middle East members	19,462	20,686	19,742	20,966	20,217	6.2	-3.6	28.1	27.1
Other members	10,091	10,136	9,625	9,934	9,964	3.2	0.3	13.3	13.4
North America	14,267	14,182	13,678	13,904	14,040	1.7	1.0	18.7	18.8
U.S.A.	8,269	8,011	7,731	7,733	7,717	*	-0.2	10.4	10.4
Canada	2,588	2,672	2,604	2,721	2,763	4.5	1.5	3.7	3.7
Mexico	3,410	3,499	3,343	3,450	3,560	3.2	3.2	4.6	4.8
North Sea	5,992	5,941	6,035	6,014	5,916	-0.4	-1.6	8.1	7.9
England	2,713	2,805	2,903	2,667	2,503	-8.1	-6.2	3.6	3.4
Norway	3,279	3,136	3,132	3,347	3,414	6.9	2.0	4.5	4.6
Egypt	873	857	827	781	758	-5.6	-2.9	1.0	1.0
Oman	909	905	911	961	959	5.5	-0.2	1.3	1.3
Commonwealth of Independent States	7,377	7,391	7,551	8,013	8,652	6.1	8.0	10.8	11.6
China	3,211	3,212	3,213	3,252	3,308	1.2	1.7	4.4	4.4
Other countries	9,667	9,972	10,248	10,657	10,679	4.0	0.2	14.3	14.3
Total	71,848	73,280	71,832	74,482	74,493	3.7	*	100.0	100.0
OECD members	21,675	21,487	21,039	21,523	21,462	2.3	-0.3	28.9	28.8

Source: BP AMOCO Statistical Bulletin, 2002

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

Table 13 **WORLD OIL CONSUMPTION (1)** (thousand b/d)

	1997	1998	1999	2000	2001	Percentage change		Share (percent)	
						2000	2001	2000	2001
North America	22,191	22,593	23,210	23,473	23,386	1.1	-0.4	31.2	31.1
U.S.A.	18,621	18,917	19,519	19,701	19,633	0.9	-0.3	26.2	26.1
Canada	1,888	1,913	1,926	1,937	1,941	0.6	0.2	2.6	2.6
Mexico	1,682	1,763	1,765	1,835	1,813	3.9	-1.2	2.4	2.4
Latin America	4,568	4,709	4,745	4,732	4,693	-0.3	-0.8	6.3	6.2
Australia & New Zealand	953	956	977	971	979	-0.7	0.9	1.3	1.3
Europe	15,839	16,092	16,063	15,975	16,093	-0.5	0.7	21.2	21.4
France	1,948	2,016	2,044	2,007	2,032	-1.8	1.2	2.7	2.7
Italy	1,969	1,974	1,980	1,956	1,946	-1.2	-0.5	2.6	2.6
England	1,752	1,745	1,727	1,684	1,649	-2.5	-2.0	2.2	2.2
Germany	2,913	2,915	2,824	2,763	2,804	-2.2	1.5	3.7	3.7
Other European countries	7,256	7,443	7,488	7,566	7,662	1.0	1.3	10.0	10.2
Middle East	4,161	4,161	4,283	4,307	4,306	0.6	*	5.7	5.7
Africa	2,307	2,385	2,439	2,455	2,490	0.7	1.4	3.3	3.3
Japan	5,761	5,525	5,618	5,576	5,427	-0.7	-2.7	7.4	7.2
China	3,935	4,047	4,416	4,985	5,041	12.9	1.1	6.6	6.7
Commonwealth of Independent States	3,751	3,626	3,556	3,412	3,407	-4.1	-0.1	4.5	4.5
Other countries	9,031	8,723	9,188	9,410	9,470	2.4	0.6	12.5	12.6
Total	72,496	72,815	74,495	75,295	75,291	1.1	*	100.0	100.0
OECD members	46,409	46,508	47,412	47,589	47,471	0.4	-0.2	63.2	63.1

Source: BP AMOCO Statistical Bulletin, 2002

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

Table 14

AVERAGE SPOT PRICES OF CRUDE OIL DURING 2001

(barrel-dollar)

	Saudi Arabia		Iran	Algeria	Nigeria	U.A.E.	OPEC basket	England	U.S.A.	Egypt
	Light	Heavy	Light	Saharan	Bonny	Dubai	(1)	Brent	WTI	Suez mix
	(34.2°)	(28°)	(33.9°)	(44.1°)	(36.7°)	(32.4°)		(38°)	(40°)	(33°)
2001										
January	22.31	20.74	22.63	26.08	25.43	22.56	24.06	25.60	29.42	22.09
February	24.82	23.32	24.65	27.80	27.40	24.79	25.41	27.30	29.48	22.61
March	23.77	22.57	23.58	24.82	24.35	23.67	23.70	24.42	27.27	19.73
April	24.24	23.15	24.05	25.65	25.43	24.06	24.38	25.37	27.37	21.58
May	25.77	24.60	25.58	28.47	28.51	25.40	26.25	28.35	28.60	24.56
June	26.17	24.88	25.80	28.16	28.06	25.86	26.10	27.96	27.67	23.83
July	24.03	22.61	23.78	24.82	24.81	23.45	23.73	24.66	26.53	21.37
August	24.92	23.77	24.68	25.96	25.41	24.70	24.46	25.78	27.41	22.48
September	24.73	23.63	24.54	26.13	25.98	24.37	24.29	25.84	26.40	23.11
October	20.16	19.36	20.04	20.65	20.60	19.93	19.64	20.54	22.20	17.75
November	17.82	17.00	17.64	19.00	18.92	17.62	17.65	18.80	19.49	16.09
December	17.99	17.21	17.69	19.08	18.78	17.60	17.53	18.58	19.40	16.68
Average of 2001	23.06	21.90	22.89	24.72	24.47	22.83	23.10	24.43	25.94	20.99
2002										
January	18.83	18.00	18.95	19.64	19.65	18.54	18.33	19.48	19.71	16.74
February	19.47	18.61	18.95	19.73	20.30	19.02	18.89	20.22	20.67	17.11
March	23.33	22.51	22.31	22.84	23.76	22.97	22.64	23.73	24.35	20.38
Average of 1380 (2)	22.29	21.28	22.00	23.34	23.35	21.96	21.99	23.28	24.15	20.14

Source: OPEC Monthly Bulletin, May, 2001 and April, 2002

(1) Includes seven types of crude oil: Saharan Blend, Minas, Bonny Light, Saudi Arabian Light, Dubai, Tia Juana and Isthmus (Mexico, non-OPEC).

(2) Average of the second, third and fourth quarters of 2001 and the first quarter of 2002.

Table 15 **AVERAGE SPOT PRICES OF CRUDE OIL DURING 1997-2001** (barrel-dollar)

	Type of crude oil	1997	1998	1999	2000	2001	Annual percentage change	
							2000	2001
Saudi Arabia	Light	18.80	12.24	17.43	26.85	23.06	54.0	-14.1
	Heavy	17.26	10.95	16.41	25.20	21.90	53.6	-13.1
Iran	Light	18.34	12.02	17.23	26.70	22.89	55.0	-14.3
Algeria	Saharan	19.72	13.07	18.09	28.73	24.72	58.8	-14.0
Nigeria	Bonny	19.50	12.82	18.04	28.45	24.47	57.7	-14.0
U.A.E.	Dubai	18.19	12.19	17.22	26.20	22.83	52.1	-12.9
OPEC basket (1)	—	18.77	12.33	17.44	27.55	23.10	58.0	-16.2
England	Brent	19.16	12.76	17.88	28.39	24.43	58.8	-13.9
U.S.A.	WTI	20.66	14.41	19.27	30.36	25.94	57.5	-14.6
Egypt	Suez mix	16.99	10.47	16.17	25.10	20.99	55.2	-16.4

Source: OPEC Monthly Bulletin

(1) Includes seven types of crude oil: Saharan Blend, Minas, Bonny Light, Saudi Arabian Light, Dubai, Tia Juana and Isthmus (Mexico, non-OPEC).

Table 16 **OPEC CRUDE OIL PRODUCTION (1)** (thousand b/d)

	1997	1998	1999	2000	2001	Percentage change		Share (percent)	
						2000	2001	2000	2001
Middle East members	19,462	20,686	19,742	20,966	20,217	6.2	-3.6	67.9	67.0
Saudi Arabia	9,213	9,219	8,549	9,115	8,768	6.6	-3.8	29.5	29.1
Iran	3,726	3,803	3,552	3,772	3,688	6.2	-2.2	12.2	12.2
Iraq	1,201	2,162	2,581	2,624	2,414	1.7	-8.0	8.5	8.0
Kuwait	2,139	2,199	2,038	2,169	2,142	6.4	-1.2	7.0	7.1
U.A.E	2,490	2,556	2,299	2,491	2,422	8.4	-2.8	8.1	8.0
Qatar	694	747	724	796	783	9.9	-1.6	2.6	2.6
Other members	10,091	10,136	9,625	9,934	9,964	3.2	0.3	32.1	33.0
Venezuela	3,321	3,512	3,249	3,321	3,418	2.2	2.9	10.7	11.3
Nigeria	2,303	2,163	2,028	2,103	2,148	3.7	2.1	6.8	7.1
Indonesia	1,557	1,520	1,408	1,456	1,410	3.4	-3.2	4.7	4.7
Libya	1,489	1,480	1,425	1,475	1,425	3.5	-3.4	4.8	4.7
Algeria	1,421	1,461	1,515	1,579	1,563	4.2	-1.0	5.1	5.2
Total (2)	29,553	30,821	29,368	30,901	30,181	5.2	-2.3	100.0	100.0

Source: BP AMOCO Statistical Bulletin, 2002

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

(2) Based on OPEC Monthly Bulletin, the NGL production in OPEC member countries was 2.8, 3.0, 3.1, 3.2 and 3.2 million barrels per day, respectively, during 1997-2001.

Table 17 EXPORT OF CRUDE OIL AND OIL PRODUCTS (thousand b/d)

	1376	1377	1378	1379	1380	Annual percentage change		Share (percent)	
						1379	1380	1379	1380
Crude oil	2,342	2,300	2,079	2,345	2,208	12.8	-5.8	92.8	91.0
Oil products	222	113	197	181	218	-8.1	20.4	7.2	9.0
Total	2,564	2,413	2,276	2,526	2,426	11.0	-4.0	100.0	100.0

Source: Ministry of Petroleum

Table 18 CRUDE OIL DELIVERED TO DOMESTIC REFINERIES (thousand b/d)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Abadan Refinery	349	340	312	310	311	-0.6	0.3	23.6	22.8
Isfahan Refinery	312	280	280	253	303	-9.6	19.8	19.2	22.2
Tehran Refinery	207	200	210	200	214	-4.8	7.0	15.2	15.7
Arak Refinery	151	154	150	150	141	0	-6.0	11.4	10.3
Tabriz Refinery	95	100	100	100	95	0	-5.0	7.6	6.9
Bandar Abbas Refinery	86	220	220	220	216	0	-1.8	16.7	15.8
Shiraz Refinery	38	44	40	40	44	0	10.0	3.0	3.2
Lavan Topping Plant	24	27	25	21	19	-16.0	-9.5	1.6	1.4
Kermanshah Refinery	19	24	23	22	23	-4.3	4.5	1.7	1.7
Total	1,281	1,389	1,360	1,316	1,366	-3.2	3.8	100.0	100.0

Source: Ministry of Petroleum

Table 19 DOMESTIC CONSUMPTION OF OIL PRODUCTS ▲ (thousand b/d)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Gas oil	405	401	397	421	421	6.0	0	32.6	31.6
Fuel oil	278	235	227	250	263	9.8	5.2	19.4	19.8
Gasoline	220	237	246	268	288	8.9	7.5	20.8	21.7
Kerosene	183	172	164	162	154	-1.2	-4.5	12.5	11.6
LPG	59	58	64	70	72	8.4	2.7	5.4	5.4
Other products	135	127	116	119	132	3.6	10.5	9.3	9.9
Total	1,280	1,230	1,214	1,290	1,330	6.3	3.1	100.0	100.0

Source: Ministry of Petroleum

	1376	1377	1378	1379	1380
Europe	51.4	49.8	33.6	31.4	14.0
Japan	19.1	18.7	24.7	21.9	23.7
Asia and Far East (except Japan)	26.9	27.8	26.1	39.6	41.8
Africa	0	0	0	7.1	6.9
Other countries(1)	2.6	3.7	15.6	0	13.6
Total	100.0	100.0	100.0	100.0	100.0

Source: Ministry of Petroleum

(1) Includes Mediterranean countries in 1380.

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
1- Domestic consumption	47.6	51.5	58.8	62.9	66.6	7.0	5.9	72.7	73.7
2- Others (1)	21.9	21.0	23.3	23.6	23.8	1.3	0.8	27.3	26.3
3- Total supply [1+2]	69.5	72.5	82.1	86.5	90.4	5.4	4.5	100.0	100.0
4- Exports	0	0	0	0	0.4	0	0	0	0.5
5- Imports	0	0	2.1	3.3	4.5	57.1	36.4	3.8	5.0
6- Total production (2) [3+4-5]	69.5	72.5	80.0	83.2	86.3	4.0	3.7	96.2	95.5

Source: Ministry of Petroleum

(1) Includes operational consumption, liquefied and flared gas.

(2) Excludes gas injected into oil wells.

	1376	1377	1378	1379▲	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Ministry of Energy	92,310	97,863	107,207	115,708	124,275	7.9	7.4	95.4	95.6
Hydroelectric	6,908	7,014	4,943	3,650	5,057	-26.2	38.5	3.0	3.9
Steam	65,629	63,988	70,689	78,332	81,103	10.8	3.5	64.6	62.4
Gas and combined cycle	19,298	26,487	31,156	33,365	37,787	7.1	13.3	27.5	29.1
Diesel	475	374	419	361	328	-13.8	-9.1	0.3	0.3
Other institutions (1)	5,434	5,550	5,389	5,624	5,754	4.4	2.3	4.6	4.4
Total	97,744	103,413	112,596	121,332	130,029	7.7	7.2	100.0	100.0

Source: Ministry of Energy

(1) Includes industries and miscellaneous producers.

Table 23 **CONSUMPTION OF ELECTRICITY(1)** (million kwh)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Residential	26,523	28,686	29,754	31,266	32,891	5.1	5.2	34.6	33.9
Industrial	23,661	24,140	26,504	28,937	30,739	9.2	6.2	32.0	31.6
Commercial (general) ▲	14,887	15,561	16,189	17,262	18,345	6.6	6.3	19.1	18.9
Agricultural	6,009	6,782	8,019	9,147	11,079	14.1	21.1	10.1	11.4
Streetlighting	2,278	2,477	4,190	3,754	4,117	-10.4	9.7	4.2	4.2
Total (2)	73,358	77,646	84,656	90,366	97,171	6.7	7.5	100.0	100.0

Source: Ministry of Energy

(1) Sale of electricity to subscribers

(2) Discrepancy in amount of production and consumption of electricity is mainly due to wastes in transmission and distribution network.

Table 24 **GOVERNMENT FIXED INVESTMENT OUT OF DEVELOPMENT EXPENDITURES**
IN OIL, GAS AND ELECTRICITY SECTORS (1) (billion rials)

	1376	1377	1378	1379	1380 (2)	Percentage change		Share (percent)	
						1379	1380	1379	1380
Oil (3)	2,771.1	2,109.8	3,780.6	59.7	88.8	-98.4	48.7	100.0	100.0
Gas	928.8	791.3	1,778.2	0	0	-100.0	0	0	0
Electricity	1,487.8	2,453.4	2,956.5	455.5	673.8	-84.6	47.9	100.0	100.0
National expenditures	1,487.5	2,452.4	2,954.4	450.3	673.8	-84.8	49.6	98.9	100.0
Production	959.8	1,870.3	2,036.1	162.1	429.7	-92.0	165.1	35.6	63.8
Transmission	512.7	572.1	902.3	0	0	-100.0	0	0	0
Distribution	15.0	10.0	16.0	288.2	244.1	1,701.3	-15.3	63.3	36.2
Provincial expenditures	0.3	1.0	2.1	5.2	0	147.6	-100.0	1.1	0
Energy research	98.8	135.1	124.8	26.1	26.3	-79.1	0.8	100.0	100.0

Source: General budget laws-Management and Planning Organization

(1) On the basis of Note 19 of the 2nd FYDP (1374-78), major part of development investment in oil, gas and electricity was provided through resources of charges of these industries. In the 3rd Plan, the mentioned charges are dealt with out of budget and are delivered directly to the mentioned sectors. Thus, development expenditures of these sectors have been dramatically reduced.

(2) Due to the unavailability of performance figures of development expenditures according to chapters and affairs, approved figures are used instead of general percentage realization of government development expenditures.

(3) The figures for 1379 and 1380 include program for regulating and implementing government policies in oil, gas, petrochemical and related industries.

**INVESTMENT BASED ON ESTABLISHMENT PERMITS ISSUED FOR NEWLY ESTABLISHED
INDUSTRIAL UNITS AND EXPANSION OF EXISTING UNITS**

Table 25

(billion rials)

	1376	1377	1378	1379▲	1380 □	Percentage change		Share (percent)(1)	
						1379	1380	1379	1380
Manufacture of:									
Food and beverages	5,577	9,272	5,813	7,618	17,357	31.1	127.8	11.3	10.6
Tobacco products	0	0	2	1	72	-50.0	▣	*	*
Textiles	6,556	2,056	3,371	3,267	9,404	-3.1	187.8	4.8	5.7
Wearing apparel, dressing and dyeing of fur	445	144	230	204	1,058	-11.3	418.7	0.3	0.6
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	552	164	211	324	555	53.6	71.2	0.5	0.3
Wood and wood products except furniture	492	191	454	867	2,136	91.0	146.4	1.3	1.3
Paper and paper products	900	3,700	855	1,551	5,246	81.4	238.2	2.3	3.2
Printing, publishing and reproduction of recorded media	23	39	118	88	205	-25.4	132.7	0.1	0.1
Coke and refined petroleum products and nuclear fuels	169	44	120	1,630	15,358	▣	▣	2.4	9.3
Chemical products	3,469	1,084	4,546	5,900	49,165	29.8	▣	8.7	29.9
Rubber and plastic products	2,859	761	2,049	2,160	6,033	5.4	179.3	3.2	3.7
Non-metallic mineral products	1,919	1,806	3,563	13,599	20,099	281.7	47.8	20.1	12.2
Basic metals	550	220	2,013	16,528	13,678	▣	-17.2	24.5	8.3
Fabricated metal products except machinery and equipment	1,766	530	1,218	2,279	6,260	87.1	174.7	3.4	3.8
Machinery and equipment unclassified elsewhere	671	571	833	5,224	4,720	▣	-9.7	7.7	2.9
Office and accounting machines	47	31	34	130	305	282.4	134.6	0.2	0.2
Electrical machines and electronic devices	445	440	640	777	3,658	21.4	370.7	1.1	2.2
Radio, television and telecommunication instruments	309	346	117	117	197	0	68.2	0.2	0.1
Medical and optical tools, precision instruments and clocks	328	337	251	284	976	13.1	243.8	0.4	0.6
Motor vehicles, trailer and semi trailer	744	680	2,181	3,561	5,296	63.3	48.7	5.3	3.2
Other transport equipment	418	1,136	229	599	1,417	161.6	136.6	0.9	0.9
Furniture and artificial goods unclassified elsewhere	250	56	106	149	368	40.6	146.8	0.2	0.2
Recycling	381	206	26	720	726	▣	0.9	1.1	0.4
Total	28,870	23,814	28,980	67,578	164,288	133.2	143.1	100.0	100.0

Source: Ministry of Industries and Mines

(1) Minor discrepancies in total are due to rounding.

**INVESTMENT BASED ON OPERATION PERMITS ISSUED FOR NEWLY ESTABLISHED
INDUSTRIAL UNITS AND EXPANSION OF EXISTING UNITS(1)**

Table 26

(billion rials)

	1376	1377	1378	1379▲	1380□	Percentage change		Share (percent)	
						1379	1380	1379	1380
Manufacture of:									
Food and beverages	1,454	1,867	1,361	1,214	2,070	-10.8	70.5	18.8	15.9
Tobacco products	0	0	5	0	2	-100.0	0	0	*
Textiles	719	1,703	947	512	931	-45.9	81.9	7.9	7.2
Wearing apparel, dressing and dyeing of fur	17	12	16	27	40	68.8	47.0	0.4	0.3
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	39	40	94	83	84	-11.7	1.4	1.3	0.6
Wood and wood products except furniture	19	67	28	48	69	71.4	43.8	0.7	0.5
Paper and paper products	115	191	96	119	89	24.0	-25.0	1.8	0.7
Printing, publishing and reproduction of recorded media	5	5	13	12	54	-7.7	348.3	0.2	0.4
Coke and refined petroleum products and nuclear fuels	17	27	3,611	53	160	-98.5	201.3	0.8	1.2
Chemical products	808	250	527	627	2,729	19.0	335.3	9.7	21.0
Rubber and plastic products	1,220	711	615	462	1,498	-24.9	224.3	7.1	11.5
Non-metallic mineral products	629	590	1,142	1,531	1,492	34.1	-2.5	23.7	11.5
Basic metals	67	119	316	200	1,006	-36.7	402.8	3.1	7.7
Fabricated metal products except machinery and equipment	202	281	732	221	539	-69.8	144.0	3.4	4.1
Machinery and equipment unclassified elsewhere	149	104	239	311	514	30.1	65.3	4.8	3.9
Office and accounting machines	52	2	22	9	34	-59.1	275.6	0.1	0.3
Electrical machines and electronic devices	151	171	118	173	377	46.6	118.0	2.7	2.9
Radio, television and telecommunication instruments	23	25	33	25	8	-24.2	-69.2	0.4	0.1
Medical and optical tools, precision instruments and clocks	5	81	39	35	45	-10.3	28.0	0.5	0.3
Motor vehicles, trailer and semi trailer	19	64	313	637	1,167	103.5	83.2	9.9	9.0
Other transport equipment	67	42	35	135	82	285.7	-39.3	2.1	0.6
Furniture and artificial goods unclassified elsewhere	20	11	18	26	25	44.4	-5.0	0.4	0.2
Recycling	27	6	10	2	9	-80.0	335.0	*	0.1
Total	5,824	6,369	10,330	6,462	13,023	-37.4	101.5	100.0	100.0

Source: Ministry of Industries and Mines

(1) Figures for 1379 and 1380 include operation permits for mining industries.

