

MONGOLIA HAS EXPERIENCED DOUBLE-DIGIT INFLATION FOR THE SECOND CONSECUTIVE MONTH

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Consumer prices in Mongolia advanced to 10.1 percent in September from a year earlier, a report released by the National Statistics Office shows. After briefly hitting single digits for the first time in almost 20 months in July, prices have resurged consecutively for two months.

It is noted that 4.6% of inflation was impacted by increase in prices for food products, soft drinks and mineral water. Meanwhile price increases of imported goods attributed to 3.5% of inflation in September.

On 15th of September, The central bank of Mongolia opted to maintain interest rates at the highest level since early 2017. Marking the fourth consecutive time they have chosen to keep rates at 13% to combat inflation. The decision was heavily influenced by the persistent presence of external risks and uncertain global economic outlook.

Looking ahead, Fitch Ratings sees Mongolia's headline inflation to average 12% year on year in 2023, before moderating to 9% in 2024. Which is still higher than the central bank's target.