

MONTHLY MACROECONOMIC UPDATE

August 2024

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▶ MAIN ECONOMIC INDICATORS

GDP growth

(H1 2024)

5.6 percent

International reserves

(August 2024)

4,704 million \$

Inflation

(August 2024)

6.5 percent

Budget balance

(Aug 2024)

1.6 trillion ₺

Exports

(August 2024)

10.6 billion \$

Imports

(August 2024)

7.5 billion \$

FDI

(H1 2024)

2,070 million \$

Loan rate

(August 2024)

17.0 percent

Number of employees

(Q2 2024)

1.3 million

* As of Q2 2024 the labor force participation rate is 62.2 percent.

Real wage growth

(Q2 2024)

23.6 percent

Number of enterprises operating

(Q2 2024)

99.1 thousand

* Mainly in trade, services, construction and manufacturing sectors

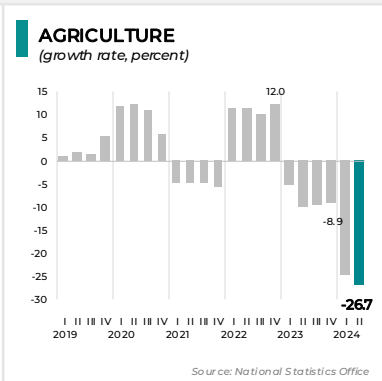
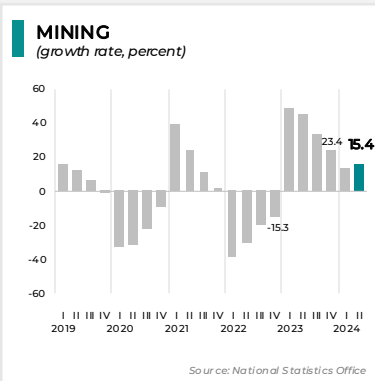
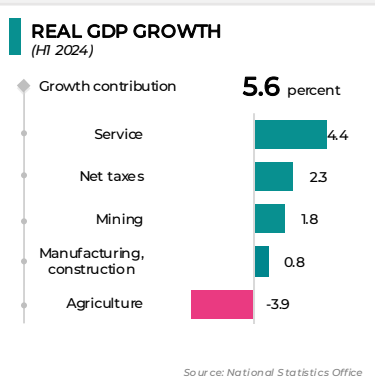
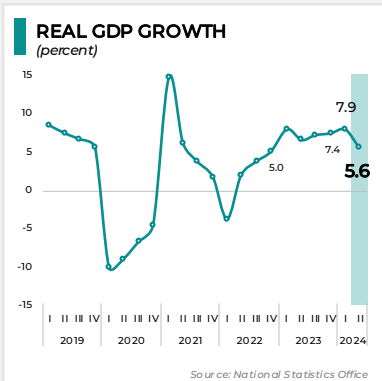
Household real income growth

(Q2 2024)

17.3 percent



The real GDP growth was 5.6 percent as of the first half of 2024. Non-agricultural production supported the economic growth. The mining sector's growth contribution declined due to the high base of the previous year, while the service sector propelled the economic growth.



- The real GDP grew by 5.6 percent in the first half of 2024.
- Primary sector: The mining sector expanded by 15.4 percent and the agriculture sector contracted by 26.7 percent.
- Secondary sector /manufacturing, construction, electricity, water supply/ expanded by 7.9 percent, contributing 0.8 pp to the overall growth;
- Service sector activity increased, experiencing 9.3 percent growth, contributing 4.4 pp to the overall growth;
- Net taxes on products increased by 15.0 percent, contributing 2.3 pp to the overall growth.

- The service sector output as well as increased net tax revenue contributed to the economic growth. Furthermore, the manufacturing and construction sectors' output experienced growth.
- However, agriculture contracted by 26.7 percent due to the loss of adult animals.

- The mining sector output increased by 15.4 percent in the first half of 2024.
- The production of mining commodities, excluding crude oil and gold, increased, leading to mining sector expansion.

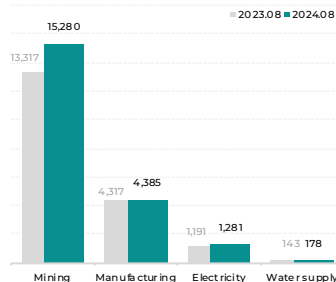
- The agricultural sector shrank by 26.7 percent in the first half of 2024 compared to same period last year.
- The number of natural losses of adult livestock reached 8.1 million, increased by 4.2 million from same period last year. Also, it is accounting for 12.5 percent of the total livestock counted beginning of the year.



Industrial production increased by 11 percent in August 2024 compared to the same period of the previous year. The growth in mining output is mainly driven by the production of coal, copper concentrate, and iron ore, while the increases in light and heavy industries are propelling the manufacturing sector.

GROSS OUTPUT

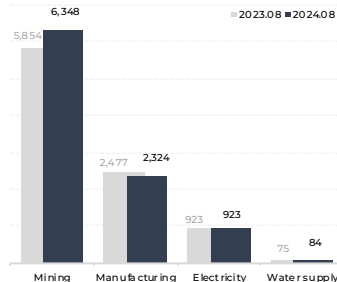
(billion ₮)



Source: National Statistics Office

GROSS OUTPUT

(in real terms, adjusted by PPI, billion ₮)



Source: MED estimation, National Statistics Office

MINING PRODUCTION

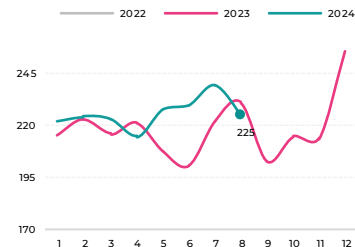
(by main commodities)

Commodity	Production	YoY change:
Coal	64 m.t	32%
Copper concentrate	967 thous.t	21%
Crude oil	28 m.b.barrel	-15%
Gold	8.2 t	-13%
Iron ore	6.3 m.t	37%

Source: National Statistics Office

PRODUCER PRICE INDEX

(2015=100)



Source: National Statistics Office

- The gross industrial output reached ₮21.1 trillion in August 2024, marking an 11 percent increase compared to the same period the previous year.
- This growth was mainly driven by a 15 percent increase in the mining sector due to the increased production volume of coal, copper concentrate, and iron ore.
- The manufacturing gross output rose by 2 percent from the previous year due to increased production in beverage production.

