

March 9th, 2015

Mongolia Investors Cockpit

Monthly Report

MSE Top 20 Index, 1 year performance

13,728.98 **-19.13% YOY**



Source: Bloomberg

MSE Top 20 Stocks

(Share Price, Monthly performances)

Company name	9/2/2015	9/3/2015	%
Shivee Ovoo JSC (SHV)	4,500	6,200	+37.8%
Mongolia Development Resources (MDR)	425.00	474.97	+11.8%
Shariin Gol JSC (SHG)	5,600	5,700	+1.8%
Bayangol ZB JSC (BNG)	55,100	55,500	+0.7%
Hermes Center (HRM)	141.45	141.95	+0.4%
Gobi JSC (GOV)	7,300	7,300	+0.0%
BDSec JSC (BDS)	2,000	1,999	-0.1%
Genco Tour Bureau JSC (JTB)	89	88	-1.1%
State Department Store JSC (UID)	530	520.02	-1.9%
APU JSC (APU)	3,610	3,500	-3.0%
Material Impex (MIE)	15,500	15,000	-3.2%
Makh Impex (MMX)	3,600	3,450	-4.2%
Remicon JSC (RMC)	90	85	-5.6%
Darkhan Nekhi (NEH)	18,000	17,000	-5.6%
Talkh Chikher JSC (TCK)	19,600	18,500	-5.6%
Baganuur JSC (BAN)	2,470	2,300	-6.9%
Tavantolgoi JSC (TTL)	4,020	3,600	-10.4%
Telecom Mongolia JSC (MCH)	1,379	1,200	-13.0%
Khukh Gan JSC (HGN)	117.14	96.64	-17.5%

Source: MSE

Mongolia in the global context

Index	YOY perf.	YTD perf.
DJIA (US)	+11.92%	+1.47%
Nikkei 225 (JP)	+26.92%	+8.18%
Hang Seng (HK)	+12.68%	+2.31%
DAX 30 (DE)	+25.00%	+18.12%
SMI (CH)	+10.52%	-1.88%
MSE20	-19.14%	-7.36%

Source: Bloomberg

Foreign Exchange Rates (Monthly performances)

	9-Feb	9-Mar	%
USD-MNT	1,951.09	1,986.45	1.81%
JPY - MNT	16.4	16.43	0.18%
EUR-MNT	2,213.41	2,157.48	-2.53%
CHF-MNT	2,106.89	2,016.91	-4.27%

Source: MongolBank

Market news

February Trading

Total trading of the MSE was 1.15 billion MNT, which includes 824.5 million MNT worth block trades. This month's block trading makes 72% of the total trade amount. Please see details of block trading below:

Symbol	Company	Value traded (mln MNT)	Percentage in company's value
ETR	E-trans logistic	500.0	11%
AHH	Khorin khoyordugaar baaz	270.3	50%
ONH	Undurkhaan	9.1	82%
BNB	Baylag nalaikh	40.3	19%
JIV	Jinst Uvs	4.8	90%
Total		824.5	

The total monthly trading was 3.1 times less compared to the same period of 2014 and compared to the previous month's trade value of 949.98 million MNT, it had decreased by 1.21 times.

Government retail bond trading

There were 4 rounds of Government bond trading in February that equals 26.64% of the total bonds offered.

Date	Period (weeks)	Annual yield	Volume traded	Value traded (bln MNT)
2/2/2015	52	16.125%	1,652	0.17
10/2/2015	12	14.896%	21,874	2.11
17/2/2015	28	15.75%	8,987	0.83
24/2/2015	12	15.019%	233,886	22.61
Total			266,399	25.72

Source: MSE

In February, MSE introduced a brand new "Market making" concept into the Mongolian capital market in order to promote liquidity of government bonds. The MSE had nominated 4 market makers from its member brokerage firms on 16 February, including Standard Investment, BDSec, Capital Market Corporation and Tenger Capital. The market makers are to make a buy and sell order for at least 10 government bonds on a daily basis, both on primary and secondary markets.

Dividend information

As of today, there are 4 companies that disclosed their dividend information for the financial year of 2014.

Symbol	Company	Ex-date	Dividend per share (MNT)	Percentage in net profit	Dividend yield (%)
GOV	Gobi	II/27	140	10.40%	1.90%
TAH	Takhi-Ko	I/23	82	24.80%	0.75%
MIB	Moninjbar	III/3	5	34.00%	2.36%
HRM	Hermes Center	II/28	4.07	39.20%	2.87%

Also, Tavantolgoi JSC (TTL) decided to distribute additional 59 MNT per share for the 2013 financial year. This means the 2013 TTL dividend comes up to 766+59=825 MNT.

