

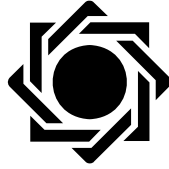


Annual Review

1386
(2007/08)

CENTRAL BANK OF THE ISLAMIC REPUBLIC OF IRAN

(BANK MARKAZI JOMHOURI ISLAMI IRAN)



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ABBREVIATIONS

ATM	Automated Teller Machine
CBI	Central Bank of the Islamic Republic of Iran
CPI	Consumer Price Index
CPPs	Central Bank Participation Papers
4 th FYDP	4 th Five-Year Development Plan (2005-10)
GDP	Gross Domestic Product
kWh	Kilowatt-hour
mb/d	Million Barrels per Day
MCC	Money and Credit Council
NIOC	National Iranian Oil Company
OPEC	Organization of Petroleum Exporting Countries
OSF	Oil Stabilization Fund
POS	Point of Sale
PPI	Producer Price Index
Rls	Rials
SMEs	Small and Medium Enterprises
TEDPIX	Tehran Stock Exchange Dividend and Price Index
TEPIX	Tehran Stock Exchange Price Index
TEU	Twenty-foot Equivalent Unit
WPI	Wholesale Price Index

SYMBOLS

—	Negligible fraction
..	Figures not available
*	The figure is not a significant decimal fraction
□	Figures are preliminary
▲	Previous figures now revised
∅	Calculation of percentage change is not possible
⊞	More than 500 percent increase
●	Figure has been rounded
○	Percentage change has been calculated from round figures

The Year 1386 corresponds to 2007/08 (starting from March 21).

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

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

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Part One

***Economic Developments
of Iran in 2007/08***

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

Introduction

During 1386 (2007/08), Iranian economy was stable and smooth. Sharp rise in prices and acceleration of inflation was a foreseeable phenomenon which was realized. In spite of higher inflation, other major real sector indicators like GDP growth and unemployment rate, did not manifest major changes from medium-term trends.

Other major development in Iran's economy in 2007/08 was the government's revision of the expansionary fiscal policy which resulted in change of sources of liquidity expansion. Consequently, the build-up of foreign reserve assets in Central Bank's balance sheet which was the main source of liquidity growth for many years was substituted by build-up of Central Bank

claims on banks. The sharp rise of banks indebtedness to Central Bank in the said year compelled the monetary authority to gradually restrict banks' access to Central Bank's funds and resulted in CBI's demand for observing more discipline by banks in their credit and lending operations.

On the fiscal front, the overall assessment of the implementation of government budget in 2007/08 was government's major efforts to raise tax and non-tax revenue as well as reducing the budget dependence on oil income. On the expenditure side of government budget, major endeavors were directed towards the containment of current expenditure and the attainment of a higher and more acceptable realization of acquisition of the non-financial assets. Meanwhile, the major aim of the government was to manage current and capital expenditures in a way that the total approved government expenditure remains unchanged.

Favorable developments in the global crude oil market in tandem with the rising trend of non-oil exports brought about the positive development in the external sector. However, intensification of the sanctions imposed on the Iranian agents and organizations, especially Iranian banks, and their limited access to conventionally international banking and financial instruments decelerated foreign financing and raised import costs, which in turn increased reliance on domestic resources for financing imports. Thus, capital and financial accounts deficit rose in the review year, and a large portion of country's foreign exchange revenues was allocated for financing imports through cash transfers.



National Income

Based on preliminary estimates, gross domestic product at current prices rose from Rs. 2,038 trillion in 2006/07 to Rs. 2,623 trillion in 2007/08, showing 28.7 percent growth in nominal terms and 6.9 percent growth in real terms, which indicates 0.7 percentage point increase at constant prices compared with the previous year. Meanwhile, non-oil GDP registered 7.6 percent growth, up by one percentage point compared with 2006/07.

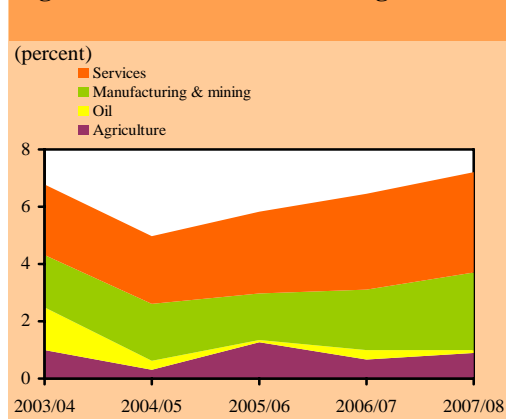
According to preliminary figures, "agriculture", "construction", "transport, storage, and communication", and "social, personal, and household services" groups had the greatest contribution to the economic growth in 2007/08. The share of the value-added of "agriculture" group in GDP was 0.9 percentage point, "oil" 0.1 percentage point, "manufacturing and mining" 2.7 percentage points, and "services" 3.5 percentage points.

Based on preliminary estimates, in 2007/08, private consumption expenditures grew by 9.1 percent at constant 1997/98 prices, while public consumption expenditures declined by 4.3 percent. This reduction was mainly attributable to the adoption of contractionary policies in government general budget. Comparing expenditure growth figures of 2007/08 with those of the previous year is indicative of a rise in the growth rate of private consumption expenditures and a fall in that of public consumption expenditures.

In 2007/08, gross fixed capital formation indicated 2.1 and 12.8 percent growth in machinery and construction, respectively, at con-

stant prices. For construction, this increase was due to the growth in private sector investment in this sector. The decelerating growth of capital formation in machinery is attributable to a decline in the imports of capital goods. The overall gross fixed capital formation grew by 6 percent in 2007/08, indicating an increase when compared with the 3.3 percent of the previous year.

Figure 1. Contribution to GDP growth



Agriculture

Based on preliminary estimates, the value-added of the agriculture sector grew by 6.2 percent in 2007/08, showing a rise when compared with the 4.7 percent growth of the previous year. The review year witnessed remarkable growth in the production of farming, horticultural, and livestock products. This was mainly attributable to increased and well-distributed rainfall as well as rise in banking facilities and government budget resources allocated to this sector.

In 2007/08, total precipitation level amounted to 458.3 billion cubic meters (278.1 mil-

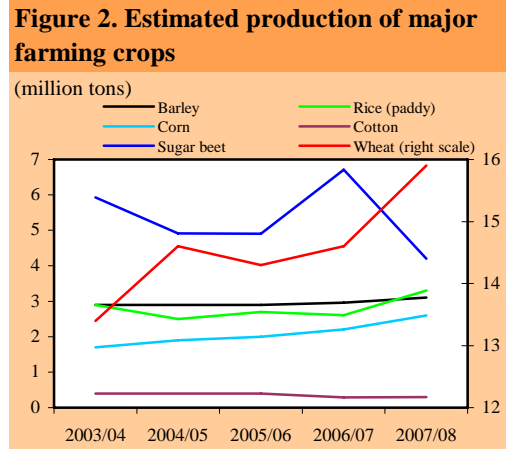
limeters)⁽¹⁾, showing 12 percent growth compared with the long-term average and 30 percent increase compared with 2006/07.

According to preliminary data released by the Ministry of Agriculture Jihad, total farming and horticultural product was estimated at 90 million tons for the farming year of 2007/08, showing 3.6 percent growth compared with the previous year. Of this amount, 73.5 million tons were farming and 16.5 million tons, horticultural product, which showed respectively 3.1 and 6.1 percent growth compared with the previous year. Total livestock products (excluding honey) were 11,349 thousand tons, up by 7 percent compared with the previous year.

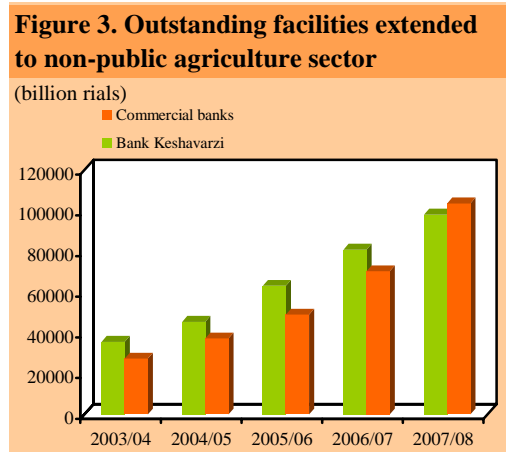
Production of major crops including wheat, barley, and rice (paddy) grew by 8.3, 5, and 28 percent, respectively, compared with 2006/07. This raised the total production of cereals by 11.4 percent to 25 million tons. Implementation of wheat self-sufficiency plan and the support policy for the guaranteed purchase of wheat have contributed to the increasing growth of wheat production over the recent years.

At the end of 2007/08, the total outstanding facilities (net) extended by banks and credit institutions to the agriculture sector amounted to Rls. 208.6 trillion. This indicated 36.2 percent growth compared with the previous year-end. Of this amount, 48 percent were extended by Bank Keshavarzi (Agriculture Bank) and 51.9 percent by commercial banks. In this year, the share of the agriculture sector in total out-

standing facilities (net) extended by the banking system was 14.1 percent.



The total amount of facilities extended by Bank Keshavarzi was Rls. 55,413.5 billion by the end of 2007/08, up by 4.7 percent compared with the previous year. Of total credits paid by this bank, 80.3 percent were from non-statutory resources and the remainder from budget law notes, administered funds, and contracts, showing 9.4 percent increase and 10.9 percent decrease, respectively, compared with 2006/07.



(1) Ministry of Energy, Iran Water Resources Management Company, Monthly Precipitation Report, August 2007



According to the Treasury General, in 2007/08, acquisition of non-financial assets (development expenditures) for development of "agriculture and natural resources" and "provision of water resources and establishments" amounted to Rls. 7,600.8 billion, down by 35.2 percent compared with 2006/07. Meanwhile, the guaranteed purchase price of various farming crops increased up to 50 percent.

By the end of 2007/08, Insurance Fund for Agricultural Products insured 1,725 thousand persons active in "farming and horticulture", "livestock and poultry", "aquaculture", "silkworm raising", and "natural resources" sub-sectors, indicating 3.4 percent fall compared with the previous year.

In 2007/08, 273 thousand tons of agricultural goods, valued at Rls. 772.6 billion, were traded on the Agricultural Stock Exchange. Agricultural goods offered and traded on the Agricultural Stock Exchange in this year included corn, barley, soybean meal, sugar, rice, pistachio, raisin, sugar beet residue, feed wheat, and wheat bran.

Energy

In 2007, world primary energy consumption ⁽¹⁾ grew by 2.4 percent to 11.1 billion tons oil equivalent. Of this amount, 10.4 billion tons oil equivalent was consumed by non-OPEC and 0.7 billion by OPEC Member Countries. The highest amount of consumption was related to

(1) Includes oil, natural gas, coal, nuclear energy and hydro-electricity.

oil by 35.6 percent and the lowest to nuclear energy by 5.6 percent. Iran's primary energy consumption amounted to 182.9 million tons oil equivalent, up by about 1.8 percent. Oil and natural gas are the primary energies consumed largely by Iran, while other energies are consumed sparingly.

In the review year, world crude oil production reached 81.5 mb/d, showing 0.2 percent reduction compared with 2006. Crude oil production by OPEC Member Countries, accounting for 43.2 percent of world crude oil production, decreased by 1.0 percent to 35.2 mb/d. World crude oil consumption, however, grew by 1.2 percent to 85.2 mb/d.

In 2007, besides rising demand, a host of factors such as changes in inventory levels of crude oil and gasoline in the US, depreciation of US dollar against other hard currencies, shortages of refining capacity, political and military tensions in the Middle East and Nigeria, and continuation of Iran's peaceful nuclear issue were responsible for run-up in crude oil prices. In this year, the average price of each barrel of OPEC crude oil basket ⁽²⁾ reached \$69.05, up by 11.3 percent.

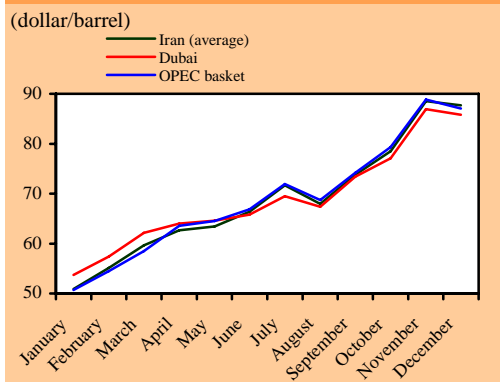
OPEC, in its December 2006 Conference, approved its production cut of 500 thousand b/d, effective as of February 1st, 2007. The Conference held on September 11th, 2007, decided to increase the volume of crude supplied to the market by OPEC Member Countries (excluding Iraq and Angola) by 500 thousand b/d, effective

(2) Includes eleven types of crude oil: Arab Light (Saudi Arabia), Basra Light (Iraq), BCF 17 (Venezuela), Bonny Light (Nigeria), Es Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Minas (Indonesia), Murban (UAE) and Saharan Blend (Algeria).

November 1st, 2007. This decision was taken to maintain oil market stability. At its 146th Meeting in Abu Dhabi, on December 5th, 2007, OPEC agreed to keep output levels unchanged. Additionally, the group assigned production quotas to recently joined members, Angola and Ecuador.

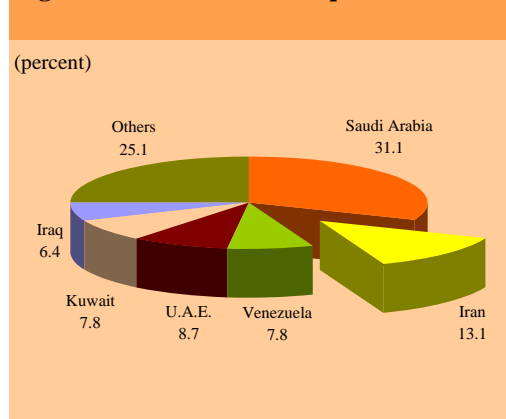
Iran's average crude oil production, in adherence to the production quotas set by the OPEC, amounted to 4.1 mb/d in 2007/08. Crude oil exports increased by 2 percent to 2.5 mb/d; however, exports of oil products plummeted by 25.2 percent to 199 thousand b/d compared with the previous year. The average spot price of Iran's crude oil export grew by 30.9 percent to about \$78.04.

Figure 4. Average spot prices of crude oil during 2007



Electricity generation amounted to 203.8 billion kWh, up by 5.9 percent compared with the previous year. Of total generated electricity, 190.2 billion kWh (93.3 percent) was generated by power plants affiliated to the Ministry of Energy and 13.6 billion kWh (6.7 percent) by other institutions. In this year, the highest amount of electricity (91.1 billion kWh) was generated by steam power plants while diesel power plants accounted for the lowest amount of generation

Figure 5. OPEC members' quotas in 2007



(0.2 billion kWh). Meanwhile, the highest growth in generation of electricity belonged to gas and combined cycle power plants by 9.3 percent; however, the amount of electricity generated by hydroelectric power plants showed 1.7 percent decline.

In 2007/08, consumption of electricity rose by 5.8 percent to 155.6 billion kWh. The highest growth of consumption belonged to street lighting by 12.1 percent. Electricity consumption by commercial sector grew by 9.1 percent, industrial 8.7 percent, public 5.7 percent, and residential 4.9 percent. Consumption of electricity by agriculture sector fell by 1.2 percent. Residential and industrial sectors had the highest shares in the consumption of electricity by 33.6 and 31.8 percent, respectively.

Manufacturing and Mining

According to preliminary estimates, manufacturing and mining sector exhibited a relatively favorable growth of 8.7 percent in 2007/08. The value-added for manufacturing and mining sectors were estimated at 8.3 and 17.7 percent, respectively. Of special note is that, according to



the 4th FYDP Law, the Plan target for manufacturing and mining sectors was 11 percent. The growth rate in production of petrochemicals by 32.7 percent, and growth in production of construction materials (due to remarkable growth of supply in housing sector), and also mineral products such as copper ore and iron ore, by respectively 22.7 and 18.5 percent, contributed to the realization of high growth in manufacturing and mining sectors.

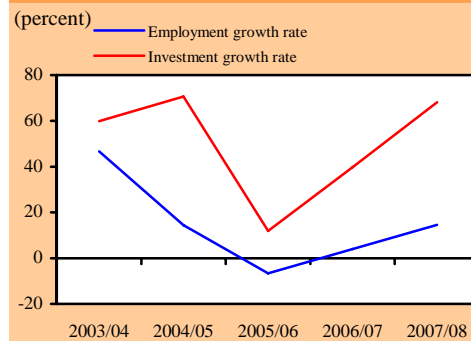
In the review year, production of cold coil grew by 31.4 percent, refrigerators and freezers 20.8 percent, plate glass 20.4 percent, washing machines 20.0 percent, cement 13.5 percent, steel products 9.7 percent, porcelain tiles 7.4 percent, crude steel 3.1 percent, and passenger cars 2.7 percent compared with the previous year.

According to the Ministry of Industries and Mines, 8,135 operation permits were issued for new manufacturing establishments and expansion of existing units, up by 20.3 percent compared with the previous year. Required investment and job opportunities based on operation permits increased by 68.1 and 14.6 percent, respectively. Per capita investment based on operation permits was Rls. 1.8 million. The highest per capita investment was related to the province of Markazi by Rls. 14.7 million and the lowest to Sistan and Baluchestan by Rls. 0.14 million. The ratio of the highest to lowest per capita investment is 105.3 times, pointing to the existence of a wide gap of industrial investment in provinces.

In this year, the Ministry of Industries and Mines issued 48.2 thousand establishment permits for the establishment of new manufac-

turing units and the expansion of existing units, showing 11.3 percent reduction compared with the previous year. Of the factors responsible for reduction in the number of establishment permits was the obligation to submit a feasibility report to general departments of the Ministry of Industries and Mines in some provinces. The amount of investment required for the establishment of the mentioned units and job opportunities created (in case of operation of manufacturing units) grew by 12.2 and 1.3 percent, respectively, compared with the previous year.

Figure 6. Investment and employment growth rates based on operation permits issued for manufacturing establishments



The outstanding facilities extended by banks and credit institutions to the manufacturing and mining sector grew by 22.8 percent to Rls. 383.1 trillion, compared with end-2006/07. The outstanding facilities extended to the public manufacturing and mining sector declined by 49.1 percent and facilities extended to the non-public manufacturing and mining sector increased by 27.4 percent. This is indicative of the banking system's orientation towards reduction of government undertakings and private sector encouragement to further participate in economic activities.

Based on the data released by the Treasury General, government development expenditures in the form of credits for the acquisition of non-financial assets in the manufacturing and mining sector and industrial research project amounted to Rls. 2,546 billion in 2007/08, down by 6.2 percent. These expenditures fell by 19.7 percent to Rls. 615.7 billion, at constant 1997/98 prices. Out of the approved figure for acquisition of non-financial assets (Rls. 3,207 billion), only 79.4 percent was realized.

According to the Ministry of Industries and Mines, 198 projects worth \$3.8 billion were approved to be financed out of the OSF. Chemical and cellulose products, with 58.8 percent share in approved facilities (\$2.2 billion), ranked first among major manufacturing and mining groups.

The producer price index in the two sectors of manufacturing and mining reached 349.2 and 288.4, showing 15.4 and 7.6 percent growth (at constant 1997/98 prices), lower than PPI's general index changes at 16.8 percent.

Share price index of manufacturing companies (industrial index) increased by 2.8 percent at end-2007/08 compared with end-2006/07. Tehran Stock Exchange Dividend and Price Index (TEDPIX) advanced by 17.6 percent. Meanwhile, 6.4 million tons of metal products, valued at Rls. 58 trillion, were traded in the Commodities Exchange. Steel products accounted for 72.8 and 94.8 percent of the value and weight of metal products traded in the Commodities Exchange.

Industrial exports reached 21.9 million tons in terms of weight and \$11.6 billion in terms of value, indicating 13 and 20.1 percent growth,

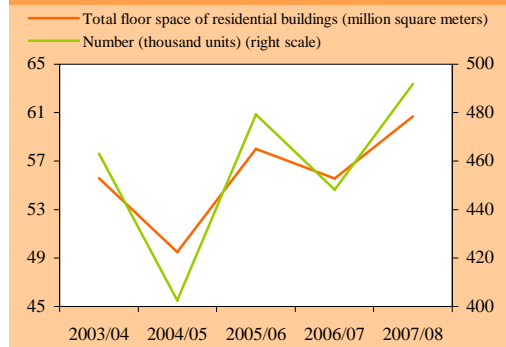
respectively, compared with the previous year. In this year, the share of industrial exports in total non-oil exports reached 68.1 and 75.8 percent in terms of weight and value, respectively.

Construction and Housing

Rebound in housing market which had started in the second quarter of 2006/07 in urban areas, ran into 2007/08, and boosted construction activities. The noticeable growth in private sector investment in new buildings in urban areas (at current prices), by 80.7 percent to Rls. 205.2 trillion, was an indicator of this boom. Similarly, investment in new buildings in small and medium-sized cities amounted to Rls. 106.4 trillion, pointing to a significant growth of 104.9 percent. The same growth was observed in Tehran and other large cities (53 percent for Tehran and 65.6 percent for other large cities).

The remarkable growth of investment (particularly by private sector) in new buildings in urban areas in 2007/08 was largely due to the benign outlook for housing market and increase in construction costs. The total number of residential buildings constructed by private sector in

Figure 7. Number and total floor space of residential buildings constructed by private sector in urban areas





2007/08 came to 491.9 thousand with a total floor space of 60.7 million square meters. This shows 9.8 and 9.2 percent growth in number and floor space, respectively, compared with the previous year.

The positive growth in the number of construction permits is a leading indicator that signifies an improvement in the trend of construction, pointing to a benign outlook for investment in this sector in near future. In 2007/08, construction permits issued by municipalities increased by 21.1 and 50.3 percent to 209 thousand and 105.3 million square meters in terms of number and total floor space, respectively.

According to the Budget Law for 2007/08, a sum of Rls. 10.6 trillion was approved to be allocated to the acquisition of non-financial assets for the housing sector, urban and rural development, and supportive plans. Accordingly, based on the data released by the Treasury General, Rls. 14.5 trillion was paid by the government, indicating 36.1 percent excess-realization compared with the approved figure.

Outstanding facilities extended by banks and credit institutions to non-public housing sector rose by 23.5 percent to Rls. 284.9 trillion compared with end-2006/07. Meanwhile, based on the report released by Bank Maskan, in 2007/08, Rls. 68.3 trillion facilities (including profit receivables) were paid to 393.3 thousand applicants, showing respectively 6.7 and 9.1 percent decline compared with the previous year. This was mainly due to a fall in loan-to-value ratio following a surge in housing prices in 2006/07 and 2007/08 on the one hand and a halt in the implementation of the project of the

"extension of facilities with and without depositing" by Bank Maskan ⁽¹⁾ as of May 2007, on the other. This led to reducing the applicants' willingness to request for housing loans.

In 2007/08, land price index rose by 53.3 percent to 192.8 (2004/05=100). The highest growth of this index by 57.3 percent belonged to Tehran. Construction services price index reached 182.9, showing a remarkable increase of 30.5 percent. The highest growth in the sub-groups of this index belonged to the "daily wage of unskilled construction worker", "wage paid for well-digging" and "daily wage of bricklayer". Moreover, WPI of metallic and non-metallic construction materials (base year=1997/98) increased by 22.4 and 14.1 percent, respectively.

Transportation

In 2007/08, a sum of Rls. 16,589.3 billion was approved for the implementation of acquisition of non-financial assets projects in the transportation sector, up by 18.8 percent compared with the approved figure for the previous year. According to the Treasury General, the government spent Rls. 13,590.7 billion for the implementation of transportation sector projects, showing a rise of 11 percent compared with the previous year and a realization of 81.9 percent compared with the approved figure. The highest realization belonged to "applied research" and "air transport" by 572.0 and 535.9 percent, respectively.

(1) Based on the approval of the Money and Credit Council, as of July 2005 until June 2007, Bank Maskan paid up to 50 percent of the applicants' score in the Housing Savings Fund for the purchase of housing units, without depositing. The ceiling for the payment of housing facilities (with and without depositing) was Rls. 180 million.

In the review year, of total Rls. 47 trillion approved for the issuance of government participation papers, Rls. 6 trillion was related to the financing of transportation sector projects. In this year, 93 percent of the issued participation papers were sold for the financing of this sector.

Based on the report on Consumer Price Index in urban areas, transportation price index (base year=2004/05) grew by 13.5 percent at end-2007/08 compared with the previous year. The price index of travel expenses, with 21.4 percent rise, accounted for 45 percent of the increase in transportation price index. This increase was mainly due to the rise in the fares of taxis and intercity buses by 25.2 and 17.8 percent, respectively.

Moreover, in 2007/08, Producer Price Index for land and air transport sectors grew by 15.6 and 15.0 percent, respectively.

In the review year, the number of passengers carried by roads (public transport) reached

455.6 million, showing 8.5 percent growth. Meanwhile, 485.0 million tons of goods (with or without bill of lading) were carried through roads, showing 10.8 percent increase compared with the previous year. Moreover, 4.5 million tons of goods (oil and non-oil)⁽¹⁾ were transited through roads, showing a slight reduction of one percent compared with the performance of the previous year.

The length of the roads under the supervision of the Ministry of Road and Transportation (excluding rural roads) reached 73.5 thousand kilometers, showing a mere 1.2 percent growth. The length of freeways and highways increased by 12.3 and 13.0 percent to 1.6 and 6.2 thousand kilometers.

The average age of buses in service in the public transport system reached 13.0 years, showing 2.3 percent decline compared with the previous year. For minibuses, this index grew by 2.6 percent to 23.3 years, and for taxis it fell by 17.4 percent to 5.7 years.