- The gross industrial output in real terms (adjusted by producer price index) increased by 3.8 percent in August 2024.
- Production in the mining sector, which makes up the majority of the industry, grew by 8.4 percent and was the primary driving force.
- However, a decline in meat processing production, caused by livestock losses due to dzud, resulted in a decrease in total manufacturing production in real terms.

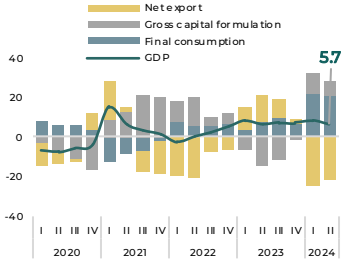
- Coal production reached 64 million tons in August of 2024, an increase of 32 percent from the same period the previous year.
- Iron ore and iron ore concentrate production showed a significant increase of 37 percent.
- Copper concentrate production rose by 2.1 percent, driven by the increased production of Oyutolgoi.
- However, gold and crude oil production has declined compared to the same period the previous year.

- The producer price index (PPI) declined by 2.5 percent from the same period last year and increased by 67 percent from the pre-pandemic period.
- PPI has increased in:
 - Food production by 5.2 percent,
 - Beverages and alcoholic beverages by 8.8 percent,
 - Textile by 8.1 percent respectively;
- PPI decreased in:
 - Production of leather and leather products by 0.8 percent.
 - Manufacture of coke and refined petroleum products by 1.4 percent.



Robust domestic demand spurred the economic growth.

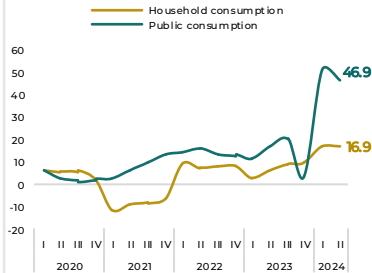
GDP GROWTH (percent)



Source: National Statistical Office

- Economic growth by expenditure approach, estimated at 5.7%.
- Final consumption contributed by 21.5 percentage points and capital formation by 6.2 percentage points to the growth, while net exports reduced growth by 21.9 percentage points.

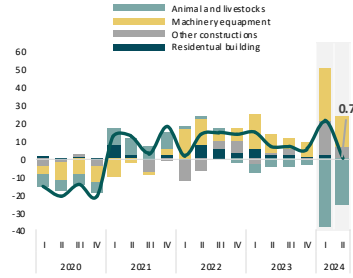
CONSUMPTION GROWTH (percent)



Source: National Statistical Office

- Public consumption expanded by 46.9 percent from the same period of previous year due to growth of public servant salary and stimulated the overall demand in the economy.
- Improvement of 17.3 percent in household real income encouraged the private consumption, which grew by 16.9 percent compared to the first half of 2023.

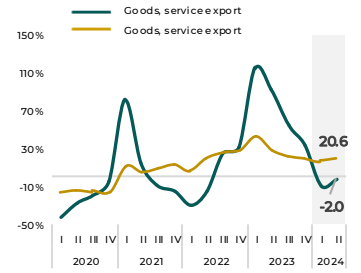
FIXED CAPITAL FORMATION GROWTH (percent)



Source: National Statistical Office

- Fixed capital formation is at the level of the previous year.
- Machinery equipment added up by 6.8 percentage point, non-residential buildings by 6.9 percentage point, intellectual property by 2.5 percentage point, while animal and livestock decreased by 25.6 percentage point.

EXPORTS AND IMPORTS GROWTH (percent)



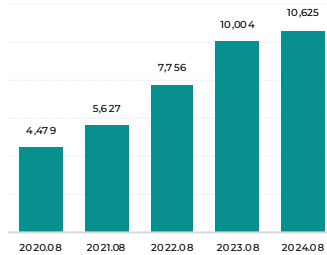
Source: National Statistical Office

- In 2024Q2, goods and service exports reduced by 2.0 percent due to coal, copper price and service export decline.
- The goods and service import increased by 20.6 percent from the first half of 2023, reflecting 29.4 percent growth in goods import and 10.4 percent growth in service import.



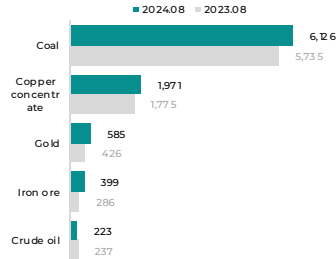
In August 2024, the foreign trade turnover reached \$18.1 billion, yielding a trade surplus of \$3.1 billion.

EXPORTS (million \$)



Source: MGCA

EXPORTS BY MAIN PRODUCTS (million \$)

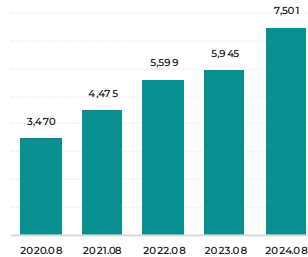


Source: MGCA

- In August 2024, exports have surged to \$10,625 million, marking a 6 percent increase compared to the previous year.
- Mining products accounted for 93 percent of total exports, including coal exports, which alone accounted for 69 percent.

- Revenue from coal exports surged to \$6,126 million, marking a 6.4 percent increase compared to the previous year.
- Copper concentrate export revenue reached \$1,971 million, an increase of 9.9 percent from the same period last year.
- Gold export income reached \$585 million, increasing by 27.5 percent from the same period last year.
- Iron ore export reached \$398 million, an increase of 28.2 percent from the same period last year.

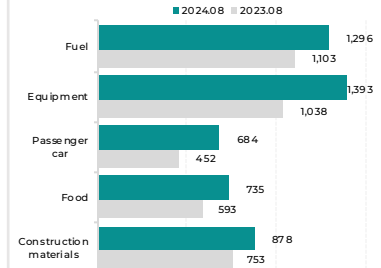
IMPORTS (million \$)



Source: MGCA

- In the first 8 months of 2024, imports reached \$7,501 million, an increase of 26.2 percent from the same period of the previous year.
- Petroleum products accounted for 18.6 percent of the total imports, while equipment and automobiles accounted for 17.3 percent and 9.1 percent, respectively.

