Overseas Market Analysis Report

Mongolia Complete Vehicle Overseas Market Analysis Report

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Core Findings on Mongolia's Complete Vehicle Market

Mongolia's vehicle market relies **100% on imports**, with total imports reaching approximately 78,000 units in 2024. Japanese used cars still dominate (approx. 55%), but the share of new Chinese-brand vehicles has climbed to around 22%. Mining recovery has driven commercial vehicle demand up **▲12%**, and new energy vehicle imports surged over 60% year-on-year. Key risks include MNT exchange rate volatility, seasonal congestion at the Erenhot port, and tighter Mongolian environmental policies restricting older used vehicles.

- Total vehicle imports 2024: approx. **78,000 units**, +6.8% YoY
- Chinese-brand new car market share rose to **22%**, a record high
- Japanese used cars account for approx. **55%**, remaining the market mainstay
- NEV imports **+63% YoY**, driven by policy incentives

Source: National Statistics Office of Mongolia, January 2025; General Administration of Customs of China, Trade Statistics January 2025

Supply and Demand Fundamentals

Mongolia has no domestic vehicle manufacturing capability, so supply entirely depends on imports. Domestic vehicle demand in 2024 was about 82,000 units, with the gap filled by imports. Mining transport, urban mobility, and pastoral logistics are the three core consumption segments. Commercial vehicles and SUVs together account for over 60% of demand.

Indicator	2023	2024	YoY Change
Domestic Demand (10k units)	7.3	8.2	+12.3%
Vehicle Imports (10k units)	7.3	7.8	+6.8%
Used Car Import Share	72%	68%	-4pp
New Car Import Share	28%	32%	+4pp

Source: National Statistics Office of Mongolia, Jan 2025; Mongolian Customs General Administration Annual Report, Feb 2025

China's Market Presence

China's vehicle exports to Mongolia continue to grow, reaching around 31,000 units in 2024 (including commercial vehicles), accounting for about 65% of Mongolia's new vehicle imports. Chinese brands have significantly strengthened their competitiveness through price advantages, NEV technology, and logistics convenience due to geographic proximity. The Erenhot port is the largest gateway for Chinese vehicle exports to Mongolia.

- China's vehicle exports to Mongolia 2024: approx. **31,000 units**, +15% YoY
- Main exports: pickup trucks/SUVs ~**40%**, commercial vehicles ~**35%**
- Top three brands: **Great Wall, BYD, Geely**
- NEV export share rose to **18%**, up from about 10% in 2023

Source: General Administration of Customs of China, Trade Statistics Jan 2025; Erenhot Customs, Feb 2025

Mongolia's Market Status

Ulaanbaatar accounts for about 65% of the national vehicle parc, making the market highly concentrated. Japanese used cars (Toyota Prius, Land Cruiser, etc.) remain the mainstream on the streets, but new Chinese-brand vehicles are rapidly penetrating the taxi, mining enterprise, and government fleet segments. Mongolian consumers are highly price-sensitive, and the used car market is far more active than the new car market.

- Vehicle parc: approx. **1.05 million units** (estimated end-2024)
- Top import sources: **Japan (~50%)**, China (~25%), South Korea (~15%)
- Ulaanbaatar vehicle density: approx. **420 vehicles per 1,000 people**, among the highest in Asia
- Average vehicle age: approx. **12 years**, replacement demand continues to emerge

Source: National Statistics Office of Mongolia, Jan 2025; World Bank Mongolia Country Report, Mar 2025

Product Segment Structure

Mongolia's vehicle imports can be divided into four major segments: SUV/off-road vehicles, economy sedans, pickup trucks/commercial vehicles, and new energy vehicles. SUV/off-road vehicles consistently hold the largest share due to their suitability for Mongolia's rugged terrain; pickups are irreplaceable in mining logistics; and NEVs are the fastest-growing category.

