

MONTHLY MACROECONOMIC UPDATE

July 2025

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. Enterprises
11. World economy – Russia, China



► MAIN ECONOMIC INDICATORS - 2025.07

GDP growth

(Q1 2025)

5.6 percent

International reserves

(July 2025)

5,380 million \$

Inflation

(July 2025)

8.1 percent

Budget balance

(July 2025)

-1,299 billion ₺

Exports

(July 2025)

7,752 million \$

Imports

(July 2025)

6,481 million \$

FDI

(Q1 2025)

666 million \$

Loan rate

(July 2025)

17.1 percent

Number of employees

(Q2 2025)

1.39 million

* As of Q2 2025 the labor force participation rate is 61.9 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

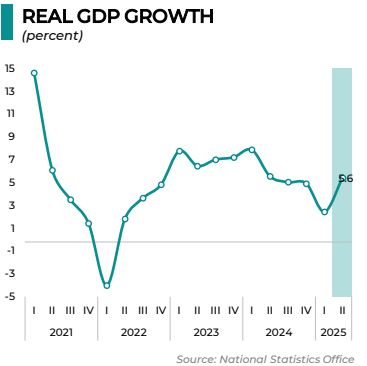
Household real income growth

(Q2 2025)

8.0 percent



Economic growth rebounded to 5.6 percent in the first half of 2025. Growth was driven by the agriculture, manufacturing, energy, and construction sectors, while contractions in the trade and transportation sectors put downward pressure on growth.



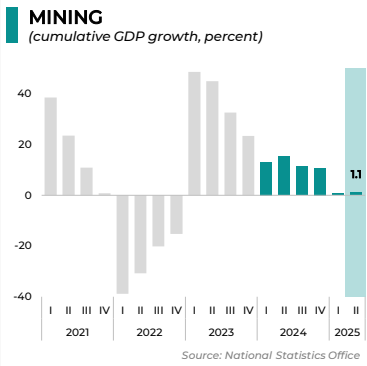
- The real GDP grew by **5.6 percent in first half of 2025**.
- Primary sector: The agriculture sector expanded by 35.6 percent, contributing 3.6 percentage points to growth, and the mining sector by 1.1 percent, contributing 0.1 percentage points to growth.
- Secondary sector (manufacturing, construction, electricity, and water supply) expanded by 9.6 percent, contributing 1.0 percentage points to the overall growth.
- The services sector grew by 1.5 percent, contributing 0.7 percentage points to the overall growth.
- Net taxes on products grew by 0.9 percent, contributing 0.2 percentage points to the overall growth.

REAL GDP GROWTH
(by sectors)

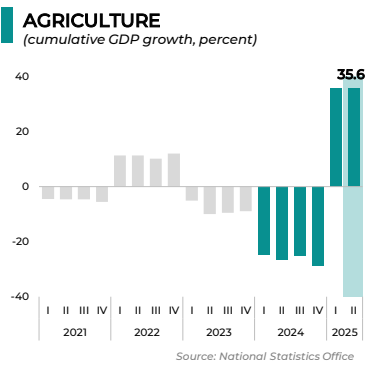
ДНБ	2024.ІІ	2025.ІІ
Agriculture	-26.7	35.6
Mining	15.3	1.1
Manufacturing	4.1	5.8
Electricity, water	5.3	8.4
Construction	22.0	25.2
Wholesale, retail trade	10.9	-5.7
Transportation	20.1	-12.5
Information, communication	19.0	16.6
Other services	7.7	4.5
Net taxes on products	13.8	0.9

Source: National Statistics Office

- 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 1.1 percent in first half of 2025.
- The growth was mainly driven by a 32 percent increase in copper concentrate production, which reached 970 thousand tons.
- However, the production of coal, gold, crude oil, and iron ore declined in first half of 2025
- Specifically, coal production reached 44 million tons, down 11 percent year-on-year. Iron ore production decreased by 4.8 percent, crude oil by 11 percent, and gold by 16 percent.



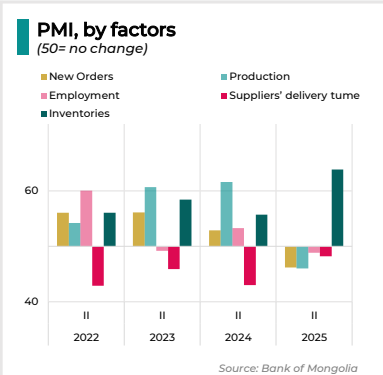
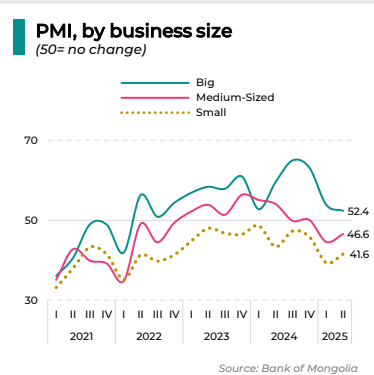
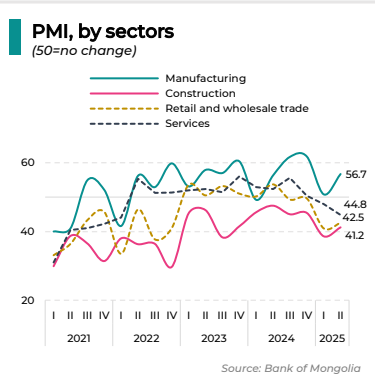
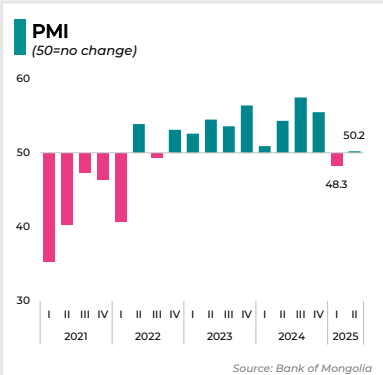
- The agricultural sector expanded by 35.6 percent in first half of 2025.
- Favorable weather conditions and a reduction of 7.9 million in adult livestock losses compared to the same period last year contributed to the recovery of the agricultural sector, which had contracted for two consecutive years. The number of matured livestock reached 20.8 million, with a maturing rate of 98.5 percent, an increase of 5.4 million head from the previous year.

1.2 PURCHASING MANAGERS INDEX (PMI)

2025 Q2



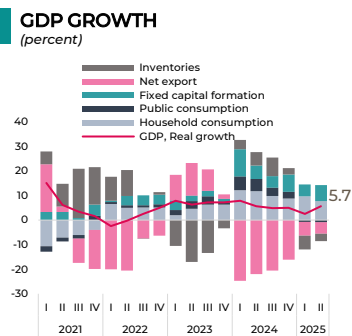
Purchasing managers index (PMI), which reflects the economic expectations of manufacturers and service providers, reached 50.2 in 2025Q2, marking a return to positive territory.



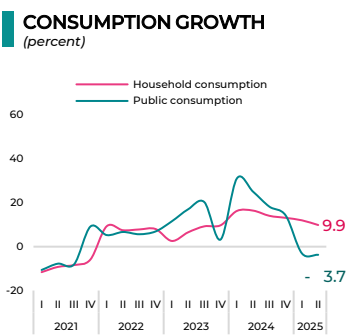
- The Purchasing Managers' Index (PMI), which measures the economic expectations of manufacturers and service providers, stood at 50.2 in the second quarter of 2025, up 1.9 points from the previous quarter but down 4.1 points compared to the same period last year.
- Construction PMI improved by 2.6 points from the previous quarter, yet remained at 41.2, continuing to signal contractionary conditions.
- Industrial PMI remained in expansionary territory, rising by 5.9 points compared to the previous quarter.
- Meanwhile, the Services PMI has remained in negative territory for two consecutive quarters, while the Retail and Wholesale Trade sector has recorded a persistently negative PMI for four consecutive quarters.
- The PMI for large companies with more than 200 employees stood at 52.4 in 2025Q2, remaining in expansionary territory. However, it has declined for three consecutive quarters.
- The PMI for medium-sized businesses with 50-199 employees rose by 2.0 points from 2025Q1 to 46.6, yet remained in contractionary territory.
- The PMI for small businesses stood at 41.6 and has remained in contractionary territory for the past 5 years.
- Business expectation for inventory sufficiency remain relatively strong compared to the same periods in previous years. Although, all other indicators such as production volume and number of new orders are expected to decline.