IMPORTS BY MAIN PRODUCTS (million \$)



Source: MGCA

- Equipment import reached \$1,393 million, which increased by 34.2 percent from the same period of the previous year.
- Petroleum products imports reached \$1,300 million, which increased by 17.3 percent compared to the previous year.
- Passenger car imports reached \$684 million, which increased 51.3 percent from the same period of the previous year.

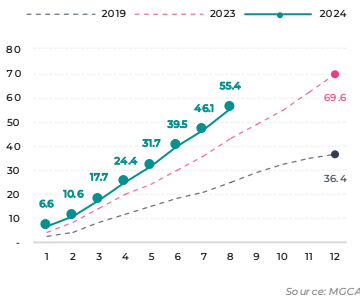
2.1 MINERAL PRODUCTS

AUGUST 2024



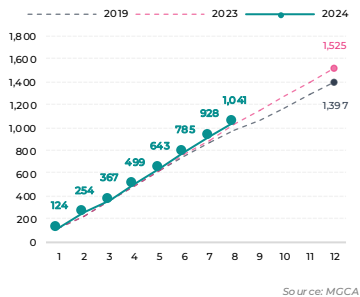
In August 2024, mining products accounted for 93 percent of total exports, including coal and copper concentrate alone for 80 percent.

COAL (million tonn)



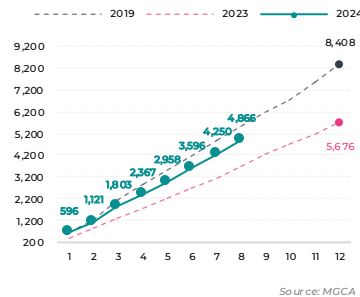
- Coal exports reached 55.4 million tons in August 2024, marking a 23.1 percent increase compared to the previous year.
- Coal exports were distributed as follows: 27.5 million tons through Gashuunsuhait port, 16.5 million tons through Shiveehuren port, 1.8 million tons through Khangii port, and 9.6 million tons through various other ports.

COPPER CONCENTRATE (thousand tonn)



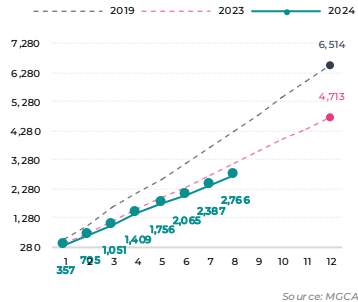
- Copper concentrate exports reached 1,041 thousand tons in August 2024, marking a 1.8 percent decrease compared to the previous year.
- Copper concentrate exports were distributed as follows: 635 thousand tons through Gashuunsuhait port, 409 thousand tons through Burgastai port, and 406 thousand tons through various other ports.

IRON ORE (thousand tonn)



- Iron ore exports reached 4,866 thousand tons in August 2024, marking a 25.2 percent increase compared to the previous year.
- Iron ore exports were distributed as follows: 4,398 thousand tons through Zamin-Ud port, 409 thousand tons through Burgastai port, and 59 thousand tons through various other ports.

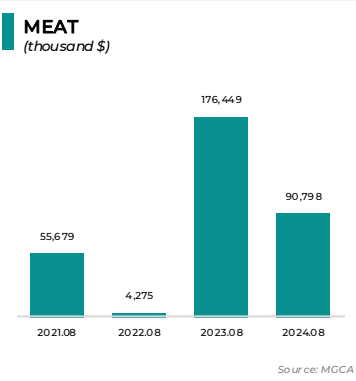
CRUDE OIL (thousand barrel)



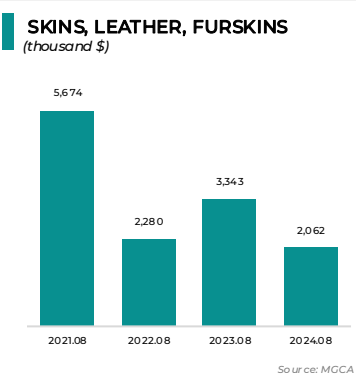
- Crude oil exports reached 2,766 thousand tons in August 2024, marking a 13.7 percent decrease compared to the previous year.
- Crude oil exports were distributed as follows: 2,536 thousand tons through Zamin-Ud port, and 231 thousand tons through various other ports.



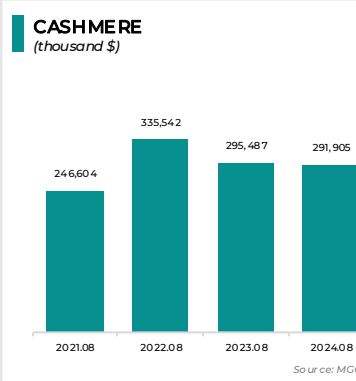
In August 2024, exports of the main agricultural products, except for cashmere, decreased from a year earlier.



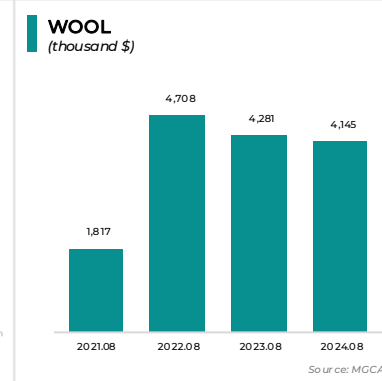
- In August 2024, exports of meat amounted to 90,798 thousand USD, marking a 49 percent decrease compared to the previous year.
- In particular, the export of canned meat decreased by three times compared to the same period last year.



- The export of skins, leather, furskins reached 2,005 thousand US dollars in the first eight months of 2024, a decrease of 40 percent from the same period of the previous year.



- The export of cashmere reached 219,905 thousand USD dollars in the first eight months of 2024, increase of 9 percent from the same period of the previous year.

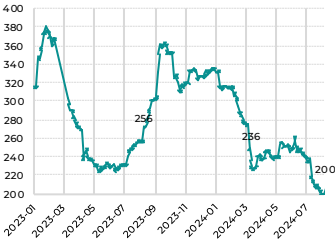


- The export of wool reached 4,145 thousand USD in the first eight months of 2024, a decrease of 19 percent from the same period of the previous year.



GLOBAL COMMODITY PRICE TRENDS

COAL
(\$/tonn, Australian high quality coking coal, SCX)



Source: Bloomberg

- The average price of Australian high-quality coking coal on the Singapore Exchange in August 2024 was \$244, marking a 3 percent decrease from the previous year.

