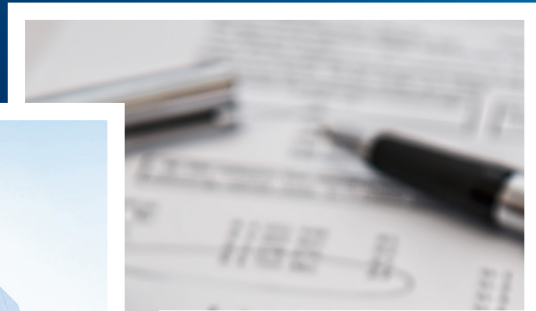


WEEKLY MARKET UPDATE

02.10 - 02.14



GLOBAL MARKET UPDATE

US: Stocks recorded solid gains on the back of encouraging economic data and hopes that the global economy would prove resilient in the face of the new coronavirus outbreak centered in China. Slower-growing value shares trailed their higher-valuation growth counterparts for the week, but T. Rowe Price traders noted a pronounced rotation into value at midweek. Reflecting the ongoing outperformance of technology stocks, the Russell 1000 Growth Index ended the week up 6% in terms of total return (including dividends) for the year to date, while the Russell 1000 Value Index was roughly flat. The large-cap benchmarks and the technology-heavy Nasdaq Composite Index established record highs, with the S&P 500 Index notching its weekly best gain since June.

Information technology stocks outperformed within the S&P 500 Index, helped by a gain in Microsoft shares. Other notable standouts included Tesla, which surged early in the week following news of positive results in its battery division, and Twitter, which jumped after beating revenue and user growth estimates. The interest rate-sensitive utilities sector lagged as longer-term Treasury bond yields rebounded from multi-month lows reached late the previous week.

Europe: Equities in Europe rebounded and reached record highs over the week after some strong earnings results and an advance in global markets triggered by China's moves to halve some tariffs on U.S. imports and to mitigate the impact of the coronavirus.

European Central Bank (ECB) President Christine Lagarde said in testimony to the European Parliament that eurozone economic growth remained modest and that ultra-easy monetary policy was still required. She also noted that moderate growth was delaying the pass-through from wage increases to prices and inflation developments remained subdued. She said that while domestic growth remained resilient, citing private consumption and low unemployment, global factors weighed on regional growth. She said the outbreak of the coronavirus in China was now the main risk to global growth, as trade war risks had receded.

Japan: Stocks in Japan rallied for the week, recouping the prior week's steep losses.

Bank of Japan (BoJ) Deputy Governor Masazumi Wakatabe confirmed in a speech to business leaders in the Ehime prefecture that the central bank will not hesitate to employ additional easing measures if there is a loss of momentum toward achieving price stability. Wakatabe noted a "decoupling" between the performance of the manufacturing and nonmanufacturing segments due to the slowdown in the global economy, which was largely the result of trade friction between the U.S. and China.

China: Equity markets reopened on February 3, having been shut since January 23 ahead of the Chinese Lunar New Year holidays. After their extended closure, A-shares fell heavily on Monday, with the Shanghai Composite Index dropping 7.7%. Over the remainder of the week, Chinese equities were able to first stabilize and then stage a partial recovery.

Helping to sustain the more positive tone to markets, the number of new reported cases of the Wuhan coronavirus fell for two consecutive days, although it is much too soon to tell if the situation is really stabilizing.

Source: Troweprice.com

International indices	Country	Last Price	Change /w/
MSE TOP 20	Mongolia	18,983.30	1.31% ▲
Dow Jones	USA	29,398.08	1.02% ▲
S&P 500	USA	3,380.16	1.58% ▲
Nasdaq	USA	9,731.18	2.21% ▲
S&P/TSX	Canada	17,848.36	1.09% ▲
FTSE 100	Great Britain	7,409.13	-0.77% ▼
S&P/ASX 200	Australia	7,130.20	1.53% ▲
Nikkei 225	Japan	23,687.59	-0.59% ▼
Hang Seng	Hong Kong	27,815.60	1.50% ▲

