

E-Newsletter

30th edition





INFORMATION OF GOVERNMENT SECURITIES TRADING

ADDITIONAL MNT100.0 BILLION GOVERNMENT SECURITIES REGISTERED AT MONGOLIAN STOCK EXCHANGE



SECURITIES COMPANIES THAT FAILED TO FOLLOW THEIR OBLIGATIONS

DETAILED INFORMATION ABOUT GOVERNMENT RETAIL BONDS



TRADING PARTICIPATION HAS BEEN INCREASED FROM THE SAME PERIOD OF THE PREVIOUS YEAR

TOTAL RETURN OF GOVERNMENT SECURITIES ACCOUNTED MNT7.5 BILLION



QUARTERLY BRIEF REPORT OF GLASS ACCOUNT

ANGAR.D PARTICIPATED AT "ULAANBAATAR INVESTMENT-2015" BUSINESS FORUM MEETING



JAMBAAJAMTS: CAPITAL MARKET MANIPULATION WERE COMMON

- Government bonds worth MNT55.1 billion traded through 4 trading sessions in April.
- Additional Government Securities worth MNT100.0 billion registered at MSE.
- Detailed information about government retail bonds.
- MSE released the list of securities companies that failed to follow their obligations.
- Trading participation of first quarter of 2015 increased from the same period of last year.
- Total return of government retail bonds accounted to MNT7.5 billion.
- MSE released quarterly brief report of glass account.
- D.ANGAR participated at "Ulaanbaatar Investment-2015" forum meeting as a panelist.
- Jambaajamts: Capital market manipulation were common before.

STATISTICAL INFORMATION OF SECURITIES MARKET

Trading information of February 2015

TRAINING

Fundamental training of Capital market will commence on May 25.

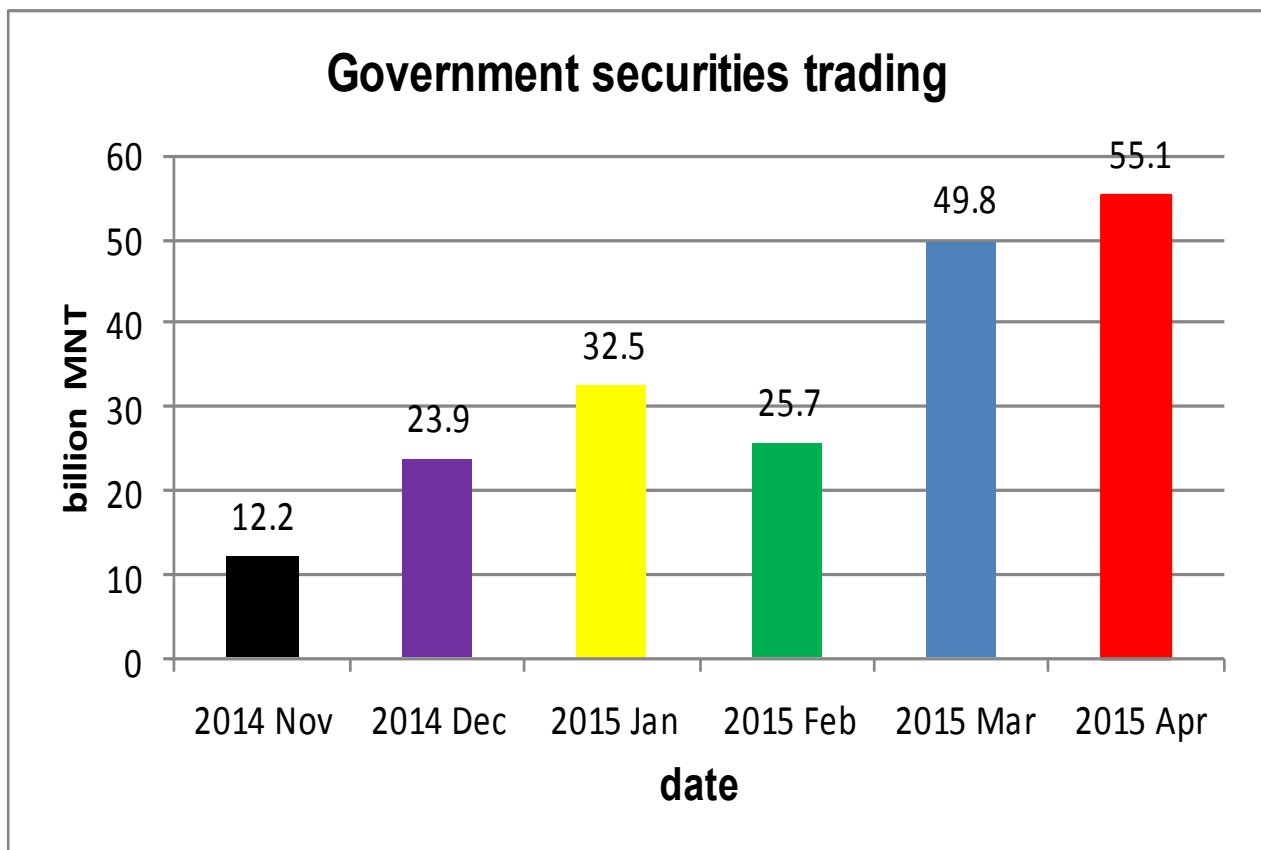
For detailed information please contact to: 11-313747 /116



