

MONTHLY MACROECONOMIC UPDATE

November 2024

CONTENTS:

1. GDP
2. Foreign Trade
3. Commodity Price Trends
4. Mining Commodity Exchange Trade
5. BOP, International Reserves
6. Inflation
7. Budget
8. Money and Finance
9. Labor Market
10. World economy – Russia, China



▶ MAIN ECONOMIC INDICATORS

GDP growth

(Q3 2024)

5.0 percent

International reserves

(November 2024)

4,965 million \$

Inflation

(November 2024)

8.1 percent

Budget balance

(November 2024)

1.4 trillion ₺

Exports

(November 2024)

14.6 billion \$

Imports

(November 2024)

10.6 billion \$

FDI

(Q3 2024)

2,900 million \$

Loan rate

(October 2024)

17.0 percent

Number of employees

(Q3 2024)

1.4 million

* As of Q3 2024 the labor force participation rate is 63 percent.

Real wage growth

(Q2 2024)

23.6 percent

Number of enterprises operating

(Q3 2024)

104.6 thousand

*Mainly in trade, services, construction and manufacturing sectors

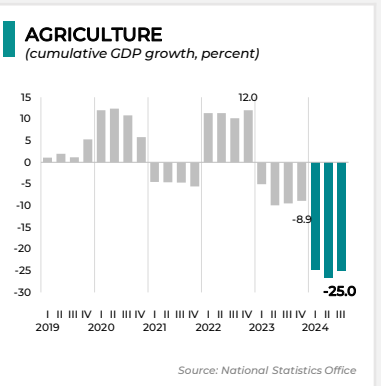
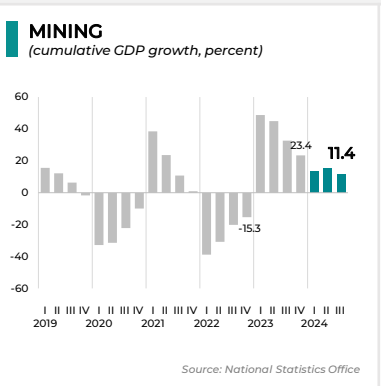
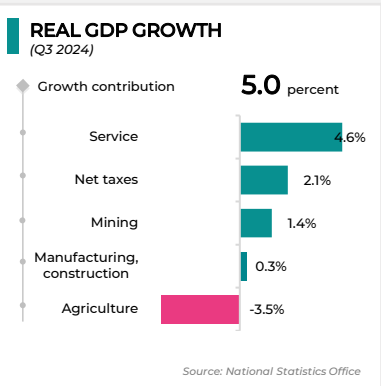
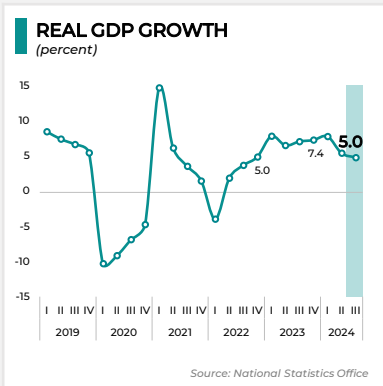
Household real income growth

(Q3 2024)

10.0 percent



Economic growth reached 5.0 percent as of 2024Q3. Growth is driven by increased activity in the domestic trade and service sectors, along with higher tax revenues. Meanwhile, growth in manufacturing and construction slowed down in the 3rd quarter, and the contraction in agriculture persisted.



- The real GDP grew by 5.0 percent in the first 3 quarters of 2024.
- Primary sector: The mining sector expanded by 11.4 percent while the agriculture sector contracted by 25.0 percent.
- Secondary sector /manufacturing, construction, electricity, water supply/ expanded by 2.6 percent, contributing 0.3 pp to the overall growth;
- Service sector activity increased, experiencing 9.6 percent growth, contributing 4.6 pp to the overall growth;
- Net taxes on products increased by 14.6 percent, contributing 2.1 pp to the overall growth.

- The domestic trade and service activities, along with higher tax revenues are supporting overall economic growth.
- The mining sector's contribution to growth has been declining due to the high base effect from the previous year.
- However, the agriculture sector contracted, reflecting the livestock losses due to the severe weather conditions.

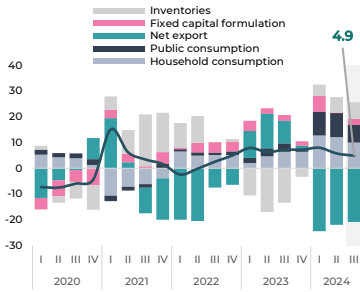
- The mining sector output increased by 11.4 percent in the first 3 quarters of 2024.
- The production of main mining commodities (coal, iron ore, and copper concentrate) increased, leading to mining sector expansion. *(Click [here](#) for statistics on the production of mining commodities in September)*

- The agricultural sector shrank by 25.0 percent in the first 3 quarters of 2024 compared to the same period last year.
- The number of natural losses of adult livestock reached 8.1 million, increasing by 4.2 million from the same period last year. This accounted for 12.6 percent of the total livestock counted at the beginning of the year.
- The amount of sown area and harvested cereals decreased by 1.4 percent and 7.8 percent, respectively.



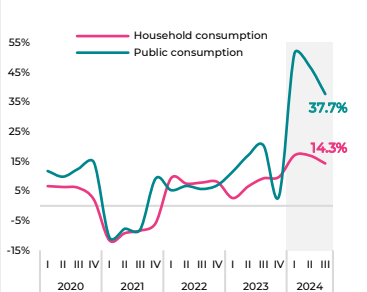
Robust domestic demand spurred economic growth.

GDP GROWTH (percent)



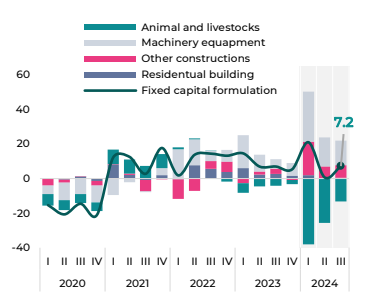
Source: National Statistical Office

CONSUMPTION GROWTH (percent)



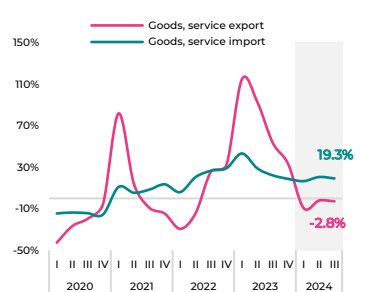
Source: National Statistical Office

FIXED CAPITAL FORMATION GROWTH (percent)



Source: National Statistical Office

EXPORTS AND IMPORTS GROWTH (percent)



Source: National Statistical Office

- Public and private consumption were the main drivers of economic growth.
- Rapid growth in imports is curtailing net exports, weakening the overall growth.

