

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



# Interactive Cooperation of Capital and Money Market in Iran

## Establishment of Open Market Operation

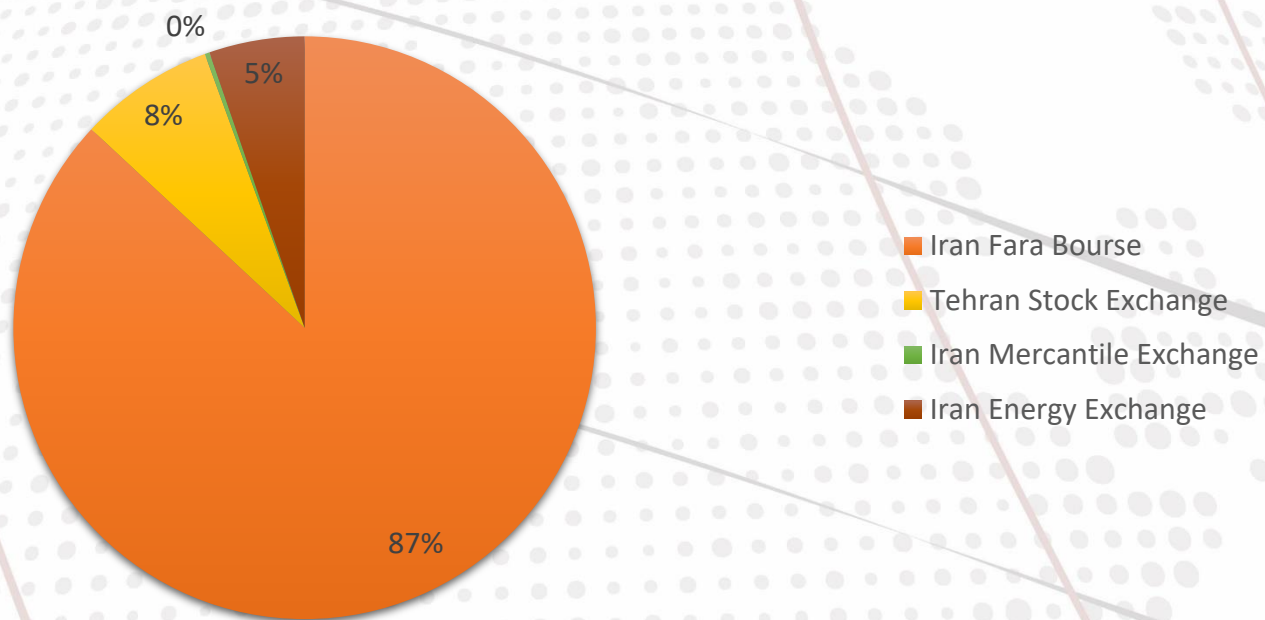
15th Meeting of the OIC Exchanges Forum – Oct 5th 2021

