**Overview:** As of December 2020, Mongolia's total trade turnover decreased by 6% (or USD 877 million) from that of the previous year and reached USD 12,870 million. In which total exports fell by 1% (or USD 43 million), while imports fell by 14% (or USD 834 million). During the reporting period, the trade balance increased by USD 790 million from that of the previous year to a surplus of USD 2,282 million.

Table 1. Foreign trade performance /million USD/

| Category	Yearly			First 12 month			Change 2020/2019	
	2017	2018	2019	2018	2019	2020	Value	%
Turnover	**10,538**	**12,887**	**13,747**	**12,887**	**13,747**	**12,870**	**(877)**	**-6%**
Exports	6,201	7,012	7,620	7,012	7,620	7,576	(43)	-1%
Imports	4,337	5,875	6,128	5,875	6,128	5,294	(834)	-14%
Balance	**1,863**	**1,137**	**1,492**	**1,137**	**1,492**	**2,282**	**790**	**53%**

Graph 1. Trade balance, by main trade partners
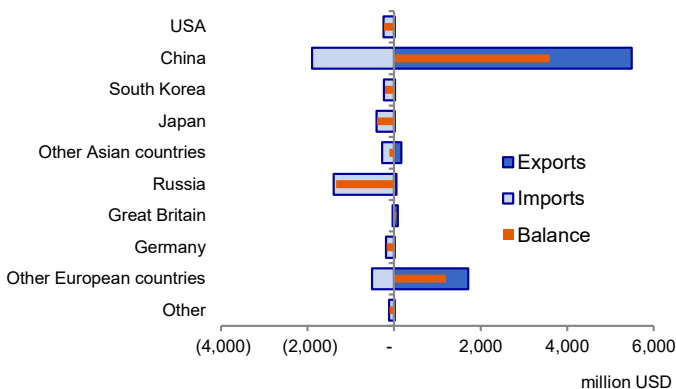
The structure of the trade flows with the neighboring countries is as follows: total trade turnover with China is 57% (or USD 7,383 million) and with Russia is 11% (or USD 1,457 million). Compared to the same period of last year, trade turnover with Russia and China decreased by 19% and 16%, respectively.

The terms of trade index improved by 32% from the same period of last year and by 3% from the previous month, reaching 2.106. The annual improvement of 32% is due to an increase in the export price of copper, coal and gold. The 3% improvement from the previous month is due an increase in the export price of copper and an increase in the import price of consumer goods.

Graph . Terms of trade index /3 months moving average/
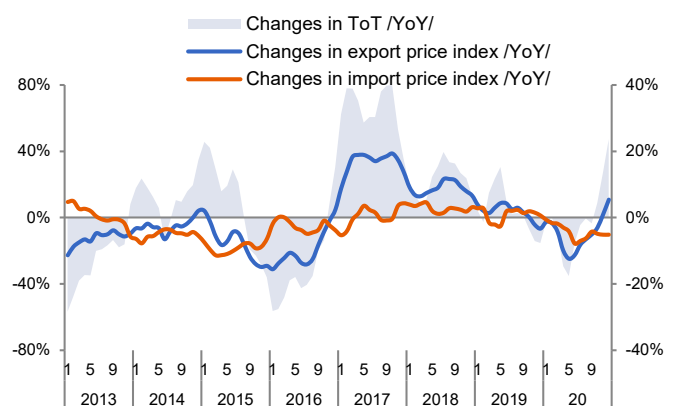
Export: As of December 2020, total exports decreased by 1% (or USD 43 million) from that of the previous year. The decrease in the export of animal products and manufacturing goods explains the 1 percentage points of the total export contraction. The weight of mining products in total exports increased by 4 percentage points, whereas animal products decreased by 2 percentage points.