COPPER
(\$/tonn, LME)



Source: Bloomberg

- The average price of copper on the London Metal Exchange in August 2024 was \$9,118 marking a 5 percent increase from the previous year

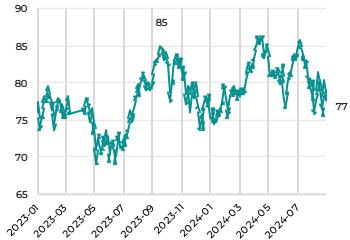
IRON CONCENTRATE
(\$/tonn, Iron Concentrate 62%, Northwest China)



Source: Bloomberg

- The average price of Iron ore in Northwest China in August 2024 was 114, marking a 2 percent decrease from the previous year

CRUDE OIL
(\$/BBL, Brent)

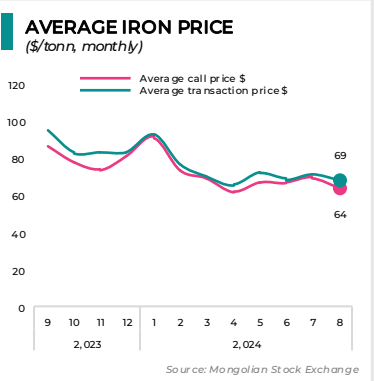
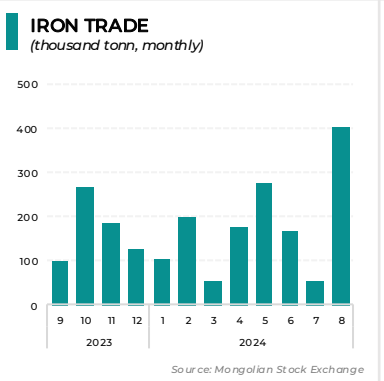
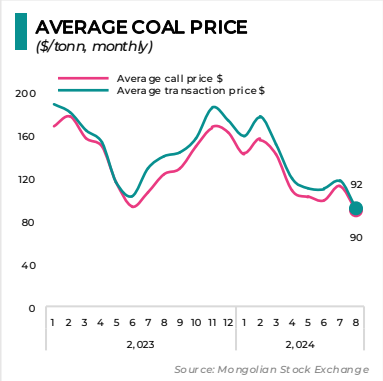
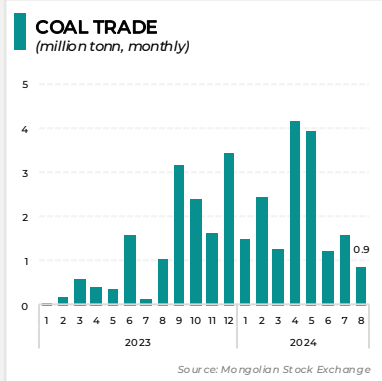


Source: Bloomberg

- The average price of Brent oil in August 2024 was \$80, marking a 7 percent increase from the previous year



As of August 2024, 32 million tons of coal, 2.1 million tons of iron ore, 5.4 thousand tons of copper concentrates, and 12.2 thousand tons of fluoride were traded on the mining commodity exchange.



- As of August 2024, a total of 32 million tons of coal was traded and \$4.1 billion was earned.
- In the first 8 months of 2024, 17.0 million tons of coal were traded and \$2.0 billion were earned.
- A total of 0.9 million tons of coal were sold in August 2024

- The average call price of coal in August 2024 was \$90, and the average transaction price was \$92.
- Depending on the type of coals, in August 2024, the minimum transaction price reached \$53, and the maximum price reached \$162.

- As of August 2024, since September 2023 a total of 2.1 million tons of iron ore and concentrate was traded and \$159.3 million was earned.
- In the first 8 months of 2024, 1.4 thousand tons of iron were traded and \$102.4 million was earned.

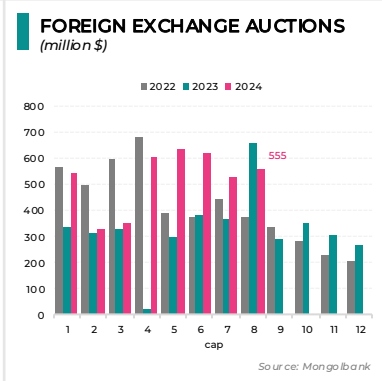
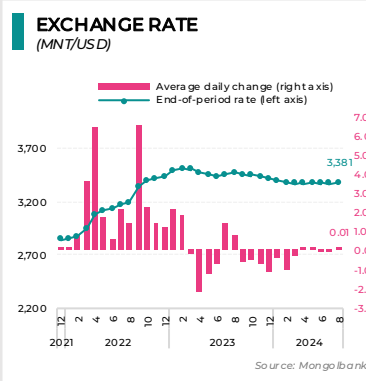
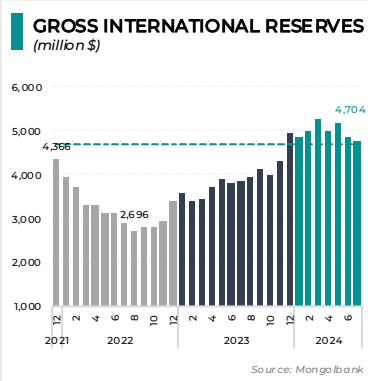
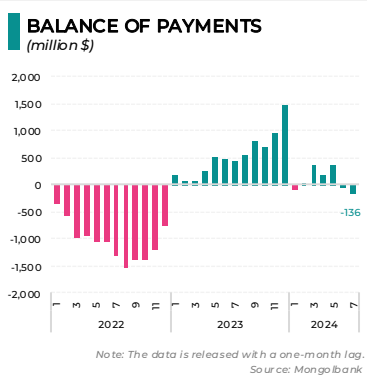
- The average call price of iron ore and concentrate for August rose to \$64, and the transaction price reached \$69 during trading.
- Depending on the type of iron, in August 2024, the minimum price of the deal was \$58, and the maximum price was \$73.

5. BALANCE OF PAYMENTS, GROSS INTERNATIONAL RESERVES

JUL-AUG 2024



The balance of payments recorded a deficit of \$136 million at the end of the first 7 months of 2024. As of the end of August 2024, the gross international reserves stood at \$4.7 billion, down \$33 million from the previous month.



