

Annual Review

1396
(2017/18)

CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN

(BANK MARKAZI JOMHOURI ISLAMI IRAN)



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CONTENTS

ABBREVIATIONS	iv
SYMBOLS	iv
LIST OF FIGURES	v
PART ONE (Economic Developments of Iran in 2017/18)	
Introduction	1
Gross Domestic Product and Expenditure	3
Real Sector Developments	3
Energy	3
Agriculture	5
Manufacturing and Mining	10
Construction and Housing	13
Transportation	16
Population and Employment	18
Fiscal Sector Developments	20
Government Budget and Finance	20
External Sector Developments	23
Foreign Trade	23
Balance of Payments	24
Financial Sector Developments	25
Money and Banking	25
Payment Systems	27
Asset Market Developments	31
Price Trends	37
Household Income and Expenditure	39
PART TWO (Statistical Appendix)	
List of Tables	44

ABBREVIATIONS

ATM	Automated Teller Machine
CBI	Central Bank of the Islamic Republic of Iran
CPI	Consumer Price Index
FYDP	Five-Year Development Plan
GDP	Gross Domestic Product
JCPOA	Joint Comprehensive Plan of Action
kWh	Kilowatt-hour
mb/d	Million Barrels per Day
NDFI	National Development Fund of Iran
NIGC	National Iranian Gas Company
NIOC	National Iranian Oil Company
NIORDC	National Iranian Oil Refining and Distribution Company
OPEC	Organization of the Petroleum Exporting Countries
OSF	Oil Stabilization Fund
POS	Point of Sale
PPI	Producer Price Index
Rls.	Rials
SCI	Statistical Center of Iran
SHAPARAK	Electronic Card Payment and Settlement System
SME	Small and Medium-sized Enterprises
TEPIX	Tehran Stock Exchange Price Index
TSE	Tehran Stock Exchange
WTI	West Texas Intermediate

SYMBOLS

—	Negligible fraction.
..	Figures not available.
*	The figure is not a significant decimal fraction.
□	Figures are preliminary.
▲	Figures are revised.
∅	Calculation (of percentage change) is not possible.
⊞	More than 500 percent increase.

The year 1396 corresponds to 2017/18 (starting March 21, 2017 and ending March 20, 2018).

In all tables, components may not sum to total because of rounding.

"Billion" means a thousand million; "trillion" means a thousand billion.

List of Figures

	Page
Figure 1. Economic sectors' contribution to GDP growth	3
Figure 2. Average spot prices of crude oil during 2017	4
Figure 3. OPEC members' quotas in 2017	4
Figure 4. Trade balance of agriculture sector	9
Figure 5. Performance of petrochemical industry	11
Figure 6. Growth in number of carried passengers	17
Figure 7. Growth in volume of carried goods	17
Figure 8. Unemployment rate	19
Figure 9. Government budget	22
Figure 10. Major economic variables	26
Figure 11. Changes in stock exchange indices	31
Figure 12. Developments of US dollar in the official market	35
Figure 13. Developments of euro in the official market	35
Figure 14. Annual inflation of price indices	38
Figure 15. Annual inflation rate of special groups	38

Part One

*Economic Developments
of Iran in 2017/18*

*In the Name of God,
The Compassionate, The Merciful*

Introduction

In spite of serious financial upheavals and grave pressures on foreign exchange and gold markets during the year 1396 (2017/18), especially in the second half of the year, the economy experienced a moderate rebound in growth and the single-digit rate of inflation was preserved for the second consecutive year. In this year, the CBI adopted an integrated policy approach aiming at continued strengthening of financial stability with great emphasis on inflation containment, anchoring inflation expectations, and the preservation of national currency value.

In 2017/18, the CBI managed to enhance monetary discipline by implementing sound macroeconomic policies in order to achieve its goal as price stability and economic growth. Therefore, for the first time after the Islamic Revolution, the country experienced single-digit inflation rates of 9.0 and 9.6 percent over the two consecutive years of 1395 (2016/17) and 1396 (2017/18), while achieving a moderate GDP growth rate of 3.7 percent in 2017/18, at constant 2011/12 prices.

The hostilities and malice of US government, in particular the policies in opposition to the JCPOA, and the intensification of these policies in 2017/18 created a sense of grave uncertainty, adverse expectations, and immense speculative attacks on markets that caused great and urgent challenges, leading to major instability in the foreign exchange market at year-end. The government policy response to external shocks at end-Bahman 1396 (February 2018) was a short-term policy package composed of issuance of rial Certificates of Deposit (CDs) with a 20 percent return (interest rate), placement of dollar-indexed CDs, and advance sales of gold coins. The implementation of these measures led to an immediate decline in the exchange rate in the unofficial market and stability in the foreign exchange and gold markets at the end of the year 1396 (2017/18).

In 2017/18, GDP grew by 3.7 percent at constant prices of 2011/12. The overall GDP growth was 12.5 percent in the year 2016/17. The difference in GDP growth rates of the two consecutive years was related to oil sector growth. The growth of the oil sector had been 61.6 percent in 2016/17. The comparison of the non-oil GDP growth in these two years (4.6 percent in 2017/18 and 3.3 percent in 2016/17) indicates the more balanced performance of the non-oil sector in 2017/18. Another exemplary achievement in 2017/18 was the growth of the construction sector, which registered a turnaround from the negative growth of 13.1 percent in 2016/17 to 1.2 percent positive performance in 2017/18, at constant 2011/12 prices.

The private and public final consumption expenditures (at base year 2011/12 constant



prices) registered 2.5 and 3.9 percent growth, respectively, in 2017/18. Moreover, gross fixed capital formation surged by 1.4 percent at constant prices.

As to money and banking policies, the CBI approved and dispatched to banks and credit institutions measures on profit rate margin reductions in September 2017. Based on this policy, the banks' short-term deposit rates (on a daily basis) were lowered to 10 percent and the term investment deposit rates (one-year) to the maximum of 15 percent, annually.

In terms of credit policy, the aim was set at strengthening the working capital of all production units, especially the SMEs. As a result of the implementation of these measures, the banks' loan and facility payments surged by 12.0 percent in 2017/18 compared with the previous year-end. A substantial amount of these facilities, almost 61.7 percent of the new loans and facilities, was allocated to production firms as working capital.

The economic accomplishments of Iran as of 2013/14 until 2016/17 included the containment of price rises leading to a single-digit inflation rate in 2016/17. However, certain factors such as gradual impact of liquidity expansion of recent years, commodity price rises, and increase in housing prices and rentals as well as foreign exchange market turmoil caused a turnaround in inflation. As a result, the rate of inflation increased by 0.6 percentage point in 2017/18 and reached 9.6 percent by the end of the year (March 2018).

In 2017/18, improved government policies reduced unemployment rate to 12.1 percent,

0.3 percentage point lower than the year before. The lower rate of unemployment was achieved as a result of the higher rise in demand for labor force (employed population) and the lower increase in labor supply (active population). In 2017/18, the rate of unemployment was 13.4 and 8.2 percent for urban and rural areas, respectively.

The current account surplus of the external balance of payments declined by 3.5 percent in 2017/18 compared with the corresponding figure of the year before. The surplus of the income account and current transfers account (to and from abroad) of the current account also fell and the deficit of the services account of BOP deteriorated in 2017/18. Moreover, the deficit of the capital and financial account of BOP deteriorated further by 5.3 percent in 2017/18. These negative developments in BOP items and accounts led to \$8.1 billion drawdown from foreign reserves of the CBI in 2017/18.

Overall, as we experienced before, the safeguarding of economic accomplishments such as economic growth and inflation containment requires fiscal and monetary discipline, control of liquidity expansion, and other sound macro-economic policies and structural reforms. In this context, the strengthening of financial and capital market institutions and instruments for a better intermediation process, the financing of large companies, and sound banking sector reforms are absolutely needed for long-term sustainment of achievements on the inflation front and the further bolstering of financial stability so that financial resources are better conducted towards productive activities and employment generation.

Gross Domestic Product and Expenditure

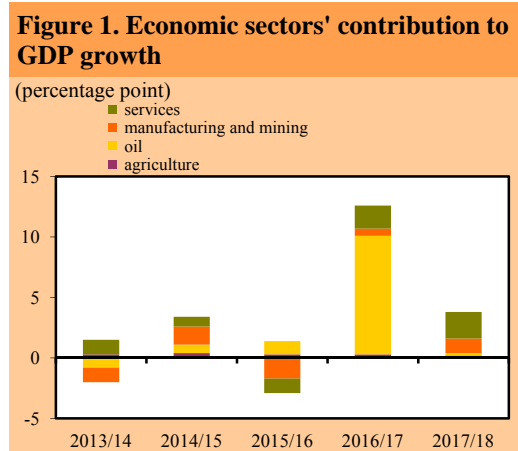
Based on preliminary estimates, gross domestic product at basic prices (current prices) increased from Rls. 12,723 trillion in 2016/17 to Rls. 14,807 trillion in 2017/18, indicating 16.4 percent nominal growth. Considering the changes in the general price level, preliminary data on the real sector of the economy point to 3.7 percent increase in GDP in 2017/18 (at constant 2011/12 prices), as against 12.5 percent growth in the year before.

According to preliminary estimates for 2017/18, "services" and "manufacturing and mining" groups, with growth contributions of respectively 2.2 and 1.2 percentage points, held the highest shares in the 3.7 percent GDP growth at constant prices. In "services" group, "transport, storage, and communication", "real estate, specialized and professional services" and "trade, restaurant, and hotel" subgroups, with respectively 0.7, 0.6, and 0.5 percentage points, had the lion's share in the rise of GDP. In "manufacturing and mining" group, "manufacturing" and "electricity, gas, and water" subgroups had the highest shares in GDP growth by 0.6 and 0.5 percentage points, respectively.

Based on preliminary data, final private and public consumption expenditures grew by respectively 2.5 and 3.9 percent, at constant 2011/12 prices, in 2017/18. Gross fixed capital formation showed 1.4 percent increase at constant 2011/12 prices, with the machinery and construction subgroups growing by 2.5 and 0.9 percent, respectively, compared with the year before.

According to preliminary estimates for the foreign trade sector, the exports and imports of

goods and services recorded respectively 1.8 and 13.4 percent growth at constant 2011/12 prices. Therefore, gross domestic expenditure indicated 3.8 percent increase in 2017/18.



Real Sector Developments

Energy

According to the Ministry of Petroleum and in compliance with the quotas set by the OPEC, Iran's average crude oil production grew by 2.3 percent to 3.8 mb/d in 2017/18. Based on the British Petroleum (BP) data, average world crude oil production¹ amounted to 92.6 mb/d in 2017, up by 0.7 percent compared with 2016. Crude oil production by OPEC member countries, accounting for 42.6 percent of world crude oil production, declined by 0.4 percent to 39.4 mb/d. Moreover, world crude oil consumption² grew by 1.8 percent to reach 98.2 mb/d³.

¹ Includes NGL, shale oil, and oil sands.

² Includes domestic demand for crude oil, aviation and marine fuels, fuel for refineries, oil wastes, ethanol, and biodiesel.

³ Based on the OPEC data, world crude oil supply and demand were respectively 96.4 and 97.3 mb/d in 2017. This does not match the BP figures on world crude oil production and consumption.



In 2017, Iran's primary energy¹ consumption amounted to 275.4 million tons oil equivalent, showing 6.0 percent increase compared with 2016. The main primary energies consumed by Iran included natural gas and crude oil while other energies were consumed sparingly. In 2017, world primary energy consumption reached 13.5 billion tons oil equivalent, indicating about 1.9 percent increase compared with 2016. Of this amount, 12.6 billion tons oil equivalent was consumed by non-OPEC countries and 0.9 billion tons oil equivalent by OPEC member countries. In this year, the highest amount of world primary energy consumption was related to crude oil (34.2 percent) and the lowest to nuclear energy (4.4 percent) and other renewable energies² (3.6 percent).

The estimated average of Iran's spot price of medium crude oil increased by 19.8 percent to \$55.1 per barrel in 2017/18. Meanwhile, the average price of OPEC basket³ of crude oil increased by 29.1 percent to reach \$52.5 per barrel in 2017, compared with \$40.7 per barrel in 2016. Prices of Brent Crude and WTI rose by respectively 24.2 and 17.8 percent to \$54.3 and \$50.9 a barrel in 2017.

Factors such as the agreement between the OPEC member states and non-member countries on production reduction and producers' adherence to this deal, economic crisis in Venezuela which has led to a fall in capital investment in the oil

industry as well as low crude production capacity of this country, and the higher-than-projected economic growth in countries like the US and some developing economies such as China and India reduced the excess global supply of crude oil in 2017. The buoyant growth of oil demand, combined with effective supply management, strengthened the global price of crude oil.

Figure 2. Average spot prices of crude oil during 2017

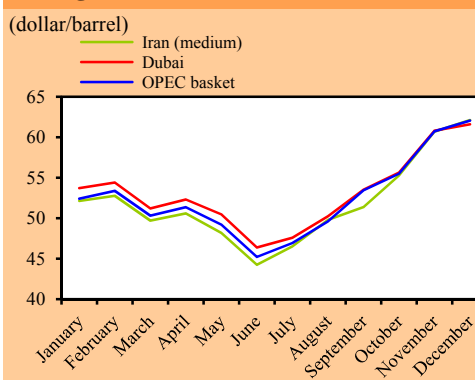
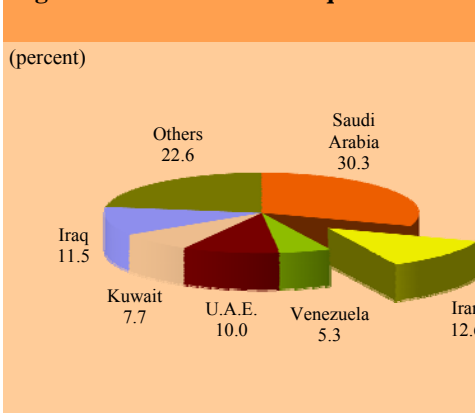


Figure 3. OPEC members' quotas in 2017



In 2017/18, Iran's crude oil exports increased by 0.7 percent on average and reached 2.1 mb/d. Meanwhile, the exports of oil products amounted

¹ Includes crude oil, natural gas, coal, hydroelectricity, nuclear energy, and other renewable energies.

² Includes wind, geothermal, solar, and biomass energies.

³ Includes Arab Light (Saudi Arabia), Basra Light (Iraq), Merey (Venezuela), Bonny Light (Nigeria), Ess Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Murban (UAE), Saharan Blend (Algeria), Oriente (Ecuador), and Girassol (Angola).

to 256.0 thousand b/d, indicating 75.0 percent rise, mainly attributable to the increase in the exports of fuel oil, gas oil, and liquefied gas.

In 2017/18, Iran's domestic consumption of natural gas went up by 4.3 percent to 201.9 billion cubic meters. The highest amount of consumption was related to residential, commercial, and industrial sectors by 97.3 billion cubic meters (48.2 percent), followed by power plants by 67.6 billion cubic meters (33.5 percent). The amount of natural gas consumption by major industries (37.0 billion cubic meters) accounted for 18.3 percent of total consumption. In this year, Iran's natural gas exports reached 13.2 billion cubic meters, up by 45.4 percent compared with 2016/17. On the other hand, imports of natural gas from neighboring countries decreased by 34.2 percent to 3.9 billion cubic meters. Therefore, net natural gas transactions (net exports) reached 9.4 billion cubic meters.

Electricity generation grew by 6.5 percent to 308.0 billion kWh. Of total electricity production, 53.9 percent (166.1 billion kWh) was generated by power plants affiliated to the private sector and 43.5 percent (133.9 billion kWh) by power plants affiliated to the Ministry of Energy. Meanwhile, large institutions, with a production of 7.9 billion kWh, accounted for 2.6 percent of total electricity generation. In 2017/18, the highest amount of electricity generation by 89.5 billion kWh was related to the combined cycle power plants affiliated to the private sector and regarding the power plants affiliated to the Ministry of Energy, the highest amount of electricity by 63.1 billion kWh was generated by steam power plants, together accounting for 49.5 percent of total electricity generation.

In 2017/18, consumption of electricity went up by 7.4 percent and reached 255.0 billion kWh. The industrial and residential sectors, with respectively 33.0 percent (84.2 billion kWh) and 32.7 percent (83.4 billion kWh), accounted for the highest amounts of consumption in 2017/18. Consumption of electricity by different sectors increased within a range of 6.0 to 9.0 percent. In 2017/18, Iran's electricity exports to neighboring countries amounted to 7.9 billion kWh, up by 17.7 percent compared with the year before. A total of 3.9 billion kWh of electricity was imported from neighboring countries in 2017/18, which indicates 7.3 percent reduction compared with 2016/17. Thus, net exports of electricity increased by 60.5 percent compared with 2016/17 to reach 4.0 billion kWh.

Electricity shortages were mainly covered by imports from Turkmenistan and Armenia, with the former having the lion's share in Iran's electricity imports by 61.1 percent. Iran's exports of electricity were mainly headed for Iraq, Afghanistan, and Pakistan, with 84.2, 7.4, and 7.2 percent shares, respectively.

Agriculture

Precipitation

According to Iran Water Resources Management Company, as of October 2016 until September 2017 (2016/17 farming year), total cumulative precipitation amounted to 233.2 millimeters, showing 6.9 percent reduction compared with the long-term average (48 years) and 13.7 percent decrease compared with the 2015/16 farming year.



Agricultural Products

Based on the data released by the Ministry of Agriculture-Jahad, total farming, horticultural, livestock, and fishery products were about 118.7 million tons in 2017/18, showing 0.01 percent decrease compared with 2016/17.

Agricultural Commodity Exchange

Total value of agricultural products traded on Iran Mercantile Exchange increased by 17.7 percent to approximately Rls. 33.1 trillion in 2017/18. Moreover, the total amount (weight) of traded agricultural goods amounted to 3.0 million tons, up by 18.0 percent compared with 2016/17. In this year, the highest volume and value of trading was related to "wheat". Rise in the weight of agricultural goods led to an increase in the share of agricultural goods in

total traded goods from 9.9 percent in 2016/17 to 11.1 percent in 2017/18.

Financing the Agriculture Sector

Total facilities extended by banks and non-bank credit institutions to the agriculture sector amounted to Rls. 492.9 trillion in 2017/18, indicating 5.6 percent increase compared with the year before. Therefore, the agriculture sector accounted for 8.0 percent of total facilities extended to economic sectors in 2017/18. Meanwhile, 68.7 percent of the banking facilities were allocated as the working capital to the agricultural economic units.

According to the report released by Bank Keshavarzi Iran (Agriculture Bank), total value of facilities extended by this bank to the public and non-public sectors of the economy amounted

Cumulative Precipitation

(millimeters)

Water basins	Farming year		Long-term average (48 years)	Percentage change compared with	
	2015/16▲	2016/17		2015/16 farming year	Long-term average (48 years)
Caspian Sea	534.6	345.3	431.1	-35.4	-19.9
Persian Gulf and Sea of Oman	398.0	368.9	366.4	-7.3	0.7
Lake Urmia	443.3	277.2	342.9	-37.5	-19.2
Central basin	153.7	161.0	165.7	4.7	-2.8
Eastern border basin	130.1	62.4	111.3	-52.0	-43.9
Ghare-Ghum basin	295.4	180.3	223.6	-39.0	-19.4
Iran	270.2	233.2	250.5	-13.7	-6.9

Source: Iran Water Resources Management Company.

Agricultural Products

(thousand tons)

	2015/16	2016/17	2017/18	Growth (percent)		Share in total (percent)	
				2016/17	2017/18	2016/17	2017/18
Farming products	77,039	82,992	82,200	7.7	-1.0	69.9	69.3
Horticultural products ¹	19,378	21,021	21,033	8.5	0.1	17.7	17.7
Livestock products	13,077	13,567	14,232	3.8	4.9	11.4	12.0
Fishery products	984	1,094	1,202	11.2	9.9	0.9	1.0
Total	110,478	118,674	118,667	7.4	-0.01	100.0	100.0

Source: Ministry of Agriculture-Jahad.

¹ Based on the new classification, greenhouse products have been classified under horticultural products as of 2015/16.

to Rls. 388.4 trillion in 2017/18, showing 16.3 percent increase compared with the year before. About 87.4 percent of total credits paid by this bank were allocated from non-statutory resources and the remaining credits were paid from statutory resources, administered funds, and contracts¹. In this year, 88.9 percent of credits paid by Bank Keshavarzi Iran were allocated to the agriculture sector and related activities, and the remaining credits were extended to the other sectors.

In 2017/18, a total of 77.9 percent of facilities extended by Bank Keshavarzi Iran were in the form of "civil partnership" contracts (60.3 percent) and "installment sale" contracts (17.6 percent).

In 2016/17 farming year, the guaranteed purchase price of all farming products increased with the aim of supporting the agriculture sector. The highest increase in the guaranteed purchase price of farming products by 10.0 percent was related to colza.

Share of Various Economic Sectors in Facilities Extended by Banking Sector (trillion rials)

Sectors	Value		Percentage change	Share in total (percent)	
	2016/17	2017/18		2016/17	2017/18
Agriculture	466.8	492.9	5.6	8.5	8.0
Manufacturing and mining	1,609.2	1,742.2	8.3	29.3	28.4
Construction and housing	501.2	517.4	3.2	9.1	8.4
Trade	724.3	851.7	17.6	13.2	13.9
Services	2,178.8	2,528.3	16.0	39.7	41.2
Miscellaneous	3.4	6.6	91.8	0.1	0.1
Total	5,483.7	6,139.1	12.0	100.0	100.0

Facilities Extended by Bank Keshavarzi Iran by Use (billion rials)

	2016/17	2017/18	Percentage change	Share in total (percent)	
				2016/17	2017/18
Farming	57,881	67,566	16.7	17.3	17.4
Horticulture	22,890	25,393	10.9	6.9	6.5
Animal husbandry	62,512	63,464	1.5	18.7	16.3
Aquatic plants and animals	4,937	7,540	52.7	1.5	1.9
Agricultural industries and services	147,779	178,984	21.1	44.3	46.1
Carpet-weaving and handicrafts	2,071	2,358	13.9	0.6	0.6
Others ¹	35,725	43,051	20.5	10.7	11.1
Total	333,795	388,356	16.3	100.0	100.0

Source: Bank Keshavarzi Iran.

¹Includes industries other than agriculture, as well as trade services.

¹Includes Memoranda of Understanding between Bank Keshavarzi Iran and the Ministry of Agriculture-Jahad.



According to the Agricultural Insurance Fund, total compensation paid to farmers reached Rls. 11.1 trillion in 2016/17 farming year, up by 23.5 percent compared with 2015/16 farming year. "Horticulture" and "farming" sectors accounted for the highest shares of the paid compensation by 50.8 and 24.3 percent, respectively. The premium paid by farmers covered part of the paid compensation and the remaining part was paid by the government and Bank Keshavarzi Iran (in case of non-payment by the government in due time).

Foreign Trade

According to the report released by the Ministry of Agriculture-Jahad and Islamic Republic of Iran Customs Administration (IRICA), about 6.1 million tons of various agricultural goods with a value of \$5.6 billion were exported in 2017/18, showing 4.7 percent increase and 0.6 percent decrease, in terms of weight and value, respectively. Average value of agricultural exports per ton indicated 5.0 percent decrease to reach \$929 in this year.

Approximately 19.3 million tons of various agricultural products, worth \$10.3 billion, were imported in 2017/18, up by 9.7 and 17.6 percent in terms of weight and value, respectively. The unit (per ton) value of agricultural product imports was \$535 on average, indicating 7.2 percent increase compared with 2016/17.

In 2017/18, a total of 11.4 million tons of grains including wheat, rice, barley, and corn, valued at \$3.4 billion, were imported. This indicated 11.7 and 22.0 percent rise in terms of weight and value, respectively.

Developments in agricultural product imports and exports indicate that the trade deficit of the agriculture sector increased by 51.0 percent and reached \$4.7 billion in 2017/18. Among the subgroups of the agriculture sector, "farming products" experienced the highest trade deficit by \$5.7 billion.

A study on foreign trade data of agricultural products indicates the decreasing trend of trade deficit in the export and import of these products in the period of 2013-2017; an annual average

Exports of Agricultural Products

	Value (million dollars)		Percentage change	Share in total (percent)	
	2016/17	2017/18		2016/17	2017/18
Livestock, poultry, and pharmaceuticals	1,261	879	-30.3	22.2	15.6
Fishery products	346	414	19.5	6.1	7.3
Farming products	1,325	1,468	10.8	23.3	26.0
Horticultural products	2,698	2,822	4.6	47.5	50.0
Forest and grassland products	51	65	26.6	0.9	1.2
Total	5,681	5,648	-0.6	100.0	100.0

Source: Ministry of Agriculture-Jahad.

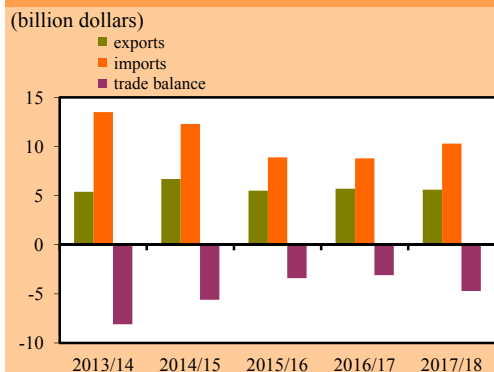
decline in trade deficit by 21.9 percent. However, the trend of developments in the exports and imports of agricultural products in 2017/18 brought the trade deficit of this sector to \$4.7 billion, up by 51.0 percent.

Self-sufficiency Ratio of Major Agricultural Products

Reviewing the production, imports, and exports of grains (wheat, rice, barley, and corn) indicates that the self-sufficiency ratio of these grains was 60.6 percent on average during 2008-2018. Due to Iran's reliance on the imports of grains over the mentioned period, a sum of \$4.1 billion

was spent on the imports of these commodities on an annual average basis.

Figure 4. Trade balance of agriculture sector



Imports of Agricultural Products

	Value (million dollars)		Percentage change	Share in total (percent)	
	2016/17▲	2017/18		2016/17	2017/18
Livestock, poultry, and pharmaceuticals	872	1,240	42.2	9.9	12.0
Fishery products	182	138	-23.9	2.1	1.3
Farming products	6,245	7,203	15.3	71.2	69.8
Horticultural products	1,442	1,695	17.5	16.4	16.4
Forest and grassland products	35	44	25.5	0.4	0.4
Total	8,776	10,320	17.6	100.0	100.0

Source: Ministry of Agriculture-Jahad.

Trade Balance of Agriculture Sector in 2017/18

(million dollars)

	Exports	Imports	Trade deficit or surplus		Balance of foreign trade
			Value	Percentage change compared with 2016/17	
Livestock, poultry, and pharmaceuticals	879	1,240	-360	0	Negative balance
Fishery products	414	138	275	67.6	Positive balance
Farming products	1,468	7,203	-5,735	16.6	Negative balance
Horticultural products	2,822	1,695	1,127	-10.3	Positive balance
Forest and grassland products	65	44	21	29.2	Positive balance
Total	5,648	10,320	-4,673	51.0	Negative balance

Source: Ministry of Agriculture-Jahad.



The self-sufficiency ratios of red meat and poultry were respectively 87.1 and 100.4 percent on average during 2008-2018. This is indicative of favorable local supply conditions for these products. The self-sufficiency ratios of oilseeds, soybean meal, and raw vegetable oil were only 34.2, 36.1, and 26.8 percent, respectively, during the mentioned period. These low figures indicate that the domestic economy is highly reliant on the imports of these agricultural products. Therefore, during 2008-2018, a sum of \$2.9 billion on average was allocated to the imports of oilseeds and their products per annum.

Manufacturing and Mining

The performance indicators of manufacturing and mining sector, including operation permits, production index of large manufacturing estab-

lishments, and data on selected manufacturing products, point to appropriate improvements in achievements of this sector in 2017/18.

