

MONTHLY MACROECONOMIC UPDATE

June 2025

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► MAIN ECONOMIC INDICATORS - 2025.06

GDP growth

(Q1 2025)

2.4 percent

International reserves

(June 2025)

5,206 million \$

Inflation

(June 2025)

8.2 percent

Budget balance

(June 2025)

-758 billion ₺

Exports

(June 2025)

6,581 million \$

Imports

(June 2025)

5,527 million \$

FDI

(Q1 2025)

666 million \$

Loan rate

(May 2025)

17.2 percent

Number of employees

(Q1 2025)

1.38 million

* As of Q1 2025 the labor force participation rate is 62 percent.

Real wage growth

(Q1 2025)

8.4 percent

*CPI 2015=100

Number of enterprises operating

(Q1 2025)

109.8 thousand

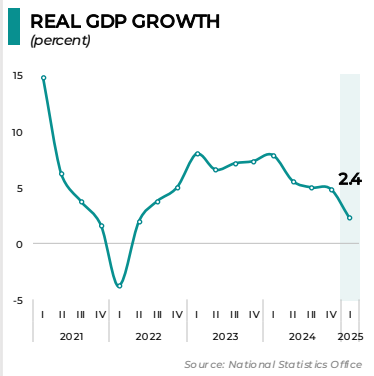
*Mainly in trade, services, construction and manufacturing sectors

Household real income growth

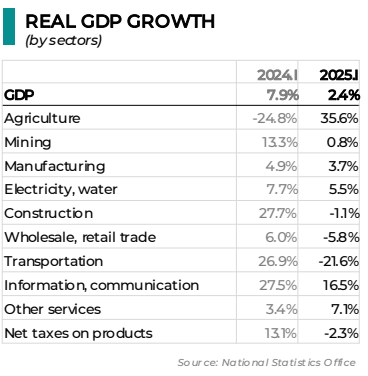
(Q1 2025)

5.8 percent

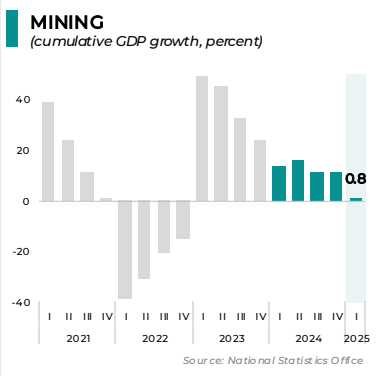
Economic growth slowed to 2.4 percent in 2025Q1. Expansion in the service sectors and the recovery of the agriculture and supported overall economic growth, while contractions in the construction, trade, and transportation sectors, along with a decline in net tax revenues, put downward pressure on growth.



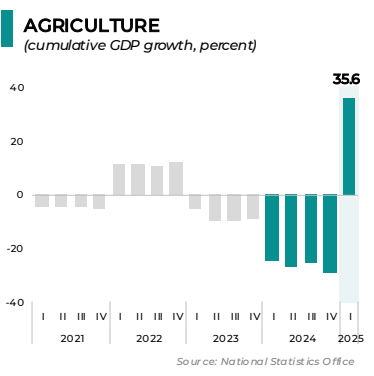
- The real GDP grew by **2.4 percent in 2025Q1**.
- Primary sector: The agriculture sector expanded by 36 percent, contributing 1.0 percentage point to the growth, and the mining sector by 0.8 percent, contributing 0.1 percentage point.
- Secondary sector /manufacturing, construction, electricity, water supply/ expanded by 3.9 percent, contributing 0.4 pp to the overall growth;
- The services sector grew by 2.2 percent, contributing 1.2 pps to the overall growth;
- Net taxes contracted by 2.3 percent, contributing -0.4 pp to the overall growth.



- Economic growth was primarily driven by the recovery of the agricultural sector and the expansion of other service sectors.
- Production in the mining, manufacturing, electricity, and water supply sectors increased, contributing positively to growth.
- However, construction activity declined due to a high base effect from the previous year, while the transportation sector contracted, reflecting the lower revenues from coal transport enterprises.
- In addition, non-food product sales decreased, leading to a contraction in overall trade sector.



- The mining sector grew by 0.8 percent in 2025Q1.
- The growth was mainly driven by a 29 percent increase in copper concentrate production, which reached 448 thousand tons.
- However, the production of coal, gold, crude oil, and iron ore declined in 2025Q1.
- Specifically, coal production reached 20 million tons, down 9 percent year-on-year. Iron ore production decreased by 4 percent, crude oil by 12 percent, and gold by 9 percent.



- The agricultural sector expanded by 35.6 percent in 2025Q1.
- Favorable weather conditions and a reduction of 6.2 million in adult livestock losses compared to the same period last year contributed to the recovery of the agricultural sector, which had contracted for two consecutive years.

1.2 PURCHASING MANAGERS INDEX (PMI)

2025 Q1



Purchasing managers index (PMI), which reflects the economic expectations of manufacturers and service providers, fell to 51.2 percent in 2025Q1.

PMI
(50%=no change)

Year	PMI
2021	48.5
2022	52.1
2023	54.5
2024	52.1
2025Q1	51.2

Source: Bank of Mongolia

PMI, by sectors
(50%=no change)

Sector	2025Q1 PMI
Manufacturing	54.5
Construction	30.2
Retail and wholesale trade	52.1
Services	41.3

Source: Bank of Mongolia

PMI, by business size
(50%=no change)

Business Size	2025Q1 PMI
Big	53.9
Medium-Sized	44.6
Small	39.4

Source: Bank of Mongolia

PMI, by factors
(50%=no change)

Factor	2025Q1 PMI
New Orders	53.9
Production	44.6
Employment	52.1
Supplier's delivery time	41.3
Inventories	30.2

Source: Bank of Mongolia

- The Purchasing Managers' Index (PMI), which measures the economic expectations of manufacturers and service providers, declined to 51.2 percent in 2025Q1, down by 7.3 percentage points compared to the previous quarter.

- While the PMI typically declined in all sectors, except construction, in the first quarter of each year, it dropped across all sectors, including construction, in 2025Q1.
- The construction PMI recorded the largest decline, falling by 17.6 percentage points, and remained in contractionary territory for 7 consecutive quarters.
- The services and manufacturing PMIs remained in expansionary territory, while confidence among retail and wholesale traders shifted into negative territory.

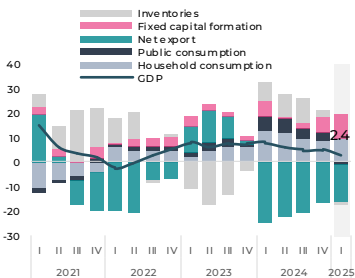
- The PMI for large companies with more than 200 employees was at 53.9 percent in 2025Q1, marking a sharp decline of 9.3 percentage points from 2024Q4.
- The PMI for medium-sized businesses with 50-199 employees dropped by 5.5 percentage points from 2024Q4 to 44.6 percent in 2025Q1, entering contractionary territory.
- The PMI for small businesses fell by 6.5 percentage points and has remained in contractionary territory for 17 consecutive quarters.

- With the exception of employment, all other factors declined relative to 2024Q4. However, the PMI for all factors remained in positive territory, except for delivery times.
- PMI for production, which fell by 8.8 percentage points in 2024Q4, further declined by 10.6 percentage points in 2025Q1.



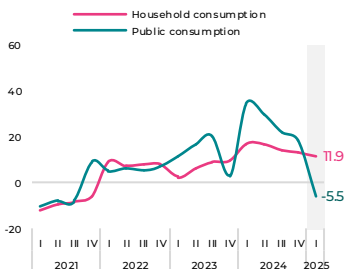
On the demand side, household consumption and investment were main drivers of economic growth.

