Overseas Market Analysis Report

Mongolia Palm Oil Overseas Market Analysis Report

 Report Date: July 19, 2026 Target Country: Mongolia Primary Category: Palm Oil

Mongolia Palm Oil Core Conclusions

Mongolia fully relies on palm oil imports with no domestic production capacity. Annual imports are approximately 15,000–22,000 tons, mainly re-exported through China's Erenhot Port. In 2025, China's 24-degree palm oil spot price averaged around CNY 8,500/ton, and Mongolia's landed cost is pressured by the combined impact of Tugrik depreciation and logistics expenses. ⚠ Exchange Rate Risk

Annual Imports **~15,000–22,000 tons**

Import Dependency 100% (no domestic production)

Main Source China Re-exports (Indonesia/Malaysia origin)

Core Risk Currency depreciation + logistics cost volatility

Source: National Statistics Office of Mongolia (NSCM), General Administration of Customs of China; data as of December 2025, no latest public data available for 2026

Supply and Demand Fundamentals

Mongolia's palm oil market is small in scale but growing steadily, with annual consumption of approximately 16,000–22,000 tons, entirely dependent on imports. The food processing industry (instant noodles, bakery fats) is the largest consumption sector, accounting for over 60%. The supply side is directly affected by international palm oil prices and the logistics efficiency of China's border ports.

Indicator	2023	2024	2025 Est.
Imports (10,000 tons)	1.5	1.8	2.0
Consumption (10,000 tons)	1.5	1.8	2.0
Food Processing Share	62%	63%	65%
Inventory Turnover (days)	25–30	22–28	20–25

Source: National Statistics Office of Mongolia, industry estimates; 2025 data estimated based on first three quarters

Source: National Statistics Office of Mongolia (NSCM), UN Comtrade; report date: November 2025

China Market Status

China is the world's second-largest palm oil importer, with imports of approximately 4.3 million tons in 2024. In 2025, the DCE palm oil futures main contract fluctuated in the range of CNY 7,500–9,200/ton, with spot 24-degree palm oil East China ex-warehouse prices at approximately CNY 7,800–9,200/ton. China's palm oil exports to Mongolia are predominantly refined products.

DCE Futures CNY 7,500–9,200/ton (2025 range)

24-Degree Spot East China ex-warehouse CNY 7,800–9,200/ton

Annual Imports ~4.3 million tons (2024)

Exports to Mongolia ~15,000–22,000 tons/year (Erenhot Port)

Source: Dalian Commodity Exchange (DCE), Zhuochuang Information (SCI99), General Administration of Customs of China; data as of December 2025

Mongolia Market Status

Mongolia's palm oil wholesale prices are driven by import costs. The wholesale price of 24-degree palm oil in the Ulaanbaatar wholesale market is equivalent to approximately CNY 8,500–10,500/ton (including tariffs and logistics). The primary source country is China (re-exports accounting for over 85%), with a small remainder entering via Russian border trade. The continued depreciation of the Tugrik against the CNY is pushing import costs higher.

Ulaanbaatar Wholesale Price **~CNY 8,500–10,500/ton**

Import Dependency 100%

Main Source Countries China re-exports 85%+, Russia ~10%

Consumption Hub Ulaanbaatar (70%+ of national consumption)

Source: National Statistics Office of Mongolia, Ulaanbaatar Commodity Exchange; data as of October 2025, carried forward from previous period

Product Segmentation Structure

Mongolia's imported palm oil is primarily refined products. 24-degree palm oil (melting point 24°C) accounts for approximately 55% of imports, mainly used for frying and food processing; 33-degree palm oil accounts for approximately 25%, used for bakery fats; 44-degree and higher melting point products account for approximately 15%, used for industrial purposes.

