

MONTHLY MACROECONOMIC UPDATE

December 2025

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► MAIN ECONOMIC INDICATORS - 2025.12

GDP growth

(Q3 2025)

5.9 percent

International reserves

(2025)

7,005 million \$

Inflation

(December 2025)

7.5 percent

Budget balance

(December 2025)

-1,232 billion ₽

Exports

(2025)

15.7 billion \$

Imports

(2025)

11.3 billion \$

FDI

(Q3 2025)

2.4 billion \$

Loan rate

(December 2025)

17.2 percent

Number of employees

(Q3 2025)

1.39 million

* As of Q3 2025 the labor force participation rate is 62.7 percent.

Real wage growth

(Q3 2025)

1 percent

*CPI 2020=100

Number of enterprises operating

(Q3 2025)

115.0 thousand

*Mainly in trade, services, construction and manufacturing sectors

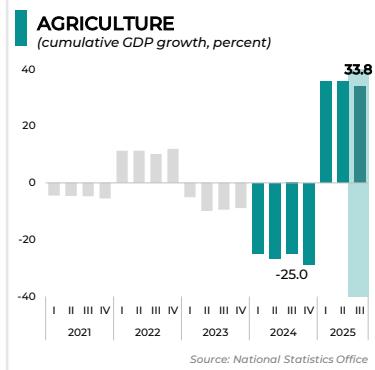
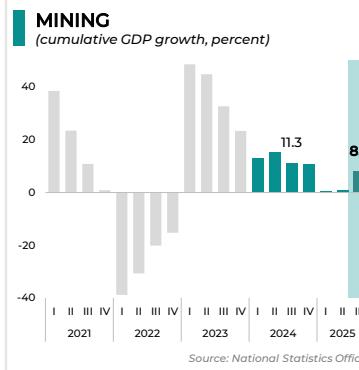
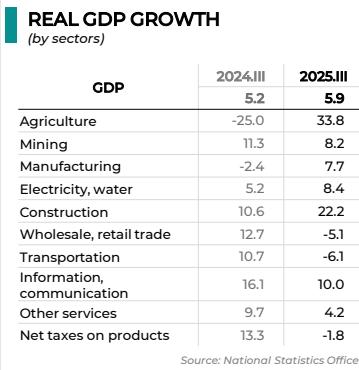
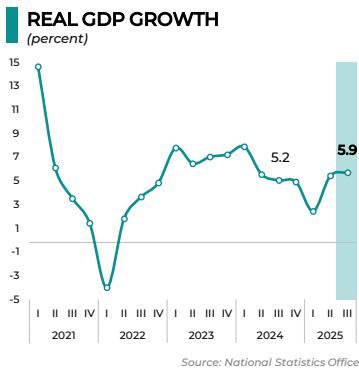
Household real income growth

(Q3 2025)

4.0 percent



Economic growth rebounded to 5.9 percent in the third quarter of 2025. Mining production began to strengthen, supporting overall growth, while net tax revenues declined, holding back growth. Agriculture, manufacturing, energy, and construction supported growth, while trade and transportation continued to contract, holding back growth.



- The real GDP grew by **5.9 percent in the third quarter of 2025**.
- Primary sector: The agriculture sector expanded by 33.8 percent, contributing 3.4 percentage points to growth, and the mining sector by 8.2 percent, contributing 1.1 percentage points to growth.
- Secondary sector (manufacturing, construction, electricity, and water supply) expanded by 10.6 percent, contributing 1.1 percentage points to the overall growth.
- Services sector (other services grew, transportation, and trade contracted) grew by 1.3 percent, contributing 0.6 percentage points to the overall growth.
- Net taxes on products grew by 1.8 percent, limiting the overall growth by 0.3 percentage points.

- Economic growth was primarily driven by expansions in the agricultural and mining sectors.
- Production in manufacturing, construction, electricity and water supply, service sectors (except transportation and trade) increased, contributing positively to growth.
- However, the transportation sector contracted due to a decline in revenue from coal-transporting enterprises.
- Additionally, sales of non-food products decreased, leading to a contraction in the overall trade sector.

- The mining sector grew by 8.2 percent in the third quarter of 2025.
- This growth was mainly driven by copper concentrate production, which reached 1.5 million tons, a 37 percent increase compared to the same period last year.
- However, the production of coal, gold, and crude oil limited the overall growth.
- Specifically, coal production reached 68.9 million tons, down 7.5 percent year-on-year, crude oil production decreased by 10.6 percent, and gold production fell by 8.4 percent.

- The agricultural sector grew by 33.8 percent YoY in the third quarter of 2025.
- Weather conditions were normal, and the number of matured young livestock reached 21.1 million (a maturing rate of 98.4 percent), an increase of 5.6 million head compared to the same period last year. Due mainly to this and a reduction of 7.9 million head in adult livestock losses from the same period last year, the agricultural sector—which had declined for two consecutive years—recovered.



On the demand side, household consumption, fixed capital formation and service exports contributed to economic growth.

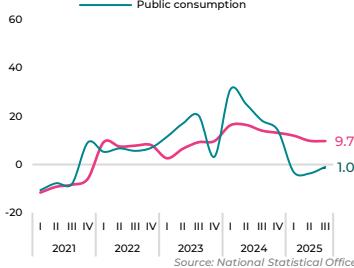
GDP GROWTH (percent)

Inventories
Net export
Fixed capital formation
Public consumption
Household consumption
GDP, Real growth



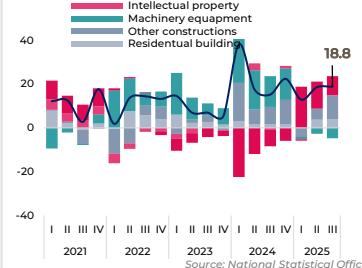
CONSUMPTION GROWTH (percent)

Household consumption
Public consumption



FIXED CAPITAL FORMATION GROWTH (percent)

Animal and livestocks
Intellectual property
Machinery equipment
Other constructions
Residential building



EXPORT AND IMPORT GROWTH (percent)

Goods, service export
Goods, service import



- Domestic demand was the primary driver of overall growth, with household consumption added 7.4 percentage points and investment contributing 6.5 percentage points, net export contributing 1.3 percentage points.
- In contrast, inventories reduced growth by 9.1 percentage points, and public spending lowered by 0.2 percentage points.

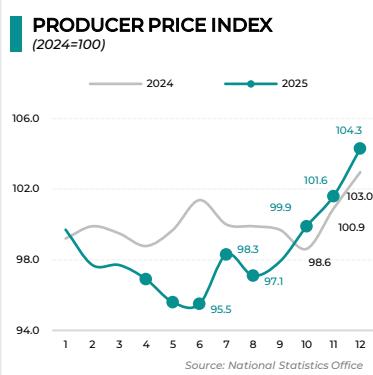
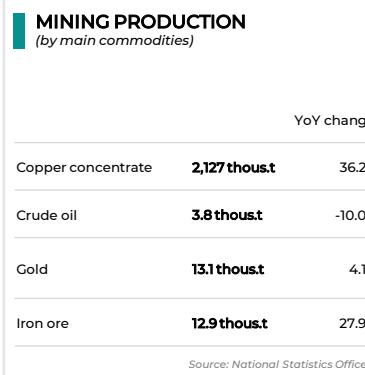
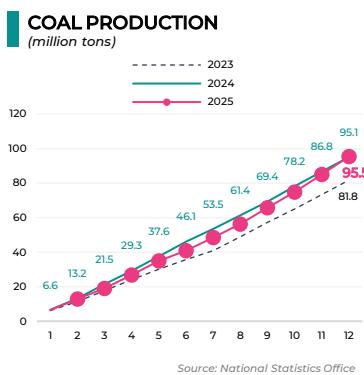
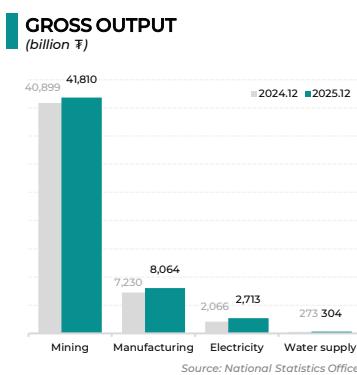
- Government consumption declined by 1.0 percent compared to a year earlier, while household consumption continued to grow and expanded by 9.7 percent.