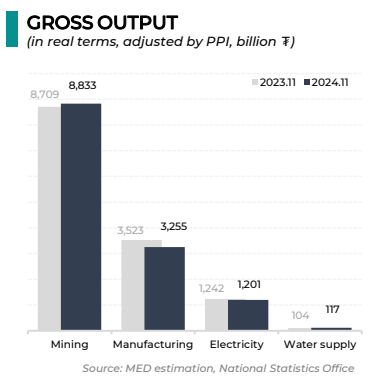
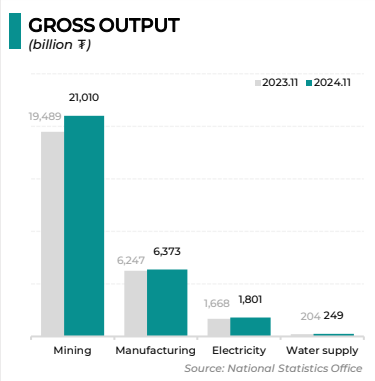
- Public sector wage hikes led to a 2.4-fold increase in public wage expenditure, resulting in a significant 37.7 percent growth in public consumption.
- With increase in salaries, pensions, and benefits, the acceleration of consumer loan fueled the household consumption, which expanded by 14.3%.

- Fixed capital formation increased by 7.2 percent.
- The main contributors were the accumulation in heavy machinery for mining and constructions used in roads and engineering structures.

- Although coal export volumes increased, prices declined, leading to a 2.8 percent decrease in exports.



Industrial production increased by 6.6 percent in November 2024. The growth in mining output is mainly driven by the higher production of coal, copper concentrate, and iron ore, while the manufacturing sector contracted due to the lower production of processed meat, flour, and textiles.

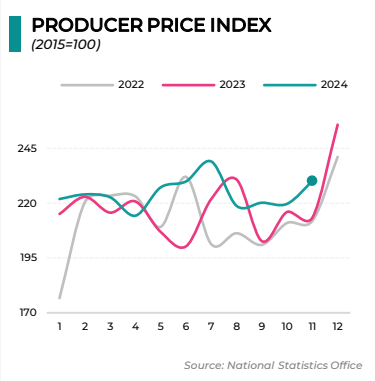


MINING PRODUCTION

(by main commodities)

Commodity	Production	YoY change:
Coal	89.9 mln.t	23%
Copper concentrate	1,395 thous.t	8.1%
Crude oil	3.8 mln.barrel	-15%
Gold	11.8 t	-15%
Iron ore	9.4 thous.t	30%

Source: National Statistics Office



- The gross industrial output reached ₹29.4 trillion in November 2024, marking a 6.6 percent increase compared to the same period last year.
- This growth was mainly driven by a 7.8 percent increase in the mining sector due to the higher production volume of coal, copper concentrate, and iron ore.
- The manufacturing gross output declined by 2.0 percent from the same period previous year.

- The gross industrial output in real terms (adjusted by producer price index) decreased by 1.3 percent in November 2024.
- Production in the mining sector, which accounts for the majority of the industry, grew by 1.4 percent and was the primary driving force.
- However, a decline in meat processing production, flour, and textiles led to a decrease of 7.6 percent in total manufacturing production in real terms.

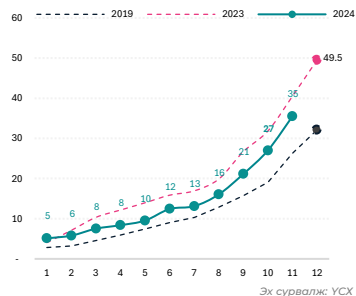
- Coal production reached 89.9 million tons in November 2024, an increase of 23 percent compared to the same period the previous year.
- Iron ore and concentrate production showed a significant increase of 30 percent.
- Copper concentrate production rose by 8.1 percent, driven by the increased production of Oyu Tolgoi.
- However, gold and crude oil production declined compared to the same period the previous year.

- The producer price index (PPI) increased by 7.9 percent from the same period last year and by 58 percent from the pre-pandemic period.
- PPI increased in:**
- Electricity production by 60.8 percent,
 - Mining production by 5.7 percent,
 - Food production by 4.5 percent,
 - Beverages by 8.0 percent respectively;
- PPI decreased in:**
- Mining support service activities by 12 percent,
 - Manufacture of other non-metallic mineral products by 2 percent.



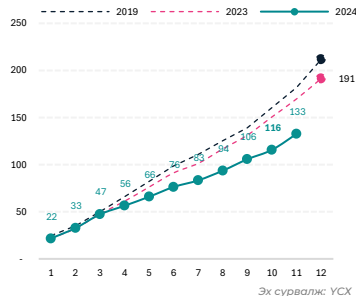
The manufacturing sector fell by 0.3 percent in nominal terms and 7.6 percent in real terms (adjusted by industrial production index) in the first 11 months of 2024. A decrease is mainly affected by the reduction of the physical volume of meat, wheat flour and textile production, which constitutes about 20-25% of the processing sector.

MEAT (thousand tonn)



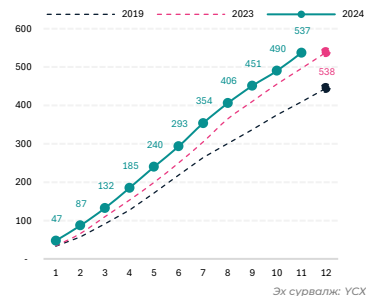
- Processed animal meat reached 42.5 thousand tons in the first 11 months of 2024, an increase of 5 percent from the same period last year.
- Although physical volume of meat processing is gradually increasing, cumulative decline since the beginning of the year led to a 33 percent year-over-year decline in meat processing and canning operations (adjusted by industrial production index), which account for about 8 percent of the manufacturing sector.

WHEAT FLOUR (thousand tonn)



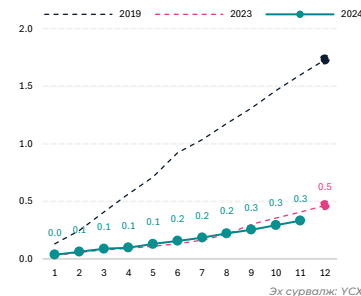
- The flour production reached 131.2 thousand tons in the first 11 months of 2024, a decrease of 23 percent from the same period last year.
- The decline in production has had a major impact on the 24.2 percent year-over-year decrease in manufacturing of grain mill products (adjusted for the producer price index), which accounts for about 7 percent of the manufacturing sector.

BEVERAGES (thousand tonn)



- The production volume of alcoholic and non-alcoholic beverages reached 537 thousand tons in the first 11 months of 2024, an increase of 8 percent from the same period last year.
- Production growth is mainly contributed to 15.0 percent year-over-year growth of beverage production (adjusted for the producer price index), which accounts for around 24 percent of the manufacturing sector.