Table 2. Exports of goods, first 12 months /million USD/

| Category	2018			2019			2020			Δ (2020/2019)		
	Volume (k.unit)	Value	%	Volume (k.unit)	Value	%	Volume (k.unit)	Value	%	Value	Change	%²
1. Mining products		**6,200**	**88%**		**6,751**	**89%**		**7,039**	**93%**	**289**	**4%**	**4%**
1.1. Copper ores and concentrates	1,437	2,012	29%	1,404	1,796	24%	1,395	1,778	23%	(18)	-1%	0%
1.2. Coal	35,758	2,786	40%	36,467	3,074	40%	28,587	2,124	28%	(951)	-31%	-12%
1.3. Crude oil	6,190	392	6%	6,545	367	5%	4,071	151	2%	(216)	-59%	-3%
1.4. Iron ores and concentrates	7,449	342	5%	8,449	576	8%	8,202	640	8%	63	11%	1%
1.5. Non-monetary gold /kg/	3,432	144	2%	9,069	418	5%	30,491	1,788	24%	1,369	327%	18%
1.6. Zinc ores and concentrates	124	198	3%	135	189	2%	134	168	2%	(21)	-11%	0%
1.7. Fluorspar, leucite, nepheline etc.	555	190	3%	699	206	3%	679	156	2%	(49)	-24%	-1%
1.8. Molybdenum ores and concentrates	6	50	1%	6	49	1%	6	41	1%	(8)	-17%	0%
1.9. Tungsten ores and concentrates	1	9	0%	1	7	0%	0	1	0%	(6)	-89%	0%
1.10. Silver /tonnes/	0	1	0%	0	-	0%	201,586	124	2%	124	0%	2%
1.11. Other	536	75	1%	156	69	1%	112	70	1%	1	1%	0%
2. Animal products	412	**477**	**7%**	312	**481**	**6%**	200	**292**	**4%**	**(189)**	**-39%**	**-2%**
2.1. Live aminals, meat	41	87	1%	40	84	1%	21	41	0%	(43)	-51%	-1%
2.2. Hide, skin and leather	342	17	0%	244	13	0%	158	7	0%	(6)	-48%	0%
2.3. Casing	1	9	0%	1	9	0%	1	9	0%	0	5%	0%
2.4. Cashmere	9	333	5%	8	344	5%	9	220	3%	(125)	-36%	-2%
2.5. Wool, other hair	15	28	0%	17	28	0%	11	14	0%	(14)	-50%	0%
2.6. Other	4	3	0%	3	2	0%	0	1	0%	(1)	-51%	0%
3. Horticultural products	56	**15**	**0%**	62	**16**	**0%**	46	**14**	**0%**	**(2)**	**-13%**	**0%**
4. Manufacturing goods	234	**319**	**5%**	390	**372**	**5%**	206	**230**	**3%**	**(141)**	**-38%**	**-2%**
4.1. Food	36	92	1%	23	59	1%	25	68	1%	9	15%	0%
4.2. Cashmere goods	1	35	0%	1	46	1%	1	33	0%	(12)	-27%	0%
4.3. Other apparel, footware etc.	4	25	0%	4	20	0%	5	16	0%	(4)	-20%	0%
4.4. Mining products	61	107	2%	180	121	2%	26	70	1%	(51)	-42%	-1%
4.5. Electronic goods	0	3	0%	0	1	0%	0	1	0%	(0)	-16%	0%
4.6. Machinery, equipment and their parts	3	52	1%	4	118	2%	2	38	0%	(80)	-68%	-1%
4.7. Other	129	5	0%	179	7	0%	147	5	0%	(3)	-35%	0%
5. Other	1	**1**	**0%**	1	**1**	**0%**	0	**1**	**0%**	**0**	**12%**	**0%**
Total		**7,012**			**7,620**			**7,576**		**(43)**	**-1%**	

