



# Investment Opportunities in Financial Sector Of Mongolia

1. Mongolian Commodity Exchange
2. Mongolian Stock Exchange
3. Non Banking Financial Institution
4. Investment Fund

# Mongolian Commodity Exchange

(wool, cashmere, wheat, oil plants etc. )

- 2014. 2<sup>nd</sup> quarter's turnover : 396.6 billion MNT
- Average sales volume per day: 6.4 billion MNT
- Contract types: Spot, Forward, Futures
- Number of active brokerage companies: 32
- Negative issues: State owned, less players
- Positive issues: Will privatize 66% in 2015, improve platforms, adding new commodities, average return is 30%
- Short to long term investment

# Mongolian stock exchange Government Bond

- Short time – 1 year
- High interest - 15.795%
- Risk lowest – 0
- Fixed term repayment - every month
- Tax free
- Can resell
- Open for everyone
- Complete control

# Non banking financial institution

- 0-230 number of institutions between 2000-2014
- Total asset- over 450 billion MNT
- 18 - number of foreign investors
- Average interest - 4.5-5.5% per month
- Successful story – Standard Capital, Sar Shine LLC
- Growth of middle class
- Non mining sectors

# Investment Fund

- Law released 2013.10.03
- Tax free term
- Few players
- Government support for foreign investors
- Frozen projects
- Pioneering

# Numbers: Japan vs. Mongolia

- Central banks interest rate 0.1% vs. 12%
- Savings 0% vs. 18%
- Loan 0.3% vs. 21.6% – 36%
- Inflation 3.2% vs. 13%
- Government bond interest 0.01% vs. 15.79%
- JPY, MNT, USD rate

# Thank you for your attention

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- We can offer full range of financial cooperation with foreign investors