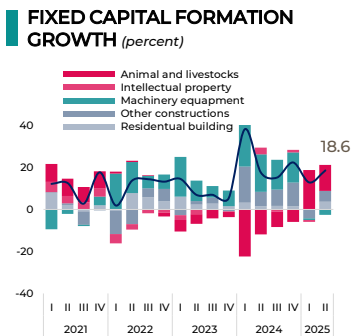
On the demand side, household consumption and investment were main drivers of economic growth.



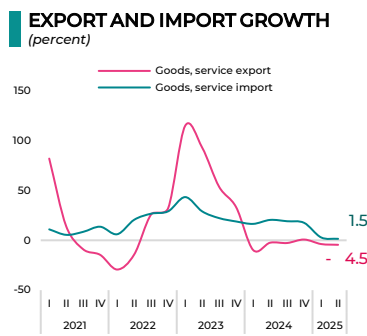
- Domestic demand was the primary driver of overall growth, with household consumption contributing 7.8 percentage points and investment contributing 6.5 percentage points.
- Net export contributed -4.7 percentage points to overall growth, with exports contributing -3.0 percentage points, imports contributing -1.7 percentage points.



- Government consumption declined by 3.7 percent compared to a year earlier, while household consumption expanded by 9.9 percent.



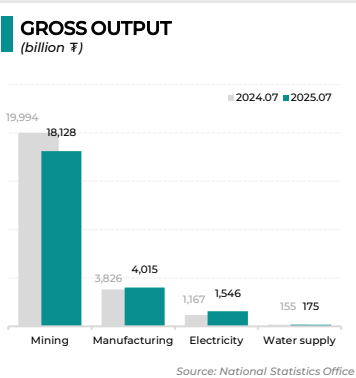
- Fixed capital formation increased by 18.6 percent, driven by MNT 1.1 billion nominal rise in animal and livestock assets, a 20.5 percent real increase in residential buildings and a 19.7 percent increase in other construction assets.



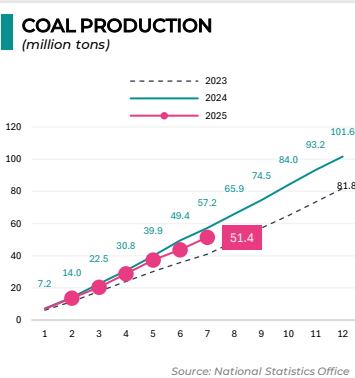
- Exports of goods and services contracted by 4.5 percent compared to the same period last year, while growth of imports slowed to 1.5 percent, helping to mitigate the decline in net export.



Gross industrial output decreased by 5.1 percent in the first 7 months of 2025, primarily due to reduced production volumes of coal, gold, and crude oil compared to the same period last year.



- The gross industrial output reached MNT 23.9 trillion in the first seven months of 2025, reflecting a 5.1 percent decrease compared to the same period last year.
- Despite an increase in copper concentrate production, mining sector output fell by 9.3 percent in nominal terms due to reduced coal and crude oil production.
- Nominal output of manufacturing grew by 4.9 percent year-on-year, driven by increased production of food products, beverages, and non-metallic minerals.



- The mining sector contributes approximately 70 percent* of total industrial output, of which coal makes up 43 percent.
- Coal production reached 51.4 million tons in the first seven months of 2025, reflecting a 10.1 percent decline compared to the same period last year. However, in July 2025 alone, coal production decreased by 2.0 percent year-on-year, showing signs of gradual recovery.

*As of 2024

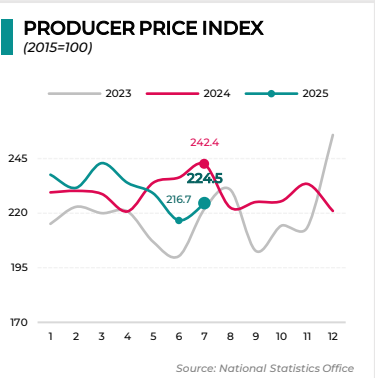
MINING PRODUCTION

(by main commodities)

		YoY change:
Copper concentrate	1,145 thous.t	35%
Crude oil	2.2 thous.t	-11%
Gold	5.8 thous.t	-15%
Iron ore	6.3 thous.t	15%

Source: National Statistics Office

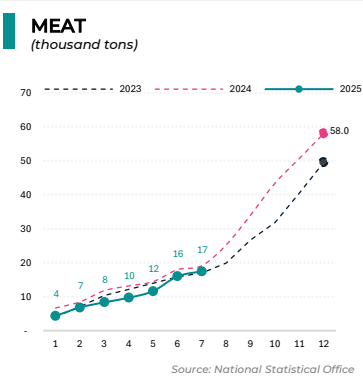
- Copper concentrate production increased by 35 percent to 1,145.0 thousand tons in the first seven months of 2025, reflecting higher output from Oyutolgoi.
- Iron ore and concentrate production rose by 15.1 percent, reaching 6.3 million tons.
- However, gold and crude oil production remained below last year's levels during the same period.



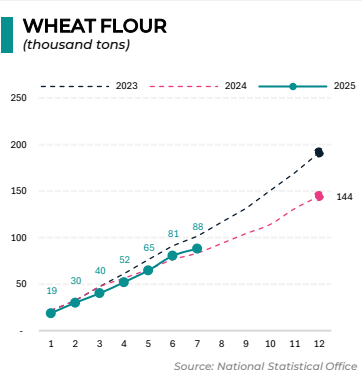
- In July 2025, the producer price index (PPI) decreased by 7.4 percent year-on-year.
- PPI increased in:
- Food products by 16.4 percent,
 - Beverage products by 10.1 percent,
 - Wood, as well as products made from wood and cork, except furniture, by 6.3 percent,
 - Electricity by 38.0 percent, respectively;
- PPI decreased in:
- Coal mining by 37.8 percent,
 - Extraction of crude petroleum by 11.4 percent,
 - Manufacture of non-metallic mineral products by 1.3 percent.



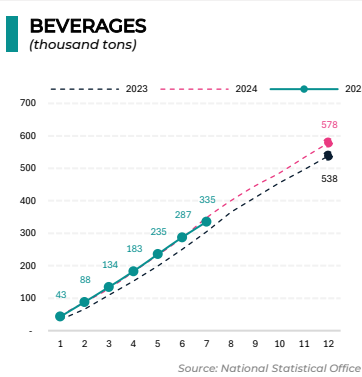
Total production volume of the manufacturing sector contracted by 1.2 percent in real terms in the first 7 months of 2025, due to lower production of key products including milk and dairy products, weaving, and textile materials.



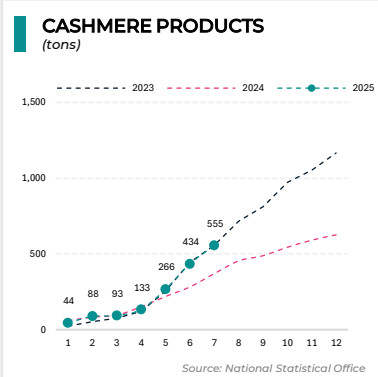
- Total processed livestock meat reached 17.4 thousand tons in the first half of 2025, marking a decrease of 8.8 percent from the same period last year.
- Despite the decline in processed meat volume, the production of meat processing and canning operations—accounting for about 8-10 percent of manufacturing output—grew by 0.2 percent year-over-year, driven by improvements in beef and horse meat processing (adjusted for the producer price index based on 2024).



- The flour production reached 88.1 thousand tons in the first seven months of 2025, marking an increase of 5.7 percent compared to the same period last year.
- Despite the rise in flour production volume, the manufacturing of grain flour, starch, and starch products—accounting for about 5-7 percent of the processing sector—declined by 5.5 percent in real terms (adjusted for the producer price index based on 2024) compared to the same period last year.



