

SURVEY OF PROFESSIONAL EXPERTS
(4th quarter of 2024)

Executive Summary

The survey of professional experts was conducted among bank analysts, economics professors, and researchers from research institutions and financial organizations. This quarter’s survey was carried out between November 20 and November 29, 2024, with a total of 22 responses received.

Experts’ expectations combined:

Indicator	2024Q4	2025Q3
Inflation	Expected to increase slightly to 7.5%	Expected to rise further to 8.4%
Real GDP growth	Projected at 5.5% ,	Forecasted at 6.2%
Policy rate	Expected to remain around 10%	Anticipated to increase slightly to 10.8%
Interest rate	Expected to remain at 16.9%	Expected to remain at 16.9%

Summary table			
	10/2024	2024Q4	2025Q3
Inflation /UB city/	7.0%	7.5%	8.4%
Real GDP growth	5.0%*	5.5%	6.2%
Policy rate /%/	10.0%	10.1%	10.8%
Interest rate /newly issued loan, ₮, %/	17.0%	16.9%	16.9%

* Third quarter of 2024

The content of the quarterly survey report reflects the combined analysis of experts from banks and researchers. It does not represent the official position of the Bank of Mongolia.

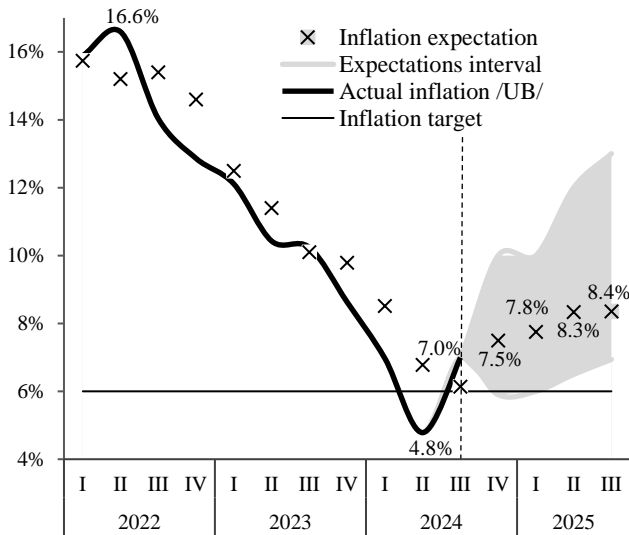
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I. INFLATION

In 2024Q3, annual inflation rose to 7.0%, exceeding the experts' expectations from the previous quarter by 0.9 percentage points. Professional experts anticipate inflation to average 7.5% in 2024Q4 and increase to 8.4% in 2025Q3 (Figure 1).

Figure 1. Inflation expectations

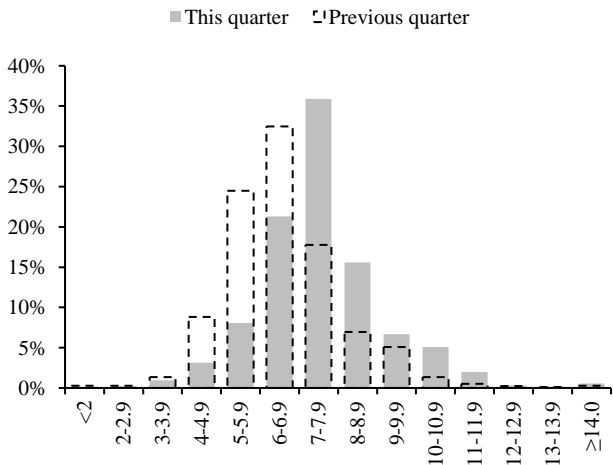
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Expectations for inflation in this quarter's survey have been raised from the previous survey (conducted in 2024Q3). The most likely inflation range for 2024Q4 is now 7.0%-7.9%, with a probability of 35.9%. In the previous survey, the range with the highest probability was 6.0%-6.9%, at 32.5% (Figure 2).