INFORMATION OF GOVERNMENT SECURITIES TRADING

According to the Financial Regulatory Commission Resolution No. 389 dated 21 October 2014 and Chief Executive Officer's Order No.169 of the MSE dated 23 October 2014, Government Securities has been traded through the Mongolian Stock Exchange since November 2014. Government bonds worth MNT55.1 billion traded through 4 trading sessions in April of 2015.

Date	Government Securities Name	Maturity /week	Purchased amount /unit/	Interest rate	Value /MNT/
2015.04.07	ЗГЭБ-Б-52-297	12	337,511	15.185%	32,611,325,353.00
2015.04.14	ЗГЭБ-Б-12-298	28	2,652	15.80%	244,458,708.00
2015.04.14	ЗГЭБ-Б-12-299	156	29	16.875%	2,900,000.00
2015.04.21	ЗГЭБ-Б-12-300	12	209,049	14.988%	20,207,930,634.00
2015.04.28	ЗГЭБ-Б-52-302	52	20,891	16.0%	2,089,100,000.00
2015.04.28	ЗГЭБ-Б-28-303	360	20	16.75%	2,000,000.00
Total purchased Government securities			570,152		55,157,714,695.00





ADDITIONAL MNT100.0 BILLION GOVERNMENT SECURITIES REGISTERED AT MSE

According to the resolution No.:389 of Financial Regulatory Commission dated on 21 October 2014 and the order No.:169 of Chief Executive Officer of Mongolian stock exchange dated on 23 October 2014, the Government securities worth MNT100.0 billion traded through Mongolian stock exchange. In past several months, there were 26 government bonds trading organized and transaction of MNT183.4 billion has been made.

3rd additional government retail bonds worth MNT100.0 billion registered at Mongolian stock exchange in accordance with the official request of Financial regulatory commission dated on 10 March 2015 and the Order No.:76 of CEO of MSE dated on 10 March 2015.

SECURITIES COMPANIES THAT FAILED TO FOLLOW THEIR OBLIGATIONS

According to the Article No.: 7.1.3, 7.1.4 of “Membership Regulation” of Mongolian Stock Exchange, securities member company shall pay annual membership fee and supply of service fee within first 10 days in every quarter. There are 27 securities companies that failed to follow their obligations.

If securities company that failed to follow obligations that stated in the Article No.: 4.4 of “Partnership Agreement”, based on provision No.: 232.6 of “Civil Law of Mongolia”, 0.5 percent of the daily value in every overrun days will be deducted as a undue loss. MSE is warning that the rights to participate trading will be suspended from 10 May 2015 for those securities companies.

- | | |
|---------------------------|----------------------------|
| 1 ABGYa LLC | 15 Zous Capital LLC |
| 2 I Trade LLC | 16 Lifetime Investment LLC |
| 3 Argai Best LLC | 17 Mongol Securities LLC |
| 4 Baga Kheer LLC | 18 Monet Capital LLC |
| 5 Bats LLC | 19 Novel Investment LLC |
| 6 BBSS LLC | 20 National Securities LLC |
| 7 Black Stone LLC | 21 Prevalent LLC |
| 8 Bulgan Broker LLC | 22 Sanar LLC |
| 9 Global Asset LLC | 23 Tavantolgoi Khishig LLC |
| 10 Goviin Noyon Nuruu LLC | 24 Finance Link Group LLC |
| 11 DCF LLC | 25 Frontier LLC |
| 12 Dogson LLC | 26 Hunnu Empire LLC |
| 13 Delgerkhangai LLC | 27 FCX LLC |
| 14 ZGB LLC | |