Economic news

Mongolia and Japan sign a strategic partnership agreement

Mongolia and Japan signed economic partnership agreement on 10th Feb in Japan. Within this partnership, 97 group, 5700 kinds of goods from Mongolia and 97 group, 9300 kinds of goods from Japan will be mutually exempted from import tariffs or will be a case to a decreased tariff for the coming 10 years.

2014-Q4 Financial Information of MSE Listed Companies

Currently, 115 joint stock companies submitted their 2014 Q4 financial reports to the MSE. Out of these companies 52 JSCs reported net profit in 2014. Twelve of these profitable companies are fully state owned companies. Below please see the main data of the companies listed by their P/B order.

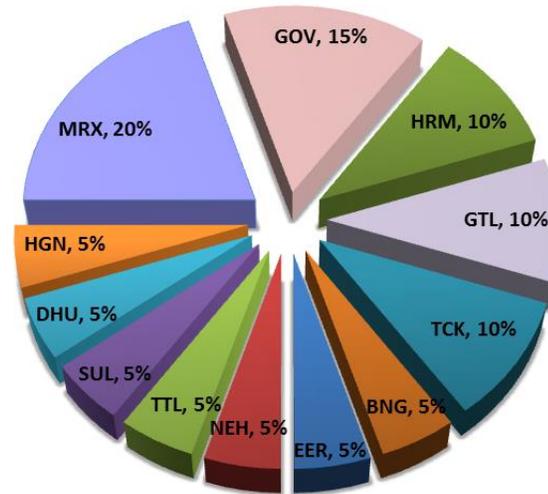
No	Symbol	Total asset (thousand MNT)	Total liability (thousand MNT)	Total net profit/ loss (thousand MNT)	EPS (thousand MNT)	P/E	P/B
1	BNB	54,586.2	58,563.6	(4,007.5)	(12.85)	(42.80)	(43.13)
2	HAM	45,582.0	53,587.5	(8,486.0)	(169.72)	(21.80)	(23.11)
3	UID	10,401,036.4	11,311,790.8	28,234.2	0.77	677.90	(21.02)
4	HHN	5,063,249.8	5,109,079.5	(110,057.1)	(203.99)	(6.86)	(16.48)
5	BEU	14,292,158.5	26,358,212.5	(4,769,759.1)	(250.22)	(13.19)	(5.21)
6	BSKY	35,128.0	206,407.7	(53,479.5)	(611.29)	(4.14)	(1.29)
7	HMK	906,983.8	2,071,840.7	(1,282,759.3)	(1,964.49)	(1.07)	(1.18)
8	ECV	2,218,546.8	2,963,379.3	(792,573.5)	(7,947.99)	(0.50)	(0.54)
9	TAL	658,168.7	718,575.9	13,860.2	19.96	0.60	(0.14)
10	ARD	203,391.1	284,149.6	(1,786.0)	(75.28)	(0.66)	(0.01)
11	SDT	247,799.6	442,320.6	(135,570.7)	(3,399.04)	(0.02)	(0.01)
12	HBZ	147,136.1	321.2	(787.4)	(15.20)	(0.33)	0.00
13	AZH	23,586,619.1	16,475,161.3	20,643.0	381.20	1.58	0.00
14	MMH	1,568,736.8	811,014.8	54,752.3	943.87	0.15	0.01
15	CCA	219,594.9	100,450.6	(41,502.9)	(575.82)	(0.02)	0.01
