



МОНГОЛБАНК
МОНГОЛ УЛСЫН ТӨВ БАНК

CONSUMER INFLATION EXPECTATIONS SURVEY

Fourth quarter of 2025

March 2026

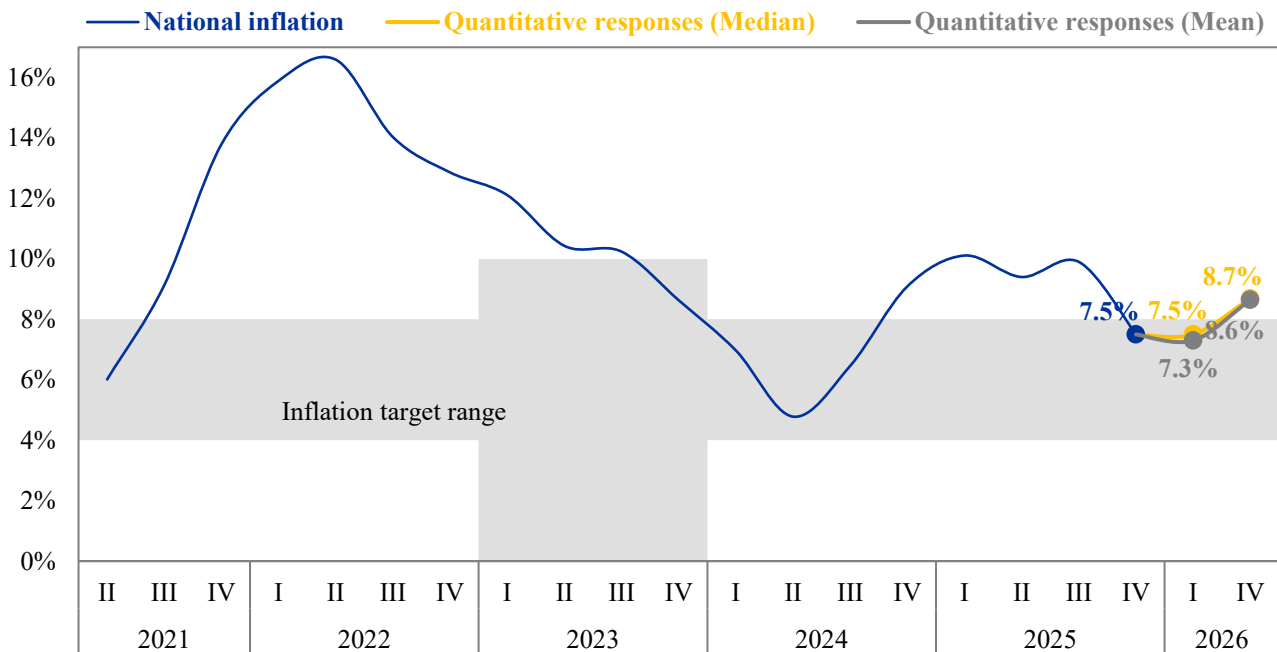


I. SUMMARY

With the national inflation incorporated into policy decisions starting in the third quarter of 2025, the coverage of the sample survey has been expanded to the national level from the current round onward. Survey data were collected between 6 and 24 February, 2026 from 1,760 respondents nationwide, with the sample designed to represent the population by location, gender, age group, and household income level. The main survey findings are summarized as follows:

- **Respondent profile:** A majority of respondents (59%) were female, aged 26–45 with tertiary education.
- **Inflation expectations:** Based on the survey responses, inflation is expected to decline slightly over the next three months (by the end of the first quarter of 2026) from its current level, but to increase slightly over the next 12 months (by the end of 2026). Overall, inflation expectations remained around the upper bound of the target range and appear to have been relatively stable in the short term (Figure 1).
- **Household finances:** Household income is expected to increase slightly, while expenditure is expected to decline slightly compared with the previous quarter, leading to a modest improvement in household savings expectations.
- **Employment and macroeconomic outlook:** Among respondents, the prevailing expectation was that employment would remain unchanged. Respondents also expected slower economic activity and continued depreciation of the tugrug.
- **Loan Rates:** Loan interest rates are expected to increase slightly in the next quarter.

Figure 1. Inflation expectations



Source: "Consumer Inflation Expectations Survey" BOM

II. INFLATION EXPECTATION

Qualitative responses indicate that the perceived inflation index for both the past three months and the past 12 months declined slightly compared to the previous quarter, while remaining within the “inflation increased” range (Figure 2).

Similarly, the inflation expectations index for the period ahead also declined slightly from the previous quarter for both the next quarter and the next 12 months. Despite the decline, both index values remained within the “Inflation increasing” range. Notably, these indices have shown a downward trend for three consecutive quarters (Figure 3).

Figure 2. Perceived Price Index¹

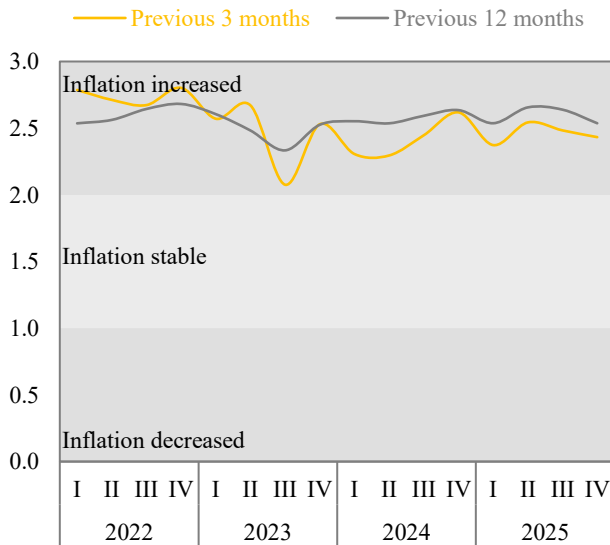
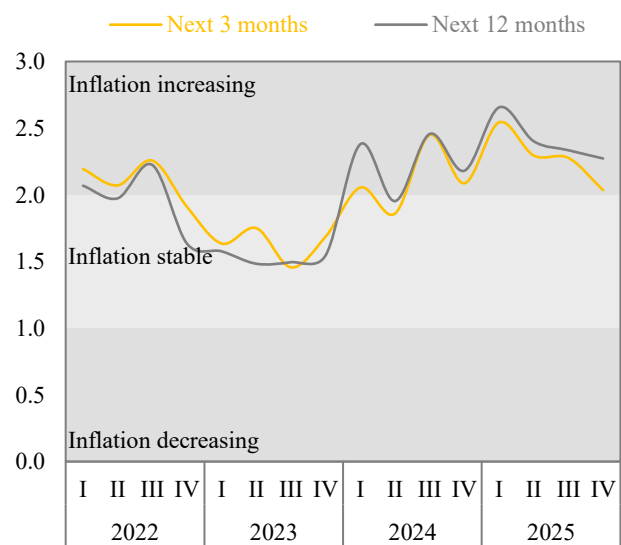