GDP GROWTH
(percent)



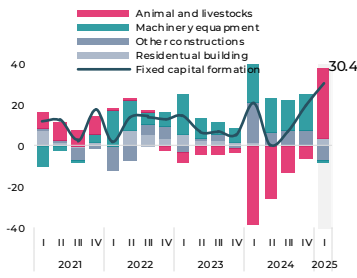
Source: National Statistical Office

CONSUMPTION GROWTH
(percent)



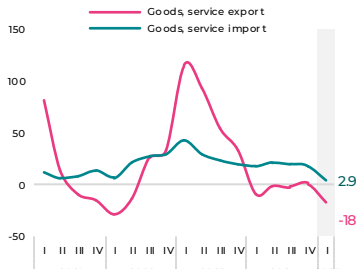
Source: National Statistical Office

FIXED CAPITAL FORMATION GROWTH (percent)



Source: National Statistical Office

EXPORT AND IMPORT GROWTH
(percent)



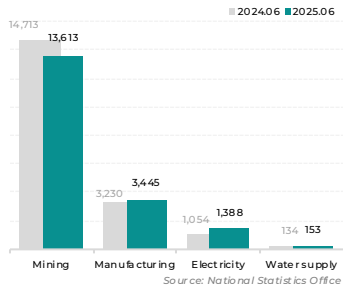
Source: National Statistical Office

- Domestic demand was the primary driver of overall growth, with investment contributing 9.9 percentage points and household consumption contributing 9.6 percentage points.
- Net export contributed -14.9 percentage points to overall growth, with exports contributing -11.6 percentage points, imports contributing -3.3 percentage points.
- Government consumption declined by 5.5 percent compared to a year earlier, while household consumption expanded by 11.9 percent.
- Fixed capital formation increased by 30.4 percent, driven by a rise in animal and livestock assets, which was supported by a reduction of 6.2 million heads in livestock losses.
- Exports of goods and services contracted by 18 percent compared to the same period last year, while imports of goods and services increased by 2.9 percent.



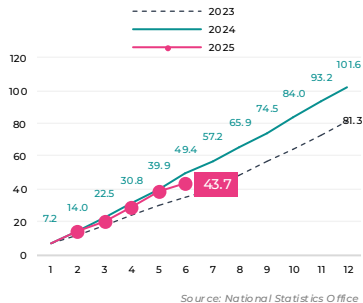
Gross industrial output declined by 2.8 percent in the first half of 2025, primarily due to decreased production of coal, gold and crude oil compared to the same period last year.

GROSS OUTPUT
(billion ₹)



- The gross industrial output reached MNT 18.6 trillion in the first half of 2025, marking 2.8 percent decrease compared to the same period last year.
- Despite an increase in copper concentrate production, mining sector output fell by 7.5 percent in nominal terms due to reduced coal and crude oil production.
- Nominal output of manufacturing grew by 6.7 percent year-on-year, driven by increased production of food products, beverages, cathode copper, and combed cashmere.

COAL PRODUCTION
(million tons)



- The mining sector contributes approximately 70 percent* of total industrial output, of which coal makes up 43 percent.
- As of the first half of 2025, coal production reached 43.7 million tons, reflecting a 11.5 percent decline from a year earlier. However, in June 2025 alone, coal production grew by 39.3 percent.

*As of 2024

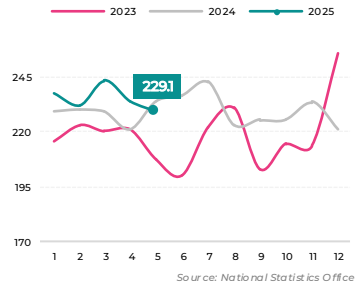
MINING PRODUCTION
(by main commodities)

		YoY change:
Copper concentrate	969 thous.t	32%
Crude oil	1.9 mln.barrel	-11%
Gold	4.5 t	-17%
Iron ore	4.8 mint	5%

Source: National Statistics Office

- Copper concentrate production rose by 32 percent to 969 thousand tons, reflecting Oyu Tolgoi's higher copper concentrate output.
- The production of iron ore and concentrate increased by 4.8 percent in the first half of 2025 reaching 4.8 million tons.
- However, gold and crude oil production remained below last year's levels during the same period.

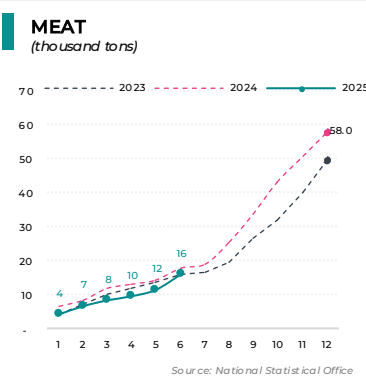
PRODUCER PRICE INDEX
(2015=100)



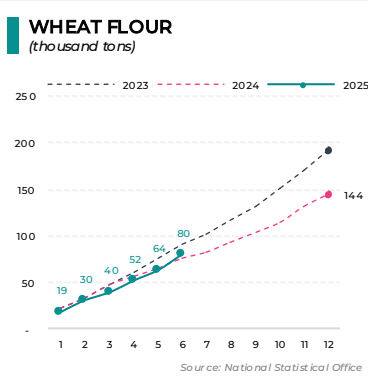
- In May 2025, the producer price index (PPI) decreased by 2.1 percent year-on-year.
- PPI increased in:
 - Food products by 7.5 percent,
 - Beverage products by 6.9 percent,
 - Wood, as well as products made from wood and cork, except furniture, by 88.1 percent,
 - Electricity by 54.5 percent, respectively;
- PPI decreased in:
 - Coal mining by 20.1 percent,
 - Extraction of crude petroleum by 1.8 percent,
 - Manufacture of non-metallic mineral products by 1.5 percent.



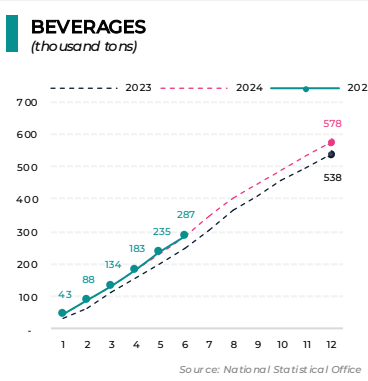
Total production volume of manufacturing sector declined by 5.2 percent in the first half of 2025, due to the lower production of key products including, neutral spirit, meat, vodka, textiles, cigarette and briquetted fuel.



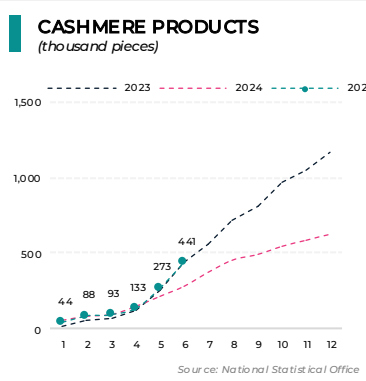
- Total processed animal meat reached 16.0 thousand tons in the first half of 2025, marking a decrease of 11 percent from the same period last year.
- Although meat production volume decreased, manufacturing of meat processing and canning operations – accounting for 8-10 percent of the manufacturing sector – grew by 14.8 percent year-over-year driven by the upgradation in beef and horse meat processing.



- The flour production reached 79.7 thousand tons in the first half of 2025, marking an increase of 4.4 percent from the same period last year.
- The manufacturing of grain mill products, which accounts for about 5-7 percent of the manufacturing sector, expanded by 6.7 percent, driven by increased flour production.



- The production volume of alcoholic and non-alcoholic beverages reached 287.5 thousand tons, reflecting a 0.6 percent increase from the same period last year.
- Beverage production, which represents approximately 20 to 25 percent of the manufacturing sector, rose by 12.2 percent, reflecting higher output of water and soft drinks.



- The production volume of combed cashmere reached 441 thousand tons in the first half of 2025, marking an increase of 56.4 percent from the same period last year.
- However, combed cashmere production volume increased, textile production - accounts for about 3-5 percent of the manufacturing sector, contracted by 13.5 percent year-on-year*.

