CBI chief sets monetary discipline, FX stability as priorities to curb inflation

Head of Central Bank of Iran Abdolnaser Hemmati (C) speaks at a meeting of central bank governors of Islamic countries in Istanbul, Turkey, on September 14, 2026.
IRNA

Economy Desk

Head of Central Bank of Iran's Abdolnaser Hemmati on Monday outlined the bank's approach to containing inflation and managing economic pressures at a meeting of central bank governors of Islamic countries, emphasizing monetary stability and coordinated policymaking.

Speaking at a meeting of central bank governors of Islamic countries in Istanbul, Hemmati said the approach included strengthening monetary discipline, managing exchange-rate fluctuations and maintaining transparent communication, as external shocks and economic uncertainty continued to weigh on the economy, according to IRNA.

Hemmati said the uncertainty facing Iran's economy was complex and multifaceted, with much of the volatility stemming from external pressures, sanctions and geopolitical risks that have coincided with balance-of-payments constraints and fiscal risks.

Iran's national currency has fallen to record lows, with the US dollar trading above 2 million rials on the open market in recent weeks. The depreciation has highlighted growing pressure on an economy already facing high inflation.

Iran's 12-month consumer inflation rate reached 69.9% in the fifth month of the Iranian calendar year began on March 21, according to the Statistical Center of Iran.

The country has also remained on a war footing since a US-Israeli coalition launched attacks in late February, particularly targeting civilians and infrastructure during a 40-day conflict.

Hemmati said in Istanbul that external pressures were deliberately focused on fueling "perceived inflation" and turning economic pressure into public discontent. He said the central bank could not and should not take a passive approach to how external shocks were transmitted to the domestic economy.

To contain currency fluctuations, Hemmati said the central bank was pursuing policies including monetary discipline, limiting banks' balance-sheet growth and preventing the monetization of budget deficits.

Direct financial channels with Tunisia

On the sidelines of the Istanbul meeting, Hemmati also held talks with the central bank chiefs of Turkey and Tunisia.

Hemmati and his Tunisian counterpart, Fathi Zahir Ennouri, stressed the need to expand monetary and banking cooperation, set up direct financial channels and remove obstacles to correspondent banking ties between Tehran and Tunis, ILNA reported.

Hemmati said direct financial channels and smoother correspondent banking relations were prerequisites for expanding trade and joint investment.

Ennouri welcomed the proposals and described the meeting as the start of a new phase in banking cooperation between the two countries, while stressing the importance of greater convergence among Islamic states in monetary and financial affairs.

The two sides agreed to form expert working groups to examine practical ways to facilitate financial transactions and support businesses and traders, a step that could ease one of the main obstacles to bilateral trade: access to smoother banking and financial channels.

Tehran- Hanoi trade could reach $4-$5b, friendship association head says

Vietnam seen as potential gateway for Iran to Southeast Asian markets

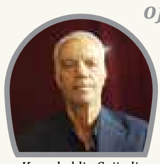
By Sadeq Dehqan
Staff writer

INTERVIEW

Vietnam has emerged in recent years as one of Southeast Asia's more dynamic economies, driven by economic reforms, foreign investment and a growing presence in global markets. Against that backdrop, experts say ties between Tehran and Hanoi, which date back to 1973, could expand beyond their current political and multilateral cooperation.

Although political ties between Iran and Vietnam have remained relatively stable over the decades, bilateral trade is still well below its potential. At the same time, some goods needed by the two countries are complementary, while Vietnam's geographic position could provide a route for Iran to expand its presence in Southeast Asian markets.

Kamaleddin Sajjadi, chairman of the Iran-Vietnam Friendship Association and a former diplomat, is among those with diplomatic experience in Southeast Asia.



Kamaleddin Sajjadi

He served as Iran's ambassador to Vietnam from 1995 to 1999 and previously headed Iran's embassy in the Philippines. Sajjadi has also served as Iran's ambassador to Cambodia and headed Iran's representative office in Brunei.

In an interview with Iran Daily, Sajjadi discussed the history of Iran-Vietnam ties, the political and economic cooperation between the two countries, the potential for expanding trade, obstacles to economic cooperation, the possibility of using Vietnam as a gateway to Southeast Asian markets, and the country's economic experience and lessons for Iran. The following is the full interview:

IRAN DAILY: **When did relations between Iran and Vietnam begin, and how have ties between the two countries developed over the years?**

SAJJADI: Formal relations between Iran and Vietnam date back to 1973, but they were not particularly active or extensive in the early years. After the Islamic Revolution in 1979, Vietnam welcomed the developments in Iran. From that point, bilateral ties entered a new phase and gradually expanded into various areas, with numerous high-level contacts and visits, including visits by their presidents and parliamentary speakers.

