

Monetary and Credit Policies in 1384

Monetary Policies Approved by the MCC in 1384

The Money and Credit Council (MCC) approved the following policy decisions to be implemented in 1384:

1.1. According to the 4th FYDP Law and the Usury-free Banking Law, the minimum expected rate of return on banking facilities for all economic sectors will be unified at 16 percent. Moreover, subsidized banking facilities in manufacturing and mining, agriculture and exports sectors is financed through the subsidies earmarked in the budget for 1384.

1.2. The provisional profit rates of deposits with the public banks remain unchanged at the approved rates for 1383.

2. The ceiling for participation papers issuance by companies was determined at Rls. 12,000 billion, including Rls. 7,000 billion participation papers, subject to Law on Issuance of Participation Papers and Rls. 5,000 billion, subject to Industries Renovation Facilitation Act.

3. Liquidity growth target for 1384 is set at 24 percent in line with the 4th FYDP.

4. The CBI is authorized to issue Rls. 7,000 billion new participation papers at the maximum, along with full replacement of previous ones.

5. The provisional rate of return on CBI's Participation Papers is set at 16 percent.