Figure 2. Aggregate probability distributions for inflation expectations for 2024Q4

/percent/

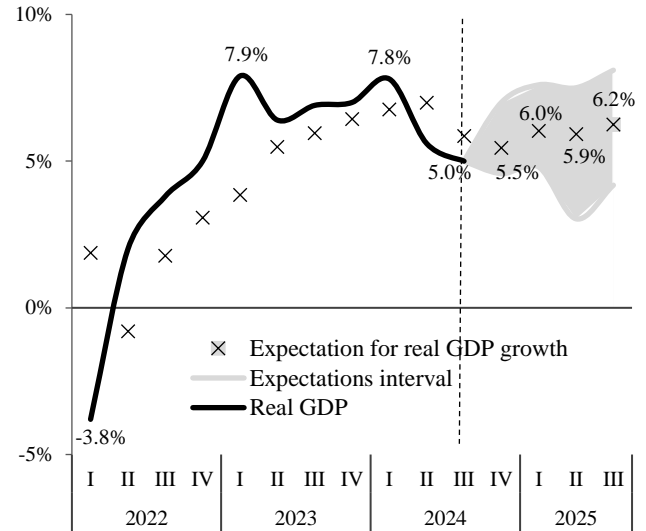


II. REAL GDP GROWTH

In 2024Q3, real GDP growth was recorded at 5.0%, falling short of the experts' previous expectations by 0.9 percentage points. Professional experts now anticipate GDP growth to average 5.5% in 2024Q4 and increase to 6.2% in 2025Q3 (Figure 3).

Figure 3. Expectations for real GDP growth

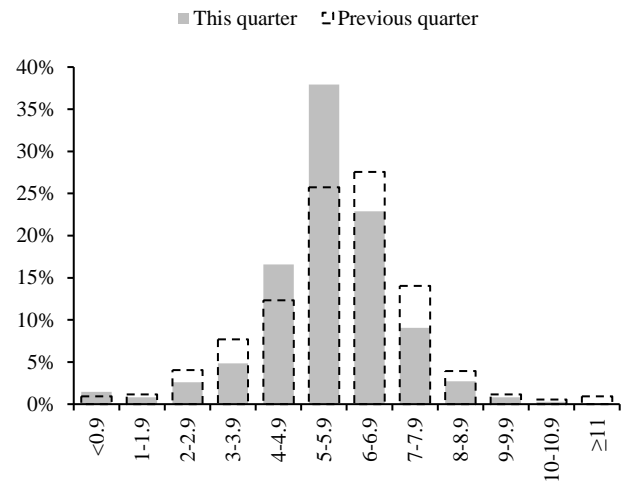
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Expectations for GDP growth in this quarter's survey have been revised down compared to the previous survey (conducted in 2024Q3). The most likely range for 2024Q4 real GDP growth is now 5.0%-5.9%, with a probability of 37.9%. In the previous survey, the range with the highest probability was 6.0%-6.9%, at 27.5% (Figure 4).

Figure 4. Aggregate probability distributions for real GDP growth expectations for 2024Q4

/percent/

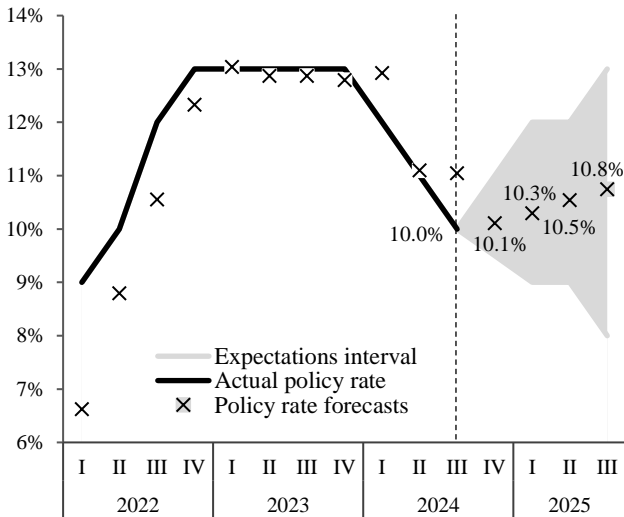


III. POLICY RATE

Professional experts anticipate the policy rate to average 10.1% in 2024Q4, with maximum expectations of 11.0% and minimum expectations of 9.5%. The rate is anticipated to increase slightly to 10.8% in 2025Q3 (Figure 5).