- The production volume of alcoholic and non-alcoholic beverages reached 355.0 thousand tons in the first seven months of 2025, marking a decrease of 3.6 percent compared to the same period last year.
- Beverage production, which represents approximately 20 to 25 percent of the manufacturing sector, declined by 0.9 percent (adjusted for the producer price index based on 2024), reflecting lower output.



- The production volume of combed cashmere reached 555 thousand tons in the first seven months of 2025, marking an increase of 50.2 percent year-on-year.
- However, despite the rise in combed cashmere production, textile production—accounting for about 3 to 5 percent of the manufacturing sector—contracted by 24.2 percent year-on-year*.

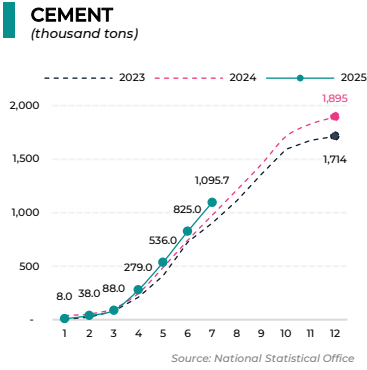
**This decline was mainly driven by a decrease in cashmere product output.*

1.6 MANUFACTURING PRODUCTS: Construction inputs

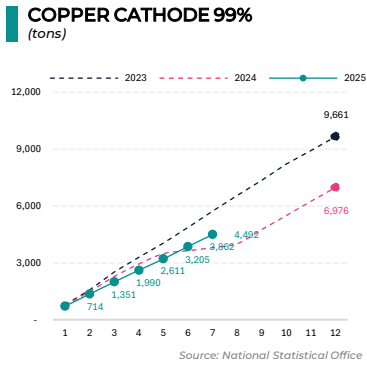
JULY 2025



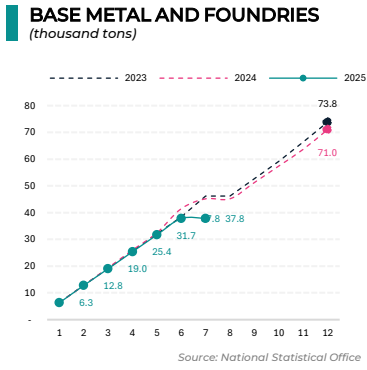
Production of key inputs in the construction sector, including cement, windows, and doors increased, while the production of base metal and metal casts declined.



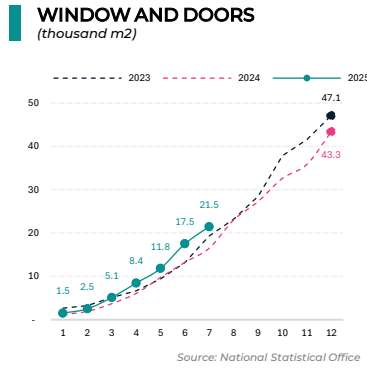
▪ Cement production reached 1,096 thousand tons in the first 7 months of 2025, up by 12.2 percent from the same period last year.



▪ Copper cathode reached 4.5 thousand tons in the first 7 months of 2025, marking an increase of 18.0 percent from the same period last year.



▪ Metal steel and foundries reached 37.8 thousand tons in the first 7 months of 2025, marking a decrease of 16.3 percent from the same period last year.



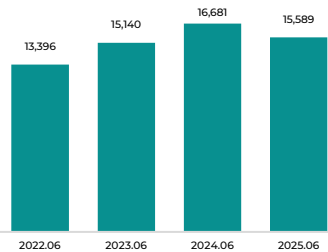
▪ Window and doors production reached 21.4 thousand m² in the first 7 months of 2025, marking an increase of 30.1 percent from the same period last year.



The rail freight transport declined by 3.0 percent in 2025 July due to lower coal and crude oil production. Sales in the trade and catering sectors declined, while the hotel sector saw growth due to the tourist season, as inflation remained high.

DOMESTIC TRADE

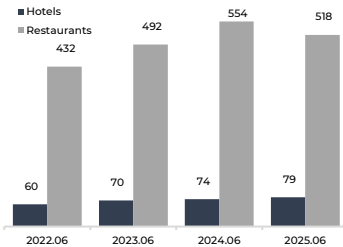
(trade turnover, billion ₮, adjusted by CPI)



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

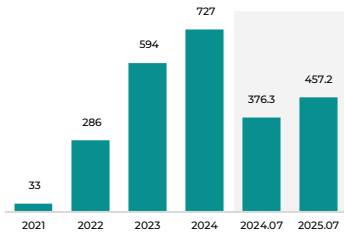
(carried freight, million tons)

	2024.07	2025.07	YoY change:
Railway	25.5	24.7	-3.0%
Mining products	15.6	14.6	-6.9%
Air	5.52	5.34	-3.4%
	2024.II	2025.II	
Road	41.3	40.8	-1.1%
Mining products	40.7	38.6	-5.1%

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

TOURISM

(number of inbound tourists, thousand person)



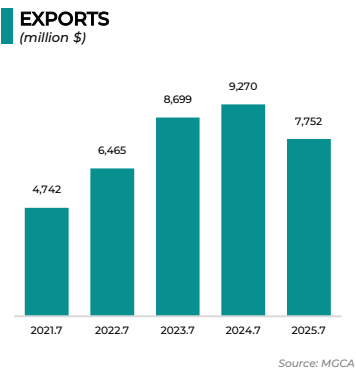
Source: National Statistics Office

- Wholesale and retail trade account for the largest share of the services sector.
 - Total revenue in the sector amounted to ₮30.8 trillion in the first half of 2025, reflecting a 0.6 percent year-on-year decline. The revenue in real terms (adjusted by CPI) declined by 6.5 percent.
- The revenue of hotels and restaurants rose by 24.6 percent and 3.0 percent, respectively, in the first half of 2025.
 - However, with rising inflation, revenue of the restaurants declined by 6.6 percent, and hotels by 6.5 percent in CPI-adjusted real terms.
- Freight in railway totaled 24.7 million tons in first 7 months of 2025, down 3.0 percent from the same period last year, primarily due to the lower transport of coal and petroleum products.
 - Air freight transport increased by 3.4 percent from the same period last year.
 - A total of 40.8 million tons of freight were transported by road in the second quarter of 2025, up by 1.1 percent from a year earlier.
- The number of tourists visiting Mongolia reached 457.2 thousand in the first 7 months of 2025, marking a 21.5 percent increase from the same period last year.

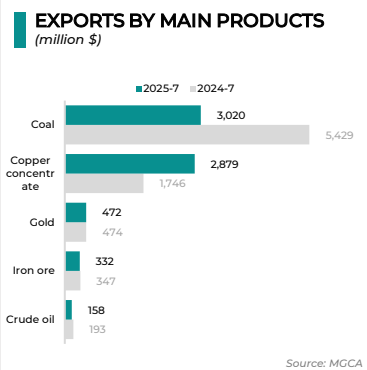
*thousand tons



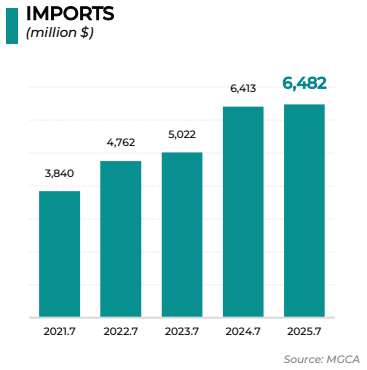
As of the first seven months of 2025, foreign trade turnover reached \$14.2 billion, while the trade balance recorded a surplus of \$1.3 billion.



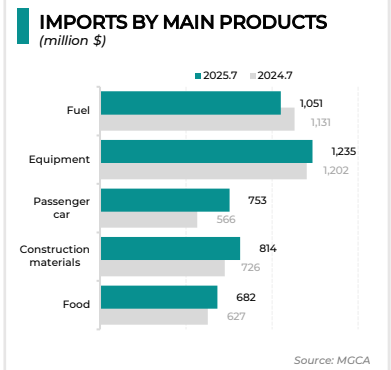
- By the June 2025, exports reached \$7,752 million, marking a decline of 16 percent from the same period last year.
- Mining products accounted for 95 percent of total exports.