**NUMBER OF ESTABLISHMENT PERMITS ISSUED FOR NEWLY ESTABLISHED
INDUSTRIAL UNITS AND EXPANSION OF EXISTING UNITS**

Table 27

	1376	1377	1378	1379▲	1380□	Percentage change		Share (percent)	
						1379	1380	1379	1380
Manufacture of:									
Food and beverages	1,967	1,543	1,836	1,756	2,861	-4.4	62.9	19.3	16.7
Tobacco products	0	0	2	1	2	-50.0	100.0	*	*
Textiles	740	370	418	433	1,161	3.6	168.1	4.8	6.8
Wearing apparel, dressing and dyeing of fur	532	285	297	429	1,164	44.4	171.3	4.7	6.8
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	257	112	114	151	230	32.5	52.3	1.7	1.3
Wood and wood products except furniture	186	130	145	177	405	22.1	128.8	1.9	2.4
Paper and paper products	415	233	265	354	600	33.6	69.5	3.9	3.5
Printing, publishing and reproduction of recorded media	33	12	34	41	63	20.6	53.7	0.5	0.4
Coke and refined petroleum products and nuclear fuels	74	47	56	139	142	148.2	2.2	1.5	0.8
Chemical products	1,246	616	732	753	1,298	2.9	72.4	8.3	7.6
Rubber and plastic products	1,110	716	861	910	1,340	5.7	47.3	10.0	7.8
Non-metallic mineral products	1,182	937	1,036	1,267	2,528	22.3	99.5	13.9	14.8
Basic metals	358	274	309	367	555	18.8	51.2	4.0	3.2
Fabricated metal products except machinery and equipment	405	296	573	634	1,289	10.6	103.3	7.0	7.5
Machinery and equipment unclassified elsewhere	564	494	517	615	1,196	19.0	94.5	6.8	7.0
Office and accounting machines	41	24	48	56	241	16.7	330.4	0.6	1.4
Electrical machines and electronic devices	234	232	226	259	552	14.6	113.1	2.9	3.2
Radio, television and telecommunication instruments	211	94	52	56	128	7.7	128.6	0.6	0.7
Medical and optical tools, precision instruments and clocks	231	111	85	87	169	2.4	94.3	1.0	1.0
Motor vehicles, trailer and semi trailer	190	134	278	313	579	12.6	85.0	3.4	3.4
Other transport equipment	7	36	89	108	243	21.3	125.0	1.2	1.4
Furniture and artificial goods unclassified elsewhere	127	102	95	143	279	50.5	95.1	1.6	1.6
Recycling	46	58	28	38	73	35.7	92.1	0.4	0.4
Total	10,156	6,856	8,096	9,087	17,098	12.2	88.2	100.0	100.0

Source: Ministry of Industries and Mines

**NUMBER OF OPERATION PERMITS ISSUED FOR NEWLY ESTABLISHED
INDUSTRIAL UNITS AND EXPANSION OF EXISTING UNITS(1)**

Table 28

	1376	1377	1378	1379▲	1380□	Percentage change		Share (percent)(2)	
						1379	1380	1379	1380
Manufacture of:									
Food and beverages	582	636	594	591	651	-0.5	10.2	18.1	18.3
Tobacco products	0	0	1	0	1	-100.0	0	0	*
Textiles	287	244	297	253	289	-14.8	14.2	7.8	8.1
Wearing apparel, dressing and dyeing of fur	74	87	77	165	193	114.3	17.0	5.1	5.4
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	57	58	119	97	111	-18.5	14.4	3.0	3.1
Wood and wood products except furniture	52	44	50	62	81	24.0	30.6	1.9	2.3
Paper and paper products	106	83	108	130	106	20.4	-18.5	4.0	3.0
Printing, publishing and reproduction of recorded media	12	12	13	19	24	46.2	26.3	0.6	0.7
Coke and refined petroleum products and nuclear fuels	16	28	33	41	66	24.2	61.0	1.3	1.9
Chemical products	185	172	272	264	332	-2.9	25.8	8.1	9.4
Rubber and plastic products	300	324	635	484	325	-23.8	-32.9	14.8	9.2
Non-metallic mineral products	691	354	331	334	407	0.9	21.9	10.2	11.5
Basic metals	130	54	92	80	120	-13.0	50.0	2.5	3.4
Fabricated metal products except machinery and equipment	176	120	248	221	267	-10.9	20.8	6.8	7.5
Machinery and equipment unclassified elsewhere	214	144	227	209	229	-7.9	9.6	6.4	6.5
Office and accounting machines	14	20	19	21	29	10.5	38.1	0.6	0.8
Electrical machines and electronic devices	106	112	72	71	78	-1.4	9.9	2.2	2.2
Radio, television and telecommunication instruments	14	17	17	25	16	47.1	-36.0	0.8	0.5
Medical and optical tools, precision instruments and clocks	16	17	26	25	25	-3.8	0	0.8	0.7
Motor vehicles, trailer and semi trailer	29	34	100	104	114	4.0	9.6	3.2	3.2
Other transport equipment	37	23	20	35	51	75.0	45.7	1.1	1.4
Furniture and artificial goods unclassified elsewhere	42	25	31	28	25	-9.7	-10.7	0.9	0.7
Recycling	5	7	5	5	10	0	100.0	0.2	0.3
Total	3,145	2,615	3,387	3,264	3,550	-3.6	8.8	100.0	100.0

Source: Ministry of Industries and Mines

(1) Figures for 1379 and 1380 include operation permits for mining industries.

(2) Minor discrepancies in total are due to rounding.

**EMPLOYMENT BASED ON ESTABLISHMENT PERMITS ISSUED FOR NEWLY ESTABLISHED
INDUSTRIAL UNITS AND EXPANSION OF EXISTING UNITS**

Table 29

(person)

	1376	1377	1378	1379▲	1380□	Percentage change		Share (percent)(1)	
						1379	1380	1379	1380
Manufacture of:									
Food and beverages	47,442	44,331	43,361	47,242	85,605	9.0	81.2	17.5	17.6
Tobacco products	0	0	25	20	316	-20.0	▣	*	0.1
Textiles	47,488	18,217	17,295	15,986	38,941	-7.6	143.6	5.9	8.0
Wearing apparel, dressing and dyeing of fur	12,317	7,221	6,716	9,164	21,975	36.5	139.8	3.4	4.5
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	4,859	4,103	2,841	3,792	6,220	33.5	64.0	1.4	1.3
Wood and wood products except furniture	5,782	2,518	3,062	3,086	8,335	0.8	170.1	1.1	1.7
Paper and paper products	9,924	9,009	5,545	8,020	13,785	44.6	71.9	3.0	2.8
Printing, publishing and reproduction of recorded media	148	235	511	445	884	-12.9	98.7	0.2	0.2
Coke and refined petroleum products and nuclear fuels	74	47	1,356	3,619	5,946	166.9	64.3	1.3	1.2
Chemical products	35,786	17,176	18,631	24,572	46,233	31.9	88.2	9.1	9.5
Rubber and plastic products	23,571	13,949	15,358	14,789	27,189	-3.7	83.8	5.5	5.6
Non-metallic mineral products	32,775	19,266	22,704	35,029	65,827	54.3	87.9	13.0	13.6
Basic metals	6,728	3,924	10,321	22,747	26,932	120.4	18.4	8.4	5.5
Fabricated metal products except machinery and equipment	12,209	8,000	13,961	14,854	27,550	6.4	85.5	5.5	5.7
Machinery and equipment unclassified elsewhere	13,119	9,368	12,990	21,008	31,061	61.7	47.9	7.8	6.4
Office and accounting machines	1,186	1,145	832	1,128	3,860	35.6	242.2	0.4	0.8
Electrical machines and electronic devices	12,756	6,172	10,453	7,259	18,694	-30.6	157.5	2.7	3.9
Radio, television and telecommunication instruments	3,375	3,162	1,360	1,265	2,630	-7.0	107.9	0.5	0.5
Medical and optical tools, precision instruments and clocks	3,496	2,829	2,119	1,960	4,290	-7.5	118.9	0.7	0.9
Motor vehicles, trailer and semi trailer	4,292	4,859	12,248	21,982	25,499	79.5	16.0	8.1	5.3
Other transport equipment	4,155	3,832	4,895	8,581	16,769	75.3	95.4	3.2	3.5
Furniture and artificial goods unclassified elsewhere	3,353	2,020	1,894	2,633	4,742	39.0	80.1	1.0	1.0
Recycling	1,109	1,576	484	724	2,239	49.6	209.3	0.3	0.5
Total	285,944	182,959	208,962	269,905	485,522	29.2	79.9	100.0	100.0

Source: Ministry of Industries and Mines

(1) Minor discrepancies in total are due to rounding.

**EMPLOYMENT BASED ON OPERATION PERMITS ISSUED FOR NEWLY ESTABLISHED
INDUSTRIAL UNITS AND EXPANSION OF EXISTING UNITS(1)**

Table 30

(person)

	1376	1377	1378	1379▲	1380□	Percentage change		Share (percent)(2)	
						1379	1380	1379	1380
Manufacture of:									
Food and beverages	12,343	13,530	12,934	13,816	14,245	6.8	3.1	24.5	19.1
Tobacco products	0	0	179	0	15	-100.0	0	0	*
Textiles	9,718	6,759	9,404	4,888	6,564	-48.0	34.3	8.7	8.8
Wearing apparel, dressing and dyeing of fur	1,405	1,195	1,279	2,199	2,708	71.9	23.1	3.9	3.6
Tanning & dressing of leather, manufacture of luggage, handbags and footwear	1,101	802	1,696	1,307	1,211	-22.9	-7.3	2.3	1.6
Wood and wood products except furniture	738	762	915	755	992	-17.5	31.4	1.3	1.3
Paper and paper products	3,006	1,254	1,229	1,259	1,353	2.4	7.5	2.2	1.8
Printing, publishing and reproduction of recorded media	149	57	72	105	229	45.8	118.1	0.2	0.3
Coke and refined petroleum products and nuclear fuels	292	416	3,003	550	1,126	-81.7	104.7	1.0	1.5
Chemical products	6,882	2,513	3,618	4,293	13,037	18.7	203.7	7.6	17.5
Rubber and plastic products	4,234	6,159	6,480	4,116	3,856	-36.5	-6.3	7.3	5.2
Non-metallic mineral products	10,369	7,127	6,714	7,585	9,252	13.0	22.0	13.4	12.4
Basic metals	1,379	1,077	3,259	1,551	2,496	-52.4	60.9	2.7	3.3
Fabricated metal products except machinery and equipment	3,726	2,599	6,017	2,350	3,869	-60.9	64.6	4.2	5.2
Machinery and equipment unclassified elsewhere	4,088	3,124	4,062	3,812	4,088	-6.2	7.2	6.7	5.5
Office and accounting machines	197	178	369	215	361	-41.7	67.9	0.4	0.5
Electrical machines and electronic devices	2,011	1,547	1,317	1,870	2,692	42.0	44.0	3.3	3.6
Radio, television and telecommunication instruments	293	1,968	277	340	197	22.7	-42.1	0.6	0.3
Medical and optical tools, precision instruments and clocks	350	520	889	432	574	-51.4	32.9	0.8	0.8
Motor vehicles, trailer and semi-trailer	143	1,613	2,158	2,704	2,727	25.3	0.9	4.8	3.7
Other transport equipment	1,588	745	681	1,948	2,445	186.0	25.5	3.4	3.3
Furniture and artificial goods unclassified elsewhere	624	318	539	344	412	-36.2	19.8	0.6	0.6
Recycling	85	86	53	54	129	1.9	138.9	0.1	0.2
Total	64,721	54,349	67,144	56,493	74,578	-15.9	32.0	100.0	100.0

Source: Ministry of Industries and Mines

(1) Figures for 1379 and 1380 include operation permits for mining industries.

(2) Minor discrepancies in total are due to rounding.

Table 31

EMPLOYMENT INDEX OF LARGE MANUFACTURING ESTABLISHMENTS (1)

(1376=100)

	1376	1377	1378	1379▲	1380	Percentage change	
						1379	1380
Manufacture of:							
Food and beverages	100.0	101.0	102.1	103.3	102.1	1.2	-1.2
Tobacco products	100.0	103.7	101.5	100.6	100.6	-0.9	0
Textiles	100.0	98.3	94.2	91.2	87.3	-3.2	-4.3
Wearing apparel, dressing and dyeing of fur	100.0	89.8	66.9	46.4	48.7	-30.6	5.0
Leather and leather products (handbag, footwear, luggage, etc.)	100.0	92.0	80.7	69.2	61.4	-14.3	-11.3
Wood, wood products and cork (except furniture)	100.0	97.5	94.6	90.2	91.1	-4.7	1.0
Paper and paper products	100.0	97.3	94.0	92.5	93.5	-1.6	1.1
Oil products (except oil refineries)	100.0	102.8	106.3	119	112.7	11.9	-5.3
Chemical products	100.0	111.6	113.4	117.2	116.8	3.4	-0.3
Rubber and plastic products	100.0	104.0	104.0	112.6	111.1	8.3	-1.3
Non-metallic mineral products	100.0	101.1	103.0	104.6	105.3	1.6	0.7
Basic metals	100.0	101.1	101.2	107.3	109.1	6.0	1.7
Fabricated metal products except machinery and equipment	100.0	101.9	109.4	121.6	122.5	11.2	0.7
Machinery and equipment unclassified elsewhere	100.0	101.8	102.8	108.9	109.7	5.9	0.7
Power generators & transmission network machinery & electronic devices	100.0	104.5	112.6	115.7	115.1	2.8	-0.5
Radio, television and telecommunication instruments	100.0	101.0	96.2	123.3	122.8	28.2	-0.4
Medical and optical tools, precision instruments and clocks	100.0	101.2	98.6	103.8	124.1	5.3	19.6
Motor vehicles and trailer	100.0	109.8	118.4	141.8	157.4	19.8	11.0
Other transport equipment	100.0	103.5	107.3	131.7	145.7	22.7	10.6
Furniture and artificial goods unclassified elsewhere	100.0	94.0	139.5	145.7	145.4	4.4	-0.2
Total	100.0	101.7	102.1	106.0	106.3	3.8	0.3

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

Table 32

WAGE AND FRINGE BENEFITS INDEX OF LARGE MANUFACTURING ESTABLISHMENTS (1)

(1376=100)

	1376	1377	1378	1379▲	1380	Percentage change	
						1379	1380
Manufacture of:							
Food and beverages	100.0	123.5	156.4	198.9	235.5	27.2	18.4
Tobacco products	100.0	125.5	151.7	184.8	198.5	21.8	7.4
Textiles	100.0	118.4	138.2	160.7	183.1	16.3	13.9
Wearing apparel, dressing and dyeing of fur	100.0	104.5	127.6	84.4	121.7	-33.9	44.2
Leather and leather products (handbag, footwear, luggage, etc.)	100.0	121.7	122.9	126.9	133.3	3.3	5.0
Wood, wood products and cork (except furniture)	100.0	112.9	130.9	156.1	197.4	19.3	26.5
Paper and paper products	100.0	121.2	152.0	194.7	212.6	28.1	9.2
Oil products (except oil refineries)	100.0	137.0	181.9	220.8	284.6	21.4	28.9
Chemical products	100.0	128.7	160.1	202.9	257.2	26.7	26.8
Rubber and plastic products	100.0	120.7	157.0	203.5	231.8	29.6	13.9
Non-metallic mineral products	100.0	122.4	160.7	212.4	255.2	32.2	20.2
Basic metals	100.0	118.3	159.2	212.9	269.5	33.7	26.6
Fabricated metal products except machinery and equipment	100.0	126.7	166.2	217.7	262.4	31.0	20.5
Machinery and equipment unclassified elsewhere	100.0	124.7	153.9	195.0	236.6	26.7	21.3
Power generators & transmission network machinery & electronic devices	100.0	122.9	169.8	213.6	263.1	25.8	23.2
Radio, television and telecommunication instruments	100.0	125.2	151.0	251.7	288.7	66.7	14.7
Medical and optical tools, precision instruments and clocks	100.0	125.3	155.3	213.3	275.9	37.3	29.3
Motor vehicles and trailer	100.0	138.2	180.3	244.5	316.1	35.6	29.3
Other transport equipment	100.0	128.9	159.2	252.7	334.4	58.7	32.3
Furniture and artificial goods unclassified elsewhere	100.0	130.6	269.9	321.9	382.8	19.3	18.9
Total	100.0	123.7	156.9	201.4	244.4	28.4	21.4

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

Table 33

PRODUCTION INDEX OF LARGE MANUFACTURING ESTABLISHMENTS (1)

(1376=100)

	1376	1377	1378	1379▲	1380	Percentage change	
						1379	1380
Manufacture of:							
Food and beverages	100.0	98.6	109.4	113.4	119.6	3.7	5.5
Tobacco products	100.0	121.4	150.0	99.8	104.5	-33.5	4.7
Textiles	100.0	98.5	96.3	93.7	95.3	-2.7	1.7
Wearing apparel, dressing and dyeing of fur	100.0	67.4	78.4	69.4	75.7	-11.5	9.1
Leather and leather products (handbag, footwear, luggage, etc.)	100.0	81.2	58.6	71.5	89.3	22.0	24.9
Wood, wood products and cork (except furniture)	100.0	89.1	94.6	89.9	92.8	-5.0	3.2
Paper and paper products	100.0	98.5	112.8	109.3	96.3	-3.1	-11.9
Oil products (except oil refineries)	100.0	103.2	132.2	182.1	153.7	37.7	-15.6
Chemical products	100.0	99.3	108.9	111.4	120.9	2.3	8.5
Rubber and plastic products	100.0	90.1	106.3	125.3	125.2	17.9	-0.1
Non-metallic mineral products	100.0	100.0	115.3	124.6	135.8	8.1	9.0
Basic metals	100.0	92.9	106.2	115.4	129.9	8.7	12.6
Fabricated metal products except machinery and equipment	100.0	99.7	107.8	119.4	145.7	10.8	22.0
Machinery and equipment unclassified elsewhere	100.0	102.6	106.9	110.3	124.0	3.2	12.4
Power generators & transmission network machinery & electronic devices	100.0	107.7	129.0	148.2	176.4	14.9	19.0
Radio, television and telecommunication instruments	100.0	102.4	131.2	192.3	220.5	46.6	14.7
Medical and optical tools, precision instruments and clocks	100.0	98.6	90.2	108.5	130.0	20.3	19.8
Motor vehicles and trailer	100.0	119.7	137.3	163.1	212.2	18.8	30.1
Other transport equipment	100.0	117.0	116.2	320.1	300.9	175.5	-6.0
Furniture and artificial goods unclassified elsewhere	100.0	86.4	177.4	197.0	215.0	11.0	9.1
Total	100.0	101.2	113.8	128.7	141.1	13.1	9.6

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

GOVERNMENT DEVELOPMENT EXPENDITURES FOR

MANUFACTURING AND MINING SECTORS AND INDUSTRIAL RESEARCH PROGRAM

(million rials)

Table 34

	1376	1377	1378	1379	1380 (1)	Percentage change		Share (percent)	
						1379	1380	1379	1380
National expenditures	336,326	314,364	471,698	765,876	610,650	62.4	-20.3	100.0	100.0
Industry	142,411	136,003	88,094	192,221	140,827	118.2	-26.7	25.1	23.1
Establishment and development of textiles, handicraft, rural and leather industries	2,464	3,110	8,994	6,162	0	-31.5	-100.0	0.8	0
Establishment and development of metal and metal smelting industries	77,857	87,000	42,100	68,022	46,302	61.6	-31.9	8.9	7.6
Establishment and development of mechanical industries	0	0	0	25,762	17,800	0	-30.9	3.4	2.9
Technical aid	62,090	25,993	20,000	0	0	-100.0	0	0	0
Arrangement of industries' installation	0	7,150	17,000	12,275	0	-27.8	-100.0	1.6	0
Formulation, supervision, implementation and development of technical standards	0	12,750	0	0	0	0	0	0	0
Establishment and development of chemical and petrochemical industries	0	0	0	0	4,025	0	0	0	0.7
Technical and creditory aid	0	0	0	80,000	72,700	0	-9.1	10.4	11.9
Mining	167,136	140,429	172,275	310,637	233,428	80.3	-24.9	40.6	38.2
Exploration of mines	40,784	39,802	55,840	110,133	106,867	97.2	-3.0	14.4	17.5
Mobilization and operation of mines	126,352	100,627	116,435	136,304	107,561	17.1	-21.1	17.8	17.6
Technical and creditory aid	0	0	0	64,200	19,000	0	-70.4	8.4	3.1
Industrial research	26,779	37,932	211,329	263,018	236,396	24.5	-10.1	34.3	38.7
Provincial expenditures	29,549	26,945	34,677	74,171	..	113.9	0	100.0	0
Industry	24,953	23,061	28,069	59,164	..	110.8	0	79.8	0
Mining	4,596	3,884	6,608	15,007	..	127.1	0	20.2	0
Total	365,875	341,309	506,375	840,047	..	65.9	0		

Source: General Budget Laws for 1377-81

(1) Expenditures are based on figures of Treasury General.

INVESTMENT BY THE PRIVATE SECTOR IN NEW BUILDINGS IN URBAN AREAS (1)

Table 35 (at current prices) (billion rials)

	1376 (2)	1377	1378	1379	1380	Percentage change ○		Share (percent)	
						1379	1380	1379	1380
Tehran	6,685.6	4,842.6	6,020.0	9,384.8	13,836.5	55.9	47.4	32.6	37.1
Other large cities	5,793.4	5,831.0	8,085.7	8,517.5	12,508.7	5.3	46.9	29.6	33.5
Other urban areas	5,300.1	7,276.1	7,963.4	10,879.9	10,947.4	36.6	0.6	37.8	29.4
All urban areas	17,779.1	17,949.7	22,069.1	28,782.2	37,292.6	30.4	29.6	100.0	100.0

(1) Excludes the cost of land.

