

Selected Economic Indicators

Analysis on External Sector Developments

➤ Exchange Rate

In Bahman 1401 (February 2023), each US dollar was exchanged in the unofficial market at an average rate of 447.9 thousand Iranian rials, indicating an increase of 9.6 percent compared with month Dey (January 2023). Meanwhile, the rate of the US dollar against the Iranian rial exchanged via the Electronic Trade System (ETS) increased by 0.2 percent compared with January 2023, to reach 306.9 thousand rials. This is against the backdrop of relatively favorable conditions for the country's foreign exchange sources and uses (as two critical factors affecting the exchange rate). Guided by the goal to preserve stability and tranquility in the foreign exchange market, the CBI adopted various measures and implemented diverse policies to facilitate the timely provision of the foreign exchange required by importers. Moreover, the CBI has put on its agenda catering for people's precautionary demand for foreign currency, deepening of the official foreign exchange market, and ensuring the sound implementation of policies requiring the exporters to bring their foreign earnings back into the economy.

➤ External Debt (Actual Obligations)

The balance of the external debt of the country reached \$6.4 billion at the end of Bahman 1401 (February 2023), down by 25.7 percent compared with Esfand 1400 (March 2022). Out of the total amount of debt, 28.0 percent (equal to \$1.8 billion) was in the form of short-term debt, and 72.0 percent (\$4.6 billion) was related to long-term debt. On this basis, the share of the short-term debt out of total external debt decreased by 0.8 percentage point in February 2023 compared with March 2022.

➤ Foreign Trade

According to Iran's Customs Administration, the value of exports through Customs amounted to \$48.8 billion over the first eleven months of 1401 (April 2022-February 2023), indicating a rise of 12.2 percent compared with the corresponding period in the year before. Over the mentioned period, the value of imports increased by 15.3 percent to \$53.7 billion. During the said period, the prices of each ton of exported and imported goods rose by 13.6 and 26.1 percent, respectively. Meanwhile, the weight of exports through Customs decreased by 1.2 percent to reach 111.3 million tons, and that of imports fell by 8.6 percent to 33.6 million tons.

➤ Balance of Payments (BOP)

According to preliminary estimates, the current account registered a surplus of \$15.8 billion during the first nine months of 1401 (April-December 2022), up by 92.6 percent compared with the respective period

of the previous year. During the mentioned period, the surplus of the goods account and the deficit of the services account experienced increases by 79.2 and 40.6 percent to reach \$21.1 billion and \$5.3 billion, respectively. The increase in the global prices of oil and primary goods was the most important factor behind the increase in the exports and imports of goods over the mentioned period. Furthermore, growth in trade transactions as well as international freight and passenger transport was an influential factor on growth in the exports and imports of services. The debit to the capital account, on the other hand, amounted to \$16.2 billion during April-December 2022, up by 63.5 percent compared with the corresponding period of the previous year. This was mainly attributable to the capital outflows and the increase in net claims by resident entities and institutions on the outside world.

Prepared by the Economic Research and Policy Department, CBI