

WEEKLY MARKET UPDATE

2018.04.16-04.20

GLOBAL MARKET PERFORMANCE

United States: The energy sector posted strong returns for another week, boosted by the continuing rally in crude oil prices. However consumer staples companies lagged, dragged lower by a steep drop in Philip Morris International shares. The tobacco company reported that its cigarette shipments declined more than expected and that its e-cigarettes gained less market share in Japan—a key market—than anticipated, weighing on other tobacco stocks. The economic outlook also helped drive sentiment during the week. Investors appeared to be encouraged by data showing that retail sales had increased in March, breaking a three-month streak of declines.

The week brought earnings reports from 69 of the constituents of the S&P 500 Index. According to data and analytics firm FactSet, 80% of the S&P 500 companies that have reported quarterly earnings to date have posted earnings per share results that topped consensus estimates.

Europe: European equities ended the week modestly higher, as investors waded through a wave of corporate earnings reports and economic data. Markets were helped by an easing of geopolitical tensions as well as some renewed optimism about global trade after positive comments by U.S. officials on the North American Free Trade Agreement and China. Midweek, mining and basic resource stocks were notable outperformers. Financial stocks were also strong toward midweek, but consumer goods and oil and gas companies were marked underperformers by the end of the week.

The weakening of the pound provided much of the lift to the companies in the FTSE 100 index, many of which are multinationals that generate the bulk of their revenue outside the UK. The pound fell on Thursday after Bank of England Governor lowered expectations for an interest rate hike in May.

Japan: Japanese stocks rallied for the week. The yen was basically unchanged for the week and closed Friday's trading at ¥107.70 per U.S. dollar, which is about 4.5% stronger than at the end of 2017. Chinese and Japanese leaders gathered in Tokyo for high-level economic discussions for the first time in eight years this week. Neither Japanese Foreign Minister Taro Kono nor China's Foreign Minister Wang Yi was willing to point at U.S. President Donald Trump's protectionist trade policies as the reason for the talks, but it is clear that both countries depend on each other and the American market for trade.

China: China's economy grew faster than expected in the first three months of 2018 as consumer demand stayed strong and manufacturing rebounded, though activity is expected to slow in the coming months as Beijing presses on with its de-risking campaign and U.S. trade tensions possibly heat up. Gross domestic product expanded 6.8% year over year in the first quarter of 2018. Consumption composed more than three-fourths of the quarter's expansion as new growth engines such as online retail sales rose sharply.

Source: Reuters, Troweprice

WORLD INDICES

Index	Country	Last Price	Change /w/
MSE TOP 20	Mongolia	20,279.62	4.37% ▲
Dow Jones	USA	24,462.94	0.42% ▲
S&P 500	USA	2,670.14	0.52% ▲
Nasdaq	USA	7,146.13	0.56% ▲
S&P/TSX	Canada	15,486.00	1.39% ▲
FTSE 100	GB	7,368.17	1.43% ▲
S&P/ASX 200	Australia	5,868.80	0.24% ▲
Nikkei 225	Japan	22,162.24	1.76% ▲
Hang Seng	Hong Kong	30,418.33	-1.27% ▼

MONGOLIA RELATED BONDS

Issuer	Currency	Coupon	Last Price
Mongol 2024 (Khuraldai)	USD	8.7%	112.41
Mongol 2023 (Gerege)	USD	5.6%	98.31
Mongol 2022 (Chinggis)	USD	5.1%	97.42
Mongol 2021 (Mazalai)	USD	10.8%	115.32
Mongol CNY (Dimsam)	CNY	7.5%	100.33
DBM' 23 (Samurai)	JPY	1.5%	104.62
TDBM' 2020	USD	9.3%	107.10

MARKET RATES

Rates	Last	Change /w/
Libor 1M	1.897	0.00% ▲
Libor 3M	2.359	0.01% ▲
Libor 6M	2.511	0.02% ▲
Libor 1YR	2.760	0.03% ▲
US 6M Bond	1.994	0.06% ▲
US 2YR Bond	2.462	0.10% ▲
US 3YR Bond	2.622	0.11% ▲
US 5YR Bond	2.805	0.12% ▲
US 10YR Bond	2.960	0.12% ▲

EXCHANGE RATES

Against MNT	2018.04.20	Change /w/
USD	2,394.96	0.04% ▲
CNY	380.91	-0.01% ▼
EUR	2,952.27	-0.06% ▼
RUB	38.99	-
KRW	2.24	-
JPY	22.27	0.13% ▲

