Selected Economic Indicators Analysis on External Sector Developments

➤ Balance of Payments (BOP)

According to preliminary estimates, the current account registered a surplus of \$5.4 billion in the first three months of 1404 (April-June 2025), down by 36.3 percent compared with the same period in the previous year. A decrease of 15.5 percent in the value of oil exports over the mentioned period, attributable to the fall in oil prices despite the rise in the weight of the oil exports, as well as a decline of 7.4 percent in the value of non-oil exports affected by the decrease in the value of non-oil exports through Customs, ultimately led to a fall of 12.4 percent in the value of goods' exports over the mentioned period. This, coupled with a reduction of 4.7 percent in the value of the imports of goods, reduced the surplus of the goods account by 24.5 percent. Meanwhile, the value of the exports of services decreased by 4.2 percent, mainly attributable to the decrease in the volume of foreign trade, which, in turn, negatively affected the exports of services in the realm of "freight transportation". On the other hand, the imports of services in the area of "freight transportation" decreased due to the reduced cross-border transfers, which was offset by the rise in expenditures by Iranians on "travel" services abroad. Consequently, the value of the imports of services increased by 0.9 percent compared with April-June 2024, leading to a rise of 7.0 percent in the deficit of the services account. Moreover, the income account deficit increased by 6.5 percent compared with April-June 2024 period. The debit to the capital account (net) amounted to \$8.9 billion in the period April-June 2025, up by 12.5 percent compared with the corresponding period in the year before. The debtor position of the capital account (negative net capital account) in April-June 2025 was the result of the increase in net financial claims by resident entities and institutions on the outside world.

> Foreign Trade

According to preliminary data released by Iran's Customs Administration, the value of exports through Customs (excluding natural gas condensate) amounted to \$11.6 billion in the first three months of 1404 (April-June 2025), indicating a fall of 13.8 percent compared with April-June 2024. Meanwhile, the value of imports through Customs decreased by 9.1 percent to \$13.0 billion. Accordingly, the weight of exports through Customs (excluding natural gas condensate) decreased by 8.9 percent to 34.4 million tons, and that of imports declined by 4.0 percent to 9.0 million tons in April-June 2025 compared with April-June 2024. The price of each ton of exported goods fell by 5.4 percent and that of each ton of imported goods declined by 5.3 percent in April-June 2025 as compared with April-June 2024.

> External Debt (Actual Obligations)

The balance of the external debt of the country amounted to about \$5.0 billion in June 2025, up by 3.6 percent compared with end-Esfand 1403 (March 2025). Out of the total amount of debt, \$3.2 billion (63.2 percent) was in the form of short-term debt and \$1.9 billion (36.8 percent) was related to medium- and long-term debt. On this basis, the share of the short-term debt out of the total external debt decreased by 0.5 percentage point in June 2025 as compared with March 2025.

Exchange Rate

In Khordad 1404 (June 2025), each US dollar was exchanged in the unofficial market at an average rate of 821.7 thousand Iranian rials, indicating a decrease of 0.6 percent compared with Ordibehesht 1404 (May 2025). Meanwhile, both the telegraphic transfer (TT) selling rate of each US dollar exchanged in Iran Center for Exchange of Currency and Gold¹ and the rate of each US dollar against the Iranian rial exchanged via Iran Center for Exchange of Currency and Gold decreased by 0.1 percent compared with May 2025, amounting to 692.7 thousand rials and 712.1 thousand rials in June 2025. The promising atmosphere regarding the country's external relations, with its positive impact on inflation expectations, was the most important factor affecting the reduction in the exchange rate in the unofficial market in June 2025.

Translated in English Publications Division Economic Research Department, CBI

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¹ www.ice.ir