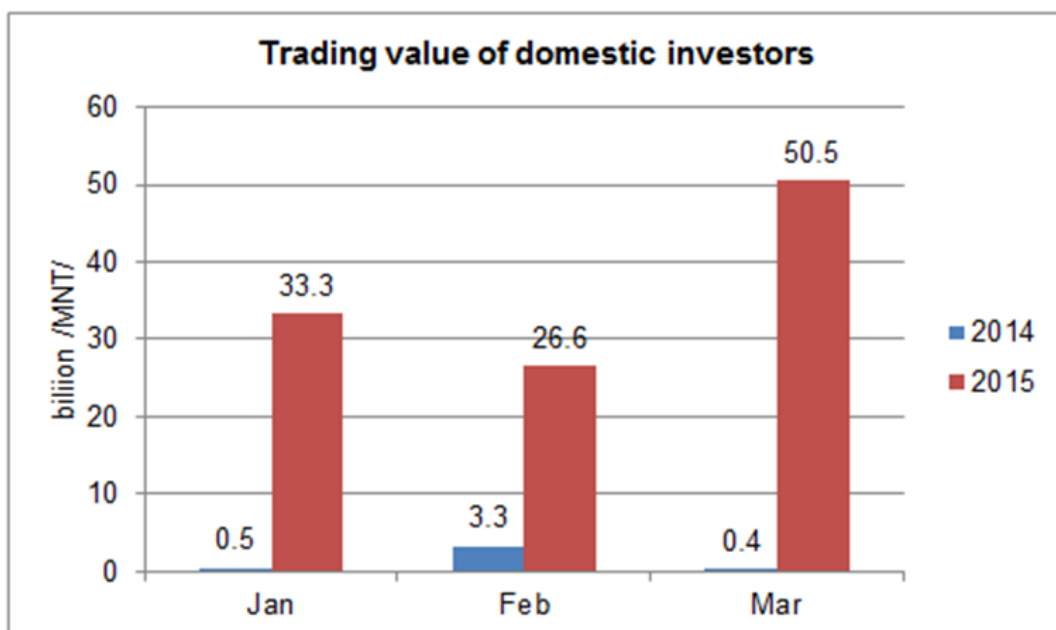
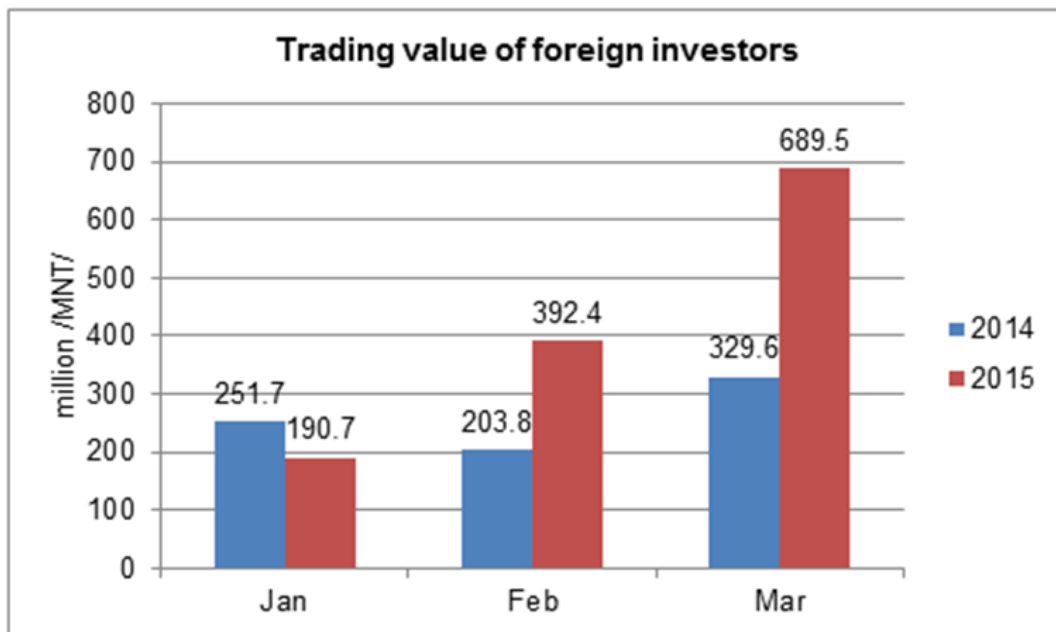
DETAILED INFORMATION OF GOVERNMENT SECURITIES