Figure 8. Number of carried passengers

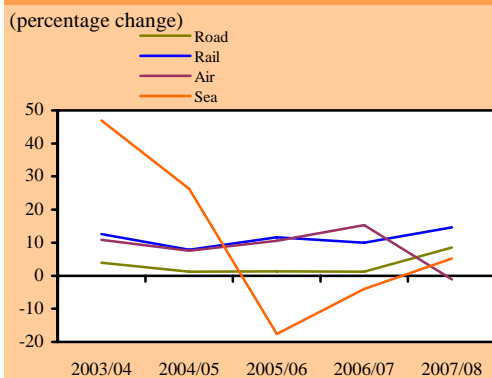
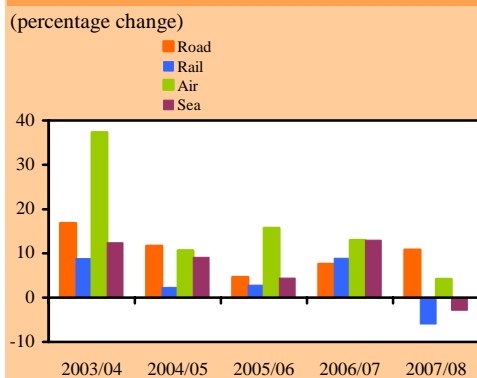


Figure 9. Volume of carried goods



(1) Includes road transit, entrance through border roads, exit from ports, entrance into ports, exit from border roads, and port-to-port transit by trucks.



The length of main railroads reached 8.7 thousand kilometers at end-2007/08. Railroads carried 24.5 million passengers, showing 14.6 percent rise compared with the previous year. Railway freight traffic went down by 6.0 percent to 31.0 million tons. Moreover, in the review year, 1.6 million tons of goods were transited through railroads, showing 6.7 percent rise compared with the previous year.

Total number of locomotives amounted to 635, showing 2.6 percent increase. Furthermore, the ratio of "locomotives in service to total locomotives", with 0.3 percentage point increase, reached 56.9 percent.

Rail transport indices are still lower than international ones. At present, there exist 4.3 meters of railroad per one square kilometer in Iran, while the corresponding figure for Germany is 96.0, Japan 53.0, South Africa 16.4, and Turkey 11.2 meters. Moreover, there are only 20 railway wagons per one million persons in Iran, against 240 wagons in Germany, 230 in Japan, 40 in South Africa, and 25 in Turkey.

In the review year, 66.7 million tons of commercial and 40.3 million tons of oil goods

were carried through ports, showing 4.9 percent growth and 13.5 percent decline, respectively. Container operations in ports amounted to 1,963 thousand TEU ⁽¹⁾, up by 18.0 percent compared with the previous year. The number of passengers embarking and disembarking at ports increased by 5.2 percent to 3.9 million persons, of whom 58.3 percent were related to Ghesm Port.

The number of cargo ships, with over 1,000 tons capacity, grew by 1.2 percent compared with 2006/07 and reached 9,266. The number of cargo ships, with less than 1,000 tons capacity, increased by 14.4 percent to 23 thousand.

Total number of passengers departing and arriving at airports reached 31.8 million, showing 4.3 percent growth compared with the previous year and 115.2 percent realization compared with the target set in the 4th Plan.

The amount of cargo carried by air (domestically and internationally) grew by 0.6 and 5.1 percent to 32.3 and 129 thousand tons, respectively. The number of national air fleet increased from 76 to 123, showing a remarkable growth of 61.8 percent.

PERFORMANCE OF KEY INDICES IN AIR TRANSPORT SECTOR

Indices	Unit	Performance			Percentage change	
		2005/06	2006/07	2007/08	2006/07	2007/08
Airport capacity for departures and arrivals	million persons	62	67	72	8.1	7.5
Replacement and development of national air fleet	aircraft	78	76	123	-2.6	61.8
Air fleet productivity	hours	7.48	7.36	7.26	-1.6	-1.4
Share of non-public sector in domestic flights	percent	36.0	39.7	43.9		
Share of non-public sector in international flights	percent	47.3	49.8	53.1		

(1) One TEU equals a 20-foot container.

Population and Employment

Based on the Statistical Center of Iran (SCI) estimates, Iran's total population was 71.5 million persons in 2007/08, of whom 49.6 million dwelled in urban and the remainder in rural areas.

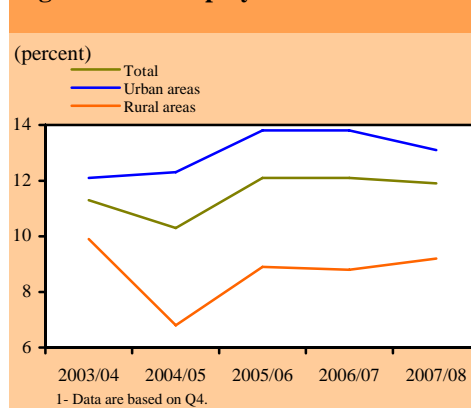
Of the key objectives of the 4th FYDP is to reduce unemployment rate to 8.4 percent by the end of the Plan (2009/10). According to the data drawn by the SCI in the "Labor Force Survey", unemployment rate stood at 10.5 percent in 2007/08, showing 0.8 percentage point decline compared with 2006/07. This rate was 12.5 percent for urban areas and 6.6 percent for rural areas, showing 0.9 and 0.5 percentage point fall, respectively, in urban and rural areas.

Unemployment rates among male and female population were 9.3 and 15.8 percent, respectively. This is indicative of a fall in the unemployment rate for both men and women. Of major challenges the labor market is facing with in the coming years are increased participation rate of women and the growing number of female university graduates.

A review of employment by economic sectors reveals that the services sector accounted for the highest share of employment while the lowest share was related to the agriculture sector. The shares of agriculture, manufacturing, and services sectors in employment were 22.8, 32.1, and 45.1 percent, respectively, in 2007/08. Comparison of these figures with those of the previous year indicates that the share of the agriculture sector fell and the share of the manufacturing sector went up. Implementation of

projects supporting the expansion of Small and Medium Enterprises (SMEs) in the two sectors of manufacturing and services led to the reduction of the share of the agriculture sector.

Figure 10. Unemployment rate⁽¹⁾



In 2007/08, in connection with the guidelines of the 4th FYDP, the following measures were taken to reduce unemployment.

Administered Funds

Based on Note 29 of the Budget Law for 2001/02 and Note 3 of the Budget Law for 2002/03, by the end of 2007/08, a sum of Rls. 12,708.2 billion was allocated to agent banks by the President Deputy for Strategic Planning and Control. Accordingly, these banks approved Rls. 16,699.8 billion projects (131.4 percent of government disbursed funds) and concluded Rls. 15,483.5 billion contracts (121.8 percent of disbursed funds). The total facilities paid by banks in this form amounted to Rls. 13,392.9 billion (105.4 percent of disbursed funds). In case the mentioned contracts become operational, 280,986 job oppor-



tunities will be created, constituting Rls. 47.7 million for each job opportunity. In 2007/08, the government did not disburse funds to agent banks for job creation projects under administered funds scheme. In this year, the administered funds allocated for job creation (final approved) projects decreased by Rls. 17.6 billion compared with end-2006/07.

Payment of Subsidy on Profit and Commission Extended by Banks

The ceiling of the credits extended out of banks' domestic resources for the payment of subsidy on profit and commission was determined at Rls. 4,921.5 billion. According to the performance of the agent banks by end-2007/08, out of Rls. 801.4 billion administered funds deposited by the President Deputy for Strategic Planning and Control, the subsidy paid on projects (at Rls. 3,710.8 billion) amounted to Rls. 103.7 billion, which was 12.9 percent of the total deposited amount. Moreover, in case of the operation of these projects, 49,139 job opportunities will be created. Therefore, Rls. 75.6 million contracts were concluded for each job opportunity. In 2007/08, no amount has been paid into the agent banks' accounts for the payment of subsidy on profit and commission. The amount of paid subsidy was Rls. 20.9 billion.

Allocation of Administered Funds and Credits Envisaged in "Technical and Credit Assistance to the Private and Cooperative Sectors" Program

In 2007/08, the ceiling for credits allocated out of banks' domestic resources increased by

Rls. 133.4 billion, compared with end-2006/07, to Rls. 7,929.3 billion. Meanwhile, President Deputy for Strategic Planning and Control deposited Rls. 1,181.3 billion into banks accounts, up by Rls. 255.3 billion compared with 2006/07 year-end. Therefore, by end-2007/08, a sum of Rls. 2,899 billion was allocated to projects in the form of concluded contracts. In case of the operation of these projects, 41,318 new job opportunities will be created, each enjoying Rls. 70.1 million investment.

Facilities Extended by Banks to SMEs

Based on the executive by-law for supporting the expansion of SMEs, by the end of 2007/08, Rls. 573,913.8 billion projects were referred to banks, of which Rls. 263,149.0 billion were approved. Of total Rls. 197,961.5 billion concluded contracts, 45.3 percent were related to enterprises with less than 10 employees and 54.7 percent to enterprises with 10 to 49 employees. Total facilities paid out of this source amounted to Rls. 168,819.9 billion by the end of 2007/08.

Among various economic sectors, manufacturing and mining, with 49.2 percent, had the highest share in receiving these facilities. Comparing the balance of the mentioned account in 2007/08 with that of 2006/07 reveals that Rls. 247,889 billion projects were referred to banks, of which Rls. 128,407 billion were approved. In this year, Rls. 94,556 billion facilities were extended which will create 693,364 job opportunities in case of the operation of these projects.

Government Budget and Finance ⁽¹⁾

Budget Law for 2007/08, as the third Budget Law during the course of the 4th Plan (2005-10), was drawn up within the framework of the Twenty-Year Vision Plan, general policies of the government, the 4th Plan, as well as sectoral, trans-sectoral and provincial Development Plan Documents of the country.

Government general budget sources and uses (approved) reached Rls. 639,451.7 billion. Total government budget sources include revenues, with a share of 43.4 percent, disposal of non-financial assets 27.5 percent, and disposal of financial assets 29.1 percent. Expenses, acquisition of non-financial assets, and acquisition of financial assets constituted respectively 62.5, 28.8, and 8.7 percent of the approved uses out of these sources.

According to the "Law on Amendment to the Budget Law for 2007/08" approved in December 2007, the government was authorized to raise expenses up to Rls. 36,300 billion, provided that the ceiling for general budget will not increase. Of this figure, Rls. 10,500 billion was financed through a replacement in the use of credits allocated for expenses, and Rls. 25,800 billion was appropriated through a reduction in the amount of credits for acquisition of non-financial assets.

With the approval of the mentioned Law, government general budget sources remained at the level stipulated in the Budget Law for 2007/08. On the uses side, Rls. 25,800 billion

was transferred from acquisition of non-financial assets to (current) expenses. Upon the mentioned amendment, share of expenses in total uses of budget reached 66.5 percent and that of acquisition of non-financial assets 24.8 percent. Total uses of government from the oil export revenues stipulated in the Budget Law for 2007/08 reached Rls. 334,993.9 billion, indicating a reduction of 10.2 percent compared with the approved figure for the previous year (including budget supplements).

Government general revenues amounted to Rls. 298,203.1 billion in the review year, showing 29 percent growth compared with the previous year and a 7.5 percent in excess of the approved figure. Share of tax revenues in total revenues declined from 65.6 percent in 2006/07 to 64.3 percent in the review year. Government tax revenues rose by 26.5 percent to Rls. 191,815.3 billion in 2007/08, compared with the previous year, representing 97.2 percent realization in comparison with the approved figure. Direct tax revenues faced an excess-realization of 1.2 percent and indirect taxes, an under-realization of 9.6 percent in this year. The highest share of tax revenues (65.9 percent) belonged to direct taxes, as before.

Share of tax revenues out of government general revenues decreased during 2003-08. This share reached 64.3 percent in 2007/08, against 82.6 percent in 2003/04. Therefore, government reliance on tax revenues to cover current expenses declined over the past five years.

(1) Excluding the figure for transparency in the price of energy bearers



Figure 11. Government budget

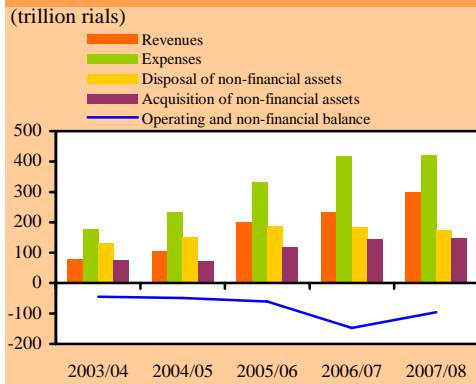
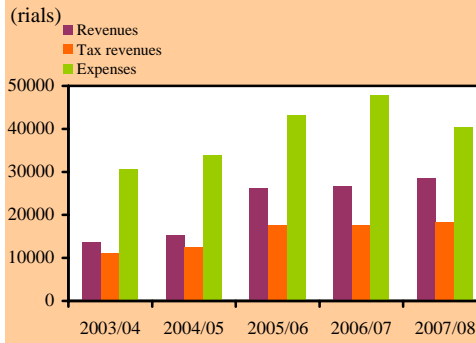


Figure 12. Government per capita revenues, tax revenues and current expenses at constant 2004/05 prices



In this year, other government revenues grew by 33.8 percent to Rls. 106,387.8 billion, indicating 32.6 percent excess-realization compared with the approved figure.

Revenues received from disposal of non-financial assets amounted to Rls. 174,791.8 billion, down by 4.4 percent compared with the previous year, showing 99.5 percent realization in comparison with the approved figure. Of total disposal of non-financial assets, Rls. 173,519.1 and 1,272.7 billion were related to oil export revenues, and sale of movable and immovable assets, respectively, indicating a fall of 4.6 per-

cent and a rise of 38.9 percent compared with the respective figures of the previous year. However, receipts from disposal of movable and immovable assets faced 61.1 percent under-realization as compared with the approved figure. Receipts from sale of crude oil reached Rls. 139,699.1 billion, up by 5.9 percent against the previous year.

Disposal of financial assets, including domestic and foreign financing, declined by 2.8 percent to Rls. 156,614 billion compared with the preceding year, showing 84.1 percent realization as compared with the approved figure. The 15.9 percent under-realization in disposal of financial assets was mainly due to 69 percent under-realization in foreign financing and 42.8 percent under-realization in privatization of public corporations. In the review year, the withdrawal from the OSF amounted to Rls. 106,994.3 billion, down by 25 percent in comparison with the previous year. Of total sources for disposal of financial assets, 68.3 percent was financed through withdrawal from the OSF.

In the composition of the government budget sources, 53.4 percent was financed through oil, indicating a reduction of 11.7 percentage points against the corresponding figure of the preceding year by taking the Budget Supplements into account. These sources comprised crude oil export revenues, tax on oil performance, provisional dividend of government share in value of crude oil production, and the government withdrawal from the OSF.

In the review year, the government expenses rose to Rls. 421,334.1 billion, representing 1.3 percent increase against the previous year, and 99.1 percent realization compared with the

approved figure. Meanwhile, national government expenses declined by 0.9 percent, and provincial expenses grew by 7.9 percent, constituting respectively 72.6 and 27.4 percent of government expenses.

Government paid a total of Rls. 147,715.8 billion for the acquisition of non-financial assets, indicating 1.5 percent growth compared with the year before and an under-realization of 6.9 percent compared with the approved figure. Of total payments by the government for the acquisition of non-financial assets, 76.7 percent were in the form of national and 23.3 percent in the form of provincial expenses.

Therefore, the government operating balance ran a deficit of Rls. 123,131 billion, indicating a reduction of 33.3 percent against Rls. 184,657.3 billion deficit in the year before. Net disposal of non-financial assets amounted to Rls. 27,076.1 billion, down by 27.3 percent compared with the previous year. Government operating and non-financial balance, due to operating balance deficit and surplus in net disposal of non-financial assets, posted Rls. 96,054.9 billion deficit, showing a decline of 34.8 percent compared with the previous year deficit of Rls. 147,431.2 billion. This was largely attributable to a decrease in the operating balance deficit. Operating and non-financial balance deficit

was mainly financed through withdrawals from the OSF.

Ratio of government revenues to GDP rose slightly from 11.3 percent in 2006/07 to 11.4 percent in the review year. In contrast, ratio of expenses to the same variable decreased to 16.1 percent in 2007/08 from 20.4 percent in the year before. Ratio of acquisition of non-financial assets to GDP reached 5.6 percent in 2007/08, against 7.1 percent in the previous year. Ratio of operating balance deficit to the mentioned variable fell from 9.1 percent in 2006/07 to 4.7 percent in 2007/08. Ratio of operating and non-financial balance (total budget deficit) to GDP also declined to 3.7 percent in 2007/08 against 7.2 percent in 2006/07, representing a reduction of 3.5 percentage points. The mentioned trends reveal adoption of contractionary policies by the government in 2007/08.

**RATIO OF SELECTED BUDGET ITEMS
TO NOMINAL GDP (percent)**

	2003/04	2004/05	2005/06	2006/07	2007/08
Revenues	7.2	7.5	11.9	11.3	11.4
Expenses (current)	16.3	16.7	19.6	20.4	16.1
Acquisition of non-financial assets	6.7	5.2	7.0	7.1	5.6
Operating balance	-9.1	-9.3	-7.7	-9.1	-4.7
Operating and non-financial balance	-4.0	-3.6	-3.6	-7.2	-3.7

**GOVERNMENT PER CAPITA REVENUES AND EXPENSES
AT CONSTANT 2004/05 PRICES ⁽¹⁾**

	2003/04	2004/05	2005/06	2006/07	2007/08	Average growth (2003-08)
Revenues	13,502	15,157	26,168	26,559	28,511	18.7
Tax revenues	11,149	12,352	17,575	17,422	18,339	12.4
Expenses (current)	30,528	33,934	43,212	47,777	40,283	6.9

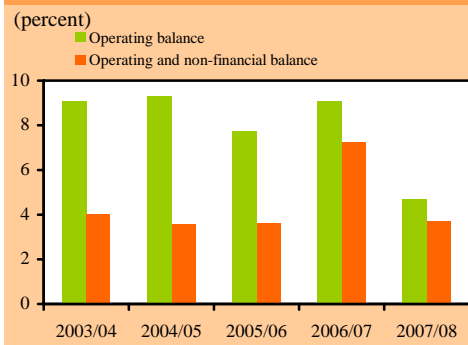
(1) The CPI has been used to adjust the price change effect.



Despite a rise of 7.3 percent in government per capita revenues (at constant prices), the government per capita expenses (at constant prices) declined by 15.7 percent.

In total, in the Budget Law for 2007/08, the government's attempts to control growth of expenses together with a justifiable realization of acquisition of non-financial assets, while preventing increase in the ceiling of sources and uses, is praiseworthy.

Figure 13. Ratio of operating and operating and non-financial balance deficit to GDP



Balance of Payments

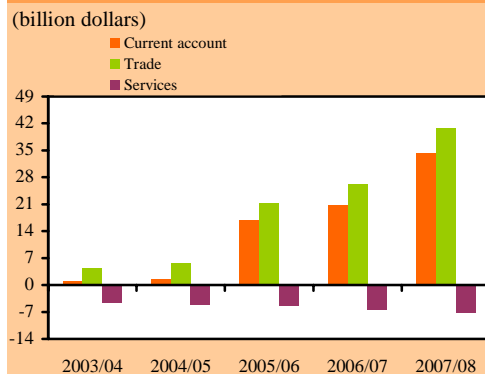
Positive developments in the global crude oil market and upward trend of non-oil exports improved the external sector significantly. Based on the preliminary data, total foreign exchange receipts from export of goods, which were largely related to oil and gas export, reached \$97,401 million in 2007/08. Total oil and gas export revenues (including crude oil, natural gas, oil products, and gas condensates) grew by 31.9 percent to \$81,764 million. Non-oil exports (customs and non-customs) also rose by 11.3 percent to \$15,637 million.

According to the data released by Iran's Customs Administration, 32,118 thousand tons of

goods worth \$15,312 million were exported in the review year, indicating respectively 15.7 and 17.8 percent rise in terms of weight and value compared with the previous year. Total non-oil exports (customs and non-customs) grew by 11.3 percent to \$15,637 million in 2007/08 as compared with the year before. Total value of imports (through customs) reached \$48,439 million, up by 16.1 percent compared with the figure for 2006/07. Weight of goods imported amounted to 41,696 thousand tons, showing a fall of 4.1 percent against the year before. Total value of imports, including non-customs imports, reached \$56,582 million in 2007/08, up by 13.1 percent compared with the preceding year. It should be mentioned that the difference between customs imports and total imports is related to adjustment on customs data for full coverage of imports.

Trade balance, therefore, posted a surplus of \$40,819 million in the review year. This, together with the \$7,199 million deficit in foreign services balance and the \$461 million surplus in the transfers account, resulted in the \$34,081 million surplus in the current account of balance of payments. However, non-oil current

Figure 14. Balance of payments



account ran a deficit of \$47,683 million, up by 14.6 percent compared with the previous year deficit of \$41,609 million. This indicates the greater role of oil sector in the external sector of the Iranian economy. Thus, total non-oil exports could meet 3.3 months of imports requirements. In 2006/07, non-oil exports met almost four months of imports requirements.

Capital account (net) ran \$12,357 million deficit, indicating a noticeable growth as compared with \$4,383 million deficit of the previous year. This was largely due to the \$10,804 million deficit of the short-term account, which in turn was owing to an increase in banks' foreign assets and the commercial credits allocated for oil exports. Long-term account ran a \$1,554 million deficit, largely owing to repayment of debts from buy-back contracts, repurchase of Eurobonds, and repayment of debts resulting from project finance.

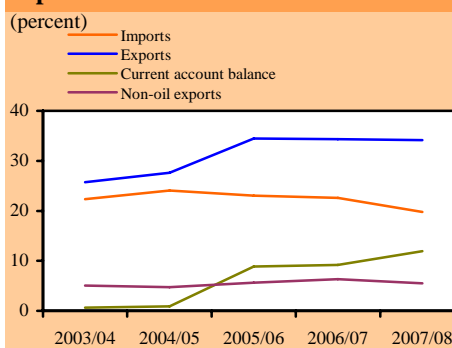
Foreign exchange obligations increased by 23.9 percent from \$45,338 million in 2006/07 year-end to \$56,184 million at end-2007/08. Notable rise in the ceiling of foreign exchange obligations at end-2007/08, after a long period of stability and slight fluctuation, was largely owing to greater coverage of data in recent years.

Outstanding amount of actual obligations at end-2007/08 reached \$28,647 million, up by 21.8 percent compared with the previous year-end. Contingent foreign exchange obligations, with a 26.2 percent increase, reached \$27,537 million, against \$21,825 million at end-2006/07.

Balance of the OSF grew by 89.1 percent to \$38,871 million at end-2007/08. Of this amount, \$23,175 million was in the form of cash and \$15,696 million in the form of claims.

The ratio of imports to GDP, which showed an upward trend during 2002-04 reversed since 2005. This ratio, with 2.8 percentage points reduction, equaled 19.8 percent in 2007/08, against 22.6 percent in 2006/07. Moreover, the ratio of exports (including oil) to the mentioned variable, despite its constant growth during 2002-05, declined gradually in the past two years. The ratio of non-oil export to GDP, despite its volatile trend in recent years, stood at 5.5 percent in 2007/08. This indicates 0.8 percentage point reduction compared with the year before. Therefore, run-up in international crude oil prices as well as a surge in the value of oil and gas exports led to a remarkable surplus in the current account balance during the past three years. The ratio of current

Figure 15. Ratio of imports, exports, current account balance, and non-oil exports to GDP



RATIO OF IMPORTS, NET EXPORTS AND CURRENT ACCOUNT BALANCE TO GDP

	2003/04	2004/05	2005/06	2006/07	2007/08
Imports	22.4	24.1	23.0	22.6	19.8
Exports	25.7	27.6	34.3	34.3	34.1
Current account balance	0.6	0.9	8.9	9.2	11.9
Non-oil exports	5.0	4.7	5.6	6.3	5.5



account balance to GDP advanced to 11.9 percent, showing 2.7 percentage points rise compared with the preceding year.

Money and Banking

Liquidity growth stood at 27.7 percent at end-2007/08, indicating 11.7 percentage points reduction against the previous year-end. Among the factors affecting liquidity growth, net foreign and domestic assets of the banking system constituted respectively 3.6 and 24.1 percentage points of liquidity growth.

Among the constituents of net domestic assets, claims on non-public sector (excluding profit and revenue receivables), with 31.3 percent, held the highest share in liquidity growth, indicating a fall of 3.6 percentage points as compared with the previous year-end. Moreover, net claims on government, public corporations and organizations, and other items (net) had decreasing effects of 0.9, 0.6, and 5.7 percentage points, respectively, on liquidity growth. The negative share of government indebtedness to the banking system (net) solely relates to the rise in government deposits with banks by 18.8 percent against the preceding year-end, not to the repayment of its debts to the banking system.

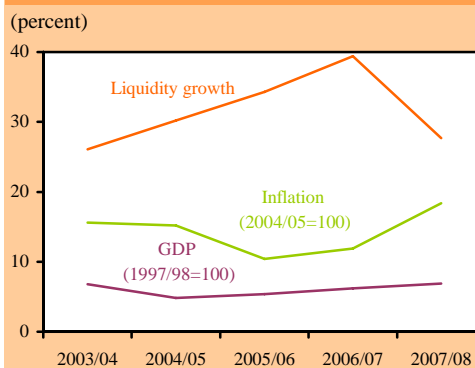
Monetary base surged by 30.5 percent, representing a rise of 3.6 percentage points against the 26.9 percent rise of the year before. CBI's claims on banks, with 21 percentage points growth compared with the previous year, had the highest share in monetary base growth by 29.6 percentage points. The noticeable rise in CBI's claims on banks was mainly due to banks' overdraft from the Central Bank in the review year.

