

# Iran Business Forecast Report Q1 2015

<https://marketpublishers.com/r/11CBB030304EN.html>

Date: October 2014

Pages: 61

Price: US\$ 1,195.00 (Single User License)

ID: 11CBB030304EN

## Abstracts

Includes 3 FREE quarterly updates

### Core Views

Recent improvements in relations with the West bode well for the country's economy. That said, uncertainty over the outcome of negotiations over Iran's nuclear programme will ensure that risks to the outlook remain elevated.

The economy is set to return to growth in 2014 and 2015, as improving relations with the West and better macroeconomic management, coupled with low base effects, will lead to an improved outlook for exports and increased business and consumer confidence. Downside pressure on the Iranian rial will remain prominent, and the unit will remain sensitive to developments in nuclear negotiations over the coming quarters.

### Major Forecast Changes

We have revised our real GDP growth forecasts this quarter, and are projecting the economy to expand by 2.8% in real terms in 2014, up from our previous forecast of 3.2% growth.

## Contents

Executive Summary  
Core Views  
Major Forecast Changes  
Key Risks To Outlook

### **CHAPTER 1: POLITICAL OUTLOOK**

SWOT Analysis  
BMI Political Risk Ratings  
Domestic Politics  
Permanent' Nuclear Deal To Remain Elusive  
Talks between Iran and the P5+1 countries on the Islamic Republic's nuclear programme will continue through 2015 and 2016 without reaching a 'permanent' agreement. Risks of reaching a final deal over the coming decade are tilted slightly to the downside owing to significant political obstacles.

Table: Political Overview

Table: Possible Scenarios Over The Next Two Years

Long-Term Political Outlook

Incomplete Regime Transformation By 2020's

We expect partial 'regime transformation' in Iran by the 2020s, as the ruling elite seeks to pre-empt the possibility of mass unrest.

Relations with the West will improve only modestly, and risks of reaching a final agreement on the nuclear programme are tilted slightly to the downside.

### **CHAPTER 2: ECONOMIC OUTLOOK**

SWOT Analysis  
BMI Economic Risk Ratings  
Economic Activity  
Modest Expansion In 2015

The Iranian economy will expand modestly over the coming years, and we project real GDP growth of 2.8% and 2.9% in 2014 and 2015, respectively. Foreign direct investment by Western companies will remain minimal next year owing to the failure to reach a breakthrough in talks on the nuclear programme.

Table: Economic Activity

Monetary Policy

Inflationary Environment Improving In 2015

Inflation in Iran will be lower in Q414 and 2015 than in 2013, a result of high base effects, improving macroeconomic conditions and the government's efforts to tackle inflation. This will contribute to providing President Hassan Rouhani with enough public support to continue talks on the Islamic Republic's nuclear programme.

Table: Monetary Policy

Exchange Rate Policy

IR: Gradual Depreciation In 2015 And 2016

Downside pressures on the value of the Iranian rial will remain prominent over the coming years on the back of elevated inflation, a worsening external position and slow economic growth. This will result in continued depreciation of the value of the unit in the unregulated market, while monetary authorities will gradually devalue the currency on the official market.

Table: Exchange Rate

Table: BMI Currency Forecast

Banking Sector

Banking Sector: Outlook Improving Markedly

Declining inflation and an improving macroeconomic environment will boost the outlook for Iranian banks in H214 and 2015, and the industry will return to growth this year. That said, profitability will remain low due to the elevated non-performing loan ratio and the dominance of highly leveraged state-owned banks.

## **CHAPTER 3: 10-YEAR FORECAST**

The Iranian Economy To 2023

Sanctions To Cloud Economic Outlook

The inability to fully exploit Iran's enormous oil and gas wealth and a challenging operational environment will lead to slow economic growth over the next 10 years. A 'permanent' nuclear deal with the West will be elusive, contributing to significant challenges for foreign firms willing to enter the market.

Table: Long-Term Macroeconomic Forecasts

## **CHAPTER 4: OPERATIONAL RISK**

Operational Risk Ratings

Operational Risk

Table: Operational Risk

Transport Network

Table: Transport Network Risks

Economic Openness

Table: Economic Openness Risk

Table: Top Five Trade Partners Product Imports, (USDmn)

## **CHAPTER 5: KEY SECTORS**

Oil & Gas

Table: Oil Production And Net Exports

Table: Oil Production And Net Exports

Infrastructure

Other Key Sectors

Table: Pharma Sector Key Indicators

Table: Telecoms Sector Key Indicators

Table: Defence and Security Sector Key Indicators

Table: Food and Drink Sector Key Indicators

Table: Autos Sector Key Indicators

Table: Freight Key Indicators

## **CHAPTER 6: BMI GLOBAL ASSUMPTIONS**

Global Outlook

Big Emerging Market Revisions

Table: Global Assumptions

Table: Developed States, Real GDP Growth, %

Table: BMI VERSUS BLOMBERG CONSENSUS REAL GDP GROWTH

FORECASTS, %

Table: Emerging Markets, Real GDP Growth, %

## I would like to order

Product name: Iran Business Forecast Report Q1 2015

Product link: <https://marketpublishers.com/r/l1CBB030304EN.html>

Price: US\$ 1,195.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:

[info@marketpublishers.com](mailto:info@marketpublishers.com)

## Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page <https://marketpublishers.com/r/l1CBB030304EN.html>