- Fixed capital formation increased by 18.8 percent, driven by a 30.1 percent real increase in nonresidential construction stocks, a 22.8 percent growth in residential buildings. Also, animal and livestock assets that had declined in the previous year increased this year, supporting overall investment.

- Exports of goods and services increased by 2.4 percent compared to the same period last year, while growth of imports slowed to 0.3 percent, helping to mitigate the decline in net export.



Industrial output in the sector grew by 4.8 percent in 2025. The main contributing factor was the increase in both the physical volume and prices of copper and iron ore extraction in the mining sector.



- Industrial output reached MNT 52.9 trillion in 2025, an increase of 4.8 percent compared to the previous year.
- Despite crude oil and mining support activities declined, the rise in copper concentrate production led to a 2.2 percent nominal growth in the mining sector.
- Manufacturing output (nominal) rose by 12 percent in 2025, driven by increased production of food products and non-metallic mineral goods.

- Mining accounts for about 70 percent of total industrial output, with coal extraction alone making up 43 percent.
- Coal production reached 95.5 million tons in 2025, an increase of 0.4 percent compared to the previous year. By the end of 2025, coal output was up 25.7 percent year over year.

- With higher output at Oyu Tolgoi, total copper concentrate production in 2025 rose by 36.2 percent to 2,127 thousand tons.
- Iron ore and iron ore concentrate output reached 12.9 million tons, an increase of 27.9 percent.
- Gold production grew by 4 percent, while crude oil output fell 10 percent compared to the previous year's level.

- In December 2025, the producer price index (PPI) increased by 1.3 percent year-on-year.

PPI increased in:

- Food products by 8.4 percent;
- Beverage production by 19.1 percent;
- Metal ore mining by 43 percent;
- Electricity, gas, steam, and air conditioning supply by 37.3 percent;

PPI decreased in:

- Coal mining by 30.4 percent;
- Crude oil extraction by 18.7 percent.

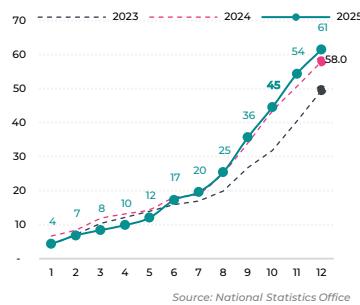
1.4 MANUFACTURING PRODUCTS: Agricultural products

2025



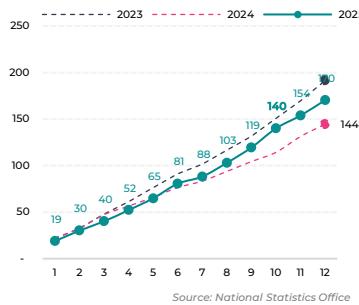
In 2025, the total production volume of the manufacturing sector increased by 4.8 percent in real terms. The growth was mainly driven by higher output in non-metallic mineral products, meat processing and preserving, and metal production.

MEAT (thousand tons)



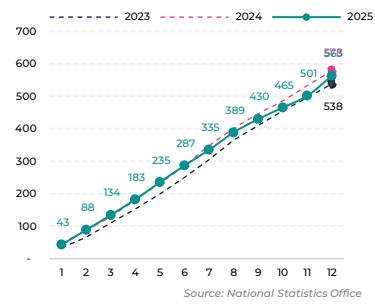
Source: National Statistics Office

WHEAT FLOUR (thousand tons)



Source: National Statistics Office

BEVERAGES (thousand tons)



Source: National Statistics Office

CASHMERE PRODUCTS (tons)



Source: National Statistics Office

- Processed livestock meat reached 61.5 thousand tons in 2025, an increase of 6 percent compared to the same period last year.
- The increase in the physical volume of processed meat was driven by higher processing of beef and horse meat. In addition, real output of meat processing and canning operations, which account for around 8-10 percent of manufacturing output, grew by 20.6 percent year on year (adjusted using the 2024-based producer price index).

- Flour production reached 170.3 thousand tons in 2025, an increase of 17.9 percent compared to the same period last year.
- With 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—grew by 7.5 percent in real terms (adjusted for the 2024-based producer price index) compared to the previous year.

- The production volume of alcoholic and non-alcoholic beverages reached 562.9 thousand tons in 2025, a decrease of 2.7 percent compared to the same period last year.
- Although production volume increased, the real output of beverages—accounting for about 20-25 percent of the manufacturing sector—fell by 3.6 percent year-over-year (adjusted for the 2024-based producer price index).

- Combed cashmere production reached 4 thousand tons in 2025, a sharp increase of 543 percent compared to the same period last year.
- Despite the rise in cashmere output, real production in spinning, weaving, and fabric preparation—which accounts for about 3-5 percent of the manufacturing sector—was 10.2 percent higher year-over-year (adjusted for the 2024-based producer price index).

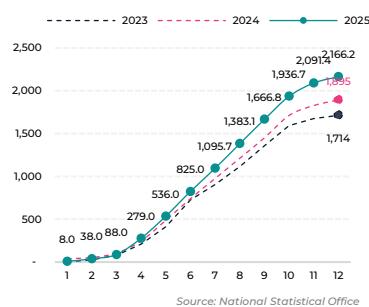
1.5 MANUFACTURING PRODUCTS: Construction inputs

2025

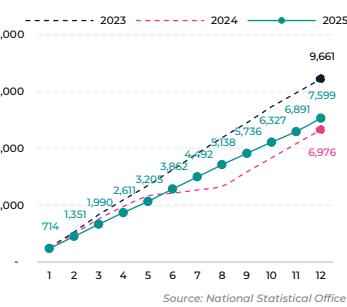


Production of key inputs in the construction sector, including cement, windows, and doors increased, while the production of base metal and metal casts declined.

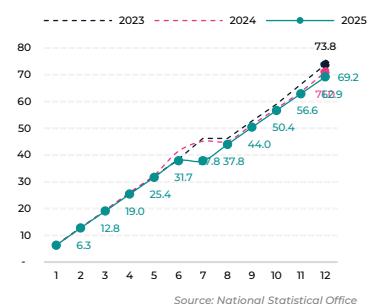
CEMENT (thousand tons)



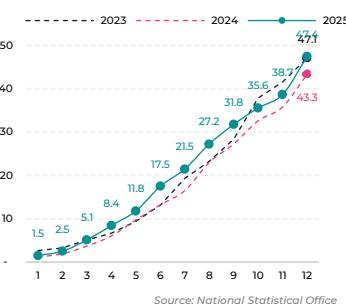
COPPER CATHODE 99% (tons)



BASE METAL AND FOUNDRIES (thousand tons)



WINDOW AND DOORS (thousand m²)



- Cement production reached 2,166 thousand tons in 2025, up by 14.3 percent from the same period last year.

- Copper cathode reached 7.6 thousand tons in 2025, marking an increase of 8.9 percent from the same period last year.