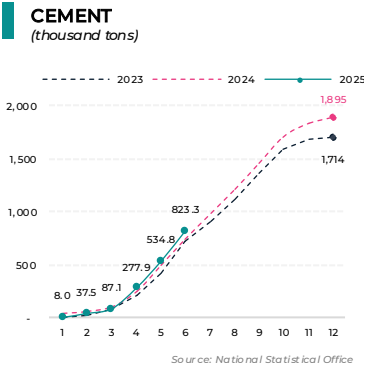
**This decline was mainly driven by a decrease in cashmere product output.*

1.6 MANUFACTURING PRODUCTS: Construction inputs

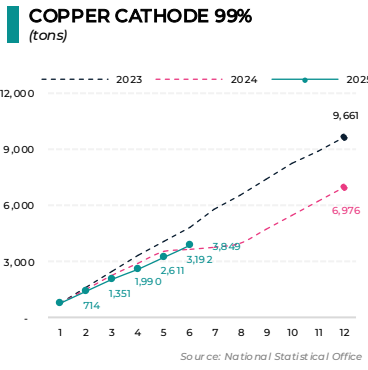
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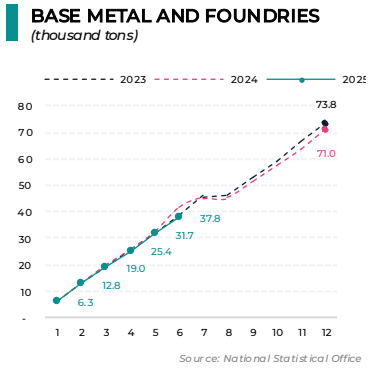
Production of key inputs in the construction sector, including cement, windows, and doors increased, while the production of base metal and metal casts declined.



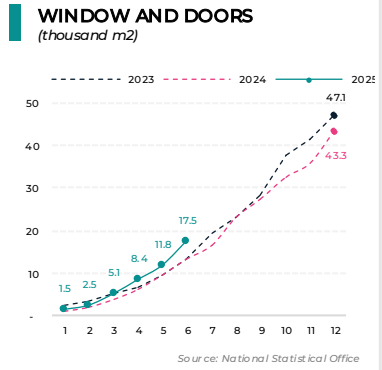
■ Cement production reached 823 thousand tons in the first half of 2025, up by 11.1 percent from the same period last year.



■ Copper cathode reached 3,849 tons in the first half of 2025, marking a decrease of 5.8 percent from the same period last year.



■ Metal steel and foundries reached 37.8 thousand tons in the first half of 2025, marking a decrease of 8.8 percent from the same period last year.



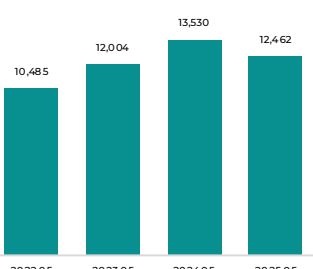
■ Window and doors production reached 17.5 thousand m² in the first half of 2025, marking an increase of 32.4 percent from the same period last year.



The rail freight transport declined by 3.8 percent in the first half of 2025 due to lower coal and crude oil production. Sales in trade, hotel, and restaurant declined as inflation remained high.

DOMESTIC TRADE

(tradetumover, billion ₮, adjusted by CPI)

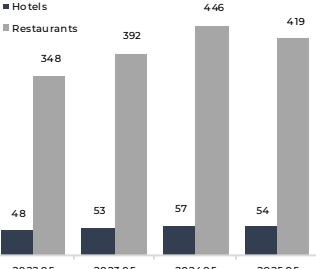


Note: The data is released with a 45-day lag.
Source: MED estimation, NSO

- Wholesale and retail trade account for the largest share of the services sector.
- Total revenue in the sector amounted to ₮24.6 trillion in the first 5 months of 2025, reflecting a 1.9 percent year-on-year increase. The revenue in real terms (adjusted by CPI) declined by 7.9 percent.

HOTELS, RESTAURANTS

(revenue, billion ₮, adjusted by CPI)



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

- The revenue of hotels and restaurants rose by 12 percent and 10 percent, respectively, in the first 5 months of 2025.
- However, with rising inflation, revenue of the restaurants declined by 6 percent, and hotels by 4 percent in CPI-adjusted real terms.

TRANSPORTATION

(carried freight, million tons)

	2024.06	2025.06	YoY change:
Railway	218	20.9	-3.8%
Mining products	15.6	14.6	-6.9%
Air	4.60	4.62	0.6%
	2024.03	2025.03	
Road	179	182	1.5%
Mining products	17.5	18.2	3.8%

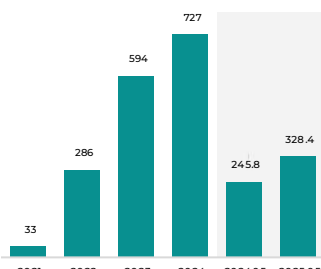
Note: The data of road transport is released on a quarterly basis.
Source: National Statistics Office

- Freight in railway totaled 20.9 million tons in the first half of 2025, down 3.8 percent from the same period last year, primarily due to the lower transport of coal and petroleum products.
- Air freight transport increased by 1 percent from the same period last year.
- A total of 18.2 tons of freight were transported by road in the first quarter of 2025, up by 2 percent from a year earlier.

*thousand tons

TOURISM

(number of inbound tourists, thousand person)

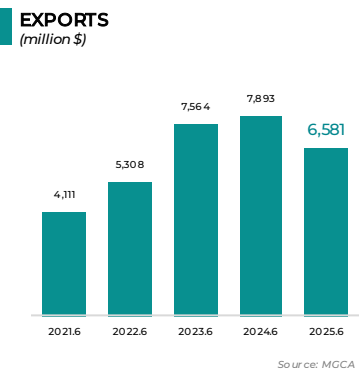


Source: National Statistics Office

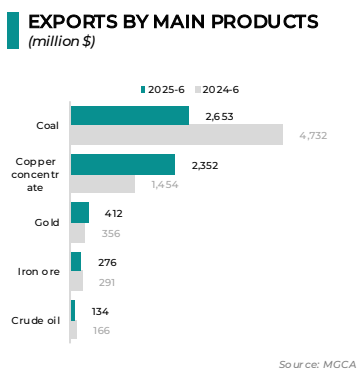
- The number of tourists visiting Mongolia reached 328.4 thousand in the first half of 2025, marking a 33.6 percent increase from the same period last year.



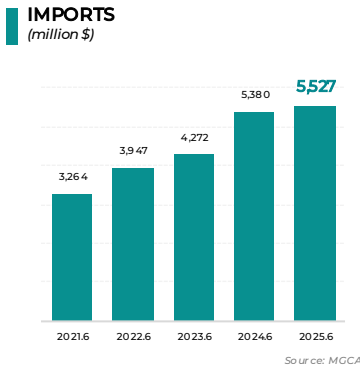
The foreign trade turnover reached \$12.1 billion in the first half of 2025, resulting in a trade balance surplus of \$1.1 billion.



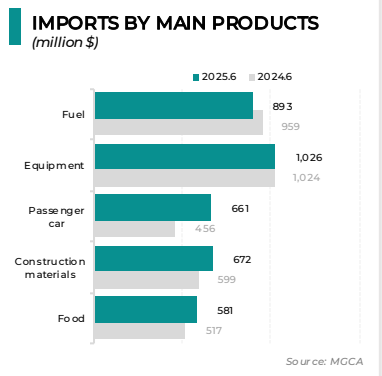
- By the June 2025, exports reached \$6,581 million, marking a decline of 16 percent from the same period last year.
- Mining products accounted for 95 percent of total exports.



- Coal export reached \$2,653 million, decreasing by 44 percent compared to the same period last year.
- Copper concentrate export reached \$2,352 million, increasing by 62 percent from the same period last year.
- Gold export reached \$412 million, increasing by 16 percent compared to the same period last year.
- Iron ore export reached \$276 million, decreasing by 5 percent compared to the same period last year.



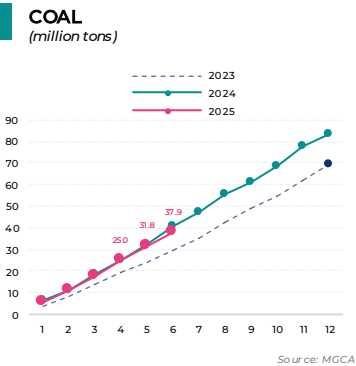
- By the June 2025, imports reached \$5,527 million, an increase of 2.7 percent from the same period last year.
- Petroleum products accounted for 16 percent of the total imports, while equipment and automobiles accounted for 19 percent and 12 percent, respectively.
- The increase in automobile imports accounts for 87 percent of the total import growth.



