

July 8th 2014

Mongolia Investors Cockpit

Monthly Report



MSE Top 20 Index, 1 year performance

16,580.60 +15.12% YOY



MSE Top 20 Stocks

(Share Price, Monthly performances)

Company name	5 th June	4 July	%
Suu JSC (SUU)	98,000	110,000	+12.2%
Mogoin Gol JSC (BDL)	13,500	15,000	+11.1%
Ulaanbaatar ZB JSC (ULN)	110,000	120,000	+9.1%
Silikat JTJ (SIL)	212	225	+6.1%
Baganuur JSC (BAN)	3,300	3,500	+6.1%
Talkh Chikher JSC (TCK)	17,940	19,000	+5.9%
Gobi JSC (GOV)	7,510	7,850	+4.5%
Bayangol ZB JSC (BNG)	52,000	53,000	+1.9%
Telecom Mongolia JSC (MCH)	1,449	1,460	+0.76%
Genco tour bureau JSC (JTB)	87	87	+/-0.0%
Khukh gan JSC (HGN)	110	110	+/-0.0%
Tavantolgoi JSC (TTL)	5,000	4,998	-0.04%
Mongolia Development Resources (MDR)	700	699	-0.14%
Shivee Ovoo JSC (SHV)	5,310	5,300	-0.19%
BDSec JSC (BDS)	2,699	2,675	-0.89%
Remicon JSC (RMC)	160	158	-1.25%
State Department Store JSC (UID)	600	591.5	-1.42%
APU JSC (APU)	3,695	3,630	-1.76%
Mongol Shiltgeen JSC (MSH)	930	896	-3.66%
Shariin Gol JSC (SHG)	7,900	6,500	-17.72%

Source: MSE

Mongolia in the global context

Index	YOY perf.	YTD perf.
DJIA (US)	+14.47%	+3.94%
Nikkei 225 (JP)	+10.32%	-5.16%
Hang Seng (HK)	+18.90%	+3.98%
DAX 30 (DE)	+24.31%	+3.71%
SMI (CH)	+11.94%	+7.21%
MSE20	+15.12%	+1.71%

Source: Bloomberg

Foreign Exchange Rates

(Monthly performances)

USD-MNT	1,829.9	+0.26%
JPY - MNT	17.93	+0.45%
EUR-MNT	2,485	-0.24%
CHF-MNT	2,044	-0.14%

Source: Mongol Bank

June Trading

Total trading on the MSE was 3.99 million MNT (75 companies) This was 4.8 times more than during the same period in 2013. It was also significantly more than 0.4 billion trading last month. Growth was associated with Silikat JSC buying back its shares (28.7% of outstanding share or 3 billion MNT). Out of the MSE TOP 20 SHG shares fell the most (-17.72%) and SUU rose the highest (+12.24%).

MSE announced new CEO

Angar Davaasuren has been named as the new acting CEO of the Mongolian stock exchange on June 23th. He received a Master of Science degree in international finance and accounting and Bachelor of Science degree in Finance. He worked at the Ministry of Finance where he was Head of Debt Management Department. Years between 2011 and 2014, Angar.D was a financial counselor at the Mongolian Embassy in the United Kingdom. According to him, in the next 1-2 months MSW will decide which software to use in the stock market.

Draft Resolution on the privatization of government property

Between 2014-2016, State-owned entities will be privatized. Auto Impex JSC and Khutuliin Cement Shokhoi state owned JSC, MSE state owned JSC, Agricultural Exchange state owned LTD, Mongolian Post state owned JSC, Telecom Mongolia JSC, Shivee-ovoo JSC, Baganuur JSC are included in this program. Shares to be privatized on the Mongolian stock exchange according our estimations are worth approximately 270 billion MNT.

Listed Companies:

Talkh Chikher JSC /TCK/

Talkh Chikher JSC is introducing new brewing lines to reduce manual handling during production. The complete brewing lines are ordered from Italy, Czech and China. By using these new lines, the company is reducing dust pollution by 60 percent, saving energy, increasing factory hygiene and decreasing consumption of oil and is becoming a more eco friendly company.

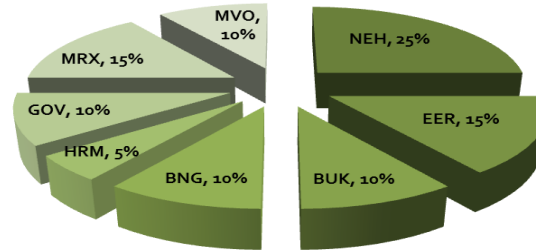
Ulaanbaatar Hotel JSC /ULN/

Ulaanbaatar Hotel JSC has announced the next shareholders meeting to be held on 20th of August 2014 to discuss approval of readjusting project. According to SCHCD, 86 percent of the company's total shares are held by 4 shareholders, and 4.14 percent are held by 633 share holders. Ulaanbaatar Hotel JSC is said to be planning to buy back all its shares and become a private company.

Standard Investment MSE Portfolios

We made portfolio from companies which have a low P/B ratio and futures plans. And this portfolio would work in long term.

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