COMMODITY PRICE

Commodity	Last Price	Change /w/
Gold /spot/	1,334.21	-1.02% ▼
Silver /spot/	17.06	2.28% ▲
Copper	317.20	3.73% ▲
Coal	93.45	1.22% ▲
Crude Oil WTI	68.25	2.16% ▲
Crude Oil Brent	73.98	2.96% ▲
Natural Gas	2.74	-

MONGOLIAN MACRO ECONOMIC INDICATORS

Indicators	Reference	Amount
Inflation Rate	2018.II	6.90%
Policy Rate	2018.II	10.00%
Interbank Rate	2018.II	11.00%
Deposit Interest Rate /MNT/	2018.II	12.90%
Deposit Interest Rate /Foreign currency/	2018.II	5.20%
Loan Interest Rate /MNT/	2018.II	19.10%
Loan Interest Rate /Foreign currency/	2018.II	11.50%

Source: National Statistical Office, Bank of Mongolia, Bloomberg

MSE TRADING UPDATE

In this week, a total of 41 companies' 16,048,455 shares worth MNT 6,758.9 million were traded.

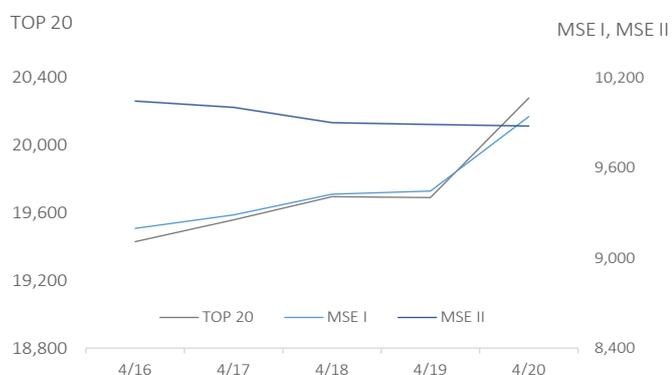
Tavan Tolgoi /TTL/ company's share rose 15.82 percent to MNT 10,470, while Mongol savkhi /UYN/ company's share fell 14.91 percent to MNT 782.

No government securities were issued on the primary market and traded on the secondary market during this week.

No corporate bonds were traded on the secondary market.

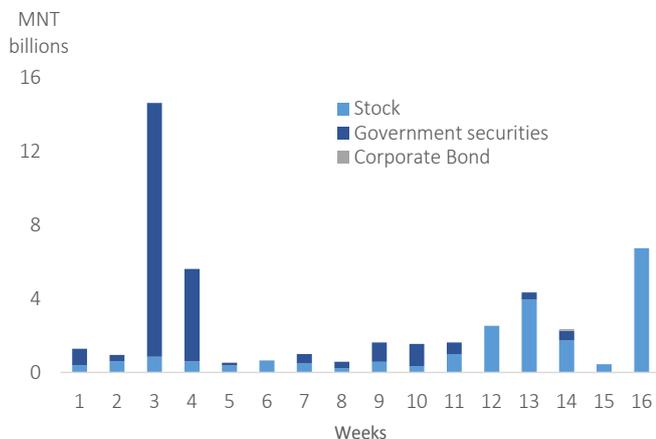
As of April 13, total market capitalization of MSE is MNT 2,521.2 billion. The TOP-20 index increased by 4.37% to stand at 20,279.62 units.

MSE Indices



Source: MSE

Trading Value /week by week/



Source: MSE

STOCK MARKET REVIEW

Review	Total amount /MNT mln/
Total Value	6,758.9
Market Capitalization	2,521,191.7

STOCK MARKET INDICES

Index	Last Price	Change /w/
MSE Top 20	20,279.62	4.37% ▲
MSE I Index	9,940.38	8.07% ▲
MSE II Index	9,878.16	-1.66% ▼

ACTIVELY TRADED SECURITIES

Company	Volume	Turnover /MNT/
Telecom Mongolia	10,349,351	6,110,494,284.7
LendMN	4,925,285	227,621,759.7
Tavan Tolgoi	13,560	132,640,000.0
APU	151,096	97,793,441.6
Jinst-Uvs	52,741	89,544,582.0