Net foreign assets of the CBI had the highest share (51.5 percentage points) in monetary base growth in 2006/07, which decreased to 24.1 percentage points in 2007/08. Government obligation to implement the approved budget as well as the interbank market capability in absorbing the foreign exchange supplied by the government were the main driving forces behind the fall in the share of net foreign assets in monetary base. Therefore, in 2007/08, the highest share in monetary base growth was related to rise in banks' indebtedness rather than rise in foreign assets.

Other assets (including CBI capital account) and net claims of the Central Bank on public sector by 13.7 and 9.5 percentage points, respectively, had the highest decreasing effects on the monetary base.

The share of money in liquidity grew slightly to 32.7 percent at end-2007/08 as compared with 32.3 percent of the previous year. Among the main constituents of money, share of notes and coins with the public to liquidity edged up by 0.1 percentage point as compared with the previous year-end.

Figure 16. Major economic variables



Money multiplier declined by 2.2 percent to 4.488 in 2007/08 year-end against the same period previous year, indicating a noticeable decline as compared with the 9.8 percent growth in the year before. This reduction was mainly due to an increase in the ratio of excess reserves to total deposits (largely owing to the rise in foreign exchange demand and investment deposits of banks with the Central Bank), which rose by 15.6 percent against the same figure for the previous year-end.

Balance of non-public sector deposits with banks and credit institutions grew by 27.6 percent (Rls. 337.6 trillion) to Rls. 1,560.4 trillion in 2007/08 year-end. Of this growth, 30.9 percent was related to private banks and credit institutions. Share of these banks and institutions out of total non-public sector deposits was 19 percent at end-2007/08, showing a rise of 3.3 percentage points as compared with the previous year. This increase was largely attributable to the high (provisional) deposit rates of private banks compared with that of public banks, rise in public confidence in private banks, and low attractiveness of investment in other markets such as the Stock Exchange.

The ratio of overdue claims and non-performing loans extended to public and non-public sectors to total facilities extended by banks and credit institutions reached 11.4

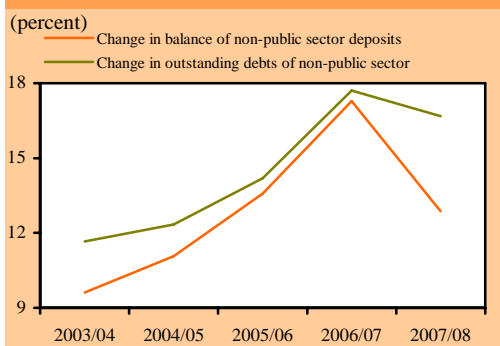
percent in 2007/08 ⁽¹⁾ against 13.7 percent in 2006/07.

The ratio of change in the outstanding claims of the banking system on non-public sector to GDP decreased from 17.7 percent in 2006/07 to 16.7 percent in the review year. Of note, the mentioned ratio had an upward trend in 2006/07 as compared with the year before. The ratio of change in the balance of non-public sector deposits to GDP declined from 17.3 percent

RATIO OF CHANGE IN BALANCE OF NON-PUBLIC SECTOR DEPOSITS AND OUTSTANDING DEBTS OF NON-PUBLIC SECTOR TO GDP (percent)

	2003/04	2004/05	2005/06	2006/07	2007/08
Change in balance of non-public sector deposits	9.6	11.1	13.6	17.3	12.9
Change in outstanding debts of non-public sector	11.7	12.3	14.2	17.7	16.7

Figure 17. Ratio of change in balance of non-public sector deposits and outstanding debts of non-public sector to GDP



(1) According to the new classification, in 2007/08, overdue claims and non-performing loans consisted of total claims on public and non-public sectors and extended facilities refer to facilities extended to both public and non-public sectors. However, in the calculation of overdue claims and non-performing loans in 2006/07, total claims on non-public sector and the facilities extended to this sector were taken into account.



in 2006/07 to 12.9 percent in the review year. These reductions revealed a slowdown in liquidity growth in comparison with the past two years.

Monetary and Credit Policies

Based on Article 10, the 4th FYDP, and Article 20, the Law for Usury Free Banking, the MCC set the minimum lending rate on the facilities extended by public banks for transaction contracts at 12 percent for all economic sectors in 2007/08.

Upon reduction of public banks' lending rates during 2004-08, the minimum expected lending rate of private banks was adjusted in the review year. According to the MCC approval, the minimum expected lending rate on the facilities extended by private banks and credit institutions for transaction contracts was set at 13 percent for all economic sectors.

The deposit rates (provisional) of public banks were within a range of 7 (for short-term deposits) to 16 percent (for five-year investment deposits) as the previous year.

Based on the recommendation of the MCC, the Parliament approved issuance of participation papers by the CBI worth Rls. 40 trillion at the profit rate (provisional) of 15.5 percent. These papers were tax-exempt with a one-year maturity from the date of issuance.

Payment System

The financial sector in Iran witnessed great developments in the payment system in 2007/08. The Central Bank developed the Real Time Gross Settlement System (SATNA) as the main

center for settlement of Iranian banks' transactions in rial. Upon implementation of the first and second phases of this system in 2006/07, real time settlement through the interbank information transfer network (SHETAB) and interbank clearing house was started in the review year. Since 2007/08, bank-to-bank and customer-to-customer payments were also settled through SATNA. The Retail Funds Transfer System (SAHAB), launched at end-2006/07 for real time transfer of a large volume of payments of relatively small value, was further developed in 2007/08. Moreover, there are further plans to connect Iran's SHETAB to information transfer networks of other countries.

Notes and Coins

Cash (notes and coins with the public) is still the predominant payment instrument. Notes and coins with the public rose by 30 percent from Rls. 61,452 billion in 2006/07 year-end to Rls. 79,909 billion at end-2007/08. However, the ratio of notes and coins with the public to nominal GDP remained virtually unchanged at 2006/07 level of almost 3 percent⁽¹⁾. Moreover, the share of notes and coins with the public in liquidity grew by less than 0.1 percentage point compared with 2006/07 year-end, to 4.9 percent.

Interbank Clearing House

Although payment system in Iran is undergoing great developments upon establishment of SATNA, financial transactions are mostly channeled through Interbank Clearing House. In

(1) The ratio of notes and coins with the public to nominal GDP in Iran differs with the countries enjoying an advanced payment system. In Iran, the bulk of transactions are processed through checks.

total, more than 915 million checks valued at Rls. 8,042 trillion were exchanged in the Clearing Houses in the review year, which led to netting of Rls. 1,056 trillion.

The low denomination notes call for an extensive use of banking checks in lieu of notes in most financial transactions. In 2007/08, roughly 656 million Iran-checks worth Rls. 636 trillion were collected by the Clearing House. The respective figures for the previous year were 351 million Iran-checks valued at Rls. 283 trillion. This indicates a rise of 124.4 percent in total transactions settled by Iran-checks in the review year, less than its growth (149.6 percent) in 2006/07. Full operation of SATNA and electronic transfer systems together with the widespread use of bank cards is expected to lessen the demand for Iran-checks in interbank transactions in the future.

Ordinary checks are usually recognized as interbank coded checks and personal checks excluding Iran-Checks. The amount of ordinary checks delivered to the Interbank Clearing House in terms of volume and value rose by 2.6 and 40.8 percent, respectively, in 2007/08. Thus, total transactions settled through ordinary checks in terms of volume and value reached 259 million and Rls. 7,406 trillion in the review year. Growth rate of total transactions settled through Iran-checks, in terms of volume, rose from 16.5 percent in 2006/07 to 86.9 percent in 2007/08;

while in terms of value, they declined to 124.4 percent in 2007/08, against 149.6 percent in the previous year. Growth rate of total transactions settled through ordinary checks, in terms of volume and value, declined from respectively 13.5 and 42.6 percent in 2006/07 to 2.6 and 40.8 percent in the review year. These trends reveal the rise in the use of checks for large value payments, and Iran-checks and electronic payment instruments for payments of small value. Considering the small share of electronic payments in transactions, the rise in the value of transactions is justifiable as compared with the liquidity growth.

Expansion of Electronic Payment Instruments

The upward trend of issuance of electronic cards continued in 2007/08. The number of cards issued by the banking system grew by 64.7 percent to 38.6 million. Among these cards, the growth of debit cards was 78 percent (30.2 million), prepaid cards 21 percent (8.2 million), and credit cards only one percent (264 thousand). The number of ATMs rose by 32.8 percent to 9,917 in the review year. This shows a

ELECTRONIC PAYMENT INSTRUMENTS

	Year-end		Percentage change
	2006/07	2007/08	
Bank cards	23,437,601	38,593,283	64.7
ATMs	7,468	9,917	32.8
Points of Sale (POSs)	192,765	427,082	121.6
Pin pads	15,692	21,707	38.3

VOLUME AND VALUE OF TRANSACTIONS PROCESSED THROUGH INTERBANK CLEARING HOUSE

	Volume (thousand)		Percentage change	Value (billion rials)		Percentage change
	2006/07	2007/08		2006/07	2007/08	
Iran-Check	351,064	656,223	86.9	283,226	635,527	124.4
Ordinary check	252,708	259,250	2.6	5,259,200	7,406,234	40.8
Total	603,772	915,473	51.6	5,542,426	8,041,761	45.1



moderate growth when compared with the 121.6 percent growth in the number of POSs in 2007/08. Total number of POSs reached 427,082 in this year; however, the ratio of POSs to population in Iran is much less than this ratio in other countries ⁽¹⁾. Further expansion of the POSs is projected, although its growth is expected to slow down in the future.

Development of Electronic Transactions

In 2007/08, in line with advancements in electronic payments, electronic transactions increased. The number of interbank electronic transactions processed in SHETAB through ATMs, POSs, and pin pads grew respectively by 43.3, 178.2, and 67.8 percent ⁽²⁾, in the last nine months of 2007/08 compared with the same period last year. This brought the total settled transactions to 678 million and Rls. 435,512 billion in the

review year. The number of electronic transactions processed through ATMs still holds the lion's share by 90.3 percent. However, it is expected that with the extensive use of credit cards and POSs throughout the country, the number of transactions through POSs rises and the use of notes decreases.

SHETAB

The full operation of interbank information transfer network is still in its infancy, although five years have passed since its operation. The number of interbank electronic transactions processed in SHETAB through ATMs and POSs grew respectively by 56.0 and 208.7 percent to 359,134 and 22,050 thousand. This raised the total settled transactions to Rls. 17,766 billion in 2007/08, indicating 67.4 percent growth compared with the previous year.

VOLUME AND VALUE OF ELECTRONIC TRANSACTIONS PROCESSED IN THE BANKING SYSTEM

	Volume (thousand)			Percentage change ⁽¹⁾	Value (billion rials)			Percentage change ⁽¹⁾
	2006/07 (nine-month)	2007/08 (nine-month)	2007/08		2006/07 (nine-month)	2007/08 (nine-month)	2007/08	
Total Electronic transactions through the banking system	360,633	534,640	678,307	48.3	212,573	383,453	435,512	80.4
ATMs	334,992	480,128	612,575	43.3	77,673	129,952	149,242	67.3
POSs	10,400	28,936	33,794	178.2	6,783	19,264	21,143	184.0
Pin pads	15,241	25,576	31,938	67.8	128,117	234,237	265,127	82.8

(1) Figures are based on the last nine months of 2007/08, against the same period previous year.

NET VOLUME AND VALUE OF TRANSACTIONS PROCESSED THROUGH SHETAB

	Volume (thousand)		Percentage change	Value (billion rials)		Percentage change
	2006/07	2007/08		2006/07	2007/08	
Total transactions through SHETAB	237,324	381,184	60.6	10,616	17,766	67.4
ATMs	230,181	359,134	56.0	..	..	θ
POSs	7,143	22,050	208.7	..	..	θ

(1) In 2007, the number of POSs per one million persons averaged 15,862 for member countries of the Payment Systems Committee and the Bank for International Settlement (BIS).

(2) Data are prepared on a monthly basis since June 2006; therefore, figures for 2007/08 are not comparable with the previous year.

Development of SAHAB

The Retail Funds Transfer System (SAHAB) helped transfer of up to Rls. 10 million through ATMs as well as on-line and real time transfer of Rls. 50 million through banks round-the-clock.

SAHAB was put into limited operation in 2006/07 by electronic transfer of funds from one bank card to another through ATMs, and was developed in the review year through connection of 13 banks to this system, permitting transfer of funds via their ATMs and pin pads. Banks Sepah, Tejarat, Maskan, and Refah could not render these services to their customers till end-2007/08.

The service offered by this system was welcomed by the public, thus raising the number of transactions processed through ATMs to 2,061 thousand. Moreover, thanks to the electronic transfer of funds through 13 banks connected to SAHAB, 31,938 thousand transactions were settled by pin pads in all banks in 2007/08. It is expected that with the extensive use of this service in the banking network, the alternative means of transactions such as the coded checks, Iran-Checks, and notes recede from the Iranian payment system in the coming years.

SATNA

Since operation of the Real Time Gross Settlement System (SATNA) till end-2006/07, a total of 11 thousand transactions valued at Rls. 650,411 billion were settled through this system. Following putting into operation of subsequent phases, which were observer of bank-to-bank and customer-to-customer payments through this system, Iran's payment system witnessed

great developments in terms of speed and security of banking transactions. Therefore, total transactions processed through SATNA, in terms of volume and value, reached 24,445 and Rls. 1,564,238 billion.

VOLUME AND VALUE OF TRANSACTIONS PROCESSED THROUGH SATNA IN 2007/08

	Volume	Value (billion rials)
Bank-to-bank	8,416	435,143
Customer-to-customer	1,493	55,431
Interbank Clearing House and SHETAB	14,536	1,073,664
Total	24,445	1,564,238

Capital Market

Stock Exchange

In 2007/08, inappropriate business climate, regional uncertainties and certain public policies regarding price administration and short-term boom in real estate market gravely affected investors' decision in the stock market.

In the review year, the "TEPIX" rose by 2.7 percent, "financial index" 0.5 percent, "industrial index" 2.8 percent, "price and dividend index" 17.6 percent, and "cash dividend index" 14.5 percent. On the other hand, "50 top companies index" fell by 19.6 percent. The turnover ratio⁽¹⁾ reached 17.1 percent in 2007/08 year-end, up from 15.4 percent at end-2006/07.

Shares and rights traded in 2007/08 indicated 48.3 and 31.3 percent increase in the number and value of trading, respectively, compared

(1) It is the ratio of trading value to average current value of shares.

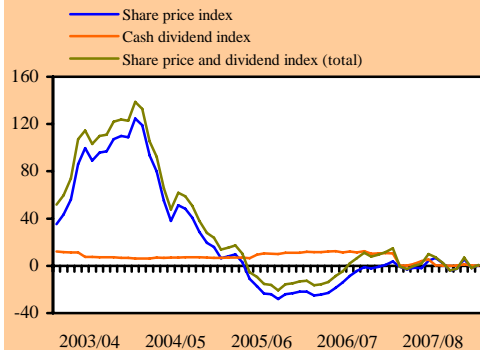


with the previous year. Meanwhile, market capitalization went up by 17.0 percent, compared with the previous year. Rise in the number and value of traded shares as well as market capitalization is mainly attributable to the transfer of large public firms' shares to the private sector.

In the review year, 8,076.8 million shares of public corporations and institutions, worth Rls. 21,730 billion, were offered by the Privatization Organization as well as specialized holding companies. This shows a growth of about 180 percent in terms of number and value ⁽¹⁾.

Figure 18. Annual changes in share price and dividend indices

(percentage change over respective month of previous year)



In January 2008, the Executive Bill on the General Policies of Article 44 of the Constitution was approved by the Parliament. Pursuant to the implementation of this Bill, the privatization plan appears to follow an upward trend in the coming years.

Meanwhile, in the review year, the Securities and Exchange High Council approved two new financial instruments namely, Ijara (renting)-

(1) Of total offered shares, about 89.2 percent were offered by the Iranian Mines and Mining Industries Development and Renovation Organization.

based securities (Ijara-Sukuk) and its executive regulations, as well as futures contracts.

Participation Papers

According to the Budget Law for 2007/08, the government was authorized to issue participation papers worth Rls. 47 trillion. Of this amount, Rls. 6 trillion were in the form of governmental-budgetary ⁽²⁾ and Rls. 41 trillion, governmental - non-budgetary ⁽³⁾ participation papers. Of total governmental - non-budgetary participation papers, Rls. 20 trillion were related to the implementation of acquisition of profitable and non-financial assets projects of public corporations and institutions and Rls. 21 trillion to the renovation of old buildings and extension of facilities for the construction of housing.

In 2007/08, a sum of Rls. 29,850 billion participation papers were issued by the government, indicating 63.5 percent realization compared with the approved figure. Of this amount, Rls. 20,258.4 billion were sold, showing 67.9 and 43.1 percent realization compared with the issued amount and approved figure, respectively.

The ceiling for the issuance of Central Bank's participation papers was set at Rls. 40 trillion. The CBI issued Rls. 40,750 billion participation papers, of which Rls. 22,763.3 billion (55.9 percent) were sold, indicating 56.9 percent realization compared with the approved figure. High yield in competitive assets' markets (especially land and housing) and the low real profit rate of these papers are largely responsible

(2) Participation papers, repayment of principal and profit of which is projected in annual budget laws.

(3) Participation papers, repayment of principal and profit of which is financed through domestic resources of utilizing corporations.

for the under-realization of the targets set for the sale of CBI participation papers.

The ceiling for the issuance of corporations' participation papers was set at Rls. 11 trillion, including Rls. 8 trillion as subject of Article 4, Law on Issuance of Participation Papers, and Rls. 3 trillion as subject of Article 17, Law on Facilitation of Industries Renovation. In this respect, a sum of Rls. 3,200 billion participation papers were issued by corporations, of which Rls. 2,300.4 billion were sold.

At end-2007/08, total outstanding of unmatured participation papers with the banking system grew by 22.1 percent to Rls. 33,966 billion, as compared with the previous year-end. Total outstanding of unmatured participation papers issued by the government and public corporations and institutions with the banking system rose by 78.1 and 109.1 percent to Rls. 13,283 and 14,178 billion, respectively. Moreover, of participation papers held with the banking system, Rls. 3,468 billion (10.2 percent) belonged to the Central Bank and Rls. 3,037 billion (8.9 percent) to non-public sector, showing 71.4 percent decline and 108.2 percent increase, compared with the previous year-end.

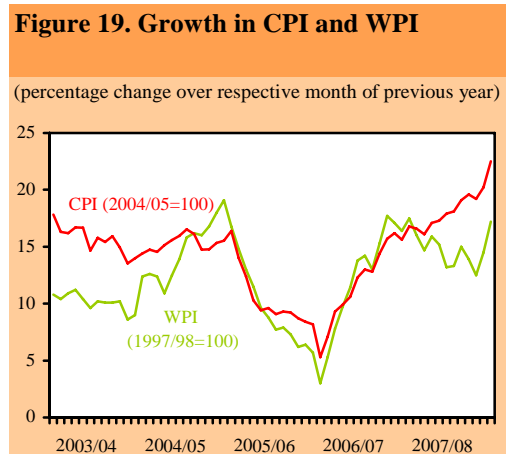
Price Trends

The consumer price index of goods and services advanced 18.4 percent (base year=2004/05), indicating 6.5 percentage points increase compared with the 11.9 percent growth of the previous year. Among the special groups, the price index of "goods", with 17.4 percent increase compared with the previous year, accounted for 52 percent of the rise in the general index. The main group of "food and beverages", with

21.7 percent rise compared with the year before, raised the general index by 34 percent. Among selected minor groups, "rental equivalence of owner-occupied houses" had the greatest contribution to raising the general index by 22.5 percent. Meanwhile, among minor groups, the highest growth rate of 33.4 percent belonged to "fats and oils".

In 2007/08, wholesale price index increased by 14.9 percent on average. Among major groups, "domestically produced and consumed goods", with 15.2 percent growth, had a share of 76.7 percent in the rise of the general index. The price indices of "imported goods" and "exported goods" advanced 12.9 and 17.0 percent, respectively, year-on-year basis.

The producer price index rose by 16.8 percent compared with the previous year. Among the special groups, "agriculture, animal husbandry, forestry, and fishing" by 19.1 percent, "mining and quarrying, manufacturing, and electricity, gas and water supply" by 14.8 percent, and "services" by 17.6 percent growth, accounted for 26.7, 36.1, and 37.2 percent of the increase in the general index, respectively.



Part Two

Statistical Appendix

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GROSS NATIONAL PRODUCT AND INCOME BY ECONOMIC SECTORS

(at current prices)

(billion rials)

						Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
	Agriculture	131,134	155,471	171,982	211,275	268,002	22.8	26.9	10.4	10.2
Oil	251,174	346,673	471,520	540,091	709,021	14.5	31.3	26.5	27.0
Manufacturing and mining	197,356	245,139	283,097	349,447	457,636	23.4	31.0	17.1	17.4
Mining	6,935	8,114	10,375	15,327	19,142	47.7	24.9	0.8	0.7
Manufacturing	123,185	156,076	181,343	221,487	276,876	22.1	25.0	10.9	10.6
Electricity, gas and water	16,621	20,211	22,160	24,224	30,148	9.3	24.5	1.2	1.1
Construction	50,616	60,739	69,220	88,408	131,470	27.7	48.7	4.3	5.0
Services	535,112	667,252	800,916	994,631	1,272,324	24.2	27.9	48.8	48.5
Trade, restaurant and hotel	131,531	160,862	188,552	226,542	280,590	20.1	23.9	11.1	10.7
Transport, storage and communication	84,119	101,195	121,804	149,777	191,497	23.0	27.9	7.3	7.3
Financial and monetary institutions services	29,539	49,419	66,230	93,212	135,141	40.7	45.0	4.6	5.2
Real estate, specialized and professional services	144,159	174,145	206,305	257,392	369,856	24.8	43.7	12.6	14.1
Public services	114,864	143,809	173,242	212,696	221,743	22.8	4.3	10.4	8.5
Social, personal and household services	30,900	37,821	44,782	55,013	73,498	22.8	33.6	2.7	2.8
Less:									
Imputed bank service charges	19,473	29,716	39,610	57,012	83,805	43.9	47.0	2.8	3.2
Gross domestic product (at basic price)	1,095,303	1,384,819	1,687,905	2,038,432	2,623,177	20.8	28.7	100.0	100.0
Non-oil gross domestic product (at basic price)	844,129	1,038,145	1,216,385	1,498,341	1,914,156	23.2	27.8		
Net factor income from abroad	-21,772	-24,936	-31,483	-32,874	-28,381				
Net indirect taxes	14,229	21,212	9,400	5,592	31,770				
Gross national product = Gross national income (at market price)	1,087,760	1,381,095	1,665,823	2,011,150	2,626,566	20.7	30.6		
Less:									
Depreciation cost of fixed assets	126,079	155,177	182,387	..	..	0	0		
Net indirect taxes	14,229	21,212	9,400	5,592	31,770				
National income	947,452	1,204,706	1,474,036	..	..	0	0		

GROSS NATIONAL PRODUCT AND INCOME BY ECONOMIC SECTORS
(at constant 1997/98 prices)

Table 2

(billion rials)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change	
						2006/07	2007/08
Agriculture	53,362	54,521	59,602	62,386	66,235	4.7	6.2
Oil	44,694	45,871	46,144	47,546	47,947	3.0	0.8
Manufacturing and mining	89,910	97,490	103,975	112,863	125,064	8.5	10.8
Mining	2,920	3,177	3,512	3,982	4,686	13.4	17.7
Manufacturing	64,067	71,755	76,816	84,130	91,096	9.5	8.3
Electricity, gas and water	4,222	4,623	4,919	5,331	6,058	8.4	13.6
Construction	18,701	17,934	18,728	19,420	23,224	3.7	19.6
Services	195,614	204,603	215,969	230,077	245,758	6.5	6.8
Trade, restaurant and hotel	59,251	63,132	67,504	72,497	77,954	7.4	7.5
Transport, storage and communication	34,740	36,581	39,512	45,031	51,551	14.0	14.5
Financial and monetary institutions services	6,245	7,020	7,944	9,342	10,433	17.6	11.7
Real estate, specialized and professional services	51,007	52,119	54,087	55,600	56,236	2.8	1.1
Public services	33,151	33,848	34,244	34,261	34,261	0	0
Social, personal and household services	11,219	11,904	12,677	13,346	15,323	5.3	14.8
Less:							
Imputed bank service charges	3,742	4,251	4,763	5,992	7,321	25.8	22.2
Gross domestic product (at basic price)	379,838	398,234	420,928	446,880	477,683	6.2	6.9
Non-oil gross domestic product (at basic price)	335,144	352,363	374,784	399,334	429,736	6.6	7.6
Net factor income from abroad	-2,780	-2,756	-3,869	-3,862	-3,600		
Net indirect taxes	4,934	6,100	2,280	1,081	5,331		
Terms of trade effect	17,711	34,592	47,212	51,051	65,023		
Gross national product = Gross national income (at market price)	399,703	436,170	466,551	495,150	544,437	6.1	10.0
Less:							
Depreciation cost of fixed assets	53,608	56,563	59,741	..	..	0	0
Net indirect taxes	4,934	6,100	2,280	1,081	5,331		
National income	341,161	373,506	404,530	..	..	0	0

GROSS NATIONAL EXPENDITURE
(at current prices)

(billion rials)

Table 3

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Private consumption expenditures	505,739	640,266	765,501	924,562	1,195,294	20.8	29.3	45.2	45.0
Public consumption expenditures	134,524	160,218	224,520	289,733	296,794	29.0	2.4	14.2	11.2
Gross fixed capital formation	318,820	401,765	464,532	538,720	683,850	16.0	26.9	26.4	25.8
Machinery	185,126	240,664	279,411	309,531	366,291	10.8	18.3	15.1	13.8
Private sector	138,847	189,757	..	..	..	0	0	..	..
Public sector	46,279	50,907	..	..	..	0	0	..	..
Construction	133,694	161,101	185,121	229,188	317,560	23.8	38.6	11.2	12.0
Private sector	60,589	77,393	..	..	..	0	0	..	..
Public sector	73,105	83,708	..	..	..	0	0	..	..
Change in stock ⁽¹⁾	83,785	104,666	98,198	126,749	196,504			6.2	7.4
Net export of goods and services	16,978	43,855	144,554	164,261	282,506			8.0	10.6
Export of goods and services	302,169	408,414	568,975	663,301	854,334	16.6	28.8	32.5	32.2
Import of goods and services	285,191	364,559	424,421	499,040	571,828	17.6	14.6	24.4	21.5
Statistical errors	49,686	55,262	..	..	..	0	0	..	..
Gross domestic expenditure	1,109,532	1,406,031	1,697,306	2,044,024	2,654,948	20.4	29.9	100.0	100.0
Net factor income from abroad	-21,772	-24,936	-31,483	-32,874	-28,381				
Gross national expenditure = Gross national product (at market price)	1,087,760	1,381,095	1,665,823	2,011,150	2,626,567	20.7	30.6		
Less:									
Depreciation cost of fixed assets	126,079	155,177	182,387	..	..	0	0		
Net indirect taxes	14,229	21,212	9,400	5,592	31,770				
National income	947,452	1,204,706	1,474,036	..	..	0	0		

(1) It includes statistical errors during 2005/06-2007/08.