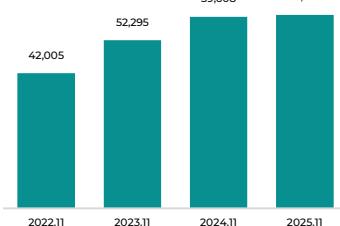
- Metal billets and rolled products reached 69.2 thousand tons in 2025, marking a decrease of 2.6 percent from the same period last year.

- Vacuum windows and doors production reached 47.4 thousand m² in 2025, marking an increase of 9.5 percent from the same period last year.



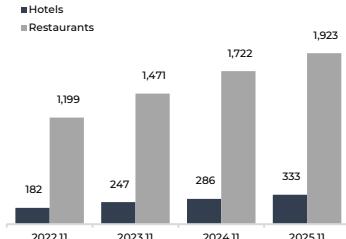
As coal transport recovered, rail freight traffic in the first 12 months increased by 5.8 percent compared to the same period of the previous year. Due to the impact of inflation, real income in the trade and catering sector showed a declining trend.

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)



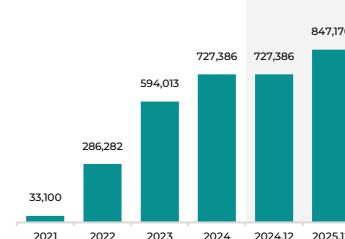
Note: The data is released with a 45-day lag.
Source: MED estimation, NSO

TRANSPORTATION (carried freight, million tons)

	2024.11	2025.11	YoY change:
Railway	41.9	44.3	5.8%
Mining products	41.9	44.3	5.8%
Air	9.39	11.27	20.1%
	2024.III	2025.III	
Road	65.3	67.1	2.8%
Mining products	61.6	64.2	4.2%

*thousand tons
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 make up the largest share of the services sector.
- In the first 11 months of 2025, sector sales reached ₮60.2 trillion in nominal terms, an increase of 1.0 percent compared to the same period last year, while in real terms (adjusted for prices), they declined by 5.2 percent.

- In the first 11 months of 2025, hotel sector sales revenue rose by 16.7 percent in nominal terms, while sales revenue in the food services sector increased by 11.6 percent.
- As inflation intensified, price-adjusted real revenue in the hotel sector grew by 1.0 percent, whereas real revenue in the food services sector declined by 3.4 percent.

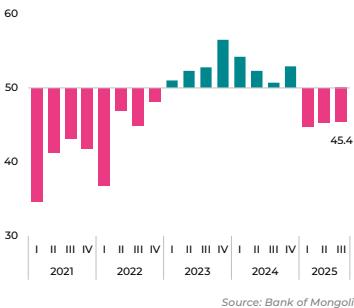
- In the first 11 months of 2025, 44.3 million tons of cargo were transported by rail, a 5.8 percent increase compared to the same period last year.
- Air cargo rose by 20.1 percent year-over-year.
- Due to shorter haul distances for coal exports, 67.1 million tons of cargo were transported by road in the first three quarters of 2025.

- As of the first 12 months of 2025, the number of tourists entering Mongolia reached 847.2 thousand, a 16.5 percent increase compared to the same period last year.
- The number of tourists received in 2025 marked the highest level ever recorded for that period.

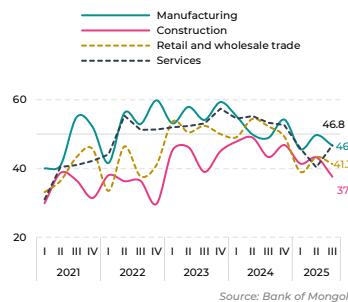


Purchasing managers index (PMI), which reflects the economic expectations of manufacturers and service providers, reached 45.4 in 2025Q3, businesses expect the economy to shrink.

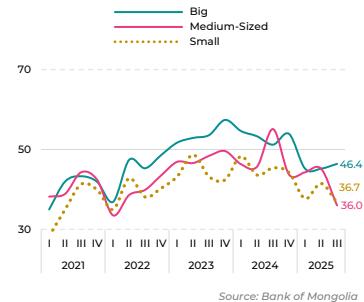
PMI (50=no change)



PMI, by sectors (50=no change)



PMI, by business size (50=no change)



PMI, by factors (50=no change)



- The Purchasing Managers' Index (PMI), which measures the economic expectations of manufacturers and service providers, stood at 45.4 in the second quarter of 2025, up 0.1 points from 2025Q2 but down 5.3 points compared to 2024Q3.

- Construction PMI worsened by 3.1 points from 2025Q2, stood at 37.6, continuing to signal contractionary conditions.
- Industrial PMI declined by 3.1 points compared to 2025Q2. Businesses in this sector had negative expectations for three consecutive quarters.
- Meanwhile, the Services PMI rose by 6.5 points from Q2 2025, but it has remained in contraction for two consecutive quarters. At the same time, the Retail and Wholesale Trade sector's PMI has been in contraction for four consecutive quarters.

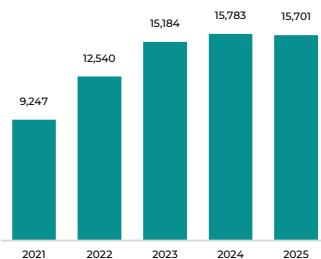
- The PMI for large companies with more than MNT 2.5 billion revenue improved by 1.2 points, yet it has declined for three consecutive quarters.
- The PMI for medium-sized businesses with revenues of MNT 1-2.5 billion dropped sharply by 9.2 points from 2025Q2 and has stayed in contraction for four quarters.
- The PMI for small businesses stood at 36.7 and has consistently remained in contractionary territory.

- All major business indicators are expected to decline in Q3 2025.



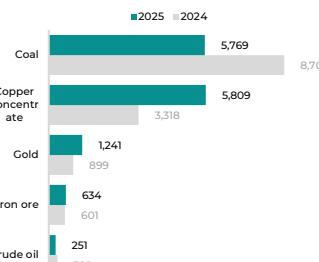
As of 2025, total foreign trade turnover reached USD 27.0 billion, while the trade balance recorded a surplus of USD 4.4 billion.

EXPORTS (million \$)



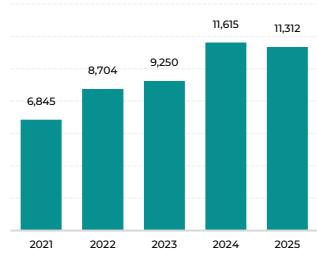
Source: MGCA

EXPORTS BY MAIN PRODUCTS (million \$)



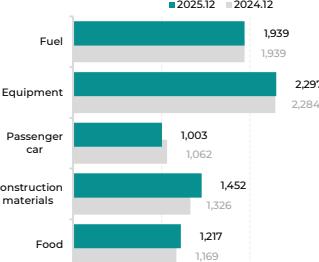
Source: MGCA

IMPORTS (million \$)



Source: MGCA

IMPORTS BY MAIN PRODUCTS (million \$)



Source: MGCA

- In 2025, exports reached \$13,742 million, a decrease of 5.9 percent from last year.
- Mining products accounted for 93 percent of total exports.

- Coal export reached \$5,769 million, decreasing by 34 percent compared with the previous year.
- Copper concentrate export reached \$5,809 million, increasing by 75 percent compared with the previous year.
- Gold export reached \$1,241 million, increasing by 38 percent compared with the previous year.
- Iron ore export reached \$634 million, increasing by 6 percent compared with the previous year.

- In 2025, imports reached \$11,312 million, a decrease of 2.6 percent from last year.
- Equipment accounted for 20.2 percent of the total imports, fuel for 17.1 percent, construction materials for 12.8 percent, food products for 10.7 percent, and passenger cars for 8.8 percent.
- Imports of trucks decreased by 30.1 percent, gasoline imports by 6.4 percent, and passenger car imports by 5.5 percent, contributing to the decline in total imports.