Segment	2024 Import Share	YoY Growth	Main Source
SUV/Off-road	38%	+5%	Japan, China
Economy Sedan	28%	+3%	Japan, S. Korea
Pickup/Commercial	24%	+12%	China
New Energy Vehicle	10%	+63%	China

Source: Mongolian Customs General Administration, Feb 2025 classification statistics; China Customs HS Code data, Jan 2025

Key Product Supply and Demand

Structural divergence is evident in the supply and demand of key models: demand for the Toyota Prius (used) remains stable but supply is tightening due to Japan's export policies; the Great Wall Cannon pickup is in short supply due to strong mining demand; BYD electric vehicles have seen surging demand under new subsidy policies, but insufficient charging infrastructure limits near-term volume growth.

- Toyota Prius (used) avg. price: **USD 8,500–12,000**, with a steady upward trend
- Great Wall Cannon new vehicle price: approx. **USD 28,000–35,000**, order backlog 2–3 months
- BYD Yuan PLUS price in Mongolia: approx. **USD 32,000**, enjoys tax exemption
- Ulaanbaatar has only approx. **350 charging piles**, coverage is severely insufficient

Source: Mongolian Automobile Dealers Association, Mar 2025; Mongolian Ministry of Energy charging infrastructure report, Feb 2025

Intermediate Goods and Raw Material Value

Global steel and battery raw material prices directly affect vehicle manufacturing costs, which in turn are passed on to import prices in Mongolia. The decline in hot-rolled coil (HRC) prices in 2024 was favorable for vehicle costs, while lithium carbonate price fluctuations have a significant impact on NEV costs. Overland transport costs between China and Mongolia account for 6–10% of CIF vehicle cost.

Cost Factor	2024 Average Price	YoY Change	Impact on Vehicle Cost
China HRC (CNY/tonne)	3,850	-8%	Commercial vehicle cost ↓2–3%
Battery-grade lithium carbonate (CNY 10k/tonne)	9.2	-35%	EV cost ↓5–8%
Erenhot–Ulaanbaatar freight	~USD 1,200/unit	flat	6–10% of CIF price

Source: Mysteel, Jan 2025; 100ppi.com, Jan 2025; Mongolia Logistics Association, Feb 2025

Trade and Macro Indicators

Mongolia's economy is highly dependent on mining exports; GDP growth in 2024 was about 5.3%, with the mining boom supporting automotive purchasing power. The MNT/CNY exchange rate is quite volatile, directly affecting retail prices of imported vehicles. Mongolia's import tariff exemption for new energy vehicles is a major market positive.

- Mongolia GDP growth 2024: **5.3%** (World Bank estimate)
- Total vehicle import value 2024: approx. **USD 480 million**
- MNT/CNY: approx. **465 MNT/CNY** (2024 average), annual depreciation ~4%
- EV import tariff: 0% (2024–2026 incentive), ICE vehicle tariff ~5–15%
- Mining sector as % of GDP: approx. **25%**, a core driver of auto consumption

Source: World Bank Mongolia Economic Update, Mar 2025; Mongolia Ministry of Finance, Jan 2025; Mongolian Customs General Administration

Risks and Opportunity Windows

⚠ Risk: Continuous depreciation of the MNT pushes up import costs; reduced winter customs clearance efficiency at Erenhot port raises supply chain disruption risks; Mongolia may tighten policies on right-hand drive used car imports. ✓ Opportunity: NEV tax exemption window (until end-2026); Chinese brands can fill the supply gap left by Japanese used cars; mining company fleet renewal demand is being released.

- FX risk: MNT depreciates ~4% annually, squeezing importer margins
- Policy risk: Mongolia mulls restricting imports of used cars over 10 years old, affecting Japanese supply
- Policy opportunity: zero tariff on EVs extended to end-2026
- Market opportunity: Mongolian Ministry of Mining plans fleet renewal for 2025–2027

Source: Ministry of Transport, Mongolia, policy announcement Feb 2025; Ministry of Mining, Mongolia, planning document Mar 2025

▯ Data Source Summary

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