By: Amir Hamooni, CEO at Iran  
Fara Bourse

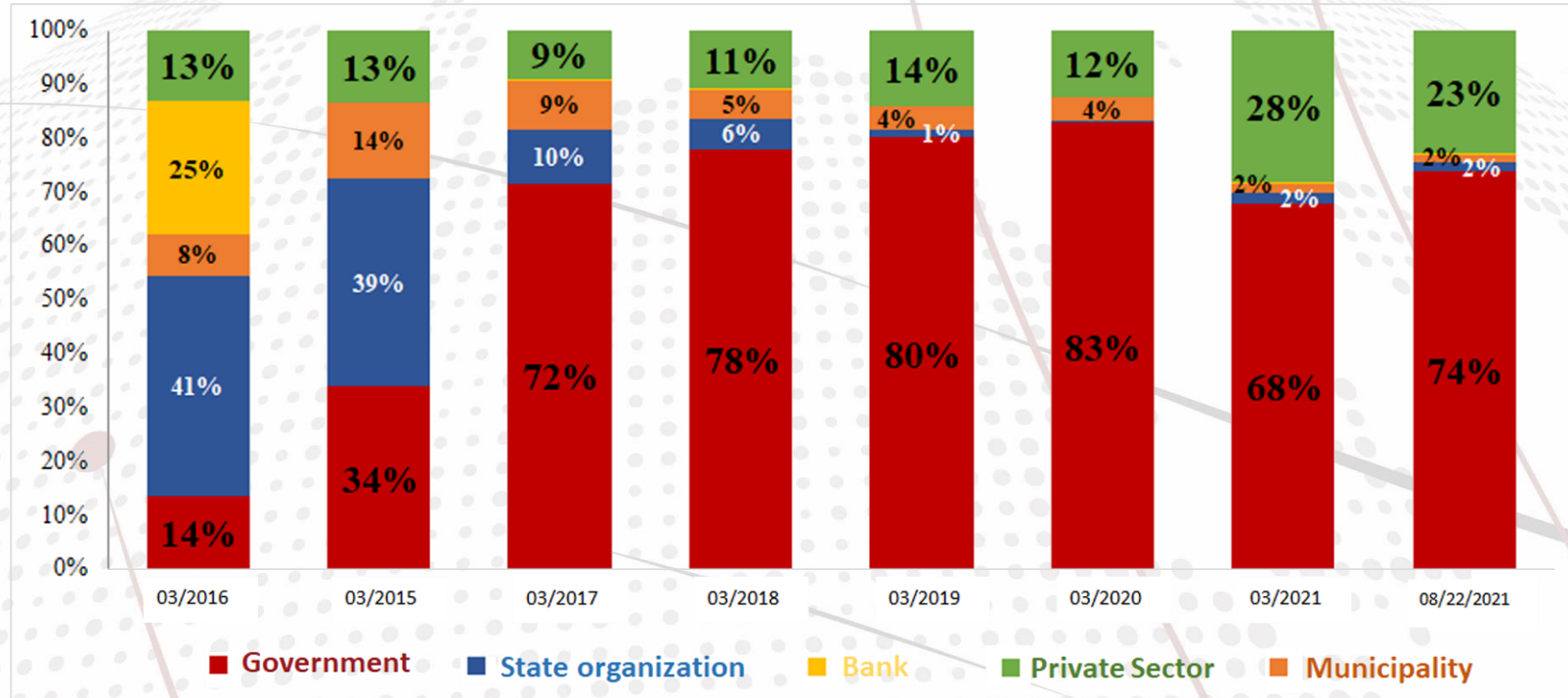


- Government is the primary issuer of debt securities in Iran capital market
- In recent years, the IRI government has financed its fiscal deficit through debt securities issues, primarily conducted by Iran Fara Bourse

## Iran Capital Market Outstanding Securities



## Debt Securities Market Share by the Issuers



- Government Is the Main Issuer of Debt Securities But Private Sector Share Remains Meaningful

# Financial Statistics

## Turnover records

	Total Value Traded (billion USD)	Growth %
2021 (8 months)	47.541	349.52
2020	10.576	351.42
2019	2.343	25.91
2018	1.861	98.73
2017	0.936	12.20
2016	0.835	

## Financial Statistics

### Turnover records

#### Total Value Traded



## Financial Statistics

### Total Capital Raised (billion USD)

2021 (8 months)	3.408
2020	5.596
2019	1.311
2018	2.520
2017	0.702
2016	0.504

## Iran Fara Bourse Rankings

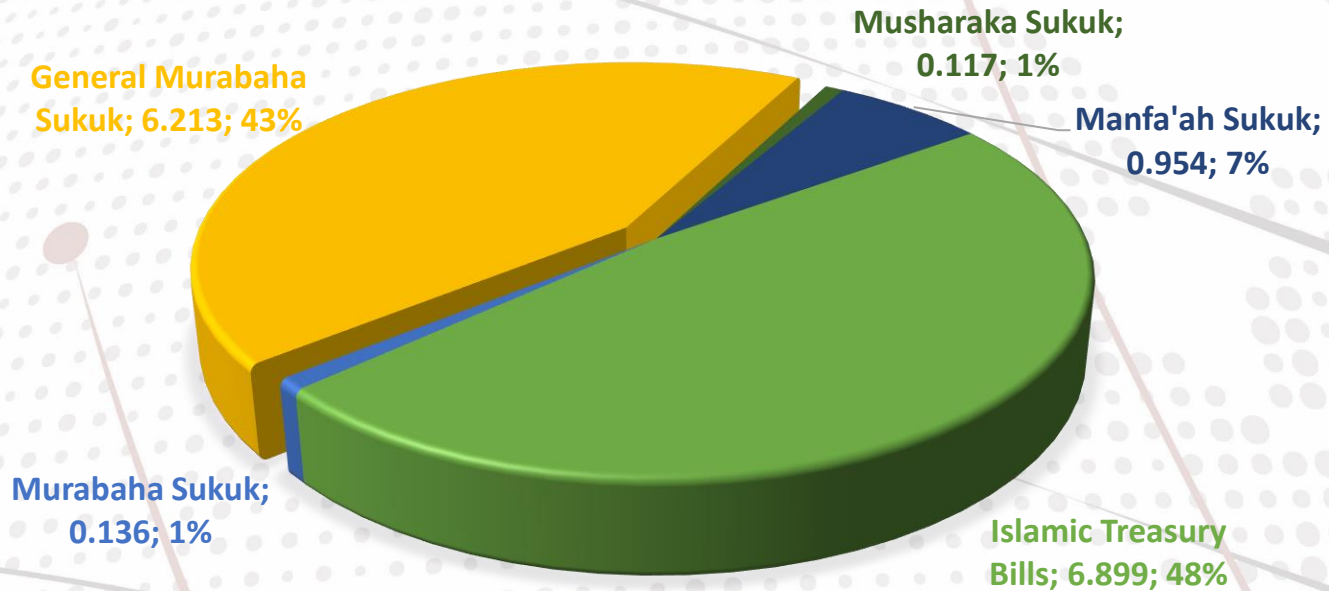
### Iran Fara Bourse Ranking in 2020 Value of Trades (Debt Market), WFE members

<b>World Wide</b>	15
<b>Middle East</b>	2

Source: World Federation of Exchanges

## Outstanding Securities by Type (ending in 8th Sep 2021)

### OUTSTANDING SECURITIES BY TYPE



Sum: 14.319 billion USD



# Money & Capital Market Interactions in Iran

Both markets are entangled so that, each market's boost can also be achieved by the change in the other one market policies;

Volatilities and quirks in the capital market can be mitigated by the policies in the money market (vice versa)

That's how resilience works here!

