

Selected Economic Indicators

Analysis on Capital Market Developments

- Tehran Stock Exchange Price Index (TEPIX) and the OTC (over-the-counter) general index topped 1,408,598 and 18,510 points in Aban 1401 (November 2022), registering growth rates of respectively 7.6 and 3.7 percent compared with the month before (October 2022). The main reason behind this growth was the increase in the earnings and favorable prospects of profitmaking by exporting companies. The Equal Weight Index (EWI) of the TSE (Tehran Stock Exchange), assigning equal weight to all the stocks in the index, grew by 6.7 percent compared with the month before (October 2022) and amounted to 404,471 points. Growth in EWI in the first eight months of 1401 (April-November 2022) compared with the respective period in 2021 was 5.5 percent, which, in comparison with the growth rate of the TEPIX in the same period (1.6 percent), is indicative of improvements in the profitability of small businesses as compared with that of large industries.
- Total market capitalization in the TSE amounted to 52,143.2 trillion rials in November 2022, indicating 6.3 percent growth compared with the month before. Over the same period, market value of equity in the OTC market grew by 3.0 percent to 13,713.8 trillion rials. Growth rates of the mentioned indices during April-November 2022 compared with the respective period of 2021 were -5.9 and -7.6 percent, respectively.
- The market value of debt in the TSE fell by 0.3 percent compared with October 2022, while that of the OTC market grew by 4.4 percent. The mentioned variables amounted to 446.3 trillion rials and 4,210.7 trillion rials in November 2022 (4,657.0 trillion rials on aggregate), indicating increases by 50.3 and 26.3 percent during the period April-November 2022 compared with the respective period in the previous year. The main factor behind the increase in the market value of debt during the said eight-month period was the lower yields in the capital market, which in turn pushed investors towards low-risk investments in assets like debt instruments issued by municipalities and companies.
- A review on the performance of debt instruments in the OTC market as decomposed by the issuance factor indicated that debt instruments issued by the government, municipalities, and companies experienced growth rates of 10.8, 67.5 and 107.3 percent, respectively, during April-November 2022 as compared with the respective period of 2021. Debt instruments issued by the government accounted for 77.2 percent of total, with those issued by municipalities and companies constituting shares of 2.2 and 20.6 percent, respectively, over the said eight-month period.
- The value of share trading on the TSE grew by 127.5 percent and the number of shares increased by 86.2 percent in Aban 1401 (November 2022) as compared with October. Over the period April-November 2022, the value of trading indicated a decrease of 27.4 percent to reach 4,904.8 trillion rials,

while the number of shares showed an increase of 10.3 percent compared with the corresponding period in 2021 and amounted to 1,101.5 billion.

- Total financing through the capital market declined by 19.2 percent from 3,486.0 trillion rials during April-November 2021 to 2,817.6 trillion rials in April-November 2022. Furthermore, the "issuance of various financing instruments" and "capital increase of public joint-stock companies (based on license)", with shares of respectively 57.5 and 39.2 percent, enjoyed the highest share of "financing through the capital market" in the mentioned eight-month period. Due to decreases by 28.2 and 71.5 percent in the "capital increase of companies listed on TSE" and "companies' Initial Public Offerings (IPOs)", respectively, the "securities market size" fell by 3.7 percent to 72,070.4 trillion rials during the said eight-month period.

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