№	Securities code	Name of securities	maturity /week/	interest rate	face value	discounted price	value	form of payment	maturity date
1	1096	ЗГЭБ-Б-12-274	12	15.795	100,000	96,493	4,344,114,860	discounted	2015.01.27
2	1097	ЗГЭБ-Б-52-275	52	16.25	100,000	-	230,400,000	monthly	2015.11.10
3	1098	ЗГЭБ-Б-12-276	12	15.99	100,000	96,451	5,337,308,987	discounted	2015.02.10
4	1099	ЗГЭБ-Б-28-277	28	16.3	100,000	91,952	2,295,213,872	discounted	2015.06.09
5	1100	ЗГЭБ-Б-12-278	12	15.96	100,000	96,457	2,586,590,912	discounted	2015.02.24
6	1101	ЗГЭБ-Б-52-279	52	16.625	100,000	-	205,700,000	monthly	2015.12.08
7	1102	ЗГЭБ-Б-12-280	12	15.731	100,000	96,506	14,763,294,868	discounted	2015.03.10
8	1103	ЗГЭБ-Б-28-281	28	16.436	100,000	91,890	449,158,320	discounted	2015.07.07
9	1104	ЗГЭБ-Б-12-282	12	15.653	100,000	96,523	5,905,084,094	discounted	2015.03.24
10	1106	ЗГЭБ-Б-12-284	12	14.690	100,000	96,730	12,582,348,210	discounted	2015.04.07
11	1107	ЗГЭБ-Б-28-285	28	15.292	100,000	92,411	304,309,423	discounted	2015.08.04
12	1108	ЗГЭБ-Б-12-286	12	14.840	100,000	96,698	19,605,519,500	discounted	2015.04.21
13	1109	ЗГЭБ-Б-52-287	52	16.125	100,000	-	165,200,000	monthly	2016.02.02
14	1110	ЗГЭБ-Б-12-288	12	14.896	100,000	96,686	2,114,909,564	discounted	2015.05.05
15	1111	ЗГХБ-Б-28-289	28	15.745	100,000	92,204	828,637,348	discounted	2015.09.01
16	1112	ЗГХБ-Б-12-290	12	15.019	100,000	96,659	22,607,186,874	discounted	2015.05.19
17	1113	ЗГЭБ-Б-52-291	52	16.625	100,000	-	1,521,500,000	monthly	2016.03.01
18	1114	ЗГХБ-Б-12-292	12	15.54	100,000	96,547	649,471,669	discounted	2015.06.02
19	1115	ЗГХБ-Б-12-293	12	15.54	100,000	96,547	16,085,212,935	discounted	2015.06.02
20	1116	ЗГХБ-Б-28-294	28	16.00	100,000	92,088	490,184,424	discounted	2015.09.29
21	1117	ЗГХБ-Б-12-295	12	15.435	100,000	96,570	30,535,820,280	discounted	2015.06.16
22	1118	ЗГЭБ-Б-52-296	52	16.375	100,000	-	587,000,000	monthly	2016.03.30
23	1119	ЗГХБ-Б-12-297	12	15.185	100,000	96,623	32,611,325,353	discounted	2015.06.30
24	1120	ЗГХБ-Б-28-298	28	15.80	100,000	92,179	244,458,708	discounted	2015.10.27
25	1121	ЗГЭБ-У-156-299	156	16.875	100,000	-	2,900,000	2015.08.15, 2016.02.15, 2016.08.15, 2017.02.15, 2017.08.15, 2018.04.14	2018.04.14
26	1122	ЗГХБ-Б-12-300	12	14.988	100,000	96,666	6,364,006,110	discounted	2015.07.14
27	1123	ЗГХБ-Б-12-301	12	14.988	100,000	96,666	13,843,924,524	discounted	2015.07.14
28	1124	ЗГЭБ-Б-52-302	52	16.00	100,000	-	2,089,100,000.00	monthly	2016.04.28
29	1125	ЗГЭБ-У-260-303	260	16.75	100,000	-	2,000,000.00	2015.08.15, 2016.02.15, 2016.08.15, 2017.02.15, 2017.08.15, 2018.02.15, 2018.08.15, 2019.02.15, 2019.08.15, 2020.02.15, 2020.04.28	2020.04.28

TRADING PARTICIPATION HAS BEEN INCREASED FROM THE SAME PERIOD OF THE PREVIOUS YEAR

The trading participation of domestic and international investors have been increased by 20 times more than same period of the previous year and reached to MNT117.7 billion in first quarter of 2015.