Bond	Currency	Coupon	Last price
Mongol 2024 (Khuraldai)	USD	8.750%	114.13
Mongol 2023 (Gerege)	USD	5.625%	103.28
Mongol 2022 (Chinggis)	USD	5.125%	102.39
Mongol 2021 (Mazalai)	USD	10.875%	107.71
DBM' 23 (Samurai)	JPY	1.520%	103.29
DBM' 2023	USD	7.250%	106.95
TDBM' 2020	USD	9.375%	101.12
MGMTGE' 2022 (Hoelun)	USD	9.750%	97.94

Rates	Last	Change /w/
Libor 1M	1.665	-0.01 ▼
Libor 3M	1.731	-0.04 ▼
Libor 6M	1.740	-0.03 ▼
Libor 1YR	1.835	-0.04 ▼
US 2YR Bond	1.387	0.04 ▲
US 3YR Bond	1.372	0.02 ▲
US 5YR Bond	1.386	0.03 ▲
US 10YR Bond	1.565	0.02 ▲

Exchange rates	2020.02.14	Change /w/
USD	2,756.26	0.08% ▲
CNY	394.68	0.09% ▲
EUR	2,988.06	-1.06% ▼
RUB	43.44	0.35% ▲
KRW	2.33	0.43% ▲
JPY	25.11	0.20% ▲
CAD	2,080.27	0.50% ▲

Commodity	Unit	Last price	Change /w/
Gold /spot/	USD/t oz.	1,584.06	0.87% ▲
Silver /spot/	USD/t oz.	17.74	0.23% ▲
Copper	USD/lb.	260.70	2.12% ▲
Coal	USD/MT	70.93	0.97% ▲
Crude Oil WTI	USD/bbl.	52.05	3.44% ▲
Crude Oil Brent	USD/bbl.	57.32	5.23% ▲

Indicators	Reference	Amount
Inflation Rate	2019. XII	5.2%
Policy Rate	2019. XII	11.00%
Interbank Rate	2019. XII	11.02%
Deposit Interest Rate /MNT/	2019. XII	11.29%
Deposit Interest Rate /Foreign currency/	2019. XII	4.75%
Loan Interest Rate /MNT/	2019. XII	16.84%
Loan Interest Rate /Foreign currency/	2019. XII	10.35%

Source: National Statistical Office, Bank of Mongolia, Bloomberg

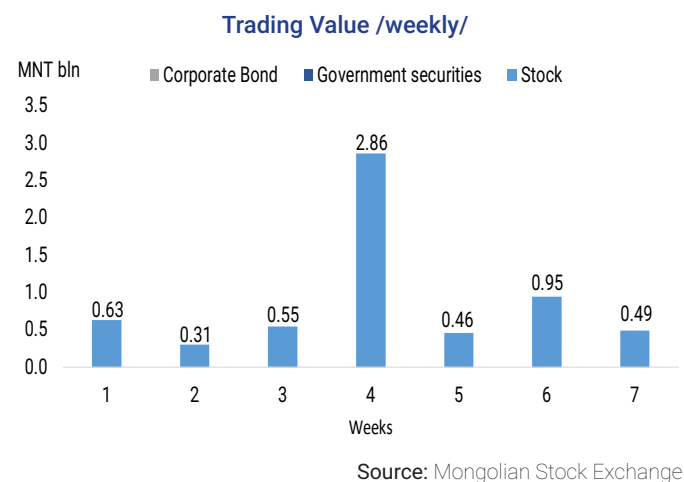
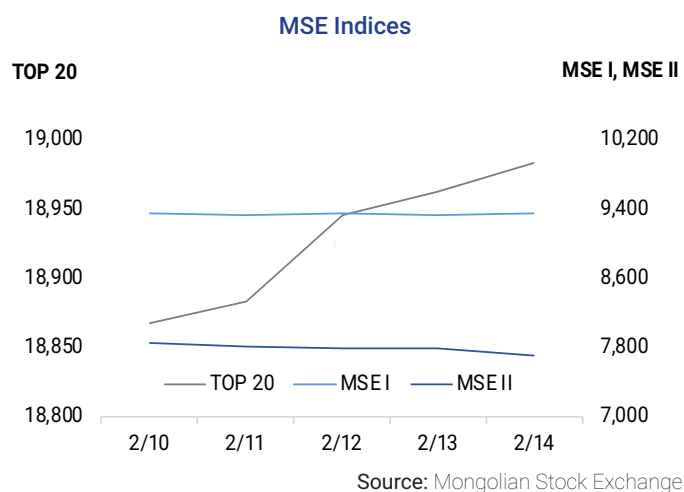
MSE TRADE UPDATE

In this week, a total of 41 companies' 1,690,496 shares worth MNT 493.1 million were traded in the secondary market.