Production Index of Large Manufacturing Establishments

The production index of large manufacturing establishments rose 6.0 percent in 2017/18. Out of 24 industrial groups, the production index of 19 groups (with a total relative weight of 91.8 percent) showed positive growth compared with 2016/17. Moreover, among the six main groups with the highest relative weights in the production index, five groups followed positive trends compared with 2016/17. Out of these five groups, "motor vehicles, trailers, and semi-trailers" and "non-metallic mineral products" accounted for the highest rises by 11.3 and 8.9 percent, respectively (base year: 2016/17).

Self-sufficiency Ratio of Agricultural Products¹

(percent)

		2015/16	2016/17	2017/18	Average of 2008-2018
	Average (grains)	59.1	67.9	63.0	60.6
Grains	Wheat	77.8	91.0	103.0	77.7
	Rice	67.5	69.6	62.1	56.3
	Barley	63.1	73.6	52.7	67.2
	Corn	15.9	15.2	12.7	24.7
Oilseed products	Oilseeds	12.4	12.2	13.9	34.2
	Soybean meal	47.8	53.3	58.6	36.1
	Raw vegetable oil	36.5	45.5	38.4	26.8
Livestock products	Red meat	89.1	89.9	84.9	87.1
	Poultry	103.5	103.3	102.1	100.4
Average (9 products)		57.7	64.3	60.6	58.0

Source: Calculations based on this report.

¹ Self-sufficiency ratio is the fraction of domestic production to consumption. Consumption is defined as the sum of domestic production and imports minus exports. For the calculation of the ratio, change in stock is considered as zero.

Selected Products and Industrial Exports

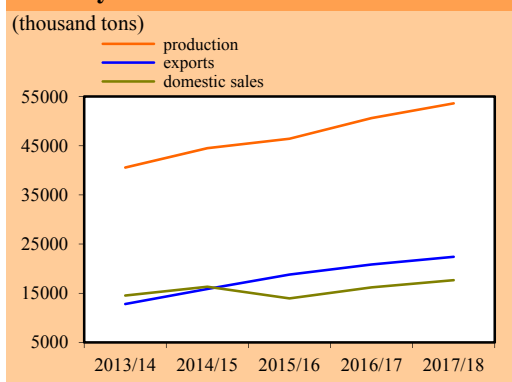
Based on data released by Supplying Automotive Parts Company (SAPCO), a total of 1,535.8 thousand motor vehicles (including light- and heavy-duty cars) were manufactured during 2017/18, showing a rise of 13.8 percent compared with 2016/17. Meanwhile, the manufacture of different passenger cars increased by 14.9 percent to 1,442.6 thousand. The share of passenger cars in total manufactured cars was 93.9 percent.

Based on the report released by the Ministry of Industry, Mine, and Trade, production of cement declined by 1.5 percent to 54.7 million tons in 2017/18. Moreover, production of "crude steel" and "steel products" amounted to 20.8 and 18.8 million tons, up by 11.0 and 3.5 percent compared with the previous year.

According to the National Petrochemical Company, petrochemical products reached 53.6 million tons in 2017/18, up by 6.0 percent compared with the 9.1 percent rise in 2016/17. The volume and value of petrochemical exports reached 22.4 million tons and \$12.0 billion, showing respectively 7.5 and 22.5 percent increase. The volume of domestic sales of petrochemical

products rose 9.0 percent in 2017/18. Based on the data released by the Customs office, Iran's industrial exports (through Customs) amounted to 87.8 million tons worth \$32.2 billion in 2017/18, indicating 5.9 and 7.3 percent increase in terms of volume and value, respectively. In this year, the share of industrial exports in total exports (through Customs) was 80.6 percent in terms of value and 75.9 percent in terms of volume. Considering the relatively higher rise in the value of petrochemical exports than that in the total value of industrial exports, the share of petrochemical exports in total value of industrial exports increased from 32.7 percent in 2016/17 to 37.3 percent in 2017/18.

Figure 5. Performance of petrochemical industry



Production Index of Large Manufacturing Establishments by Major Industrial Groups

(2016/17=100)

	Relative weight in base year	2015/16	2016/17	2017/18 □	Percentage change	
					2016/17	2017/18
General index	100.0	92.5	100.0	106.0	8.2	6.0
Chemical products	27.0	91.0	100.0	105.9	9.8	5.9
Base metals	20.0	97.2	100.0	103.8	2.9	3.8
Motor vehicles, trailers, and semi-trailers	13.3	72.7	100.0	111.3	37.6	11.3
Food products	8.5	92.9	100.0	106.7	7.7	6.7
Non-metallic mineral products	6.3	107.1	100.0	108.9	-6.6	8.9
Pharmaceuticals, medicinal chemical and botanical products	4.9	102.9	100.0	96.7	-2.9	-3.3



Based on periodic reports released by Iran Mercantile Exchange, the volume of trading of various manufacturing and mining products reached 8.8 million tons in 2017/18, down by 6.7 percent compared with 2016/17. Steel accounted for 79.1 percent of volume (weight) and 76.5 percent of value of total trading in manufacturing and mining products.

Manufacturing and Mining Permits

According to the Ministry of Industry, Mine, and Trade, a total of 5.4 thousand operation permits, with an investment of Rls. 259.0 trillion, were issued in 2017/18. This is indicative of 3.3 percent increase in terms of number and 8.7 percent decrease in the amount of investment compared with 2016/17. Job opportunities created based on issued operation permits grew by 13.6 percent and reached 96.6 thousand in 2017/18. Industrial investment based on issued operation permits was Rls. 48.1 billion per unit.

The number of establishment permits issued by the Ministry of Industry, Mine, and Trade for new manufacturing establishments and the expansion of existing units increased by 23.6 percent to 19.1 thousand. The projected capital

required for the establishment of manufacturing units and the expected job opportunities increased by 37.4 and 22.8 percent, compared with the year before.

A total of 512 mining sector discovery certificates with a projected reserve of 774.5 million tons were issued in 2017/18, indicating 8.9 and 21.2 percent reduction. In order to put the new mines into operation, 755 operation permits were issued, indicating 12.2 percent decrease compared with the year before. The extraction capacity of these mines declined by 6.0 percent to 41.5 million tons. Moreover, the number of exploration permits, with 25.5 percent growth compared with 2016/17, reached 998 in 2017/18.

Financing the Manufacturing and Mining Sector

The amount of facilities extended by banks and non-bank credit institutions to the manufacturing and mining sector amounted to Rls. 1,742.2 trillion in 2017/18, showing 8.3 percent increase compared with the year before. Therefore, the share of the manufacturing and mining sector in total extended facilities was 28.4 percent.

Issued Mining Permits

	2015/16	2016/17▲	2017/18□	Percentage change	
				2016/17	2017/18
Exploration permits	719	795	998	10.6	25.5
Discovery certificates	630	562	512	-10.8	-8.9
Operation permits	792	860	755	8.6	-12.2

Source: Ministry of Industry, Mine, and Trade.

Bank of Industry and Mine, as the sole specialized bank in the manufacturing and mining sector, paid Rls. 51.7 trillion facilities to this sector, up by 12.3 percent compared with 2016/17.

Financing SMEs by Banking System

The supportive plan for the financing of the Small and Medium-sized Enterprises (SMEs), which had started in 2016/17, continued through the year 2017/18, benefitting from the CBI funding aimed at the further advancing of SMEs production, preserving the employment level, and expanding economic growth. Based on the "2017/18 Guideline on Financing the SMEs", it was decided that the provision of the working capital of 10 thousand companies, financing of facilities required for the completion of 6 thousand semi-finished projects with a minimum physical progress of 60 percent, and provision of facilities for renovation and refurbishment of 5 thousand economic units be set on top of the priority list of banks and credit institutions. Based on the data received from the registration platform containing information on facility-requiring manufacturing units, Rls. 194.8 trillion facilities were allocated to a total of 28.2 thousand eligible manufacturing establishments by year-end (March 2018).

Construction and Housing

With a swift rise in construction permits in 2016/17 as an indicator of private sector willingness for higher participation in construction activities, the private sector investment in construction activities improved substantially in

2017/18. In this year, private sector investment at constant prices in newly constructed buildings in urban areas improved after 4 years of stagnation.

In 2017/18, the number of construction permits issued for urban areas increased by 4.2 percent compared with the year before while the floor space of buildings as stipulated in construction permits decreased by 0.03 percent. The mentioned indicators showed respectively 18.8 percent increase and 3.9 percent decrease in Tehran, 5.9 and 4.5 percent decrease in other large cities, and 5.9 and 4.3 percent rise in other urban areas.

In 2017/18, private sector investment in the buildings of urban areas increased by 15.0 percent (at current prices) to Rls. 738.1 trillion. Private sector investment in the buildings of Tehran, other large cities, and small and medium-sized cities rose by 35.1, 10.3 and 9.0 percent, respectively. Private sector investment in the buildings of all urban areas (at constant 2016/17 prices) increased by 2.6 percent compared with 2016/17.

The number of residential units constructed by private sector in all urban areas reached 402.0 thousand with a floor space of 62.5 million square meters in 2017/18, showing 23.0 and 34.9 percent growth compared with the year before.

Private sector investment according to construction phases indicates a rise of investment in housing starts, semi-finished buildings, and completed buildings by 8.5, 9.2, and 54.3 percent, respectively, at current prices.



Private sector investment in new buildings of urban areas (at constant 2016/17 prices) showed 3.3 and 2.6 percent fall in housing starts and semi-finished buildings, as against 37.7 percent increase in completed buildings.

Facilities Extended to the Construction and Housing Sector

Total facilities extended by banks and credit institutions to the construction and housing sector rose 3.2 percent to Rls. 517.4 trillion. Accordingly, this sector had a share of 8.4 percent in total facilities extended by banks and credit institutions to economic sectors.

Reviewing the performance of Bank Maskan in terms of the extending of facilities indicates that the construction and housing sector had an 89.9 percent share in total facilities extended by this bank. The value of facilities extended by Bank Maskan to the construction and housing

sector amounted to Rls. 190.5 trillion, pointing to 14.8 percent increase compared with 2016/17.

As of the implementation of Mehr Housing Program until March 2018, a total of 3,370 thousand scheduled facilities worth Rls. 644.3 trillion, were extended by banks to the housing sector. These facilities were in the form of government support policies. The highest share of these facilities by 68.7 percent (Rls. 442.4 trillion) was extended in the form of land allocation on a 99-year lease (Mehr Housing Program). The share of the value of facilities extended by the banking sector to the renovation and refurbishment of rural housing was 14.8 percent.

Price Indices

Construction Price Indices

In 2017/18, the construction services price index (base year: 2016/17) went up by 7.8 percent

Facilities Extended to Construction and Housing Sector (trillion rials/percent)

	2015/16	2016/17	2017/18	Percentage change		Share of the sector in total facilities	
				2016/17	2017/18	2016/17	2017/18
Banks and credit institutions	431.1	501.2	517.4	16.2	3.2	9.1	8.4
Public banks	200.9	218.7	229.0	8.8	4.7	16.0	15.5
Commercial banks	38.8	36.0	29.2	-7.2	-19.0	4.7	3.5
Specialized banks	162.1	182.6	199.8	12.7	9.4	30.7	31.8
Bank Maskan	147.5	166.0	190.5	12.5	14.8	88.3	89.9
Private banks and credit institutions	230.2	282.5	288.5	22.7	2.1	6.9	6.2
Privatized banks	69.8	67.7	69.7	-3.1	3.0	3.6	3.5
Private banks and credit institutions	160.4	214.9	218.7	34.0	1.8	9.6	8.2

compared with the preceding year. The highest growth rates in the subgroups of the mentioned index were related to "wage paid for painting" and "wage of skilled electrician" by 12.8 and 11.9 percent. Moreover, the PPI for construction materials (base year: 2016/17) increased by 14.1 percent compared with the year before. The PPI for metallic and non-metallic construction materials rose by 20.4 and 7.7 percent. In this year, the ratio of the value of land to total cost price of completed buildings in urban areas was 50.6 percent, indicating 1.2 percentage points increase compared with the previous year.

Housing Rental Index in Urban Areas

In 2017/18, the housing rental index surged in all urban areas by 8.3 percent. The highest growth of this index by 9.5 percent was related to small cities. Increase in the housing rental index has been mostly in tandem with the general price inflation.

Land Price Index

The land price index in all urban areas rose 6.8 percent compared with 2016/17. The highest rise in this index by 7.4 percent was related to Tehran.

Scheduled Facilities Extended as of Implementation of Mehr Housing Program until March 2018¹

	March 2018		Share of value in total (percent)
	Number of facilities (thousand units)	Value (trillion rials)	
Land preparation	843 ²	8.4	1.3
Land allocation on a 99-year lease	1,915	442.4	68.7
Rental housing	45	6.0	0.9
Housing construction in old urban texture	157	28.9	4.5
New technologies and industrial construction	34	4.8	0.7
Renovation and refurbishment of rural housing	1,045	95.3	14.8
Special groups	174	58.4	9.1
Total	3,370	644.3	100.0

¹ These facilities were paid according to Note 6, Budget Law for 2007/08, and the Law on Organization and Support for Home Construction.

² A total of 843 thousand units included in the list of loan receivers at the "land preparation" phase were also included under "land allocation on a 99-year lease". Therefore, this figure has been excluded from the sum total to avoid double counting.

Construction Indices

(2016/17=100)

	2015/16	2016/17	2017/18	Percentage change	
				2016/17	2017/18
Construction services price index	91.6	100.0	107.8	9.2	7.8
Producer Price Index (PPI) for construction materials	95.1	100.0	114.1	5.1	14.1



Housing Rental Index in Urban Areas

(2016/17=100)

	2015/16	2016/17	2017/18	Percentage change	
				2016/17	2017/18
Tehran	90.7	100.0	109.2	10.3	9.2
Other large cities ¹	91.0	100.0	108.2	9.9	8.2
Medium-sized cities	91.4	100.0	108.8	9.4	8.8
Small cities	90.7	100.0	109.5	10.3	9.5
All urban areas	91.1	100.0	108.3	9.8	8.3

¹ Includes Tehran.

Land Price Index in Urban Areas

(2016/17=100)

	2015/16	2016/17	2017/18	Percentage change	
				2016/17	2017/18
Tehran	98.4	100.0	107.4	1.6	7.4
Other large cities	97.8	100.0	106.0	2.2	6.0
Small and medium-sized cities	93.1	100.0	107.2	7.4	7.2
All urban areas	97.7	100.0	106.8	2.4	6.8

Transportation

In 2017/18, the total number of passengers carried by road public transportation system was 250 million persons, indicating 7.7 percent reduction compared with the previous year. In this year, the number of passengers carried by road transportation system, with manifest, totaled 154 million persons which took place in 15.1 million travels, down by 7.8 and 0.6 percent. Therefore, the number of carried passengers in each travel, with manifest, was about 10 persons on average. Moreover, 428 million tons of merchandise (with bill of lading) and 9.3 million tons of goods in transit were carried by road, showing 10.3 and 18.8 percent increase compared with 2016/17.

The length of the roads under the supervision of the Ministry of Roads and Urban Development (excluding rural roads) reached 88.0 thousand kilometers by March 2018, of which 2.7 percent were freeways, 19.1 percent highways, 29.4 percent main roads, and 48.8 percent side roads and others.

In 2017/18, the average age of vehicles in public transport system (buses) decreased by 7.8 percent to 9.4 years and the average age of freight vehicles rose by 2.3 percent to 16.8 years.

In this year, total goods carried by rail increased by 16.1 percent to 46.8 million tons and the number of passengers carried by railway reached 24.5 million persons, indicating 6.3 percent rise compared with 2016/17. About 1.6 million tons of goods in transit (including oil and non-oil goods) were carried by rail, up by 39.1 percent compared with 2016/17.

In the rail transport sector, 132.0 kilometers of railroads were put under renovation programs, indicating 40.0 percent reduction compared with 2016/17. Meanwhile, 107.0 kilometers of railroads underwent reconstruction in 2017/18, showing 27.2 percent decrease. By March 2018, the total length of railway tracks increased by 5.6 percent to 11,061 kilometers and the total number of locomotives surged by 0.2 percent to 917. The share of operating locomotives in total rose by 2.0 percentage points to 63.0 percent.

In the sea transport sector, loading and unloading of oil products amounted to 47.8 million tons in 2017/18, showing 3.7 percent rise compared with 2016/17. Moreover, the loading and unloading of non-oil goods increased by 9.1 percent to 109.0 million tons. The total number of passengers embarking and disembarking at ports reached 18.1 million persons, indicating 7.8 percent growth compared with 2016/17.

Port container traffic increased by 15.5 percent from 2,661 thousand TEU¹ in 2016/17 to 3,073 thousand TEU in 2017/18. Furthermore, port container capacity amounted to 7.1 million TEU, showing 35.8 percent increase compared with the previous year.

In 2017/18, the total number of outgoing and incoming air passengers reached 59.4 million persons, indicating 8.2 percent growth compared with 2016/17.

The number of passengers transported through airports in 2017/18 rose by 8.5 percent to 35.7 million persons. The amount of cargo carried domestically by air decreased by 1.8 percent to 12.3 thousand tons and the amount of cargo carried abroad by air amounted to 97.7 thousand tons, up by 15.5 percent.

The total number of passenger aircraft went up by 7.7 percent to 309 in this year, of which 165 aircraft were active and operating.

Figure 6. Growth in number of carried passengers

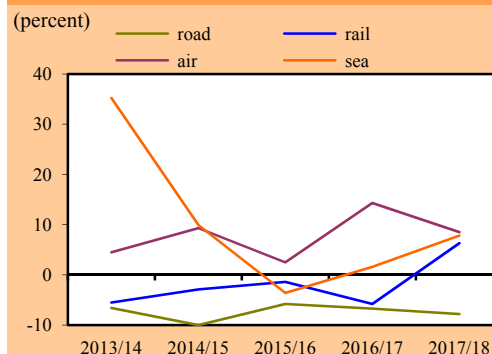
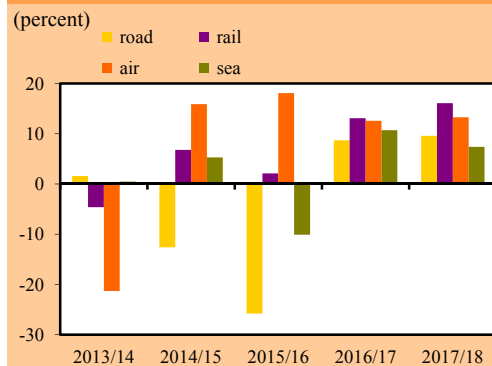


Figure 7. Growth in volume of carried goods



Performance of Key Indices in Air Transport Sector

	2015/16	2016/17	2017/18	Percentage change	
				2016/17	2017/18
Number of passenger aircraft	268	287	309	7.1	7.7
Number of outgoing and incoming air passengers (million persons)	47.1	54.9	59.4	16.5	8.2
Share of non-public sector in domestic flights ¹ (percent)	88.1	91.7	90.5	3.6	-1.2
Share of non-public sector in international flights ¹ (percent)	74.7	75.2	80.1	0.5	4.9

Source: Civil Aviation Organization.

¹ Percentage change is in percentage points.

¹ Twenty-foot Equivalent Unit.



Population and Employment

Based on SCI estimates, Iran's total population reached 81.1 million in 2017/18. The share of the male population in total was 50.6 percent. Moreover, 74.4 percent of the population dwelled in urban areas. Gender ratio (the number of males per 100 females) was about 102.6 in 2017/18.

Total number of households was 24.7 million in 2017/18, out of which 18.6 million were residing in urban and 6.1 million, in rural areas.

Based on the SCI data drawn from labor force census, the economically active population¹ was estimated at 26.6 million in 2017/18, up by 3.1 percent compared with the year before. In this year, the active population of women rose by 6.9 percent (340.0 thousand) and that of men increased by 2.2 percent (457.3 thousand) compared with the previous year.

According to reports of SCI, in 2017/18, participation rate rose by 0.9 percentage point to 40.3 percent, higher than the average rate of the 2005-2017 period (38.6 percent). The positive expectations regarding improvements in economic conditions in the post-JCPOA era, increase in economic growth, and the surge in population searching and hoping to find a job (especially by college graduates entering the labor market) were among factors that raised motivations for joining the labor force. Participation rate for women increased by 1.1

percentage points to 16.0 percent and that of men reached 64.5 percent, up by 0.4 percentage point compared with the previous year.

The number of available jobs reached 23.4 million in 2017/18, which is higher than the year before by 790.6 thousand (3.5 percent). In 2017/18, the highest increase in the number of jobs by 452.5 thousand was related to the services sector. Moreover, 287.6 thousand and 48.9 thousand new job opportunities were created in the industry and agriculture sectors, respectively.

Shares of services, industry, and agriculture sectors in employment were respectively 50.4, 32.0, and 17.6 percent in 2017/18. Comparing these shares with the previous year is indicative of 0.3 and 0.1 percentage points increase in the shares of the services and industry sectors and 0.4 percentage point decrease in the share of the agriculture sector.

Of total new employment generation (790.6 thousand), 476.2 thousand employment opportunities were added to male employment and the remaining 314.3 thousand were added to female employment. With the sharp rise in the number of employed women over the past three years, the share of female employment in total employed population increased from 14.5 percent in 2014/15 to 17.9 percent in 2017/18. This indicates that labor market developments have been in favor of female employment over the 2015-2018 period.

¹Based on the latest definition released by the SCI, the economically active population comprises the population of 10 years of age and over (minimum defined age) who either participated in the production of goods and services (were employed), in conformance with the definition of labor, in the immediate week before the data collection week (reference week), or were unemployed but capable of participation.

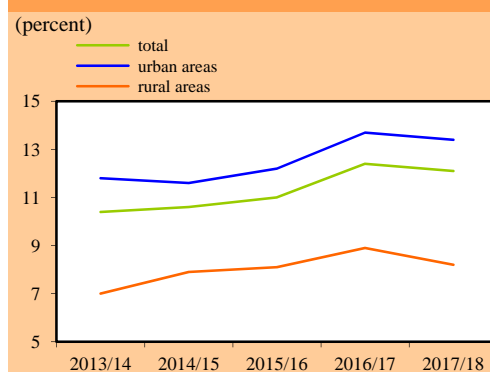
Based on the SCI estimates, the unemployment rate decreased by 0.3 percentage point to 12.1 percent in 2017/18. Fall in the unemployment rate was the result of the higher increase in labor demand (employed population) than the rise in labor supply (economically active population). Unemployment rate in urban areas decreased by 0.3 percentage point to 13.4 percent and in rural areas, this rate reached 8.2 percent, down by 0.7 percentage point. Unemployment rate for the female population reached 19.8 percent, showing 0.9 percentage point decrease compared with the year before. Unemployment rate for men declined by 0.3 percentage point to 10.2 percent.

In 2017/18, the unemployed population rose by 0.2 percent to 3,210.2 thousand. Moreover, the unemployed population in the age groups of 15-24 and 15-29 years old decreased by 3.4 and 3.9 percent, respectively. The share of the unemployed population of 15-29 years old in total unemployed population fell from 72.0 percent in 2005/06 to 54.7 percent in 2017/18. This downward trend is mainly attributable to the baby boom of the 1360s (1980s) and rise in the age of the unemployed population. Meanwhile, the number of the unemployed in the age group of 25-29 years old was 564 thousand in 2005/06 and 916 thousand in 2017/18.

In 2017/18, a sum of Rls. 23,386 billion employment generation facilities were extended by banks and non-bank credit institutions out of Gharz-al-hasaneh resources. Of this figure, Rls. 20,589 billion was paid under the framework of Note 16 of the 2017/18 Budget Law for the employment of the beneficiaries of Imam Khomeini Relief Foundation and the State

Welfare Organization, and the remaining part was allocated to applicants for home-based businesses. Banks' limited amount of Gharz-al-hasaneh resources and allocation of these resources to the other items stipulated in the Budget Law, including the marriage of the youth and the release of needy prisoners, have lowered the amount of extended Gharz-al-hasaneh facilities for employment.

Figure 8. Unemployment rate



Moreover, "Executive Bylaw on Paragraphs (A) and (B) of Note 18 under the Budget Law for 2017/18" specified a sum of Rls. 200 trillion to be allocated out of agent banks' resources to employment generating projects under the Comprehensive Employment Program (approved in 2017/18 by the Resistance Economy Command Headquarters). Despite several technical problems in the execution of this program, including difficulties in accessing the electronic system devised by the Ministry of Cooperatives, Labor, and Social Welfare for the introduction of relevant projects to agent banks, the latest performance report of this project indicates that Rls. 1,200 billion facilities was disbursed by March 2018.



With the ratification of "Law on Supporting Sustainable Employment and Development in Rural Areas with the Use of NDFI Resources" in 2017/18, the mentioned Fund was authorized to spend a sum of \$1,500 million, to be leveraged with banks' resources, on allocation of loans and facilities to natural and legal persons (non-public) residing in villages and towns with a population of less than 10 thousand, with the priority to be given to border areas and nomadic communities. By year-end, 25 percent of the NDFI share of this amount was allocated to agent banks to be leveraged and disbursed among beneficiaries. Given that the Executive Guideline on facility payment was prepared and provided in the last months of the year, allocation of loans and facilities within the mentioned Law indicated underperformance, spilling over to 2018/19.

Fiscal Sector Developments

Government Budget and Finance

The Budget Law for 2017/18 was drawn up in the context of the 6th FYDP Law, as well as the Twenty-Year Vision Plan, sectoral, inter-sectoral and provincial Development Plan Documents of the country, general policies of Article 44 of the Constitution, and major policies of the government. As it was submitted by the government to the Parliament in due time, the Budget Law for 2017/18 was put into implementation as of the beginning of 2017/18 fiscal year.

Based on the Circular of the Budget Law for 2017/18 dispatched by the government to all executive agencies, Resistance Economy policies put great emphasis on endogeneity as well

as external, science-based, justice-based, and inclusive growth strategies. Thus, the government policy actions were geared to strengthening infrastructures and building an appropriate business environment in 2017/18, aimed at maximizing the private and cooperative sectors' participation in the economy, using national and international capacities. This was to be done within the context of constructive interactions with the global economy and the enhancement of productivity, competitiveness, and transparency as suitable instruments in the hand of the government, with the aim of raising the quality of services provided to the public and addressing corruption, rent-seeking activities, and the waste of resources.

According to the 2017/18 Budget Law, total revenues, disposal of non-financial assets, and disposal of financial assets were approved at Rls. 3,467.5 trillion and total expenses, acquisition of non-financial assets, and acquisition of financial assets were set at Rls. 3,467.5 trillion. On this basis, revenues accounted for 50.2 percent, disposal of non-financial assets 34.3 percent, and disposal of financial assets 15.5 percent of the total approved budget sources. Expenses, acquisition of non-financial assets, and acquisition of financial assets constituted 73.2, 20.6, and 6.2 percent of the total approved budget uses, respectively.

In 2017/18, government general revenues increased by 14.7 percent to Rls. 1,676.0 trillion, representing 96.3 percent realization compared with the approved figure. Share of tax revenue in total revenues was 69.1 percent and that of other government revenues was 30.9 percent, as against respective figures of 69.5 and 30.5 percent in 2016/17.

In this year, tax revenue increased by 14.2 percent to Rls. 1,158.4 trillion, showing 99.5 percent realization compared with the approved figure. In 2017/18, all the main items of tax revenue indicated growth, with the highest rise by 23.9 percent related to "tax on imports". "Income tax" experienced the lowest realization by 88.5 percent while "tax on imports" enjoyed the highest realization by 130.4 percent in 2017/18. Among the major components of tax revenue, direct tax reflected a realization of 93.4 percent and indirect tax, 105.2 percent.

Other government revenues rose by 16.1 percent to Rls. 517.7 trillion, indicating 89.8 percent realization compared with the approved figure. This increase was mainly due to 82.3 percent rise in "miscellaneous revenues". The 10.2 percent under-realization of "other government revenues" (Rls. 58.7 trillion) mainly resulted from under-realization of "revenues received from government ownership" and "receipts from fines and penalties" by 46.4 and 46.9 percent, respectively. Under-realization of "revenues received from government ownership" was due to the lower-than-expected performance of "public corporations' dividend" by 52.0 percent.