GROSS NATIONAL EXPENDITURE
(at constant 1997/98 prices)

(billion rials)

Table 4

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change	
						2006/07	2007/08
Private consumption expenditures	203,751	221,273	235,816	250,324	273,060	6.2	9.1
Public consumption expenditures	43,897	44,468	49,644	53,337	51,027	7.4	-4.3
Gross fixed capital formation	134,971	144,359	151,685	156,730	166,129	3.3	6.0
Machinery	80,644	91,934	96,770	99,682	101,803	3.0	2.1
Private sector	66,175	77,820	..	..	..	0	0
Public sector	14,468	14,113	..	..	..	0	0
Construction	54,327	52,425	54,915	57,048	64,326	3.9	12.8
Private sector	24,588	24,616	..	..	..	0	0
Public sector	29,738	27,810	..	..	..	0	0
Change in stock ⁽¹⁾	11,896	9,441	8,676	13,278	21,394		
Net export of goods and services	-13,330	-25,376	-22,613	-25,709	-28,597		
Export of goods and services	69,120	68,533	73,221	76,967	79,103	5.1	2.8
Import of goods and services	82,449	93,908	95,834	102,676	107,700	7.1	4.9
Statistical errors	3,588	10,168	..	..	..	0	0
Gross domestic expenditure	384,772	404,334	423,208	447,961	483,013	5.8	7.8
Terms of trade effect	17,711	34,592	47,212	51,051	65,023		
Net factor income from abroad	-2,780	-2,756	-3,869	-3,862	-3,600		
Gross national expenditure = Gross national product (at market price)	399,703	436,170	466,551	495,150	544,437	6.1	10.0
Less:							
Depreciation cost of fixed assets	53,608	56,563	59,741	..	..	0	
Net indirect taxes	4,934	6,100	2,280	1,081	5,331		
National income	341,161	373,506	404,530	..	..	0	

(1) It includes statistical errors during 2005/06-2007/08.

**ESTIMATED PRODUCTION AND AREA UNDER
CULTIVATION OF MAJOR CROPS**

(thousand hectares-thousand tons)

	2006/07		2007/08		Percentage change ○	
	Area	Production	Area	Production	Area	Production
Wheat	6,879	14,664	..	15,886	0	8.3
Barley	1,568	2,956	..	3,104	0	5.0
Rice (paddy)	631	2,612	..	3,343	0	28.0
Corn	292	2,166	..	2,619	0	20.9
Cotton	117	284	..	270	0	-4.8
Sugar beet	186	6,709	..	4,200	0	-37.4
Sugar cane	67	4,959	..	5,312	0	7.1
Green leaflet tea	32	155	..	166	0	6.8
Oil seeds	331	615	..	744	0	21.0
Tobacco	12	16	..	..	0	0
Pulses	941	678	..	697	0	2.8
Potatoes	164	4,219	..	4,370	0	3.6
Onions	59	2,038	..	2,150	0	5.5
Pistachio	444	250	..	315	0	26.2

Source: Ministry of Agriculture Jihad

**FACILITIES EXTENDED BY BANK KESHAVARZI
ACCORDING TO ISLAMIC CONTRACTS ⁽¹⁾**

(billion rials)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change	Share (percent)	
							2006/07	2007/08
Gharz-al-hasaneh	788.3	1,589.7	1,426.4	2,473.1	2,426.4	-1.9	4.7	4.4
Installment sale	11,816.8	16,397.0	22,368.6	22,950.7	26,486.3	15.4	43.4	47.8
Civil partnership	6,781.7	7,659.3	10,971.3	16,977.7	16,065.7	-5.4	32.1	29.0
Mozarebeh	4,833.9	5,638.3	8,331.4	3,099.3	3,208.3	3.5	5.9	5.8
Forward transactions	4,371.2	5,264.5	6,408.9	7,287.0	7,063.7	-3.1	13.8	12.7
Joaleh	149.4	72.9	104.0	75.9	139.9	84.3	0.1	0.3
Hire purchase	28.0	47.5	279.7	56.0	22.5	-59.8	0.1	*
Debt purchase	0	27.5	3.6	1.0	0.6	-39.6	*	*
Total	28,769.3	36,696.7	49,894.0	52,920.7	55,413.5	4.7	100.0	100.0

Source: Bank Keshavarzi

(1) Includes statutory and non-statutory facilities.

Table 7 **LIVESTOCK PRODUCTS** (thousand tons)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change ○	
						2006/07	2007/08
Red meat	752	785	800	829	866	3.6	4.5
Milk	6,316	6,720	7,179	7,741	8,312	7.8	7.4
Poultry	1,104	1,152	1,237	1,360	1,468	10.0	7.9
Eggs	629	655	758	677	703	-10.7	3.8

Source: Ministry of Agriculture Jihad

YIELD OF MAJOR FARMING CROPS AND HORTICULTURAL

Table 8 **PRODUCT** (kilogram per hectare)

	Percentage change	
	2006/07	2007/08
Wheat	2,132	..
Barley	1,886	..
Rice (paddy)	4,142	..
Corn	7,423	..
Cotton	2,433	..
Sugar beet	36,090	..
Sugar cane	74,465	..
Green leaflet tea	4,844	..
Oil seeds	1,856	..
Tobacco	1,303	..
Pulses	721	..
Potatoes	25,754	..
Onions	34,432	..
Pistachio	563	..

Source: Ministry of Agriculture Jihad

GUARANTEED PURCHASE PRICE OF AGRICULTURAL CROPS

Table 9 (rials per kilogram)

	Farming year		Percentage change
	2005/06-2006/07	2006/07-2007/08	
Wheat	2,050	2,050	0
Barley	1,520	1,520	0
Rice (Khazar, Fajr and Sahel varieties)	6,800	6,800	0
Rice (Sepidrood variety)	5,800	5,800	0
Rice (Nemat and Neda varieties)	5,600	5,600	0
Rice (Amol, Cheram and Yasooj varieties)	4,900	4,900	0
Corn	1,620	1,620	0
Sugar beet	460	460	0
Sunflower (seed)	3,400	3,400	0
Soya	3,200	3,200	0
Green leaflet tea ⁽¹⁾	3,250	3,400	4.6
Lentil	3,800	5,000	31.6
Kidney bean	3,000	4,500	50.0
Navy bean	3,500	..	0
Pinto bean	3,500	4,500	28.6
Peas	3,600	5,000	38.9
Potatoes (fall harvest)	800	830	3.8
Cotton (raw)	4,500	5,000	11.1
Colza	3,700	3,700	0
Onions (fall harvest)	610	610	0

Source: Cabinet Approvals dated 19.03.2006 and 13.03.2007

(1) The price mentioned is for the first grade green leaflet tea.

Table 10

WORLD PRIMARY ENERGY CONSUMPTION ⁽¹⁾

(million tons oil equivalent)

	2006 ▲					2007						
	Oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Total	Oil	Natural gas	Coal	Nuclear energy	Hydro-electricity	Total
North America	1,130.2	692.7	605.7	212.0	153.4	2,794.0	1,134.7	728.9	613.3	215.6	146.2	2,838.6
U.S.A	943.8	559.2	565.7	187.5	66.1	2,322.3	943.1	595.7	573.7	192.1	56.8	2,361.4
Canada	99.6	87.3	30.9	22.0	80.4	320.2	102.3	84.6	30.4	21.1	83.3	321.7
Mexico	86.8	46.2	9.1	2.5	6.9	151.5	89.2	48.7	9.2	2.4	6.1	155.5
Central and South America	239.9	118.2	20.9	4.8	149.3	533.0	252.0	121.1	22.4	4.4	153.1	552.9
Europe and Central Asia	969.0	1,036.3	532.6	287.2	184.6	3,009.7	949.4	1,040.1	533.7	275.6	188.6	2,987.5
Commonwealth of Independent states	184.5	561.7	166.9	58.4	55.6	1,027.1	183.8	568.7	166.2	59.9	56.5	1,035.2
Norway	10.0	4.0	0.4	0	27.1	41.5	10.1	3.8	0.4	0	30.6	45.0
England	82.3	81.0	42.1	17.1	1.9	224.4	78.2	82.3	39.2	14.1	2.1	215.9
Others	692.1	389.6	323.2	30.1	100.0	1,716.7	677.2	385.3	327.8	201.6	99.4	1,691.4
Middle East	281.2	262.2	8.9	0	5.0	557.3	293.5	269.4	6.1	0	5.1	574.1
Africa	132.1	70.1	101.9	2.4	21.7	328.3	138.2	75.2	105.9	3.0	22.2	344.4
Asia Pacific	1,158.5	378.8	1,771.7	128.6	183.1	3,620.7	1,185.1	403.1	1,896.2	123.4	194.0	3,801.8
World total	3,910.9	2,558.3	3,041.7	634.9	697.2	10,843.0	3,952.8	2,637.7	3,177.5	622.0	709.2	11,099.3
Non-OPEC total	3,612.5	2,249.6	3,015.7	634.9	672.2	10,184.9	3,643.2	2,322.0	3,147.9	622.0	684.1	10,419.3
OECD members	2,270.2	1,274.3	1,169.7	536.3	301.9	5,552.4	2,249.0	1,316.9	1,184.3	520.6	295.6	5,566.4
OPEC ⁽²⁾	298.4	308.7	26.0	0	25.0	658.1	309.6	315.7	29.6	0	25.1	680.0
Iran	76.7	97.8	1.1	0	4.0	179.6	77.0	100.7	1.1	0	4.1	182.9

Source: BP Statistical Bulletin, 2008

(1) Figures less than 0.1 after rounding are considered as zero. (2) Excludes Angola, Iraq, Libya and Nigeria.

Table 11

WORLD PROVEN OIL RESERVES

(billion barrels)

	1980	1990	2000 ▲	2006 ▲	2007	Percentage change		Share (percent)	
						2006	2007	2006	2007
North America	92.4	96.3	68.9	59.9	69.3	-1.0	15.7	4.8	5.6
U.S.A	36.5	33.8	30.4	29.4	29.4	-2.0	0	2.4	2.4
Canada	8.7	11.2	18.3	27.7	27.7	62.0	0	2.2	2.2
Mexico	47.2	51.3	20.2	12.8	12.2	-7.0	-4.7	1.0	1.0
Central and South America	26.7	71.6	97.9	111.0	111.2	7.0	0.2	9.0	9.0
Europe and Central Asia	24.5	80.3	108.5	144.1	143.7	0	-0.3	11.6	11.6
Commonwealth of Independent States	82.0	63.3	87.7	128.0	128.1	1.0	0.1	10.3	10.3
Norway	3.6	8.3	11.4	8.5	8.2	-12.0	-3.5	0.7	0.7
England	8.4	4.0	4.7	3.6	3.6	-8.0	0	0.3	0.3
Others	-69.6	4.7	4.7	4.0	3.8	0	-5.0	0.3	0.3
Middle East	362.4	659.6	692.9	756.3	755.3	0.2	-0.1	61.0	61.0
Africa	53.3	58.7	93.4	117.1	117.5	0.1	0.3	9.4	9.5
Asia Pacific	33.8	36.5	42.9	41.0	40.8	1.0	-0.5	3.3	3.3
World total	667.1	1,001.1	1,104.5	1,239.5	1,237.9	2.0	-0.1	100.0	100.0
Non-OPEC total	232.5	235.2	264.1	304.2	303.2	3.0	-0.3	24.5	24.5
OECD members	109.2	115.1	93.3	89.5	88.3	9.0	-1.3	7.2	7.1
OPEC	434.6	765.9	840.4	935.3	934.7	1.0	-0.1	75.5	75.5
Iran	58.3	92.9	99.5	138.4	138.4	1.0	0	11.2	11.2

Source: BP Statistical Bulletin, 2008

Table 12

WORLD CRUDE OIL PRODUCTION ⁽¹⁾

(thousand b/d)

	1980 ▲	1990 ▲	2000 ▲	2006 ▲	2007	Percentage change		Share (percent)	
						2006	2007	2006	2007
North America	14,063	13,856	13,904	13,732	13,665	0.3	-0.5	16.8	16.8
U.S.A	10,170	8,914	7,733	6,841	6,879	-0.8	0.6	8.4	8.4
Canada	1,764	1,965	2,721	3,208	3,309	5.5	3.1	3.9	4.1
Mexico	2,129	2,977	3,450	3,683	3,477	-2.0	-5.6	4.5	4.3
Central and South America	3,747	4,507	6,813	6,866	6,633	-0.5	-3.4	8.4	8.1
Europe and Central Asia	15,088	16,106	14,951	17,599	17,835	0.3	1.3	21.6	21.9
Commonwealth of Independent States	12,116	11,566	8,014	12,318	12,805	4.0	4.0	15.1	15.7
Norway	528	1,716	3,346	2,779	2,556	-6.4	-8.0	3.4	3.1
England	1,663	1,918	2,667	1,636	1,636	-9.6	0	2.0	2.0
Others	780	906	924	866	838	-6.3	-3.2	1.1	1.0
Middle East	18,882	17,540	23,516	25,589	25,176	0.8	-1.6	31.3	30.9
Africa	6,225	6,725	7,804	9,995	10,318	1.5	3.2	12.2	12.7
Asia Pacific	4,943	6,743	7,928	7,877	7,907	0	0.4	9.6	9.7
World total	62,948	65,477	74,916	81,659	81,533	0.5	-0.2	100.0	100.0
Non-OPEC total	35,699	40,848	43,501	46,099	46,327	0.4	0.5	56.5	56.8
OECD members	17,138	18,845	21,521	19,458	19,170	-2.0	-1.5	23.8	23.5
OPEC	27,249	24,629	31,415	35,560	35,206	0.6	-1.0	43.5	43.2
Iran ⁽²⁾	1,479	3,270	3,818	4,388	4,401	0.7	0.3	5.4	5.4

Source: BP Statistical Bulletin, 2008

(1) Includes NGL, shale oil and oil sands.

(2) Estimations by the BP are more than those published by the Ministry of Petroleum.

Table 13

WORLD OIL CONSUMPTION ⁽¹⁾

(thousand b/d)

	1980 ▲	1990 ▲	2000 ▲	2006 ▲	2007	Percentage change		Share (percent)	
						2006	2007	2006	2007
North America	20,012	20,206	23,548	24,903	25,024	-0.5	0.5	29.6	29.4
U.S.A	17,062	16,988	19,701	20,687	20,697	-0.6	0	24.6	24.3
Canada	1,915	1,762	1,937	2,246	2,303	0	2.5	2.7	2.7
Mexico	1,034	1,456	1,910	1,970	2,024	-0.2	2.7	2.3	2.4
Central and South America	3,463	3,773	4,907	5,225	5,493	1.5	5.1	6.2	6.4
Europe and Central Asia	24,389	23,540	19,564	20,477	20,100	1.0	-1.8	24.3	23.6
Commonwealth of Independent States	8,494	8,582	3,623	3,923	3,923	4.0	0	4.7	4.6
Norway	201	203	201	217	221	2.4	1.8	0.3	0.3
England	1,672	1,762	1,697	1,785	1,696	-0.9	-5.0	2.1	2.0
Others	14,023	12,994	14,043	14,552	14,260	0.4	-2.0	17.3	16.7
Middle East	2,046	3,484	4,716	5,949	6,203	3.8	4.3	7.1	7.3
Africa	1,374	1,976	2,458	2,824	2,955	1.8	4.6	3.4	3.5
Asia Pacific	10,557	13,876	21,147	24,851	25,444	2.0	2.4	29.5	29.9
Japan	4,936	5,304	5,577	5,224	5,051	-2.5	-3.3	6.2	5.9
China	1,694	2,323	4,772	7,530	7,855	7.8	4.3	8.9	9.2
Others	3,927	6,249	10,798	12,097	12,538	0.6	3.6	14.4	14.7
World total	61,841	66,855	76,340	84,230	85,220	1.1	1.2	100.0	100.0
Non-OPEC total	59,465	63,112	71,254	77,846	78,602	1.0	1.0	92.4	92.2
OECD members	41,050	41,356	47,672	49,319	48,934	-0.4	-0.8	58.6	57.4
OPEC ⁽²⁾	2,376	3,743	5,086	6,384	6,618	1.8	3.7	7.6	7.8
Iran ⁽³⁾	625	951	1,301	1,625	1,621	3.0	-0.2	1.9	1.9

Source: BP Statistical Bulletin, 2008

(1) Includes domestic demand for oil, aviation and navy fuel, fuel for refineries and oil wastes.

(2) Excludes Angola, Iraq, Nigeria and Libya.

(3) Estimations by the BP are more than those published by the Ministry of Petroleum.

Table 14

OPEC CRUDE OIL PRODUCTION ⁽¹⁾

(thousand b/d)

	1980	1990	2000	2006 ▲	2007	Percentage change		Share (percent)	
						2006	2007	2006	2007
Middle East members	18,384	16,205	21,512	24,003	23,697	1.3	-1.3	70.3	70.8
Saudi Arabia	10,270	7,105	9,491	10,853	10,413	-2.3	-4.1	31.8	31.1
Iran ⁽²⁾	1,479	3,270	3,818	4,388	4,401	0.7	0.3	12.9	13.1
Iraq	2,658	2,149	2,614	1,999	2,145	9.1	7.3	5.9	6.4
Kuwait	1,757	964	2,206	2,682	2,626	2.4	-2.1	7.9	7.8
U.A.E	1,745	2,283	2,626	2,971	2,915	7.9	-1.9	8.7	8.7
Qatar	476	434	757	1,110	1,197	8.0	7.8	3.3	3.6
Other members	8,865	8,424	9,903	10,136	9,786	-2.2	-3.5	29.7	29.2
Venezuela	2,228	2,244	3,239	2,808	2,613	-4.4	-6.9	8.2	7.8
Nigeria	2,059	1,870	2,155	2,474	2,356	-4.1	-4.8	7.2	7.0
Indonesia	1,577	1,539	1,456	1,017	969	-6.4	-4.7	3.0	2.9
Libya	1,862	1,424	1,475	1,834	1,848	4.7	0.8	5.4	5.5
Algeria	1,139	1,347	1,578	2,003	2,000	-0.5	-0.1	5.9	6.0
Total ⁽³⁾	27,249	24,629	31,415	34,139	33,483	0.2	-1.9	100.0	100.0

Source: BP Statistical Bulletin, 2008

(1) Includes NGL, shale oil and oil sands.

(2) Estimations by the BP are more than those published by the Ministry of Petroleum.

(3) Based on the data in OPEC Monthly Oil Market Report, the NGL production in OPEC member countries was 4.1 million barrels per day in 2006 and 4.4 in 2007.

Table 15

AVERAGE SPOT PRICES OF CRUDE OIL DURING 2007 AND Q1, 2008

(dollar-barrel)

	Iran		Average	Saudi Arabia		U.A.E	OPEC basket	England	U.S.A
	Light (33.9°)	Heavy (31°)		Light (34.2°)	Dubai (32.4°)	(1)	Brent (38°)	WTI (40°)	
2007									
January	53.93	47.91	50.92	50.86	53.68	50.73	53.78	50.13	
February	53.64	51.87	52.76	54.29	55.61	54.56	57.43	59.21	
March	57.92	56.39	57.16	58.08	58.80	58.59	62.15	60.63	
April	63.87	61.41	62.64	62.83	63.97	63.55	67.51	63.85	
May	64.05	62.72	63.39	64.15	64.59	64.48	67.38	63.46	
June	67.99	64.77	66.38	65.92	65.79	66.89	71.55	67.44	
July	73.70	69.65	71.68	71.05	69.49	71.89	77.01	73.98	
August	69.34	66.60	67.97	68.76	67.36	68.71	70.74	72.37	
September	74.88	72.63	73.76	74.28	73.36	74.18	76.87	79.69	
October	79.74	77.30	78.52	79.31	77.12	79.32	82.50	85.87	
November	89.92	87.17	88.55	89.02	86.96	88.84	92.62	94.91	
December	89.12	86.31	87.72	86.29	85.79	87.05	91.25	91.69	
Average of 2007	69.84	67.06	68.45	68.74	68.54	69.07	72.57	71.94	
2008									
January	89.21	86.36	87.79	88.75	87.35	88.35	92.00	92.87	
February	91.76	88.51	90.14	91.26	89.40	90.64	94.98	95.32	
March	99.35	96.68	98.02	99.23	76.72	99.03	103.58	105.41	
Estimated average of 2007/08 ⁽²⁾	79.41	76.68	78.04	78.40	75.66	78.58	82.33	82.24	

Source: OPEC Annual Bulletin, 2008 and OPEC Monthly Bulletin, June 2008

(1) Includes eleven types of crude oil: Arab Light (Saudi Arabia), Basra Light (Iraq), BCF 17 (Venezuela), Bonny Light (Nigeria), Es Sider (Libya), Iran Heavy (Islamic Republic of Iran), Kuwait Export (Kuwait), Qatar Marine (Qatar), Minas (Indonesia), Murban (U.A.E) and Saharan Blend (Algeria).

(2) Average of the second, third and fourth quarters of 2007 and the first quarter of 2008

Table 16 **IRAN OIL EXPORT** (thousand b/d)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Crude oil	2,396	2,548	2,602	2,433	2,481	-6.5	2.0	90.1	92.6
Oil products	282	261	245	266	199	8.6	-25.2	9.9	7.4
Total	2,678	2,809	2,847	2,699	2,680	-5.2	-0.7	100.0	100.0

Source: Ministry of Petroleum

Table 17 **DOMESTIC CONSUMPTION OF OIL PRODUCTS** (thousand b/d)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Gas oil	359	348	417	500	525	19.9	5.0	33.5	34.3
Fuel oil	145	178	218	242	297	11.0	22.7	16.2	19.4
Gasoline	276	335	373	422	362	13.1	-14.2	28.3	23.6
Kerosene	154	174	169	142	146	-16.0	2.8	9.5	9.5
LPG	..	54	64	43	59	-32.8	37.2	2.9	3.9
Other products	..	127	153	143	142	-6.5	-0.7	9.6	9.3
Total	..	1,216	1,394	1,492	1,531	7.0	2.6	100.0	100.0

Source: Ministry of Petroleum

Table 18 **GEOGRAPHICAL DISTRIBUTION OF CRUDE OIL EXPORTS** (percent)

	2003/04	2004/05	2005/06	2006/07	2007/08
Europe	10.5	25.8	33.5	38.4	32.4
Japan	24.9	20.6	20.0	16.4	18.6
Asia and the Far East (except Japan)	33.8	35.8	39.4	38.8	43.3
Africa	6.6	7.4	7.1	6.1	5.7
Other countries ⁽¹⁾	24.2	10.4	0	0.3	0
Total	100.0	100.0	100.0	100.0	100.0

Source: Ministry of Petroleum

(1) Includes Mediterranean countries.

Table 19 PRODUCTION OF NATURAL GAS (billion cubic meters)

	2003/04	2004/05	2005/06	2006/07 ⁽¹⁾	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Domestic consumption ⁽²⁾	86.6	97.7	106.7	121.2	..	13.6	0	84.6	..
Flared	13.7	14.7	15.8	15.1	..	-4.4	0	10.5	..
Export	3.4	3.5	4.8	5.7	..	18.8	0	4.0	..
Regional uses and wastes	11.7	9.4	7.4	5.0	..	-32.4	0	3.5	..
Total production⁽³⁾	109.6	119.4	130.6	143.2	..	9.6	0	100.0	..

Source: Ministry of Petroleum (1) Components may not sum to total because of imports. (2) Includes residential, commercial, industrial, power plants and refineries consumption.
(3) Excludes gas injected into oil wells.

Table 20 GENERATION OF ELECTRICITY (million kWh)

	2003/04▲	2004/05▲	2005/06▲	2006/07▲	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Ministry of Energy	146,958	159,983	171,088	181,452	190,186	6.1	4.8	94.3	93.3
Hydroelectric	11,094	10,627	16,085	18,169	17,858	13.0	-1.7	9.4	8.8
Steam	85,403	88,644	89,574	88,962	91,140	-0.7	2.4	46.2	44.7
Gas and combined cycle	50,171	60,460	65,217	74,101	80,965	13.6	9.3	38.5	39.7
Diesel	290	252	212	220	223	3.8	1.4	0.1	0.1
Other institutions⁽¹⁾	2,688	2,841	6,915	10,997	13,644	59.0	24.1	5.7	6.7
Total⁽²⁾	149,646	162,824	178,003	192,449	203,830	8.1	5.9	100.0	100.0

Source: Ministry of Energy

(1) Includes private sector and large industries.