- Coal export reached \$3,020 million, decreasing by 44 percent compared to the same period last year.
- Copper concentrate export reached \$2,879 million, increasing by 65 percent compared to the same period last year.
- Gold export reached \$472 million, remaining at the same level as the same period last year.
- Iron ore export reached \$332 million, decreasing by 4 percent compared to the same period last year..



- By the July 2025, imports reached \$6,482 million, an increase of 1.1 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.
- Passenger car accounted for 58 percent of the total growth in imports, while construction materials contributed 22 percent.



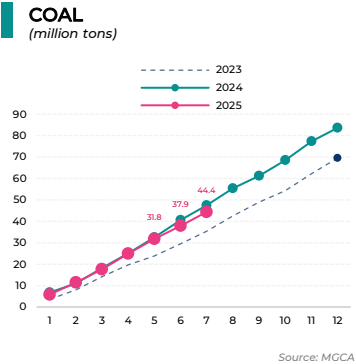
- Petroleum product imports reached \$1,051 million, down 7.1 percent compared to a year earlier.
- Equipment import reached \$1,235 million, up 2.8 percent compared to a year earlier.
- Automobile imports reached \$753 million, up 33.0 percent compared to a year earlier.
- Construction materials' imports reached \$814 million, up 12.2 percent compared to a year earlier.
- Food imports reached \$682 million, up 8.8 percent compared to a year earlier.

2.2 MINERAL PRODUCTS

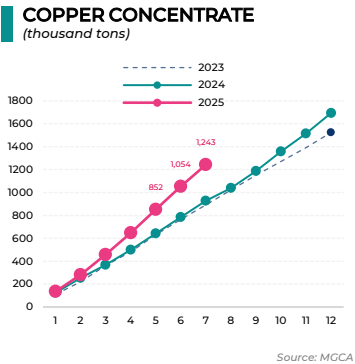
JULY 2025



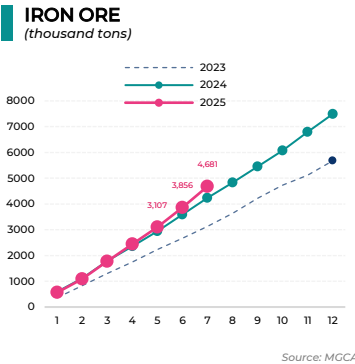
As of July 2025, mining products made up 95 percent of total exports.



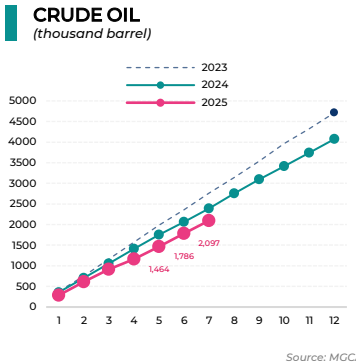
- As of July 2025, coal exports reached 44.4 million tons, decreasing by 6.5 percent compared to the same period last year.



- As of July 2025, copper concentrate exports reached 1,243 thousand tons, increasing by 34.0 percent compared to the same period last year.



- As of July 2025, iron ore exports reached 4,681 thousand tons, increasing by 10.5 percent compared to the same period last year.



- As of July 2025, crude oil exports reached 2,097 thousand barrels, decreasing by 12.1 percent compared to the same period last year.

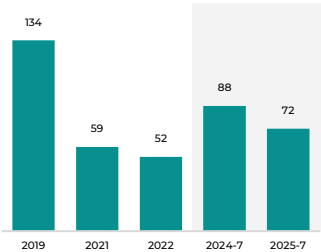
2.3 AGRICULTURAL PRODUCTS

JULY 2025



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

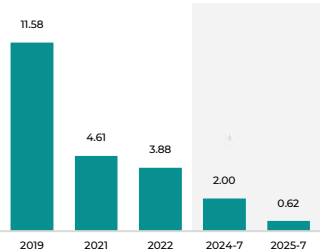
MEAT (million \$)



Source: MGCA

- In July 2025, meat exports reached \$72 million, marking a decrease of 18 percent compared to a year earlier.

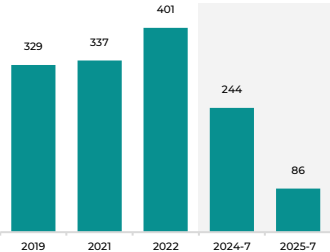
SKINS, LEATHER, FURSKINS (million \$)



Source: MGCA

- In July 2025, skins, leather, fur skins exports reached \$620 thousand, a decrease of 69 percent compared to a year earlier.

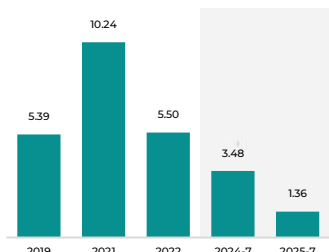
CASHMERE (million \$)



Source: MGCA

- In July 2025, cashmere exports reached \$86 million, a decrease of 65 percent compared to a year earlier.

WOOL (million \$)



Source: MGCA

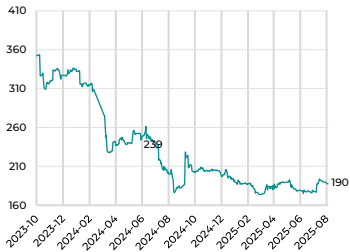
- In July 2025, wool exports reached \$1,359 thousand, an increase of 61 percent compared to a year earlier.



GLOBAL COMMODITY
PRICE TRENDS

COAL

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



Source: Bloomberg

- The average price of Australian high-quality coking coal on the Singapore Exchange in July 2025 was \$189, marking a 8 percent decrease from the same period last year.

COPPER

(\$/tons, LME)

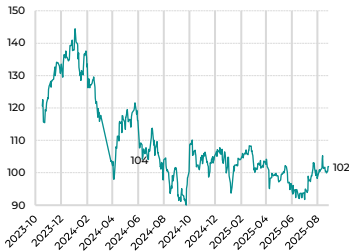


Source: Bloomberg

- The average price of copper on the London Metal Exchange in July 2025 was \$9,636 marking a 7 percent increase from the same period last year.

IRON CONCENTRATE

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

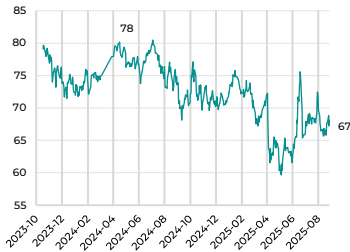


Source: Bloomberg

- The average price of iron ore in Northwest China in July 2025 was \$102, marking a 1 percent increase from the same period last year.

CRUDE OIL

(\$/bbl, Brent)



Source: Bloomberg

- The average price of Brent oil in July 2025 was \$67, marking a 9 percent decrease from the same period last year.

4. THE MINING COMMODITY EXCHANGE TRADE

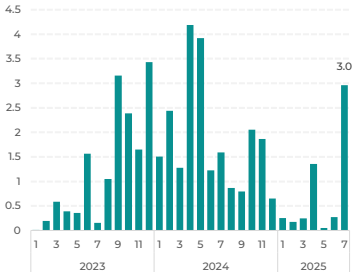
JULY 2025



In the first 7 months of 2025, the Mining commodity exchange traded 5.2 million tons of coal, 3.3 million tons of iron ore and concentrate, 28.2 tons of fluoride, and 22.7 tons of copper concentrates.

COAL TRADE

(million tons, monthly)

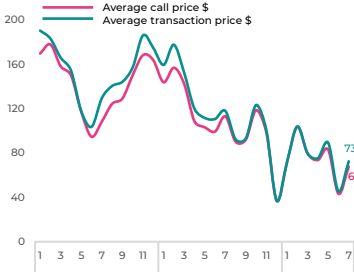


Source: Mongolian Stock Exchange

- Between January 2023 and July 2025, a total of 42.5 million tons of coal were traded, generating \$4.9 billion in revenue.
- In 2024, 22.4 million tons of coal were traded, generating \$2.4 billion in revenue.
- A total of 5.2 million tons of coal were sold in the first 7 months of 2025.