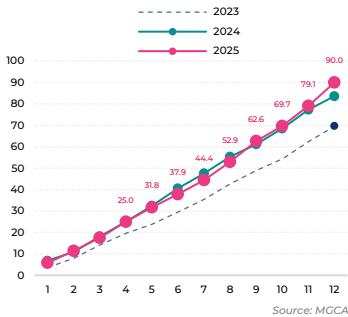
- Fuel imports reached \$1,939 million, at around the same level compared to a year earlier.
- Equipment import reached \$2,297 million, up 0.6 percent compared to a year earlier.
- Passenger car imports reached \$1,003 million, down 5.5 percent compared to a year earlier.
- Construction materials' imports reached \$1,452 million, up 9.6 percent compared to a year earlier.
- Food imports reached \$1,217 million, up 4.1 percent compared to a year earlier.

2.2 MINERAL PRODUCTS

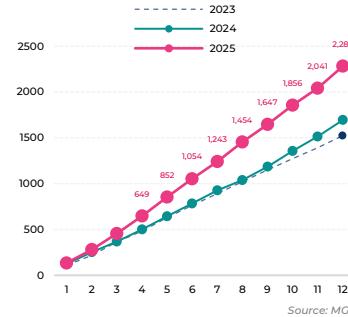
2025

As of 2025, mining products made up 93 percent of total exports.

COAL (million tons)



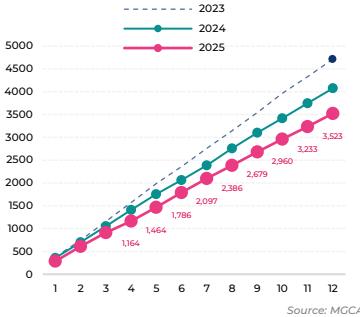
COPPER CONCENTRATE (thousand tons)



IRON ORE (thousand tons)



CRUDE OIL (thousand barrels)



- As of 2025, coal exports reached 90.0 million tons, increasing by 7.6 percent with the previous year.
- As of 2025, copper concentrate exports reached 2,282 thousand tons, increasing by 34.6 percent compared with the previous year.
- As of 2025, iron ore exports reached 8,800 thousand tons, increasing by 17.5 percent compared with the previous year.
- As of 2025, crude oil exports reached 3,523 thousand barrels, decreasing by 13.5 percent compared with the previous year.

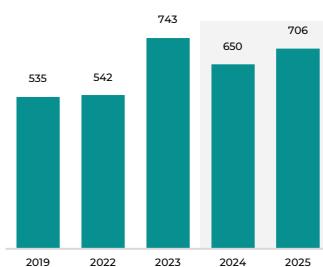
2.3 AGRICULTURAL PRODUCTS

2025

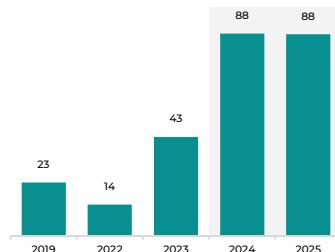


As of 2025, agricultural exports increased by 9 percent compared with the previous year.

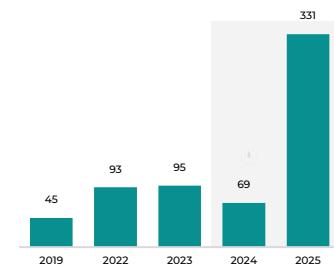
TOTAL AGRICULTURAL EXPORTS (million USD)



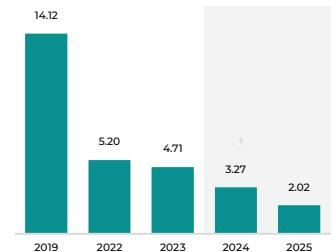
MEAT OF SHEEP AND GOAT (million USD)



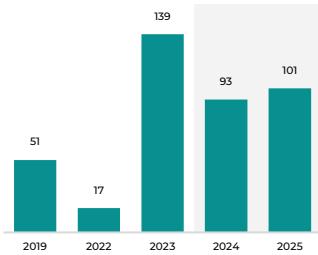
CASHMERE, WASHED (million USD)



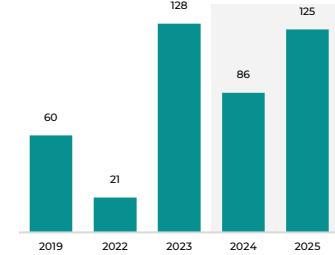
FURS, HIDES AND SKINS (million USD)



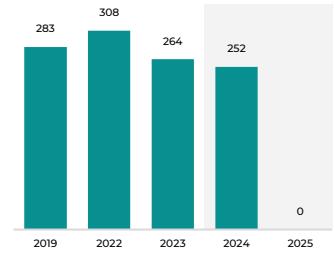
CANNED MEATS (million USD)



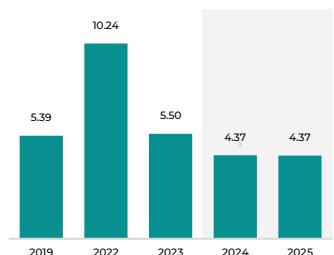
MEAT OF HORSE AND BOVINE (million USD)



CASHMERE, COMBED (million USD)



WOOL (million USD)



Source: MGCA

Source: MGCA

Source: MGCA

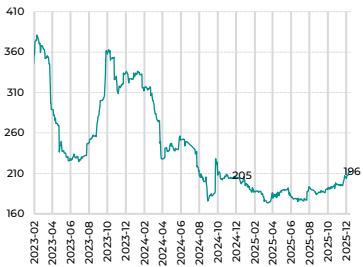
Source: MGCA



GLOBAL COMMODITY PRICE TRENDS

COAL

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



Source: Bloomberg

COPPER

(\$/tons, LME)



Source: Bloomberg

IRON CONCENTRATE

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



Source: Bloomberg

- The average price of Australian high-quality coking coal on the Singapore Exchange in December 2025 was \$224, marking a 15 percent increase from the same period last year.

- The average price of copper on the London Metal Exchange in December 2025 was \$13,056, marking a 45 percent increase from the same period last year.

- The average price of iron ore in Northwest China in December 2025 was \$109, marking a 8 percent increase from the same period last year.

CRUDE OIL

(\$/bbl, Brent)



Source: Bloomberg

- The average price of Brent oil in December 2025 was \$62, marking a 13 percent decrease from the same period last year.

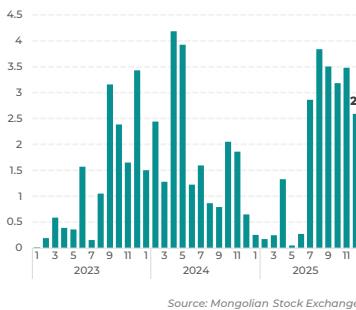
4. THE MINING COMMODITY EXCHANGE TRADE

DECEMBER 2025



In the first 12 months of 2025, the Mining commodity exchange traded 21.8 million tons of coal, 5.9 million tons of iron ore and concentrate, 51.5 tons of fluoride, and 45.3 tons of copper concentrates.