Figure 3. Inflation Expectations Index



Source: “Consumer Inflation Expectations Survey” BOM

Based on respondents’ quantitative responses, mean expected inflation for 2026Q1 declined by 2.0 percentage points from the previous quarter to **7.3%**, while mean expected inflation for 2026Q4 decreased by 1.4 percentage points to **8.6%**. Median² expected inflation also declined, falling by 2.6 percentage points to **7.5%** for 2026Q1 and by 2.2 percentage points to **8.7%** for 2026Q4 (Figure 4 and 5). Overall, inflation expectations, which had been rising continuously since the second quarter of 2024, have moderated slightly for three consecutive quarters. They remain near the upper bound of the inflation target range, suggesting that inflation expectations have become relatively more stable.

¹ Respondents were surveyed about how the general level of prices for goods and services has changed compared to the previous period, with answers categorized as 'increased significantly,' 'increased moderately,' 'increased gradually,' 'remained the same,' and 'decreased.' These responses were normalized using a scale of [3;-1], and a diffusion index was calculated.

² The distribution and median values of numerical expectations were calculated applying [Nicholas J. Cox \(2009\)](#) methodologies of the 'Mid-Distribution Function' and 'Symmetric Linear Interpolation Median'.

Figure 4. Inflation Expectations: Mean and Median (next 3 months)

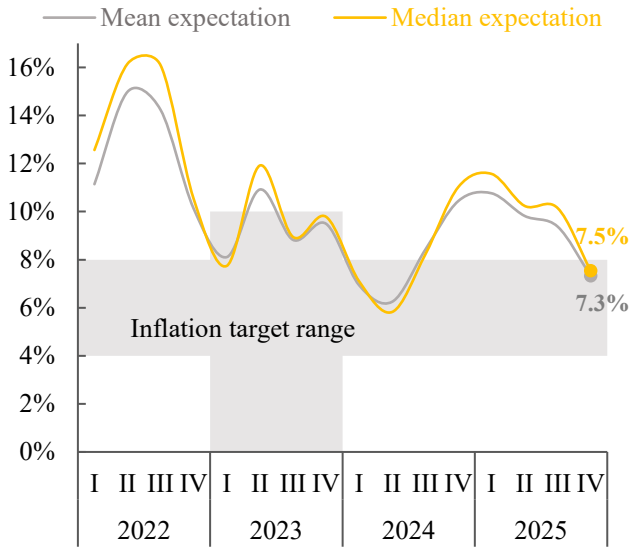
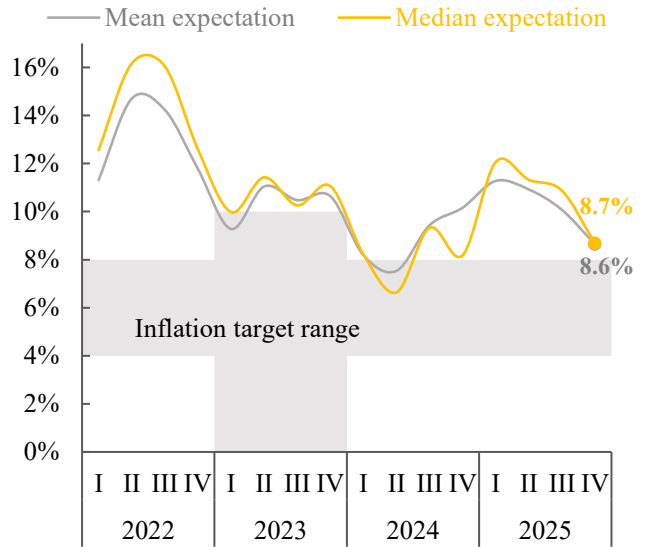


Figure 5. Inflation Expectations: Mean and Median (next 12 months)



Source: “Consumer Inflation Expectations Survey” BOM

Distribution of quantitative responses on three-month-ahead inflation expectations shows that, in the previous quarter, responses were more widely dispersed, with the highest frequency observed at around 11%. In the reporting quarter, however, the distribution shifted leftward and concentrated around 7%–9%. This suggests a slight decline in expected inflation, along with emerging signs of greater stability in expectations. (Figure 6).

For 12-month-ahead inflation expectations, the distribution in the reporting quarter was centered at around 9%, approximately normal in shape but with a slight right skew. Compared with the previous quarter, the central tendency shifted leftward, resulting in a relatively more compact structure (Figure 7). In other words, inflation expectations appear to have stabilized, and the degree of uncertainty has moderated.