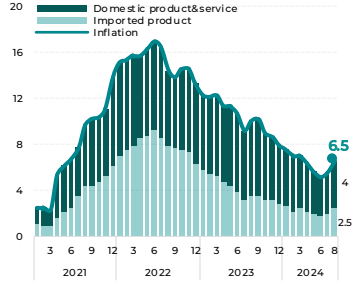
- The balance of payments recorded a deficit of \$136 million in the first 7 months of 2024, down \$589 million from the same period last year.
- Compared to a year earlier, exports of goods and services increased by \$0.9 billion but imports surged by \$1.5 billion, resulting in a deterioration of the current account balance.
- Net FDI inflow* stood at \$1.7 billion as of July 2024, up by \$607 million from the same period last year.
- Gross international reserves (GIR) stood at \$4,704 million at the end of August 2024, down \$33 million from the previous month, but up \$0.8 billion or 19.6 percent from a year earlier.
- The average daily change of the MNT/USD rate was at 0.01 in August 2024.
- At the end of August 2024, the MNT/USD rate reached 3,381, down 30 or 0.9 percent compared to the beginning of the year.
- In August 2024, the Bank of Mongolia sold \$555 million to the commercial banks.
- As of August 2024, the Bank sold \$4,150 million, up 54.2 percent or \$1,459 million compared the same period last year.

*Net FDI inflow excludes transactions related to outflows of investment and loan repayments.



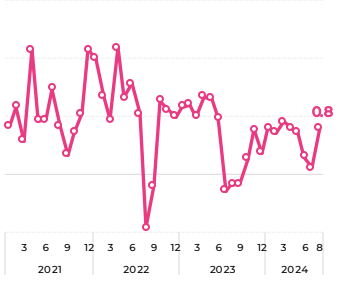
The annual inflation rate reached 6.5 percent in August 2024. On a monthly basis, consumer prices increased by 0.8 percent in August.

ANNUAL INFLATION
(percent)



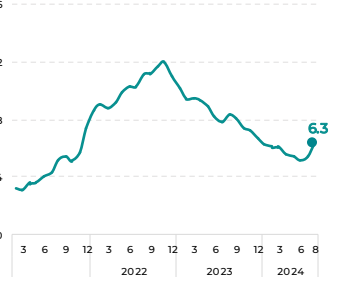
Source: National Statistical Office

M-o-M INFLATION
(percent)



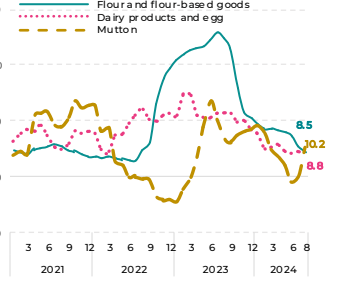
Source: National Statistical Office

CORE INFLATION
(percent)



Source: National Statistical Office

INFLATION OF SOME FOOD ITEMS
(percent)



Source: National Statistical Office

- In August, the annual inflation rate reached 6.5 percent.
- Inflation from imported goods contributed 2.5 percentage points, accounting for 38.6 percent of the annual inflation.
- Inflation from domestic goods and services contributed 4.0 percentage points, accounting for 61.4 percent of the annual inflation.

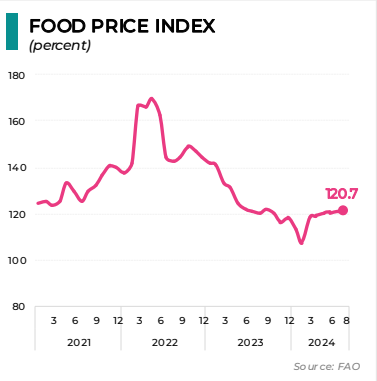
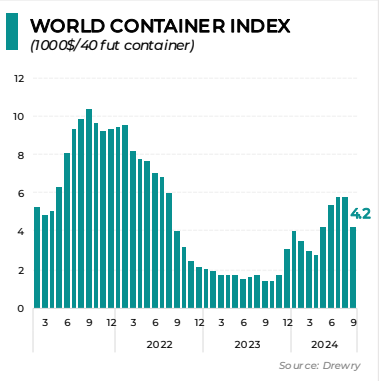
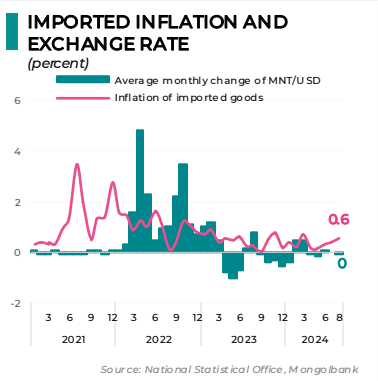
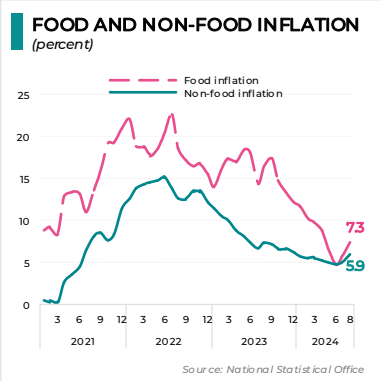
- On a monthly basis, consumer prices increased by 0.8 percent in August.
- Monthly inflation was mainly due to price of education service increased by 16.8 percent in August. Furthermore, food price decreased by 2.3 percent from the previous month.

- Core inflation is measured by excluding volatile food and energy costs from headline inflation.
- Core inflation stood at 6.3 percent in August 2024, contributing 4.2 percentage points to annual inflation.
- Core inflation increased last 2 months.

- Price increases in meat, dairy products, and flour-based goods contributed 15 percent to annual inflation in August 2024.
- Flour and flour-based goods prices rose 8.5 percent year-over-year.
- Dairy products and egg prices increased 8.8 percent year-over-year.
- Mutton price increased 10.2 percent year-over-year.



Global container shipping price reached 4,168 USD, leading to inflationary pressures. The FAO Food Price Index (FFPI) decreased by 1.1 percent its corresponding value one year ago in August 2024.



- Food inflation is 7.3 percent, accounting for 2.1 percentage points of annual inflation in August 2024.
- Non-food inflation is 5.9 percent, accounting for 4.4 percentage points of annual inflation.

- In August 2024, the MNT/USD rate reached 3,380, which remained unchanged from the previous month.
- Inflation of imported goods increased by 0.6 percent from last month despite the unchanged exchange rate.

