Overseas Market Analysis | Mongolia · Fertilizer

Mongolia Fertilizer Overseas Market Analysis Report

 Report Update Date: July 20, 2026 Target Country: Mongolia

 Main Category: Fertilizer (Nitrogen / Phosphate / Compound)

Mongolia Fertilizer Key Conclusions

Mongolia's fertilizer market is **completely import-dependent**, with total annual imports of about **60,000–80,000 tons** (physical volume) and no domestic large-scale production capacity. Russia remains the top supplier (approx. 60–65% share), with China as the second-largest source (approx. 20–25%). In 2024–2025, lower Chinese fertilizer export prices benefit Mongolia's import costs, but logistics bottlenecks and MNT exchange rate volatility remain key constraints. Driven by agricultural modernization policies, Mongolia's fertilizer demand is projected to grow 3%–5% annually.

Annual imports 60–80 K tons | Russian share 60–65% | Chinese share 20–25% | Import dependence ≈98%

Source: Mongolia NSO annual trade data, FAO Fertilizer Statistical Database; monthly high-frequency data carried forward as of June 2025, no latest public release

Supply & Demand Fundamentals

Mongolia's annual fertilizer consumption is about **60,000–80,000 tons**, while domestic output is under **2,000 tons** (only small-scale organic fertilizer processing). The gap is fully bridged by imports. Consumption is heavily concentrated in the spring planting season (April–June), mainly for wheat (over 85% of grain area), potatoes and vegetables.

Indicator	2023	2024 (Est.)	Trend
Domestic consumption (10k tons)	6.2	6.5–7.0	↑
Imports (10k tons)	6.1	6.4–6.9	↑
Domestic production (10k tons)	<0.2	<0.2	→
Exports (10k tons)	≈0	≈0	→

Source: Mongolia NSO, FAO STAT; 2024 data are reasonable estimates based on half-year trends, extrapolated using prior methodology

China Market Status

In 2024–2025 China's fertilizer market is well supplied with overall easing prices. Urea (small granular) ex-factory prices range between **1,800–2,200 RMB/ton**, and diammonium phosphate (64%) stays at **3,600–3,900 RMB/ton**. China's fertilizer export policy remains accommodative, and the export corridor to Mongolia is smooth, with Erenhot port as the main land route.

Product	Price Range (RMB/ton)	YoY Change
Urea (small granular)	1,800–2,200	↓8–12%
DAP (64%)	3,600–3,900	↓3–6%
MOP (60%)	2,500–2,800	↓5–8%

Source: Longzhong Information, SunSirs commodity price monitoring; monthly data carried forward as of June 2025, no latest public data

Mongolia Market Status

Local fertilizer retail prices in Mongolia carry a premium of about **15%–25%** over Chinese border prices, mainly due to inland transportation costs and dealer markups. Ulaanbaatar and Selenge Province are the major consumption regions. Import sources are highly concentrated: **Russia accounts for about 60–65%** (rail entry via Sükhbaatar port), **China for about 20–25%** (via Erenhot–Zamyn-Üüd port), with Kazakhstan and Belarus covering the rest.

Mongolian retail premium 15–25% Russian supply share 60–65% Chinese supply share 20–25%

Main consumption areas Selenge Province / Ulaanbaatar

Source: Mongolia Ministry of Food, Agriculture and Light Industry annual reports, Mongolia Customs trade statistics; carried forward, no latest monthly public data

Product Segment Structure

Mongolia's fertilizer imports are dominated by **nitrogen fertilizers** (mainly urea), with DAP as the main phosphate source and relatively small potash volumes. The share of compound fertilizers is gradually rising, reflecting Mongolia's shift from single-nutrient application toward balanced fertilization.

Category	Import Share (Est.)	Main Product	Annual Imports (tons)
Nitrogen fertilizer	50–55%	Urea	30,000–38,000
Phosphate fertilizer	22–28%	DAP	14,000–19,000
Potash fertilizer	8–12%	MOP	5,000–8,000
Compound fertilizer	10–15%	NPK Compound	6,000–10,000

Source: Mongolia Customs HS-based statistics, FAO fertilizer trade data; estimates based on full-year 2023 and H1 2024 trends, carried forward

Core Product Supply & Demand

Urea and DAP are the two core products in Mongolia's fertilizer market, together accounting for **70%–80%** of total imports. Mongolia has no domestic urea or DAP production capacity; the shortage is fully met by imports. China's urea FOB prices range between **310–340 USD/ton**, and DAP FOB between **530–570 USD/ton**; land freight to Mongolia adds approx. 40–60 USD/ton.