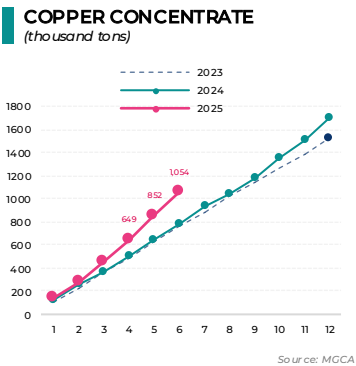
- Petroleum product imports reached \$893 million, down 7.0 percent compared to a year earlier.
- Equipment import reached \$1,026 million, up 0.2 percent compared to a year earlier.
- Automobile imports reached \$661 million, up 45.0 percent compared to a year earlier.
- Construction materials' imports reached \$672 million, up 12.0 percent compared to a year earlier.
- Food imports reached \$581 million, up 12.4 percent compared to a year earlier.



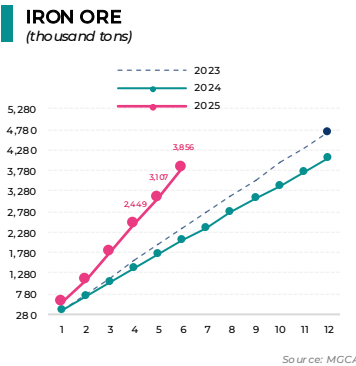
As of June 2025, mining products made up 95 percent of total exports.



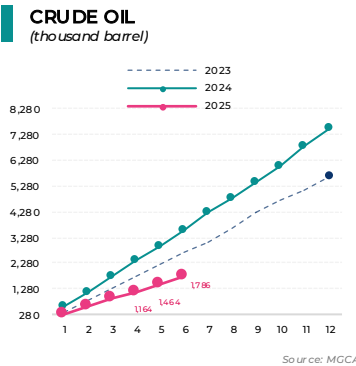
- As of June 2025, coal exports reached 37.9 million tons, decreasing by 6.7 percent compared to the same period last year.



- As of June 2025, copper concentrate exports reached 1,054 thousand tons, increasing by 34.2 percent compared to the same period last year.



- As of June 2025, iron ore exports reached 3,856 thousand tons, increasing by 7.7 percent compared to the same period last year.



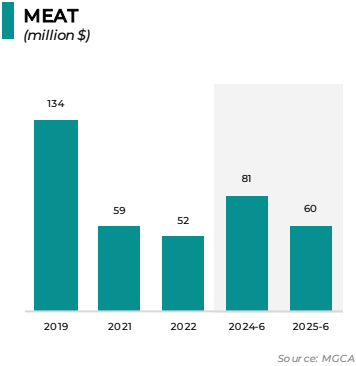
- In June 2025, crude oil exports reached 1,786 thousand barrels, decreasing by 13.5 percent compared to the same period last year.

2.3 AGRICULTURAL PRODUCTS

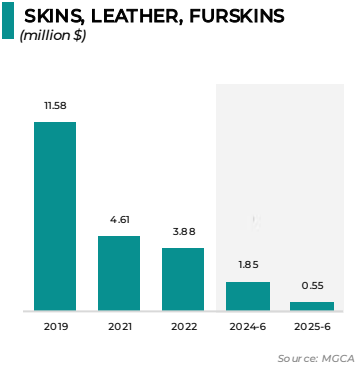
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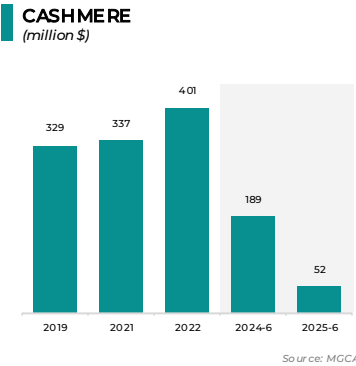
By the first six months of 2025, exports of the main agricultural products declined compared to the same period a year earlier.



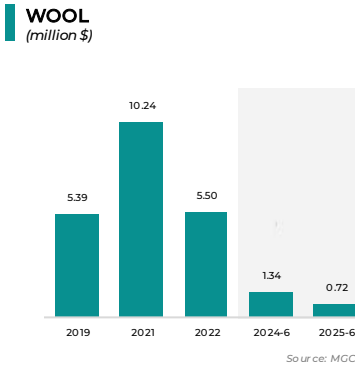
- In June 2025, meat exports reached \$60 million, marking a decrease of 25 percent compared to a year earlier.



- In June 2025, skins, leather, fur skins exports reached \$549 thousand, a decrease of 70 percent compared to a year earlier.



- In June 2025, cashmere exports reached \$52 million, a decrease of 72 percent compared to a year earlier.



- In June 2025, wool exports reached \$720 thousand, an increase of 46 percent compared to a year earlier.



GLOBAL COMMODITY
PRICE TRENDS

COAL

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

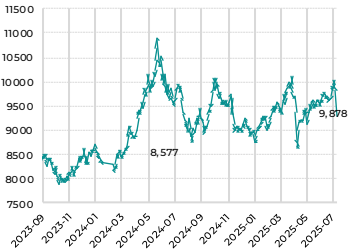


Source: Bloomberg

- The average price of Australian high-quality coking coal on the Singapore Exchange in June 2025 was \$177, marking a 27 percent decrease from the same period last year.

COPPER

(\$/tons, LME)

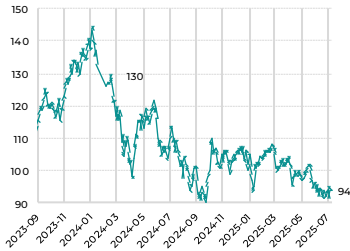


Source: Bloomberg

- The average price of copper on the London Metal Exchange in June 2025 was \$9,991 marking a 6 percent increase from the same period last year.

IRON CONCENTRATE

(\$/tons, iron concentrate 62%, Northwest China)

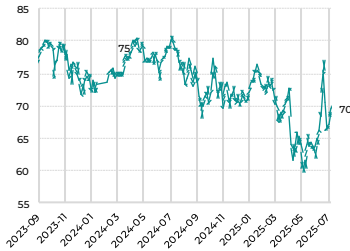


Source: Bloomberg

- The average price of iron ore in Northwest China in June 2025 was \$93, marking a 11 percent decrease from the same period last year.

CRUDE OIL

(\$/bbl, Brent)



Source: Bloomberg

- The average price of Brent oil in June 2025 was \$69, marking an 11 percent increase from the same period last year.

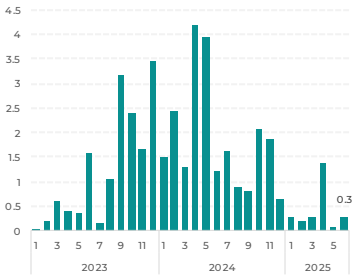
4. THE MINING COMMODITY EXCHANGE TRADE

JUNE 2025



In the first 6 months of 2025, the Mining commodity exchange traded 2.3 million tons of coal, 3.0 million tons of iron ore and concentrate, 18.2 tons of fluoride, and 18.1 tons of copper concentrates.

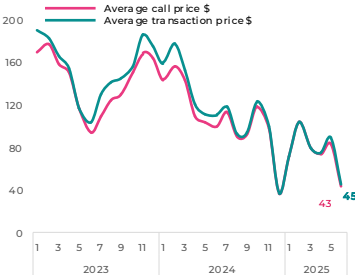
COAL TRADE (million tons, monthly)



Source: Mongolian Stock Exchange

- Between January 2023 and June 2025, a total of 39.7 million tons of coal were traded, generating \$4.7 billion in revenue.
- In 2024, 22.4 million tons of coal were traded, generating \$2.4 billion in revenue.
- A total of 2.3 million tons of coal were sold in the first 6 months of 2025.

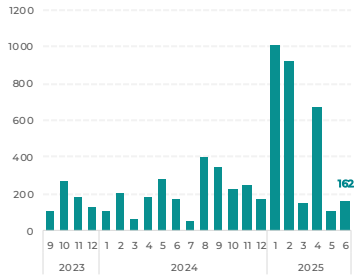
AVERAGE COAL PRICE (\$/tons, monthly)



Source: Mongolian Stock Exchange

- As of June 2025, the average call price of coal was \$43, and the average transaction price was \$45.
- Depending on the type of coal, in June 2025, the minimum transaction price reached \$35, and the maximum price reached \$78.