%² - Contribution to total growth

Table 3. Changes in exports as of December, 2020 /million USD/

Category*	Changes in quantity	%	Changes in price	%	Total changes
1. Mining products	**637**	**0%**	**(348)**	**0%**	**289**
1.1. Copper ores and concentrates	(11)	61%	(7)	39%	(18)
1.2. Coal	(585)	62%	(365)	38%	(951)
1.3. Crude oil	(92)	42%	(124)	58%	(216)
1.4. Iron ores and concentrates	(19)	-30%	83	130%	63
1.5. Non-monetary gold	1,256	92%	113	8%	1,369
1.6. Zinc ores and concentrates	(1)	4%	(20)	96%	(21)
1.7. Fluorspar, leucite, nepheline etc.	(5)	10%	(44)	90%	(49)
1.8. Molybdenum ores and concentrates	4	-52%	(13)	152%	(8)
1.9. Tungsten ores and concentrates	(7)	124%	1	-24%	(6)
1.10. Silver	124	100%	-	0%	124
1.11. Other	(28)	-2680%	29	2780%	1
2. Animal products	**(41)**	**22%**	**(147)**	**78%**	**(189)**
2.2. Hide, skin and leather	(4)	59%	(3)	41%	(6)
2.4. Cashmere	16	-13%	(140)	113%	(125)
3. Horticultural products	**(5)**	**230%**	**3**	**-130%**	**(2)**
4. Manufacturing goods	**(444)**	**314%**	**303**	**-214%**	**(141)**
5. Other	**(1)**	**-518%**	**0**	**55%**	**0**
Total	**146**		**(190)**		**(43)**

* Goods that share similarities are included in one category, therefore the following review calculations only show general tendency

Graph 4. International market price of main commodities
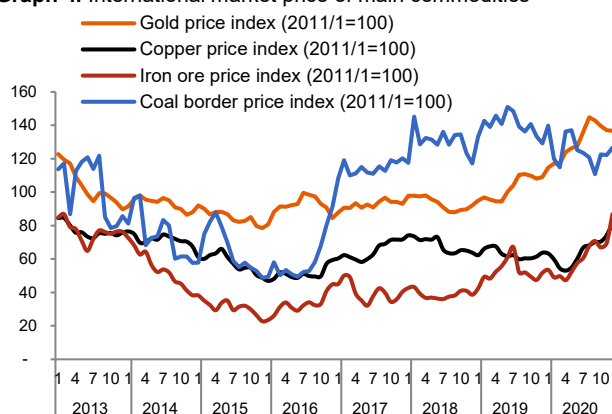
The total decrease in exports (of USD 43 million) compared to December 2019 suggests:

1/ The export of mining products increased by USD 637 million due to the volume changes and decreased by USD 348 million due to the price changes.

2/ The export of animal products decreased by USD 41 million due to the volume changes and decreased by USD 147 million due to the price changes.

- As of December 2020, the average price of an ounce of gold on the global market reached USD 1,860, which is an increase of 25% from last year and a decrease of 0.3% from last month.

- The average prices of "A" level purified copper reached USD 7,772, which is an increase of 28% from the last year and a 10% increase from the last month.

- Iron ore price reached USD 155, which is an increase of 68% from last year and a 25% increase from last month.

- The border price of coal reached USD 76, which is a decrease of 2% from last year and an increase of 4% from last month.

Import: As of December 2020, total imports decreased by 14% (or USD 834 million) from that of the previous year. Capital goods explain 6 percentage points, petroleum products explain 6 percentage points, and consumer goods explain 1 percentage points of the total import decline of 14%.