Revenues received from disposal of non-financial assets increased by 24.2 percent to Rls. 922.9 trillion, which was 22.4 percent lower than the approved figure. Of total disposal of non-financial assets, Rls. 919.2 trillion and Rls. 3.6 trillion were related to "sale of crude oil and oil products" and "sale of movable and immovable assets", indicating 24.4 percent rise and 8.3 percent decrease, respectively, compared with 2016/17.

In 2017/18, disposal of financial assets, including foreign and domestic resources, decreased by 4.3 percent to Rls. 601.4 trillion. This was 12.0 percent higher than the approved figure. Excess realization from sales of Islamic financial instruments by 29.0 percent (Rls. 100.0 trillion), received out of Paragraph (F), Note 16 to the Budget Law for 2017/18 (Note 36 of 2016/17 Budget Amendment) and Paragraph (H), Note 5 to the 2017/18 Budget Law for the repayment of the principal and profit of papers past the maturity date, as well as the excess realization of NDFI resources by 39.5 percent (Rls. 30.0 trillion) resulted in Rls. 64.3 trillion excess realization of disposal of financial assets.

Government General Budget Revenues¹

(trillion rials)

	2015/16	2016/17▲	2017/18	Share (percent)		
				2015/16	2016/17	2017/18
Revenues	1,123.7	1,460.7	1,676.0	100.0	100.0	100.0
Tax revenue	791.9	1,014.7	1,158.4	70.5	69.5	69.1
Other government revenues	331.9	446.0	517.7	29.5	30.5	30.9

Source: Treasury General, Ministry of Economic Affairs and Finance.

¹ Excludes special revenues.



Review of the sources of government general budget by oil and non-oil items indicates that receipts from sale of crude oil and oil products constituted almost 32.0 percent of total budget sources, showing about 3.7 percentage points increase compared with the corresponding figure for the preceding year (28.3 percent)¹.

Expenses (current expenditures) went up by 17.2 percent to Rls. 2,429.4 trillion in 2017/18, lower than the approved figure by 4.3 percent. The growth rate of government expenses in the year before was 21.4 percent. In 2017/18, national and provincial expenses accounted for 96.0 and 4.0 percent of government expenses, respectively. Subsidy paid on essential goods, accounting for 6.7 percent of total government expenses, increased by 17.9 percent, as against 9.5 percent rise in 2016/17.

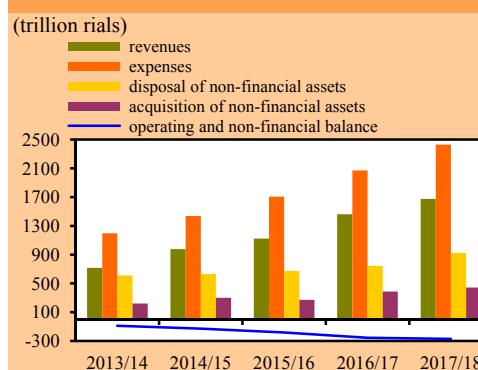
In 2017/18, payments for the acquisition of non-financial assets (development expenditures) increased by 14.3 percent to Rls. 441.8 trillion, indicating 61.9 percent realization compared with the approved figure. In this year, 92.1 percent of total payments by the government for the acquisition of non-financial assets were in the form of national expenses and 7.9 percent, in the form of provincial expenses. Respective figures of the previous year were 90.1 and 9.9 percent. In 2017/18, a total of Rls. 239.3 trillion (equal to 54.2 percent) of government development expenditures was related to disposal of "national Islamic financial instruments", "provincial Islamic financial instruments", and "payments out of sales of participation papers".

¹ Includes "receipts from NDFI utilization" under the heading of "disposal of financial assets" as well as "difference of foreign exchange sales from sale of crude oil and natural gas condensate" under "miscellaneous revenues".

Considering the performance figures of revenues and expenses in 2017/18, government operating balance ran Rls. 753.3 trillion deficit, up by 23.2 percent compared with the previous year. Moreover, net disposal of non-financial assets² recorded a surplus of Rls. 481.1 trillion. Therefore, as the deficit of operating balance was higher than the surplus of net disposal of non-financial assets, the government operating and non-financial balance posted Rls. 272.3 trillion deficit, showing 6.6 percent increase compared with the previous year. This deficit was covered by the net disposal of financial assets.

In 2017/18, disbursements on the acquisition of financial assets totaled Rls. 329.1 trillion and receipts from disposal of financial assets reached Rls. 601.4 trillion. Therefore, net disposal of financial assets indicated a surplus of Rls. 272.3 trillion.

Figure 9. Government budget



² Disposal of non-financial assets minus acquisition of non-financial assets.

External Sector Developments

Foreign Trade

Based on the data released by the Islamic Republic of Iran Customs Administration, trade through Customs¹ increased by 17.4 percent, in terms of value, to \$94.4 billion in 2017/18. Volume (weight) of trade also rose by 6.9 percent to 154.6 million tons. The share of exports in total trade decreased by 3.4 percentage points, in terms of value, to 42.3 percent. In terms of volume, the share of exports in total trade reached 74.9 percent, down by 2.0 percentage points compared with 2016/17.

In 2017/18, the value of exports (through Customs)² was raised to \$39.9 billion, 8.7 percent higher compared with the respective figure of the previous year. Meanwhile, the volume (weight) of exports increased by 4.0 percent to 115.7 million tons. Increase in the value of exports (through Customs) was mainly due to the rise in the export value of industrial goods. It is also important to note that the unit value of exportables reached \$345 per ton in 2017/18, indicating an increase of 4.5 percent compared with the previous year.

Review of the exported goods, in terms of value, reveals that "gas and oil products", "rubber and plastic products" and "organic and inorganic chemicals" had the lion's share in total as in previous years. The total share of the mentioned groups in the value of exports (through Customs) decreased by 2.2 percentage points to 48.8 percent as compared to the previous year. Furthermore, the total share of these groups in the value of

industrial exports decreased from 62.4 percent in 2016/17 to 60.5 percent in 2017/18.

In this year, "gas and oil products" had the highest share in the volume of exported goods by 26.0 percent, followed by "soil and stone, cement, plaster, stone and ceramic products" with 21.6 percent and "metallic mineral ores" with 19.1 percent. The total share of these groups in the volume (weight) of exports was about 66.8 percent, indicating 3.3 percentage points decrease compared with 70.1 percent in 2016/17.

The value of imports increased by 24.7 percent compared with the preceding year to reach \$54.5 billion in 2017/18. The volume (weight) of imports rose by 16.3 percent to 38.9 million tons. The unit value (price of one ton) of imported goods increased by 7.2 percent from \$1,308 in 2016/17 to \$1,402 in 2017/18.

A review of imported goods indicates that, in 2017/18, "machinery and transportation vehicles", "chemicals", "cereals and cereal preparations", and "crude materials, inedible, except fuels" accounted for respectively 40.2, 13.3, 6.3, and 5.7 percent of the value of imports through Customs. The total share of these groups accounted for 65.6 percent of the value of imports through Customs, compared with 66.6 percent in 2016/17.

In 2017/18, "cereals and cereal preparations", "mineral fuels, lubricants, and related materials" and "crude materials, inedible, except fuels" constituted respectively 29.3, 13.1, and 12.3 percent of the weight of imports. The total share of these groups, constituting a high share in the weight of imports, increased by about 5.0 percentage points compared with 2016/17.

¹ Excludes the value and volume of crude oil exports.

² Excludes natural gas condensate.



Value of Imports by Main Components (million dollars)

	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
				2016/17	2017/18	2016/17	2017/18
Machinery and transportation vehicles	15,090	17,704	21,916	17.3	23.8	40.5	40.2
Chemicals	5,849	6,016	7,234	2.9	20.2	13.8	13.3
Cereals and cereal preparations	3,463	2,806	3,430	-19.0	22.2	6.4	6.3
Crude materials, inedible, except fuels	2,363	2,579	3,129	9.2	21.3	5.9	5.7
Others	14,774	14,578	18,750	-1.3	28.6	33.4	34.4
Total	41,539	43,684	54,459	5.2	24.7	100.0	100.0

Source: Islamic Republic of Iran Customs Administration.

Balance of Payments

Based on preliminary figures, current account surplus decreased by 3.5 percent in 2017/18 to reach \$15.8 billion. Among the major components of the current account, the surplus of income account and current transfers account declined and the deficit of services account increased compared with the year before.

In 2017/18, the surplus of goods account increased by 8.4 percent to \$22.6 billion and

the deficit of non-oil goods account amounted to \$40.5 billion, showing 20.7 percent increase compared with 2016/17.

The FOB value of exports went up by 16.9 percent to \$98.1 billion in 2017/18. The main factor behind this rise was 18.1 percent growth in oil exports¹. In this year, the value of non-oil exports increased by 14.5 percent while the share of non-oil exports in total value of exports indicated 0.7 percentage point decrease compared with 2016/17.

Current Account (million dollars)

	2015/16	2016/17□	2017/18□	Percentage change
Current account	1,237	16,388	15,816	-3.5
Goods	5,354	20,843	22,596	8.4
Services	-4,785	-5,941	-7,916	33.2
Income	241	928	669	-27.9
Current transfers	427	558	467	-16.3
Current account (non-oil)	-28,972	-37,976	-47,237	24.4
Goods account (non-oil)	-24,856	-33,521	-40,457	20.7

Value of Exports (million dollars)

	2015/16	2016/17□	2017/18□	Percentage change
Exports of goods (FOB)	62,995	83,978	98,142	16.9
Oil exports	31,848	55,752	65,818	18.1
Non-oil exports	31,147	28,226	32,324	14.5

¹ Includes value of crude oil, oil products, natural gas, and natural gas liquids and condensate (Tariff Codes: 2709, 2710, and 2711) exported by NIOC, NIGC and NIORDC, petrochemical companies, and others (customs and non-customs).

In 2017/18, the FOB value of imports rose by 19.7 percent to \$75.5 billion. Services account ran \$7.9 billion deficit in 2017/18, indicating 33.2 percent increase compared with 2016/17. The value of exports of services increased by 3.1 percent to \$10.4 billion and the value of imports of services increased by 14.3 percent to \$18.3 billion.

In 2017/18, the highest share in the exports of services belonged to "travel" by 42.4 percent, followed by "transportation" by 36.2 percent and "construction services" by 8.5 percent. Furthermore, "travel", "transportation", and "government services" held the highest shares in the total imports of services by respectively 61.8, 15.6, and 5.6 percent.

Other important developments of Iran's balance of payments in 2017/18 were the 27.9 percent decrease in the income account surplus and 16.3 percent fall in the current transfers account surplus compared with the year before. The income account of the balance of payments includes receipts and payments in the form of compensation of employees, including border and seasonal workers as well as investment income and expenditure. The current transfers account mainly includes the remittances of foreign workers in Iran. Meanwhile, outflows under the capital and financial account rose by about 5.3 percent to \$11.2 billion in 2017/18.

In March 2018, total external obligations reached \$34.2 billion, of which \$23.2 billion (68.1 percent) was related to contingent obligations and \$10.9 billion (31.9 percent) to external debt. The share of long-term debt in total external debt reached almost 61.5 percent in March 2018.

The value of reserve assets was reduced by nearly \$8.1 billion in 2017/18, mainly due to Iran's external transactions.

Financial Sector Developments

Money and Banking

M2 and its Determinants

Broad money (M2) amounted to Rls. 15,299.8 trillion in March 2018, showing 22.1 percent growth compared with the previous year-end (March 2017). A comparison of M2 growth in 2017/18 with the growth figure of the previous year (23.2 percent) is indicative of 1.1 percentage points decrease in growth performance.

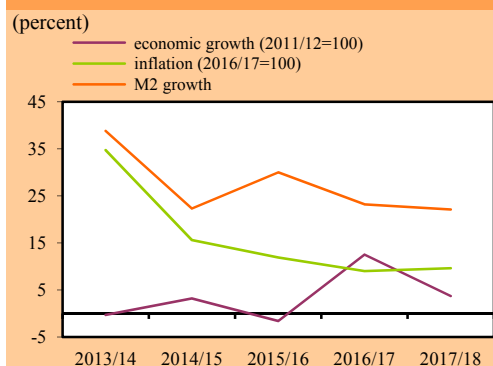
The most important factor behind the rise in M2 in 2017/18 was the surge in banks' net domestic assets by Rls. 2,423.5 trillion, which raised M2 by 19.3 percentage points. Among the items of net domestic assets, claims on non-public sector (excluding profit and revenue receivables), with 18.5 percent rise (Rls. 1,520.6 trillion increase) compared with the year before, had a positive share in the rise of M2 by 12.1 percentage points. Banks' other items (net), with a positive share of 5.1 percentage points in the rise of liquidity, was another important factor behind M2 growth.

In 2017/18, the NFA (net foreign assets) of the banking system grew by 13.6 percent compared with the NFA in the preceding year, contributing by 2.8 percentage points to the growth in liquidity. This growth was due to 12.2 percent rise in the NFA of CBI (with an increasing share of 1.9 percentage points in M2 growth) and



18.2 percent rise in the NFA of banks and credit institutions (with a contribution of 0.9 percentage point to M2 growth).

Figure 10. Major economic variables



Share of M1 in M2

In March 2018, the share of M1 in M2 reached 12.7 percent, indicating 0.3 percentage point decline compared with the preceding year. Moreover, the share of sight deposits in M2 was 9.8 percent in March 2018.

Factors Affecting Monetary Base

Monetary base surged by 19.0 percent in 2017/18, showing 1.7 percentage points increase compared with the growth figure of 2016/17 (17.3 percent).

CBI claims on banks, with 32.4 percent growth (Rs. 323.4 trillion increase), was the major positive factor in the growth of monetary base, with a share of 18.0 percentage points. This variable had increased by 19.2 percent in the year before, positively affecting the 17.3 percent growth of monetary base by 10.5 percentage points.

CBI net foreign assets, with 12.2 percent rise compared with March 2017 and an increasing share of 13.1 percentage points, was the second major factor raising the monetary base in March 2018.

CBI net claims on public sector, with 71.4 percent decrease compared with March 2017, had a negative share of 8.1 percentage points in the growth of monetary base. Reduction in CBI net claims on public sector in this year was the result of 8.3 percent decrease in CBI claims on public sector (with a share of -2.7 percentage points in the growth of monetary base) compared to 25.9 percent increase in public sector deposits (-5.4 percentage points share in the growth rate of monetary base). In 2016/17, CBI net claims on public sector rose 11.2 percent, with a positive share of 1.3 percentage points in the growth of monetary base. Moreover, CBI other items (net), with 5.5 percent decrease compared with March 2017 and a decreasing share of 4.0 percentage points, was another negative factor behind the fall in monetary base in 2017/18.

Components of Money Multiplier

Money multiplier grew by 2.6 percent to 7.150 in 2017/18, showing lower growth compared with the previous year (5.1 percent). In this year, "the ratio of notes and coins with the public to total deposits" and "the ratio of banks' excess reserves to total deposits" fell by 8.0 and 16.9 percent, respectively, raising money multiplier by 0.1088 and 0.0998 points. On the other hand, "the ratio of reserve requirement to total deposits" increased by 0.6 percent, reducing money multiplier by 0.0283 points.

Deposits of Non-public Sector

In March 2018, the outstanding balance of non-public sector's deposits with banks and non-bank credit institutions rose 22.4 percent to Rls. 14,857.1 trillion. The share of private banks and non-bank credit institutions in the total deposits of non-public sector was 69.0 percent in March 2018, showing 2.5 percentage points decrease compared with the respective figure of the previous year (71.5 percent).

Non-performing Loans (NPLs) (overdue, deferred, and doubtful)

The ratio of NPLs to total facilities extended by banks and credit institutions (including claims on public and non-public sectors) increased by 0.3 percentage point from 10.0 percent in 2016/17 to 10.3 percent in March 2018. The ratio of NPLs to total facilities extended by public commercial banks decreased to 7.1 percent compared with 2016/17 while the ratios of NPLs to total facilities extended by public specialized banks and private banks increased to 11.8 and 10.7 percent, respectively.

Payment Systems

In line with the Payment System Comprehensive Strategy approved in 2001 and utilizing modern information and communication technologies, various significant measures were adopted by the CBI in 2017/18, similar to those in 2016/17, for the furtherance of the country's payment system, with a view to the expansion of related services and making money transfers safer and more secure, deepening of supervision and oversight, advocacy of transparency in the monetary

and credit areas, prevention of corrupt practices, and improvement of retail payment services. Therefore, the CBI put on its agenda for 2017/18 the development of the Credit Control and Oversight Center (MAKNA), implementation of PAYVAND system, expansion and completion of the Electronic Banking Authentication System (NAHAB) as the integrated inquiry center of Iran's banking system, and the design of Branch Code Inquiry System with the aim of preventing the rendering of services to bank branches lacking a work license.

Moreover, the development of the system for the Bank-Wide Standard E-Checkbook Issuance (SAYAD) for raising the safety and efficiency of checks as a payment instrument and the transfer of government accounts to the CBI aimed at improved management of public accounts by the Central Bank, as banker to the government, as well as the implementation of the Comprehensive Roadmap of E-Government, were among other significant measures adopted by the CBI for 2017/18.

Notes and Coins

Notes and coins, along with CBI Iran-Checks, are instruments for cash payment. Notes and coins in circulation (with the public and banks), including CBI Iran-Checks, amounted to Rls. 534.5 trillion in March 2018, indicating 10.2 percent growth compared with March 2017.

Notes and coins with the public, including CBI Iran-Checks, grew by 12.6 percent from Rls. 393.3 trillion in March 2017 to Rls. 442.7 trillion in March 2018. The share of notes and



coins with the public in M2 reached 2.9 percent, indicating 0.2 percentage point fall compared with March 2017. Moreover, the share of notes and coins with the public in M1 decreased from 24.1 percent in March 2017 to 22.7 percent in March 2018.

Check Clearing System

With the implementation of CHAKAVAK as the infrastructure of systematic and electronic processing of checks and other banking documents in 2014, which gradually replaced the Interbank Clearing House, check clearance was entirely left to be accomplished through CHAKAVAK system as of 2016/17. The volume of interbank checks processed through this system in 2017/18 showed 1.6 percent decrease to reach 122.2 million, with their value increasing by 31.7 percent to Rls. 22,813.8 trillion.

Electronic Payment Instruments

Data on the number of cards issued in the banking system, due to the exclusion of inactive cards, indicated a decrease by 20.3 percent in 2017/18 to reach 330.3 million. Total issued bank cards in this year included 220.0 million debit cards (66.6 percent), 108.5 million prepaid or gift cards (32.8 percent), and 1.9 million credit cards (0.6 percent).

The number of ATMs went up by 15.6 percent to 54,765 in 2017/18 and the number of POSs grew by 13.5 percent. The number of PIN pads, on the other hand, decreased by 4.0 percent. Increase in the number of POSs to 6.0 million in March 2018 is indicative of banking

system's appropriate strategy towards further expansion of electronic payments.

Number of Electronic Payment Instruments

	Year-end		Percentage change
	2016/17	2017/18	
Bank cards (million)	414.6	330.3	-20.3
ATM	47,374	54,765	15.6
POS (million)	5.3	6.0	13.5
PIN pad	72,187	69,290	-4.0

Electronic Transactions

In 2017/18, electronic transactions processed through the banking system increased by 27.1 and 24.8 percent, in terms of number and value, respectively. A total of 5,659 million transactions, worth Rls. 17,434 trillion, were processed through ATMs. Besides, the volume of transactions processed through POSs grew by 36.8 percent from 10,919 million in 2016/17 to 14,943 million in 2017/18. Transactions processed through PIN pads went up by 3.2 and 28.4 percent in terms of volume and value.

In this year, 2,724 million transactions, valued at Rls. 4,149 trillion were processed through cell phones, landlines, kiosks, and Internet. Growth in the volume and value of electronic transactions in 2017/18 reveals an upsurge in the public use of electronic payment instruments in daily transactions.

SHETAB

Interbank transactions, accounting for a great number of electronic transactions processed through the banking system, are settled via the Interbank Information Transfer Network (SHETAB). In 2017/18, the volume of SHETAB transactions processed through ATMs and POSs grew by 10.1 and 36.8 percent to 3,887 million and 14,943 million, respectively. Total volume of interbank transactions processed through SHETAB reached 21,625 million in 2017/18, indicating a growth rate of 30.0 percent compared with 2016/17. Moreover, the value of these transactions reached Rls. 31,815 trillion, showing an increase of 25.9 percent compared with the year before.

SAHAB

The operation of the Small-Value Wire Transfer System (SAHAB) for card to card funds transfer

was an important item on the list of SHETAB center in 2017/18. Accordingly 1,187 million transactions were settled by ATMs through SAHAB, up by 14.7 percent compared with the year before. Furthermore, 61.0 million transactions were settled via PIN pads for inter-bank electronic wire transfer through SAHAB. In 2017/18, the volume of transactions via the Internet, kiosks, and cell phones for the transfer of funds increased by 94.3 percent. Therefore, a total of 1,792 million transactions were processed through SAHAB, showing 31.0 percent increase compared with the previous year. Total value of transactions processed through SAHAB surged by 27.5 percent to Rls. 12,764 trillion in 2017/18.

SATNA

Real Time Gross Settlement System (SATNA), which is the main infrastructure of large-value

Electronic Transactions Processed through the Banking System

	Volume (million)		Growth (percent)	Value (trillion rials)		Growth (percent)
	2016/17	2017/18		2016/17	2017/18	
Total electronic transactions	18,577	23,620	27.1	36,780	45,910	24.8
ATM	5,251	5,659	7.8	15,042	17,434	15.9
POS ¹	10,919	14,943	36.8	12,810	16,106	25.7
PIN pad	286	295	3.2	6,402	8,222	28.4
Cell phone, landline, kiosk, and Internet ¹	2,121	2,724	28.4	2,526	4,149	64.3

¹ Based on statistics released by the SHETAB center.

Interbank Transactions Processed through SHETAB

	Volume (million)		Growth (percent)	Value (trillion rials)		Growth (percent)
	2016/17	2017/18		2016/17	2017/18	
Total transactions through SHETAB¹	16,636	21,625	30.0	25,262	31,815	25.9
ATM	3,530	3,887	10.1	7,562	8,724	15.4
POS	10,919	14,943	36.8	12,810	16,106	25.7
Others (landline, cell phone, Internet, kiosk, and bank branches)	2,187	2,795	27.8	4,891	6,985	42.8

¹ Includes transactions processed through SAHAB, reflected in data on total electronic transactions processed through the banking system.



payments, is used for processing and settlement of interbank transactions for individual and online payment orders. The volume and value of bank to bank transactions processed through SATNA experienced 9.6 and 66.2 percent growth. Customer-to-customer transactions showed 18.4 and 10.8 percent increase in terms of volume and value, respectively. In 2017/18, settlement of payment systems grew by 9.0 and 36.7 percent, in terms of volume and value. Hence, the total volume and value of transactions processed via SATNA increased by 18.0 and 33.4 percent to 11,230 thousand and Rls. 91,197 trillion. Customer-to-customer transactions had the highest share in total volume of transactions by 96.3 percent. Settlement of payment systems accounted for the highest share in total value of transactions processed through SATNA by 53.5 percent.

PAYA

The Automated Clearing System (PAYA), as the main infrastructure for individual and multiple payment orders, together with SATNA and SAHAB, operates for the electronic transfer of funds throughout the country. SATNA and PAYA are utilized for account to account transfers, while SAHAB is used for retail funds transfers (card to card). In 2017/18, volume and value of payment orders for credit transfer increased by 73.1 and 42.2 percent to 105 million and Rls. 5,856 trillion, respectively. The volume of transactions through SHAPARAK grew by 11.3 percent to 2,330 million and their value increased by 26.7 percent to Rls. 17,450 trillion. Therefore, total volume of transactions processed through PAYA came to 2,435 million, worth Rls. 23,307 trillion, up by 13.0 and 30.3 percent, respectively.

Interbank Transactions Processed through SAHAB

	Volume (million)		Growth (percent)	Value (trillion rials)		Growth (percent)
	2016/17	2017/18		2016/17	2017/18	
Total transactions through SAHAB	1,368	1,792	31.0	10,012	12,764	27.5
ATM	1,034	1,187	14.7	6,223	7,320	17.6
PIN pad	53	61	15.2	2,358	2,834	20.2
Internet, kiosk, and cell phone	280	545	94.3	1,432	2,610	82.3

Transactions Processed through RTGS (SATNA)

	Volume (thousand)		Growth (percent)	Value (trillion rials)		Growth (percent)
	2016/17	2017/18		2016/17	2017/18	
Bank to bank	112	123	9.6	11,157	18,544	66.2
Customer-to-customer	9,135	10,816	18.4	21,510	23,837	10.8
Settlement of payment systems	267	291	9.0	35,721	48,816	36.7
Total	9,514	11,230	18.0	68,388	91,197	33.4

Transactions Processed through PAYA

	Volume (million)		Growth (percent)	Value (trillion rials)		Growth (percent)
	2016/17	2017/18		2016/17	2017/18	
Credit transfer	61	105	73.1	4,119	5,856	42.2
SHAPARAK	2,094	2,330	11.3	13,775	17,450	26.7
Total	2,155	2,435	13.0	17,894	23,307	30.3

SIMA

Following the launching of Scripless Securities Settlement System (TABSA) in 2010/11, which was introduced as an infrastructure for the electronic issue and settlement of securities, various feasibility studies were conducted on the operation of an Integrated Management System of Securities (SIMA), aimed at the fully electronic issue of securities. This subsystem was made operational in 2012/13. Accordingly in 2017/18, Rls. 486.8 trillion of electronic securities were issued through SIMA and placed in the market. Out of this amount, Rls. 45.0 trillion of securities were participation papers issued by the Ministry of Economic Affairs and Finance and different municipalities, Rls. 440.8 trillion of securities were related to electronic general Certificates of Deposit (CDs) of banks, and one trillion rials of securities were special CDs related to Rayan Saipa Leasing Company.

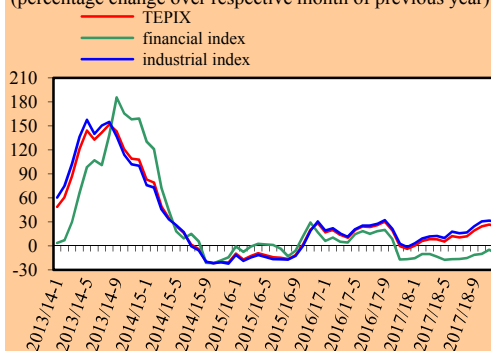
Asset Market Developments**Stock Exchange**

TEPIX grew by 24.7 percent and reached 96,290 points at year-end (March 2018). Moreover, the financial index declined by 9.6 percent while the industrial index increased by 30.2 percent

compared with March 2017. The main factor behind the fall in the financial index was the reopening of the share of Bank Saderat Iran with a decline of about 50 percent. The most important reasons behind the increase in TSE indicators in 2017/18 were the rise in the prices of crude oil and base metals, decline in banking deposit rates, and increase in the exchange rate (especially in October-December 2017). In February-March 2018, however, TSE indicators started to decline, mostly due to the fall in global commodity prices and the approaching of the decision date regarding the US government's official announcement on the future path of the JCPOA.

Figure 11. Changes in stock exchange indices

(percentage change over respective month of previous year)





The volume and value of shares traded in 2017/18 indicated -0.8 and 0.2 percent growth, respectively. Market capitalization amounted to Rls. 3,824.2 trillion, up by 18.8 percent compared with March 2017.

Iran Mercantile Exchange (IME)

In 2017/18, a total of 26.7 million tons of products worth Rls. 498.8 trillion were traded on the physical market of IME, up by 4.6 and 34.4 percent in terms of weight (volume) and value, respectively. The volume of manufacturing and mining products traded on Iran Mercantile Exchange decreased by 6.7 percent to 8.8 million tons while their value increased by 31.0 percent to Rls. 204.4 trillion. The highest share in the volume and value of manufacturing and mining products was related to "steel" in 2017/18.