AVERAGE COAL PRICE

(\$/tons, monthly)

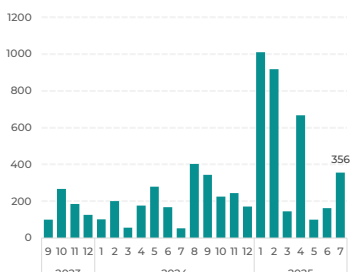


Source: Mongolian Stock Exchange

- As of July 2025, the average call price of coal was \$68, and the average transaction price was \$73.
- Depending on the type of coal, in July 2025, the minimum transaction price reached \$19, and the maximum price reached \$122.

IRON TRADE

(thousand tons, monthly)

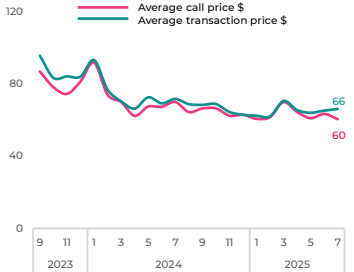


Source: Mongolian Stock Exchange

- Between September 2023 and July 2025, a total of 6.4 million tons of iron ore and concentrate were traded, generating \$431 million in revenue.
- In 2024, 2.4 million tons of iron ore and concentrate were traded, generating \$167 million in revenue.
- A total of 3.3 million tons of iron ore and concentrate were sold in the first 7 months of 2025.

AVERAGE IRON PRICE

(\$/tons, monthly)



Source: Mongolian Stock Exchange

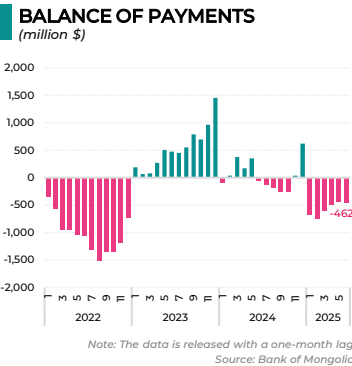
- The average call price of iron ore and concentrate was \$60 July 2025, and the average transaction price reached \$66.
- Depending on the type of iron, the minimum transaction price in July 2025 was \$59, and the maximum price was \$83.

5. BALANCE OF PAYMENTS, GROSS INTERNATIONAL RESERVES

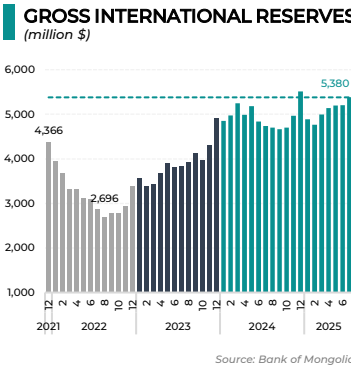
JUN-JUL 2025



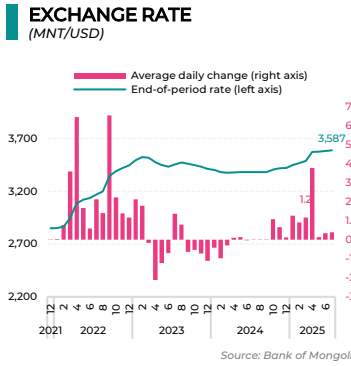
The balance of payments recorded a deficit of \$462 million in June 2025, while gross international reserves increased to \$5,380 million in July 2025.



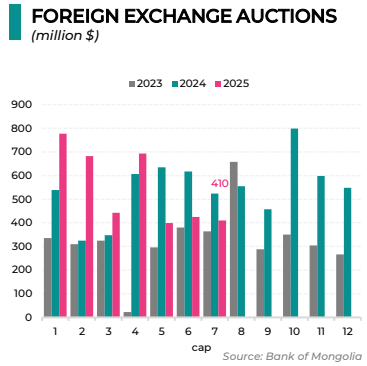
- The balance of payments recorded a deficit of \$462 million in June 2025.
- Compared to a year earlier, the current account deficit increased by \$705 million, while the financial account surplus rose by \$712 million.



- Gross international reserves stood at \$5,380 million at the end of July 2025, up \$174 million from the previous month.



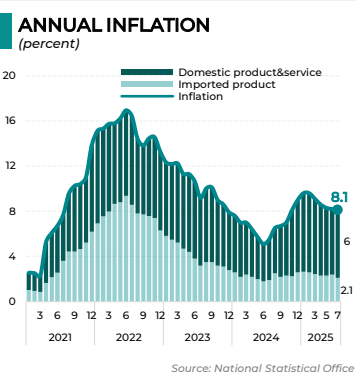
- The average daily change in the MNT/USD rate was 0.4 in July 2025, and the exchange rate reached 3,587 at the end of the month.



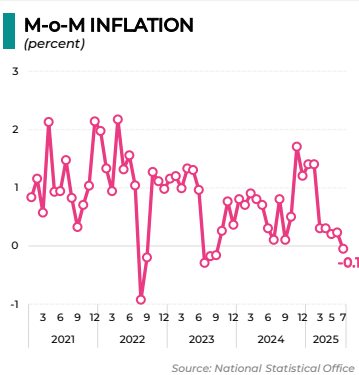
- In July 2025, the Bank of Mongolia sold \$410 million to the commercial banks.
- In the first 7 months of 2025, total intervention reached \$3.8 billion, marking a 7 percent (\$236 million) increase compared to the same period last year.



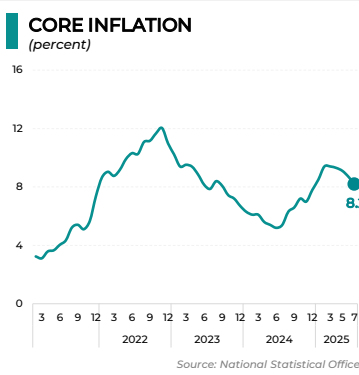
The annual inflation rate decreased to 8.1 percent in July 2025; a 0.1 percentage point drop from the previous month. A slowdown in the price increase of rent and cars primarily drove the decline. On a monthly basis, prices of consumer goods and services decreased by 0.1 percent.



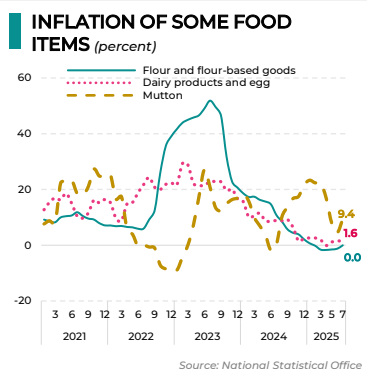
- In July 2025, the annual inflation rate reached 8.1 percent.
- Inflation from imported goods contributed 2.1 percentage points, accounting for 26.1 percent of the annual inflation.
- Inflation from domestic goods and services contributed 6.0 percentage points, accounting for 73.9 percent of the annual inflation.



- On a monthly basis, consumer prices decreased by 0.1 percent in July 2025.
- This was mainly influenced by the price decline in transport. Specifically, the car price decreased by 3.5 percent compared to the previous month.



- Core inflation excludes the volatile prices of food and energy from headline inflation.
- Core inflation fell to 8.2 percent in July 2025, contributing 5.1 percentage points to the annual inflation.
- Core inflation has declined for four consecutive months.

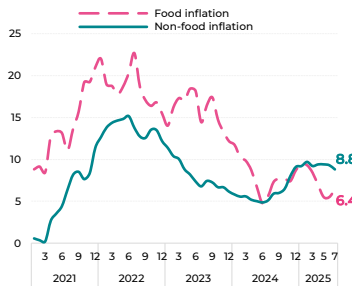


- Price increases in meat, dairy, and flour products accounted for 5.7 percent of the annual inflation in July 2025.
- Prices of flour and flour-based products remain unchanged from the same period last year.
- Prices of dairy products and eggs increased by 1.6 percent year-over-year.
- Mutton price increased by 9.4 percent year-over-year.



Global container shipping price reached \$2,250, down by 58 percent compared to the same period last year. Meanwhile, the FAO Food Price Index (FFPI) increased by 7.6 percent in July 2025.

