

Selected Economic Indicators

Analysis on External Sector Developments

➤ Balance of Payments (BOP)

According to preliminary estimates, the current account registered a surplus of \$10.8 billion in the first six months of 1403 (April-September 2024), up by 83.9 percent compared with the same period in the previous year. An increase of 20.6 percent in the value of oil exports over the mentioned period, attributable to the rise in the weight and price of Iran's oil exports, as well as an increase of 13.2 percent in the value of non-oil exports, affected by the rise in the value of exports through Customs, ultimately led to a rise of 17.5 percent in the value goods' exports over the mentioned period. This, coupled with a growth rate of 6.5 percent in the value of the imports of goods, in turn, due to the increase in the value of imports through Customs, raised the surplus of the goods account by 55.2 percent. Meanwhile, the deficit of the services account increased by 19.3 percent, mainly due to the increase in trade transactions as well as cross-border passenger and freight transport as influential factors on the exports and imports of services. Moreover, the income account deficit increased by 39.6 percent compared with April-September 2023 period. The debit to the capital account (net) amounted to \$12.4 billion in the period April-September 2024, down by 15.3 percent compared with the corresponding period in the year before. This was mainly attributable to decreased payments under the capital account, impacted by the fall in the number of real estate and properties bought by Iranians in neighboring countries. Overall, the fall in the debtor position of the capital account (negative net capital account) in the first six months of 1403 (April-September 2024) was the result of the increase in net financial claims by resident entities and institutions on the outside world.

➤ Foreign Trade

According to preliminary data released by Iran's Customs Administration, the value of exports through Customs (excluding natural gas condensate) amounted to \$25.7 billion in the first six months of 1403 (April-September 2024), indicating a rise of 7.0 percent compared with April-September 2023. Similarly, the value of imports through Customs increased by 7.0 percent to \$32.6 billion. Meanwhile, the weight of exports through Customs (excluding natural gas condensate) increased by 4.1 percent to 70.3 million tons and that of imports rose by 3.7 percent to 18.3 million tons during April-September 2024 period compared with the same period in the year before. Accordingly, the price of each ton of exported goods rose by 2.8 percent and that of each ton of imported goods increased by 3.1 percent.

➤ External Debt (Actual Obligations)

The balance of the external debt of the country amounted to about \$4.6 billion in September 2024, down by almost 9.2 percent compared with Esfand 1402 (March 2024). Out of the total amount of debt, \$2.7 billion (59.7 percent) was in the form of short-term debt and \$1.8 billion (40.3 percent) was related to long-term debt. On this basis, the share of the short-term debt out of the total external debt increased by 12.8 percentage points in September 2024 as compared with March 2024.

➤ Exchange Rate

In Shahrivar 1403 (September 2024), each US dollar was exchanged in the unofficial market at an average rate of 593.2 thousand Iranian rials, indicating a slight decrease of 0.3 percent compared with Mordad 1403 (August 2024). Meanwhile, the telegraphic transfer (TT) selling rate of each US dollar exchanged in Iran Center for Exchange of Currency and Gold¹ rose by 2.5 percent to reach 456.7 thousand rials compared with August 2024, and the rate of each US dollar against the Iranian rial exchanged via Iran Center for Exchange of Currency and Gold increased by 1.8 percent to 493.1 thousand rials in September 2024. Despite the continued military tensions and conflicts, and the emergence of political disputes in the region, the exchange rate in the unofficial market was rather stabilized in September 2024, thanks to the mitigation of inflation expectations.

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¹ www.ice.ir