

Selected Economic Indicators

Analysis on Capital Market Developments

- Tehran Stock Exchange Price Index (TEPIX) and the Over-the-Counter (OTC) general index topped 1,689,144 and 21,508 points in Dey 1401 (January 2023), registering growth rates of respectively 12.9 and 12.2 percent compared with the month before (December 2022). The main reason behind this growth was the increase in the parity rate of foreign currencies against the Iranian rial as well as the favorable prospects of profitmaking by companies. The Equal Weight Index (EWI) of the TSE (Tehran Stock Exchange), assigning equal weight to all the stocks in the index, grew by 18.1 percent compared with the month before (December 2022). Growth in EWI in the first ten months of 1401 (April 2022-January 2023) compared with the respective period of the previous year was 56.8 percent, which, in comparison with the growth rate of the TEPIX in the same period (32.0 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 62,523.2 trillion rials in January 2023, indicating a growth rate of 12.6 percent compared with the month before. Over the same period, market value of equity in the OTC market grew by 12.7 percent compared with December 2022, to reach 16,198.2 trillion rials. Growth rates of the mentioned indices during April 2022-January 2023 compared with the respective period of the year before were 21.4 and 25.4 percent, respectively.
- The market value of debt in the TSE rose by 0.4 percent compared with December 2022, while that of the OTC market fell by 0.2 percent. The mentioned variables amounted to 523.1 trillion rials and 4,255.5 trillion rials in January 2023, indicating increases by 62.2 and 21.0 percent, respectively, during the period April 2022-January 2023 compared with the respective period in the previous year.
- 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 4.5, 83.5 and 121.4 percent, respectively, during April 2022-January 2023 as compared with the respective period of the year before. Debt instruments issued by the government accounted for 72.2 percent of total, with those issued by municipalities and companies constituting shares of 2.7 and 25.1 percent, respectively, over the said ten-month period.
- Over the period April 2022-January 2023, the value of share trading on the TSE indicated an increase of 1.5 percent to reach 7,844.5 trillion rials. Moreover, the number of shares showed an increase of 31.8 percent compared with April 2021-January 2022 and amounted to 1,572.3 billion.

- Total financing through the capital market¹ decreased by 37.7 percent from 5,580.5 trillion rials during April 2021-January 2022 to 3,478.4 trillion rials in April 2022-January 2023. Furthermore, a decrease by 96.8 percent in the "capital increase of public joint-stock companies out of the excess funds resulting from revaluation of assets (based on license)", relating to the "capital increase" group, was the main reason for the decrease in total financing through the capital market during the said period, compared with the respective period in the previous year.

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¹ Total financing through the capital market is done via "issuance of various financing instruments" as well as "capital increase". The latter is further divided into four sub-headings, namely "establishment of public joint-stock companies", "capital increase of public joint-stock companies (based on license)", "capital increase of public joint-stock companies out of the excess funds resulting from revaluation of assets (based on license)", and "companies' Initial Public Offerings (IPOs) in TSE and OTC".