The main reason for increasing investor’s participation was the Mongolian Stock Exchange has been organizing primary market trading of Government securities from November 2014, and the secondary market trading from January of 2015. In addition, MSE introduced the “Market Makers” structure into market and as a result, securities’ liquidity and investors’ interest to invest in have been increasing continuously.



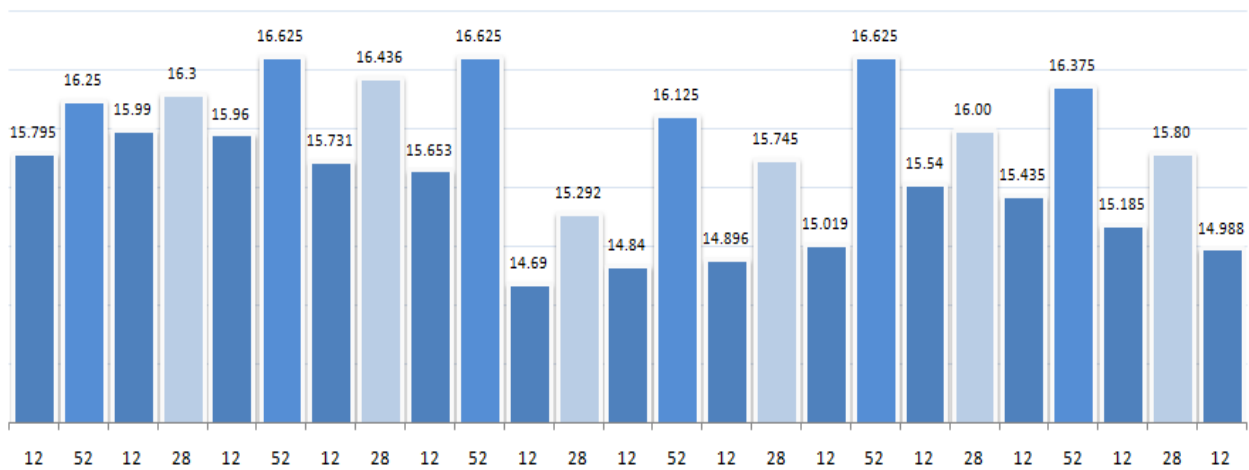
TOTAL RETURN OF GOVERNMENT SECURITIES ACCOUNTED MNT7.5 BILLION

Since November 2014, Government securities trading has been organized at Mongolian Stock Exchange and total of 2.04 million government securities traded successfully through 25 trading sessions.

During that time, total of 221 international and domestic investors invested on government securities worth MNT197.3 billion and expected to get return of MNT7.5 billion.

Interest rate of Government securities which traded through MSE is same as weighted average interest rate of Government securities which traded through Mongol Bank. In past period, Mongolian government has been saving approximately MNT107.6 million because of selling its government securities worth MNT197.3 billion with weighted average interest rate through Mongolian Stock Exchange.

Return Amount /by percent/



(maturity period: weekly)

QUARTERLY BRIEF REPORT OF GLASS ACCOUNT

In first quarter of 2015, Mongolian Stock Exchange traded total of 14 million securities worth MNT111.7 billion through 61 trading sessions. Daily average trading value reached to MNT1.8 billion, which indicated 20.97 times more than same period of previous year. In addition, trading transaction of foreign investors reached to MNT1.3 billion, which indicated 57 percent more than previous year.

In first quarter of 2015, “Mongolian Stock Exchange” JSC had revenue of MNT361,615,230.12 and expense of 261,200,062.89. Salary and related other expenses were MNT171,913,344.11 and maintenance and other expenses were MNT89,286,718.78. Overall, total profit of first quarter was MNT100,415,167.23

**DECISIONS OF FINANCIAL REGULATORY COMMISSION AND
MONGOLIAN STOCK EXCHANGE**



REGULATION SERVICE FEE OF SECURITIES MARKET REDUCED

Regular 9th meeting of Financial Regulatory Commission, following fees of some regulators renewed and exempted in purpose of improving securities market:

- FRC's fee from 10 percent of the trading fee which accumulated by Mongolian Stock Exchange
- FRC's fee from 10 percent of the trading fee which accumulated by Securities Clearing House and Central Depository
- Underwriter annual fee

All fees that mention above are exempted until 31 December 2016.

TRADING LICENSE OF "ARGAI BEST" LLC SUSPENDED

According to the official enforcement No.:30 of state inspector of Financial Regulatory Commission dated on 3 April 2015, the trading license of "Argai Best" LLC suspended from 6 April 2015.