A total of 3.0 million tons of various agricultural products valued at Rls. 33.1 trillion were traded on Iran Mercantile Exchange in 2017/18, representing 18.0 and 17.7 percent growth in volume and value compared with 2016/17. The highest share in trading, in terms of volume and value, belonged to "wheat". Moreover, a total of 14.8 million tons of oil and petrochemical products, worth Rls. 256.3 trillion, were traded on Iran Mercantile Exchange, indicating 9.7 and 38.9 percent growth in terms of volume and value. In this year, "oil and petrochemical products" and "manufacturing and mining products" accounted for 88.3 percent of the volume of trading on Iran Mercantile Exchange (with shares of respectively 55.4 and 32.9 percent). In total, the two mentioned groups accounted for 92.4 percent of the value of transactions completed on the physical market of Iran Mercantile Exchange.

TSE Indices

(1990/91=100)

	2015/16	2016/17	2017/18	Percentage change	
				2016/17	2017/18
TEPIX	80,219	77,230	96,290	-3.7	24.7
Financial index	158,225	131,866	119,176	-16.7	-9.6
Industrial index	66,994	66,100	86,082	-1.3	30.2
Top 50 performers index	3,254	3,035	4,036	-6.7	33.0
First market index	57,004	54,460	68,124	-4.5	25.1
Second market index	170,269	166,371	206,487	-2.3	24.1

Source: Tehran Stock Exchange (TSE).

TSE Activity Indicators

	2015/16	2016/17	2017/18	Percentage change	
				2016/17	2017/18
Market capitalization (trillion rials)	3,461.0	3,220.0	3,824.2	-7.0	18.8
Shares traded					
Number (billion)	227.8	252.6	250.6	10.9	-0.8
Value (trillion rials)	473.6	537.9	539.1	13.6	0.2

Source: TSE.

Over-the-Counter (OTC) Market

In March 2018, the OTC general index reached 1,097.0 points, showing 25.4 percent increase compared with March 2017. The total value of the OTC market reached Rls. 1,470.4 trillion, up by 40.4 percent compared with 2016/17. Moreover, the total value of trading amounted

to Rls. 595.5 trillion, indicating 29.1 percent increase compared with the year before. The share of the first market in the transaction value of OTC trading was 3.7 percent, shares of the second, third, and main markets were respectively 15.4, 2.1, and 9.9 percent, and that of the market for new financial instruments was 68.9 percent in 2017/18.

Transactions on Physical Market of Iran Mercantile Exchange¹

	2015/16	2016/17	2017/18	Percentage change		Value share (percent)	
				2016/17	2017/18	2016/17	2017/18
Agricultural products							
Volume (thousand tons)	764	2,510	2,962	228.5	18.0	9.9	11.1
Value (billion rials)	9,401	28,113	33,091	199.0	17.7	7.6	6.6
Manufacturing and mining products							
Volume (thousand tons)	9,883	9,393	8,760	-5.0	-6.7	36.9	32.9
Value (billion rials)	128,232	155,963	204,376	21.6	31.0	42.0	41.0
Oil and petrochemical products							
Volume (thousand tons)	12,580	13,457	14,761	7.0	9.7	52.8	55.4
Value (billion rials)	158,719	184,616	256,348	16.3	38.9	49.8	51.4
Secondary market							
Volume (thousand tons)	27	115	170	325.9	47.7	0.5	0.6
Value (billion rials)	194	1,483	4,378	▣	195.2	0.4	0.9
Gold							
Volume (kilograms)	604	620	376	2.6	-39.4	*	*
Value (billion rials)	702	832	608	18.5	-26.9	0.2	0.1
Total							
Volume (thousand tons)	23,254	25,475	26,654	9.6	4.6	100.0	100.0
Value (billion rials)	297,248	371,007	498,800	24.8	34.4	100.0	100.0

Source: Iran Mercantile Exchange.

¹ Includes spot, credit, and forward transactions.

OTC Performance

	2016/17	2017/18	Percentage change
General index	875.0	1,097.0	25.4
Total value of OTC market (trillion rials)	1,047.2	1,470.4	40.4
Total value of trading (trillion rials)	461.3	595.5	29.1
Volume of trading (billion shares)	80.4	90.2	12.2
Volume of trading (thousand times)	6,785.0	9,901.0	45.9
Number of buyers (natural and legal persons) (thousand)	481.2	519.8	8.0
Number of traded symbols	352.0	378.0	7.4

Source: www.ifb.ir.



Trading on the OTC Market in 2017/18

	Value (trillion rials)	Share in total (percent)	Volume (billion shares)	Share in total (percent)
First market	22.1	3.7	11.0	12.2
Second market	91.9	15.4	34.2	37.9
SMEs	0.2	0.0	–	0.0
Third market	12.4	2.1	3.2	3.5
Main market	58.7	9.9	39.0	43.3
Market for new financial instruments	410.2	68.9	2.7	3.0
Derivatives market	–	0.0	0.1	0.1
Total	595.5	100.0	90.2	100.0

Source: www.ifb.ir.

Participation Papers

During 2017/18, a sum of Rls. 101.5 trillion of participation papers were issued by the government and municipalities under the CBI's license, of which 49.9 percent (Rls. 50.6 trillion) were sold in the market. The provisional profit rates of these papers were set within a range of 15 to 20 percent¹. A sum of Rls. 56.5 trillion of papers issued in 2017/18 were based on the stipulation of Budget Laws of 2015-2017.

Capital Market Financing

The amount of finance raised by companies in the capital market reached almost Rls. 1,014.3 trillion in 2017/18. Financing via the "primary and secondary capital markets" had a share of 81.7 percent and through "financial institutions", 18.3 percent. The major portion of financing through the financial institutions was funded by the increase in the value of Joint Investment Funds (with a share of 17.3 percent). Sharp decline in the share of Joint Investment Funds in total financing, along with the rise in the share of "financing instruments issuance", was

¹ In March 2018, a sum of Rls. 25 trillion of participation papers issued by municipalities enjoyed a provisional profit rate of 20 percent.

a notable development, with the latter enjoying the highest share by 64.0 percent in total financing in the capital market compared with other components. Reviewing the composition of financing instruments indicates that 53.7 percent of issued financial instruments were in the form of Islamic financial instruments.

Foreign Exchange and Gold Markets

In spite of political uncertainties regarding the continuation of the JCPOA and the ensuing difficulties in terms of international money transfers and increase in transaction costs, the Central Bank managed to prevent sharp fluctuations of foreign currencies against the Iranian rial in the parallel market and stabilized the foreign exchange market through appropriate intervention.

In 2017/18, the exchange rate for the US dollar in the interbank market was Rls. 34,214 on average, up by 9.0 percent compared with 2016/17. The annual average exchange rates for the British pound, euro, Swiss franc, and Japanese yen (one hundred) were Rls. 45,277, Rls. 39,949, Rls. 35,231, and Rls. 30,846, showing 9.9, 15.8, 10.8, and 6.3 percent growth, respectively.

Total Funds Mobilized in Capital Market (trillion rials-percent)

	2016/17		2017/18		Percentage change
	Performance	Share of total	Performance	Share of total	
Primary and secondary capital markets					
Establishment of public joint-stock companies	5.5	0.5	0.9	0.1	-84.5
Capital increase of public joint-stock companies (based on license)	226.2	18.5	173.7	17.1	-23.2
Issuance of financing instruments	292.4	24.0	648.8	64.0	121.9
Initial public offering of company shares on the TSE and OTC	3.6	0.3	5.2	0.5	44.6
Total	527.6	43.2	828.6	81.7	57.0
Financial institutions					
Increase in the value of Joint Investment Funds compared to beginning of the year	682.7	55.9	175.2	17.3	-74.3
Other ¹	10.1	0.8	10.6	1.0	4.7
Total	692.8	56.8	185.8	18.3	-73.2
Grand total	1,220.5	100.0	1,014.4	100.0	-16.9

Source: Securities and Exchange Organization.

¹Includes establishment and capital increase of other financial institutions.

In the parallel market, the annual average exchange rate for the US dollar increased by 11.0 percent, compared with the year before, to Rls. 40,453. Moreover, the exchange rate for the British pound, euro, Swiss franc, and Japanese yen (one hundred) increased by 13.4, 19.0, 14.5, and 9.2 percent, compared with 2016/17, to reach Rls. 54,458, Rls. 48,080, Rls. 42,642, and Rls. 37,167 on average, respectively.

The coefficients of variation of hard currencies in the interbank market were within a range of

5.25 to 9.13, with the lowest fluctuations related to the US dollar and the highest, to the euro. Fluctuations in the parity rates of hard currencies versus the Iranian rial in the parallel market increased, mainly due to uncertainties regarding the US stance towards Iran nuclear deal and increase in demand for foreign exchange with the aim of covering the risk of future fluctuations. In the parallel market, the US dollar and British pound accounted for the lowest and highest coefficients of variation by 7.92 and 12.82, respectively.

Figure 12. Developments of US dollar in the official market

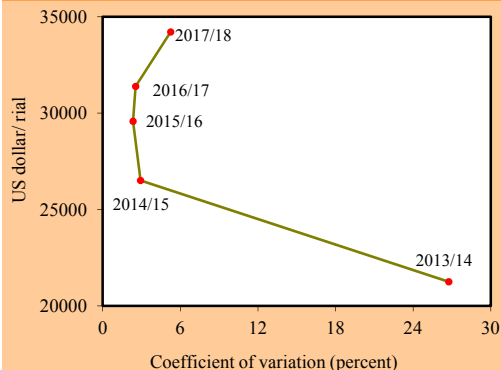
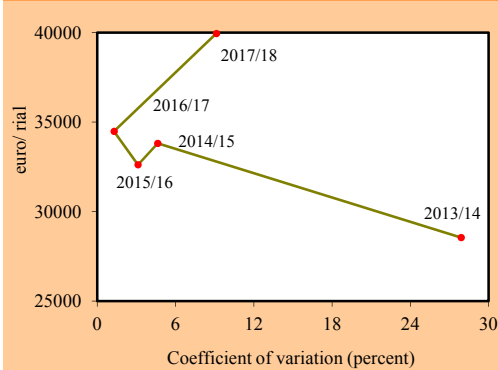


Figure 13. Developments of euro in the official market





In 2017/18, prices of all types of gold coins increased compared with 2016/17. In this year, full Bahar Azadi gold coin (old design) experienced the lowest increase by 17.4 percent and one-quarter gold coins registered the highest increase by 30.0 percent. The mentioned rise was attributable to the global rise of gold price from \$1,259.2 per ounce in 2016/17 to \$1,282.3 per ounce in 2017/18, as well as the increase in the parity rate of the US dollar against the Iranian rial in the parallel market. In 2017/18, the average price of full Bahar Azadi gold coin (old design) was Rls. 12,940 thousand

and the average price of full Bahar Azadi gold coin (new design) was Rls. 13,263 thousand.

Foreign Exchange Transactions in the Interbank Market

The value of foreign currencies sold in the interbank market by the CBI increased by 19.0 percent compared with the year before to reach \$41,344 million in 2017/18. Euro, as the main currency for market intervention used by the CBI, accounted for 41.7 percent of CBI's foreign exchange sales in this year.

Rate of Major Currencies in the Interbank Market (rials)

	2015/16		2016/17		2017/18		Change in annual average rate (percent)
	Annual average	Coefficient of variation	Annual average	Coefficient of variation	Annual average	Coefficient of variation	
US dollar	29,580	2.34	31,389	2.54	34,214	5.25	9.0
Euro	32,619	3.12	34,485	1.29	39,949	9.13	15.8
British pound	44,655	3.40	41,180	4.09	45,277	8.48	9.9
Japanese yen (one hundred)	24,595	3.97	29,018	4.33	30,846	6.27	6.3
Swiss franc	30,424	2.28	31,802	1.53	35,231	6.51	10.8

Rate of Major Currencies in the Parallel Market (rials)

	2015/16		2016/17		2017/18		Change in annual average rate (percent)
	Annual average	Coefficient of variation	Annual average	Coefficient of variation	Annual average	Coefficient of variation	
US dollar	34,501	3.86	36,440	4.80	40,453	7.92	11.0
Euro	38,215	3.54	40,390	3.10	48,080	11.74	19.0
British pound	52,042	3.66	48,019	3.51	54,458	12.82	13.4
Japanese yen (one hundred)	28,780	5.11	34,030	3.86	37,167	9.52	9.2
Swiss franc	35,506	2.61	37,234	3.75	42,642	10.48	14.5

Average Price of Gold Coins (thousand rials)

	2015/16	2016/17	2017/18	Percentage change
Quarter coin	2,617	3,035	3,944	30.0
Half coin	4,783	5,735	6,795	18.5
Full (old design)	9,311	11,021	12,940	17.4
Full (new design)	9,331	11,105	13,263	19.4

Price Trends

Following the commencement of the 11th government in 2013/14, decline in inflation expectations along with factors like stability in the foreign exchange market, strengthening of the monetary discipline, and fall in the international prices of basic commodities led to a downward trend in inflation rate, which had been previously on a soaring trend for a long period. Therefore, inflation decreased from its peak of 40.4 percent in October 2013 to 34.7 percent in March 2014. These developments, coupled with the implementation of the JCPOA and improvements in Iran's foreign relations, led to the continuation of the mentioned downtrend. Ultimately, inflation recorded the single-digit rate of 9.0 percent in March 2017 after 26 years. In 2017/18, factors such as high liquidity growth of recent years, rise in international prices of basic commodities, increase in housing prices and its ensuing effect on house rents, as well as the surge in the exchange rate which was in turn due to uncertainties regarding the implementation of the JCPOA, led to a halt in the downward trend of inflation. As a result, inflation increased by 0.6 percentage point compared with the year

before and stood at 9.6 percent in March 2018. However, it was a great achievement that the single-digit trend of inflation had been maintained for two consecutive years.

In line with CPI developments, PPI decelerated from 46.1 percent in September 2013 to 34.5 percent in March 2014. The decreasing trend of the PPI inflation continued up to 2016 but later reversed for an upward trend, due to the implementation of supportive policies aimed at boosting industries. Continuation of the mentioned policies, coupled with the increase in the global prices of base metals and fuels which in turn affected domestic prices, caused the inflation of the PPI to reach 10.0 percent in March 2018.

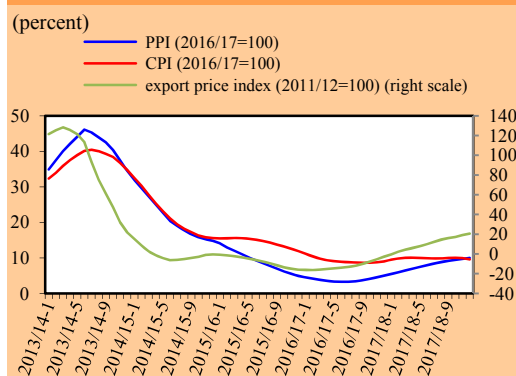
The inflation of the export price index increased to 124.1 percent in 2012/13, affected by the surge in the exchange rate. This trend reversed, however, in 2013/14 and the mentioned index reached -16.0 percent in March 2016. As of April, inflation started to rise in the aftermath of the rising trend of the exchange rate and the price of exportables. Continuation of this trend up until March 2018 raised the inflation of exportables to 20.6 percent.

Annual Inflation of Price Indices

	Percentage change over previous year		
	2015/16	2016/17	2017/18
Consumer price index (CPI) of goods and services (2016/17=100)	11.9	9.0	9.6
Producer price index (PPI) (2016/17=100)	5.0	4.9	10.0
Export price index (2011/12=100)	-16.0	-2.7	20.6



Figure 14. Annual inflation of price indices



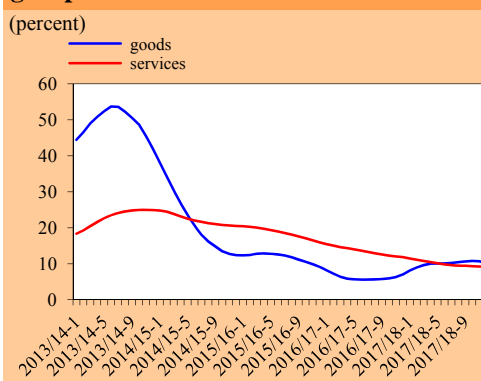
Consumer Price Index of Goods and Services

The decomposition of CPI based on "goods" and "services" special groups indicates that "goods" price index, with a growth rate of 10.2 percent compared with 2016/17 and a relative weight of 48.5 percent, enjoyed a share of 51.0 percent in the rise of general CPI. Meanwhile, the "services" price index, with 9.2 percent growth and a relative weight of 51.5 percent, constituted 49.0 percent of the increase in the general CPI.

Among the major groups, price indices of "food and beverages", "housing, water, electricity, gas, and other fuels", and "medical care", with shares of respectively 37.5, 30.5, and 8.5 percent, constituted the major share of inflation in 2017/18. The inflation of "food and beverages" group, affected by the rise in global food prices in the beginning of 2017, bird flu epidemic, and increase in the exchange rate in the last months of the year, increased to 13.9 percent as against 8.2 percent in 2016/17. As regards "housing, water, electricity, gas, and other fuels" group, it is noteworthy that despite the gradual recovery of the housing sector and the remarkable

increase in housing sales prices (manifesting itself in the rise of the price of floor space in Tehran per square meter by 26.2 percent in March 2018 compared with March 2017), house rents were not negatively affected. Therefore, the inflation rate of the mentioned group declined to 8.1 percent. The lower increase in the medical service fees in 2017/18 led to a sharp decline in the inflation of "medical care" group, reaching 10.1 percent in 2017/18, down from 16.7 percent in 2016/17.

Figure 15. Annual inflation rate of special groups



Inflation in Provinces

Mazandaran Province, with 11.2 percent, and Alborz Province, with 8.2 percent, experienced the highest and lowest inflation rates, respectively, in 2017/18.

Producer Price Index

During 2017/18, producer price index (PPI) grew by 10.0 percent on average compared with the year before (base year: 2016/17). This index registered 4.9 percent growth in 2016/17. Among the major groups, price index of "manufacturing",

with a growth rate of 10.7 percent, accounted for 50.4 percent of the rise in the general PPI. This index grew by 3.6 percent in 2016/17. Moreover, "agriculture, forestry, and fishing" group, with a growth rate of 11.0 percent, raised the general PPI by 20.5 percent. The growth rate of this group was 2.5 percent in the year before. "Services"¹, with 8.4 percent growth, accounted for 28.8 percent of the increase in the general PPI in 2017/18. The growth rate of this special group was 8.7 percent in 2016/17.

Export Price Index

In 2017/18, the export price index rose 20.6 percent compared with 2.7 percent fall in 2016/17. This was mainly attributable to the increase in the exchange rate which in turn raised the price of exportables. Among the major components of the export price index, "base metals and articles of base metals"

enjoyed the highest growth rate by 31.8 percent, followed by "products of the chemical or allied industries" with 28.3 percent. The price indices of the mentioned groups indicated 3.4 and 1.2 percent decline, respectively, in 2016/17. "Raw hides and skins, leather and articles thereof" and "wood and articles of wood" experienced decreases of 2.8 and 0.2 percent, respectively. The price index of "petrochemical products" special group rose by 26.9 percent in 2017/18. The price index of this group had declined by 4.2 percent in the year before, largely due to the fall in international commodity prices.

Household Income and Expenditure

Based on published data on household budget, the average gross expenditure² of an urban household increased by 7.2 percent at current prices to Rls. 421.3 million (Rls. 35.1 million monthly) in 2017/18.

CPI in Urban Areas of Selected Provinces¹

(2016/17=100)

Provinces	Relative weight in base year	CPI		Percentage change (Inflation rate)	
		2016/17	2017/18	2016/17	2017/18
Tehran	32.6	100.0	110.1	9.3	10.1
Isfahan	7.9	100.0	109.2	9.5	9.2
Khorasan Razavi	5.7	100.0	108.9	7.5	8.9
Fars	5.1	100.0	108.7	9.7	8.7
Khuzestan	5.1	100.0	110.0	9.4	10.0
Whole country (average)	100.0	100.0	109.6	9.0	9.6

¹ These provinces had the highest relative weights compared to other provinces based on 2016/17 base year.

¹ "Services" special group consists of "transport and storage", "communication", "hotels and restaurants", "health and social work", "education", and "other community, social, and personal services activities" major groups, with a total relative weight of 34.3 (base year: 2016/17).

² Household expenditure is the monetary value of goods and services as for household members' consumption or gifts to others. Procured goods and services may be acquired by a household through direct monetary purchases, own-account production, in lieu of service, self-employment, and free of charge (transfers from organizations). Gross expenditure is the value of produced goods plus the second-hand sale of the same goods.



Comparing the CPI growth rate in 2017/18 (9.6 percent) with the growth in household expenditure at current prices (7.2 percent) is indicative of a decrease in household real expenditures at constant 2016/17 prices. A review of urban households' average gross expenditure by expenditure groups indicates that, in 2017/18, expenditures on "food and beverages", "restaurants and hotels", and "housing, water, electricity, gas and other fuels" grew by respectively 10.2, 7.5, and 7.1 percent at current prices, compared with 2016/17.

In 2017/18, the share of "food and beverages" group in household expenditure reached 23.5 percent at current prices which, compared to the share of this group in the year before (22.9 percent), indicates households' higher spending on this group. Household expenditure on "food and beverages" registered 10.2 percent growth at current prices which, considering the increase in the CPI of this group at 13.9 percent, decreased by 3.3 percent in real terms.

In 2017/18, gross household expenditure on "transportation" grew by 6.7 percent at current prices. The rise in household expenditure on family cars had a major effect on the ascent of household outlays on transportation group. The share of transportation remained unchanged at 10.6 percent in 2017/18. Gross expenditures on this group experienced 0.1 percent increase in real terms, indicating much lower growth when compared with the 8.5 percent rise in 2016/17.

Household spending on "housing, water, electricity, gas, and other fuels" grew by 7.1 percent, at current prices, in 2017/18. The share of this group in gross household expenditure

was 35.5 percent, remaining relatively unchanged compared with 2016/17. Household real expenditure on this group decreased by 0.9 percent which, compared with the 3.1 percent growth in the year before, points to a decrease in household demand for home ownership or renting of a house.

Comparing the minimum nominal monthly wage at Rs. 9,299 thousand with the average monthly spending on "food and beverages" at Rs. 8,261 thousand indicates that in case households with the minimum wage opt for a consumption level similar to that of the sample urban household or the average community for spending on "food and beverages", they will have to spend roughly 88.8 percent of their income on this group. A comparison of this percentage with the respective figure of the year before (92.3 percent) is indicative of the fact that households have experienced relative improvement in terms of spending on "food and beverages" in 2017/18. Much higher increase in the minimum nominal wage than the rise in expenditures on "food and beverages" has contributed to a fall in the mentioned share.

Reviewing data on gross expenditure of urban households by expenditure groups at current prices shows that, in 2017/18, only the share of "food and beverages" increased while the shares of "miscellaneous goods and services", "health and medical care", "clothing and footwear", and "education" decreased and the shares of the remaining groups remained unchanged compared with 2016/17.

The total share of "food and beverages", "housing, water, electricity, gas, and other fuels",

and "clothing and footwear" reached 63.2 percent at current prices in 2017/18. The total share of the mentioned groups was 62.7 percent in the previous year. This shows that households have allocated a higher share of their income for essential goods and services in 2017/18.

The average number of household members fell by 1.5 percent to 3.28 persons in 2017/18. Considering the 2.1 percent reduction in households' real expenditure, household expenditure per capita fell by 0.6 percent in real terms.

Relevant data indicate relative improvement in income distribution metrics in urban areas. On this basis, Gini coefficient decreased by 0.9 percent from 0.4046 in 2016/17 to 0.4008 in 2017/18. The share of the two highest-income deciles in total household income reached 47.4

percent in 2017/18, showing 0.4 percentage point decrease compared with 47.8 percent in the year before. Reviewing the share of 40 percent of low and middle-income households indicates that middle-income households enjoyed a higher increase of their share compared with the low-income households. Meanwhile, the ratio of expenditures of the 10th decile to the 1st decile was 14.0 times in 2017/18 which, compared with 14.4 times in the previous year, indicates that income distribution has relatively improved.

Despite the decrease in gross household real expenditures and the ensuing fall in households' consumption level, factors such as moderate price stability, a single-digit inflation rate, and rise in real wages contributed to relative improvements in income distribution in 2017/18.

Minimum Monthly Wage, Construction Services Price Index, Salary Benchmark of Civil Servants, and CPI¹

	2015/16	2016/17	2017/18
Minimum nominal wage (thousand rials)	7,124.3 (17.0)	8,121.6 (14.0)	9,299.3 (14.5)
Minimum real wage (thousand rials)	7,769.1 (4.5)	8,121.6 (4.5)	8,484.8 (4.5)
Construction services price index (2016/17=100)	91.6 (12.9)	100.0 (9.2)	107.8 (7.8)
Civil servants' salary benchmark	1,376 (14.0)	1,541 (12.0)	1,695 (10.0)
Average consumer price index (CPI) of goods and services (2016/17=100)	91.7 (11.9)	100.0 (9.0)	109.6 (9.6)

Source: Approvals of the Cabinet and the Ministry of Cooperatives, Labor, and Social Welfare.

¹ Figures in parentheses indicate percentage change over the previous year.