(2) In 2004/05, 2005/06, 2006/07, and 2007/08, in addition to the mentioned figures, respectively 40, 69, 125 and 141 million kWh electricity was generated by wind turbines of the Ministry of Energy.

Table 21 CONSUMPTION OF ELECTRICITY⁽¹⁾ (million kWh)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Residential	37,429	41,196	45,330	49,911	52,344	10.1	4.9	34.0	33.6
Industrial	36,735	40,681	42,583	45,549	49,517	7.0	8.7	31.0	31.8
Public	13,562	14,575	16,263	18,412	19,467	13.2	5.7	12.5	12.5
Commercial	7,466	7,846	8,706	9,403	10,261	8.0	9.1	6.4	6.6
Agricultural	15,574	17,195	17,060	19,471	19,240	14.1	-1.2	13.2	12.4
Street lighting	4,893	4,035	4,296	4,255	4,769	-1.0	12.1	2.9	3.1
Total	115,659	125,528	134,238	147,001	155,598	9.5	5.8	100.0	100.0

Source: Ministry of Energy

(1) Sale of electricity to customers

**INVESTMENT BASED ON ESTABLISHMENT PERMITS ISSUED FOR NEW MANUFACTURING
AND MINING UNITS AND EXPANSION OF EXISTING UNITS**

Table 22

(billion rials)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change ○		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Food and beverages	40,075	66,013	73,378	135,198	169,642	84.2	25.5	9.5	10.6
Tobacco products	702	3	2	375	936	▣	149.3	*	0.1
Textiles	17,883	14,258	18,081	45,949	34,519	154.1	-24.9	3.2	2.2
Wearing apparel, dressing and dyeing of fur	1,141	902	1,607	2,626	2,727	63.4	3.9	0.2	0.2
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	1,063	1,224	947	2,520	1,968	166.0	-21.9	0.2	0.1
Wood and wood products except furniture	2,976	7,261	11,367	30,160	13,481	165.3	-55.3	2.1	0.8
Paper and paper products	6,572	8,368	20,230	43,344	25,844	114.3	-40.4	3.0	1.6
Printing, publishing and reproduction of recorded media	744	950	1,076	2,637	1,762	145.1	-33.2	0.2	0.1
Coke and refined petroleum products and nuclear fuels	1,150	71,736	54,372	191,128	346,049	251.5	81.1	13.4	21.7
Chemical products	31,718	79,212	102,354	276,164	158,336	169.8	-42.7	19.4	9.9
Rubber and plastic products	25,977	35,985	41,517	65,625	76,552	58.1	16.7	4.6	4.8
Non-metallic mineral products	119,419	128,600	110,040	140,995	198,474	28.1	40.8	9.9	12.4
Basic metals	102,078	253,357	373,710	305,531	350,902	-18.2	14.8	21.5	22.0
Fabricated metal products except machinery and equipment	15,568	21,438	36,534	45,180	76,824	23.7	70.0	3.2	4.8
Machinery and equipment unclassified elsewhere	9,380	19,475	11,955	26,745	39,990	123.7	49.5	1.9	2.5
Office and accounting machines	2,157	1,636	3,048	3,831	3,223	25.7	-15.9	0.3	0.2
Electrical machines and electronic devices	7,020	8,708	9,759	21,026	21,403	115.5	1.8	1.5	1.3
Radio, television and telecommunication instruments	549	951	1,602	3,326	10,313	107.6	210.0	0.2	0.6
Medical and optical tools, precision instruments and clocks	1,056	1,632	1,989	2,938	4,711	47.7	60.3	0.2	0.3
Motor vehicles, trailer and semi-trailer	18,680	31,753	18,046	43,568	32,599	141.4	-25.2	3.1	2.0
Other transport equipment	2,268	4,566	3,571	17,207	8,422	381.8	-51.1	1.2	0.5
Furniture and artificial goods unclassified elsewhere	837	3,473	1,639	4,032	4,576	146.0	13.5	0.3	0.3
Recycling	1,212	2,487	4,051	13,410	14,386	231.0	7.3	0.9	0.9
Computer and related activities ⁽¹⁾	11	0	0	0	*
Total	410,226	763,986	900,874	1,423,515	1,597,648	58.0	12.2	100.0	100.0

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction No. 4017/2 dated 26.06.2007, establishment permits have been issued for software production to improve information technology.

**INVESTMENT BASED ON OPERATION PERMITS ISSUED FOR NEW MANUFACTURING
AND MINING UNITS AND EXPANSION OF EXISTING UNITS**

Table 23

(billion rials)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change ○		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Food and beverages	4,211	10,876	10,300	11,180	12,499	8.5	11.8	14.5	9.6
Tobacco products	0	0	0	0	4.5	0	0	0	*
Textiles	1,334	2,699	3,922	3,548	6,898	-9.5	94.4	4.6	5.3
Wearing apparel, dressing and dyeing of fur	56	62	104	122	205	17.5	67.5	0.2	0.2
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	112	175	150	245	519	63.3	111.8	0.3	0.4
Wood and wood products except furniture	340	198	491	1,038	1,910	111.7	83.9	1.3	1.5
Paper and paper products	408	419	844	970	2,860	14.9	194.9	1.3	2.2
Printing, publishing and reproduction of recorded media	29	285	103	200	566	93.8	183.6	0.3	0.4
Coke and refined petroleum products and nuclear fuels	1,090	253	1,061	657	15,372	-38.0	▣	0.9	11.8
Chemical products	6,336	2,868	5,795	19,781	29,142	241.4	47.3	25.6	22.5
Rubber and plastic products	1,772	3,330	6,016	7,158	8,167	19.0	14.1	9.3	6.3
Non-metallic mineral products	4,244	12,404	8,470	11,219	26,059	32.5	132.3	14.5	20.1
Basic metals	3,785	2,445	5,879	9,713	8,699	65.2	-10.4	12.6	6.7
Fabricated metal products except machinery and equipment	936	1,168	2,190	4,528	4,297	106.8	-5.1	5.9	3.3
Machinery and equipment unclassified elsewhere	617	4,798	972	1,660	3,433	70.9	106.8	2.2	2.6
Office and accounting machines	62	156	584	253	791	-56.6	212.5	0.3	0.6
Electrical machines and electronic devices	1,146	1,816	3,849	1,921	1,887	-50.1	-1.8	2.5	1.5
Radio, television and telecommunication instruments	28	836	108	158	328	45.7	108.0	0.2	0.3
Medical and optical tools, precision instruments and clocks	199	106	272	189	465	-30.3	145.8	0.2	0.4
Motor vehicles, trailer and semi-trailer	872	3,845	3,212	1,966	4,346	-38.8	121.0	2.5	3.3
Other transport equipment	1,251	277	536	342	272	-36.2	-20.5	0.4	0.2
Furniture and artificial goods unclassified elsewhere	36	155	148	223	553	50.7	147.5	0.3	0.4
Recycling	12	76	178	101	489	-43.2	385.1	0.1	0.4
Computer and related activities ⁽¹⁾	*	0	0	0	*
Total	28,875	49,248	55,181	77,173	129,760	39.9	68.1	100.0	100.0

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction No. 4017/2 dated 26.06.2007, operation permits have been issued for software production to improve information technology.

**NUMBER OF ESTABLISHMENT PERMITS ISSUED FOR NEW MANUFACTURING AND MINING
UNITS AND EXPANSION OF EXISTING UNITS**

Table 24

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Food and beverages	4,707	5,178	5,750	9,849	8,855	71.3	-10.1	18.1	18.4
Tobacco products	3	2	1	7	12	▣	71.4	*	*
Textiles	1,562	1,300	1,433	2,683	1,859	87.2	-30.7	4.9	3.9
Wearing apparel, dressing and dyeing of fur	1,110	782	876	1,997	1,183	128.0	-40.8	3.7	2.5
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	210	222	240	506	357	110.8	-29.4	0.9	0.7
Wood and wood products except furniture	768	731	951	1,780	1,542	87.2	-13.4	3.3	3.2
Paper and paper products	713	781	854	1,655	1,415	93.8	-14.5	3.0	2.9
Printing, publishing and reproduction of recorded media	141	125	149	204	103	36.9	-49.5	0.4	0.2
Coke and refined petroleum products and nuclear fuels	225	272	351	456	332	29.9	-27.2	0.8	0.7
Chemical products	1,766	2,025	2,250	3,255	2,612	44.7	-19.8	6.0	5.4
Rubber and plastic products	2,643	3,385	4,052	6,573	6,532	62.2	-0.6	12.1	13.6
Non-metallic mineral products	5,530	5,123	5,233	8,674	9,303	65.8	7.3	16.0	19.3
Basic metals	857	1,235	1,033	2,089	1,992	102.2	-4.6	3.8	4.1
Fabricated metal products except machinery and equipment	2,322	3,000	2,690	4,558	3,945	69.4	-13.4	8.4	8.2
Machinery and equipment unclassified elsewhere	1,696	2,000	1,956	3,572	2,762	82.6	-22.7	6.6	5.7
Office and accounting machines	278	276	218	435	242	99.5	-44.4	0.8	0.5
Electrical machines and electronic devices	747	878	751	1,495	1,247	99.1	-16.6	2.8	2.6
Radio, television and telecommunication instruments	172	165	158	304	211	92.4	-30.6	0.6	0.4
Medical and optical tools, precision instruments and clocks	241	229	231	372	348	61.0	-6.5	0.7	0.7
Motor vehicles, trailer and semi-trailer	842	844	787	1,306	1,118	65.9	-14.4	2.4	2.3
Other transport equipment	387	268	256	413	362	61.3	-12.3	0.8	0.8
Furniture and artificial goods unclassified elsewhere	479	633	672	1,298	1,027	93.2	-20.9	2.4	2.1
Recycling	149	184	313	807	801	157.8	-0.7	1.5	1.7
Computer and related activities ⁽¹⁾	3	0	0	0	*
Total	27,548	29,638	31,205	54,288	48,163	74.0	-11.3	100.0	100.0

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction No. 4017/2 dated 26.06.2007, establishment permits have been issued for software production to improve information technology.

**NUMBER OF OPERATION PERMITS ISSUED FOR NEW MANUFACTURING AND MINING UNITS
AND EXPANSION OF EXISTING UNITS**

Table 25

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Food and beverages	697	759	825	833	1,066	1.0	28.0	12.3	13.1
Tobacco products	0	0	0	0	2	0	0	0	*
Textiles	347	315	384	444	509	15.6	14.6	6.6	6.3
Wearing apparel, dressing and dyeing of fur	144	125	108	115	140	6.5	21.7	1.7	1.7
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	69	45	65	60	45	-7.7	-25.0	0.9	0.6
Wood and wood products except furniture	90	83	144	223	240	54.9	7.6	3.3	3.0
Paper and paper products	110	113	146	168	209	15.1	24.4	2.5	2.6
Printing, publishing and reproduction of recorded media	23	38	32	28	31	-12.5	10.7	0.4	0.4
Coke and refined petroleum products and nuclear fuels	68	77	69	87	94	26.1	8.0	1.3	1.2
Chemical products	349	440	522	522	534	0	2.3	7.7	6.6
Rubber and plastic products	547	724	1,169	979	1,233	-16.3	25.9	14.5	15.2
Non-metallic mineral products	761	866	1,192	1,731	1,922	45.2	11.0	25.6	23.6
Basic metals	144	153	193	208	317	7.8	52.4	3.1	3.9
Fabricated metal products except machinery and equipment	336	354	353	438	606	24.1	38.4	6.5	7.4
Machinery and equipment unclassified elsewhere	289	318	316	399	466	26.3	16.8	5.9	5.7
Office and accounting machines	54	46	35	27	32	-22.9	18.5	0.4	0.4
Electrical machines and electronic devices	100	140	127	131	191	3.1	45.8	1.9	2.3
Radio, television and telecommunication instruments	18	24	17	20	23	17.6	15.0	0.3	0.3
Medical and optical tools, precision instruments and clocks	44	32	40	34	59	-15.0	73.5	0.5	0.7
Motor vehicles, trailer and semi-trailer	133	133	133	136	172	2.3	26.5	2.0	2.1
Other transport equipment	91	67	55	54	49	-1.8	-9.3	0.8	0.6
Furniture and artificial goods unclassified elsewhere	55	50	70	100	137	42.9	37.0	1.5	1.7
Recycling	13	24	30	27	43	-10.0	59.3	0.4	0.5
Computer and related activities ⁽¹⁾	15	0	0	0	0.2
Total	4,482	4,926	6,025	6,764	8,135	12.3	20.3	100.0	100.0

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction No. 4017/2 dated 26.06.2007, operation permits have been issued for software production to improve information technology.

EMPLOYMENT BASED ON ESTABLISHMENT PERMITS ISSUED FOR NEW MANUFACTURING AND MINING UNITS AND EXPANSION OF EXISTING UNITS

Table 26

(person)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Food and beverages	131,239	181,841	169,776	279,596	258,551	64.7	-7.5	18.8	17.2
Tobacco products	618	41	16	502	554	▣	10.4	*	*
Textiles	48,155	39,228	43,470	74,649	58,755	71.7	-21.3	5.0	3.9
Wearing apparel, dressing and dyeing of fur	22,547	13,428	17,768	30,799	25,114	73.3	-18.5	2.1	1.7
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	6,560	7,854	5,387	11,438	8,267	112.3	-27.7	0.8	0.5
Wood and wood products except furniture	12,054	18,321	21,539	35,770	28,860	66.1	-19.3	2.4	1.9
Paper and paper products	18,758	21,762	25,607	46,080	39,141	80.0	-15.1	3.1	2.6
Printing, publishing and reproduction of recorded media	2,194	2,290	2,375	5,047	1,679	112.5	-66.7	0.3	0.1
Coke and refined petroleum products and nuclear fuels	4,912	13,074	12,308	33,099	47,048	168.9	42.1	2.2	3.1
Chemical products	55,856	75,231	77,584	120,102	98,032	54.8	-18.4	8.1	6.5
Rubber and plastic products	59,594	80,722	86,892	135,922	135,448	56.4	-0.3	9.2	9.0
Non-metallic mineral products	167,798	139,090	123,278	187,803	251,893	52.3	34.1	12.7	16.8
Basic metals	70,475	100,552	157,459	138,791	175,948	-11.9	26.8	9.4	11.7
Fabricated metal products except machinery and equipment	53,641	65,925	66,284	100,180	107,164	51.1	7.0	6.7	7.1
Machinery and equipment unclassified elsewhere	41,410	53,053	55,218	91,817	88,446	66.3	-3.7	6.2	5.9
Office and accounting machines	4,909	5,960	5,340	8,458	5,577	58.4	-34.1	0.6	0.4
Electrical machines and electronic devices	21,877	31,926	25,699	43,478	35,534	69.2	-18.3	2.9	2.4
Radio, television and telecommunication instruments	4,033	3,864	4,617	8,048	7,219	74.3	-10.3	0.5	0.5
Medical and optical tools, precision instruments and clocks	5,855	11,665	7,240	9,108	8,906	25.8	-2.2	0.6	0.6
Motor vehicles, trailer and semi-trailer	60,599	48,573	38,802	60,046	59,410	54.7	-1.1	4.0	4.0
Other transport equipment	18,702	13,522	12,825	19,330	20,796	50.7	7.6	1.3	1.4
Furniture and artificial goods unclassified elsewhere	7,398	17,386	12,264	22,286	19,750	81.7	-11.4	1.5	1.3
Recycling	8,409	4,444	7,670	21,888	21,202	185.4	-3.1	1.5	1.4
Computer and related activities ⁽¹⁾	66	0	0	0	*
Total	827,593	949,752	979,418	1,484,237	1,503,360	51.5	1.3	100.0	100.0

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction No. 4017/2 dated 26.06.2007, establishment permits have been issued for software production to improve information technology.

**EMPLOYMENT BASED ON OPERATION PERMITS ISSUED FOR NEW MANUFACTURING
AND MINING UNITS AND EXPANSION OF EXISTING UNITS**

Table 27

(person)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Food and beverages	19,053	27,430	21,031	19,762	24,623	-6.0	24.6	15.7	17.0
Tobacco products	0	0	0	0	17	0	0	0	*
Textiles	8,835	11,094	8,917	10,275	9,442	15.2	-8.1	8.1	6.5
Wearing apparel, dressing and dyeing of fur	1,742	1,758	1,822	1,477	1,914	-18.9	29.6	1.2	1.3
Tanning and dressing of leather, manufacture of luggage, handbags and footwear	1,197	1,069	866	834	780	-3.7	-6.5	0.7	0.5
Wood and wood products except furniture	1,377	1,105	1,989	2,764	2,671	39.0	-3.4	2.2	1.8
Paper and paper products	2,379	1,919	2,304	2,860	3,147	24.1	10.0	2.3	2.2
Printing, publishing and reproduction of recorded media	171	409	296	424	653	43.2	54.0	0.3	0.5
Coke and refined petroleum products and nuclear fuels	1,428	1,188	1,546	1,218	2,522	-21.2	107.1	1.0	1.7
Chemical products	10,413	8,827	9,563	10,485	10,398	9.6	-0.8	8.3	7.2
Rubber and plastic products	8,180	13,158	14,372	12,429	14,580	-13.5	17.3	9.9	10.1
Non-metallic mineral products	15,287	18,169	18,962	25,090	28,397	32.3	13.2	19.9	19.6
Basic metals	9,447	6,709	6,045	7,421	7,945	22.8	7.1	5.9	5.5
Fabricated metal products except machinery and equipment	5,621	6,503	6,566	9,038	11,289	37.6	24.9	7.2	7.8
Machinery and equipment unclassified elsewhere	7,917	7,872	6,163	7,639	9,627	23.9	26.0	6.1	6.7
Office and accounting machines	748	723	687	540	834	-21.4	54.4	0.4	0.6
Electrical machines and electronic devices	3,992	4,890	6,181	4,654	4,269	-24.7	-8.3	3.7	3.0
Radio, television and telecommunication instruments	281	1,417	1,947	762	615	-60.9	-19.3	0.6	0.4
Medical and optical tools, precision instruments and clocks	771	704	1,013	486	1,434	-52.0	195.1	0.4	1.0
Motor vehicles, trailer and semi-trailer	5,821	11,208	7,187	4,557	5,258	-36.6	15.4	3.6	3.6
Other transport equipment	8,087	1,982	2,552	1,804	1,076	-29.3	-40.4	1.4	0.7
Furniture and artificial goods unclassified elsewhere	533	1,284	924	1,300	1,777	40.7	36.7	1.0	1.2
Recycling	92	416	386	336	822	-13.0	144.6	0.3	0.6
Computer and related activities ⁽¹⁾	516	0	0	0	0.4
Total	113,372	129,834	121,319	126,155	144,606	4.0	14.6	100.0	100.0

Source: Ministry of Industries and Mines

(1) Since 2007/08, based on instruction No. 4017/2 dated 26.06.2007, operation permits have been issued for software production to improve information technology.

**GOVERNMENT ACQUISITION OF NON-FINANCIAL–NATIONAL ASSETS IN MANUFACTURING AND MINING
SECTOR AND INDUSTRIAL RESEARCH PROJECT**

Table 28

(at current prices)

(million rials)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change		Share (percent)		2007/08 Performance	
						2006/07	2007/08	2006/07	2007/08	Approved	(percent)
National expenditures	4,026,977	3,054,879	2,987,340	2,715,236	2,545,971	-9.1	-6.2	100.0	100.0	3,206,900	79.4
Manufacturing and mining	3,642,365	2,736,045	2,903,677	2,696,436	2,522,510	-7.1	-6.5	99.3	99.1	3,174,900	79.5
Manufacturing and mining infrastructures	0	0	184,550	259,865	509,745	40.8	96.2	9.6	20.0	654,870	77.8
Establishment and development of industries	0	0	1,192,273	1,371,490	811,068	15.0	-40.9	50.5	31.9	1,182,000	68.6
Geology	0	0	134,500	337,137	196,492	150.7	-41.7	12.4	7.7	235,000	83.6
Exploration and operation of mines	0	0	556,720	218,247	73,550	-60.8	-66.3	8.0	2.9	95,000	77.4
Quality improvement of manufacturing products	0	0	0	438,615	818,907	0	86.7	16.2	32.2	861,963	95.0
Quality improvement of mining products	0	0	0	58,359	99,284	0	70.1	2.1	3.9	128,067	77.5
Reinforcement of buildings	0	0	0	9,500	10,664	0	12.3	0.3	0.4	18,000	59.2
Organization, mechanization, and expansion of geology networks–exploration and mobilization	0	0	0	3,222	0	0	-100.0	0.1	0	0	0
Applied research	0	0	171,488	0	0	-100.0	0	0	0	0	0
Policy-making, management and supervision	0	0	68,749	0	0	-100.0	0	0	0	0	0
Technical and credit assistance to private and cooperative sectors	0	0	595,398	0	0	-100.0	0	0	0	0	0
Organization, mechanization, and expansion of information networks	0	0	0	0	2,800	0	0	0	0.1	0	0
Applied research and scientific development (industrial research project in manufacturing and mining sector)	384,612	318,834	83,663	18,800	23,461	-77.5	24.8	0.7	0.9	32,000	73.3

Source: Treasury General, Ministry of Economic Affairs and Finance

Table 29

PAYMENTS BY BANK OF INDUSTRY AND MINE

(billion rials)

	2003/04	2004/05	2005/06▲	2006/07▲	2007/08	Percentage change	
						2006/07	2007/08
Banking facilities⁽¹⁾	1,690.0	4,414.5	6,288.2	8,575.4	9,901.3	36.4	15.5
Domestic resources	301.7	2,729.4	3,895.8	6,739.8	8,041.4	73.0	19.3
Administered funds (in rial) ⁽²⁾	1,379.5	929.4	141.6	205.5	384.1	45.1	86.9
OSF ⁽³⁾	0	295.5	1,350.8	1,283.5	1,394.7	-5.0	8.7
Others ⁽⁴⁾	8.8	460.1	900.0	346.6	81.1	-61.5	-76.6
Direct investment and legal partnership	301.4	367.6	442.1	4.9	311.5	-98.9	⊖
Total	1,991.4	4,782.1	6,730.3	8,580.3	10,212.8	27.5	19.0

Source: Bank of Industry and Mine

(1) Includes all contracts except direct investment and legal partnership.

(2) It also includes Note 55, the 3rd Plan Law.

(3) Includes payments in the form of Article 60, 3rd Plan Law and Article 1, 4th Plan Law.

(4) Includes payment to Industry and Mine Leasing Company, reconstruction of damaged industries in Bam, and miscellaneous.

**GOVERNMENT ACQUISITION OF NON-FINANCIAL ASSETS (DEVELOPMENT EXPENDITURES) IN
HOUSING, URBAN AND RURAL DEVELOPMENT AND HOUSING PROVISION PLANS IN THE
FRAMEWORK OF WELFARE AND SOCIAL SECURITY SYSTEM**

Table 30

(million rials)

	Performance		2007/08			
	2006/07	2007/08	Percentage change	Share (percent)	Approved	Performance (percent)
Housing, urban and rural development						
Sewage system	162,618	621,202	282.0	4.3	3,733,164	16.6
Urban and rural water	61,477	94,489	53.7	0.7	716,467	13.2
Urban and rural transportation	10,990,397	5,505,185	-49.9	38.1	3,262,900	168.7
Urban and rural services	215,593	337,200	56.4	2.3	8,000	4,215.0
Settlement of nomads	4,540	73,064	▣	0.5	1,674	4,364.6
Housing	2,989,183	6,387,713	113.7	44.2	577,500	1,106.1
Improvement of urban and rural structure	196,269	381,717	94.5	2.6	673,862	56.6
Reinforcement of buildings	17,340	20,136	16.1	0.1	29,400	68.5
Reorganization of special zones	707,318	887,014	25.4	6.1	1,543,794	57.5
Buildings and equipment	21,558	31,998	48.4	0.2	44,239	72.3
Study and formulation of rules and regulations	6,233	5,900	-5.3	*	6,800	86.8
Others	600	0	-100.0	0	0	0
Total	15,373,126	14,345,617	-6.7	99.2	10,597,800	135.4
Welfare and Social Security						
Affordable Housing Plan for the low-income groups	37,702	108,300	187.3	0.7	20,500	528.3
Housing provision for the disabled	3,770	3,270	-13.3	*	5,000	65.4
Grand Total	15,414,598	14,457,187	-6.2	100.0	10,623,300	136.1

Source: Treasury General, Ministry of Economic Affairs and Finance

Table 31

FACILITIES EXTENDED BY BANK MASKAN ⁽¹⁾

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change ○	
						2006/07	2007/08
Number (in thousands)	334.8	208.8	299.4	432.4	393.3	44.4	-9.1
Amount (billion rials)	14,488.6	17,584.3	43,446.8	73,143.5	68,270.4	68.4	-6.7

Source: Bank Maskan (Housing Bank)

(1) Includes profit receivables.

**INVESTMENT BY PRIVATE SECTOR IN NEW BUILDINGS IN URBAN AREAS ⁽¹⁾
(at current prices)**

Table 32

(billion rials)

	2004/05	2004/05 ⁽²⁾	2005/06	2006/07 ▲	2007/08	Percentage change ○		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Tehran	15,628.7	18,096.9	21,218.9	26,199.6	40,088.4	23.5	53.0	23.1	19.5
Other large cities	29,987.0	28,833.7	31,632.1	35,458.7	58,735.2	12.1	65.6	31.2	28.6
Other urban areas	28,483.7	44,321.7	50,319.9	51,911.2	106,390.0	3.2	104.9	45.7	51.8
All urban areas	74,099.4	91,252.3	103,170.9	113,569.5	205,213.6	10.1	80.7	100.0	100.0

(1) Excludes the cost of land.