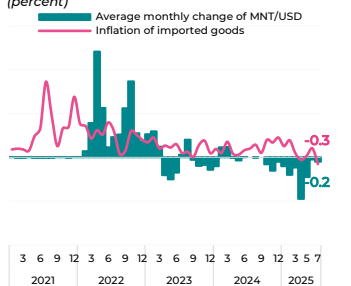
FOOD AND NON-FOOD INFLATION (percent)



Source: National Statistical Office

- Food inflation was at 6.4 percent, accounting for 1.8 percentage points of annual inflation in July 2025. The acceleration in food inflation was driven by price increases for meat and meat products.
- Non-food inflation was at 8.8 percent, accounting for 6.3 percentage points of annual inflation.

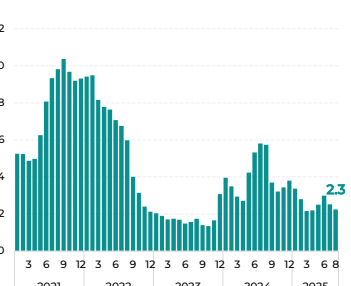
IMPORTED INFLATION AND EXCHANGE RATE (percent)



Source: National Statistical Office, Bank of Mongolia

- In July 2025, the average MNT/USD rate depreciated by 0.2 percent from the previous month to MNT 3,585.
- By July 2025, inflation of imported goods decreased 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 August 21, 2025, the Drewry World Container Index (WCI) reached \$2,250 per 40-ft container, down 58 percent compared to the previous month.
- The decline in container shipping prices is easing supply-driven inflationary pressure.

FOOD PRICE INDEX (percent)

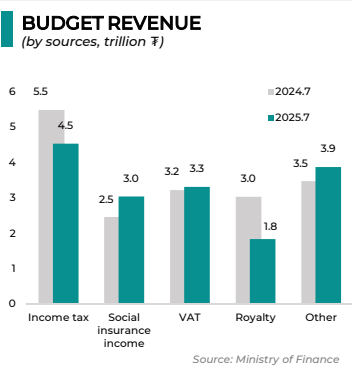


Source: FAO

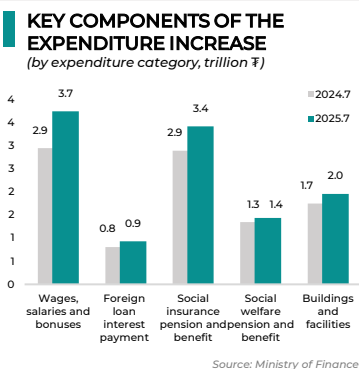
- The FAO Food Price Index (FFPI) measures the monthly change in international prices of a basket of food commodities. It is calculated as the average of price indices for five commodity groups.
- The FFPI stood at 130.1 points in July 2025, up 7.6 percent compared to the previous year, and 1.6 percent compared to the previous month.
- In July 2025, price indices for cereals, dairy, and sugar declined; they were outweighed by increases in the indices for meat and vegetable oils.



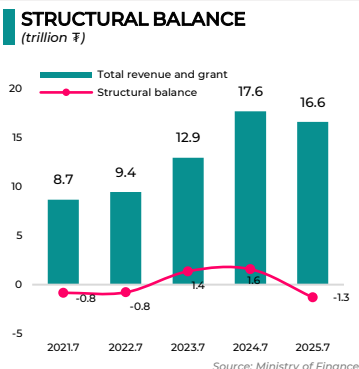
In July 2025, total budget revenue reached ₹16.6 trillion, a decrease of ₹1.1 trillion or 6.1 percent compared to the same period last year. The decline was primarily driven by falling commodity prices.



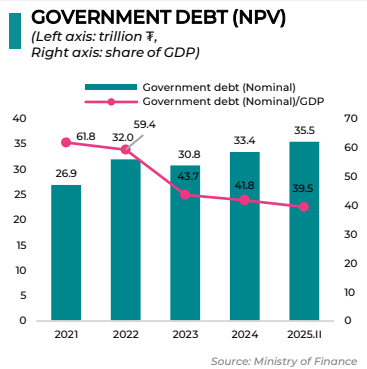
- The total revenue and grants reached ₹16.6 trillion, representing a decrease of ₹1.1 trillion (-6.1 percent) compared to the same period last year.
- This decline was mainly due to a decline of ₹1.1 trillion (-27.7 percent) in corporate income tax and ₹1.2 trillion (-39.4 percent) in royalties.



- As of July 2025, total expenditure amounted to ₹16.9 trillion, an increase of ₹1.6 trillion (+10.7 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 27.2 percent rise in civil servant wages and salaries, and a 14.4 percent increase in pensions and social benefit expenses.



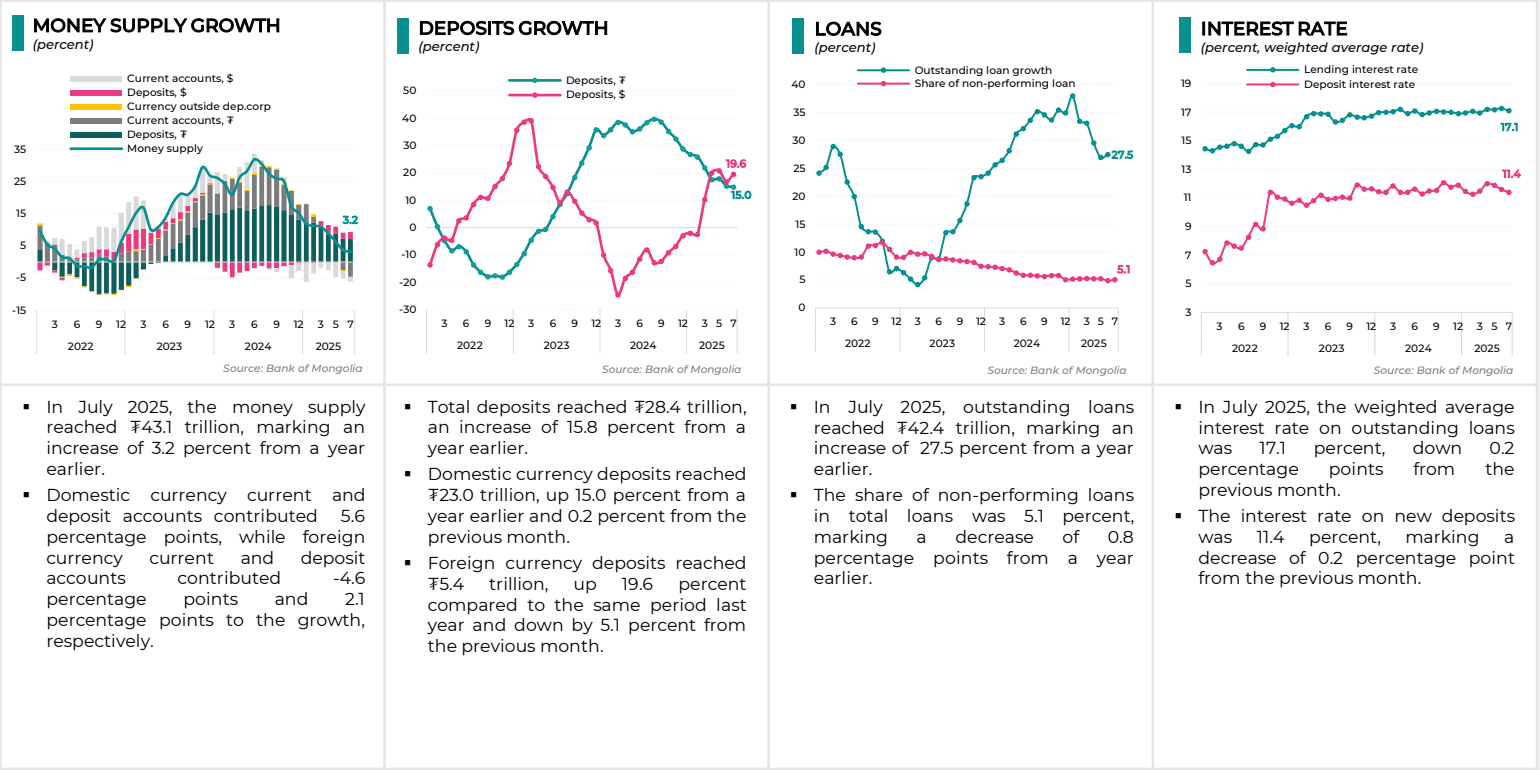
- As of July 2025, the structural balance of the consolidated budget recorded a deficit of ₹1.3 trillion, a decrease of ₹2.9 trillion compared to the same period last year.
- The main factor contributing to the increased deficit was the slowdown in budget revenue, primarily due to the decline in coal prices and reduced corporate income tax collections.