Part Two

Statistical Appendix

List of Tables

Page

National Accounts

Table 1	Gross National Product and Income by Economic Sectors (at current prices)	46
Table 2	Gross National Product and Income by Economic Sectors (at constant 2011/12 prices)	47
Table 3	Gross National Expenditure (at current prices)	48
Table 4	Gross National Expenditure (at constant 2011/12 prices)	49

Energy

Table 5	World Primary Energy Consumption	50
Table 6	World Proven Crude Oil Reserves	51
Table 7	World Crude Oil Production	52
Table 8	World Crude Oil Consumption	53
Table 9	OPEC Crude Oil Production	54
Table 10	Average Crude Oil Spot Prices	54
Table 11	Iran's Exports of Crude Oil and Oil Products	55
Table 12	Iran's Domestic Consumption of Oil Products	55
Table 13	Natural Gas Domestic Consumption	55
Table 14	Exports and Imports of Natural Gas	55
Table 15	Generation of Electricity	56
Table 16	Consumption of Electricity	56
Table 17	Exports and Imports of Electricity	56

Agriculture

Table 18	Facilities Extended by Bank Keshavarzi Iran	57
Table 19	Estimated Production and Area under Cultivation of Major Farming and Horticultural Products	57
Table 20	Yield of Major Farming and Horticultural Products, per Unit of Cultivated Land Area	58
Table 21	Guaranteed Purchase Price of Agricultural Products	58
Table 22	Livestock Products	58

Manufacturing and Mining

Table 23	Facilities Extended to Manufacturing and Mining Sector	59
Table 24	Performance of the Petrochemical Industry	59

Construction and Housing

Table 25	Facilities Extended to Construction and Housing Sector	59
Table 26	Private Sector Investment in Building Construction in Urban Areas (at current prices)	60
Table 27	Construction Permits Issued by Municipalities in Urban Areas	60
Table 28	Housing Starts by Private Sector in Urban Areas	61
Table 29	Buildings Completed by Private Sector in Urban Areas	61
Table 30	Construction Indices	62

Population and Employment

Table 31	Distribution of Population according to Urban and Rural Areas	62
Table 32	Minimum Monthly Wage	62
Table 33	Education Quality Indicators in Iran	63
Table 34	Number of Students	63

Table 35	Number of Schools, Classrooms, and Teachers	63
Table 36	Composition of Students at Various Educational Levels in Urban and Rural Areas	64
Table 37	Students at Various Educational Levels by Gender	64
Table 38	Students in Private Schools at Various Educational Levels	64
Table 39	Number of Students in Public Universities and Higher Education Institutes	65
Table 40	Number of Students in Islamic Azad University	65

Government Budget and Finance

Table 41	Government Budget (excluding special revenues and expenditures)	66
Table 42	Tax Revenue (excluding special revenues)	67
Table 43	Other Government Revenues (excluding special revenues)	68
Table 44	Disposal and Acquisition of Financial Assets	69

External Sector Developments

Table 45	Volume of Exports	70
Table 46	Value of Exports	71
Table 47	Volume of Imports according to International Classification of Goods	72
Table 48	Value of Imports according to International Classification of Goods	73
Table 49	Balance of Payments	74

Money and Banking

Table 50	Summary of the Assets and Liabilities of the Banking System	76
Table 51	Summary of the Assets and Liabilities of Central Bank of the Islamic Republic of Iran	77
Table 52	Summary of the Assets and Liabilities of Banks and Non-bank Credit Institutions	78
Table 53	Banks' and Non-bank Credit Institutions' Claims on Non-public Sector	79
Table 54	Composition of M2	80

Asset Market Developments

Table 55	Tehran Stock Exchange (TSE) Activities	81
Table 56	Issuance of Participation Papers in 2017/18	82

Price Trends

Table 57	Consumer Price Index of Goods and Services in Urban Areas	83
Table 58	Producer Price Index	84
Table 59	Export Price Index	84

Household Income and Expenditure

Table 60	Gross Expenditure per Urban Household by Expenditure Groups (at current prices)	85
Table 61	Gross Expenditure per Urban Household by Expenditure Groups in Real Terms (2016/17=100)	85
Table 62	Correspondence of Iranian and Gregorian Calendars	86

Gross National Product and Income by Economic Sectors (at current prices)

(trillion rials)

Table 1

	2013/14	2014/15	2015/16	2016/17□	2017/18□	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Agriculture	969	1,127	1,197	1,267	1,455	5.9	14.8	10.0	9.8
Oil	1,671	1,535	1,041	1,564	2,004	50.3	28.1	12.3	13.5
Manufacturing and mining	2,588	3,029	2,723	2,889	3,343	6.1	15.7	22.7	22.6
Mining	93	98	81	87	104	6.5	19.7	0.7	0.7
Manufacturing	1,365	1,584	1,412	1,564	1,837	10.8	17.4	12.3	12.4
Electricity, gas and water	380	496	532	576	642	8.4	11.4	4.5	4.3
Construction	750	851	697	662	761	-5.1	15.0	5.2	5.1
Services	4,802	5,748	6,381	7,265	8,325	13.8	14.6	57.1	56.2
Trade, restaurant and hotel	1,289	1,492	1,500	1,690	1,943	12.7	14.9	13.3	13.1
Transport, storage and communication	924	1,128	1,222	1,338	1,519	9.5	13.6	10.5	10.3
Financial and monetary institutions services	244	273	320	396	482	23.6	21.7	3.1	3.3
Real estate, specialized and professional services	1,219	1,450	1,647	1,845	2,084	12.0	12.9	14.5	14.1
Public services	801	1,022	1,249	1,485	1,752	18.9	18.0	11.7	11.8
Social, personal and household services	325	383	443	510	545	15.1	6.8	4.0	3.7
Less:									
Imputed bank service charges	188	178	212	262	320	23.6	22.0	2.1	2.2
Gross domestic product (at basic price)	9,843	11,260	11,129	12,723	14,807	14.3	16.4	100.0	100.0
Non-oil gross domestic product (at basic price)	8,171	9,725	10,088	11,159	12,803	10.6	14.7	87.7	86.5
Net factor income from abroad	68	34	29	40	29				
Net indirect taxes	91	257	285	428	509				
Gross national product=Gross national income (at market price)	10,002	11,552	11,443	13,191	15,346	15.3	16.3		
Less:									
Depreciation cost of fixed assets	1,874	2,120	2,195	2,378	2,518	8.3	5.9		
Net indirect taxes	91	257	285	428	509				
National income	8,037	9,175	8,963	10,385	12,317	15.9	18.6		

Gross National Product and Income by Economic Sectors
(at constant 2011/12 prices)

Table 2

(trillion rials)

	2013/14	2014/15	2015/16	2016/17□	2017/18□	Percentage change	
						2016/17	2017/18
Agriculture	385	405	424	442	456	4.2	3.2
Oil	841	880	943	1,524	1,539	61.6	0.9
Manufacturing and mining	1,561	1,646	1,546	1,580	1,660	2.2	5.1
Mining	54	56	50	51	53	2.1	2.9
Manufacturing	710	766	731	781	823	6.9	5.3
Electricity, gas and water	372	402	416	444	477	6.8	7.5
Construction	424	421	349	303	307	-13.1	1.2
Services	3,231	3,277	3,202	3,316	3,462	3.6	4.4
Trade, restaurant and hotel	726	729	685	728	762	6.2	4.7
Transport, storage and communication	632	642	603	643	688	6.7	7.1
Financial and monetary institutions services	228	241	244	248	256	1.7	3.3
Real estate, specialized and professional services	898	922	929	946	985	1.8	4.2
Public services	548	551	558	569	594	2.0	4.4
Social, personal and household services	199	192	183	184	177	0.1	-3.8
Less:							
Imputed bank service charges	163	165	169	172	176	1.7	2.5
Gross domestic product (at basic price)	5,854	6,043	5,947	6,691	6,941	12.5	3.7
Non-oil gross domestic product (at basic price)	5,013	5,163	5,003	5,167	5,402	3.3	4.6
Net factor income from abroad	17	7	5	7	4		
Net indirect taxes	54	138	152	225	235		
Terms of trade effect	-326	-499	-843	-1,316	-1,378		
Gross national product = Gross national income (at market price)	5,600	5,688	5,262	5,607	5,802	6.6	3.5
Less:							
Depreciation cost of fixed assets	892	918	943	969	995	2.8	2.7
Net indirect taxes	54	138	152	225	235		
National income	4,654	4,632	4,167	4,413	4,572	5.9	3.6

Gross National Expenditure (at current prices)

(trillion rials)

Table 3

	2013/14	2014/15	2015/16	2016/17□	2017/18□	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Private consumption expenditures	4,527	5,334	5,741	6,495	7,294	13.1	12.3	49.4	47.6
Public consumption expenditures	918	1,184	1,449	1,752	2,057	20.9	17.4	13.3	13.4
Gross fixed capital formation	2,522	3,000	2,594	2,664	3,023	2.7	13.5	20.3	19.7
Machinery	853	1,065	938	1,024	1,139	9.2	11.2	7.8	7.4
Private sector	754	942	817	901	997	10.3	10.7	6.9	6.5
Public sector	99	123	121	123	142	1.7	15.5	0.9	0.9
Construction	1,668	1,936	1,656	1,640	1,884	-1.0	14.9	12.5	12.3
Private sector	1,219	1,312	1,083	921	1,058	-14.9	14.9	7.0	6.9
Public sector	449	624	573	719	826	25.5	14.9	5.5	5.4
Change in stock¹	1,627	1,806	1,577	2,031	2,773			15.4	18.1
Net exports of goods and services	341	193	54	210	169			1.6	1.1
Exports of goods and services	2,670	2,665	2,254	2,946	3,820	30.7	29.7	22.4	24.9
Imports of goods and services	2,329	2,472	2,200	2,737	3,651	24.4	33.4	20.8	23.8
Gross domestic expenditure	9,934	11,517	11,414	13,151	15,317	15.2	16.5	100.0	100.0
Net factor income from abroad	68	34	29	40	29				
Gross national expenditure = Gross national product (at market price)	10,002	11,552	11,443	13,191	15,346	15.3	16.3		
Less:									
Depreciation cost of fixed assets	1,874	2,120	2,195	2,378	2,518	8.3	5.9		
Net indirect taxes	91	257	285	428	509				
National income	8,037	9,175	8,963	10,385	12,317	15.9	18.6		

¹Includes statistical errors.

Gross National Expenditure
(at constant 2011/12 prices)

Table 4

(trillion rials)

	2013/14	2014/15	2015/16	2016/17□	2017/18□	Percentage change	
						2016/17	2017/18
Private consumption expenditures	2,664	2,718	2,623	2,723	2,791	3.8	2.5
Public consumption expenditures	592	616	646	670	696	3.7	3.9
Gross fixed capital formation	1,279	1,379	1,213	1,168	1,184	-3.7	1.4
Machinery	366	403	342	361	370	5.6	2.5
Private sector	324	357	298	317	324	6.5	2.2
Public sector	43	47	44	44	46	-1.0	4.5
Construction	913	976	871	807	814	-7.4	0.9
Private sector	675	668	586	477	483	-18.6	1.2
Public sector	238	307	285	330	331	15.6	0.4
Change in stock¹	919	894	750	936	1,128		
Net exports of goods and services	456	573	867	1,419	1,377		
Exports of goods and services	1,180	1,265	1,418	2,005	2,041	41.3	1.8
Imports of goods and services	725	692	552	586	664	6.1	13.4
Gross domestic expenditure	5,909	6,181	6,099	6,916	7,176	13.4	3.8
Terms of trade effect	-326	-499	-843	-1,316	-1,378		
Net factor income from abroad	17	7	5	7	4		
Gross national expenditure = Gross national product (at market price)	5,600	5,688	5,262	5,607	5,802	6.6	3.5
Less:							
Depreciation cost of fixed assets	892	918	943	969	995	2.8	2.7
Net indirect taxes	54	138	152	225	235		
National income	4,654	4,632	4,167	4,413	4,572	5.9	3.6

¹Includes statistical errors.

Table 5

World Primary Energy Consumption

(million tons oil equivalent)

	2016							2017						
	Crude oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Other renewable energies ¹	Total	Crude oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Other renewable energies ¹	Total
North America	1,104.6	818.2	371.9	216.1	154.2	96.8	2,761.9	1,108.6	810.7	363.8	216.1	164.1	109.5	2,772.8
USA	907.6	645.1	340.6	191.9	59.7	83.1	2,228.0	913.3	635.8	332.1	191.7	67.1	94.8	2,234.9
Canada	107.0	94.1	18.9	21.8	87.6	9.6	339.0	108.6	99.5	18.6	21.9	89.8	10.3	348.7
Mexico	90.1	79.0	12.4	2.4	6.9	4.1	194.9	86.8	75.3	13.1	2.5	7.2	4.4	189.3
Central and South America	320.8	150.6	34.9	5.5	156.4	28.6	696.8	318.8	149.1	32.7	5.0	162.3	32.6	700.6
Europe and Central Asia	922.0	927.3	451.3	258.6	202.4	145.0	2,906.6	934.7	951.2	453.4	258.4	187.1	162.7	2,947.5
Commonwealth of Independent States	202.8	492.6	156.2	63.3	56.3	0.8	972.0	203.4	494.1	157.0	65.9	56.7	0.9	978.0
Norway	10.1	3.8	0.8	0.0	32.2	0.5	47.3	10.1	3.9	0.8	0.0	32.0	0.7	47.5
England	76.3	69.6	11.2	16.2	1.2	17.6	192.2	76.3	67.7	9.0	15.9	1.3	21.0	191.3
Others	632.8	361.3	283.1	179.1	112.7	126.1	1,695.2	644.9	385.5	286.6	176.6	97.1	140.1	1,730.7
Middle East	416.0	437.6	9.1	1.5	4.6	1.0	869.7	420.0	461.3	8.5	1.6	4.5	1.4	897.2
Africa	192.6	114.5	94.9	3.6	27.1	5.2	438.0	196.3	121.9	93.1	3.6	29.1	5.5	449.5
Asia Pacific	1,601.1	625.1	2,744.0	106.0	368.5	140.8	5,585.5	1,643.4	661.8	2,780.0	111.7	371.6	175.1	5,743.6
World total	4,557.1	3,073.2	3,706.1	591.3	913.3	417.4	13,258.5	4,621.8	3,156.0	3,731.5	596.4	918.7	486.8	13,511.2
Non-OPEC total	4,129.6	2,616.8	3,703.0	589.8	890.4	416.9	12,346.6	4,193.0	2,677.3	3,728.5	594.8	892.6	486.1	12,572.3
OECD members	2,190.6	1,427.3	897.6	445.9	318.3	270.1	5,549.8	2,206.8	1,442.5	893.4	442.6	314.8	304.9	5,605.0
OPEC²	427.5	456.4	3.1	1.5	22.8	0.5	911.9	428.8	478.7	3.1	1.6	26.1	0.6	938.9
Iran	80.7	173.1	0.9	1.5	3.5	0.1	259.8	84.6	184.4	0.9	1.6	3.7	0.1	275.4

Source: BP Statistical Review of World Energy 2018.

¹Includes wind, geothermal, solar, and biomass energies.²Excludes Angola, Libya, and Nigeria.

Table 6

World Proven Crude Oil Reserves

(billion barrels)

	2000	2010	2015	2016	2017	Percentage change		Share (percent)	
						2016	2017	2016	2017
North America	232.1	221.5	227.5	227.7	226.1	0.1	-0.7	13.4	13.3
USA	30.4	35.0	48.0	50.0	50.0	4.1	0.0	2.9	2.9
Canada	181.5	174.8	171.5	170.6	168.9	-0.6	-1.0	10.0	10.0
Mexico	20.2	11.7	8.0	7.2	7.2	-9.8	0.0	0.4	0.4
Central and South America	97.9	325.2	329.0	328.9	330.1	0.0	0.4	19.4	19.5
Europe and Central Asia	141.1	157.9	154.9	157.9	158.2	2.0	0.2	9.3	9.3
Commonwealth of Independent States	120.5	144.5	141.1	144.9	144.9	2.7	0.0	8.5	8.5
Norway	11.4	6.8	8.0	7.6	7.9	-5.0	4.2	0.4	0.5
England	4.7	2.8	2.5	2.3	2.3	-7.5	0.0	0.1	0.1
Others	4.5	3.8	3.3	3.2	3.1	-4.3	-1.3	0.2	0.2
Middle East	696.7	765.9	803.0	807.7	807.7	0.6	0.0	47.6	47.6
Africa	93.0	124.5	126.3	126.5	126.5	0.2	0.0	7.5	7.5
Asia Pacific	40.1	48.0	48.8	48.3	48.0	-1.0	-0.5	2.8	2.8
World total	1,300.9	1,643.1	1,689.5	1,697.1	1,696.6	0.5	*	100.0	100.0
Non-OPEC total	448.0	475.4	478.2	479.6	477.8	0.3	-0.4	28.3	28.2
OECD members	256.2	237.9	244.5	244.0	242.6	-0.2	-0.6	14.4	14.3
OPEC	852.9	1,167.6	1,211.3	1,217.4	1,218.8	0.5	0.1	71.7	71.8
Iran	99.5	151.2	158.4	157.2	157.2	-0.8	0.0	9.3	9.3

Source: BP Statistical Review of World Energy 2018.

Table 7

World Crude Oil Production ¹

(thousand b/d)

	2000	2010	2015	2016	2017	Percentage change		Share (percent)	
						2016	2017	2016	2017
North America	13,891	13,841	19,726	19,292	20,112	-2.2	4.3	21.0	21.7
USA	7,732	7,549	12,750	12,366	13,057	-3.0	5.6	13.4	14.1
Canada	2,703	3,332	4,389	4,470	4,831	1.8	8.1	4.9	5.2
Mexico	3,456	2,959	2,587	2,456	2,224	-5.1	-9.4	2.7	2.4
Central and South America	6,696	7,410	7,759	7,418	7,182	-4.4	-3.2	8.1	7.8
Europe and Central Asia	14,996	17,701	17,505	17,728	17,807	1.3	0.4	19.3	19.2
Commonwealth of Independent States	8,024	13,502	13,966	14,162	14,288	1.4	0.9	15.4	15.4
Norway	3,346	2,137	1,946	1,995	1,969	2.5	-1.3	2.2	2.1
England	2,696	1,356	963	1,013	999	5.1	-1.3	1.1	1.1
Others	930	706	629	559	551	-11.1	-1.5	0.6	0.6
Middle East	23,657	25,834	30,023	31,849	31,597	6.1	-0.8	34.6	34.1
Africa	7,789	10,104	8,130	7,687	8,072	-5.5	5.0	8.4	8.7
Asia Pacific	7,878	8,436	8,405	8,050	7,879	-4.2	-2.1	8.7	8.5
World total	74,907	83,325	91,547	92,023	92,649	0.5	0.7	100.0	100.0
Non-OPEC total	43,422	47,660	53,186	52,422	53,213	-1.4	1.5	57.0	57.4
OECD members	21,539	18,534	23,571	23,139	23,901	-1.8	3.3	25.1	25.8
OPEC	31,485	35,665	38,362	39,601	39,436	3.2	-0.4	43.0	42.6
Iran	3,852	4,430	3,862	4,602	4,982	19.2	8.2	5.0	5.4

Source: BP Statistical Review of World Energy 2018.

¹Includes NGL, shale oil, and oil sands.

Table 8

World Crude Oil Consumption¹

(thousand b/d)

	2000	2010	2015	2016	2017	Percentage change		Share (percent)	
						2016	2017	2016	2017
North America	23,696	23,526	23,818	24,065	24,219	1.0	0.6	24.9	24.7
USA	19,701	19,180	19,531	19,687	19,880	0.8	1.0	20.4	20.2
Canada	2,043	2,306	2,348	2,401	2,428	2.2	1.2	2.5	2.5
Mexico	1,952	2,040	1,939	1,977	1,910	2.0	-3.4	2.0	1.9
Central and South America	4,959	6,334	7,021	6,811	6,794	-3.0	-0.2	7.1	6.9
Europe and Central Asia	19,413	19,253	18,576	18,939	19,262	2.0	1.7	19.6	19.6
Commonwealth of Independent States	3,473	3,834	4,162	4,243	4,282	1.9	0.9	4.4	4.4
Norway	202	235	237	221	223	-6.8	0.9	0.2	0.2
England	1,713	1,623	1,561	1,592	1,598	2.0	0.3	1.7	1.6
Others	14,025	13,560	12,615	12,882	13,160	2.1	2.2	13.4	13.4
Middle East	5,087	7,973	9,029	9,161	9,290	1.5	1.4	9.5	9.5
Africa	2,465	3,482	3,877	3,950	4,047	1.9	2.5	4.1	4.1
Asia Pacific	21,180	27,967	32,521	33,562	34,574	3.2	3.0	34.8	35.2
Japan	5,542	4,442	4,151	4,031	3,988	-2.9	-1.1	4.2	4.1
China	4,697	9,436	11,986	12,302	12,799	2.6	4.0	12.7	13.0
Others	10,941	14,089	16,385	17,230	17,787	5.2	3.2	17.9	18.1
World total	76,801	88,535	94,843	96,488	98,186	1.7	1.8	100.0	100.0
Non-OPEC total	71,784	80,381	85,480	87,080	88,698	1.9	1.9	90.2	90.3
OECD members	48,287	46,657	45,953	46,552	47,033	1.3	1.0	48.2	47.9
OPEC²	5,017	8,153	9,363	9,408	9,487	0.5	0.8	9.8	9.7
Iran³	1,404	1,791	1,766	1,722	1,816	-2.5	5.4	1.8	1.8

Source: BP Statistical Review of World Energy 2018.

¹Includes domestic demand for crude oil, aviation and marine fuels, fuel for refineries, oil wastes, ethanol, and biodiesel.²Excludes Angola, Libya, and Nigeria.³Estimations by the BP are higher than figures published by the Ministry of Petroleum.

Table 9 OPEC Crude Oil Production¹ (thousand b/d)

	2000	2010	2015	2016	2017	Percentage change		Share (percent)	
						2016	2017	2016	2017
Middle East members	21,631	24,086	28,738	30,562	30,329	6.3	-0.8	77.2	76.9
Saudi Arabia	9,470	10,075	11,994	12,402	11,951	3.4	-3.6	31.3	30.3
Iran	3,852	4,430	3,862	4,602	4,982	19.2	8.2	11.6	12.6
Iraq	2,613	2,469	3,986	4,423	4,520	11.0	2.2	11.2	11.5
Kuwait	2,244	2,560	3,065	3,145	3,025	2.6	-3.8	7.9	7.7
UAE	2,599	2,915	3,873	4,020	3,935	3.8	-2.1	10.2	10.0
Qatar	853	1,638	1,958	1,970	1,916	0.6	-2.7	5.0	4.9
Other members	9,853	11,580	9,623	9,039	9,107	-6.1	0.7	22.8	23.1
Venezuela	3,112	2,842	2,631	2,387	2,110	-9.3	-11.6	6.0	5.4
Nigeria	2,175	2,534	2,204	1,903	1,988	-13.6	4.5	4.8	5.0
Ecuador	403	488	543	548	531	1.0	-3.1	1.4	1.3
Libya	1,475	1,659	432	426	865	-1.4	102.9	1.1	2.2
Algeria	1,549	1,689	1,558	1,577	1,540	1.2	-2.3	4.0	3.9
Angola	746	1,812	1,772	1,755	1,674	-1.0	-4.6	4.4	4.2
Gabon	276	249	225	220	200	-2.0	-9.3	0.6	0.5
Equatorial Guinea	118	306	260	223	199	-14.1	-10.9	0.6	0.5
Total²	31,485	35,665	38,362	39,601	39,436	3.2	-0.4	100.0	100.0

Source: BP Statistical Review of World Energy 2018.

¹Includes NGL, shale oil, and oil sands.

²Based on the data in OPEC Bulletin (April 2018), NGL and unconventional oils production by OPEC member countries was 6.1 mb/d in 2016 and 6.3 mb/d in 2017.

Table 10 Average Crude Oil Spot Prices (dollar/barrel)

	Iran			Saudi Arabia	UAE	OPEC basket	England	USA
	Light (33.9°)	Heavy (31°)	Medium	Light (34.2°)	Dubai (32.4°)	1	Brent (38°)	WTI (40°)
2017								
January	52.35	51.90	52.13	52.29	53.71	52.40	54.58	52.50
February	52.35	53.16	52.76	53.63	54.41	53.37	55.06	53.40
March	49.13	50.27	49.70	50.68	51.21	50.32	51.60	49.58
April	50.04	51.12	50.58	51.64	52.31	51.37	52.59	51.06
May	47.34	49.00	48.17	49.30	50.47	49.20	50.45	48.56
June	43.85	44.62	44.24	45.21	46.38	45.21	46.42	45.17
July	47.03	46.01	46.52	47.12	47.59	46.93	48.51	46.67
August	50.85	48.70	49.78	49.63	50.24	49.60	51.66	48.03
September	50.45	52.27	51.36	53.29	53.51	53.44	56.07	49.71
October	56.25	54.29	55.27	55.73	55.63	55.50	57.28	51.57
November	62.12	59.27	60.70	61.08	60.81	60.74	62.63	56.67
December	63.37	60.87	62.12	62.50	61.61	62.06	64.14	57.94
Average of 2017²	52.09	51.79	51.94	52.68	53.16	52.51	54.25	50.91
2018								
January	68.32	65.85	67.09	67.42	62.76	66.85	69.13	63.70
February	62.64	62.27	62.46	64.03	62.69	63.48	65.16	62.15
March	63.44	62.15	62.80	64.40	66.15	63.76	65.89	62.76
Estimated average of 2017/18³	55.48	54.70	55.09	55.95	55.85	55.68	57.49	53.67

Source: OPEC Bulletin, April 2018.

¹OPEC basket refers to 12 crudes including Arab Light (Saudi Arabia), Basra Light (Iraq), Merey (Venezuela), Bonny Light (Nigeria), Ess Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Murban (UAE), Saharan Blend (Algeria), Oriente (Ecuador), and Girassol (Angola).

²Calculated as the average of monthly figures.

³Average of the second, third and fourth quarters of 2017 and the first quarter of 2018.

Table 11 **Iran's Exports of Crude Oil and Oil Products** (thousand b/d)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Crude oil	1,606	1,343	1,434	2,131	2,145	48.6	0.7	93.6	89.3
Oil products	99	119	176	146	256	-16.7	75.0	6.4	10.7
Total	1,705	1,462	1,610	2,277	2,401	41.5	5.4	100.0	100.0

Source: Ministry of Petroleum.

Table 12 **Iran's Domestic Consumption of Oil Products** (thousand b/d)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Gas oil	576	529	548	485	502	-11.5	3.5	32.2	33.3
Fuel oil	428	378	326	340	165	4.3	-51.4	22.6	11.0
Gasoline	465	433	463	444	591	-4.1	33.2	29.5	39.3
Kerosene	149	136	126	130	107	3.2	-17.7	8.7	7.1
Liquefied gas	53	32	25	32	36	27.3	12.9	2.1	2.4
Other petroleum products	59	50	57	73	105	26.5	44.6	4.8	7.0
Total	1,731	1,558	1,545	1,503	1,506	-2.7	0.2	100.0	100.0

Source: Ministry of Petroleum.

Table 13 **Natural Gas Domestic Consumption** (billion cubic meters)

	2013/14	2014/15	2015/16	2016/17▲	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Residential, commercial, and industrial sectors	88.1	89.6	89.1	98.2	97.3	10.1	-0.9	50.7	48.2
Power plants	36.2	50.0	58.0	61.1	67.6	5.4	10.7	31.6	33.5
Major industries	29.7	32.5	33.1	34.2	37.0	3.6	8.1	17.7	18.3
Total	154.1	172.1	180.3	193.5	201.9	7.3	4.3	100.0	100.0

Source: National Iranian Gas Company (NIGC).

Table 14 **Exports and Imports of Natural Gas** (billion cubic meters)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
						2016/17	2017/18
Exports	9.3	9.7	9.1	9.1	13.2	0.3	45.4
Imports	5.4	7.5	8.6	5.9	3.9	-31.5	-34.2
Net exports	3.9	2.2	0.5	3.2	9.4	□	190.1

Source: National Iranian Gas Company (NIGC).

Table 15 **Generation of Electricity** (billion kWh)

	2013/14 ¹	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
						Private sector	126.1	145.1	151.0
Combined cycle power plants	65.6	74.0	78.0	80.8	89.5	3.7	10.7	27.9	29.0
Gas power plants	38.6	47.9	50.0	51.2	51.3	2.2	0.3	17.7	16.7
Steam power plants	21.8	23.1	22.9	22.3	25.0	-2.7	12.3	7.7	8.1
Renewable energy power stations	0.1	0.1	0.1	0.2	0.3	39.5	104.9	0.1	0.1
Ministry of Energy	129.8	123.1	123.2	128.3	133.9	4.2	4.4	44.4	43.5
Combined cycle power plants	21.5	22.9	23.0	23.0	25.6	0.3	11.2	8.0	8.3
Gas power plants	23.5	21.6	21.3	21.2	22.5	-0.7	6.0	7.3	7.3
Steam power plants	65.3	60.0	61.7	60.8	63.1	-1.5	3.8	21.0	20.5
Hydroelectric, diesel, wind, and nuclear power plants	19.5	18.5	17.2	23.3	22.7	35.6	-2.4	8.1	7.4
Large industries	6.5	6.3	6.4	6.5	7.9	0.7	21.9	2.2	2.6
Total	262.4	274.4	280.6	289.2	308.0	3.1	6.5	100.0	100.0

Source: Ministry of Energy.

¹ A number of power plants affiliated to the Ministry of Energy were privatized in 2013/14.

Table 16 **Consumption of Electricity¹** (billion kWh)

Sectors	2013/14	2014/15	2015/16▲	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
						Residential	64.4	71.2	76.1
Industrial	70.7	74.5	72.7	77.6	84.2	6.7	8.5	32.7	33.0
Public	17.8	19.8	22.2	22.9	24.3	3.2	6.2	9.7	9.5
Commercial	13.4	15.4	16.7	17.6	18.7	5.6	6.0	7.4	7.3
Agriculture	33.1	35.2	36.1	36.2	39.4	0.4	8.7	15.3	15.4
Street lighting	3.8	3.8	4.0	4.7	5.0	17.0	6.7	2.0	2.0
Total	203.2	219.8	227.8	237.4	255.0	4.2	7.4	100.0	100.0

Source: Ministry of Energy-Iran's Electricity Industry Statistics in 50 years.

¹ Sale of electricity to customers.

Table 17 **Exports and Imports of Electricity** (billion kWh)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
						2016/17	2017/18
						Exports	11.6
Imports	3.7	3.8	4.1	4.2	3.9	1.8	-7.3
Net exports	7.9	5.9	5.7	2.5	4.0	-57.0	60.5

Source: Ministry of Energy-Iran's Electricity Industry Statistics in 50 years.