CASHMERE PRODUCTS (thousand pieces)



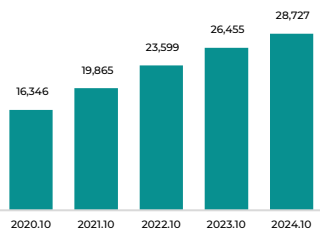
- The physical quantity of cashmere products in the first 11 months of 2024 reached 332 thousand units, a decrease of 18 percent from the same period of last year.
- The decline in cashmere products led to a 34.6 percent decline in real textile production (adjusted for the producer price index), which accounts for about 7 percent of the manufacturing sector.



The services sector is performing well, particularly in areas such as trade, hotels, and restaurants. Meanwhile, the transport sector is experiencing growth in freight volumes, driven by the export of mining products.

DOMESTIC TRADE

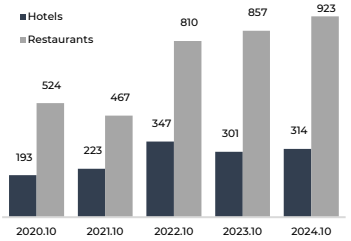
(trade turnover, billion ₹, adjusted by CPI)



Note: The data is released with a 45-day lag. Source: MED estimation, NSO

HOTELS, RESTAURANTS

(revenue, billion ₹, adjusted by CPI)



Note: The data is released with a 45-day lag. Source: MED estimation, NSO

TRANSPORTATION

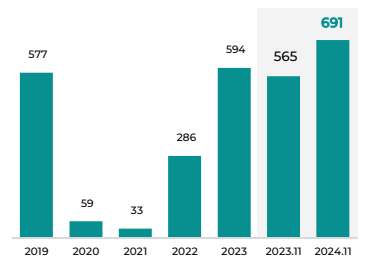
(carried freight, million tons)

	2023.11	2024.11	YoY change:
Railway	33.6	39.4	17%
Mining products	22.0	28.5	29%
Air	0.01	0.01	22%
	2023.09	2024.09	
Road	48.8	63	29%
Mining products	46.8	59.5	27%

Note: The data of road transport is released on a quarterly basis. Source: National Statistics Office

TOURISM

(number of inbound tourists, thousand person)



Source: National Statistics Office

- The wholesale and retail trade account for the largest share of the services sector.
- Total revenue in the sector amounted to ₹54 trillion in October 2024, reflecting a 15% year-on-year increase. The revenue in real terms (adjusted by CPI) increased by 8.6 percent.

- The revenue of hotels and restaurants rose by 4.2 and 7.7 percent in real terms, respectively, in October 2024.

- Freight in railway totaled 39.4 million tons, marking a 17 percent increase from SPLY, in the first 11 months of 2024. Mining products accounted for 28.5 million tons, or 72 percent, of this volume.
- Air freight transport rose by 22 percent during the same period compared to the previous year.
- During the first 3 quarters of 2024, 63.0 million tons of freight were transported by road, with 59.5 million tons consisting of mining products.

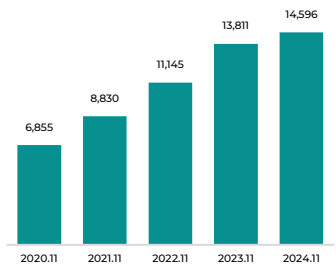
- The number of tourists surpassed the 2023 level and reached 691 thousand in November 2024, an increase of 22 percent from the same period the previous year.



As of November 2024, the foreign trade turnover reached \$25.2 billion, yielding a trade surplus of \$4.0 billion.

EXPORTS

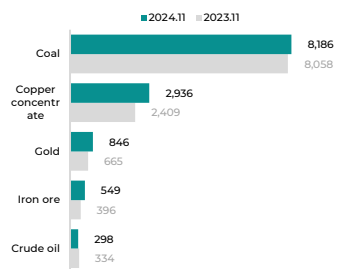
(million \$)



Source: MGCA

EXPORTS BY MAIN PRODUCTS

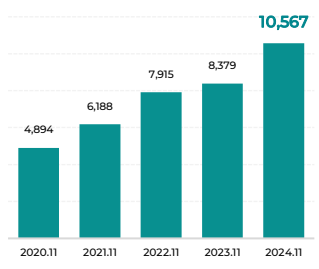
(million \$)



Source: MGCA

IMPORTS

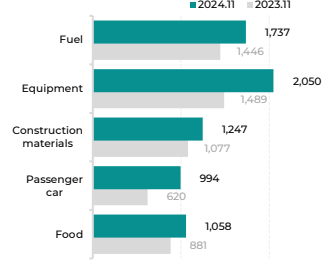
(million \$)



Source: MGCA

IMPORTS BY MAIN PRODUCTS

(million \$)



Source: MGCA

- In the first 11 months of 2024, exports surged to \$14,596 million, marking a 5.7 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 \$8,186 million, marking a 1.6 percent increase compared to the previous year.
- Copper concentrate export revenue reached \$2,936 million, an increase of 21.9 percent from the same period last year.
- Gold export income reached \$846 million, increasing by 27.2 percent from the same period last year.
- Iron ore export reached \$548 million, an increase of 38.4 percent from the same period last year.

- In the first 11 months of 2024, imports reached \$10,567 million, an increase of 26.2 percent from the same period of the previous year.
- Petroleum products accounted for 19.4 percent of the total imports, while equipment and automobiles accounted for 16.4 percent and 9.4 percent, respectively.

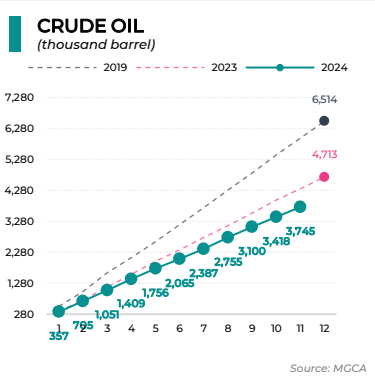
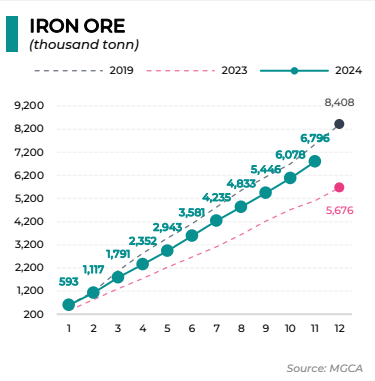
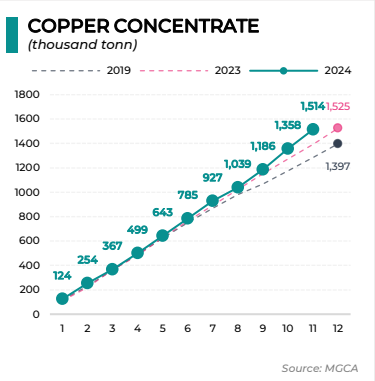
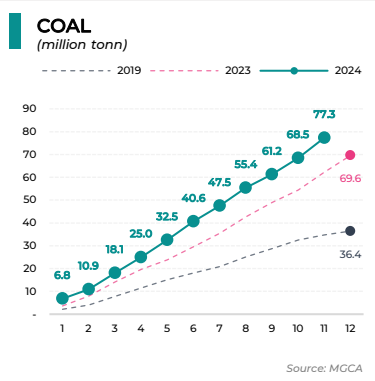
- Equipment import reached \$2,050 million, increasing by 37.6 percent from the same period of the previous year.
- Petroleum products imports reached \$1,737 million, up by 20.1 percent compared to the previous year.
- Passenger car imports reached \$994 million, up by 60.4 percent from the same period of the previous year.