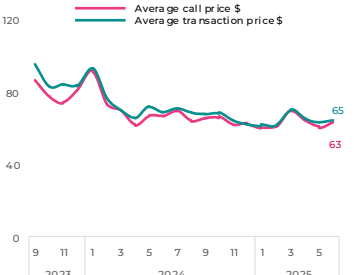
IRON TRADE (thousand tons, monthly)



Source: Mongolian Stock Exchange

- Between September 2023 and June 2025, a total of 6.1 million tons of iron ore and concentrate were traded, generating \$408 million in revenue.
- In 2024, 2.4 million tons of iron ore and concentrate were traded, generating \$167 million in revenue.
- A total of 3.0 million tons of iron ore and concentrate were sold in the first 6 months of 2025.

AVERAGE IRON PRICE (\$/tons, monthly)



Source: Mongolian Stock Exchange

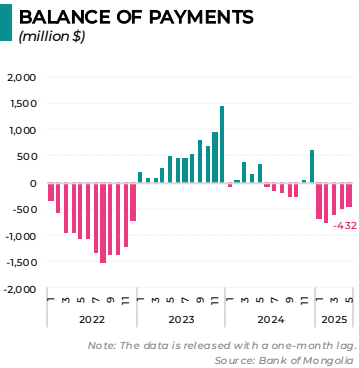
- The average call price of iron ore and concentrate was \$63 June 2025, and the average transaction price reached \$65.
- Depending on the type of iron, the minimum transaction price in June 2025 was \$60, and the maximum price was \$84.

5. BALANCE OF PAYMENTS, GROSS INTERNATIONAL RESERVES

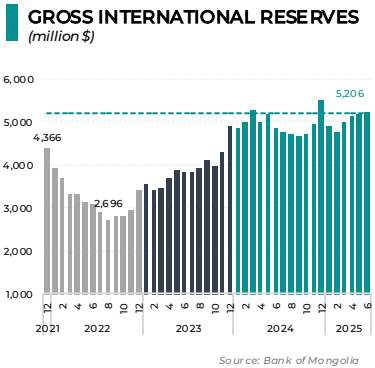
MAY 2025-JUN 2025



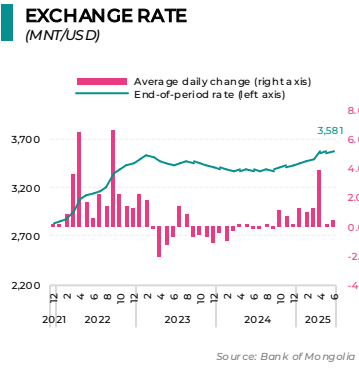
The balance of payments recorded a deficit of \$432 million in May 2025, while gross international reserves increased to \$5,206 million in June 2025.



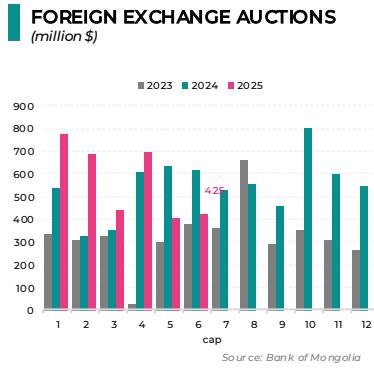
- The balance of payments recorded a deficit of \$432 million in May 2025.
- Compared to a year earlier, the current account deficit increased by \$470 million, while the financial account surplus rose by \$212 million.



- Gross international reserves declined to \$5,206 million at the end of June 2025, up \$12 million from the previous month.



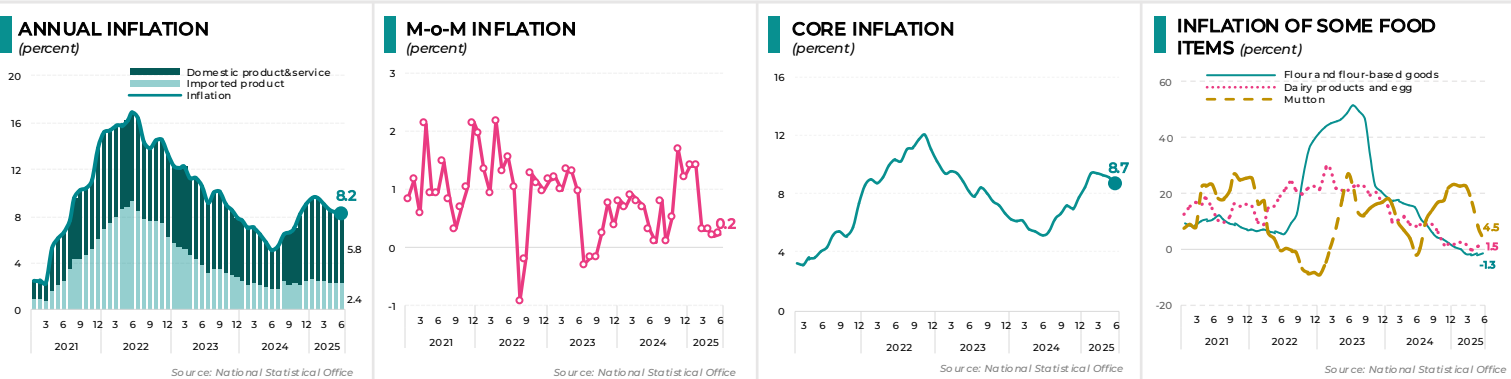
- The average daily change in the MNT/USD rate was 0.3 in June 2025, and the exchange rate reached 3,581 at the end of the month.



- In June 2025, the Bank of Mongolia sold \$425 million to the commercial banks.
- In the first 6 months of 2025, total intervention reached \$3.4 billion, marking a 11 percent (\$350 million) increase compared to the same period last year.



The annual inflation rate decreased to 8.2 percent in June 2025, a 0.1 percentage point drop from the previous month. The decline was primarily driven by a slowdown in the price increase of cars. On a monthly basis, prices of consumer goods and services increased by 0.2 percent.

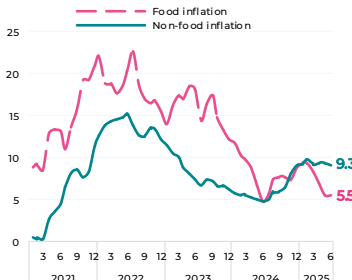


- In June 2025, the annual inflation rate reached 8.2 percent.
- Inflation from imported goods contributed 2.4 percentage points, accounting for 28.9 percent of the annual inflation.
- Inflation from domestic goods and services contributed 5.8 percentage points, accounting for 71.1 percent of the annual inflation.
- On a monthly basis, consumer prices increased by 0.2 percent in June 2025.
- This was mainly influenced by price increases in food. Specifically, beef price increased by 3 percent and vegetables by 4.2 percent compared to the previous month.
- Core inflation excludes the volatile prices of food and energy from headline inflation.
- Core inflation fell to 8.7 percent in June 2025, contributing 5.3 percentage points to the annual inflation.
- Core inflation has declined for three consecutive months.
- Price increases in meat, dairy and pastry products accounted for 2.9 percent of the annual inflation in June 2025.
- Prices of pastry products decreased by 1.3 percent year-over-year.
- Prices of dairy products and eggs increased by 1.5 percent year-over-year.
- Mutton price increased by 4.5 percent year-over-year.



Global container shipping price reached \$2,602, down by 56 percent compared to the same period last year. Meanwhile, the FAO Food Price Index (FFPI) increased by 5.8 percent in June 2025.

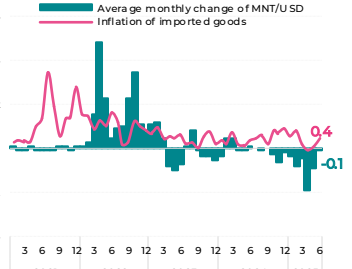
FOOD AND NON-FOOD INFLATION (percent)



Source: National Statistical Office

- Food inflation was at 5.5 percent, accounting for 1.6 percentage points of annual inflation in June 2025. The decline in food inflation was driven by slower price increases for meat and meat products, and flour-based products.
- Non-food inflation was at 9.3 percent, accounting for 6.6 percentage points of annual inflation.