Figure 6. Distribution of Quantitative Inflation Expectations, next 3 months

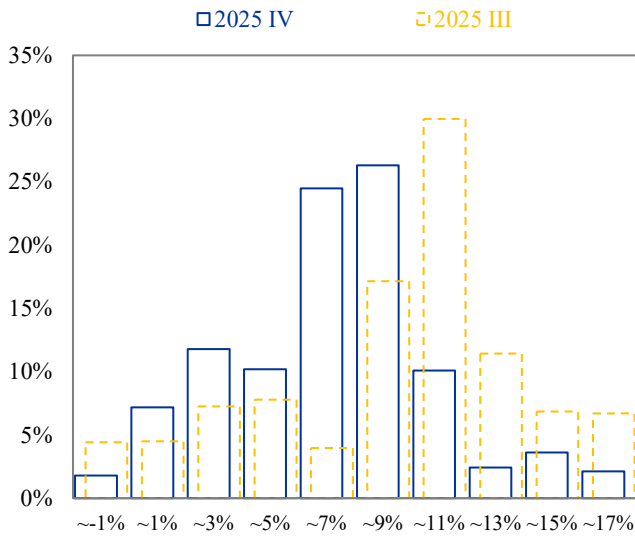
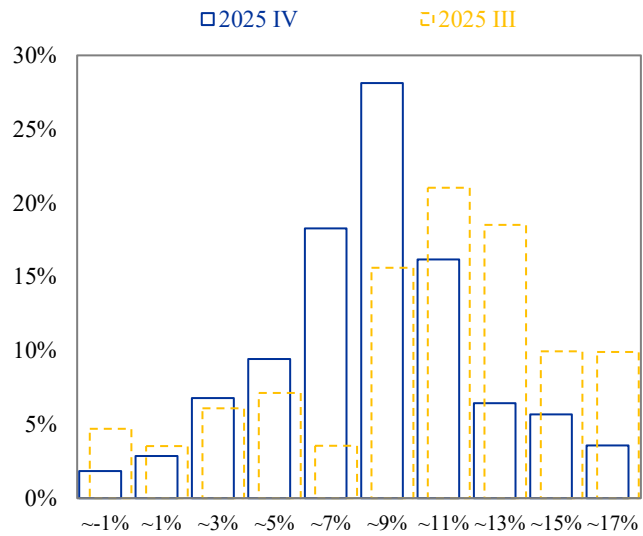


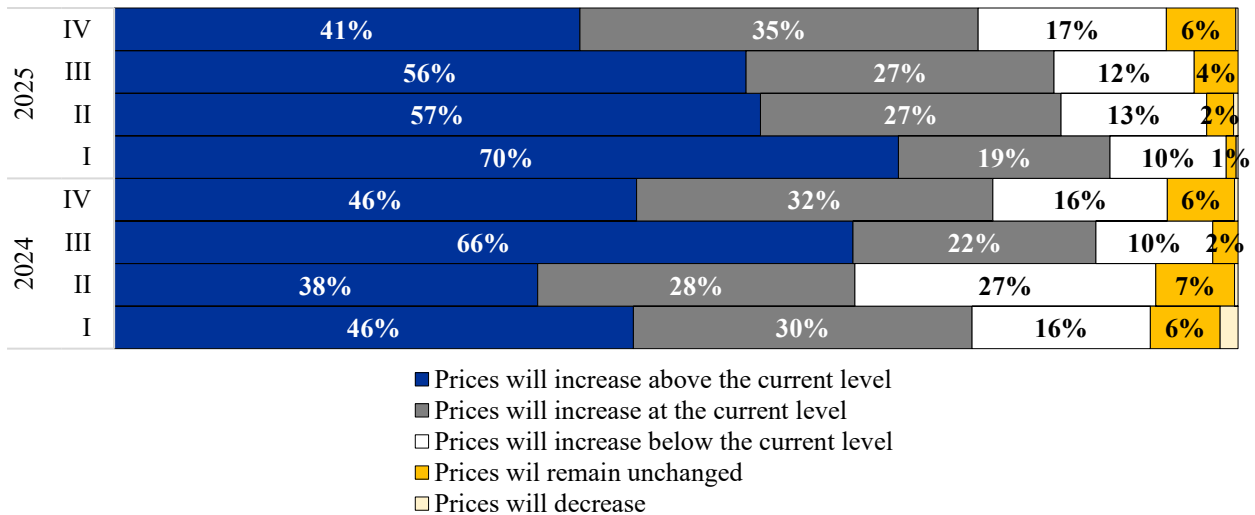
Figure 7. Distribution of Quantitative Inflation Expectations, next 12 months



Source: “Consumer Inflation Expectations Survey” BOM

In the survey, 41% of respondents expect inflation in 2026Q1 to be ‘higher than the current level’. Compared with the previous quarter, this share declined by 15 percentage points, while the proportion of respondents expecting inflation to remain at the current level or be lower increased. This suggests that respondents anticipate a more moderate and stable pace of price growth. Nevertheless, 77% of all respondents still expect prices to rise, indicating that inflationary pressures persist (Figure 8).

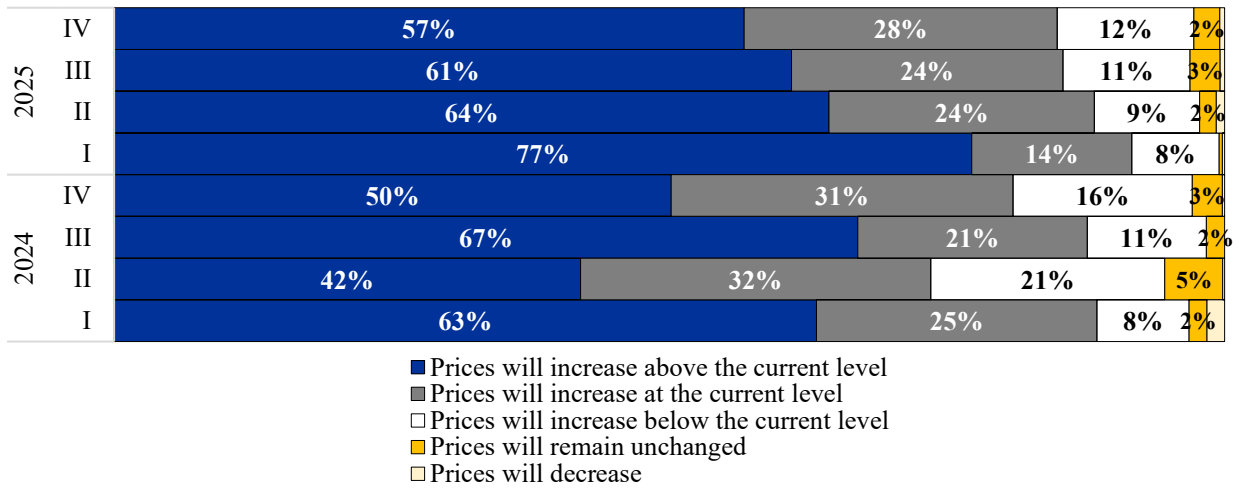
Figure 8. Inflation expectations, distribution of qualitative responses (next 3 months)



Source: “Consumer Inflation Expectations Survey” BOM

For the next 12 months, the share of respondents expecting inflation to rise declined by 4 percentage points from the previous quarter. Nevertheless, 57% of respondents still anticipate an increase in inflation (Figure 9).

