

Iran Country Risk Report

Executive Summary

You have downloaded a PDF of BMI's latest views on the market, summarising the key findings that are assessed in detail in the new report, as well as the full report Table of Contents.

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Core Views

- Iran will be one of the fastest growing economies in the region over the next five years as investment comes into the country following the removal of sanctions.
- Declining oil prices will force the government to cut current spending and investment in the country's infrastructure sector in 2017, which will result in slow expansion of private consumption and fixed investment.
- We expect the Iranian rial to remain depreciate against the US dollar over the coming quarters given relatively high inflation rates.
- President Rouhani will win re-election in Presidential elections due in May 2017.

Key Risks To Outlook

- A breakdown in the agreement over the country's nuclear programme could prompt us to revise our real GDP growth forecasts sharply downward and our inflation forecasts upward.

Macroeconomic Forecasts (Iran 2015-2018)

<i>Indicator</i>	<i>2015e</i>	<i>2016e</i>	<i>2017f</i>	<i>2018f</i>
Real GDP growth, % y-o-y	0.4	3.8	5.1	5.0
Nominal GDP, USDbn	436.1	422.1	430.0	451.5
Consumer price inflation, % y-o-y, eop	12.0	11.0	12.0	9.0
Exchange rate IRR/USD, eop	29,980.00	34,500.00	37,500.00	40,000.00
Budget balance, % of GDP	-1.5	-2.4	-1.2	-0.9
Current account balance, % of GDP	-0.6	-0.8	-0.8	-0.8

National Sources/BMI

Thank you for downloading BMI's latest views, we hope you found the information insightful.

To find out more about how the extensive views, analysis and forecasts contained in the full report will help your company or to discuss your specific information needs please contact one of our experts on +44 (0)20 7246 5170