(2) The new base year (2004/05) has been used since the beginning of 2005/06. Due to revisions in the statistical framework (clusters) in 2005/06, figures are not comparable with the previous years.

Table 33

CONSTRUCTION PERMITS ISSUED FOR PRIVATE SECTOR IN URBAN AREAS

	2003/04	2004/05	2005/06	2006/07▲	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Number									
Tehran	10,876	12,570	10,833	14,642	25,043	35.7	71.0	8.5	12.0
Other large cities	49,188	34,681	31,685	34,914	50,972	10.2	46.0	20.2	24.4
Other urban areas	88,877	88,722	87,211	123,046	133,020	41.1	8.1	71.3	63.6
All urban areas	148,941	135,973	129,729	172,602	209,035	33.0	21.1	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	9,530.6	11,620.9	9,968.1	13,435.6	23,527.8	34.8	75.1	19.2	22.3
Other large cities	29,093.7	20,084.4	17,943.8	19,528.2	30,068.0	8.8	54.0	27.9	28.5
Other urban areas	26,790.9	29,852.9	30,014.1	37,126.5	51,740.8	23.7	39.4	53.0	49.1
All urban areas	65,415.2	61,558.2	57,926.0	70,090.3	105,336.6	21.0	50.3	100.0	100.0
Average floor space (square meters)									
Tehran	876	924	920	918	940	-0.3	2.4		
Other large cities	591	579	566	559	590	-1.2	5.5		
Other urban areas	301	336	344	302	389	-12.3	28.9		
All urban areas	439	453	447	406	504	-9.1	24.1		

Table 34

BUILDING STARTS BY PRIVATE SECTOR IN URBAN AREAS

	2004/05	2004/05 ⁽¹⁾	2005/06	2006/07	2007/08	Percentage change○		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Number									
Tehran	9,670	11,303	10,001	13,105	21,141	31.0	61.3	7.2	8.0
Other large cities	45,278	65,060	51,348	53,945	69,020	5.1	27.9	29.6	26.3
Other urban areas	84,583	120,028	114,828	115,330	172,500	0.4	49.6	63.2	65.7
All urban areas	139,531	196,391	176,177	182,380	262,661	3.5	44.0	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	8,261	10,268	9,971	11,394	16,240	14.3	42.5	17.2	15.2
Other large cities	22,015	24,959	19,371	20,585	30,956	6.3	50.4	31.1	29.0
Other urban areas	25,923	39,466	33,532	34,265	59,459	2.2	73.5	51.7	55.8
All urban areas	56,199	74,693	62,874	66,244	106,655	5.4	61.0	100.0	100.0
Average floor space (square meters)									
Tehran	854	908	997	869	768	-12.8	-11.6		
Other large cities	486	384	377	382	449	1.2	17.5		
Other urban areas	306	329	292	297	345	1.7	16.2		
All urban areas	403	380	357	363	406	1.7	11.8		

(1) The new base year (2004/05) has been used since the beginning of 2005/06. Due to revisions in the statistical framework (clusters) in 2005/06, figures are not comparable with the previous years.

Table 35

BUILDINGS COMPLETED BY PRIVATE SECTOR IN URBAN AREAS

	2004/05	2004/05 ⁽¹⁾	2005/06	2006/07▲	2007/08	Percentage change ○		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Number									
Tehran	10,538	7,938	11,144	10,472	13,319	-6.0	27.2	6.3	6.7
Other large cities	47,623	35,670	57,095	53,906	52,593	-5.6	-2.4	32.6	26.5
Other urban areas	88,736	58,319	100,354	101,224	132,670	0.9	31.1	61.1	66.8
All urban areas	146,897	101,927	168,593	165,602	198,582	-1.8	19.9	100.0	100.0
Total floor space estimate (thousand square meters)									
Tehran	11,692	8,415	10,732	10,355	11,596	-3.5	12.0	16.8	16.9
Other large cities	20,251	12,103	20,407	20,254	19,954	-0.7	-1.5	32.9	29.1
Other urban areas	23,630	20,534	33,790	30,955	37,039	-8.4	19.7	50.3	54.0
All urban areas	55,573	41,052	64,929	61,564	68,589	-5.2	11.4	100.0	100.0
Average floor space (square meters)									
Tehran	1,110	1,060	963	989	871	2.7	-11.9		
Other large cities	425	339	357	376	379	5.3	0.8		
Other urban areas	266	352	337	306	279	-9.2	-8.8		
All urban areas	378	403	385	372	345	-3.4	-7.3		

(1) The new base year (2004/05) has been used since the beginning of 2005/06. Due to revisions in the statistical framework (clusters) in 2005/06, figures are not comparable with the previous years.

Table 36

CONSTRUCTION INDICES

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change	
						2006/07	2007/08
Construction services (2004/05=100)	79.5	100.0	118.1	140.1	182.9	18.6	30.5
Daily wage of bricklayer	78.8	100.0	116.9	136.8	181.9	17.0	33.0
Daily wage of unskilled construction worker	77.3	100.0	116.6	135.5	193.8	16.2	43.0
Wage of skilled plumber	..	100.0	113.2	132.4	163.6	17.0	23.6
Wage of skilled electrician	..	100.0	119.6	150.9	190.8	26.2	26.4
Wage paid for painting	83.4	100.0	117.9	140.9	184.1	19.5	30.7
Wage paid for roof-asphalting	80.0	100.0	118.6	137.1	178.2	15.6	30.0
Wage paid for well-digging	79.1	100.0	118.7	140.3	187.1	18.2	33.4
Wage paid for cementing	79.7	100.0	119.2	144.1	186.3	20.9	29.3
Wage paid for tile covering	79.9	100.0	116.5	135.1	175.3	16.0	29.8
Wage paid for plaster working	78.8	100.0	123.2	147.5	186.6	19.7	26.5
Wholesale price index of construction materials (1997/98=100)	216.9	268.8	285.4	342.3	407.3	19.9	19.0
Metallic	188.5	250.8	262.7	346.3	423.9	31.8	22.4
Non-metallic	256.3	293.8	316.9	336.8	384.3	6.3	14.1

**CREDITS FOR ACQUISITION OF GOVERNMENT NON-FINANCIAL ASSETS
IN TRANSPORTATION SECTOR**

Table 37

(billion rials)

	Performance		Share (percent)		Percentage change	2007/08	
	2006/07	2007/08	2006/07	2007/08		Approved	Performance (percent)
Rail transport	4,002.4	4,154.4	32.7	30.6	3.8	5,182.2	80.2
Road transport	7,820.1	8,431.5	63.8	62.0	7.8	10,976.2	76.8
Air transport	151.5	471.6	1.2	3.5	211.2	88.0	535.9
Sea transport	194.9	139.5	1.6	1.0	-28.5	185.0	75.4
Applied research	61.9	257.5	0.5	1.9	316.0	45.0	572.0
Strategic plan for development of road transport	2.2	3.0	*	*	37.7	3.0	100.0
Safety of air transport	9.9	108.0	0.1	0.8	▣	98.4	109.7
Buildings and equipment	0	13.7	0	0.1	0	0	0
Reinforcement of buildings	5.5	11.5	*	0.1	111.0	11.5	100.0
Total	12,248.4	13,590.7	100.0	100.0	11.0	16,589.3	81.9

Source: Treasury General, Ministry of Economic Affairs and Finance

NUMBER OF STUDENTS

Table 38

(thousand persons)

	Academic year					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Kindergartens	439	492	540	553	511	2.4	-7.6	3.7	3.5
Primary schools	6,648	6,207	6,007	5,828	5,726	-3.0	-1.8	39.0	39.7
Junior high schools	4,678	4,371	4,146	3,939	3,708	-5.0	-5.9	26.4	25.7
High schools	3,030	2,977	2,957	2,921	2,832	-1.2	-3.0	19.6	19.6
Technical and professional schools	335	350	352	341	330	-3.1	-3.2	2.3	2.3
Skill education centers	453	445	454	434	408	-4.4	-6.0	2.9	2.8
Pre-university centers	436	413	419	421	438	0.5	4.0	2.8	3.0
Teacher training centers	9	9	10	14	19	40.0	35.7	0.1	0.1
Others ⁽¹⁾	515	492	480	480	462	0	-3.7	3.2	3.2
Total	16,543	15,756	15,365	14,931	14,434	-2.8	-3.3	100.0	100.0

Source: Ministry of Education

(1) Includes adult students in primary schools, junior high schools, high schools and pre-university centers.

Table 39 NUMBER OF SCHOOLS, CLASSROOMS AND TEACHING STAFF ⁽¹⁾

	Academic year					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Number of schools									
Urban areas	61,335	63,481	66,449	67,314	66,668	1.3	-1.0	46.4	47.2
Rural areas	76,247	77,334	78,268	77,850	74,597	-0.5	-4.2	53.6	52.8
Total	137,582	140,815	144,717	145,164	141,265	0.3	-2.7	100.0	100.0
Number of classrooms									
Urban areas	413,256	407,565	412,999	413,185	406,030	0.1	-1.7	64.0	65.0
Rural areas	247,427	242,935	238,368	232,007	218,598	-2.7	-5.8	36.0	35.0
Total	660,683	650,500	651,367	645,192	624,628	-0.9	-3.2	100.0	100.0
Teaching staff (person)									
Urban areas	646,441	644,190	645,243	635,101	621,633	-1.6	-2.1	70.5	71.1
Rural areas	278,749	264,987	274,058	266,162	252,833	-2.9	-5.0	29.5	28.9
Total	925,190	909,177	919,301	901,263	874,466	-2.0	-3.0	100.0	100.0

Source: Ministry of Education

(1) Includes kindergartens, primary schools, junior high schools, high schools and pre-university centers.

Table 40 COMPOSITION OF STUDENTS AT VARIOUS EDUCATIONAL LEVELS IN URBAN AND RURAL AREAS

(percent)

	2006/07			2007/08		
	Urban	Rural	Total	Urban	Rural	Total
Primary schools	63.4	36.6	100.0	64.4	35.6	100.0
Junior high schools	69.3	30.7	100.0	69.6	30.4	100.0
High schools	84.3	15.7	100.0	84.1	15.9	100.0
Total	70.9	29.1	100.0	71.3	28.7	100.0

Source: Ministry of Education

Table 41 STUDENTS AT VARIOUS EDUCATIONAL LEVELS BY GENDER

(thousand persons)

	2006/07		2007/08		Percentage change	
	Male	Female	Male	Female	Male	Female
Primary schools	3,009.6	2,818.3	2,952.1	2,773.6	-1.9	-1.6
Junior high schools	2,100.9	1,837.8	1,967.9	1,740.4	-6.3	-5.3
High schools	1,890.6	1,805.4	1,838.6	1,731.3	-2.8	-4.1
Total	7,001.1	6,461.5	6,758.6	6,245.3	-3.5	-3.3

Source: Ministry of Education

Table 42 **STUDENTS IN PRIVATE SCHOOLS AT VARIOUS EDUCATIONAL LEVELS** (thousand persons)

	Academic year		Percentage change		Share in total students (percent)	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Primary schools	375.1	393.6	4.9	4.9	6.4	6.9
Junior high schools	242.5	228.5	-8.9	-5.8	6.2	6.2
High schools ⁽¹⁾	277.5	262.6	-6.3	-5.4	7.5	7.4
Total	895.1	884.7	-2.7	-1.2	6.7	6.8

Source: Ministry of Education

(1) Includes students of high schools, technical and professional schools and skill education centers.

Table 43 **INDICES OF EDUCATIONAL QUALITY**

	Academic year				
	2003/04	2004/05	2005/06	2006/07	2007/08
Student to school	120.2	111.9	106.2	102.9	102.2
Student to classroom	25.0	24.2	23.6	23.2	23.1
Student to teacher	17.9	17.3	16.7	16.6	16.5

Source: Ministry of Education

Table 44 **MINIMUM MONTHLY WAGE** (rials)

	2003/04	2004/05	2005/06	2006/07	2007/08
Minimum nominal wage	853,380	1,066,000	1,266,784	1,500,000	1,830,000
Average consumer price index (2004/05=100)	86.8	100.0	110.4	123.5	146.2
Minimum real wage ▲	983,157	1,066,000	1,147,449	1,214,575	1,251,710

Source: Social Security Organization

Table 45 **DISTRIBUTION OF POPULATION ACCORDING TO URBAN AND RURAL AREAS** (thousand persons)

	2003/04 ▲	2004/05 ▲	2005/06 ▲	2006/07 ▲	2007/08	Share (percent)	
						2006/07	2007/08
Urban areas							
Total	44,835	45,967	47,096	48,260	49,572	68.5	69.3
Rural areas							
Total	22,480	22,378	22,294	22,236	21,960	31.5	30.7
Whole country							
Active	21,014	21,568	23,293	23,484	23,579	33.3	33.0
Total	67,315	68,345	69,390	70,496	71,532	100.0	100.0

Source: Statistical Center of Iran (SCI)

**NUMBER OF STUDENTS IN PUBLIC UNIVERSITIES
AND HIGHER EDUCATION INSTITUTES**

Table 46

(person)

	Academic year					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Education sciences	10,533	9,563	52,922	78,708	187,451	48.7	138.2	5.1	5.5
Humanities and arts	134,582	144,423	166,282	216,788	319,613	30.4	47.4	14.1	9.4
Social sciences, commerce and law	275,295	314,248	336,180	521,092	1,058,191	55.0	103.1	33.9	31.2
Basic sciences, mathematics and computer sciences	138,306	157,088	159,375	233,259	363,072	46.4	55.7	15.2	10.7
Manufacturing engineering	198,543	220,339	302,028	302,437	1,027,705	0.1	239.8	19.6	30.3
Agriculture and veterinary science	55,844	59,035	62,309	62,257	149,356	-0.1	139.9	4.0	4.4
Health and welfare	90,321	89,722	85,205	86,347	217,355	1.3	151.7	5.6	6.4
Services	16,542	19,907	26,747	37,986	65,912	42.0	73.5	2.5	1.9
Total	923,913⁽¹⁾	1,018,980⁽¹⁾	1,191,048	1,538,874	3,391,852⁽²⁾	29.2	120.4	100.0	100.0

Source: Ministry of Science, Research and Technology

(1) Total number of students during 2003/04 and 2004/05 academic years includes respectively 3,947 and 4,655 students of general education.

(2) Includes 3,197 students of other fields.

Table 47

NUMBER OF STUDENTS IN ISLAMIC AZAD UNIVERSITY

(person)

	Academic year					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Medical sciences	45,264	41,528	43,085	44,019	42,124	2.2	-4.3	3.4	3.2
Humanities	454,177	498,739	541,679	552,958	539,608	2.1	-2.4	42.9	41.4
Basic sciences	87,577	95,473	102,799	106,141	98,595	3.3	-7.1	8.2	7.6
Technical and engineering fields	255,636	352,437	393,640	463,965	502,051	17.9	8.2	36.0	38.5
Agriculture and veterinary science	73,174	80,786	82,994	83,623	80,116	0.8	-4.2	6.5	6.2
Arts	52,378	29,528	33,324	38,931	40,075	16.8	2.9	3.0	3.1
Total	968,206	1,098,491	1,197,521	1,289,637	1,302,569	7.7	1.0	100.0	100.0

Source: Islamic Azad University

GOVERNMENT BUDGET

Table 48 (excluding special revenues and expenditures and the figure for transparency in the price (subsidy) of energy bearers) (billion rials)

	Performance					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07▲	2007/08	2006/07	2007/08	2006/07	2007/08
Revenues	78,836.6	103,587.3	200,374.9	231,130.8	298,203.1	15.3	29.0	100.0	100.0
Taxes	65,099.0	84,421.1	134,574.4	151,620.9	191,815.3	12.7	26.5	65.6	64.3
Others	13,737.6	19,166.2	65,800.5	79,509.9	106,387.8	20.8	33.8	34.4	35.7
Expenses (current)	178,255.2	231,923.1	330,884.1	415,788.1	421,334.1	25.7	1.3		
Operating balance	-99,418.6	-128,335.8	-130,509.2	-184,657.3	-123,131.0	41.5	-33.3		
Disposal of non-financial assets	129,030.8	151,413.0	187,294.5	182,797.2	174,791.8	-2.4	-4.4	100.0	100.0
Sale of oil and oil products	128,153.9	150,413.3	186,342.4	181,881.2	173,519.1	-2.4	-4.6	99.5	99.3
Sale of crude oil	126,653.9	138,356.3	163,044.4	131,922.1	139,699.1	-19.1	5.9	72.2	79.9
Allocation of 2 percent of oil and gas exports revenue to oil-producing and deprived regions	0	0	0	6,000.0	0	0	-100.0	3.3	0
1.6 percent of value of crude oil production	0	0	10,198.0	0	0	-100.0	0	0	0
Crude oil exports (out of 7.3 percent)	0	0	13,100.0	0	0	-100.0	0	0	0
Subject of Note 11 (imports of gasoline)	0	0	0	43,959.1	33,820.0	0	-23.1	24.0	19.3
Sale of fuel oil and oil products	1,500.0	1,229.3	0	0	0	0	0	0	0
Revenue as subject of Note 12	0	10,827.6	0	0	0	0	0	0	0
Sale of movable and immovable assets	877.0	999.7	952.1	916.0	1,272.7	-3.8	38.9	0.5	0.7
Acquisition of non-financial assets (development expenditures)	73,799.7	72,306.3	117,638.7	145,571.0	147,715.8	23.7	1.5		
Net disposal of non-financial assets	55,231.1	79,106.7	69,655.9	37,226.2	27,076.1	-46.6	-27.3		
Operating and non-financial balance ⁽¹⁾	-44,187.5	-49,229.2	-60,853.4	-147,431.2	-96,054.9	142.3	-34.8		
Disposal of financial assets	68,324.4	80,693.7	83,320.7	161,061.2	156,614.0	93.3	-2.8		
Acquisition of financial assets	24,136.9	31,464.6	22,467.3	13,630.0	60,559.2	-39.3	344.3		
Net disposal of financial assets	44,187.5	49,229.2	60,853.4	147,431.2	96,054.9	142.3	-34.8		

Source: General budget laws – Treasury General, Ministry of Economic Affairs and Finance

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

TAX REVENUES
(excluding special revenues)

Table 49

(billion rials)

	2003/04	2004/05	2005/06▲	2006/07▲	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Corporate tax	20,375.7	26,027.5	64,459.9	72,861.7	92,610.8	13.0	27.1	48.1	48.3
Public legal entities ⁽¹⁾	9,251.7	11,046.9	46,953.0	50,412.5	65,230.1	7.4	29.4	33.2	34.0
Private legal entities	11,124.0	14,980.5	17,506.9	22,449.2	27,380.7	28.2	22.0	14.8	14.3
Income tax	9,008.3	11,773.3	15,253.1	19,451.3	25,960.6	27.5	33.5	12.8	13.5
Salary	4,276.6	5,902.9	8,311.1	11,061.3	15,189.7	33.1	37.3	7.3	7.9
Professions	4,179.3	5,289.1	6,289.0	7,515.6	9,726.5	19.5	29.4	5.0	5.1
Real estate	528.5	535.0	626.3	835.6	974.7	33.4	16.6	0.6	0.5
Others	23.9	46.3	26.8	38.7	69.7	44.4	80.1	*	*
Wealth tax	2,649.7	4,096.1	4,316.6	5,378.3	7,762.3	24.6	44.3	3.5	4.0
Heritage	219.9	274.6	336.4	447.1	719.0	32.9	60.8	0.3	0.4
Property transactions and goodwill	1,084.8	907.1	784.9	851.8	1,248.4	8.5	46.6	0.6	0.7
Stamp fee, check, draft, promissory note, ...	1,336.5	2,142.0	2,089.5	2,520.6	3,539.9	20.6	40.4	1.7	1.8
Others	8.5	772.3	1,105.7	1,558.8	2,255.0	41.0	44.7	1.0	1.2
Total	32,033.7	41,896.9	84,029.6	97,691.3	126,333.6	16.3	29.3	64.4	65.9
Import tax	22,400.9	33,087.3	35,954.1	39,806.3	48,818.9	10.7	22.6	26.3	25.5
Entrance duties	22,400.9	32,716.5	35,954.1	39,806.3	48,818.9	10.7	22.6	26.3	25.5
Others	0	370.7	0	0	0	0	0	0	0
Tax on goods and services	10,664.3	9,437.0	14,590.7	14,123.3	16,662.7	-3.2	18.0	9.3	8.7
Oil products	946.5	2,684.7	2,958.9	3,183.4	3,577.1	7.6	12.4	2.1	1.9
Non-alcoholic beverages	256.7	247.7	206.4	239.2	256.4	15.9	7.2	0.2	0.1
Sale of cigarettes	123.0	154.8	268.0	357.3	342.8	33.3	-4.0	0.2	0.2
Automobile transactions	719.1	682.1	849.5	854.0	1,032.0	0.5	20.9	0.6	0.5
Communication services	550.4	1,019.9	1,033.4	1,606.1	2,651.4	55.4	65.1	1.1	1.4
Passport– exit duty charges	201.3	205.7	264.3	507.0	648.0	91.8	27.8	0.3	0.3
Sale of cell phone subscription	5,010.3	0	3,989.6	1,141.2	931.9	-71.4	-18.3	0.8	0.5
Others	2,857.1	4,442.0	5,020.6	6,235.1	7,223.1	24.2	15.8	4.1	3.8
Total	33,065.3	42,524.2	50,544.8	53,929.6	65,481.7	6.7	21.4	35.6	34.1
Grand total	65,099.0	84,421.1	134,574.4	151,620.9	191,815.3	12.7	26.5	100.0	100.0

Source: General budget laws – Treasury General, Ministry of Economic Affairs and Finance

(1) As of 2005/06, it includes tax on oil performance.

OTHER GOVERNMENT REVENUES

Table 50 (excluding special revenues and the figure for transparency in the price (subsidy) of energy bearers) (billion rials)

	Performance					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06 ▲	2006/07 ▲	2007/08	2006/07	2007/08	2006/07	2007/08
Revenues received from government ownership	3,643.4	8,033.1	52,196.2	64,996.2	86,137.4	24.5	32.5	81.7	81.0
Public corporations' dividend ⁽¹⁾	946.8	7,085.2	51,344.7	64,750.2	83,448.8	26.1	28.9	81.4	78.4
Return on government loans	0.7	1.2	0.5	0.9	0.8	86.2	-11.1	*	*
Receipts from rent	24.1	41.7	61.1	31.6	30.2	-48.2	-4.4	*	*
Other revenues received from government ownership	2,671.7	904.9	790.0	213.4	2,657.6	-73.0	▣	0.3	2.5
Revenues received from services and sale of goods	5,023.9	5,794.3	9,638.8	7,974.1	10,325.1	-17.3	29.5	10.0	9.7
Receipts from services	4,772.8	5,496.7	9,547.0	7,878.5	9,917.5	-17.5	25.9	9.9	9.3
Judicial and notary services	2,622.1	3,020.5	3,082.8	3,550.6	4,327.8	15.2	21.9	4.5	4.1
Military services ⁽²⁾	390.3	379.7	885.2	420.2	311.3	-52.5	-25.9	0.5	0.3
Educational and cultural services	205.9	267.9	238.6	252.4	466.4	5.8	84.8	0.3	0.4
Agricultural and industrial services	674.6	692.3	764.8	843.3	1,233.8	10.3	46.3	1.1	1.2
Others	880.0	1,136.3	4,575.7	2,812.1	3,578.1	-38.5	27.2	3.5	3.4
Receipts from sale of goods	251.1	297.6	91.8	95.6	407.6	4.1	326.5	0.1	0.4
Receipts from fines and penalties	1,227.5	1,824.4	2,068.3	2,523.8	3,944.9	22.0	56.3	3.2	3.7
Traffic offences	457.1	1,235.8	1,605.6	1,767.3	2,988.3	10.1	69.1	2.2	2.8
Combating the smuggling of drugs	313.1	271.4	257.7	320.0	383.4	24.2	19.8	0.4	0.4
Fines and penalties subject of Labor Act	350.1	191.0	25.6	32.9	19.9	28.3	-39.5	*	*
Others	107.2	126.2	179.4	403.6	553.3	125.0	37.1	0.5	0.5
Miscellaneous revenues	3,842.8	3,514.4	1,897.2	4,015.8	5,980.3	111.7	48.9	5.1	5.6
Executive organizations	..	..	1,897.2	4,015.8	5,980.3	111.7	48.9	5.1	5.6
Iran's Customs Administration	163.2	245.2	..	..	..	0	0	0	0
Consumers and Producers Protection Organization (Note 5)	428.9	181.1	..	..	..	0	0	0	0
Others	3,250.7	3,088.2	0	0	0	0	0	0	0
Total	13,737.6	19,166.2	65,800.5	79,509.9	106,387.8	20.8	33.8	100.0	100.0

Source: General budget laws – Treasury General, Ministry of Economic Affairs and Finance

(1) As of 2005/06, it includes "provisional dividend of government share in value of crude oil production."

(2) Includes exit duty charges and issuance of passport and driving license.