COAL TRADE (million tons, monthly)



Source: Mongolian Stock Exchange

AVERAGE COAL PRICE (\$/tons, monthly)



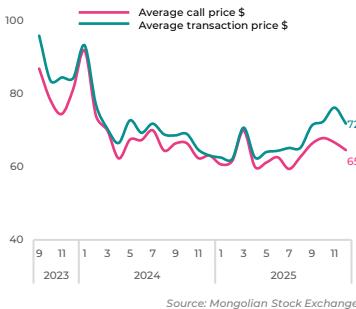
Source: Mongolian Stock Exchange

IRON TRADE (thousand tons, monthly)



Source: Mongolian Stock Exchange

AVERAGE IRON PRICE (\$/tons, monthly)



Source: Mongolian Stock Exchange

- Between January 2023 and December 2025, a total of 59.1 million tons of coal were traded, generating \$61 billion in revenue.
- In 2024, 22.4 million tons of coal were traded, generating \$2.4 billion in revenue.
- A total of 21.8 million tons of coal were sold in the first 12 months of 2025.

- As of December 2025, the average call price of coal was \$86, and the average transaction price was \$83.
- Depending on the type of coal, in December 2025, the minimum transaction price reached \$20, and the maximum price reached \$134.

- Between September 2023 and December 2025, a total of 9.0 million tons of iron ore and concentrate were traded, generating \$602 million in revenue.
- In 2024, 2.4 million tons of iron ore and concentrate were traded, generating \$167 million in revenue.
- A total of 5.9 million tons of iron ore and concentrate were sold in the first 12 months of 2025.

- The average call price of iron ore and concentrate was \$65 in December 2025, and the average transaction price reached \$72.
- Depending on the type of iron, the minimum transaction price in December 2025 was \$64, and the maximum price was \$86.

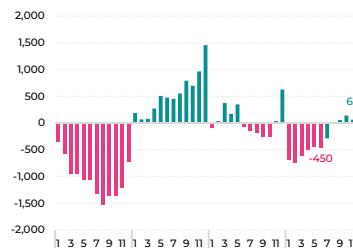
5. BALANCE OF PAYMENTS, GROSS INTERNATIONAL RESERVES

NOV-DEC 2025



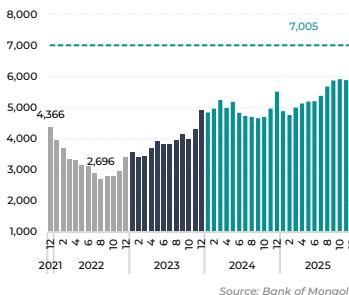
The balance of payments recorded a surplus of \$63 million in November 2025, while gross international reserves increased to \$7,005 million at the end of December 2025.

BALANCE OF PAYMENTS (million \$)



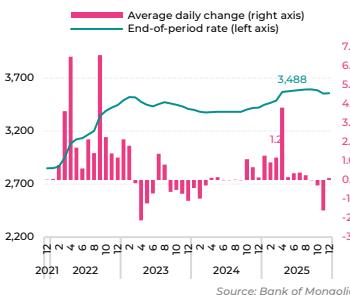
Note: The data is released with a one-month lag.
Source: Bank of Mongolia

GROSS INTERNATIONAL RESERVES (million \$)



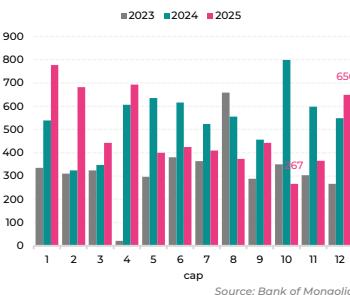
Source: Bank of Mongolia

EXCHANGE RATE (MNT/USD)



Source: Bank of Mongolia

FOREIGN EXCHANGE AUCTIONS (million \$)



Source: Bank of Mongolia

- The balance of payments recorded a surplus of \$63 million in November 2025, while gross international reserves increased to \$7,005 million at the end of December 2025.
- Compared to a year earlier, the current account deficit decreased by \$720 million, while the financial account surplus rose by \$856 million.

- Gross international reserves stood at \$7,005 million at the end of December 2025, up \$1,119 million from the previous month, \$1,495 million from the period last year.

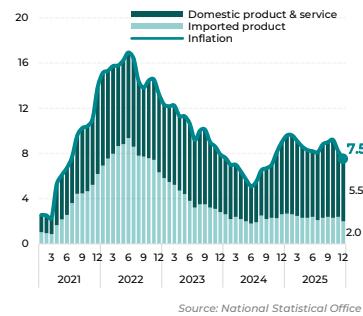
- The average daily change in the MNT/USD rate was 0.1 in December 2025, and the exchange rate stayed 3,557 at the end of the month.

- In December 2025, the Bank of Mongolia sold \$650 million to the commercial banks.
- In 2025, total intervention reached \$5.7 billion, marking a \$623 million decrease compared to the last year.



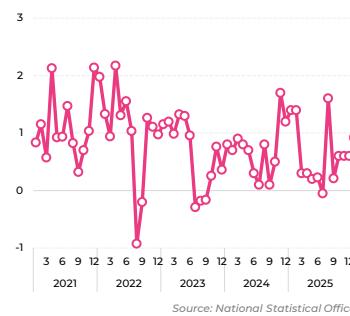
The annual inflation rate fell to 7.5 percent in December 2025, down 0.7 percentage points from the previous month. The deceleration in inflation reflected the slowdown in food, rent, and car prices.

ANNUAL INFLATION (percent)



Source: National Statistical Office

M-o-M INFLATION (percent)



Source: National Statistical Office

CORE INFLATION (percent)



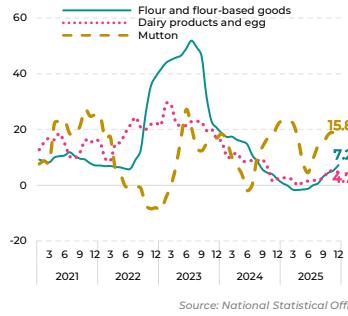
Source: National Statistical Office

- In December 2025, the annual inflation rate reached 7.5 percent.
- Inflation from imported goods contributed 2.0 percentage points, accounting for 26.8 percent of the annual inflation.
- Inflation from domestic goods and services contributed 5.5 percentage points, accounting for 73.2 percent of the annual inflation.

- Month-over-month, consumer prices increased by 0.6 percent in December 2025.
- This was mainly due to price increases of 2.4 percent in meat, 9.3 percent in milk, 4.1 percent in vegetables, and 0.6 percent in clothing and footwear.

- Core inflation excludes the volatile prices of food and energy from headline inflation.
- Core inflation estimated at 6.7 percent in December 2025, contributing 4.1 percentage points to the annual inflation.
- Core inflation has declined over the past month.

INFLATION OF SOME FOOD ITEMS (percent)



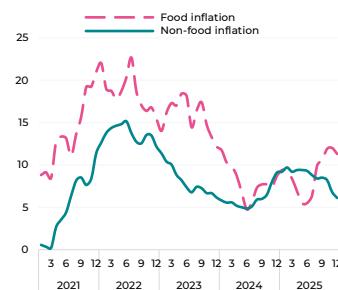
Source: National Statistical Office

- Price increases in meat, dairy, and flour products accounted for 21.3 percent of the annual inflation in December 2025.
- Prices of flour and flour-based products increased 7.2 percent from the same period last year.
- Prices of dairy products and eggs increased by 4.7 percent year-over-year.
- Mutton price increased by 15.8 percent year-over-year.



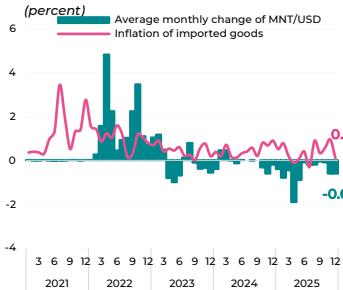
Global container shipping price reached \$2,212, down 36 percent from the same period last year. Meanwhile, the FAO Food Price Index (FFPI) declined 0.6 percent in December 2025.