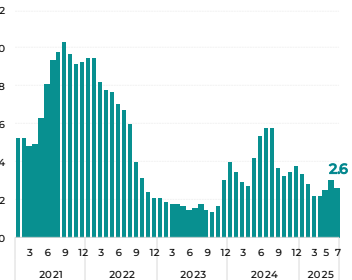
IMPORTED INFLATION AND EXCHANGE RATE (percent)



Source: National Statistical Office, Bank of Mongolia

- In June 2025, the average MNT/USD rate depreciated by 0.1 percent from the previous month to MNT 3,578.
- By June 2025, inflation of imported goods increased by 0.4 percent from the previous month.

WORLD CONTAINER INDEX (1000\$/40-foot container)



Source: Drewry's World Container Index

- International shipping costs have been rising due to the US tariff policy, but have gradually begun to decline since June.
- As of July 17, 2025, the Drewry World Container Index (WCI) reached \$2,602 per 40-ft container, down 56 percent compared to the previous month.
- The decline in container shipping prices is easing supply-driven inflationary pressure.

FOOD PRICE INDEX (percent)

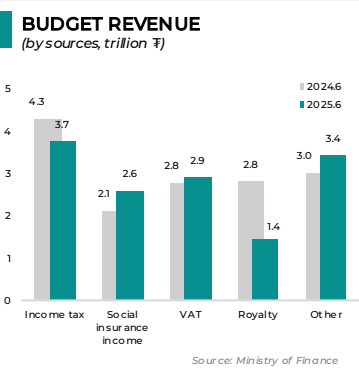


Source: FAO

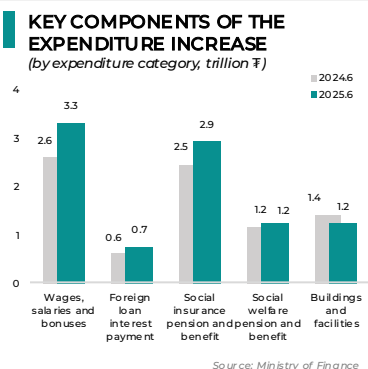
- The FAO Food Price Index (FFPI) measures the monthly change in international prices of a basket of food commodities. It is calculated as the average of price indices for five commodity groups.
- The FFPI stood at 128 points in June 2025, up 5.8 percent compared to the previous year and 0.5 percent compared to the previous month.
- In June 2025, price indices for dairy products, meat, and vegetable oils increased, while those for cereals, and sugar declined.



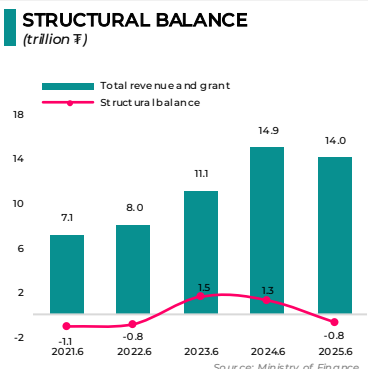
In June 2025, total budget revenue reached ₹14.0 trillion, a decrease of ₹0.9 trillion or 6.1 percent compared to the same period last year. The decline was primarily driven by falling commodity prices.



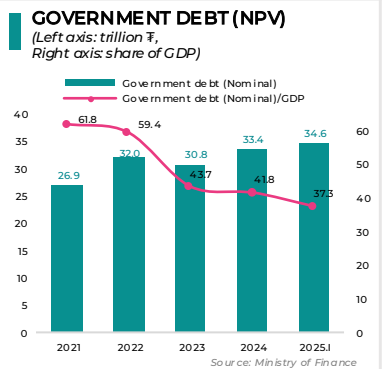
- The total revenue and grants reached ₹14.0 trillion, representing a decrease of ₹0.9 trillion (-6.1 percent) compared to the same period last year.
- The decrease was mainly due to a decline of ₹673 billion (-21.7 percent) in corporate income tax and ₹1,352 billion (-48.4 percent) in royalties.



- As of June 2025, total expenditure amounted to ₹14.0 trillion, an increase of ₹1,062 billion (+8.2 percent) compared to the same period last year.
- Pensions and public servant salaries were increased by an inflation rate of 6 percent in January 2025, in accordance with the 2025 Budget Law.
- The increase in spending was mainly driven by a 28.2 percent rise in civil servant wages and salaries, and a 15.3 percent increase in pensions and social benefit expenses.



- As of June 2025, the structural balance of the consolidated budget recorded a deficit of ₹760 billion, a decrease of ₹2.0 trillion compared to the same period last year.
- The slowdown in budget revenue, driven by the decline in coal prices and corporate income tax collections, was the main factor contributing to the overall deficit in the balanced budget.



- As of the first quarter of 2025, the government debt (nominal) reached ₹34.6 trillion, equivalent to 37.3 percent of GDP.
- The government debt (nominal)-to-GDP ratio aligns with the special fiscal requirements.

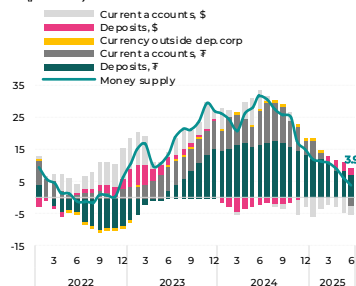


MAY-JUNE 2025

8. MONEY AND FINANCE

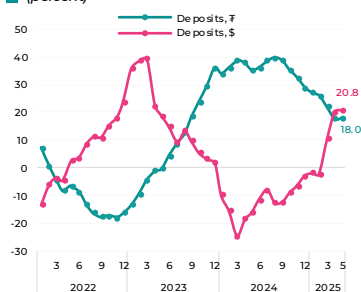
The money supply increased 3.9 percent year-on-year to ₮43.0 trillion in June 2025. The outstanding loans increased by 29.5 percent year-on-year in May 2025, reaching ₮40.3 trillion.

MONEY SUPPLY GROWTH (percent)



- In June 2025, the money supply reached ₮43.0 trillion, marking an increase of 3.9 percent from a year earlier.
- Domestic currency current and deposit accounts contributed 4.7 percentage points, while foreign currency current and deposit accounts contributed -2.5 percentage points and 1.9 percentage points to the growth, respectively.

DEPOSITS GROWTH (percent)



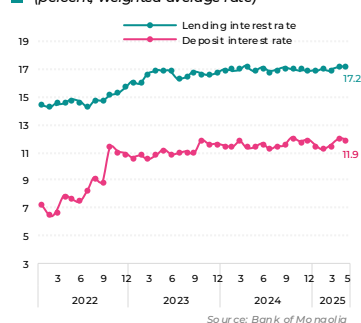
- Total deposits reached ₮27.5 trillion, an increase of 18.5 percent from a year earlier.
- Domestic currency deposits reached ₮22.2 trillion, up 18.0 percent from a year earlier and 1.3 percent from the previous month.
- Foreign currency deposits reached ₮5.3 trillion, up 20.8 percent compared to the same period last year and 1.1 percent from the previous month.

LOANS (percent)



- In May 2025, outstanding loans reached ₮40.3 trillion, marking an increase of 29.5 percent from a year earlier.
- The share of non-performing loans in total loans was 5.3 percent, a decrease of 1.0 percentage points from a year earlier.

