

Selected Economic Indicators

Analysis on Capital Market Developments

- Tehran Stock Exchange Price Index (TEPIX) and the Over-the-Counter (OTC) general index topped 1,533,366 and 20,043 points in Bahman 1401 (February 2023), indicating decreases of respectively 9.2 and 6.8 percent compared with the month before (January 2023). The main reason behind this decline was the existence of negative shocks in the capital market as well as fluctuations in the dollar exchange rate in the open market. The Equal Weight Index (EWI) of the TSE (Tehran Stock Exchange), assigning equal weights to all the stocks in the index, fell by 9.4 percent compared with the month before (January 2023). Growth in EWI in the first eleven months of 1401 (April 2022-February 2023) compared with the respective period of the previous year was 46.6 percent, which, in comparison with the growth rate of the TEPIX in the same period (19.6 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 56,505.8 trillion rials in February 2023, indicating a decrease of 9.6 percent compared with the month before. Over the same period, market value of equity in the OTC market fell by 5.2 percent compared with January 2023, to reach 15,357.9 trillion rials. Growth rates of the mentioned indices during April 2022-February 2023 compared with the respective period of the year before were 9.8 and 18.5 percent, respectively.
- The market value of debt in the TSE rose by 6.8 percent compared with January 2023, and that of the OTC market increased by 0.3 percent. The mentioned variables amounted to 558.8 trillion rials and 4,266.5 trillion rials in February 2023, indicating increases by 67.0 and 19.0 percent, respectively, during the period April 2022-February 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 the balance of debt instruments issued by the government, municipalities, and companies experienced growth rates of 1.4, 94.4 and 132.7 percent, respectively, during April 2022-February 2023 as compared with the respective period of the year before. Debt instruments issued by the government accounted for 70.4 percent of total, with those issued by municipalities and companies constituting shares of 3.1 and 26.6 percent, respectively, over the said eleven-month period.
- Over the period April 2022-February 2023, the value of share trading on the TSE indicated an increase of 5.4 percent to reach 8,647.1 trillion rials. Moreover, the number of shares showed an increase of 35.6 percent compared with April 2021-February 2022 and amounted to 1,751.1 billion.

- Total financing through the capital market¹ decreased by 29.3 percent from 5,984.3 trillion rials during April 2021-February 2022 to 4,231.0 trillion rials in April 2022-February 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) on the TSE and OTC market".