Figure 9. Inflation expectations, distribution of qualitative responses (next 12 months)



Source: "Consumer Inflation Expectations Survey" BOM

For residents of Ulaanbaatar, inflation expectations stand at **7.9%** for 2026Q1 and **9.1%** for the end of the year. In contrast, rural residents expect inflation at **6.9%** and **8.2%**, respectively. At the regional level, the mean inflation expectation among Ulaanbaatar residents is around 1 percentage point higher. This difference may reflect variations in consumption patterns, including housing costs and food sourcing (Figure 10 and 11).

Figure 10. Inflation Expectations by location (next 3 months)

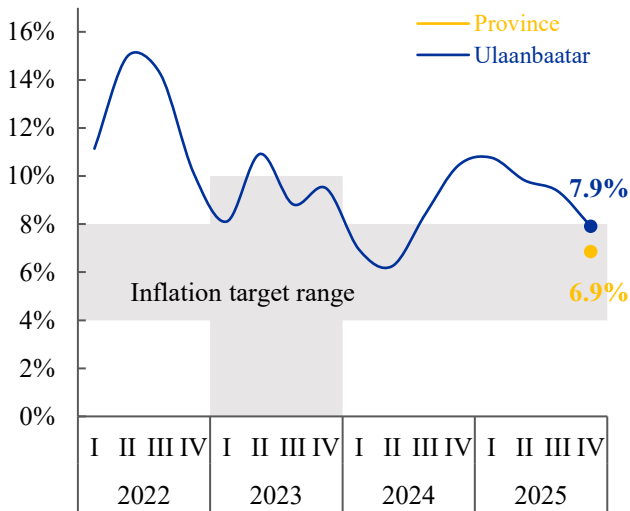
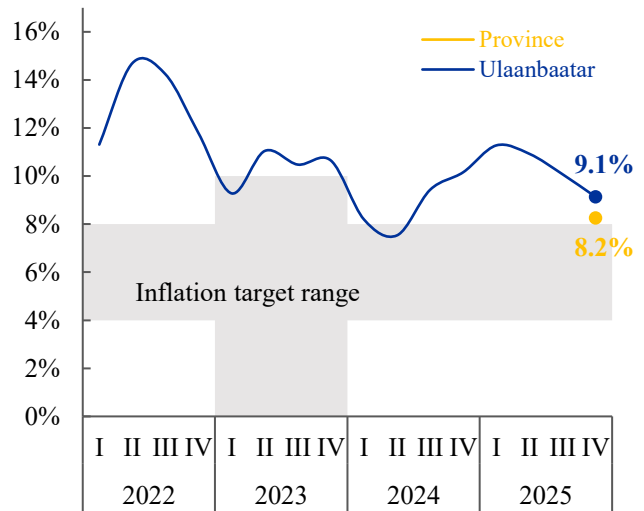


Figure 11. Inflation Expectations by location (next 12 months)



By age group, inflation expectations for the 2026Q1 declined across all cohorts. Expectations among respondents aged 55 and above fell by 1.6 percentage points to 7.7%, while those among respondents aged 36-55 and under 36 declined by 2.2 percentage points and 2.0 percentage points, to 7.4% and 7.0%, respectively (Figure 12). A similar pattern was observed for 2026Q4. Expectations among respondents aged 55 and above decreased by 0.8 percentage points to 9.1%, while those among respondents aged 36 -55 and under 36 both decreased by 1.5 percentage points, to 8.7% and 8.1%, respectively (Figure 13).

Figure 12. Inflation Expectations by age group (next 3 months)

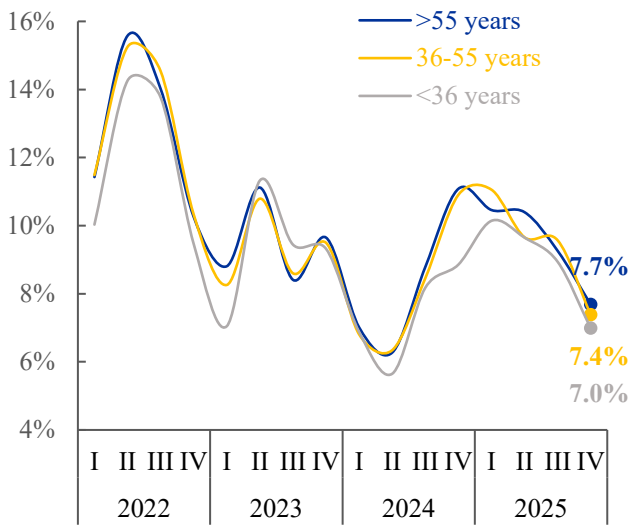
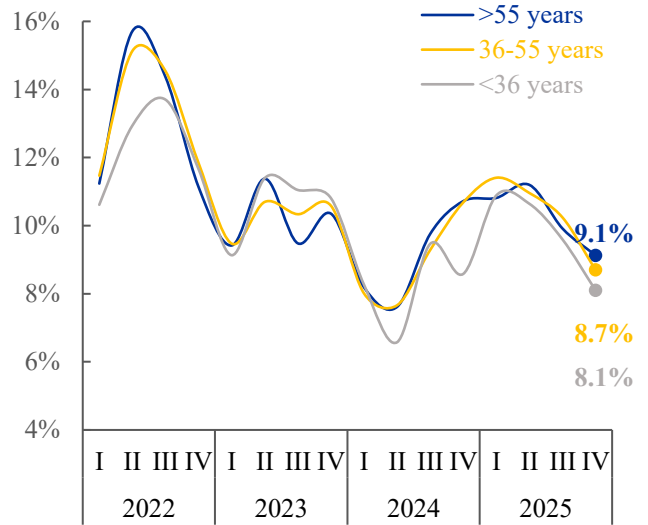