Table 51

DISPOSAL AND ACQUISITION OF FINANCIAL ASSETS

(billion rials)

	Performance					Percentage change		Share (percent)	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
Disposal of financial assets	68,324.4	80,693.7	83,320.7	161,061.2	156,614.0	93.3	-2.8	100.0	100.0
Foreign financing	76.7	287.5	626.3	673.0	1,232.7	7.5	83.2	0.4	0.8
Foreign facilities	73.3	283.5	622.1	669.2	1,228.8	7.6	83.6	0.4	0.8
World Bank facilities	73.3	283.5	622.1	669.2	1,059.1	7.6	58.3	0.4	0.7
Other banks and foreign financing	0	0	0	0	169.7	0	0	0	0.1
Principal of government loans abroad	3.4	4.0	4.2	3.8	3.9	-9.4	1.2	*	*
Domestic financing	68,247.7	80,406.3	82,694.4	160,388.2	155,381.4	94.0	-3.1	99.6	99.2
Sale of participation papers	7,682.5	12,340.6	6,834.9	4,986.1	4,893.3	-27.0	-1.9	3.1	3.1
Privatization proceeds	2,531.2	2,813.1	1,786.6	818.6	32,956.9	-54.2	□	0.5	21.0
Government domestic loans	242.8	223.7	1,616.6	2,184.7	2,600.7	35.1	19.0	1.4	1.7
Refunds carried over from previous years	1,684.3	1,276.8	3,073.0	9,825.7	7,936.3	219.7	-19.2	6.1	5.1
OSF utilization	56,106.9	63,752.1	69,383.4	142,573.0	106,994.3	105.5	-25.0	88.5	68.3
Implementation of development projects	15,900.0	15,787.8	42,289.1	100,320.7	77,681.0	137.2	-22.6	62.2	49.6
External obligations	19,875.0	23,739.0	14,553.5	8,407.6	12,373.0	-42.2	47.2	5.2	7.9
Others	20,331.9	24,225.3	12,540.8	33,844.7	16,940.3	169.9	-49.9	21.0	10.8
Acquisition of financial assets	24,136.9	31,464.6	22,467.3	13,630.0	60,559.2	-39.3	344.3	100.0	100.0
Balance of the government general budget account (account No. 8001)	0	0	2,366.6	0	10,584.8	-100.0	0	0	17.5
Repayment of external debts and obligations (out of OSF)	19,875.0	23,739.0	14,553.5	8,407.6	12,373.0	-42.2	47.2	61.7	20.4
Repayment of government debt to insurance and pension funds (transfer of shares)	204.3	0	3,813.0	0	27,627.0	-100.0	0	0	45.6
Others	4,057.6	7,725.6	1,734.3	5,222.4	9,974.4	201.1	91.0	38.3	16.5
Net disposal of financial assets	44,187.5	49,229.2	60,853.4	147,431.2	96,054.9	142.3	-34.8		

Source: General budget laws - Treasury General, Ministry of Economic Affairs and Finance

Table 52

BALANCE OF PAYMENTS

(million dollars)

	2003/04	2004/05	2005/06	2006/07 ▲	2007/08
Current account balance	816	1,442	16,637	20,402	34,081
Trade balance	4,430	5,653	21,281	26,035	40,819
Exports	33,991	43,852	64,366	76,055	97,401
Oil and gas	27,355	36,315	53,820	62,011	81,764
Non-oil	6,636	7,537	10,546	14,044	15,637
Imports	29,561	38,199	43,085	50,020	56,582
Services ⁽¹⁾	-4,535	-5,011	-5,379	-6,146	-7,199
Receipts	6,249	6,905	7,724	8,554	9,609
Freight and insurance	1,704	2,051	2,196	2,475	2,776
Passenger services	233	261	295	308	348
Travel	1,033	1,044	1,069	1,452	1,486
Investment income	781	918	1,260	1,841	2,265
Other public services	1,099	1,128	1,297	1,048	1,206
Other private services	1,399	1,503	1,607	1,430	1,528
Payments	10,784	11,916	13,103	14,700	16,808
Transfers (net)	921	800	735	513	461
Public	4	4	5	-74	-78
Private	917	796	730	587	538
Capital account (net)	4,476	7,388	-184	-4,383	-12,357
Long-term	2,045	1,659	990	35	-1,554
Public	1,545	1,262	658	-181	-1,954
Liabilities	1,548	1,265	661	-172	-1,944
Assets	-2	-2	-3	-9	-10
Others	500	396	332	216	400
Short-term	2,431	5,730	-1,174	-4,418	-10,804
Overall balance (change in international reserves) ⁽²⁾	4,216	7,518	14,574	11,384	15,053

(1) Increase in the deficit of services balance is due to the increased coverage of statistical data on tourism and technical-engineering services.

(2) Components may not sum to total due to change in the parity rate of hard currencies and statistical errors.

FOREIGN TRADE ⁽¹⁾
(excluding oil, gas and electricity)

Table 53

	2003/04	2004/05	2005/06	2006/07 ▲	2007/08	Percentage change		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Amount (million dollars):									
1. Imports	26,598	35,389	39,248	41,723	48,439	6.3	16.1	76.2	76.0
2. Exports	5,972	6,847	10,474	12,997	15,312	24.1	17.8	23.8	24.0
Deficit (2-1)	-20,626	-28,542	-28,774	-28,726	-33,127	-0.2	15.3		
Total (1+2)	32,570	42,236	49,722	54,720	63,751	10.1	16.5	100.0	100.0
Weight (thousand tons):									
1. Imports	30,106	34,448	35,466	43,492	41,696	22.6	-4.1	61.0	56.5
2. Exports	15,467	18,077	24,983	27,766	32,118	11.1	15.7	39.0	43.5
Total (1+2)	45,573	52,525	60,449	71,258	73,814	17.9	3.6	100.0	100.0

(1) Imports and exports through customs.

Table 54

VALUE OF EXPORTS ⁽¹⁾

(million dollars)

	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change O		Share (percent)	
						2006/07	2007/08	2006/07	2007/08
Agricultural and traditional goods	2,075	1,892	2,545	3,012	3,482	18.4	15.6	23.2	22.7
Fresh and dried fruits	830	718	1,198	1,571	1,826	31.1	16.2	12.1	11.9
Pistachio	668	548	817	1,073	1,264	31.3	17.8	8.3	8.3
Grapes and raisins	95	112	119	142	170	19.4	19.4	1.1	1.1
Dates	35	38	77	95	101	23.1	6.6	0.7	0.7
Apple	32	20	69	81	104	17.4	29.0	0.6	0.7
Handwoven carpets	539	489	466	413	398	-11.4	-3.6	3.2	2.6
Live animals	5	20	154	26	114	-82.8	331.1	0.2	0.7
Vegetables and plants	95	88	141	261	192	85.1	-26.3	2.0	1.3
Saffron	71	95	95	76	51	-20.5	-33.2	0.6	0.3
All kinds of hide and leather	89	91	94	106	109	13.3	2.4	0.8	0.7
Casings	49	53	66	74	72	11.5	-1.8	0.6	0.5
Others	397	338	330	485	719	46.7	48.4	3.7	4.7
Metallic mineral ores	46	96	170	321	227	88.9	29.1	2.5	1.5
Industrial goods	3,851	4,860	7,760	9,664	11,603	24.5	20.1	74.4	75.8
Oil and gas products	888	1,056	1,924	2,237	2,956	16.3	32.1	17.2	19.3
Petroleum gas and other petroleum hydrocarbons	379	409	1,044	1,337	1,883	28.1	40.8	10.3	12.3
Naphthalene and other aromatic hydrocarbons	103	199	311	331	590	6.6	78.0	2.6	3.9
Light oils and products thereof	126	263	279	293	209	5.3	-28.6	2.3	1.4
Cast iron, iron, steel and their articles	299	926	1,122	1,327	925	18.3	-30.3	10.2	6.0
Organic chemicals	252	372	776	694	1,820	-10.7	162.5	5.3	11.9
Cyclic hydrocarbons (benzene, xylene, toluene, etc.)	150	232	358	239	579	-33.3	142.4	1.8	3.8
Methanol (methyl alcohol) and ethylene glycol	4	31	235	195	637	-16.9	226.4	1.5	4.2
Aluminum, copper, zinc and their articles	241	332	482	840	667	74.2	-20.6	6.5	4.4
Plastic materials and their products	157	202	438	852	859	94.5	0.8	6.6	5.6
Soil and stone, cement, plaster, stone and ceramic products	247	245	427	390	401	-8.7	2.8	3.0	2.6
Ready-made clothes, tricot and all kinds of fabric	268	184	235	209	173	-11.2	-17.2	1.6	1.1
Transportation vehicles and their spare parts	99	155	235	345	574	47.0	66.1	2.7	3.7
Inorganic chemicals	105	154	210	270	515	28.8	90.9	2.1	3.4
Metallic oxides and hydroxides	11	30	78	94	158	20.1	68.9	0.7	1.0
Ammonia	36	58	66	120	167	82.2	39.2	0.9	1.1
All kinds of sulfur	37	39	39	30	158	-23.7	434.1	0.2	1.0
Machine-made carpets and other kinds of carpeting	146	127	182	158	164	-13.0	3.8	1.2	1.1
Ornaments and jewelry	29	60	137	80	44	-41.8	-44.9	0.6	0.3
Soaps and other detergents	54	57	89	117	103	31.8	-11.6	0.9	0.7
Footwear	94	47	81	84	87	3.1	4.4	0.6	0.6
Others	972	943	1,422	2,062	2,316	45.0	12.3	15.9	15.1
Total	5,972	6,847	10,474	12,997	15,312	24.1	17.8	100.0	100.0

Source: Iran's Customs Administration

(1) Excludes the export value of electricity and the exports of National Iranian Oil Company (NIOC) and National Iranian Gas Company (NIGC).

**SUMMARY OF THE ASSETS AND LIABILITIES
OF THE BANKING SYSTEM ⁽¹⁾**

Table 55

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Assets							
Foreign assets	294,009.1	592,646.9	770,170.4	928,552.5	1,184,385.1	20.6	27.6
Claims on public sector	221,900.6	235,940.9	235,607.7	256,219.8	280,636.7	8.7	9.5
Government	143,031.2	148,723.7	135,794.5	160,269.3	188,723.6	18.0	17.8
Public corporations and agencies	78,869.4	87,217.2	99,813.2	95,950.5	91,913.1	-3.9	-4.2
Claims on non-public sector	454,799.8	625,714.9	865,315.4	1,226,201.0	1,663,725.7	41.7	35.7
Others	374,816.4	332,997.8	488,302.9	671,235.9	952,428.0	37.5	41.9
Sub-total	1,345,525.9	1,787,300.5	2,359,396.4	3,082,209.2	4,081,175.5	30.6	32.4
Below the line items	303,920.4	425,441.7	445,191.6	599,812.1	767,501.1	34.7	28.0
Total assets = total liabilities	1,649,446.3	2,212,742.2	2,804,588.0	3,682,021.3	4,848,676.6	31.3	31.7
Liabilities							
Liquidity	526,596.4	685,867.2	921,019.4	1,284,199.4	1,640,293.0	39.4	27.7
Money	217,356.8	252,815.1	317,919.4	414,544.9	535,707.3	30.4	29.2
Quasi-money	309,239.6	433,052.1	603,100.0	869,654.5	1,104,585.7	44.2	27.0
Deposits and loans of public sector	85,583.1	97,773.4	167,667.4	220,621.4	265,256.0	31.6	20.2
Government	78,619.3	90,764.3	156,378.9	208,532.4	247,774.9	33.4	18.8
Public corporations and agencies	6,963.8	7,009.1	11,288.5	12,089.0	17,481.1	7.1	44.6
Capital account	22,247.9	58,770.2	120,191.3	173,603.7	209,138.9	44.4	20.5
Foreign loans and credits and foreign exchange deposits	231,759.4	385,919.7	471,435.8	503,521.7	713,605.6	6.8	41.7
Import order registration deposits of non-public sector	2.0	2.0	2.0	2.0	2.0	0	0
Advance payments on letters of credit by public sector	1,418.3	1,187.9	1,275.1	1,194.2	549.8	-6.3	-54.0
Others	477,918.8	557,780.1	677,805.4	899,066.8	1,252,330.2	32.6	39.3
Sub-total	1,345,525.9	1,787,300.5	2,359,396.4	3,082,209.2	4,081,175.5	30.6	32.4
Below the line items	303,920.4	425,441.7	445,191.6	599,812.1	767,501.1	34.7	28.0

(1) Excludes commercial banks' branches abroad. It includes Post Bank as of August 2005, Bank Pasargad as of January 2006, and Sarmaye Bank as of August 2006.

**SUMMARY OF THE ASSETS AND LIABILITIES OF CENTRAL BANK
OF THE ISLAMIC REPUBLIC OF IRAN**

Table 56

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Assets							
Foreign assets	214,498.3	299,677.9	428,172.1	563,869.5	747,284.2	31.7	32.5
Notes and coins	737.3	416.2	821.2	619.9	1,200.5	-24.5	93.7
Claims on public sector	136,040.0	132,361.5	123,212.3	131,432.2	131,759.9	6.7	0.2
Government	117,141.9	111,930.0	101,254.9	104,094.8	97,842.0	2.8	-6.0
Public corporations and agencies	18,898.1	20,431.5	21,957.4	27,337.4	33,917.9	24.5	24.1
Claims on banks	23,542.2	21,493.2	35,916.2	54,887.3	137,694.0	52.8	150.9
Government revolving funds payment	5,074.1	6,046.1	10,385.9	14,846.6	16,444.6	42.9	10.8
Others	18,468.1	15,447.1	25,530.3	40,040.7	121,249.4	56.8	202.8
Others	3,443.0	3,302.2	3,192.6	9,923.0	10,660.8	210.8	7.4
Sub-total	378,260.8	457,251.0	591,314.4	760,731.9	1,028,599.4	28.7	35.2
Below the line items	14,740.9	16,344.7	15,949.3	19,402.5	12,757.0	21.7	-34.3
Total assets = total liabilities	393,001.7	473,595.7	607,263.7	780,134.4	1,041,356.4	28.5	33.5
Liabilities							
Notes and coins	42,842.9	48,893.5	56,502.2	68,109.0	89,247.5	20.5	31.0
With the public	38,732.5	44,772.0	50,675.6	61,451.6	79,909.2	21.3	30.0
With banks	3,373.1	3,705.3	5,005.4	6,037.5	8,137.8	20.6	34.8
With the Central Bank	737.3	416.2	821.2	619.9	1,200.5	-24.5	93.7
Deposits of banks and credit institutions	86,605.3	102,722.7	164,860.4	212,486.0	277,452.0	28.9	30.6
Legal	76,512.6	94,573.3	128,002.2	184,827.7	235,840.6	44.4	27.6
Sight ⁽¹⁾	10,092.7	8,149.4	36,858.2	27,658.3	41,611.4	-25.0	50.4
Deposits of public sector	58,062.7	66,366.8	114,560.2	149,866.1	176,674.3	30.8	17.9
Government	51,098.9	59,357.7	103,271.7	137,777.1	159,193.2	33.4	15.5
Public corporations and agencies	6,963.8	7,009.1	11,288.5	12,089.0	17,481.1	7.1	44.6
Capital account	1,681.3	3,324.8	5,173.2	13,692.7	19,436.5	164.7	41.9
Foreign exchange liabilities	96,455.7	116,398.5	170,605.1	192,674.1	308,654.0	12.9	60.2
Foreign loans and foreign exchange deposits ⁽²⁾	92,231.4	111,849.3	166,113.5	188,005.7	303,815.2	13.2	61.6
Clearing foreign exchange	1,200.5	1,252.4	1,291.1	1,288.2	1,250.2	-0.2	-2.9
Special Drawing Right allocations	3,023.8	3,296.8	3,200.5	3,380.2	3,588.6	5.6	6.2
Import order registration deposits of non-public sector	2.0	2.0	2.0	2.0	2.0	0	0
Advance payments on letters of credit by public sector	1,418.3	1,187.9	1,275.1	1,194.2	549.8	-6.3	-54.0
Others	91,192.6	118,354.8	78,336.2	122,707.8	156,583.3	56.6	27.6
Sub-total	378,260.8	457,251.0	591,314.4	760,731.9	1,028,599.4	28.7	35.2
Below the line items	14,740.9	16,344.7	15,949.3	19,402.5	12,757.0	21.7	-34.3

(1) Includes banks' special term deposits. As of February 2007, it includes banks' foreign exchange sight deposits with the CBI.

(2) Includes issued Eurobonds.

**SUMMARY OF THE ASSETS AND LIABILITIES OF BANKS
AND CREDIT INSTITUTIONS ⁽¹⁾**

Table 57

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Assets							
Foreign assets	79,510.8	292,969.0	341,998.3	364,683.0	437,100.9	6.6	19.9
Notes and coins	3,373.1	3,705.3	5,005.4	6,037.5	8,137.8	20.6	34.8
Deposits with the Central Bank	86,605.3	102,722.7	164,860.4	212,486.0	277,452.0	28.9	30.6
Legal	76,512.6	94,573.3	128,002.2	184,827.7	235,840.6	44.4	27.6
Sight ⁽²⁾	10,092.7	8,149.4	36,858.2	27,658.3	41,611.4	-25.0	50.4
Claims on public sector	85,860.6	103,579.4	112,395.4	124,787.6	148,876.8	11.0	19.3
Government ⁽³⁾	25,889.3	36,793.7	34,539.6	56,174.5	90,881.6	62.6	61.8
Public corporations and agencies	59,971.3	66,785.7	77,855.8	68,613.1	57,995.2	-11.9	-15.5
Claims on non-public sector	454,799.8	625,714.9	865,315.4	1,226,201.0	1,663,725.7	41.7	35.7
Others	257,115.5	201,358.2	278,507.1	387,282.2	517,282.9	39.1	33.6
Sub-total	967,265.1	1,330,049.5	1,768,082.0	2,321,477.3	3,052,576.1	31.3	31.5
Below the line items	289,179.5	409,097.0	429,242.3	580,409.6	754,744.1	35.2	30.0
Total assets = total liabilities	1,256,444.6	1,739,146.5	2,197,324.3	2,901,886.9	3,807,320.2	32.1	31.2
Liabilities							
Deposits of non-public sector	487,863.9	641,095.2	870,343.8	1,222,747.8	1,560,383.8	40.5	27.6
Sight	178,624.3	208,043.1	267,243.8	353,093.3	455,798.1	32.1	29.1
Savings and time	309,239.6	433,052.1	603,100.0	869,654.5	1,104,585.7	44.2	27.0
Claims of the Central Bank	23,542.2	21,493.2	35,916.2	54,887.3	137,694.0	52.8	150.9
Loans and deposits of public sector	27,520.4	31,406.6	53,107.2	70,755.3	88,581.7	33.2	25.2
Government	27,520.4	31,406.6	53,107.2	70,755.3	88,581.7	33.2	25.2
Public corporations and agencies	0	0	0	0	0	0	0
Capital account	20,566.6	55,445.4	115,018.1	159,911.0	189,702.4	39.0	18.6
Foreign exchange loans and deposits	135,303.7	269,521.2	300,830.7	310,847.6	404,951.6	3.3	30.3
Others	272,468.3	311,087.9	392,866.0	502,328.3	671,262.6	27.9	33.6
Sub-total	967,265.1	1,330,049.5	1,768,082.0	2,321,477.3	3,052,576.1	31.3	31.5
Below the line items	289,179.5	409,097.0	429,242.3	580,409.6	754,744.1	35.2	30.0

(1) Excludes commercial banks' branches abroad. It includes Post Bank as of August 2005, Bank Pasargad as of January 2006, and Sarmaye Bank as of August 2006.

(2) Includes banks' special term deposits. As of February 2007, it includes banks' foreign exchange sight deposits with the CBI.

(3) Includes public sector participation papers.

**SUMMARY OF THE ASSETS AND LIABILITIES OF
COMMERCIAL BANKS (PUBLIC) ⁽¹⁾**

Table 58

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Assets							
Foreign assets	69,262.3	263,549.7	292,133.2	305,021.5	346,677.8	4.4	13.7
Notes and coins	2,813.3	2,880.7	3,885.6	4,442.5	6,219.3	14.3	40.0
Deposits with the Central Bank	78,692.8	87,523.2	132,949.6	165,330.6	184,353.1	24.4	11.5
Legal	69,195.3	79,896.1	101,163.4	139,253.8	170,310.2	37.7	22.3
Sight ⁽²⁾	9,497.5	7,627.1	31,786.2	26,076.8	14,042.9	-18.0	-46.1
Claims on public sector	79,155.9	95,676.5	102,728.6	109,098.4	138,220.8	6.2	26.7
Government ⁽³⁾	20,043.5	30,407.3	25,917.1	40,964.8	83,042.7	58.1	102.7
Public corporations and agencies	59,112.4	65,269.2	76,811.5	68,133.6	55,178.1	-11.3	-19.0
Claims on non-public sector	323,608.0	434,493.9	556,380.1	775,113.0	1,061,536.0	39.3	37.0
Others	231,000.9	153,451.3	191,663.7	268,714.3	338,931.3	40.2	26.1
Sub-total	784,533.2	1,037,575.3	1,279,740.8	1,627,720.3	2,075,938.3	27.2	27.5
Below the line items	257,120.7	357,287.0	349,777.2	466,065.5	582,793.1	33.2	25.0
Total assets = total liabilities	1,041,653.9	1,394,862.3	1,629,518.0	2,093,785.8	2,658,731.4	28.5	27.0
Liabilities							
Deposits of non-public sector	407,948.0	502,697.7	634,890.0	850,729.2	1,062,801.6	34.0	24.9
Sight	163,598.9	187,584.4	242,533.7	313,771.4	402,584.4	29.4	28.3
Savings and time	244,349.1	315,113.3	392,356.3	536,957.8	660,217.2	36.9	23.0
Claims of the Central Bank	19,184.0	16,955.4	27,965.0	37,271.6	83,479.6	33.3	124.0
Loans and deposits of public sector	23,955.0	23,673.6	37,635.0	52,209.0	63,712.9	38.7	22.0
Government	23,955.0	23,673.6	37,635.0	52,209.0	63,712.9	38.7	22.0
Public corporations and agencies	0	0	0	0	0	0	0
Capital account	9,477.7	30,609.1	74,732.2	108,270.7	105,673.0	44.9	-2.4
Foreign exchange loans and deposits	129,309.3	248,635.7	267,498.2	274,342.2	342,044.2	2.6	24.7
Others	194,659.2	215,003.8	237,020.4	304,897.6	418,227.0	28.6	37.2
Sub-total	784,533.2	1,037,575.3	1,279,740.8	1,627,720.3	2,075,938.3	27.2	27.5
Below the line items	257,120.7	357,287.0	349,777.2	466,065.5	582,793.1	33.2	25.0

(1) Excludes commercial banks' branches abroad and includes Post Bank as of August 2005.

(2) Includes banks' special term deposits. As of February 2007, it includes commercial banks' foreign exchange sight deposits with the CBI.

(3) Includes public sector participation papers.

**SUMMARY OF THE ASSETS AND LIABILITIES OF
SPECIALIZED BANKS (PUBLIC)**

Table 59

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Assets							
Foreign assets	9,864.3	25,815.5	31,791.6	44,726.6	67,254.1	40.7	50.4
Notes and coins	455.4	633.2	634.2	673.9	870.1	6.3	29.1
Deposits with the Central Bank	5,808.1	7,982.6	14,886.0	14,590.0	43,317.6	-2.0	196.9
Legal	5,232.6	7,544.9	10,009.7	13,887.0	16,456.5	38.7	18.5
Sight ⁽¹⁾	575.5	437.7	4,876.3	703.0	26,861.1	-85.6	⊞
Claims on public sector	5,174.7	6,458.6	4,980.3	6,643.1	9,637.0	33.4	45.1
Government ⁽²⁾	4,315.8	4,942.1	3,936.0	6,163.6	6,819.9	56.6	10.6
Public corporations and agencies	858.9	1,516.5	1,044.3	479.5	2,817.1	-54.1	487.5
Claims on non-public sector	113,821.1	141,988.9	203,760.0	281,621.6	345,364.4	38.2	22.6
Others	21,485.0	39,518.8	62,752.3	70,681.9	98,484.3	12.6	39.3
Sub-total	156,608.6	222,397.6	318,804.4	418,937.1	564,927.5	31.4	34.8
Below the line items	27,572.7	43,028.0	55,759.8	58,053.1	104,341.0	4.1	79.7
Total assets = total liabilities	184,181.3	265,425.6	374,564.2	476,990.2	669,268.5	27.3	40.3
Liabilities							
Deposits of non-public sector	63,244.9	93,686.8	131,421.1	180,656.1	201,736.9	37.5	11.7
Sight	13,293.5	16,562.0	19,585.9	27,947.7	33,937.1	42.7	21.4
Savings and time	49,951.4	77,124.8	111,835.2	152,708.4	167,799.8	36.5	9.9
Claims of the Central Bank	4,358.2	4,537.8	7,951.2	17,615.7	52,390.7	121.5	197.4
Loans and deposits of public sector	3,565.4	7,733.0	15,472.2	18,546.3	24,868.8	19.9	34.1
Government	3,565.4	7,733.0	15,472.2	18,546.3	24,868.8	19.9	34.1
Public corporations and agencies	0	0	0	0	0	⊖	⊖
Capital account	9,731.9	20,704.4	27,914.3	31,820.8	59,989.1	14.0	88.5
Foreign exchange loans and deposits	4,682.5	17,247.2	16,891.9	21,032.5	30,849.3	24.5	46.7
Others	71,025.7	78,488.4	119,153.7	149,265.7	195,092.7	25.3	30.7
Sub-total	156,608.6	222,397.6	318,804.4	418,937.1	564,927.5	31.4	34.8
Below the line items	27,572.7	43,028.0	55,759.8	58,053.1	104,341.0	4.1	79.7

(1) Includes banks' special term deposits. As of February 2007, it includes banks' foreign exchange sight deposits with the CBI.

(2) Includes public sector participation papers.