FOOD AND NON-FOOD INFLATION (percent)



Source: National Statistical Office

IMPORTED INFLATION AND EXCHANGE RATE (percent)

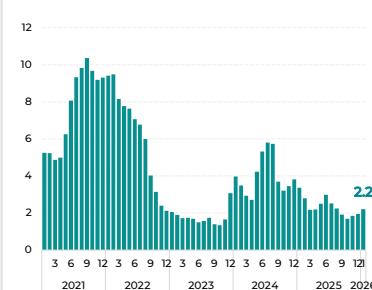


Source: National Statistical Office, Bank of Mongolia

- Food inflation was at 11.3 percent, accounting for 3.0 percentage points of annual inflation in December 2025. The acceleration in food inflation was driven by price increases in meat and flour-based goods.
- Non-food inflation was at 6.1 percent, accounting for 4.5 percentage points of annual inflation.

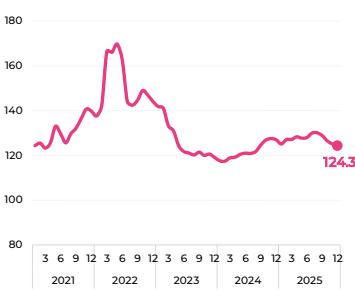
- In December 2025, the average MNT/USD rate appreciated by 0.6 percent from the previous month to MNT 3,549.
- In December 2025, prices of imported goods rose by 0.1 percent from the previous month.

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



Source: Drewry's World Container Index

FOOD PRICE INDEX (percent)



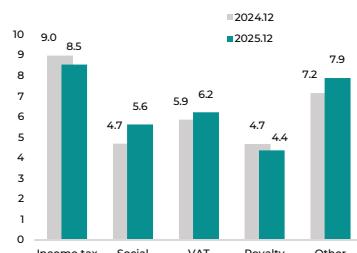
Source: FAO

- International shipping costs have been rising due to the US tariff policy, but have gradually begun to decline since June.
- As of January 22, 2025, the Drewry World Container Index (WCI) reached \$2,212 per 40-ft container, down 36 percent compared to the same period last year.
- The decline in container shipping prices is easing supply-driven inflationary pressure.
- 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 124.3 points in December 2025, declining by 2.3 percent y-o-y, and by 0.6 percent compared to the previous month.
- In December 2025, declines in the price indices for dairy products, meat, and vegetable oils more than offset increases in cereals and sugar.



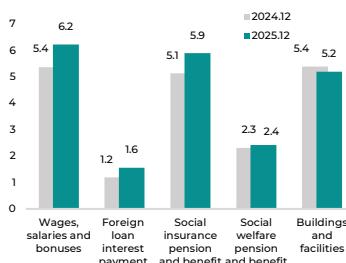
The structural budget balance recorded a deficit of MNT 1.2 trillion, reflecting a slowdown in revenue collection due to falling coal prices and reduced export earnings.

BUDGET REVENUE (by sources, trillion ₮)



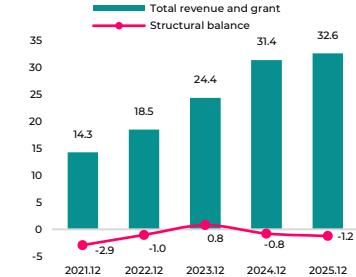
Source: Ministry of Finance

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



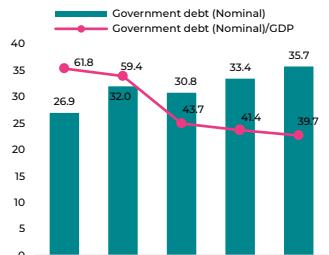
Source: Ministry of Finance

STRUCTURAL BALANCE (trillion ₮)



Source: Ministry of Finance

GOVERNMENT DEBT (NPV) (Left axis: trillion ₮, Right axis: share of GDP)



Source: Ministry of Finance

- Structural revenue amounted to ₮30.1 trillion, representing an increase of ₮468.4 billion (1.6 percent) compared with the same period last year. This growth in budget revenue was primarily driven by a ₮924.2 billion (19.7 percent) rise in social insurance contributions and a ₮323.2 billion (12.2 percent) increase in personal income tax receipts relative to the previous year.

- As of December 2025, total expenditure reached ₮31.3 trillion, reflecting an increase of ₮923.7 billion (3.0 percent) compared with the same period of the previous year.
- In line with the 2025 Budget Law, pensions and public servant salaries were adjusted upward by 6 percent in January 2025 to account for inflation.
- The overall spending rise was primarily attributable to a 16.0 percent increase in civil servant wages and salaries, alongside an 11.7 percent expansion in pensions and social benefit expenditures relative to the previous year.

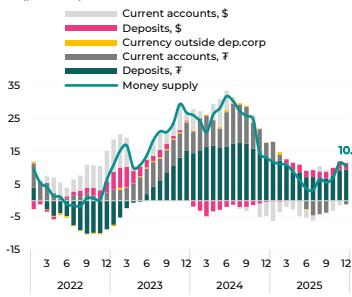
- The structural balance recorded a deficit of ₮1.2 trillion in December 2025.
- The deficit was mainly driven by a slowdown in budget revenue, due to a decline in royalty and corporate income tax revenues associated with the fall in coal prices.

- Nominal government debt rose to ₮35.7 trillion in the third quarter of FY2025, up 15.9 percent year on year, equivalent to 39.7 percent of GDP.
- The nominal government debt-to-GDP ratio remains within the limits prescribed under the fiscal responsibility law.



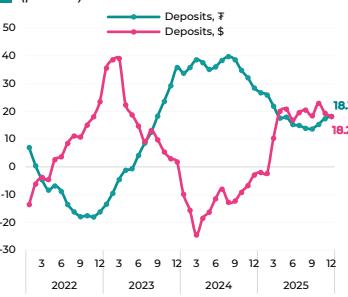
The money supply increased 10.6 percent year-on-year to ₮47.1 trillion in December 2025. The outstanding loans increased by 19.0 percent year-on-year in December 2025, reaching ₮43.8 trillion.

MONEY SUPPLY GROWTH (percent)



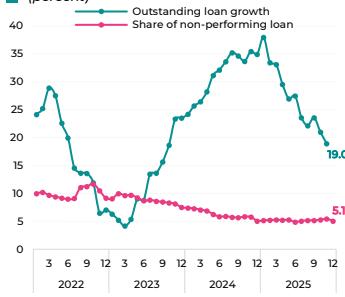
Source: Bank of Mongolia

DEPOSITS GROWTH (percent)



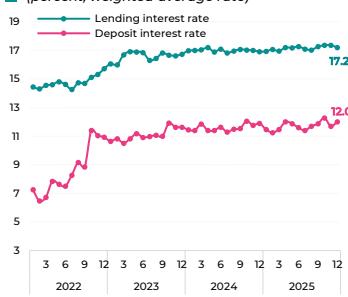
Source: Bank of Mongolia

LOANS



Source: Bank of Mongolia

INTEREST RATE (percent, weighted average rate)



Source: Bank of Mongolia

- In December 2025, the money supply reached ₮47.1 trillion, marking an increase of 10.6 percent from a year earlier.
- Domestic deposit accounts contributed 9.4 percentage points to growth, while foreign currency current and deposit accounts contributed 0.2 and 2.1 percentage points, respectively. In contrast, domestic current accounts contributed -1.1 percentage points.

- Total deposits reached ₮31.8 trillion, an increase of 18.3 percent from a year earlier.
- Domestic currency deposits reached ₮26.0 trillion, up 18.3 percent from a year earlier and 5.5 percent from the previous month.
- Foreign currency deposits reached ₮5.7 trillion, up 18.2 percent from a year earlier and 6.1 percent from the previous month.