Table 4. Imports of goods, first 12 months /million USD/

Category	2018			2019			2020			Δ (2020/2019)		
	Volume (k.unit)	Value	%	Volume (k.unit)	Value	%	Volume (k.unit)	Value	%	Value	Change	%²
Consumer goods		**1,643**	**28%**		**1,631**	**27%**		**1,542**	**29%**	**(88)**	**-5%**	**-1%**
Non-durables	970	864	15%	913	859	14%	967	878	17%	19	2%	0%
Food	*463*	*596*	*10%*	*438*	*605*	*10%*	*452*	*613*	*12%*	*7*	*1%*	*0%*
Medicinal and pharmaceutical products	*3*	*119*	*2%*	*3*	*109*	*2%*	*3*	*120*	*2%*	*11*	*10%*	*0%*
Other non-durables	*504*	*149*	*3%*	*473*	*145*	*2%*	*512*	*146*	*3%*	*1*	*0%*	*0%*
Durables	238	779	13%	298	772	13%	295	664	13%	(108)	-14%	-2%
Clothing	*61*	*74*	*1%*	*64*	*68*	*1%*	*103*	*73*	*1%*	*5*	*7%*	*0%*
Household electrical appliances and furniture	*99*	*120*	*2%*	*154*	*109*	*2%*	*108*	*107*	*2%*	*(3)*	*-2%*	*0%*
Passenger cars and parts	*2*	*499*	*9%*	*2*	*508*	*8%*	*1*	*384*	*7%*	*(123)*	*-24%*	*-2%*
Other durables	*77*	*85*	*1%*	*78*	*86*	*1%*	*83*	*100*	*2%*	*13*	*16%*	*0%*
Capital goods		**2,396**	**41%**		**2,661**	**43%**		**2,285**	**43%**	**(376)**	**-14%**	**-6%**
Machinery, equipment, supplies and vehicles	31	1,512	26%	29	1,801	29%	37	1,414	27%	(387)	-21%	-6%
Vehicles other than passenger cars, parts	*1*	*442*	*8%*	*2*	*641*	*10%*	*9*	*486*	*9%*	*(156)*	*-24%*	*-3%*
Machinery, equipment and supplies	*30*	*1,070*	*18%*	*26*	*1,159*	*19%*	*28*	*929*	*18%*	*(231)*	*-20%*	*-4%*
Construction materials	780	648	11%	966	654	11%	1,249	599	11%	(54)	-8%	-1%
Other capital goods	48	236	4%	47	206	3%	130	272	5%	65	32%	1%
Intermediate goods and industrial materials		**717**	**12%**		**665**	**11%**		**634**	**12%**	**(30)**	**-5%**	**0%**
Food ingredients (wheat, malt etc)	282	79	1%	54	25	0%	176	49	1%	24	94%	0%
Chemical products	207	122	2%	222	118	2%	200	110	2%	(8)	-6%	0%
Yarn, fabrics, textiles, leather	83	32	1%	77	28	0%	71	23	0%	(4)	-16%	0%
Electricity	2	143	2%	2	144	2%	110	142	3%	(2)	-1%	0%
Metal ores and scrap	1	1	0%	1	1	0%	1	1	0%	(0)	-6%	0%
Other industrial materials	884	341	6%	943	349	6%	913	309	6%	(40)	-11%	-1%
Petroleum products	**1,576**	**1,112**	**19%**	**1,845**	**1,166**	**19%**	**1,863**	**817**	**15%**	**(349)**	**-30%**	**-6%**
Diesels	849	577	10%	1,080	669	11%	1,027	432	8%	(237)	-35%	-4%
Gasolines A92-95	371	264	4%	476	289	5%	529	222	4%	(68)	-23%	-1%
Gasolines A80 and other fuels	356	272	5%	288	207	3%	307	163	3%	(44)	-21%	-1%
Other		**7**	**0%**		**5**	**0%**		**15**	**0%**	**9**	**172%**	**0%**
TOTAL		**5,875**			**6,128**			**5,294**		**(834)**	**-14%**	

%² - Contribution to total growth

A total decline in imports (of USD 834 million) compared to December 2019 suggests:

- Import of machinery, equipment, supplies, and vehicles decreased by USD 376 million,

- Import of petroleum products decreased by USD 349 million, most of which is due to changes in consumption of diesel fuel,

- Import of consumer products decreased by USD 88 million,

- Import of intermediate goods and industrial materials decreased by USD 30 million.

Table 5. Changes in imports, first 12 months of 2020 /million USD/

Category*	Changes in quantity	%	Changes in price	%	Total changes
Consumer goods	**0**	**0%**	**(89)**	**100%**	**(88)**
Non-durables	36	186%	(16)	-86%	19
Durables	(35)	33%	(72)	67%	(108)
Capital goods	**510**	**-136%**	**(886)**	**236%**	**(376)**
Machinery, equipment, supplies and vehicles	419	0%	(806)	208%	(387)
Construction materials	93	-170%	(147)	270%	(54)
Other capital goods	(2)	-3%	67	103%	65
Intermediate goods and industrial materia	**149**		**(179)**		**(30)**
Petroleum products	**10**	**-3%**	**(358)**	**103%**	**(349)**
Diesels	(23)	10%	(214)	90%	(237)
Gasolines A92-95	22	-33%	(90)	133%	(68)
Gasolines A80 and other fuels	10	-23%	(54)	123%	(44)
Other	**15**	**0%**	**(5)**		**9**
TOTAL	**684**		**(1,517)**	**182%**	**(834)**

* Goods that share similarities are included in one category, therefore the following review calculations only show general tendency