(2) Due to revision in the statistical framework in 1376, figures are not comparable with the previous years.

INVESTMENT BY THE PRIVATE SECTOR IN NEW BUILDINGS IN URBAN AREAS (1)

Table 36 BY CONSTRUCTION PHASES (at current prices) (billion rials)

	1376 (2)	1377	1378	1379	1380	Percentage change ○		Share (percent)	
						1379	1380	1379	1380
Newly started buildings	5,016.7	4,974.4	6,377.0	8,504.5	11,341.9	33.4	33.4	29.5	30.4
Semi-finished buildings	9,665.8	9,383.2	10,944.6	14,157.7	18,809.9	29.4	32.9	49.2	50.5
Completed buildings	3,096.6	3,592.1	4,747.5	6,120.0	7,140.8	28.9	16.7	21.3	19.1
All urban areas	17,779.1	17,949.7	22,069.1	28,782.2	37,292.6	30.4	29.6	100.0	100.0

(1) Excludes the cost of land.

(2) Due to revision in the statistical framework in 1376, figures are not comparable with the previous years.

Table 37 FACILITIES EXTENDED BY BANK MASKAN (HOUSING BANK)

	1376	1377	1378	1379	1380	Percentage change ○	
						1379	1380
Number (in thousands)	175.7	285.8	258.2	217.0	239.5	-16.0	10.4
Amount (billion rials)	3,994.7	6,489.1	9,452.7	10,445.6	12,456.6	10.5	19.3

Source: Bank Maskan (Housing Bank)

**GOVERNMENT DEVELOPMENT EXPENDITURES FOR CONSTRUCTION,
HOUSING AND URBAN DEVELOPMENT**

Table 38

(million rials)

	1376	1377	1378	1379	1380 (1)	Percentage change		Share (percent)	
						1379	1380	1379	1380
National expenditures	1,161,086	830,948	1,577,200	2,074,020	1,916,605	31.5	-7.6	100.0	100.0
Government buildings and establishments	622,849	391,164	621,271	404,442	312,276	-34.9	-22.8	19.5	16.3
National buildings	279,285	271,094	465,779	402,773	278,764	-13.5	-30.8	19.4	14.5
Military buildings	114,708	120,070	153,944	1,669	33,512	-98.9	▣	0.1	1.7
Other government buildings	228,856	0	1,548	0	0	-100.0	▣	0	0
Provision of housing	195,285	203,887	370,518	432,342	286,824	16.7	-33.7	20.8	15.0
Housing for workers	3,000	1,350	2,880	0	0	-100.0	▣	0	0
Government staff housing	24,528	30,298	50,068	75,385	44,799	50.6	-40.6	3.6	2.3
Inexpensive housing	0	0	0	4,071	4,000	▣	-1.7	0.2	0.2
Provision of financial resources for housing	164,447	167,761	307,140	0	0	-100.0	▣	0	0
Rural housing	1,300	1,609	5,530	13,318	9,700	140.8	-27.2	0.6	0.5
Coordination of land and housing affairs	2,010	2,869	4,900	0	0	-100.0	▣	0	0
Technical and financial aid	0	0	0	339,568	228,325	▣	-32.8	16.4	11.9
Urban development	337,094	228,329	574,881	1,223,239	1,305,354	112.8	6.7	59.0	68.1
Urban planning	5,908	5,355	29,274	45,930	51,720	56.9	12.6	2.2	2.7
Potable water for urban areas	1,200	2,020	0	0	17,200	▣	▣	0	0.9
Sewage system in urban areas	171,370	140,539	329,764	484,520	450,485	46.9	-7.0	23.4	23.5
Urban safety facilities	4,500	4,000	6,500	0	1,229	-100.0	▣	0	*
Improvement of urban transportation	150,906	76,100	204,373	685,520	775,310	235.4	13.1	33.1	40.5
Other urban establishments and facilities	1,530	315	4,170	4,262	440	2.2	-89.7	0.2	*
Improvement of urban environment	0	0	0	1,840	7,370	▣	300.5	0.1	0.4
Improvement of urban and municipalities affairs	1,680	0	800	1,167	1,600	45.9	37.1	0.1	0.1
Research on housing, urban & rural development	5,858	7,568	10,530	13,997	12,151	32.9	-13.2	0.7	0.6
Provincial expenditures (2)	940,966	616,888	756,727	1,170,878	..	54.7	▣	100.0	..
Total	2,102,052	1,447,836	2,333,927	3,244,898	..	39.0	▣		

Source: General Budget Laws for 1377-81

(1) Figures are based on the payment of Treasury General.

(2) Includes provincial expenditures of government buildings and establishments, provision of housing and urban development.

Table 39

CONSTRUCTION PERMITS ISSUED IN URBAN AREAS

	1376	1377	1378	1379▲	1380	Percentage change ○		Share (percent)(1)	
						1379	1380	1379	1380
Number									
Tehran	8,209	6,997	12,119	21,234	26,068	75.2	22.8	15.6	17.6
Other large cities	39,682	38,243	40,644	38,487	45,776	-5.3	18.9	28.2	31.0
Other urban areas	82,619	87,654	86,080	76,586	76,042	-11.0	-0.7	56.2	51.4
All urban areas	130,510	132,894	138,843	136,307	147,886	-1.8	8.5	100.0	100.0
Total floor-space estimate (thousand square meters)									
Tehran	7,443.7	5,334.5	10,120.4	17,198.0	21,947.4	69.9	27.6	34.2	36.8
Other large cities	11,818.7	12,354.3	15,141.7	15,312.6	19,512.6	1.1	27.4	30.4	32.7
Other urban areas	17,044.0	18,518.1	18,861.5	17,826.9	18,174.2	-5.5	1.9	35.4	30.5
All urban areas	36,306.4	36,206.9	44,123.6	50,337.5	59,634.2	14.1	18.5	100.0	100.0
Average floor-space (square meters)									
Tehran	907	762	835	810	842	-3.0	4.0		
Other large cities	298	323	373	398	426	6.8	7.1		
Other urban areas	206	211	219	233	239	6.2	2.7		
All urban areas	278	272	318	369	403	16.2	9.2		

(1) Minor discrepancies in total are due to rounding.

Table 40

CONSTRUCTION INDICES

(1376=100)

	1376	1377	1378	1379	1380	Percentage change	
						1379	1380
Construction services	100.0	113.3	128.5	142.3	156.1	10.7	9.7
Daily wage of bricklayer	100.0	118.7	138.3	153.2	169.1	10.8	10.4
Daily wage of unskilled construction worker	100.0	111.5	126.0	138.9	153.6	10.2	10.6
Wage paid for painting	100.0	110.8	126.1	138.7	154.0	10.0	11.0
Wage paid for roof-asphalting	100.0	108.6	116.9	128.8	135.9	10.2	5.5
Wage paid for well-digging	100.0	117.4	140.1	155.2	165.9	10.8	6.9
Wage paid for cementing	100.0	114.4	131.1	143.6	156.5	9.5	9.0
Wage paid for tile covering	100.0	112.4	119.2	135.8	155.8	13.9	14.7
Wage paid for plaster working	100.0	112.6	130.2	144.2	158.2	10.8	9.7
Wholesale price index of construction materials	100.0	108.7	134.8	155.2	160.9	15.1	3.6
Metallic	100.0	103.6	132.5	151.1	152.8	14.0	1.1
Non-metallic	100.0	115.7	138.1	160.9	172.0	16.5	6.9

Table 41

BUILDING STARTS BY THE PRIVATE SECTOR IN URBAN AREAS

	1376(1)	1377	1378	1379	1380	Percentage change○		Share (percent)(2)	
						1379	1380	1379	1380
Number									
Tehran	8,742	7,546	11,098	16,312	19,958	47.0	22.4	9.5	11.8
Other large cities	62,415	54,369	48,407	51,415	58,789	6.2	14.3	30.0	34.9
Other urban areas	93,824	111,925	112,431	103,806	89,806	-7.7	-13.5	60.5	53.3
All urban areas	164,981	173,840	171,936	171,533	168,553	-0.2	-1.7	100.0	100.0
Total floor-space estimate (thousand square meters)									
Tehran	9,312	6,608	8,596	13,605	16,830	58.3	23.7	27.4	29.5
Other large cities	15,239	13,274	13,029	15,665	19,603	20.2	25.1	31.6	34.3
Other urban areas	17,418	20,695	20,817	20,326	20,666	-2.4	1.7	41.0	36.2
All urban areas	41,969	40,577	42,442	49,596	57,099	16.9	15.1	100.0	100.0
Average floor-space (square meters)									
Tehran	1,065	876	775	834	843	7.7	1.1		
Other large cities	244	244	269	305	333	13.2	9.4		
Other urban areas	186	185	185	196	230	5.8	17.5		
All urban areas	254	233	247	289	339	17.1	17.2		

(1) Due to revision in the statistical framework in 1376, figures are not comparable with the previous years.

(2) Minor Discrepancies in total are due to rounding.

Table 42

CONSTRUCTIONS COMPLETED BY THE PRIVATE SECTOR IN URBAN AREAS

	1376(1)	1377	1378	1379	1380	Percentage change		Share (percent)(2)	
						1379	1380	1379	1380
Number									
Tehran	8,230	8,092	10,594	12,908	16,546	21.8	28.2	7.2	9.8
Other large cities	29,695	40,951	52,231	55,351	58,736	6.0	6.1	30.9	34.7
Other urban areas	36,393	71,204	85,796	110,831	93,716	29.2	-15.4	61.9	55.5
All urban areas	74,318	120,247	148,621	179,090	168,998	20.5	-5.6	100.0	100.0
Total floor-space (thousand square meters)									
Tehran	5,856	6,783	9,001	10,200	12,677	13.3	24.3	22.7	26.1
Other large cities	7,481	10,196	14,628	14,608	16,797	-0.1	15.0	32.6	34.6
Other urban areas	7,229	13,456	15,976	20,061	19,008	25.6	-5.2	44.7	39.2
All urban areas	20,566	30,435	39,605	44,869	48,482	13.3	8.1	100.0	100.0
Average floor-space (square meter)									
Tehran	712	838	850	790	766	-7.0	-3.0		
Other large cities	252	249	280	264	286	-5.8	8.4		
Other urban areas	199	189	186	181	203	-2.8	12.1		
All urban areas	277	253	266	251	287	-6.0	14.5		

(1) Due to revision in the statistical framework in 1376, figures are not comparable with the previous years.

(2) Minor discrepancies in total are due to rounding.

**OUTSTANDING FACILITIES EXTENDED BY BANKS AND CREDIT INSTITUTIONS TO THE
CONSTRUCTION AND HOUSING SECTOR (1)**

Table 43

(billion rials)

	End of Esfand 1379	End of Esfand 1380	Percentage change 1380	Change in outstanding 1380	Share in change in outstanding (percent) 1380	Total change in outstanding (2) (percent) 1380	Relative share (percent) 1380
Construction							
Public and non-public	10,622.1	12,936.8	21.8	2,314.7	100.0	58,543.3	4.0
Non-public	2,354.0	3,227.4	37.1	873.4	37.7	49,858.4	1.8
Commercial banks	2,215.8	3,023.0	36.4	807.2	34.9	38,203.1	2.1
Specialized banks	0	0	0	0	0	11,090.1	0
Credit institutions	138.2	204.4	47.9	66.2	2.9	565.2	11.7
Public	8,268.1	9,709.4	17.4	1,441.3	62.3	8,684.9	16.6
Commercial banks	8,096.9	8,850.1	9.3	753.2	32.5	7,007.5	10.7
Specialized banks (3)	21.5	281.5	▣	260.0	11.2	1,070.6	24.3
Credit institutions	149.7	577.8	286.0	428.1	18.5	606.8	70.6
Housing							
Public and non-public	40,445.1	51,986.0	28.5	11,540.9	100.0	58,543.3	19.7
Non-public	39,912.9	51,363.6	28.7	11,450.7	99.2	49,858.4	23.0
Commercial banks	22,305.5	28,664.5	28.5	6,359.0	55.1	38,203.1	16.6
Specialized banks	17,518.6	22,502.9	28.5	4,984.3	43.2	11,090.1	44.9
Bank Maskan (Housing bank)	17,083.5	21,954.4	28.5	4,870.9	42.2	5,143.1	94.7
Credit institutions	88.8	196.2	120.9	107.4	0.9	565.2	19.0
Public	532.2	622.4	16.9	90.2	0.8	8,684.9	1.0
Commercial banks	510.9	588.6	15.2	77.7	0.7	7,007.5	1.1
Specialized banks (3)	21.3	33.8	58.7	12.5	0.1	1,070.6	1.2
Credit institutions	0	0	0	0	0	606.8	0

(1) Excludes profit and revenue receivables.

(2) Indicates change in outstanding facilities extended by banks to all economic sectors according to public and non-public, commercial and specialized banks and credit institutions.

(3) Outstanding facilities extended by specialized banks to housing and construction in public sector is financed by Bank Maskan (Housing Bank).

Table 44 **DISTRIBUTION OF POPULATION ACCORDING TO ACTIVE AND EMPLOYED (1)** (thousand persons)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Urban areas									
Active	9,880	10,134	..	..	..	0	0	..	..
Employed	9,058	9,322	..	..	..	0	0	..	..
Total	37,816	38,681	39,718	40,791	41,863	2.7	2.6	63.9	64.5
Rural areas(2)									
Active	6,922	7,178	..	..	..	0	0	..	..
Employed	5,745	5,641	..	..	..	0	0	..	..
Total	23,178	23,161	23,099	23,071	23,044	-0.1	-0.1	36.1	35.5
Whole country									
Active ▲	16,723	17,375	18,020	18,559	19,139	3.0	3.1	29.1	29.5
Employed ▲	14,725	14,811	15,146	15,581	15,957	2.6	2.4	24.4	24.6
Total	60,994	61,842	62,817	63,862	64,907	1.7	1.6	100.0	100.0

Source: Data for 1376-80 are estimates of Management and Planning Organization.

(1) Includes population of 10 years and over.

(2) Includes non-resident population.

Table 45 **GOVERNMENT CURRENT AND DEVELOPMENT EXPENDITURES IN SOCIAL AFFAIRS** (billion rials)

	1376	1377	1378	1379 ▲	1380 (1)	Percentage change		Share (percent)	
						1379	1380	1379	1380
General education	10,382.3	12,121.3	14,436.5	18,601.8	19,530.1	28.9	5.0	37.4	36.9
Culture and art	894.3	968.2	1,164.6	1,790.7	1,962.8	53.8	9.6	3.6	3.7
Health, medical care and nutrition	3,458.0	3,694.2	4,006.7	5,187.4	6,091.3	29.5	17.4	10.4	11.5
Social security and social welfare	5,398.9	6,686.4	8,464.3	10,935.7	12,861.9	29.2	17.6	22.0	24.3
Physical education and youth affairs	513.8	566.2	689.7	863.7	892.3	25.2	3.3	1.7	1.7
Urban development	904.8	668.4	1,129.5	2,103.3	1,005.2	86.2	-52.2	4.2	1.9
Renovation and development of rural areas	1,390.7	1,581.2	1,617.2	2,267.7	1,278.9	40.2	-43.6	4.6	2.4
Provision of housing	469.2	345.8	510.7	635.5	547.7	24.4	-13.8	1.3	1.0
Environment protection	87.4	90.1	107.3	172.3	230.8	60.6	33.9	0.3	0.4
Reclamation	215.6	205.9	211.2	272.5	203.9	29.0	-25.2	0.5	0.4
Technical and professional training	721.8	792.8	1,208.8	1,718.2	2,036.4	42.1	18.5	3.5	3.9
Higher education	2,274.5	2,487.1	2,667.7	3,687.1	4,448.9	38.2	20.7	7.4	8.4
Research	778.5	942.1	1,343.4	1,522.0	1,838.5	13.3	20.8	3.1	3.5
Total	27,489.8	31,149.7	37,557.6	49,757.9	52,929.1	32.5	6.4	100.0	100.0

Source: General budget laws

(1) Due to the unavailability of performance figures for current and development expenditures according to chapters and affairs, the figure related to realization percent of current and development expenditures is generalized to approved figures related to social affairs.

Table 46 **NUMBER OF STUDENTS** (thousand persons)

	Academic year					Percentage change		Share (percent)	
	1376/77	1377/78	1378/79	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
	Kindergartens	204	220	252	287	329	13.9	14.6	1.6	1.8
Primary schools	8,938	8,667	8,288	7,969	7,513	-3.8	-5.7	43.6	42.1
Junior high schools	5,283	5,295	5,173	5,027	4,954	-2.8	-1.4	27.5	27.8
High schools (day and night schools)	3,674	3,916	4,009	4,064	3,986	1.4	-1.9	22.3	22.4
Former system	498	148	14	0	0	-100.0	0	0	0
New system	3,176	3,768	3,995	4,064	3,986	1.7	-1.9	22.3	22.4
Technical and professional schools	30	4	0	0	0	0	0	0	0
Pre-university	200	367	396	414	477	4.5	15.2	2.3	2.7
Teacher training centers	10	20	25	14	13	-44.0	-7.1	0.1	0.1
Others (1)	342	383	456	484	551 (2)	6.1	13.8	2.6	3.1
Total	18,681	18,872	18,599	18,259	17,823	-1.8	-2.4	100.0	100.0

Source: Ministry of Education

(1) Includes students enrolled in technology institutes (old professional education and agricultural education), adult schools and schools for exceptional children, while excludes exceptional children since 1375/76 academic year onward.

(2) Includes adult students in general, primary, high school and preuniversity level.

Table 47 **NUMBER OF SCHOOLS, CLASSES AND TEACHING STAFF (1)**

	Academic year					Percentage change		Share (percent)	
	1376/77	1377/78	1378/79	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Number of schools									
Urban areas	45,274	47,246	49,788	50,889	52,980	2.2	4.1	41.8	42.1
Rural areas	60,134	62,807	63,916	70,991	72,766	11.1	2.5	58.2	57.9
Total	105,408	110,053	113,704	121,880	125,746	7.2	3.2	100.0	100.0
Number of classes									
Urban areas	392,652	401,959	404,093	407,496	420,022	0.8	3.1	62.6	62.9
Rural areas	231,675	237,274	234,696	243,430	247,644	3.7	1.7	37.4	37.1
Total	624,327	639,233	638,789	650,926	667,666	1.9	2.6	100.0	100.0
Teaching staff									
Urban areas	573,107	599,416	628,574	615,960	618,160	-2.0	0.4	67.3	67.8
Rural areas	277,970	294,073	298,726	298,798	293,536	*	-1.8	32.7	32.2
Total	851,077	893,489	927,300	914,758	911,696	-1.4	-0.3	100.0	100.0

Source: Ministry of Education

(1) Includes kindergartens, primary schools, junior high schools, and public high schools. Data for pre-university students have been included since 1375/76 academic year.

Table 48 NUMBER OF STUDENTS IN PUBLIC UNIVERSITIES AND HIGHER EDUCATION INSTITUTES (person)

	Academic year					Percentage change		Share (percent)	
	1376/77	1377/78	1378/79	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Education sciences and teacher training	63,470	58,227	56,538	25,784	11,136	-54.4	-56.8	3.5	1.5
Humanities, religion and theology	69,664	74,051	79,097	84,756	90,642	7.2	6.9	11.6	11.9
Fine arts	12,975	15,862	17,625	21,256	24,839	20.6	16.9	2.9	3.3
Law	7,577	7,499	7,609	7,398	8,710	-2.8	17.7	1.0	1.1
Social and behavioral sciences	51,404	52,911	58,736	91,861	97,259	56.4	5.9	12.5	12.8
Administration, commerce and management	74,913	78,981	85,044	95,519	101,288	12.3	6.0	13.0	13.3
Public relation and mass media	3,917	4,213	4,349	5,080	5,538	16.8	9.0	0.7	0.7
Domestic economy	16	25	59	81	..	37.3	0	*	..
Service affairs and public services	27	0	321	..	15,515	0	0	..	2.0
Physics and natural sciences	42,793	44,158	46,347	49,354	41,115	6.5	-16.7	6.7	5.4
Mathematics and computer sciences	32,914	35,569	42,096	34,385	61,096	-18.3	77.7	4.7	8.0
Medical and health sciences	98,168	97,673	95,142	99,689	109,946	4.8	10.3	13.6	14.5
Engineering	121,417	123,671	133,495	157,034	107,929	17.6	-31.3	21.4	14.2
Architecture and urban planning	5,857	6,816	7,539	9,144	38,850	21.3	324.9	1.2	5.1
Professional and industrial affairs and commerce	154	149	139	88	..	36.7	0	*	..
Agriculture, fishery and forestry	35,010	37,408	40,384	47,686	43,633	18.1	-8.5	6.5	5.7
Others	5,131	1,700	4,453	4,412	2,374	-1.0	-46.2	0.6	0.3
Total	625,380	638,913	678,652	733,527	759,870	8.1	3.6	100.0	100.0

Source: Ministry of Science, Research and Technology

Table 49 NUMBER OF STUDENTS IN ISLAMIC AZAD UNIVERSITY (person)

	Academic year					Percentage change		Share (percent)	
	1376/77	1377/78	1378/79	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Medical sciences	33,084	36,493	38,573	42,375	37,840	9.9	-10.7	5.1	4.7
Humanities	400,561	392,101	407,162	452,966	423,585	11.2	-6.4	54.2	52.5
Basic sciences	47,708	50,957	58,952	73,304	68,593	24.3	-6.4	8.8	8.5
Technical and engineering	126,820	136,107	165,919	198,552	203,911	19.7	2.7	23.7	25.3
Agriculture and veterinary	43,876	41,417	44,477	52,895	56,908	18.9	7.6	6.3	7.1
Arts	7,229	9,454	11,145	16,157	15,802	45.0	-2.2	1.9	1.9
Total	659,278	666,529	726,228	836,249	806,693	15.1	-3.5	100.0	100.0

Source: Islamic Azad University

**NUMBER OF THE INSURED AND PENSIONERS SUPPORTED
BY SOCIAL SECURITY ORGANIZATION**

Table 50 (person)

	1376	1377	1378	1379	1380	Percentage change	
						1379	1380
Main and dependent insured	21,282,913	22,205,000	22,676,781	23,192,788	24,196,085	2.3	4.3
Main	5,658,038	5,882,172	5,977,598	6,094,588	6,374,568	2.0	4.6
Employed	5,581,038	5,789,572	5,909,153	6,022,650	6,281,574	1.9	4.3
Unemployed	77,000	92,600	68,445	71,938	92,994	5.1	29.3
Dependent	15,624,875	16,322,828	16,699,183	17,098,200	17,821,517	2.4	4.2
Main and dependent pensioners	1,826,955	1,971,000	2,102,709	2,168,663	2,309,538	3.1	6.5
Main	984,887	1,041,050	1,099,463	1,144,022	1,208,627	4.1	5.6
Retired	323,192	344,762	369,784	387,534	419,078	4.8	8.1
Disabled	68,789	69,153	69,112	67,067	69,009	-3.0	2.9
Survivors	592,906	627,135	660,567	689,421	720,540	4.4	4.5
Dependent	842,068	929,950	1,003,246	1,024,641	1,100,911	2.1	7.4
Total	23,109,868	24,176,000	24,779,490	25,361,451	26,505,623	2.3	4.5

Source: Social Security Organization

Table 51 (rial)

	1376	1377	1378	1379	1380
	(22.7)	(16.7)	(21.8)	(26.6)	(24.5)
Average consumer price index (1376=100)	100.0	118.1	141.8	159.7	177.9
	(17.2)	(18.1)	(20.1)	(12.6)	(11.4)
Minimum real wage	254,460	251,482	255,169	286,794	320,404
	(4.8)	(-1.2)	(1.5)	(12.3)	(11.7)

Source: Social Security Organization

(1) Figures in parentheses indicate percentage change over the previous year.