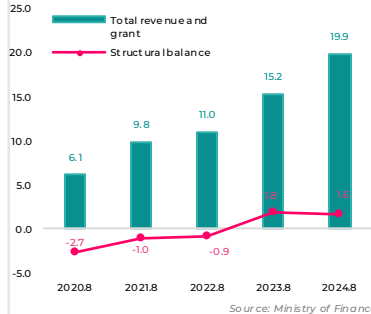
- The cost of international shipping has shot up due to disruption from attacks in the Red Sea/Suez Canal.
- As of September 12, the World Container Index (WCI) reached 4,168 per 40 ft container, which increased 167 percent compared to last year.
- It remains 193 percent higher than average 2019 (pre-pandemic) rates.
- Increased shipping prices leading to inflationary pressures through the supply chain.

- The FAO Food Price Index (FFPI) measures the monthly change in international prices of a basket of food commodities. It consists of the average of five commodity group price indices.
- FFPI stood at 120.7 points and remained 1.1 percent lower than its corresponding value one year ago in August 2024.
- As of August, as decreases in the price indices for sugar, meat and cereals outweighed increases in those for vegetable oils and dairy products.

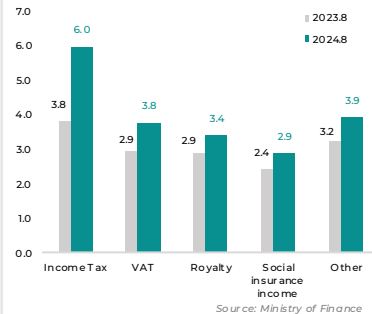


The consolidated budget recorded a surplus of ¥1.6 billion in August 2024. The improvement was mainly attributed to the increase in wages, corporate income tax and VAT.

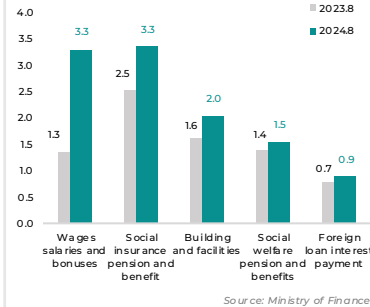
STRUCTURAL BALANCE (trillion ¥)



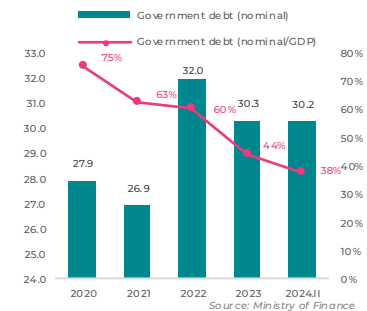
BUDGET REVENUE (by source, trillion ¥)



KEY COMPONENTS OF THE EXPENDITURE INCREASE (by expenditure category, trillion ¥)



GOVERNMENT DEBT (NPV) (trillion ¥, as a share of GDP)



- In August 2024, the structural balance of the consolidated budget yielded a surplus of ¥1.6 trillion, an increase of ¥245.9 billion (13.5%) from the same period of the last year.

- In August 2024, the total revenue within the consolidated budget amounted to ¥19.9 trillion, reflecting an increase of ¥4.6 trillion (30.4%) compared to the same period of the last year.
- This upsurge was mainly driven by an increase of ¥2.2 trillion (57.3%) in income tax, ¥489.9 billion (16.9%) in royalties, ¥823.7 billion (28.1%) in value added tax and ¥474.1 billion (19.8%) in social insurance

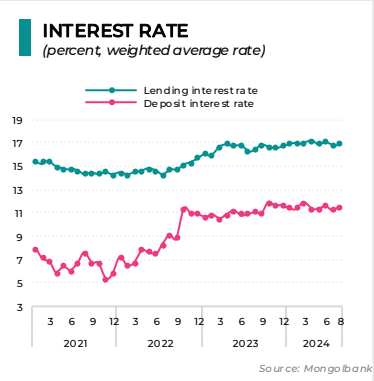
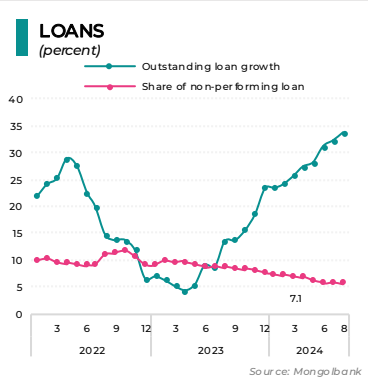
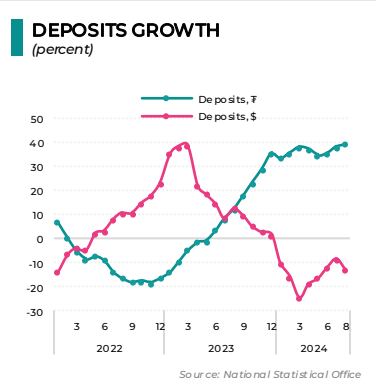
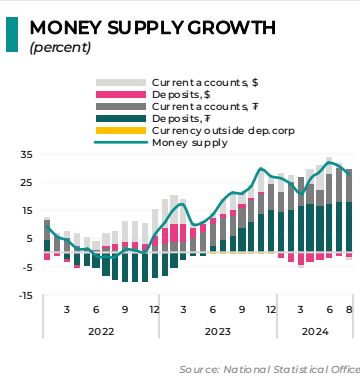
- In August 2024, the total expenditure of the consolidated budget amounted to ¥17.3 trillion, an increase of ¥4.5 (35.4%) trillion from the same period of the previous year.
- On April 1, 2024, the salaries of all government officials were increased by 10%, the salaries of supply and service workers were increased by 20%, and the salaries of government employees in remote provinces and sums were increased by 20-40%.

- As of the 2nd quarter of 2024, the government debt (nominal) reached ¥26.2 trillion, accounting for 38 percent of GDP.
- The preliminary results show that the government debt (nominal) level, as a share of GDP, aligns with the special fiscal requirements.

Wages expenses reached ¥3.3 trillion as of August 2024, an increase of 2.0 trillion (2.4 times) compared to the same period last year.



The money supply increased by 27.3 percent year-on-year, reaching 41.6 trillion MNT. There was an increase in foreign currency accounts and deposits, while domestic currency accounts and deposits decreased. Additionally, the interest rate rose by 0.2 percentage points from the previous month, reaching 17.0 percent in August.



