

June 4th 2014

Mongolia Investors Cockpit

Monthly Report



MSE Top 20 Index, 1 year performance

15,444.87 +9.47% YOY



MSE Top 20 Stocks

(Share Price, Monthly performances as of 6/4/2014)

Company	Share Price	YOY Change
State Department Store JSC (UID)	600	+9.09%
Mongolia Development Resources (MDR)	700	+8.06%
Talkh Chikher JSC (TCK')	17600	+6.67%
Remicon JSC (RMC)	160	+6.67%
Gobi JSC (GOV)	7,510	+4.02%
Shariin Gol JSC (SHG)	7,440	+2.27%
BDSec JSC (BDS)	2,700	+0.37%
Ulaanbaatar ZB JSC (ULN)	110,000	+0.00%
Mongol Shiltgeen JSC (MSH)	930	+/-0.0%
Bayangol ZB JSC (BNG)	52,000	+/-0.0%
Tavantolgoi JSC (TTL)	5,000	-0.10%
Jenco Tour Bureau JSC (JTB)	87	-1.14%
APU JSC (APU)	3700	-1.33%
Suu JSC(SUU)	98,000	-6.67%
Khukh Gan (HGN)	110	-8.33%
Telecom Mongolia JSC (MCH)	1,300	-9.66%
Mogoin Gol JSC (BDL)	13,500	-10.00%
Sikilate JSC(SIL)	212	-11.67%
Shivee Ovoo JSC (SHV)	5,300	-13.11%
Baganuur JSC (BAN)	3,300	-17.50%

Source: MSE

Mongolia in the global context

Index	YOY perf.	YTD perf.
DJIA (US)	+12.84%	+1.97%
Nikkei 225 (JP)	+13.20%	-6.75%
Hang Seng (HK)	+8.06%	+1.00%
DAX 30 (DE)	+19.10%	+3.44%
SMI (CH)	+12.52%	+7.93%
MSE20	+9.47%	-6.51%

Source: Bloomberg

Foreign

Exchange Rates	04/06/2014	04/06/2014	(Monthly performances)
USD-MNT	1,824	1,796	1.54%
JPY - MNT	17.77	17.53	1.37%
EUR-MNT	2,482	2,488.37	-0.25%
CHF-MNT	2,031	2,039.88	-0.42%

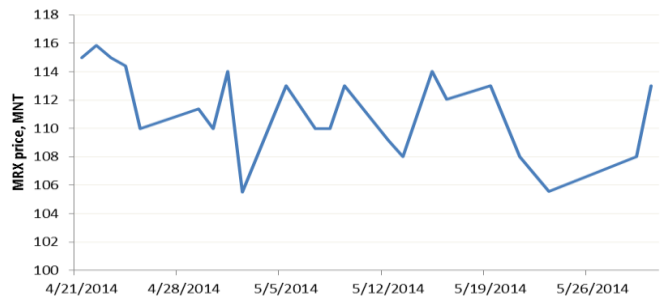
Source: Mongol Bank

May Trading

Total trading during last month amounted to only 436 million MNT worth of shares. Last month's trading was 3.15 billion MNT and one year ago in May it was 1.03 billion MNT. While most stocks fell MDR bounced back to 700 MNT per share and GOV continued to approach its historical high of 7,700 per share.

Listed Companies

Merex JSC /MRX/



Merex JSC's infrastructure has been completed. Now the company is preparing for its first shipment on June 15th. The nominal price of MRX was 100 MNT at IPO and since then has increased to 113 MNT.

Some important FRC rules approved

1. "Corporate governance code" rule is renewed by FRC on 07 May 2014.

This code is counselled by the International Finance Corporation and follows examples from other international rules and is made Mongolian country-specific. Mongolian A board listed JSC's must implement those codes.

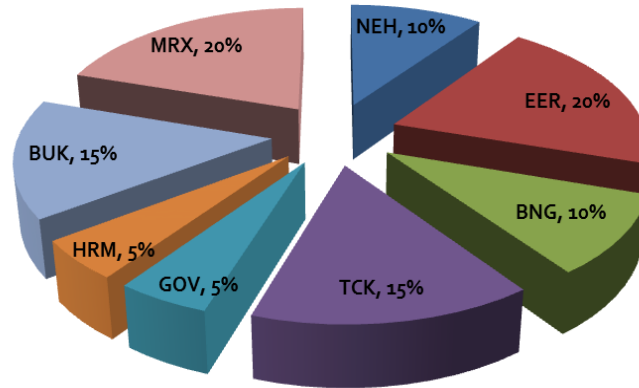
2. "Closed joint stock company's registration, shares' storage and transfer of ownership procedures" rule is approved on 07 May 2014.

If company wants to be closed joint stock company it must prepare materials and documents following the new rules and apply to SCHCD.

3. "Establishment of Mutual investment fund and its activities license system" rule is approved on 21 May 2014. This rule regulates mutual fund's infrastructures that individuals and foreign investors can invest to capital market by mutual fund. There is important support in for of tax. Mongolian Mutual funds do not pay any tax.

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.



For further information please contact chimgee@standardinvestment.mn

Global Network Contacts

MONGOLIA

Standard Investment LLC
Headoffice
Jigjidjav's Street 5/3
Khoroo 1, Chingeltei District
Ulaanbaatar, Mongolia
Postal address:
POB 1487, Central Post Office
Ulaanbaatar 15160

T +976 7011 3344

info@standardinvestment.mn

EUROPE & MIDDLE EAST

Standard Investment LLC
Representative Office
Switzerland
Bahnhofstrasse 98, 4th Floor
8001 Zurich

T +41 44 500 3220

europe@standardinvestment.mn

HONG KONG

Standard Investment Co. Ltd.
Hong Kong Branch
21st Floor, Fairmont House,
8 Cotton Tree Drive, Central
Hong Kong

T +852 61030227

hk@standardinvestment.mn

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