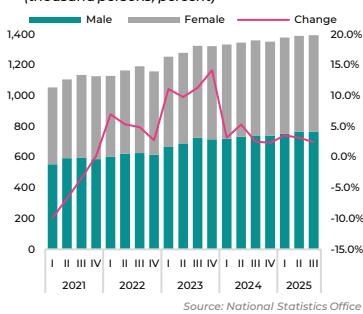
- In December 2025, outstanding loans reached ₮43.8 trillion, marking an increase of 19.0 percent from a year earlier.
- The share of non-performing loans in total loans was 5.1 percent, remaining unchanged from a year earlier.

- In December 2025, the weighted average interest rate on outstanding loans was 17.2 percent, up 0.3 percentage points from a year earlier and down 0.2 percentage points from the previous month.
- The interest rate on new deposits was 12.0 percent, marking an increase of 0.1 percentage points from the same period last year and 0.3 percentage points from the previous month.

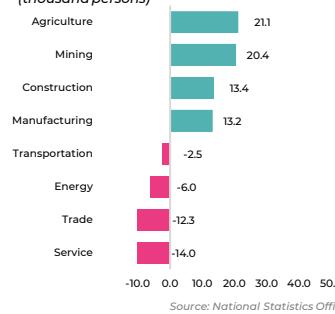


Although growth in the agricultural sector has stabilized and total employment has reached 1.39 million, the labor force participation rate has declined to 62.7 percent, driven by a decrease in the number of unemployed individuals.

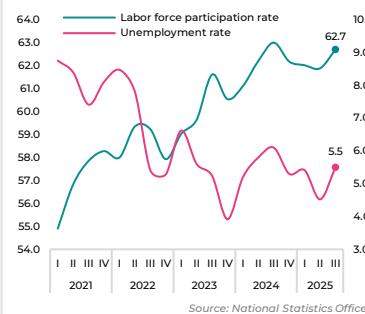
CHANGES IN THE NUMBER OF EMPLOYEES BY GENDER (thousand persons, percent)



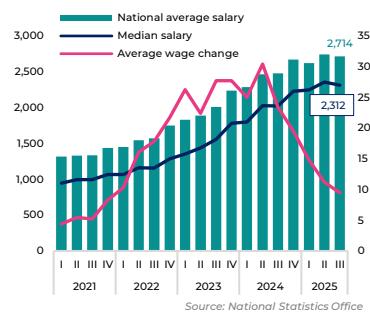
CHANGES IN THE NUMBER OF EMPLOYEES BY SECTOR (thousand persons)



LABOR FORCE PARTICIPATION RATE (percent)



THE AVERAGE, MEDIAN, REAL SALARY (thousand ₽)



- The number of employees increased by 33 thousand, or 2.5 percent, from the same period last year to 1 million 394 thousand, which is 238 thousand higher than before the pandemic.
- In the third quarter of 2025, the number of male employees increased by 25 thousand year-on-year, and the number of female employees increased by 8 thousand year-on-year.

- The increase in the total number of employees was mainly driven by the recovery in the agricultural sector, where employment rose by 21 thousand, and the mining sector, where the number of employees increased by 20 thousand, reaching a historical high. Employment growth in the construction and manufacturing sectors also contributed positively to the overall increase.
- However, declines in employment in the transportation, energy, trade, and services sectors had a negative impact on total employment.

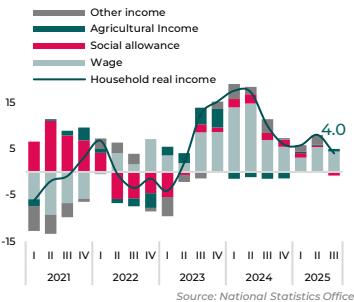
- The number of unemployed people decreased by 7.5 thousand compared to the same period of the previous year, bringing the unemployment rate to 5.5 percent, down 0.6 percentage points from the same period of the previous year.
- However, the labor force participation rate decreased by 0.3 percentage points from the same period of the previous year to 62.7 percent, due to the decrease in the number of unemployed people.

- In the third quarter of 2025, the average salary increased by 10 percent compared to the previous year, reaching 2 million 714 thousand ₽.
- The national median salary rose by 288 thousand ₽, or 14 percent from the last year, amounting to 2 million 312 thousand ₽ (which is 402 thousand less than the average salary). This indicates that more than half of employees earn less than 2.3 million ₽.
- Real wages, adjusted for the consumer price index, increased by 1 percent from the previous year to 1 million 706 thousand ₽.

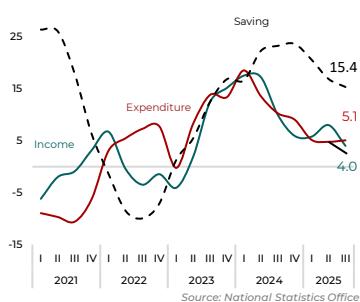


Household real income growth slowed to 4.0 percent.

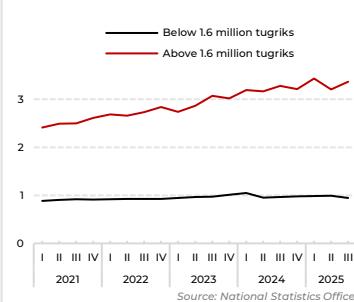
AVERAGE REAL INCOME GROWTH (percent)



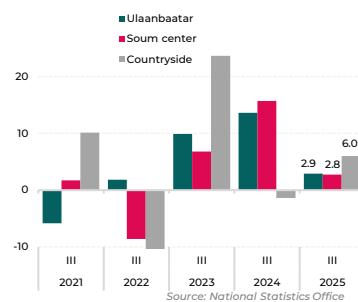
NOMINAL INCOME, EXPENDITURE AND SAVING (percent)



AVERAGE NOMINAL INCOME (million ₮)



AVERAGE REAL INCOME GROWTH (percent)



- The household average real income growth fell to 4.0 percent.
- The growth was mainly driven by an increase in wage income by ₮251.8 thousands, pension and benefit income by ₮30.7 thousands from the year earlier.

- Household spending started to grow faster than income, and the growth of savings is continuing to lower.

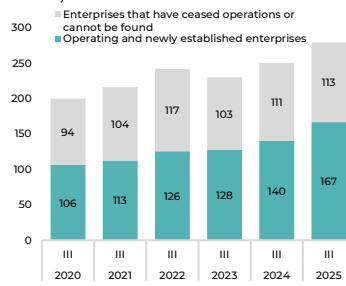
- Real income growth among low-income households remains insignificant.
- Households with incomes below ₮1.6 million account for 28.8 percent of all households. Their average monthly nominal income stood at ₮949 thousands, declined by ₮45 thousands compared to 2025Q2.
- On the other hand, for households with incomes above ₮1.6 million, average monthly income reached ₮3.4 million, up by ₮64 thousands from 2025Q2.

- However, average income in rural areas increased faster than national average and Ulaanbaatar's, it declined by 4 percentage points from 2025Q2.
- This growth in rural areas was primarily driven by a 40 percent wage increase in Soum centers, effective April 1, 2024.



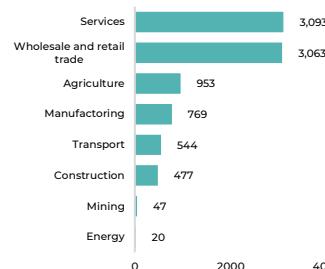
In the third quarter of 2025, the total number of enterprises registered in the Business Registration Database reached 279.9 thousand, an increase of 29.0 thousand or 11.6 percent from same period last year.

