

## **The Impact of Exchange Rate on Exports Goods Price Indices in Iran**

Topic: Input-output analysis for policy making

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Exchange rate is an important factor that influences on price index of exports of a country. It affects the exports goods' prices indices through different ways. The imported intermediate commodity is one of the important ways in which the change in exchange rate affects on exports goods price of a country. This paper uses an input-output model to investigate the impact of exchange rate volatility on exports goods price indices in Iran. To this end, the symmetric commodity by commodity input-output table of Iran for the year 2010 is employed as database of the research. The results of the research demonstrate, since the exporters transmit a large percentage of the exchange rate change to the domestic currency price of exports to maintain their competitiveness and market share abroad, the exchange rate influences on exports price indices incompletely.

Keywords: Exchange Rate Volatility, Exports Goods Price Indices, Input-Output Model, Iran