

Central bank vows currency measures to shore up sliding rial

Economy Desk

Central Bank of Iran announced measures on Thursday to stabilize the currency after the rial weakened to about 1,180,000 per US dollar on the unofficial market in Tehran, with traders also quoting the euro at 1,386,500 rials and the pound at 1,591,200. The bank said it will increase the supply of foreign currency banknotes starting today as part of efforts to stabilize the market, IRNA reported. The move came roughly a week after the United Nations re-imposed snapback sanctions against Tehran under the 2015 nuclear deal, adding to pressure from recent measures by the European Union, Canada, the United States and Britain. The CBI said that from Saturday it will also raise the allocation of hard currency for imports, with a focus on small-scale imports, to meet the country's trade financing needs and respond to demand from local merchants. Under the new arrangement,

traders will be able to settle payments not only through transfers but also in cash, according to the bank. The required banknotes will be provided by exporters and the central bank itself, the statement added. The rial has fallen about 26% against the dollar in the past two months, with the exchange rate climbing from around 930,000 rials in early August to 1,175,000 rials by October 2, following a succession of negative headlines. CBI Governor Mohammad Reza Farzin told business leaders in Isfahan that the sharp rise of the dollar in the free market did not reflect the currency's real value, but what he called a "fear rate" instilled by Iran's enemies. "Otherwise, the average real rate of the dollar is around 920,000 rials, and yesterday in the 'secondary market' currency was traded at this price between exporters and importers," Farzin said. He added that higher figures circulating on social media

were "unrealistic and the result of false excitement and psychological operations by enemies to maintain uncertainty in society." The CBI governor has also ruled out any plans to increase official exchange rates, pledging to maintain the preferential rate until the end of the year (March 20, 2026) while keeping foreign currency reserves accessible, Ettelaat newspaper reported on October 2. Speaking at a meeting in the Western city of Tabriz, Farzin outlined three main pillars of the CBI's foreign exchange and monetary policies in late-night meetings with forex players, entrepreneurs and media: Stabilizing exchange rates, opposing unification of rates and increases in official rates, and planning for "economic resilience under difficult conditions". He rejected rumors about exchange rate unification. "We have no plan to increase the IRR700,000 exchange center rate or eliminate the IRR285,000 preferential rate." He said the policy aims to pre-



vent inflation transmission to goods and services, noting that experience has shown any increase in these rates causes sharp jumps in basic commodity prices.

Iran resumes power exports to Afghanistan, Pakistan as domestic demand eases



Economy Desk

The head of Iran's Power Generation, Transmission, and Distribution Company (Tavanir) announced on Friday that the Islamic Republic had resumed electricity exports to Afghanistan and Pakistan after a drop in domestic demand. "Electricity exports to Afghanistan and Pakistan have resumed after a reduction in internal needs," said Mostafa Rajabi Mashhadi, managing

director of Tavanir, according to IRNA. He said exports to the two neighbors currently stand at 150 megawatts, while imports from Armenia and Turkmenistan amount to about 450 megawatts. "Exports will remain at this level unless there is a special development in immediate relations with neighboring countries," Rajabi Mashhadi added. Electricity shortages have emerged over the past de-

cade in the county, with power production and consumption growing at unequal rates. According to Energy Minister Abbas Aliabadi, "In the last 10 years, electricity production has increased 13-fold while consumption has risen 23-fold, leading to a grid imbalance." In late August, the Tavanir chief told IRNA that Iran's electricity exports had dropped to nearly zero due to domestic imbalances between supply and demand. Exports are allowed only when internal needs are fully met. In recent months, Iran's power imports have been more than five times its exports, aimed at maintaining grid stability and covering peak summer consumption. Large-scale electricity exports to Iraq, once a major buyer under international contracts, have been completely halted, while sales to Afghanistan had continued only at minimal levels under contractual obligations.

Iran, Kazakhstan agree to boost rail freight, expand China transit corridor

Economy Desk

Iran and Kazakhstan signed an agreement on Thursday to expand rail freight transport between the two countries and facilitate the transit of goods to third markets, Iran's Ministry of Roads and Urban Development reported on its website. The memorandum of understanding was signed in Almaty by Jabbar Ali Zakeri, Iran's deputy transport minister and head of the Islamic Republic of Iran Railways, and Nurlan Aldibergenov, chairman of Kazakhstan Railways. The deal aims to develop rail cooperation, increase competitiveness, and ensure favorable conditions for cargo and transit shipments across both countries, the report said. Under the agreement, rail freight volumes between Iran and Kazakhstan are expected to rise significantly, with plans to expand container transport along the strategic China-Kazakhstan-Turkmenistan-Iran (KCTI) corridor and to launch rail shipments of Iranian minerals to China via Kazakhstan.



Head of the Islamic Republic of Iran Railways Jabbar Ali Zakeri (L) and Chairman of Kazakhstan Railways Nurlan Aldibergenov hold a memorandum of understanding for photographers after signing in Almaty, Kazakhstan, on October 3, 2025. ● mrud.ir

The document also emphasizes transport safety, faster delivery, mutual rail services, streamlined customs interactions, electronic data exchange, and special unified tariffs to strengthen the competitiveness of transit routes. It sets a target of one million tons of annual transit freight and includes measures for double-sided container loading. According to the Iran's Ministry of Roads and Urban Development, rail traffic between the two countries has already

surged in 2025. In the first eight months of the year, total freight reached 815,200 tons, four times higher than the same period a year earlier. This included 664,700 tons of exports, a fivefold jump, 3,500 tons of imports, up 82%, and 147,000 tons of transit, double the previous year. Kazakhstan's grain exports to Iran soared nearly eightfold to 569,300 tons, underscoring the success of the cooperation, according to official figures.

IMIDRO offers gold, iron ore mines to investors, seeks \$50b in mining sector

Economy Desk

Iran has put two gold mines and the country's largest underground iron ore mine up for investment by domestic, foreign and private investors, the head of state-owned mining group IMIDRO said on Friday. "The largest and only underground iron ore mine in the country, with reserves of 300 million tons, is ready for transfer to domestic and foreign investors," said Mohammad Aqajanlou, chairman of Iranian Mines and Mining Industries Development and Ren-

ovation Organization. "Two gold mines with promising economic reserves in Zanjan and West Azerbaijan provinces are also ready for private-sector investment," ISNA reported. He noted that while Iran's oil sector has more than a century of exploration and production history, systematic mineral exploration began only about a decade ago. "There is high potential for investment in the mining sector that must be realized. To achieve the targets set in the Seventh Development Plan, \$50 billion in mining investment is required,"

he said. Iranian policymakers frequently call mining the backbone of industrial development and argue it should replace oil as the primary source of revenue. In this regard, Aqajanlou said mining is being positioned as a strategic alternative to oil. Since last year, mining and metals projects worth \$5 billion have been prepared for launch, with \$2.5 billion inaugurated in 2024 and another \$2.5 billion due this year. "Mining is not just Iran's underground wealth; it is the future of the country," he said, adding that Iran

ranks fifth in copper reserves, sixth in zinc and ninth in iron ore. He also announced a "call for the transfer of 240 exploration permits nationwide," starting in West Azerbaijan province in northwest, where investment packages have already been defined. On steel, he said that the steel capacity is expected "to reach 55 million tons this year, but production will be capped at about 32 million tons due to energy and infrastructure constraints." "Currently, the ratio of steel production to capacity is 60%, which must rise to 80%," he added.