- As of the second quarter of 2025, the government debt (nominal) reached ₹35.5 trillion, equivalent to 39.5 percent of GDP.
- The government debt (nominal)-to-GDP ratio aligns with the special fiscal requirements.

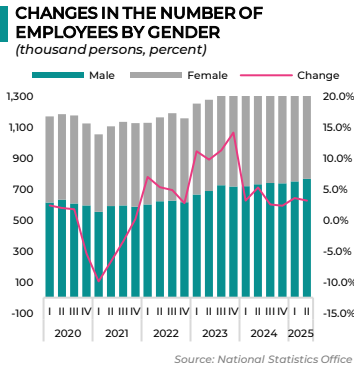


The money supply increased 3.2 percent year-on-year to ₮43.1 trillion in July 2025. The outstanding loans increased by 27.5 percent year-on-year in July 2025, reaching ₮42.4 trillion.

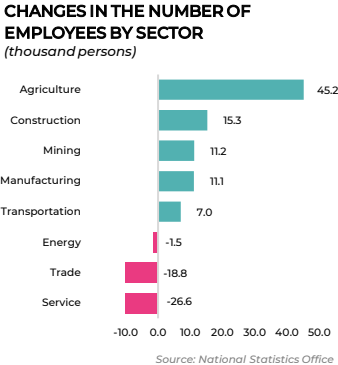




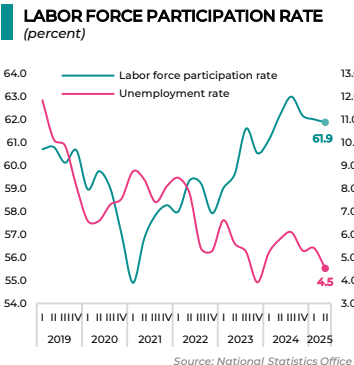
Although growth in the agricultural sector has stabilized and total employment has reached 1.39 million, the labor force participation rate has declined to 61.9 percent, driven by a decrease in the number of unemployed individuals.



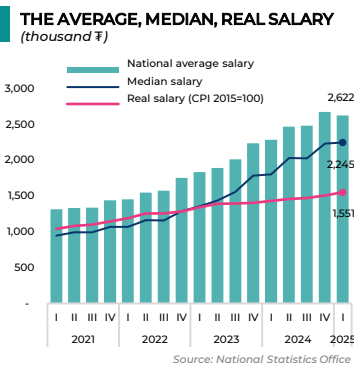
- The number of employees increased by 43 thousand, or 3.2 percent, from the same period last year to 1 million 390 thousand, which is 228 thousand higher than before the pandemic.
- In the second quarter of 2025, the number of male employees increased by 34.3 thousand year-on-year, and the number of female employees increased by 8.7 thousand year-on-year.



- The increase in the number of employees was mainly due to the recovery of the number of employees in the agricultural sector, which had been declining, increasing by 45 thousand compared to the same period of the previous year. In addition, the number of employees in the construction sector, mining, manufacturing and transportation sectors contributed positively
- However, the decrease in the number of employees in the energy, and trade and services sectors had a negative impact.



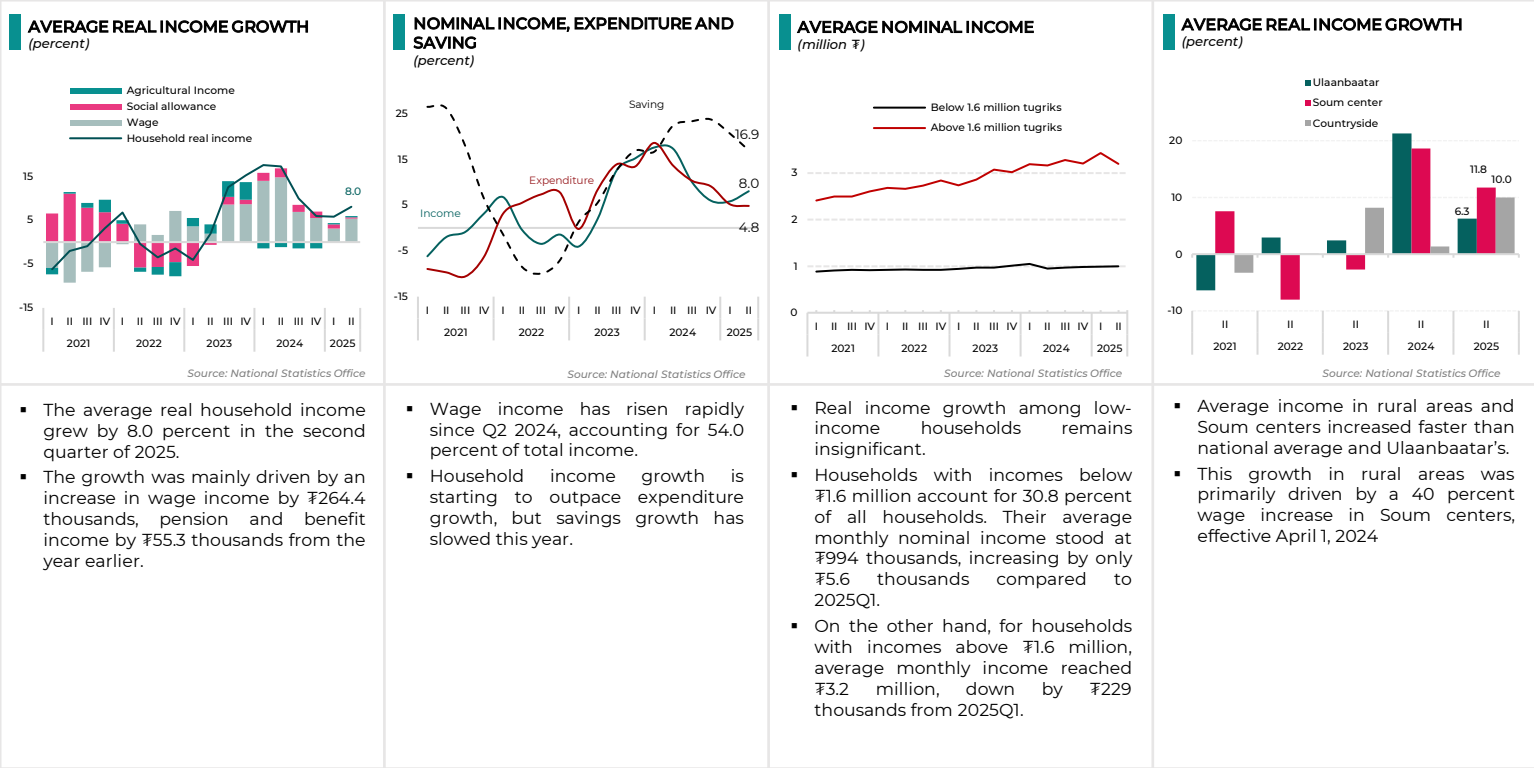
- The number of unemployed people decreased by 16 thousand compared to the same period of the previous year, bringing the unemployment rate to 4.5 percent, down 1.2 percentage points from the same period of the previous year.
- However, the labor force participation rate decreased by 0.3 percentage points from the same period of the previous year to 61.9 percent, due to the decrease in the number of unemployed people.



