

MONGOLIAN GDP GROWS 6.4% IN THE FIRST HALF OF 2023

Posted on August 17, 2023 by admin



Category: [News](#)



As of the first half of 2023, Mongolia's GDP surged to MNT 13.6 trillion, reflecting a notable 6.4 percent growth, as reported by the National Statistics Office. Despite this overall positive trajectory, a mixed economic landscape is characterized by varying sectoral performances.

The agricultural sector, which had demonstrated robust growth in the preceding year of 2022, encountered a sharp contraction of 9.9 percent during the initial half of 2023. This downturn was largely attributed to the detrimental impact of dzud, an extreme weather phenomenon characterized by severe winter conditions that adversely affect livestock and agricultural activities.

Conversely, the industry and construction sectors exhibited a contrasting narrative. This sector, which had witnessed a consistent decline in the preceding years, underwent a revival by contributing an impressive MNT 1.4 trillion in value, marking a significant 2.4 percent upturn compared to the corresponding period in the prior year. This resurgence suggests a potential shift in the sector's dynamics, potentially indicative of renewed investor confidence and infrastructural projects.

Notably, a recent survey conducted by the Bank of Mongolia, encompassing insights from various economic analysts, presents a cautiously optimistic outlook for the Mongolian economy. Projections indicate an anticipated growth rate of 5.5 percent in the second quarter of the ongoing year, followed by a slightly moderated growth of 5.4 percent in the initial quarter of 2024. It's important to acknowledge that despite the commendable 6.4 percent expansion witnessed in the first half of 2023, the economic landscape remains susceptible to both external and internal risks, as noted by analysts. These risks could encompass a range of factors, including global market dynamics, geopolitical shifts, and domestic policy considerations.