2.2 MINERAL PRODUCTS

NOVEMBER 2024



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



- In the first 11 months of 2024, coal exports totaled 77.3 million tons, showing a 24 percent increase compared to the same period in the previous year.
- End of 2023, coal exports amounted to 69.9 million tons, marking a 90 percent increase from pre-pandemic levels.

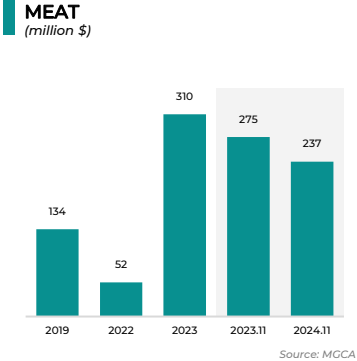
- In the first 11 months of 2024, copper concentrate exports reached 1,514 million tons, marking a 9 percent increase compared to the same period in the previous year.
- By the end of 2023, copper concentrate exports totaled 1,525 million tons, representing a 9 percent growth compared to pre-pandemic levels.

- Iron ore exports reached 6,078 million tons in October 2024, marking a 28.5 percent increase compared to the previous year
- By the end of 2023, iron ore exports reached 5,675 million tons, reflecting a 33 percent increase compared to the previous period.

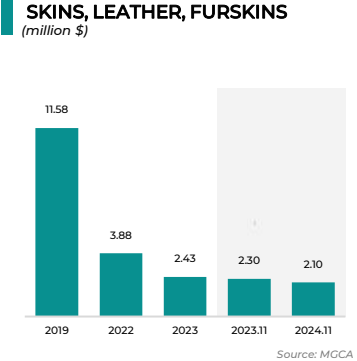
- In the first 11 months of 2024, crude oil exports totaled 3,745 million barrels, a 13 percent decrease compared to the same period last year.
- By the end of 2023, crude oil exports reached 3,745 million barrels, marking a 28 percent decline compared to pre-pandemic levels.



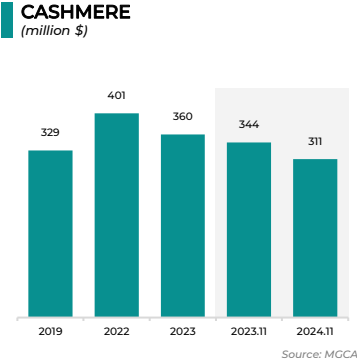
As of November 2024, exports of the main agricultural products, except for cashmere, decreased from a year earlier.



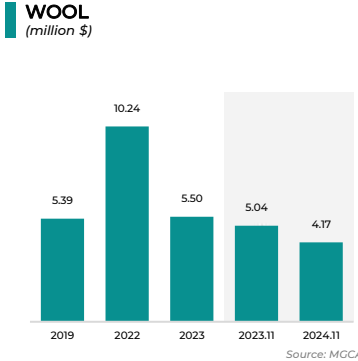
- Meat export totaled \$237 million in the first 11 months of 2024, marking a 14 percent decline compared to same period last year.
- In particular, the export of canned meat decreased by three times compared to the same period last year.



- Skins, leather, furskins exports totaled \$2.1 million in the first 11 months of 2024, marking a 9 percent decline compared to same period last year.



- Cashmere export totaled \$311 million in the first 11 months of 2024, marking a 10 percent decline compared to same period last year.



- Wool export totaled \$4.2 million in the first 11 months of 2024, marking a 17 percent decline compared to same period last 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 November 2024 was \$247, marking a 17 percent decrease from the same period last year.

COPPER

(\$/tonn, LME)



Source: Bloomberg

- The average price of copper on the London Metal Exchange in October 2024 was \$9,166 marking an 8 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 October 2024 was 111, marking an 8 percent decrease from the previous year.

CRUDE OIL

(\$/BBL, Brent)



Source: Bloomberg

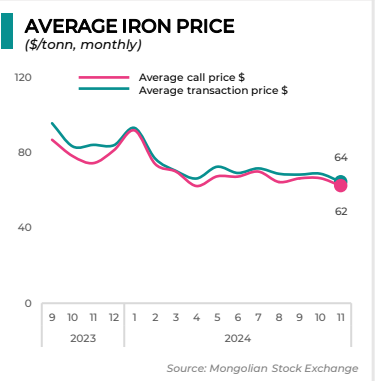
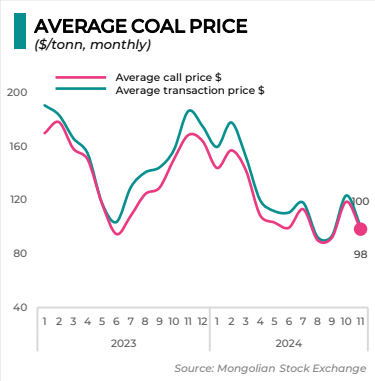
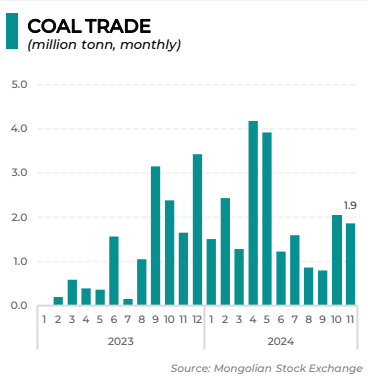
- The average price of Brent oil in October 2024 was \$77, marking a 1 percent decrease from the previous year

4. THE MINING COMMODITY EXCHANGE TRADE

NOVEMBER 2024



As of November 2024, 36.7 million tons of coal, 2.9 million tons of iron ore, 5.4 thousand tons of copper concentrates, and 17.6 thousand tons of fluoride were traded on the mining commodity exchange.



- As of November 2024, a total of 36.7 million tons of coal were traded and \$4.5 billion was earned.
- In the first 11 months of 2024, 21.7 million tons of coal were traded and \$2.4 billion were earned.
- A total of 1.9 million tons of coal were sold in November 2024.

- In November 2024, the average call price of coal was \$98, and the average transaction price was \$100.
- Depending on the type of coals, in November 2024, the minimum transaction price reached \$28, and the maximum price reached \$148.