**SUMMARY OF THE ASSETS AND LIABILITIES OF PRIVATE BANKS
AND CREDIT INSTITUTIONS ⁽¹⁾**

(billion rials)

Table 60

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Assets							
Foreign assets	384.2	3,603.8	18,073.5	14,934.9	23,169.0	-17.4	55.1
Notes and coins	104.4	191.4	485.6	921.1	1,048.4	89.7	13.8
Deposits with the Central Bank	2,104.4	7,216.9	17,024.8	32,565.4	49,781.3	91.3	52.9
Legal	2,084.7	7,132.3	16,829.1	31,686.9	49,073.9	88.3	54.9
Sight ⁽²⁾	19.7	84.6	195.7	878.5	707.4	348.9	-19.5
Claims on public sector	1,530.0	1,444.3	4,686.5	9,046.1	1,019.0	93.0	-88.7
Government ⁽³⁾	1,530.0	1,444.3	4,686.5	9,046.1	1,019.0	93.0	-88.7
Public corporations and agencies	0	0	0	0	0	0	0
Claims on non-public sector	17,370.7	49,232.1	105,175.3	169,466.4	256,825.3	61.1	51.5
Others	4,629.6	8,388.1	24,091.1	47,886.0	79,867.3	98.8	66.8
Sub-total	26,123.3	70,076.6	169,536.8	274,819.9	411,710.3	62.1	49.8
Below the line items	4,486.1	8,782.0	23,705.3	56,291.0	67,610.0	137.5	20.1
Total assets = total liabilities	30,609.4	78,858.6	193,242.1	331,110.9	479,320.3	71.3	44.8
Liabilities							
Deposits of non-public sector	16,671.0	44,710.7	104,032.7	191,362.5	295,845.3	83.9	54.6
Sight ⁽⁴⁾	1,731.9	3,896.7	5,124.2	11,374.2	19,276.6	122.0	69.5
Savings and time	14,939.1	40,814.0	98,908.5	179,988.3	276,568.7	82.0	53.7
Claims of the Central Bank	0	0	0	0	1,823.7	0	0
Deposits and funds of public sector	0	0	0	0	0	0	0
Government	0	0	0	0	0	0	0
Public corporations and agencies	0	0	0	0	0	0	0
Capital account	1,357.0	4,131.9	12,371.6	19,819.5	24,040.3	60.2	21.3
Foreign exchange loans and deposits	1,311.9	3,638.3	16,440.6	15,472.9	32,058.1	-5.9	107.2
Others	6,783.4	17,595.7	36,691.9	48,165.0	57,942.9	31.3	20.3
Sub-total	26,123.3	70,076.6	169,536.8	274,819.9	411,710.3	62.1	49.8
Below the line items	4,486.1	8,782.0	23,705.3	56,291.0	67,610.0	137.5	20.1

(1) Includes Bank Pasargad as of January 2006 and Sarmaye Bank as of August 2006.

(2) Includes banks' special term deposits. As of February 2007, it includes foreign exchange sight deposits of private banks and credit institutions with the CBI.

(3) Includes public sector participation papers only.

(4) In credit institutions, it includes only miscellaneous creditors.

**BANKS AND CREDIT INSTITUTIONS CLAIMS
ON NON-PUBLIC SECTOR**

Table 61

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
Banks and credit institutions	454,799.8	625,714.9	865,315.4	1,226,201.0	1,663,725.7	41.7	35.7
Facilities ⁽¹⁾	431,546.9	597,324.3	804,361.1	1,146,843.5	1,579,009.7	42.6	37.7
Loans and credits ⁽²⁾	12,402.2	17,307.4	32,483.7	46,478.5	48,001.7	43.1	3.3
Direct investment and legal partnership	10,850.7	11,083.2	28,470.6	32,879.0	36,714.3	15.5	11.7
Commercial banks	323,608.0	434,493.9	556,380.1	775,113.0	1,061,536.0	39.3	37.0
Facilities	305,853.2	415,609.5	511,217.5	714,982.1	995,372.3	39.9	39.2
Loans and credits	11,335.4	14,836.1	25,295.9	37,776.4	38,662.8	49.3	2.3
Direct investment and legal partnership	6,419.4	4,048.3	19,866.7	22,354.5	27,500.9	12.5	23.0
Specialized banks	113,821.1	141,988.9	203,760.0	281,621.6	345,364.4	38.2	22.6
Facilities	109,072.0	134,338.5	191,228.9	272,260.5	339,855.4	42.4	24.8
Loans and credits	871.6	1,847.0	6,098.8	3,181.8	1,682.9	-47.8	-47.1
Direct investment and legal partnership	3,877.5	5,803.4	6,432.3	6,179.3	3,826.1	-3.9	-38.1
Private banks and credit institutions	17,370.7	49,232.1	105,175.3	169,466.4	256,825.3	61.1	51.5
Facilities	16,621.7	47,376.3	101,914.7	159,600.9	243,782.0	56.6	52.7
Loans and credits	195.2	624.3	1,089.0	5,520.3	7,656.0	406.9	38.7
Direct investment and legal partnership	553.8	1,231.5	2,171.6	4,345.2	5,387.3	100.1	24.0

(1) 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.

(2) Includes customers' indebtedness for 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 62

LIQUIDITY

(billion rials)

	Year-end balance					Percentage change	
	2003/04	2004/05	2005/06	2006/07	2007/08	2006/07	2007/08
1. Money (M1)	217,356.8	252,815.1	317,919.4	414,544.9	535,707.3	30.4	29.2
Notes and coins with the public	38,732.5	44,772.0	50,675.6	61,451.6	79,909.2	21.3	30.0
Sight deposits	178,624.3	208,043.1	267,243.8	353,093.3	455,798.1	32.1	29.1
2. Quasi-money	309,239.6	433,052.1	603,100.0	869,654.5	1,104,585.7	44.2	27.0
Gharz-al-hasaneh savings deposits	45,706.0	69,806.2	93,230.1	133,522.4	152,305.0	43.2	14.1
Term investment deposits	251,738.2	349,149.3	489,693.2	707,100.5	915,984.5	44.4	29.5
Short-term	119,809.0	159,867.9	223,291.6	353,666.8	495,608.7	58.4	40.1
Long-term	131,929.2	189,281.4	266,401.6	353,433.7	420,375.8	32.7	18.9
Miscellaneous deposits ⁽¹⁾	11,795.4	14,096.6	20,176.7	29,031.6	36,296.2	43.9	25.0
3. Liquidity (1+2) (M2)	526,596.4	685,867.2	921,019.4	1,284,199.4	1,640,293.0	39.4	27.7

(1) 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 63

BALANCE SHEET
AS AT THE END OF 1386 (March 19, 2008)

<u>March 20, 2007</u>	ASSETS	<u>March 19, 2008</u>
67,500,000	Note cover including gold, foreign exchange, and quota and subscription to international agencies	88,500,000
619,880	Notes and coins held at the Central Bank	1,200,445
15,766,449	Free gold holdings	11,601,590
525,683,887	Foreign exchange assets	713,016,500
	Loans and credits to:	
56,378,293	Government	32,008,139
27,337,394	Government institutions and corporations	33,917,935
40,040,680	Banks	121,249,369
123,756,367		187,175,443
14,846,631	Government revolving funds kept with banks	16,444,624
2,635,703	Government securities	0
7,801,091	Fixed assets (less accumulated depreciation)	7,633,122
2,121,932	Other assets	3,027,674
760,731,940		1,028,599,398
19,402,469	Customers' undertakings regarding opened letters of credit and guarantees	12,756,956
780,134,409		1,041,356,354
1,087,608	Assets of the Central Bank Employees' Pension Fund	1,349,212
67,031	Assets of the Central Bank Employees' Savings Fund	86,404
82,091	Assets of the Central Bank Employees' Cooperative Fund	104,436
781,371,139		1,042,896,406

Executive Board

Mahmud Bahmani
Governor

Hossein
Ghazavi

Deputy Governor

Reza
Raei

Vice-Governor

Ramin
Pashaei Fam

Vice-Governor

Yadollah
Asna Ashari

Vice-Governor

**AMOUNT IN
MILLION RIALS**

<u>March 20, 2007</u>	LIABILITIES	<u>March 19, 2008</u>
67,500,000	Notes issued	88,500,000
608,969	Coins issued	747,519
21,565,536	Central Bank's participation papers	16,371,658
	Deposits:	
245,556,839	Government: sight	372,074,447
13,754,290	Government institutions and corporations: sight	17,505,094
1,848,537	Non-government public institutions and corporations: sight	2,017,949
	Banks and credit institutions:	
185,965,579	Legal	236,995,926
89,717,253	Other deposits	122,213,192
536,842,498		750,806,608
2,869,345	Income tax	4,956,536
6,556,974	Share of government in net profit	8,866,259
45,109,496	Other liabilities	41,141,789
102,471	Retirement benefits	158,421
10,363,000	Capital	11,200,000
2,460,159	Legal reserve	4,426,725
869,533	Contingency reserve	3,809,692
65,883,958	Foreign exchange assets' and liabilities' revaluation reserve	97,614,190
1	Net profit carried forward	1
760,731,940		1,028,599,398
19,402,469	Letters of credit and guarantees	12,756,956
780,134,409		1,041,356,354
1,087,608	Liabilities of the Central Bank Employees' Pension Fund	1,349,212
67,031	Liabilities of the Central Bank Employees' Savings Fund	86,404
82,091	Liabilities of the Central Bank Employees' Cooperative Fund	104,436
781,371,139		1,042,896,406

Table 64

**PROFIT AND LOSS ACCOUNT
AS AT THE END OF 1386 (March 19, 2008)**

<u>2006/07</u>		<u>2007/08</u>
13,516,141	Returns on deposits and investment abroad	18,097,976
3,295,717	Profit received from extended facilities	7,043,974
174,725	Commission received for banking services	208,783
1,239,448	Result of foreign exchange and gold transactions	4,310,754
1,571,132	Other incomes	2,264,234
<u>19,797,163</u>		<u>31,925,721</u>
11,392,437	Net profit	19,665,650
1	Net profit carried forward	1
<u>11,392,438</u>		<u>19,665,651</u>

Executive Board

**Mahmud Bahmani
Governor**

Hossein
Ghazavi
Deputy Governor

Reza
Raei
Vice-Governor

Ramin
Pashaei Fam
Vice-Governor

Yadollah
Asna Ashari
Vice-Governor

**AMOUNT IN
MILLION RIALS**

<u>2006/07</u>		<u>2007/08</u>
129,164	Cost of receiving credit and overdraft from foreign banks	139,157
2,792	Profit paid on foreign exchange accounts	724,129
1,476,190	Rewards paid on banks' legal deposit	2,035,138
2,402,064	Profit paid on Central Bank's participation papers	4,164,968
1,572,698	Profit paid on banks' special deposits	3,079,343
388,750	Commission paid on banking services	390,024
918,384	Result of foreign exchange revaluation-adjustment	30,686
840,181	Personnel and administrative expenditures	948,554
607,873	Money issue and miscellaneous printing expenditures	648,392
38,068	Depreciation cost of fixed assets	84,870
28,562	Other expenditures	14,810
<u>8,404,726</u>		<u>12,260,071</u>
11,392,437	Net profit	19,665,650
<u>19,797,163</u>		<u>31,925,721</u>

APPROPRIATION ACCOUNT

2,869,345	Income tax	4,956,536
1,139,244	Transfer to legal reserve	1,966,565
769,487	Transfer to contingency reserve	3,777,159
6,556,974	Share of government in net profit	8,866,259
57,387	0.5 percent of net profit allocated to low-income groups for housing provision	99,131
1	Net profit carried forward	1
<u>11,392,438</u>		<u>19,665,651</u>

Table 65

TEHRAN STOCK EXCHANGE ACTIVITIES

	2003/04 ▲	2004/05	2005/06	2006/07 ▲	2007/08	Percentage change	
						2006/07	2007/08
Shares traded							
Number (million shares) ⁽¹⁾	7,878.8	14,171.5	14,502.9	15,784.4	23,400.9	8.8	48.3
Value (billion rials) ⁽¹⁾	66,869.8	103,705.0	56,528.8	55,644.2	73,074.3	-1.6	31.3
Number of buyers	868,150	1,570,492	1,196,545	987,404	1,095,359	-17.5	10.9
Number of tradings	1,263,948	2,340,647	2,115,244	1,858,999	2,112,065	-12.1	13.6
Public sector's shares offering ⁽²⁾							
Number (million shares)	732.0	682.6	157.6	2,878.4	8,076.8	▣	180.6
Value (billion rials)	8,921.0	6,795.1	652.2	7,795.3	21,730.0	▣	178.8
TSE price indices (end of period) (1990/91=100)							
TEPIX	11,379.4	12,113.0	9,459.4	9,821.0	10,082.0	3.8	2.7
Financial	23,202.6	34,205.1	20,941.4	20,770.4	20,882.6	-0.8	0.5
Industrial	10,060.1	9,215.0	7,427.3	7,751.6	7,967.0	4.4	2.8
Price and dividend index	27,074.9	30,762.0	26,849.8	30,786.5	36,193.1	14.7	17.6
Cash dividend index	3,933.2	4,198.1	4,692.2	5,182.0	5,934.4	10.4	14.5
Market capitalization (end of period) (billion rials)	309,695.8	387,547.2	325,727.8	395,028.2	462,105.3	21.3	17.0
Number of trading days	240	243	244	239	242	-2.0	1.3
Number of companies listed on TSE (end of period) ⁽³⁾	383	426	432	435	415	0.7	0

Source: Tehran Stock Exchange (TSE)

(1) In 2006/07, it excludes trading on the unofficial board. In this year, a number of 55.1 million shares worth Rls. 67.4 billion were traded on the unofficial board.

(2) As of 2006/07, the number and value of shares offered by public sector include Justice (Edalat) and Preferred (Tarjihi) shares.

(3) As of 2007/08, it includes companies listed on TSE boards.

Table 66

SUMMARY OF PARTICIPATION PAPERS ISSUANCE IN 2007/08

Subject	Approved amount (billion rials)	Date of issuance	Issued amount (billion rials)	Sold amount (billion rials)	Provisional profit rate (% per annum)
Government participation papers	47,000		29,850	20,258.4	
Governmental – budgetary ⁽¹⁾	6,000		6,000	4,742.5	
Ministry of Economic Affairs and Finance (Note 1)	3,000	07.07.2007	3,000	2,537.5	15.5
Ministry of Economic Affairs and Finance (Note 1)	3,000	02.10.2007	3,000	2,205.0	15.5
Governmental – non-budgetary ⁽²⁾	41,000		23,850	15,515.9	
Note 1	20,000		12,450	11,433.6	
Iran Power Development Company (IPDC)	2,400	28.08.2007	2,400	2,400.0	15.5
Tehran Regional Electric Company (TREC)	200	22.10.2007	200	200.0	15.5
Islamic Republic of Iran Railways	750	27.10.2007	750	712.0	15.5
Iran Power Development Company (IPDC)	2,400	10.11.2007	2,400	2,400.0	15.5
Construction and Development of Transportation Infrastructure Company	1,500	17.11.2007	1,500	1,500.0	15.5
Ports and Shipping Organization	800	01.12.2007	800	800.0	15.5
Iran Water and Power Resources Development Company (IWPC)	1,450	15.12.2007	1,450	852.6	15.5
Construction and Development of Transportation Infrastructure Company	1,500	30.12.2007	1,500	1,500.0	15.5
Islamic Republic of Iran Railways	750	05.01.2008	750	746.3	15.5
Islamic Republic of Iran Road Maintenance and Transportation Organization	200	09.02.2008	200	200.0	15.5
Iranian Airports Holding Company (IAHC)	500	05.03.2008	500	122.8	15.5
Note 6	21,000		11,400	4,082.3	
Municipalities (renovation of old buildings)	5,000		400	153.1	
Mashhad Municipality (Shohada Square)	400	20.02.2008	400	153.1	15.5
Bank Maskan (extending of facilities for construction of housing)	10,000		5,000	3,363.3	
Ministry of Housing and Urban Development (renovation of old buildings)	6,000	04.03.2008	6,000	565.9	15.5
CBI's participation papers (Article 10, 4th FYDP)	40,000		40,750	22,763.3	
1 st phase		26.05.2007	7,000	5,204.6	15.5
2 nd phase		18.08.2007	5,000	3,858.0	15.5
3 rd phase		08.09.2007	7,500	4,396.4	15.5
4 th phase		16.10.2007	5,000	1,869.5	15.5
5 th phase		03.11.2007	5,000	2,372.2	15.5
6 th phase		08.12.2007	4,500	2,500.0	15.5
7 th phase		12.01.2008	2,500	1,032.8	15.5
8 th phase		24.02.2008	4,250	1,529.7	15.5
Corporations' participation papers	11,000		3,200	2,300.4	
Participation papers, Subject of Article 4, Law on Issuance of Participation Papers	8,000		3,200	2,300.4	
National Petrochemical Company			3,200	2,300.4	
Mobin Petrochemical Company (the 1 st and 2 nd Development Projects)	1,200	26.01.2008	1,200	1,200.0	15.5
Fajr Petrochemical Project	2,000	02.03.2008	2,000	1,100.4	15.5
Participation papers, Subject of Article 17, Law on Facilitation of Industries Renovation	3,000				
Grand total	98,000		73,800	45,322.1	

Sources: Budget Law for 2007/08, and the CBI

(1) Participation papers, repayment of principal and profit of which is projected in annual budget laws.

(2) Participation papers, repayment of principal and profit of which is financed through domestic resources of issuing corporations.

**ANNUAL AVERAGE CONSUMER PRICE INDEX
IN URBAN AREAS**

(2004/05=100)

Table 67

	Relative weight in the base year	2004/05	2005/06	2006/07	2007/08	Percentage change	
						2006/07	2007/08
Special groups							
Goods	57.13	100.0	108.6	119.3	140.0	9.9	17.4
Services	42.87	100.0	112.7	129.0	154.5	14.4	19.8
Housing, water, electricity, gas, and other fuels	28.60	100.0	111.6	126.6	153.4	13.4	21.2
General index	100.0	100.0	110.4	123.5	146.2	11.9	18.4
Main and selected minor groups							
Food and beverages	28.49	100.0	111.1	125.6	152.8	13.1	21.7
Red meat	6.74	100.0	104.8	118.9	142.9	13.5	20.2
Fish and seafood	0.79	100.0	111.5	127.3	153.6	14.1	20.6
Bread and cereals	4.56	100.0	111.5	121.3	148.0	8.8	22.1
Fats and oils	0.97	100.0	108.7	117.6	156.8	8.2	33.4
Fruit and nuts	5.26	100.0	117.4	128.3	161.8	9.3	26.2
Vegetables, pulses and vegetable products	3.87	100.0	116.9	146.7	173.2	25.5	18.0
Dairy products and eggs	3.47	100.0	104.9	119.3	144.0	13.8	20.7
Tobacco	0.52	100.0	105.7	114.8	140.7	8.6	22.6
Housing, water, electricity, gas, and other fuels	28.60	100.0	111.6	126.6	153.4	13.4	21.2
Rent of residential houses	5.80	100.0	111.6	126.9	153.9	13.7	21.2
Rental equivalence of owner-occupied houses	19.17	100.0	111.9	127.4	154.1	13.8	20.9
Maintenance and repair services	1.82	100.0	118.1	140.1	182.9	18.7	30.6
Water	0.44	100.0	102.6	102.9	114.0	0.3	10.8
Electricity, gas, and other fuels	1.37	100.0	102.6	104.6	116.3	1.9	11.2
Clothing and footwear	6.22	100.0	108.4	117.5	134.8	8.4	14.7
Furnishings, household equipment, and routine household maintenance	6.26	100.0	111.8	124.6	144.6	11.4	16.1
Transportation	11.97	100.0	104.6	111.6	126.7	6.7	13.5
Communication	1.63	100.0	98.1	97.3	97.1	-0.7	-0.2
Medical care	5.54	100.0	115.7	131.7	154.1	13.8	17.0
Recreation and culture	3.80	100.0	106.0	112.0	121.2	5.6	8.2
Education	2.07	100.0	118.7	143.4	163.5	20.8	14.0
Restaurants and hotels	1.72	100.0	111.7	124.4	145.6	11.3	17.0
Miscellaneous goods and services	3.18	100.0	111.0	127.8	148.7	15.1	16.4

Table 68

ANNUAL AVERAGE WHOLESALE PRICE INDEX

(1997/98=100)

	Relative weight in the base year	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change	
							2006/07	2007/08
Major groups								
Domestically produced and consumed goods	71.75	221.7	253.3	277.4	311.1	358.3	12.1	15.2
Imported goods	24.29	167.3	191.5	204.2	224.8	253.8	10.1	12.9
Exported goods	3.96	282.0	345.4	411.0	483.3	565.6	17.6	17.0
General index	100.00	210.9	241.9	264.9	297.0	341.2	12.1	14.9
Main groups								
Foodstuff	35.40	244.7	275.8	304.1	342.2	398.3	12.5	16.4
Beverages and tobacco	0.78	238.2	255.7	276.2	293.9	319.7	6.4	8.8
Industrial materials (except mineral fuels)	3.86	194.8	215.8	224.6	257.6	295.1	14.7	14.5
Mineral fuels and their products	2.76	413.9	464.5	486.3	499.5	557.3	2.7	11.6
Chemicals and petrochemicals	8.60	214.2	242.7	281.5	312.4	353.9	11.0	13.3
Manufactured goods according to raw materials	26.92	187.4	235.4	257.8	299.3	349.6	16.1	16.8
Machinery and transportation vehicles	19.45	159.6	171.1	182.4	196.9	215.4	7.9	9.4
Miscellaneous goods	2.23	157.1	162.9	176.2	182.4	200.0	3.5	9.6
Special groups								
Agricultural, animal husbandry and fishing products	26.82	248.6	282.1	310.6	353.9	411.3	13.9	16.2
Construction materials	10.74	217.0	268.8	285.4	342.3	407.3	19.9	19.0
Metallic	6.23	188.5	250.8	262.7	346.3	423.9	31.8	22.4
Non-metallic	4.51	256.3	293.8	316.9	336.8	384.3	6.3	14.1

Table 69

ANNUAL AVERAGE PRODUCER PRICE INDEX

(1997/98=100)

	Relative weight in the base year	2003/04	2004/05	2005/06	2006/07	2007/08	Percentage change	
							2006/07	2007/08
Special groups								
Agriculture, animal husbandry, forestry and fishing	23.61	253.7	299.2	312.5	353.5	420.7	13.1	19.1
Mining and quarrying, manufacturing and electricity, gas and water supply	47.91	217.1	249.2	271.7	302.5	347.3	11.3	14.8
Services	28.48	291.1	345.2	392.0	441.3	518.9	12.6	17.6
General index	100.00	246.8	288.3	315.6	354.0	413.5	12.2	16.8
Main groups								
Agriculture, animal husbandry and forestry	23.19	253.3	298.6	311.2	352.6	420.6	13.3	19.3
Fishing	0.42	272.9	334.3	385.3	404.0	429.3	4.9	6.2
Mining and quarrying	0.94	157.7	170.6	198.8	268.1	288.4	34.9	7.6
Manufacturing	45.17	216.4	248.2	271.4	302.6	349.2	11.5	15.4
Electricity, gas and water supply	1.80	266.7	315.1	317.7	317.7	332.5	0	4.7
Repairing of motor vehicles	0.32	236.3	280.2	323.9	376.5	433.9	16.2	15.2
Hotels and restaurants	0.73	289.5	335.9	377.9	425.6	503.6	12.6	18.3
Transport, storage and communication	10.53	266.8	304.7	342.3	376.1	432.4	9.9	15.0
Financial intermediations	1.17	598.1	801.4	848.9	845.6	886.6	-0.4	4.9
Real estate, renting and business activities	11.19	278.8	331.7	380.6	441.4	538.9	16.0	22.1
Education	0.59	333.6	409.9	494.3	605.4	700.1	22.5	15.6
Health and social work	2.23	295.5	350.9	422.0	498.3	605.7	18.1	21.6
Other community, social and personal services activities	1.72	302.9	357.6	405.1	453.5	516.4	11.9	13.9

**CORRESPONDENCE OF IRANIAN ⁽¹⁾
AND GREGORIAN CALENDARS**

Table 70

Months	1382		1383		1384		1385		1386	
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
Farvardin	1	March 21	March 20	March 21	March 21	March 21	March 21	March 21	March 21	
	31	April 20	April 19	April 20	April 20	April 20	April 20	April 20	April 20	
Ordibehesht	1	April 21	April 20	April 21	April 21	April 21	April 21	April 21	April 21	
	31	May 21	May 20	May 21	May 21	May 21	May 21	May 21	May 21	
Khordad	1	May 22	May 21	May 22	May 22	May 22	May 22	May 22	May 22	
	31	June 21	June 20	June 21	June 21	June 21	June 21	June 21	June 21	
Tir	1	June 22	June 21	June 22	June 22	June 22	June 22	June 22	June 22	
	31	July 22	July 21	July 22	July 22	July 22	July 22	July 22	July 22	
Mordad	1	July 23	July 22	July 23	July 23	July 23	July 23	July 23	July 23	
	31	Aug 22	Aug 21	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	Aug 22	
Shahrivar	1	Aug 23	Aug 22	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	Aug 23	
	31	Sept 22	Sept 21	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	Sept 22	
Mehr	1	Sept 23	Sept 22	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	Sept 23	
	30	Oct 22	Oct 21	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	Oct 22	
Aban	1	Oct 23	Oct 22	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	Oct 23	
	30	Nov 21	Nov 20	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	Nov 21	
Azar	1	Nov 22	Nov 21	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	Nov 22	
	30	Dec 21	Dec 20	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	Dec 21	
Dey	1	Dec 22	Dec 21	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	Dec 22	
	30	<u>2004</u> Jan 20	<u>2005</u> Jan 19	<u>2006</u> Jan 20	<u>2007</u> Jan 20	<u>2008</u> Jan 20	<u>2007</u> Jan 20	<u>2007</u> Jan 20	<u>2008</u> Jan 20	
Bahman	1	Jan 21	Jan 20	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	Jan 21	
	30	Feb 19	Feb 18	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	Feb 19	
Esfand	1	Feb 20	Feb 19	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	Feb 20	
	29/30	March 19	March 20	March 20	March 20	March 20	March 20	March 20	March 19	

(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, 29 days in the last month, except in leap year when it has 30 days.

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