"GOLOMT SECURITIES" LLC HAS BEEN GRANTED AN UNDERWRITING LICENSE

According to the resolution No.:156 of FRC, dated 23 March 2015, "Golomt Securities" LLC granted an underwriting license.

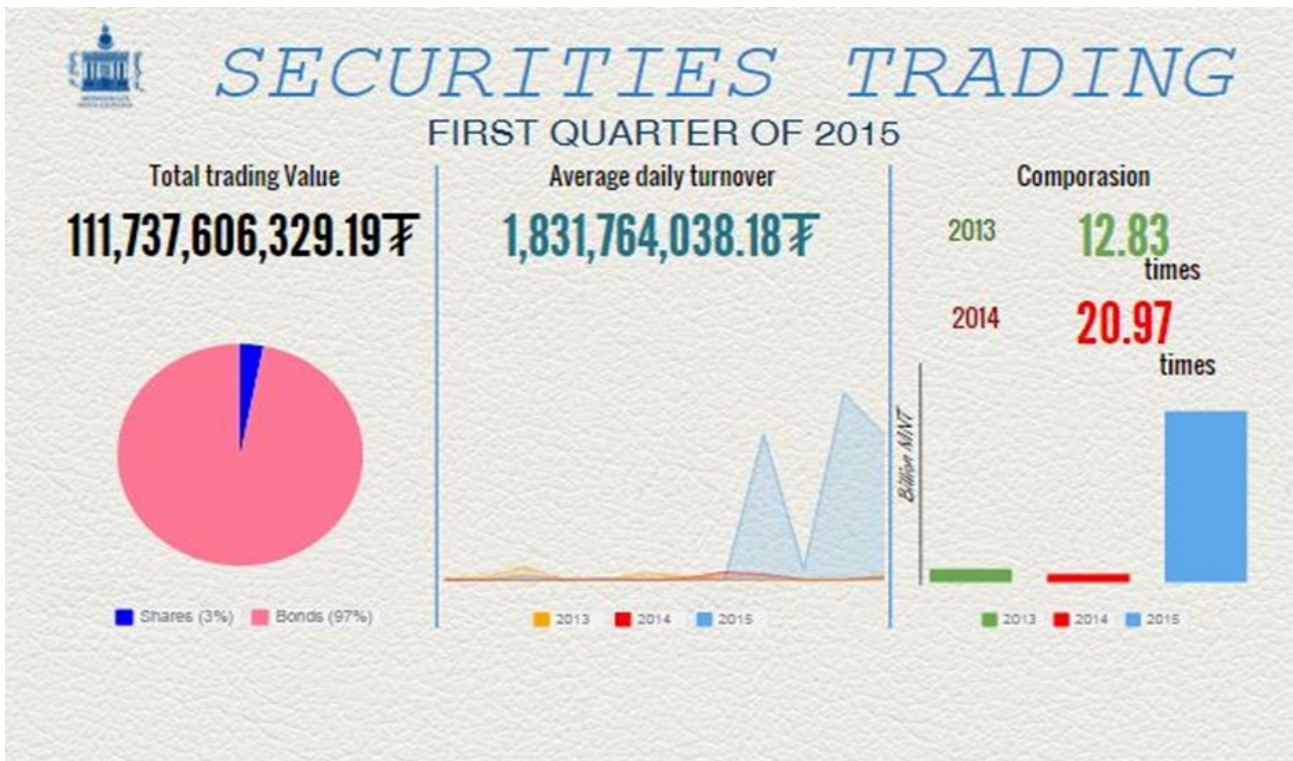
Therefore, "Golomt Securities" LLC has got a right to operate in three areas as Brokerage, Investment Advisor and Underwriting activities.

"JAVKHLANT KHARAA" JSC HAS BEEN RELISTED AT MSE

According to the resolution No.:246 of Financial Regulatory Commission dated on 25 June 2014, listing review report of official letter request No.:01/121 of "Javkhlan Kharaa" JSC dated on 12 January 2015, 58,543 shares with MNT100.00 face value of "Javkhlan Kharaa" JSC has been relisted at Mongolian Stock Exchange

QUARTERLY TRADING BRIEF REPORT

As of 31st March 2015, total of 12.9 million shares of 87 companies worth MNT3.4 billion through 61 trading sessions and 1.1 million government bonds worth MNT108.3 billion traded through 12 bonds trading sessions resulting total of MNT111.7 billion transaction has been made. Daily average trading was 211.9 thousand shares and MNT1.8 billion. Shares trading accounted MNT3.4 billion or 3.04% and Government securities trading were accounted MNT108.3 billion or 96.96% respectively.



