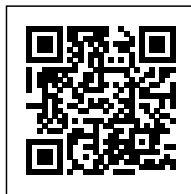


CPI UP 13.2% IN DECEMBER 2022

Posted on January 6, 2023 by admin

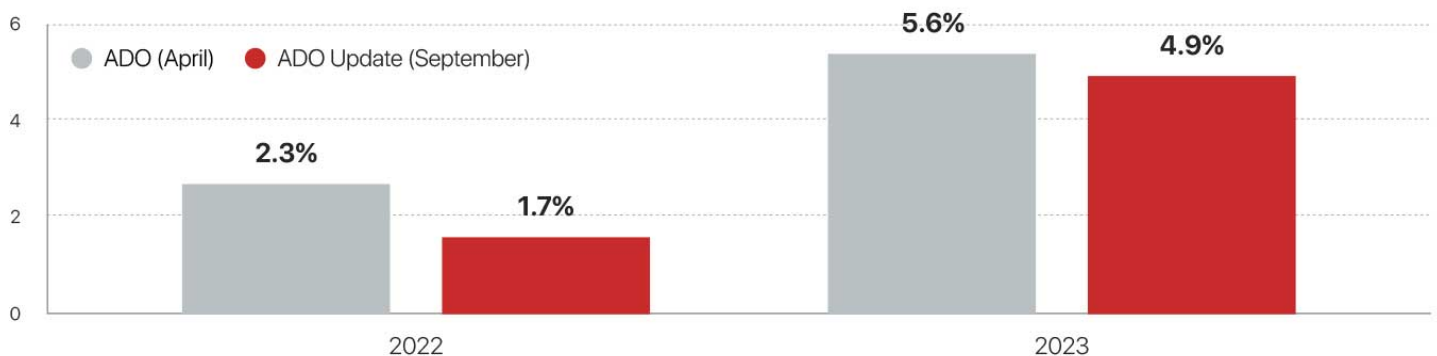


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According to the National Statistics Office, the inflation measured by the consumer price index, which was 14.5% in November, resulted in 13.2% in December 2022. Of this, the price of clothing increased the most by 18.5 percent, and the price of medicine and medical services surged by 17.4 percent.

Mongolia GDP Growth Forecast



Source: Asian Development Bank

Mongolia's economy is expected to pick up this year, assuming external risks are mitigated and border issues with the People's Republic of China (PRC) are resolved in 2023, according to the Asian Development Bank (ADB). The economic growth forecast for this year is 4.9%. This is due to the deterioration of purchasing power under the persistently high inflation, higher borrowing costs, a likely decline in the

availability of credit, and a continuation of monetary tightening.

The prolonged restrictions at the border with the PRC as well as the Russian invasion of Ukraine have disrupted trade, reduced essential imports, increased import prices, escalated price increases, and dampened industrial sectors and business sentiment. Contraction continued in the mining, manufacturing, construction, and transportation sectors, and recovery in the industry is likely to take time. Still, the lifting of pandemic-related restrictions since February 2022 has revived domestic demand, assisted by accommodative monetary and fiscal policies.