Figure 13. Inflation Expectations by age group (next 12 months)



Source: "Consumer Inflation Expectations Survey" BOM

By income group, inflation expectations for the 2026Q1 declined across all groups. Expected inflation fell to 7.4% among respondents with a monthly income above MNT 3.0 million, and to 7.4% among those with income between MNT 1.6-3.0 million, representing declines of 2.2 and 1.8 percentage points, respectively. For respondents with a monthly income below MNT 1.6 million, expected inflation declined by 2.1 percentage points to 7.1% (Figure 14). For 2026Q4, expected inflation declined to 8.8% for respondents with a monthly income above MNT 3.0 million, 8.7% for those with income between MNT 1.6-3.0 million, and 8.3% for those with a monthly income below MNT 1.6 million, corresponding to declines of 1.5, 1.5, and 1.2 percentage points, respectively (Figure 15).

Figure 14. Inflation Expectations by income group (next 3 months)

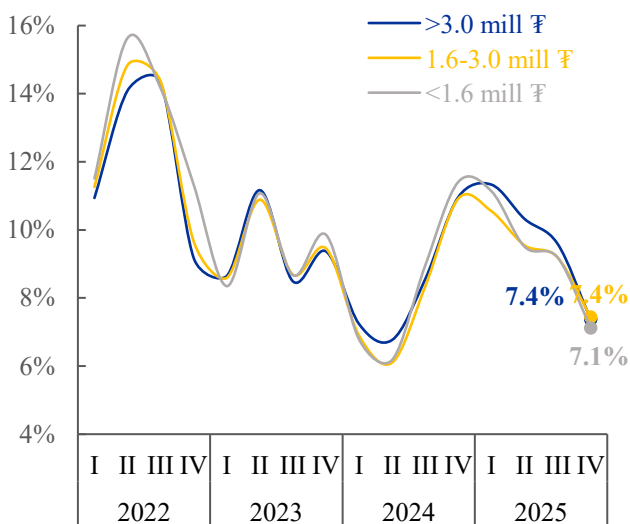
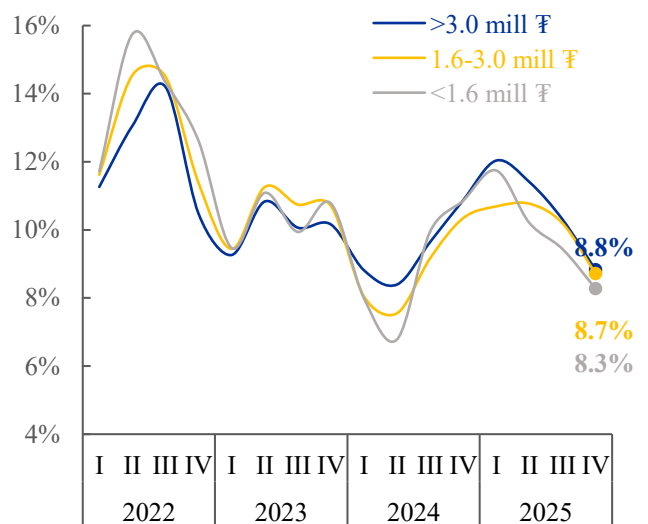


Figure 15. Inflation Expectations by income group (next 12 months)



Source: "Consumer Inflation Expectations Survey" BOM

III. HOUSEHOLD FINANCIAL CONDITIONS

Household income expectations increased by 0.03 points from the previous quarter, indicating that households anticipate a slight rise in income in 2026Q1 (Figure 16). Meanwhile, household expenditure expectations remain on an expansionary path, showing a modest increase compared with the previous quarter (Figure 17). In addition, the slowdown in real wages and household consumption growth suggests that household financial balances may come under increasing pressure going forward.

Figure 16. Household Income Expectations, (next 3 months)

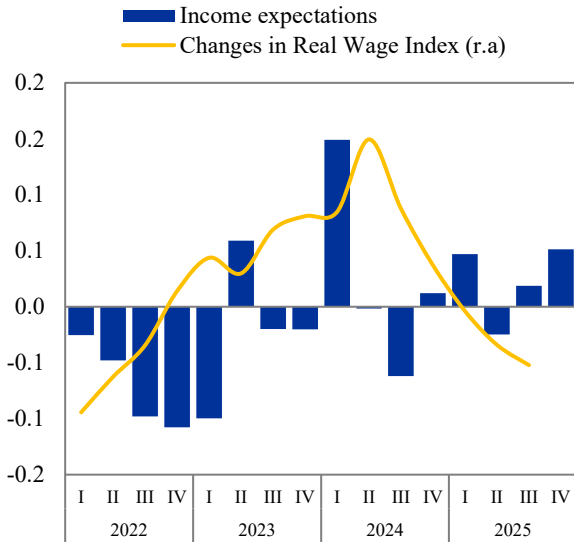
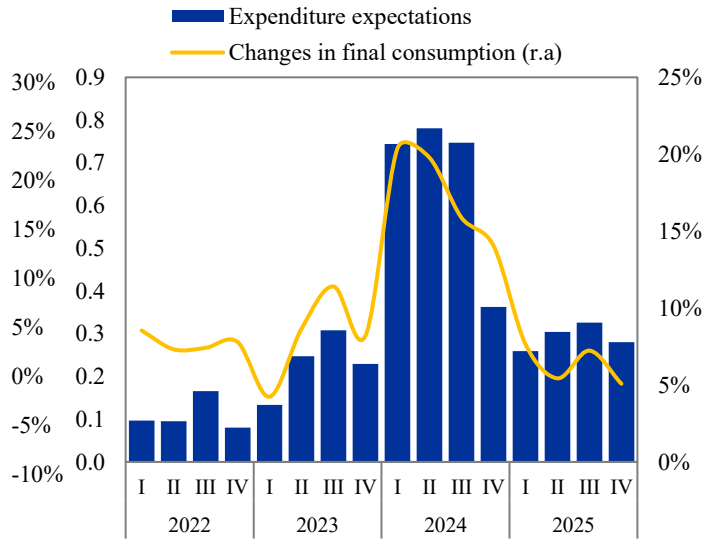


Figure 17. Household Expenditure Expectations, (next 3 months)



Source: “Consumer Inflation Expectations Survey” BOM, NSO

Household savings expectations have remained in negative territory for the seventh consecutive quarter, despite showing a slight improvement from the previous quarter (Figure 18). The majority of respondents reported difficulty in planning their finances for the upcoming quarter (Figure 19).