- Between January 2023 and November 2024, a total of 2.9 million tons of iron ore and concentrate were traded and \$213.5 million was earned.
- Of this, in the first 11 months of 2024, 2.2 thousand tons of iron were traded and \$156.6 million was earned.

- The average call price of iron ore and concentrate rose to \$62 in November 2024, and the average transaction price reached \$64.
- Depending on the type of iron, in November 2024, the minimum price of the deal was \$56, and the maximum price was \$91.

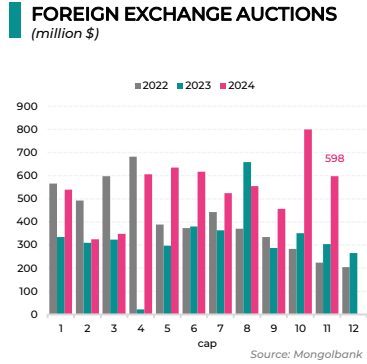
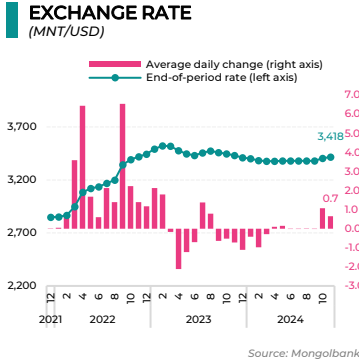
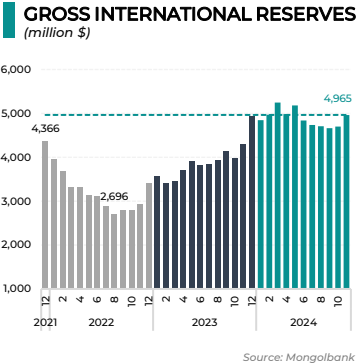
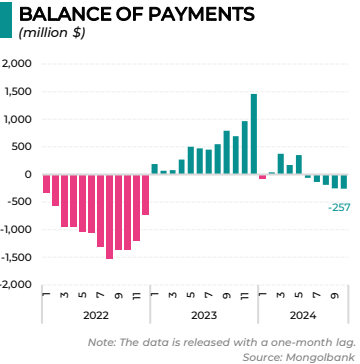
5. BALANCE OF PAYMENTS, GROSS INTERNATIONAL RESERVES

OCT-NOV 2024



The balance of payments deficit widened in October 2024 while gross international reserves increased by \$264 million in November 2024 due to the UB city bond.

Note: The Bank of Mongolia's monthly bulletin for September 2024 is not released yet.



- The balance of payments recorded a deficit of \$257 million in the first 10 months of 2024, deteriorating by \$1.0 billion from the same period last year.
- Compared to a year earlier, exports of goods and services increased by \$0.1 billion but imports surged by \$2.3 billion, resulting in a deterioration of the current account balance.
- Net FDI inflow* stood at \$2.2 billion as of October 2024, up by \$0.6 billion from the same period last year.

- Gross international reserves stood at \$4,965 million at the end of November 2024, up \$264 million from the previous month and \$665 million from a year earlier.

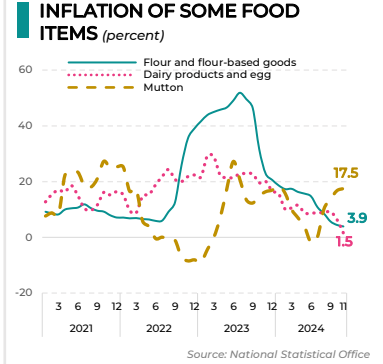
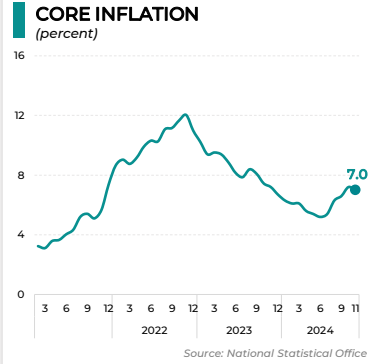
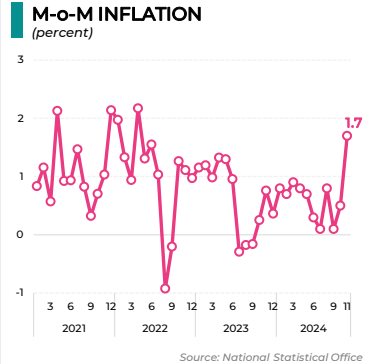
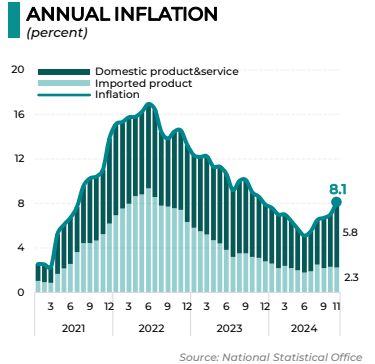
- The average daily change of the MNT/USD rate was at 0.7 in November 2024.
- At the end of November 2024, the MNT/USD rate stood at 3,418, up 7 or 0.2 percent compared to the beginning of the year.

- In November 2024, the Bank of Mongolia sold \$598 million to the commercial banks.
- In the first 11 months of 2024, the Bank sold \$6,004 million, up 65 percent or \$2,370 million compared the same period last year.

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



The annual inflation rate reached 8.1 percent in November 2024, up by 1.1 percentage points from the previous month. On a monthly basis, prices of consumer goods and services increased by 1.7 percent in November 2024.



- In November 2024, the annual inflation rate reached 8.1 percent.
- Inflation from imported goods contributed 2.3 percentage points, accounting for 28.0 percent of the annual inflation.
- Inflation from domestic goods and services contributed 5.8 percentage points, accounting for 72.0 percent of the annual inflation.

- On a monthly basis, consumer prices increased by 1.7 percent in November 2024.
- The increase was mainly driven by a 77.8 percent increase in electricity bills, a 0.9 percent increase in clothing, a 0.4 percent increase in food, and a 0.6 percent increase in transportation prices.

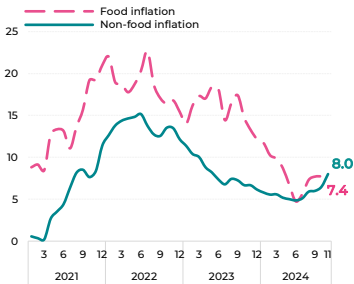
- Core inflation is measured by excluding volatile food and energy prices from headline inflation.
- Core inflation stood at 7.0 percent in November 2024, contributing 4.7 percentage points to annual inflation.
- Core inflation decreased in November.

- Price increases in meat, dairy products, and flour-based goods accounted for 21 percent of annual inflation in November 2024.
- Flour and flour-based goods prices rose 3.9 percent year-over-year.
- Dairy products and egg prices increased 1.5 percent year-over-year.
- Mutton price increased 17.5 percent year-over-year.