- In August 2024, the money supply reached 41.6 trillion MNT, an increase of 27.3 percent from the same period of previous year.
- Domestic currency current and deposit accounts contributed 29.4 percentage points, while foreign currency current and deposit accounts contributed -2.4 percentage points.

- Total deposits reached 24.7 trillion MNT, an increase of 26.9 percent from the same period last year.
- Domestic currency deposits reached 20.2 trillion MNT, which increased 39.8 percent from the same period last year and 1.0 percent from the previous month.
- Foreign currency deposits reached 4.5 trillion MNT, decreasing by 12.7 percent compared to the the same period last year and 0.7 percent from the previous month.

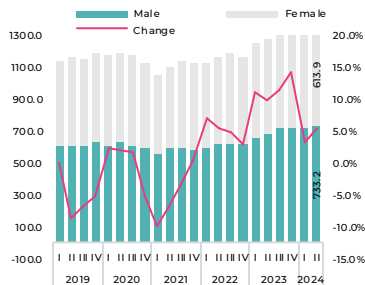
- In August 2024, outstanding loans reached 34.2 trillion MNT, an increase of 33.6 percent from the same period last year.
- The share of non-performing loans in total loans was 5.8 percent, down by 2.9 percentage points from same period of last year.

- In August 2024, the weighted average interest rate on outstanding loans was at 17.0 percent, a decrease of 0.2 percentage points from the previous month and 0.6 percentage points from same period of last year.
- The weighted average interest rate on new deposits was at 11.5 percent, in increase of 0.4 percentage points compared to the same period last year.



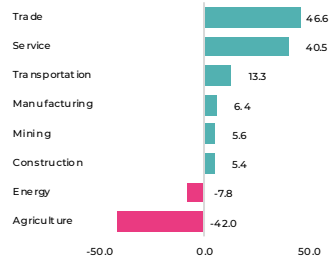
The labor market indicators, which had declined during the pandemic, recovered and surpassed pre-pandemic levels due to economic growth.

CHANGES IN THE NUMBER OF EMPLOYEES BY GENDER (percent)



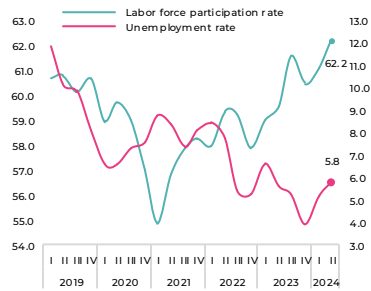
Source: National Statistics Office

CHANGES IN THE NUMBER OF EMPLOYEES BY SECTOR (percent)



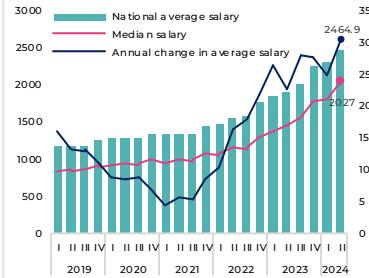
Source: National Statistics Office

LABOR FORCE PARTICIPATION RATE (percent)



Source: National Statistics Office

CHANGES IN THE MEDIAN SALARY AND THE AVERAGE SALARY (percent)



Source: National Statistics Office

- The number of employees increased by 68 thousand from the same period last year, reaching 1,347.1 thousand, which is 184.9 thousand above the pre-pandemic level.
- In the second quarter of 2024, the number of male employees grew by 44.1 thousand, while female employees increased by 23.9 thousand compared to the same period last year.

- The growth in the number of employees was positively influenced by increases in employment across the trade, service, transportation, manufacturing, mining, and construction sectors.
- Conversely, the severe winter conditions adversely impacted employment in the agricultural sector, and the water and electricity sectors were impacted adversely.

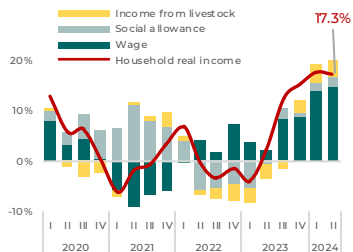
- The labor force participation rate reached 62.2 percent, reflecting an increase of 2.6 percentage points compared to the same period last year and 1.2 percentage points relative to the pre-pandemic period.
- However, the number of unemployed individuals rose by 6.1 thousand to 823 thousand in the second quarter of 2024.
- The unemployment rate increased by 0.2 percentage points year-on-year, reaching 5.8 percent.

- In the first half of 2024, the average salary reached ₺2,465 thousand, showing a notable increase of 30.4 percent compared to the same period last year.
- The national median salary for the second quarter of 2024 rose by 41.2% from the same period last year, amounting ₺2,027 thousand, which is 438 thousand MNT less than the average salary.
- By sectors, the average salary in the mining sector is the highest among other sectors, 2 times higher than the national average.



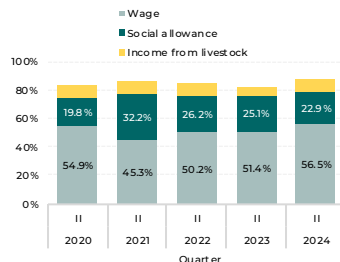
Rising wage is positively impacting employment and income level. However, families with low-income or households with no wage income are still remaining under difficulty.

AVERAGE REAL INCOME GROWTH RATE
(thousand tugriks, percent)



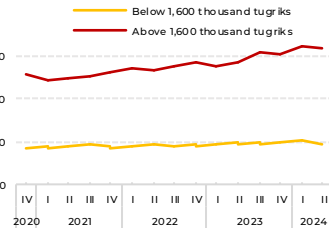
Source: National Statistics Office

REAL INCOME STRUCTURE
(percent)



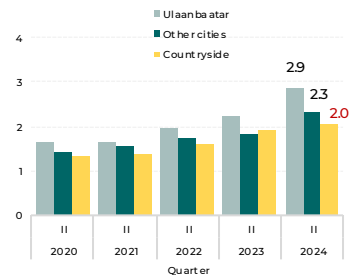
Source: National Statistics Office

AVERAGE NOMINAL INCOME
(mln tugriks)



Source: National Statistics Office

AVERAGE NOMINAL INCOME
(mln tugriks)



Source: National Statistics Office

- Real income improved by 17.3 percent.
- Household nominal income reached ₮2.5 million reflecting a strong increase of 31.2 percent in earned wage.