SECURITIES WITH MOST GROWTH

Company	Last Price /MNT/	Change /w/
Tavan Tolgoi	10,470.00	15.82% ▲
Auto Impex	2,410.00	9.60% ▲
APU	657.19	8.85% ▲
Makhimpex	3,100.00	8.39% ▲
Mongol Post	589.96	6.78% ▲

SECURITIES WITH MOST DECLINE

Company	Last Price /MNT/	Change /w/
Mongol savkhi	782.00	-14.91% ▼
Ulaanbaatar khivs	14,500.00	-14.71% ▼
Mongol nekhmel	3,250.00	-13.33% ▼
BDSec	1,050.00	-12.43% ▼
Darkhan nekhii	21,560.00	-10.61% ▼

MOST ACTIVE BROKERAGE FIRMS

Company	Trading Amount /MNT/
Gauli	12,282,338,492
BDSec	203,223,223
Mirae Asset Securities Mongolia	177,920,536
TDB Capital	174,682,024
Bumbar-Altai	118,828,524

COMPANIES WITH HIGHEST MARKET CAPITALIZATION

Company	Last Price /MNT/	Market Cap. /MNT mln/
APU	657.19	699,369
Tavan Tolgoi	10,470.00	551,405
MIK Holding	11,250.00	232,980
Gobi	21,760.00	169,752
Suu	223.00	76,712

GOVERNMENT SECURITY TRADING /SECONDARY MARKET/

Nº	Name	Volume	Turnover /MNT/	Minimum /MNT/	Maximum /MNT/	Weeks	Annual interest rate
-	-	-	-	-	-	-	-

CORPORATE BOND TRADING /SECONDARY MARKET/

Nº	Name	Volume	Turnover /MNT/	Minimum /MNT/	Maximum /MNT/	Weeks	Annual interest rate
-	-	-	-	-	-	-	-

DIVIDEND INFORMATION

Nº	Ticker	Company name	Total dividend /MNT mln/	Dividends per share /MNT/	Decision of the Board /Date/	Record date	Payment date
1	TTL	Tavan Tolgoi	on the annual meeting		2018.03.26	2018.04.03	N/A
2	DSS	Darkhan Selengiin Tshahilgaan Tugeekh Suljee	587.7	56.6	2018.03.07	2018.03.27	from 2018.07.02
3	AEL	And-Energy	13.3	0.5	2018.02.24	2018.03.16	N/A
4	SUL	Juulchin Duty Free	653.6	10,000.0	2018.02.23	2018.04.11	from 2018.05.01
5	SUU	Suu	1,032.0	3.0	2018.02.14	2018.04.05	within 2018.12.31
6	GTL	Gutal	2,055.7	1,270.0	2018.02.19	2018.03.18	from 2018.07.06
7	BNG	Bayangol Hotel	150.2	355.0	2018.02.19	2018.04.06	from 2018.09.01
8	APU	APU	10,641.8	10.0	2018.02.19	2018.03.29	within 2018.06.01
9	BTG	Bayanteeg	25.3	100.0	2018.02.19	2018.03.12	within 2018.06.01
10	MIE	Materialimpex	13.7	10.0	2018.02.19	2018.03.26	within 2018.12.31
11	MNP	Mongol Post	367.2	3.7	2018.02.13	2018.04.13	from 2018.05.01
12	MMX	Makhimpex	380.1	100.0	2018.02.13	2018.04.05	from 2018.10.01
13	TCK	Talkh Chikher	174.0	170.0	2018.02.12	2018.04.06	2018.07.01-ээс
14	GHC	Gan khiits	24.2	100.0	2018.02.09	N/A	N/A
15	ADL	Aduunchuluun	409.6	130.0	2018.01.24	2018.03.01	N/A
16	UBH	Ulaanbaatar Khivs	40.4	100.0	2018.02.05	2018.02.26	within 2018.05.01
17	TAH	Takhi-Ko	128.5	108.0	2018.02.05	2018.03.30	within 2018.05.01
18	GOV	Gobi	1,716.2	220.0	2018.02.02	2018.03.27	from 2018.04.24
19	HRM	Hermes Center	392.7	5.0	2018.01.24	2018.02.15	from 2018.03.06