16	GGE	56,550,700.0	191,413.7	(3,057.7)	(11.25)	(194.32)	0.01
17	ULZ	250,603.2	-	(14,601.1)	(152.88)	(0.20)	0.02
18	BAJ	10,974.2	-	-	-	#DIV/0!	0.02
19	SUN	2,747,266.6	718,358.8	(45,301.0)	(19.95)	(1.22)	0.03
20	HJL	1,323,267.5	539,780.6	457,115.8	3,892.43	0.05	0.03
21	HBT	6,949,170.1	5,876,569.0	(781,312.2)	(4,355.80)	(0.05)	0.03
22	NRS	1,495,037.9	978,668.4	(29,107.7)	(157.57)	(0.64)	0.04
23	ALA	908,760.1	136,154.6	5,715.3	55.32	6.33	0.05
24	HRD	7,243,321.1	4,206,222.2	368,484.3	2,724.15	0.51	0.06
25	ARH	178,273.5	10,004.4	(2,366.6)	(11.01)	(5.36)	0.08
26	JGL	427,589.9	159,112.1	(3,615.2)	(18.98)	(6.53)	0.09
27	BUN	661,909.6	134,707.2	1,287.0	11.37	38.27	0.09
28	INT	1,650,538.4	824,753.0	73,995.9	118.51	1.16	0.10
29	BBD	45,756.2	37,535.2	-	-	#DIV/0!	0.12
30	TEX	31,699,638.3	24,573,415.8	1,367,763.0	945.40	0.74	0.14
31	BOE	1,817,151.2	429,540.6	5,908.9	11.02	39.24	0.17
32	HZB	2,153,607.5	17,543.4	24,534.3	245.59	21.36	0.25
33	CHE	87,825.1	54,969.0	(8,013.0)	(59.30)	(1.01)	0.25
34	MNG	61,316.3	32,690.6	(9,729.2)	(136.32)	(0.85)	0.29
35	MDR	16,275,808.0	111,849.6	(159,679.7)	(11.61)	(40.90)	0.40
36	HSG	944,713.9	39,393.2	(40,536.2)	(137.04)	(9.49)	0.42
37	NEH	48,889,175.6	16,523,156.1	1,855,751.9	1,678.69	10.13	0.58
38	MBG	11,843,115.0	5,997,281.9	(35,544.0)	(88.81)	(95.71)	0.58
39	TLP	22,677.8	170.0	1,530.0	5.69	8.79	0.60
40	NOG	55,213.5	571.1	7,032.0	94.86	4.80	0.62
41	EER	69,966,046.2	56,757,224.9	504,171.5	144.91	16.22	0.62
42	ETR	6,454,350.5	579,246.9	42,977.0	0.93	104.27	0.76
43	TUS	2,426,319.8	810,431.3	10,201.5	2.35	132.06	0.83
44	TCK	35,656,194.9	13,564,386.8	2,334,643.4	2,280.59	8.20	0.87
45	UBH	10,609,404.2	3,983,989.9	109,510.9	270.51	54.71	0.90
46	EAZ	190,647.8	9,428.5	558.0	0.65	308.75	0.95
47	MCH	40,583,242.0	8,249,064.8	522,902.3	20.21	59.37	0.96