	1376	1377	1378	1379	1380
Enrollment rate (6-14 years)					
Urban areas	94.5	98.9	94.0	95.2	96.0
Rural areas	81.2	82.1	83.0	85.0	85.5
Total	89.2	92.1	90.0	91.3	92.0
Literacy rate (6-29 years)					
Urban areas	96.4	97.5	97.5	97.8	98.0
Rural areas	88.7	84.9	82.0	82.9	84.0
Total	93.5	95.1	91.3	92.1	93.0

Source: Management and Planning Organization

	1376	1377	1378	1379	1380	Percentage change	
						1379	1380
Physician	55,372	59,710	63,331	67,046	72,877	5.9	8.7
Dentist	10,615	11,421	12,168	12,926	13,498	6.2	4.4
Pharmacist	8,257	8,753	9,209	9,774	10,769	6.1	10.2
Hospital bed	96,148	98,669	103,394	105,716	109,152	2.2	3.3

Source: Medical Council Organization and Ministry of Health, Medical Care and Medical Education

	by place of occupation		by insurance premium		by gender	
	Governmental	Non-governmental	18%	27%	Female	Male
	1376	17.3	82.7	4.5	95.5	7.3
1377	16.1	83.9	4.5	95.5	7.3	92.7
1378	15.5	84.5	4.0	96.0	7.7	92.3
1379	14.3	85.7	2.7	97.3	7.8	92.2
1380	13.1	86.9	8.0	92.0

Source: Social Security Organization

	1376	1377	1378	1379	1380	Percentage change	
						1379	1380
Staff fund	6,018	6,157	6,405	6,553	6,561	2.3	0.1
Self-employed fund	1,167	985	503	428	504	-14.9	17.7
Others fund	739	762	1,321	1,379	1,661	4.4	20.4
Villagers fund	—	21,231	22,479	22,723	22,933	1.1	0.9
Total	7,924	29,135	30,708	31,083	31,659	1.2	1.8

Source: Medical Care Services Insurance Organization

GOVERNMENT BUDGET

(excluding special revenues and expenditures)

Table 56

(billion rials)

	1376	1377	1378	1379(1)	1380(2)	Percentage change		Share (percent)(3)	
						1379	1380	1379	1380
Revenues	62,378.1	53,626.0	92,315.7	104,640.8	125,479.5	13.4	19.9	100.0	100.0
Oil	36,446.7	22,619.9	44,487.6	59,448.5	74,957.1	33.6	26.1	56.8	59.7
Crude oil	23,806.1	14,604.3	21,807.0	20,125.0	22,512.0	-7.7	11.9	19.2	17.9
Fuel oil and other petroleum products	2,211.9	1,993.7	4,148.4	0	0	-100.0	0	0	0
Sale of foreign exchange	10,428.7	6,021.9	18,532.2	39,323.5	52,445.1	112.2	33.4	37.6	41.8
Taxes	17,344.6	18,686.6	25,831.3	32,842.1	38,796.6	27.1	18.1	31.4	30.9
Direct taxes	11,053.0	12,676.3	16,584.0	19,584.6	22,986.4	18.1	17.4	18.7	18.3
Indirect taxes	6,291.6	6,010.3	9,247.3	13,257.5	15,810.3	43.4	19.3	12.7	12.6
Others	8,586.8	12,319.5	21,996.8	12,350.2	11,725.7	-43.9	-5.1	11.8	9.3
Government monopolies and ownerships	218.1	1,500.3	1,417.7	439.9	621.1	-69.0	41.2	0.4	0.5
Sale of goods and services	2,490.8	3,283.1	4,982.3	6,615.3	5,691.8	32.8	-14.0	6.3	4.5
Foreign loans and investment returns	55.0	1.8	0.3	0.3	0.3	0	0	*	*
Miscellaneous	5,822.9	7,534.3	15,596.5	5,294.7	5,412.5	-66.1	2.2	5.1	4.3
Expenditures	65,438.0	70,970.3	93,242.9	109,407.1	128,859.6	17.3	17.8	100.0	100.0
Current expenditures	44,966.9	53,545.6	68,219.3	85,847.3	104,772.0	25.8	22.0	78.5	81.3
Current outlays	42,178.9	51,014.8	65,131.0	82,082.9	..	26.0	0	75.0	0
Repayment of principal of foreign loans	4.0	28.1	52.0	0	..	-100.0	0	..	0
Enhancing defense power	2,315.4	2,502.7	2,856.3	3,764.4	4,498.0	31.8	19.5	3.4	3.5
Repayment of government indebtedness to Central Bank	468.6	0	180.0	0	0	-100.0	0	0	0
Development expenditures	20,471.1	17,424.7	25,023.6	23,559.8	24,087.6	-5.8	2.2	21.5	18.7
Enhancing defense power	170.0	0	0	0	0	0	0	0	0
Repayment of government indebtedness to Central Bank	1,409.8	0	0	0	0	0	0	0	0
Deficit (-) or surplus (+)	-3,059.9	-17,344.3	-927.2	-4,766.3	-3,380.1				
Deficit finance (+) or surplus use (-)	3,059.9	17,344.3	927.2	4,766.3	3,380.1				
Domestic loans	0	6,636.0	0	0	0				
Receipts from foreign facilities	191.0	135.7	154.0	175.0	228.9				
Utilization of returns, prepayments and other accounts	653.2	479.0	640.0	1,287.2	615.8				
Receipts from principal of government loans abroad	0.7	1.2	17.7	0.7	0.7				
Receipts from principal and returns of public corporations' & institutions' loans out of government guaranteed loans	329.7	187.2	195.5	162.6	135.8				
Receipts from sale of public corporations	0	0	4.2	0.2	93.6				
Receipts from sale of participation papers	2,174.0	2,500.0	1,884.3	2,049.8	2,305.3				
Oil prefinance	0	5,570.0	0	0	0				
Advance receipts of some part of Hadj Pilgrimage	0	2,338.7	0	0	0				
Others (4)	-288.7	-503.5	-1,968.5	1,090.8	0				

Source: General budget laws

(1) Figures for revenues are derived from Treasury General of Ministry of Economic Affairs and Finance, those of expenditures from Management and Planning Organization, and those of deficit finance from Budget Bill for 1380. (2) The figures for 1380 are based on the data received from Treasury General of Ministry of Economic Affairs and Finance. (3) Discrepancy in total is due to rounding. (4) It is related to advance payments of provinces and circulating documents held by provincial treasury authorities.

**GOVERNMENT BUDGET (EXCLUDING SPECIAL REVENUES AND EXPENDITURES)
COMPARISON OF APPROVED AND PERFORMANCE FIGURES OF THE 1380 BUDGET LAW**

Table 57

(billion rials)

	Approved	Amended approved	Performance	Realization percent of performance to amended approved
Revenues	134,768.9	134,768.9	125,479.5	93.1
Oil	68,653.4	71,653.4	74,957.1	104.6
Crude oil	22,512.0	22,512.0	22,512.0	100.0
Fuel oil and oil products	0	0	0	..
Sale of foreign exchange	46,141.4	49,141.4	52,445.1	106.7
Budget	46,141.4	46,141.4	46,137.1	100.0
Utilization of resources of Note 29 of budget law (1)	0	..	1,608.0	..
Differential of estimate of oil import certificate rate	0	..	1,700.0	..
Unused credits of amended law of Plan Law	0	3,000.0	3,000.0	100.0
Tax	45,388.6	45,388.6	38,796.6	85.5
Corporate tax	15,766.3	15,766.3	12,371.9	78.5
Income tax	9,650.0	9,650.0	8,703.7	90.2
Wealth tax	2,797.8	2,797.8	1,910.7	68.3
Import tax	11,275.5	11,275.5	11,635.3	103.2
Sales and consumption tax	5,899.0	5,899.0	4,175.0	70.8
Others	20,726.9	17,726.9	11,725.7	66.1
Government monopolies and ownerships	594.7	594.7	621.1	104.4
Services and slae of goods	9,269.9	9,269.9	5,691.8	61.4
Foreign loans and investment returns	0.3	0.3	0.3	100.0
Miscellaneous	10,862.0	7,862.0	5,412.5	68.8
Expenditures	141,154.9	141,154.9	128,859.6	91.3
Current expenditures	104,537.9	104,537.9	104,772.0	100.2
Current outlays	104,427.6	104,427.6	..	..
Repayment of principal of foreign loans	110.3	110.3	..	..
Enhancing defence power	..	..	4,498.0	..
Repayment of government indebtedness to Central Bank	..	..	..	..
Development expenditures	36,617.0	36,617.0	24,087.6	65.8
Enhancing defence power	..	..	..	..
Repayment of government indebtedness to Central Bank	..	..	..	..
Deficit (-) or surplus (+)	-6,386.0	-6,386.0	-3,380.1	52.9
Deficit finance (+) or surplus use (-)	6,386.0	6,386.0	3,380.1	52.9
Domestic loans	0	0	0	..
Receipts from foreign facilities	1,335.9	1,335.9	228.9	17.1
Utilization of returns, prepayment and other accounts	1,245.0	1,245.0	615.8	49.5
Receipts from returns of principal of government loans abroad	0.7	0.7	0.7	100.0
Receipts from principal and returns of public corporations' and institutions' loans out of government guaranteed loans	204.4	204.4	135.8	66.4
Receipts from sale of public corporations	1,200.0	1,200.0	93.6	7.8
Receipts from sale of participation papers	2,400	2,400.0	2,305.3	96.1

Source: Approved figures are based on the 1380 Budget Law and realized figures are based on the data received from Treasury General.

(1) According to the amendment of the 1380 Budget Law, the mentioned resources have substituted for unrealized revenues and are used for government current and development expenditures. The ceiling for this revenue group is Rls. 3,000 billion.

TAX REVENUES

(excluding special revenues)

(billion rials)

Table 58						Percentage change		Share (percent)(2)	
	1376	1377	1378	1379	1380(1)	1379	1380	1379	1380
Corporate tax	6,857.8	7,923.6	10,048.5	11,295.5	12,371.9	12.4	9.5	34.4	31.9
Public legal entities	3,167.2	3,829.5	4,929.3	4,899.2	4,467.9	-0.6	-8.8	14.9	11.5
Performance of procurement and distribution centers	29.5	0	14.6	0	0	-100.0	0	0	0
Private legal entities	3,661.1	4,094.1	5,104.5	6,396.3	7,904.0	25.3	23.6	19.5	20.4
Income tax	3,484.6	3,897.1	5,383.1	6,834.0	8,703.7	27.0	27.4	20.8	22.4
Salary	1,616.2	1,698.5	2,469.2	3,413.5	4,625.1	38.2	35.5	10.4	11.9
Professions	1,588.3	1,803.1	2,424.2	2,926.9	3,402.0	20.7	16.2	8.9	8.8
Real estate	272.1	352.6	398.3	409.2	547.5	2.7	33.8	1.2	1.4
Others	8.0	42.9	91.4	84.4	129.1	-7.7	53.0	0.3	0.3
Wealth tax	710.6	855.6	1,152.5	1,455.1	1,910.7	26.3	31.3	4.4	4.9
Property transactions and goodwill	352.5	440.6	575.2	699.6	874.5	21.6	25.0	2.1	2.3
Heritage	108.9	130.7	169.7	186.4	216.5	9.8	16.1	0.6	0.6
Stamp fee, check, draft, promissory note, ...	226.9	258.0	364.6	529.5	766.9	45.2	44.8	1.6	2.0
Others	22.3	26.3	43.0	39.6	52.8	-7.9	33.3	0.1	0.1
Total	11,053.0	12,676.3	16,584.0	19,584.6	22,986.4	18.1	17.4	59.6	59.2
Import tax	4,289.2	4,431.8	5,805.1	7,947.7	11,635.4	36.9	46.4	24.2	30.0
Customs duties	753.0	764.9	626.6	700.8	966.3	11.8	37.9	2.1	2.5
Commercial profit	1,301.7	1,772.7	2,419.0	3,457.1	6,207.1	42.9	79.5	10.5	16.0
Order registration fee	2,162.7	1,846.4	2,531.6	3,480.1	4,194.6	37.5	20.5	10.6	10.8
2% of prices of imported goods for education	...	...	113.2	224.6	178.3	98.4	-20.6	0.7	0.5
Others ▲	71.8	47.8	114.7	85.1	89.0	-25.8	4.6	0.3	0.2
Sales and consumption tax	2,002.4	1,578.5	3,442.2	5,309.8	4,174.9	54.3	-21.4	16.2	10.8
Oil products	82.9	74.5	76.4	76.4	84.5	0	10.6	0.2	0.2
Non-alcoholic beverages	90.6	91.4	298.5	326.5	325.7	9.4	-0.2	1.0	0.8
Automobiles (numbering)	116.6	164.5	155.8	160.3	220.9	2.9	37.8	0.5	0.6
Automobiles fixed tax	0	0	1,007.9	1,396.5	1,769.1	38.6	26.7	4.3	4.6
Automobiles transactions	153.2	200.4	238.9	292.4	347.6	22.4	18.9	0.9	0.9
Cigarettes	57.9	111.3	105.5	101.7	73.4	-3.6	-27.8	0.3	0.2
Communication services	259.8	313.5	337.9	406.3	330.4	20.2	-18.7	1.2	0.9
Other items of Note 35 of the budget law	...	502.7	1,042.5	2,341.2	840.1	124.6	-64.1	7.1	2.2
Others	1,241.4	120.2	178.8	208.6	183.2	16.7	-12.2	0.6	0.5
Total	6,291.6	6,010.3	9,247.3	13,257.5	15,810.3	43.4	19.3	40.4	40.8
Grand total	17,344.6	18,686.6	25,831.3	32,842.1	38,796.6	27.1	18.1	100.0	100.0

Source: General budget laws

(1) Figures related to 1380 are based on the data released by the Ministry of Economic Affairs and Finance.

(2) Discrepancy in total is due to rounding.

Table 59

GOVERNMENT CURRENT EXPENDITURES ACCORDING TO AFFAIRS & CHAPTERS OF THE BUDGET

(billion rials)

	1376	1377	1378	1379(1)	1380(2)	Percentage change		Share (percent)(3)	
						1379	1380	1379	1380
General affairs	4,546.1	5,631.9	7,365.0	10,930.2	14,268.3	48.4	30.5	12.7	13.6
Maintaining security and order	2,017.0	2,534.5	3,411.6	5,192.6	6,954.5	52.2	33.9	6.0	6.6
Information and communication	608.1	744.7	870.5	1,109.8	1,349.6	27.5	21.6	1.3	1.3
Judiciary, notarial and endowment affairs	519.7	648.6	832.8	1,456.2	2,113.8	74.9	45.2	1.7	2.0
Others	1,401.3	1,704.1	2,250.1	3,171.6	3,850.3	41.0	21.4	3.7	3.7
National defense affairs	6,547.6	7,936.8	9,095.8	17,315.2	20,729.3	90.4	19.7	20.2	19.8
Social affairs	21,333.9	25,501.0	30,501.0	39,704.9	45,898.5	30.2	15.6	46.3	43.8
General education	9,292.6	11,203.8	13,403.2	17,116.9	18,574.9	27.7	8.5	19.9	17.7
Culture and art	505.2	616.0	750.6	1,117.9	1,531.1	48.9	37.0	1.3	1.5
Health, medical care and nutrition	2,894.9	3,197.9	3,480.3	4,592.7	5,380.2	32.0	17.1	5.3	5.1
Social security and social welfare	5,349.9	6,642.8	8,410.5	10,850.4	12,799.0	29.0	18.0	12.6	12.2
Physical education and youth affairs	168.4	188.2	222.4	303.6	416.4	36.5	37.2	0.4	0.4
Urban development	12.4	12.8	13.5	15.1	19.6	11.5	30.1	*	*
Renovation and development of rural areas	169.6	227.7	242.1	268.6	299.3	10.9	11.4	0.3	0.3
Provision of housing	37.0	53.0	64.8	95.8	103.3	47.8	7.9	0.1	0.1
Environment protection	37.1	54.0	62.4	87.3	149.2	39.9	70.9	0.1	0.1
Reclamation	14.8	16.8	19.5	20.1	27.1	3.1	34.6	*	*
Technical and professional education	666.7	740.9	1,084.2	1,552.1	1,795.9	43.2	15.7	1.8	1.7
Higher education	1,830.7	2,102.0	2,179.1	2,973.3	3,821.7	36.4	28.5	3.5	3.6
Research	354.6	445.1	568.4	711.1	980.6	25.1	37.9	0.8	0.9
Economic affairs	2,761.5	3,188.9	3,941.9	2,142.6	3,076.2	-45.6	43.6	2.5	2.9
Agriculture and natural resources	710.0	762.3	919.7	1,141.4	1,451.7	24.1	27.2	1.3	1.4
Water resources	21.5	15.9	54.7	17.1	20.9	-68.7	22.5	*	*
Electricity	10.6	10.9	11.5	3.6	4.3	-68.7	19.7	*	*
Industries	74.4	117.3	127.9	174.6	178.8	36.5	2.4	0.2	0.2
Oil and gas	1,015.1	1,437.2	1,943.3	0.1	0.2	-100.0	100.4	*	*
Mines	17.7	23.3	29.4	36.0	49.0	22.4	36.1	*	*
Commerce	170.7	175.7	169.3	303.8	528.1	79.4	73.8	0.4	0.5
Road and transportation	365.5	412.7	341.4	354.3	698.0	3.8	97.0	0.4	0.7
Post and telecommunication	46.7	12.7	15.3	18.0	29.1	17.6	61.5	*	*
Tourism	329.3	220.9	329.4	37.7	47.0	-88.6	24.7	*	*
Nuclear science and technology	0	0	0	56.1	69.1	0	23.1	0.1	0.1
Miscellaneous expenditures(4)	9,096.1	10,576.1	15,485.2	11,414.4	15,898.8	-26.3	39.3	13.3	15.2
Loans' commission fee and guaranteed profit	87.3	464.9	1,347.1	3,554.6	3,934.4	163.9	10.7	4.1	3.8
Repayment of loans, debt payments & prepayments (5)	594.4	246.0	483.3	785.5	966.6	62.5	23.1	0.9	0.9
Total	44,966.9	53,545.6	68,219.3	85,847.4	104,772.0	25.8	22.0	100.0	100.0

Source: General budget laws (1) Figures are based on data released by Management and Planning Organization. (2) Due to the unavailability of performance figures for current expenditures according to chapters and affairs, realization percent of total government current expenditures is generalized to approved figures. (3) Discrepancy in total is due to rounding. (4) Includes goods' and services' subsidies related to subject of Note 5 of the budget law and enhancing defence power. (5) It mainly includes repayment of foreign loans and obligations, repayment of government indebtedness to Central Bank, payment to Central Bank for Algerian Decree and unpaid obligations related to previous years.