SHAREHOLDERS MEETINGS

Nº	Sym bol	Company name	Record	Meeting date	Nº	Sym bol	Company name	Record	Meeting date
1	DAZ	Dornod autozam	2018.03.12	2018.04.09 15:00	13	HTS	Khutuliin cement shokhoi	2018.03.28	2018.04.16 10:00
2	GTL	Gutal	2018.03.18	2018.04.09 15:00	14	HUV	Khuvsgul geology	2018.03.29	2018.04.17 10:00
3	HUZ	Khuvsgul usan zam	2018.02.26	2018.04.09 -	15	GOV	Gobi	2018.03.27	2018.04.17 14:00
4	UBH	Ulaanbaatar khivs	2018.02.26	2018.04.10 11:00	16	HVL	Khuvsgul	2018.03.28	2018.04.17 14:00
5	OLL	Olooo	2018.03.19	2018.04.10 14:00	17	HHS	Khuvsgul khuns	2018.03.28	2018.04.17 17:00
6	ALI	Standart noos	2018.02.26	2018.04.10 15:00	18	TGS	Nomin Khishig	2018.03.29	2018.04.18 10:00
7	HRL	Kherlen khivs	2018.03.19	2018.04.10 -	19	SOR	Sor	2018.03.28	2018.04.18 10:00
8	ETR	E-trans logistics	2018.03.23	2018.04.11 10:00	20	ARH	Selenge ar khuvch	2018.03.30	2018.04.18 14:00
9	HUN	Uvs khuns	2018.03.23	2018.04.13 9:00	21	HHN	Kharkhorin	2018.03.30	2018.04.18 14:00
10	BRC	Barilga Corporation	2018.03.16	2018.04.14 10:00	22	MIE	Materialimpex	2018.03.26	2018.04.20 10:30
11	DBL	Davaanbulag	2018.03.24	2018.04.14 14:00	23	TAV	Tav	2018.03.28	2018.04.20 11:00
12	TEX	Technicimport	2018.03.28	2018.04.16 15:00					

