



## A Brief Profile of Mongolia

Mongolia, a landlocked country in Asia, is bordered by Russia to the north and China to the south, east, and west. It is more than twice as big as Texas and nearly the same size as Alaska. Its area is 1.6 million square kilometers (603,000 square miles), four times the size of Japan and almost double that of Eastern Europe. This makes Mongolia the sixth largest country in Asia and 19<sup>th</sup> in the world, but the population is only 2.75 million (as of 2010 census), which makes Mongolia one of the least densely populated areas in Asia. Mongolia is divided into 21 provinces, with Ulaanbaatar as the capital. The official language of Mongolia is Mongolian, and the currency is the Mongolian tugrik (MNT).

Mongolia has a rapidly growing economy and is predicted by the International Monetary Fund (IMF) to have one of the highest, if not the highest, gross domestic product (GDP) growths in the world over the next five to ten years. Economic activity in Mongolia has traditionally been based on herding and agriculture, although development of extensive mineral deposits of copper, coal, molybdenum, tin, tungsten, and gold have emerged as a driver of industrial production. Besides mining (21.8% of GDP) and agriculture (16% of GDP), dominant industries in the composition of GDP are wholesale and retail trade and service, transportation and storage, and real estate activities. The grey economy is estimated to be at least one-third the size of the official economy.

Mongolia purchases 95% of its petroleum products and a substantial amount of electric power from Russia. Trade with China represents more than half of Mongolia's total external trade, and China receives about two-thirds of Mongolia's exports. Mongolia joined the World Trade Organization (WTO) in 1997 and seeks to expand its participation in regional economic and trade regimes.

Mongolia was never listed among the Emerging markets countries until February 2011 when Citigroup analysts determined Mongolia to be one of Global Growth Generators countries; i.e., countries with the most promising growth prospects for 2010–2050. The Mongolia Stock Exchange, established in 1991 in Ulaanbaatar, is among the world's smallest stock exchanges by market capitalization. In 2011, it had 336 companies listed with a total market capitalization of US\$2 billion after quadrupling from US\$406 million in 2008.