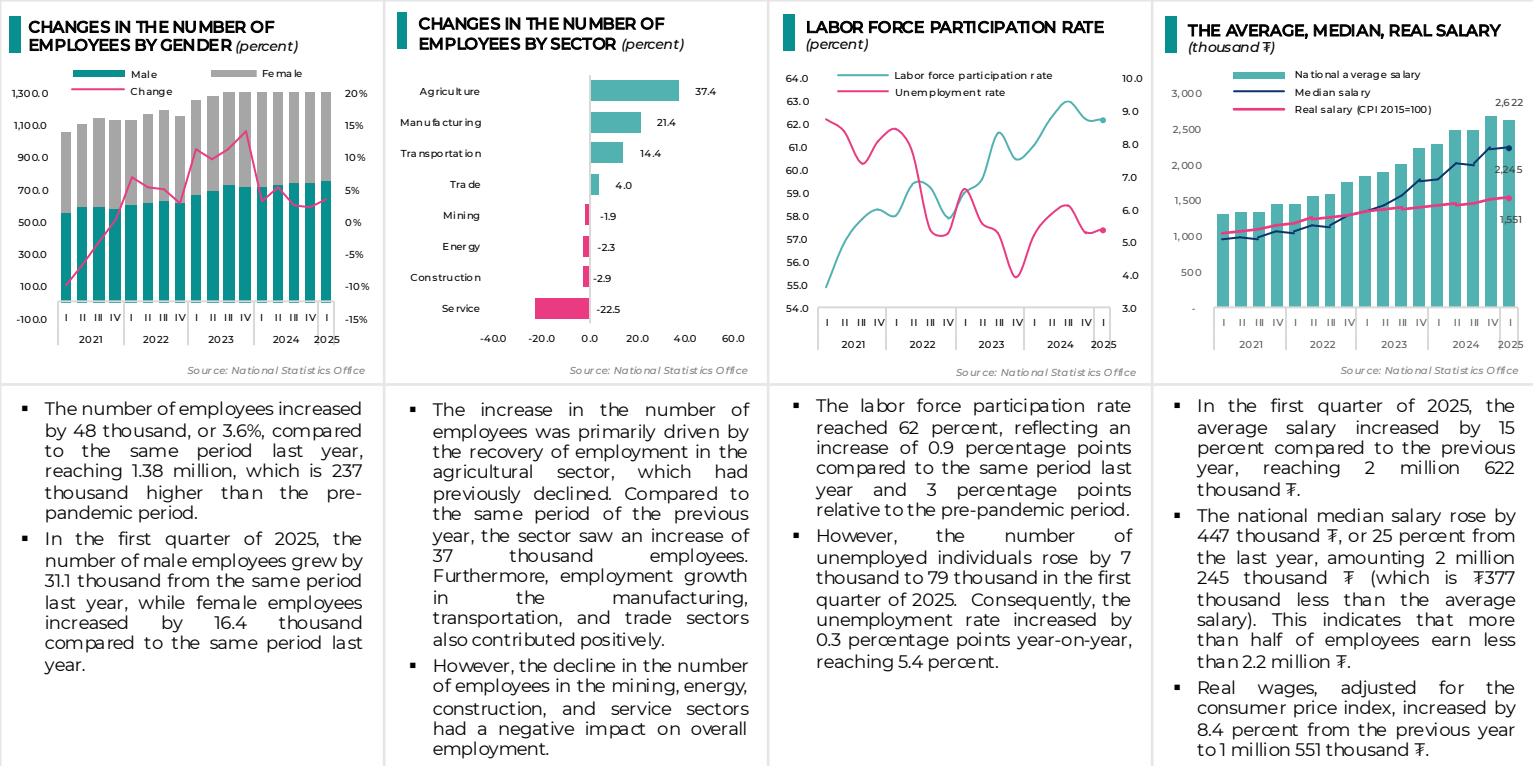
INTEREST RATE (percent, weighted average rate)



- In May 2025, the weighted average interest rate on outstanding loans was 17.2 percent, down 0.02 percentage point the previous month.
- The interest rate on new deposits was 11.9 percent, marking a decrease of 0.1 percentage point from the previous month.

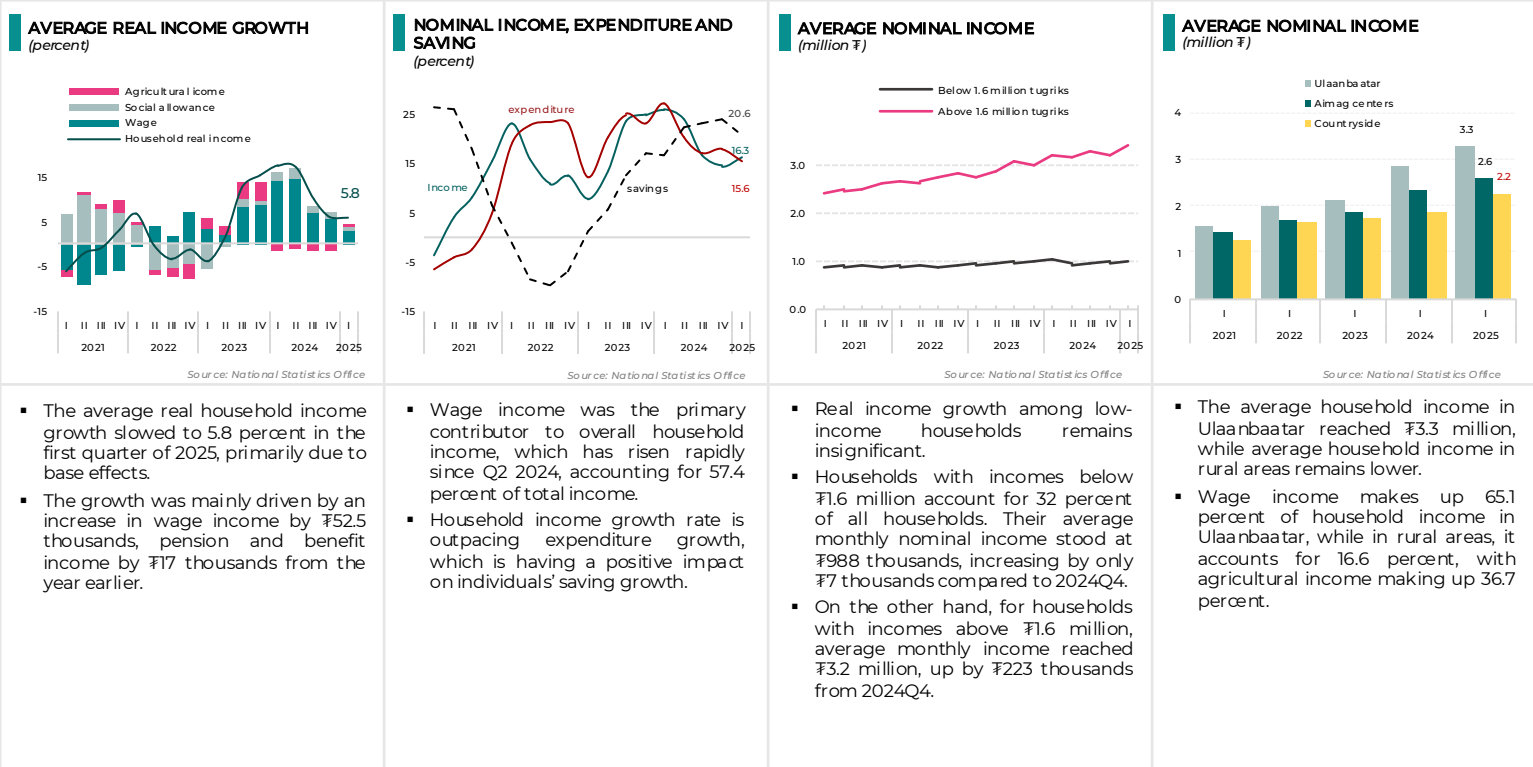


The recovery of the agricultural sector positively impacted labor market growth, bringing the number of employed persons to 1.38 million and the labor force participation rate to 62.0 percent in the first quarter of 2025.



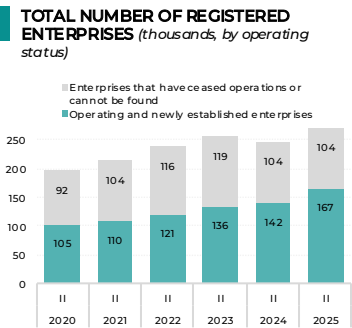


Household real income growth slowed to 5.8 percent in 2025Q1.



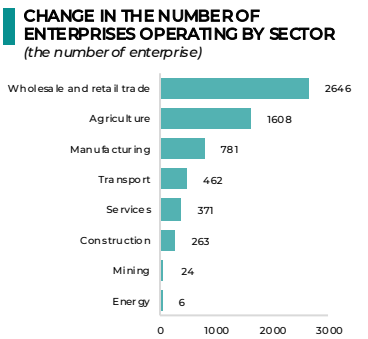


In the second quarter of 2025, the total number of enterprises registered in the Business Registration Database reached 270.9 thousand, an increase of 25.2 thousand or 10.3 percent from same period last year.