**GOVERNMENT DEVELOPMENT EXPENDITURES ACCORDING TO
AFFAIRS AND CHAPTERS OF THE BUDGET**

Table 60

(billion rials)

	1376	1377	1378	1379(1)	1380(2)	Percentage change		Share (percent)(3)	
						1379	1380	1379	1380
General affairs	1,230.5	837.1	1,091.8	1,581.9	1,266.8	44.9	-19.9	6.7	5.3
Statistics and technical public services	112.7	83.6	76.6	102.1	111.1	33.3	8.8	0.4	0.5
Information and communication	224.1	168.4	251.5	247.2	200.8	-1.7	-18.8	1.0	0.8
Government buildings and establishments	771.5	491.9	761.5	603.0	436.0	-20.8	-27.7	2.6	1.8
Others	122.2	93.2	2.2	629.6	518.9	▣	-17.6	2.7	2.2
National defense affairs	0	206.5	376.2	388.1	392.1	3.2	1.0	1.6	1.6
Social affairs	6,156.3	5,648.8	7,056.6	10,053.0	7,030.6	42.5	-30.1	42.7	29.2
General education	1,089.7	917.5	1,033.3	1,485.0	955.2	43.7	-35.7	6.3	4.0
Culture and art	389.1	352.2	414.0	672.8	431.7	62.5	-35.8	2.9	1.8
Health, medical care and nutrition	563.1	496.3	526.4	594.7	711.1	13.0	19.6	2.5	3.0
Social security and social welfare	49.2	43.6	53.8	85.3	62.9	58.6	-26.3	0.4	0.3
Physical education and youth services	345.4	378.0	467.3	560.1	475.9	19.9	-15.0	2.4	2.0
Urban development	892.5	655.6	1,116.0	2,088.2	985.6	87.1	-52.8	8.9	4.1
Renovation and development of rural areas	1,221.2	1,353.5	1,375.2	1,999.0	979.6	45.4	-51.0	8.5	4.1
Provision of housing	432.2	292.8	445.9	539.7	444.4	21.0	-17.7	2.3	1.8
Environment protection	50.3	36.1	44.9	85.0	81.6	89.3	-4.0	0.4	0.3
Reclamation	200.8	189.1	191.7	252.4	176.8	31.7	-29.9	1.1	0.7
Technical and professional education	55.1	51.9	124.5	166.1	240.5	33.4	44.8	0.7	1.0
Higher education	443.7	385.2	488.6	713.8	627.2	46.1	-12.1	3.0	2.6
Research	424.0	497.0	775.0	810.9	857.9	4.6	5.8	3.4	3.6
Economic affairs	11,030.5	10,732.3	16,416.9	11,446.8	10,486.2	-30.3	-8.4	48.6	43.5
Agriculture and natural resources	876.5	829.4	1,183.9	1,809.4	1,106.6	52.8	-38.8	7.7	4.6
Water resources	1,842.3	1,427.6	2,352.7	3,652.9	3,012.5	55.3	-17.5	15.5	12.5
Electricity	1,487.8	2,453.4	2,956.5	455.5	673.8	-84.6	47.9	1.9	2.8
Industries	167.4	159.1	116.2	251.4	276.1	116.4	9.8	1.1	1.1
Oil	2,771.1	2,109.8	3,780.6	59.7	88.8	-98.4	48.8	0.3	0.4
Gas	928.8	791.3	1,778.2	0	0	-100.0	0	0	0
Mines	171.7	144.3	178.9	325.6	252.7	82.0	-22.4	1.4	1.0
Commerce	98.6	66.0	83.6	160.7	174.8	92.2	8.8	0.7	0.7
Road and transportation	2,298.1	2,189.6	2,886.2	3,768.1	4,008.2	30.6	6.4	16.0	16.6
Post and telecommunication	376.4	541.8	1,057.0	51.6	42.6	-95.1	-17.4	0.2	0.2
Tourism	11.8	20.0	43.1	91.6	128.8	112.5	40.6	0.4	0.5
Nuclear science and technology	0	0	0	820.3	721.4	0	-12.1	3.5	3.0
Provincial administered funds	0	0	0	0	98.7	0	0	0	0.4
Miscellaneous expenditures	644.0	0	0	0	4,596.9	0	0	0	19.1
Loans' commission fee and guaranteed profit	0	0	0	90.0	148.3	0	64.8	0.4	0.6
Repayment of loans, debt payments & prepayments	1,409.8	0	0	0	68.1	0	0	0	0.3
Total	20,471.1	17,424.7	24,941.5(4)	23,559.8	24,087.6	-5.5	2.2	100.0	100.0

Source: General budget laws (1) Figures are based on data released by Management and Planning Organization. (2) Due to the unavailability of performance figures of development payments according to chapters and affairs, realization percentage of total government development payments is generalized to approved figures.(3) Discrepancy in total is due to rounding. (4) The figure for the performance of the 1378 development expenditures is Rls. 25,023.6 billion and its Rls. 82.1 billion discrepancy with total is not shown in this column.

	Subsidy on	1376	1377	1378	1379	1380
Agriculture Supportive Services Agent Corporation	Chemical fertilizer	521.3	453.1	470.7	543.1	428.4
State Grain Organization	Purchase of wheat	3,390.0	4,447.5	5,200.0	5,835.0	6,818.7
Iran Milk Industries	Cheese	155.8	0	189.6	193.0	247.4
Iran Milk Industries	Milk	254.8	284.0	291.0	200.0	542.0
Organization for Commercial Services Development	Sugar and cube sugar	292.0	85.0	20.0	434.0	439.0
Commercial Services Development Corporation(1)	Oil	135.5	176.7	0	-316.0	-70.0
Commercial Services Development Corporation	Rice	77.0	159.4	98.5	42.0	70.0
Ministry of Agriculture Jihad-Support & Livestock Affairs Corporation	Meat	111.0	84.2	335.0	323.6	328.2
Ministry of Defense and Logistics	Subsidy paid on foodstuff for armed forces	..	..	..	..	100.0
State Veterinary Organization	Livestock drugs	0	9.3	13.5	12.5	20.0
Central Organization of Rural Cooperative	Loss of agricultural crops	2.5	0	0	0	0
Central Organization of Rural Cooperative and Nomadic Affairs Organization	Freight charges of rural and ration goods	7.0	10.5	21.4	31.8	41.0
Ministry of Culture and Islamic Guidance	Support for book publishing	..	..	..	..	35.0
Ministry of Industries and Mines	Detergents	..	..	..	..	69.9
Ministry of Industries and Mines	Paper	..	..	..	..	30.0
Agriculture Supportive Services Corporation	Pesticides, seed	66.5	42.8	58.9	58.0	100.0
Hadj Organization	Exchange rate differential for Hadj pilgrims	294.0	196.6	348.7	0	0
Ministry of Commerce	Basij Committee expenses	1.5	1.8	8.2	4.0	0
Ministry of the Interior	Special expenditures of the Basij Committee of provinces	9.0	10.5	14.0	20.0	0
Insurance Fund for Agricultural Products-Bank Keshavarzi	Insurance charges of agricultural products	11.5	11.5	62.0	75.0	0
Ministry of Agriculture Jihad-State Tea Organization	Tea	50.0	29.8	38.0	0	0
Ministry of Health , Medical Care and Medical Education	Medicine, powder milk and hygienic products	416.5	289.7	231.2	259.0	213.0
Note 5 of budget law (paragraph M)	Rice, oil, tea, cheese, poultry and allowance to theologians	..	..	..	..	227.8
Export Promotion Center	Promotion of exports	5.0	0	0	0	0
Subway Company	Sale of subway tickets	0	0	0	0	28.5
Ministry of Agriculture Jihad	Tuba Project	...	...	...	211.4	214.6
Others	Various projects	0	0	293.4	192.1	0
Note 5 of budget law (paragraph E)	—	..	..	..	0	41.0
Article 46 of 3 rd Plan Law (paragraph B)	—	..	..	..	272.0 (2)	543.5 (3)
Total subsidy paid	—	5,800.9	6,292.4	7,694.1	8,390.5	10,468.0

Source: Ministry of Economic Affairs and Finance and Organization for Protection of Consumers and Producers

(1) The negative figure of subsidy paid on oil is the algebraic sum of differentials received for distribution of oil at guild and industrial rates and the subsidy paid on distribution of oil at household rate. (2) It is paid on milk, paper, passenger transportation and layer chicken. (3) This figure is paid for remainder subsidy for paper, milk, layer chicken, raisins, oil seeds and railway transportation of passenger in 1379 and also exportable raisins, oil seeds, compensation of Post's and Raja Firm's transportation tariff, export rewards on textiles and leather and export of tea in 1380.

Table 62

FOREIGN EXCHANGE BALANCE OF THE BANKING SYSTEM

(million dollars)

	1376	1377	1378	1379	1380
Net current account	-2,245	-3,485	3,222	10,644	9,125
Current receipts	15,437	9,782	16,725	22,649	21,224
Goods	14,102	8,535	15,777	21,894	19,991
Foreign exchange receipts from oil exports	12,126	6,991	13,265	20,290	16,553
Foreign exchange receipts from gas exports	244	192	229	317	201
Purchase of foreign exchange from export of goods	1,732	1,353	2,283	1,287	3,238
Services	1,335	1,247	948	755	1,233
Non-public sector	789	582	521	219	260
Public sector	80	436	246	20	47
Interest received	466	230	181	516	926
Current Payments	17,682	13,267	13,503	12,005	12,100
Goods	15,653	12,152	11,398	10,528	10,460
Non-public sector	7,150	6,124	6,128	5,812	5,300
Public sector	8,502	6,028	5,270	4,716	5,159
Services	2,029	1,115	2,105	1,477	1,640
Non-public sector	525	232	775	284	237
Public sector	1,304	717	1,148	773	841
Interest paid	201	166	182	420	563
Net capital account	945	1,816	1,008	-145	3,673
Receipts	1,253	2,136	1,642	2,115	18,801
Government utilization of foreign loans and credits	1,252	2,133	1,637	1,800	1,019
Inflow of private foreign loans and investments	0	0	0	0	268
Repayment of principal of foreign loans and capital	1	4	4	315	17,514
SDR utilization	0	0	1	1	0
Payments	308	320	634	2,260	15,128
Repayment of principal of foreign loans and credits	198	284	616	2,249	2,303
Outflow of private foreign loans and investments	11	11	6	3	287
Investment abroad and extending loans	99	25	10	8	12,539
Repayment of SDR	0	0	2	0	0
Adjustments related to exchange rate & unregistered transactions	-2,143	-904	3,385	-4,347	-8,770
Overall foreign exchange balance	-3,443	-2,573	7,615	6,153	4,028

Table 63	BALANCE OF PAYMENTS					(million dollars)
	1376	1377	1378	1379(1)	1380	
Current account balance	2,213	-2,140	6,589	12,500	5,985	
Trade balance	4,258	-1,168	7,597	13,375	5,775	
Exports	18,381	13,118	21,030	28,461	23,904	
Oil and gas and oil products	15,471	9,933	17,089	24,280	19,339	
Others	2,910	3,185	3,941	4,181	4,565	
Imports	14,123	14,286	13,433	15,086	18,129	
Services	-2,438	-1,469	-1,533	-1,485	-495	
Receipts	1,658	2,023	1,396	2,012	3,488	
Freight and insurance	323	298	310	450	731	
Passenger services	174	166	183	210	231	
Travel	16	490	403	467	891	
Investment income	466	230	181	215	655	
Other public services	80	436	239	368	576	
Other private services	599	403	80	302	404	
Payments	4,096	3,492	2,929	3,497	3,983	
Freight and insurance	1,550	1,711	1,240	1,347	1,539	
Passenger services	14	2	8	3	6	
Travel	382	153	631	668	708	
Investment income	725	731	473	370	397	
Other public services	1,297	817	552	966	1,135	
Other private services	128	78	25	143	198	
Transfers (net)	393	497	525	610	705	
Public	-7	-3	17	74	23	
Private	400	500	508	536	682	
Capital account (net)	-4,822	2,270	-5,894	-4,573	1,150	
Long-term	-3,554	-1	-3,342	-3,218	2,361	
Public	-3,597	-13	-3,371	-3,299	2,455	
Liabilities	-3,450	-206	-3,365	-3,297	2,456	
Assets	-147	193	-6	-2	-1	
Others	43	12	29	81	-94	
Short-term	-1,268	2,271	-2,552	-1,355	-1,211	
Public	-208	93	-130	260	94	
Banks and others	-1,060	2,178	-2,422	-1,615	-1,305	
Changes of exchange rate	340	-150	-157	211	-156	
Errors and omissions	-1,436	-1,552	1,307	-1,609	-2,219	
Overall balance (change in international reserves)	-3,705	-1,572	1,845	6,529	4,760	

(1) Due to changes in classification of foreign exchange receipts and payments in services sector, figures for services are revised.

VALUE OF EXPORTS

(excluding oil, gas, electricity and oil products)

(million dollars)

Table 64

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Agricultural and traditional goods	1,250.7	1,412.3	1,478.0	1,465.8	1,603.2	-0.8	9.4	39.0	38.0
Carpets	635.7	570.1	691.2	619.5	552.6	-10.4	-10.8	16.5	13.1
Fresh and dried fruits	337.5	591.9	517.3	504.1	666.2	-2.6	32.2	13.4	15.8
Pistachio	197.3	416.0	315.1	318.5	373.7	1.1	17.3	8.5	8.8
Raisins	25.0	37.9	53.9	55.0	59.0	2.0	7.3	1.5	1.4
All kinds of skin and leather	101.3	54.0	55.5	79.4	69.3	43.1	-12.7	2.1	1.6
Caviar	29.5	37.9	26.1	38.5	39.1	47.5	1.6	1.0	0.9
Casings	36.2	34.3	32.7	30.3	26.7	-7.3	-11.9	0.8	0.6
Gum tragacanth	1.1	1.6	1.6	1.5	2.4	-6.3	60.0	*	0.1
Cumin	6.8	21.9	11.4	8.7	6.4	-23.7	-26.4	0.2	0.2
Cotton	16.7	5.6	2.6	5.4	2.6	107.7	-51.9	0.1	0.1
Others	85.9	95.0	139.6	178.4	237.9	27.8	33.4	4.7	5.6
Metallic and mineral ores	45.1	12.8	36.3	37.7	77.3	3.9	105.0	1.0	1.8
Industrial goods	1,580.0	1,588.2	1,847.7	2,259.2	2,543.4	22.3	12.6	60.0	60.2
Detergents and soaps	28.4	27.5	28.7	39.0	41.2	35.9	5.6	1.0	1.0
Chemical and petrochemical products	101.9	139.7	83.3	110.2	1,052.7	32.3	▣	2.9	24.9
Footwear	61.6	47.1	42.7	65.4	95.0	53.2	45.3	1.7	2.2
Ready-made clothes, tricot & all kinds of fabric	41.0	17.8	40.9	85.1	70.3	108.1	-17.4	2.3	1.7
Cement, stones & construction materials	22.6	36.7	59.4	95.3	104.3	60.4	9.4	2.5	2.5
Transportation vehicles	7.4	12.0	34.4	39.3	50.0	14.2	27.2	1.0	1.2
Copper bar, sheet and wire	41.2	28.2	85.1	85.4	73.1	0.4	-14.4	2.3	1.7
Cast iron, iron and steel	183.9	138.6	219.4	300.8	278.1	37.1	-7.5	8.0	6.6
Others▲	1,092.0	1,140.6	1,253.8	1,438.7	778.7	14.7	-45.9	38.2	18.4
Total	2,875.8	3,013.3	3,362.0	3,762.7	4,223.9	11.9	12.3	100.0	100.0

Source: Foreign trade statistics

COMPOSITION OF EXPORTS ACCORDING TO USES (1)

Table 65 (excluding oil, gas, electricity and oil products) (million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Raw materials and intermediate goods	1,194.1	1,211.4	1,396.3	1,623.3	1,794.0	16.3	10.5	43.1	42.5
Manufacturing and Mining	1,080.6	958.4	1,064.6	1,410.8	1,621.6	32.5	14.9	37.5	38.4
Textiles	22.8	7.7	11.7	30.6	17.4	162.4	-43.1	0.8	0.4
Chemical	451.9	477.7	414.0	632.1	806.3	52.7	27.6	16.8	19.1
Skin and leather	87.5	44.8	46.6	31.9	52.4	-31.5	64.1	0.8	1.2
Metal smelting	129.4	86.2	181.7	224.6	253.9	23.6	13.1	6.0	6.0
Foodstuffs	71.6	57.8	73.5	74.8	91.2	1.8	21.9	2.0	2.2
Others	317.4	284.2	337.1	416.8	400.5	23.6	-3.9	11.1	9.5
Construction	72.6	81.8	153.9	165.9	131.5	7.8	-20.7	4.4	3.1
Agriculture	4.0	45.2	10.1	4.1	11.5	-59.6	179.7	0.1	0.3
Services	36.9	126.0	167.7	42.5	29.5	-74.7	-30.6	1.1	0.7
Capital goods	56.0	69.4	91.2	138.9	154.5	52.3	11.2	3.7	3.7
Consumer goods	1,625.4	1,732.5	1,874.5	2,000.5	2,275.3	6.7	13.7	53.2	53.9
Unclassified goods	0.1	0	0	0	0	0	0	0	0
Total	2,875.6	3,013.3	3,362.0	3,762.7	4,223.8	11.9	12.3	100.0	100.0

Source: Foreign trade statistics

(1) Breakdown of goods groups is done on the basis of Central Bank's instructions.

Table 66 DISTRIBUTION OF EXPORTS BY GROUP OF COUNTRIES (million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
European Union (EU)	906.3	889.4	888.5	842.2	760.1	-5.2	-9.7	22.4	18.0
Economic and Social Commission for Asia and the Pacific (ESCAP)	1,266.4	1,194.2	1,270.8	1,604.8	1,781.7	26.3	11.0	42.6	42.2
Economic Cooperation Organization (ECO)	661.1	541.5	600.8	775.1	758.4	29.0	-2.2	20.6	18.0
Organization of the Petroleum Exporting Countries (OPEC)	376.1	625.4	851.6	749.2	1,075.2	-12.0	43.5	19.9	25.5
Asian Clearing Union (ACU)	131.3	200.1	190.6	247.3	283.4	29.7	14.6	6.6	6.7

Source: Foreign trade statistics

Table 67

DISTRIBUTION OF EXPORTS BY CONTINENTS

(million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
America	77.3	72.6	134.5	156.6	156.7	16.4	0.1	4.2	3.7
Europe	1,220.1	1,187.2	1,242.7	1,245.1	1,068.9	0.2	-14.2	33.1	25.3
Asia	1,530.9	1,706.2	1,910.7	2,274.2	2,896.4	19.0	27.4	60.4	68.6
Africa	37.5	38.8	61.6	74.3	90.0	20.6	21.2	2.0	2.1
Oceania	9.8	8.5	12.5	12.6	12.0	0.6	-4.8	0.3	0.3
Total exports	2,875.6	3,013.3	3,362.0	3,762.8	4,224.0	11.9	12.3	100.0	100.0

Source: Foreign trade statistics

Table 68

DISTRIBUTION OF EXPORTS BY COUNTRIES
(excluding oil, gas, electricity and oil products)

(million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
U.A.E.	285.6	515.7	598.8	444.3	641.1	-25.8	44.3	11.8	15.2
Azerbaijan	193.7	120.3	119.2	248.8	313.6	108.7	26.0	6.6	7.4
Germany	391.5	410.1	424.0	354.3	312.5	-16.4	-11.8	9.4	7.4
Japan	104.3	43.0	57.2	126.7	238.7	121.5	88.4	3.4	5.7
Italy	275.5	202.2	180.1	191.4	191.5	6.3	0.1	5.1	4.5
India	95.1	144.7	128.6	152.5	187.0	18.6	22.6	4.1	4.4
China	62.1	92.3	77.3	170.0	177.0	119.9	4.1	4.5	4.2
Ukraine	83.7	16.6	22.0	99.1	142.4	351.1	43.7	2.6	3.4
U.S.A.	4.7	3.5	5.1	98.7	107.5	▣	8.9	2.6	2.5
Kuwait	30.4	36.0	54.2	74.3	106.0	37.1	42.7	2.0	2.5
Pakistan	29.5	35.6	50.1	64.6	87.0	28.9	34.7	1.7	2.1
Uzbekistan	104.2	53.7	49.6	81.4	82.5	64.1	1.4	2.2	2.0
Spain	23.0	51.0	56.2	52.7	78.0	-6.2	48.0	1.4	1.8
Turkmenistan	146.2	102.3	122.3	87.2	75.5	-28.7	-13.4	2.3	1.8
Hong Kong	7.9	39.0	21.3	49.2	72.8	131.0	48.0	1.3	1.7
Saudi Arabia	37.7	40.5	54.9	88.3	67.6	60.8	-23.4	2.3	1.6
Qatar	20.3	23.4	17.2	21.6	63.3	25.6	193.1	0.6	1.5
France	40.1	61.7	45.7	44.8	59.3	-2.0	32.4	1.2	1.4
Russia	45.5	36.3	62.0	68.5	58.9	10.5	-14.0	1.8	1.4
Turkey	90.2	158.3	183.6	165.5	58.2	-9.9	-64.8	4.4	1.4
Taiwan	66.6	58.8	97.2	52.4	53.2	-46.1	1.5	1.4	1.3
Armenia	39.9	37.2	37.0	50.1	52.5	35.4	4.8	1.3	1.2
Syria	28.4	29.7	27.1	38.5	52.5	42.1	36.4	1.0	1.2
Afghanistan	7.8	3.8	11.8	41.2	51.9	249.2	26.0	1.1	1.2
South Korea	94.9	46.2	60.9	73.5	49.7	20.7	-32.4	2.0	1.2
Others	566.8	651.4	798.6	823.1	843.8	3.1	2.5	21.9	20.0
Total	2,875.6	3,013.3	3,362.0	3,762.7	4,224.0	11.9	12.3	100.0	100.0