Table 18

Facilities Extended by Bank Keshavarzi Iran

(billion rials)

Type of contract	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Gharz-al-hasaneh	2,705	5,336	3,588	9,526	14,747	165.5	54.8	2.9	3.8
Installment sale	86,219	90,423	73,372	70,851	68,348	-3.4	-3.5	21.2	17.6
Partnership	102,496	136,082	179,660	221,509	234,272	23.3	5.8	66.4	60.3
Mudarabah	9,086	8,735	8,739	9,254	9,908	5.9	7.1	2.8	2.6
Forward transactions	6,177	7,398	6,734	2,886	2,285	-57.1	-20.8	0.9	0.6
Ju'alah	2,833	4,156	3,348	1,927	1,594	-42.4	-17.3	0.6	0.4
Hire purchase	714	1,224	822	1,168	4,971	42.1	325.6	0.3	1.3
Debt purchase and Murabaha	0	298	4,514	16,673	52,230	269.4	213.3	5.0	13.4
Total	210,231	253,652	280,777	333,794	388,355	18.9	16.3	100.0	100.0

Source: Bank Keshavarzi Iran.

Table 19

Estimated Production and Area under Cultivation
of Major Farming and Horticultural Products

(thousand hectares-thousand tons)

	2015/16 farming year		2016/17 farming year		Percentage change	
	Area	Production	Area	Production	Area	Production
Farming products						
Wheat	5,929	14,592	5,438	12,400	-8.3	-15.0
Barley	1,760	3,724	1,473	2,974	-16.3	-20.1
Rice husks	596	2,921	598	3,206	0.2	9.8
Corn	159	1,171	139	1,069	-12.3	-8.7
Cotton	71	161	75	180	6.0	11.8
Sugar cane	90	7,480	93	7,800	3.7	4.3
Sugar beet	110	5,966	141	8,080	27.8	35.4
Oilseeds	209	332	234	383	12.1	15.5
Tobacco	11	21	10	19	-13.1	-8.2
Pulses	787	671	799	700	1.5	4.4
Potatoes	159	4,995	147	5,019	-7.9	0.5
Onions	62	2,401	54	2,305	-13.5	-4.0
Horticultural products						
Citrus fruits	257	5,073	257	5,114	-0.1	0.8
Grapes	289	3,450	287	3,192	-0.9	-7.5
Apples	217	3,434	217	3,716	0.0	8.2
Pistachio	359	304	377	317	4.9	4.3
Tea	20	144	18	108	-10.2	-25.0

Source: Ministry of Agriculture-Jahad.

Table 20 Yield of Major Farming and Horticultural Products, per Unit of Cultivated Land Area¹ (kilogram/hectare)

	Farming year		Percentage change
	2015/16	2016/17	
Farming products			
Wheat	2,461	2,280	-7.4
Barley	2,117	2,018	-4.6
Rice husks	4,901	5,366	9.5
Corn	7,384	7,690	4.1
Cotton	2,282	2,407	5.5
Sugar cane	83,510	83,981	0.6
Sugar beet	54,133	57,376	6.0
Oilseeds	1,589	1,638	3.1
Tobacco	1,918	2,026	5.7
Pulses	852	876	2.8
Potatoes	31,405	34,252	9.1
Onions	38,535	42,780	11.0
Horticultural products			
Citrus fruits	19,704	19,873	0.9
Grapes	11,920	11,126	-6.7
Apples	15,801	17,091	8.2
Pistachio	848	843	-0.6
Tea	7,204	6,021	-16.4

Source: Ministry of Agriculture-Jahad.

¹ Calculated based on the ratio of production to the arable cultivated land area.

Table 21 Guaranteed Purchase Price of Agricultural Products (rial/kilogram)

	Farming year		Percentage change
	2015/16	2016/17	
Wheat	12,705	13,000	2.3
Durum wheat	13,068	13,300	1.8
Barley	10,028	10,300	2.7
Rice (Khazar variety)	36,800	38,368	4.3
Rice (Sepidrood variety)	31,635	34,482	9.0
Rice (Nemat and Neda varieties)	26,250	28,613	9.0
Corn	10,368	10,650	2.7
Sugar beet	2,916	3,091	6.0
Sunflower seeds	24,510	26,644	8.7
Soya	22,655	24,694	9.0
Colza	25,300	27,830	10.0
Tea (highest quality)	24,525	26,242	7.0
Lentil	26,450	28,831	9.0
Kidney bean	24,150	24,948	3.3
Navy bean	23,940	26,103	9.0
Peas	24,640	26,858	9.0
Potatoes (autumn planting)	3,960	4,237	7.0
Onions (autumn planting)	2,640	2,825	7.0
Cotton (raw)	29,325	31,964	9.0

Source: Cabinet Approvals.

Table 22 Livestock Products (thousand tons)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Red meat	755	785	806	823	835	2.1	1.5	6.1	5.9
Milk	8,268	8,800	9,140	9,653	10,184	5.6	5.5	71.2	71.6
Poultry	1,967	2,033	2,123	2,070	2,237	-2.5	8.1	15.3	15.7
Eggs	893	925	931	940	888	1.0	-5.6	6.9	6.2
Honey	75	78	77	82	88	5.3	8.3	0.6	0.6
Total	11,958	12,621	13,077	13,567	14,232	3.8	4.9	100.0	100.0

Source: Ministry of Agriculture-Jahad, Deputy of Livestock Affairs.

Table 23 **Facilities Extended to Manufacturing and Mining Sector** (trillion rials)

	2013/14 ▲	2014/15 ▲	2015/16 ▲	2016/17 ▲	2017/18	Percentage change	
						2016/17	2017/18
Facilities extended by Bank of Industry and Mine out of domestic resources ¹	25.0	30.4	41.7	46.1	51.7	10.5	12.3
Facilities extended by the banking sector	706.0	1,064.9	1,219.5	1,609.2	1,742.2	32.0	8.3
Share of facilities extended by Bank of Industry and Mine in total (percent)	3.5	2.9	3.4	2.9	3.0	-0.6 ²	0.1 ²

¹ Source: Bank of Industry and Mine.

² In percentage points.

Table 24 **Performance of the Petrochemical Industry^{1,2}**

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
						2016/17	2017/18
Production (thousand tons)	40,574	44,511	46,411	50,614	53,629	9.1	6.0
Exports							
Volume (thousand tons)	12,827	15,886	18,809	20,851	22,410	10.9	7.5
Value (million dollars)	9,869	10,273	9,586	9,803	12,012	2.3	22.5
Domestic sales							
Volume (thousand tons)	14,525	16,333	13,968	16,204	17,665	16.0	9.0
Value (billion rials)	313,765	333,489	241,485	297,826	389,168	23.3	30.7
Total value of industrial exports (million dollars)	25,121	29,132	26,886	30,004	32,194	11.6	7.3
Share of value of petrochemical exports in total value of industrial exports (percent)	39.3	35.3	35.7	32.7	37.3	–	–

Source: National Petrochemical Company and Islamic Republic of Iran Customs Administration (IRICA).

¹ Includes production centers affiliated to the National Petrochemical Company and privatized petrochemical centers.

² Due to the utilization of several petrochemical products for intermediate consumption, the production volume of this sector is constantly higher than sum of exports and domestic sales.

Table 25 **Facilities Extended to Construction and Housing Sector** (trillion rials)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
						2016/17	2017/18
Facilities extended by Bank Maskan	115.1	166.3	147.5	166.0	190.5	12.5	14.8
Facilities extended by the banking sector	287.1	404.5	431.1	501.2	517.4	16.2	3.2
Share of facilities extended by Bank Maskan in total (percent)	40.1	41.1	34.2	33.1	36.8	-1.1 ¹	3.7 ¹

¹ In percentage points.

Private Sector Investment in Building Construction in Urban Areas^{1,2}

(at current prices)

(billion rials)

	2013/14	2014/15	2015/16	2016/17		2017/18	Percentage change		Share (percent)	
				(base year: 2011/12)	(base year: 2016/17)		2016/17	2017/18	2016/17	2017/18
				Tehran	183,018		205,445	178,905	133,194	135,684
Other large cities	305,573	336,152	280,624	247,254	241,284	266,148	-11.9	10.3	41.1	36.1
Other urban areas	265,592	268,966	241,952	221,781	264,803	288,662	-8.3	9.0	36.8	39.1
All urban areas	754,182	810,563	701,481	602,229	641,771	738,148	-14.1	15.0	100.0	100.0

¹ Excludes the cost of land.

² Since March 2016, data related to private sector investment in new buildings in urban areas have been calculated on the basis of the new base year (2016/17). Due to statistical revisions, new data may not be compared with those calculated based on 2011/12.

Construction Permits Issued by Municipalities in Urban Areas

	2013/14	2014/15	2015/16	2016/17▲	2017/18□	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Number									
Tehran	21,150	10,155	8,061	8,601	10,222	6.7	18.8	7.6	8.6
Other large cities	47,731	30,505	27,245	25,496	24,003	-6.4	-5.9	22.4	20.3
Other urban areas	103,766	76,589	66,199	79,676	84,373	20.4	5.9	70.0	71.1
All urban areas	172,647	117,249	101,505	113,773	118,598	12.1	4.2	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	32,489	16,353	12,402	13,323	12,798	7.4	-3.9	20.8	20.0
Other large cities	42,294	24,182	22,035	19,155	18,301	-13.1	-4.5	30.0	28.7
Other urban areas	45,792	31,583	27,508	31,408	32,767	14.2	4.3	49.2	51.3
All urban areas	120,575	72,117	61,946	63,886	63,866	3.1	*	100.0	100.0
Average floor space (square meters)									
Tehran	1,536	1,610	1,539	1,549	1,252	0.7	-19.2		
Other large cities	886	793	809	751	762	-7.1	1.5		
Other urban areas	441	412	416	394	388	-5.1	-1.5		
All urban areas	698	615	610	562	539	-8.0	-4.1		

Table 28

Housing Starts by Private Sector in Urban Areas

	2013/14	2014/15	2015/16	2016/17	2016/17	2017/18	Percentage change		Share (percent)	
				(base year: 2011/12)	(base year: 2016/17)		2016/17	2017/18	2016/17	2017/18
Number										
Tehran	17,611	14,031	8,407	7,179	8,389	8,613	-14.6	2.7	7.6	6.8
Other large cities	61,994	47,846	30,492	29,011	29,517	32,189	-4.9	9.1	30.8	25.4
Other urban areas	115,488	95,754	69,006	58,042	85,224	85,971	-15.9	0.9	61.6	67.8
All urban areas	195,092	157,631	107,905	94,232	123,130	126,773	-12.7	3.0	100.0	100.0
Total floor space estimate (thousand square meters)										
Tehran	20,663	19,598	15,827	9,478	12,303	13,616	-40.1	10.7	16.3	19.0
Other large cities	45,049	37,684	25,304	22,304	22,040	24,345	-11.9	10.5	38.2	34.0
Other urban areas	42,351	36,743	27,906	26,533	34,444	33,629	-4.9	-2.4	45.5	47.0
All urban areas	108,063	94,025	69,037	58,315	68,787	71,590	-15.5	4.1	100.0	100.0
Average floor space (square meters)										
Tehran	1,173	1,397	1,882	1,320	1,467	1,581	-29.9	7.8		
Other large cities	727	788	830	769	747	756	-7.3	1.2		
Other urban areas	367	384	404	457	404	391	13.1	-3.2		
All urban areas	554	596	640	619	559	565	-3.3	1.1		

Table 29

Buildings Completed by Private Sector in Urban Areas

	2013/14	2014/15	2015/16	2016/17	2016/17	2017/18	Percentage change		Share (percent)	
				(base year: 2011/12)	(base year: 2016/17)		2016/17	2017/18	2016/17	2017/18
Number										
Tehran	28,523	18,285	11,985	9,885	7,959	10,050	-17.5	26.3	10.1	8.7
Other large cities	58,622	60,153	44,666	28,506	19,051	33,354	-36.2	75.1	29.1	28.9
Other urban areas	131,340	118,500	87,706	59,572	50,582	72,047	-32.1	42.4	60.8	62.4
All urban areas	218,484	196,938	144,358	97,963	77,592	115,451	-32.1	48.8	100.0	100.0
Total floor space estimate (thousand square meters)										
Tehran	27,138	20,125	14,311	13,913	10,475	14,286	-2.8	36.4	22.0	20.0
Other large cities	40,414	43,018	36,439	23,027	17,753	26,641	-36.8	50.1	36.5	37.2
Other urban areas	52,399	44,960	37,453	26,220	26,043	30,643	-30.0	17.7	41.5	42.8
All urban areas	119,951	108,103	88,204	63,160	54,271	71,569	-28.4	31.9	100.0	100.0
Average floor space (square meters)										
Tehran	951	1,101	1,194	1,408	1,316	1,422	17.9	8.1		
Other large cities	689	715	816	808	932	799	-1.0	-14.3		
Other urban areas	399	379	427	440	515	425	3.0	-17.5		
All urban areas	549	549	611	645	699	620	5.6	-11.3		

Table 30

Construction Indices

(2016/17=100)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
						2016/17	2017/18
Construction services price index	67.6	81.1	91.6	100.0	107.8	9.2	7.8
Daily wage of bricklayer	71.9	85.0	93.0	100.0	105.8	7.5	5.8
Daily wage of unskilled construction worker	74.4	87.7	94.7	100.0	104.7	5.6	4.7
Wage of skilled plumber	66.3	79.1	92.2	100.0	109.3	8.5	9.3
Wage of skilled electrician	64.4	76.8	89.1	100.0	111.9	12.2	11.9
Wage paid for painting	65.7	78.4	89.7	100.0	112.8	11.5	12.8
Wage paid for asphaltting	66.4	78.6	89.3	100.0	106.6	12.0	6.5
Wage paid for well-digging	63.8	79.6	91.2	100.0	111.1	9.6	11.1
Wage paid for cementing	70.2	84.6	93.5	100.0	104.5	7.0	4.5
Wage paid for tile installation	66.6	81.6	93.1	100.0	105.5	7.4	5.5
Wage paid for plasterwork	68.4	82.2	91.7	100.0	105.9	9.1	5.9
Producer Price Index (PPI) for construction materials	97.4	101.4	95.1	100.0	114.1	5.1	14.1
Metallic	107.1	106.7	94.5	100.0	120.4	5.8	20.4
Non-metallic	83.7	93.9	95.9	100.0	107.7	4.2	7.7

Table 31

Distribution of Population according to Urban and Rural Areas¹

(thousand persons)

	2013/14	2014/15	2015/16	2016/17	2017/18	Share (percent)	
						2016/17	2017/18
Urban areas	56,329	57,252	58,192	59,147	60,281	74.0	74.4
Rural areas²	20,687	20,718	20,748	20,779	20,789	26.0	25.6
Economically active population in urban and rural areas	23,835	23,818	24,701	25,791	26,589	32.3	32.8
Urban and rural areas	77,016	77,970	78,940	79,926	81,070	100.0	100.0

Source: Statistical Center of Iran (SCI).

¹ Demographic estimates of 2012-2016 were revised based on 2016/17 census.² Includes nonresident population.

Table 32

Minimum Monthly Wage

	2013/14	2014/15	2015/16	2016/17	2017/18
Minimum nominal wage (thousand rials)	4,871	6,089	7,124	8,122	9,299
Average consumer price index (CPI) of goods and services (2016/17=100)	70.9	81.9	91.7	100.0	109.6
Minimum real wage (thousand rials)	6,871	7,435	7,769	8,122	8,485

Source: Ministry of Cooperatives, Labor, and Social Welfare.

Table 33 Education Quality Indicators in Iran¹ (person)

	Academic year					Percentage change
	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18 to 2016/17
Student to school	116.6	116.7	119.5	122.1	124.2	1.7
Student to classroom	22.1	22.6	22.7	23.2	23.0	-0.6
Student to teacher	15.4	16.0	16.9	17.8	18.6	4.6

Source: Ministry of Education.

¹Excludes adult students.

Table 34 Number of Students (thousand persons)

	Academic year					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Kindergartens and preschools	532	673	688	837	936	21.6	11.8	5.9	6.4
Elementary schools	7,018	7,194	7,423	7,649	7,878	3.0	3.0	54.1	54.0
Junior high schools ¹	2,071	2,048	3,054	3,112	3,192	1.9	2.6	22.0	21.9
High schools ²	2,511	2,496	1,544	1,565	1,585	1.4	1.3	11.1	10.9
Vocational-technical schools	318	295	285	294	291	3.0	-1.0	2.1	2.0
Skills training centers	459	408	401	330	325	-17.8	-1.4	2.3	2.2
Others	424	442	394	360	379	-8.5	5.2	2.5	2.6
Total	13,334	13,555	13,789	14,147	14,586	2.6	3.1	100.0	100.0

Source: Ministry of Education.

¹ As of 2013/14 academic year, it was renamed as "first period of middle school".

² As of 2015/16 academic year, it was renamed as "second period of middle school". Figures exclude vocational-technical schools and skills training centers.

Table 35 Number of Schools, Classrooms, and Teachers

	Academic year					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Number of schools									
Urban areas	52,787	54,641	55,151	56,317	56,777	2.1	0.8	49.9	49.6
Rural areas	57,918	57,764	56,978	56,591	57,652	-0.7	1.9	50.1	50.4
Total	110,705	112,405	112,129	112,908	114,429	0.7	1.3	100.0	100.0
Number of classrooms									
Urban areas	408,321	410,532	414,399	422,102	436,848	1.9	3.5	70.9	70.8
Rural areas	175,002	169,428	175,195	172,961	179,930	-1.3	4.0	29.1	29.2
Total	583,323	579,960	589,594	595,063	616,778	0.9	3.6	100.0	100.0
Number of teachers									
Urban areas	584,356	568,669	551,921	535,415	..	-3.0	0	69.0	0
Rural areas	255,877	250,469	241,341	240,772	..	-0.2	0	31.0	0
Total	840,233	819,138	793,262	776,187	764,777	-2.2	-1.5	100.0	100.0

Source: Ministry of Education.

Composition of Students at Various Educational Levels in Urban and Rural Areas

Table 36 (percent)

	2016/17			2017/18		
	Urban	Rural	Total	Urban	Rural	Total
Primary school	71.5	28.5	100.0	71.6	28.4	100.0
First period of middle school	78.3	21.7	100.0	78.1	21.9	100.0
Second period of middle school ¹	90.0	10.0	100.0	90.1	9.9	100.0
Total	76.8	23.2	100.0	76.8	23.2	100.0

Source: Ministry of Education.

¹Includes high schools, vocational-technical schools, and skills training centers.

Table 37 (thousand persons)

Students at Various Educational Levels by Gender

	2016/17		2017/18		Percentage change	
	Male	Female	Male	Female	Male	Female
Primary school	3,936.7	3,712.1	4,053.5	3,824.5	3.0	3.0
First period of middle school	1,621.1	1,491.1	1,659.1	1,533.4	2.3	2.8
Second period of middle school ¹	1,099.0	1,089.2	1,100.7	1,100.4	0.2	1.0
Total	6,656.7	6,292.5	6,813.3	6,458.3	2.4	2.6

Source: Ministry of Education.

¹Includes high schools, vocational-technical schools, and skills training centers.

Table 38 (thousand persons)

Students in Private Schools at Various Educational Levels

	Academic year		Percentage change		Share in total students (percent)	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Primary school	961.6	1,073.3	12.8	11.6	12.6	13.6
First period of middle school	278.0	300.9	9.1	8.2	8.9	9.4
Second period of middle school ¹	243.4	244.8	-1.8	0.6	11.1	11.1
Total	1,483.0	1,619.0	9.4	9.2	11.5	12.2

Source: Ministry of Education.

¹Includes high schools, vocational-technical schools, and skills training centers.

Number of Students in Public Universities and Higher Education Institutes

Table 39

(thousand persons)

	Academic year ¹					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
	Education sciences	174.8	228.9	210.6	176.9	149.0	-16.0	-15.8	4.3
Humanities and arts	376.2	374.8	334.2	332.7	299.2	-0.5	-10.1	8.2	8.3
Social sciences, business, and law ²	1,513.6	1,558.7	1,416.2	1,351.9	1,205.4	-4.5	-10.8	33.2	33.3
Sciences, mathematics, and computing	303.1	274.9	267.1	252.7	228.6	-5.4	-9.5	6.2	6.3
Engineering, manufacturing, and construction ³	1,730.0	1,763.9	1,555.2	1,430.4	1,247.4	-8.0	-12.8	35.1	34.5
Agriculture and veterinary	163.5	149.5	128.2	110.9	95.3	-13.5	-14.1	2.7	2.6
Health and welfare	243.2	250.9	265.6	299.4	282.4	12.7	-5.7	7.3	7.8
Services	180.9	201.2	171.3	118.9	108.8	-30.6	-8.5	2.9	3.0
Total	4,685.4	4,802.7	4,348.4	4,073.8	3,616.1	-6.3	-11.2	100.0	100.0

Source: Ministry of Science, Research and Technology.

¹Based on the new version of the International Standard Classification of Education (ISCED) developed by UNESCO, the number of education fields was raised from 8 to 10 for the academic year 2016/17. Therefore, data on the number of students in some fields have been aggregated and any changes in the number of students in each field must be interpreted with caution.

²Includes "social sciences, journalism, and information" and "business, administration, and law" based on the new version of ISCED.

³Includes "information and communication technologies (ICTs)" based on the new version of ISCED.

Number of Students in Islamic Azad University

Table 40

(thousand persons)

	Academic year					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Medical sciences	77.3	72.0	70.1	68.1	54.4	-2.9	-20.1	4.4	4.1
Humanities	643.7	719.2	723.5	723.3	656.1	—	-9.3	47.0	49.4
Basic sciences	92.1	88.7	82.9	77.1	69.5	-7.0	-9.9	5.0	5.2
Technical and engineering fields	678.6	663.0	594.8	525.5	424.9	-11.6	-19.2	34.1	32.0
Agriculture and veterinary science	57.4	50.6	42.1	37.5	30.9	-11.0	-17.7	2.4	2.3
Arts	87.7	106.9	108.4	109.0	91.3	0.5	-16.2	7.1	6.9
Total	1,636.8	1,700.3	1,621.8	1,540.5	1,327.0	-5.0	-13.9	100.0	100.0

Source: Islamic Azad University.

Government Budget
(excluding special revenues and expenditures)

(trillion rials)

Table 41

	Performance					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17▲	2017/18	2016/17	2017/18	2016/17	2017/18
Revenues	717.4	977.6	1,123.7	1,460.7	1,676.0	30.0	14.7	100.0	100.0
Tax revenue	494.2	709.7	791.9	1,014.7	1,158.4	28.1	14.2	69.5	69.1
Other government revenues	223.1	267.9	331.9	446.0	517.7	34.4	16.1	30.5	30.9
Expenses (current)	1,197.6	1,438.3	1,706.9	2,072.3	2,429.4	21.4	17.2	100.0	100.0
Operating balance	-480.3	-460.7	-583.1	-611.7	-753.3	4.9	23.2	—	—
Disposal of non-financial assets	612.1	631.9	673.6	742.8	922.9	10.3	24.2	100.0	100.0
Sale of crude oil and oil products	609.4	629.2	670.4	738.8	919.2	10.2	24.4	99.5	99.6
Sale of movable and immovable assets	2.7	2.7	3.2	4.0	3.6	23.0	-8.3	0.5	0.4
Disposal of projects related to acquisition of non-financial assets	0.0	0.0	0.0	—	—	0	3.1	*	*
Acquisition of non-financial assets (development expenditures)	220.2	299.5	272.0	386.6	441.8	42.1	14.3	—	—
Net disposal of non-financial assets	391.9	332.4	401.6	356.2	481.1	-11.3	35.1	—	—
Operating and non-financial balance¹	-88.4	-128.3	-181.6	-255.5	-272.3	40.7	6.6	—	—
Disposal of financial assets	147.3	173.7	219.8	628.1	601.4	185.8	-4.3	—	—
Acquisition of financial assets	59.0	45.4	38.2	372.7	329.1	☐	-11.7	—	—
Net disposal of financial assets	88.4	128.3	181.6	255.5	272.3	40.7	6.6	—	—

Source: Treasury General, Ministry of Economic Affairs and Finance.

¹It is the sum of operating balance and net disposal of non-financial assets.

Tax Revenue
(excluding special revenues)

Table 42

(trillion rials)

	Performance					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Tax on legal entities	180.0	240.0	287.6	317.5	350.3	10.4	10.3	31.3	30.2
Public legal entities	58.0	79.4	90.6	120.1	163.7	32.5	36.3	11.8	14.1
Private legal entities	122.0	160.7	197.0	197.4	186.6	0.2	-5.5	19.5	16.1
Income tax	76.1	94.0	117.8	149.6	152.5	27.0	2.0	14.7	13.2
Salary	49.9	61.7	78.7	100.9	96.4	28.2	-4.5	9.9	8.3
Professions	21.3	26.6	31.9	39.9	45.0	24.9	12.9	3.9	3.9
Real estate	3.7	4.8	6.1	7.8	10.1	29.3	28.3	0.8	0.9
Others	1.1	1.0	1.1	1.0	1.0	-9.4	9.7	0.1	0.1
Wealth tax	21.8	25.1	24.2	26.7	28.7	10.7	7.2	2.6	2.5
Inheritance tax	2.8	3.3	3.8	4.6	4.6	20.8	0.1	0.5	0.4
Transfer of goodwill	4.1	5.2	5.9	7.7	8.3	30.7	7.1	0.8	0.7
Stamp duty, checks, drafts, promissory notes, etc.	7.1	8.9	7.1	3.9	3.8	-45.8	-2.5	0.4	0.3
Others	7.9	7.7	7.3	10.6	12.0	44.1	13.9	1.0	1.0
Total (direct tax)	277.9	359.2	429.6	493.9	531.5	15.0	7.6	48.7	45.9
Tax on imports	80.4	133.4	115.5	182.9	226.7	58.3	23.9	18.0	19.6
Import duties	80.0	132.4	109.4	176.3	217.0	61.1	23.1	17.4	18.7
Others ¹	0.4	1.0	6.1	6.7	9.7	8.6	45.7	0.7	0.8
Tax on goods and services	136.0	217.0	246.7	337.9	400.2	36.9	18.4	33.3	34.5
Oil products	21.4	32.2	32.3	52.7	50.2	62.8	-4.7	5.2	4.3
Value-added tax	103.2	167.0	197.4	224.9	269.4	13.9	19.8	22.2	23.3
Sale of cigarettes	2.6	2.4	2.6	3.3	3.9	27.5	17.1	0.3	0.3
Automobile transactions	3.8	6.1	5.5	6.2	6.0	11.4	-2.6	0.6	0.5
Number plates and vehicle registration	3.4	6.4	6.0	9.6	11.8	60.6	22.2	0.9	1.0
Departure tax (exit stamps)	1.6	2.7	2.7	3.0	3.5	7.8	18.2	0.3	0.3
Others ²	0.1	0.1	0.1	38.3	55.5	☐	44.8	3.8	4.8
Total (indirect tax)	216.4	350.5	362.3	520.9	626.9	43.8	20.4	51.3	54.1
Grand total	494.2	709.7	791.9	1,014.7	1,158.4	28.1	14.2	100.0	100.0

Source: Treasury General, Ministry of Economic Affairs and Finance.

¹Includes import duties paid by executive organizations.

²Includes two percent tax on other goods, tax on automatic call distribution service, and sale of cell phone subscription.