Global container shipping price reached 3,529 USD, adding to inflationary pressures. The FAO Food Price Index (FFPI) increased by 5.7 percent in November 2024 compared to a year earlier.

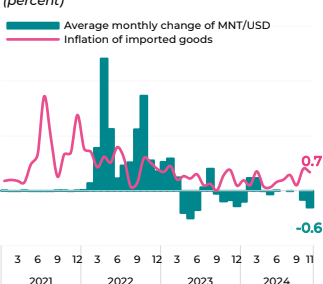
FOOD AND NON-FOOD INFLATION
(percent)



Source: National Statistical Office

- Food inflation was at 7.4 percent, accounting for 2.1 percentage points of annual inflation in November 2024.
- Non-food inflation was at 8.0 percent, accounting for 6.0 percentage points of annual inflation. Non-food inflation rose 1.5 percentage points from the previous month, mainly driven by rising household electricity bills.

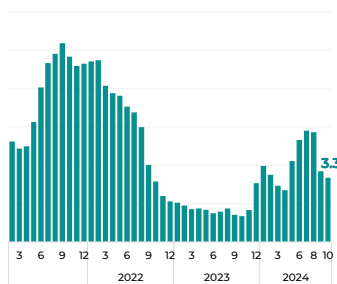
IMPORTED INFLATION AND EXCHANGE RATE
(percent)



Source: National Statistical Office, Mongolbank

- In November 2024, the average MNT/USD rate depreciated by 0.6 percent from the previous month to 3,413.
- Inflation of imported goods increased by 0.7 percent from the previous month.

WORLD CONTAINER INDEX
(1000\$/40 fut container)



Source: Drewry's World Container Index

- International shipping costs have been surging due to disruptions from attacks in the Red Sea/Suez Canal.
- As of December 12, the Drewry's World Container Index (WCI) reached 3,529 per 40 ft container, up 132 percent compared to last year. This is 148 percent higher than the pre-pandemic average.
- The WCI started to decline in July 2024, but remains high compared to a year earlier, leading to inflationary pressures through disruptions to global supply chains.

FOOD PRICE INDEX
(percent)

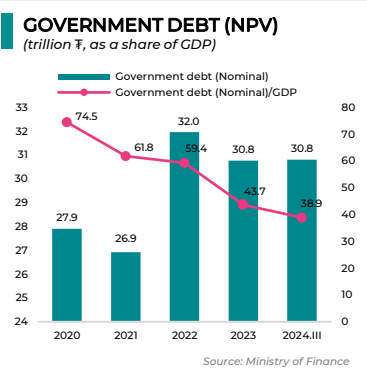
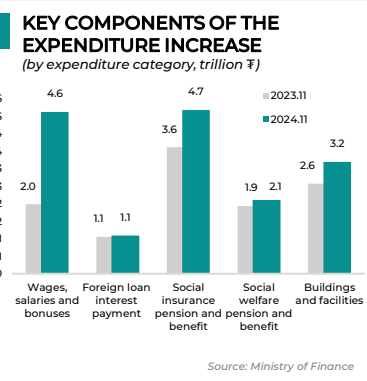
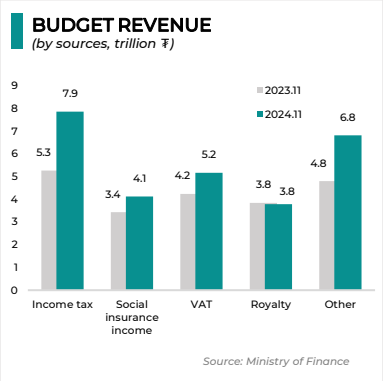
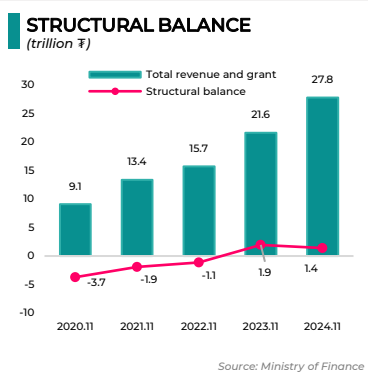


Source: FAO

- 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 127.5 points in November 2024, up by 5.7 percent compared to a year earlier and 0.5 percent higher than the previous month.
- In November 2024, price indices for dairy products and vegetable oils, increased, which slightly outweighed declines in meat, cereals, and sugar.



The consolidated budget balance recorded a surplus of ₮1.4 billion in November 2024, primarily due to the increases in corporate income tax and VAT.



- In November 2024, the structural balance of the consolidated budget yielded a surplus of ₮1.4 trillion, a decrease of ₮575.0 billion (29.5 percent), compared to the same period last year.

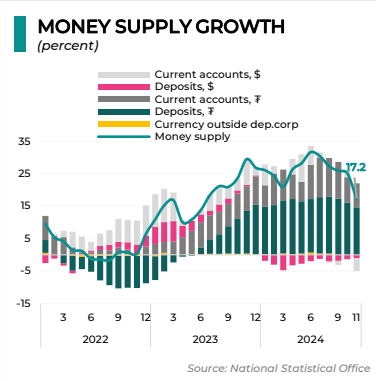
- In November 2024, the total revenue reached to ₮27.8 trillion, up by ₮6.2 trillion (28.7 percent) from the same period last year.
- The growth was mainly driven by an increase of ₮2.6 trillion (49.3 percent) in income tax, ₮931.6 billion (22 percent) in value added tax, and ₮702.2 billion (20.5 percent) in social insurance, while the royalty revenue reached the previous year's level.

- In November 2024, the total expenditure amounted to ₮24.7 trillion, an increase of ₮6.0 trillion (31.7 percent) from the same period last year.
- On April 1, 2024, pensions and public servant salaries were increased by an average of 10 percent.
- Through the Amendment made to the Law on the 2024 State Budget of Mongolia, capital expenditures were increased by ₮1.8 trillion, with an aim to address Mongolia's pressing development issues and to initiate major projects in energy, infrastructure, and industrialization to expand the economic base.

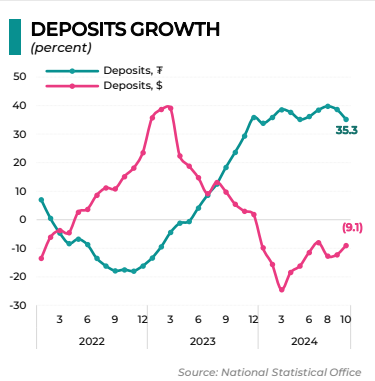
- As of the third quarter of 2024, the government debt (nominal) reached ₮30.8 trillion, equivalent to 38.9 percent of GDP.
- The preliminary results indicate that the government debt (nominal), as a share of GDP, aligns with the special fiscal requirements.