Figure 18. Household Saving Expectations, (next 3 months)

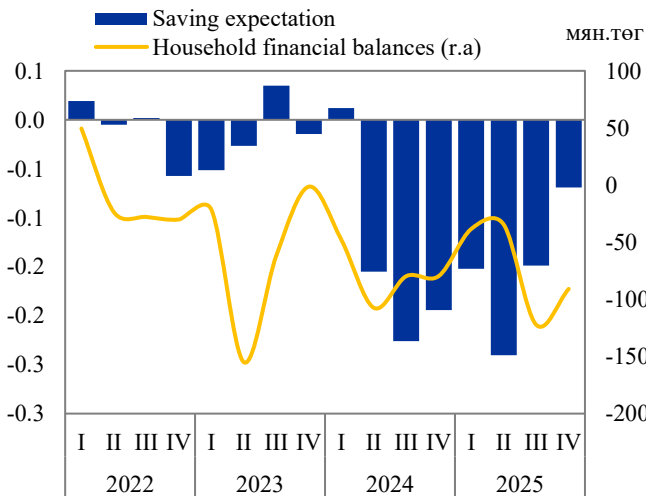
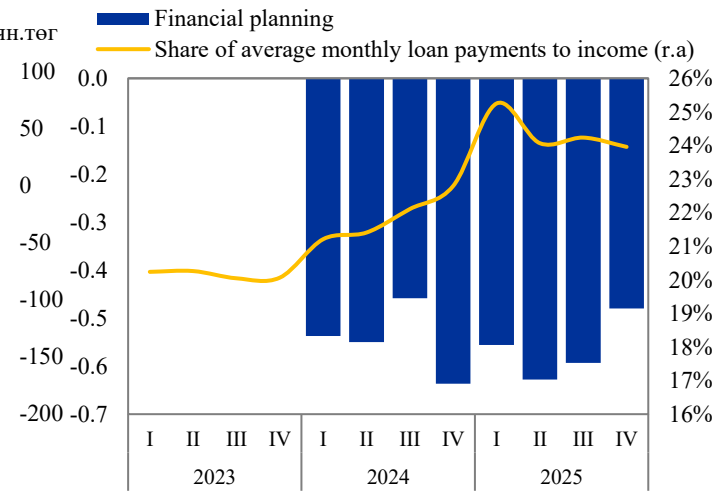


Figure 19. Household Financial Planning, (next 3 months)



Source: “Consumer Inflation Expectations Survey” BOM, NSO

Based on the outstanding balance of household consumer loans from banks, together with the weighted average interest rate and loan maturity, the average monthly loan repayment was calculated at MNT 711.9 thousand as of end-2025. This corresponds to approximately 23.6% of average monthly nominal household income.

IV. MACROECONOMIC EXPECTATIONS FOR HOUSEHOLDS

The employment expectations increased by 0.14 points from the previous quarter and moved to a neutral reading (Figure 20). The economic growth expectation index rose by 0.08 points from the previous quarter to -0.23, indicating expectations of an economic slowdown (Figure 21).

Figure 20. Employment Expectations, (next 3 months)

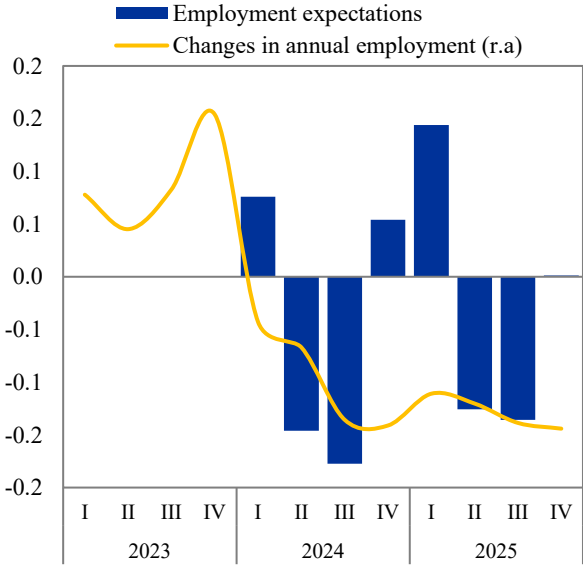
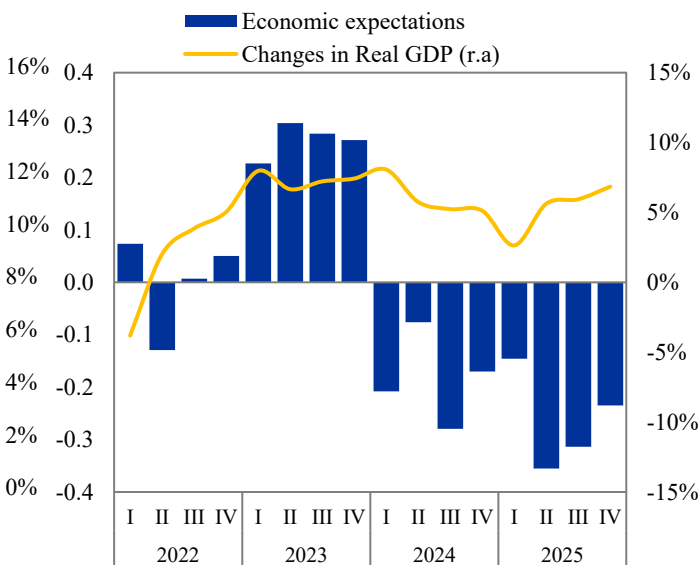


Figure 21. Economic Growth Expectations, (next 3 months)



Source: “Consumer Inflation Expectations Survey” BOM, NSO

At the end of 2025, the exchange rate stood at MNT 3,556.8 per U.S. dollar, reflecting a year – over – year depreciation of around 4.0% y. The majority of respondents expect the togrog to continue to depreciate in the upcoming quarter (Figure 22).