No	Sym bol	Company name	Record	Meeting date	No	Sym bol	Company name	Record	Meeting date
24	APU	APU	2018.03.29	2018.04.20 15:00	70	JLT	Nogoon khugjil undesnii negdel	2018.03.22	2018.04.28 14:00
25	NOG	Achit Alkaby	2018.03.27	2018.04.20 15:00	71	TUS	Tushig Uul	2018.03.29	2018.04.28 14:00
26	DSS	Darrkhan Selengiin tsakhilgaan tugeekh suljee	2018.03.27	2018.04.20 16:00	72	MOG	Mongeo	2018.04.09	2018.04.29 9:00
27	HSG	Khuvsgul trade	2018.03.23	2018.04.21 12:00	73	HCH	E-Monie	2018.04.08	2018.04.29 11:00
28	AEL	And-Energy	2018.03.16	2018.04.21 12:00	74	HBZ	Khunnu management	2018.04.08	2018.04.29 11:00
29	CHR	Uvs Chatsargana	2018.03.23	2018.04.22 11:00	75	DAR	Darkhan guril tejeel	2018.04.10	2018.04.29 13:00
30	BNB	Bayalag Nalaikh	2018.03.30	2018.04.22 15:00	76	DOT	Dornod teeveer	2018.04.08	2018.04.29 14:00
31	BDS	BDSec	2018.04.02	2018.04.23 10:00	77	TVT	Khar tarvagatai	2018.04.09	2018.04.29 15:00
32	SDT	Khot Development	2018.04.03	2018.04.23 10:00	78	HSR	Khasu Mandal	2018.03.23	2018.04.29 15:00
33	BEU	Berkh Uul	2018.04.03	2018.04.23 12:00	79	SUL	Juulchin Duty Free	2018.04.11	2018.04.30 10:00
34	MNS	Monnoos	2018.03.31	2018.04.23 15:00	80	DMA	Devshil Mandal	2018.04.06	2018.04.30 9:00
35	UYN	Mongol Savkhi	2018.04.05	2018.04.24 10:00	81	NXE	Nekheesgui edlel	2018.04.06	2018.04.30 9:00
36	JGV	Juulchin Gobi	2018.04.05	2018.04.24 13:00	82	ALA	Altain Negdel	2018.03.30	2018.04.30 10:00
37	MNG	Mandal Gobi ipmex	2018.04.05	2018.04.24 15:00	83	BAZ	Lux Zanadu Group	2018.04.06	2018.04.30 10:00
38	BHG	Bukhug	2018.03.23	2018.04.25 10:00	84	MIK	MIK Holding	2018.04.11	2018.04.30 10:00
39	TAH	Takhi Ko	2018.03.30	2018.04.25 10:00	85	MNP	Mongol Post	2018.04.13	2018.04.30 10:00
40	BBD	Standart property group	2018.04.10	2018.04.25 11:00	86	TMZ	Tumriin zavod	2018.04.09	2018.04.30 10:00
41	BUK	UB BUK	2018.04.03	2018.04.25 11:00	87	NRS	Shinest	2018.04.10	2018.04.30 10:00
42	BDL	Mogoin gol	2018.04.04	2018.04.25 12:00	88	BAN	Baganuur	2018.04.13	2018.04.30 11:00
43	EER	Arig gal	2018.04.02	2018.04.25 17:00	89	GTJ	Bulgan guril tejeel	2018.04.06	2018.04.30 11:00
44	HJL	Orkhon khugji;	2018.04.03	2018.04.25 -	90	BLC	Buteelch Uils	2018.04.05	2018.04.30 11:00
45	MMX	Makhimpex	2018.04.05	2018.04.26 14:00	91	JGL	Goviin Undur	2018.04.09	2018.04.30 11:00
46	TTL	Tavan tolgoi	2018.04.03	2018.04.26 14:00	92	MCH	Mongolian Telecom	2018.04.06	2018.04.30 11:00
47	SHG	Sharyn gol	2018.04.02	2018.04.26 15:30	93	RMC	Remicon	2018.04.12	2018.04.30 11:00
48	BNG	Bayangol Hotel	2018.04.06	2018.04.26 16:00	94	SOH	Uujim khangai	2018.04.12	2018.04.30 11:00
49	MBG	Mon-It bulejaar	2018.04.05	2018.04.27 9:00	95	EAZ	Erdenet autozam	2018.04.06	2018.04.30 11:00
50	JTB	Genco tour bureau	2018.04.04	2018.04.27 10:00	96	BAJ	Bayalag Sumber	2018.04.12	2018.05.01 11:00
51	UID	Ulsyn ikh delguur	2018.03.30	2018.04.27 10:00	97	NKT	Naco Tulsh	2018.04.03	2018.04.30 12:00
52	BUN	Bulgan udraga	2018.04.06	2018.04.27 11:00	98	AHH	Khorin khoyordugaar baaz	2018.03.23	2018.04.30 13:00
53	ERS	Mongol alt	2018.04.05	2018.04.27 11:00	99	HZB	Gan Kherlen	2018.04.06	2018.04.30 14:00
54	MNH	Mongol nekhmel	2018.03.30	2018.04.27 11:00	100	INT	Ingettolgoi	2018.04.09	2018.04.30 14:00
55	MIB	Moninjbar	2018.03.20	2018.04.27 11:00	101	MSH	Mongol Shiltgeen	2018.04.06	2018.04.30 14:00
56	CHE	Khorgo khairkhan	2018.04.06	2018.04.27 11:00	102	HBO	HBOil	2018.04.10	2018.04.30 14:00
57	SUN	Euroasia capital holding	2018.03.20	2018.04.27 12:00	103	HGN	Khukh gan	2018.04.06	2018.04.30 14:00
58	BOE	Erchim Bayan Ulgii	2018.04.05	2018.04.27 12:00	104	SHV	Shivee ovoo	2018.04.05	2018.04.30 14:00
59	ALD	Azyk	2018.03.28	2018.04.27 14:00	105	JRG	Evlel	2018.04.09	2018.04.30 14:00
60	ATR	Atar Urguu	2018.04.10	2018.04.27 14:00	106	TAS	Erdenet khuns	2018.03.31	2018.04.30 14:00
61	DZG	Darkhan Hotel	2018.03.28	2018.04.27 14:00	107	ITLS	ltools	2018.04.06	2018.04.30 15:00
62	GFG	Silk Net	2018.03.20	2018.04.27 14:00	108	GUR	Guril	2018.04.07	2018.04.30 15:00
63	TCK	Talkh Chikher	2018.04.06	2018.04.27 14:00	109	SUU	Suu	2018.04.05	2018.04.30 15:00
64	TEE	Teeveer Darkhan	2018.04.05	2018.04.27 14:00	110	MDR	Frontier land group	2018.04.06	2018.04.30 15:00
65	DHU	Darkhan Khuns	2018.04.05	2018.04.27 14:00	111	HAM	Mongoliin khugjil undesnii negdel	2018.04.09	2018.04.30 17:00
66	MRX	Merex	2018.04.07	2018.04.28 10:00	112	BSKY	Bluesky securities	2018.03.30	2018.04.30 18:00
67	ECV	Ereentsav	2018.04.09	2018.04.28 11:00	113	ONH	Undurkhaan	2018.04.12	2018.04.30 13:00
68	AMT	Khar khorum properties	2018.04.09	2018.04.28 12:00	114	HTS	Khutuliin cement shokhoi	2018.04.17	2018.05.07 10:00
69	MBG	JInst Uvs	2018.04.12	2018.04.28 14:00	115	LND	LendMN	2018.04.11	2018.05.10 18:00