BRIEF REPORT OF MARKET MAKER

Regarding the “Market Makers” introduction into securities market by Mongolian Stock Exchange /MSE/, MSE will publish two weeks Market Makers performance report to the public.

As of 15 April 2015, total of 362 order of the Government retail bonds have been planned to submit and performance of Market Makers shows following results “BDSec”-29%, “Standard Investment”-51.9% and “Tenger Capital”-23.8%

Performance as of 15 April 2015

No	Securities company	Orders planned to submit	Orders submitted	Percentage
1	BDSec	362	105	29
2	Standart Investment	362	188	51.9
3	Tenger Capital	362	86	23.8
4	Monsec*	362	-	-

Monsec became Market Makers on 24 March 2015, will be calculated from Market makers report of May

ANGAR.D PARTICIPATED AT “ULAANBAATAR INVESTMENT-2015” BUSINESS FORUM MEETING

On 15 April 2015, “Ulaanbaatar Investment-2015” business forum meeting held at Blue Sky center.

During the forum, Angar.D acting CEO of Mongolian Stock Exchange /MSE/ participated as a panelist at “International Finance Centre, Arbitration” break-out meeting. Angar.D emphasized the importance of capital market participation in the development of city of Ulaanbaatar. He also presented the current capital market situation, MSE’s policy, and fundraising opportunities for cities and aimags, the possibility of issuing municipal bonds through MSE.



MSE DONATED ONE-DAY SALARY



Jargalmaa Badarch, journalist of Eagle TV, was suffered brain tumor and conducted brain surgery to remove the tumor successfully. Right now, she is in treatment for recovery. Chief Executive Director of Mongolian Stock Exchange and stuffs of Marketing and Public Relations department of MSE donated one-day salary and

wished to her get better soon.

JAMBAAJAMTS: CAPITAL MARKET MANIPULATION WERE COMMON

Financial Regulatory Commission confirmed the “Regulation of preventing market manipulation” in few days ago. By adopting this regulation to the market, price valuation of shares and other securities will be depended on free and fair basis of supply and demand. It was a common to participate stock market with privileges and agreement between parties. We have discussed with JambaaJamts.T, Deputy Head of Supervisory division of FRC.

-What's the securities market manipulation?

-There are two types of activities are prohibited in securities market. First one is insider trading, and second one is market manipulation. According to the International standard, these two activities should not exist in the market. Even in Mongolia, they are prohibited accordance with Mongolian law. Market manipulation is between the interests of two persons agreed on to raise or declines the share prices instead of basis of supply and demand. The share prices should be set by the balance between supply and demand. However, two persons agreed with each other and make market manipulation to raise or decline the share prices. These incidences are regulated by the “Regulation of preventing market manipulation”. Market manipulation is a huge negative impact on the securities market; therefore, according to the Criminal Law, market manipulation is considered as a criminal case.

-Could you tell me more about the insider trading?

-Listed company should be fair and



transparent to the public; in other words, they should provide information to investors equally. However, person who could access to valuable non-public information, have possibilities to raise the share prices. Market manipulation and insider information usage were very common, and we did not have the regulation to regulate this kind of violations before.

-How many this kind of violations was detected?

-We have been conducting inspection since March of last year. During the inspection time, we temporary suspended four specialists' work permission of securities market, also permanently terminated one work permission for one specialist. The purpose of the violation was raising share prices.

-Development of securities market was not good enough in past period. We did not have this specific regulation at that time; do you think not having this kind of specific regulation really affect the market situation?

-There were many reasons that affected to securities market but the main reason was we do not have products and big buyers in our securities market.

-What kind of actions did you take on those business entities?

-We faced a lot of resistance from five securities companies because of the action on them. They were telling us that

they used to work like that and set the share prices. Plus, they questioned us that who is the loser because of this, there were not any plaintiff? We considered this as a market manipulation even there were not any plaintiffs or losers. A trust is a key cornerstone of the securities market. Nobody will enter the securities market, which drives by two joint interest persons. Investors do invest their money in fair and crystal securities market. Today, we take action to suspend their broker licenses temporary rather than fine on business immature securities companies. If they repeat this kind of violation again, the penalty will be more harder and fine will be charged.