Regarding interest rates, expectations of rising loan rates dominate among respondents, showing a slight increase compared with the previous quarter (Figure 23). The weighted average interest rate on household consumer loans provided by banks has remained broadly unchanged over the past two years, standing at 17.6% as of 2025Q4.

Figure 22. Exchange Rate Expectations, (next 3 months)

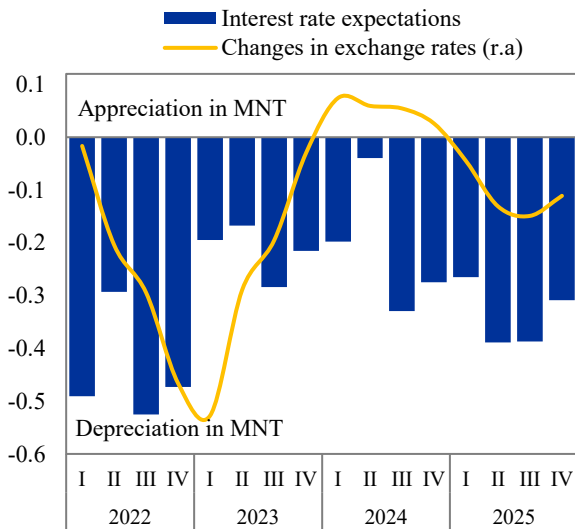
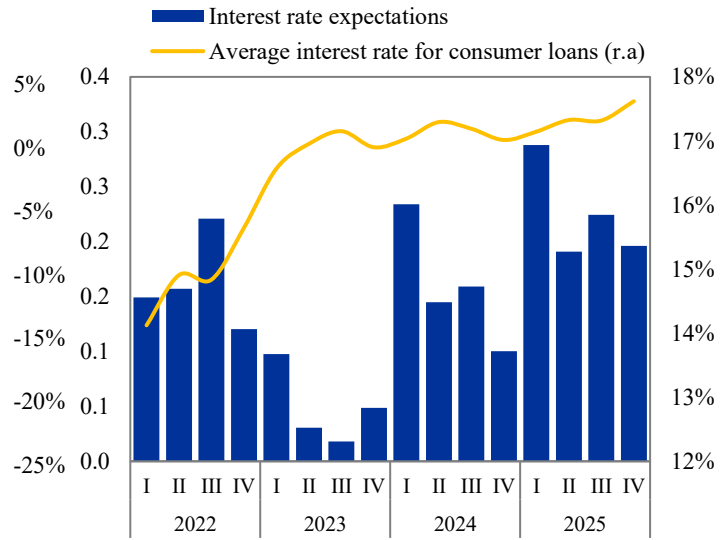


Figure 23. Interest Rate Expectations, (next 3 months)



Source: “Consumer Inflation Expectations Survey” BOM, BOM

V. APPENDIX

Data for the “Consumer Inflation Expectations Survey” were collected nationwide between 6 and 24 February 2026 from **1,760** participants. Survey data were gathered through three channels: telephone interviews with respondents who had participated in previous survey rounds (708), interviews with new respondents in local areas (910), and random sampling using random digit dialing (RDD) and mass text messaging (142). The sample is considered broadly representative of the target population. In particular, the residential distribution of respondents was proportionate to the structure of the adult population residing in Ulaanbaatar in 2024, as reported by the National Statistics Office of Mongolia (Figure 24). Residents from Bayanzurkh and Songino-Khairkhan districts accounted for 44.7% of respondents in Ulaanbaatar, while each province accounted for around 5% of the local-area sample (Figure 25). In this survey round, 59% of respondents were female and 41% were male.

Figure 24. Distribution of Survey Respondents by District of Residence

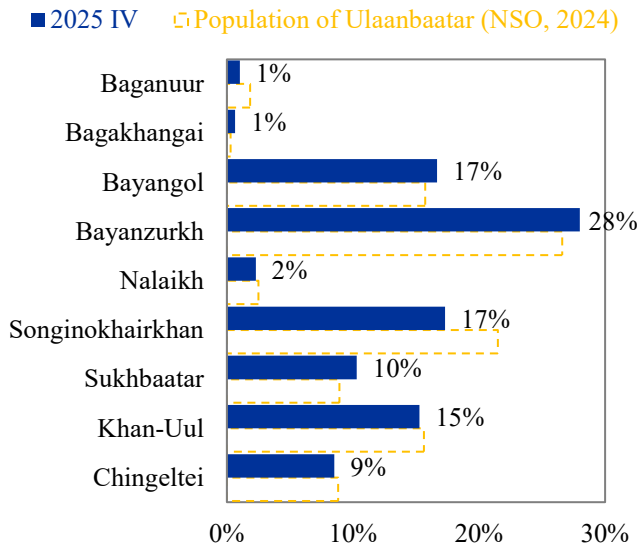
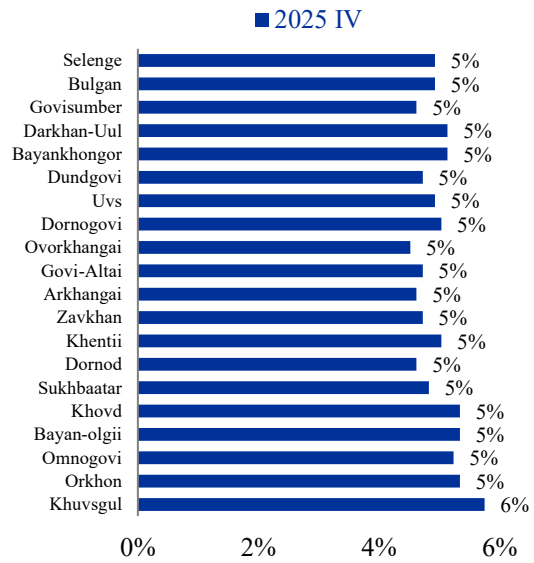


Figure 25. Distribution of Survey Respondents by Province of Residence



Source: “Consumer Inflation Expectations Survey” BOM, NSO

By age group, 76.3% of respondents were between 26 and 55 years old, which is consistent with the age distribution of the adult population residing in Ulaanbaatar. In terms of education, respondents with tertiary and upper-secondary education levels were more prominently represented in the survey (Figure 26 and 27).