No	Symbol	Total asset (thousand MNT)	Total liability (thousand MNT)	Total net profit/ loss (thousand MNT)	EPS (thousand MNT)	P/E	P/B
48	DIM	7,416.7	1,000.0	-	-	#DIV/0!	1.00
49	DAZ	191,401.2	944.3	2,254.1	30.09	85.75	1.01
50	MRX	5,652,137.6	92,521.6	(805,122.3)	(12.39)	(7.27)	1.05
51	JTB	9,903,984.2	1,646,763.7	23,410.7	0.23	375.47	1.06
52	GOV	99,978,005.2	47,434,546.5	10,491,809.2	1,344.91	5.46	1.09
53	JGV	344,128.8	122,322.5	6,620.4	89.26	40.33	1.20
54	SSG	1,399,884.7	426,240.6	(41,153.3)	(21.33)	(29.11)	1.23
55	NXE	8,802,665.4	7,227,060.9	10,404.3	8.07	195.67	1.29
56	HRM	8,422,376.4	216,289.5	816,441.4	10.39	13.66	1.36
57	HSR	3,268,087.7	2,368,455.7	(38,373.8)	(123.05)	(33.32)	1.42
58	BUK	40,450,636.9	10,907,558.6	745,832.6	661.04	57.49	1.45
59	MIB	5,401,621.2	3,159,715.5	233,664.0	14.72	14.40	1.50
60	GFG	125,745.6	58.0	(1,470.8)	(3.93)	(129.44)	1.51
61	ZOO	2,632,475.5	108,121.7	302,205.9	80.48	12.92	1.55
62	DLG	637,243.8	150,894.6	(390,482.2)	(1,188.29)	(1.94)	1.56
63	SUU	46,689,953.0	26,024,230.6	2,828,699.4	8,222.96	11.67	1.60
64	MVO	21,848,934.5	20,471,509.2	28,529.8	31.00	79.03	1.64
65	HGN	20,056,944.2	13,267,630.4	(825,784.0)	(8.15)	(13.50)	1.64
66	ATR	8,428,374.5	1,266,611.6	754,371.6	4,332.08	15.70	1.65
67	BAZ	36,300.2	7,549.9	(1,708.4)	(20.62)	(28.09)	1.67
68	SHG	70,473,724.4	36,398,653.9	(3,104,999.5)	(303.48)	(18.47)	1.68
69	MOG	678,316.3	137,117.1	(47,581.9)	(905.29)	(20.77)	1.83
70	NKT	3,505,267.1	1,740,534.8	(405,240.1)	(32.12)	(8.22)	1.89
71	AHH	421,229.3	136,323.5	10,524.9	3.97	52.14	1.93
72	APU	334,315,501.1	202,230,464.6	(14,174,033.2)	(190.80)	(18.51)	1.99
73	BHG	3,349,863.0	1,762,414.1	(14,443.6)	(31.59)	(227.96)	2.07
74	MSH	5,592,406.9	2,543,263.4	1,423.4	0.14	4,763.24	2.22
75	DHU	2,008,661.4	625,468.1	72,698.4	117.69	42.48	2.23
76	MIE	25,383,505.1	16,296,040.5	2,803,668.6	2,049.16	7.56	2.33
77	VIK	178,832.6	41,126.0	(13,371.0)	(65.97)	(24.25)	2.35
78	HHC	559,032.4	38,971.1	(54,090.4)	(77.21)	(23.96)	2.49
79	DZG	1,162,894.1	368,860.1	(2,159.8)	(24.14)	(952.60)	2.59
80	UYN	1,678,972.7	811,014.4	8,384.6	3.39	281.35	2.72
81	TVL	677,224.6	125,170.2	46,030.6	374.98	2.67	2.90
82	DRU	511,154.2	396,010.7	-	-	#DIV/0!	2.90
83	BTJ	2,587,030.4	701,144.5	463,141.6	1,833.44	11.93	2.93
84	GTL	6,174,856.2	272,469.1	1,459,141.7	901.44	12.24	3.02
85	BHR	811,055.5	539,434.7	17,956.8	14.16	49.44	3.27
86	HAG	231,171.4	15,721.9	-	-	#DIV/0!	3.29
87	SOR	6,187,433.2	5,681,581.4	(87,138.1)	(97.76)	(21.07)	3.63
88	OLL	284,717.0	16,128.6	(103,491.2)	(10.67)	(10.59)	4.08
89	GHC	5,805,829.7	4,869,281.4	40,401.5	166.63	96.02	4.14
90	SUL	1,707,469.7	796,217.9	651,732.2	9,971.12	5.88	4.21
91	TAH	2,298,026.8	34,893.7	394,115.4	331.19	33.21	5.78
92	MMX	18,206,302.9	16,041,184.4	353,109.6	92.91	40.79	6.65
93	BAN	101,236,044.6	94,860,368.6	(6,383,412.5)	(304.34)	(7.56)	7.57
94	ALI	165,427.2	134,902.4	-	-	#DIV/0!	7.81
95	ALD	131,168.4	100,096.5	(14,364.4)	(114.99)	(17.00)	7.86
96	MSR	42,658.4	-	(18,102.0)	(65.74)	(19.78)	8.39
97	HBO	9,682,297.9	9,056,420.2	299,141.1	32.39	18.06	8.63
98	BDS	3,877,026.4	1,538,654.4	(484,722.2)	(44.07)	(45.36)	9.40
99	TSA	69,420.9	2,041.0	(1,221.0)	(11.02)	(707.90)	12.83
100	MNB	188,594.6	175,293.4	-	-	#DIV/0!	13.84
101	CHR	495,219.5	383,225.7	378.2	0.53	4,527.76	15.29
102	SOI	652,184.5	609,244.7	(270,749.8)	(445.45)	(7.86)	49.54
103	APP	763,045.3	679,561.2	(106,068.7)	(30.07)	(82.15)	104.37

Standard Investment Portfolio

We made portfolio from companies which have low P/B ratios and comparatively promising future plans. And this portfolio would work in the long term.

Stocks	Company	Percent
MRX	Merex	20%
GOV	Gobi	15%
HRM	Hermes Centre	10%
GTL	Gutal	10%
TCK	Talkh Chikher	10%
BNG	Bayangol Hotel	5%
EER	Arig Gal	5%
NEH	Darkhan Nekhii	5%
TTL	Tavantolgoi	5%
SUL	Gazar Suljmel	5%
DHU	Darkhan Khuns	5%
HGN	Khukh Gan	5%



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