"Mongol Daatgal" /CHE/ company's shares rose 100.90 percent to MNT 865.00, while 'Telecom Mongolia' /MCH/ company's share fell 17.37 percent to MNT 390.00.

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

As of February 14, total market capitalization of MSE is MNT 2,720.4 billion. The TOP-20 index increased by 1.31% to stand at 18,983.30 units.



Market Review	Total amount /MNT mln/
Total Value	493.1
Market Capitalization	2,720,421.1

Market Indices	Last Price	Change /w/
MSE Top 20	18,983.30	1.31% ▲
MSE I Index	9,338.49	0.02% ▲
MSE II Index	7,702.55	-1.81% ▼

Actively Traded Securities	Volume	Amount/MNT/
APU	456,276	281,123,306
Ulsyn Ikh Delguur	124,799	31,875,092
UB-BUK	4,770	30,945,165
Hermes Centre	500,383	20,605,696
Juulchin Duty Free	12,968	15,130,082

Securities with most growth	Last Price /MNT/	Change /w/
Mongol Daatgal	865.00	100.90% ▲
Moninjbar	1,316.00	30.82% ▲
Telecom Mongolia	345.00	15.00% ▲
Darkhan Nekhii	149.98	7.13% ▲
Sharyn Gol	92,800.00	2.93% ▲

Securities with most decline	Last Price /MNT/	Change /w/
Telecom Mongolia	390.00	-17.37% ▼
Baganuur	910.00	-16.97% ▼
Standard Property Group	49.00	-14.04% ▼
Aduunchuluun	1,220.00	-12.54% ▼
Remicon	27.03	-9.87% ▼

Most Active Brokerage Firms	Amount/MNT/
BDSec	552,711,390
Standard Investment	74,672,801
Golomt Capital	68,318,547
ArdSecurities	65,571,139
TDB Capital	35,530,509

Top 5 Companies With Largest Market Capitalization	Last Price /MNT/	Market Cap. /MNT mln/
APU	622.75	662,719
Tavan Tolgoi	6,480.00	341,270
MIK Holding	14,940.00	309,397
Gobi	257.18	200,629
Invescore NBF1	2,650.00	190,079

Government securities /secondary market/

Nº	NAME	VOLUME	TURNOVER /MNT/	MINIMUM /MNT/	MAXIMUM /MNT/	WEEKS	ANNUAL INTEREST RATE
-	-	-	-	-	-	-	-

CAPITAL MARKET UPDATE

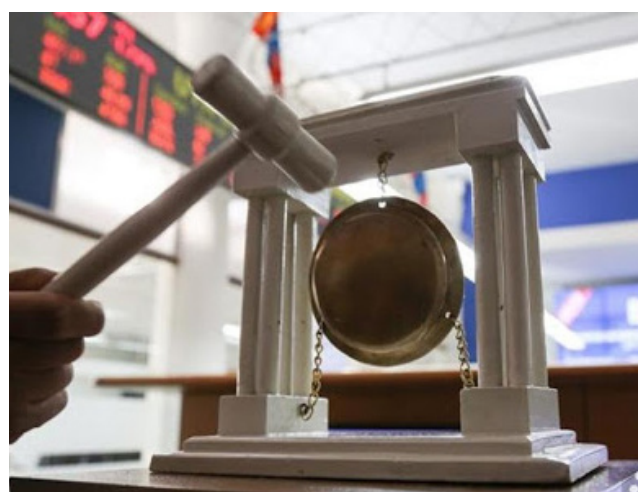
HIGHLIGHT



- By the Financial Regulatory Commission's Resolution of January 15, 2020, the name of "Bayan-Aldar NBF1" JSC's was changed to "Tandem Invest NBF1" JSC and split its total common shares of 19,922,679 with 1:50 ratio, resulting in the company to have a total common shares of 996,133,950.
- During the FRC's III meeting of 2020, a total of 21 issues were discussed and resolved.