Other Government Revenues
(excluding special revenues)

(trillion rials)

Table 43

	Performance					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17 ▲	2017/18	2016/17	2017/18	2016/17	2017/18
Revenues received from government ownership	99.1	160.2	134.2	196.5	147.8	46.5	-24.8	44.1	28.5
Public corporations' dividend	58.0	112.8	88.1	149.7	72.6	70.0	-51.5	33.6	14.0
Receipts from rent	0.5	0.7	0.4	0.3	0.5	-10.8	53.2	0.1	0.1
Other revenues received from government ownership	40.5	46.7	45.7	46.5	74.7	1.6	60.7	10.4	14.4
Revenues received from services and sale of goods	46.2	49.9	56.2	62.0	72.2	10.3	16.5	13.9	13.9
Receipts from services	45.6	49.2	55.6	61.3	71.7	10.3	17.0	13.7	13.9
Judicial and notarial services	26.5	27.6	30.9	31.5	35.8	1.8	13.9	7.1	6.9
Educational and cultural services	1.1	1.3	1.6	1.5	1.7	-3.0	12.3	0.3	0.3
Agricultural and industrial services	3.4	0.1	0.1	0.2	0.2	15.4	12.3	*	*
Others	14.4	20.3	22.9	28.1	34.0	22.7	20.8	6.3	6.6
Receipts from sale of goods	0.7	0.6	0.6	0.7	0.5	9.0	-29.6	0.2	0.1
Receipts from fines and penalties	17.9	21.6	52.3	45.0	38.0	-14.0	-15.5	10.1	7.3
Driving and traffic offences	13.9	17.9	20.2	19.0	13.0	-6.3	-31.3	4.3	2.5
Combating the smuggling of drugs	0.9	1.1	0.6	0.5	0.2	-18.7	-57.3	0.1	*
Fines and penalties subject of Labor Act, illegal residence, etc.	0.1	0.1	0.1	0.1	0.1	8.6	18.8	*	*
Others	3.0	2.5	31.4	25.4	24.6	-19.0	-3.1	5.7	4.8
Miscellaneous revenues	59.9	36.3	89.2	142.5	259.7	59.8	82.3	32.0	50.2
Receipts from co-ownership of lands	0.1	0.1	0.1	—	—	-44.8	-3.8	*	*
Receipts from implementation of Road and Railway Safety Act	0.1	0.1	0.1	0.1	0.2	-3.8	75.4	*	*
Others	59.7	36.1	89.0	142.3	259.4	60.0	82.3	31.9	50.1
Total	223.1	267.9	331.9	446.0	517.7	34.4	16.1	100.0	100.0

Source: Treasury General, Ministry of Economic Affairs and Finance.

Table 44

Disposal and Acquisition of Financial Assets

(trillion rials)

	Performance					Percentage change		Share (percent)	
	2013/14	2014/15	2015/16	2016/17▲	2017/18	2016/17	2017/18	2016/17	2017/18
Disposal of financial assets	147.3	173.7	219.8	628.1	601.4	185.8	-4.3	100.0	100.0
Foreign resources	1.5	0.7	—	0.0	0.0	-100.0	0	0.0	0.0
Foreign loans	1.5	0.7	0.0	0.0	0.0	0	0	0.0	0.0
Banks and foreign financing	1.5	0.7	0.0	0.0	0.0	0	0	0.0	0.0
Principal of government loans abroad	0.0	—	—	0.0	0.0	-100.0	0	0.0	0.0
Domestic resources	145.8	173.1	219.7	628.1	601.4	185.9	-4.3	100.0	100.0
Sale of Islamic financial instruments	0.0	9.6	105.1	538.3	445.0	412.3	-17.3	85.7	74.0
Receipts from privatization of public companies ¹	114.4	154.4	99.4	78.4	41.5	-21.2	-47.1	12.5	6.9
Receipts from principal of domestic loans	0.7	1.2	1.6	1.6	3.5	-1.2	121.4	0.3	0.6
Refunds carried over from previous years	30.7	7.8	4.7	3.9	5.5	-17.2	43.1	0.6	0.9
Receipts from NDFI utilization	0.0	0.0	9.0	6.0	105.9	-33.1	▣	1.0	17.6
Acquisition of financial assets	59.0	45.4	38.2	372.7	329.1	▣	-11.7	100.0	100.0
Balance of the government general budget account (account No. 8001)	0.0	0.0	0.0	0.0	0.0	0	0	0.0	0.0
Repayments on Islamic Treasury Bills	0.0	0.0	0.0	49.3	63.4	0	28.5	13.2	19.3
Others	59.0	45.4	38.2	323.4	265.7	▣	-17.8	86.8	80.7
Net disposal of financial assets	88.4	128.3	181.6	255.5	272.3	40.7	6.6	—	—

Source: Treasury General, Ministry of Economic Affairs and Finance.

¹ Includes privatization of mines and development projects.

Table 45

Volume of Exports

(thousand tons)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Agricultural and traditional goods	3,466	4,986	4,436	5,304	5,706	19.6	7.6	4.8	4.9
Fruit, fresh or dried	1,443	2,036	1,508	1,914	2,242	26.9	17.2	1.7	1.9
Pistachio	121	183	131	138	131	6.0	-5.0	0.1	0.1
Grapes and raisins	147	129	124	163	108	32.0	-33.9	0.1	0.1
Dates	147	167	171	209	256	22.5	22.4	0.2	0.2
Apples	206	434	321	354	627	10.2	76.9	0.3	0.5
Hand-woven carpets	5	5	5	6	5	10.3	-3.4	*	*
Live animals	3	33	51	46	8	-9.6	-81.9	*	*
Vegetables and plants	1,190	1,924	1,932	2,396	2,046	24.0	-14.6	2.2	1.8
Saffron	0.1	0.2	0.1	0.2	0.2	68.7	16.4	*	*
All kinds of hides and leather	26	29	22	24	22	8.8	-11.3	*	*
Casings	3	3	3	4	3	45.3	-18.9	*	*
Others	796	956	915	914	1,379	-0.1	50.8	0.8	1.2
Metallic mineral ores	27,885	19,902	14,702	22,952	22,153	56.1	-3.5	20.6	19.1
Industrial goods	49,750	56,744	58,088	82,974	87,846	42.8	5.9	74.6	75.9
Gas and oil products	7,359	9,956	13,480	30,833	30,140	128.7	-2.2	27.7	26.0
Petroleum gas and other petroleum hydrocarbons	3,208	5,191	7,213	17,783	19,750	146.5	11.1	16.0	17.1
Naphthalene and other aromatic hydrocarbons	102	200	327	462	755	41.4	63.5	0.4	0.7
Light oils and products	1,040	1,106	2,241	8,673	5,245	287.0	-39.5	7.8	4.5
Cast iron, iron, steel and their articles	2,550	3,845	4,320	6,505	9,686	50.6	48.9	5.8	8.4
Organic chemicals	5,167	6,678	7,171	8,221	7,829	14.6	-4.8	7.4	6.8
Cyclic hydrocarbons (benzene, xylene, toluene, etc.)	889	1,383	1,718	1,812	1,722	5.5	-5.0	1.6	1.5
Methanol (methyl alcohol) and ethylene glycol	3,339	4,257	4,282	5,118	4,862	19.5	-5.0	4.6	4.2
Aluminum, copper, zinc and their articles	314	212	161	338	330	110.4	-2.4	0.3	0.3
Rubber and plastic products	2,734	3,037	3,209	3,611	4,467	12.5	23.7	3.2	3.9
Soil and stone, cement, plaster, stone and ceramic products	24,144	24,824	21,701	24,220	25,017	11.6	3.3	21.8	21.6
Ready-made clothes, tricot and all kinds of fabric	33	42	44	42	55	-5.1	32.3	*	*
Transportation vehicles and their spare parts	74	65	49	35	36	-28.3	1.1	*	*
Inorganic chemicals	1,889	2,157	2,036	1,890	2,153	-7.2	13.9	1.7	1.9
Metallic oxides and hydroxides	170	241	208	152	173	-26.7	13.6	0.1	0.1
Ammonia	440	723	649	738	930	13.7	26.0	0.7	0.8
All kinds of sulfur	916	908	874	631	664	-27.9	5.3	0.6	0.6
Machine-made carpets and other kinds of carpeting	60	62	54	58	67	8.2	14.6	0.1	0.1
Ornaments and jewelry	—	—	—	—	—	-58.9	□	*	*
Soaps and other detergents	293	282	290	307	311	5.7	1.5	0.3	0.3
Footwear	20	18	16	19	19	23.8	-1.0	*	*
Others	5,114	5,566	5,558	6,895	7,735	24.1	12.2	6.2	6.7
Goods not elsewhere classified	2	3	369	1	2	-99.7	51.5	*	*
Total	81,103	81,634	77,596	111,232	115,707	43.3	4.0	100.0	100.0

Source: Islamic Republic of Iran Customs Administration.

Table 46

Value of Exports

(million dollars)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Agricultural and traditional goods	4,594	6,119	5,170	5,523	5,702	6.8	3.2	15.0	14.3
Fruit, fresh or dried	2,048	2,779	2,168	2,257	2,273	4.1	0.7	6.1	5.7
Pistachio	1,082	1,649	1,202	1,273	1,179	5.9	-7.4	3.5	3.0
Grapes and raisins	308	267	262	296	160	13.0	-45.9	0.8	0.4
Dates	192	226	233	209	252	-10.5	20.8	0.6	0.6
Apples	112	188	132	110	267	-16.3	141.9	0.3	0.7
Hand-woven carpets	315	331	291	360	426	23.9	18.4	1.0	1.1
Live animals	17	156	235	219	30	-6.5	-86.1	0.6	0.1
Vegetables and plants	490	818	748	615	653	-17.8	6.1	1.7	1.6
Saffron	200	228	176	286	326	62.4	13.9	0.8	0.8
All kinds of hides and leather	162	169	106	90	102	-14.6	13.2	0.2	0.3
Casings	116	117	72	85	75	18.2	-12.3	0.2	0.2
Others	1,246	1,521	1,374	1,610	1,816	17.2	12.8	4.4	4.6
Metallic mineral ores	1,749	1,287	727	1,103	1,868	51.8	69.3	3.0	4.7
Industrial goods	25,121	29,132	26,886	30,004	32,194	11.6	7.3	81.7	80.6
Gas and oil products	5,419	7,465	7,198	9,686	9,017	34.6	-6.9	26.4	22.6
Petroleum gas and other petroleum hydrocarbons	2,833	4,441	3,916	5,296	5,454	35.2	3.0	14.4	13.7
Naphthalene and other aromatic hydrocarbons	42	116	152	185	344	21.7	85.7	0.5	0.9
Light oils and products	1,027	1,081	1,614	3,253	2,253	101.6	-30.7	8.9	5.6
Cast iron, iron, steel and their articles	2,242	2,801	2,753	2,999	4,007	8.9	33.6	8.2	10.0
Organic chemicals	3,483	4,398	3,693	3,688	3,897	-0.1	5.7	10.0	9.8
Cyclic hydrocarbons (benzene, xylene, toluene, etc.)	1,131	1,676	1,434	1,331	1,138	-7.2	-14.5	3.6	2.9
Methanol (methyl alcohol) and ethylene glycol	1,443	1,739	1,265	1,417	1,844	12.0	30.2	3.9	4.6
Aluminum, copper, zinc and their articles	911	739	436	774	587	77.7	-24.2	2.1	1.5
Rubber and plastic products	4,320	5,075	4,744	4,940	6,076	4.1	23.0	13.5	15.2
Soil and stone, cement, plaster, stone and ceramic products	2,115	1,906	1,737	1,376	1,510	-20.8	9.7	3.7	3.8
Ready-made clothes, tricot and all kinds of fabric	160	189	179	168	214	-5.9	27.3	0.5	0.5
Transportation vehicles and their spare parts	326	298	210	153	141	-27.1	-7.4	0.4	0.4
Inorganic chemicals	506	638	527	416	489	-21.1	17.7	1.1	1.2
Metallic oxides and hydroxides	84	102	79	77	126	-1.5	63.3	0.2	0.3
Ammonia	224	360	270	199	202	-26.2	1.6	0.5	0.5
All kinds of sulfur	131	107	107	49	61	-54.8	25.8	0.1	0.2
Machine-made carpets and other kinds of carpeting	342	363	351	333	394	-5.2	18.3	0.9	1.0
Ornaments and jewelry	57	28	1	1	35	3.6	▣	*	0.1
Soaps and other detergents	221	210	217	227	230	4.7	1.2	0.6	0.6
Footwear	118	115	100	101	93	1.3	-8.0	0.3	0.2
Others	4,899	4,907	4,740	5,142	5,502	8.5	7.0	14.0	13.8
Goods not elsewhere classified	89	17	2,827	93	156	-96.7	67.0	0.3	0.4
Total	31,552	36,555	35,609	36,723	39,920	3.1	8.7	100.0	100.0

Source: Islamic Republic of Iran Customs Administration.

Table 47

Volume of Imports according to International Classification of Goods

(thousand tons)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Foodstuffs and live animals	16,228	21,238	15,660	14,109	15,459	-9.9	9.6	42.2	39.8
Dairy products and eggs	71	54	58	57	62	-1.9	8.7	0.2	0.2
Cereals and cereal preparations	10,627	16,928	12,139	10,204	11,404	-15.9	11.8	30.6	29.3
Sugars, sugar preparations and honey	1,609	863	557	700	880	25.6	25.7	2.1	2.3
Coffee, tea, cocoa, spices, etc.	119	102	108	123	151	14.4	22.8	0.4	0.4
Fruits and vegetables	659	641	917	984	1,174	7.4	19.2	2.9	3.0
Others	3,143	2,651	1,882	2,041	1,788	8.4	-12.4	6.1	4.6
Beverages and tobacco	50	44	46	59	48	29.4	-18.4	0.2	0.1
Crude materials, inedible, except fuels	2,058	4,674	4,317	4,288	4,782	-0.7	11.5	12.8	12.3
Crude caoutchouc	111	96	91	96	115	5.7	19.6	0.3	0.3
Textile goods, not elsewhere classified	223	209	191	256	269	34.0	4.9	0.8	0.7
Crude fertilizers and minerals	247	197	373	269	304	-27.9	13.0	0.8	0.8
Others	1,476	4,172	3,661	3,666	4,094	0.1	11.7	11.0	10.5
Mineral fuels, lubricants, and related materials	2,185	2,349	1,822	2,132	5,078	17.0	138.1	6.4	13.1
Animal or vegetable fats and oils	1,639	1,446	1,124	1,012	1,363	-9.9	34.7	3.0	3.5
Vegetable oils	1,638	1,445	1,123	1,011	1,362	-9.9	34.7	3.0	3.5
Others	1	1	1	1	1	16.0	22.2	*	*
Chemicals	2,426	2,463	2,102	2,152	2,733	2.4	27.0	6.4	7.0
Chemicals and their compounds	784	722	718	757	926	5.4	22.3	2.3	2.4
Materials for paints, dyes and tanning	83	79	81	103	116	27.4	13.3	0.3	0.3
Medical and pharmaceutical products	29	28	21	33	23	61.5	-29.6	0.1	0.1
Plastic, cellulose and artificial resins	709	714	752	837	849	11.2	1.5	2.5	2.2
Other chemical products, not elsewhere classified	235	235	195	225	264	15.4	17.4	0.7	0.7
Others	586	684	335	198	554	-41.0	180.2	0.6	1.4
Goods classified by material	7,292	8,404	8,139	7,530	6,800	-7.5	-9.7	22.5	17.5
Paper and paper products	1,271	1,004	987	973	973	-1.4	0.0	2.9	2.5
Various textile yarns and related products	323	310	277	374	376	35.0	0.6	1.1	1.0
Non-metallic mineral products	272	474	395	429	433	8.5	0.9	1.3	1.1
Iron and steel	3,977	4,950	4,846	4,053	3,308	-16.4	-18.4	12.1	8.5
Others	1,449	1,666	1,634	1,701	1,709	4.1	0.5	5.1	4.4
Machinery and transportation vehicles	1,611	2,221	1,766	1,929	2,363	9.2	22.5	5.8	6.1
Non-electrical machinery	773	1,147	975	961	1,083	-1.5	12.7	2.9	2.8
Electrical machinery, tools and appliances	431	419	330	357	432	8.3	20.9	1.1	1.1
Transportation vehicles	408	655	461	610	848	32.4	39.0	1.8	2.2
Miscellaneous manufactured articles	128	172	156	182	220	16.9	20.6	0.5	0.6
Professional and scientific instruments	31	36	36	36	45	0.5	26.6	0.1	0.1
Miscellaneous manufactured articles, n.e.c.	76	106	100	117	139	17.5	18.7	0.4	0.4
Others	22	30	20	29	35	43.0	20.6	0.1	0.1
Goods not classified according to their type	66	4	21	6	10	-71.8	71.4	*	*
Total	33,684	43,016	35,152	33,399	38,856	-5.0	16.3	100.0	100.0

Source: Islamic Republic of Iran Customs Administration.

Table 48

Value of Imports according to International Classification of Goods

(million dollars)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Foodstuffs and live animals	10,632	10,091	6,733	6,345	7,638	-5.8	20.4	14.5	14.0
Dairy products and eggs	369	279	255	254	282	-0.3	11.0	0.6	0.5
Cereals and cereal preparations	5,553	6,229	3,463	2,806	3,430	-19.0	22.2	6.4	6.3
Sugars, sugar preparations and honey	864	410	202	350	446	73.0	27.3	0.8	0.8
Coffee, tea, cocoa, spices, etc.	483	398	396	445	539	12.3	21.1	1.0	1.0
Fruits and vegetables	662	607	799	847	1,076	6.1	27.0	1.9	2.0
Others	2,702	2,168	1,618	1,642	1,864	1.5	13.6	3.8	3.4
Beverages and tobacco	290	247	239	305	229	27.8	-24.8	0.7	0.4
Crude materials, inedible, except fuels	2,110	2,338	2,363	2,579	3,129	9.2	21.3	5.9	5.7
Crude caoutchouc	353	221	160	161	236	0.8	46.5	0.4	0.4
Textile goods, not elsewhere classified	608	540	400	489	591	22.2	20.8	1.1	1.1
Crude fertilizers and minerals	99	77	85	75	90	-12.0	20.3	0.2	0.2
Others	1,051	1,500	1,718	1,854	2,212	8.0	19.3	4.2	4.1
Mineral fuels, lubricants, and related materials	1,600	1,770	896	1,018	2,865	13.6	181.5	2.3	5.3
Animal or vegetable fats and oils	1,850	1,458	985	877	1,203	-11.0	37.2	2.0	2.2
Vegetable oils	1,844	1,453	980	873	1,198	-11.0	37.3	2.0	2.2
Others	6	5	4	4	5	-5.0	27.1	*	*
Chemicals	7,281	7,069	5,849	6,016	7,234	2.9	20.2	13.8	13.3
Chemicals and their compounds	1,574	1,531	1,272	1,246	1,586	-2.1	27.3	2.9	2.9
Materials for paints, dyes and tanning	319	322	279	328	405	17.4	23.6	0.7	0.7
Medical and pharmaceutical products	2,131	1,838	1,658	1,667	1,854	0.6	11.2	3.8	3.4
Plastic, cellulose and artificial resins	1,819	1,772	1,484	1,459	1,666	-1.7	14.2	3.3	3.1
Other chemical products, not elsewhere classified	811	901	638	774	942	21.4	21.6	1.8	1.7
Others	626	704	519	542	781	4.5	44.0	1.2	1.4
Goods classified by material	8,331	8,915	7,003	6,922	7,767	-1.2	12.2	15.8	14.3
Paper and paper products	1,475	1,165	986	959	1,086	-2.8	13.3	2.2	2.0
Various textile yarns and related products	849	804	653	954	976	46.1	2.4	2.2	1.8
Non-metallic mineral products	470	545	427	575	724	34.8	25.8	1.3	1.3
Iron and steel	3,684	4,210	3,089	2,509	2,677	-18.8	6.7	5.7	4.9
Others	1,852	2,191	1,849	1,925	2,304	4.1	19.7	4.4	4.2
Machinery and transportation vehicles	15,671	19,935	15,090	17,704	21,916	17.3	23.8	40.5	40.2
Non-electrical machinery	7,260	9,020	7,372	7,321	8,818	-0.7	20.5	16.8	16.2
Electrical machinery, tools and appliances	4,927	5,167	3,751	5,034	5,429	34.2	7.9	11.5	10.0
Transportation vehicles	3,484	5,747	3,968	5,350	7,668	34.8	43.3	12.2	14.1
Miscellaneous manufactured articles	1,571	1,562	1,442	1,738	2,300	20.5	32.3	4.0	4.2
Professional and scientific instruments	812	877	846	924	1,247	9.2	35.0	2.1	2.3
Miscellaneous manufactured articles, n.e.c.	609	604	535	680	856	27.1	26.0	1.6	1.6
Others	149	81	62	135	197	119.2	45.8	0.3	0.4
Goods not classified according to their type	374	185	940	179	178	-80.9	-0.7	0.4	0.3
Total	49,709	53,569	41,539	43,684	54,459	5.2	24.7	100.0	100.0

Source: Islamic Republic of Iran Customs Administration.

Table 49

Balance of Payments

(million dollars)

	Year					Percentage change	
	2013/14	2014/15	2015/16	2016/17□	2017/18□	2016/17	2017/18
Current account	25,105	13,571	1,237	16,388	15,816	☒	-3.5
Non-oil current account	-36,173	-39,239	-28,972	-37,976	-47,237	31.1	24.4
Goods	29,326	18,060	5,354	20,843	22,596	289.3	8.4
Exports (FOB)	92,910	88,976	62,995	83,978	98,142	33.3	16.9
Oil exports ¹	64,540	55,406	31,848	55,752	65,818	75.1	18.1
Non-oil exports	28,369	33,569	31,147	28,226	32,324	-9.4	14.5
Imports (FOB)	63,584	70,915	57,641	63,135	75,546	9.5	19.7
Gas and oil products ²	3,263	2,597	1,639	1,388	2,764	-15.3	99.1
Other goods	60,321	68,318	56,003	61,747	72,782	10.3	17.9
Services	-6,820	-6,877	-4,785	-5,941	-7,916	24.2	33.2
Credit	9,374	10,572	11,085	10,060	10,376	-9.2	3.1
Transportation	3,717	4,617	3,930	3,754	3,754	-4.5	0.0
Passenger	252	356	383	201	230	-47.6	14.5
Freight	3,183	3,895	3,087	3,295	3,266	6.7	-0.9
Others	282	366	460	258	258	-43.9	0.0
Travel	3,054	3,841	4,388	3,713	4,402	-15.4	18.6
Business	556	675	814	690	812	-15.2	17.8
Personal	2,497	3,166	3,575	3,023	3,590	-15.4	18.7
Communication services	75	58	122	58	58	-52.7	0.0
Construction services	1,514	740	1,284	1,397	881	8.8	-36.9
Insurance services	47	60	55	44	54	-21.3	24.0
Financial services (other than insurance)	95	110	107	104	120	-3.0	15.4
Computer and information services	126	218	338	107	110	-68.2	2.5
Royalties and license fees	11	13	12	12	14	-3.0	15.4
Other business services	361	419	408	395	456	-3.0	15.4
Personal, cultural and recreational services	174	201	196	190	219	-3.0	15.4
Government services, n.i.e.	200	297	245	287	308	17.2	7.4
Debit	16,194	17,450	15,870	16,001	18,292	0.8	14.3
Transportation	2,667	3,656	3,781	2,453	2,856	-35.1	16.4
Passenger	625	678	666	456	628	-31.6	37.8
Freight	1,124	1,837	1,092	1,224	1,456	12.1	18.9
Others	919	1,141	2,023	773	772	-61.8	-0.1

Travel	8,839	9,452	8,992	9,437	11,300	4.9	19.8
Business	1,475	1,581	1,940	1,587	1,886	-18.2	18.8
Personal	7,364	7,871	7,052	7,849	9,414	11.3	19.9
Communication services	183	140	130	140	140	7.5	0.0
Construction services (technical and engineering)	1,676	1,026	534	1,315	760	146.2	-42.3
Insurance services	27	38	28	20	25	-27.8	25.8
Financial services (other than insurance)	447	482	374	393	489	5.2	24.3
Computer and information services	308	332	258	271	337	5.2	24.3
Royalties and license fees	149	161	125	131	163	5.2	24.3
Other business services	833	905	710	754	928	6.2	23.1
Personal, cultural and recreational services	249	268	208	218	272	5.2	24.3
Government services, n.i.e.	816	990	732	869	1,023	18.8	17.7
Income	2,034	1,845	241	928	669	285.1	-27.9
Credit	3,209	3,478	1,946	2,536	2,440	30.4	-3.8
Compensation of employees including border, seasonal workers	351	384	354	404	450	14.4	11.2
Investment income	2,858	3,094	1,592	2,132	1,990	33.9	-6.7
Debit	1,175	1,633	1,705	1,608	1,771	-5.7	10.1
Compensation of employees including border, seasonal workers	290	292	458	391	448	-14.5	14.4
Investment expenditure	886	1,341	1,247	1,217	1,323	-2.4	8.7
Current transfers	565	543	427	558	467	30.6	-16.3
Credit	915	925	956	1,000	1,013	4.6	1.3
General government	0	0	1	1	1	0.0	0.0
Other sectors	915	925	956	1,000	1,013	4.6	1.3
Debit	349	383	530	443	547	-16.4	23.5
General government	59	103	100	109	122	9.1	12.4
Other sectors	290	279	430	334	424	-22.3	27.1
Capital and financial account	-22,510	-8,002	113	-10,622	-11,181	0	5.3
Capital account	-541	-664	-433	-709	-1,070	63.6	51.0
Credit	0	0	0	0	0	0	0
Debit	-541	-664	-433	-709	-1,070	63.6	51.0
Financial account ³	-21,969	-7,337	547	-9,913	-10,111	0	2.0
Errors and omissions	-2,595	-5,569	-1,350	-5,766	-4,635	327.0	-19.6

¹ Includes value of crude oil, oil products, natural gas, natural gas liquids and condensate (Tariff Codes: 2709, 2710 and 2711) exported by NIOC, NIGC, NIORDC, petrochemical companies and others (customs and non-customs).

² Includes value of oil products, natural gas, natural gas liquids and condensate (Tariff Codes: 2709, 2710 and 2711) imported by NIOC, NIGC, NIORDC and others (customs and non-customs).

³ Includes changes in the OSF, NDFI, and CBI foreign assets.

Summary of the Assets and Liabilities of the Banking System¹

Table 50

(trillion rials)

	Year-end balance					Percentage change	
	2013/14 ²	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18
Assets							
Foreign assets	5,056.9	5,035.3	5,823.0	5,823.5	7,321.5	*	25.7
Claims on public sector	1,109.6	1,466.0	1,738.6	2,197.5	2,586.1	26.4	17.7
Government ³	886.6	1,188.4	1,435.4	1,857.9	2,294.0	29.4	23.5
Public corporations and institutions	223.0	277.6	303.2	339.6	292.1	12.0	-14.0
Claims on non-public sector	5,408.2	6,309.1	7,362.2	9,177.2	10,918.5	24.7	19.0
Others	4,479.7	5,708.0	7,667.9	8,298.4	10,304.7	8.2	24.2
Sub-total	16,054.3	18,518.4	22,591.7	25,496.6	31,130.8	12.9	22.1
Below the line items	1,891.4	2,254.1	2,750.7	3,273.7	4,280.5	19.0	30.8
Total assets = total liabilities	17,945.6	20,772.6	25,342.4	28,770.3	35,411.3	13.5	23.1
Liabilities							
M2	6,395.5	7,823.9	10,172.8	12,533.9	15,299.8	23.2	22.1
M1	1,196.0	1,207.6	1,367.0	1,630.3	1,946.7	19.3	19.4
Quasi-money	5,199.5	6,616.3	8,805.8	10,903.6	13,353.1	23.8	22.5
Loans and deposits of public sector	625.6	770.1	635.5	614.4	742.4	-3.3	20.8
Government	594.1	728.5	593.4	566.7	699.6	-4.5	23.5
Public corporations and institutions	31.5	41.6	42.1	47.7	42.8	13.3	-10.3
Capital account	800.1	768.1	821.8	717.2	640.8	-12.7	-10.7
Foreign loans and credits and foreign exchange deposits	3,022.8	3,008.6	3,358.7	3,310.9	4,466.5	-1.4	34.9
Advance payments on letters of credit by public sector	3.0	5.3	2.5	0.4	0.5	-84.0	25.0
Others	5,207.2	6,142.4	7,600.4	8,319.8	9,980.8	9.5	20.0
Sub-total	16,054.3	18,518.4	22,591.7	25,496.6	31,130.8	12.9	22.1
Below the line items	1,891.4	2,254.1	2,750.7	3,273.7	4,280.5	19.0	30.8

¹ Includes Central Bank, banks, and non-bank credit institutions while excludes commercial banks' branches abroad.