- In average, wage income equivalent to 57 percent of household total income.
- The wage contribution in overall household income declined to 48 percent during the pandemic from 54 percent on average during 2018–2019, due to increased social welfare support.

- Households with lower income than ₮1,600 thousand that accounts for 36.5 percent of the total households, and their average income amounted to ₮952 thousand.
- Besides, average income for households, whose income is higher than MNT 1,600 thousand, which is 3.3 times higher than for households whose income is below ₮1,600 thousand.

- In Ulaanbaatar, household real income growth accelerated, whereas in other areas, it decelerated, and income inequality is widening.
- Earnings from the livestock industry declined by 10.9 percent for herder families. The category of income made up 50 percent of their total income.



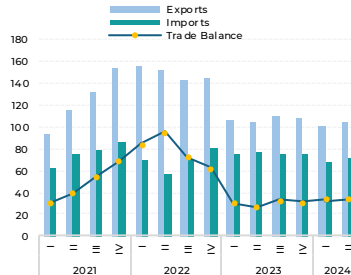
The Central Bank of Russia raised the monetary policy interest rate by 2 percentage points last month to 18 percent, marking the highest rate in the past two years. The inflation rate increased by 3.9 percentage points compared to the same period last year, reaching 9.1 percent.

GDP GROWTH (percent)



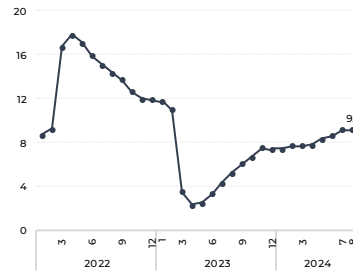
Source: Bloomberg

EXPORTS & IMPORTS GROWTH (percent, year-on-year)



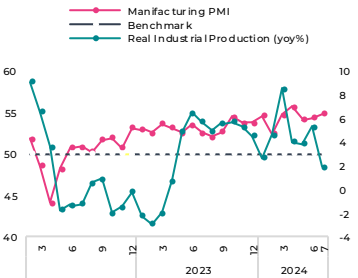
Source: Central Bank of the Russian Federation

INFLATION (percent)



Source: Bloomberg

PURCHASING MANAGERS' INDEX (PMI)



Source: Bloomberg

- In the second quarter of 2024, the gross domestic product decreased by 0.9 percent compared to the same period last year but grew by 4.0 percent.
- Economic growth slowed to its lowest level since the first quarter of 2023, due to increased spending on the Russian military and rising commodity prices.

- In the second quarter of 2024, exports increased by 3.9 percent compared to the previous quarter and by 1.4 percent compared to the same period last year.
- This growth was primarily driven by higher prices for oil and natural gas.
- Imports, however, decreased by 8.2 percent from the same period the previous year.
- Imports was wiped out by the ruble weakening and logistical difficulties.

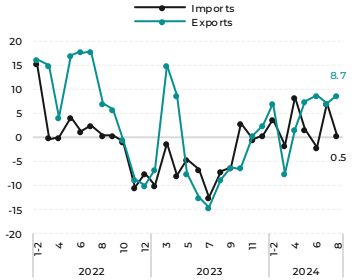
- The inflation rate remained at 9.1 percent in August 2024, the highest level since December 2023.
- Central Bank of Russia decided to increase the monetary policy rate by 2 percentage points to 18 percent, as the inflation target is still above 4 percent.

- In August 2024, the Purchasing Manager's Index (PMI) for the industrial sector contracted to 52.1, a decrease of 1.5 points from the previous month.
- The growth of industrial production increased by 1.4 percentage points from the previous month, expanding by 3.3 percent.



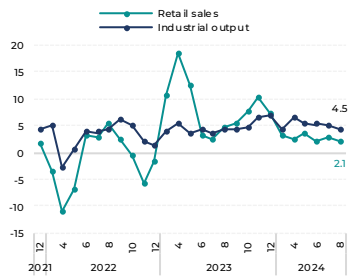
In August 2024, industrial output, retail sales, and import growth decelerated, while export growth accelerated.

EXPORTS & IMPORTS GROWTH
(percent)



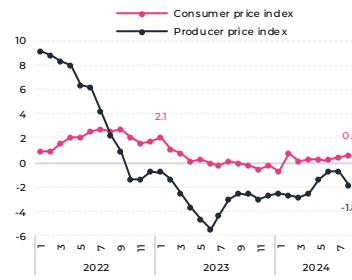
Source: National Bureau of Statistics of China

INDUSTRIAL OUTPUT, RETAIL SALES GROWTH
(percent)



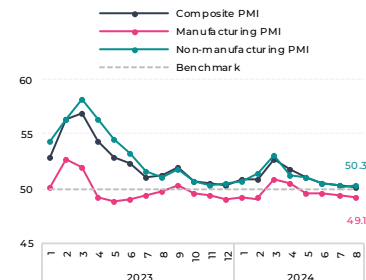
Source: National Bureau of Statistics of China

INFLATION
(percent)



Source: Bloomberg

PURCHASING MANAGERS' INDEX (PMI)



Source: National Bureau of Statistics of China

- Export growth accelerated from 7.0 percent in July 2024 to 8.7 percent in August 2024.
- Import growth declined from 7.2 percent in July 2024 to 0.5 percent in August 2024.

- Industrial output growth declined from 5.1 in July 2024 to 4.5 percent in August 2024.
- Retail sales growth decelerated from 2.7 percent in July 2024 to 2.1 percent in August 2024.

- The consumer price index was up 0.6 percent in August 2024, up from 0.5 percent in July 2024.
- The producer price index growth stood at -1.8 percent in August 2024, down from -1.0 percent in July 2024.

- The manufacturing PMI stood at 49.1 in August 2024, marking the fourth consecutive month below the 50-point threshold.
- The non-manufacturing and composite PMI declined from previous month but remained above 50.

Purchasing Managers' Index (PMI) is an index summarized and compiled through the results of the monthly survey of enterprises' purchasing managers, involving 3200 samples from the manufacturing industry as well as 4300 samples from the non-manufacturing industry. The PMI above 50 reflects expansion in the overall economy over the last month; while PMI below 50 indicates contraction.



MINISTRY OF ECONOMY AND DEVELOPMENT