Source: Foreign trade statistics

Table 69

VALUE OF IMPORTS ACCORDING TO INTERNATIONAL CLASSIFICATION OF GOODS

(million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Food and live animals	2,508	1,583	1,953	1,977	2,106	1.2	6.5	13.8	11.9
Dairy and eggs	35	77	37	62	32	66.2	-47.3	0.4	0.2
Grains and derivatives	1,705	878	1,319	1,390	1,472	5.4	5.9	9.7	8.3
Sugar, its derivatives and honey	405	230	281	213	219	-24.3	2.8	1.5	1.2
Coffee, tea, cocoa, spices, etc.	38	37	62	74	50	18.9	-32.4	0.5	0.3
Fruits and vegetables	4	3	6	14	47	129.7	239.6	0.1	0.3
Others	321	358	248	226	287	-9.0	27.1	1.6	1.6
Beverages and tobacco	8	9	6	17	18	176.7	10.2	0.1	0.1
Raw non-edible products (excluding oil products and fuel)	647	596	648	707	675	9.2	-4.6	4.9	3.8
Raw caoutchouc	72	52	58	63	76	9.3	20.2	0.4	0.4
Onlisted textile fibers	200	201	219	195	209	-11.1	7.4	1.4	1.2
Various raw fertilizers	97	64	68	59	65	-13.7	11.3	0.4	0.4
Others	278	279	303	391	325	28.9	-16.9	2.7	1.8
Mineral products, fuel, oil products and their derivatives	265	186	215	330	578	53.6	75.1	2.3	3.3
Vegetable and animal oils	434	654	516	417	388	-19.2	-6.8	2.9	2.2
Vegetable oil	420	633	499	408	382	-18.2	-6.4	2.8	2.2
Others	14	21	17	9	6	-49.6	-27.6	0.1	0
Chemical products	1,890	1,774	1,894	2,027	2,384	7.0	17.6	14.1	13.5
Chemicals and their compounds	494	458	470	460	562	-2.1	22.0	3.2	3.2
Materials for paints, dyes and tanning	169	135	129	125	154	-3.0	23.0	0.9	0.9
Medical and pharmaceutical products	393	329	393	395	502	0.6	26.9	2.8	2.8
Plastic, cellulose and artificial resins	403	413	391	428	579	9.4	35.4	3.0	3.3
Other unlisted chemical products	267	316	361	408	414	12.9	1.6	2.8	2.4
Others	164	123	150	211	173	40.7	-18.0	1.5	1.0
Goods classified according to their compositions	2,720	2,520	2,213	3,185	3,319	43.9	4.2	22.2	18.8
Paper, cardboard and derivatives	392	266	292	422	358	44.5	-15.1	2.9	2.0
Various textile yarns and related products	324	310	266	303	289	14.0	-4.7	2.1	1.6
Non-metal mineral goods	163	166	139	124	183	-10.6	47.3	0.9	1.0
Iron and steel	1,290	1,287	1,173	1,819	1,895	55.1	4.1	12.7	10.8
Others	551	491	343	516	594	50.6	15.0	3.6	3.4
Machinery and transportation tools	5,045	6,348	4,785	5,172	7,565	8.1	46.2	36.1	42.9
Non-electrical machinery	2,672	3,501	3,021	2,976	4,051	-1.5	36.1	20.7	23.0
Electrical machinery, tools and appliances	1,444	1,521	961	1,085	1,819	12.9	67.6	7.6	10.3
Transportation vehicles	929	1,326	803	1,111	1,696	38.4	52.6	7.7	9.6
Miscellaneous finished products	384	538	305	447	535	46.4	19.8	3.1	3.0
Scientific and professional tools	271	380	237	288	374	21.3	30.0	2.0	2.1
Artificial goods unlisted elsewhere	108	155	67	154	156	130.2	1.1	1.1	0.9
Others	5	3	1	5	6	385.8	17.3	0	0
Goods not classified according to their use	295	115	148	67	57	-54.9	-13.9	0.5	0.3
Total	14,196	14,323	12,683	14,347	17,626	13.1	22.9	100.0	100.0
Total adjusted imports	13,633	13,708	11,972	13,187	16,228	10.1	23.1		

Source: Foreign trade statistics

	COMPOSITION OF IMPORTS BY USE (1)					(million dollars)			
	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Raw materials and intermediate goods	7,524	6,310	6,225	7,401	8,228	18.9	11.2	51.6	46.7
Manufacturing and mining	6,542	5,372	5,464	6,421	7,107	17.5	10.7	44.8	40.3
Textiles	290	274	297	281	318	-5.4	13.0	2.0	1.8
Chemical	1,514	1,479	1,396	1,512	1,848	8.3	22.2	10.5	10.5
Skin and leather	5	5	6	4	5	-33.3	22.7	*	*
Metal smelting	205	139	130	205	278	57.3	35.9	1.4	1.6
Food	1,912	1,354	1,556	1,501	1,694	-3.5	12.8	10.5	9.6
Others	2,616	2,121	2,079	2,918	2,966	40.4	1.6	20.3	16.8
Construction	464	571	402	438	502	8.9	14.8	3.1	2.9
Agriculture	186	138	176	214	193	21.4	-9.6	1.5	1.1
Services	332	229	183	329	426	79.9	29.2	2.3	2.4
Capital goods	4,661	6,002	4,510	4,834	7,127	7.2	47.4	33.7	40.4
Consumer goods	2,007	2,011	1,948	2,112	2,270	8.4	7.5	14.7	12.9
Unclassified goods	4	0	0	0	0	0	0	0	0
Total	14,196	14,323	12,683	14,347	17,626	13.1	22.9	100.0	100.0
Adjusted imports	13,633	13,708	11,972	13,187	16,228	10.1	23.1		

Source: Foreign trade statistics

(1) Breakdown of goods groups is done on the basis of Central Bank's instructions.

Table 71 **DISTRIBUTION OF IMPORTS BY GROUP OF COUNTRIES** (million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
European Union (EU)	5,666	6,233	5,147	5,321	6,558	3.4	23.2	37.1	37.2
Economic and Social Commission for Asia and the Pacific (ESCAP)	4,555	4,605	4,138	4,742	6,500	14.6	37.1	33.1	36.9
Economic Cooperation Organization(ECO)	573	477	457	727	716	59.1	-1.5	5.1	4.1
Organization of the Petroleum Exporting Countries (OPEC)	759	923	964	1,076	1,990	11.6	84.9	7.5	11.3
Asian Clearing Union (ACU)	315	281	287	356	676	24.0	89.9	2.5	3.8

Source: Foreign trade statistics

Table 72 **DISTRIBUTION OF IMPORTS BY CONTINENTS** (million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
America	1,957	1,589	1,613	1,550	1,786	-3.9	15.2	10.8	10.1
Europe	7,650	7,753	6,509	7,125	8,696	9.5	22.1	49.7	49.3
Asia	3,770	4,362	4,030	4,983	6,497	23.6	30.4	34.7	36.9
Africa	269	174	201	241	170	19.7	-29.4	1.7	1.0
Oceania	550	445	330	449	477	35.9	6.4	3.1	2.7
Value of imports	14,196	14,323	12,683	14,347	17,626	13.1	22.9	100.0	100.0
Adjusted imports	13,633	13,708	11,972	13,187	16,228	10.1	23.1		

Source: Foreign trade statistics

Table 73

DISTRIBUTION OF IMPORTS BY COUNTRIES

(million dollars)

	1376	1377	1378	1379	1380	Percentage change		Share (percent)	
						1379	1380	1379	1380
Germany	1,854	1,660	1,382	1,504	1,807	8.8	20.1	10.5	10.3
U.A.E.	562	759	769	1,154	1,633	50.1	41.5	8.0	9.3
France	675	556	685	617	1,109	-9.9	79.6	4.3	6.3
Italy	796	1,188	901	856	996	-5.0	16.4	6.0	5.7
South Korea	552	687	708	737	958	4.0	30.0	5.1	5.4
Russia	704	549	532	920	914	72.9	-0.7	6.4	5.2
Brazil	294	472	681	538	896	-21.1	66.7	3.7	5.1
China	395	655	613	565	887	-7.8	56.8	3.9	5.0
Japan	882	1,005	590	684	787	15.9	15.2	4.8	4.5
England	681	574	439	510	666	16.1	30.7	3.6	3.8
India	230	204	199	254	561	27.5	121.0	1.8	3.2
Australia	522	358	298	403	455	35.2	12.9	2.8	2.6
Belgium	457	899	597	426	440	-28.6	3.3	3.0	2.5
Switzerland	531	326	336	327	435	-2.8	33.3	2.3	2.5
Canada	616	311	531	477	383	-10.1	-19.9	3.3	2.2
Sweden	189	148	120	310	377	158.2	21.8	2.2	2.1
Netherlands	296	362	213	270	346	26.8	28.1	1.9	2.0
Argentina	833	632	131	304	319	132.3	4.7	2.1	1.8
Spain	263	410	341	343	308	0.6	-10.3	2.4	1.7
Turkey	289	272	228	233	291	2.2	24.7	1.6	1.6
Kazakhstan	100	87	132	345	270	161.1	-21.6	2.4	1.5
Austria	265	267	304	277	239	-8.9	-13.8	1.9	1.4
Saudi Arabia	57	68	47	75	222	59.2	197.3	0.5	1.3
Taiwan	125	139	111	132	195	19.2	47.3	0.9	1.1
Malaysia	98	96	100	122	189	22.2	54.5	0.9	1.1
Others	1,930	1,639	1,695	1,965	1,945	15.9	-1.0	13.7	11.0
Total	14,196	14,323	12,683	14,347	17,626	13.1	22.9	100.0	100.0
Adjusted imports	13,633	13,708	11,972	13,187	16,228	10.1	23.1		

Source: Foreign trade statistics

Table 74

SUMMARY OF THE ASSETS AND LIABILITIES OF THE BANKING SYSTEM (1)

(billion rials)

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Assets							
Foreign assets	16,213.8	11,737.6	18,325.0	32,832.8	44,397.9	79.2	35.2
Gold	2,482.5	1,937.9	2,652.0	2,589.3	2,394.9	-2.4	-7.5
Gold with IMF	89.4	90.9	89.4	84.5	83.2	-5.5	-1.5
Foreign exchange	9,339.4	5,734.6	10,951.4	26,518.9	38,378.0	142.2	44.7
Clearing foreign exchange	2,338.7	2,284.8	2,461.3	1,377.9	1,290.2	-44.0	-6.4
Quota and subscription to international organizations	1,387.5	1,687.3	1,700.6	1,666.1	1,664.8	-2.0	-0.1
Special Drawing Right	576.3	2.1	470.3	596.1	586.8	26.7	-1.6
Claims on public sector	80,703.6	109,976.1	117,116.9	122,785.2	138,457.2	4.8	12.8
Government	48,202.0	66,336.0	69,209.5	67,053.8	72,189.8	-3.1	7.7
Public corporations and agencies	32,501.6	43,640.1	47,907.4	55,731.4	66,267.4	16.3	18.9
Claims on non-public sector	75,740.1	98,220.0	137,912.9	180,870.7	242,542.6	31.1	34.1
Others	94,227.1	108,757.7	123,000.6	163,608.5	207,789.0	33.0	27.0
Sub-total	266,884.6	328,691.4	396,355.4	500,097.2	633,186.6	26.2	26.6
Below the line items	48,651.9	44,718.3	48,460.6	56,295.8	69,164.5	16.2	22.9
Total	315,536.5	373,409.7	444,816.0	556,393.0	702,351.1	25.1	26.2
Liabilities							
Liquidity	134,286.3	160,401.5	192,689.2	249,110.7	320,957.3	29.3	28.8
Money	63,303.7	74,784.4	86,751.0	114,420.5	142,956.7	31.9	24.9
Quasi-money	70,982.6	85,617.1	105,938.2	134,690.2	178,000.5	27.1	32.2
Public sector loans and deposits	14,461.7	21,363.1	25,653.1	36,563.7	37,969.7	42.5	3.8
Government	11,060.8	17,139.1	20,402.5	27,400.5	33,904.6	34.3	23.7
Public corporations and agencies	3,400.9	4,224.0	5,250.6	9,163.2	4,065.1	74.5	-55.6
Capital account	5,928.9	6,444.3	6,471.0	8,284.5	17,522.3	28.0	111.5
Foreign loans and credits and foreign exchange deposits	8,018.5	12,373.2	14,995.6	27,322.6	34,322.8	82.2	25.6
Import order registration deposits of non-public sector	2.6	2.0	2.0	2.0	2.0	0	0
Advance payments on letters of credit by public sector	6,435.9	3,774.7	3,487.3	3,064.4	3,021.9	-12.1	-1.4
Others	97,750.7	124,332.6	153,057.2	175,749.5	219,390.7	14.8	24.8
Sub-total	266,884.6	328,691.4	396,355.4	500,097.4	633,186.6	26.2	26.6
Below the line items	48,651.9	44,718.3	48,460.6	56,295.8	69,164.5	16.2	22.9

(1) Since 1376 excludes commercial banks' branches abroad, and since Aban 1378 includes non-bank credit institutions.

**SUMMARY OF THE ASSETS AND LIABILITIES OF CENTRAL BANK
OF THE ISLAMIC REPUBLIC OF IRAN**

Table 75

(billion rials)

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Assets							
Foreign assets	12,065.6	9,313.6	13,035.4	23,566.8	31,809.5	80.8	35.0
Gold	2,475.1	1,930.9	2,645.4	2,573.1	2,378.6	-2.7	-7.6
Gold with IMF	89.4	90.9	89.4	84.5	83.2	-5.5	-1.5
Foreign exchange	5,198.6	3,317.6	5,668.4	17,269.1	25,805.9	204.7	49.4
Clearing foreign exchange	2,338.7	2,284.8	2,461.3	1,377.9	1,290.2	-44.0	-6.4
Quota and subscription to international organizations	1,387.5	1,687.3	1,700.6	1,666.1	1,664.8	-2.0	-0.1
Special Drawing Right	576.3	2.1	470.3	596.1	586.8	26.7	-1.6
Notes and coins in till	197.1	174.0	219.9	324.3	254.9	47.5	-21.4
Claims on public sector	59,044.8	72,907.7	75,866.9	75,118.2	82,357.7	-1.0	9.6
Government	46,377.9	58,593.6	62,058.5	60,859.0	64,636.3	-1.9	6.2
Public corporations and agencies	12,666.9	14,314.1	13,808.4	14,259.1	17,721.4	3.3	24.3
Claims on banks	14,929.8	13,399.8	20,811.0	23,553.4	12,076.7	13.2	-48.7
Others	6,201.7	9,844.3	7,619.7	26,395.3	49,857.8	246.4	88.9
Sub-total	92,439.0	105,639.4	117,552.9	148,958.0	176,356.6	26.7	18.4
Below the line items	13,927.4	10,343.3	7,490.6	5,400.8	4,372.4	-27.9	-19.0
Total	106,366.4	115,982.7	125,043.5	154,358.8	180,729.0	23.4	17.1
Liabilities							
Notes and coins	16,990.1	20,345.1	24,133.6	27,555.4	31,790.1	14.2	15.4
With the public	15,380.2	18,773.1	22,119.3	25,158.3	29,188.7	13.7	16.0
With banks	1,412.8	1,398.0	1,794.4	2,072.8	2,346.5	15.5	13.2
With the Central Bank	197.1	174.0	219.9	324.3	254.9	47.5	-21.4
Deposits of banks and credit institutions (1)	35,720.5	41,793.5	47,908.9	57,167.0	65,649.6	19.3	14.8
Legal (2)	34,460.8	37,834.8	45,377.4	51,830.4	50,842.6	14.2	-1.9
Sight (3)	1,259.7	3,958.7	2,531.5	5,336.6	14,807.0	110.8	177.5
Public sector deposits	14,041.0	18,865.2	21,886.8	33,807.2	34,132.3	54.5	1.0
Government	10,640.1	14,641.2	16,636.2	24,644.0	30,067.2	48.1	22.0
Public corporations and agencies	3,400.9	4,224.0	5,250.6	9,163.2	4,065.1	74.5	-55.6
Capital account	420.6	511.3	598.0	680.9	683.3	13.9	0.4
Foreign exchange liabilities	6,123.7	6,848.2	8,585.6	15,990.0	20,068.7	86.2	25.5
Foreign loans and credits and foreign exchange deposits	4,686.2	5,292.1	7,177.6	15,243.1	19,286.2	112.4	26.5
Clearing foreign exchange	862.5	971.3	832.8	203.6	247.2	-75.6	21.4
Special Drawing Right allocations	575.0	584.8	575.2	543.3	535.3	-5.5	-1.5
Import order registration deposits of non-public sector	2.6	2.0	2.0	2.0	2.0	0	0
Advance payments on letters of credit by public sector	6,435.9	3,774.7	3,487.3	3,064.4	3,021.9	-12.1	-1.4
Others	12,704.6	13,499.4	10,950.7	10,691.1	21,008.7	-2.4	96.5
Sub-total	92,439.0	105,639.4	117,552.9	148,958.0	176,356.6	26.7	18.4
Below the line items	13,927.4	10,343.3	7,490.6	5,400.8	4,372.4	-27.9	-19.0

(1) Includes non-bank credit institutions since Aban 1378.

(2) Includes adjustments made in advance payments on letters of credit.

(3) Includes banks' special term deposits since Shahrivar 1378.

Table 76

SUMMARY OF THE ASSETS AND LIABILITIES OF COMMERCIAL BANKS(1)

(billion rials)

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Assets							
Foreign assets	3,864.8	2,103.0	4,889.2	7,567.3	10,593.2	54.8	40.0
Gold	6.8	7.0	6.2	15.5	15.0	150.0	-3.1
Foreign exchange	3,858.0	2,096.0	4,883.0	7,551.8	10,578.2	54.7	40.1
Notes and coins in till	1,308.0	1,270.0	1,580.8	1,757.6	2,023.5	11.2	15.1
Deposit with the Central Bank	34,843.9	40,527.5	46,089.3	54,439.6	60,773.1	18.1	11.6
Legal (2)	33,585.7	36,656.2	43,741.8	49,914.6	47,983.7	14.1	-3.9
Sight (3)	1,258.2	3,871.3	2,347.5	4,524.9	12,789.4	92.8	182.6
Claims on public sector	21,046.2	36,039.4	40,048.1	46,786.0	53,505.2	16.8	14.4
Government	1,822.3	6,947.4	6,139.1	5,506.6	5,378.3	-10.3	-2.3
Public corporations and agencies	19,223.9	29,092.0	33,909.0	41,279.4	48,126.9	21.7	16.6
Claims on non-public sector	54,775.5	69,553.0	95,199.9	124,118.8	168,932.6	30.4	36.1
Others	31,751.9	37,547.1	38,833.7	47,093.3	66,921.2	21.3	42.1
Sub-total	147,590.3	187,040.0	226,641.0	281,762.6	362,748.8	24.3	28.7
Below the line items	34,194.1	33,312.0	39,530.0	46,992.7	58,354.7	18.9	24.2
Total	181,784.4	220,352.0	266,171.0	328,755.3	421,103.5	23.5	28.1
Liabilities							
Deposits of non-public sector	109,123.0	129,004.7	152,725.2	197,565.7	255,092.4	29.4	29.1
Sight	44,230.9	52,906.6	60,201.0	83,201.4	106,111.0	38.2	27.5
Savings and time	64,892.1	76,098.1	92,524.2	114,364.4	148,981.4	23.6	30.3
Claims of the Central Bank	10,939.1	8,474.0	13,009.3	14,539.2	10,116.8	11.8	-30.4
Public sector loans and deposits	245.1	2,419.9	3,697.2	2,669.1	3,725.1	-27.8	39.6
Government	245.1	2,419.9	3,697.2	2,669.1	3,725.1	-27.8	39.6
Public corporations and agencies	0	0	0	0	0	0	0
Capital account	3,378.3	3,760.0	3,662.0	3,822.3	9,492.5	4.4	148.3
Foreign exchange loans and deposits	1,764.8	5,194.0	5,951.0	10,842.5	13,392.0	82.2	23.5
Others	22,140.0	38,187.4	47,596.3	52,323.7	70,930.1	9.9	35.6
Sub-total	147,590.3	187,040.0	226,641.0	281,762.5	362,748.8	24.3	28.7
Below the line items	34,194.1	33,312.0	39,530.0	46,992.7	58,354.7	18.9	24.2

(1) Since 1376 excludes commercial banks' branches abroad.

(2) Includes adjustments made in advance payments on letters of credit.

(3) Since Shahrivar 1378 includes banks' special term deposits.