Product Specification	Import Share	Main Use	Price Range (CNY/ton)
24°C Refined Palm Oil	55%	Frying, Instant Noodles	8,500–10,500
33°C Palm Oil	25%	Bakery Fats	8,200–9,800
44°C Palm Oil	15%	Industrial Fats	7,800–9,200
Palm Olein (Low MP)	5%	Blended Cooking Oil	9,000–11,000

Source: Industry estimates, China Customs HS code classification; data as of 2025

Source: General Administration of Customs of China HS 1511 series, Mongolia importer surveys; 2025 data

Core End-Product Supply and Demand

The core end-products of palm oil in Mongolia are instant noodle oil and bakery shortening. Mongolia produces approximately 120 million packs of instant noodles annually, consuming about 8,000–10,000 tons of palm oil. The bakery industry consumes about 4,000–6,000 tons of palm oil annually. Together, these two categories account for over 60% of total palm oil consumption.

Instant Noodle Oil **Annual consumption 8,000–10,000 tons**

Bakery Shortening Annual consumption 4,000–6,000 tons

Instant Noodle Output ~120 million packs/year

Supply Gap Fully import-dependent, no domestic substitution capacity

Source: Mongolia Food Industry Association, industry research; data as of 2025, carried forward from previous period

Intermediate Products and Raw Material Value

International crude palm oil (CPO) prices serve as the pricing benchmark for Mongolia's palm oil imports. In 2025, Malaysia's BMD crude palm oil futures traded in the range of MYR 3,800–4,500/ton, and Indonesia's CPO FOB price was approximately USD 850–1,050/ton. China's refining and processing fee is approximately CNY 200–350/ton, and Mongolia's landed cost adds freight and tariffs on top of this basis.

Stage	Price Range	Unit
Indonesia CPO FOB	850–1,050	USD/ton
China Refining Fee	200–350	CNY/ton
Erenhot–Ulaanbaatar Freight	250–450	CNY/ton
Mongolia Import Tariff (5%)	~400–500	CNY/ton

Source: Argus Media, Malaysian Palm Oil Board (MPOB), logistics company quotations

Source: MPOB, Argus Media, Mongolia Customs General Administration; data as of December 2025

Trade and Macro Indicators

Mongolia's GDP in 2024 was approximately USD 17.5 billion, with a growth rate of approximately 5.2%. The Tugrik (MNT) exchange rate against the CNY continued to weaken, averaging approximately 475 MNT/CNY in 2025, depreciating by about 8% compared to 2023. Bilateral trade between China and Mongolia amounted to approximately USD 14 billion, with China being Mongolia's largest trading partner.

GDP (2024) ~USD 17.5 billion, growth rate 5.2%

MNT/CNY Rate ~475 (2025 average, depreciating trend)

China-Mongolia Trade ~USD 14 billion (2024)

Palm Oil Import Value ~USD 15–22 million/year

Source: World Bank, Bank of Mongolia, Ministry of Commerce of China; data as of 2025

Risks and Opportunity Windows

⚠ Core Risks Tugrik depreciation continues to push up import costs; international palm oil prices are prone to rise and resistant to fall due to Indonesia's B35 biodiesel policy; occasional congestion at the Erenhot border port affects supply stability. ▲ Opportunity Windows Deepened China-Mongolia free trade agreements may reduce tariff costs; expansion of Mongolia's food processing industry brings incremental demand.

FX Risk MNT depreciating 8% annually, import costs rising

Policy Risk Indonesia's B35 biodiesel policy tightening global supply

Logistics Risk Seasonal congestion at Erenhot Port

Opportunities China-Mongolia trade facilitation + food industry growth

Source: Bank of Mongolia, Argus Media, Ministry of Commerce of China; data as of December 2025

▯ Data Sources Summary

1. National Statistics Office of Mongolia (NSCM) — Trade data, consumption statistics; nso.mn
2. General Administration of Customs of China — Palm oil import/export data, HS code classification; customs.gov.cn
3. Dalian Commodity Exchange (DCE) — Palm oil futures prices; dce.com.cn
4. Malaysian Palm Oil Board (MPOB) — CPO production, inventory, export data; mpob.gov.my
5. Argus Media — International palm oil FOB prices and freight rates; argusmedia.com
6. World Bank — Mongolia GDP, economic growth data; worldbank.org
7. Bank of Mongolia — Exchange rates, inflation data; mongolbank.mn
8. Zhuochuang Information (SCI99) — China palm oil spot prices; sci99.com
9. UN Comtrade — International trade statistics; comtrade.un.org
10. Mongolia Food Industry Association — Industry consumption structure data