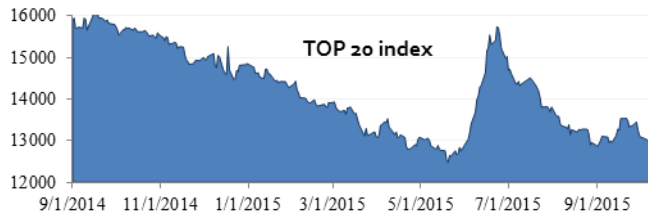


October 8th, 2015

Mongolia Investors Cockpit Monthly Report

MSE TOP 20 Index, 13,010 -17.25% YOY



MSE ALL Index, 928.69 -6.84% since 10th Feb 2015



MSE Top 20 Stocks (Monthly performances)

Company name	Opinion	8-Sep	%
State Department Store JSC (UID)	Buy	587.38	+18.3%
Frontier Land group (MDR)	Hold	529.70	+16.0%
Baganuur JSC (BAN)	Buy	2,800	+5.4%
Khukh Gan JSC (HGN)	Hold	90	+4.4%
Makh Impex (MMX)	Hold	3,200	+3.1%
APU JSC (APU)	Hold	3,593	+2.6%
Tavantolgoi JSC (TTL)	Buy	3,500	+1.5%
Gobi JSC (GOV)	Buy	8,720	+1.4%
Darkhan Nekhii (NEH)	Buy	18,500	+0.3%
Ulaanbaatar BUK JSC (BUK)	Hold	30,000	+0.0%
Bayangol ZB JSC (BNG)	Hold	47,800	-2.5%
Telecom Mongolia JSC (MCH)	Hold	950	-3.2%
BDSec JSC (BDS)	Hold	1,650	-6.1%
Hermes Center (HRM)	Buy	130	-6.9%
Genco Tour Bureau JSC (JTB)	Hold	83	-7.3%
Talkh Chikher JSC (TCK)	Buy	18,000	-9.9%
Material Impex (MIE)	Hold	10,500	-18.1%
Remicon JSC (RMC)	Hold	70	-18.6%
Shariin Gol JSC (SHG)	Buy	4,124	-21.2%
Shivee Ovoo JSC (SHV)	Buy	3,900	-26.9%

Source: MSE

Mongolia in the global context

Index	YOY perf	YTD perf
DJIA (US)	+4.85%	-4.33%
Nikkei 225 (JP)	+20.00%	+4.76%
Hang Seng (HK)	+0.05%	-3.56%
DAX 30 (DE)	+10.97%	+1.91%
SMI (CH)	+5.39%	-3.44%
MSE 20	-17.25%	-11.88%

Source: Bloomberg

Foreign Exchange Rates (Monthly performances)

	8-Sep	8-Oct	%
USD - TӨГ	1,993.35	1,993.59	+0.01%
EUR - TӨГ	2,232.65	2,250.76	+0.81%
JPY - TӨГ	16.64	16.64	+0.00%
CHF - TӨГ	2,049.19	2,058.43	+0.45%

Source: MongolBank

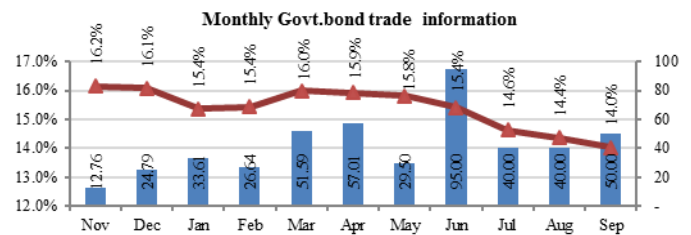
Market news

September trading

Total trading of the MSE in September was 623.7 million MNT. The total monthly trading was 3.6 times smaller than compared to the same period in 2014. Compared to the previous month's trade value of 153.3 million MNT, it had increased by 4 times.

Government bond trading

From the last November till end of September this year, total trade volume of the Government retail bonds was 460.9 bln MNT by face value.



In September, the Government supplied 50 billion MNT (by face value) retail bonds in total at five issuances on the primary market. The average coupon rate was 14.041%, which had decreased by 2.2 % compared to the previous month.

Dividend Information

The following joint stock companies have distributed dividends in September.

Stock symbol	Dividend per share (after 10% tax), MNT	Ex date	How to apply
GOV	126	27/02/2015	Via broker (CD)
HRM	4.45	28/08/2015	Via broker (CD)
BNG	319.5	28/03/2015	Via broker (CD)
SUL	11,877.1	20/02/2015	To the company

Gobi JSC, Hermes Center JSC and Bayangol Hotel JSC had already distributed their dividends to shareholders' accounts at the Central Depository. As of the Gazar Suljmel JSC, shareholders should apply directly to the company in person or by a request letter.

Merex JSC may distribute dividends in 2015

Merex is the latest IPO of the Mongolian capital market conducted in April 2014. Since the IPO, the newly established concrete batch operator Merex has been functioning smoothly and produced 20,000 m³ concrete so far. CEO Mr. Munkhjolboo said that the company will definitely make some profit this financial year. According to the company's dividend policy, it will be distributing 25% of the profit to shareholders as dividend.

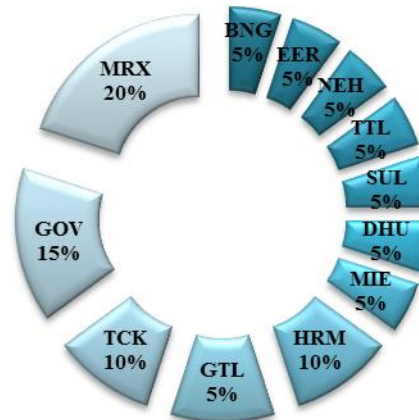
Oyu Tolgoi's underground mining to be financed

Oyu Tolgoi has been seeking for 4.2 billion USD loan to finance its underground mine from international banking and financial institutions. Main shareholder Rio Tinto Group is negotiating with some international financial institutions and the final decision is expected to be made in November this year. Some potential financiers of the project that currently provided interest are: EBRD for 1.2 bln USD, International Finance Corporation of the World Bank for 900 mln USD. Recently, the Rio Tinto had sold shares of SouthGobi Resources worth 350 million USD (it hold about 23% of this Mongolian coal miner).

Standard Investment Portfolio

We built a portfolio of companies with low P/B ratios and relatively promising future plans. This portfolio would work in the long term. This portfolio remains unchanged as compared to our September portfolio.

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



For further information please contact chimgee@standardinvestment.mn.

Global Network Contacts

MONGOLIA

Standard Investment LLC
Head office
Jigjidjav's Street 5/3
Khoroo 1, Chingeltei District
Ulaanbaatar, Mongolia
Postal address:
POB 1487, Central Post Office
Ulaanbaatar 15160
T +976 7011 4433
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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