Source: “Undesnii Shuudan” 2015.3.30
Myagmardorj.D



MSE'S BEGINNER COURSE CONDUCTED SUCCESSFULLY



Mongolian stock exchange's "Capital market beginner course" for the residents has successfully conducted from 23 March 2015 to 27 March 2015.

This beginner course consists of combination of theory and practical aspects and capital market basic comprehensions, legal adjustment, participant's operation, practice lessons and securities trading at MSE, taught by specialists of Mongolian stock exchange and other professional organizations and professors of Mongolian Universities.

Numbers of people who want to enroll this course have increased day by day. Therefore, we plan to set next course on 27 April 2015.



Brief Statistic

Total Volume	1,124,007
Total value /MNT/	55,462,024,680.80
Number of transactions	1005
Number of traded securities	73
Market Capitalization	1,281,492,495,061

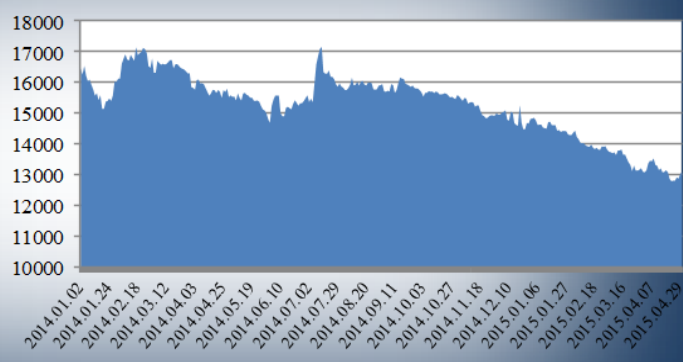
Top20 Index

Close	13,082.01
Change /%/	-0.11

MSE ALL index

Close	951.97
Change /%/	-0.66

TOP 20 INDEX



Most actively traded securities:

Volume:				Value:			
No	Sym bol	Securities name	Volume	No	Sym bol	Үнэт цаасны нэр	Үнийн дүн
1	GNR	GONIR	160,332	1	APU	APU	88,539,888
2	HRM	HERMES CENTRE	102,736	2	GNR	GONIR	25,653,120
3	ETR	Э-ТРАНС ЛОЖ И СТИКС	80,146	3	TCK	TALKH CHICHER	15,633,320
4	MRX	MEREX	57,447	4	HRM	HERMES CENTRE	13,356,606
5	RMC	REMICON	53,947	5	GOV	GOVI	13,264,840

Most gainer securities:

No	Sym bol	Securities name	Closing price	Change %
1	BUK	UB-BUK	40,200	30.94
2	AOI	AUTO IMPEX	3,300	10.00
3	BDS	BDSEC	1,750	9.03
4	GOV	GOVI	7,790	5.91
5	TCK	TALKH CHIKHER	18,980	5.80

Most lose r securities:

No	Sym bol	Securities name	Closing price	Change %
1	ADL	ADJUN CHULUUN	1,350	-28.95
2	BHL	BUUNII KHUDALDAA	571	-27.21
3	IBA	IKH BARILGA	6,500	-18.75
4	SHG	SHARYN GOL	4,202	-15.96
5	CHR	UVS CHACHARGANA	2,125	-15.00

Government securities: /secondary market/

No	Securities name	Volume	Value	Face value	Maturity /week/	Interest rate %
1	ЗГХБ-Б-12-297	337,511	32,611,325,353	96,623	12	15.185
2	ЗГХБ-Б-28-298	2,652	244,458,708	92,179	28	15.80
3	ЗГЭБ-У-156-299	29	2,900,000	100,000	156	16.875
4	ЗГХБ-Б-12-300	65,835	6,364,006,110	96,666	12	14.988
5	ЗГХБ-Б-12-301	143,214	13,843,924,524	96,666	12	14.988
6	ЗГЭБ-Б-52-302	20,891	2,089,100,000	100,000	52	16.00
7	ЗГЭБ-У-260-303	20	2,000,000	100,000	260	16.75

Government securities: /secondary market/

No	Securities name	Арилжигдсан ширхэг	Value	Face value	Maturity /week/	Interest rate %
1	ZGEB-BL-02/06/15-A0019-0	10	960,000	96,000	12	15.54
2	ZGEB-BL-02/06/15-A0019-0	10	981,000	98,100	12	15.54
3	ZGEB-BL-30/06/15-A0023-0	1	97,300	97,300	12	15.185
4	ZGEB-BD-30/03/16-A0024-16.375	34	3,401,360	100,040	52	16.375