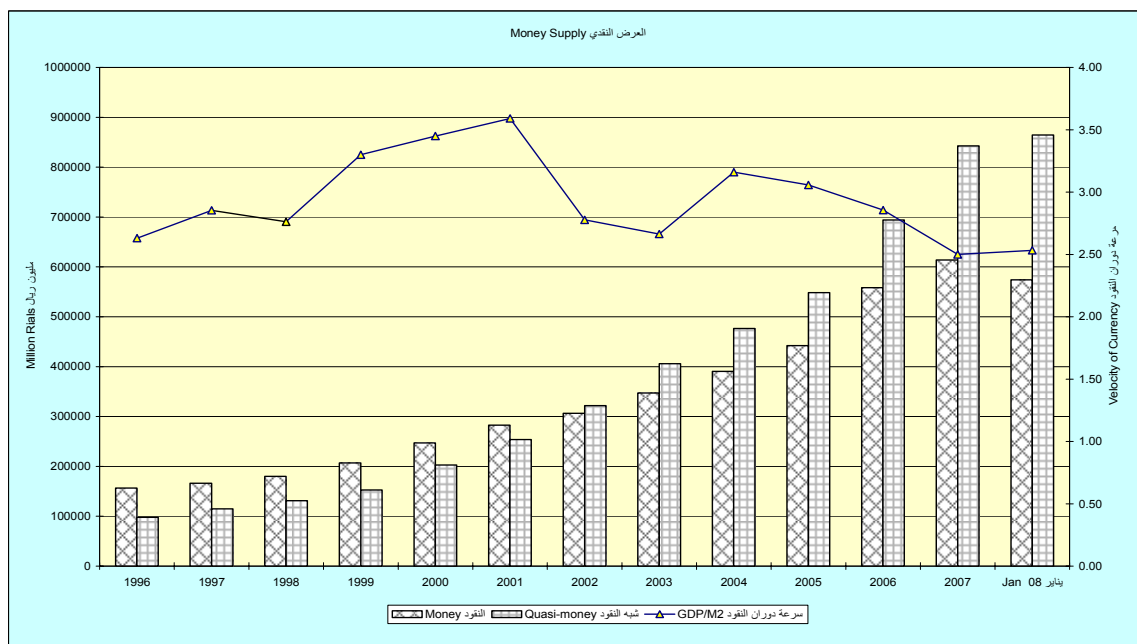


Review of Monetary and Banking Developments

Exchange Rate

The end of period exchange rate increased slightly from 199.54 Rials per US Dollar at the end of December 2007 to 199.55 Rials per US Dollar at the end of January 2008, a percentage increase of 0.01%. The average exchange rate during January 2008 was 199.54 Rials per US Dollar.



Money Supply

Money supply decreased from 1586.2 billion Rials at the end of December 2007 to 1575.1 billion Rials at the end of January 2008, a decrease of 11.1 billion Rials or 0.7% compared with an increase of 101.1 billion Rials or 6.81% during December 2007. Money supply at the end of January 2007 was 1344.0 billion Rials.

Net foreign assets of the banking system amounted to 1734.3 billion Rials at the end of January 2008 compared with 1733.8 billion Rials at the end of December 2007, an increase of 0.5 billion Rials or 0.03%. Net foreign assets of the banking system were 1690.1 billion Rials at the end of January 2007.