CAPITAL MARKET NEWS

Shareholders structure of 'Telecom Mongolia' JSC changed

On 18 April 2018, the block trading of MSE listed 'Telecom Mongolia' JSC, was organized at the Mongolian Stock Exchange in order to transfer a 40 percent stake from 'Korea Telecom' JSC of South Korea to the Government of Mongolia in accordance with the agreement between the Government of Mongolia and 'Korea Telecom' JSC.

Consequentially, the state ownership in the Telecom Mongolia has reached 94.67 percent.

Source: MSE.mn

Mongolian Stock Exchange's annual report of 2017 published

The Annual Report - 2017 of the Mongolian Stock Exchange, which consists of our achievements, highlights and financial performance for the year of 2017, has been published on the company website.

In 2017, market turnover reached MNT859.2 billion - MNT76.4 billion worth shares, MNT772.5 billion worth Government bonds and MNT10.2 billion worth corporate bonds, the highest in its 26 years of history and 57.2% higher than the previous record fixed in 2015. The secondary market trading of Government securities has reached its peak and TOP-20 index and market capitalization both updated the record of last 5 years.

Stocks and bonds, the main products of the market, demonstrated increased activity with a successful IPO and SPO. For instance, Suu Bond issued by Suu JSC was offered successfully to attract MNT6.0 billion, the highest amount that was accumulated through a company debt instrument on the market to date. Initial public offering initiated by ITools JSC, the first ever technology company listed on MSE received oversubscription of 3 times that of originally offered or MNT 3.9 billion, marking the highest oversubscription rate of the market to date.

Another notable event was that 'APU' JSC, a Tier 1 company, merged with 'Evergreen' LLC by issuing additional 321,304,553 common shares, which was the largest-to-date merger in Mongolian capital market. As a result of this merger, globally recognized Heineken company owns the 25 percent stake of 'APU' JSC and this enabled the company to expand its business regionally and internationally.

In addition, 'Rules on securities issuance on domestic market by legal entity listed on foreign exchange, and securities issuance on foreign exchange by legal entity listed on Mongolian exchange' was approved as a result of joint cooperation through working committee with Financial Regulatory Commission, thereby paving the way for companies to dual list on Mongolian market in the future..

Source: MSE.mn

'Sharyn gol' JSC will explore 1.06 million tons of coal in 2018

In 2018, 'Sharyn gol' JSC listed in the Tier 2 on the Mongolian Stock Exchange plans to mine 1.06 million tons of coal, which is higher by 100 million tons than the previous year. The company plans to sell 1.04 million tons of it. At the end of 2017, the company mined the record 912 thousand tons of coal and sold 909 thousand tons of it.

According to the 'Sharyn gol' JSC, exploration and sales increased since the expansion of the 'Erdenet' plant started to operate. 'Sharyn gol' company earned sales income of MNT 49.5 billion in 2017, increasing sales income of the previous year by 52 percent. Thermal Power Plant of Erdenet and Darkhan and Erdenet Mining Corporation purchased 805 thousand tons of coal which accounted for 88.5 percent of total sales. There is a project aimed to extend the capacity of Thermal Power Plant of Darkhan by 35 megawatts. Therefore, the coal demand is expected to increase.

Source: BloombergTv.mn

'Remicon' JSC will increase sales of concrete by 50 percent

'Remicon' company announced that it plans to sell 90 thousand cubic meters of concrete in 2018. In other words, large-scale projects are expected to increase sales by 50 percent. In 2017, the company sold 54.8 cubic meters of concrete and earned sales income of MNT 7.8 billion. This was 8.6 percent lower than planned. Last year, Remicon acquired the right to conduct a certified laboratory with a right to conduct monitoring of concrete. This year, the company is aiming to test concrete and raw materials. On April 1, the company has officially started testing and is currently cooperating with two factories.