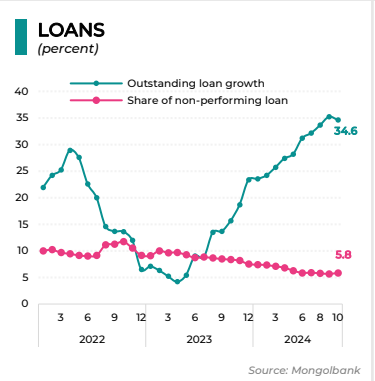
The money supply increased by 17.2 percent year-on-year to ₮41.5 trillion in November 2024. Outstanding credit growth accelerated to 34.6 percent in October 2024.



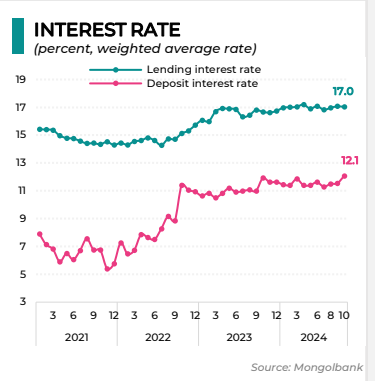
- In November 2024, the money supply reached ₮41.5 trillion, an increase of 17.5 percent from the same period of the previous year.
- Domestic currency current and deposit accounts contributed 22.0 percentage points, while foreign currency current and deposit accounts contributed -4.1 percentage points and -0.9 percentage points, respectively.



- Total deposits reached ₮25.2 trillion, an increase of 24.5 percent from a year earlier.
- Domestic currency deposits reached ₮20.8 trillion, which increased 35.3 percent from the same period last year and 0.8 percent from the previous month.
- Foreign currency deposits reached ₮4.4 trillion, decreasing by 9.1 percent compared to the same period last year and 0.1 percent from the previous month.



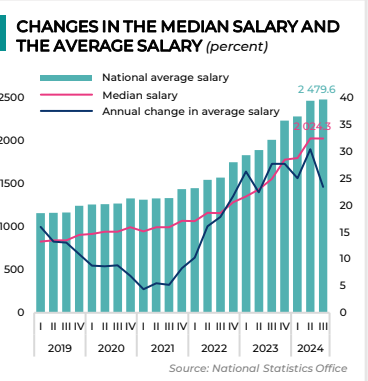
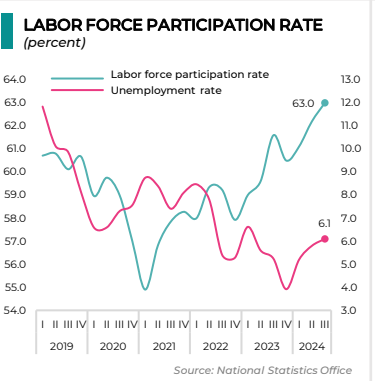
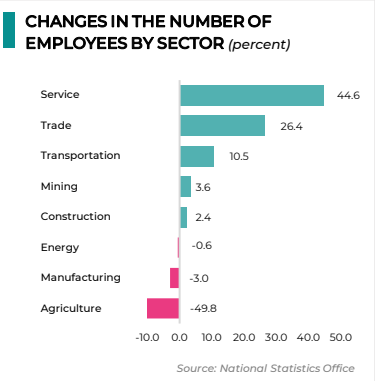
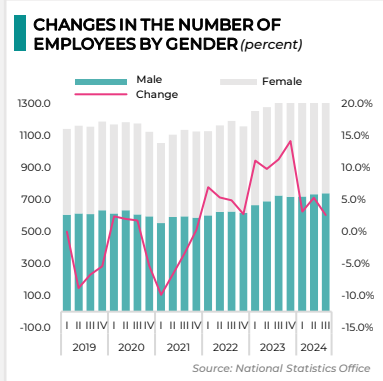
- In October 2024, outstanding loans reached ₮35.2 trillion, an increase of 34.6 percent from the same period last year.
- The share of non-performing loans in total loans was 5.8 percent, down by 2.5 percentage points from the same period of last year.



- In October 2024, the weighted average interest rate on outstanding loans was at 17.0 percent, a decrease of 0.1 percentage points from the previous month and an increase of 0.3 percentage points from the same period of last year.
- The weighted average interest rate on new deposits was at 12.1 percent, an increase of 0.5 percentage points from the previous month and 0.1 percentage points from the same period last year.



Driven by economic growth, the labor market became more active, reaching a total number of employees of 1.36 million and a labor force participation rate of 63.0% in the third quarter of 2024.



- The number of employees increased by 34 thousand that is 3 percent from the same period last year, reaching 1,360.3 thousand, which is 72.4 thousand above the pre-pandemic level.
- In the third quarter of 2024, the number of male employees grew by 13.9 thousand from the same period last year, while female employees increased by 20.2 thousand compared to the same period last year.

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

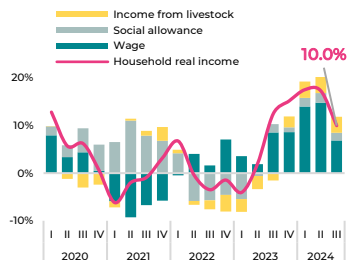
- The labor force participation rate reached 63.0 percent, reflecting an increase of 1.4 percentage points compared to the same period last year and 2.9 percentage points relative to the pre-pandemic period.
- However, the number of unemployed individuals rose by 14 thousand to 82.3 thousand in the third quarter of 2024. Consequently, the unemployment rate increased by 0.9 percentage points year-on-year, reaching 6.1 percent.

- In the third quarter of 2024, the average salary reached ¥2,480 thousand, showing a notable increase of 23 percent compared to the same period last year.
- The national median salary for the third quarter of 2024 rose by 30% from the same period last year, amounting ¥2,024 thousand, which is ¥468 thousand less than the average salary.
- By sectors, the average salary in the mining sector is the highest among other sectors, 2.1 times higher than the national average.



The average nominal household income reached MNT 2.6 million. However, a risk of real income decline remains for people with low or no wage income.

AVERAGE REAL INCOME GROWTH RATE (percent)



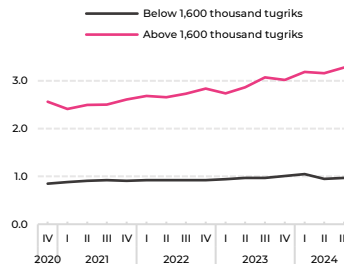
Source: National Statistics Office

REAL INCOME STRUCTURE (percent)



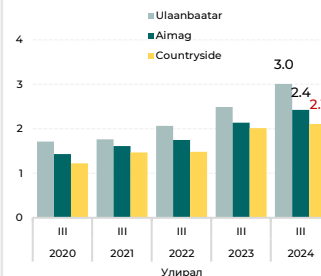
Source: National Statistics Office

AVERAGE NOMINAL INCOME (million ₮)



Source: National Statistics Office

AVERAGE NOMINAL INCOME (million ₮)



Source: National Statistics Office

- Household real income increased by 10%, although the growth slowed due to base effects.
- The growth was driven by an increase in wage income by MNT 234 thousands, agricultural income by MNT 87 thousands, and pension and benefit income by MNT 69 thousands from the same period of 2023.