² As of 2013, banking sector also includes Iran Zamin Bank, Resalat Gharz-al-hasaneh Bank, Middle East Bank, Kish International Free Zone Bank (IFB), Iran-Venezuela Bi-National Bank (IVBB), Ghavamini Bank, Pishgaman Finance and Credit Institution (Ati), Salehin Finance and Credit Institution, Melal (Askariye) Credit Institution, and Kosar Finance and Credit Institution. Moreover, figures for Gharz-al-hasaneh Mehr Iran Bank have been added to private banks' data since March 2014, and excluded from specialized banks' category.

³ Includes public sector's participation papers.

**Summary of the Assets and Liabilities of Central Bank
of the Islamic Republic of Iran**

Table 51

(trillion rials)

	Year-end balance					Percentage change	
	2013/14	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18
Assets							
Foreign assets	3,014.2	3,126.2	3,517.5	3,394.1	4,070.1	-3.5	19.9
Notes and coins	29.0	25.7	30.6	50.1	28.4	63.7	-43.3
Claims on public sector	349.9	425.7	520.3	576.1	528.0	10.7	-8.3
Government	158.3	183.6	244.1	273.8	269.0	12.2	-1.8
Public corporations and institutions	191.7	242.1	276.2	302.3	259.0	9.4	-14.3
Claims on banks	602.6	858.0	836.3	996.9	1,320.3	19.2	32.4
Others	15.4	20.4	22.2	29.7	203.4	33.8	☐
Sub-total	4,011.2	4,456.0	4,926.9	5,046.9	6,150.2	2.4	21.9
Below the line items	14.0	16.4	12.7	10.3	26.1	-18.9	153.4
Total assets = total liabilities	4,025.2	4,472.5	4,939.6	5,057.2	6,176.3	2.4	22.1
Liabilities							
Notes and coins	420.9	447.5	487.6	535.1	562.9	9.7	5.2
With the public	334.1	351.7	371.9	393.3	442.7	5.8	12.6
With banks	57.8	70.1	85.1	91.7	91.8	7.8	0.1
With the Central Bank	29.0	25.7	30.6	50.1	28.4	63.7	-43.3
Deposits of banks and credit institutions	793.0	889.7	1,076.6	1,313.3	1,605.3	22.0	22.2
Reserve requirement	677.9	850.4	1,019.6	1,253.9	1,543.4	23.0	23.1
Sight ¹	115.1	39.3	57.0	59.4	61.9	4.2	4.2
Deposits of public sector	311.2	392.4	338.1	373.5	470.1	10.5	25.9
Government	279.7	350.8	296.0	325.8	427.3	10.1	31.2
Public corporations and institutions	31.5	41.6	42.1	47.7	42.8	13.3	-10.3
Capital account²	71.8	76.1	82.6	89.5	98.4	8.4	9.9
Foreign exchange liabilities	1,336.0	1,541.5	1,581.1	1,469.5	1,910.3	-7.1	30.0
Advance payments on letters of credit by public sector	3.0	5.3	2.5	0.4	0.5	-84.0	25.0
Others	1,075.3	1,103.5	1,358.4	1,265.6	1,502.7	-6.8	18.7
Sub-total	4,011.2	4,456.0	4,926.9	5,046.9	6,150.2	2.4	21.9
Below the line items	14.0	16.4	12.7	10.3	26.1	-18.9	153.4

¹ Includes banks' foreign exchange sight deposits with the CBI.

² Includes legal reserve and contingency reserve.

Summary of the Assets and Liabilities of Banks and Non-bank Credit Institutions ¹

Table 52

(trillion rials)

	Year-end balance					Percentage change	
	2013/14 ²	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18
Assets							
Foreign assets	2,042.7	1,909.1	2,305.5	2,429.4	3,251.4	5.4	33.8
Notes and coins	57.8	70.1	85.1	91.7	91.8	7.8	0.1
Deposits with the Central Bank	793.0	889.7	1,076.6	1,313.3	1,605.3	22.0	22.2
Reserve requirement	677.9	850.4	1,019.6	1,253.9	1,543.4	23.0	23.1
Sight ³	115.1	39.3	57.0	59.4	61.9	4.2	4.2
Claims on public sector	759.6	1,040.3	1,218.3	1,621.4	2,058.1	33.1	26.9
Government ⁴	728.3	1,004.8	1,191.3	1,584.1	2,025.0	33.0	27.8
Public corporations and institutions	31.3	35.5	27.0	37.3	33.1	38.1	-11.3
Claims on non-public sector	5,408.2	6,309.1	7,362.2	9,177.2	10,918.5	24.7	19.0
Others	2,981.9	3,844.1	5,617.1	5,816.7	7,055.5	3.6	21.3
Sub-total	12,043.1	14,062.4	17,664.8	20,449.7	24,980.6	15.8	22.2
Below the line items	1,877.4	2,237.7	2,738.0	3,263.4	4,254.4	19.2	30.4
Total assets = total liabilities	13,920.4	16,300.1	20,402.8	23,713.1	29,235.0	16.2	23.3
Liabilities							
Deposits of non-public sector	6,061.4	7,472.2	9,800.9	12,140.6	14,857.1	23.9	22.4
Sight	861.9	855.9	995.1	1,237.0	1,504.0	24.3	21.6
Term investment	4,756.9	6,100.9	8,187.4	10,123.1	12,339.1	23.6	21.9
Gharz-al-hasaneh ⁵	338.5	390.9	469.8	602.9	801.9	28.3	33.0
Other	104.1	124.5	148.6	177.6	212.1	19.5	19.4
Claims of the Central Bank	602.6	858.0	836.3	996.9	1,320.3	19.2	32.4
Loans and deposits of public sector	314.4	377.7	297.4	240.9	272.3	-19.0	13.0
Government	314.4	377.7	297.4	240.9	272.3	-19.0	13.0
Capital account	728.3	692.0	739.2	627.7	542.4	-15.1	-13.6
Foreign exchange loans and deposits	1,686.8	1,467.1	1,777.6	1,841.4	2,556.2	3.6	38.8
Others	2,649.5	3,195.4	4,213.4	4,602.2	5,432.3	9.2	18.0
Sub-total	12,043.1	14,062.4	17,664.8	20,449.7	24,980.6	15.8	22.2
Below the line items	1,877.4	2,237.7	2,738.0	3,263.4	4,254.4	19.2	30.4

¹ Excludes commercial banks' branches abroad.

² As of 2013, banking sector also includes Iran Zamin Bank, Resalat Gharz-al-hasaneh Bank, Middle East Bank, Kish International Free Zone Bank (IFB), Iran-Venezuela Bi-National Bank (IVBB), Ghavamin Bank, Pishgaman Finance and Credit Institution (Ati), Salehin Finance and Credit Institution, Melal (Askariye) Credit Institution, and Kosar Finance and Credit Institution. Moreover, figures for Gharz-al-hasaneh Mehr Iran Bank have been added to private banks' data since March 2014, and excluded from specialized banks' category.

³ Includes banks' foreign exchange sight deposits with the CBI.

⁴ Includes public sector's participation papers.

⁵ Includes deposits in Bank Maskan's Savings Fund.

**Banks' and Non-bank Credit Institutions' Claims
on Non-public Sector**

Table 53

(trillion rials)

	Year-end balance					Percentage change	
	2013/14 ¹	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18
Banks and non-bank credit institutions	5,408.1	6,309.1	7,362.2	9,177.2	10,918.5	24.7	19.0
Facilities ²	5,141.5	5,995.6	6,962.1	8,692.3	10,421.6	24.9	19.9
Loans and credits ³	57.0	62.8	71.9	72.7	99.0	1.1	36.2
Direct investment and legal partnership	209.6	250.7	328.2	412.2	397.9	25.6	-3.5
Commercial banks	864.0	963.9	1,142.5	1,405.0	1,746.6	23.0	24.3
Facilities	835.0	920.0	1,072.7	1,309.1	1,648.3	22.0	25.9
Loans and credits	14.4	18.3	31.1	30.7	31.1	-1.3	1.3
Direct investment and legal partnership	14.6	25.6	38.7	65.2	67.2	68.5	3.1
Specialized banks	1,409.9	1,613.6	1,823.1	2,062.4	2,382.2	13.1	15.5
Facilities	1,396.2	1,597.1	1,800.0	2,028.3	2,346.7	12.7	15.7
Loans and credits	1.4	1.8	4.2	3.2	5.2	-23.8	62.5
Direct investment and legal partnership	12.3	14.7	18.9	30.9	30.3	63.5	-1.9
All private banks	3,134.2	3,731.6	4,396.6	5,709.8	6,789.7	29.9	18.9
Facilities	2,910.3	3,478.5	4,089.4	5,354.9	6,426.6	30.9	20.0
Loans and credits	41.2	42.7	36.6	38.8	62.7	6.0	61.6
Direct investment and legal partnership	182.7	210.4	270.6	316.1	300.4	16.8	-5.0

¹ As of 2013, banking sector also includes Iran Zamin Bank, Resalat Gharz-al-hasaneh Bank, Middle East Bank, Kish International Free Zone Bank (IFB), Iran-Venezuela Bi-National Bank (IVBB), Ghavamin Bank, Pishgaman Finance and Credit Institution (Ati), Salehin Finance and Credit Institution, Melal (Askariye) Credit Institution, and Kosar Finance and Credit Institution. Moreover, figures for Gharz-al-hasaneh Mehr Iran Bank have been added to private banks' data since March 2014, and excluded from specialized banks' category.

² Facilities are extended by banks based upon the Law for Usury (Interest) Free Banking (excluding direct investment and legal partnership), debt purchase, and machinery and housing units transacted under Islamic contracts.

³ Includes customers' indebtedness for paid letters of credit, debtors for domestic LCs and paid guarantees, customers' indebtedness for exchange rate differential, participation papers, former claims, and protested promissory notes.

Table 54

Composition of M2

(trillion rials)

	Year-end balance					Percentage change	
	2013/14 ¹	2014/15	2015/16	2016/17	2017/18	2016/17	2017/18
M1	1,196.0	1,207.6	1,367.0	1,630.3	1,946.7	19.3	19.4
Notes and coins with the public	334.1	351.7	371.9	393.3	442.7	5.8	12.6
Sight deposits	861.9	855.9	995.1	1,237.0	1,504.0	24.3	21.6
Public banks	287.5	310.3	332.7	396.7	500.1	19.2	26.1
All private banks	574.4	545.6	662.4	840.3	1,003.9	26.9	19.5
Quasi-money	5,199.5	6,616.3	8,805.8	10,903.6	13,353.1	23.8	22.5
Public banks	1,427.9	1,836.5	2,393.0	3,064.8	4,100.9	28.1	33.8
All private banks	3,771.6	4,779.8	6,412.8	7,838.8	9,252.2	22.2	18.0
Gharz-al-hasaneh savings deposits	338.5	390.9	469.8	602.9	801.9	28.3	33.0
Public banks	146.2	160.4	191.8	249.7	340.0	30.2	36.2
All private banks	192.3	230.5	278.0	353.2	461.9	27.1	30.8
Term investment deposits	4,756.9	6,100.9	8,187.4	10,123.1	12,339.1	23.6	21.9
Public banks	1,243.5	1,628.5	2,145.4	2,748.4	3,684.1	28.1	34.0
All private banks	3,513.4	4,472.4	6,042.0	7,374.7	8,655.0	22.1	17.4
Short-term	2,296.6	2,692.5	3,700.2	5,286.2	3,935.5	42.9	-25.6
Long-term	2,460.3	3,408.4	4,487.2	4,836.9	8,403.6	7.8	73.7
Miscellaneous deposits ²	104.1	124.5	148.6	177.6	212.1	19.5	19.4
Public banks	38.2	47.6	55.8	66.7	76.8	19.5	15.1
All private banks	65.9	76.9	92.8	110.9	135.3	19.5	22.0
M2²	6,395.5	7,823.9	10,172.8	12,533.9	15,299.8	23.2	22.1

¹ As of 2013, banking sector also includes Iran Zamin Bank, Resalat Gharz-al-hasaneh Bank, Middle East Bank, Kish International Free Zone Bank (IFB), Iran-Venezuela Bi-National Bank (IVBB), Ghavamin Bank, Pishgaman Finance and Credit Institution (Ati), Salehin Finance and Credit Institution, Melal (Askariye) Credit Institution, and Kosar Finance and Credit Institution. Moreover, figures for Gharz-al-hasaneh Mehr Iran Bank have been added to private banks' data since March 2014, and excluded from specialized banks' category.

² Includes advance payments for letters of credit, guarantees' cash deposits, unused administered funds, advance payments for facilities, and pension and savings funds of banks' and government employees.

Table 55

Tehran Stock Exchange (TSE) Activities

(1990/91=100)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
						2016/17	2017/18
Shares traded							
Number (billion)	189.7	165.2	227.8	252.6	250.6	10.9	-0.8
Value (trillion rials)	964.2	542.5	473.6	537.9	539.1	13.6	0.2
Volume of trading (million times) ¹	17.1	12.8	13.8	15.5	..	12.5	0
TSE indices (year-end)							
TEPIX	79,015	62,532	80,219	77,230	96,290	-3.7	24.7
Financial	157,628	135,089	158,225	131,866	119,176	-16.7	-9.6
Industrial	65,837	51,296	66,994	66,100	86,082	-1.3	30.2
Top 50 performers (weighted)	3,336	2,576	3,254	3,035	4,036	-6.7	33.0
First market	58,607	45,318	57,004	54,460	68,124	-4.5	25.1
Second market	152,442	127,841	170,269	166,371	206,487	-2.3	24.1
Market capitalization (year-end) (trillion rials)	3,866.0	2,813.2	3,461.0	3,220.0	3,824.2	-7.0	18.8
Number of trading days	243	241	243	242	241	-0.4	-0.4
Number of companies whose stocks are listed on the TSE	317	314	319	325	326	1.9	0.3

Source: Securities and Exchange Organization, and the TSE.

¹Includes total trading of shares and participation papers.

Table 56

Issuance of Participation Papers¹ in 2017/18

	Source	Subject	Date of issuance	Issued amount (billion rials)	Sold amount (billion rials)	Maximum maturity (years)	Provisional profit rate (% per annum)	
Participation papers issued by the government				70,000	44,175			
Budget-based				70,000	44,175			
	Ministry of Economic Affairs and Finance ²	Paragraphs B and C, Note 5, Budget Law for 2016/17	Government projects	29.11.2016	50,000	44,175	4	15
	Ministry of Economic Affairs and Finance	Paragraph B, Note 5, Budget Law for 2017/18	Government projects	17.03.2018	20,000	0	4	15
Participation papers issued by municipalities				31,500	6,462			
	Shiraz Municipality ²	Note 6, Budget Law for 2015/16	Shiraz Urban Railway	18.02.2017	4,000	3,960	4	16
	Isfahan Municipality ²	Note 5, Budget Law for 2016/17	Isfahan Urban Railway	11.03.2017	2,500	2,498	2	16
	Mashhad Municipality	Paragraph D, Note 5, Budget Law for 2017/18	Phase 3, Line 2, Mashhad Urban Railway	19.03.2018	4,000	0.5	4	20
	Mashhad Municipality	Paragraph D, Note 5, Budget Law for 2017/18	Phase 2, Line 3, Mashhad Urban Railway	19.03.2018	3,000	0.5	4	20
	Isfahan Municipality	Paragraph D, Note 5, Budget Law for 2017/18	Phase 1, Line 2, Isfahan Urban Railway	19.03.2018	5,000	1.0	4	20
	Ahwaz Municipality	Paragraph D, Note 5, Budget Law for 2017/18	Phase 1, Line 1, Ahwaz Urban Railway	19.03.2018	3,000	0.5	4	20
	Qom Municipality	Paragraph D, Note 5, Budget Law for 2017/18	Phase 1, Line 1, Qom Urban Railway	19.03.2018	3,000	1.0	4	20
	Tehran Municipality	Paragraph D, Note 5, Budget Law for 2017/18	Completion of Line 7, Tehran Urban Railway	19.03.2018	7,000	0.2	4	20
Total				101,500	50,637			

¹Includes only participation papers issued based on the CBI license.

²License for the offering of unsold participation papers in 2016/17 was issued in 2017/18.

Consumer Price Index of Goods and Services in Urban Areas

(2016/17=100)

Table 57

	Relative weight in base year	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
							2016/17	2017/18
Special groups								
Goods index	48.5	76.2	85.6	93.5	100.0	110.2	7.0	10.2
Services index	51.5	64.0	77.1	89.4	100.0	109.2	11.8	9.2
General index	100.0	70.9	81.9	91.7	100.0	109.6	9.0	9.6
Major groups and selected subgroups								
Food and beverages	25.5	76.8	83.8	92.4	100.0	113.9	8.2	13.9
Meat	5.3	83.0	87.0	90.8	100.0	116.5	10.1	16.5
Fish and seafood	0.6	68.0	78.2	90.6	100.0	108.0	10.3	8.0
Bread and cereals	4.4	66.4	74.7	86.3	100.0	113.4	15.9	13.4
Fats and oils	0.8	82.0	90.8	93.8	100.0	112.1	6.6	12.1
Fruits and nuts	5.5	80.9	86.5	99.3	100.0	110.7	0.7	10.7
Vegetables, pulses, and vegetable products	3.5	88.2	91.0	96.7	100.0	121.3	3.4	21.3
Dairy products and eggs	3.0	76.0	86.7	94.8	100.0	112.2	5.6	12.2
Tobacco	0.4	99.9	93.8	90.9	100.0	103.1	10.0	3.1
Housing, water, electricity, gas, and other fuels	37.1	69.7	81.4	91.3	100.0	108.1	9.5	8.1
Rental value of non-owner occupied housing	7.7	70.0	81.0	91.1	100.0	108.3	9.8	8.3
Imputed rental value of owner-occupied housing	25.4	69.6	80.6	90.8	100.0	108.4	10.1	8.4
Maintenance and repair services	1.7	67.6	81.1	91.6	100.0	107.8	9.2	7.8
Water	0.5	62.3	84.1	93.8	100.0	100.0	6.6	0.0
Electricity, gas, and other fuels	1.8	77.5	94.1	98.5	100.0	103.4	1.5	3.4
Clothing and footwear	4.6	71.7	84.9	93.8	100.0	105.4	6.6	5.4
Furnishings, household equipment, and routine household maintenance	4.3	81.4	90.0	95.1	100.0	108.1	5.2	8.1
Transportation	8.9	67.8	84.1	93.4	100.0	106.5	7.1	6.5
Communication	2.3	84.2	93.3	96.6	100.0	105.9	3.5	5.9
Medical care	7.8	52.5	69.2	85.7	100.0	110.1	16.7	10.1
Recreation and culture	2.1	65.7	80.1	92.1	100.0	110.2	8.6	10.2
Education	2.0	65.7	74.0	86.2	100.0	111.3	16.0	11.3
Restaurants and hotels	1.8	66.2	78.6	91.4	100.0	111.3	9.5	11.3
Miscellaneous goods and services	3.2	70.8	82.0	91.2	100.0	110.2	9.7	10.2

Table 58

Producer Price Index

(2016/17=100)

	Relative weight in base year	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
							2016/17	2017/18
General index	100.0	79.1	90.8	95.3	100.0	110.0	4.9	10.0
Major groups								
Agriculture, forestry, and fishing	18.6	81.2	92.4	97.6	100.0	111.0	2.5	11.0
Manufacturing	47.1	88.2	96.9	96.5	100.0	110.7	3.6	10.7
Transport and storage	16.9	70.3	88.4	96.2	100.0	106.5	4.0	6.5
Hotels and restaurants	0.8	63.2	76.3	90.1	100.0	111.3	11.0	11.3
Communication	1.5	74.5	87.0	94.1	100.0	103.0	6.3	3.0
Education	2.5	64.6	73.6	86.1	100.0	111.6	16.1	11.6
Health and social work	11.6	49.2	66.6	85.1	100.0	110.7	17.5	10.7
Other community, social and personal services activities	0.9	57.5	72.3	88.7	100.0	112.3	12.7	12.3
Special groups								
Services ¹	34.3	64.4	80.9	92.0	100.0	108.4	8.7	8.4

¹ "Services" special group consists of "transport and storage", "communication", "hotels and restaurants", "health and social work", "education", and "other community, social, and personal services activities" major groups, with a total relative weight of 34.3 (base year: 2016/17).

Table 59

Export Price Index

(2011/12=100)

	Relative weight in base year	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change	
							2016/17	2017/18
General index	100.00	273.0	271.7	228.3	222.2	267.9	-2.7	20.6
Major groups								
Animal products	2.41	274.2	285.5	287.4	312.4	359.2	8.7	15.0
Vegetable products	10.43	268.4	274.1	292.5	275.1	306.1	-6.0	11.3
Animal or vegetable fats and oils	0.36	297.1	298.5	308.4	339.1	364.3	10.0	7.4
Prepared foodstuffs, beverages, and tobacco	3.72	301.1	299.4	306.4	327.8	360.2	7.0	9.9
Mineral products	31.80	276.9	286.2	183.7	168.7	216.2	-8.2	28.2
Products of the chemical or allied industries	20.11	278.5	249.9	211.1	208.6	267.5	-1.2	28.3
Plastic and articles thereof, rubber and articles thereof	10.51	301.5	304.0	276.6	268.6	305.1	-2.9	13.6
Raw hides and skins, leather and articles thereof	0.59	234.5	212.5	139.4	129.8	126.2	-6.9	-2.8
Wood and articles of wood	0.05	276.1	272.4	272.8	280.4	279.9	2.8	-0.2
Textiles and articles thereof	3.61	212.0	233.5	260.2	275.1	304.9	5.7	10.8
Footwear	0.46	281.7	366.6	380.8	394.9	455.3	3.7	15.3
Articles of stone	2.13	261.0	249.0	243.5	240.0	266.3	-1.4	10.9
Base metals and articles of base metals	9.71	242.0	247.5	212.7	205.4	270.8	-3.4	31.8
Mechanical appliances and electrical equipment	2.96	264.9	243.8	239.5	250.4	280.9	4.5	12.2
Vehicles and transport equipment	1.15	251.8	247.0	271.5	267.9	284.1	-1.3	6.1
Special groups								
Petrochemical products	46.33	284.7	281.5	205.1	196.4	249.3	-4.2	26.9

Gross Expenditure per Urban Household by Expenditure Groups

Table 60

(at current prices)

(million rials)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Food and beverages	74.7	80.8	83.3	90.0	99.1	8.0	10.2	22.9	23.5
Tobacco	1.2	1.2	1.1	1.3	1.4	19.3	4.1	0.3	0.3
Clothing and footwear	13.1	15.2	15.9	16.9	17.8	6.4	5.1	4.3	4.2
Housing, water, electricity, gas and other fuels	97.1	109.9	123.5	139.4	149.4	12.9	7.1	35.5	35.5
Furniture, furnishings, and household equipment and operation	11.9	13.6	14.5	15.8	16.9	8.5	7.0	4.0	4.0
Health and medical care	16.0	19.0	20.5	23.2	24.2	12.7	4.5	5.9	5.7
Transportation	24.3	34.0	36.0	41.9	44.6	16.1	6.7	10.6	10.6
Communication	5.7	7.0	7.5	8.3	8.7	11.1	4.2	2.1	2.1
Recreation and culture	6.5	7.7	6.9	7.6	8.0	10.2	5.0	1.9	1.9
Education	5.0	6.2	6.5	7.3	7.6	12.6	3.5	1.9	1.8
Restaurants and hotels	5.9	6.6	7.4	8.4	9.0	13.1	7.5	2.1	2.1
Miscellaneous goods and services	23.0	27.5	29.4	32.9	34.6	11.9	5.2	8.4	8.2
Total	284.5	328.8	352.7	393.0	421.3	11.4	7.2	100.0	100.0

Gross Expenditure per Urban Household by Expenditure Groups

Table 61

in Real Terms (2016/17=100)

(million rials)

	2013/14	2014/15	2015/16	2016/17	2017/18	Percentage change		Share (percent)	
						2016/17	2017/18	2016/17	2017/18
Food and beverages	97.3	96.5	90.1	90.0	87.0	-0.1	-3.3	22.9	22.6
Tobacco	1.2	1.2	1.2	1.3	1.3	8.4	1.0	0.3	0.4
Clothing and footwear	18.3	17.9	16.9	16.9	16.9	-0.2	-0.3	4.3	4.4
Housing, water, electricity, gas and other fuels	139.2	135.1	135.2	139.4	138.2	3.1	-0.9	35.5	35.9
Furniture, furnishings, and household equipment and operation	14.7	15.1	15.3	15.8	15.6	3.2	-1.0	4.0	4.1
Health and medical care	30.5	27.5	24.0	23.2	22.0	-3.5	-5.0	5.9	5.7
Transportation	35.8	40.5	38.6	41.9	41.9	8.5	0.1	10.6	10.9
Communication	6.8	7.5	7.8	8.3	8.2	7.4	-1.6	2.1	2.1
Recreation and culture	10.0	9.6	7.5	7.6	7.3	1.5	-4.7	1.9	1.9
Education	7.6	8.3	7.6	7.3	6.8	-3.0	-7.1	1.9	1.8
Restaurants and hotels	8.8	8.3	8.1	8.4	8.1	3.3	-3.4	2.1	2.1
Miscellaneous goods and services	32.4	33.5	32.2	32.9	31.4	2.0	-4.5	8.4	8.2
Total¹	402.7	401.2	384.6	393.0	384.7	2.2	-2.1	100.0	100.0

¹Total real expenditure is calculated by adding up the real expenditures of expenditure groups, instead of dividing total expenditure (at current prices) by the general price index.

Correspondence of Iranian¹ and Gregorian Calendars

Table 62

Month	Year		1392		1393		1394		1395		1396	
			<u>2013</u>		<u>2014</u>		<u>2015</u>		<u>2016</u>		<u>2017</u>	
Farvardin	1	March	21	March	21	March	21	March	20	March	21	
	31	April	20	April	20	April	20	April	19	April	20	
Ordibehesht	1	April	21	April	21	April	21	April	20	April	21	
	31	May	21	May	21	May	21	May	20	May	21	
Khordad	1	May	22	May	22	May	22	May	21	May	22	
	31	June	21	June	21	June	21	June	20	June	21	
Tir	1	June	22	June	22	June	22	June	21	June	22	
	31	July	22	July	22	July	22	July	21	July	22	
Mordad	1	July	23	July	23	July	23	July	22	July	23	
	31	Aug.	22	Aug.	22	Aug.	22	Aug.	21	Aug.	22	
Shahrivar	1	Aug.	23	Aug.	23	Aug.	23	Aug.	22	Aug.	23	
	31	Sept.	22	Sept.	22	Sept.	22	Sept.	21	Sept.	22	
Mehr	1	Sept.	23	Sept.	23	Sept.	23	Sept.	22	Sept.	23	
	30	Oct.	22	Oct.	22	Oct.	22	Oct.	21	Oct.	22	
Aban	1	Oct.	23	Oct.	23	Oct.	23	Oct.	22	Oct.	23	
	30	Nov.	21	Nov.	21	Nov.	21	Nov.	20	Nov.	21	
Azar	1	Nov.	22	Nov.	22	Nov.	22	Nov.	21	Nov.	22	
	30	Dec.	21	Dec.	21	Dec.	21	Dec.	20	Dec.	21	
Dey	1	Dec.	22	Dec.	22	Dec.	22	Dec.	21	Dec.	22	
	30	Jan.	<u>2014</u> 20	Jan.	<u>2015</u> 20	Jan.	<u>2016</u> 20	Jan.	<u>2017</u> 19	Jan.	<u>2018</u> 20	
Bahman	1	Jan.	21	Jan.	21	Jan.	21	Jan.	20	Jan.	21	
	30	Feb.	19	Feb.	19	Feb.	19	Feb.	18	Feb.	19	
Esfand	1	Feb.	20	Feb.	20	Feb.	20	Feb.	19	Feb.	20	
	29/30	March	20	March	20	March	19	March	20	March	20	

¹ There are 31 days in each of the first six months of the Iranian calendar, 30 days in each of the next 5 months, and 29 days in the last month except in leap year when it has 30 days.

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