Overseas Market Analysis Report | Target Country: Mongolia | Main Category: Construction Machinery

Mongolia Construction Machinery Overseas Market Analysis Report

 Report Date: July 18, 2026 Data as of: Q2 2026

 Analysis Scope: Supply & Demand, Trade, Pricing, Risk

Mongolia Construction Machinery Core Conclusions

Mongolia's construction machinery market presents three characteristics: **high import dependence, mining-driven demand, and Chinese dominance**. The import scale is expected to exceed $500 million by 2026, with Chinese supply share staying above 65%. The ramp-up of underground mining at the Oyu Tolgoi copper-gold mine and the "New Revival Policy" infrastructure investment serve as dual demand engines, but mining cycle fluctuations and Mongolian policy adjustments constitute core risks.

Import Dependence: Approx. 92% Highly Import-Dependent

Chinese Supply Share: 65%-70% Top Supplier Country

2026 Import Estimate: $500-550 million ▲ YoY +8%

Core Risks: Mining Cycle | Policy Changes | FX Fluctuations

Source: National Statistics Office of Mongolia, General Administration of Customs of China, World Bank Mongolia Economic Outlook, updated June 2026

Supply and Demand Fundamentals

Mongolia lacks large-scale complete-set manufacturing capacity for construction machinery, with demand almost entirely dependent on imports. Mining consumption accounts for over 60%, and infrastructure accounts for about 25%. Total imports in 2025 were approximately $480 million, with H1 2026 YoY growth of approximately 7.5%, continuing a tight supply-demand balance.

Indicator	2024	2025	H1 2026 (Est.)
Total Imports (Hundred M USD)	4.2	4.8	2.6
YoY Growth	+9.5%	+14.3%	+7.5%
Mining Consumption Share	62%	61%	60%
Infrastructure Consumption Share	24%	26%	27%

Source: Mongolia General Customs Office Annual Trade Statistics, China Construction Machinery Association (CCMA) Export Monitoring, June 2026

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China Market Status

China's construction machinery industry operated steadily in H1 2026, with excavator utilization rates staying in the 58%-62% range. Exports to Mongolia maintained a growth trend, with Sany Heavy Industry, XCMG, and Liugong continuing to expand their market share in Mongolia. China's domestic steel prices ran at low levels, benefiting export price competitiveness.

Excavator Utilization Rate (Jun 2026): 60.3% Stable Operation

Construction Machinery Exports to Mongolia (2025): Approx. $310 million ▲ +11%

China HRC Average Price (Jul 2026): Approx. 3,650 CNY/ton ▼ Low level

CNY to MNT Exchange Rate: 1 CNY ≈ 475 MNT Relatively Stable

Source: China Construction Machinery Association (CCMA), Mysteel Steel Price Monitoring, China Foreign Exchange Trade System, July 2026

Mongolia Market Status

Terminal prices for construction machinery in Mongolia carry a premium of approximately 15%-25% over Chinese production areas, primarily influenced by freight, tariffs, and channel markups. Chinese brands hold a dominant advantage in the small-to-medium equipment market, while Japan's Komatsu and Hitachi Construction Machinery still maintain a share in the large mining equipment sector. Second-hand machinery imports are active, accounting for about 20% of total imports.

Source Country	Market Share	Main Categories	Price Positioning
China	65%-70%	Excavators, Loaders, Bulldozers	Mid-range / Value
Japan	12%-14%	Large Mining Excavators, Bulldozers	High-end
South Korea	7%-9%	Mid-sized Excavators, Loaders	Mid-to-High end
Others	8%-12%	Used Equipment, Specialized Machinery	Mixed

Source: Mongolia Customs Import Statistics, Industry Channel Research, June 2026

Source: Mongolia General Customs Office, Ulaanbaatar Construction Machinery Dealer Survey, June 2026

Product Segmentation Structure

Excavators are the largest imported category of construction machinery in Mongolia, accounting for about 35% of total imports; mining dump trucks and loaders follow closely. The Oyu Tolgoi underground mine has a prominent demand for large mining equipment, while bulldozers see stable demand for overburden removal in open-pit coal mines.

Segment Category	Import Share	2025 Import Value (Est.)	Demand Trend
Excavators (incl. Mining)	35%	Approx. $168 million	▲ Growing
Mining Dump Trucks	20%	Approx. $96 million	▲ Growing

Segment Category	Import Share	2025 Import Value (Est.)	Demand Trend
Loaders / Bulldozers	22%	Approx. $106 million	→ Stable
Drills / Crushing & Screening	13%	Approx. $62 million	→ Stable

Source: Mongolia Customs HS Code Classification Statistics, Industry Channel Data, June 2026

Source: Mongolia General Customs Office HS8429/8430/8704 Classification Data, China Construction Machinery Association, June 2026

Core End-Product Supply and Demand

Large mining excavators (50-ton class and above) and mining dump trucks (60-ton class and above) are the core demanded end-products for Mongolia's mining industry. The Oyu Tolgoi copper-gold mine continues its underground mining ramp-up, with a 2026 copper production target of approximately 220,000 tons, driving steady growth in demand for large equipment, with supply primarily from Chinese and Japanese brands.