NEWS ON JOINT STOCK COMPANIES

- "Erdene Resource Development Corp." JSC (TSX:ERD; MSE:ERDN) announced its results from the Q4-2019 exploration program on its Altan Nar, Khundii and Ulaan licenses.
- "Invescore NBF1" JSC has released its report on the expenditure of the financing from its IPO.
- "Mongol Basalt" JSC has released its report on the expenditure of the financing from its IPO.
- "Tandem Invest NBF1" JSC's securities trading has been restored.



DIVIDEND INFORMATION

№	TICKER	COMPANY NAME	NET PROFIT OF 2019 /MNT MLN/	TOTAL DIVIDEND AMOUT /MNT MLN/	DIVIDEND PAYOUT RATIO	DIVIDEND PER SHARE /MNT/	DATE OF RESOLUTION	PAYMENT DATE
1	HRM	HERMES CENTRE JSC	820.0	322.0	39.3%	4.1	2020.02.05	ON 2020.03.15
2	MNP	MONGOL POST JSC	1,103.6	331.1	30.0%	3.03	2020.02.13	FROM 2020.05.01
3	LEND	LENDMN NBF1 JSC	4,910.2	1,200.0	24.4%	1.5	2020.02.03	WITHIN 2020.04.30
4	HRD	HURD JSC	722.5	72.4	10.0%	535.0	2020.02.17	WITHIN 2020.06.30
5	NEH	DARKHAN NEKHII JSC	2,327.6	NA	NA	210.0	2020.01.31	2020.09.30-2020.12.30
6	BDS	BDSEC JSC	19.9	136.9	687.0%	10.0	2020.02.14	WITHIN 2020.12.31
7	MBW	MONGOL BASALT JSC	335.0	225.7	67.4%	4.0	2020.02.14	WITHIN 2020.06.29
8	AIC	ARD DAATGAL JSC	1,718.7	850.0	49.5%	34.0	2020.02.17	WITHIN 2020.06.30

OTHER NEWS

HIGHLIGHT

- Ulaanbaatar Chamber of Commerce reports that the shortage of imported raw materials and supplies due to the new coronavirus outbreak is leading to stagnation of production of domestic business owners and producers.
- Customs General Administration: In January, total imports decreased by 6.1% from the same period of the previous year or USD 473.3 million.



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527	47,130	10,844
536	48,240	28,160
741	66,690	334,519
750	67,500	667,898
848	76,320	41,359
857	77,130	131,256
955	85,950	9,393
964	86,760	34,491
1063	95,670	56,346
1072	96,480	1,080,592

MACROECONOMIC NEWS

On 17 February 2020, Mr. Sumiyabazar D., Minister of Mining and Heavy Industry, Mr. Bayarsaikhan B., Chairman of the Board of Directors of “Erdenes-Tavantolgoi” JSC, and Mr. Gankhuyag B., Chief Executive Officer of “Erdenes Tavantolgoi” JSC held a press conference to deliver information following the “Erdenes-Tavantolgoi” JSC’s Board of directors’ decision on paying dividend to its shareholders. According to the decision, the company will pay 90 MNT of dividend per share and therefore, a shareholder with 1072 shares will receive 96’480 MNT of dividend.

In accordance with the Law on Company, decision will be discussed at the Shareholders meeting before 01 May. Also, in respect to the latest regulation by Finance Regulatory Commission, the 2020’s dividend will be paid to shareholders through Mongolian Central Securities Depository. Therefore, to receive the dividend, shareholders have to verify whether they have opened their shares account or not.

COMMODITY MARKET NEWS

In January, copper concentrate export reached 101.6 thousand tons, showing a decrease of 13 percent compared to the same period of last year. In monetary terms, it is declined by 27 percent, reaching USD 114 million, reports the Customs General Administration.

Although the State Emergency Commission made a decision to halt coal export until March 2, it notified that export of copper concentrate by Oyu Tolgoi LLC would normally run through Gashuunsukhait border checkpoint. However, the volume of export is going down regarding with preventative measures of the Government of Mongolia, Oyu Tolgoi LLC reports.



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