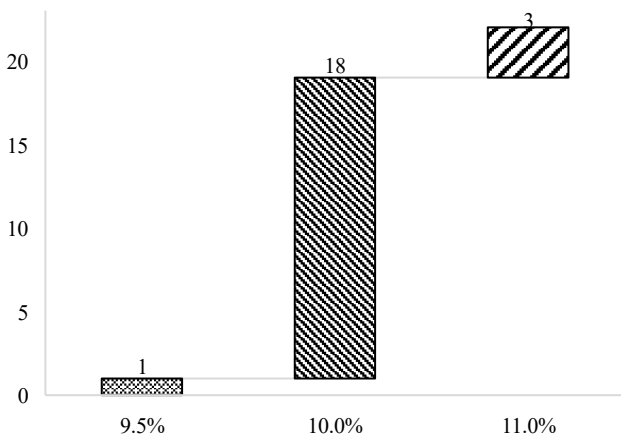
Figure 5. Policy rate expectations

/percent/



Most professional experts responded that their policy rate expectations for 2024Q4 are at 10.0% as shown in Figure 6.

Figure 6. Distribution of point expectations for the policy rate /2024Q4, by number of responses/

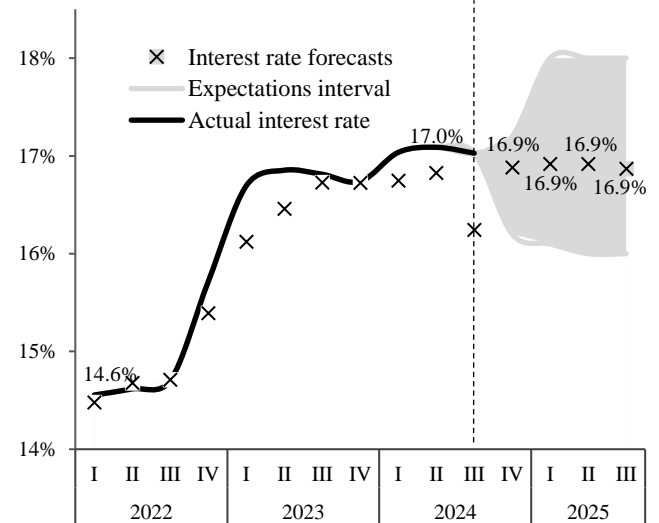


IV. INTEREST RATE

Professional experts expect the interest rate (newly issued weighted average lending rate) to average 16.9% in 2024Q4, with maximum expectations of 17.2% and minimum expectations of 16.7%. The interest rate is anticipated to remain at 16.9% in 2025Q3 (Figure 7).

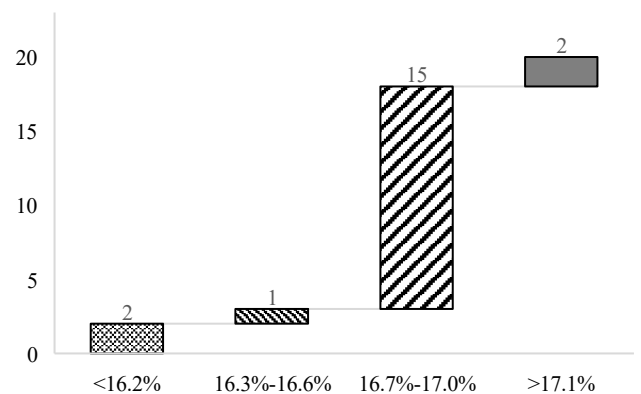
Figure 7. Interest rate expectations

/percent/



The majority of professional experts expect the interest rate for 2024Q4 to fall within the range of 16.7%-17.0%, as shown in Figure 8.

Figure 8. Distribution of point expectations for the interest rate /2024Q4, by number of responses/



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