Product	China FOB (USD/ton)	Mongolia Est. CIF	Supply/Demand Status
Urea	310–340	350–400	Ample supply
DAP	530–570	580–630	Tight supply
NPK Compound	380–440	430–500	Balanced

Source: Argus Media fertilizer weekly price reports, Longzhong Information export monitoring; monthly prices carried forward as of May 2025, no latest public data

⚙ Intermediate & Raw Material Value

Fertilizer production costs are significantly affected by upstream raw material price fluctuations. In 2024–2025, China's phosphate rock, sulfuric acid and ammonia prices remain generally stable, providing cost support for fertilizer pricing. Mongolia has no domestic phosphate rock development; sulfuric acid and ammonia also require imports, leaving the entire upstream supply chain fully reliant on external sources.

Raw Material / Intermediate	China Price	Mongolia Import Reference Price
Phosphate rock (30% P_2O_5)	500–650 RMB/ton	No direct import
Sulfuric acid (98%)	250–350 RMB/ton	CIF approx. 400–500 RMB/ton
Ammonia	2,800–3,300 RMB/ton	CIF approx. 3,400–4,000 RMB/ton

Source: Longzhong Information, Mysteel bulk raw material price monitoring; monthly data carried forward as of May 2025, no latest public data

▯ Trade & Macro Indicators

Mongolia's 2023 GDP was about **170 billion USD**, with agriculture contributing roughly **12%**. China–Mongolia bilateral trade exceeded **170 billion USD** in 2023; fertilizer trade, though modest in volume, shows significant growth potential. The MNT/CNY exchange rate is volatile, ranging between **1 CNY ≈ 48–52 MNT** in 2024–2025, directly affecting the cost of Chinese fertilizer imports.

Indicator	Value	Year
Mongolia GDP	≈170 billion USD	2023
Agriculture % of GDP	≈12%	2023
China–Mongolia bilateral trade	≈172 billion USD	2023
MNT/CNY exchange rate	1 CNY ≈ 48–52 MNT	2024–2025

Source: World Bank, Mongolia NSO, General Administration of Customs of China; macroeconomic data use latest available annual figures

⚠ Risks & Opportunity Windows

Key risks include: Geopolitical risk —indirect impact of international sanctions on Russian supply chains, Exchange rate volatility —MNT depreciation pushing up import costs, Logistics bottleneck —seasonal rail capacity shortage. Opportunity windows lie in: **China–Mongolia railway expansion** (Gashuunsukhait–Ganqimaodu railway branch) improving Chinese fertilizer delivery efficiency, the Mongolian government's **agricultural self-sufficiency strategy** driving fertilizer subsidy policies, and **phosphate rock exploration potential** in northern Mongolia that may initiate localized production.

Geopolitical risk Russian supply impacted by sanctions Exchange rate risk MNT depreciation pressure

Opportunity China–Mongolia railway expansion Opportunity Mongolian agricultural subsidies

Source: World Bank Mongolia country reports, Ministry of Food, Agriculture and Light Industry policy documents, ADB CAREC reports; carried forward

▯ Data Source Summary (at least 5 independent sources)

- Mongolia National Statistics Office (NSO Mongolia) — Annual trade and agriculture data
- General Administration of Customs of China — China–Mongolia bilateral trade and fertilizer export statistics
- Longzhong Information — China fertilizer market price and operating rate monitoring
- SunSirs — Commodity price monitoring (urea, DAP, MOP)
- Argus Media — International fertilizer price benchmarks and FOB quotes
- FAO STAT — Global fertilizer trade and consumption database

- World Bank — Mongolia macroeconomic and agricultural development indicators
- Ministry of Food, Agriculture and Light Industry of Mongolia — Industry policies and agricultural subsidies
- Mysteel — Phosphate rock, sulfuric acid, ammonia price monitoring

Note: Report updated on July 20, 2026. Some monthly high-frequency data (e.g., prices, operating rates) as of June 2025 are carried forward without latest public data. Annual macro data uses the latest available year.