Oyu Tolgoi Copper Production (2026 Target): Approx. 220,000 tons ▲ Ramping Up

Annual Demand for Large Mining Excavators (Est.): 50-70 units High-value Category

Annual Imports of Mining Dump Trucks (Est.): 120-160 units Sustained Demand

Equipment Fleet Replacement Cycle: Approx. 8-10 years Growing Replacement Demand

Source: Rio Tinto Oyu Tolgoi Project Quarterly Report, Mongolian Ministry of Mining, Q1 2026

Intermediate Goods and Raw Material Value

The price of steel, the core raw material for construction machinery, was at a low level in July 2026, with Chinese HRC at approximately 3,650 CNY/ton, which is conducive to cost control for complete machine exports. Core components such as hydraulic parts and engines are still primarily supplied by China and Japan, with CIF Mongolia prices carrying an 8%-15% premium over Chinese production areas.

Raw Material / Intermediate	China Production Price	Mongolia CIF Premium	Trend
HRC (Q235)	Approx. 3,650 CNY/ton	+10% to 12%	▼ Low
Hydraulic Pump Assembly	Approx. 12,000 - 25,000 CNY/set	+12% to 18%	→ Stable
Mining Tire (Large)	Approx. 80,000 - 150,000 CNY/each	+8% to 10%	→ Stable

Source: Mysteel, Longzhong Information, Industry Dealer Quotations, July 2026

Source: Mysteel Steel Price Monitoring, Construction Machinery Component Channel Research, July 2026

Trade and Macro Indicators

Mongolia's GDP growth rate in 2026 is expected to maintain 5.5%-6.0%, with mining investment accounting for about 25% of GDP. China-Mongolia bilateral trade volume continues to grow, with China maintaining its position as Mongolia's largest trading partner for consecutive years. The Tugrik exchange rate is relatively stable, and loose monetary policy supports investment.

Macro Indicator	2024	2025	2026 (Forecast)
GDP Growth	5.5%	5.8%	5.5%-6.0%
Mining Share of GDP	25%	25%	24%-26%
China-Mongolia Trade Vol. (Hundred M USD)	~140	~155	~165 (Est.)
Import Tariff (Constr. Mach.)	5%	5%	5% (Maintained)

Source: World Bank, National Statistics Office of Mongolia, General Administration of Customs of China, updated June 2026

Source: World Bank Mongolia Economic Outlook, National Statistics Office of Mongolia, China Ministry of Commerce, June 2026

Risks and Opportunity Windows

Key risks include the transmission of international copper price fluctuations to mining investment, potential adjustments to Mongolian mining policies, and Tugrik exchange rate volatility. In terms of opportunities, Mongolia's "New Revival Policy" promotes port and infrastructure investment, and demand for local assembly/maintenance services is rising. Chinese brands can build competitive barriers by establishing service centers and parts warehouses.

⚠ Risk Copper Price Fluctuations: If LME copper falls below $8,500/ton, mining investment will be dampened

⚠ Risk Policy Changes: Mongolian mining tax/fee adjustments may affect equipment procurement pace

√ Opportunity New Revival Policy: Port revival plan drives infrastructure machinery demand

√ Opportunity Localized Services: Parts warehousing + repair center model has growth potential

Source: World Bank Mongolia Risk Assessment, Mongolian Government "New Revival Policy" Document, LME Copper Price Monitoring, June 2026

Data Source Summary

1. National Statistics Office of Mongolia (www.1212.mn) — GDP, Trade, Mining Data
2. General Administration of Customs of China — China-Mongolia Trade, Construction Machinery Export Data
3. World Bank — Mongolia Economic Outlook and Risk Assessment
4. China Construction Machinery Association (CCMA) — Industry Utilization Rate, Export Monitoring
5. Mysteel (Shanghai Steel Union) — Steel Price Monitoring Data
6. Rio Tinto — Oyu Tolgoi Project Quarterly Operational Report
7. Mongolia General Customs Office — HS Code Classified Import Statistics
8. Longzhong Information — Raw Material and Component Price Monitoring
9. China Foreign Exchange Trade System — RMB Exchange Rate Data
10. Mongolian Government "New Revival Policy" Public Document

Disclaimer: The data in this report is for reference only and does not constitute any investment advice. The market is risky, and decisions should be made with caution.