According to the Association of Construction Materials Manufacturers, 158 manufacturers of concrete had been registered, and 54 of them were operating in 2017. Remicon's market share in concrete accounted for 6.1 percent.

Source: BloombergTv.mn

'Aduunchuluun' JSC's sales decreased by 10 percent in 2017

'Aduunchuluun' JSC, which has market cap of MNT 8.2 billion, mined and sold 510.5 thousand tons of coal in 2017. This was 10.3 percent lower than in the previous year. The company signed an agreement to sell 500 thousand tons of coal to the state-owned 'Eastern Energy System', which alone generated 83 percent of sales in 2017. However, the company sold 424 thousand tons of coal, down 75.8 thousand tons.

In addition, MAK started selling coal to the 'Eastern Energy System' company, which affected Aduunchuluun's sales. 'Aduunchuluun' JSC is the main coal supplier in the eastern part of Mongolia. Since 2000, technical innovation has increased its capacity to produce one million tons of coal per year.

Source: BloombergTv.mn

COMMODITY MARKET NEWS

Mongolia has a 40-day reserve of fuel

The Ministry of Energy has reported that Mongolia has a 40-day reserve of fuel. The reserve of A-80 fuel is 77 days' worth, while AI-92's is 30 days, diesel fuel's is 33 days, and jet fuel's is 29 days. Mongolia plans to mine 8.1 million barrels (1.1 million tons) of oil and allocate MNT 223.5 billion to the budget. As of April 11, Mongolia has mined 1.93 million barrels or 262 thousand tons of oil. Our country plans to extract 8.1 million barrels (1.1 million tonnes) of oil and 223.4 billion togrogs. On January 11, 1.93 million barrels, or 262 thousand tons of oil, were extracted. As a result, the budget for the first quarter was 53.3 billion MNT, which was 23.86%. Therefore, in the first quarter, the company has allocated MNT 53.3 billion, reaching 23.86 percent of its plan.

Source: BloombergTv.mn

1100 vehicles to cross Gashuun Sukhait border checkpoint daily

Erdenes Mongol LLC reports that Chinese side has added entrance lanes starting from April 16, enabling coal trucks to cross the Gants mod border checkpoint through three gates. Previously, 1-2 lanes were operational and as a result of Prime Minister's visit to China last week, Chinese part is taking measure to intensify coal transportation. The three gates allow 1100 vehicles to cross the border daily. When the Prime Minister worked in the border checkpoint on April 13, there was 22 km long queue of coal trucks there. 150 trucks of border trade, 200 trucks of copper concentrate (Oyu Tolgoi LLC) and almost 120 trucks of coal cross the Gashuunsukhait and Gantsmod border checkpoints a day. Total of 138 thousand passengers, 18 thousand vehicles crossed the border in the first quarter of this year. Improvement of entrance capacity of the checkpoint will bring positive influence to income of coal exporters such as Erdenes Tavan Tolgoi, Energy Resources, Tavan Tolgoi and their partner transportation companies.

Source: BloombergTv.mn

TRQ: Oyu Tolgoi copper output decreased by 14.3 percent in the first quarter of 2018

According to Turquoise Hill Resources, the copper mine output has decreased by 14.3 percent in the first quarter due to a decrease in production and copper concentrate in Oyu Tolgoi. On the contrary, the increase in gold concentration has led to a 20 percent gain in gold output. In the first quarter "Oyu Tolgoi" LLC produced 38.8 thousand tons of copper and 42 thousand ounces of gold. "Oyu Tolgoi's output is same as expected in the first quarter," said Jeff Tygesen, CEO of Turquoise Hill Resources. He also said that "Some planned repairs in January had caused a decline in production in the first quarter, but gold output increased." "According to the first stage of ore processing in Section 4A, the gold concentration and production is expected to grow in comparison with last year." Depending on weather conditions and planned repairs, production decreased by 20%. Oyu Tolgoi LLC plans to process 125-155 thousand tons of copper and 240-280 thousand ounces of gold in 2018. Lastly, the Turquoise Hill Resources' shares valued at CAD 3.84 on the Toronto Stock Exchange.