Alongside political ties, economic and trade cooperation also received attention.

Today, Iran and Vietnam cooperate and coordinate in international organizations and forums, and in many cases support each other's positions.

There is also significant potential in the economic sphere, some of which is being activated, although we are still far from the desired level and the true potential of economic relations.

What is the current volume of trade between Iran and Vietnam, and how much room is there for growth?

The current volume of bilateral trade is more than $600 million. However, this figure does not reflect the full reality of trade between the two sides because some transactions are carried out indirectly through third countries and are generally not recorded in the official statistics of the two countries.

Given the existing potential, trade could be several times its current level and could reach around $4 billion to $5 billion even within a relatively short period of several years, because the two markets complement each other and there are suitable areas for expanding exports and imports.

Therefore, the current figure should not be considered the ceiling for economic ties between the two sides. Rather, it can be seen as a starting point with significant room for growth through planning and a better understanding of the available potential.

Which products could provide opportunities for expanding trade between the two countries?

Vietnam has export potential in products such as rice, rubber and many other goods, some of which are needed in the Iranian market. Iran, in turn, has a variety of products and goods that are attractive and needed in the Vietnamese market.

Iranian petrochemical products, bitumen, dried fruits and some industrial and mineral products could attract interest in the Vietnamese market. Therefore, there is significant potential both for Iranian exports to Vietnam and for imports from Vietnam to meet Iran's needs.

However, we have not yet been able to make full use of these opportunities, and economic ties have not reached their ideal level. To achieve this goal, knowledge among economic players on both sides about each other's markets, regulations, potential and needs must increase.

What are the main obstacles to expanding economic ties?

One of the main problems is insufficient knowledge among traders and economic players in the two countries. When businesses on both sides do not have a clear understanding of the other market, its products, regulations, investment opportunities and trading practices, trade is likely to remain below its potential.

Therefore, ties between the private sectors of the two countries should be strengthened, and the conditions should be created for holding trade fairs, business meetings and economic delegations.

At the same time, sanctions and problems related to banking transactions are a serious obstacle. Banking restrictions have made some direct transactions difficult. However, this does not mean that all avenues are closed, and third countries can be used to facilitate trade.

Countries such as Russia, Oman and even Turkey, along with some other regional routes, can play a role in this regard and help reduce some of these difficulties. Therefore, even under sanctions, economic ties can be expanded through appropriate mechanisms.

Could Vietnam serve as a gateway for Iranian businesses to Southeast Asian markets?

Yes, Vietnam has a suitable position in this regard. The country is located in Southeast Asia and borders countries such as Cambodia, Laos and Thailand, while also having significant economic and trade potential.

If Iran can deepen its economic ties with Vietnam, the country could, to some extent, be used as one of the routes for Iran to enter Southeast Asian markets. However, government-to-government ties alone are not enough to achieve this, and Iranian private-sector companies and traders must also have a more active presence in the market.

Vietnam can be a suitable place for establishing links with regional trade networks, creating new opportunities for exporting Iranian goods and services to Southeast Asian countries.

Vietnam has recorded significant economic growth in recent years. What have been the main reasons for this success, and what lessons can Iran learn from its experience?

Vietnam was able to attract domestic and foreign investors by creating a suitable environment for economic activity. At the same time, the country's private sector and traders were also active abroad. Together, these factors enabled Vietnam's economy to achieve significant growth, reaching around 8% in some years.

Vietnam's experience shows that legal reforms, investment facilitation, creating a suitable environment for private-sector activity and focusing on foreign markets can have a significant impact on economic growth.

Iran can also draw on some of these lessons by closely examining Vietnam's experience, particularly in reforming investment laws and supporting private-sector activity.

Of course, Iran's circumstances are not the same as Vietnam's, and Vietnam's model cannot be implemented in Iran exactly as it is. But some of the country's economic principles and policies, particularly in attracting investment and expanding foreign trade, are worth examining and adapting.

Given your experience in Vietnam, how do you see the future of bilateral ties?

In my view, the potential for bilateral ties is much greater than their current level. The two countries have good political relations and also cooperate and coordinate in international forums. Therefore, the necessary political foundation for expanding economic ties is largely in place.

The important issue is to use good political relations to develop economic ties. If knowledge among traders in the two countries increases, banking obstacles are managed as much as possible, and links between the private sectors and chambers of commerce on both sides expand, we can expect trade to grow significantly.

In particular, given Vietnam's position and economic growth in Southeast Asia, developing ties with the country could provide Iran not only with bilateral benefits but also with an opportunity to establish a more active presence in regional markets.