Table 77

SUMMARY OF THE ASSETS AND LIABILITIES OF SPECIALIZED BANKS

(billion rials)

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Assets							
Foreign assets	283.4	321.0	398.4	1,695.4	1,971.1	325.6	16.3
Gold	0.6	0	0.4	0.7	1.3	75.0	80.0
Foreign exchange	282.8	321.0	398.0	1,694.7	1,969.8	325.8	16.2
Notes and coins in till	104.8	128.0	208.6	307.0	310.6	47.2	1.2
Deposit with the Central Bank	876.6	1,266.0	1,793.0	2,666.2	4,677.4	48.7	75.4
Legal	875.1	1,178.6	1,616.6	1,855.4	2,665.7	14.8	43.7
Sight	1.5	87.4	176.4	810.9	2,011.7	359.7	148.1
Claims on public sector	612.6	1,029.0	1,141.5	691.2	1,797.5	-39.4	160.1
Government	1.8	795.0	951.5	498.3	1,378.5	-47.6	176.6
Public corporations and agencies	610.8	234.0	190.0	192.9	419.0	1.5	117.2
Claims on non-public sector	20,964.6	28,667.0	42,505.0	56,313.2	72,513.3	32.5	28.8
Others	4,013.3	4,601.0	5,706.1	6,764.1	10,234.4	18.5	51.3
Sub-total	26,855.3	36,012.0	51,752.6	68,437.1	91,504.3	32.2	33.7
Below the line items	530.4	1,063.0	1,383.0	3,695.2	6,026.4	167.2	63.1
Total	27,385.7	37,075.0	53,135.6	72,132.3	97,530.7	35.8	35.2
Liabilities							
Deposits of non-public sector	9,783.1	12,623.7	17,538.8	25,652.4	34,767.2	46.3	35.5
Sight	3,692.6	3,104.7	4,428.7	6,058.1	7,649.1	36.8	26.3
Savings and time	6,090.5	9,519.0	13,110.1	19,594.3	27,118.2	49.5	38.4
Claims of the Central Bank	3,990.7	4,925.8	7,801.7	9,014.2	1,959.9	15.5	-78.3
Public sector loans and deposits	175.6	78.0	69.1	87.4	112.3	26.5	28.5
Government	175.6	78.0	69.1	87.4	112.3	26.5	28.5
Public corporations and agencies	0	0	0	0	0	0	0
Capital account	2,130.0	2,173.0	2,162.0	3,721.0	7,040.1	72.1	89.2
Foreign exchange loans and deposits	130.0	331.0	457.0	487.1	855.0	6.6	75.5
Others	10,645.9	15,880.5	23,724.0	29,475.1	46,769.8	24.2	58.7
Sub-total	26,855.3	36,012.0	51,752.6	68,437.1	91,504.3	32.2	33.7
Below the line items	530.4	1,063.0	1,383.0	3,695.2	6,026.4	167.2	63.1

**SUMMARY OF THE ASSETS AND LIABILITIES OF BANKS
AND NON-PUBLIC CREDIT INSTITUTIONS (1)**

Table 78

(billion rials)

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Assets							
Foreign assets	4,148.2	2,424.0	5,289.6	9,266.0	12,588.4	75.2	35.9
Gold	7.4	7.0	6.6	16.2	16.3	145.5	0.5
Foreign exchange	4,140.8	2,417.0	5,283.0	9,249.8	12,572.1	75.1	35.9
Notes and coins in till	1,412.8	1,398.0	1,794.4	2,072.8	2,346.5	15.5	13.2
Deposit with the Central Bank	35,720.5	41,793.5	47,908.9	57,167.0	65,649.6	19.3	14.8
Legal (2)	34,460.8	37,834.8	45,377.4	51,830.4	50,842.6	14.2	-1.9
Sight (3)	1,259.7	3,958.7	2,531.5	5,336.6	14,807.0	110.8	177.5
Claims on public sector	21,658.8	37,068.4	41,250.0	47,667.1	56,099.5	15.6	17.7
Government (4)	1,824.1	7,742.4	7,151.0	6,194.8	7,553.5	-13.4	21.9
Public corporations and agencies	19,834.7	29,326.0	34,099.0	41,472.3	48,546.0	21.6	17.1
Claims on non-public sector	75,740.1	98,220.0	137,912.9	180,870.7	242,542.6	31.1	34.1
Others	35,765.2	42,148.1	44,646.7	54,095.7	77,603.5	21.2	43.5
Sub-total	174,445.6	223,052.0	278,802.5	351,139.4	456,830.0	25.9	30.1
Below the line items	34,724.5	34,375.0	40,970.0	50,895.0	64,792.1	24.2	27.3
Total	209,170.1	257,427.0	319,772.5	402,034.4	521,622.1	25.7	29.7
Liabilities							
Deposits of non-public sector	118,906.1	141,628.4	170,569.9	223,952.3	291,768.5	31.3	30.3
Sight	47,923.5	56,011.3	64,631.7	89,262.2	113,768.0	38.1	27.5
Savings and time	70,982.6	85,617.1	105,938.2	134,690.2	178,000.5	27.1	32.2
Claims of the Central Bank	14,929.8	13,399.8	20,811.0	23,553.4	12,076.7	13.2	-48.7
Public sector loans and deposits	420.7	2,497.9	3,766.3	2,756.5	3,837.4	-26.8	39.2
Government	420.7	2,497.9	3,766.3	2,756.5	3,837.4	-26.8	39.2
Public corporations and agencies	0	0	0	0	0	0	0
Capital account	5,508.3	5,933.0	5,873.0	7,603.6	16,839.0	29.5	121.5
Foreign exchange loans and deposits	1,894.8	5,525.0	6,410.0	11,332.6	14,254.1	76.8	25.8
Others	32,785.9	54,067.9	71,372.3	81,940.9	118,054.3	14.8	44.1
Sub-total	174,445.6	223,052.0	278,802.5	351,139.4	456,830.0	25.9	30.1
Below the line items	34,724.5	34,375.0	40,970.0	50,895.0	64,792.1	24.2	27.3

(1) Since 1376 excludes commercial banks' branches abroad and since Aban 1378 includes non-bank credit institutions.

(2) Includes adjustments made in advance payments on letters of credit.

(3) Since Shahrivar 1378 includes banks' special term deposits.

(4) Since 1377 includes public sector participation papers.

**SUMMARY OF THE ASSETS AND LIABILITIES OF PRIVATE BANKS AND
NON-BANK CREDIT INSTITUTIONS**

Table 79 (billion rials)

	Outstanding at the end of the year		Percentage change○		Outstanding at the end of the year		Percentage change○
	1379	1380	1380		1379	1380	1380
Assets				Liabilities			
Foreign assets	3.3	24.1	☐	Deposits of non-public sector	734.2	1,908.9	160.0
Gold	0	0	θ	Sight (2)	2.7	7.9	193.4
Foreign exchange	3.3	24.1	☐	Savings and time	731.5	1,901.0	159.9
Notes and coins in till	8.2	12.4	51.2	Claims of the Central Bank	0	0	θ
Deposit with the Central Bank	61.2	199.1	225.3	Deposits and funds of public sector	0	0	θ
Legal	60.4	193.2	219.9	Government	0	0	θ
Sight	0.8	5.9	☐	Public corporations and agencies	0	0	θ
Claims on public sector	189.9	796.7	319.5	Capital account	60.3	306.4	408.2
Government (1)	189.9	796.7	319.5	Foreign loans and foreign exchange deposits	3.0	7.1	138.3
Public corporations and agencies	0	0	θ	Others	142.1	354.4	149.4
Claims on non-public sector	438.7	1,096.6	150.0	Sub-total	939.6	2,576.9	174.3
Others	238.3	448.0	88.0	Below the line items	207.1	411.0	98.5
Sub-total	939.6	2,576.9	174.3				
Below the line items	207.1	411.0	98.5				
Total	1,146.8	2,987.9	160.5	Total	1,146.8	2,987.9	160.5

(1) Includes only participation papers of public sector.

(2) Includes only miscellaneous creditors.

**BANKS AND NON-BANK CREDIT INSTITUTIONS CLAIMS
ON NON-PUBLIC SECTOR**

Table 80 (billion rials)

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Commercial banks	54,775.5	69,553.0	95,199.9	124,118.9	168,932.6	30.4	36.1
Facilities	46,075.2	60,695.0	86,960.0	115,501.4	159,108.0	32.8	37.8
Direct investment and legal partnership	4,296.1	3,737.0	4,672.0	5,034.4	5,102.9	7.8	1.4
Loans and credits	4,404.2	5,121.0	3,567.9	3,583.1	4,721.7	0.4	31.8
Specialized banks	20,964.6	28,667.0	42,505.0	56,313.2	72,513.3	32.5	28.8
Facilities	19,832.6	27,548.0	41,269.0	54,969.9	71,174.8	33.2	29.5
Direct investment and legal partnership	865.6	807.0	941.0	964.7	971.1	2.5	0.7
Loans and credits	266.4	312.0	295.0	378.6	367.4	28.3	-3.0
Non-bank credit institutions			208.0	438.7	1,096.6	110.9	150.0
Facilities			206.0	423.6	1,071.0	105.6	152.8
Direct investment and legal partnership			0	13.4	22.1	0	65.2
Loans and credits			2.0	1.6	3.5	-20.0	121.7
Banks and credit institutions	75,740.1	98,220.0	137,912.9	180,870.7	242,542.6	31.1	34.1
Facilities (1)	65,907.8	88,243.0	128,435.0	170,894.9	231,353.8	33.1	35.4
Direct investment and legal partnership	5,161.7	4,544.0	5,613.0	6,012.6	6,096.1	7.1	1.4
Loans and credits (2)	4,670.6	5,433.0	3,864.9	3,963.2	5,092.7	2.5	28.5

(1) Facilities extended by banks based upon the Usury-free Banking Law (excluding direct investment and legal partnership), debt purchase and property transactions.

(2) Includes outstanding of all loans and credits extended before implementation of the Usury-free Banking Law, customers' indebtedness regarding unpaid letters of credit (non-governmental), debtors for paid letters of credit (non-governmental), customers' indebtedness regarding foreign exchange differential (non-governmental) and non-governmental participation papers.

152

Table 81 (billion rials)

LIQUIDITY

	Outstanding at the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
1. Money (M1)	63,303.7	74,784.4	86,751.0	114,420.5	142,956.7	31.9	24.9
Notes and coins with the public	15,380.2	18,773.1	22,119.3	25,158.3	29,188.7	13.7	16.0
Sight deposits of non-public sector	47,923.5	56,011.3	64,631.7	89,262.2	113,768.0	38.1	27.5
2. Quasi-money	70,982.6	85,617.1	105,938.2	134,690.2	178,000.6	27.1	32.2
Gharz-al-hasanah savings deposits	8,693.2	12,420.0	16,296.0	22,014.4	29,847.5	35.1	35.6
Term investment deposits	47,103.8	62,429.1	79,532.0	103,363.6	141,066.5	30.0	36.5
Short-term	24,289.7	32,046.0	39,564.0	50,442.8	66,983.0	27.5	32.8
Long-term	22,814.1	30,383.1	39,968.0	52,920.8	74,083.5	32.4	40.0
Miscellaneous deposits (1)	15,185.6	10,768.0	10,110.2	9,312.2	7,086.6	-7.9	-23.9
3. Liquidity (1+2) (M2)	134,286.3	160,401.5	192,689.2	249,110.7	320,957.3	29.3	28.8

(1) Includes advance payments for letters of credit, guarantees' deposits, advance payments for transactions and retirement and savings funds of banks' employees.

**CHANGES IN THE BALANCE OF COMMERCIAL BANKS'
SOURCES AND USES OF FUNDS**

Table 82 (billion rials)

	1378	1379	1380
Non-public sector deposits	23,720.5	44,840.6	57,526.6
Sight	7,294.4	23,000.4	22,909.6
Non-sight	16,426.1	21,840.2	34,617.0
Blocked resources	6,211.0	5,735.0	-1,665.0
Notes and coins in till	310.8	176.8	265.9
Legal deposits (1)	7,085.6	6,172.8	-1,930.9
Government bonds (1)	-1,185.4	-614.6	0
Free resources out of non-public sector deposits	17,509.5	39,105.6	59,191.6
Other resources	1,179.3	-867.8	6,726.2
Capital account	-98.0	160.3	5,670.2
Public sector funds and deposits	1,277.3	-1,028.1	1,056.0
Total free resources	18,688.8	38,237.8	65,917.8
Uses	27,867.0	31,345.5	45,905.6
Non-public sector indebtedness (2)	22,672.9	25,222.2	39,186.4
Public sector indebtedness	5,194.1	6,123.3	6,719.2
Deficit (-) or surplus (+)	-9,178.2	6,892.3	20,012.2

(1) Figures are extracted from Central Bank's Balance Sheet.

(2) Excludes profit and revenue receivables.

**CHANGES IN THE BALANCE OF SPECIALIZED BANKS'
SOURCES AND USES OF FUNDS**

Table 83 (billion rials)

	1378	1379	1380
Non-public sector deposits	4,915.1	8,113.6	9,114.9
Sight	1,324.0	1,629.4	1,591.0
Non-sight	3,591.1	6,484.2	7,523.9
Blocked resources	518.6	337.4	813.8
Notes and coins in till	80.6	98.4	3.6
Legal deposits (1)	438.0	238.8	810.3
Government bonds (1)	0	0.2	-0.1
Free resources out of non-public sector deposits	4,396.5	7,776.2	8,301.1
Capital account	-11.0	1,559.0	3,319.1
Claims of the Central Bank	2,875.9	1,212.5	-7,054.3
Claims of other banks	198.0	-160.0	-314.0
Foreign debts	126.0	30.1	367.9
Public sector funds and deposits	-8.9	18.3	24.9
Other funds	1,445.0	-611.4	8,956.2
Total free credit resources	9,021.5	9,824.7	13,600.9
Non-public sector indebtedness (2)	8,909.0	10,275.2	12,494.6
Public sector indebtedness	112.5	-450.5	1,106.3

(1) Figures are extracted from Central Bank's Balance Sheet.

(2) Excludes profit and revenue receivables.

Table 84

SHARE PRICE INDEX BY INDUSTRIES

(1369=100)

	At the end of the year					Percentage change	
	1376	1377	1378	1379	1380	1379	1380
Exploitation of mines	166.00	159.33	276.72	341.97	457.26	23.6	33.7
Foodstuffs	1,953.08	2,069.43	2,908.44	3,177.42	3,505.10	9.2	10.3
Textiles	288.55	268.30	261.03	255.49	263.80	-2.1	3.3
Wood and wood products	2,155.06	1,938.25	2,731.52	3,697.68	3,993.94	35.4	8.0
Paper and paper products	898.86	598.83	638.03	1,811.63	1,335.16	183.9	-26.3
Print and publication	3,248.41	3,051.96	4,489.94	6,436.08	14,238.65	43.3	121.2
Oil refining and nuclear fuels	2,198.87	2,139.48	4,601.60	9,905.76	15,721.72	115.3	58.7
Chemical products	2,478.72	2,077.81	3,155.89	3,510.34	3,508.93	11.2	0
Plastic and rubber	1,279.13	982.77	1,454.08	2,126.03	1,977.54	46.2	-7.0
Non-metallic mineral products	1,266.81	1,126.61	2,028.35	3,105.27	6,402.12	53.1	106.2
Basic metals	1,092.78	759.46	1,307.74	1,379.74	1,214.16	5.5	-12.0
Fabricated metals	1,321.88	1,145.02	1,553.61	1,937.60	2,557.46	24.7	32.0
Machinery and equipment	2,006.54	1,841.85	1,821.21	1,720.79	1,665.74	-5.5	-3.2
Electrical apparatus	8,429.93	6,448.48	11,946.54	12,326.89	24,724.55	3.2	100.6
Radio and television	1,600.45	1,457.36	1,972.58	1,287.81	755.55	-34.7	-41.3
Motor vehicles	535.89	576.04	823.13	985.76	1,190.24	19.8	20.7
Transportation equipment	1,576.75	1,346.33	2,010.23	1,840.56	1,928.46	-8.4	4.8
Side-activities and financial intermediations (investment companies)	4,114.91	4,048.17	4,683.56	6,347.29	8,497.86	35.5	33.9
Manufacturing of office machinery	...	...	...	102.22	97.08	0	-5.0
Construction (1)	...	...	...	...	180.26	0	0
Exploitation of metal ores	...	...	...	341.97	352.83	0	3.2
Production of furniture and manufactured goods (1)	...	...	...	...	90.06	0	0
General index	1,653.06	1,537.96	2,206.19	2,978.29	3,758.77	35.0	26.2

Source: Tehran Stock Exchange, statistical report of various years

(1) These are added to the list in 1380.

Table 85

TRANSACTIONS OF SHARES BY INDUSTRIES ON THE TSE (1)

	Number (million shares)			Value (billion rials)			Share in 1380(percent)	
	1379	1380	Percentage change	1379	1380	Percentage change	Number	Value
Exploitation of mines	2.5	2.3	-8.0	11.1	6.4	-42.3	0.1	0.1
Foodstuffs	83.3	74.6	-10.4	426.2	459.1	7.7	4.4	5.9
Textiles	28.7	19.8	-31.0	33.3	8.0	-76.0	1.2	0.1
Wood and wood products	2.1	0.5	-76.2	8.0	1.7	-78.8	0	0
Paper and paper products	8.7	5.6	-35.6	76.2	48.1	-36.9	0.3	0.6
Print and publication	0.6	0.5	-16.7	11.5	13.9	20.9	0	0.2
Oil refining and nuclear fuels	312.0	4.3	-98.6	2,518.3	185.2	-92.6	0.3	2.4
Chemical products	80.7	185.6	130.0	516.4	1,672.7	223.9	10.9	21.4
Plastic and rubber	75.8	23.3	-69.3	672.9	257.0	-61.8	1.4	3.3
Non-metallic mineral products	109.8	117.7	7.2	966.3	1,196.7	23.8	6.9	15.3
Basic metals	62.0	19.8	-68.1	486.4	117.8	-75.8	1.2	1.5
Fabricated metals	27.5	7.1	-74.2	139.8	37.2	-73.4	0.4	0.5
Machinery and equipment	115.5	43.1	-62.7	1,052.0	112.4	-89.3	2.5	1.4
Electrical apparatus	7.3	9.9	35.6	50.0	102.4	104.8	0.6	1.3
Radio and television	49.2	28.1	-42.9	114.3	164.5	43.9	1.6	2.1
Motor vehicles	226.8	343.9	51.6	1,134.5	1,222.9	7.8	20.2	15.6
Transportation equipment	12.6	10.5	-16.7	23.2	11.4	-50.9	0.6	0.1
Side-activities and financial intermediations (investment companies)	475.7	772.1	62.3	933.8	2,123.0	127.4	45.3	27.1
Manufacturing of office machinery	0.7	2.1	200.0	2.5	9.6	284.0	0.1	0.1
Construction	...	5.0	θ	...	8.9	θ	0.3	0.1
Exploitation of metal ores	...	29.8	θ	...	72.0	θ	1.7	0.9
Production of furniture and manufactured goods	...	-	θ	...	-	θ	0	0
General index	1,681.5	1,705.6	1.4	9,176.7	7,830.9	-14.7	100.0	100.0

Source: Tehran Stock Exchange, statistical monthly report of 1379 & 1380

(1) Includes priority shares.

Table 86

SHARES OFFERED BY PUBLIC SECTOR AND BANKS

	Number (million shares)			Value (billion rials)			Share in 1380 (percent)(1)	
	1379	1380	Percentage change	1379	1380	Percentage change	Number	Value
Public organizations and corporations	190.2	75.2	-60.5	1,489.8	315.1	-78.8	55.1	67.3
National Iranian Industries Organization	12.7	–	-100.0	90.9	–	-100.0	*	*
Industrial Development and Renovation Organization	105.9	9.3	-91.2	1,214.7	68.6	-94.4	6.8	14.6
Privatization Organization (2)	71.6	65.9	-8.0	184.1	246.5	33.9	48.3	52.6
National Petrochemical Industries Corporation	0	0	0	0	0	0	0	0
Foundations	22.3	9.2	-58.7	37.2	11.3	-69.6	6.7	2.4
Mostazafan va Janbazan	20.1	8.8	-56.2	26.6	9.0	-66.2	6.4	1.9
Shahid	0.3	0.2	-33.3	0.7	1.2	71.4	0.1	0.3
Sadoogh-e bozorg	–	0	-100.0	–	0	-100.0	0	0
15 th khordad	1.9	0.2	-89.5	9.9	1.1	-88.9	0.1	0.2
Banking system	114.5	52.1	-54.5	721.1	142.1	-80.3	38.2	30.3
Central Bank	0	0	0	0	0	0	0	0
Commercial banks	21.2	14.3	-32.5	120.9	30.3	-74.9	10.5	6.5
Bank Melli Iran	0.6	0.6	0	3.1	4.0	29.0	0.4	0.9
Bank Saderat Iran	0	0	0	0	0	0	0	0
Bank Tejarat	14.7	0.7	-95.2	110.7	8.7	-92.1	0.5	1.9
Bank Sepah	5.8	2.8	-51.7	6.7	4.3	-35.8	2.1	0.9
Bank Mellat	–	10.2	0	–	13.0	0	7.5	2.8
Bank Refah Kargaran	0.1	–	-100.0	0.4	0.3	-25.0	*	0.1
Specialized banks	93.3	37.8	-59.5	600.2	111.8	-81.4	27.7	23.9
Bank of Industry and Mine	91.2	35.4	-61.2	587.8	103.8	-82.3	25.9	22.2
Bank Keshavarzi	–	0	-100.0	–	0	-100.0	0	0
Bank Maskan	2.1	2.4	14.3	12.4	8.0	-35.5	1.8	1.7
Total	327.0	136.5	-58.3	2,248.0	468.5	-79.2	100.0	100.0

Source: Tehran Stock Exchange, statistical monthly report for 1379 & 1380

(1) Discrepancy in total is due to rounding.

(2) In 1380, with a change in the articles of association of the Financial Organization for Expansion of Ownership of Manufacturing Units, Privatization Organization as a specialized holding company was substituted for the mentioned organization.

ISSUANCE OF PARTICIPATION PAPERS IN 1380										(billion rials)
Name of participation papers	Issuer	Date of first issuance	Place-ment of issuance	Approved amount	Issued amount	Amount sold	Term Maturity (year)	Agent bank	Provisional profit rate (% per annum)	Guarantor organization
Governmental –budgetary (Note 40, 1380 Budget Law)										
Electricity sector projects	Ministry of Energy	12.4.1380	1	1,500.0	1,500.0	1,500.0	4	Saderat	17	Management and Planning
Railway Development	Ministry of Road and Transportation	14.7.1380	1	400.0	400.0	400.0	4	Saderat	17	Management and Planning
Irrigation projects	Ministry of Energy	28.7. 1380	1	500.0	500.0	500.0	3	Tejarat & Keshavarzi	17	Management and Planning
National participation	Ministry of Economic Affairs and Finance	26.8. 1380	1	2,000.0	2,000.0	1,999.7	5	Banks (2)	17	Management and Planning
Sugar cane Development Project	Ministry of Agriculture Jihad	20.11.1380	1	400.0	400.0	400.0	5	Saderat	17	Management and Planning
Urban Development Project	Ministry of Housing and Urban Development	1.12. 1380	1	100.0	100.0	100.0	3	Maskan	17	Management and Planning
Fishery Development Project	Ministry of Agriculture Jihad	25.12.1380	1	200.0	200.0	200.0	5	Keshavarzi	17	Management and Planning
Sub-total				5,100.0	5,100.0	5,099.7				
Central Bank (Article 91, 3rd Plan Law)										
Implementation of monetary policies (1)	Central Bank	16.5. 1380	2	6,000.0	6,000.0	6,000.0	1	Banks (2)	17	Central Bank
Implementation of monetary policies	Central Bank	22.10. 1380	1	2,000.0	2,000.0	1,959.4	1	Banks (2)	17	Central Bank
Implementation of monetary policies	Central Bank	5.12. 1380	1	2,000.0	2,000.0	1,484.2	1	Banks (2)	17	Central Bank
Sub- total				10,000.0	10,000.0	9,443.6				
Others (non-governmental)										
Production of Peugeot 206	Iran Khodrow Company	15.8.1380	1	1,000.0	1,000.0	1,000.0	4	Bank Melli Iran	17	Iran Khodrow Company
Sub- total				1,000.0	1,000.0	1,000.0				
Total				16,100.0	16,100.0	15,543.3				

Source: Central Bank of I.R.Iran, Credits Department

(1) The second placement of issuance of these papers was in Shahrivar 17,1380.