Source: BloombergTv.mn



Xanadu Mines discovers new copper porphyry centre at Kharmagtai project in Mongolia

This hole called "Zaraa" is at a depth of 1,200 metres and remains in mineralisation with visible copper-bearing sulphides. The top 770 metres of the hole returned 316 metres at 0.32% copper and 0.27 g/t gold from 458 metres. Within this intersection were 217 metres from 557 metres at 0.4% copper and 0.33 g/t gold, and 108 metres from 645 metres at 0.47% copper and 0.42 g/t gold.

Final results from the Zaraa drilling are expected in the next couple of weeks. The company believes the hole indicates the system is increasing in size and grade towards the southwest. Three follow-up holes are planned to test this new system along strike, targeting higher grades and broader widths in addition to expanding shallow high-grade mineralisation. On Thursday, the stock price of the company rose 8.11 percent to stand at CAD 0.02.

Source: BloombergTv.mn

LME: Cobalt price has increased by 300 percent since 2016

Cobalt 27 Capital Corporation announced that it is close to sign a supply agreement with China. The company has noted that China's bound to lead world electric vehicle industry, and, therefore, the company is interested in establishing a reliable partnership with China. Prior to this, 'Glencore', the world's leading provider of cobalt, announced that it could sell its cobalt deposit in Tongo to China. Glencore's CEO warned that EU would not be able to compete with China in electric vehicle production, if China owns the majority of world cobalt reserves.

Source: BloombergTv.mn

Troweprice: Aluminum, palladium and nickel prices rise

Last week, aluminum prices spiked after Rusal was barred from selling its products in the U.S. and other markets because it is majority owned by two of the oligarchs on the U.S. sanctions list. Top exchanges also stopped accepting metal from Rusal. Aluminum prices on the London Metals Exchange have risen over 20% in the past two weeks as buyers seek alternative suppliers. Palladium and nickel prices have also surged as buyers worry that Norilsk Nickel, which supplies 40% of the world's palladium output, could be next to fall under sanctions. Since the announcement of the sanctions, nickel prices have risen almost 13% and palladium is 14% higher.

Source: Troweprice.com

OTHER NEWS



The number of domestic entities are growing

GDP, which was accounted for 1 percent in 2016, rose to 5.1 percent in 2017. As of first three months of 2018, the number of business entities has increased by 7,766. 85.5 percent of them are small companies with 0-9 employees, while only 3.1 percent of them have more than 50 employees. As of March, 158.8 thousand entities are registered in Mongolia, yet only 51 percent of them are currently operating. The number of registered entities has increased by 26.4 percent since 2015. However, the number of non-operating companies have increased by 27.4 percent. As of first three months of 2018, the number of operating companies are accounted for 49.6 percent⁸ which is the lowest number in last four years.

According to the World Bank's "Doing Business-2018" report, Mongolia got 69.03 point and ranked 62th out of 109 countries. This result is a bit higher than in the previous year. Ease of Doing Business Index remained unchanged at 90.08, while Dealing with Construction permits of Mongolia ranked 23rd in the world. In 2012, Mongolia ranked 119th.

Getting Credit increased by 20 per cent to 80 unit. Mongolia ranked 20th out of 190 in this category. According to the Transparency International, Mongolia's Corruption Perceptions Index, ranks 103th for the second time.

Source: BloombergTv.mn

Bank of Mongolia earned net income of MNT 176.6 billion

The Bank of Mongolia has prepared its annual financial statements in accordance with International Financial Reporting Standards and certified by PWC Mongolia's external audit.

During the reporting period, the Bank of Mongolia earned net profit of MNT 176.6 billion and decreased its MNT 3.0 trillion losses from 2012-2016 to MNT 2.8 trillion.

The following factors contributed to the profitability of operations. In particular, the Bank of Mongolia purchased the highest amount of gold in Mongolian history, 20 tons of gold, in accordance with world prices for gold. Gold prices on the world market increased by 10 percent from the beginning of the year. As a result, precious metals trading revenues and their reserves increased.

At the end of the year, the foreign exchange reserves reached USD 3 billion, the strong tugrik support macroeconomic growth, thereby enhancing the operational and expenditure flows of the BOM policy.

Positive impact had a 50 percent rise in the interest rate of loans to domestic banks and coupons of Government Securities and Mortgage-backed bonds and improvements in the re-assessment of financial derivative transactions.

Source: Montsame.mn

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