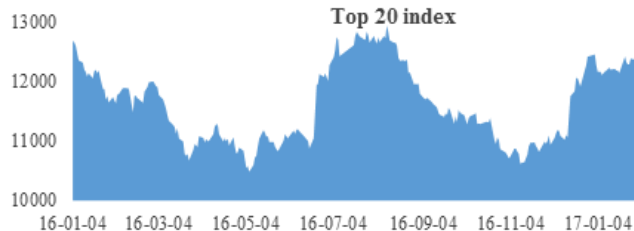


February 6th, 2017

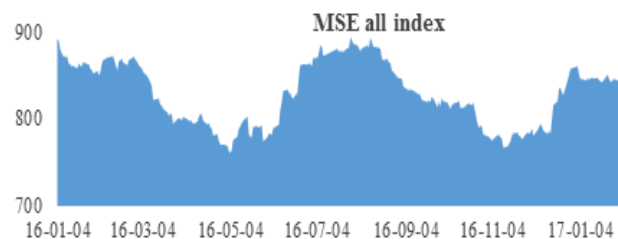
Mongolia Investors Cockpit

Monthly Report: January 2017

MSE TOP 20 Index, 12,359.83 -6.11% YOY



MSE ALL Index, 852.9 -1.1% YOY



MSE Top 20 Stocks (Monthly performances)

Company name	31 st Dec	31 st Jan	Change
Tavantolgoi JSC (TTL)	2711	3298	+21.7%
Mongol Post JSC (MNP)	339.86	360.21	+6.0%
Talkh Chikher JSC (TCK)	18130	19010	+4.9%
Gobi JSC (GOV)	10150	10530	+3.7%
UB BUK JSC (BUK)	455	460	+1.1%
Merex JSC (MRX)	60	60	0.0%
Arig gal JSC (EER)	2300	2300	0.0%
Bayangol Hotel JSC (BNG)	42000	41160	-2.0%
Darkhan Nekhii JSC (NEH)	19500	19100	-2.1%
Aduunchuluun (ADL)	1800	1755	-2.5%
Ulsiin Ikh Delguur JSC (UID)	614	596.25	-2.9%
Suu JSC (SUU)	128.16	124.01	-3.2%
Baganuur JSC (BAN)	2000	1902	-4.9%
Hermes center (HRM)	169.9	160	-5.8%
Makhimpex JSC (MMX)	2750	2585	-6.0%
Material Impex (MIE)	9000	8250	-8.3%
APU JSC (APU)	396.22	351.74	-11.2%
Remicon JSC (RMC)	62	55	-11.3%
Sharyn Gol JSC (SHG)	2750	2400	-12.7%
Khukh gan (HGN)	66.95	53.56	-20.0%

Source: MSE

Mongolia in the global context

Index	YOY performance	YTD performance
DJIA (US)	+22.97%	+0.51%
Nikkei 225 (JP)	+9.12%	+1.33%
Hang Seng (HK)	+20.13%	+6.18%
DAX 30 (DE)	+20.40%	+0.47%
SMI (CH)	+2.43%	+1.23%
MSE 20	+6.11%	-0.47%

Source: Bloomberg

Foreign Exchange Rates (Monthly performances)

	31 st Dec 2016	31 st Jan 2017	Change
USD - MNT	2,489.53	2,459.44	-1.21%
EUR - MNT	2,605.79	2,631.48	+0.99%
JPY - MNT	21.19	21.66	+2.22%
CHF - MNT	2,423.37	2,471.67	+1.99%

Source: MongolBank

Market news

January stock trading

Total trading of the MSE in the first month of 2017 was 2,693.5 million MNT, which was 5.8 times larger than the trading in the same period of 2016. Compared to the previous month's trade value of 1,987.3 million MNT, it had also increased by 1.4 times due to large amount executions of JTB (15% of total shares) and HGN (9% of total shares) in addition to active trading of TTL (22% price increase) shares.

Government bond trading

With regards to the Government retail bonds' trade, total of 36.5 billion MNT was traded in January 2017. This was 3 times smaller than the previous month's amount and 3 times larger than the same period trading of the previous year. The bond trading constituted 92.8% of this month's total securities' trading and 2 years, 3 years bonds were issued at 18.00% rate on top of short-term bills.

Traded period/date, (average annual rate)	12-weeks bond	28-weeks bond	39-weeks bond	52-weeks bond
November 2014 - April 2016	14.67%	14.72%	14.74%	15.37%
September - December 2016	16.57%	16.89%	16.97%	17.13%
January 2017		17.68%	17.50%	17.93%

February 2017 trading schedule				
2017.02.07	17.22%			
2017.02.14		+ & 2 years		
2017.02.21				+

Source: MSE

MSE Top-20 Index renewed

In January 2017, the Top-20 index basket has been renewed by the MSE with the addition of three new companies - Aduunchuluun JSC, Khukh Gan JSC and Hermes Center JSC. The index still includes 17 companies from the previous iterations while Genco Tour Bureau JSC, Mik Holdings JSC and Telecom Mongolia JSC have been removed from the index.

Mongol Post renews utilization plan of IPO proceeds

Mongol Post JSC held its EGM on 25th Jan 2017 and changed 3 members of the Board (2 representing the State and one independent). Also, the shareholders approved the new plan for utilizing the 2016 IPO proceeds of 6.26 billion MNT as follows:

Old plan of proceeds use	Amount, ₮	Newly approved plan	Amount, ₮
Building construction	4,100,000,000	Mail sorting, processing unit	3,700,000,000
Vehicles purchase	1,800,000,000	Renewal of the autopark	350,000,000
Equipment	178,000,000	Equipment and software	761,000,000
Office furniture	20,000,000	Purchase of branch buildings	3,000,000,000
		Rebranding	367,000,000
Total amount	6,098,000,000	Total amount	6,178,000,000

Association of Public Companies established

On January 18th, some joint stock companies' representatives conjointly established an Association of Public Companies. The aim of the association is to protect common interests of and to improve governance of public companies (currently there are 206 MSE listed companies).

Company news

- [HBO withdrew from the North Korean oil business](#)
- BAN is going to produce eco fuel to supply to the capital city in 2018
- [HRM is to distribute ~4 MNT dividend per share for the 2nd half of 2016](#)
- TTL distributed 2013-2014 dividends to the shareholders accounts

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