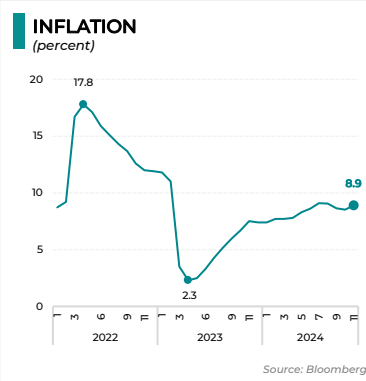
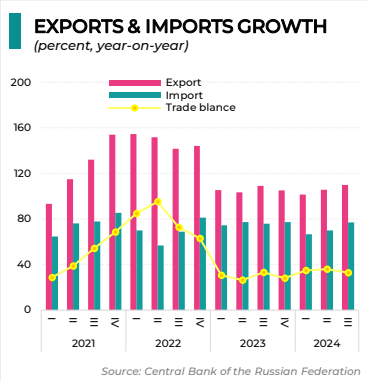
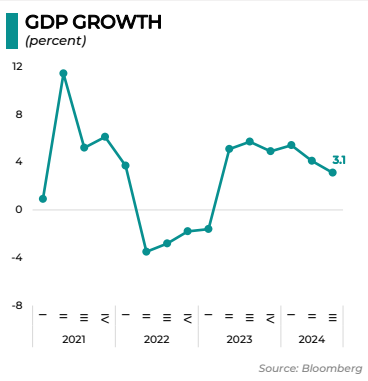
- The share of wages in household average real income reached 55.6%, increasing by 1.6 percentage points over the year.
- The growth was explained not only by the increase in average wages but also by the rise in employment.

- Real income growth for low-income households is insignificant.
- Households with incomes below MNT 1.6 million make up 35.7% of all households, and their average monthly nominal income is MNT 967 thousands.
- In contrast, households with incomes above MNT 1.6 million have an average monthly income of MNT 3.3 million.

- The average household income in the capital city has reached MNT 3 million, while household income in rural areas remains lower.
- Wage income accounts for 61.2% of household income in the capital, while it makes up only 18.7% of household income in countryside.



Russian economic growth reached 3.1 percent as of 2024Q3. The Central Bank of Russia raised its monetary policy interest rate by 2 percentage points to 21 percent in October. The inflation rate increased by 0.4 percentage points compared to the previous month, reaching 8.9 percent.



- In the third quarter of 2024, the real GDP grew by 3.1 percent, marking a decrease of 2.6 percentage points from the same period last year.
- Economic growth slowed to its lowest level since the first quarter of 2023, due to increased military spending and rising commodity prices.

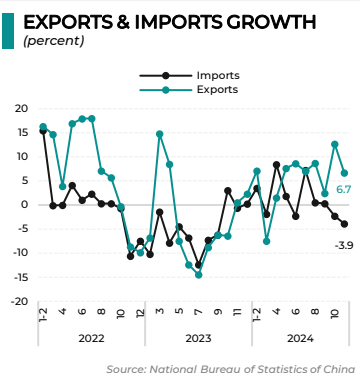
- In the third quarter of 2024, exports increased by 3.9 percent compared to the previous quarter and by 0.8 percent year-over-year.
- In the third quarter of 2024, Imports increased by 10% compared to the previous quarter and by 1.6% year-over-year
- The export dynamics were mainly influenced by a growth in world prices for the main goods of Russian exports. The rise in imports was primarily due to an increase in physical volumes of inflow of goods.

- The inflation rate reached 8.9 percent in November 2024, up 0.4 percentage points from the previous month.
- The inflation rate remains above the target level of 4 percent.
- The Central Bank of Russia increased the monetary policy rate by 2 percentage points to 21 percent on the 25th of October.

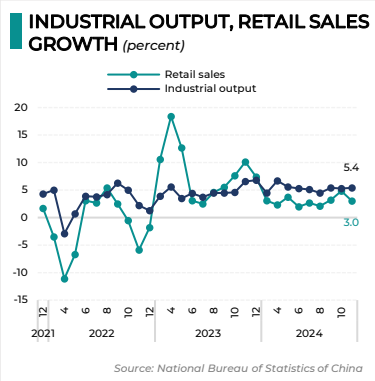
- In November 2024, the Purchasing Manager's Index (PMI) for the industrial sector reached 51.3, reflecting an increase of 0.7 points from the previous month.
- As of October, the growth of real industrial production reached 4.8 percent, up by 1.6 percentage points from the previous month.



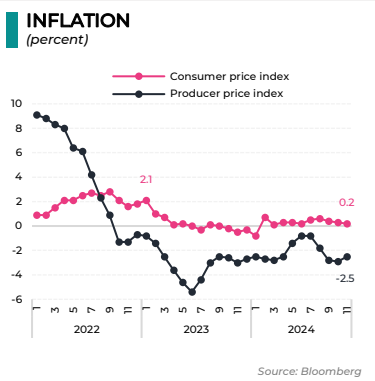
China's economy grew by 4.8 percent in the first 3 quarters of 2024. In October 2024, exports grew by 12.7 percent, marking the fastest expansion since March 2023, and retail sales growth was up by 1.6 percentage points from the previous month.



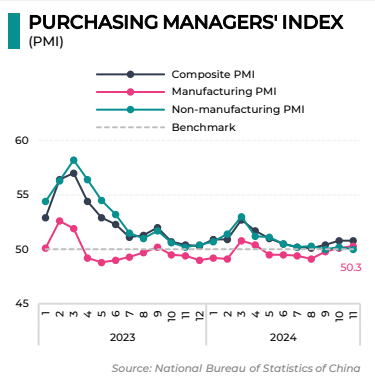
- China's economy grew by 4.8 percent in the first three quarters of 2024.
- Export growth decelerated to 6.7 percent in November 2024, down 6 percentage points from the previous month.
- Imports fell by 3.9 percent in November 2024, marking the largest contraction since September 2023.



- Industrial output growth accelerated to 5.4 percent in November 2024 from 5.3 percent in October 2024.
- Retail sales growth slowed to 3.0 percent in November 2024 from 4.8 percent in October 2024.



- The consumer price index growth was at 0.2 percent in November 2024, a five-month low.
- The producer price index growth stood at -2.5 percent in November 2024, up from -2.9 percent in October 2024.



- The manufacturing PMI stood at 50.3 in November 2024, staying above the 50-point threshold for a second consecutive month.
- The non-manufacturing PMI fell by 0.2 percentage point from the previous month, while composite PMI remained at 50.8 in November 2024.

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