Figure 26. Age Distribution of Survey Respondents

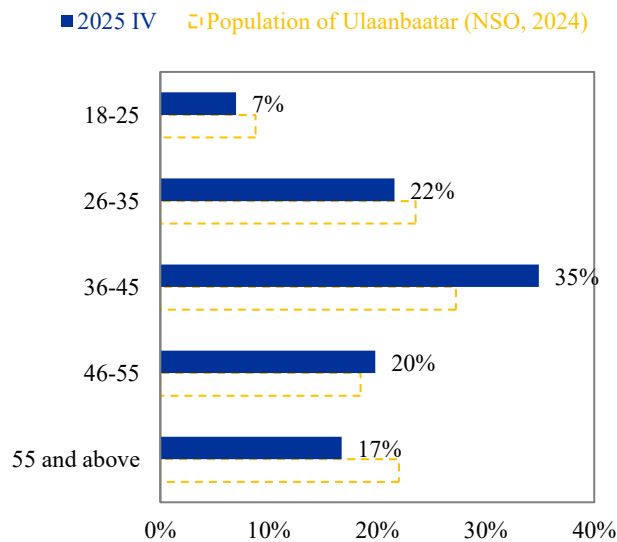
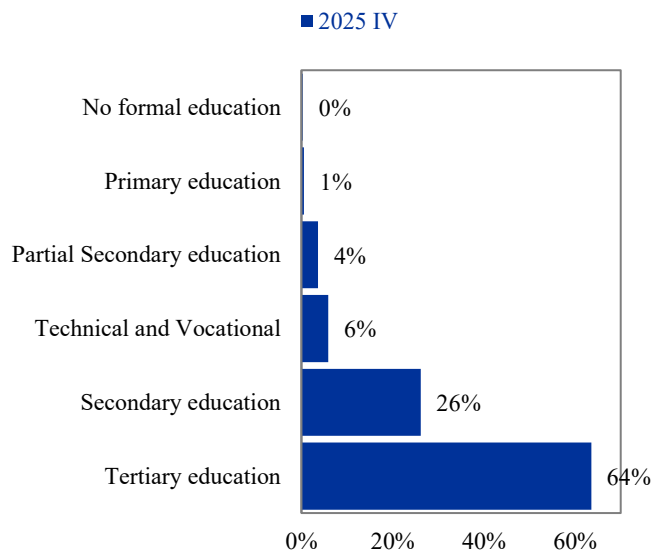


Figure 27. Educational Background of Survey Respondents



Source: “Consumer Inflation Expectations Survey” BOM, NSO

In terms of employment status, the current survey round mainly consisted of respondents employed in the private and public sectors (Figure 28). The distribution of respondents across household income groups is broadly consistent with the latest results of the “Household Socio-Economic Survey” conducted by the National Statistics Office of Mongolia, based on the fourth quarter of 2025, in which households were grouped by monetary income (Figure 29).

Figure 28. Employment Status of Survey Respondents

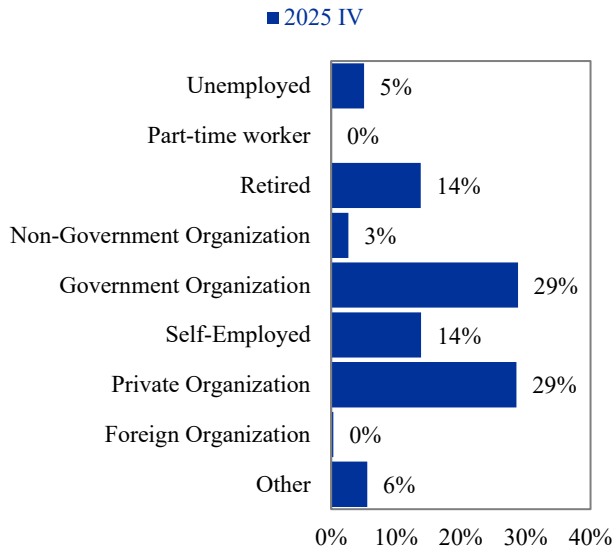
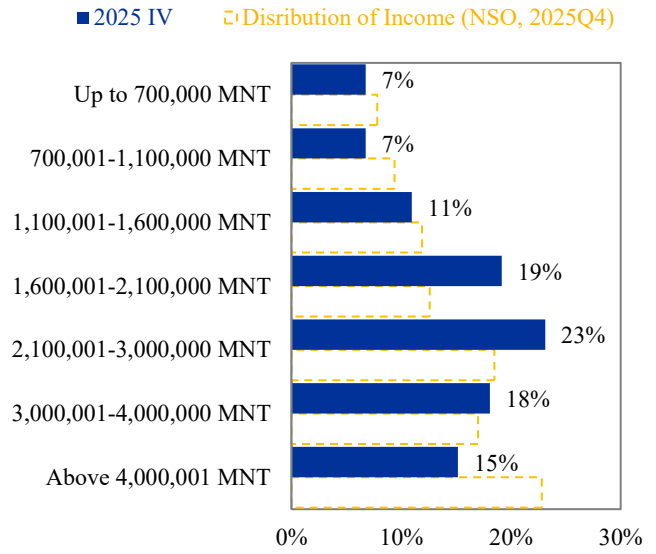


Figure 29. Household Income Distributions of Survey Respondents



Source: "Consumer Inflation Expectations Survey" BOM, NSO