- In the first quarter of 2025, the average salary increased by 15 percent compared to the previous year, reaching 2 million 622 thousand ₺.
- The national median salary rose by 447 thousand ₺, or 25 percent from the last year, amounting 2 million 245 thousand ₺ (which is ₺377 thousand less than the average salary). This indicates that more than half of employees earn less than 2.2 million ₺.
- Real wages, adjusted for the consumer price index, increased by 8.4 percent from the previous year to 1 million 551 thousand ₺.

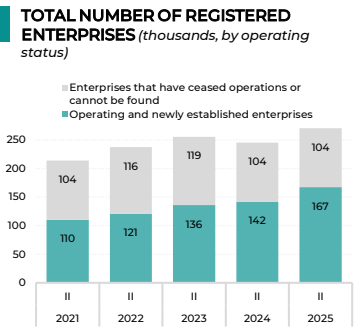


Household real income, which had declined for the past three consecutive quarters, recovered and grew by 8.0 percent in the first half of 2025.



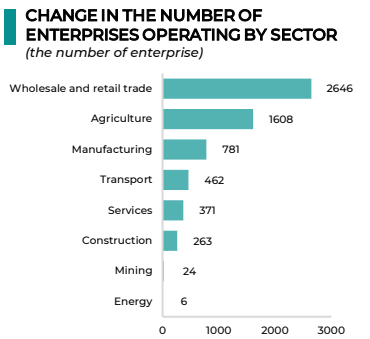


In the second quarter of 2025, the total number of enterprises registered in the Business Registration Database reached 270.9 thousand, an increase of 25.2 thousand or 10.3 percent from same period last year.



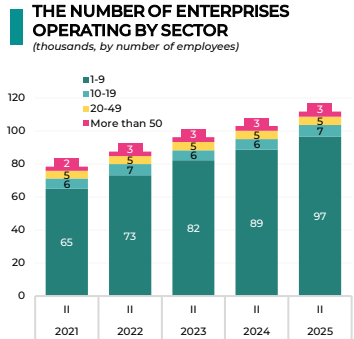
Source: National Statistics Office

- 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.



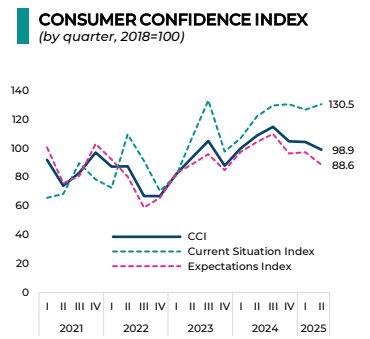
Source: National Statistics Office

- 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.

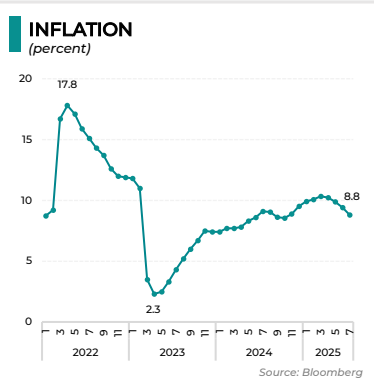
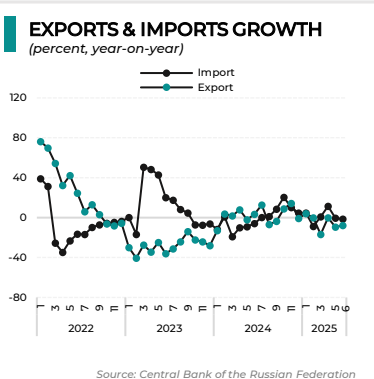
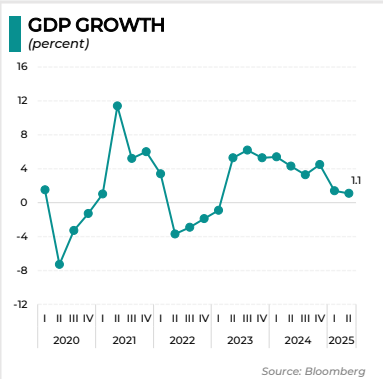


Source: National Research and Consulting Center (NRCC Co. Ltd)

- As of the second quarter of 2025, the Consumer Confidence Index (CCI) reached 98.9, declining by 9.8 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 8.3 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 15.7 points, due to a deterioration in expectations regarding future business conditions, job availability, and income.



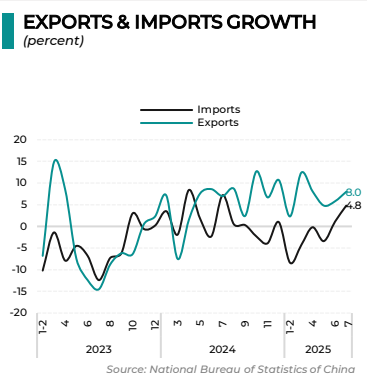
Russian economy grew by 1.4 percent in the first quarter of 2025. The inflation rate declined to 8.8 percent in July 2025, showing a 0.6 percentage point decline from the previous month.



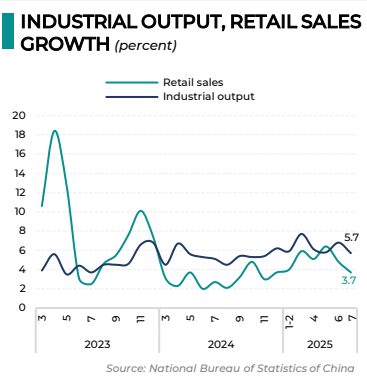
- Russia's economic growth slowed to 1.1 percent, marking a decline of 3.2 percentage points in the second quarter of 2025.
- As of June 2025, exports reached \$32.8 billion and imports reached \$23.6 billion, resulting in a trade surplus of \$9.3 billion.
- Exports decreased by 8.0 percent in June 2025 compared to a year earlier.
- Imports decreased by 1.3 percent in June 2025 compared to a year earlier.
- The inflation rate remains above the central bank's target level of 4 percent.
- The inflation rate reached 8.8 percent in July 2025, down 0.6 percentage points from the previous month and 0.3 percentage points from the same period last year.
- The Central Bank of Russia reduced its policy rate by 2 percentage points to 18 percent in July 2025.
- In July 2025, the Purchasing Manager's Index (PMI) for the industrial sector reached 47.0, reflecting a decrease of 0.5 points from the previous month.
- As of June 2025, the growth of real industrial production reached 2.0 percent, up by 0.2 percentage points from the previous month.



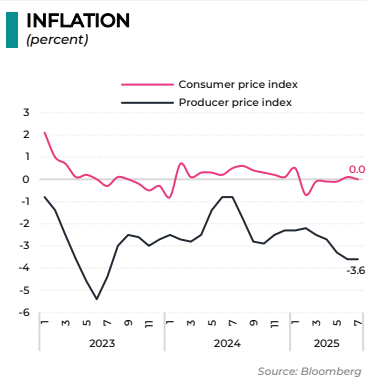
Despite weak domestic demand, China's economy expanded by 5.2% in the second quarter of 2025, supported by policy-supported exports and investment.



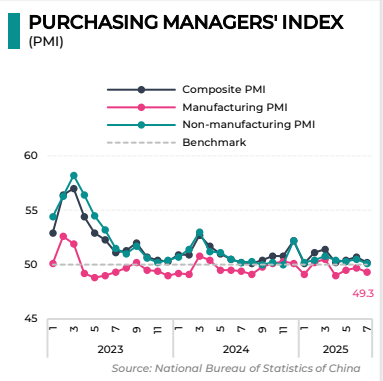
- China's GDP grew by 5.2 percent in 2025Q2.
- Export growth accelerated to 8.0 percent in July 2025, while import growth also accelerated to 4.8 percent this month.



- Industrial output rose 5.7% in July 2025, its weakest growth since last November and below expectations.
- Retail sales growth - a key indicator of consumption behavior - slowed to 3.7 percent in July 2025.



- The consumer price index turned to 0.0 percent in July 2025.
- The producer price index fell by 3.6 percent in July 2025.



- The manufacturing PMI declined to 49.3 in July 2025, remaining in contraction territory.
- Despite falling from the previous month, both the non-manufacturing and composite PMIs remained above the 50-point mark.

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.

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

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MINISTRY OF ECONOMY AND DEVELOPMENT