In the bank-based financial systems, relationships between bank and capital market fall under Three categories

- ❖ competitiveness
- ❖ Supplementary
- ❖ Joint Improvement

**Joint Improvement** is the most convergent form of relationship. It mainly relies on capital market role in bank's cost of capital and bank's role in securitization.

In joint improvement, the form of connection we have adopted in our financial system, Iran Fara Bourse has taken remarkable measures and lots of ongoing action plans are in the process. Government is the primary issuer of debt securities in Iran Capital market but private sector share remains meaningful Iran government has financed

## Iran Fara Bourse Measures Taken to OMO

- 1- Launch Sukuk Index (Sindex)
- 2- Release Term Structure as analysis tool
- 3- Design the Islamic Repo

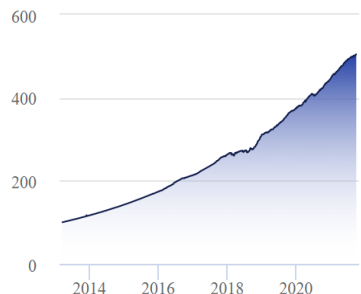
## IFX

21371.7865  
51.61 (0.24%)



## Iran FaraBourse Sukuk Index(Sindex)

504.5064  
0.163 (0.03%)



## Market Cap

Total 20.958.489 B

### Important

Islamic Treasury Bills Tracking

### News

### Market Messeges

### Announcements

### Codal

Subject to Precautionary  
Actions,Subject to Suspension and  
Suspended Symbols

### Third Market Announcements

### First Market

### Second Market

### Third Market

### UTP Market (Yellow)

### UTP Market (Orange)

### UTP Market (Red)

### ETF

### Sukuks

### Mortgage rights

### IP Market






### Option

### CFE

Date	Title
21/09/2021	Wholesale Offering Withdrawal Mihaan Insurance
21/09/2021	Islamic Treasury Note initial public offering (Akhza0011) Announcement
21/09/2021	Erad 86-87 Murabaha Sukuk quoting and interests
21/09/2021	Rail Gardesh Iranian Co. Admission Announcement
21/09/2021	RAZI co. Registration Announcement



continue →

Symbol	Volume	Value	Closing	%	Volume Bid	Price Bid	Price Ask	Volume Ask	In 20 Days
TOSZ1	3.81 M	48.87 B	12,820	▲5	152	12,820	12,820	27.31 M	
KZGZ1	979,692	16.24 B	16,564	▲4.92	1,951	16,610	16,577	5.85 M	
PGPZ1	1.27 M	80.74 B	63,749	▲4.84	321	67,953	63,848	2,820	
PGRZ1	4.96 M	56.77 B	11,451	▲4.62	77	11,492	11,492	704,100	
ZAGZ1	1.17 M	77.62 B	66,255	▲4.61	1,355	69,000	66,501	2,640	

FeedBack

## Iran Fara Bourse Measures Taken

### ICE market

We progressed in our role by an initiative, establishing a joint venture including central bank of Iran, state banks and private banks and securities exchanges to launch a market for currency note quotes on the board.

[www.ice.ir](http://www.ice.ir) is now the reference to discover bid ask quotes.

### MBS

We have securitized Maskan Bank's receivables  
MBS is a Shia' initiative and accepted by our Sharia committee. In Sunni view it has been rejected.

### Housing Mortgage Right

individuals who are intended to request for mortgage, they buy the right of the loan through this security.

## Iran Fara Bourse Measures Taken

### Market timing synchronization with the banks

In order to increase our consistency with banking sector we have matched the time of debt market to banks working hours.

Stock market terminated at 12:30 p.m. but debt market trades hours has been extended to 03:00 p.m.

### Term Structure

We have depicted the yield curve made of securities' YTM in Various maturities but the same quality.

We use Nelson-Siegel model in practice for fitting the yield curve.

## On-going Action Plans by Iran Fara Bourse

1. Develop Money Market Fund
2. Diverse fixed-income index funds
3. Reduce the settlement process time to zero, Real-time delivery versus payment (also known as T-instant DvP)
4. Including Thursdays as a business day for debt market to align working hours and days to the banks (Thursdays are holiday in Iran)
5. Establish domestic-foreign currency stabilization fund
6. Provide capital market services on the banks' counters, ATMs
7. Sell the units of funds through banks

**Best Way to defend Islam is to practice Islam**  
**PROPHET MUHAMMAD (PBUH)**

**Thank You for The Companionship**