(2) Includes Bank Melli Iran, Bank Mellat, Bank Sepah, Bank Keshavarzi, Bank Saderat Iran, Bank Tejarat and Bank Refah Kargaran.

Table 88

AVERAGE ANNUAL PRODUCER PRICE INDEX

(1376=100)

	Relative weight in the base year						Percentage change		Direct effect on changes of general index in 1380	
		1376	1377	1378	1379	1380	1379	1380	Percentage point	Percent point
Special groups										
Agriculture, animal husbandry, forestry and fishing	23.61	100.0	122.7	152.7	180.1	195.2	17.9	8.4	2.1	19.3
Mineral products, manufacturing products and provision of electricity, gas & water	47.91	100.0	117.7	146.3	169.0	178.0	15.5	5.3	2.5	23.2
Services	28.48	100.0	117.2	139.7	162.0	199.4	16.0	23.1	6.3	57.5
General index	100.00	100.0	118.7	145.9	169.6	188.1	16.3	10.9	10.9	100.0
Main groups										
Agriculture, animal husbandry and forestry	23.19	100.0	122.6	152.7	180.0	194.9	17.9	8.3	2.0	18.6
Fishing	0.42	100.0	128.0	152.5	190.8	211.8	25.1	11.0	0.1	0.5
Mining products	0.94	100.0	122.8	130.5	152.8	146.1	17.1	-4.4	0	-0.3
Manufacturing products	45.17	100.0	117.0	145.7	168.5	177.3	15.6	5.2	2.3	21.5
Provision of electricity, gas and water	1.80	100.0	131.4	166.8	190.8	211.6	14.4	10.9	0.2	2.1
Repairing motor vehicles	0.32	100.0	121.1	146.6	161.9	178.7	10.4	10.4	0	0.3
Hotel and restaurant	0.73	100.0	125.7	156.7	185.2	210.0	18.2	13.4	0.1	1.0
Transportation, warehousing and communication	10.53	100.0	115.3	138.1	152.1	188.3	10.1	23.8	2.2	20.6
Financial intermediations	1.17	100.0	100.2	120.1	156.6	267.7	30.4	70.9	0.8	7.0
Real estate, renting and occupations	11.19	100.0	119.3	139.2	164.4	195.8	18.1	19.1	2.1	19.0
Training	0.59	100.0	110.4	132.0	168.9	224.2	28.0	32.8	0.2	1.8
Health and social work	2.23	100.0	122.7	153.6	183.7	213.7	19.6	16.3	0.4	3.6
Other public services, social and personal activities	1.72	100.0	118.0	141.8	170.8	216.5	20.5	26.8	0.5	4.3

Table 89

MONTHLY PRODUCER PRICE INDEX

(1376=100)

	1376	1377	1378	1379	1380
Farvardin	93.4	111.7	134.4	162.2	180.4
Ordibehesht	95.0	112.7	136.1	163.0	182.1
Khordad	95.9	114.1	138.3	165.1	182.6
Tir	96.8	114.7	141.6	166.5	185.4
Mordad	97.9	115.9	143.6	168.0	186.4
Shahrivar	100.5	118.4	145.6	169.3	187.3
Mehr	100.7	119.6	147.3	169.9	189.2
Aban	101.0	120.6	148.5	171.6	190.0
Azar	101.5	121.1	150.3	173.0	191.3
Dey	105.1	124.6	152.7	173.8	191.8
Bahman	105.9	125.3	154.7	174.5	194.1
Esfand	106.5	126.3	157.7	178.9	197.1
Annual average	100.0	118.7	145.9	169.6	188.1

Table 90

AVERAGE ANNUAL CONSUMER PRICE INDEX IN URBAN AREAS

(1376=100)

	Relative weight in the base year						Percentage change		Direct effect on changes of general index in 1380	
		1376	1377	1378	1379	1380	1379	1380	Percentage point	percent
Special groups										
Goods	60.93	100.0	116.7	140.3	153.0	161.8	9.1	5.8	3.4	29.6
Services	12.03	100.0	118.8	145.9	170.8	205.7	17.1	20.4	2.6	23.0
Housing, fuel and lighting	27.04	100.0	120.8	143.4	169.8	201.8	18.4	18.8	5.4	47.4
General index	100.00	100.0	118.1	141.8	159.7	177.9	12.6	11.4	11.4	100.0
Main groups										
Food, beverages and tobacco	32.45	100.0	124.5	152.7	166.3	178.5	8.9	7.3	2.5	21.7
Red meat, poultry and fish	7.91	100.0	124.2	158.5	183.1	200.4	15.5	9.5	0.9	7.5
Bread, rice and grain products	5.56	100.0	148.3	182.4	178.6	188.4	-2.1	5.5	0.3	3.0
Fresh fruits and vegetables	7.95	100.0	108.3	134.8	153.5	169.1	13.9	10.1	0.8	6.8
Dairy products and egg	3.84	100.0	118.4	134.1	153.8	170.5	14.7	10.8	0.4	3.5
Housing, fuel and lighting	27.04	100.0	120.8	143.4	169.8	201.8	18.4	18.8	5.4	47.4
Housing	25.41	100.0	119.6	139.2	164.6	196.5	18.2	19.4	5.1	44.6
Electricity, water and fuel	1.63	100.0	139.8	209.2	252.1	283.3	20.5	12.4	0.3	2.8
Clothing	9.55	100.0	105.3	112.1	121.8	127.4	8.7	4.6	0.3	2.9
Household furnishings, goods & services	7.22	100.0	106.8	122.8	137.6	142.0	12.1	3.2	0.2	1.7
Transportation and communication	11.40	100.0	114.7	146.0	158.4	170.5	8.5	7.6	0.9	7.6
Health and medical care	4.57	100.0	122.2	152.0	183.5	211.6	20.7	15.3	0.8	7.1
Recreation, education and reading	3.53	100.0	107.1	126.9	144.4	168.9	13.8	17.0	0.5	4.8
Miscellaneous goods and services	4.24	100.0	113.5	137.5	158.1	187.5	15.0	18.6	0.8	6.8

Table 91

MONTHLY CONSUMER PRICE INDEX IN URBAN AREAS

(1376=100)

	Before seasonal adjustments					After seasonal adjustments (1)				
	1376	1377	1378	1379	1380	1376	1377	1378	1379	1380
Farvardin	94.7	112.3	135.8	153.9	172.2	92.2	108.9	131.7	151.6	168.4
Ordibehesht	96.5	112.7	137.1	154.2	172.2	93.7	110.2	134.2	152.6	170.0
Khordad	96.9	112.7	138.2	156.1	172.4	95.4	111.8	136.0	153.9	172.0
Tir	96.9	113.9	137.1	154.9	173.8	97.1	113.5	137.6	155.6	174.1
Mordad	98.1	114.6	137.8	156.4	174.9	98.6	115.2	139.1	157.6	176.1
Shahrivar	98.7	115.5	139.0	158.0	175.7	99.7	117.1	140.7	159.6	177.8
Mehr	98.9	116.9	140.7	158.8	176.7	100.6	119.0	142.5	161.5	179.3
Aban	99.5	118.7	141.5	160.5	177.6	101.6	120.8	144.4	163.1	180.7
Azar	101.3	121.8	145.0	163.6	181.0	102.9	122.6	146.4	164.4	182.3
Dey	103.7	123.6	148.1	164.8	183.7	104.5	124.4	148.2	165.5	184.0
Bahman	106.8	125.7	149.8	166.2	185.8	106.1	126.5	149.6	166.3	185.8
Esfand	108.2	128.8	151.9	169.1	188.9	107.6	129.0	150.7	167.2	187.4
Annual average	100.0	118.1	141.8	159.7	177.9	100.0	118.3	141.8	159.9	178.2

(1) Figures are based on the revision in 1380.

Table 92

AVERAGE ANNUAL CONSUMER PRICE INDEX OF RURAL HOUSEHOLDS

(1374=100)

	Relative weight in the base year						Percentage change		Direct effect on changes of general index in 1380	
		1376	1377	1378	1379	1380	1379	1380	Percentage point	Percent
Special groups										
Goods	83.4	145.3	186.2	234.8	277.8	315.0	18.3	13.4	10.6	71.7
Services	16.6	176.5	218.4	292.9	361.9	434.7	23.6	20.1	4.2	28.3
General index	100.0	150.5	191.6	244.5	291.8	335.0	19.3	14.8	14.8	100.0
Food, beverages and tobacco	50.6	139.1	186.8	234.1	275.2	312.5	17.6	13.6	6.5	43.6
Bread, rice and grain products	13.5	125.3	173.6	216.1	233.6	259.3	8.1	11.0	1.2	8.0
Meat, poultry and fish	10.6	142.4	181.6	232.3	274.6	304.5	18.2	10.9	1.1	7.3
Dairy products and egg	5.4	164.8	206.4	246.4	296.3	347.1	20.3	17.1	0.9	6.3
Fruits and vegetables	6.6	170.1	261.6	340.9	461.7	575.5	35.4	24.6	2.6	17.4
Non-edible goods and services	49.4	162.2	196.5	255.2	308.7	358.1	21.0	16.0	8.4	56.4
Clothing and shoes	13.1	165.8	198.0	241.3	295.6	343.0	22.5	16.0	2.1	14.4
Housing, electricity, water, fuel and lighting	12.3	166.4	210.8	277.6	329.5	380.5	18.7	15.5	2.1	14.5
Household furnishings, goods and services	8.4	142.8	164.1	196.7	231.3	256.8	17.6	11.0	0.7	4.9
Health and medical care	4.8	179.6	224.7	340.7	445.5	536.3	30.8	20.4	1.5	10.1
Transportation and communication	6.2	160.2	196.8	266.3	316.0	371.9	18.7	17.7	1.2	8.0
Recreation and education	1.9	147.0	176.4	225.2	269.9	310.1	19.8	14.9	0.3	1.8
Miscellaneous goods and services	2.7	153.3	189.9	247.2	288.6	332.4	16.7	15.2	0.4	2.7

Source: Statistical Center of Iran, CPI of rural households in 1380

Table 93

AVERAGE ANNUAL CONSUMER PRICE INDEX IN URBAN AREAS OF PROVINCES

(1376=100)

	Relative weight in the base year						Percentage change		Direct effect on changes of general index in 1380	
		1376	1377	1378	1379	1380	1379	1380	Percentage point	Percent
East Azerbaijan	4.29	100.0	118.0	144.3	159.3	173.3	10.4	8.8	0.4	3.3
West Azerbaijan	2.55	100.0	117.9	142.0	157.4	167.8	10.8	6.6	0.2	1.5
Ardebil	1.14	100.0	119.0	138.6	153.0	166.3	10.4	8.7	0.1	0.8
Isfahan	8.13	100.0	118.3	141.2	155.3	173.0	10.0	11.4	0.9	7.9
Eilam	0.49	100.0	118.2	139.8	159.9	173.3	14.4	8.4	0	0.4
Booshehr	0.91	100.0	116.8	138.3	152.9	166.0	10.6	8.6	0.1	0.7
Tehran	34.92	100.0	116.6	139.0	159.9	183.6	15.0	14.8	5.2	45.5
Chahar Mahal va Bakhtiari	0.97	100.0	117.2	139.2	153.9	168.3	10.6	9.4	0.1	0.8
Khorasan	7.62	100.0	119.3	143.6	160.4	176.4	11.7	10.0	0.8	6.7
Khoozestan	4.94	100.0	119.4	147.5	166.7	179.5	13.0	7.7	0.4	3.5
Zanjan	0.82	100.0	120.5	145.2	162.4	178.5	11.8	9.9	0.1	0.7
Semnan	0.73	100.0	118.2	144.9	162.7	179.2	12.3	10.1	0.1	0.7
Systan va Baluchestan	1.56	100.0	120.6	146.0	163.5	176.9	12.0	8.2	0.1	1.1
Fars	6.43	100.0	117.8	141.5	157.8	174.1	11.5	10.3	0.7	5.8
Ghazvin	2.00	100.0	118.3	142.8	159.3	174.8	11.6	9.7	0.2	1.7
Ghom	1.68	100.0	120.0	145.1	160.8	176.9	10.8	10.0	0.2	1.5
Kordestan	1.15	100.0	120.4	145.2	160.5	177.7	10.5	10.7	0.1	1.1
Kerman	2.21	100.0	119.7	144.6	164.4	183.7	13.7	11.7	0.3	2.3
Kermanshah	2.01	100.0	123.4	145.9	163.9	180.9	12.3	10.4	0.2	1.9
Kohkiluyeh va Boyer Ahmad	0.46	100.0	120.0	145.9	163.6	180.3	12.1	10.2	0	0.4
Golestan	1.15	100.0	116.8	140.4	152.5	167.5	6.8	9.8	0.1	0.9
Guilan	3.11	100.0	118.4	142.6	158.6	172.5	11.2	8.8	0.3	2.4
Lorestan	1.42	100.0	119.3	144.2	160.6	180.3	11.4	12.3	0.2	1.5
Mazandaran	3.54	100.0	120.3	147.7	166.3	179.8	12.6	8.1	0.3	2.6
Markazi	1.78	100.0	118.2	144.2	159.7	174.6	10.7	9.3	0.2	1.5
Hormozgan	0.90	100.0	115.8	135.7	149.2	160.3	9.9	7.4	0.1	0.5
Hamedan	1.83	100.0	117.9	140.5	155.1	167.3	10.4	7.9	0.1	1.2
Yazd	1.26	100.0	118.6	145.9	160.8	175.9	10.2	9.4	0.1	1.0
Total average	100.0	100.0	118.1	141.8	159.7	177.9	12.6	11.4	11.4	100.0

	AVERAGE ANNUAL WHOLESALE PRICE INDEX (1376=100)										
	Relative weight in the base year							Percentage change		Direct effect on changes of general index in 1380	
		1376	1377	1378	1379	1380	1379	1380	Percentage point	Percent point	
Major groups											
Domestically produced and consumed goods	71.75	100.0	118.7	145.8	167.4	178.8	14.8	6.8	4.9	97.0	
Imported goods	24.29	100.0	110.0	134.2	152.1	153.3	13.3	0.8	0.2	3.4	
Exported goods	3.96	100.0	121.9	195.9	234.5	233.4	19.7	-0.5	0	-0.4	
General index	100.00	100.0	116.7	144.9	166.3	174.7	14.7	5.1	5.1	100.0	
Main groups											
Foodstuffs	35.40	100.0	126.4	155.4	177.0	191.8	13.9	8.4	3.2	62.3	
Beverages and tobacco	0.78	100.0	118.6	150.6	172.6	180.5	14.6	4.6	0	0.7	
Industrial materials (except fuel)	3.86	100.0	113.0	134.5	166.3	171.8	23.6	3.3	0.1	2.5	
Mineral fuels and their products	2.76	100.0	139.5	216.8	242.6	271.0	11.9	11.7	0.5	9.3	
Chemical and petrochemical products	8.60	100.0	114.4	148.6	179.7	190.0	20.9	5.7	0.5	10.5	
Manufactured goods according to raw materials	26.92	100.0	106.5	131.4	152.8	157.4	16.3	3.0	0.8	14.8	
Machinery and transportation vehicles	19.45	100.0	112.7	135.9	151.0	150.7	11.1	-0.2	0	-0.8	
Miscellaneous goods	2.23	100.0	108.6	134.0	146.1	148.1	9.0	1.4	0	0.5	
Special groups											
Agricultural, animal husbandry and fishing products	26.82	100.0	122.6	154.5	176.5	193.5	14.2	9.6	2.7	54.1	
Agriculture	16.82	100.0	122.6	155.1	173.2	189.0	11.7	9.1	1.6	31.6	
Animal husbandry and fishing	10.00	100.0	122.5	153.6	182.0	201.0	18.5	10.4	1.1	22.6	
Construction materials	10.74	100.0	108.7	134.8	155.2	160.9	15.1	3.6	0.4	7.2	
Metallic	6.23	100.0	103.6	132.5	151.1	152.8	14.0	1.1	0.1	1.3	
Non-metallic	4.51	100.0	115.7	138.1	160.9	172.0	16.5	6.9	0.3	5.9	

	MONTHLY WHOLESALE PRICE INDEX (1376=100)				
	1376	1377	1378	1379	1380
Farvardin	95.7	112.4	135.3	162.0	172.4
Ordibehesht	97.3	111.5	135.1	162.8	173.4
Khordad	97.2	113.6	137.6	165.8	171.5
Tir	97.9	113.1	139.9	165.2	173.3
Mordad	98.6	113.6	140.7	165.7	173.8
Shahrivar	99.5	114.6	142.6	166.3	173.7
Mehr	99.4	115.3	145.0	165.3	173.1
Aban	99.4	117.6	147.0	166.3	173.3
Azar	100.5	119.7	150.1	167.8	175.9
Dey	103.0	122.3	153.8	168.3	177.0
Bahman	105.8	122.9	155.2	169.4	179.5
Esfand	105.6	124.3	157.1	170.9	180.0
Annual average	100.0	116.7	144.9	166.3	174.7

Table 96 **AVERAGE ANNUAL INDEX OF EXPORTED GOODS(1)** (1376=100)

	Relative weight in the base year						Percentage change		Direct effect on changes of general index in 1380	
		1376	1377	1378	1379	1380	1379	1380	Percentage point	Percent
General index	100.00	100.0	122.2	195.3	229.8	232.8	17.7	1.3	1.3	100.0
Animal products	1.85	100.0	125.4	222.9	288.1	325.0	29.3	12.8	0.3	22.9
Vegetable products	11.40	100.0	103.9	210.1	225.3	216.1	7.2	-4.1	-0.5	-35.3
Animal and vegetable fats and oils	0.43	100.0	137.3	205.0	181.4	165.3	-11.5	-8.9	0	-2.3
Prepared foodstuffs, beverages and tobacco	8.87	100.0	137.9	203.4	230.9	235.9	13.5	2.2	0.2	15.0
Mineral products	9.69	100.0	162.6	373.4	492.4	487.9	31.9	-0.9	-0.2	-14.6
Products of the chemical or allied industries	15.57	100.0	125.8	168.8	196.0	212.9	16.1	8.6	1.1	88.4
Plastic and articles thereof, rubber and articles thereof	3.63	100.0	119.7	194.2	206.9	208.1	6.5	0.6	0	1.4
Raw hides and skins, leather and articles thereof	3.49	100.0	105.9	183.8	282.1	369.1	53.5	30.8	1.3	101.8
Wood and articles of wood	0.29	100.0	136.2	178.3	199.0	207.6	11.6	4.3	0	0.8
Pulp of wood, paper and paperboard	0.98	100.0	108.2	134.2	186.3	194.2	38.8	4.2	0	2.6
Textiles and textile articles	27.73	100.0	108.2	136.4	157.8	154.7	15.7	-2.0	-0.4	-29.2
Footwear	2.09	100.0	124.6	202.9	217.9	198.4	7.4	-9.0	-0.2	-13.7
Articles of stone	1.56	100.0	148.2	251.9	249.5	233.1	-1.0	-6.6	-0.1	-8.6
Base metals and articles of base metals	9.82	100.0	117.9	196.3	217.7	207.1	10.9	-4.9	-0.5	-35.1
Mechanical appliances and electrical equipment	0.72	100.0	131.2	211.3	222.4	220.9	5.3	-0.7	0	-0.4
Vehicles and associated transport equipment	1.12	100.0	125.3	173.9	181.2	178.9	4.2	-1.3	0	-0.9
Optical, precision and medical instruments	0.76	100.0	206.8	237.7	310.1	337.8	30.5	8.9	0.1	7.1

(1) Since Tir, 1379 the index of exported goods has been prepared and reported by Economic Statistics Department of Central Bank of I.R. Iran.

Table 97 **MONTHLY PRICE INDEX OF EXPORTED GOODS** (1376=100)

	1376	1377	1378	1379	1380
Farvardin	101.0	102.2	157.5	223.3	238.6
Ordibehesht	99.5	102.1	161.8	220.3	237.8
Khordad	101.0	101.9	177.1	221.8	235.8
Tir	100.9	101.1	184.9	223.2	235.8
Mordad	101.0	103.6	194.9	224.8	243.8
Shahrivar	101.3	105.4	204.1	225.0	235.5
Mehr	101.1	133.8	206.0	225.4	231.6
Aban	101.3	141.9	201.8	237.0	227.1
Azar	99.4	143.3	207.2	238.8	227.7
Dey	98.1	141.1	210.2	239.3	225.9
Bahman	97.2	143.4	215.6	239.7	228.3
Esfand	98.3	147.1	222.7	239.6	226.0
Annual Average	100.0	122.2	195.3	229.8	232.8

**CORRESPONDENCE OF IRANIAN (1)
AND GREGORIAN CALENDARS**

Table 98

Months	1373		1374		1375		1376		1377		1378		1379		1380	
		<u>1994</u>		<u>1995</u>		<u>1996</u>		<u>1997</u>		<u>1998</u>		<u>1999</u>		<u>2000</u>		<u>2001</u>
Farvardin	1	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21	March 21
	31	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20	April 20
Ordibehesht	1	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21	April 21
	31	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21	May 21
Khordad	1	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22	May 22
	31	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21	June 21
Tir	1	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22	June 22
	31	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22	July 22
Mordad	1	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23	July 23
	31	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22
Shahrivar	1	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23
	31	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22
Mehr	1	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23
	30	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22
Aban	1	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23
	30	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21
Azar	1	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22
	30	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21
Dey	1	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22
	30	<u>1995</u> Jan 20	<u>1996</u> Jan 20	<u>1997</u> Jan 20	<u>1998</u> Jan 20	<u>1999</u> Jan 20	<u>2000</u> Jan 20	<u>2001</u> Jan 20	<u>2002</u> Jan 20							
Bahman	1	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21
	30	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19
Esfand	1	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20
	30	March 20	March 20	March 20	March 20	March 20	March 20	March 20	March 20	March 20	March 20	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, 29 days in the last month, except in leap year when it has 30 days.

Published in: June 2004

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>