TOTAL NUMBER OF REGISTERED ENTERPRISES (thousands, by operating status)



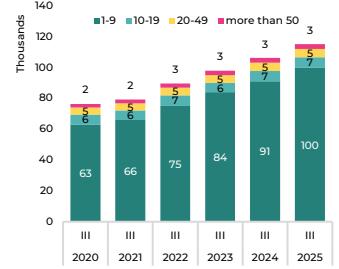
Source: National Statistics Office

CHANGE IN THE NUMBER OF ENTERPRISES OPERATING BY SECTOR (the number of enterprise)



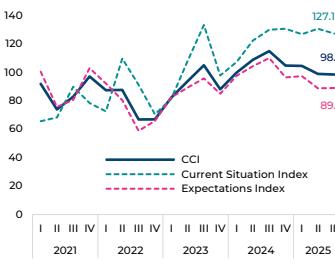
Source: National Statistics Office

THE NUMBER OF ENTERPRISES OPERATING BY SECTOR (thousands, by number of employees)



Source: National Statistics Office

CONSUMER CONFIDENCE INDEX (by quarter, 2018=100)



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

- In the third quarter of 2025, the total number of enterprises registered in the Business Registration Database reached 279.9 thousand, an increase of 29.0 thousand or 11.6 percent from same period last year.
- Of this growth, 17.7 thousand were newly established enterprises that have not yet commenced operations, while 8.9 thousand were actively operating enterprises.
- The increase in both actively operating and newly established enterprises indicates enhanced business activity.

- As the domestic economy has become more active and purchasing power has improved, the number of operating businesses has increased by 3.0 thousand in the trade sector and 3.1 thousand in the services sector.
- Additionally, due to policies supporting agriculture, the number of businesses operating in this sector has grown by 24 percent.

- Out of the 115.0 thousand operating enterprises, 99.7 thousand are micro-enterprises with 1-9 employees.
- Moreover, micro-enterprises with 1-9 employees account for 96.7% of the growth in operating enterprises.

- The Consumer Confidence Index (CCI) fell to 98.4 in the third quarter of 2025, deteriorating by 14.3 points compared to the same period of the previous year.
- A breakdown of the CCI shows that the Current Situation Index, which reflects consumers' assessment of current economic conditions, decreased by 2.0 points from a year earlier.
- The Expectations Index, which measures expectations for the next six months, declined by 19.1 points, mainly due to worsening expectations regarding business conditions, job availability, and income prospects.



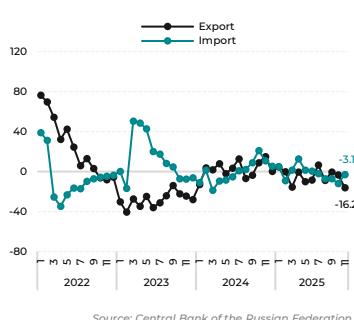
The Russian economy grew by 0.6 percent in the third quarter of 2025. The inflation rate reached 8.7 percent in 2025, showing a 0.3 percentage point increase from the previous year.

GDP GROWTH (percent)



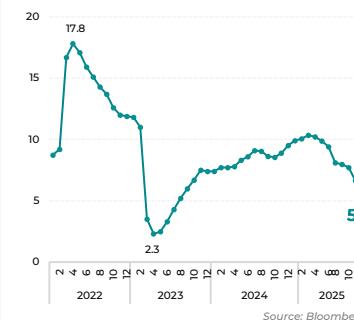
Source: Bloomberg

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



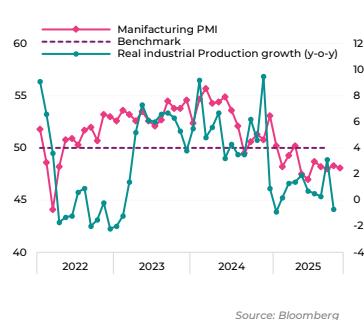
Source: Central Bank of the Russian Federation

INFLATION (percent)



Source: Bloomberg

PURCHASING MANAGERS' INDEX (PMI)



Source: Bloomberg

- Russia's economic growth slowed to 0.6 percent, marking a decline of 2.7 percentage points in the third quarter of 2025.

- As of November 2025, exports reached \$32.9 billion and imports reached \$26.1 billion, resulting in a trade surplus of \$6.8 billion.
- Exports decreased by 16.2 percent in November 2025 compared to a year earlier.
- Imports decreased by 3.1 percent in November 2025 compared to a year earlier.

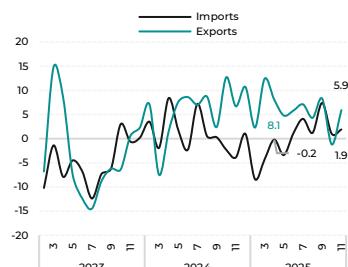
- The inflation rate remains above the central bank's target level of 4 percent.
- The inflation rate reached 6.6 percent in November 2025, down 1.1 percentage points from the previous month and 2.2 percentage points from the same period last year.
- The annual inflation reached 8.7 percent in 2025, showing a 0.3 percentage point increase from the previous year.
- The Central Bank of Russia reduced its policy rate by 0.5 percentage points to 16.0 percent in December 2025.

- In December 2025, the Purchasing Manager's Index (PMI) for the industrial sector reached 48.1, reflecting a decrease of 0.2 points from the previous month.
- As of November 2025, the growth of real industrial production reached 4.1 percent, an increase of 1.0 percentage points from the previous month.



Despite weak domestic demand, China's economy expanded by 4.8% in the third quarter of 2025, supported increased exports and domestic demand.

EXPORTS & IMPORTS GROWTH (percent)

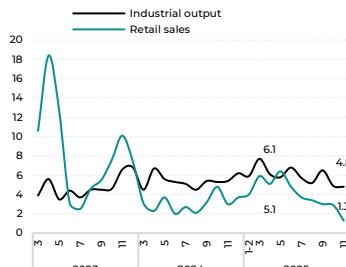


Source: National Bureau of Statistics of China

- China's GDP grew by 4.8 percent in 2025Q3.
- Export growth accelerated to 5.9 percent in November 2025, while import growth also accelerated to 1.9 percent this month.

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

INDUSTRIAL OUTPUT, RETAIL SALES GROWTH (percent)

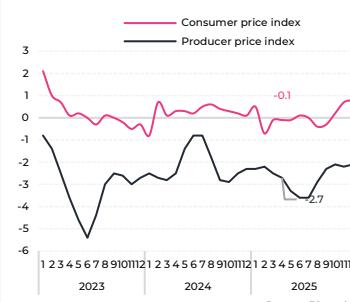


Source: National Bureau of Statistics of China

- Industrial output decelerated 4.8 percent in November 2025.
- Retail sales growth - a key indicator of consumption behavior - slowed to 1.3 percent in November 2025.

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

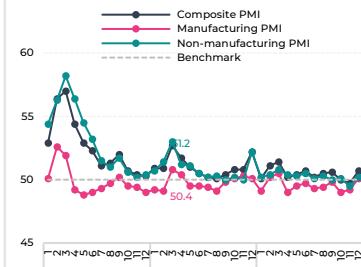
INFLATION (percent)



Source: Bloomberg

- The consumer price index turned to 0.7 percent, out of the deflation zone, in November 2025.
- The producer price index fell by 2.2 percent in November 2025, with the pace of price decline easing compared to the previous months.

PURCHASING MANAGERS' INDEX (PMI)



Source: National Bureau of Statistics of China

- The manufacturing PMI increased to 50.1 in December 2025, remaining in contraction territory.
- The non-manufacturing and composite PMIs declined from the previous month and stayed at the 50 level.

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