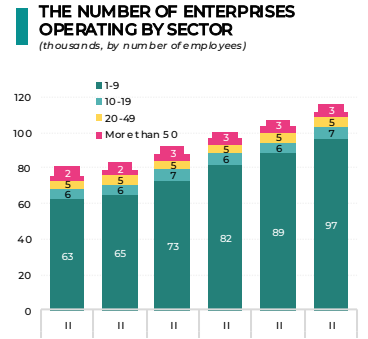
Source: National Statistics Office

- In the second quarter of 2025, the total number of enterprises registered in the Business Registration Database reached 270.9 thousand, an increase of 25.2 thousand or 10.3 percent from same period last year.
- Of this growth, 17.2 thousand were newly established enterprises that have not yet commenced operations, while 8.6 thousand were actively operating enterprises.
- The increase in both actively operating and newly established enterprises indicates enhanced business activity.



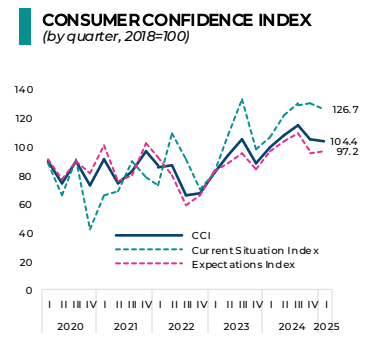
Source: National Statistics Office

- Due to the activation of the domestic economy and improved purchasing power, the trade and services sectors accounted for the largest share of growth, with 3.4 thousand actively operating enterprises added.
- Additionally, with the implementation of policies supporting agriculture, the number of enterprises in this sector increased by 41 percent for operating enterprises.



Source: National Statistics Office

- Out of the 111.7 thousand operating enterprises, 96.7 thousand are micro-enterprises with 1-9 employees.
- Moreover, micro-enterprises with 1-9 employees account for 93% of the growth in operating enterprises.

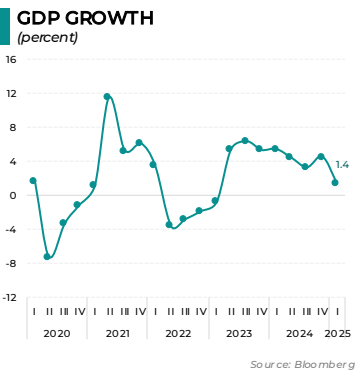


Source: National Research and Consulting Center (NRCC Co. Ltd)

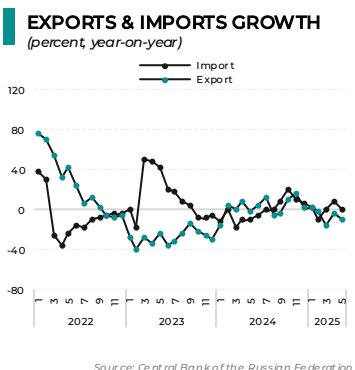
- As of the first quarter of 2025, the Consumer Confidence Index (CCI) reached 104.4, improving by 4.6 points compared to the same period last year.
- By CCI components, the Current Situation Index, which shows citizens' perceptions of the current economic situation, has increased by 19.6 points. This was driven by improved evaluation for job availability.
- On the other hand, the Expectations Index, which reflects citizens' six-month outlook on economic conditions, has decreased by 0.2 points, due to a deterioration in expectations regarding future business conditions.



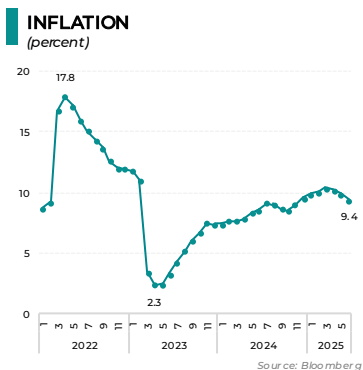
Russian economy grew by 1.4 percent in the first quarter of 2025. The inflation rate declined to 9.4 percent in June 2025, showing a 0.5 percentage point decline from the previous month.



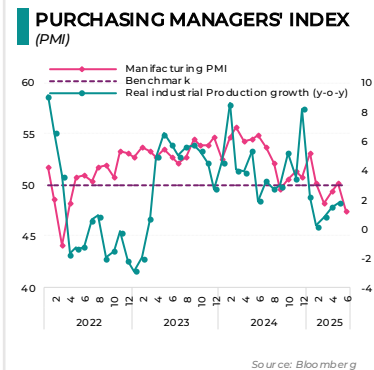
- Russia's economic growth slowed to 1.4 percent, marking a decline of 4 percentage points in the first quarter of 2025.



- As of May 2025, exports reached \$33.0 billion and imports reached \$24.4 billion, resulting in a trade surplus of \$8.7 billion.
- Exports decreased by 9.6 percent in May 2025 compared to a year earlier.
- Imports increased by 0.6 percent in May 2025 compared to a year earlier.



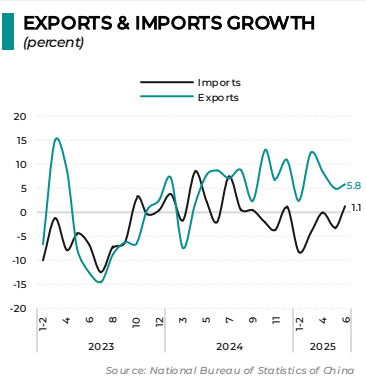
- The inflation rate remains above the central bank's target level of 4 percent.
- The inflation rate reached 9.4 percent in June 2025, down 0.5 percentage point from the previous month, but up 0.8 percentage points from the same period last year.
- The Central Bank of Russia reduced its policy rate by 1 percentage point to 20 percent in June 2025.



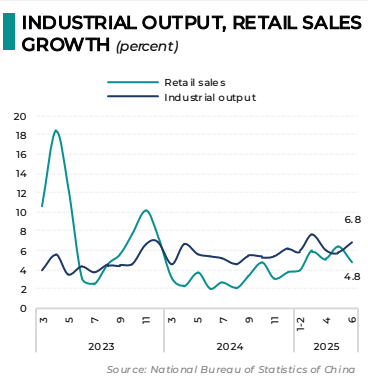
- In June 2025, the Purchasing Manager's Index (PMI) for the industrial sector reached 47.5, reflecting a decrease of 0.5 points from the previous month.
- As of May 2025, the growth of real industrial production reached 1.8 percent, up by 0.3 percentage points from the previous month.



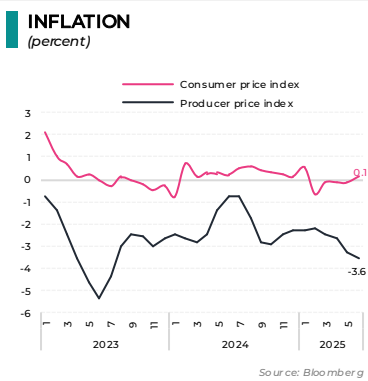
Despite weak domestic demand, China's economy expanded by 5.2% in the second quarter of 2025, supported by policy-supported exports and investment.



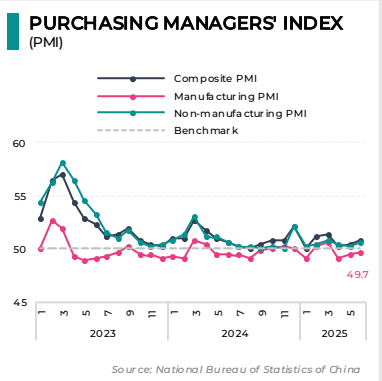
- China's GDP grew by 5.2 percent in 2025Q2.
- Export growth rebound to 5.8 percent in June 2025, while imports turned to growth territory in 2025Q2, increased by 1.1 percent.



- Industrial output growth exceeded the expectations, accelerating to 6.8 percent in June 2025.
- Retail sales growth - a key indicator of consumption behavior - slowed to 4.8 percent in June 2025.



- The consumer price index turned to positive, reached to 0.1 percent in June 2025.
- The producer price index fell by 3.6 percent in June 2025.



- Despite edging up to 49.7 in June 2025, the manufacturing PMI remained in contraction territory.
- The non-manufacturing PMI and composite PMI both remained above the 50-point mark.

Combined trade data for January and February will be released in March.

Combined data for January and February will be released in March.

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